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Congressional Record

PROCEEDINGS AND DEBATES OF THE 80th CONGRESS, SECOND SESSION

Appendix

The Judiciary of the District of Columbia

EXTENSION OF REMARKS

OF

HON. HERBERT R. O'CONOR

OF MARYLAND

IN THE SENATE OF THE UNITED STATES

Saturday, June 19 (legislative day of Tuesday, June 15), 1948

Mr. O'CONOR. Mr. President, in these days, when criticism is heard concerning the functioning of the legislative and executive branches of the Government, it is most satisfying to note the unstinted praise which deservedly has been given to the judiciary of the District of Columbia.

I can imagine nothing more gratifying than the public announcement just made as to the exemplary condition of the district court here in Washington. Upon such high authority as Chief Justice Vinson of the Supreme Court of the United States and of the able Attorney General Tom C. Clark, it is stated that the courts here in the Nation's Capital have been elevated to the highest standards and are functioning in a manner which reflects great credit upon all who have any part in the administration of justice.

This commendable state of affairs is aptly described in an editorial appearing in yesterday's edition of the Washington Evening Star entitled "High Standard of Justice." In order that this matter may be given the widespread attention it deserves, I ask unanimous consent to have this editorial printed at this point in my remarks in the body of the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

HIGH STANDARD OF JUSTICE

There are reasons for the remarkable change which has come over the District court in recent years. So remarkable, indeed, has been the change that Chief Justice Vinson of the Supreme Court and Attorney General Tom Clark were moved to comment on it in glowing terms at the Judicial Circuit Conference here Thursday. A decade or more ago the court was so far behind in its work that justice suffered shamefully. Today the court is looked upon nationally as a shining example of judicial efficiency. Its docket is current.

The transformation was not achieved without a struggle. The court caught up with its work not because the load declined. On the contrary, the work of the court has greatly increased. But the court has been able to wipe out a backlog of cases and to keep abreast of current ones because its judges and its administrative staff, under the leadership of Chief Justice Laws, have reorganized the machinery of justice along approved business lines.

Before Chief Justice Laws began to institute a series of reforms, cases in both civil and criminal branches were so stagnated that by the time they finally were called for trial key witnesses often had died or disappeared or suffered memory lapses. Some criminals who should have been sent to jail escaped prosecution or, if brought to trial, benefited from absence of witnesses or vague and confusing testimony. The district attorney's office on one occasion was forced to drop several hundred old criminal cases which, if tried promptly, might have resulted in convictions.

After a series of conferences with the other judges, with prosecutors, with bar groups and with representative citizens, Chief Justice Laws began a reorganization which has had amazing results. Pretrial procedures in the civil branch relieved the judges of much time-consuming routine work through advance stipulations. An orderly system of assigning cases was installed, eliminating conflict and insuring an equitable distribution of the work load. The court cracked down on continuances by adopting a policy of granting delays only for very good reasons. Each judge was given supervisory responsibility for certain administrative functions of the court or for liaison with outside agencies.

Gradually the reforms began to tell. The log jam of cases was broken, trials were speeded up and a new and better brand of justice evolved. The court today has reason to be proud of its record of bringing 63.3 percent of its criminal cases to trial within 4 weeks of indictment—51.3 percent within 2 weeks of indictment. It has achieved this record despite the fact that it is called upon to try some of the most important and difficult cases in the country—like those of Gen. Bennett Meyers, the Garssons and the Hollywood contempt-of-Congress defendants.

Chief Justice Laws and his colleagues well deserve the fine tributes which have come to them from Chief Justice Vinson, Mr. Clark, Members of Congress and other advocates of prompt, effective justice. A still greater compliment is the fact that many other district courts are striving to match the gains of the local tribunal. It is no exaggeration to say that law enforcement nationally is profiting from the high standards being maintained by the United States District Court for the District of Columbia.

St. Lawrence Seaway Subcommittee

EXTENSION OF REMARKS

OF

HON. ALEXANDER WILEY

OF WISCONSIN

IN THE SENATE OF THE UNITED STATES

Saturday, June 19 (legislative day of Tuesday, June 15), 1948

Mr. WILEY. Mr. President, I ask unanimous consent that there be printed in the Appendix of the RECORD a statement on the subject of the subcommittee of the Foreign Relations Committee which will study further the St. Lawrence seaway.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

APPOINTMENT OF THE ST. LAWRENCE SEAWAY SUBCOMMITTEE

The appointment by Chairman VANDENBERG of a new St. Lawrence seaway subcommittee on the Foreign Relations Committee constitutes an important step in the forward progress of the great effort to accomplish the long-deferred seaway. Through this subcommittee, a report will be ready for the Eighty-first Congress next January.

During the last month, I have canvassed my brother Senators and Representatives regarding the possibility of appointment of a Presidential commission for the St. Lawrence seaway. This commission—with appropriate financial resources for investigation—would have been composed of the foremost private and governmental authorities of the land and could have studied exhaustively all of the outstanding problems which opponents had raised about the seaway. Unfortunately, many of my colleagues—although eager to serve as cosponsors—reported that sufficient time was not available for the passage of the seaway commission bill and for the passage of money authorization.

Therefore, as the next best alternative, I suggested to Senator VANDENBERG the reconstituting of a Foreign Relations Seaway Subcommittee, and this he gladly and promptly did.

It will be the aim of this subcommittee—of which I am honored to serve again as chairman—to find out as many of the answers to pending seaway questions as are mentioned in the enclosed draft of the seaway commission bill—which, as is indicated, was not introduced.

I am inviting opponents of the St. Lawrence seaway, in particular, to make recommendations to the subcommittee on problems which they believe should be studied by it. I feel that if the opponents will give

us the benefit of their suggestions, then the subcommittee can constitute an important fact-finding mechanism.

The subcommittee will maintain the closest liaison with the Library of Congress, with the Corps of Engineers, and with all other Government agencies, including the State Department, Department of Commerce, and others which have been deeply interested in the seaway. Moreover, the subcommittee will be in contact with the New York State Power Authority and the Canadian Government regarding any developments in New York's proposal for a separate power project divorced from the navigation phase.

I have no false illusions to the effect that just because we are going to do new research in this subcommittee, that the conclusions we arrive at will be any more convincing and acceptable to some of the opposition than all of the documented conclusions in the past have been. There has been a mountain of expert research performed on the seaway during all of these decades, but some of the seaway opposition remains obstinately opposed to it, ignoring all facts and arguments.

I am, however, satisfied that a sizable proportion of the opposition to the seaway consists of reasonable, open-minded men who sincerely seek light on the subject, and it will be the purpose of this subcommittee to furnish such light.

If all the members of the seaway opposition are sincere in their doubts about the wisdom of various seaway points, let them come forward, raise legitimate questions, and give us the opportunity to answer them, if it is at all possible. We will, of course, be handicapped in the subcommittee by the lack of special investigative funds, but we hope to put the subcommittee to the best possible use in finding facts.

John Thomas

EXTENSION OF REMARKS
OF
HON. C. WAYLAND BROOKS
OF ILLINOIS
IN THE SENATE OF THE UNITED STATES

Saturday, June 19 (legislative day of Tuesday, June 15), 1948

Mr. BROOKS. Mr. President, I ask unanimous consent to have inserted in the Appendix of the CONGRESSIONAL RECORD a tribute to the late Senator JOHN THOMAS, of Idaho, by Hon. Addison T. Smith, formerly Representative from the Second District of Idaho.

There being no objection, the tribute was ordered to be printed in the RECORD, as follows:

The passing of Senator JOHN THOMAS is a great loss to the people of Idaho whose interests he so ably represented in the United States Senate for many years. They recognized in him a leader whose judgment and wide knowledge of State and national affairs could always be safely followed.

My first meeting with Mr. THOMAS was in the summer of 1907 when he called on me in Boise, Idaho, and presented a letter of introduction from my long time friend of Topeka, Kans., Ralph Faxon, secretary to the late Senator Long of that State. Ralph's commendation of Mr. THOMAS impressed me most favorably, and it was my pleasure to introduce him to some of my friends, who welcomed him as a possible new settler amongst us. Mr. THOMAS returned to Idaho in 1909 and located at Gooding, a new town in Lincoln County, on the Oregon Short Line, and organized a bank, of which he became president. A warm friendship developed between us, which continued uninterrupted during his lifetime.

During the first few years of his residence in Gooding he devoted himself to his banking and stock raising interests, and did not become actively interested in politics until 1912, when his advice was being sought by local and State leaders in the Republican Party along political lines. Mr. THOMAS had been recognized as an astute and successful businessman and banker, and a careful observer of political trends in his home State of Kansas, and was finally persuaded to become chairman of the Republican State central committee, a position he held for 4 years. He later served for two terms as a member of the Republican National Committee.

On becoming a Member of the United States Senate his qualities of leadership were soon recognized by his colleagues and he became a member of the Committee on Finance, and other important committees, where he served with distinction.

Senator THOMAS' political ideals were along conservative lines, from which he could not be easily swerved. His knowledge of financial and banking precepts impelled him to study most carefully proposed legislation, and to minutely examine the advisability of entering upon new and unproven theories of governmental changes with the hope of solving problems presented by various groups and organizations. He specialized in legislation to aid in the development of the resources of his adopted State, and especially to encourage and aid those engaged in agricultural pursuits. He was a strong and persistent advocate of the development of arid lands by damming the streams and bringing water to such lands for irrigation purposes, by private capital and Government funds. He was a consistent advocate of the benefits afforded by a protective tariff to stimulate the growth of the products of the farms, the raising of livestock, and the development of the mining and timber resources.

Senator THOMAS' delightful personality, his eagerness to cooperate with those needing financial assistance to carry on their plans, and his willingness to join in movements to contribute to the upbuilding of the community, county, and State endeared him to a legion of friends and admirers who mourn his departure from among us. He was my personal and political friend, and was one of the first of the leaders in the State to advocate my election to Congress in 1912. During the years we were together in Congress he could always be depended upon to cooperate in bringing to the attention of the Senate bills originating in the House, and I reciprocated by looking after the Senate bills in which he was interested. I feel a deep personal loss in his death.

Speech by Hon. William B. Umstead, of North Carolina

EXTENSION OF REMARKS
OF
HON. WILLIAM B. UMSTEAD
OF NORTH CAROLINA
IN THE SENATE OF THE UNITED STATES

Saturday, June 19 (legislative day of Tuesday, June 15), 1948

Mr. UMSTEAD. Mr. President, I ask unanimous consent to have printed in the RECORD a speech which I made in North Carolina on Tuesday, May 4, 1948, and which was broadcast over a Statewide hook-up.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

Ladies and gentlemen, I take this means of bringing to you a personal message. Although I have utilized every day that I could be away from Washington in trying to see my friends in North Carolina, matters of pressing importance in the Senate, dealing with both domestic and foreign problems, have prevented me from spending as much time in the State as I should have liked to have spent. I wish again to thank everyone who is supporting my candidacy to succeed myself in the United States Senate. Everything you may do in my behalf will always be remembered with grateful appreciation. I have at various places in the State discussed some of the pressing problems before the Senate, including measures which have been passed and some that are now pending

Tonight, I wish to discuss an important subject which impels me to come directly to you. I wish to lay before the people of my State a matter and a situation which I do not think has heretofore confronted them.

Let us get the issue clear. Labor leaders within and without the State have determined that I must by all means be defeated for the United States Senate in the primary on May 29. It is well known that instructions to this effect are now being circulated throughout North Carolina. These instructions come largely from nonresident labor leaders whose chief interest is to preserve their own dictatorial power. I am their chief target. Let there be no mistake about that. If I should be defeated, these labor leaders would consider it a great victory. The question is, Will the people of North Carolina be dominated and controlled by instructions from out-of-State labor leaders?

The background of this situation is as follows:

On the 13th of August, last year, Mr. George L. Googe, of Atlanta, Ga., came into our State and delivered an address at Wilmington to the North Carolina Federation of Labor. He was quoted by the press as follows: "A flat prediction of the political downfall of five southern Senators was on the record of the North Carolina Federation of Labor Convention here Wednesday after George L. Googe, A. F. of L. southern director, blasted the Taft-Hartley labor law and its congressional supporters. The union leader named North Carolina's Senators CLYDE R. HOEY and WILLIAM B. UMSTEAD; Senator MAYBANK, of South Carolina; Senator STEWART, of Tennessee; and Senator RUSSELL, of Georgia, as labor's targets in reelection campaigns.

"Googe told cheering A. F. of L. delegates that a Negro vote of 2,500,000 would be polled in the South, and would naturally drift into the same brackets as the labor vote. Googe declared that increased labor activity would spell defeat for the North Carolina Senators in their reelection efforts. Senator UMSTEAD was singled out by Googe for an especially bitter attack because the Senator supported the Taft-Hartley bill."

Upon first reading this amazing statement by this man from Atlanta, I thought it was only another convention speaker, carried away by his own eloquence. It appeared wise to discount his vicious attack upon Senator HOEY and myself, and his attempt to inject the race issue into the politics of our commonwealth. However, there has now been set up in our State an organization known as the United Labor Political Committee for North Carolina. I understand that on Monday, February 23, in the Yadkin Hotel, in Salisbury, N. C., the political committee referred to, composed of the leaders of the CIO and other labor organizations, met to confer and decide on what candidates they should support in the coming primary. I understand

that the labor leaders at this meeting determined that organized labor in North Carolina should not support my candidacy. I also understand that Mr. Googe and northern CIO leaders were present, and that since that time the word has been passed down the line that I must be defeated. I accept this challenge.

The question here is more important and fundamental to our concepts of representative government, and to political harmony in our State, than any question which has arisen since the turn of the century. It transcends in importance the outcome of my political fortune, or that of any other candidate at this time.

Is it possible today that Mr. Googe and CIO leaders from out of our State can bring orders which must be obeyed by the voters of North Carolina? I cannot believe that the honest men and women in organized labor in our commonwealth, many of whom are my life-long friends, will submit to such whip-cracking without protest. I am unwilling to believe that the thousands of unorganized workers in North Carolina, some of whom I served with during World War I in France, will be influenced by orders which come from outside the State. I am yet to believe that organized workers are so forgetful that they do not remember with appreciation my votes in support of the Wagner Labor Act, the wage and hour law, the Social Security Act, the Walsh-Healey Act, and other legislation beneficial to labor which passed during the first 6 years of the Roosevelt administration, when I was a Member of Congress.

But I am under attack because I voted for the Taft-Hartley Act. This act has perhaps been more abused, and less understood, than any act of national importance passed by Congress in many years. Already labor leaders are seeking to repeal it, and working people are being asked to contribute millions of dollars for this purpose. This effort will succeed or fail in accordance with the judgment of the general public, and such judgment must depend upon an understanding of the facts.

The Taft-Hartley Act is only an amendment of the Wagner Act. As a Member of Congress, I voted for passage of the Wagner Act in 1935. It recognized labor unions by law; the right of labor to organize; the right of collective bargaining and the legality of labor contracts worked out by such process; it defined as unfair labor practices certain acts of employers; and established the National Labor Relations Board, and procedure for its administration, including methods of enforcement of its orders. All this was done in the hope that it would protect the rights of labor, reduce strikes, promote the general welfare of all the people, and be productive of industrial peace.

Between July 1935, and January 1947, some labor leaders abused the rights granted under the Wagner Act, and began to exercise their powers in ways which disregarded the public welfare, and in some instances challenged the power of the Government itself. Labor disputes increased. During the war years, the patriotic restraints of wartime, and the efforts of the War Labor Board maintained some degree of industrial peace. But even during those years, there were some labor leaders who defied the general welfare of the people. Mr. John L. Lewis called a coal strike in the midst of World War II. After the war, strikes were called in industries which affected the public health, security, and general welfare of all the people. This was illustrated by another coal strike called by Mr. John L. Lewis in cold weather, when his power had grown so great that he defied an order of a Federal Court of the United States, and was tried and convicted of contempt. Furthermore, certain labor leaders assumed a tremendous power over the rank and file of union members.

By the time the Eightieth Congress convened in January 1947, it was clear that public opinion in the Nation demanded action upon this question. After weeks and months of hearings, thorough debate, and detailed consideration the House on April 17, 1947, passed the labor bill by a vote of 308 to 107. On the 13th of May, the Senate passed a different bill by a vote of 68 to 24. These bills went to conference. The conference committee made its report, and it was adopted by the House by a vote of 320 to 79, and by the Senate by a vote of 54 to 17. The overwhelming vote by which this bill was passed, clearly indicated a demand from the people of the Nation for the enactment of this legislation for the protection of the general welfare. It did not repeal the Wagner Labor Act. It only amended it. It did not destroy the legal recognition of unions. It did not eliminate unfair labor practices on the part of employers contained in the original act. It was not a perfect bill. However, it did offer some measure of protection to the American people, and a large amount of protection to members of unions and to workers in general.

The following are some of its main provisions:

1. It outlaws the closed shop in which no one is permitted to work unless he belongs to the union. It does authorize a union shop in which the worker does not have to belong to the union to get a job, but has to join the union to keep the job, provided a majority of all workers in the affected unit vote in favor of a union shop. The authority for a union shop does not apply in States which have passed laws to prohibit it.

2. It allows the dues of a union member to be deducted from his wages by the employers only if the worker himself agrees in writing.

3. It requires the officials of labor unions to make reports on dues collected and for what they are spent.

4. It permits employers to talk to workers about labor unions.

5. It provides protection to the individual employee against intimidations or threats by either employers or unions.

6. It prohibits strikes and lockouts over the termination, modification, or renewal of a contract for a period of 60 days after notice.

7. It permits a company to sue a union if the union breaks its contract just as the company may be sued by the union if it breaks its contract.

8. It requires union officials to file affidavits that they are not Communists.

9. It permits the Labor Board under certain conditions to obtain injunctions and, in industries considered vital to the general welfare, it allows the Government to get a court order preventing a strike for a limited period while attempts are made to settle the dispute.

10. It undertakes to prevent secondary boycotts and jurisdictional strikes, which have been so bitterly condemned by the public generally and which have never been substantially defended by anyone.

11. It requires the Labor Board to conduct its hearings and trials in keeping with the established principles of fair play and justice.

12. It forbids discrimination by unions in the assessment of dues and initiation fees.

13. It requires both unions and employers to bargain in good faith.

Time does not permit me to discuss in further detail the provisions of this act. It has now been in operation for a number of months. Whom has it enslaved? Whose rights has it taken away?

Is there a workingman in North Carolina, who does not believe that it is fair to the public and to everyone concerned that a strike notice of 60 days be given, in connection with disputes regarding a labor contract? Is it not fair that both unions and employers should be required to keep their contracts and be liable for suit for failure to do so? Does not every union member believe that the union officials should be required to furnish financial statements of the moneys collected in dues and assessments and for what they are spent? Do you not believe, as a union member, that you should have the right to say over your signature if you are willing that your dues be deducted from your pay? Since communism now threatens the United States and democracy everywhere, could there be anyone who objects to the requirement that union officials be compelled to sign an affidavit that they are not Communists?

I now wish to emphasize another fundamental phase of this question, which further affects the national welfare and general security of our people.

Seldom has there been a time in the minds of our people when there was a graver concern about the present and future security of our Nation. There are reasons both strong and distressing why this is true. Almost 3 years after winning a world war, we have not even approached attainment of anything like stable conditions, and permanent world peace. It has been necessary to strive against great odds for such little progress as has been achieved. Some say this, that, or the other should or should not have been done. There are in good faith wide differences of opinion. We seek and hope and pray for attainment of that day when in deed and in fact, nations may live at peace with each other. Men and women the world over are working daily for such an achievement, but progress is slow. The world is disturbed and threatened. Our international relations are strained. I am among those who believe that another war can, and I hope will, be averted. Yet frankness compels recognition of the cold and unwelcomed reality, that in the present condition of world affairs no one is wise enough today to predict what may come tomorrow. Should that uncertainty happen from which we all pray to be delivered, the full force and industrial power of America would have to be thrown into the breach as never before. This should be clear in the minds of everyone.

The European recovery program is the most comprehensive investment in peace ever undertaken by any nation in the history of time. It aims to assist the nations of western Europe in getting back once again upon a self-sustaining basis. The lamps of freedom must not suffer a black-out in the remaining friendly capitals of Europe. During the initial period of this program it will be necessary for us to furnish large quantities of the necessities of life, as well as supplies, machinery, tools, and other equipment essential to their recovery. This will continue or even increase the demand for production in our country. Its failure might well mean the collapse of world stability. Its successful achievement will put America to the test. The die is cast. Our course has been determined. We must now succeed or fail. Success requires continued and increased production on the farms and the factory, and anything which interferes with or decreases production now endangers the freedom of the world.

At home conditions likewise reveal the necessity for higher production. The cost of living has seriously increased. We are in the midst of a dangerous inflation. Whether it should be so or not, the production of more goods has come to be the chief reliance for avoiding disaster.

Recently we have witnessed another coal strike, and its effect upon the production of steel and other industries. Many people were thrown out of employment. Its continuance would have left millions without jobs, and would have strangled the industrial life of the Nation. Under the terms of the Taft-Hartley Act, the Government has the right to restrain and delay strikes

for a short period of time in industries essential to the general welfare and safety of the Nation. This is exactly what was done in the recent coal strike. This is what John L. Lewis and certain other labor leaders do not like. They want the right to exercise unbridled power, regardless of its effect upon the Nation. The question really is, whether the Government shall have the power in these perilous times to safeguard the public interest and protect our national security, or whether this power shall continue to be arbitrarily exercised by certain labor leaders responsible only to themselves.

I repeat that there is nothing in this act which injures or enslaves the worker. There are many provisions which free the worker. The act does not destroy the basic rights of labor such as the right to organize, to bargain collectively, to strike, to collect union dues, to engage in free speech and peaceful assembly. It is true that the act curtails the power of certain national labor leaders who at times have used that power blindly and without proper regard for either the workers themselves, the public in general, or the welfare of the Nation.

I was in Congress when the Wagner labor law was passed. It did not please me in its entirety, but I voted for it because I felt that some such legislation was then needed. By the same token, I voted for the Taft-Hartley bill in 1947 because I felt that some proper amendments to the Wagner Act were as necessary then, as the original law in 1935. I shall maintain an open mind on the question of amendments of this act, just as I shall with respect to any other act of Congress, so long as I am in the Senate. If in due time under the operation of the present law, it develops that injustices prevail, or that the best interest of the public requires that changes should be made, I shall be among those interested in the perfection of the law for the best interest of all the people, and peaceful relations throughout our great industrial structure.

I was born and reared on a farm where I worked, with the exception of 1 year, until I was 21. I know what it means to make a living with one's hands. Physical work, whether it be on the farm or in the factory, is honorable and does honor and credit to every man who with his hands makes his living. My whole life, and an accurate statement of my attitude toward laboring people, sustain me in saying that I have always viewed their rightful aspirations and their difficulties with a sympathetic understanding. In some instances, practices have been carried on which have invaded the efforts and rights of farmers of North Carolina, such as coal strikes, strikes in the oil and farm implement industry, interference with the delivery of farm produce to northern markets, and strikes in redrying plants in the tobacco sections of North Carolina, and may well at time seriously endanger the handling of seasonable crops. Farming is the pride of our State, and must be advanced and protected. Farmers worked long and late without complaint during the World War in producing food and fiber for our men fighting freedom's battle around the world. They have no calendar save the seasons; no limited working period save the rising and setting of the sun; no guaranteed wage save what they can earn in battling the elements and uncertain growing seasons. They, too, need and must have the protection of our Government.

Obviously, the growth of our Nation, the development of our industry, and the increase of millions of men and women who work with their hands, have made it necessary that machinery be set up by the Government to protect the people from unwarranted abuses and excesses by either labor or industry. The objective of all such protective legislation should be that it be fair; that it recognize the rights of labor and industry; and the rights of the public also. Labor unions have grown as they had the right to grow. Labor has contributed to the development of this Nation in times of peace and to its defense in times of war. Its rights along with the rights of industry and the best interest of the people must be preserved. But, the time has come in America when it should be understood by all that if we are to maintain our democratic form of government, then no group however strong it may be, should be permitted in its own interest to endanger the public welfare, or undertake by its strength and numbers to control our Government. The patriotic worker in North Carolina, I think, has no desire for this. He does desire fair and adequate protection under the law along with every other group, so that he may pursue his trade in peace with steady work, with a maximum benefit to himself and his family, and make a continuing contribution to the welfare of the Nation. The labor law of 1947 has not yet and will not, in my judgment, place a single shackle upon a single worker in our State. On the other hand, it brings to each union member a new power in the control and operation of his union, the protection of his rights, the rights of industry, the rights of the public and the security of our Government.

Thus, I have briefly recited the facts about the Taft-Hartley Act. If I had been unwilling to support this bill, if I had ignored the rights of the average citizen; if I had been willing to permit John L. Lewis and certain other labor leaders in this country to proceed with unbridled power; if I had been willing for Communists to fill the ranks of labor unions; if I had been blind to the great demand from our people to curb the power of certain labor leaders in the interest of the public welfare, or finally, if I had been unmindful of the dictates of my conscience, I would have voted against the Taft-Hartley bill. I then, no doubt, would have received the praise of Mr. Googe and the out-of-State CIO leaders, and, most likely, I would have been endorsed by them at their meeting in Salisbury.

If I had not voted to curb the power of certain labor dictators, I would have been unfaithful to the union members of this country, to the unorganized workers, to the farmers, the school teachers, the clerks, the housewives, the merchants, and the millions who risked their lives in combat on foreign soil to preserve freedom and destroy dictators, and to the general public. I would also have been unfaithful to our national heritage, to the fundamental principles upon which our Government is based, and to all those since the foundation of this Republic who have worked and struggled in the belief that there should be equal rights to all, and special privileges to none.

As your Senator in the United States Senate, I feel that my position should be stated frankly and without evasion or equivocation. This I have done. I have met the challenge, and I seek the support of the citizens of North Carolina.

Hiram W. Johnson

MEMORIAL ADDRESS

OF

HON. WILLIAM F. KNOWLAND

OF CALIFORNIA

IN THE SENATE OF THE UNITED STATES

Wednesday, April 21 (legislative day of Monday, March 29), 1948

On the life, character, and public service of Hon. HIRAM W. JOHNSON, late a Senator from the State of California

Mr. KNOWLAND. Mr. President, on August 6, 1945, Senator HIRAM W. JOHNSON passed away at the United States Naval Hospital at Bethesda, Md. He first came to the Senate in 1917 in time to hear President Woodrow Wilson ask Congress for a declaration against imperial Germany. He served through the period of World War I, the postwar years, and all but the concluding phase of World War II. His death might be said to have brought to a close one epoch of American life.

For more than 35 years HIRAM JOHNSON played a vital role in the political life of California and the Nation. For nearly 6½ years he was Governor of his State, and for 30 years he was a United States Senator.

HIRAM JOHNSON strode upon the national stage in 1910 when he won the election as California's Governor. Subsequently, he was elected a Member of the United States Senate for five terms. Twice he was a candidate for the Republican Presidential nomination. Once he declined the Vice Presidential nomination. Acceptance then—and a heartbeat—would have made him Chief Executive on the death of President Warren G. Harding.

JOHNSON was born in Sacramento, California's capital, on September 2, 1866. He was the son of Grover L. and Annie Johnson, who had gone to California from Syracuse, N. Y., 3 years before the birth of the future Senator and political leader.

He attended public schools in Sacramento where, as a boy, he was especially interested in outdoor sports. He captained both the baseball and football teams at high school. He never lost interest in sports for, throughout his years in the Senate, he was a regular attendant at baseball games when the Washington American League team played at home.

HIRAM JOHNSON entered the University of California as a member of the class of 1888. He left college in his junior year to study law with his father, who, in later years, was to become receiver of the United States Land Office at Sacramento.

While still a university student, JOHNSON married Minnie L. McNeil of Sacramento. There were two sons, Hiram W. Johnson, Jr., and the late Archibald M. Johnson.

After he left college, JOHNSON became a shorthand reporter and studied law in his father's office. He was admitted to legal practice in 1888, established his own law office in Sacramento, and moved to San Francisco in 1902.

When the famous graft prosecutions began in San Francisco following the 1906 fire and earthquake, JOHNSON was named assistant to Special Prosecutor Francis J. Heney. Heney had been appointed to help District Attorney William H. Langdon in the case, and when Heney was shot in the courtroom, JOHNSON took his place.

In 1910, following the formation of the Lincoln-Roosevelt League in California, JOHNSON was urged to become a candidate for governor. He accepted, carried on a strenuous automobile speaking tour throughout the State, and he won the Republican nomination in a four-way race. He won the election in No-

vember of that year and on his inauguration he won fame as a progressive.

JOHNSON won credit for such progressive legislation as the initiative, referendum and recall, strengthening of the direct primary, woman's suffrage, nonpartisan elections for city and county positions, workmen's compensation, child-labor laws, public employment offices, 8-hour law for women and underground miners, prison reforms, free public-school textbooks, regulation of weights and measures, pure-food laws, a "blue sky" law to protect investors, immigrant and migratory worker protection, collection of wage claims, the Red Light Abatement Act, antialien land statutes, and many other accomplishments.

JOHNSON took his stand at Armageddon with Theodore Roosevelt in 1912, running as the Progressive Party's nominee for Vice President.

Following his bolt in 1912, he continued in the Progressive Party and won reelection with that label in 1914. He thus became the first 4-year-term Governor of California to be reelected.

Returning to Republican ranks in 1916, JOHNSON was a candidate for United States Senator. He won at the primaries by about 15,000 votes and easily defeated his Democratic opponent at the general election. He resigned the governorship in 1917 to take the oath as Senator, handing over the governorship to William D. Stephens, whom he had appointed as lieutenant governor.

JOHNSON won by 300,000 at the November election, while Charles Evans Hughes, Republican nominee for President, lost the State at the same election by around 3,500.

In 1919 JOHNSON allied with Henry Cabot Lodge, William Borah, James Reed, and other irreconcilables to oppose America's entrance in the League of Nations. He was a member of the Senate Foreign Relations Committee and then, as he did in the United Nations hearings, opposed what he termed "entangling alliances" with European nations.

When President Wilson took the stump to "sell" the League to the American people, JOHNSON trailed the President through the Western States, speaking in vigorous oposition to the Wilson program, and he fought the League on the Senate floor.

Then, in 1920, JOHNSON was a candidate for the Republican nomination for President.

Old feuds were forgotten and a California delegation made up of all elements of his party was sent to Chicago to back JOHNSON'S candidacy. At the Chicago convention, JOHNSON received 133½ votes on the first ballot but his strength had shrunk to 80⅘ votes by the tenth ballot, when Harding was nominated. JOHNSON refused the suggestion of Harding managers that he take second place on the ticket as the running mate for the Ohio Senator. It went to Calvin Coolidge instead, and Coolidge became President.

When the 1922 senatorial election rolled around, JOHNSON was a candidate for relection to the Senate. His opponent was Charles C. Moore, who had been president of the Panama Pacific International Exposition in 1915, but who never had been in politics.

In a State-wide campaign, JOHNSON won by 74,000 votes.

In the intervals between his campaigns, JOHNSON'S greatest legislative accomplishment was his successful coauthorship of the Swing-Johnson bill which made possible the huge Boulder Dam project to harness the waters of the Colorado and provide power and water for many communities in southern California.

In 1928, JOHNSON was reelected with only nominal opposition.

He broke with the Hoover administration soon after the only resident of California to become President had entered the White House.

In 1932, JOHNSON bolted the Republican ticket and urged election of Franklin D. Roosevelt.

When the Democratic administration was being organized, JOHNSON was asked to become Secretary of Interior. He refused, and his old friend from the Bull Moose Party days of Theodore Roosevelt, Harold L. Ickes, was named.

JOHNSON broke with the Roosevelt administration over New Deal legislation, the abortive Supreme Court packing attempt, and the administration's foreign policy.

To the end of his career, the fighting Californian stood firm against the repeal of the Johnson Act, which banned additional credits to nations in defaults on American loans made during, or after, World War I.

JOHNSON'S fourth consecutive term followed the 1934 general election when California again returned him to the Senate. At the primary he had won the Republican, Progressive, and Democratic nominations.

By the greatest vote of his career, JOHNSON was reelected for his fifth consecutive term on November 5, 1940. Again he had won the Republican, Democratic, and Progressive nominations from his opponents at the August primary with ease. JOHNSON'S vote for his fifth term set a record—2,238,899—topping any previous total given a candidate in California. In the 1940 Presidential campaign, JOHNSON backed Wendell Willkie for the Presidency.

Governor Dewey, Republican nominee in 1944, also was supported by JOHNSON.

JOHNSON took no active part in political State-wide campaigning in later years. His own final campaign consisted principally of a few statements of policy and limited radio broadcasts.

Senator JOHNSON fought the pre-Pearl Harbor moves of the Roosevelt administration, constantly insisting the President was leading the United States into war.

The doughty warrior made one of his final last stands in his opposition within the Senate Foreign Relations Committee to the Mexican Water Treaty early in 1945.

The same papers that carried the news of the death of the California senior Senator also disclosed to the public for the first time a dropping of the first atomic bomb at Hiroshima. An epoch had ended, the Atomic Age had begun.

Fire 'Em If They Enforce a Law That You Don't Like But Which Congress Will Not Repeal

EXTENSION OF REMARKS
OF
HON. GEORGE P. MILLER
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES

Friday, June 18 (legislative day of Thursday, June 17), 1948

Mr. MILLER of California. Mr. Speaker, as the Washington Post observed in an editorial of June 16 entitled "Congressional Club," it was a very dark day in the history of the United States Congress when the Interior Department appropriation bill for 1949 was passed with a provision that would fire Michael W. Straus, commissioner, and Richard L. Boke, California regional director of the Bureau of Reclamation, for enforcing the public power policy and the family-farm provisions of the reclamation law that Congress has written and maintained on the statute books.

The ouster rider is dressed up as a requirement that the commissioner, assistant commissioners, and regional directors of reclamation should be engineers of 5 years' experience. This was made a time bomb planted under the chairs of Straus and Boke, who are not engineers, by making it effective January 31, 1949. The very manner in which this provision came about, its recommendation by the Harness committee on one-sided evidence and before permitting any Interior Department or Reclamation witnesses to be heard, and the time-bomb effective date which transparently was fixed to place it after the inauguration of the President who is elected in November of this year—all lend color to the charges that are rife from coast to coast.

These are reflected in such phrases as "Skulduggery rears its ugly head in Congress," with which the San Francisco News headed its editorial of June 2 on the subject; "It smells of politics," with which the Valley Evening Monitor of McAllen, Tex., headed its editorial of May 28 on the subject; and "What the interests don't think of," with which the Des Moines Register headed its editorial of June 3 on the subject.

I include the text of the editorials to which I have referred, since they state the case better than I could by paraphrasing them:

[From the Washington Post of June 16, 1948]

CONGRESSIONAL CLUB

A notable victory has been won by Senator SHERIDAN DOWNEY. He has succeeded in punishing two Government officials, Michael Straus, Reclamation Commissioner, and Richard Boke, regional director of the Reclamation Bureau, because they dared in opposition to his wishes, to insist upon application of the acreage limitation provisions of the reclamation law to the Central Valley of California. The punishment was effected by a neat little ruse which is a testimonial to Senator DOWNEY'S ingenuity if not to his ethics. A rider was attached to the Interior Department appropriation bill requiring that the Reclamation Commissioner, the Assistant Commissioner, and regional directors be engineers with at least 5 years of engineering experience. Mr. Straus and Mr. Boke,

although they have admirable records of service in the Bureau, do not possess this particular—and wholly irrelevant—qualification.

Congress, having now acted to satisfy the personal spleen of Senator DOWNEY, might do well to count the cost. It may entail a complete subversion of the reclamation law which has had the support of Republican and Democratic administrations alike since the turn of the century. It will probably entail a huge handout to a few of Senator DOWNEY's large landowning constituents and a total denial of the Central Valley project's benefits to veterans and others who would like to be small landowners. And it will certainly entail a degradation of the United States Congress which has now let itself be used as a thumbscrew to wreak vengeance upon individuals who incurred the displeasure of one of its elite members.

Senator O'MAHONEY, a very astute judge of this sort of thing, says that the rider is unconstitutional in that it prescribes qualifications solely for the purpose of inflicting punishment on Commissioner Straus and Regional Director Boke. But Senator DOWNEY insists that it gets around the constitutional prohibition against bills of attainer in that it does not actually name its victims. How exceedingly clever of him. This must be a red-letter day, indeed, in Senator DOWNEY's career. But it is a very dark day in the history of the United States Congress.

[From the San Francisco News of June 2, 1948]

SKULDUGGERY REARS ITS UGLY HEAD IN CONGRESS

We doubt if congressional annals record any action more disgraceful and dishonest than that of the House of Representatives last week in passing the Interior Department appropriation bill with a series of riders attached, the effect of which is to fire two officials without a hearing, hamstring the Bureau of Reclamation, and wreck the Central Valley project.

It is impossible to believe the Senate, to which the bill now goes for consideration, will be an accessory to such a parliamentary crime.

With respect to the two officials, here is the story: California's Senator SHERIDAN DOWNEY some time ago, in his fight against the Department and the Bureau, demanded that President Truman dismiss Reclamation Commissioner Michael Straus and Regional Director Richard Boke. The President refused to do so. Recently, Representative FOREST HARNESS, playing DOWNEY's game, demanded that a subcommittee of the House Appropriations Committee, headed by Representative BEN JENSEN, add a rider to the Reclamation appropriation bill specifying that the positions of Director and regional director must be filled by registered engineers. Neither Straus nor Boke is an engineer. Chairman JENSEN did not comply, although he has been sympathetic with the attack on the two officials. But when the appropriation bill came up for passage in the House an amendment was offered adding the rider and the bill passed in that form. At no time did the committee give either Straus or Boke a chance to reply to the charges against them. They thus stand condemned by the House without a hearing.

Why were these desperate, underhanded, and grossly unfair tactics employed by the foes of the Central Valley project? It was to push out of the way two men who have stood resolutely for enforcement of the terms of the United States Reclamation Act in regard to acreage limitation and multiple public development of natural resources in the big California project. It is a momentary and ignoble victory for the forces that have fought the CVP from the beginning. The shady scheme to oust the two officials by gestapo methods is only a part of the general plot. Other riders attached to the bill prohibit use of power revenue to reduce the cost of irrigation water to farmers; prevent sale of power to any customer except the P. G. & E., and forbid surveys for use of CVP power outside California (a way of stopping a tie-in of Bonneville and Shasta power).

These nefarious steps were taken at the last moment before adjournment of Congress in the hope the Senate will, because of pressure of time, be unable to take the objectionable riders off the bill without risking the danger of a conference filibuster that would prevent final passage of the measure and leave the Reclamation Bureau without funds for the next fiscal year. If the bill passes in its present form, President Truman will hardly be able to veto it for the same reason.

The Members of Congress who were parties to this shabby trickery have the dubious satisfaction of knowing they accomplished by indirection what they dared not do in the open.

The News believes there is too much honor in the Senate to permit that branch of Congress to be made a party to such proceedings. The Senate Appropriations Committee can do no less than call Straus and Boke before it for a full and public hearing and, if it finds them guilty of the charges, recommend their dismissal in the regular way, not by the dishonest method of a rider on the appropriations bill requiring that only engineers can hold their jobs.

[From the McAllen (Tex.) Valley Evening Monitor of May 28, 1948]

IT SMELLS OF POLITICS

There is a distinctive odor to that Interior Department appropriation bill which the House passed this week in Washington.

The scent smells strongly of politics. The bill carries a whopping big sum for the Department, one agency of which is the United States Bureau of Reclamation, an organization in which the valley is vitally interested because of the proposed valley gravity project. While the funds approved by the bill are less than President Truman recommended, they still are $112,000,000 larger than the Department received for the current year. They total over $375,000,000.

This increase in itself is an expression of confidence in the Department. But a California Congressman tagged onto the bill a rider which provides for the removal of the Reclamation Commissioner and the regional director in California. How many others are affected by the rider, if any, is not disclosed. The peculiar provision is that the director of the Bureau and the directors of its regional offices be men with at least 10 years' engineering experience.

The Congressman who offered the rider declared that the two men, the Bureau director and the regional director in California, were incompetent. The statement has the sound of personal opinion, a shallow basis indeed for consideration of any measure providing so much money.

Just as shallow, it seems, is the provision for 10 years' experience as an engineer. Why 10 years? Why not 15, or 20, or 5? When is an engineer experienced—or inexperienced?

The Reclamation Bureau has been in operation for many years. It has a wealth of experience behind it. But it evidently has not concluded, on the basis of that experience, that a man must serve for 10 years to be a capable engineer. How can a Congressman know what is best for Bureau administration?

It is impossible at this distance of course to know the true score on the Interior Department legislation.

But it has all the signs of being a case in which there's a bug under the chip.

It sounds like some California politician is irked at the bureau director because he possibly has declined to take his advice, or that of some of his more powerful constituents. As a result he's out for the director's hide.

It would be educational to see the Senate investigate this case when the bill goes to that Chamber for action.

[From the Des Moines Register of June 3, 1948]

WHAT THE "INTERESTS" DON'T THINK OF

Once again certain Congressmen are trying by legislative fiat to fire some Interior Department employees they do not like.

Only last year Congress was given a stinging rebuke for this by the Supreme Court, which said it was unconstitutional—in fact a "bill of attainder"—to name employees for whom appropriations might not be used.

This year, in deference to the Supreme Court, a little less direct method is being tried. The appropriations bill passed last week by the lower House does not name names. It simply sets up requirements which the incumbents cannot meet. It requires 10 years of engineering experience for posts in the Bureau of Reclamation now held by Michael W. Straus and Richard Boke.

We don't know Straus and Boke (though a friend of ours who does writes that they are "honest and competent"). But we do know that it is highly improper for Congress to usurp the functions of the executive branch.

Here's how it happened.

The whole ruckus is part of the perennial feud in California's Central Valley between the power companies and the big landowners on one side and the public interest in family-sized homesteads on reclaimed land on the other.

Straus and Boke are under fire because they insisted on enforcing the law (on the books since Theodore Roosevelt's time), limiting holdings to 160 acres. An attempt to repeal this law failed recently in Congress.

An attempt to legislate Straus and Boke out of office was sprung on the Appropriations Committee. Iowa's BEN JENSEN is chairman, and he did not include it in his report. So Representative ALFRED J. ELLIOTT (Democrat, California) offered the disguised "bill of attainder" from the floor, as an amendment to that section of the regular Appropriations bill.

ELLIOTT was perfectly frank about it.

He attacked Straus and Boke personally.

Representative ALBERT GORE (Democrat, Tennessee) pointed out that ELLIOTT's amendment was not based on principle, but on a desire "to get rid of the present Reclamation Commissioner." But with nearly 80 percent of the House absent, ELLIOTT got the votes, the amendment was passed, and the Interior Department appropriations were sent to the Senate for action.

The Senate has a chance to strike this improper amendment from the bill, and hold firm in conference committee.

It would be unthinkable for a Republican House in an election year to let the whole Interior Department die just to help a Democrat spite a couple of Reclamation officials who support the principle of the family-sized farm, as required by an act of Congress.

Charles Oscar Andrews

MEMORIAL ADDRESS

OF

HON. SPESSARD L. HOLLAND

OF FLORIDA

IN THE SENATE OF THE UNITED STATES

Wednesday, April 21 (legislative day of Monday, March 29), 1948

In the life, character, and public service of Hon. CHARLES OSCAR ANDREWS, late a Senator from the State of Florida

Mr. HOLLAND. Mr. President, Senator CHARLES O. ANDREWS, Democrat of Florida, my distinguished predecessor, served as a Member of the Senate from

November 3, 1936, until his passing here in Washington on September 18, 1946. He was nominated to the Senate in a special primary held August 11, 1936, and elected at the general election of that year to fill the unexpired term of 4 years of Park Trammell, who had died the previous May 8, 1936. Senator ANDREWS had had a career of service in all of the major branches of the State government of Florida. He was not very well known by the public at large but had a sincere and loyal group of friends who, upon his announcement for the Senate, became very active in his behalf. Practically all of the large daily newspapers in the State, except the two daily newspapers in his home town, the Orlando Morning Sentinel and the Orlando Reporter Star, supported his opponent, a distinguished former Governor of Florida, and almost unanimously asked Senator ANDREWS to withdraw from the race, inasmuch as they felt he had no chance for election. Notwithstanding these discouragements Senator ANDREWS was supported so loyally by his State-wide circle of friends that he was nominated to the Senate and subsequently elected. He was renominated and reelected in 1940, but had announced in October 1945 that he would not seek reelection in 1946 because he felt that his health was such that he would not be permitted to give the full measure of service that the people of Florida were entitled to expect of their elected representatives.

It appeared that, with the adjourning of Congress, Senator ANDREWS relaxed, in that he felt that in a measure his work had been done, and he became less able to carry on his daily routine and had gone to the Naval Medical Center at Bethesda, Md., early in September for a check up and instructions before leaving for his home in Orlando, Fla., and it was there that he died in his sleep on September 18, 1946.

At this point I ask to have reproduced a letter from President Truman to Mrs. Andrews, dated September 18, 1946:

THE WHITE HOUSE,
Washington, September 18, 1946.

Mrs. CHARLES O. ANDREWS,
Washington, D. C.

MY DEAR MRS. ANDREWS: I have heard with deep sorrow of the death of your distinguished husband. I came to know his quality as a man and as a statesman when I served with him in the Senate. He had courage and common sense and a finely balanced judicial mind. Through his passing I have lost a valued personal friend and Florida and the country have lost a devoted and able public servant.

Mrs. Truman joins me in this expression of sympathy.

Very sincerely yours,

HARRY S. TRUMAN.

I also ask to have reproduced herein a letter to Senator ANDREWS from Senator VANDENBERG, dated May 24, 1946:

UNITED STATES SENATE,
Washington, D. C., May 24, 1946.

Hon. CHARLES O. ANDREWS,
United States Senate,
Washington, D. C.

MY DEAR CHARLES: Thanks for your letter of May 23.

I was sorry not to be able to attend the meeting of your special committee. But I am glad to note that everything is proceeding to your satisfaction. So long as it satisfies you, I am content to believe that it will satisfy me. This is only a small indication of my very deep respect for you—to which I may add a word of genuine affection.

With warm personal regards and best wishes.

Cordially and faithfully,

A. H. VANDENBERG.

I also ask leave to have reproduced herein as a part of my remarks my brief tribute to Senator ANDREWS as it appears in the RECORD of the joint memorial service in the House of Representatives conducted May 19, 1947:

Mr. HOLLAND. Senator CHARLES O. ANDREWS was a native Floridian, born in Holmes County in the western part of the State on March 7, 1877. He was educated in the public schools of Florida, and in the South Florida Military Institute, a small but excellent military college then existing at my lifelong home, Bartow, Fla. It was while he was a cadet at that school that I first saw him. He also held diplomas from Florida State Normal and the University of Florida. In military activities he served as captain, Company M, First Regiment, Florida National Guard, and also volunteered for the Spanish-American War and applied for service in the First World War but was not accepted. He acquired invaluable experience as bill secretary of the Florida Senate. He was admitted to practice law, by the Supreme Court of Florida, in 1907, and by the Federal courts in 1911. His legal attainments and standing were of the highest. He served as judge of the criminal court, Walton County, 1910–11; as assistant attorney general of Florida, 1912–19; as circuit judge, 1919–25; and as a commissioner of the Florida Supreme Court, 1929–32. He was president of the Florida State Bar Association in 1921–22. In civic and fraternal affiliations he was a Rotarian and a Mason, a member of the Florida University Alumni Association, of Pi Kappa Alpha, social fraternity, and of Phi Delta Phi, legal fraternity. He was elected to the United States Senate November 3, 1936, and reelected for a 6-year term November 5, 1940. He received the honorary LL. D. degree from Rollins College, Winter Park, Fla., in 1941.

Senator ANDREWS married Miss Margaret Spears, of Tallahassee, Fla.—his beloved "Daisy"—to whose inspiration and influence he attributed much of his success. No man had a more devoted wife; and no children, of whom there were three, a more devoted mother.

It was as a young attorney that I first became closely acquainted with Senator ANDREWS. This was while he was a circuit judge in Florida and I had just begun the practice of law. From this acquaintance grew a friendship that increased in strength throughout the years and which was always a source of pleasure and inspiration to me. One of his outstanding contributions to the business life of Florida was his service as an attorney and as a citrus grower and citizen in organizing a State-wide agency for citrus growers and handlers known as the Florida Citrus Growers Clearing House Association, which he served as general counsel. He was entitled to much credit for the large amount of good which was accomplished by that organization.

A stanch defender of States' rights and imbued with a patriotism and love of his country transcending all other considerations, Senator ANDREWS believed in the literal interpretation of the Constitution. Indeed, with him it was truly the supreme law of the land. He made this known in the Senate upon his arrival in 1936 by joining forces immediately with others of his southern colleagues of like convictions on issues where either encroachment on or impairment of the powers reserved to the States was threatened. Senator ANDREWS' advice and opinion on constitutional questions was eagerly sought and highly regarded by his fellow Senators.

Although Senator ANDREWS had not been in robust health for some time, which was of great concern to his myriad friends in Florida as well as in Washington, his passing in the early hours of the morning last September 18 came as a shock to all of us. Of a kindly and sympathetic nature, with the modesty and gentleness that so become a gentleman, Senator ANDREWS from the very beginning of his service in the Senate formed friendships that endured to the end. He was recognized and loved for his sincerity of purpose and for his unwavering devotion to duty, said by General Lee, whom he idolized, to be the "sublimest word in the English language."

In conclusion, I ask leave to have reproduced an excerpt from the CONGRESSIONAL RECORD of August 2, 1946, the last day of Congress that year, showing spontaneous tributes paid to Senator ANDREWS on the floor of the Senate, together with various Florida newspaper articles and editorials paying tribute to him.

[From the CONGRESSIONAL RECORD of August 2, 1946]

TRIBUTES TO SENATOR ANDREWS

Mr. PEPPER. Mr. President, my colleague, the senior Senator from Florida [Mr. ANDREWS], is voluntarily going out of the Senate at the conclusion of this session, and this bill will be the last session of the Senate which, so far as I know his present intentions, he will have the honor and distinction to attend.

I am sure that every Senator will miss the kindly, friendly, sincere, earnest, and patriotic senior Senator from Florida from this body. He is rounding out a distinguished career of public service which has carried him through the legislative, executive, and the judicial branches of the government of the State of Florida and of the Nation.

As I said, it was his own choice that he retire from the Senate, which he does for reasons of health which have plagued him for some time.

It has been a great privilege for me to share service in the Senate with the senior Senator from Florida. He will carry with him not only my affection and esteem, but I am sure the affection and esteem of every other Senator who has had the real pleasure and satisfaction of service with Senator ANDREWS in the Senate.

The State of Florida will be greatly the loser when his distinguished service is no longer being given to the State and to the Nation.

Mr. BARKLEY. Mr. President, I wish to associate myself with the Senator from Florida in his expressions of esteem and good will toward the senior Senator from Florida [Mr. ANDREWS].

I have enjoyed not only the service of Senator ANDREWS here, but his personal friendship and his cooperation. I wish for him long life and health and happiness in whatever he undertakes. I hope that his departure from the Senate will not mean that we shall not, from time to time, allow our paths to merge so that we may see more of him in the future.

I thank the junior Senator from Florida for giving me this opportunity to express my high esteem and my personal affection for Senator ANDREWS.

Mr. WILEY. Mr. President, I wish to associate myself with the ideas expressed by the two Senators on the other side of the aisle toward our good friend the "Judge" as we call him. It has been my privilege to visit with him in his home. I know his fine wife, and I agree with everything that has been said about him. I am sorry that ill health has made it necessary for him to leave the Senate. The people of Florida would have been happy to send him back.

When I was in Florida, everywhere I went, I found people of all parties and of all creeds who really loved him. He had served on the bench with distinction, and has found a place in the hearts of many of his colleagues in the Senate.

We join in the wish of the majority leader that he may regain his health and in his fine home in Florida, down there among the lakes, will be able to enjoy the grandchildren and his family for many years to come.

Mr. MCFARLAND. Mr. President, I wish to join in what has been said about Senator ANDREWS. Since he has been in the Senate he has rendered great service to his State and to the Nation.

[From the Florida Times-Union, of September 19, 1946]

SENATOR ANDREWS SUCCUMBS TO HEART ATTACK—FLORIDA SOLON STRICKEN AT NAVY HOSPITAL; FUNERAL SUNDAY IN ORLANDO—TERM NEAR END—CORTEGE LEAVES WASHINGTON TODAY OVER ACL; ARRIVES AT HOME FRIDAY

WASHINGTON, September 18.—CHARLES OSCAR ANDREWS, of Orlando, Florida's conservative senior United States Senator for the past decade, died from a heart attack at 6 o'clock this morning in the Naval Hospital at nearby Bethesda, Md. He was 69.

Haunted by a heart ailment for the past 5 years, Senator ANDREWS entered the hospital 10 days ago for a periodic examination. He was in fine spirits early last night when his wife visited him. He had spent part of the day in a chair on the sun porch.

Mrs. Andrews said her husband's physicians advised her that the heart condition was not improving, but they believed if he would go to his Orlando residence early this fall and escape the severe Washington winter, his condition might improve.

Recently Senator ANDREWS wrote to friends in Jacksonville that he expected to leave Washington the latter part of September, and probably would not return unless an emergency developed or a special session of Congress was called. His term would have expired when the next Congress convened in January.

FUNERAL SET SUNDAY

Funeral services will be held at 3 o'clock Sunday afternoon in the First Presbyterian Church at Orlando, of which Senator ANDREWS had been a member for many years, and burial will be in Greenwood Cemetery. The Reverend L. E. McNair, formerly of Jacksonville, pastor emeritus, and the Reverend Marshall Dendy, pastor, will officiate.

The body will leave Washington at 4:40 o'clock tomorrow afternoon over the Atlantic Coast Line Railroad, and will arrive in Orlando Friday night.

Senator ANDREWS led a long, hard fight for passage of a bill which would repay Florida citrus and vegetable growers $10,000,000 in claims for damage done during a Mediterranean fruitfly eradication campaign in 1929. Just before Congress adjourned a few weeks ago, he pushed the bill to passage in the Senate, but it failed to get final consideration in the House.

Among the last bills Senator ANDREWS introduced was a proposed constitutional amendment to provide that no agency, individual, or organization should infringe upon a man's right to bargain individually or collectively with his employer.

He also was a strong supporter of a proposed cross-Florida barge canal, for which Congress repeatedly has denied funds.

Although Senator ANDREWS was not as close to the White House as Senator PEPPER during the long Roosevelt Administration, his contact with the Presidency became more intimate when Harry S. Truman—his old Senate seat mate—took the Presidential oath of office more than a year ago.

CHATTED WITH TRUMAN

Last week President Truman, on a visit to the naval hospital, visited Senator ANDREWS and they had a long chat.

Last winter, Senator ANDREWS announced he would not be a candidate to succeed himself. Later, he gave his public backing to his old friend, former Governor SPESSARD L. HOLLAND, who last May won the Democratic nomination, which virtually assures election in the general election in November.

Political circles here and in Florida expect Gov. Millard F. Caldwell to name HOLLAND to fill the unexpired term of Senator ANDREWS, but in Jacksonville today there was some talk that friends of Senator ANDREWS and his successor may ask Governor Caldwell to appoint Mrs. Andrews to fill the unexpired term. Governor Caldwell is in New York on business, and said he would have no statement on his action until after Senator ANDREWS' funeral.

Mrs. Andrews, her sister, Miss Sarah Spears of Jacksonville, Federal Judge Dozier DeVane of Orlando, a life-long friend of the family, and members of Senator ANDREWS' secretarial staff, will accompany the body to Orlando. Judge DeVane arrived from Orlando tonight. Miss Spears reached here at noon.

Senator ANDREWS is survived by his widow, the former Miss Daisy Spears, of Monticello; three sons, Charles O. Andrews Jr., an Orlando attorney, Lt. Thomas Oakley Andrews, and Edgar Andrews, of Lakeland; three grandchildren, Charles O. Andrews III and David W. Andrews of Orlando, and Thomas Oakley Andrews Jr., of Lakeland; two brothers, Oakley Andrews of Umatilla, and David H. Andrews of Tallahassee; three sisters, Mrs. Lee Padgett and Mrs. Joan Moore of Ponce de Leon, and Mrs. Alice Parish, of Bonifay.

In a rare Senate procedure, Senator ANDREWS and Senator CLAUDE PEPPER first took their seats on the same day 10 years ago, but in many cases their political careers have been divergent.

RARELY TOOK FLOOR

Senator PEPPER was the orator, whereas Senator ANDREWS rarely took the floor. He tended toward the conservative while Senator PEPPER became the leader of the liberals. While Senator PEPPER lined up almost invariably with the New Deal, Senator ANDREWS voted against Roosevelt bills as often as he supported them.

The soft-spoken Senator ANDREWS was a native Floridian, whose election in 1936 over former Gov. Doyle E. Carlton of Tampa was regarded as a major political upset. He rose to the Senate after a long public career devoted largely to secondary judicial positions.

While his younger colleague moved into the spotlight with his speeches on international affairs and domestic economic problems, Senator ANDREWS confined his activities more to the affairs of Florida.

Senator ANDREWS won the Senate nomination 10 years ago by a close 5,000 votes over Carlton in a special Democratic primary to fill the vacancy created by the death of Senator Park W. Trammell. On the same day, Senator PEPPER was nominated without opposition to succeed Senator Duncan U. Fletcher, who had died about 6 weeks before Trammell. Senator ANDREWS' age brought him the rank as senior Senator from Florida.

Senator ANDREWS was born at Sandy Creek in Holmes County, Fla, on March 7, 1877.

He was a high ranking member of the Naval Affairs Committee, and was instrumental in Jacksonville being chosen as the site for the United States naval air station.

AIDED SENATE PROJECT

He was chairman of the Public Buildings and Grounds Committee, and as such he steered to passage an appropriation for remodeling the Senate Chamber. Work of renovating the Chamber is under way. Senator ANDREWS had hoped that the project could be completed before his term expired.

He also held membership on the Immigration Committee, Rules Committee, Judiciary Committee, and the Public Lands and Survey Committee. He devoted much of his time to such activity, particularly on the Judiciary Committee.

Senator ANDREWS received his elementary education in the public schools of Holmes County, and received his higher education in the South Florida Military Institute, the Florida State Normal School and the University of Florida.

During the Spanish-American War he held the rank of captain in Company M, First Regiment, Florida National Guard, and volunteered for service. He applied for service in World War I but was rejected.

Senator ANDREWS began his political career as a bill clerk in the 1903 State senate session. He was admitted to practice law in 1907, and in 1910 he became judge of the Walton County Criminal Court of Record. From 1912 to 1919 he was an assistant Florida attorney general. Later he moved to Orlando and was elected judge of the Seventeenth Judicial Circuit, a post he held until 1925.

He represented Orange County in the State legislature in 1927, and from 1929 to 1932 he was one of the State supreme court commissioners, named to help the tribunal clear up a huge backlog of cases on its docket.

HEADED BAR ASSOCIATION

He was president of the Florida State Bar Association in 1921, and held membership in the Orange County Bar Association and the American Bar Association. He was a member of the Rotary Club, the York Rite bodies of Masonry, the Florida University Alumni Association, Pi Kappa Alpha fraternity, and was an honorary member of the legal fraternity of Phi Delta Phi. He held an honorary degree, LL. D., from Rollins College.

Senator ANDREWS was the first general counsel for the Florida Association of Real Estate Boards, counsel for the Florida Citrus Commission, and city attorney for Orlando.

The State's highest governmental officials were making plans in Florida today to attend the funeral. The State cabinet and the State supreme court both met in special session and sent expressions of condolence to the family.

Hundreds of telegrams of sympathy poured into Senator ANDREWS' office today, and many dignitaries, including representatives from the White House, called on Mrs. Andrews, President Truman will be represented by an aide at the funeral.

Senator PEPPER said that his colleague's death was "not only a great shock but a deep personal sorrow. He was loved and respected by those who worked with him in every path of life. The State has sustained an irreparable loss."

Representative EMORY H. PRICE, of the Second Florida District, en route to Florida, wired his condolences from Richmond, Va.

Governor Caldwell described Senator ANDREWS as a "splendid gentleman, a good Senator, level headed, who had common sense and was courageous."

Senator-nominee HOLLAND said Senator ANDREWS was one of "Florida's leaders and among its very best citizens."

President John J. Tigert of the University of Florida stated that Senator ANDREWS' passing "was a great loss to the Nation, the State, and to the University of Florida in particular."

Meanwhile, four veterans' organizations at Miami urged that HOLLAND be appointed to replace the vacancy resulting from Senator ANDREWS' death. The suggestion was incorporated in a telegram sent to Governor Caldwell.

[From the Winter Park (Fla.) Herald of September 20, 1946]

FLORIDA'S SENIOR SENATOR PASSES AWAY IN SLEEP IN UNITED STATES NAVAL HOSPITAL—CENTRAL FLORIDA MOURNS PASSING OF PUBLIC SERVANT; FUNERAL SERVICES IN FIRST PRESBYTERIAN CHURCH IN ORLANDO ON SUNDAY

Florida's senior Senator and one of the most beloved and respected Members of the United States Senate, CHARLES O. ANDREWS, of Orlando, passed away in his sleep in the United States Naval Hospital in Washington, D. C., Wednesday of this week. The Senator had entered the hospital shortly over a week before for a check-up before returning to his home in Orlando after 3 years of failing health and wartime pressure while serving Florida in Congress.

Funeral services for the Senator will be held Sunday afternoon, at 3 p. m., in the First Presbyterian Church, of Orlando, the Reverend Marshall Dendy, officiating.

Senator ANDREWS had given some 30 years of his life to public service and had endeared himself to thousands of Floridians during his terms as assistant attorney general of Florida, judge of the seventeenth judicial circuit, city attorney of the city of Orlando, a member of the Florida Supreme Court Commission and, finally, as United States Senator from Florida, a position which he held from 1936 until his death this week.

A past president of the Florida Bar Association, a member of the Orlando Rotary Club, a Mason and a member of the First Presbyterian Church of Orlando, Senator ANDREWS had brought many improvements to his native State. Serving as a member of the Senate Naval Affairs Committee, he was responsible for much of the speed and efficiency with which our Navy rose to its wartime position of dominance of the world's sea lanes. His fight for the "Medfly" bill was outstanding among his senatorial accomplishments and was finally approved by his colleagues last July and will go before the House when Congress reconvenes in January. To Senator ANDREWS goes the credit for the Navy's selection of Jacksonville as a site for one of the largest training stations of the Nation, the securing of a new Federal building for Orlando and his help was a vital factor in the construction of the Banana River Naval Air Base in Cocoa.

High tribute was paid by citizens of Florida and the entire Nation to Senator ANDREWS this week as persons of all walks of life extended their condolences to the Andrews family.

Besides his wife, the Senator left his three sons, Charles O., Jr., of Winter Park, Thomas Oakley, and Edwin, who were living with the family in Washington at the time of his death.

[From the Orlando (Fla.) Morning Sentinel of September 19, 1946]

SENATOR CHARLES O. ANDREWS TAKEN BY DEATH IN CAPITAL—FUNERAL SERVICES IN ORLANDO ON SUNDAY—SENATORIAL PARTY TO HONOR FLORIDIAN

(By Wilton Allen)

Senator CHARLES O. ANDREWS, Florida's senior Senator and one of the State's ablest statesmen, died unexpectedly of a heart attack yesterday at the United States Naval Hospital, Washington, D. C. He was 69.

Kept away from many Senate sessions during the past 2 years by illness and with only a few months of his term left to run until his voluntary retirement from public life because of ill health, Senator ANDREWS entered the hospital approximately 10 days ago for a physical check-up.

The Senator's body will leave Washington for Orlando today at 4:40 p. m., accompanied by congressional colleagues and members of the family.

Funeral services wil be held here Sunday at 3 p. m. in the First Presbyterian Church with the Reverend Dr. Marshall C. Dendy, pastor, officiating. Interment will be in Greenwood Cemetery.

According to word received in Tallahassee yesterday from Senator KENNETH D. MCKELLAR, Democrat, of Tennessee, President of the Senate, a senatorial party will arrive in Orlando Sunday to attend the funeral. Senator MCKELLAR said the group will be made up of Senators who are now on vacation from congressional duties, the party leaving Washington Saturday.

Senator ANDREWS is survived by his widow, the former Daisy Spears, of Tallahassee, and three sons, Charles O., Jr., of Winter Park, and Thomas Oakley and Edwin of Lakeland.

After some 30 years in public life, 10 of which he spent in Washington, Senator ANDREWS did not anticipate another term in the Senate. Last winter he announced that he would not be a candidate to succeed himself. Later, he gave his public support to former Gov. SPESSARD L. HOLLAND, who won the Democratic nomination last May.

In failing health for the past 3 years, the Senator planned instead to retire from public life and devote his remaining years to his interests in central Florida.

Mrs. Andrews was in Washington at the time of his death. A daily visitor to the Bethesda Hospital just outside Washington, she was notified yesterday at 5 a. m. that the Senator had suffered a heart attack, dying without regaining consciousness. He had appeared in no danger when she left the hospital Tuesday night.

As news of the Senator's death swept the Nation yesterday, high dignitaries, State and local officials, and friends paid tribute to the closing of a long and distinguished service in public life in expressions of sympathy and regret.

At Tallahassee the State cabinet and supreme court met in special session and sent expressions of condolence to the family. Meanwhile, the State's highest governmental officials made plans to attend the funeral here Sunday.

Regarded as an expert parliamentarian in the Senate, Senator ANDREWS was chairman of the Public Buildings and Grounds Committee and of the special committee charged with reconstruction of the Senate Chamber.

He was also a member of five other committees: Naval, Judiciary, Immigration, Public Lands and Surveys, and Rules.

As a member of the Naval Affairs Committee, Senator ANDREWS believed in a strong Navy and had much to do with putting it in as good shape as it was when the war broke out. In this connection he was instrumental in securing several naval bases throughout the State.

Among the last bills he introduced was a proposed constitutional amendment to provide that no agency, individual, or organization should infringe upon a man's right to bargain individually or collectively with his employer.

Long the champion of the Mediterranean fruitfly bill, he won Senate passage last August of a $10,000,000 appropriation to compensate growers for their losses sustained by the Mediterranean fruitfly infestation during the late 1920's, only to see it die in the House when Republicans threatened a filibuster until the predesignated adjournment hour. The bill, however, is scheduled to go before the House when Congress reconvenes in January.

He was also a strong supporter of the proposed cross-Florida barge canal, for which Congress repeatedly has denied funds.

Elected to the Senate in 1936 in a political upset, Senator ANDREWS defeated former Gov. Doyle E. Carlton for the Democratic nomination by some 5,000 votes in a special election to fill the vacancy created by the death of Senator Park W. Trammell.

On that same day, Senator CLAUDE PEPPER was nominated without opposition to succeed Senator Duncan U. Fletcher, who had died about 6 weeks before Trammell.

In rare Senate procedure, Senators ANDREWS and PEPPER took their seats on the same day 10 years ago, but in many respects their political careers have been divergent. Senator PEPPER was the orator whereas Senator ANDREWS rarely took the floor. Almost invariably, Senator PEPPER lined up with the New Deal, Senator ANDREWS voted against Roosevelt bills as often as he supported them. While his younger colleague became the leader of the liberals and moved into the limelight with speeches on international affairs and domestic economic problems, Senator ANDREWS leaned toward the conservative and confined his activities more to the affairs of state.

Soft spoken and mild mannered, lean and scholarly, Senator ANDREWS was not as close to the White House as Senator PEPPER during the Roosevelt administration. However, his contact with the Presidency became more intimate when Harry Truman—his old Senate seat mate—took the Presidential oath of office more than a year ago.

Senator ANDREWS died without seeing one of the greatest objectives of his senatorial career—the renovation of the outmoded House and Senate Chambers. He had devoted considerable time as chairman of the Buildings and Grounds Committee in joint work with a similar House committee to replace the sagging roofs and skylights and to provide each Chamber with modern lighting and acoustics.

The project had reached the bid-letting stage, but construction firms had refused to take on the job now because of the shortage of materials and uncertainty of labor costs.

He was largely responsible for Orlando securing its new Federal building and is given full credit for bringing the large naval base to Jacksonville after it had been turned down by naval authorities. Likewise, he was instrumental in obtaining the Banana River Naval Air Base near Cocoa as well as other projects throughout the State.

Senator ANDREWS at various times served as a clerk in the State senate, judge of the criminal court of records in Walton County, assistant attorney general for the State, judge of the seventeenth judicial circuit, Orange County representative in the State legislature, and as a member of a special State supreme court commission.

In addition, he was the first general counsel for the Florida Association of Real Estate Boards, counsel for the Florida Citrus Commission, city attorney for Orlando, and served one term as president of the State bar association.

In Orlando, where he practiced law for many years with his son, Charles O., Jr., he was a Mason and a member of the Rotary Club and the Presbyterian Church.

The son of a Confederate veteran, Senator ANDREWS was born in west Florida's Holmes County, the seventh of 10 children. He was educated in the public schools, the old South Florida Military Institute and the University of Florida. He was graduated from the University of Florida and admitted to the bar in 1907.

A captain in the National Guard, he volunteered for service in the Spanish-American War and applied for service in the First World War.

His political career was started in Tallahassee as a bill clerk in the State senate in 1907. It was in Tallahassee that he met Trammell, then President of the Senate. A strong friendship sprang up and it was largely through Trammell's influence that Senator ANDREWS came to the fore in politics.

Trammell became State attorney general in 1912 and promptly appointed his youth protégé as an assistant. Senator ANDREWS kept the job through Trammell's term as governor. Then, in 1919, when the seventeenth

judicial circuit was created—composed of Lake, Osceola, and Orange Counties—and attorneys in this district could not agree on a judge, Gov. Sidney J. Catts appointed the young assistant attorney general as judge of the new circuit.

In 1925, he resigned as circuit judge to enter private practice in Orlando. He was named general counsel for the State real-estate commission and appointed city attorney for the city of Orlando, which he held for several years.

One of the prominent leaders in the citrus industry and the owner of a grove himself, he was one of the organizers of the Citrus Clearing House Association. Serving as its general counsel, he wrote the organization's charter which was later adopted almost intact by the Florida Citrus Commission when created by Gov. Dave Sholtz.

In 1929, he represented Orange County in the State legislature. In that same year, the State supreme court had a backlog of some thousand cases. The legislature created the Florida Supreme Court Commission and Senator ANDREWS was one of three judges named to help clear up the docket.

After 3 years as State supreme court commissioner, he returned to Orlando in 1932 and reentered the practice of law, being joined by Charles O., Jr., in 1934.

In 1939, Senator Trammell died in Washington. Judge ANDREWS' friends urged him to run to fill the vacancy. It was in this election that he scored his political upset, defeating former Governor Carlton.

[From the Orlando (Fla.) Morning Sentinel of September 19, 1946]

TRIBUTE PAID SENATOR ANDREWS BY NATION'S DIGNITARIES

As the news of Senator CHARLES O. ANDREWS' death at the United States Naval Hospital in Washington became known yesterday, many of the Nation's dignitaries as well as State officials and close friends paid tribute to the passing of Florida's senior Senator in statements of regret and sorrow in the closing of a long and distinguished life.

Senator CLAUDE PEPPER, visiting his family in Tallahassee, said he not only suffered a "great shock, but a deep personal sorrow" at the death of Senator ANDREWS.

"For 10 years in the Senate, Senator ANDREWS and I have had as close and cordial association as two Senators can have," he said, "and his passing to me is not only a great shock, but a deep personal sorrow.

"Senator ANDREWS was a good and great man. No man surpassed him in love of his State and country. No character was cleaner or nobler than his.

"To Florida, the birthplace of him and his ancestors, he rendered a long life of distinguished service in executive, judicial, and legislative office. The State has suffered an irreparable loss. His colleagues in Washington who had such deep affection and esteem for him will join us in Florida in honor of his memory and in deepest sympathy to Mrs. Andrews and to the family."

Gov. Millard F. Caldwell said in New York while en route to Buffalo for a National Guard convention that "Senator ANDREWS was a splendid citizen and a fine Senator. He had common sense and courage."

Former Gov. SPESSARD L. HOLLAND, Democratic nominee to succeed Senator ANDREWS, said at Bradenton, where he is vacationing with his family at Anna Maria on the Gulf coast:

"I am profoundly sorry to hear of Senator ANDREWS' death. He was one of Florida's leaders and among its very best citizens. He rendered this State service of high degree. In every way he was sound, conservative, and wholly diligent in looking after the affairs of this State. He was my personal friend, and I shall miss him."

HOLLAND said Senator ANDREWS had undergone a severe strain during the war years and expressed belief that this taxing of his strength led to his fatal illness.

At Gainesville, President John J. Tigert termed Senator ANDREWS' death "a great loss to the Nation, the State, and to the University of Florida in particular.

"He was one of the university's most outstanding alumni and always manifested intense interest in the institution's affairs. He cooperated wholeheartedly during the 10 years of his service in the United States Senate in all matters concerning the university.

"He will be mourned by a host of friends in the university community, including members of the faculty and student body."

In Orlando, Criminal Court Judge W. M. Murphy, long-time friend of the Senator, said: "I knew Judge ANDREWS during all the time he was circuit judge and since, and always held him in the highest admiration and respect. Florida has lost a true friend and our country a wise statesman. He will be greatly missed."

Howard Phillips, vice president of the Dr. Phillips Co. here, said: "The Florida citrus industry had lost a great friend and benefactor.

"Senator ANDREWS never failed to come to the aid of the industry at home or in Washington. Farming, and especially the growing of citrus, was always close to his heart and I personally think he contributed more to the orderly marketing of Florida citrus than any other man in the Nation."

N. P. Yowell, long time a close friend of the Senator, was deeply shocked when the news of Senator ANDREWS' death was relayed to him.

"I consider Senator ANDREWS' contribution to his State and Nation as outstanding. He was a quiet and unassuming person, honest and sincere in all of his efforts and always did his utmost to serve his fellow man.

"His life was a life of service, and the people he knew and their problems were his chief concern. Florida has lost a loyal and devoted servant," he said.

Dean Melville E. Johnson, of St. Lukes Cathedral, termed the Senator "a devoted father and husband and a Christian gentleman."

"I have personally known Senator ANDREWS for 15 years and had heard of him and admired him even before that. I admired his opinions and efforts exceedingly and I know of no man that is more entitled to eulogy.

"His indefatigable labor in the discharge of his duty is worthy of a memorial. He served his country in wartime as much as any man in uniform and was unselfish in his sacrifices. The State and Nation have lost a great leader and the people of Orlando a great friend as well," Dean Johnson said.

The Orlando City Council at its regular weekly meeting yesterday adopted the following resolution:

"RESOLUTION

"Whereas our State and Nation have lost a distinguished citizen and public servant in the passing of United States Senator CHARLES O. ANDREWS; and

"Whereas the people of Orlando particularly will feel the loss of this able but cordial and friendly citizen: Now, therefore, be it

"Resolved by the City Council of the City of Orlando, Fla.—

"1. The members of this council personally and officially lament the passing of United States Senator CHARLES O. ANDREWS and express to his family their sincere heartfelt sympathy in their great loss.

"2. The council gratefully acknowledges the outstanding sacrificial service which Senator ANDREWS has rendered to our city, State, and Nation and bemoans the loss of his continued influence in public affairs.

"3. The city clerk is directed to forward a copy of this resolution to the family of Senator ANDREWS and deliver a copy to the press.

"Unanimously adopted this September 18, 1946.

"[SEAL] WM. BEARDALL, *Mayor.*

"Attest:

"ED. MCDOWELL, *City Clerk.*"

[From the Orlando (Fla.) Morning Sentinel of September 23, 1946]

CAREER LIKENED TO JOSEPH—NEIGHBORS, DIGNITARIES JOIN FINAL HOMAGE PAID SENATOR CHARLES O. ANDREWS

(By Wilton Allen)

Orange County friends and neighbors were joined by Florida's governmental leaders in paying final tribute to Senator CHARLES O. ANDREWS here yesterday as simple funeral services were conducted in the flower-banked First Presbyterian Church, of which he was an elder and a member for more than a quarter of a century.

Florida's senior Senator, who planned to retire from public life at the end of his present term a few months hence, died suddenly in Washington last Wednesday.

Services at the church lasted 22 minutes as Dr. Marshall C. Dendy, pastor, spoke briefly of Senator ANDREWS' life and likened his career to that of Joseph, expressing the hope that the Senator's deep moral convictions and unselfish spirit would inspire future leaders as Joseph had inspired Moses.

"In the life of this public servant there was revealed honesty of deed and sincerity of purpose, which are jewels that will adorn the name of any man of state," Dr. Dendy said.

"In years to come, some new Moses may well look into the record of CHARLES OSCAR ANDREWS and be guided by the spirit of one who has written a record of devotion to duty which should inspire future public servants to greater deeds for the State he loved so well."

Dr. Dendy selected his text from Exodus 13:19: "And Moses took the bones of Joseph with him, for he had straitly sworn the children of Israel, saying, 'God will surely visit you; and ye shall carry up my bones away hence with you.'"

In the funeral party as honorary pallbearers were Gov. Millard Caldwell, who arrived from New York a few minutes before the services; Senator CLAUDE PEPPER, and former Gov. SPESSARD L. HOLLAND, four Florida Congressmen and representatives of virtually every branch of the State and Federal Government in Florida.

Music at the church consisted of a 20-minute organ prelude played by Mrs. Margaret C. George, the church organist.

Friends and associates of the Senator began filling the church more than an hour before the services began. Every seat was occupied and many were turned away.

Several hundred persons stood in the vicinity of the church for a glimpse of the plain brown casket when the Senator was carried to the Carey Hand funeral home hearse by eight fellow Rotarians who acted as active pallbearers.

The entire rostrum was hidden by the high bank of beautiful floral offerings from friends, State and Federal Government leaders and agencies.

In the center in front of the casket was the purple and gold wreath of the Rotary Club made in the shape of the Rotary insignia. To the right was the big wreath of white chrysanthemums and pink gladioli sent by President Truman, who was Senator ANDREWS' seat-mate in the Senate before he became Vice President. To the left of the casket stood the large wreath of red roses bearing the official gold-stamped red ribbon of the United States Senate.

Serving as a direct background was a solid row of multicolored chrystanthemums, extending all the way around the rostrum.

Governor Caldwell and HOLLAND, Senator-elect who drew Senator ANDREWS' support when he did not seek reelection, entered the church together and were taken to seats nearest the casket. They had been preceded by Senator PEPPER, who arrived a few moments previously. Other dignitaries sat in the same section of the church.

Members of the Rotary Club and the Orlando Bar Association sat in a group in an-

other section. United States District Judge Dozier DeVane, a former law partner of the Senator, sat with the family, which, in addition to Mrs. Andrews, included three sons, Charles O., Jr., of Winter Park, Thomas Oakley and Edwin of Lakeland.

The family entered and left the church via a side door.

Leading the funeral procession were 2 State highway patrol cars, followed by the 20 vehicles bearing Federal and State officials. The hearse carrying the Senator's body was escorted by the Orlando motorcycle patrolmen after which came the four family cars.

Services at the graveside beneath the moss-hung oaks of Greenwood Cemetery were brief and simple, lasting less than 10 minutes after the family was seated. They consisted of the reading of a short passage of Scripture and a prayer by Dr. Dendy.

All floral offerings were not used at the church. The number of offerings was said by the Carey Hand funeral home to be several hundred.

Active pallbearers were V. W. Estes, Jacob Burkhard, W. L. Tilden, Paul Stein, H. L. Jacobs, N. P. Yowell, C. C. Brown, and W. S. Branch, all long-time friends of the Senator. Ushers were deacons of the church.

Besides Governors Caldwell and HOLLAND, honorary pallbearers, were headed by Senator PEPPER and four Congressmen, Representatives BOB SIKES, J. HARDIN PETERSON, DWIGHT L. ROGERS, and JOE HENDRICKS.

Other honorary pallbearers included: United States Circuit Court Judge Curtis L. Walker, United States District Judge William J. Barker, United States Marshals J. B. Royall and Chester S. Dishong, Secretary of State R. A. Gray, State Supreme Court Justice Alto Adams, State Treasurer Ed Larson, Attorney General Tom Watson, Comptroller J. M. Lee, State Superintendent of Education Colin English, Internal Revenue Collector John Fahs, Customs Collector A. J. Angles, United States District Attorney Herbert S. Phillips and S. Kendrick Guernsey, member of the State road department.

Others attending included: Tom Gurney, chairman of the State board of control; Courtney Campbell, State road department member; John T. Wigginton, executive secretary to Governor Caldwell; State Representative M. B. Smith, of Sanford; Tom Shackleford, former member, State road department; and Assistant Attorney General Howard Bailey.

Senator ANDREWS' body arrived in Orlando Friday. It lay in state in the chapel of the Carey Hand funeral home 5 hours Saturday and 3 hours yesterday as hundreds of friends visited the chapel to pay their respects to Orlando's statesman who had served the State in the Senate for the past decade.

In failing health for the past 3 years, Senator ANDREWS planned to retire at the end of his present term after some 30 years of public life, during which he served as assistant attorney general, judge of the criminal court of records for Walton County, judge of the seventeenth judicial circuit, State supreme court commissioner, State legislator, and Senator.

In addition, he was the first general counsel for the Florida Association of Real Estate Boards, counsel for the Florida Citrus Commission, and attorney for the city of Orlando, serving one term as president of the State bar association.

Born in Holmes County, the seventh of 10 children of a Confederate war veteran, Senator ANDREWS graduated from the University of Florida and was admitted to the bar in 1907. A veteran of the Spanish-American War, he got his political start in Tallahassee as a bill clerk in the State senate.

It was in Taliahassee that he met the late Senator Park Trammell, which resulted in a strong friendship. In 1912 Trammell became attorney general and promptly appointed his young protege as his assistant.

Senator ANDREWS held the post of assistant attorney general through Trammell's governorship. In 1919, when the seventeenth judicial circuit, composed of Lake, Osceola, and Orange Counties was formed, he was appointed judge of the new circuit.

He resigned in 1925 to enter the private practice of law in Orlando. He was then named general counsel for the State association of real estate boards and appointed city attorney of Orlando.

One of the prominent leaders in the citrus industry and owner of a grove himself, he was one of the organizers of the Citrus Clearinghouse Association. As counsel for the organization, he wrote the charter which was later adopted almost intact by the Florida Citrus Commission when created by Gov. Dave Sholtz.

In 1929 he represented Orange County in the State legislature and in that same year was named one of the three judges on the State supreme court commission, created by the legislature to help clear a backlog of cases from the supreme-court docket.

Three years later he returned to Orlando and reentered the private practice of law, being joined by Charles O., Jr., in 1934.

Senator Trammell died in Washington in 1936. Persuaded by friends to seek the office, Judge ANDREWS defeated former Gov. Doyle E. Carlton in a special primary.

In the same election, Senator PEPPER was nominated to fill the vacancy created by the death of Senator Duncan U. Fletcher a few months before. So, in rare Senate procedure, both Florida Senators took their seats on the same day.

He was reelected in 1940 to another term, but last winter announced that he did not intend to seek reelection. Instead, he threw his public support behind HOLLAND, who was nominated in the primaries last May. Senator ANDREWS planned to devote his time to his central Florida interest.

Regarded as an expert parliamentarian, the lean and scholarly Senator was chairman of the Public Buildings and Grounds Committee and of a special committee charged with reconstruction of the Senate Chamber.

He was a ranking member of the Naval Affairs Committee and served on the Judiciary, Immigration, Public Lands and Surveys, and Rules Committees.

As a member of the Naval Affairs Committee, Senator ANDREWS believed in a strong Navy and had much to do with putting it in as good shape as it was when the war broke out.

He was instrumental in securing the new Federal Building for Orlando, the naval air bases at Jacksonville and Banana River, and other State projects.

Among the last bills he introduced was a proposed constitutional amendment to provide that no agency, individual, or organization should infringe upon a man's right to bargain individually or collectively with his employer.

He was a strong supporter of the cross-Florida barge canal, for which Congress repeatedly failed to provide funds.

Long a champion of the med-fly bill, he won Senate passage last August of a $10,000,000 appropriation to compensate growers for their losses sustained in the med-fly epidemic of the late 1920's, only to see it die in the House when Republicans threatened filibuster until the hour of prearranged adjournment. The bill is scheduled for House consideration when Congress reconvenes in January.

Soft-spoken and mild-mannered, Senator ANDREWS was not as close to the White House as Senator PEPPER during the Roosevelt administration. His contact, however, became more intimate when his Senate seatmate, Harry Truman, was elevated to the Presidency.

Although taking their seats on the same day, the careers of Senator ANDREWS and Senator PEPPER have been divergent in many respects. Senator ANDREWS rarely took the floor and voted against Roosevelt bills as regularly as he voted for them. Senator PEPPER took the floor frequently and almost invariably lined up with the New Deal.

Senator ANDREWS leaned toward the conservative and confined his activities more to the affairs of state while his younger colleague became the leader of liberals and moved into the limelight with speeches on international affairs and economic problems.

Simplicity was the theme of the Senator's final rites in accordance with the wishes of Mrs. Andrews and the family. Tentative plans for a military funeral were canceled here after the arrival of Mrs. Andrews when it was learned that she preferred simpler rites with a minimum of elaborance.

Dr. Dendy started the service immediately upon the arrival of the family and 22 minutes later it was over. It consisted of an opening prayer, a passage of Scripture, a closing prayer, and Dr. Dendy's brief eulogy, which follows:

"Today we reverently and affectionately gather in this church in the presence of the earthly temple which held the spirit of Senator CHARLES OSCAR ANDREWS, who was a member and an elder in the First Presbyterian Church of Orlando. On March 7, 1877, in Holmes County, Fla., there was born to John Andrews and his wife, Mary Yon Andrews, a son, whom they named CHARLES OSCAR ANDREWS. He was the seventh of 10 children. That was the beginning of a life that was to be dedicated to the people of his State and Nation. God gave him a companion who has been the inspiration and strength of his life. To them were given a daughter, who has died, and three sons, who have increased the happiness of the home and who will prolong the influence of their parents' lives. In this church, which was his church, we meet today to invoke the blessings of Almighty God upon the deeds of his life, and to ask for the comforting peace of our Lord, Jesus Christ, upon his beloved family.

"When Joseph, beloved servant of his people, wise statesman of a nation, and faithful believer in God, approached the hour when he would retire from his work, he exacted one promise of his family, 'God will surely visit you and ye shall carry my bones from hence.' The man who walked among princes and talked with the mighty had a longing to leave Egypt and rest among the people whom he had served. At the close of his life he was homesick for his own beloved land.

"Long years after Joseph died his people took up his bones and bore them back to Canaan. Their new leader, Moses, thought of Joseph's spirit; of his dreams for his people, of his chivalry when tempted, of his courage when tested, of his loyalty to principles, and of his faith in God. The spirit of Joseph lived again in the life of Moses, who guided Israel in her new day.

"In the story of Joseph there is a parallel with the life of the statesman whose memory we honor. That nation is fortunate which has as her leaders men who have deep moral convictions and an unselfish spirit. Such men accept their office as a trust. They administer our Government upon the principles of a Constitution which was written under the providence of God. In the life of this public servant there was revealed honesty of deed and sincerity of purpose, which are jewels that will adorn the name of any man of state. In the years to come some new Moses may well look to the record of Senator CHARLES OSCAR ANDREWS and be guided by the spirit of one who has written "a record of devotion to duty which should inspire future public servants to greater deeds for the State he loved so well.'

"Let the leaders of our Nation, the officials of our State, and the hosts of friends from every walk of life join the minister in praying that God, our Heavenly Father, may give

peace and comfort to his family through the riches of grace in Christ Jesus; that the blessings of God may rest upon his colleagues in Government and upon the people of his State; and that the fullness of eternal life may be the reward of our fellow Christian forevermore. Amen."

[From the Miami Herald of September 19, 1946]

COLLEAGUES IN SENATE PRAISE SENATOR ANDREWS

(By Radford Mobley)

WASHINGTON.—Never a spectacular figure, Senator CHARLES O. ANDREWS of Florida, fondly known to his cronies as "The Judge," served his constituents with quiet efficiency here.

Senate leaders were among his best friends. Floor Leader ALBEN BARKLEY, of Kentucky, was a close friend of the judge, and when ANDREWS wanted a piece of legislation for some section of his State he simply turned the matter over to the Democratic leader who, with ANDREWS, would put it through.

"We would do almost anything for the judge," once said Senator TOM CONNALLY, of Texas, veteran Democrat, who described Andrews as "genuine true blue in all his relationships."

The Senator was ill during his latter days in the Senate and rarely took part in debate. He watched proceedings whenever possible, however, and was a stickler for upholding the dignity of the United States Senate.

Once he rose to inform his colleagues that their diction was slipping and some of them should take elocution lessons. From any other Member this remark would have caused a storm, but the Senate lions took it docilely from the judge.

SPONSORED MIAMI AID

The Senator was a great Navy man and his happiest legislative days were probably spent as a member of the Naval Affairs Committee. He was sympathetic with south Florida's interests and sponsored legislation to make Miami a cultural and trade-relations center for pan-America.

He urged an international highway to Latin America, and constantly called attention to the need for more intelligent development of trade with the good-neighbor states.

During his early Senate days—he served from 1936 until his death—Senator ANDREWS was an ardent follower of President Roosevelt. Later he differed with the former President on some of Mr. Roosevelt's social and economic legislation. He backed him 100 percent during the war and was quick always to tell his colleagues of the fine record of Florida servicemen.

COLLEAGUES PRAISE HIM

Senator SCOTT LUCAS, Illinois, Democrat, who served with ANDREWS on the Naval Affairs Committee, spoke for his colleagues Wednesday, saying, "Senator ANDREWS will be greatly missed by our body. He was an able Member and a fine citizen."

Hal Phillips, former secretary to ANDREWS, speaking for Floridians here, said: "He was a gentleman of the old school. He was kindly and wise and will leave his mark in the Senate."

Aptly summing up the lovable "judge," Frank J. Wideman, of West Palm Beach, former assistant attorney general, said: 'The passing of Senator ANDREWS is a real loss to Florida and to thousands of devoted friends. He was genuine in all of his relationships by reason of his modest and unassuming nature. He worked quietly and effectively for the State on many important projects not generally known. CHARLES ANDREWS applied himself to the limit, and beyond the limit, in unselfish public service. The respect and sincere friendship of his colleagues in the Senate was a great asset in his successful work."

[From the Miami Daily News of September 22, 1946]

A TRIBUTE TO SENATOR CHARLES O. ANDREWS

(By Thomas W. Hagan)

WASHINGTON, September 21.—For your tribute to Florida's late beloved Senator CHARLES O. ANDREWS, look in your book of quotations under "simplicity." For the venerable Orlandoan was in all things just that.

Gray, ramrod erect despite his years, Senator ANDREWS could be angry. He was a sensitive man who knew the worth of friend and foe, and who was equally vehement in denouncing both—if the occasion demanded. But in most things he was placid, quiet, long-suffering.

He was a product of his State and times. He was by all present-day standards a "conservative." Undoubtedly the effect of his conservatism was heightened by the contrast most drew between him and Senator CLAUDE PEPPER.

[From the Delray Beach (Fla.) News of October 27, 1946]

A GOOD REPRESENTATIVE OF THE PEOPLE—SENATOR ANDREWS WAS ONE OF THE SENATE'S HIGHEST ESTEEMED MEN

In the sudden but not unexpected death of Senator CHARLES O. ANDREWS, Florida's senior Senator, the South and the Nation lost one of the most popular and able men on the Washington scene.

Mild mannered and unassuming, almost shy in his contacts, but warm and genial among his colleagues in the United States Senate, Senator ANDREWS, during his 10-year tenure in "the greatest deliberative body on earth" became one of the most respected and highly esteemed men in that body.

Senator ANDREWS was not regarded as a fighter in the accepted sense of that term, but his colleagues knew him to have a streak of stubborness and an ingrained perseverance and determination which, despite his illness of the past few years, caused him to show the utmost tenacity of purpose in pursuing any course in which he had determined that he was in the right. And because of this determination, he never let up in his attempts to pass legislation which he believed in the interest of his constituents or in the interests of the people of the United States.

SURE OF FACTS

Tall, gaunt, for during the last few months he had lost weight almost to the point of emaciation, slow and deliberate of speech, ofttimes hesitant in his enunciation, Senator ANDREWS always was sure of his facts, had always marshaled his forces with the mind of a keen lawyer, when he infrequently arose to address the Senate upon any legislation in which he was interested. And he always had a respectful, tolerant, and sympathetic audience in the membership.

As a matter of fact, many times during his career, Senator ANDREWS won votes for his pet measures, not articularly on their merit, but because of the high esteem in which he was held by his colleagues.

Senator ANDREWS came to the Senate in November 1936 along with Senator CLAUDE PEPPER, the junior Senator from Florida. They were sworn in together, the senior Senator then 59, the junior Senator then 36 years old, the one aging and graying and a little stooped, the other vigorous and vibrant with young manhood.

PHILOSOPHIES DIFFERED

And in comparing the political philosophies of these two Senators from the same State, the years have developed them as the antithesis of one another. Senator ANDREWS, a conservative of the old southern school, following in the footsteps of Florida's famous Senator Duncan U. Fletcher and a disciple of the veteran Walter F. George of Georgia, who was one of his closest friends, while Senator PEPPER has developed into an extreme liberal and is outdealing the New Deal in his progressivism.

Senator ANDREWS, while accepting some of the reforms of the Roosevelt administration, broke with the late President over the Supreme Court fight and was among the delegation of Senators who marched to the White House to urge President Roosevelt to recede from his Court-packing stand which then threatened to split the Democratic Party.

His background as a jurist and his high regard for the reputation of the Supreme Court stirred strong feelings in the Floridian over the Court fight.

Influence of Senator ANDREWS' opposition to the Court-packing bill caused it to be recommitted within 5 days to the Judiciary Committee, where it was pigeonholed. So strongly did the Floridian feel against tampering with the Supreme Court that he introduced, as a substitute for the Supreme Court bill, a constitutional amendment providing for the appointment of one judge from each of the 10 respective circuit courts of appeal districts, and one from the Nation at large, which would have prevented so many appointments to the bench from a single State or a single section of the country. His amendment would have provided for appointment by apportionment throughout the United States and would have permitted members of the courts of appeal to sit on the Supreme Bench when members of that tribunal were ill, disqualified, or otherwise absent.

ALMOST APPROVED

It is not generally known, but at one of the famous "good will" picnics of the Democratic Party held at Jefferson Island in the Chesapeake Bay in the summer of 1937 this resolution or constitutional amendment, came near being approved by the President and the party leaders. With his tenacity of purpose the Senator introduced his resolution at succeeding sessions of the Congress, but without avail.

Senator ANDREWS had no high ambitions to become a party leader. His one thought while here in Washington was to "be a good representative of the people." He was not a good politician in the accepted sense and never would yield to expediency in any matter which might reflect upon his motives or which might affect pending legislation which he considered good. That he did understand practical politics, however, is borne out by an incident which happened in 1943 prior to the 1944 campaign.

As a senior Senator from Florida, he was approached concerning the appointment of patronage in his State in setting up the war manpower commission in Florida. And while he did not see eye-to-eye with his junior colleague, he recognized that Senator PEPPER might face a tough fight for renomination in that campaign.

"Give the patronage to Senator PEPPER, it might help him and he'll need all the help he can get," he told the representatives of war manpower. And as it turned out Senator PEPPER did need help in that campaign.

TOLD NO CHANCE

When Senator ANDREWS announced his candidacy for his first term, many leaders in Florida sought to dissuade him on the theory that he did not have a chance of election. His stubborn streak asserted itself, however, and with the help of his wife, who is a good campaigner in her own right, he stumped the State and was elected over such opposition as Charles Frances Cot, the author; Bernar McFadden, magazine publisher; and Jerry Carter, Florida railroad commissioner.

Senator ANDREWS' closest friends in the Senate included GEORGE of Georgia, and also Senator RUSSELL of that State, STEWART of Tennessee, BYRD of Virginia, Radcliffe of Maryland, MAYBANK of South Carolina, and BARKLEY of Kentucky.

His friendship with BARKLEY dated from his early days in the Senate when he supported Senator BARKLEY in his close fight for Democratic floor leader against the late Senator Pat Harrison of Mississippi. He was close to and had great admiration for President Harry Truman, with whom he served in the Senate.

Among the important pieces of legislation which Senator ANDREWS fostered was repeal of the Chinese Exclusion Act, opening the doors of the Nation and Hawaii to Chinese immigration on the same quota basis as other nations; providing for an overseas inter-American highway connecting highway terminals with a system of ferries linking up pan-American highways; he sought a constitutional amendment which would provide for trial by jury of less than 12 members for crimes for which maximum penalty is less than death or life imprisonment; another constitutional amendment dubbed the "right to work" amendment which would prohibit the denial or infringement of the inherent right of a citizen to work and bargain freely with his employer.

Senator ANDREWS thought this right should be inherent and added to the Bill of Rights and his amendment would declare that this right individually or collectively shall not be infringed by any Federal or State law or by any organization. His amendment has been interpreted in some sources as being a threat against union picketing when other men want to work, for it says: "No minority group nor combination of minority groups, acting by force or threat, has the right to intimidate or to dictate the destiny of the people of the United States."

FOR STATES' RIGHTS

His close association with his southern colleagues, and his philosophy of political science made any infringement of States' rights distasteful to Senator ANDREWS. For this reason he joined with other southern Democrats in opposing such legislation as Fair Employment Practices Commission, the anti-poll-tax bill, antilynching bill, and he was determinedly against the usurping of power by union leaders and so-called irresponsible acts of some unions.

For instance, in commenting on the coal strike the Senator declared, "John L. Lewis is getting to be the greatest menace this country faces at this time, outside of the Axis Powers."

To support the statement that Senator ANDREWS was not an opportunist nor did he use expediency in his dealing with what he considered right and wrong, was his opposition to a proposed amendment to the Constitution which would give so-called equal rights for women, sponsored by many women's organization and several labor organizations.

On July 18 of this year he made a lengthy speech on the floor of the Senate in support of his stand on this proposed constitutional amendment.

WOULD ROB STATES

"If this proposed amendment is made a part of the Constitution of the United States, then the States may be robbed of all the power they have at present and have exercised over rights as between men and women for 150 years.

"Under this amendment * * * Congress could ultimately take over all the powers heretofore resting in the States to regulate the innumerable domestic or family rights arising as between husband and wife, mother and son, brother and sister, including those rights existing between men and women of every kind, creed, and race. Congress could also ultimately usurp and take over all the present adequately established local powers now in the States to legislate for the safety and health of women in the industries * * * the irrefutable laws of nature cannot be changed by Congress."

Senator ANDREWS took a leading part in legislation and appropriation for authorization and construction of the Florida cross-State canal and other maritime construction in Florida coastal waters. He introduced in several succeeding Congresses the measure to provide Federal repayment of losses to some 7,000 Floridians for destruction of crops and groves in the fight against the Mediterranean fruit fly. This bill passed the Senate during this last session, but failed to get through the House.

STRICKEN IN 1943

Stricken by illness early in 1943, Senator ANDREWS had fought a plucky but discouraging fight to regain his health these past 3 years. Forced to remain away from his office in the Senate Office Building, which by the way, is the same office occupied by President Truman when he was a Member of the Senate, the Senator through a loyal office staff had been able to keep in close touch with the Senate Calendar and the important legislation passing through that body.

He was intensely in favor of the United Nations organization and supported zealously all legislation necessary for the successful establishment of that organization.

During the past year he steered a measure, as chairman of a special committee, for the modernization of the Senate and House Chambers. He also sponsored a bill providing for construction of a new building for the United States Court of Appeals for the District of Columbia, at a cost of approximately $1,700,000.

He was a member of several important committees including the chairmanship of the Committee on Public Buildings and Grounds, Immigration, Judiciary, Naval Affairs, Public Lands and Surveys, and Rules.

BORN IN HOLMES

Senator ANDREWS was born in Holmes County March 7, 1877. His education included the Florida common schools, South Florida Military Institute and he holds diplomas from Florida State Normal and the University of Florida. He was captain of Company M, First Regiment, Florida National Guard, and volunteered for duty in the Spanish-American War. He also applied for service in World War I.

He served as bill secretary for the Florida Senate and served as judge of the criminal court, 1910–11; assistant attorney general of Florida, 1912–19; circuit judge, 1919–25; and a member of the Florida Supreme Court, 1929–32.

His club membership included Rotary, Masonic, Florida University Alumni Association, Pi Kappa Alpha fraternity. He was honorary member of the Phi Delta Phi, legal fraternity, former president of the Florida State Bar Association, member of American, State, and Orange County Bar Associations. He was given honorary degree of LL. D. of Rollins College in 1941.

He was married to Miss Margaret Spears, of Tallahassee, and they had three sons, Charles Jr., Orlando; Oakley, at Vero Beach; and Edgar, Lakeland.

PAID TRIBUTES

Senator ANDREWS sang his swan song as a Member of the United States Senate on August 2, 1946, when Senator PEPPER touched off a series of tributes to his senior colleague when he said:

"I am sure that every Senator will miss the kindly, friendly, sincere, earnest, and patriotic senior Senator from Florida from this body. He is rounding out a distinguished career of public service which has carried him through the legislative, executive, and the judicial branches of the Government of the State of Florida and of the Nation.

"As I said, it was his own choice that he retire from the Senate, which he does for reasons of health which have plagued him for some time. It has been a great privilege for me to share service in the Senate with the senior Senator from Florida. He will carry with him not only my affection and esteem, but, I am sure, the affection and esteem of every other Senator who has had the real pleasure and satisfaction of service with Senator ANDREWS in the Senate. The State of Florida will be greatly the loser when his distinguished service is no longer given to the State and to the Nation."

BARKLEY ADDS PRAISE

Senator ALBEN BARKLEY, of Kentucky, Democratic floor leader in the Senate, also paid high tribute to Senator ANDREWS when he said:

"Mr. President, I wish to associate myself with the Senator from Florida in his expression of esteem and good will toward the senior Senator from Florida [Mr. ANDREWS].

"I have enjoyed not only the service of Senator ANDREWS here, but his personal friendship and his cooperation. I wish him long life and health and happiness in whatever he undertakes. I hope that his departure from the Senate will not mean that we shall not, from time to time, allow our paths to merge so that we may see more of him in the future."

Senator ALEXANDER WILEY (Republican, Wisconsin) joined in the parade of tributes for the judge. "It has been my privilege," Senator WILEY said, "to visit with him in his home. I know his fine wife and I agree with everything that has been said about him. I am sorry that ill-health has made it necessary for him to leave the Senate. The people of Florida would have been happy to send him back.

"When I was in Florida, everywhere I went I found people of all parties and of all creeds who really loved him. He had served on the bench with distinction and has found a place in the hearts of many of his colleagues in the Senate.

"We join in the wish of the majority leader that he may regain his health and, in his fine home in Florida down there among the lakes, will be able to enjoy his grandchildren and family for many years to come."

[From the Orlando (Fla.) Morning Sentinel of September 19, 1946]

A TRIBUTE TO A GREAT ORLANDOAN

We will remember United States Senator CHARLES O. ANDREWS as one of the few men called to Washington for public service who refused to change his personality, his way of life, to conform with the Capital pattern.

Senator ANDREWS never was bitten by that insidious bug called Washingtonitis.

He was the same quiet, unassuming, conscientious, serious-minded citizen as a Senator that he had been as a private citizen.

It was a pleasure to go into his office on business, or merely for a friendly call. There was something of a touch of Florida there, despite the proximity to the great Halls of Congress nearby and the cold, marble lengths of the Senate Office Building corridors just outside his doors.

His secretaries and his clerks caught the spirit of the Senator and were as quietly helpful to any who came there as was the Senator himself.

If we were able to grant a last boon to the Senator, we would see that the med-fly bill passed during the next session of Congress, or during the rumored extra session this fall.

His work on the reimbursement of Florida growers who suffered damages and losses during the 1929 eradication campaign was typical of his entire career.

Quietly but doggedly he labored to fulfill a promise he had made to himself and to the people of Florida who voted for him.

And he performed his share of the work. The bill passed the Senate only because his fellow Senators held him in such high respect. He was able to circumvent bills which had higher priorities, bills which had more

Nation-wide political significance, because "CHARLIE ANDREWS wanted it passed."

This in itself was a wonderful tribute to a man who was retiring from the Senate scene.

His home town and Winter Park, his neighboring community, had planned a lasting tribute to Senator ANDREWS.

He never had been informed of the move, because his modesty might have revolted against fulfillment of it and because his fellow citizens wanted it to come in the nature of a surprise home-coming tribute.

When President Truman was scheduled to come to Rollins College and Orlando last spring, Mayor Beardall and Mayor Halverstadt of Winter Park had arranged that the President himself dedicate the community's tribute to his friend, Senator ANDREWS.

In a brief ceremony on the Winter Park-Orlando line, the President was to rename Mills Street for the Senator—calling it Andrews Boulevard.

We believe this plan should be carried out.

President Truman is scheduled to come to Rollins sometime next winter. We are certain that he would be happy to participate in the dedication ceremonies, as a friend and an admirer of Senator ANDREWS.

Andrews Boulevard, a long, straight road through one of the most beautiful sections of the community he loved so well, would recall to future generations of Orlando citizens the city's first United States Senator and the sort of a life he led, the example of service he set.

Senator ANDREWS long had known his time in this world was short. He decided before the last Democratic primary that he would retire. He felt that his failing health would preclude his performing his duties for the people of Florida.

And so we bid hail and farewell to the mortal Senator CHARLES O. ANDREWS.

He lived long, he served well and he passed on to future Florida public servants a record of devotion to duty which should inspire them to greater deeds for the State he loved so well.

With Walt Whitman we say:

"This dust was once the man,
Gentle, plain, just and resolute."

A true son of Florida.

[From the Orlando (Fla.) Star of September 20, 1946]

THE NATION SUSTAINS A LOSS

A pall of sorrow came over the city Wednesday when the news of Senator ANDREWS' death became known.

It touched the city hall. It clouded the Rotary meeting when the members stood in silent prayer. It was on the lips of every Orlandoan.

Senator ANDREWS was truly loved and respected.

In his death Florida loses a great citizen, the country a statesman.

Senator ANDREWS was never a a person to play to the gallery. In fact his reserve was considerably against him in his public life. That is why he was a statesman.

Had the Senator been as good an orator as he was a thinker, he would have been in the newspaper headlines constantly. But because he thought more than he spoke, the Senator was seldom heard. He was constantly sought by colleagues. His mature thinking and sound judgment could always be relied upon.

Senator ANDREWS was a real American.

He was a stanch supporter of the Constitution. He didn't belong to the school that wanted to decorate it with frills, or twist meanings to fit conditions, he made the conditions fit the Constitution. This may have been inconvenient. It prevented many a walk into dangerous grounds.

The Senator was a friend of everyone. He was tolerant and kind. There was nothing wishy-washy about him. His convictions were strong. He stood upon them. He realized always there are two sides to a controversy.

The Senator was a good citizen. He was a good neighbor.

The home is the foundation of this Nation. The Senator set an example in his home life.

Perhaps it was his even temper, his ability to remain calm under the most trying circumstances or his never-ending patience that made his home life so exemplary. Then, too, it might have been the charm and loveliness of his always attractive wife, who had the happy faculty of being both a devoted wife at home and a partner outside.

Charles and Daisy, as their friends knew them, won the hearts of all who came to know them.

Senator ANDREWS served his country. If there were more men of his stamp in Washington much of the Nation's troubles would soon disappear.

His ideas on the country's foreign policy were sound. He could not be termed an internationalist, yet he was by no means an isolationist. He believed that the nations of the world each had to yield something toward a common goal of peace. He would have maintained a force, either by this Nation alone or some sort of combined world government, to put down disturbances which might cause world wars.

We like to remember Senator ANDREWS most as a neighborly, kindly gentleman who came from south of the Suwanee to make his home in Orlando and be one of its citizens.

[From the Panama City (Fla.) News-Herald of September 19, 1946]

OUTSTANDING PUBLIC SERVANT

The death of Senator CHARLES O. ANDREWS ends a long and distinguished career of public service, and his passing will be mourned throughout the State.

For 10 years he has served Florida in the United States Senate—served it faithfully, diligently, and quietly.

Senator ANDREWS, who was Judge ANDREWS for many years before his election, never made any sensational headlines. He didn't work that way. He was a quiet, affable type of man, with a judicial mind.

And he had courage. In the face of widespread support for an opponent, he persevered in a senatorial campaign and scored one of the most surprising upsets in Florida political history. That was back in 1936 when he won the senatorial nomination over former Gov. Doyle Carlton. The Orlando judge was not daunted by seemingly overwhelming support for his opponent.

Nor was he daunted, during his years in the Senate, by the fact that the spotlight was usually focussed on his colleague from Florida. He continued to persevere, to work for the interest of Florida and the Nation.

Senator ANDREWS served the State long and well.

[From the Jacksonville Journal of September 19, 1946]

SENATOR CHARLES O. ANDREWS

Last October, after Florida's senior Senator had suffered a considerable period of ill-health, he came to a difficult decision. Despite his illness, he might have continued to hold his seat in the Nation's highest legislative body. Most of the likeliest candidates were waiting to see whether CHARLES O. ANDREWS would run for reelection, and if he had decided to do so it seems probable that he would have had little opposition. But he knew that, with the best will in the world, his service to Florida would be hampered by his health. And so, after 10 years of conscientious work as a United States Senator, he retired with the utmost grace. The news that came yesterday from Bethesda showed that he knew only too well what the future held.

He was not a spectacular legislator. He conceived it to be his task to know his State thoroughly, to be ever watchful for its welfare, and to proceed quietly with those measures which seemed to him to be best for Florida and the Nation. Few have done these things better than he.

Florida has suffered a loss; the man who looked forward to many quiet days among the lakes and orange groves that he so loved, has gone on to greener groves.

[From the Lakeland (Fla.) Ledger]

A GENTLEMAN SENATOR

Invariably, when Floridians expressed themselves concerning Senator ANDREWS during his lifetime, they said: "He is a fine gentleman."

That, in essence, is the epitaph he leaves in the memories of his fellow Floridians.

He was a true southern gentleman of sound character and genuine dignity. When he went to the high office of United States Senator, he took with him a practical background that included many years of practice as a lawyer, a tenure as judge of the criminal court of record of Walton County, 7 years as assistant State attorney general, 6 years as a circuit judge, 2 years as a State legislator, and 4 years as a member of the special State supreme court commission established to cope with an unusually heavy docket.

Floridians knew he had been in poor health for many months, but his sudden death as the result of a heart attack came as unexpected news.

He will be remembered as a citizen who was substantial in the fullest sense of the word and as a public servant who was honorable.

[From the Winter Park (Fla.) Herald of September 20, 1946]

SENATOR CHARLES O. ANDREWS

Florida lost one of its most respected and sincere public servants in the death of Senator ANDREWS this week. The Senator, noted for his quiet and unassuming manner in public and private life, had upheld the highest traditions of his most illustrious predecessors in the United States Senate. He was never one to make much noise of his efforts in behalf of Florida and the Nation, but rather would he work in his quiet way to bring about the things which, after careful consideration, he thought best for his constituents.

A man of strong convictions, Senator ANDREWS held the profound respect of his colleagues in Washington, not only for his ability as a statesman but also for his courage and the personal sacrifice of his health to carry out his responsibilities to his State and country.

Many Winter Parkers and Orlandoans knew the Senator personally and feel deeply the loss of a personal friend. Thousands of Floridians whom he had served since 1936 know that they have lost a representative in Washington on whom they could rely for sound advice and capable support in matters affecting the welfare of this State.

From the standpoint of service to his fellow man, sincerity of purpose, and a life devoted to high ideals of statesmanship and democracy. Florida lost this week its outstanding public servant and friend, in the death of Senator CHARLES O. ANDREWS.

[From the Tampa (Fla.) Daily Times of September 18, 1946]

SENATOR ANDREWS KEPT THE CONSTITUTION HANDY

During the nearly 10 years that CHARLES O. ANDREWS, of Orlando, represented Florida in

the United States Senate, he gained the respect of Congress and his constituents for his sincere effort to act in accordance with the spirit and the letter of the Constitution.

Mr. ANDREWS, who died this morning in Washington of a heart attack, was little known in Florida in 1936 when he first won the Senate seat in a special election caused by the death of Senator Park Trammell. There were skeptics who thought he would be a radical in Congress because of his sympathy with the needs of elderly citizens, but from the beginning he filled the office with dignity and voted in the Senate along lines he believed thoroughly in accord with the Constitution.

No New Dealer, Mr. ANDREWS nevertheless did not hew to a strict anti-New Deal line. He saw some things that were good in the New Deal program and voted for them. Others he opposed quietly but firmly. He came into national prominence when he helped in the fight against President Roosevelt's plan to pack the United States Supreme Court.

[From the Pensacola (Fla.) Journal of September 19, 1946]

STATE SUFFERS LOSS

The State of Florida suffered a distinct loss yesterday in the death of its senior United States Senator, Judge CHARLES O. ANDREWS.

Although in poor health for several years, Judge ANDREWS stuck to his post in the Nation's Capital and quietly, but efficiently, wielded his influence for those things which he sincerely believed to be right.

From his beginning in the service of Florida as a bill clerk in the State senate, up through the years as jurist and State and national legislator, Judge ANDREWS served faithfully, conscientiously, and with an honesty of purpose which lifted him to a place of high esteem among the citizens of his native State and among his colleagues in Washington.

Having lived in Walton County, where he was judge of the criminal court of record from 1912–17, Senator ANDREWS was admired by many stanch friends in northwest Florida.

Among his last official acts was to greet Pensacolians in the Capital to obtain increased air service and to pledge to them his best efforts. As a member of the Senate Naval Affairs Committee, he was an important personage in all naval matters.

It is regrettable that Senator ANDREWS was not spared to enjoy some years of well-earned rest in retirement to observe the fruits of his labors and to serve as an elder statesman to those who follow him in high public office.

[From the Fort Pierce (Fla.) News-Tribune of September 19, 1946]

COMMENT OF THE NEWS

The traditional eulogy of prominent men who die concerns itself usually with the man's tangible accomplishments, his honors, and his record in public life, if any. Too often such bits of post mortem praise become cut and dried and follow the same groove. It is also difficult at the time of a friend's death to say or write the things one wishes to express. We find ourselves, upon the death of Florida's senior United States Senator, beset by both obstacles.

As a native son of whom Florida should be proud, CHARLES O. ANDREWS left nothing to be desired. If he were unknown to you before he became Senator, think how many other conscientious and capable men who happen to be from another part of even your own State are equally unknown to you. And if, during his two terms as Senator, his public conduct in Washington was such that it made few headlines and we therefore felt his presence less forcibly at the moment, remember the loudest public man is not always the most admirable.

For Senator ANDREWS did have his share of public honors. As a lawyer, judge, teacher, and representative in the State legislature and in Congress he bore always his full share of the responsibility imposed on him by the people.

But to this writer personally that was not the impressive thing about Senator ANDREWS. He was first of all a man of quiet and kindly dignity. We met him on but two occasions, both brief incidents which we know must not have stayed in the man's mind much longer than they lasted, but they did in ours. The first time was some 4 or 5 years before he became Senator at a time when his duties kept him much in Tallahassee, although his home and family were in Orlando. His eldest son and this writer happened to be classmates and fraternity brothers at the university, which is where we met "the Judge." On that occasion he was driving through to Orlando and offered a lift that far to a youth headed home to Fort Pierce.

We were sensible of the honor of a 3- or 4-hour night drive and conversation with the distinguished gentleman, and being the rawest of callow college boys sought feverishly to make a fine impression. In retrospection the effort could scarcely have been less than noticeable, it seems to us now, but the Judge never let on he thought so.

His conversational contributions gave the impression of a man who talks with an equal in dignity and judgment. We forget the subjects we discussed during that evening, but we will never forget the man with whom we talked. We couldn't have declined the reasons, but from that hour on the Judge had a steady admirer.

The other occasion was after he became Senator and when he visited Fort Pierce briefly one afternoon. During that visit we met him on the street and exchanged greetings, and saw once more the tall old gentleman, somewhat frail in appearance but warm and kindly, and still with the air of scholarly dignity.

Warm kindliness and quiet dignity may be old-fashioned qualities these days. In a tough, cynical and catch-as-catch-can world, such a man may miss a lot of the earthly things we all seek, but we suspect he gains much that the rest of us miss. And we feel certain the world loses a lot when a gentleman of the old school passes from our midst. We personally honor Senator ANDREWS for the mark he made as a very human individual.

ROLLIN L. ROGERS.

[From the St. Petersburg (Fla.) Times of September 19, 1946]

SENATOR ANDREWS

Senator CHARLES O. ANDREWS, who died yesterday after a long illness, was a superior Senator and conscientious public servant. In his actions he was motivated by a desire to serve his State and Nation the best he could.

[From the Lakeland (Fla.) Ledger of September 20, 1946]

ANDREWS BOULEVARD

Long before Senator ANDREWS died some of the leading citizens of Orlando and Winter Park got together and planned for dedication of Mills Street, the Orlando-Winter Park line, as Andrews Boulevard, the Orlando Sentinel relates. The plan was kept from Senator ANDREWS because his friends in the two adjoining communities wanted to surprise him.

President Truman was to dedicate the thoroughfare during a visit at Rollins College, Winter Park, last year. But the President didn't get to make the visit. However, dedication by the President is still the plan, since there is some indication he may visit Rollins sometime within the next few months.

During an interview with the President in his White House office last June we were much impressed by the sincerity of his praise for Senator ANDREWS. He said he regarded the Florida Senator as one of the most excellent gentlemen he had ever known, and he expressed anxiety over Senator ANDREWS' failing health. It was the President who brought up mention of the Senator.

Senator ANDREWS gave the President loyal support, and since they were such good friends, it would be most fitting if the President should be the one to dedicate Mills Street as Andrews Boulevard.

How unfortunate that the dedication could not be arranged before Senator ANDREWS' death. Such an expression from the citizens of his own home area would have enriched the golden hue of his sunset period.

[From the Orlando (Fla.) Morning Sentinel of September 23, 1946]

LAST TRIBUTE TO SENATOR ANDREWS

Orlando, the State, and the Nation yesterday paid final tribute to the late Senator CHARLES OSCAR ANDREWS.

The First Presbyterian Church, of which he was a member and an elder, was packed with persons from all walks of life.

There were senatorial colleagues, members of the congressional delegation, the governor, city officials, State legislators, life-long friends, young people he had befriended and helped, bankers, and laborers.

It was a fitting tribute to a man who walked humbly through life, serving and helping to the best of his ability almost to the hour of his death.

Orlando, the State, and the Nation will miss him.

What Became of the $5,270,000,000 of 1946 and Prior Years' War Department Balance of Funds?

EXTENSION OF REMARKS

OF

HON. ALBERT J. ENGEL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. ENGEL of Michigan. Mr. Speaker, on February 21, 1947, Maj. Gen. George J. Richards, then budget officer of the War Department, testified before the War Department Subcommittee of the Appropriations Committee—see pages 169–170 of hearings on 1948 military appropriation bill—that the War Department had unliquidated obligations on July 1, 1946, of $5,270,883,316. These obligations were incurred in pursuance of and covered by appropriations made by Congress for 1946 and prior fiscal years.

General Richards testified at that time that a critical review had been made which indicated "that the amount of firm obligations as of June 30, 1946, after all adjustments had been made, will approximate $3,700,000,000." So, according to General Richards' statement, the status of 1946 and prior years' funds was as follows on June 30, 1946:

First. Available for expenditure from appropriations for 1946 and prior years' funds, $5,270,000,000.

Second. Required to meet unliquidated obligations for 1946 and prior years, $3,700,000,000.

Obligations for 1946 and prior years might mean anything, from a building cost-plus-fixed-fee contract to a war claim of a foreign government.

CONGRESS RESCINDS $1,400,000,000

As a result of this and other testimony and upon recommendation of my subcommittee, the 1947 War Department appropriation bill contained a rescission of $1,100,000,000 of 1946 and prior years' appropriations, which was later increased to $1,400,000,000.

WHAT BECAME OF THE BALANCE OF THIS $5,270,000,000 1946 AND PRIOR YEARS' FUNDS

I have been working on this matter for more than 2 years with one object in view, that of making the War Department account for whatever moneys they have expended or will expend of this tremendous sum, and to itemize the "unliquidated obligations" that made up this $3,700,000,000. The War Department claimed these funds were required to pay war debts incurred in 1946 and prior years' funds. Whenever I tried to find out what they were doing or were going to do with this money the atmosphere around the Pentagon building where they were supposed to keep this information looked like an Oklahoma dust storm during an early morning London fog covered by a wartime Army smoke screen. I did learn however that they built a new Army theater in Hawaii at a cost of $789,000. The story was given out that this building was erected with post exchange and other nonappropriated funds. An investigation shows that only $102,000 of this amount was not appropriated funds and that $687,000 was paid out of 1946 and prior years' appropriated funds. Tripler Hospital and the buildings that go with it, erected under the War Powers Act at Honolulu at a cost of $36,000,000 plus, were built out of "1946 and prior years' funds." Of these 1946 and prior years' funds, $46,500,000 were allocated to Alaska for housing and other projects which were discussed by me recently more in detail. There was reserved and listed as unliquidated obligations against 1946 and prior years' appropriations the sum of $200,000,000 for portal-to-portal pay. There was set aside as unliquidated obligations approximately $261,000,000 for Army of the Philippines to be used for guerrillas' pay. While a great many guerillas did good work while Japan occupied the Philippines, it was a notorious fact that thousands of these guerrillas who if they did not cooperate with Japan certainly did not cooperate with us, yet are now asking for pay.

It will be recalled that the War Department requested and Congress wrote into the various appropriation bills transfer clauses allowing the War Department to transfer funds from one service to the other. I opposed these transfer clauses strenuously and in each instance was overruled. I have an itemized statement consisting of 21 pages, which pages are 17 inches long and 14 inches wide, giving a detailed statement and break-down of this $5,270,000,000 of "1946 and prior years' funds." It took me almost 2 years to obtain this statement despite the fact that I had the best investigators that could be obtained working on these items. I did not obtain this detailed information until after Major General Arnold was appointed budget officer. General Arnold has cooperated with me 100 percent and I now have a detailed accounting of every dollar of this vast sum.

SUMMARY AND FINAL RESULT

First. February 21, 1947, in testifying before our committee, Maj. Gen. George J. Richards maintained and insisted that of the $5,270,000,000 available out of 1946 and prior years' funds at least $3,700,000,000 would be required to meet unliquidated obligations. After some time he finally conceded that the House could de-obligate and rescind $1,100,000,000 of the principal sum. When the bill went to the Senate I believe he stated that $300,000,000 more could be rescinded, still maintaining that at least $3,700,000 plus would be required to meet this unliquidated obligation.

Second. Here is the final result, according to the detailed statement as furnished me by General Arnold: On July 1, 1948, $3,000,785,444 will have been rescinded. Of the remaining $2,270,340,000, $337,000,000 will have been reappropriated in the 1949 bill and $912,000,000 will have reverted to the United States Treasury and will no longer be available under the Reorganization Act.

Third. Instead of $1,500,000,000 which was the maximum amount General Richards said would revert to the Treasury, $3,912,785,000 will revert to the Treasury either by rescission or under the Reorganization Act.

Fourth. Instead of spending $3,700,000,000 as stated by General Richards for unliquidated obligations there will actually have been spent only $1,358,000,000.

WHY DID THE PRESIDENT FAIL TO SHOW THIS $5,270,000,000 OF 1946 AND PRIOR AVAILABLE FUNDS IN THE BUDGET SUBMITTED TO CONGRESS?

The War Department budget officers in testifying before our committee made the unqualified admission that this $5,270,000,000 of 1946 and prior years' appropriations, which was available for expenditure and could have been drawn out of the Treasury and at least $3,700,000,000 of which it was claimed would be drawn out of the Treasury for unliquidated obligations, was not shown in the condensed budget which the President through his Budget Bureau sent down to the committee of 102, which is the Congressional Budget Committee that fixes the appropriation ceiling. Col. E. B. Gallant, executive officer of the budget division, and the entire financial management group of the War Department appeared before my committee on April 1, 1948. I handed him the condensed budget for 1948 which the President sent down to the Congressional Budget Committee and which was used by that committee in fixing the appropriation ceiling. On page 232 we find the following testimony:

Mr. ENGEL. Now just where is there shown in this book (referring to this budget) unobligated or unliquidated obligations of $5,270,000,000? Where is that reflected in this book?

Colonel GALLANT. I am not familiar with the book.

Mr. ENGEL. The amount should be in the unliquidated obligations.

Colonel GALLANT. Yes; that is correct.

Mr. ENGEL. The total amount for the military activities only show $2,250,000,000.

Colonel GALLANT. Yes.

Mr. ENGEL. Where is that $5,270,000,000 unliquidated obligations shown in this book? I would like to have it shown to me.

Colonel GALLANT. You will not find the $5,270,000,000 in that book.

Again—

Mr. ENGEL. The Budget Bureau submitted to the committee of 102, which consists of the Ways and Means Committee of the House and the Finance Committee of the Senate, and the Appropriations Committee of the two Houses, a budget, upon which that committee fixed a ceiling for the 1948 budget. Is that right?

Colonel GALLANT. That is right.

Mr. ENGEL. And that $5,270,000,000 is not on this sheet?

Colonel GALLANT. No, sir.

Mr. ENGEL. If they were unliquidated obligations, then you would be called upon to liquidate those obligations with money out of the United States Treasury?

Colonel GALLANT. That is correct.

The record speaks for itself. It is inconceivable that the President of the United States should fail to show these liabilities in the budget sent down to the committee of 102.

Are the Government's Terms for the Belasco Theater a Farce?

EXTENSION OF REMARKS

OF

HON. GEORGE H. BENDER

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. BENDER. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include an editorial entitled "Theater for Washington," which appeared in the Washington Post this morning, June 19, 1948, and a letter captioned "Belasco Theater" from the same newspaper. It appears that after its brave words about making the Belasco Theater available, the Truman administration is offering it on terms which no responsible businessman would accept:

THEATER FOR WASHINGTON

With the passing of the National Theater into limbo or filmdom, the Capital of the United States will be without a single legitimate playhouse. The one structure which can more or less speedily be reconverted to remedy this lack is the old Belasco Theater, facing Lafayette Park. The Public Buildings Administration has announced that it will receive bids for the rental of this structure. But the terms under which bids have been invited afford scant hope that the reconversion will become a reality. Elsewhere on this page a correspondent analyzes in some detail the defects of these terms from the point of view of those interested in keeping the legitimate stage alive in Washington. We agree with him that the offer of the Public Buildings Administration to make the Belasco available will be no more than an empty gesture unless that agency acts to make private operation of the theater feasible and to insure that it will actually be operated in the interest of the community's cultural life.

There is no doubt at all that the people of Washington will support a theater which offers them first-class theatrical fare and which offers its tickets for sale on the nondiscriminatory or American plan. Several

commercial entrepreneurs have expressed lively interest in operating such a theater here. So has the American National Theater and Academy, which, through the Washington Art Center Association, has done much toward inducing the Government to make the Belasco available. ANTA is perhaps peculiarly qualified to meet the drama needs of the National Capital. It was chartered in 1935 by Congress for the purpose of stimulating interest in the drama and bringing to all Americans their heritage of the past, the best of the present, and to aid the development of better drama in the future through its academy. Many of the most distinguished American dramatists, actors, and producers are among its officers and directors. Washington would be an ideal home for ANTA. And ANTA would be an ideal custodian of a Washington theater.

It was Washington's need which prompted the Public Buildings Administration to offer the Belasco for rent. That need should not now be ignored in the selection of a tenant. It is a far more important consideration than the amount of income which the Government can glean from the lease. It merits, indeed, on the part of the Government which has its site here, affirmative and sympathetic, and generous help.

BELASCO THEATER

The Federal Government paid $400,000 for the Belasco Theater and grounds. Under the proposal as drawn and advertised by the Public Buildings Administration the Government in effect most generously offers to lease the Belasco for at least a year. In return for this a theatrical producer willing to bring theater—legitimate theater—to the Nation's Capital for a democratic audience must invest approximately $400,000 to restore the theater to operating condition.

To put it mildly this is to make a farce of any prospect of theater in the near future. It appears that every possible obstacle to make the restoration and operation of this theater unreasonably hard and unrewarding has been incorporated into the proposals for bids.

Since the property will continue to be owned by the Federal Government the proposal should stipulate that the Belasco should and must be open to all. A clause should also have been written into it stipulating that the Belasco must be used only for theater production, i. e., legitimate theater, opera, ballet, concerts, etc., but not as a movie house. This was not done.

Constitution Hall is furnished Federal steam for heat, though Negro artists are barred from performing there. The prospective Belasco tenant is faced with the heavy and needless cost of installing his own heating plant—a tremendous investment and totally unnecessary since the building could continue to be heated as at present, the tenant paying for this, of course.

J. G. FRAIN,
Executive Secretary, Washington Art Center Association, Inc.
WASHINGTON.

Let Us Oil for Peace as Well as Oil for War

EXTENSION OF REMARKS
OF
HON. FRANK W. BOYKIN
OF ALABAMA
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. BOYKIN. Mr. Speaker, there is probably no single industry that contributes as much to the well-being of humanity as does the petroleum industry.

Think of the heart of tropical jungles, mountain fastnesses, luscious valleys—as yet undeveloped—because of the lack of highways and modern transportation.

Think of the darkness which for centuries enveloped the earth when the sun went down in the evening. The only light then known was the tallow candle or the little wick floating on a piece of wood in a vessel that burned olive oil.

Think of Abraham Lincoln—studying his "reader" lying on the floor in the light given off by the logs burning in the fireplace.

Think of the impetus given civilization when the American petroleum industry furnished oil for the lamps of China and then sold the Chinese little tin lamps for a couple pennies apiece in which to burn American-produced oil, and brought the teeming millions of China's people into the light of knowledge, truth, and modern civilization.

Ponder on the fact that even today, wherever on the face of the earth candles are still used, they are now made of paraffine—a byproduct of the great world of petroleum and of petroleum products.

Visualize modern America. Thousands upon thousands of miles of railroads with millions of tons of food, fuel, clothing, medicine, household goods, and enormous quantities of other necessities—roaring across the country day and night, powered by Diesel-oil engines and oil-fired locomotives. Gasoline tractors plowing and cultivating our farm lands. Crops harvested—stored, processed, and transported in great trains of motor carriers from the farm sides to our cities.

Now, let's go back only a few years. Without the products of petroleum, our national defense would have been blocked on land, on the sea, and in the air, and it will redound to the everlasting glory of the oil industry for its superb performance during World War II which brought victory to the Allied Nations.

I could go on for hours telling what petroleum burning in furnaces or in internal-combustion engines has done for civilization in furnishing the fuel for powering motor cars, barges, boats, airplanes, and oceangoing vessels.

I want, however, to tell what the petroleum industry in America, in addition to the benefits which have come out of its development, is doing to support a modern government in every facet of vast activities and at all levels of operation—merely through the payment of taxes to manage its indebtedness and pay the cost of its manifold services. Ponder on the following contributions to the well-being of society paid by the petroleum industry:

Hundreds of millions annually in leaseholds on lands yet to be developed.

Hundreds of millions in royalty on land now producing oils.

Hundreds of millions in wages, salaries, commissions, and other income to all classes of workers.

All of the above are subject to Federal and State income taxes at established rates of taxation.

Additionally thereto are paid:

Millions of dollars for auto licenses which would never be collected were it not for American gasoline production.

Millions of dollars in taxes on gas stations, garages, repair plants, tank cars on railroads, oil pipe lines, on scores of other small industries, paint shops, and what not for which there would be no need if gasoline and lubricating oil were not available for their operation.

This was made evident to all during the war when gas was rationed—and even the wayside restaurants were obliged to shut their doors—for the duration.

It might well be said that all taxes paid by the entire automobile industry on their real and personal property—the Federal and State income taxes paid by the great automobile manufacturers—the manufacturers of auto parts—glass, tires, paint—as well as the income taxes paid by all the labor employed in that tremendous industry, are inevitably bound up with the ability of the American petroleum industry to continue to produce an ever-increasing and adequate supply of motor fuel and lubricants—at reasonable prices for use by the American people.

Let us for the moment consider the prices paid for sundry commodities—including gasoline—as reported by the United States Department of Labor, Wholesale Commodity Index, 1926=100—as contrasted with prices prevailing in September of 1946:

Commodity	September 1946	March 1948
Hides and leather	141.6	185.6
Farm products	154.3	186.0
Food	131.9	173.8
All commodities	124.0	161.4
Metal and metal products	114.2	156.5
Textiles	125.7	149.0
Housefurnishings	113.6	142.1
Chemical products	98.4	136.1
Petroleum products	73.0	121.8

Source: U. S. Department of Labor.

From the foregoing it becomes evident that while with the exception of chemicals, the price of which decreased somewhat, all other products skyrocketed to new high levels, the price of petroleum products as a whole in 1946 was only 73 percent of the price in the base period, or a decrease of 27 percent.

Let us now review the retail price indices on 1935–39 base, and contrast those with the retail price of gasoline in the months of June 1946 and March 1948 (1923=100):

Commodity	June 1946	March 1948
Food	116.2	202.3
Combined index	108.2	166.9
Sundries	117.3	146.2
Clothing	96.4	196.3
Fuel and light	97.4	130.3
Housing	91.0	116.3
Gasoline	67.2	N.A.

Thus it becomes further evident that even at retail price levels of June 1946, the price of gasoline was but 67 percent of the base period while food rose to 116 percent, and the combined index of all retail prices rose to 108.2.

Let us now review the figures showing the cost of gasoline and the tax per gallon over the last 25-year period in order to disclose that while the price of gasoline was dropping each year that the

taxes on gasoline were constantly increased, wiping out all savings to consumers effected by the petroleum industry:

Prices as of Jan. 1

	Service station price of gasoline per gallon, exclusive of tax	Gasoline tax per gallon	Service station price per gallon, including tax
	Cents	*Cents*	*Cents*
1920	29.74	0.09	29.83
1925	20.09	2.11	22.20
1930	16.16	3.79	19.95
1935	13.55	5.29	18.84
1940	12.75	5.66	18.41
1945	14.22	6.02	20.50

Source: Unit prices, 50 leading cities.

Thus it becomes very evident that while gasoline prices excluding taxes have fallen more than 50 percent in the last 25 years increased taxes now levied on gasoline have wiped out all savings in gasoline prices made by American petroleum industry in the past 15 years.

Remove the shackles that bind the industry if you would have more and still cheaper gasoline. It's the tax that loads the price, for gasoline itself is basically cheaper than any other commodity listed.

It is to be further remembered also that during the time the petroleum industry was cutting gasoline prices in half, the millions of workers employed in the petroleum industry were receiving shorter work hours per day—shorter work week, and new and higher social security benefits, and tremendously increased wage scales.

At the same time the direct taxes levied against producers were increased both in rates and in gross amount collected as is evident from the following table as reported by the United States Treasury Department:

Receipts from special Federal petroleum taxes in calendar year 1947

Gasoline	$455,350,120.23
Lubricating oil	78,649,309.01
Pipe lines	18,029,960.60
Total	552,029,389.84

Authority: Bureau of Internal Revenue.

The $552,029,389.84 enumerated above is not inclusive of taxes paid by the petroleum industry to city, county, and State governments on their plants, structures, pipe lines as real or personal property taxes.

Neither does it include capital stock, State and Federal income and a veritable host of other taxes running into the hundreds of millions of dollars which are paid annually by and through the petroleum industry to the State and Federal Governments.

All of the above special taxes amounting to more than $552,000,000 are also exclusive of the license fees paid for license plates on trucks, automobiles—license and mercantile fees and taxes paid on service and sales stations—by both themselves and subsidiary owners of the hundreds of thousands of gas stations which abound on every hand throughout the United States.

In discussing the need for and justice that would accrue from the equalization of the tax burden, Woodrow Wilson once stated:

In a country of great industries such as this—it ought to be easy to distribute the burdens of taxation without making them anywhere bear too heavily—or too exclusively—upon any one set of persons or undertakings.

Review that statement by the eminent educator, author, historian, scholar, and President, Woodrow Wilson, in the light of the fact that more than 25 years after his demise we find the petroleum industry burdened by the payment of more than 200 different and individual tax payments—to Federal, State, and local governments.

Federal taxes paid by the petroleum industry	39
State taxes, licenses, etc	121
Local taxes, licenses, etc	41
Total of taxes paid	201

This list comprehends the greatest conceivable variety of tax payments. It pictorializes an almost inconceivable list illustrating a great multiplicity of taxes and the imposition of a duplication of taxation.

They enumerate as of the date compiled from 182,651 taxing jurisdictions, and give positive evidence for a pressing need for revision, coordination, and tax controls over the present unjust, uneconomic, unsystematic, wasteful, and unduly expensive methods of taxation now being imposed upon a single industry.

Add to all of the above the income taxes paid by approximately 1,250,000 employees—with a pay roll of nearly $3,000,000,000, and you begin to get a true insight into the taxes paid by the oil producers of the United States.

Americans today own and operate about three-fourths of all the motorcars in the world, as well as about one-half of all the railroads. Likewise it is one of the greatest industrial nations.

Without the petroleum industry there would be no motorcars, no concrete highways, nor superhighways.

Man would be tied to his home. Social intercourse, trade, and commerce would fall to the level of Colonial days.

Think of modern American industry giving up its fuel and its lubricants.

Our homes with their central heating plants cold for want of furnace oil.

Our railroads dependent upon coal and wood to steam the locomotives. Water transportation, either abandoned or relying chiefly upon draft animals, to power the barges.

America must be oiled for peace just as surely as it must be oiled for war.

To encourage the further development of the American oil industry, every encouragement ought to be extended here at home to the development of new oil fields and greater proven reserves to insure our supply—both in peace as well as in war.

The National Congress should and must lift the enormous overburden of taxation from the back of this basic American industry.

It ought to proceed to see that the petroleum industry is provided with an abundance of rigs, pumps, drills, steel casings, tank cars, pipe lines, and all things necessary to its future development—in adequate quantities and at reasonable prices.

Such action should be taken at once—to insure not alone the national wartime economy, but the future development of our national life—now inseparably bound with the well-being of the American petroleum industry as a whole.

Since America is the hope of the world, to keep America strong should be the prime objective. This can best be achieved by aiding, not hindering an industry which has done and is doing so much to accomplish this result.

John Thomas

MEMORIAL ADDRESS
OF
HON. CLYDE M. REED
OF KANSAS

IN THE SENATE OF THE UNITED STATES

Wednesday, April 21 (legislative day of Monday, March 29), 1948

On the life, character, and public service of Hon. JOHN THOMAS, late a Senator from the State of Idaho

Mr. REED. Mr. President, in the early seventies when Kansas was considered more or less a new country—inhabited mostly by Indians and buffaloes—a boy, JOHN THOMAS, was born to sturdy pioneer settlers in Phillips County, Kans., in 1874.

This lad grew up to know the rigors of frontier life and struggled unceasingly for an education. His love of adventure took him farther west where he became a well-known figure in Idaho. There he made his home until his death on November 10, 1945.

JOHN THOMAS demonstrated and took advantage of one of the greatest heritages of Americanism, the opportunity for an individual to make good on his own. From his meager beginnings he took to farming and eventually became a successful banker and large-scale livestock raiser. He became interested in politics and served as chairman of the Idaho Republican State central committee for 4 years. He was also a member of the Republican National Committee.

JOHN THOMAS was appointed to the United States Senate in June 1928. Following this he was elected to the office in November 1928 to succeed Senator Frank Gooding for a term ending March 3, 1933. Again he was appointed to the Senate in 1940 to succeed the late Senator Borah. Later he was elected and reelected. Senator THOMAS' success, coupled with a wide knowledge of Idaho's agriculture, mining, and livestock industry, made him a valuable man not only to the State of Idaho but to the entire West during the several terms he served in the Senate. From a political angle the Republican Party lost an outstanding and far-sighted leader when Senator THOMAS answered "the last roll call." He was married to Florence Johnson, who died in 1943. An only child, Mrs. C. Wayland Brooks, survives.

Clifford J. Durr

EXTENSION OF REMARKS
OF
HON. CLAUDE PEPPER
OF FLORIDA
IN THE SENATE OF THE UNITED STATES
Saturday, June 19 (legislative day of Tuesday, June 15), 1948

Mr. PEPPER. Mr. President, on the 30th of this month the public service will lose one of the most devoted public servants who have ever served the people of this country. I refer to Mr. Clifford J. Durr, at present a member of the Federal Communications Commission. With a singular devotion to the public interest, he has served his Government for many years, and the public service will be immeasurably the poorer following his resignation. I ask unanimous consent to have published in the Appendix of the RECORD some data concerning his service.

There being no objection, the data were ordered to be printed in the RECORD, as follows:

BRIEF BIOGRAPHICAL SKETCH OF CLIFFORD JUDKINS DURR

Mr. Durr was born in Montgomery, Ala., March 2, 1899. He attended the University of Alabama, where his education was interrupted by a short period of service in the United States Army in 1918. He received his A. B. degree from the University of Alabama in 1919 and the following year went to Oxford University, Oxford, England, as a Rhodes scholar, where he received his degree in jurisprudence in 1922. Mr. Durr is a member of Phi Beta Kappa and Sigma Alpha Epsilon.

Returning to the United States, Mr. Durr was admitted to the Alabama Bar in 1923 and to the Wisconsin Bar 2 years later. After practicing law for 10 years, first in Montgomery, Ala., then in Milwaukee, Wis., and later in Birmingham, Ala., he entered the Government service in 1933 as a member of the legal division of the Reconstruction Finance Corporation. A few years later he was made assistant general counsel of that organization. His first duties there related to the recapitalization of banks following the banking collapse of the early thirties. Later he became chief of the litigation section and in 1940, upon the organization of the Defense Plant Corporation, he became its general counsel and was later made a director. He was also vice president and director of the Rubber Reserve Company from 1940 to 1941.

On October 13, 1941, he was nominated by President Roosevelt for a 7-year term as a member of the Federal Communications Commission and was confirmed by the Senate on October 29. He is at the present time serving as a member of the FCC.

In 1926 he married Virginia Heard Foster, of Birmingham. They have four daughters.

[From the Birmingham News-Age-Herald of September 1, 1946]

ALABAMIAN FILLING IMPORTANT NICHE IN GOVERNMENT SET-UP

(By Marguerite Johnston)

WASHINGTON, August 31.—Rangy, deceptively casual of manner, Cliff Durr, of Alabama, is one of the big men of Washington—a part of that inner core which holds together and gives direction to that vast, fluxing organism known as the United States Government.

He is one of the five Federal communications commissioners.

Born in Montgomery, variously a farmer, Rhodes scholar to Oxford, lawyer, and Government official. Durr must look like the epitome of American masculinity to visiting Britishers. His long, relaxed body looks at ease, but never really settled in the chair behind his desk. Desk and chair are for him merely a base of operations out of which to move and to act.

To him the FCC is not a comfortable, well red-taped-up bureau, but a vigorous organization meant to bring the best possible performance out of America's radio stations, television laboratories, and telephone and telegraph services.

The FCC—in the war just past and now in peace—regulates, guides, sets the policy for American communications. In war, the job was one of guarding the national security, detecting threats to that security. In peace, the job is to promote sound growth in all fields of communication for the best good of the American people.

All these things interest Clifford Durr genuinely. And as a result, he does things that Washington remembers.

In depression days, when he was with the RFC, he helped organize the bank recapitalization plan.

When war loomed, he originated the Defense Plant Corporation idea.

When war ended, and big-time radio stations flooded the FCC with frequency modulation applications, it was Durr, who launched and won the fight to hold space on the spectrum open for the returning veteran who hopes to enter this new field of radio against the already established radio stations.

Versed in the ways of Washington, Durr comes from a background of solid Alabama faintly spiced with the exotic.

His father was John Wesley Durr, of the Montgomery wholesale drug business. "Despite that name," Commissioner Durr says, "he was a Presbyterian."

Mrs. Durr was Lucy Judkins, of Elmore, County, an interesting person who had spent part of her childhood in South America where her parents had gone after the War Between the States.

Clifford Durr was born in Montgomery in 1899, and went to Miss Gussie Woodruff's school and to Starke's University School.

He got an A. B. from the University of Alabama in 1919. "I wasn't very distinguished," Durr insists. "I wasn't even on the football team. It seems to me that I liked to cance on the Warrior River mostly."

But his record was enough to earn him a Rhodes scholarship to Oxford.

During college he took time out for the Army of World War I—60 days spent largely in the last O. C. S.

Out of college, and with the Rhodes scholarship not yet in pocket, he decided to apply his intelligence to farming.

"I had always liked farm life," he says. "Or thought I did."

Cotton was 40 cents a pound at that time, and Durr went to work for Will Howard Smith, of Autauga County, one of the few Alabamians at that time who had an agricultural education. The firm was McQueen-Smith Farming Co., with 5,000 acres of land farmed as a business.

"I started out as a plowhand," he remembers, "and after a while became a straw boss.

"I plowed several months, and then got to be a mechanic, veterinarian, and carpenter. When it was too wet to plow, we'd work the sawmill."

Durr gets an affectionate look in his eyes when he remembers "the silos on the edge of the Alabama River—I helped to build them."

But gradually he decided to give up farming.

"It was," he says reflectively, "rather strenuous. The price of cotton and steers began to tumble. And then there was a female in it, too. A mare mule named Belle. She was the "orneriest" mule.

"She could so effectively express her contempt for me and my skill at the plough."

June to November farming was enough to send Durr gladsomely off to England.

He was in the first group of Rhodes scholars to enter Oxford after the war—January 1920.

He studied law at Queens College. He remembers his law tutor. A. E. Hazel, and being farmed out to Jesus College for special study under a great legal historian.

He had a morals tutor too. He would always see me before long vacation and ask me where I was going in Europe, and when I got back, what the rate of exchange was. And he always asked me what size trees cotton grows on.

He was on the track team, and made some good friends.

And he emerged with a thorough respect and liking for the British people. "If I had stayed only 3 months," he says, "I would have left thinking they are terrible people. But after 2 years, I knew better."

He came down in July 1922, and went home to Alabama to work for Rushton, Crenshaw & Rushton in Montgomery. Then Mr. Rushton ran against LISTER HILL for Congress.

"I drove him around, and that was my first and only political campaign," Durr said. "We would drive from one place to another, Mr. Rushton in a brown study, thinking out fine and important points of the Constitution."

Once after a speech, Durr was standing at the back of the crowd and a rural gentleman standing by turned and said: "Mr. Rushton has experience. That's what we need. That young feller HILL ain't got it."

"Thank you," said Aide-de-Camp Durr, "Mr. Rushton will appreciate your vote."

"But I ain't gonna vote for him," the man said surprisedly.

"Why not?"

"Because that young feller HILL has shuck my hand and asked for my vote. Mr. Rushton ain't."

Milwaukee offered young Lawyer Durr a bid, and so after a year in Montgomery, he went to Wisconsin, was admitted to the bar.

After two Wisconsin winters, Durr decided firmly that that really wasn't the place for him.

He returned to Birmingham and became connected with Martin, Thompson, Foster & Turner. Judge Foster of the firm is now on the State supreme court.

All the work was corporation practice, much of it for the Alabama Power Co.

In 1926, he married Miss Virginia Foster.

The Durrs now have three daughters, one 19, a sophomore at the University of Wisconsin; one age 9, and a youngster, 6.

The Washington phase of the Durr life began in 1933, spang in the middle of the bank crisis.

Durr had pulled out of the law firm in Birmingham, and was planning his own practice. He and his wife had gone fishing at their camp in Chilton County when the call from the RFC in Washington came through.

"I came to Washington to stay 1 year," Durr says. "I've been here 13."

"Pretty dramatic days we had there. That was May 1933, and the depression had banks toppling in every direction."

Durr became second in command, then chief, of the preferred section, Reconstruction Finance Corporation, and helped to organize the bank recapitalization plan.

The plan recapitalized more than 6,300 banks in the United States—half of all those in the country at the time.

The saving of those banks indirectly meant the saving of all the others, because if half the Nation's banks had failed, the others would have fallen too.

"That was a billion and a quarter dollar program," Durr says. "The banks saved ranged from the smallest ones, in which we put $5,000 worth of saving funds, to Chase National Bank which needed $50,000,000 to survive."

Once the plan was organized and functioning, the job became one of administration.

Durr then set up and headed the litigation division of the RFC. "We had to pick up the wreckage of all RFC mistakes," he said.

One May morning in 1940, when war in Europe seemed not so far away from America as it once had, Durr was reading the newspaper and saw where President Roosevelt was setting up an advisory board for the national defense program.

Durr recalled the American efforts to produce munitions and armaments in World War I—when the Government paid bonuses to manufacturers to expand their works.

"We tried to bait the manufacturers to expand," Durr reminds, "and when the war ended, we were still relying on France for artillery, Britain for rifles, and there was not an American plane in combat."

Durr remembered, too, his own visits to Germany in 1921, when he found Germans already talking about "next time."

"If they had been preparing for a new war ever since the last one," he reasoned, "our own preparation was going to be too big a job for private industry to handle alone."

The Government, he felt, would have to direct and finance a thorough, widespread, and drastic expansion of all American industry if this country was to be only the "arsenal for democracy."

And if, he thought further, the Government was to put a great deal of money into plants, it would be criminal to scrap those plants after the war when peacetime production was sure to be needed.

"If the Government was to provide the money," he says, "I believed that we needed a Government organization to keep the title to the plants we built and lease them to the manufacturers."

Durr called in picked men from his old section and his new one in the RFC, and together they all mapped a plan.

Durr sold Jesse Jones on the idea of recommending the plan to Congress, and the legislation went through.

Wright Aeronautical and Packard were the first companies to come in.

Meanwhile, with big business firmness, William Knudsen had already set up an arrangement using a plus-profit basis.

The RFC would finance the building of new wings, or assembly lines, for example. Then for each aircraft engine the Army bought from that plant, the Army would pay the cost of production, allow a reasonable slice of profit for the company, and then pay an additional $300 to go toward the cost of the building.

The RFC financed the expansion, the Army paid for it, the manufacturer either accepted the plant additions or scrapped them.

This system was O. K.'d, and Durr was instructed to set it up legally. He mapped procedures as instructed. Then he entered official protest to the RFC board, outlining all his original reasoning.

While all this machinery of war contracting was being formed, Wright Aeronautical had already gone to work on a contract using Durr's Government-lease idea as approved by Congress.

Then the Packard contract came up. The lawyer for Packard remembered the Liberty Motor stink of World War I. He wanted nothing similar for his company.

"We simply haven't got enough capital to put the money into expansion which our contract would require," he said. "But neither do we want anything which would smack of our being given plants by the Government."

Durr outlined his own plan of letting the Government hold titles to the plant and lease it to Packard. Packard approved.

"That's against our policy," the Defense Plant Corporation announced, pointing to its plus-profit custom.

"But Congress approved the Government lease plan," Durr and his colleagues pointed out.

Douglas Aircraft, Drumond, Beech, and North American all came into the RFC and asked for contracts on the same basis as Packard's.

Douglas Aircraft said frankly: "We cannot expand to 20 times our present size. The Government will have to expand us if it uses us. And if the Government has to put up the money, it should be allowed to keep the title."

One large corporation head put in the clinching argument. "If my Government is going to go Socialist after this war," he said, "my one little contract on the old plus-profit basis won't stop it or speed it."

And so the plan went into affect and America got its expansion and its production.

It was revolutionary in 1940. "Emil Schram was chairman of the RFC board," Durr remembers. "He was really interested in this country and in the outcome of the war. He was a conservative who was not scared of a new idea.

"That was still before Pearl Harbor, remember, and you were risking your reputation to put that much tax money into getting ready for a war that was never supposed to come. If America had not been attacked and had never entered the war, all of us would have been guilty of having thrown away billions of America's dollars."

The first war plants were built almost by stealth, Durr now remembers. But once it became apparent that the war was on, they were being built on a mass-production basis.

In his RFC office, six lawyers were having to do the legal work and to negotiate contracts for billions of dollars in war production.

In 1941, October, he realized that his war-plants program was going and couldn't be stopped. Schram had left the RFC board. Durr felt that the man under whom he could best work was no longer on the board. And so—not knowing that Pearl Harbor was to come 2 months later—Durr accepted the FCC post.

With war, the FCC expanded into a vast and highly technical FBI of the communication systems.

"The load of the war," he says, "was on the technical staff. The FCC had chased down unlicensed operators and race-horse touts before the war; in war it had to find and silence subversive radio transmitters. The FCC brought in many a lost plane in the early stages of the war by locating its radio, and just before Pearl Harbor, it detected a radio transmitter in the German Embassy in Washington—just before it radioed Berlin."

In peace the load of the FCC falls back upon the Commission.

"All Commissioners act on everything," Durr says, "but naturally each man gets into things which interest him most. Radio broadcasting is mine. I understand broadcasting and the regulation of utilities, and now we have the vast backlog of applications for new stations and new-type broadcasting which gathered during the war."

FM and television are the new fields in his line. "We want to hold 20 percent of the frequency-modulation frequencies in abeyance," he said. "The applications have flowed in from established stations throughout the war, but it would not be fair to let the spectrum be filled immediately by stations who can afford to go into FM production immediately.

"That 20 percent is being held for boys in service, who, when they finally get their feet on the ground, hope to compete for station space on the FM spectrum, and for newcomers who cannot afford to apply now and absorb the losses "until the public has bought FM sets."

For a station to go into FM production, it will have to absorb $30,000 to $40,000 a year losses for 3 years.

"If the standard broadcasting stations gobble up the frequencies now, when the sets do get out, no newcomers can enter the field," Durr said.

The FCC must renew license on established stations, but first must check to see that the station has maintained the level of service to the public which it promised in its original application.

It must guide FM certifications to be sure that standard stations do not corner FM permits and then continue to give only standard broadcasts.

The FCC has television, radar, international cable, and wireless to look after.

"Television is already in operation in New York," Durr points out, "but the problem for the television industry to lick now is more economic than technical. A Grade A movie costs millions to produce. Try to match that for the public with a one-shot television show."

Television is good so far for sports events, major news events such as the opening of UNO Security Council and the like. It is a substitute neither for motion pictures nor radio.

"Television has to be good enough to command attention," Durr points out. "You can leave a radio on for 3 hours, and do housework or wash the car at the same time. To get anything out of a television show, you have to sit down and watch. This is one of the problems for the industry to work out."

A radio lack, Durr feels, is community participation. A newspaper is a part of its community and State, an institution.

"Radio in many sections," Durr says, "has ignored the potentialities of the respective communities. There are few towns so bankrupt of talent that they could not be drawn upon for radio programs. Talented young people leave the Southern States to go to New York or Hollywood to find a place to use their talents. Radio could fill that need. Local shows could be good enough to compete with network shows, if the local stations throughout the country tried.

"Each community has local problems which could be discussed in as interesting a way as that of the Town Meeting of the Air on national and international problems."

[From the Washington Post of April 15, 1948]

PEOPLE IN THE NEWS

CLIFFORD JUDKINS DURR AMONG FOREMOST CRITICS OF GOVERNMENT'S LOYALTY PROGRAM

Clifford Judkins Durr, Federal Communications Commissioner and vigorous opponent of the President's loyalty test program, comes from rebel stock.

In fact, the Judkinses were so unreconstructed after the War Between the States that rather than tolerate the Damyankees, this Confederate family emigrated to Brazil. The Judkinses thought the better of it and after 5 years returned.

Except for that heritage, though, there was nothing—superficially, at least—in the early career of tall, angular Cliff Durr that indicated he'd turn out to be a stormy petrel and New Dealer.

NATIVE OF ALABAMA

The 49-year-old gray-haired commissioner was born in Montgomery, Ala. He went through the University of Alabama, sandwiching World War I service in between his undergraduate education. Cliff was a studi-

ous fellow and spent 3 years at Oxford University as a Rhodes scholar, acquiring his law degree in the meanwhile.

He returned to the United States in 1922, went into law for the next 10 years, and was a corporation lawyer when he joined the Government service in 1933, starting the legal division of RFC. For 8 years Durr moved onward and upward in Government service, but except for those who knew him intimately in the Defense Plant Corporation, or other RFC activities, he was certainly not regarded as a rebel.

In 1941 he was nominated by the late President Roosevelt for a 7-year term to the FCC, as a matter of strict orthodox politics. An Alabama man was going out as Commissioner, so it was simple politics, to replace him with an Alabamian.

Durr stepped into the FCC cold on the subject, but quickly became hot. He took a leading role in defending Goodwin Watson and William Dodd when Congress tried to fire these two former FCC officials by legislative action. The Supreme Court overruled Congress.

OUTSPOKEN IN OPINIONS

In 1943 Durr plunged into a head-on fight with Representative E. E. Cox (Democrat of Georgia), charging that Cox had an ax to grind when the Georgian sought to investigate the FCC. As a result, Cox personally withdrew from the probe.

In the communications field, Durr was outspoken in his opinions which sometimes clashed with his fellow Commissioners, and sometimes with spokesmen of industry, but at all times Durr was eager and ready to debate the issue in public. Durr is an effective speaker—southern accent and all—and he believes a public official should expose himself to public questions.

Of late, Durr has been one of the foremost critics of the loyalty tests. That may not hold true after June 30, when his term is up.

Durr married in 1926. His wife is the former Virginia Heard Foster, a sister of Supreme Court Justice Hugo Black's wife. They have four children, all girls, ranging from 14 months to 21 years. They live at Seminary Hill, Alexandria, Va.

[From the Washington Post of April 15, 1948]

"UNTOUCHABLES" FEARED FROM LOYALTY TESTS

(By Sam Stavisky)

The Federal employee loyalty tests are "on the way to creating a new class of outcasts from society—a casts of economic and social untouchables," Federal Communications Commissioner Clifford J. Durr declared yesterday.

"This new caste will certainly threaten our security," Durr told a meeting of 150 national civil-rights leaders. "It will also challenge our humanity."

The stigma attached to the disloyal Government employee will brand him throughout his life, Durr asserted, adding:

"Barred from the normal occupations by which people earn their living, its members will be faced with the alternatives of hunger, an uncertain charity, or crime."

ADDRESSES CONFERENCE

He spoke before a 1-day session of the National Citizens Conference on Civil Liberties, held at the Washington Hotel, and called by a group of civil-rights leaders chiefly from denominational organizations.

The session broke into three units, each of which came up with a set of recommendations, to be carried back by the delegates to their own organizations for discussion and possible action.

The unit on governmental invasion of civil liberties recommended:

1. Disapproval of the President's loyalty program on the grounds that it covers all Federal employees and not just those involved with security; that it gives the Attorney General an unchecked hand in designating organizations, that are subversive; that it doesn't provide basic rights for the accused.

WOULD END THOMAS GROUP

2. Abolition of the House Committee on Un-American Activities, on the ground Congress should not inquire into the political beliefs and associations of Americans under so vague a term as un-Americanism.

3. Adopton by Congress of a fair practices code for all investigating committees.

4. An end to the policy of refusing American citizens passports abroad on account of political beliefs and associations. Also that long-resident aliens should not be deported solely on account of political beliefs and associations.

5. Condemnation of proposed House legislation requiring registration of the Communist Party and front organization; of any legislation which would discriminate against the voluntary association of American citizens on account of political beliefs.

ASKS RECOGNITION OF "RIGHTS"

A second unit urged, as steps toward strengthening academic freedoms:

1. Condemnation of the action by Evansville College, Indiana, in dismissing a faculty member for supporting the Wallace third party.

2. Recognition that teachers have the right to full freedom of research and publication, subject to adequate performance of their other academic duties; the right to full freedom of discussion in classrooms; the right to organize to protect their group interests; the right to speak or write freely on any subject that interests them; the right to join any organization not outlawed by law.

A third unit, dealing with the President's recommendations for civil-rights legislation, recommended:

1. Immediate strengthening of the civil rights section of the Justice Department.

2. Congressional passage of FEPC, anti-poll-tax, antilynch, and District civil-rights legislation.

3. The President ban discriminatory practices in Federal employment, and abolish discrimination and segregation in the armed forces.

4. Local communities set up civil-rights action committees.

[From the magazine Tide of November 1, 1945]

RADIO—DISSENT BY DURR—AN ANALYSIS OF THE OPINIONS AND SPEECHES OF THE MOST FREQUENTLY DISAGREEING COMMISSIONER

Clifford J. Durr is a soft-spoken, gray-haired southerner who looks like the Hollywood version of a kindly uncle and yet is regarded in radio circles as the most formidable of the Federal Communications Commissioners. Broadcasters agree Durr is a brilliant thinker and writer. They also believe he constitutes a threat to the established system of broadcasting.

One Washington broadcaster last week put it this way: "You can't convince people that Durr is not for Government ownership and operation of radio."

In the past few months Durr has intensified his attack upon the commercial phases of broadcasting, has more frequently disagreed with his colleagues, so that "Dissent by Durr" has become a byword of FCC decisions. The estimates of his power range from "irritating" to "dangerous."

Since he is usually in the minority (joined sometimes by Commissioners R. C. Wakefield and less often by Paul A. Walker) some broadcasters regard Durr's opposition as simply an unpleasant needling. Others actually fear his attacks on radio advertising and his decisions, so frequently unfavorable to the industry. Whatever Durr's influence, his views merit analysis as one of radio's most literate critics.

PATTERN OF CRITICISM

Throughout Durr's written dissents, the same pattern occurs: A distrust of business (especially big business); and a concern for the public interest which overshadows that of the other Commissioners. Such trends showed up in his first three dissents:

In the case of the Panama City Broadcasting Co., the entire FCC agreed that a license for station WDLP (Panama City, Fla.) had been obtained through fraud, since the application did not show the interest of John H. Perry, publisher and broadcaster. A four-man majority voted to let Panama City keep its station, since it felt Perry had been duped by his agents and the station was performing good public service. A three-man minority (Durr, Walker, and James L. Fly) thought deception should not be condoned and questioned whether Perry had been victimized.

When the FCC approved transfer of the Yankee network to the General Tire & Rubber Co. without a hearing, Durr disagreed. His arguments were forerunners of his feelings in the recent Aviation Corp. case; he was leery of absentee control, of Ohio residents running New England stations; and he feared if one big tire company owned a network its competitors might want to do likewise, thus turning radio into "an instrument of pure commercial enterprise instead of the independent medium of entertainment and expression which it must be."

As a lone objector to the merger of Western Union and Postal Telegraph, Durr felt the plan offered did not give sufficient protection to the public interest—in promising rapid development of telefax, increasing the hours of service, stepping up the speed, and lowering the rates.

STATION PRICES

Another facet of broadcasting that has aroused Durr is the current boom in the prices of radio stations. In the summer of 1944 he issued a memorandum explaining his dissents against the sale of three stations. He felt hearings should have been held to decide whether a price was being laid down for the frequencies and to learn whether the high sums might affect the public interest.

But Durr does not think the answer is the legislation introduced last month by Representative EMANUEL CELLER, Democrat, of New York, which would limit the sale price to twice the bare assets of the station. "A station operator is entitled to not only what he invests in cash dollars, but in imagination and energy," Durr reasons. "If one built up a good listening audience while the other sat back and did nothing, they shouldn't have to sell for the same price."

Instead of a mathematical formula, Durr thought the answer lay in the application of sound business judgment—presumably the judgment of the Commission's.

AVCO AND FM

In the AVCO case, Durr again showed his distrust of Big Business. He characterized the Aviation Corp. as "a type of corporate structure which has long been a matter of concern to the people * * * and to Congress itself because of its effectiveness as a device by which small groups of individuals, through the use of other people's money, are enabled to dominate large segments of our national economy without any corresponding responsibility to the public * * * or even to their stockholders."

Aside from the holding-company issue, he recommended a denial on these grounds: no price was set on the station alone, and he didn't feel AVCO showed even minimum qualifications to operate a publicly owned radio highway into the minds and emotions of millions of American men, women, and children.

Durr's other recent written deviation from Commission policy occurred in the rules for FM programing. He held the Commission

should have required 2 hours of independent programing a day and reserved 20 channels for newcomers (especially veterans).

"Our standard system of broadcasting," Durr explained, "is pretty badly molded into one pattern, pretty badly in need of new blood. We should reserve 20 channels to give the new blood a chance." He is especially concerned about the veterans; he thinks all the frequencies in the eastern and other tight areas will be quickly gobbled up and he doesn't think it fair to tell a returning serviceman from Manhattan that he should start his radio career in Little Rock.

FORMER CORPORATION LAWYER

Durr's background up to a point is rather surprising for the bête noir of the radio industry. A member of an aristocratic Alabama family, he took a Rhodes scholarship and then for 10 years practiced law in Montgomery (Ala.), Milwaukee, and Birmingham, handling a lot of corporation cases. "It was there I learned about absentee ownership."

He first entered the Government working for the Reconstruction Finance Corporation, of which he became general counsel, then served for 2 years as a Director of the Commodity Credit Corporation. When the Defense Plant Corporation was being established, he fought bitterly for its present setup. He became general counsel and later a director of Defense Plant.

Durr married Virginia Heard Foster, which made him a brother-in-law of Supreme Court Justice Hugo Black. In radio circles the two sisters are rumored to influence considerably their husbands' liberal views.

OVERCOMMERCIALSIM

Durr's dislike for the commercial aspects of radio has come out in three recent speeches. In perhaps the strongest, at the Christ Church forum, he summed up his views: "Those who are coming more and more to dominate the use of the radio channels take over that use without responsibility to the public at all, but only to the clients whose goods or whose particular idea of the 'American way of life' they are employed to sell. Radio is becoming predominantly an advertising medium and program production is being taken over by advertisers and advertising agencies who are enslaving the Muses to serve their ends."

Not only did Durr urge radio listeners to write to the station operators, as FCC Chairman Paul Porter recently suggested, but he also recommended writing to the Commission—and to Congress.

As a remedy for overcommercialism, Durr insisted he "doesn't want to see the Commission get in the position of dictating program service—though I have been accused of that." He thinks there are two possible approaches: to regulate the percentage of radio time that may be sold, stipulate that a certain amount of each 5-hour segment must be withheld from sale; and to encourage more active competition for frequencies.

"I have gone along almost every time a station comes up for renewal," said Durr. "Yet I think if a station uses less than 10 percent of its time for local live talent—and that includes a commercial from a department store or reading the news off an AP ticker—that station should come up for a hearing." The FCC should welcome applications from other groups in the community, he continued, and give the frequency to the one promising the best public service.

[From the Montgomery (Ala.) Advertiser of February 9, 1947]

SAE HONORS CLIFFORD DURR AT UNIVERSITY—MEMBER OF FCC GIVEN FIRST FRATERNITY BADGE OF HONOR

UNIVERSITY, ALA., February 8.—Clifford J. Durr, a member of the Federal Communications Commission, has been chosen by the Sigma Alpha Epsilon fraternity at the University of Alabama to be the first recipient of its Badge of Honor, a yearly award to some outstanding alumnus of the local chapter.

The badge will be presented March 8, the ninety-first anniversary of the founding of the SAE chapter at the university in 1856. After the presentation of the badge to Durr by Dr. Robert I. Little, also an Alabama Mu alumnus and a member of the faculty at the university, he will speak to a large group of active chapter members and alumni from all over the State.

This occasion will mark the first observance of a custom which will become an annual event; the selection of Alabama Mu Chapter's "Man of the Year." The honoree's name will be engraved on a special plaque which will hang in the chapter house.

Durr was born in Montgomery, March 2, 1899. He attended Starke Military Academy in Montgomery and entered the university in 1915. After being graduated as a Phi Beta Kappa, he won a Rhodes scholarship to Queens College, Oxford, England, where he studied law.

Upon completion of his studies at Oxford, Durr returned to Montgomery to practice law in the office of Rushton and Crenshaw. Later he was connected with the law firm of Fausett, Smart, and Shea in Milwaukee, Wis., and also with Martin, Thompson, Foster, and Turner in Birmingham.

In 1933 he became assistant general council for the Reconstruction Finance Corporation in Washington. President Franklin D. Roosevelt appointed him to the FCC in 1934, and he has served on that body since.

Durr recently returned from a 6 weeks' tour of Russia. His mission included a study of the communication organizations of the U. S. S. R.

Officers of the local SAE chapter are J. W. Johnson, Jr., Langdale, president; Joe Brown, Fayette, vice president; Louis Tilghman, Meridian, recorder, E. L. Colebeck, Jr., Greensboro, correspondent.

[From Variety of March 31, 1948]

INDUSTRY'S "DRAFT DURR" MOVE—HIS NEED AS FCC "BALANCE" IS FELT

A move to draft Clifford J. Durr for renomination to the Federal Communications Commission has been quietly gaining momentum in recent weeks. Durr's term expires June 30 and with President Truman expected to send in his designations some time in April, it's considered likely that the "draft Durr" movement will crystallize itself into a snowball of sentiment within the next 2 weeks.

The significant part of the whole draft-Durr movement is the almost complete reversal of expression and opinion concerning the FCC's stanch liberal and stormy petrel by assorted facets of the industry which not long ago were dead set against risking another Durr appointment. Today they take the position that a continuance of Durr would give the FCC a much-needed balance, plus the contribution of an honesty and integrity that, it's opined, the radio industry must grasp in an approaching period of turbulence and uncertainty.

One top "exec," a "web veepee," on the District of Columbia scene, whose opinion obviously reflects the network he represents in Washington, put it this way only last week: "With Durr on the FCC at least we know we are dealing with an honest man even if we don't agree about his politics."

RECEPTION IS MOOT

Just how receptive Durr himself is to the draft movement remains pretty much of a moot point. He's expressed a desire to return to Alabama and law practice, an ambition motivated not only by the frustrations attending his "lone dissent" role but because of a more realistic viewpoint taken by other FCC members who have checked out—that it's tough sledding on $10,000 a year. However, the feeling is that, with sufficient industry support, he could be persuaded to accept a renomination.

FCC Chairman Wayne Coy is reported in favor of Durr's renomination and has told intimates he will go to the President on his behalf. President Truman, it's figured, might find in a pro-Durr gesture the avenue to a slice of the liberal Democratic vote.

The senatorial duo from Alabama wants Durr, but it's questionable how much weight the two would carry with the President in view of the fact that they came out only last week in opposition to the Chief Executive.

Midwest broadcaster sentiment among even NAB diehards is said to favor a new term for Durr and from labor (AFL, CIO), educator, and even commercial segments of the industry have come expressions that may crystallize in favorable action.

[From Variety of April 28, 1948]

PROGRESSIVES SEEK TO RETAIN DURR IN RADIO

WASHINGTON, April 27.—Progressive outfits in and outside the radio field are already hard at work here trying to line up another spot where retiring FCC Commissioner Clifford J. Durr can "operate in the public interest." Several have declared publicly they would like to have his services as a "combo" lawyer-lobbyist to plug for causes he has espoused at the radio agency.

Move started when President Truman revealed last week that Durr had refused his offer of reappointment for another 7-year hitch in Government. The Commissioner himself says he has made no plans beyond June 30, when his present term expires.

It's generally believed he isn't interested in another government agency assignment, hasn't made up his mind about private law practice, and has several teaching offers, including a college presidency, at his disposal.

Announcement by Mrs. Virginia Durr that she will head the Henry A. Wallace campaign in northern Virginia has sparked new speculation on Durr's plans. The Commissioner declares, however, he has no political commitments and won't make up his mind on this count till after the party conventions. Meanwhile, he intends to stick at FCC through June 30. Already pushed for speaking and writing assignments, Durr addressed the Acoustical Society of America last Friday and blasted the House Un-American Committee for its treatment of atomic scientist E. O. Condon. He will speak before the Atomic Scientists next Friday and then fly to Columbus for the Ohio University radio institute sessions.

STOOD UP AND FOUGHT

Radio men here admit that, with the possible exception of ex-Chairman James Lawrence Fly, Durr has done more to influence FCC policies and radio regulation generally than any incumbent since 1934. His opinions, in dissenting and majority FCC decisions, have generally plugged for diversified ownership of radio outlets, an equal break for all groups in getting ether time, and rapid development of FM. He has challenged both Congress and the FBI when it appeared to him they were infringing on or abusing personal liberties.

For example, Durr was the first FCC'er to fight star-chamber tactics of the Cox committee investigating the radio agency in 1943–44. He protested a congressional technique of using a rider on a House appropriations bill to force dismissal of three FCC employees on loyalty charges in 1944. And he traded blows last winter with FBI's J. Edgar Hoover on the Justice Department's manner of collecting loyalty information on radio personalities.

He was a moving figure in FCC's decision to measure program performance against broadcasters' promises in renewing radio

licenses. This in turn led to preparation of controversial Blue Book, fixing public-interest standards for broadcast operations. He held out for the AVCO transfer rule and waged an abortive fight to fix price ceilings on stations changing hands during the war years. One of his most controversial dissents declared that broadcasters should not have a blanket rule denying time on the air to an atheist and that under certain conditions, a non-believer had a right to be heard. He has been a vocal critic of overcommercialism in radio and of the impact of big business on station operations generally.

[From the magazine Variety of March 12, 1947]

CLIFFORD J. DURR

Clifford J. Durr is one of the few Commissioners in the history of the FCC who has been able to see the woods for the trees. By contrast with the lawyers and engineers who have usually been his colleagues, he has insisted that the decisive criterion of radio service is not primarily the coverage pattern, the balance sheet, or the subtleties of a practitioner before the FCC bar, but what comes out of the loud speaker: the program. It is preeminently Durr who has refused to lend his assent to Commission decisions which might tend to corrode the foundations of a truly free and unmonopolized radio. It is Durr who has struck out sharply against inflated sale prices for facilities which are primarily the property of the public. And finally, it is Durr who has not hesitated to state his position publicly and in lucid terms, stumping the country from end to end to preach the gospel of democracy in radio.

To the great dissenter of the present FCC: the guardsman of the American people's stake in the air they nominally own and the most show-management-minded Commissioner on the FCC, Variety extends its esteem and its 1946 award.

[From the magazine Variety of May 5, 1948]

OHIO STATE IN TRIBUTE TO DURR

COLUMBUS, OHIO, May 4.—FCC Commissioner Clifford Durr, one of the Ohio State Institute's faithfuls and the only Commission member to show for the 4-day session last week end, found himself Sunday night the recipient of an unexpected tribute. Dr. I. Keith Tyler, institute director, presented Durr with a lifetime membership, an honor which institute banqueters heartily applauded.

"His courage and integrity," said Tyler, "his willingness to 'stick his neck out' on matters of belief and conviction, have won the respect and admiration of all, whether or not they share his views. His deep devotion to the democratic process of discussion has been constantly exemplified by his own unstinted participation in innumerable sessions here. The many friends and admirers whom he has won by his activities here will not lightly face the prospect of future institutes without Mr. Durr."

As inconspicuously as any school-teacher delegate, Durr padded conscientiously from one session to another throughout the institute. In his only bit of speechmaking, he tossed the educational broadcasters a verbal bouquet.

Talking briefly to the National Association of Educational Broadcasters, Durr disclosed he'd received calls from several Republican Senators urging him to reconsider his decision to retire and promising to vote for his reappointment. Durr said he knew the States these Senators were from and believed their support stemmed from "the fine job you fellows (the educational broadcasters) are doing."

NAEB, with 82 stations now members, announced its annual meeting will be held early in October at the University of Illinois, following the annual school broadcasters meeting.

[From the Montgomery (Ala.) Advertiser]

CLIFF DURR—RADIO PUBLIC'S FRIEND

The best friend of the American radio listener is a gentleman from Montgomery—Clifford Judkins Durr.

Since Franklin Roosevelt named him to the Federal Communications Commission in October 1941, he has established himself as a national figure worthy of the people's confidence and esteem by insisting that the public weal is a matter of prime concern to the Commission.

As Time magazine says in the issue of June 24, Cliff Durr "has continually demanded better programing—more public service, fewer commercials—and opposed the purchase of stations by corporations with no knowledge of radio."

It is a curious fact that Durr should so often stand alone in his concept of public responsibility. "He dissents so often from his fellow Commissioners' decisions," says Time, "that it is big news when he says 'yes.'"

Fatherly, honest, courageous, Cliff Durr believes that Herbert Hoover was right when he said on the radio subject: "The ether is a public medium, and its use must be for public benefit. The use of radio channels is justified only if there is a public benefit. * * *"

When one listens to some of the stuff going out on the air these days to the children of America, it is easy to wish that all three of the member Commisisoners would support Durr's enlightened view.

This Montgomery product is fighting also to see that all the new frequency modulation channels are not gobbled up by the big fellows already in radio. Largely because of his efforts, the FCC has decided to hold out 90 FM channels for a year, thereby giving returning servicemen a chance to get into the broadcasting business.

Old friends sometimes have hoped Cliff Durr would come home and let his star shine in Alabama, but it is a selfish wish. He should never do it so long as he can stay in Washington and serve the whole Nation with such high distinction.

[From Labor of May 1, 1948]

TOOK THE PEOPLE'S SIDE—CLIFFORD DURR QUITS THE FCC; FRIENDS TELL REASONS WHY—HOW REGULATORY AGENCIES ARE GRADUALLY TAKEN OVER BY BIG INTERESTS; WHAT'S THE REMEDY?

Uncle Sam is losing a good public servant. That's the way of progressives in Congress felt about it this week when Clifford J. Durr announced his resignation from the Federal Communications Commission.

That agency—which regulates radio broadcasting and the telephone and telegraph companies—has had really few dependable members in all its history. From the start in the 1920's, big broadcasting "chains" and station owners "packed" it with their hand-picked men, and rewarded them later by hiring many of them at fat salaries.

As a result, the air waves, which belong to all the American people, have been increasingly monopolized for private profit. No other Government agency has been involved in so many scandals as the FCC.

Durr has often "dissented" from rulings by the majority of his colleagues, and always he has been on the people's side.

Why did he decide to resign? Newspapers said it was because he could not support his family on his Government salary which is $10,000 a year, minus income taxes.

Durr is not talking for publication, but his close friends give other reasons.

Of course he would never get rich on Uncle Sam's pay, but, they say, he knows he can "get along" on it, and have a comfortable Government pension when he retires.

Though still in the full vigor of life, Durr is turning 56. His friends say that is the main reason why he decided to step out.

CLING TO JOBS

He has seen other officials, as they grew older, come to consider holding their Government job as more important than anything else. Fearing it was too late to make a new start in private life, they began to "shade" their opinions to please the powerful interests with might keep them in office or get them fired.

His friends doubt Durr would yield to such temptation, but said he feared he might do so unconsciously, so he got out while he is still able to make a place for himself.

That is an unusual explanation, but it fits in with Durr's ideas of public service. He expressed some of them in a recent speech which, incidentally, points out this situation.

STATE AGENCIES TOO

Not only individual officials, but also whole Government agencies, lose their fighting spirit as they grow older, and lean more and more toward the side of the private interests they are supposed to regulate.

Experienced observers know that is true not only of Uncle Sam's regulatory and administrative agencies but of those of the States.

Durr described a typical example.

"First," he said, "an evil is discovered and public feeling is aroused about it." Congress or some other legislative body moves in to correct the situation. It creates an agency with power to act, and tells that agency to see that the public interest is protected.

HOW IT WORKS

"The new agency pitches into its task with vigor. Its staff works day and night. Hearings are held and orders issued, fought through the courts, and finally sustained. The immediate evil is corrected.

"The public sighs with relief and goes back to its daily business of earning its living, secure in the belief that it now has a champion, that its interests will be protected without further concern on the public's part.

"The representatives of the industry that started the trouble changed their tactics. Their spokesmen begin to call on the members of the agency and its staff. They are nice fellows after you get to know them.

"LOOK LIKE PUBLIC"

"They call on the agency more often—sometimes with problems, sometimes just for a friendly chat.

"Gradually, they begin to look a little like the 'public.' At least they are the only members of the public the agency sees. The other members of the public don't come around.

"They are busy minding babies, driving trucks, teaching school, farming, and running grocery stores. They are far away, and the vision of them begins to grow a little blurred."

ALSO CALL ON CONGRESS

Meanwhile, Durr explained, the industry's lobbyists have also been visiting Members of Congress or the State legislatures, impressing them with the idea that the lobbyists are reasonable and attractive gentlemen. They haven't overlooked the executive branch of government. They succeed in getting their friends in the agencies.

So, next time the agency tries to do some real regulating, the cry goes up that the agency is going too far.

For all these reasons, the agency begins to back off from its job of regulation and reform. The private interests' lawyers and lobbyists, who are on their job all the time, get more and more of what they want. The public, which has many other things to think of, is more and more forgotten.

CAMPAIGN FUNDS INTERFERE

Is there a remedy? Obviously, any President or governor could help by appointing men who have proved themselves devoted to the public interest, and by refusing to reappoint men who yield to private interests. Why don't they do it? Largely because the

interests and their retainers contribute to campaign funds. Durr did not quit because he thinks the FCC is hopelessly bad. On the contrary, his friends say, he considers that the Commission is doing a better job now than it has most of the time in the past. But there's plenty of room for improvement.

[From the New York Times of May 2, 1948]

MR. DURR'S DECISION

The decision of Clifford J. Durr not to accept reappointment to the Federal Communications Commission means the loss to that body of one of its ablest and at the same time most controversial figures. With his term expiring on June 30, Mr. Durr, in the light of his family responsibilities, believed it time to seek a more remunerative post than a commissionership which pays $10,000.

As an outspoken liberal of the New Deal school, Mr. Durr's career with the FCC always has been a tempestuous one and he himself would be the last either to expect or to want anyone always to agree with his views. But certainly he leaves the FCC with a record of both very real and very important accomplishment in behalf of better broadcasting.

Mr. Durr's guiding concept was a greater freedom of radio from the standpoint of the listener as opposed to the more publicized freedom of radio from the standpoint of the broadcaster. If not the father of the FCC's bluebook, which called for improved over-all balance in programing, he was its most energetic and articulate exponent. Though in practice the bluebook has been badly bleached, the mere discussion of its main points prompted the broadcasters to look at themselves and, in many cases, introduce beneficial reforms. For the achievement of that progress Mr. Durr is entitled to a generous share of the credit.

In his years devoted to broadcasting, Mr. Durr often was the lone dissenter on the FCC. Many of his points of view he was later to see accepted by the majority. His thoughtful opponents, if not the element of the trade press which delighted in subjecting him to petty and carping criticism, always respected his consistency of position in radio matters. In a business where expediency so often prevails, Mr. Durr's devotion to principle will be missed.

[From the Courier Journal of April 25, 1948]

A PLACE ON THE PAY ROLL IS BESET BY HAZARDS

In 2 days hand running, and on two separate points, a Government official has got a load off his chest. He is Clifford Durr, a progressive and thoughtful member of the Federal Communications Commissions. First, he lets go at the low standards of pay that keeps many a qualified man from a career of public service. Himself, he has declined reappointment to FCC because with a home to keep, a family to rear and educate, he cannot make it on a Commissioner's salary.

The Commission and the public are the losers as Mr. Durr joins the long list of competent men forced out of Government service by congressional policy. It is a policy that, unless revised, in the end is bound to reduce public administration to a level of mediocrity. Besides those who have perforce gone back to business or the professions for their families' sake, there is no telling how many more have been deterred from taking appointments for the same reason.

However, it is on the second point of his discontent that Mr. Durr really lets the Government have it. He believes with many others that violence is being done to American institutions and traditions of individual freedom by such thought-policing practices as the so-called loyalty checks of all public workers. As part and parcel of the new surveillance he sees the judge-jury-executioner program of the committee on Un-American Activities which has a fresh illustration in the criticism of Dr. Edward U. Condon, director of the Bureau of Standards. Mr. Durr fears what he describes as "new standards of Americanism," "strange new courts," "new forms of punishment."

And it is true that if we go along with this scrutiny of ideas, this acceptance of the mental processes of J. PARNELL THOMAS and JOHN RANKIN as the measure of loyalty, the country is likely to find that something rather precious and fundamental has gone from our traditions of security. Far more perhaps than the financial consideration will this become a sure way to keep scrupulous and sensitive men out of public office.

[From the magazine Billboard of May 15, 1948]

DURR HONORED

CHICAGO, May 8.—A lifetime membership in the Ohio State Institute for Education by Radio was awarded Clifford Durr, FCC commissioner, at the institute's annual dinner Sunday night (2) in a gesture which found those in attendance rising to their feet to applaud him.

In making the award because of Durr's announced intention of resigning from the FCC, Dr. I. Keith Tyler, institute head, said, "It seems to me highly appropriate to express at this time the sentiment which I believe is shared by all who have known Clifford Durr and observed him in action here at these annual meetings. His courage and integrity, his willingness to 'stick out his neck' on matters of belief and conviction have won the respect and admiration of all, whether or not they share his views."

[From the Radio Daily of October 29, 1947]

DURR AND CBS LEAD AWARDS MADE BY SCHOOL CONFERENCE

CHICAGO.—Clifford J. Durr, member of the FCC, was voted "man of the year" in educational radio by the 65 members of the advisory committee of the School Broadcast Conference in session here. In presenting the award for outstanding and meritorious service in the field of educational radio, George Jennings, director of the conference, said: "For 7 years Mr. Durr has been a stanch supporter and friend at court of educational radio. It was largely through his efforts that the educator's petition for additional frequencies in the FM band was granted. Commissioner Durr has evinced an understanding of the power of radio as a social force for good in the local community and has had great influence in the industry's program structure to the advantage of listeners and industry itself."

[From the magazine Broadcasting of May 24, 1948]

NEW YORK CRITICS CIRCLE PRESENTS CITATIONS—GROUP REGRETS DURR'S LEAVING COMMISSION POST

Issuing its first annual statement last week on radio and television, the recently organized Radio-Television Critics Circle of New York cited networks and a few independent stations for "outstanding service" during the year.

The circle also expressed regret for the impending departure of Clifford Durr from the FCC naming him a "symbol of public service ideals for radio."

Other citations went to the following: New developments, Child's World and Candid Microphone on ABC; network's relationship to the community in terms of public service, responsibility, information, and entertainment, CBS is There (now, You are There), Doorway to Life, documentary unit, CBS Views the Press, all CBS.

WNEW New York was again praised for its tolerance jingles, Little Songs and Big Subjects.

[From the Washington Post of April 28, 1948]

RADIO CRITIC

Although the radio industry may not recognize it, the expiration of Clifford J. Durr's term on the Federal Communication Commission at the end of June will deprive it of one of its best friends as well as of one of its severest critics. Mr. Durr has done a great deal to help radio grow up. He has encouraged broadcasters to emancipate themselves from their advertisers. He has fostered a measure of independence on the part of network affiliates. He has fought consistently for freedom of the air—viewing freedom always as the interest of the listener and insisting that radio make itself a medium for the conflict of ideas which is the essence of the democratic process. He has had faith in the tremendous potentialities of radio and an understanding of its great social impact.

In asking Mr. Durr to accept renomination, President Truman paid tribute to the quality of his service and made amends, at least in part, for certain past failures to reappoint other men who had served his administration faithfully and well. The request was the more commendable in this case because Mr. Durr has been a vigorous critic of the President's loyalty investigation program. There ought to be room in the Government for rebels of such courage; they relieve the conformity which is too often the curse of bureaucracy. It is a public misfortune that Clifford Durr can no longer afford the luxury of public service.

Federal Aid to Education

EXTENSION OF REMARKS

OF

HON. ADAM C. POWELL, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, June 18 (legislative day of Thursday, June 17), 1948

Mr. POWELL. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following newspaper article and editorials:

[From the Norfolk Journal and Guide of June 12, 1948]

RIGHTS AND DUTIES IN A DEMOCRACY

(By Luther P. Jackson)

READERS CALLED TO WRITE MEMBERS OF CONGRESS IN SUPPORT OF FEDERAL AID TO EDUCATION BILL

Upon every adult citizen falls the responsibility of writing letters or communicating in some way with the officeholders of the government under which he lives. At one time this may be the Federal Government, another time it may be the State, and finally it may be the local government. Throughout life every person has some need which only the officials of one of these three units of government can supply. For it is they who make the laws, raise funds by taxation, and decide for what purpose the money they raise shall be spent.

In the judgment of most Americans one of the greatest needs of our country now is a greater sum for the education of the millions of boys and girls in the elementary and secondary schools of the Nation. More money is needed for them in every State of the Union, but especially in the poorer States such as Virginia, Alabama, Louisiana, and others. More money is needed for every child in these States, but especially for the Negro

child—that child upon whom less has been spent than any child in the United States.

The poorer States of the Union do not spend more money on education for the simple reason that they are financially unable. Because of the difference in the wealth of all the States, the amount each spends varies widely. In a Northern State a school system sometimes spends as high as $220 annually per child; in a Southern State the amount drops as low as $3.70 per child. Obviously this wide disparity needs to be corrected.

It appears that the only way to effect a change is for the Federal Government to come to the rescue with an eye to equalization of educational opportunities. Schools are so poor in some States and the people themselves are so poverty-stricken that we have today 2,000,000 children who are not enrolled in school and 10,000,000 adults who have such little education that they are virually illiterate. There is indeed more illiteracy in the United States than England, France, Russia, and other European countries.

Until the 19th day of the present month, when Congress is due to adjourn, the people of our country have an opportunity of securing money from the Federal Government for education by the time-honored method of bombarding Congress with letters and telegrams asking that this body act before the date of adjournment. Now is the time for individual citizens to act, for a bill to assist the States has already been passed by the Senate while now this bill is bottled up in a committee of the House of Representatives. It appears that a majority of the Members of the House favor this measure and would vote accordingly for it if only the Committee on Education and Labor would report it out to them. The fate of this vital bill depends mainly on the action of just four Members of this body. These are the Honorable JOSEPH W. MARTIN, Speaker of the House; the Honorable CHARLES A. HALLECK, majority leader of the House; the Honorable FRED HARTLEY, chairman, House Committee on Education and Labor; and the Honorable LEO E. ALLEN, chairman, House Rules Committee.

For a long time the people of our country have realized that the States alone cannot supply sufficient funds to guarantee a good education for the children within their borders. Bill after bill has been introduced in Congress for Federal aid, but each time it was defeated. Now in the present session the bill for this purpose has advanced further than ever before in the history of the effort to gain Federal aid.

I hope my announcement is clear. I have written this piece with the hope that all readers of it will act immediately. This is an S O S call. Wire or write Messrs. MARTIN and HALLECK urging favorable and early House action, and Messrs. HARTLEY and ALLEN urging favorable and early committee action. President Truman the other day urged the passage of the Federal bill; surely every humble citizen can do likewise.

[From the Chicago Defender of June 12, 1948]

SPEAKING OUT FROM THE NEW SOUTH

(By Robert Durr, for the NNPA)

WANTED: THE TOOL TO SAVE AMERICA

The best defense for America today depends upon the extent to which America makes available to all its children adequate and equal educational opportunities.

America, like a parent, fails in everything if it fails in its children—fails to give them the tool with which to serve and make the fullest contribution possible as responsible citizens to all that makes for a richer and fuller life by and for all. Education for complete living is the tool.

A great deal is being said these days about the menace of communism and its spread among the less alert, while too little recognition is given to the fact that history is replete with episodes of spiritual and violent rebellion of peoples against systems which denied them the opportunity to acquire the educational tools with which to earn bread and build a decent life for themselves and their loved ones.

There is an area today in America where out of public funds as much as $300 per year is appropriated for education for each child of school age. And another poor and backward area, as little as $3.75 per year is the score.

The children who are getting the $3.75 education are going out into the world to compete with those getting the $300 education, which means that the former have two strikes on them before they come to bat. If they should hit the ball with rotten bats, the same will be splintered in their faces and so blinding them that in desperation they will yield to the philosophy on changing the form of government which denies them the educational tools with which to work, fight, and serve on a basis of equality.

SENATE PASSES BILL

The Senate of the United States, on April 1, 1948, by a vote of 56 to 22 passed S. 472, proposing $300,000,000 for Federal aid to education. At this writing, H. R. 2953, counterpart of S. 472, is resting in the House Committee on Education and Labor where it has been favorably reported 6 to 2 by a subcommittee.

If the pending legislation is not given the green light by the Speaker of the House, Mr. MARTIN, and the majority floor leader, Representative CHARLES A. HALLECK, Indiana, during this session, when it seems to have an excellent chance of passage, an irreparable disservice will be done to helpless children of this Nation who need the educational tools with which to save America from a totalitarian form of government.

Seldom in American history has more power over the basic welfare of millions of children been concentrated in the hands of two men. The Martin-Halleck decision, whatever it may be, will cut deeply across the face of American history.

It is completely past our understanding that the $300,000,000 cost of H. R. 2953 should stand in the way of its passage when we are committed to five or six billions a year for Europe and Asia and fifteen billions a year for military defense.

The amount of money called for in the Federal aid-for education bill now pending before Congress—$300,000,000—is a very small amount compared to the aid we are rightly giving for the reconstruction of the war-devastated countries of the world. It is less than 1 percent of the Federal budget.

When one finds that under our plan of aid to Europe we are spending $265,000,000 for tobacco, one wonders about our sense of values. It is true that the tobacco industry is a part of the economic life of our country and of the countries being aided. We submit, however, that this operation is less vital to the welfare of the world than the educational well-being of the children of our own country.

Seventy-one million dollars' worth of the grain to go overseas under the European recovery program this year is allocated to the liquor industries of the European countries. This, too, may be a part of the economic life of these nations. But, again, we insist that the education of American youth is more important.

EDUCATION THE FOUNDATION

Education is the foundation upon which the national defense of the country must rest. The facts of World War II are ample evidence of this.

Consider the burden of educational neglect in connection with World War II. We rejected 659,392 men for educational deficiency—twice as many as were deployed in combat divisions in the entire Pacific theater. Five million of fifteen million men examined under selective service were rejected for deficiencies, most of which could have been prevented had we had the kind of schools the Nation needed.

Thirty-two and one-tenth percent of the rejections among Negroes, who reside in the main in the poorer States, was due to lack of education.

The percentage rate of rejections for whites was 17 times as high in Texas as in Oregon; for Negroes, 12 times as high in Alabama as in Minnesota.

Passage of the Federal-aid bill would be like casting bread upon the waters which would come back many days hence multiplied a hundredfold in the form of a broadened basis of informed and responsible democratic citizenship on all levels, with ability to see and appreciate the America so many now only look at.

If the House fails the children of America in the matter of provision of basic equality of educational opportunity, it fails in all efforts insofar as preservation and extension of democracy and the building of real security, peace, and prosperity is concerned.

P. S.—Wire or write immediately urging favorable and early House action on H. R. 2953: The Honorable JOSEPH W. MARTIN, Jr., Speaker of the House, Congress of the United States, Washington 25, D. C.; the Honorable CHARLES A. HALLECK, majority leader of the House, Congress of the United States, Washington 25, D. C.

[From the Norfolk Journal and Guide of June 12, 1948]

FEDERAL AID FOR EDUCATION

Mrs. Eugene Meyer, the vigorous and liberal wife of the Washington Post publisher and one of the most indefatigable workers for a better lot for all citizens, was clearly on sound ground when she asserted not long ago in an address at Howard University that national defense and the protection of American ideals are vitally dependent upon a minimum standard of education for all children of the Nation. A member of the President's Commission on Higher Education, which has submitted a forthright and challenging report to the Chief Executive, Mrs. Meyer flatly accused Republican leaders in the House of Representatives of responsibility for providing Federal aid to the States for delaying enactment of legislation providing Federal aid to the States for educational purposes.

The bill, H. R. 2953 (the McCowan bill), counterpart of S. 472, already passed by the Senate, would provide $300,000,000 for aid to education. As this was written, the measure was still tied up in the House Committee on Education and Labor.

A great many people of all groups, races, and classes are exerting strenuous efforts to effect positive action on the bill. Gen. Dwight D. Eisenhower, now president of Columbia University, and 80 other prominent persons jointly telegraphed House Speaker MARTIN on June 6 and urged that the lower Chamber of Congress vote on the bill. What they said in their plea should have the widest dissemination. They argued:

"The world conflict between democracy and communism is intense and real. Our democracy can win the ideological battle only if we implement our ideals and become more democratic here at home.

"The cost of the program, $300,000,000, is insignificant in comparison with the total expense for national defense and the European recovery program. The Congress is mobilizing every human and material resource for any eventualities of peace or war.

It cannot afford to neglect the quality of the Nation's manpower."

How true, that is, was tragically demonstrated in the last conflict, when otherwise able and patriotic youths were found unsuited for service in our armed forces and unprepared to help in the home-front defense-industry program because of their lack of education.

The Senate passed the companion bill on April 1 last. Why are these bills important? Here are a few facts vouched for by experts:

1. Some school systems expend as much as $200 or more annually per school child as compared to sums amounting to as little as $3.70 known to be expended by a great number of poverty school districts.

2. In 1940 nearly 2,000,000 children between the ages of 5 and 17 were not enrolled in school.

3. More than 1,175,000 children were enrolled in 1940 in school systems which spent $18.50 or less per pupil.

4. Approximately 10,000,000 adult Americans have so little education as to be virtually illiterate.

5. Selective Service rejected 5,000,000 young men during recent years because of physical, mental, and educational limitations.

Federal aid would insure a minimum national standard of education for all public elementary and public secondary (high) school children (ages 5 to 17) in the United States through a stipulated expenditure per year for each public elementary and public secondary school child.

No State will receive less, under the terms of the Senate bill, than $5 per year for each child of school age and, under the House bill, not less than $3 per year for each school-age child. Not less than $50 annually would be spent on each school child under terms of the Senate bill; not less than $40 per year under the House measure.

Much of this equalization fund from Federal sources would go to the Southern States in which the Negro school population is tremendously high and where the needs are greatest.

Senator CONNALLY (Democrat, of Texas) gloated not long ago over his success in removing some of the precautionary language of the Senate bill which he said would permit the States to preserve their rights. Under the experience of the past, these rights are used to cheat the Negro of a just share of funds allocated to the States.

It would be much more desirable if the bill had strong precautions against the short-changing practice. Many observers feel that it still has adequate safeguards in this respect.

Others who are not so sure feel that if the distribution of the funds shows an abuse of constitutional rights to equal education that the courts, if the challenge is raised, will outlaw the inequalities and that the bill should be reported out in as good shape as it is possible to have it and that the best long-range strategy is to avoid insisting on air-tight amendments which would result in the entire legislative project being filibustered to death.

The States—certainly those where the bulk of Negroes live—can do with some assistance. If the Federal-aid bill is passed, all children stand a chance of a much better education.

[From the New York Amsterdam News of May 29, 1948]

PROVIDE EDUCATION FOR ALL

On April 1, the United States Senate passed bill S. 472 proposing annual Federal expenditures of $300,000,000 in aid of public elementary and secondary education. Companion bill H. R. 2953 has been pending in the House Committee on Education and Labor for some time.

Support of the Senate bill on Federal aid to education has been growing among Representatives, and it is believed that the bill will be enacted into law by a big majority when it comes to the floor of the House.

This newspaper supports the action of the Senate and urges Chairman FRED HARTLEY, JR., and his colleagues on the House Committee on Education and Labor to act favorably on H. R. 2953 in time that House action can be taken at this session of the Congress. Immediate passage of this measure is necessary to aid the effort to equalize educational opportunity for the children of the Nation.

The case for Federal aid to education is self-explanatory. Educational opportunity for every American child is basic for the survival and growth of democracy. The uneven distribution of the Nation's wealth and literacy makes it imperative that Federal aid to education be Nation-wide and made available to all the States, so that they may be able to carry their full educational responsibility.

Federal aid to education will contribute much toward the solution of the problem of the more than 2,000,000 United States children, aged 5 to 17, who are not enrolled in any school; increase the per capita expenditure of those school systems which spend as low as $3.50 per year; wipe out the great number of "poverty" school districts, which have given the Nation more than 10,000,000 virtually illiterate citizens, and caused 5,000,000 men to have been rejected by selective service because of educational, mental, and physical handicaps.

Federal aid to education and the welfare of the United States are indivisible. The time to act on this important matter is now, when we are sending billions abroad to strengthen the democratic nations and forces of the world. The home base should and must not be forgotten in these days of crisis.

[From the Pittsburgh Courier of May 29, 1948]

GOP STALEMATING EDUCATION-AID BILL

WASHINGTON.—The failure of the House of Representatives to act favorably on Federal-aid-to-education legislation is a severe disappointment to a large segment of American people, according to an exclusive survey conducted last week.

More than twenty-five leading national Negro organizations and many local groups with a combined membership in excess of three and a half million adults indicated in this survey that they favor passage of Federal education aid.

PASSED BY SENATE

The bill, passed in the Senate by a 58 to 22 vote on April 1, is now stymied in the House. Advocates of the bill contend that the House leadership, represented by Speaker JOE MARTIN, (Republican, of Massachusetts) and Majority Leader CHARLES HALLECK (Republican, of Indiana) has the bill blocked and that it cannot be dislodged from the House Labor Committee and it cannot be granted a rule by the House Rules Committee until MARTIN and HALLECK give the green light.

The Senate bill was sponsored by Senator ROBERT TAFT and a bipartisan list of seven other Senators. In the House, it is sponsored by Representative EDWARD O. MCCOWEN (Republican, of Ohio).

SETS $50 MINIMUM

Under the terms of the bill, an annual Federal appropriation of $300,000,000 would be spent to improve education among the Nation's public elementary and secondary schools and would provide a minimum of $50 to be spent per child per year.

The National Education Association, which is backing the bill, points out that some school districts, notably those in which Negroes are segregated in the impoverished States of the deep South, spend as little as $3.75 annually per pupil, while some of the richer districts spend $220 annually for each pupil. Under this bill every school child is guaranteed an education expenditure of at least $50 per year. The NEA also points out that this Nation has 10,000,000 adult illiterates and a high armed services rejection rate because of illiteracy.

According to the NEA, both bills, S. 472 and H. R. 2935, provide for "fair and equitable" distribution of funds.

[From the Philadelphia Tribune of May 22, 1948]

EDUCATION AND DEFENSE

An aspect of Federal aid to education seldom considered may be gathered from the following statement in an analysis of the matter contained in a recent publication of the National Education Association: "We wish to state with all the power at our command that the first line of defense for this Nation lies now and always in the intelligence and the physical well-being of the people of this country. The future of the United States depends upon the youth of today."

All of us remember—or do we—the shock we experienced when such a large percentage of men examined in World War II under Selective Service were rejected for deficiencies most of which could have been prevented had the Nation the kind of schools needed.

Of particular interest is that almost one-third of the rejections among Negroes were for educational deficiencies since they came from the States where educational opportunities are below the national level. Even among whites the rejections from Southern States based on lack of education were many times those from Northern States.

Compared with the $15,000,000,000 which we will spend for European recovery, which among other things, is a defense measure, the cost of Federal aid to education is small. The Senate having passed the bill, the House of Representatives should follow suit, provided that the funds will be so used as to furnish equal opportunities for all the children of all the States which get aid.

Joe Bridges: Splendid American

EXTENSION OF REMARKS

OF

HON. CLAUDE PEPPER

OF FLORIDA

IN THE SENATE OF THE UNITED STATES

Saturday, June 19 (legislative day of Tuesday, June 15), 1948

Mr. PEPPER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a statement by me regarding the career of John Joseph Bridges, who died in the Doctors Hospital in Washington on June 16.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Mr. PEPPER. Mr. President, on the afternoon of last Wednesday, June 16, there died in the Doctors' Hospital in Washington, after an illness of several months, an "old-timer," of the construction days of the Panama Canal. He was John Joseph Bridges, about 70 years of age.

"Joe" Bridges, as he was known to all friends and associates, lived a very active and useful life. He was born in Bedford

County, Pa., at, or near, Bean's Cove, almost on the Mason and Dixon's line of historic fame. He grew up to become a railroading man and served for some time as a locomotive engineer on the B. & O. Railroad.

In 1907, he entered the service of the Isthmian Canal Commission and went to the Isthmus, where he was employed in the transportation division of the construction work of the Canal, serving most of the time as locomotive engineer on dirt trains in hauling spoil from the great cut at Culebra to the Gatun Dam on the Atlantic side, and to the Pacific side to reclaim from the sea the lands now constituting the site of Fort Amador at the Pacific entrance of the Canal. He remained in the construction service until the date of completion of the Canal, officially designated as March 31, 1914. He thereupon remained for 2 or 3 years on the Isthmus in the organization of the Canal, and then finally left that service and returned to the United States.

He was a highly skilled and efficient railroader and made his distinctive contribution to the building of the great Isthmian waterway. His work was typical of that performed by the thousands of skilled American civilian employees engaged in this, the greatest industrial enterprise of history. Through heat and storm they bore the burdens of toil and performed the indispensable tasks involved; thus, with a skill and speed unparalleled in history, the dream of the ages came to glorious fruition. Not only has our own, as well as the universal, commerce been tremendously served by the successful operation of the Panama Canal, but, also, in the two great World Wars this mighty link between the seas vastly—and perhaps indispensably—contributed to the success of the allied effort, and to the saving, perhaps, of civilization itself.

While on the Isthmus Joe Bridges was the unfailing and effective champion and representative of the skilled workers.

After leaving the Isthmian service, he returned to the States. Home again, following years of absence, he found that he had lost all seniority rights and benefits as a railroad man, in consequence of which he did but little further railroading. Thereupon, for a number of years, he made his home in Miami, Fla., and was there engaged in real-estate activities and gave considerable attention to civic affairs.

The failure of Congress to enact legislation to grant recognition and rewards to American civilians engaged in the construction of the Canal, induced in him a very keen sympathy for all those who, like himself, had suffered from the reduction in force on the Isthmus after the completion of the building of the Canal, and who, thereupon, were not covered into the permanent organization for the maintenance and operation of the Canal, nor were received into regular civil-service employments of our Government. He immediately became a strong advocate of the passage of legislation by the Congress to grant recognition and rewards to all the American civilian employees and officials who had been engaged on the Isthmus in the construction of the Canal, the same to be generally comparable with those benefits accorded by the act of March 4, 1915, to all those of the Army, Navy, and Public Health Service who had been similarly engaged for 3 years or more. He thus became a member of a committee representing these civilian workers and served in 1915 and 1916, but, although a bill for such purpose was introduced, no favorable action resulted. Then World War I came, and the efforts of this committee became altogether unavailing, and the action advocated by it faded from the public mind. However, he did not forget the justice of the cause he represented, nor the gross discrimination which had been thus practiced.

Finally, long after the close of that war, he came from Miami to Washington in the early part of 1938—as I recall—as the national representative of the Panama Canal builders' National Legislative Association, and initiated and for 6 or 7 years, led the long, difficult but finally successful fight in behalf of the survivors of this civilian body of construction employees. Though concerned for all these, he was interested especially—as just stated—in those who, like himself, had not been retained in the permanent organization, or otherwise covered into permanent employment in the Government service and who, on returning home, had to begin life over again. Although he was a man without wealth or means, he served through these arduous years without compensation for his time and efforts, receiving only shreds of contribution from old timers scattered over the country to aid him in paying for actual necessary expenses while thus engaged. His continuing and tireless efforts were finally rewarded by the passage and approval of the act of May 29, 1944, which extended the thanks of Congress to all American civilian employees engaged in the construction of the Panama Canal, for whatsoever time; and also accorded benefits or gratuities, in the form of so-called annuities, based on length of Isthmian service and compensation received therefor, to those of the special civilian groups just mentioned who had served 3 years or more on the Isthmus in the construction work of the Canal.

At the outset of this latter effort, he immediately sought my aid and advice, and these throughout I freely and gladly gave. I came fully to understand the merits of the cause thus presented and it became my privilege and, indeed, my honor to introduce in the Senate, and to fight for the enactment of, this most just and long-delayed legislation. Accordingly, through several sessions, I introduced and reintroduced the required measure. Concurrently, in the House, Congressman J. HARDIN PETERSON, like myself, of Florida, introduced in that body identical measures. Hence, he led the fight in the House, as I led the fight in the Senate. While these measures, after full hearings, were favorably reported several times by the committees of the respective Houses, a long period was required to bring about the enactment. The chief stumbling blocks were the length of time which had elapsed since the completion of the canal, and the cost which such legislation would entail as estimated by the governmental departments. Finally these estimates, upon more exhaustive investigation, were substantially reduced, with the result that departmental approval followed and enactment came. The bill introduced by me in the Seventy-eighth Congress, S. 633, passed the Senate on May 15, 1944, and the House on May 22, 1944; the identical companion bill in the House, sponsored by Congressman PETERSON, begin H. R. 1117. The President's approval followed and the legislation came to be the act of May 29, 1944.

This was as far as the Congress, at the time, was willing to go in that enactment; but at the present session, H. R. 2273 has been passed to broaden the base of these annuity benefits so as to include those of 3 years' canal-construction service who were employed in the permanent organization of the Panama Canal or in the civil-service branches in the United States, with contributory payments for regular civil-service retirement benefits. Certain benefits had already been granted some of these, but all will now come under the act of May 29, 1944, as amended; that is to say, all survivors.

Except for the work that Joe Bridges did for the enactment of the basic measure, the recently enacted broadening amendment could never have become a law. Hence all who have or who may become beneficiaries under these enactments owe an everlasting debt of gratitude to this faithful, sturdy, and indomitable man who now sleeps in his native soil in the mountain foothills of Bedford County, Pa. His courage and persistence, in the face of obstacles that seemed altogether overwhelming, were remarkable. His zeal was truly inspirational. He seemed never to know the word "fail." His cause was, indeed, just, and slowly, but surely, Congress—in the midst of multiplied activities and current demands—came to recognize this fact and enacted the indicated legislation, thus removing the gross discrimination practiced, as between the special services groups and the American civilians, just after the completion of the canal. His own annuity benefits were of modest character, but he was consumed with a desire to serve all those he believed to have had practiced against them the suggested discrimination. He was a fine, upstanding American, and typical of the best fiber of American life.

He left surviving him a son, two daughters, and several grandchildren.

I came to know him well and learned to admire him for his worth. He was my friend and I was his. I am very grateful that in some measure I was able to aid in bringing about the enactment of the exceedingly just, but long-delayed, legislation now described. He did not long survive to enjoy the benefits of this legislation. This is, indeed, tragic; but such is life. I join with old-timers and his many friends throughout the country and on the Isthmus of Panama in mourning his death.

Permit me to conclude with the following lines, written not so long ago, by another old-timer, touching the Panama Canal and its builders:

"The mountains moved, and the waters rose;
And Faith, at last, fulfilled her Dream:
Lake, Lock, and Channel—the whole World knows—
Attest the worth of a Hope Supreme!
The ships now shuttle from Shore to Shore:
Up, up, and up—and thence straight on;
Then three times downward—and on, once more—
Into the Sunset or the Dawn!

"All were as one; and They strove and wrought
To shape the Passage to the Ind.
In terms of life it was dearly bought;
In money, cheap. The Ranks are thinned
By Time and Death; but the Deed They did
Excels all others of like and kind;
Its strength and virtue cannot be hid:
It lives—all tongues and lands to bind!"

Record of the Republican Congress

EXTENSION OF REMARKS
OF
HON. SCOTT W. LUCAS
OF ILLINOIS
IN THE SENATE OF THE UNITED STATES

Saturday, June 19 (legislative day of Tuesday, June 15), 1948

Mr. LUCAS. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "Muddled, Do-Nothing Record of the Republican Congress," by Sam Tucker, from the Decatur (Ill.) Herald of June 15, 1948.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MUDDLED, DO-NOTHING RECORD OF THE REPUBLICAN CONGRESS—SPENDING MOUNTS, MAJOR ITEMS OF LEGISLATION BLOCKED BY PARLIAMENTARY DODGING

(By Sam Tucker)

WASHINGTON, D. C.—Just as a refresher, it should be recalled that the Eightieth Congress which is now muddling toward an adjournment on June 19 with most of its important work undone, is the same Congress

that began by promising a $6,000,000,000 reduction in Government expense, a wholesale dismissal of surplus pay-rollers and a return to sound, efficient government on all fronts.

Every promise is unfulfilled. Even without counting foreign aid, the promised economics are not realized. Government employees are being added, not subtracted; right now at the rate of about 650 a day net.

By jamming through a tax reduction bill before making economies in expenditures, the Congress has insured a deficit in the year ahead and necessity for new taxes (after election).

That's not the whole story of incapacity and mischief. Against the advice of every expert witness, disregarding the public will as shown in every poll, and ignoring the grave warnings of the men charged with responsibility for defending the country, the majority party in this Congress has refused to provide an adequate military defense by either selective service or universal military training.

After authorizing United States participation in the European recovery program, the House majority tried to sabotage the plan by refusing the funds that had been promised—thus raising in every country of Europe the suspicion that the word of the United States cannot be trusted.

Leaders of both parties agreed at the beginning of this Congress that housing constitutes one of the most urgent problems before the country. The Senate passed a bill designed to provide half a million family units.

Republican leaders in the House have blocked it, calling the proposal "socialistic"—curious Republican judgment upon Senator ROBERT A. TAFT, the author. The net result, again, is nothing done.

A wave of consumer protest from the country over demanded an end of the discriminatory taxes upon oleomargarine. Members of the House heard this rising revolt and voted 2-to-1 for repeal; a little handful of cow-State Senators has blocked all action on that.

Federal aid for education, to eliminate the tragic inequalities of opportunity as between different neighborhoods in the country, also was supported by Senator TAFT, the chosen leader of the Republican policy committee, Republican representatives refused to follow him and have killed it by inaction.

Now, in the final week of a session, the lights burn in Capitol Halls far into the night while the Members argue over—the great reforms that were promised last election season? Oh, no; over the routine, departmental appropriation bills that should have been completed last February, at the latest in March.

In this frantic, last-minute rush with little time to consider anything, little opportunity left for amendment, Congress is trying to do all at once the work it should have done last winter.

President Truman has political incentives for criticism of Congress, and because of his own obvious blunders his judgments are discounted. To take the matter out of the realm of party politics entirely, one needs only consider the indictment of Republicans by Republicans.

A Republican majority in the Armed Services Committee approved months ago and asked for open consideration of the universal service bill as a permanent policy of national strength. Representative LEO ALLEN, of Illinois, and four like-minded Republicans of the dictatorial Rules Committee have decided by themselves that the Congress shall not even have a chance to vote on the matter.

Senator TAFT, the ostensible leader, is demanding housing, aid for education, a reasonable public health program. JESSE WOLCOTT, Republican chairman of the House Committee on Banking and Currency, says all that is "socialism," and he has blocked it.

Senator VANDENBERG, wise elder stateman and demonstrably the least partisan patriot in the Congress, pleads for fulfillment of promises in European recovery; Republican JOHN TABER of the House says it shall not be done, and is able to obstruct it.

Republican Senator THYE, of Minnesota, says the margarine tariff shall stay; Republican Senator BROOKS is recorded against it, along with a two-thirds majority of the House.

Congressional farm representatives of both parties wanted to continue reciprocal trade agreements; Republican Representative BERTRAND GEARHART, of California, could, and did kill them, with the help of a handful of others who still think in terms of 1900 tariff walls.

In the face of such internal divisions and conflicts within the majority party itself, leading in most cases to total inability to act and so to the disgraceful log-jam of vital legislation in the last days of the session, it is proper to ask, what is a Republican? What is Republican policy?

Is the true spokesman VANDENBERG or TABER? JESSE WOLCOTT or TAFT? LEO ALLEN, of Illinois, or TOM MARTIN, of Iowa? ALEXANDER WILEY, of Wisconsin, or ALEXANDER SMITH, of New Jersey? They stand in direct opposition, and with such stubborn insistence that the result is no action at all.

Aided and abetted by such sly friends of reaction as Speaker JOE MARTIN, they have prevented even a vote upon the measures of most tremendous consequence for national welfare.

They will not submit their case to a majority decision, to be voted up or voted down, in the democratic tradition. Their method is parliamentary dodging, to evade responsibility and deny opportunity for a vote.

By reason of glacial movement in the vast, unwieldly population, the Republican Party seems certain to win complete control of the Government next January. By reason of their own unreconcilable differences, it appears, equally certain that they will present the country, not with leadership, not with a program, but with a dog fight.

After 16 years of vituperation against the "New Deal," they cannot agree among themselves upon the repeal of one key law of that loosely defined program.

Henry Clay

EXTENSION OF REMARKS
OF

HON. JOHN SHERMAN COOPER

OF KENTUCKY

IN THE SENATE OF THE UNITED STATES

Saturday, June 19 (legislative day of Tuesday, June 15), 1948

Mr. COOPER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a biographical sketch of Henry Clay written by Mr. David B. G. Rose, of Louisville, Ky. In a recent competition on the Dr. I. Q. radio program, Mr. Rose received the winning award of $465 for this sketch.

Mr. Rose is one of our oustanding Kentucky citizens. He has been an industrial and civic leader in his city and State for years; he has served in public posts with the finest zeal and efficiency. He recently completed a term as State superintendent of printing for Kentucky, and in that position he saved the taxpayers of the State large sums of money and has earned their enduring gratitude. I consider Mr. Rose's sketch as being an able and concise outline of the history of the great American commoner, who, for so many years, by his eloquence and statesmanship, contributed in outstanding manner to the maintenance of the American Union; and who, also, as a great advocate of Latin-American independence, led his country to recognize and give assistance to aid the aspirations and efforts of those countries for freedom.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

HENRY CLAY

(By David B. G. Rose, of Louisville, Ky.)

Among the greatest, if not the greatest, of all American statesmen since the establishment of the Union.

Born in Virginia in 1777 of humble parentage, was only 4 years of age when his father died.

Was called the Mill Boy of the Slashes.

Was apprentice to a pharmacist at the age of 14.

Through the influence of a friend, he secured a clerkship in the high court of the Virginia chancery when only 16 years of age.

Moved to Kentucky at the age of 20 to engage in the practice of law.

Was unable to pay his weekly board.

In his homespun garments and his awkward manners was ridiculed and made fun of by the boys of the time.

His studious habits and diligence in his efforts soon won the favorable opinion of those who had once made fun of him in his earlier days.

He married at the age of 22.

At the very beginning of his practice as a lawyer, he became the champion of the downtrodden, and especially of the free institutions of the young Republic.

The attempted passage of the alien and sedition laws, which he believed were contrary to the Constitution and Bill of Rights, had his unyielding opposition, and he was able to bring about their defeat.

He was elected to the Kentucky State Legislature when 23 years of age.

He was appointed to the United States Senate at the age of 29. He advocated the establishment of the United States Bank. He was elected to the House of Representatives and was made Speaker at the very beginning of his first term—the first time in history that the Speaker was elected during his first term in Congress.

He served in the Senate of the United States for 35 years.

He stood first and foremost among the statesmen of the country in demanding that the United States make no compromise with England, whereupon the War of 1812 ensued. He was sent as an Ambassador to make the treaty with England. In making the treaty, he insisted upon the establishing of free trade and sailors' rights upon the high seas.

He was termed the great "Pacificator" by the people throughout the country due to his persistent efforts to bring to a successful conclusion the Missouri Compromise, which was first presented to the Nation in 1818, Missouri having been refused admission to the Union because of its unwillingness to agree to the abolition of slavery, the forerunner of the effort to establish the "law" of State Rights.

His purpose in advocating the Missouri Compromise was to prevent the possibility of a war between certain States and the Federal Government, an ever-arising question that aroused the southern, and some of the western States as to State rights, as it concerned the question of slavery.

He was in dead earnest and continually active in his efforts to prevent the war between the States.

When the Indians were deprived of their property by the then President of the United States, he took up the battle for justice to the Indians.

He left Congress in 1820, but in response to the demands of his constituents, returned in 1821, in order to continue his fight for the Missouri Compromise, which at that time all but threatened the Nation with civil war.

Long before he arrived at the age the Constitution permits a person to be elected to the Presidency, this super statesman was considered the one man of the Nation for that great office.

The financiers insidiously and constantly opposed the establishment of a United States bank. He, however, succeeded in its establishment, but not for long.

He first entered the Senate in 1806 and resigned in 1842.

On his visit to England, following the War of 1812, where he was sent as an ambassador, Macaulay said of him, "His mind was a vast magazine, admirably arranged; everything was there and everything in its place."

He was reelected to Congress in 1815 while abroad.

The United States engaged in war with England in 1812, then the most powerful nation on earth. The United States was successful beyond all expectation. She, single-handed, without the alliance of any other nation, became the victor.

He championed the freedom of the South American countries as against the continuing control by the nations across the sea; and was the friend and adviser of Simon Bolivar, the South American liberator.

He was the one great force by which the Nation was to continue as a unity. For "States' rights"—yes, but always within the Constitution; the individual States within their respective rights, and only as inseparable parts of the United States as a whole.

He refused an appointment as Ambassador to Russia, and declined appointment to a post in the Cabinet of President Monroe, but later served as Secretary of State in the Cabinet of President John Quincy Adams. This service, because of the political quarrels of the time, caused him to be bitterly denounced by his opponents and brought about a bloodless duel between himself and a radical leader of the opposition. His preferred service was in the Halls of Congress where he believed he could be of the greatest benefit to his country.

After retiring from the Senate in 1842, he was chosen to run for the Presidency in 1844 at the Baltimore convention. For many years he was the national leader of his party, and although three times its candidate for President, never was elected.

Because of his many activities and his advocacy of important questions before the Nation during his more than 40 years of active public life, his loyalty to the country and its principles, he had made many enemies among the rich and the powerful, but he never wavered or compromised in his efforts to seek justice for the oppressed for liberty and the protection of his country.

He was defeated for the Presidency, due in no little measure to his championship of justice, right, and truth. He gave utterance at the time to that famous phrase, "I had rather be right than be President."

In 54 years of his engagement as a lawyer, it was said that he never lost a case; however, on one occasion he defended one, proved to be afterwards an innocent man, who was accused and hanged for murder. Confession was afterwards made by the murderer of his guilt.

He died on the 29th of June 1852.

The Federal Price-Support Program

EXTENSION OF REMARKS

OF

HON. OWEN BREWSTER

OF MAINE

IN THE SENATE OF THE UNITED STATES

Saturday, June 19 (legislative day of Tuesday, June 15), 1948

Mr. BREWSTER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article entitled "A Word of Appreciation," appearing in the Maine Potato Growers News for June 1948.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A WORD OF APPRECIATION

As a result of the efficient administration of the Federal price-support program during the past season, our market has been at support or just slightly above throughout the entire season. In the opinion of the writer, the handling of this price-support program so as to maintain prices at support, and at the same time avoid the creating of a fictitious shortage, has been one of the cleverest pieces of administration that we have seen in a long time.

Any time that any Government administrators make mistakes they get panned good and plenty, which is as it should be in a democracy. However, too often when they do a good job, it is taken for granted. We certainly hope that such will not be the case with reference to the administration of price support on potatoes this year. We believe that our growers in Maine at least should express to the county PMA committee, to the State PMA committee, and to the administrators in Washington their congratulations on an extremely successful administration and their appreciation for the very capable manner in which the price-support program has been handled.

To those of us who may be arm-chair generals, it is easy to sit back and tell how such a program can and should be administered. However, just stop and think a minute. If the Government had not taken enough potatoes off the market in the form of export, diversion, and so forth, prices would have sagged below support. On the other hand, if they had taken a few too many potatoes off the market, prices might have skyrocketed at the tail-end of the year, with a resulting justified condemnation on the part of consumers and taxpayers. To maintain a proper balance under these conditions and be able to take off the market just enough potatoes and yet not too many was an extremely difficult accomplishment.

We do not doubt but what if the Federal Government had taken the recommendation of some of us in the industry at some times during the past year, they would have taken too many potatoes off the market at the detriment of everyone. Therefore, we ask that our grower-members do two things. One, that they recognize the extreme difficulty of maintaining a program that will hold this potato market at a constant level such as has been done this past year. Secondly, that they realize the extremely constructive job that has been done by PMA and the various Government administrators, and when opportunity presents itself, express to those people our appreciation for a job well done. We pan them enough when we think they are wrong. Let us give them credit when they are right.

National Literacy Education

EXTENSION OF REMARKS

OF

HON. HARLEY M. KILGORE

OF WEST VIRGINIA

IN THE SENATE OF THE UNITED STATES

Saturday, June 19 (legislative day of Tuesday, June 15), 1948

Mr. KILGORE. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD several editorials on the problem of adult illiteracy in the United States, with special reference to the bill entitled "National Literacy Education Act" introduced by Senators WAYNE MORSE, WARREN G. MAGNUSON, and myself.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Fairmont (W. Va.) Times of Monday June 7, 1948]

KILGORE PROPOSES

Last week Senator HARLEY M. KILGORE introduced in the United States Senate a measure titled the National Literary Education Act of 1948. It probably will be known as the Kilgore-Magnuson-Morse Education Act because Senator KILGORE is acting in conjunction with Senator WARREN G. MAGNUSON, of Washington, and Senator WAYNE MORSE, of Oregon.

The measure would make available $125,000,000 of Federal funds to be spent over the next 10 years for adult education. According to the 1940 census, there were 10,000,000 adults in the United States who could not read and write sufficiently well to use such skills.

Senator KILGORE'S argument for the measure is worthy of your study. He said:

"The man who does not understand is always a dangerous man. He cannot go along with his social group, because he cannot grasp their motives or their goal. He cannot go along with his country, because he fails to grasp his country's aims. The 10,000,000 functional illiterates in America today cannot read the Declaration of Independence or the Constitution of the United States. They will not get the significance of what they hear on the radio—their only contact with national and world affairs. It is primarily to this group of illiterates that international communism has directed, on a level which can be understood, its floods of propaganda, including among other things, distorted facts about America. Talk about 'democracy' and 'our way of life' is largely unintelligible to illiterates. They cannot understand democracy just by hearing about it. They cannot understand democracy even by living in it. It takes the written word to make the past, the present, and the future of democracy a vital and realistic truth. Our people must, down to the last man and woman, be able to understand fully the meaning of democracy if this Nation of free and independent people is to survive. Each individual must be equipped to use that fundamental tool, the written word."

The West Virginia Senator describes the operation of the proposed act as follows:

In order to make a concerted frontal attack upon the problem of adult illiteracy, a national program is needed. Such a program is proposed in the attached draft of a bill, "To assist the States in the removal of adult illiteracy by the development and maintenance of removal of special programs of basic elementary education for adults." This bill provides for a cooperative program of action as between the Office of Education,

Federal Security Agency, and the State departments of education in the several States. It authorizes an appropriation of $5,000,000 for fiscal 1949; rising to $10,000,000 for fiscal 1950; $15,000,000 in each fiscal year from 1951 through fiscal 1957; and decreasing to $5,000,000 in 1958–59 when the program of Federal aid would terminate.

"Each State on which a State application had been received and approved by the Commissioner would be entitled to an allotment of Federal funds in the proportion that the number of adults in the State who had not completed the fifth grade of school, as reported by the Bureau of the Census, bears to the number of such adults in all of the States. The funds so allotted would be used under the direction and supervision of State departments of education for the purpose of stimulating the organization of classes for adults designed to develop the ability to read, write, speak and understand the English language, to perform elementary arithmetical computations, and to understand the main features of our constitutional republican form of government and of our American way of life. Funds might be used by the States in stimulation and support of the organization and conduct of classes of adult illiterates, for the training of teachers and supervisors for such classes, and for the fostering of research, experimentation and demonstration in educational institutions of improved methods and materials for use in such classes."

[From the Bluefield (W. V.) Sunset News of June 19, 1948]

EDUCATION ACT

Senator KILGORE is sponsoring a bill with Senator MAGNUSON, Democrat of Washington, entitled "National Literacy Education Act of 1948," a bill in the words of the energetic West Virginia lawmaker, "to assist the States in the removal of adult illiteracy by the development and maintenance of special programs of basic elementary education for adults and for other purposes."

The measure has no chance of passage at this session of Congress, but the facts which it sets forth are certainly worthy of study and remedial action is clearly needed. It sets a pattern for the future. Senator KILGORE declares that his measure offers a constructive, inexpensive solution to a problem that can only be described as a national disgrace.

"The extent of adult illiteracy in the United States is shocking," the Senator says, and he gives these facts to back up his statement:

"The 1940 census disclosed that there were more than 10,000,000 adults in the United States, 25 years of age and over, who were functionally illiterate, i. e., (1) who could not read and write at all, or (2) whose reading and writing ability was insufficient to be of practical use.

"The statement becomes more meaningful when made to read that there are more than 10,000,000 people who cannot read the newspapers, who cannot read printed directions of any kind, or who cannot pass the simplest literacy tests.

"The facts about illiteracy can be stated in still another way. One of every seven adults in the United States, 25 years of age and over, can read only with difficulty a label which says: 'Poison—for external use only.' One in every seven adults in the United States, 25 years of age and over, probably cannot read the word 'freedom' or spell the word 'peace.'

"During World War II, the Selective Service System found that 350,000 total illiterates made their mark with an X; 350,000 men, between the ages of 21 and 45, willing and ready to serve their country, actually sat down beside recording officers and had the fact legally certified that they were unable to sign for themselves. Of this number, 130,000 were white and 220,000 were Negroes.

"The Selective Service System also estimated that of 433,000 men liable to rejection because of functional illiteracy, at least 150,000 were physically able to serve in the Army, a loss of approximately 15 divisions."

"It is obvious then, that to make a frontal attack on the problem of adult illiteracy, a national program is needed, and such a program is proposed in the Kilgore bill.

"The measure would, in the words of the Senator, authorize 'an appropriation of $5,000,000 for fiscal 1949; rising to $10,000,000 for fiscal 1950; $15,000,000 in each fiscal year from 1951 through fiscal 1957; and decreasing to $5,000,000 in 1958–59, when the program of Federal aid would terminate.

"Each State on which a State application had been received and approved by the Commissioner would be entitled to an enrollment of Federal funds in the proportion that the number of adults in the State who had not completed the fifth grade of school, as reported by the Bureau of the Census, bears to the number of such adults in all of the States.

"The fund so allotted would be used under the direction or supervision of State departments of education for the purpose of stimulating the organization of classes for adults designed to develop the ability to read, write, speak and understand the English language, to perform elementary arithmetical computations, and to understand the main features of our constitutional republican form of government and of our American way of life.

"It should be noted that the plan does not contemplate a continuing program of Federal support or aid to the States for adult education, but rather a temporary 10-year program.

"Meanwhile," Senator KILGORE concludes, "it is urgently desirable that such efforts be undertaken to eliminate, insofar as possible, the present backlog of educational illiteracy resulting from previous educational neglect and underprivilege.

"Only by so doing, can we hope to develop to the full our manpower potential for peace or for war; only by so doing, can we remove the drag on the body politic and our economy, resulting from widespread illiteracy; only by so doing, can we hope to present to all nations of the world an example of democracy in action which will be worthy of their emulation."

[From the St. Louis Star-Times]

THE BLOT OF ILLITERACY

Senator HARLEY KILGORE of West Virginia is thoroughly sound in his argument that this country's 10,000,000 illiterate adults constitute a problem which must be faced by the Federal Government. It is the same argument which applies in behalf of current efforts to provide Federal funds for improving the schools for children in backward States. Citizens who cannot read and write are a drag on our society at the national level as well as at the levels of the States and communities. Since experience has shown that the situation is not easily corrected when left to the States and communities, it behooves the Federal Government to interest itself.

Senator KILGORE proposed a Federal expenditure of $125,000,000 over a 10-year period in cooperation with the States in an effort to provide rudimentary learning for men and women who did not get it at the normal school age.

During the last war it was learned how expensive illiteracy can be. The armed services were required to reject approximately 659,392 men for educational deficiency. Since it was difficult to fit many of these into industry and agriculture at places where they were most needed, they represented an immense waste of manpower in time of national crisis.

After June 1, 1943, the Army undertook to train illiterate inductees in special schools. The cost of this training, according to a Senate committee report, was from $300 to $600 a man. If the average for the 302,838 who passed through these schools was $450, the total cost was approximately $137,077,100, or some $12,000,000 more than Senator KILGORE proposed to spend on a 10-year peacetime adult-education program.

But his proposal must be viewed as something besides the preparation of citizens to take their proper places in time of national emergency. It is much more than that, and so is the bigger program for Federal aid at the school-age level. Both plans envision the responsibility of the Federal Government for raising the general standards of citizenship and of extending the blessings of education to persons denied it under present circumstances.

Statistics showing that one out of every seven adults must be classed as illiterate are reason enough for trying a new approach. And the only approach that offers hope of real improvement is at the Federal level.

[From the Roane County (W. Va.) Reporter of June 10, 1948]

EDUCATIONAL NEEDS

The National Parent and Teacher Congress at its annual meeting in Cleveland, Ohio, endorsed several educational aims to improve the Nation's school system. The organization's program concerns itself chiefly with improved operation of schools.

Senator HARLEY M. KILGORE, in conjunction with Senators WARREN G. MAGNUSON and WAYNE MORSE, seeks to do something about the problem of improving the educational status of older people in the country who never had an opportunity to attend school.

The extent of adult illiteracy in the United States is appalling. Senator KILGORE's figures indicate more than 10,000,000 adults, 25 years of age or over, who cannot pass the simplest literacy test. This means that one of seven adults in the country can neither read nor write.

Selective service during World War II discovered 350,000 men could only make an "X" mark; at least 150,000 of them being otherwise physically able to join the armed forces. Illiteracy alone cost the country 15 divisions of fighting troops.

The surprising fact is that 4,200,000 of the Nation's illiterates are native-born whites. These people may have an exceptional native intelligence, but because they can neither read nor write, they remain only primitive people in a complex, modern civilization. To know there are three times as many illiterates as there are college graduates is shameful in such a land of opportunity.

Result of this investigation led to the introduction of the National Literacy Education Act of 1948. This proposes a matching Federal-State aid program for the next 10 years to reduce the Nation's illiteracy total through State-sponsored adult educational programs.

Senator KILGORE declares: "The man who does not understand is always the dangerous man. He cannot go along with his social group, because he cannot grasp their motives and goals. He cannot go along with his country, because he fails to grasp his country's aims. It is primarily to this group of illiterates that international communism has directed, on a level which can be understood, its flood of propaganda, including distorted facts about America."

One doesn't understand democracy just by hearing about it; nor does one understand by living it. It takes the written word to make the past, present, and future of democracy a vital and living truth.

Our people must, down to the last man and woman, be able to fully understand the meaning of democracy if this Nation of free and independent people is to survive. It re-

quires the written word to bring full appreciation of opportunities.

Here is a pressing and serious problem. Roane County suffers because of this unfortunate condition. Voters' registration cards indicate the situation. Unless our people can understand, we still are not offering a full life to individuals of our country.

The Mundt Bill

EXTENSION OF REMARKS
OF
HON. WARREN G. MAGNUSON
OF WASHINGTON
IN THE SENATE OF THE UNITED STATES
Saturday, June 19 (legislative day of Tuesday, June 15), 1948

Mr. MAGNUSON. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a telegram regarding the Mundt bill which I have received from the dean of my law school. I think the telegram gives one of the most succinct and clear statements regarding that bill that I have ever read.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

SEATTLE, WASH., *June 18, 1948.*
Senator WARREN G. MAGNUSON,
Senate Office Building,
Washington, D. C.:

I congratulate you on your public statement on the Mundt bill quoted in the Seattle Times today. While I may not follow you to the extent of saying that the bill would be unconstitutional because I fear the courts at this juncture might hold otherwise on the particular bill, I do deem the bill highly un-American. I trust we have not yet reached the time when we must legislatively suppress ideas contrary to our own. Not only do I deem such course un-American but I believe it is bad also for practical reason, because it will in most cases render impossible the change of such ideas by proper educational and persuasive methods. While I personally generally vote the Republican ticket and have no sympathy for communism, I equally have no sympathy for totalitarian methods of suppressing contrary thought and opinion, and I think that, short of overt acts of force, the right of minorities to think on government and politics as they please must be defended by us with unceasing vigilance. And if the minorities become majorities, we must recognize their right to change the Government by peaceful methods if they can. That is our history and tradition.

ALFRED J. SCHWEPPE.

What UNESCO Can Do in These Troubled Times

EXTENSION OF REMARKS
OF
HON. JAMES E. MURRAY
OF MONTANA
IN THE SENATE OF THE UNITED STATES
Saturday, June 19 (legislative day of Tuesday, June 15), 1948

Mr. MURRAY. Mr. President, every sane person guided by moral impulses wants peace, and will actively support the means for maintaining peace. I have given much thought to furthering a program looking to closer cultural ties between and among all nations. I am proud to have sponsored the first piece of legislation which laid the foundation for United States participation in UNESCO. I have closely studied the operation of UNESCO. In my studies I have met many fine scholars who believe in the purpose of UNESCO, men and women who stand ready to serve through UNESCO, and who serve often at a great sacrifice.

One such scholar is Dr. Howard Wilson, formerly of the Harvard faculty, now serving with the Carnegie endowment for international peace. Dr. Wilson is a critical analyst. He is a scholar. I feel that his frank analysis of "What can UNESCO do in these troubled times" is a study which should be preserved, and I therefore ask that it be printed in the RECORD.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

WHAT UNESCO CAN DO IN THESE TROUBLED TIMES
(By Howard E. Wilson)

You're laboring under three handicaps this evening. The first is the excellent weather which really attracts all of us outside, I think; the second is the fact that you have two speakers on this evening's program; and the third is the fact that the second speaker's subject is extremely complex and he doesn't know quite how to organize it.

I feel just a little like a famous dean at Harvard felt on one occasion. Dean LeBaron Briggs was acting president of Radcliffe College. At commencement time he was to preside over the very dignified ceremonial of that commencement. Commencement was held out of doors; the platform had been erected for it; but somebody had miscalculated, and on the June morning when commencement came, the platform was directly in the sun, and the sun was hot that morning. Somebody else had miscalculated, because the chairs on the platform had been recently varnished. Dean Briggs and all the other notables present sat on those chairs in their very heavy silken academic robes. The dean knew that he was getting closer to that chair, and the chair closer to him than he wanted; he kept squirming around, trying to keep himself reasonably free. But he didn't succeed for when at the climax of the ceremony he had to rise and start to the front of the platform, the chair came with him for several feet. That didn't phase the good dean. He waited until the laughter had died down and then said, "Ladies and gentlemen, I'm sorry I cannot come before you with a plain unvarnished tale."

The tale I want to tell this evening has a little varnish on it; it's sticky in spots, and it's extremely complex. I shall have to ask your forbearance in telling the story in as simple a fashion as I can, but it still won't be too simple.

I'd like to emphasize at the outset the point of view from which I speak. I'm speaking here entirely as a private individual. I'm not following a State Department line in respect to UNESCO, although I have been a servant of the State Department in respect to certain of UNESCO's activities, just as Joe Landis has. He and I were both in the United States delegation to the Second General Conference of UNESCO which was held in Mexico City last fall. The General Conference is an annual meeting, the controlling body of UNESCO. Neither am I speaking from the point of view of UNESCO itself, although for a year and another summer I was an employee of the UNESCO staff. I'm speaking as an individual, free to praise where I feel praise is due and to be critical when criticism is desirable. I'm going to tell you the story of UNESCO as frankly as I possibly can. I'd like to tell it in a human way, because I think it is altogether too easy for us to think of international problems, and particularly of international institutions, as something quite remote, as something impersonal, vague, and general.

UNESCO is a body of people, and it has all of the mix-ups in it that there are in the personalities and the backgrounds and the petty quarrels and the high ideals of those individual people. You'll pardon me if I personalize the story quite a little as we go along in order to demonstrate some of the human factors in the rise of an international institution of this sort.

UNESCO was established in 1945 at a conference in London attended by the delegates of about 45 different nations. It was established independently, although it even then bore the name United Nations. It was not from the outset a little bureau tucked away in the vast secretariat at Lake Success. By definite plans it and the other specialized agencies have been created independently, created independently in this case in order that something like the international equivalent of academic freedom can be maintained. UNESCO exists with its own constitution in its own right; but it has always existed under the moral prestige of the United Nations—the great over-all organization—and from the very outset it entered into contractual relations with the United Nations, making UNESCO one of the specialized agencies.

As indicated a few minutes ago, there are 10 of these specialized agencies. Each of them works in a different field, although those fields overlap somewhat. Each of them has in general the task of preventing war rather than remedying conflict after it has come. Each of these organizations is a long-range organization, having some matters of immediate consequence; but each believes that its good work is cumulative as the years go by. I think that's preeminently true of UNESCO.

Now immediately after its constitution was written in a short international conference of 16 days in November 1945, a Preparatory Commission was created. They always do that in these international organizations. They work up a certain momentum when the constitution is drafted. If they have to go back and sit down and do nothing, until all the nations get around to ratifying that constitution, that momentum would be lost; so they create preparatory commissions. UNESCO had one. Each nation had one member on the preparatory commission. At this conference, Sir Alfred Zimmern, noted British scholar, again made a rich contribution. A very important role was given to the brilliant scientist, Julian Huxley. I've seen him sit down with historians, and biologists, and artists, and politicians, and every kind of group and talk with those people in terms of their own language. He knows a vast deal. But Julian Huxley also has some weak spots. He isn't a well-organized individual. I should say before going ahead that very early it was decided that Mr. Huxley should have two deputies. Sir Alfred had had only one, but that one had been an American; and France was a little disconcerted over that, thought that France should be honored with a deputy, so it was decided that both United States and France could have deputies to assist the British Julian Huxley. I was sent over as the American deputy; and France sent Jean Thomas, a very distinguished professor of literature who had a great career in the resistance. Thomas spoke no English and I spoke no French, but we were working closely together

in the same organization. A lot of people said, "Aha, within this secretariat there will be two cliques—an English-speaking and a French-speaking clique—you just see; that will be the great rivalry in this organization; it will go to pot on that."

Well, Thomas and I were able to get together and solve our problems very easily, because he got into his office a tall, handsome young man who spoke both French and English extremely well, and in whom Thomas had complete confidence; and I got into my office a very beautiful blonde who spoke both French and English, and in whom I had complete confidence; and after that each knew what was going on in the office of the other all of the time.

Now Thomas and I were working with Huxley, but as I said Huxley was sometimes a little disorganized. Huxley has the habit, an excellent habit in some respects, of taking notes on everything that is said during the day. He takes down all the suggestions, all the ideas that come to him. He starts out with a big sheet of paper in the morning, and he writes in a little corner of it and tears that off and puts it in his pocket; and by the end of the day he has a pocketful of little notes, most of which have been torn in two a couple of times, because he had to have more paper. Each morning at 10 o'clock Huxley, and Thomas, and I would get together to talk over what had happened the day before and what we wanted to get done that day. At those conferences Mr. Huxley would empty all of the notes on the desk and undo his dispatch case which also contained a lot of little scraps of paper, and the conference would consist of picking out those pieces of paper more or less as we select dominoes from the bone yard. He'd select one and try to figure out what he had written on it, and we'd talk about that. It wasn't exactly as systematic as one might be, and that's a defect in Huxley; but he had compensating qualities of great note. But the human factor of the Director General is always a factor in international relations. The quality of the man Trygve Lie determines in part the success of the United Nations. The individual capacities and the idiosyncrasies of every assistant of Trygve Lie have their effect on this total United Nations. These are not impersonal organizations. They are made up of people; often they are just as baffled as you and I.

Well, during those early days in the Preparatory Commission we tried to figure out what UNESCO might do. UNESCO had certain general objectives stated in its constitution. It said, "Since wars begin in the minds of men, it is in the minds of men that the defenses of peace must be constructed." That is a beautiful expression—I wish it had never been written. It was first used in a sort of modified form by Clement Attlee in a speech at a conference. It caught people's imagination, and if you read through the records of that conference about half a dozen other people took up the expression and played on it and modified it a little until that great master of words, Archibald MacLeish, came along and put it in its present form. You might say that the expression is by MacLeish out of Attlee if you are a racing person.

Actually, what does the expression mean? There are a lot of people who say that wars begin in the stomachs of people, and even more who say that wars begin in the hearts of people. If you think of mind as a purely international matter, then this great statement doesn't mean much. You have to take mind in its broadest possible connotation—the total man—if you want to get anything from that broad generality. But that broad generality isn't enough to run an organization on. How do you put that to work? How do you begin to safeguard peace or promote the general security? You have to have a program, and the job of the Preparatory Commission is to try to devise a program for UNESCO.

Well, we had thousands of suggestions as to what UNESCO ought to do. They came to us from governments, from organizations, from individuals all over the world. The most frequent suggestion was that we should establish a world university. Very few people seemed to have thought how much money it takes to establish a world university, or very few people have decided just where you can have that university located in order to accentuate its worldness as distinct from its nationals. I must confess, too, that a great many suggestions for a world university that came in were accompanied by official requests for positions on the faculty. But a lot of these suggestions came in, and it was that secretariat's job to sort them out, to consult with every specialist we could find to try to figure out what would be the best thing—the feasible thing—for UNESCO to do. We said at the outset, "We want things which will mark out paths for UNESCO's future growth; we want things on which there's a reasonable chance of being successful, because courage is the memory of past successes; nothing succeeds like success. Let's get this organization off to a successful start and then it will grow." But in the end we selected about 160 projects that we thought could be achieved.

When the first General Conference met in Paris it recognized that that was too dispersed a program. No new organization could attempt that many things in its first year, so they cut it down somewhat. But they still didn't cut it down enough; and in the first year of UNESCO's existence, permanent existence 1947, there were so many jobs to do on its books, and it had so much trouble deciding which ones were most important that it didn't actually achieve much of anything. Let's be frank about it. In 1947 UNESCO was getting organized. It was beset by many political problems, and it didn't do a very good job on what it set out to do.

The second General Conference which Mr. Landis and I attended in Mexico City last fall, I think, was much better than the first General Conference. It rewrote the program of UNESCO, too. It cut it down from 140 projects to about 70 different significant projects, and it determined exactly how much money would go for each project. It laid out the rules of the game. It decided what could be done and what couldn't be done much more clearly than that first General Conference. A lot of us who had begun to lose hope in 1947 had to realize that you can't judge one of these international organizations by what it is at a given moment. You have to look at it in perspective. You have to look at it in terms of the history which the preceding speaker emphasized, and UNESCO now is infinitely better than it was a year ago.

I want to talk a little about certain of the organizational problems that it faced. UNESCO, when we first came together—that is Huxley and Thomas and I came together—in February 1946, had about 20 people in its secretariat. They were housed in one unheated flat in London in the middle of winter—a London winter. It was cold; we worked with our overcoats on. Even though there were only 20 of us, we didn't have enough desks and chairs to go around, and there were never quite as many typewriters as there were secretaries. The problem of getting equipment together and of hiring a staff plagued us from the outset while we were trying to frame a program.

By June of that year we had a staff of 125 people and had been moved into two old houses down near Belgrave Square. By September we were to move to Paris which is the permanent headquarters of UNESCO. Then we had a staff of 225 people and still not enough typewriters and not enough desks. We moved to Paris—a very difficult move with that many people and that many documents because we had accumulated a lot of documents by that time and not wanting to lose any time.

The French Government put at our disposal an old hotel which had been a fashionable hotel about 1900 and which had been the headquarters of the German Gestapo. Julian Huxley's office was the office which had previously been occupied, and after the Germans went out it had been occupied as the commanding headquarters of the American occupying forces. The French, after they had had a few drinks, would tell you they didn't know which group had done more damage to the building. It was a little hard to tell, but when we went in, the building was stripped. There were a few strips of carpets, a few old desks, but not enough equipment to set up offices. We had to borrow, beg, and steal anywhere we could to get the equipment. Moreover in Paris with that staff of 225 people, most of whom were non-French, we had the problem of food and the problem of lodging. To find even hotel rooms at a reasonable price was almost impossible for that large a staff. We had to start our own restaurant. Fortunately we could do it, because there was a kitchen in the hotel. We had a restaurateur who tried to run it for us. I happened to have the responsibility for seeing that he got along, and I never could tell when that man was playing the black market and when he wasn't. It was very difficult to run that restaurant or to get enough spoons and forks and knives to use, or to get enough food. We had a treaty negotiated with the French Government by which we could bring in food free of duty, but where did you get the food? We placed large orders in the United States and then the ship strike came, and we sat there hungry for some weeks. Then we tried to get food down from Denmark, and the truck had difficulty getting across. But finally all of that began to work. By the time of the first General Conference in November 1946, there were 500 people on the staff.

Now it is mostly about those people that I'd like to talk. They came from all over the world. We had to have geographic representation in that staff. That was excellent but difficult. Thomas knew the people in France, I knew some people in the United States, Huxley knew the people in Great Britain. We didn't know who the really qualified people were in India, and China, and the Philippines, and Brazil. We had to hire sight unseen over and over again, and we got some duds; there's no doubt about it. And since then UNESCO's got some duds. It always will. Lake Success has a lot of duds, because the problem of recruiting qualified personnel, keeping in mind geographic representation, is a problem that nobody has found an easy answer to yet.

Suppose you got good people and got them together in that house in Paris. You'd walk down the corridor and meet a person. You'd say hello to him, and he would answer you in some language you might not know at all. Presumably everybody could speak either French or English, but it was sometimes difficult to tell which he was speaking. I remember we had one Mexican woman in the education staff—a marvelous, motherly woman—who had an excellent career in Mexico, came to us on the highest recommendations; but she just didn't work out with us because none of us could ever tell whether she was speaking Spanish, or French, or English. It was the craziest mixture you ever heard. The head of the education section, Dr. Kuo, Chinese, former minister of education of one of the provinces, was interviewed by Mr. Huxley and me very early in the game, and Huxley said to him during the interview, "Mr. Kuo, do you speak French?" (This interview was in English, in London.) "Do you speak

French?" Dr. Kuo hesitated a minute and said, "Yes, Mr. Huxley, but my French is a little lusty," which was true.

The problem of language, just ordinary communication isn't just a question of getting one language into another language. It's a question of delicate shades of meaning. Let me give you an illustration that happened this last summer. I was at Sevres, near Paris, last summer running a seminar for UNESCO. We had about 80 people there from countries all over the world as participants. They were key teachers, key educators in their country. We had a staff of about 15 people. The first day I was trying to introduce the staff to the participants. On the staff there was a very distinguished French woman, a former inspectress general, headed the house in which our place was housed. I didn't know quite what to call her, for she'd been brought in to run the social side of the seminar, but I hit on the title of dean. I thought that was an excellent way out, so I referred to Madame as dean. Now I spoke in English, but a man sat beside me and repeated everything I had said in French, because full half of the participants understood no English. Madame, the dean, didn't understand much English. He knew what the word meant; but he didn't know the delicate shade of meaning that we attach to the deanship in our educational system, so he translated "dean" by a word which I understand it, means the eldest; and it took me 3 days to overcome that difficulty. You get that sort of little difficulty all the time. And then you come to more fundamental difficulties in an international staff of people who have just different mores, different customs, different habits.

In that seminar at lunch table one day (we were all housed in the same general place and ate together) an American woman, member of the seminar, congratulated an Indian woman on the beautiful gown she was wearing. It was an utterly lovely thing. The Indian woman immediately froze up, became very haughty; and the American woman, thinking she hadn't been understood repeated the compliment which made it all the worse, because in that particular woman's group in India it is bad manners to comment on anybody's clothes. The American woman had meant to be polite. She had evidenced what was from the Indian woman's point of view bad manners. It got worse, because at that table there was another Indian who was a follower of Gandhi; and he immediately got after the Indian woman for wearing silks and satins when she ought to be, as a good Indian, wearing cotton. Again it took several days before we could quiet those people down and keep them all in the seminar together.

There are religious difficulties—people without any religion, people of all the religions of the world—and religion is something deeply felt in the hearts of most people. The convictions one carries of a religious sort don't tolerate opposition as a rule. To get various religious groups cooperating without indulging in theological dispute is no easy task.

Then beyond that, in an organization such as UNESCO, you have the problem of the different subject fields. UNESCO covers the fields of education, science, and culture. Now I don't know myself what any one of those words mean. They're all so broad, and they overlap so badly that it's a pretty difficult task to tell what the field is that UNESCO's actually going to operate in, but certainly it's big. There are many fields of education, many sciences, many phases of culture.

In the UNESCO secretariat the head of the science section has been a man named Joseph Needham. He's a distinguished biologist from Cambridge, a very great man and excellent for UNESCO for two reasons. He is a profound scientist, respected as a scientist by his colleagues all over the world; and he knows international organization among the scientists as nobody else does whom I've ever met. That combination is rare. We need people like that in every other subject field, and we haven't been able to find them. Joe Needham headed the science section, was completely loyal to science—that was his job. He's a man without any sense of humor, a great big, hulking individual who works 20 hours a day all of the time. He looks sort of antisocial; his friends describe him as looking like an unmade bed, and that's an excellent description. But Joe Needham, while he would work his head off for science, wouldn't coordinate for 2 minutes with the head of the education section, or with the heads of any of the other sections. You know what the college presidents think about the departmental squabbles in the college. They are accentuated when you get into an organization like UNESCO. And we had these great difficulties of getting the literary people to work with the artists. For a long while the musicians, and the painters, and the writers just wouldn't speak to one another in the organization, but we got them grouped even in one section, and so on.

Now what I'm trying to say is that building up an organization to do a job is tough. It's tough, because you have people to work with; and it's tough, because in every person who has quality there are also to be found defects. You've got to be patient—patient with people and patient with the institutions that they're running.

Now let me conclude with one little more direct reference to what UNESCO can do. I can be critical of UNESCO and say that it hasn't achieved very much as yet. I can look at its program and say it's still trying to do too many things. It's like the man who mounted a horse and rode off in all directions. But, nevertheless, I can still say also that from my point of view UNESCO is the brightest star in the whole constellation of the United Nations. It is the thing that will provide the lubrication that make the political and economic agencies work. The United Nations is simply a political organization predicated upon understanding among people. Unless you have that understanding among people a little framework of political action centered at Lake Success will never be successful. It's true of every other agency. International understanding, comprehension, patience, tolerance are essential. Essential also for the preservation of the peace is the creation of conditions of civilized living. The kind of situation that exists in a war devastated area, or in an American slum, or in a backward region of the world—backward in any sense—simply does not conduce to peace, to security, to the kind of a world in which we want to live. The job of humanity is to spread the benefits of civilized existence in order to retain that civilized existence itself. We have to lighten the dark spots in the field of science and in all the other cultural and educational fields. We have to get people who understand one another sympathetically.

Now the program of UNESCO is in general directed toward that aim. It's a program which includes, as I've said, work in the natural sciences. Some of that work in natural sciences seems to me to be of interest only to the scientists, and I am not a scientist; but much of that work I know to be of profound consequence to the creation of these conditions of civilized living. For a long while I thought it utterly ridiculous for UNESCO to spend money on a scientific exploration of the Amazon valley. I don't think so any longer. The scientists have convinced me of that. By the adequate study and exploitation of those natural resources we may enrich living and provide a new area where some of these caged, displaced persons may themselves live. There is much in the science program of great consequence.

There's a vast program in the mass media fields—radio, film, and press. I think I disagree a little with the preceding speaker and say that for my money, even though I'm a teacher, these three fields of adult education are of more consequence even than the schools right now, because what happens for the next 50 years will be determined in the next 5 years; and the people who are being reached by information are being reached through adult education. These nerve centers of mass communication are of the utmost consequence to the forming of an immediate public opinion to act in the emergencies that are already upon us.

I certainly would not tear down a single school building—don't misunderstand me—neither would I reduce by a single cent the public money to be spent on the schools. I know that in the long run we have to educate the citizenry through the schools, so that they'll understand and not always be buffaloed by the agencies of adult education. But at the moment I think we in education must strengthen the hand in every way we can of the wise people who are working in the media of mass communications. UNESCO has a program in that field.

It has a large program in libraries. We are so familiar with public libraries here that we don't think much about them. They're unique with us. If you could spread the concept of the practice of public libraries all over the world, it would do a lot of good, provided we could get some books in them. We'll have to help them at that too. But UNESCO has a program in respect to public libraries.

It has a program in respect to the development of museums, living museums, museums which are themselves cultural, educational forces in the community. It has a program in social sciences, the most significant part of that program is a study of the tensions which are inimical to peace, the study of tensions within an individual or in the social group which lead dangerously toward war. UNESCO has a group of the finest social psychologists you can find in the world at work on studying this task, and it's one of the most profound and significant long-range enterprises on which any group of intelligent people could engage. UNESCO has a program of work for the artists, a program of work for the literary people, a program in the humanities.

It also has a program in education. I can describe only two or three parts of that. The head of the education section has been Dr. Kuo, Chinese. He has recently been moved to another post in the secretariat as advisor to the Director General on all matters as an affecting Asia. In his place, as head of the section, has come Mr. Beebe, head of the education section of New Zealand. I had dinner with Mr. Beebe a week ago tonight while he was on his way to Paris to take up his duties. He's modest, he's able, he's extremely intelligent. He's much impressed by the American school systems, and he has visited them many, many times. He'd like to see many of these things that are commonplace here carried out in other parts of the world. I hope that with our aid he can do it.

UNESCO has in its educational program work at the university level. It's attempting to get for the first time in history an international association of universities, just that simple little thing. It's attempting at that university level to promote the interchange of persons; it's attempting to try to get research agencies in different universities over the world cooperating in research. This international cooperation of research, or of

teaching, or of interchange is of great consequence. UNESCO is working at the theme of adult education. An excellent young Dane, Mr. Ravenholt, has charge of that work. There will be a conference on adult education held in Europe this summer under UNESCO's auspices.

UNESCO's trying to improve and revise textbooks. I agree with the preceding speaker. Books are not of as much importance as persons; but they are still of considerable importance, and they can still be improved. I suspect that when we examine our own shortcomings what we've taught in our textbooks about the merits of isolation is one reason why there are still remnants of isolation in this country. UNESCO has taken Jim Quillen, a professor at Stanford University in the social studies field, an expert in textbook revision, to head up its work in that project for the next 18 months.

Well, one could go on and on. There are seven top priorities in education that UNESCO has pledged itself to undertake in 1948. All of us who are working for UNESCO believe that it has achieved considerable success on those tasks, not as much as many of us hoped, but just as much as any of us had the right to expect.

Now in the end I want to emphasize this. UNESCO is not just this little group of people off in Paris that I've talked about. It isn't just those who have worked for it at one time or another, or who correspond with it, or who try to influence it by correspondence. UNESCO is above all else a people's possession. That's its great merit. It belongs to the mass of humanity. This troubled mass of people—black and white and yellow—all over the world is beginning to find itself and to shape that wave of the future about which Mrs. Lindbergh talked a long while ago. UNESCO belongs to these people. Its program is not going to be just highbrow. Its program is directed at daily welfare—at the welfare of the common man. And if that program is to succeed, it will be because all of us work at UNESCO's task. Every individual citizen is himself a part of UNESCO; and it's the responsibility of him and of this organization—the organization which has called this meeting, the American Federation of Teachers—and of every organization in the land to call the plays for UNESCO, to give the wisdom to UNESCO as often as it is that UNESCO will call the plays for us. We're all in the boat of the future. That boat may be wrecked. If it isn't wrecked, it will be because of our joint intelligence. Thank you.

Springtime in the Mammoth Cave National Park Region

EXTENSION OF REMARKS

OF

HON. JOHN SHERMAN COOPER

OF KENTUCKY

IN THE SENATE OF THE UNITED STATES

Saturday, June 19 (legislative day of Tuesday, June 15), 1948

Mr. COOPER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a poem entitled "Springtime in the Mammoth Cave National Park Region," written by former Congressman Maurice H. Thatcher, of Kentucky. Mr. Thatcher grew up in this section of Kentucky, and became fully familiar with the scenes and aspects depicted in the poem. Later, when he came to be the Representative in Congress of the Louisville district he led the successful fight to bring about the enactment of legislation necessary for the creation of the Mammoth Cave National Park, and was the author of the enabling act under which this great scientific and recreational area became a member of the Nation's family of national parks.

Kentucky is thus a national-park State, and has, in addition, many State parks of great scenic and historic interest. With the building of adequate highways, the State is becoming more and more a magnet for tourists. Outstanding among many attractions of great interest and beauty is the Mammoth Cave area, with its beautiful terrain, its navigable streams, its unmatched caverns, its virgin forests, and its wealth of story and legend.

In this connection I express the hope that before long there will be constructed from the Great Smoky Mountains National Park, by way of historic Cumberland Gap and Cumberland Falls, to the Mammoth Cave National Park, a great parkway, similar to that now in process of construction between the Shenandoah National Park and the Great Smoky Mountains National Park.

There being no objection, the poem was ordered to be printed in the RECORD, as follows:

SPRINGTIME IN THE MAMMOTH CAVE NATIONAL PARK REGION

(By Maurice H. Thatcher)

A GENERAL PICTURE

O'er earth the wands of resurrection sweep,
And Nature rouses from her wintry sleep.
The smoke from clearing-fire and planting-bed;
The honking wild geese, in V-squadrons spread
Against the warming sky, upon their flight
From southern lands unto the northern light;
The happy bluebird and the robin gay;
The tonic mildness of the growing day;
The varied glory of the sunset dyes;
The wondrous azure of the evening skies—
All, all proclaim that Winter's on the wing,
And all announce the near advent of Spring.
And then a pleasing miracle behold,
As hyacinths and jonquils deck the cold,
And join with violet and crocus bloom
To lighten Winter's pale and empty tomb!
The trumps of March now blow themselves to rest,
And soon the world with April's sun is blest;
And April's sprinkling pot with gentle showers,
Touches to life the forests, meads, and flowers.
In field and wood the untamed blossoms show,
And freshened streams in unchecked ardor flow.
Their lavish heaps of snow the dogwoods spill,
And red-buds gleam from ev'ry copse and hill.
Swift comes the leaf, and bush and tree are clad
In verdancy. All living things are glad.
The cat lies blinking in the friendly sun,
And Rover runs and barks in doggish fun.
The prophet groundhog, heedless of his role,
For Spring-time warmth, comes forth from ledge and hole.
The kindling air sets all the insects free;
The squirrel barks from crotch of yonder tree.
Thru deadened weed and sedge bobs Cottontail,
While Brer Fox spins his curving, pungent trail.
The reptile things, roused from their torpid sleep,
Begin once more to squirm and crawl and creep.
In scattered fields green with the growing wheat,
The raucous crows in convocations meet.
The martin, jay, bull-bat and cardinal,
With other birds, join in the carnival.
The vocalists of orchard, wood, and sky,
Reveal the joy which in their breasts must lie.
The feathered host, from owl to chick and wren,
Proceed to feed and mate and breed again.
The flow'ring shrub, the peach, the plum and pear,
Apple and cherry, blow, in turn; the air
Is all surcharged with Nature's own perfume,
Which floats pervasively from wealths of bloom.
The bee returns unto a round of toil,
Bringing to hive the precious nectar-spoil.
Earth's scavengers soar thru the vaulted blue,
Striving, with telescopic eyes to view
Base quarries far below. High, from above,
The ruthless hawk swoops down and rends the dove.
Nature's a realist: not overmuch
Is she disturbed by ways or means. Her touch—
Tho that of artist, when she would adorn—
Is also stark and cruel, jungle-born.

OUTSIDE THE PARK

Spring opes the door and lets the children out
To romp and play with lusty laugh and shout.
The older youth, befitting well their age,
In sober, useful labors now engage.
The chesty, waddling ducks and braggart geese,
The chickens, turkeys, porkers, find release,
From Winter's cold most welcome, and unite
In noisy declamation from morn till night.
The baby lambs have learned to bound and skip;
The herds go forth the blades and buds to nip.
The farmer enters on the season's toil;
His eager plow upturns the waking soil;
The hour is ripe, and planting time begins:
In hope he looks to bulging barns and bins,
The oats are sown, the last fat hogs are killed;
The garden made, some corn is dropped or drilled.
Striving to do his endless chores and tasks,
A kindly year is all the farmer asks.
Long hours are his: there's very much to do;
The housewife bears a heavy burden, too.
And Beck, the mule, performs her duties well,
But stops dead-still at note of horn or bell,
And will not budge, the heavy plow to pull,
Until, again, her famished void is full;
And Dick, the horse, joins in the hunger strike,
And stops and neighs to show his strong dislike
Of overwork at eating-time. By rule
Man strives to live: no less, the horse and mule.

WITHIN THE PARK

Within the Park, thruout its bold terrain,
All things reveal that Spring is come again.
On canyon walls which bind the noble streams,
The vernal touch the Winter's blight redeems.
And here the dogwoods riot; rose-buds, too;
And varied flowers, wild, bless ev'ry view.
Oaks, elms, and poplars, beeches, sycamores,
And chestnuts—crowding hillsides, heights, and shores—
Now don their jade-like robes and em'rald gowns,
And to the skies lift up their leafy crowns.
The cedar's verdure, and the paler green
Of trees deciduous, accent the scene.
Ravine and cliff, and stretching, luring vale,
Yield rest and peace, tho all things else should fail.

Here beauty dwells in tranquil solitudes,
Bright with the charms of Nature's gentler moods.
The landscapes rich, the pleasant, healing sun,
Give life and hope and balm to ev'ry one
Who hither comes: while, in the underground,
The wonders of the cavern world abound.
In cabin and in hostelry the guest
May find his food and comfort e'en the best.
Kentucky's spirit gives him welcome greeting:
Once he is here, oft he will be repeating.
Come hither, friends, while yet the Year is young,
And see all that for which my song is sung.
Come hither, friends, and bring your friends with you;
And for yourselves learn that my song is true.
Enough, enough, ere yet the half be told,
Spring may be wrapped in Summer's ardent fold!

Restore Good Government

EXTENSION OF REMARKS
OF
HON. JOHN SANBORN
OF IDAHO
IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. SANBORN. Mr. Speaker, a few weeks ago I was honored to have you appear on one of my regular weekly programs which is released to my constituents in the Second District of Idaho. I ask permission to have this program printed in the RECORD to satify the demand for copies. The response from Idaho indicates appreciation of the efforts of yourself to restore good government.

The program follows:

ANNOUNCER. Greetings, ladies and gentlemen of the radio audience, we are pleased to present to you at this time a discussion of vital questions of the day between the Honorable JOSEPH W. MARTIN, Jr., Speaker of the United States House of Representatives, and Representative JOHN SANBORN, Republican Congressman from the Second District of Idaho. I am going to turn the microphone over to Mr. SANBORN, who will proceed to question Speaker JOE MARTIN.

Mr. SANBORN. Fellow Americans, I had a little trouble getting Speaker of the House JOE MARTIN to let me interview him. It wasn't because he didn't want to be interviewed. It was because he found it difficult to get the time. JOE MARTIN is one of the busiest men in the United States today. That's because he is so important, both in the Congress and in political life generally. As Speaker of the House, he has the tremendous task of presiding over every session of the House and overseeing the legislation program, with all its varied facets. Also, as a former chairman of the Republican National Committee, he naturally is called upon to speak on many occasions to many groups. And, as Congressman from Massachusetts, he has to do the same job every one of us Congressmen has to do in seeing to it that our people are well-represented. JOE MARTIN is one of the most important men in the Republican Party today.

He is noted as a student of government, as a conciliator who knows how to get things going. His whole life has been spent in studying the Government and working in Government, when he wasn't running a newspaper in North Attleboro, of course. He is prominently mentioned as the leading dark horse contender for the Republican nomination, and he will serve as permanent chairman of the convention in Philadelphia next month. Speaker MARTIN, forgive me for talking all this time, but I'll just start now by popping questions.

Speaker MARTIN. Go right ahead, John. I don't pretend to know it all, but I'll answer any question I am able to answer.

Mr. SANBORN. First, Mr. Speaker, would you tell the radio audience what you think is the outstanding accomplishment of this Republican Eightieth Congress?

Speaker MARTIN. John, it is now known that the Republican Eightieth Congress has one star in its crown and should be cited by all true Americans for an act of great courage. That is, this Republican Congress has changed the trend in America. For 16 long years, we were headed toward more and more control, higher and higher taxes, greater and greater confusion. In Europe they called it fascism. Here at home, we knew it as the New Deal. We halted that trend toward a superstate. In fact, we reversed that trend. We took a new road. We began again to walk in paths of freedom. That is certainly the most significant development of this period.

Mr. SANBORN. Yes; I agree with you, Mr. Speaker, and I am sure that every thoughtful American agrees with you. But what about specific accomplishments? We hear it said by the left-over New Dealers so often that the Republicans have had no program that sometimes our own people swallow such reasoning.

Speaker MARTIN. Of course, that is a deception created by the New Deal propagandists. Let's see about the program. We reversed the trend of our Government which for 16 years has headed toward regimentation, State socialism, and bankruptcy. We balanced the budget for the first time in 16 years. We reduced the spending last year, and we are continuing our fight for efficiency and economy in Government. We intend to give the people a sound and solvent country. We promised to reduce the taxes of the people. We have done that despite three Presidential vetoes. That legislation released 7,400,000 little wage earners from paying any tax. We have provided the funds and the legislation to bring up our military strength so that we can have peace and security. For that purpose, we demanded complete supremacy in the air, and successfully won the fight for a 70-group air force. That was primarily a Republican victory over the Administration. We promised in 1946 to drive the Communists and the fellow travelers out of their smug berths in the Government where they were undermining our American system. We have been blocked by the bureaucracy whenever they could do so. We have had no cooperation in this fight from the Administration. But we have made progress. It is no longer popular to be known as a fellow traveler or a Communist. We have driven some out of the Government. We will keep this fight going until the last Communist is off the pay roll. With a Republican President, and a Republican Congress, the job can, and will be done. We have kept faith with the humane instincts of all Americans and have cooperated in aiding the people of other countries emerge from the wreckage of a disastrous World War.

Mr. SANBORN. I thought that would be your reply. We who are in Congress know what a wide variety of measures we have to act upon, measures the people frequently never even read about. We have gotten plenty of publicity for our 70-group air force measure, which is very popular with all Americans, and for our stock-piling legislation and our rubber legislation. But many Americans don't realize what a complicated task we have had to undertake. The New Deal really left us a snafu in fiscal affairs and it will be years before we can straighten the Government out again.

By the way, Mr. Speaker, out in your eastern country, there is plenty of rainfall, and folks there may not realize how vital conservation of our water resources is to us westerners. I know you are aware of this situation, but would you be willing to tell us something about Republican policy on this vital question?

Speaker MARTIN. Yes, John, I would. To begin with, let me point out that historically, the Republican Party was the first to recognize the need for reclamation projects. This goes back to the administration of Theodore Roosevelt. Ever since that time, the Republican policy has been to foster such projects. During the first session of this Congress, we voted generous appropriations for reclamation, flood-control projects, and farm benefits, larger sums than in previous Congresses. We propose to have a well-planned and well-integrated continuing program along these lines. I was glad the Public Lands Committee, of which you are a valued member, could make an inspection of your problems last summer in order to acquire first-hand information. This has been a useful service. I am convinced it will prove beneficial to your section in the years ahead. As you know, I have always been sympathetic to your program.

Mr. SANBORN. One more question, Mr. Speaker. What do you think of the diplomatic debacle recently brought on between the United States and Russia because of the bungling State Department?

Speaker MARTIN, John, you hit the nail on the head when you called it the bungling State Department. We are said to have a bipartisan foreign policy, but we are not consulted and it has been administered by New Dealers. They have made a series of tragic errors, since VE-day, which have lost for us the peace, although the war had been so gallantly won at such great price to our American soldiers.

The people see this now. They are going to restore sanity and efficiency to our Government. We are going to have a Republican President and a Republican Congress. With God's help, we can then build, on the wreckage of the war and the New Deal, a just and durable peace and a firm economy at home. And may I say to you good people of Idaho, you are fortunate in having such a splendid Congressman as JOHN SANBORN. In one brief term he has demonstrated his fine ability and has won many friends because of his patriotic service. He is one of the fine group of American Congressmen who are keeping us on the American track.

ANNOUNCER. Ladies and gentlemen, you have just heard the Speaker of the United States House of Representatives, the Honorable JOSEPH W. MARTIN, Jr., a Republican of Massachusetts. He was interviewed by Representative JOHN SANBORN, a Republican Congressman from Idaho.

Summary of Major Legislation Enacted by Previous Republican Administrations

EXTENSION OF REMARKS
OF
HON. ROBERT A. TAFT
OF OHIO
IN THE SENATE OF THE UNITED STATES

Saturday, June 19 (legislative day of Tuesday, June 15), 1948

Mr. TAFT. Mr. President, I ask unanimous consent to have printed in the appendix of the CONGRESSIONAL RECORD a summary of major legislation enacted by previous Republican administrations. The estimated cost of printing the summary is $301.75.

There being no objection, the summary was ordered to be printed in the RECORD as follows:

SUMMARY OF MAJOR LEGISLATION ENACTED BY REPUBLICAN ADMINISTRATIONS—MARCH 4, 1897, TO MARCH 4, 1913, FIFTY-FIFTH TO SIXTY-SECOND CONGRESSES, MAY 9, 1919, TO MARCH 3, 1933, SIXTY-SIXTH TO SEVENTY-SECOND CONGRESSES

(Also, a statement of Republican enactments prior to the year 1897—For the 1897–1913 and 1919–33 periods 8,519 public laws were enacted)

The Republican Party was in control of the Senate and the House of Representatives during the Sixty-sixth Congress (May 19, 1919–March 3, 1921), and the President (Mr. Wilson) was a Democrat.

The House of Representatives was controlled by the Democratic Party, the Senate by the Republican Party during the Seventy-second Congress (December 7, 1931–March 3, 1933), and the President (Mr. Hoover) was a Republican.

From March 4, 1861 to 1897, Republican administrations initiated new fields of legislation, and laid the ground work for the major legislation of this century.

In the field of civil rights, the Emancipation Proclamation and the emancipation proclamation acts preceded the thirteenth, fourteenth, and fifteenth constitutional amendments, which excluded slavery, extended equal protection to all citizens, provided that privileges and immunities of the individual citizen should not be abridged by any State, and that the rights of citizens should not be abridged because of race, color, or previous condition of servitude. Legislation was enacted to enforce these civil-rights amendments, the abolition of slavery acts, amnesty proclamations, removal of disability acts, civil rights enforcement acts, and the Election Interference Prohibition Act.

In the field of agriculture and conservation Republican administrations enacted the agricultural colleges acts, homestead acts, and the meat inspection acts, and such major conservation legislation as the first forest conservation acts, forest reserve acts, irrigation acts, rivers and harbors acts, and the timber culture acts.

In the field of Government organization the Department of Agriculture and the Department of Justice were established.

Expanding interests of labor and industry were provided by the antitrust acts, Reciprocal Trade Act, eight-hour acts, interstate commerce acts, mines and mining acts, the shipping acts, which removed disabilities and encouraged the growth of the American merchant marine, the trade-mark acts, and the Union Pacific Railroad charter.

The social and economic security of the individual citizen was provided for in the antinarcotic acts, education and care of the blind acts, epidemic and diseases acts, pure food and drug acts, and the reconstruction acts.

Soldiers and veterans were aided by the dependent pensions acts, disability pension acts, and the soldiers and sailors homestead acts.

FIFTY-FIFTH CONGRESS, FIRST SESSION

Public Law 11, July 24, 1897, Dingley Act (Tariff): Wool and hide duties were reimposed and 1890 duties on flax restored. Compensatory duties were levied on woolens. Silk and linen rates were increased and made specific to prevent undervaluation. Rates on cotton were not greatly changed nor were those on most metals (30 Stat. 151).

Public Law 13, July 24, 1897, Reciprocal Tonnage Duties Act: Authorized the President to suspend discriminating duties imposed on foreign vessels and commerce when receiving reciprocal treatment (30 Stat. 214).

FIFTY-FIFTH CONGRESS, SECOND SESSION

Public Law 21, April 20, 1898, Cuban independence resolution: Recognized the independence of people of Cuba; demanded that the Government of Spain relinquish its authority and government in the island of Cuba; directed the President of the United States to use land and naval forces to carry these resolutions into effect (30 Stat. 738).

Public Law 67, April 22, 1898, Volunteer Army Act: Provided for increasing the Army of the United States in time of war by calling into service those able-bodied male citizens between the ages of 18 and 45, designated as the volunteer Army of the United States (30 Stat. 361).

Public Law 69, April 25, 1898, Spanish War declaration: War declared to exist and to have existed since the 21st day of April 1898 between the United States of America and the Kingdom of Spain (30 Stat. 364).

Public Law 70, April 26, 1898, Army Reorganization Act: An additional battalion for each infantry regiment was authorized (30 Stat. 364).

Public Law 100, May 18, 1898, Volunteer Signal Corps Act; Signal Corps of the United States Army was established (30 Stat. 417).

Public Law 115, June 1, 1898, Railroad Arbitration Act: Authorized a board to arbitrate labor disputes between railroads and their employees. The board of three persons to be chosen in the following manner: One, shall be named by the labor organization to which the employees directly interested belong; one named by the carrier or employer directly interested, and the two previously chosen to select the third (30 Stat. 424).

Public Law 123, June 6, 1898, Disability Act: Removed disability clause of the Fourteenth Amendment to the Constitution of the United States, pertaining to persons who have engaged in insurrection (Civil War) against the United States (30 Stat. 432).

Public Law 143, June 17, 1898, Naval Hospital Corps Act: Hospital Corps of United States Navy was established (30 Stat. 474).

Public Law 146, June 18, 1898, Industrial Commission Act: This act created a nonpartisan commission called "Industrial Commission" to collate information pertaining to labor, agriculture, to manufacturing, and to business, and to report and suggest to Congress appropriate legislation upon these subjects (30 Stat. 476).

Public Law 171, July 1, 1898, Bankruptcy Act: Uniform system of bankruptcy was established throughout the United States (30 Stat. 544).

Public Law 51, July 7, 1898, Hawaii Annexation Resolution: Hawaii was annexed as part of the Territory of the United States and five commissioners, to be appointed by the President, were authorized to recommend legislation (30 Stat. 759).

FIFTY-FIFTH CONGRESS, THIRD SESSION

Public Law 1, December 21, 1898, Seamen's Act: Amended the American seamen's laws and gave broad protection to seamen from long practiced abuses (30. Stat. 755).

FIFTY-SIXTH CONGRESS, FIRST SESSION

Public Law 39, March 14, 1900, Parity Act (coinage): The standard unit of value of dollar was fixed at 25.8 grains of gold 0.9 fine (31 Stat. 45).

Public Law 73, April 18, 1900, pensions: Pensions were granted to dependent parents of soldiers who served in the Confederate Army and in the War With Spain (31 Stat. 136).

Public Law 82, April 30, 1900, Hawaii Territorial Act: A government for the Territory of Hawaii was established and the constitution and laws of the United States not locally inapplicable were extended to the citizens of the Territory of Hawaii (31 Stat. 141).

Public Law 119, May 25, 1900, wild game transportation: Enlarged the powers of the Department of Agriculture to prohibit transportation by interstate commerce of game killed in violation of local laws (31 Stat. 187).

Public Law 173, June 6, 1900, Postal Service Act: Permitted Agriculture Department material to be sent to the farmers as second-class mail (31 Stat. 660).

FIFTY-SIXTH CONGRESS, SECOND SESSION

Public Law 150, March 3, 1901, Chinese Exclusion Act: Gave protection to bona fide Chinese immigrants from arrest without warrant (31 Stat. 1093).

FIFTY-SEVENTH CONGRESS, FIRST SESSION

Public Law 27, March 6, 1902, Census Act: Permanent Office of the Census was established (32 Stat. 51).

Public Law 70, April 12, 1902, National Banks Extension Act: Extended the charters of all national banks for 20 years (32 Stat. 102).

Public Law 161, June 17, 1902, Reclamation Act: A permanent revolving fund for the construction of irrigation works was created whereby the receipts from the sale and disposal of public lands were used and the settlers agreed to repay the cost of construction (32 Stat. 388).

Public Law 178, June 27, 1902, Legacy Tax Act: Provided for refunding taxes paid upon legacies and bequests when used for religious, charitable, or educational purposes (32 Stat. 406).

Public Law 236, July 1, 1902, Public Health and Marine Hospital Act: This service was created and assumed the care of sick and disabled servicemen. The Surgeon General of the Service was authorized to call a conference of State public-health authorities when in his opinion "the interests of the public health would be promoted by a conference" (32 Stat. 712).

FIFTY-SEVENTH CONGRESS SECOND SESSION

Public Law 49, February 2, 1903, Livestock Contagious Diseases Act: Secretary of Agriculture was authorized and directed to establish rules and regulations concerning exportation and transportation of livestock when he has reason to believe contagious diseases exist. Also has the authority to take such measures as he may deem proper to prevent contagion and to seize, quarantine, and dispose of any hay, straw, forage, or any meats, hides or other animal products in order to guard against introduction or spread of such contagion (32 Stat. 791).

Public Law 87, February 14, 1903, Department of Commerce and Labor Act: This act created the Department of Commerce and Labor (32 Stat. 825).

Public Law 103, February 19, 1903, Interstate Commerce Act: Regulated further interstate commerce by providing prosecution and punishment of railroad corporations, as well as their agents and officers for giving or receiving rebates. Railroads also penalized for failing to publish rates of tariff and for deviating from the published rates (32 Stat. 847).

Public Law 162, March 3, 1903, Alien Immigration Act: Head tax on entry of aliens was levied. Enumerated classes of aliens to be excluded, other safeguards were included to prevent entry of undesirable aliens (32 Stat. 1213).

FIFTY-EIGHTH CONGRESS, SECOND SESSION

Public Law 245, April 28, 1904, Merchant Marine Commission Act: This act of Congress created the Merchant Marine Commission to consider and recommend legislation for the development of the American Merchant Marine (33 Stat. 561).

FIFTY-EIGHTH CONGRESS, THIRD SESSION

Public Law 4, January 5, 1905, American National Red Cross Act: This act gave a charter to the American National Red Cross (33 Stat. 599).

Public Law 84, February 20, 1905, Trade Mark Act: Provided for registration of trade-

marks used in interstate commerce as well as in commerce with foreign nations and with Indian tribes. Established a procedure for the registration of trade-marks and provided penalties for infringement of a registered trade-mark. It permitted all marks that have been in actual use as trade-marks for a period of 10 years to be registered (33 Stat. 724).

FIFTY-NINTH CONGRESS, FIRST SESSION

Public Law 337, June 29, 1906, Hepburn Act (interstate commerce): Regulatory legislation was herein enacted to clarify certain powers granted to the Interstate Commerce Commission. The act authorized the Commission to investigate, and determine just and reasonable maximum rates to be observed (34 Stat. 584).

Public Law 338, June 29, 1906, Naturalization Act: This act established the Bureau of Immigration and Naturalization and uniform rules for naturalization of aliens (34 Stat. 596).

Public Law 382, June 30, 1906, Meat Inspection Act: Secretary of Agriculture under the Interstate Commerce Commission clause was given power to inspect all meat and condemn such products as are "unsound, unhealthful, unwholesome" (34 Stat. 669).

Public Law 384, June 30, 1906, Food and Drug Act: Regulated the traffic, manufacture and sale of adulterated, misbranded, poisonous or deleterious foods, drugs, medicines, and liquors (34 Stat. 768).

FIFTY-NINTH CONGRESS, SECOND SESSION

Public Law 36, January 26, 1907, Federal Corrupt Practices Act: This was the first law passed by Congress to forbid corporations to contribute to campaign funds in Federal elections (34 Stat. 864).

Public Law 96, February 20, 1907, Immigration Act: Repealed act of March 3, 1903 and introduced restrictive measures to control objectionable types of immigrants. It was made mandatory to have medical inspection made at the port of embarkation and rejections of unfit aliens for mental, moral, or physical causes. It excluded imbeciles and feeble-minded persons also. It enumerated the duties and regulatory powers of the Commissioner General of Immigration (34 Stat. 898).

Public Law 274, March 4, 1907, 16-hour Act (railroads): Limited the hours of service of employees on railroads to promote their safety and that of passengers (34 Stat. 1415).

SIXTIETH CONGRESS, FIRST SESSION

Public Law 100, April 22, 1908, Employers Liability Act (interstate commerce): This act established the liability of common carriers to their employees injured or killed while engaged in interstate or foreign commerce. In case of death any right of action would survive to the employee's personal representative (35 Stat. 65).

Public Law 169, May 30, 1908, National Currency Association Act (Aldrich-Vreeland): This act permitted national banks to issue circulating notes on securities in addition to Federal bonds. Created a national monetary commission to investigate systems of money and banking abroad and to advise Congress of desirable changes in the American banking system (35 Stat. 546).

Public Law 176, May 30, 1908, Employee's Compensation Act: Permitted compensation to certain employees of the United States for injuries sustained in the course of their employment. This applied to any person employed as an artisan or laborer in any of its manufacturing establishments, arsenals, or navy yards, or in the construction of river and harbor or fortification work or in hazardous employment by the Isthmian Canal Commission (35 Stat. 556).

SIXTIETH CONGRESS, SECOND SESSION

Public Law 349, March 4, 1909, Copyright Act: Amended and consolidated all previous acts respecting copyright (35 Stat. 1075).

Public Law 350, March 4, 1909, Criminal Code: This act codified, revised, and amended the penal laws of the United States (35 Stat. 1088).

SIXTY-FIRST CONGRESS, FIRST SESSION

Senate Joint Resolution 40, July 31, 1909, sixteenth amendment to Constitution: "The Congress shall have power to lay and collect taxes on incomes, from whatever source derived, without apportionment among the several States, and without regard to any census or enumeration" (36 Stat. 184).

Public Law 5, August 5, 1909, Tariff act (Payne-Aldrich): The tariff remained distinctly protective. It required the President to penalize imports from any country whose tariff discriminated against American goods, and authorized him to "employ such persons as may be required" in the performance of this duty. In addition, a Tariff Board was created (36 Stat. 11).

SIXTY-FIRST CONGRESS, SECOND SESSION

Public Law 146, April 21, 1910, Seal Fisheries Act: This act revised previous laws which restricted the killing of fur seals in Alaska and North Pacific waters by permitting limited hunting and killing under regulations of Secretary of Commerce and Labor. It made the Pribilof Islands a special breeding ground (36 Stat. 326).

Public Law 152, April 26, 1910, Insecticide Act: Prevented manufacture, sale, or transportation of adulterated or misbranded Paris greens, lead arsenites, and other insecticides and fungicides (36 Stat. 331).

Public Law 165, May 6, 1910, Accident Reports Act (railroads): Required common carriers engaged in interstate and foreign commerce to make full reports of all accidents to Interstate Commerce Commission, and authorized investigations thereof by said Commission (36 Stat. 350).

Public Law 171, May 11, 1910, Glacier National Park Act: Established this park by setting land apart in Montana and on the international boundary in the Rocky Mountains for this purpose (36 Stat. 354).

Public Law 179, May 16, 1910, Bureau of Mines Act: This act established the Bureau of Mines in the Interior Department (36 Stat. 369).

Public Law 181, May 17, 1910, Fine Arts Commission Act: A permanent Commission of Fine Arts was established to advise as to statues, fountains, and monuments in District of Columbia public parks and squares (36 Stat. 371).

Public Law 218, June 18, 1910, Commerce Court Act: Established a court of five judges to be assigned from the circuit court to have jurisdiction over cases arising out of action of the Interstate Commerce Commission, or under the act to regulate commerce (36 Stat. 539).

Public Law 268, June 25, 1910, Postal Savings Bank Act: Established Postal Savings System (36 Stat. 814).

Public Law 274, June 25, 1910, Federal Corrupt Practices Act: Act provided for publicity of contributions made for purpose of influencing elections at which Representatives in Congress are elected (36 Stat. 822).

Public Law 277, June 25, 1910, Mann Act: This act provided severe penalties for the transportation of women or girls for immoral purposes in interstate or foreign commerce (36 Stat. 825).

Public Law 303, June 25, 1910, National Conservation Act: Authorized President to withdraw public lands and reserve the same for waterpower sites, irrigation, and conservation projects (36 Stat. 847).

SIXTY-FIRST CONGRESS, THIRD SESSION

Public Law 435, March 1, 1911, Conservation Act (navigable waters): The National Forest Reservation Commission was created and authorized to approve land for the purpose of conserving the navigability of rivers and the production of timber. The Secretary of Agriculture was authorized to purchase such lands which became part of the national forest (36 Stat. 961).

Public Law 470, March 3, 1911, National Defense Act: To prevent disclosure of national defense secrets, it was made a Federal offense to obtain any photos, sketches, and plans; to receive or to communicate the same to any person not entitled to receive them or to give knowledge of anything connected with the national defense (36 Stat. 1084).

Public Law 475, March 3, 1911, Judicial Code Act: Amended, codified, and revised laws relating to the judiciary. Circuit courts were abolished and their powers and duties were transferred to the district courts (36 Stat. 1087).

SIXTY-SECOND CONGRESS, FIRST SESSION

Public Law 32, August 19, 1911, Federal Corrupt Practices Act: Congress amended the 1907 act and extended the same to candidates for nomination and election to the offices of Representative and Senator in the Congress of the United States and limited the amount of campaign expenses (37 Stat. 25).

SIXTY-SECOND CONGRESS, SECOND SESSION

Public Law 116, April 9, 1912, Children's Bureau Act: This act established the Children's Bureau in the Department of Commerce and Labor and authorized the bureau to investigate and report upon all matters pertaining to welfare of children and child life (37 Stat. 79).

House Joint Resolution 39, May 15, 1912, seventeenth amendment: "The Senate of the United States shall be composed of two Senators from each State, elected by the people, thereof, for 6 years" (certification of adoption of amendment made on May 31, 1913) (37 Stat. 646).

Public Law 199, June 19, 1912, 8-Hour Act: Limited the hours of daily service of laborers and mechanics employed upon work done for the United States under contract (37 Stat. 137).

Public Law 264, August 13, 1912, Radio Communications Act: Regulations for licenses to operate radio stations were set forth in this act and general restrictions on private stations were enumerated. The authority to issue licenses to operate stations was placed in the Secretary of Commerce and Labor (37 Stat. 302).

Public Law 300, August 23, 1912, Commission on Industrial Relations Act: Established the Commission and authorized it to sit and hold public hearings, to inquire into the general condition of labor in the principal industries of the United States, including agriculture (37 Stat. 415).

Public Law 336, August 24, 1912, Postal Service Act: Postal zones and delivery rates scale was established for all fourth-class mail matter to be sent under the parcel-post system (37 Stat. 557).

Public Law 337, August 24, 1912, Panama Canal Act: Provided for opening, maintenance, protection and operation of the Panama Canal, and the sanitation and government of the Canal Zone (37 Stat. 560).

SIXTY-SECOND CONGRESS, THIRD SESSION

Public Law 426, March 4, 1913, Department of Labor Act: This act created the Department of Labor with powers and duties enumerated (37 Stat. 736).

SIXTY-SIXTH CONGRESS, FIRST SESSION

House Joint Resolution 1, June 5, 1919, nineteenth amendment to Constitution (women's vote): "The right of citizens of the United States to vote shall not be denied or abridged by the United States or by any State on account of sex." (Certification of adoption of amendment made on August 26, 1920.) (41 Stat. 362.)

Public Law 75, November 6, 1919, Indian Veterans Citizenship Act: Citizenship was herein granted to every American Indian who served in World War I and who was honorably discharged (41 Stat. 350).

SIXTY-SIXTH CONGRESS, SECOND SESSION

Public Law 106, December 24, 1919, Federal Reserve Act: Amended the original act of 1913 by adding a new section authorizing banking corporations to be organized for the purpose of engaging in international or foreign banking (41 Stat. 378).

Public Law 146, February 25, 1920, Public Lands Leasing Act (oil and mineral): To encourage mining and exploration of new mineral and petroleum fields the Secretary of the Interior was herein authorized to lease lands of the public domain containing deposits of coal, phosphate, sodium oil, or gas (41 Stat. 437).

Public Law 167, March 30, 1920, European relief (food) United States Grain Corp.: Was authorized, with the approval of the Secretary of the Treasury, to sell, or dispose of flour, for cash or on credit, to relieve hunger among the people of Europe (41 Stat. 548).

Public Law 236, June 2, 1920, Vocational Rehabilitation Act: A Federal Board for Vocational Education was authorized to make and establish rules and regulations to provide for the vocational rehabilitation of disabled persons and their return to civil employment (41 Stat. 735).

Public Law 259, June 5, 1920, Women's Bureau Act: The Women's Bureau was created in the Department of Labor to formulate standards and policies which would promote the welfare of wage-earning women, improve their working conditions, increase their efficiency, and advance their opportunities for profitable employment (41 Stat. 987).

Public Law 262, June 5, 1920, Anarchist Exclusion Act amendment: Section 1 of the act of October 16, 1918 was herein amended clarifying this former act so as to admit of no possible doubt as to what aliens were undesirable and could be excluded or expelled from the United States. The terms of section 1 were enlarged as were the definitions and designations of this section of the act of 1918 (41 Stat. 1008).

Public Law 280, June 10, 1920, Federal Power Commission Act: The Federal Power Commission was created by this act and authorized to investigate, to collect, and record data concerning the utilization of water resources, and the water-power industry. The Commission was authorized also to issue licenses for projects improving navigation and developing water power (41 Stat. 1063).

SIXTY-SEVENTH CONGRESS, FIRST SESSION

Public Law 5, May 19, 1921, Immigration Act of 1921: The number of aliens of any nationality who might be admitted into the United States in any fiscal year was limited to 3 percent of the number of foreign-born persons of such nationality resident in the United States as shown by the census of 1910; and not more 20 percent of the annual quota of any nationality might be admitted in any month (42 Stat. 5).

Public Law 13, June 10, 1921, Budget and Accounting Act: This law created two new fiscal organizations—the Bureau of the Budget and the General Accounting Office. It was designed to fix responsibility for fiscal policy, save money by planned expenditures and close supervision over the use of funds appropriated (42 Stat. 20).

Public Law 15, June 10, 1921, Telephone Companies Consolidation Act: Made possible the reorganization and consolidation of independent telephone companies for more satisfactory service and more equitable rates (42 Stat. 27).

Public Law 47, August 9, 1921, Veterans' Bureau Act: The Veterans' Bureau was established by this act, which consolidated all the agencies charged with care and responsibility in behalf of ex-servicemen (42 Stat. 147).

Public Law 51, August 15, 1921, Packers and Stockyards Act, 1921: Regulated interstate and foreign commerce in livestock and dairy products, poultry, and eggs (42 Stat. 159).

Public Law 66, August 24, 1921, Grain Futures Act: Regulated grain transactions for future delivery to prevent gambling operations, but made possible all legitimate transactions (42 Stat. 187).

Public Law 87, November 9, 1921, Federal Highway Act: This act amended the Federal Aid Roads Act by centralizing authority in the States and insured the continuance of Federal aids to road building throughout the country (42 Stat. 212).

Public Law 97, November 23, 1921, Maternity and Infancy Hygiene Act: This act provided a method of cooperation between the Government of the United States and the several States to give instruction in child hygiene, care to maternity cases, and provisions of medical and nursing care at home or at a hospital especially in remote areas (42 Stat. 224).

Public Law 98, November 23, 1921, Harrison Act (narcotics): Sections 1005–1007 of this act reenacted section 1006 of Revenue Act of 1918 that required all importers, manufacturers, dealers of narcotics to register and pay a tax and keep strict records and render monthly returns in relation to all transactions (42 Stat. 227).

Public Law 98, November 23, 1921, Income Tax Reduction Act: This act reduced and equalized individual income taxes and terminated wartime excess-profits taxes and transportation taxes on freight, passengers, and express packages (42 Stat. 227).

SIXTY-SEVENTH CONGRESS, SECOND SESSION

Public Law 219, May 15, 1922, Irrigation and Reclamation Act: Provision was made in this act for organization of irrigation districts on projects under the national reclamation law and made it possible for Federal authorities to deal with the settlers and water users collectively instead of individually (42 Stat. 541).

Public Law 227, May 26, 1922, Federal Narcotic Control Board Act: This act made it unlawful to import narcotics, except such as are necessary for medicinal or other legitimate purposes and fixed heavy penalties for violation of the provisions of the act (42 Stat. 596).

Public Law 318, September 21, 1922, Fordney-McCumber Act: Tariff increases were granted grains, meats, sugar, wool, and some minor farm products. The textile rates of 1897 and 1909 were generally restored and duties were increased on dyes, ferro-alloys, chinaware, laces, and other miscellaneous items. This act augmented powers and functions of the United States Tariff Commission (42 Stat. 858).

Public Law 331, September 21, 1922, Grain Futures Act: Secretary of Agriculture was given supervisory power over grain exchange dealing in futures. Regulation of transactions on the exchanges was strengthened to prevent and remove obstructions and burdens upon interstate commerce in grain (42 Stat. 998).

Public Law 347, September 22, 1922, Coal Commission Act. United States Coal Commission was established and given power to administer oaths to subpena and to examine witnesses in its investigation of the anthracite industry. This commission was authorized to aid, assist, and advise Congress in legislation on this subject (42 Stat. 1023).

Public Law 348, September 22, 1922, Fuel Distribution Act: National emergency declared to exist in the production, transportation, and distribution of coal and other fuel. Federal Fuel Distributor appointed by President to ascertain facts about shortage of coal, fields of production, reasonableness of current prices for coal and other fuel, and to make recommendations to the Interstate Commerce Commission in order to provide a more equitable distribution of coal and other fuel to meet the emergency (42 Stat. 1025).

SIXTY-SEVENTH CONGRESS, FOURTH SESSION

Public Law 503, March 4, 1923, Agriculture Credit Act: National Agricultural Credit Corporation, created for purposes of providing credit facilities for the agricultural and livestock industries of the United States (42 Stat. 1454).

SIXTY-EIGHTH CONGRESS, FIRST SESSION

Public Law 135, May 24, 1924, Foreign Service Act: Reorganized and improved the Diplomatic and Consular Service of the United States by setting up a system of grading and classification of officers to encourage careers in the service (43 Stat. 140).

Public Law 156, May 29, 1924, Dairy Bureau Act: Established in Department of Agriculture a Bureau of Dairying. The Bureau was authorized to investigate the dairy industry and disseminate information for the promotion of the dairy industry. Secretary of Agriculture was authorized to transfer to the Bureau activities of the Department of Agriculture related primarily to the Dairy Industry (43 Stat. 243).

Public Law 174, June 2, 1924, Indian Citizenship Act: Certificates of citizenship were given to all non-citizen Indians born within the territorial limits of the United States. Tribal rights were not affected (43 Stat. 253).

Public Law 176, June 2, 1924, Revenue Act, 1924: Taxes were reduced in this act by 25 percent and former tax laws were clarified and consolidated. Administrative machinery, a Board of Tax Appeals, was established to permit prompt disposition of disputed questions. Taxes on numerous miscellaneous items were repealed (43 Stat. 253).

House Joint Resolution 184, June 4, 1924, Child Labor Constitutional amendment: "The Congress shall have power to limit, regulate, and prohibit the labor of persons under 18 years of age" (43 Stat. 670). On October 1, 1937, 27 States had ratified the proposed amendment. At least 26 different States have at one time rejected the amendment. (Senate Manual, 1947, p. 481.)

Public Law 242, June 7, 1924, World War Veterans' Act: This act consolidated, codified, revised, and reenacted the laws affecting the establishment of the United States Veterans' Bureau, the administration of the War Risk Insurance Act, and the Vocational Rehabilitation Act (43 Stat. 607).

Public Law 270, June 7, 1924, Conservation Act (navigable waters): Authorized the Secretary of Agriculture in cooperation with appropriate officials of the various States to recommend forest-fire prevention and suppression; to assist in forest perpetuation by producing, procuring, and distributing forest-tree seeds and plants (43 Stat. 653).

SIXTY-EIGHTH CONGRESS, SECOND SESSION

Public Law 359, February 2, 1925, Air Mail Act: Authorized the Postmaster General to make contracts for carrying air mail by aircraft and set the rate of postage at not less than 10 cents for each ounce or fraction thereof (43 Stat. 805).

Public Law 506, February 28, 1925, Postal Service Pay Act: The salaries of postmasters and postal employees were reclassified in this act; postal rates were increased; and a salary schedule for rural mail delivery carriers was established (43 Stat. 1053).

Public Law 506, February 28, 1925, Federal Corrupt Practices Act, 1925: (This act is title III of the foregoing act, the Postal Service Pay Act.) Provisions in this act applied exclusively to elections. Previous legislation of expenditures were required from party committees and individual contributors spending more than $50 per year in two or more States to influence elections. The act limited the election expenditures of a candidate for the Senate to $10,000 and of a candidate for the House to $2,500 unless a lower maximum was fixed by the law of a State, in which case that law was to govern. A candidate had a right to the benefit of an alternative rule under which he may spend up to 3 cents per vote cast for all candidates for the office concerned in the last preceding general election with a maximum of $25,000 for a senatorial candidate and $5,000 for a candidate for the

House. The act exempted primaries from its provisions (43 Stat. 1070).

Public Law 512, February 28, 1925, Naval and Marine Corps Reserve Act: This act established the Marine Corps Reserve as a component part of the United States Marine Corps and created two classes, the Fleet Marine Corps Reserve and the Volunteer Marine Corps Reserve. It also established a Naval Reserve as a component part of the United States Navy and created three classes, the Fleet Naval Reserve, the Merchant Marine Naval Reserve and the Volunteer Naval Reserve (43 Stat. 1080).

Public Law 587, March 3, 1925, Veterans Hospitals Act: This act authorized hospital and dispensary facilities for veterans to enable the Veterans' Bureau to care for its beneficiaries in Veterans' Bureau hospitals. It also authorized the President by Executive order to transfer any buildings, structures, and grounds to the control and jurisdiction of the Bureau upon request of the director thereof (43 Stat. 1212).

Public Law 628, March 4, 1925, World War Veterans' Act Amendment: This act amended the World War Veterans Act of 1924 to grant the benefits to veterans of any war, dependents, parents, and widows, and provided that reasonable Government care or medical, surgical, dental services be provided to the injured person. United States Government insurance granted to persons under service of War or Navy Departments (43 Stat. 1302).

SIXTY-NINTH CONGRESS, FIRST SESSION

Public Law 254, May 20, 1926, Air Commerce Act: Complete sovereignty of the airspace over the lands and waters of the United States including the Canal Zone was declared. Secretary of Commerce was authorized to establish air traffic rules for navigation, protection, and identification of aircraft and authorized to regulate the use of aircraft in commerce. The Chief of Weather Bureau was directed to furnish reports, forecasts, and warnings (44 Stat. 568).

Public Law 257, May 20, 1926, Railway Labor Act: This act provided for the disposition of disputes between carriers and their employees, a Board of Mediation was created with powers to settle disputes by mediation, and arbitration (44 Stat. 577).

Public Law 446, July 2, 1926, Air Corps Act: The Army Air Corps was created in this act and a table of organization established. Authorized a 5-year program to increase the efficiency and to develop the service (44 Stat. 780).

Public Law 450, July 2, 1926, Cooperative Marketing Act: This act created a division of Cooperative Marketing in the Department of Agriculture to provide for the acquisition and dissemination of information pertaining to cooperation; to promote the knowledge of cooperative principles, practices, and activities; to authorize cooperative associations to acquire, interpret, and disseminate crop and market information (44 Stat. 802).

SIXTY-NINTH CONGRESS, SECOND SESSION

Public Law 632, February 23, 1927, Radio Act. This act provided for the regulation of all forms of interstate and foreign radio transmissions and communications within the United States, its territories, and possessions. Licenses were required for use of radio apparatus, five zones were designated for purposes of the act. Federal Radio Commission was created and duties were specified (44 Stat. 1162).

Public Law 803, March 4, 1927, Longshoremen's and Harbor Workers' Compensation Act. This act provided for compensation for disability or death resulting from injury to employees in certain maritime employments. The liability for compensation was fixed in the employers. A schedule of rates to be paid was established (44 Stat. 1424).

SEVENTIETH CONGRESS, FIRST SESSION

Public Law 7, January 26, 1928, Flood Relief Act. Secretary of Agriculture was authorized, in cooperation with the several States and local agencies within these States, to employ county extension agents to aid in quickly and adequately rehabilitating flood devastated farm areas (45 Stat. 53).

Public Law 76, February 25, 1928, Naval Petroleum Reserve Act: This act transferred to Secretary of the Navy jurisdiction over oil and gas leases issued by the Secretary of Interior on lands in naval petroleum reserves (45 Stat. 148).

Public Law 328, May 1, 1928, Registered Mail Act: This act authorized the Postmaster General to establish a uniform system of registration of mail matter (45 Stat. 469).

Public Law 466, May 22, 1928, Forest Perpetuation Act: The Secretary of Agriculture was authorized and directed to conduct investigations, experiments, and tests to determine, demonstrate, and promulgate the best methods of reforestation, and of growing, managing, and utilizing timber, forage, and other forest products. Forest experiment stations were established in regions throughout the United States, Alaska, Hawaii, and the West Indies. Annual appropriations were authorized to be made (45 Stat. 699).

SEVENTIETH CONGRESS, SECOND SESSION

Public Law 669, January 19, 1929, Prison-made Goods Act: Prison-made goods were divested of their interstate character so that when entering a State they became subject to that State's laws (45 Stat. 1084).

SEVENTY-FIRST CONGRESS, FIRST SESSION

Public Law 10, June 15, 1929, Agricultural Marketing Act: The Federal Farm Board was created to administer the act. The Board was authorized and directed to promote principles and practices of cooperative marketing; to make reports as to crop prices, supply, and demand; to investigate conditions of overproduction; to make investigations and publish reports of land utilization for agricultural purposes. A revolving fund of $500,000,000 for loans was authorized (46 Stat. 11).

SEVENTY-FIRST CONGRESS, SECOND SESSION

Public Law 251, May 26, 1930, National Institute of Health: A National Institute of Health was established by this act to make studies and research and to ascertain the cause, prevention, and cure of disease affecting human beings (46 Stat. 379).

Public Law 319, June 9, 1930, National Forest Nursery Act: Secretary of Agriculture was authorized to establish forest tree nurseries in preparation for planting on national forests (46 Stat. 527).

Public Law 361, June 17, 1930, Tariff Act of 1930: This act raised the general rate level 20 percent and a flexible tariff provision was provided by which the Tariff Commission could recommend to the President the equalization of the differences in the cost of production of the domestic article and the like or similar foreign article. In no case could the increase or decrease exceed 50 percent of the rates expressly fixed by statute. The new law increased the rates on farm products and lowered the industrial rates (46 Stat. 590).

Public Law 412, June 23, 1930, Federal Power Commission Act: This act reorganized the Federal Power Commission as an independent Commission to be composed of five members to be appointed by the President by and with the advice and consent of the Senate, the Commission was formerly composed of the Secretary of War, the Secretary of Interior, and the Secretary of Agriculture. Licensing by the Commission of hydroelectric projects on United States Government lands or on navigable waters of the United States was provided (46 Stat. 797).

SEVENTY-FIRST CONGRESS, THIRD SESSION

Public Resolution 112, December 20, 1930, Drought Relief Act: Authorized Secretary of Agriculture to make advances or loans to farmers in the drought, storm-stricken or hail-stricken areas of the United States for the purchase of seed, fertilizer, feed for work stock, fuel and oil for tractors (46 Stat. 1032).

Public Law 616, February 10, 1931, Employment Stabilization Act, 1931: The Federal Employment Stabilization Board was established to advise the President of the trend of employment and business activity and of the existence or approach of periods of business depression and unemployment in the United States and to formulate advance plans, and to regulate construction of public works for aiding in the prevention of unemployment during periods of business depression (46 Stat. 1084).

Public Law 715, February 23, 1931, Foreign Service Act: This act provided for the classification and grading of clerks in the Foreign Service of United States of America and provided for compensation therefor to encourage careers in the Service (46 Stat. 1207).

SEVENTY-SECOND CONGRESS, FIRST SESSION

Public Law 2, January 22, 1932, Reconstruction Finance Corporation: The RFC was created and was authorized to extend financial assistance to agriculture, commerce, and industry through direct loans to banks, trust companies, building and loan associations, insurance companies, and various agricultural credit agencies. Loans were also authorized to closed banks to aid in their reorganization or liquidation (47 Stat. 5).

Public Law 189, June 22, 1932, Kidnapping Act: This act forbade the transportation of any person, kidnaped or otherwise unlawfully detained in interstate or foreign commerce and made such act a felony (47 Stat. 326).

Public Law 302, July 21, 1932, Emergency Relief and Construction Act: The RFC was authorized herein to make $300,000,000 available to the several States and Territories to be used in furnishing relief and work relief. RFC powers were enlarged to make loans to or contracts with States and to make loans to corporations in providing housing and slum reconstruction. The act also authorized $120,000,000 for emergency construction on Federal highways; $16,000,000 for emergency construction of roads in national forests, parks, and other reservations, and $30,000,000 for river and harbor projects, $15,500,000 for prosecution of flood-control projects, $10,000,000 for continuation of construction of the Hoover Dam and other projects of repair, construction, and engineering.

SEVENTY-SECOND CONGRESS, SECOND SESSION

Public Law 311, January 17, 1933, Philippine Independence Act: Provision was made in this act for the independence of the Philippine Islands and for trade relations with the United States effective after the inauguration of the authorized Commonwealth government. The act enabled the people of the Philippine Islands to adopt a constitution and form of government (47 Stat. 761).

Five-Cent Fare in New York City

EXTENSION OF REMARKS

OF

HON. VITO MARCANTONIO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. MARCANTONIO. Mr. Speaker, under leave to extend by remarks, I am

inserting the following radio speech delivered by me over radio station WNBC, New York, April 22, 1948:

The mayor, in announcing the increase of the subway fare from 5 to 10 cents and of the busses and trolley fare from 5 to 7 cents, stated and I now quote him: "Next year the city will have to pay over $51,000,000 to make good transit operating deficits." Then he stated, "This is the problem. Shall we continue to pay transit operation deficits out of the city treasury or should we raise the fare and make these funds available toward improving the conditions of our hospitals and so forth."

The facts of the situation reveal that this is not the problem. Improved city services, wage increases for city employees as well as for transit employees are not dependent on an increase in fare. The choice is definitely not one between sacrifice of salary increases and city services or increasing the fare. This is not the true alternative. Let us look at the facts. It is true that the transit operating deficit is over $51,000,000. However, what you have not been told is that there is available for wage increases of transit and other city employees and for other city services at least $90,000,000. Now, how does this come about. The revenue for the next fiscal year has been underestimated by $65,000,000. There exists also about $25,000,000 in unused taxes, so that right here we have a sum of at least $90,000,000. The wage increases requested by transit workers would cost the city less than $26,000,000.

The increase for other city employees announced by the mayor last December would amount to $45,000,000. So, as a matter of plain arithmetic, $45,000,000 plus $26,000,000 total $71,000,000. Subtract $71,000,000 from $90,000,000, and we have a sum of $19,000,000 left which can be used for other necessary city services, hospitals, health, and sanitation. Here are cold figures which the mayor or any other advocate of an increased fare cannot in all honesty dismiss. Therefore, when the mayor posed the question the other night—and I again quote him—"Shall we continue to pay transit operating deficits and be unable to give deserved and just pay increases to underpaid city employees or shall we raise the fare and provide for such increases?" the mayor was not stating to the people of the city of New York the city's exact financial situation. I submit that it is an imposition on the people of our city to make them believe that the problem is, as the mayor stated it, of choosing between a fare increase or no wage increases. In the light of the facts, in the light of the figures which neither the mayor nor the press have given you, you now know that the problem is not either no wage increase or fare increase. One is most definitely not tied up with the other.

What is the real problem? We find evidence of the real problem in what the mayor himself stated the other night, and I now quote him—and please follow this closely, for this is the heart of the real issue:

"The Republicans believe that the little fellow should carry the load. This is what Governor Dewey said when he approved the bill. Objection has been made that the bill would make it possible to increase the fare to such an extent as to relieve real estate of part of its existing tax burden. This is a matter which will be wholly within the control of the board of transportation and the mayor, where it belongs."

Yes, this is it. The real question is, Shall transit deficit be financed by real estate and other entrenched interests, such as banking, or shall the burden be placed on you, the people, who can least afford to carry it?

Mind you, the mayor himself in his speech the other night admitted that the law was amended, and I quote him, "to impower the board of transportation on the mayor's approval to raise the fare to any amount not merely to cover the operating costs but to cover the debt service as well, thereby giving the big real-estate interests the hope that some day the rider may yet be made to pay the purchase price of the city's transit system.

This is the mayor's language. He confesses that this is the object of the law and yet what has he done about it. Let us see. The law was not mandatory. The transit law amendment passed by the legislature in March does not compel the mayor to avail himself of it. It leaves the responsibility with the board of transportation and the mayor. It leaves it up to them, up to him in particular to either use it or not use it. And what did he do? He used it. He used it to double your fare even though, as he himself stated it was enacted so that it may make you, the subway rider, yet pay the purchase price of the city's transit system. You know, my friends, the 5-cent fare has made New York a great city, and to protect the 5-cent fare the legislature back in 1944 provided that the people should have the choice in the matter of raising the fare. The law provided for a referendum by the people. Now the fare has been raised by the mayor without a referendum. Again let us see what the mayor himself said about this the other night. I again quote him, "that matter" referring to the fare increase "belongs to the people and should not be taken away from them. Governor Dewey and the Republican legislature should not have made it possible for any mayor or board to unload on the rider the present real-estate obligation." What a situation. Here the mayor tells us what the question of a fare increase is—a question that belong to the people to pass upon. He then tells you that the Governor and the legislature should not ask him to increase the fare and thereby take the question away from the people. In fact on March 12 after the legislature amended the transit law he stated, and again I quote him, "It is not likely that I will raise the fare during my administration." Remember, the legislature did not say that he must do it and still on April 20 the mayor does increase the fare. Is it not obvious to you that you have been taken for a ride? This time it is a 10-cent-fare ride.

Let us look into this confusion which is enveloping this fare issue and look and seek some more truth. Who asked that the law guaranteeing the referendum be amended so as to take the decision away from the people? I didn't. You didn't. It was the mayor himself. You remember his package plan, don't you? You remember that last December there was an item in his package plan which called for the amendment of the transit law to take away from you the people the right of referendum on any increase in fare to meet operating costs and to place that decision with the board of transportation. Now that the Republican legislature amended the law, repealed the referendum, and provided that the right of increase should be for all purposes and added that it had to be done with the approval of the mayor what do we find? He complains, he protests, he protested loudly in the first part of his speech last Tuesday. He says and I now quote him again: "This is a dangerous piece of legislation," and then in the same speech he does what he himself said would relieve big real-estate interests of their responsibility—he doubles the fare.

If the proponents of the fare increase, Republicans and Democrats believe that their cause is good why have they done so much to deprive the people of an opportunity to vote on it, as the law provided? Why have they done so much to take this issue from the people where it properly belongs? Why not ask that the law be amended again to enable the people to have a referendum on this fare issue, as it was provided by law before the law was amended? Why substitute for the people's will the undemocratic decision of one person or three persons? Now let us see what all this means to you. It means a wage cut of $2 a week to your family. For more than 50 percent of the city's union members it means wiping out one-half or more than one-half of wage increases won during the past year.

It means for the average New York City family an addition of $30 per year to an already high cost of living. It is about half of your annual milk bill. Consider what this fare increase will do to medical and dental care for your children. One hundred dollars per year is the amount that most of the New York families will pay to relieve the real-estate and banking interests of their responsibility.

Transit is a public service like the fire, police, and sanitation departments. It must be financed by the democratic and sound principle of taxation of placing the burden on those who can best afford it and not on those who can least afford to carry it. Remember, only in 1946 a sales tax was imposed upon you amounting to $70,000,000 and you were then told that it was either the sales tax or a fare increase and the people of the city took it in order to avoid the fare increase. Now a sales tax of 5 cents is placed on your subway ride. For what? For whom? To permit the real-estate interests who can bear the burden of escaping their responsibility. To permit the bankers to whom the city is paying $222,000,000 a year to escape their responsibility.

Against all this I pledge you that in the tradition of Fiorella H. LaGuardia, New York City's American Labor Party mayor, and whom the people of the city of New York so sorely miss, the American Labor Party will continue the fight. No amount of confusion, no amount of distortion, and no amount of vituperation will divert us from this task in the defense of the little people of our city.

Sound Money: A Curb on War—A Sound Monetary System Will Do More to Bring About World Peace, European Recovery, and Economic Stability Than All the League of Nations, United Nations, and European Recovery Programs That Ever Can Be Formulated

EXTENSION OF REMARKS

OF

HON. JOHN SANBORN

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. SANBORN. Mr. Speaker, I have today introduced a bill for the restoration of a sound monetary system in the United States. I believe it is the most important piece of legislation before the Congress and that it should be given priority over all other legislation. For until we have sound money we cannot have a sound economy; and until we have a sound economy there can be no peace nor economic recovery anywhere in the world, regardless of how many billions of dollars of the American taxpayers' money is thrown away in a futile effort to stabilize the economy of other nations.

Sound money in the United States means sound money throughout the world, since the value of money in all other countries is measured in American dollars. Two world wars and numerous

depressions can be charged directly or indirectly to an unsound monetary system; for every war is, in essence, an economic war; and if we would prevent wars and depressions, we must first eliminate the causes of wars and depressions.

History shows that an unsound monetary system is more fruitful of human misery than war, pestilence, and famine; and has brought more injustice than all the bad laws ever enacted. Until we first adopt a sound monetary system, all of our present frenzied efforts for peace and world stability are just so much sound and fury signifying nothing. Unless money is sound and dependable, nothing is sound and dependable.

How futile to talk of balancing the budget, of appropriating money for European recovery, and stabilizing prices and wages when no single member of the administration or the Congress knows what the value of the dollar will be six short months from today. How stupid to talk of combatting communism while supplying Communists the tools with which they work and the vehicles on which they ride to power—a debauched currency and a regimented economy. Karl Marx taught and Lenin demonstrated that the surest way to overturn the social order is to debauch the currency, because this enlists all economic laws on the side of destruction in a way that not one man in a million will see.

Under the tutelage of Prof. Harold Laski and the late Lord John Maynard Keynes, pseudo economists from the Socialist London School of Economics, the New Deal administration has so faithfully followed the Marxist formula that our dollar and all fixed-dollar-value securities, including savings, pensions, and life insurance, have lost 63 percent of their value since 1934. That means the 1948 dollar has a purchasing power equal to only 37 cents 14 years ago.

If we fail to stabilize the currency now, and blindly appropriate the billions proposed to be spent under the European recovery program, we can expect the purchasing power of the dollar to fall still further, probably equal in value to 25 cents prior to 1934. Such a policy will inevitably bring economic collapse and world-wide depression, much more disastrous than that of 1929, because we have much farther to fall.

UNBRIDLED ANARCHY WILL FOLLOW ANOTHER MAJOR DEPRESSION

The United States is the last hope of a war-weary world to lead it out of the confusion and chaos that exists today, but we can lead only if we remain economically strong. A depression in the United States means unbridled anarchy in the rest of the world—a return to the Dark Ages—and yet we are being stampeded into pursuing a course that will make a depression inevitable.

During the past few months, the American people have been subjected to the most outrageous, unconscionable, and powerful propaganda the world has ever known to frighten our people and stampede the Congress into voting billions and billions of dollars for European recovery. When conscientious Members of Congress hesitated about giving away these billions of the taxpayers' money, all the stops were pulled wide open. Administration alarmists began seeing Soviet submarines off our shores, pictured the imminent possibility of Russian planes dropping atomic bombs on our cities, and solemnly warned us that unless we bought the friendship of 16 European nations with $17,000,000,000, western Europe would go Communist and the United States would be on the way to Hades in a hand basket.

Is it not more than passing strange that the State Department and the administration that demanded $17,000,000,000 to stop communism in Europe had denied aid to the Chinese Nationalist Government because Chiang Kai-shek had to take Communists into his government where they could bore from within and take over, just as they did so recently in Czechoslovakia?

AMERICA'S STAKE IN EUROPE AND ASIA

In formulating our foreign policy, the first consideration should be the security of the United States. Is our security enhanced by abandoning the Chinese Nationalist Government while levying billions of dollars in taxes on American free enterprise to support European socialism which is committed to the destruction of free enterprise? Socialist European governments permit only one kind of democracy—the democracy of regimented mediocrity—which differs not in kind but only in degree from Russian authoritarianism. Regardless of how many billions of dollars we pour into Europe, it is futile to hope for Europe's economic recovery under Socialist regimes; for recovery can come only through increased production, and everywhere that socialism has been tried, it has succeeded only in retarding production.

Europe has nothing that we need or want; our sole interest in Europe should be that of a good samaritan to furnish emergency relief until the nations can put their own houses in order. But the situation is entirely different in Asia; we must have the raw rubber, tin, and bauxite of the Dutch East Indies to keep our economy going, and the only thing that stands between Russia and the East Indies is Chiang Kai-shek's army. If we permit him to be defeated, Russia can seize not only these resources so essential to our economy, and menace Australia, but will be able to concentrate all her armed forces for a drive on the European front.

Now, if the administration's military advisers have even a remote idea that the United States will have to fight Russia, the first rudiments of military strategy would be to force Russia to fight on two fronts by building up the fighting power of the Chinese Nationalist Government, which has been consistently fighting communism for 20 years.

EUROPEAN RECOVERY PROGRAM PREGNANT WITH DISASTER

The European recovery program is probably more pregnant with disaster than any other piece of legislation ever approved by the Congress, not merely because of the billions of dollars already authorized for it, but because of the chain of expenditures that will follow in its wake. The war hysteria, apparently deemed necessary to secure the passage of this legislation, is responsible for proposals to double expenditures for national defense. A revival of lend-lease to arm and equip the western European bloc will require more billions of dollars; and since we seem to have billions of dollars to throw away in Europe, we can expect every pressure group in the country to descend on the Congress, demanding appropriations for their pet schemes. Many such pressure groups are already in Washington.

At the close of World War II, the American people were in a mood to get down to work, tighten their belts, rebuild our domestic economy, and reduce our mammoth debt. But now they are in a mood not unlike that of the wife of a man I once knew. This couple had mutually agreed to work hard, economize, put off buying new clothes and a new car until they had paid off the mortgage on the old homestead. But when the wife discovered that her husband had bought a fur coat and a new automobile for a dizzy blonde, she demanded a fur coat and a new car, too.

FICTION OF RUSSIA'S MILITARY STRENGTH

One worlders, Soviet appeasers, and political opportunists are trying to frighten the American people by exploiting the fictitious power of Russia. The real facts are that Russia is a military threat to no one except her small nearby neighbors. Her menace to the rest of the world lies in her ability to inoculate knaves and fools of other lands with her vicious ideology. If we would stop communism, the place to begin is here at home.

Little Finland made a sucker out of Russia's Army until overwhelmed by numbers; a portion of the German Army drove the Russians back like cattle; and the Russian Army never started marching west until General Patton had destroyed the German Army. Then, for some inexplicable reason, General Patton was ordered to withdraw his troops so the Russian "conquerors" could triumphantly enter Berlin and Prague.

Everyone knows that communism has been steadily losing ground in western Europe for more than a year, particularly in France and Italy. The people of these countries recognize Communist Russia for what it is—the greatest economic hoax in all history.

Since the end of the war, Russia has been living on lend-lease, UNRRA, and the spoils looted from other countries; yet, despite all that, her new 5-year plan has failed and Russia is ready to fall apart from her own internal weaknesses and economic fallacies. Her arrogance, insolence, and war talk are the usual devices resorted to by rulers to detract the attention of their people from their domestic failures; and, from recent events in this country, it is evident that Russia does not have a monopoly on this age-old formula.

Arthur Sears Henning, in the Washington Times-Herald of May 10, 1948, says:

WAR SCARE STRATEGY

The campaign strategy of Democratic National Chairman MCGRATH is directed toward convincing his party as well as the country that America faces the danger of war with Soviet Russia and that it would be

foolhardy to swap horses in midstream. The Democratic high command has been proceeding on this line of action ever since the President's message to Congress a few weeks ago assailing the Soviets and calling for preparation for possible war.

That Mr. Henning has correctly stated administration strategy is evidenced daily by reports emanating from the White House. In one day recently—May 13, 1948—the following newspaper headlines screamed at us in black letters an inch high: "Peace Hopes Dim—Truman"; "The President Says: Peace Prospects No Brighter"; and "President Asks Billions More for Defense."

Are we to be fed this synthetic war talk until a frightened people needle the Congress into voting away additional billions of dollars of the taxpayers' money, and we are bullied into accepting price controls and regimentation which will wreck small business, the farmer, and all producers of raw materials, and foster cartels and monopolies?

The reason you do not hear much about controls in current news is because the subject is unpleasant and politically unpopular; but right now there is a complete economic mobilization plan at the White House. It is the blueprint for all sorts of controls and it goes pretty far. If the administration and its Republican allies in the so-called bipartisan foreign policy are permitted to carry out their mad plans, you can expect economic and price controls as drastic as any experienced during the war. The American people are being "conditioned" to accept these controls by the same old methods that have prevailed during the past 15 years when, every time the administration wanted to further shackle the American people, it brought out a new emergency or a new crisis. Do you not feel these words are becoming a bit shopworn?

Russian aggression in the Balkans, Manchuria, and Korea means that Russia merely is consolidating the areas we turned over to her on a silver tray at Tehran, Yalta, Quebec, and Potsdam, where we gave away the peace—piece by piece. Imagine, if you can, the stupidity of setting up American headquarters in Berlin and permitting Berlin to be entirely surrounded by Russian troops; or delivering the Kuriles Islands to Russia so they point like a dagger at the heart of Alaska.

But Russia made her most colossal blunder in trying to force the yoke of despotism on the unassimilable people of the Balkans. Today the Balkans are seething with revolt and, if we choose to arm the Balkans, Russia will be torn apart by a revolution in which millions of the Russian people will join.

We invited the insults and indignities dished out to us by Russia when we gently slapped Tito on the wrist after he brutally shot down and murdered five American flyers. A self-respecting administration would have demanded that Stalin deliver Tito, dead or alive, in 48 hours—or else, and if he failed to comply, a couple of atomic bombs dropped on the Kremlin would have brought him to his senses. That would not have been the highway to war, but the pathway to peace, for Soviet Russia recognizes nothing but force.

CULMINATION OF A CENTURY-OLD CONSPIRACY

Since Soviet Russia is not in any sense a military threat to the United States, why the sudden war hysteria—why the pressing emergency to give away billions of dollars of the American taxpayers' money now? It's a sad and sordid and dirty story, folks—the culmination of a century-old conspiracy to break the economic strength of the United States, pillage our country, and dominate our production and trade.

From the early days of this Republic, European absolutists saw in our system of government a threat to their decadent monarchies and all other forms of absolutism. During our Civil War, one European group aided the North while another aided the South in the hope that we would destroy ourselves. When we survived that war and gave evidence of growing strength, the London Times, then the mouthpiece of European absolutists, said editorially:

> If that mischievous financial policy, which had its origin in the North American Republic during the late war in that country, should become indurated down to a fixture, then that Government will furnish its own money without cost. It will pay off its debts and be without debt. It will have all the money necessary to carry on its commerce. It will become prosperous beyond precedent in the history of the civilized governments of the world. The brains and the wealth of all countries will go to North America. That Government must be destroyed or it will destroy every monarchy on the globe.

Their next move to destroy us was the demonetization of silver in 1873, but under our system of free competitive enterprise and a protective tariff, we were able not only to survive this infamy, but to grow and prosper.

Most European monarchies have fallen, but that does not mean a change of systems, only a change of masters. Absolute monarchies have been succeeded by cartels, monopolies, and other forms of absolutism under the control of international banker-buccaneers.

Frustrated in the past to gain control of American commerce and industry, the international bankers were quick to recognize that the Communists, fellow-travelers, half-baked liberals, so-called intellectuals, and fuzzy-minded New Dealers were the instrumentalities through which they could attain their objectives—by debauching our currency, confiscating property through taxation, breaking down our protective tariff, and draining away our wealth to such an extent that we could no longer consume the major portion of our own production. Then the American manufacturer would be forced to seek foreign markets; and foreign goods would flow into free trade America to pay interest on foreign bonds held by the international bankers.

So long as the American manufacturer has profitable home market, he is not interested in foreign trade. He favors a tariff to protect agriculture, mining, labor, and industry. He looks on the American workman and the American farmer as his best customers; and it is to his interest to pay the highest possible wages and the highest possible prices for raw materials.

But once he is forced to seek foreign markets, wages and raw materials become merely items of cost to be kept as low as possible. Then American industry becomes a more profitable investment for the international bankers, who will take over the control of our American economy at the expense of our own people.

In confirmation of the above statement, I should like to quote from an article by Walter Trohan, one of the keenest observers and ablest newspapermen in the National Capital, which was carried in the Chicago Daily Tribune and the Washington Times-Herald:

> WASHINGTON, April 19, 1947.—The nimble fingers of Wall Street and the long arm of London countinghouses are widely regarded on Capitol Hill as the real molders of the so-called American bipartisan foreign policy. * * * The New York financial interests and various elements profiting in foreign trade are now considered as having shaped American foreign policy for the last decade. Wall Street has fused groups of widely divergent interests from the Communists of Union Square to the social circles of Park Avenue to pump for its foreign programs.

The following editorial from the Chicago Daily Tribune of May 13, 1947:

WALL STREET IN POWER

Dean Acheson, who as Under Secretary of State has in many respects been the de facto head of the Department under both Secretaries Marshall and Byrnes, is quitting his job. Presumably, he will rejoin the law firm which is said to be handling at least one of the applications for international loans that he has been promoting in the State Department. His successor is to be Robert A. Lovett.

Mr. Lovett was an Assistant Secretary of War for Air during the war, but his regular job is a partner in Brown Bros., Harriman & Co., the Wall Street investment bankers. Mr. Lovett will find himself at home in the Truman administration. Secretary of Commerce Harriman is one of his former partners. Navy Secretary Forrestal comes from another Wall Street investment house. Secretary of War Patterson was a Wall Street lawyer before he went to the Federal bench, from which he was brought into the subcabinet by Secretary Stimson, still another Wall Street lawyer. In such a galaxy Secretary of the Treasury Snyder hardly ranks as one of the elite. He was a banker, but only in St. Louis.

This is probably the greatest concentration of spokesmen for Wall Street and its international high binding that has ever been assembled in any American cabinet. It is particularly striking that this concentration should occur in an administration that started out 14 years ago with the announced watchword of driving the money changers out of the temple.

It was Wall Street and the evils practiced there that made that slogan possible. Today all that remains of the campaign started in 1933 is a continuing harassment, not of the high finance that was then so loudly denounced but of business throughout the Nation, which was guilty of few of the evil practices attributed to Wall Street, and itself often suffered from those practices. The producers have been made the goats of New Deal propaganda, while the money changers have been restored to the sanctuary.

Wall Street saw profit in the old adage that if you can't lick them, join them. The op-

portunity to do so arose from the failure of Mr. Roosevelt's domestic program. He turned then to an adventure in foreign war. As experts in foreign meddling the money changers "saw their opportunity to make peace and seized it. Now they own the temple."

With one important exception, there is little distinction between Mr. Truman's indiscriminate foreign loans and the wild lending of the twenties that helped bring on the depression. So far as hope of recovery is concerned, the issues are virtually identical. The important exception is that it is not necessary this time for the Wall Streeters to go out and peddle bonds to trusting suckers. The money comes direct from the Treasury, and the Bureau of Internal Revenue takes it away from the widows and orphans. Wall Street gets all the profits and incurs none of the opprobrium.

ARE YOU GUILTY OF SAYING "I DON'T WANT TO KNOW ANYTHING ABOUT MONEY"?

The international banker-racketeers have been able to get away with their plans because we deliberately close our minds to the subject of money and refuse to discuss it or try to understand it. Why? Because a part of the conspiracy to gain control of American industry and dominate our commerce has been to spread insidious propaganda designed to convince the American people, including the Congress, that the subject of money is so mysterious and complicated that only the monetary experts and the international bankers are capable of understanding it.

So successful has been this campaign that if you broach the subject of money to anyone in or out of Congress, nine times out of ten the answer will be: "I do not know a thing about money; I do not want to know anything about money; I leave that subject to the monetary experts"; and because we have left this subject to the experts, millions of men have died and billions of dollars have been wasted; and civilization is balancing on the brink of the abyss.

NOTHING MYSTERIOUS ABOUT REAL MONEY

There is nothing mysterious or complicated about real money. Anyone with a fourth-grade education, who knows that 2 and 2 equals 4, can understand it. For money has but three simple functions: First, to serve as a measure of value of goods and services; second, a medium of exchange; third, a convenient way to store the equivalent of goods and services. Nothing mysterious or complicated about that, is there?

And yet this simple subject is the most important subject on earth; and the integrity, or lack of integrity in money, is reflected in men and nations. Without money, civilization could not have had a beginning; and without a sound, stable, dependable monetary system, civilization cannot survive. If we continue to ignore this all-important subject, we are not fit to represent our constituents in the Congress.

The importance of money in the life of a people was most eloquently expressed in the opening paragraph of the memorable speech by the Honorable John Paul Jones, of Nevada, before the United States Senate, on October 14, 1893:

Mr. President, the question before the Senate, broadly considered, involves all the varied interests of this Republic. Every concern of our people, financial and industrial, religious and moral, political and social, come within its all-embracing scope. Upon a proper solution of the problem of money in a country depends the decision of the question whether there shall be in that country more poverty or less, more crime or less, more insanity or less; whether among its people there shall be more employment or more idleness, more happiness or more misery—indeed more liberty or more slavery—for it must be borne in mind that men may be as thoroughly enslaved by unfavorable industrial conditions as by positive legal enactment.

President Garfield said:

Whoever controls the money of a nation controls its industry and commerce.

And as long ago as 1790, Mayer Amschel Rothschild said:

Permit me to issue and control the money of a nation and I care not who writes the laws.

The founding fathers of this Republic considered the control over our money of such paramount importance that they wrote into the Constitution of the United States (art. I, sec. 8, clause 5, powers of Congress):

The Congress shall have power * * *. To coin money, regulate the value thereof, and of foreign coin, and fix the standard of weights and measures.

But we flaunted this provision of the Constitution when we signed the Bretton Woods monetary agreements, which transferred this power to a foreign tribunal—a financial superstate—financed by the American taxpayers but controlled by debtor nations. The control over our money must be returned to the Congress where it belongs.

Both party platforms of 1948 should contain sound money planks just as they did in 1892; and we Republicans who believe in sound money should give our best efforts to have such a plank written into the 1948 Republican platform at Philadelphia, in June.

A BRIEF RÉSUMÉ OF WHAT HAS HAPPENED TO OUR MONEY SINCE THE ADVENT OF THE NEW DEAL

For 90 years prior to 1934, the price of gold was pegged at $20.67 per ounce; and since there are 480 grains in one ounce, this fixed the amount of gold constituting $1 at 23.22 grains. This was the amount of gold you could receive, on demand, from any bank for each dollar of currency presented for redemption prior to 1934. For example, by presenting for redemption $10 in currency, you received a $10 gold piece containing 232.2 grains of pure gold. And, incidentally, from the time the United States adopted a monetary system in 1793, the amount of gold constituting $1 was never less than 23.2 grains until 1934 ,when the amount was reduced to 13.71 grains. This depreciated the dollar 41 percent, and permitted a proportionate reduction of monetary reserves; and since it required 35 of these depreciated dollars of 13.71 grains to equal an ounce of gold, the price of gold advanced to $35 per ounce. After the short time-lag between cause and effect, the dollar bought only what 59 cents bought prior to this act of depreciation; and was referred to at the time as a 59-cent dollar.

An interesting but startling comment on how the price of gold was manipulated is disclosed in the following excerpt from the diary of Henry Morgenthau, former Secretary of the Treasury:

If anybody ever knew how we really set the gold price through a combination of lucky numbers, etc., I think they would really be frightened.

The above naive remark suggests that they were totally oblivious of the fact they were gambling with the future of the world—just juveniles playing with a gun they did not know was loaded.

As the United States price of gold rose above the world price there was consternation in foreign capitals. When Sir Montagu Norman, then Governor of the Bank of England, frantically protested that such an action would throw the whole world into bankruptcy, Morgenthau informs us that he chuckled and the President guffawed—a performance strangely reminiscent of Nero fiddling while Rome burned, for Sir Montagu Norman's prophecy is dangerously close to coming true. The American people are staggering under the greatest national debt in history, and most of the other nations of the world are facing bankruptcy.

Just one example will show the world-shocking repercussions which follow a debauching of the currency and the repudiation of contractual obligations for the redemption of currency. Following the debacle of 1929, which was precipitated when European bank reserves dropped from 40 percent to 21 percent, France, Belgium, and Holland were desperately trying to rebuild their monetary reserves. Gold, because of its scarcity, was unobtainable, so they turned to something they had every right to believe was equally good—United States gold certificates, which had printed on them the pledge that they were redeemable in gold, at face value—and the English pound sterling. When we repudiated that pledge and made these gold certificates redeemable at only 59 cents on the dollar—and the pound sterling depreciated approximately the same amount—the banks of these three countries suffered terrific losses. The Bank of France not only lost its capital but many times its capital; and France was forced to the dangerous expedient of a capital levy and the issuance of non-interest-bearing bonds.

As a result the French people lost confidence not only in their bank but in their government as well, and became easy prey to every Fascist and Communist plot. France began to disintegrate; and when the Germans marched in, in World War II, instead of stopping the Germans as they did in World War I, France fell apart—and because France fell apart thousands of white crosses mark the graves of American dead all around the world.

RIGHT OF REDEMPTION SHOULD BE RESTORED TO THE AMERICAN PEOPLE

Prior to 1934, the American people enjoyed the right to redeem their paper currency in gold at face value, on demand. So long as the people have that

right they can use it as an effective brake to discourage reckless and extravagant government spending. One of the first acts of the New Deal administration, before starting on its spending spree, was to deprive the people of the right of redemption. This accomplished, and the dollar cheapened by 41 percent, the printing presses were put to work turning out billions of these depreciated dollars, so that in a matter of 10 years, currency in circulation increased from approximately $5,000,000,000 to $28,000,000,000. This increase in the currency naturally caused a further gradual depreciation in the purchasing power of the dollar; but it was not until 1945, when Public Law 84 was passed permitting a 37½-percent reduction in monetary reserves, that the dollar started to take a real toboggan downward.

FALLING EUROPEAN BANK RESERVES PRECIPITATE 1929 DEPRESSION

Under laws in effect prior to 1934, the Treasury was required to maintain a monetary reserve of 40 percent of the face value of all currency in circulation. That was because the experience of more than a century had fixed 40 percent as the minimum reserve necessary to insure the redemption of currency at face value, on demand. Thus, it became axiomatic that currency in circulation was worth two and one-half times the reserve back of it; and if reserves fell below 40 percent, the value of currency fell proportionately. It was the violation of this inexorable economic law that precipitated the 1929 depression.

In the late 1920's, European banks permitted their monetary reserves to drop from 40 percent to 21 percent, and their currencies depreciated proportionately. In a desperate effort to restore these reserves, they dumped their American stocks and bonds on the market and broke our market. Silver money was withdrawn from circulation in India and dumped on the world's silver market, thereby forcing down the price of silver from 65 cents to 26 cents per ounce. This wiped out 60 percent of the purchasing power of 1,000,000,000 people in the Orient and the Middle East where silver is, and always has been, their money. You simply cannot destroy the purchasing power of half the people in the world without bringing about a world depression. However, the Chinese still had confidence in the integrity of silver; and Japan used this cheap silver to first industrialize, then militarize Manchuria, and the foundation was laid for World War II.

ADOPTION OF SOUND MONETARY SYSTEM IN 1933 WOULD HAVE ENDED DEPRESSION AND PREVENTED WORLD WAR II

Real economists and monetary authorities of the type of Sir Henry Deterding repeatedly pointed out that by joining silver with gold, at fixed and proper ratio, in a return to bimetallism, the depression would end within a few months; but the voices of real economists were drowned out by the vociferousness of pseudo economists of the type of Leon Henderson and Harold Laski.

It is tragic to think how easily the depression could have been brought to an end and World War II prevented if the United States had assumed leadership for the adoption of a sound monetary system at the London Economic Conference of 1933. Bitter quarrels and rivalries among the United States delegates to the conference prevented any constructive achievements; and when the President sent his bombshell message, recently referred to in the memoirs of Cordell Hull, the conference was broken up; and the resultant economic chaos speeded nations along the highway that led to World War II.

Apparently incapable of recognizing the real underlying cause for the 1929 depression, the pseudo economists of the New Deal placed all blame on American business, American capitalism, and the Smoot-Hawley tariff. Starting on this false premise, they carried on much like a quack doctor who, unable to correctly diagnose his patient's illness, doses him with every concoction on the drug store shelves.

Proceeding on what the President frankly admitted to be a course of "trial and error," they experimented with every half-baked theory and took many dangerous excursions into socialism, communism, regimentation, and other forms of collectivism, all of which inevitably lead to absolutism and despotism. Once, along about 1937, when a brief business upturn tempted them to think the depression was ended, they exultantly boasted: "It didn't just happen, it was planned that way." But with another sharp slump, they were left drifting aimlessly like a rudderless ship on an uncharted sea. With their ship about to founder, they began to call on the internationalists and the one-worlders of Wall Street for help. While the New Dealers stayed on as "fronts," the smart boys from Wall Street were really in command.

INFLATION BY LEGISLATION

Unlike the New Dealers who never knew where they were going, the smart boys from Wall Street knew exactly where they wanted to go; and as the war was ending, they promptly started to carry out their plans to gain control of American industry and commerce. Three pieces of must legislation were sent to the Congress, supported by the most outrageous propaganda, stressing the argument that the passage of this legislation was absolutely necessary to prevent war and bring about economic recovery.

These were the amended Reciprocal Trade Act, which permitted an additional 50-percent reduction in tariffs; Public Law 84, which permitted the lowering of monetary reserves from 40 percent to 25 percent or less; and the Bretton Woods monetary agreements, which were fashioned to place the control over money, credit, and commerce in a financial superstate, financed by the American taxpayers but controlled by debtor nations and international bankers.

While introduced and passed as three separate and distinct measures, they fit together as perfectly as the parts to a jigsaw puzzle, forming the most perfect instrument ever devised to sell America down the river. This triumvirate of laws will deliver control of American industry and commerce to the international bankers, flood our markets with goods and commodities produced by foreign slave labor, and lower the American standard of living to the world level.

It is becoming increasingly evident that these were the objectives of those who concocted, and caused to be disseminated, the lying propaganda that American business, American capitalism, and the Smoot-Hawley tariff were responsible for the 1929 depression. While it is probably true that most New Dealers were the stupid dupes of the real conspirators, their ignorance does not extenuate their guilt.

If we would escape the catastrophic consequences of these three pieces of legislation, we must speedily adopt a sound monetary system and restore tariffs adequate to protect American producers, American labor, and the American market.

REPEATING THE ERRORS OF 1929

The terrible consequences of the 1929 depression which was precipitated when European banks permitted their monetary reserves to fall from 40 to 21 percent, should have deterred us from ever permitting our monetary reserves to be reduced below the point of safety. But Public Law 84 of 1945 authorized the Treasury and the Federal Reserve Board not only to reduce reserves from 40 to 25 percent but, in some instances, to 20 percent or less. The time lag and OPA price controls temporarily kept people from realizing what was happening to their money, but by 1946 the already depreciated dollar had lost another 37½ percent of its value, and commodity prices had advanced 60 percent. That is what started the vicious cycle of rising prices and the resultant demand for higher wages. As a consequence, our 1948 dollar has a purchasing power equivalent to only 37 cents prior to 1934.

A contributing factor to this inflationary spiral was the appropriation of approximately $10,000,000,000 for the British loan and the Bretton Woods bank and fund, which had the effect of increasing the currency in circulation about 37½ percent. We can expect similar disastrous results when appropriations are made under the European recovery program. Unless immediate steps are taken to stabilize the currency by adopting a sound monetary system, the purchasing power of our 1949 dollar probably will not exceed that of 25 cents prior to 1934.

The same type of demagogic New Dealers who blamed American business and the tariff for the 1929 depression are now contending that high prices are the result of excessive profit taking by business; and are demanding a return to price controls and a more stringent regimentation of business. These demagogs must know—if they know anything—that the New Deal's debauching of our currency is responsible for high prices; and that if all profits were eliminated, prices would drop less than 7 percent because business profits average less than 7 percent.

While thus keeping the American people confused and worried about inflation, those responsible for cheapening the dollar in 1945 are cunningly promoting the drive for a return to the single gold standard and the redemption of currency in gold at $35 per ounce—a slick method for turning their billions of synthetic 37-cent dollars into 59-cent dollars and pillaging the United States Treasury of its gold.

MORE DANGEROUS THAN THE ATOMIC BOMB

With monetary reserves around the world now averaging less than 21 percent, the entire world is figuratively sitting on an economic powder keg which, at any time, can explode with more dangerous consequences than the dropping of all the atomic bombs in existence. The situation is infinitely more serious than that which precipitated the 1929 depression.

There are many indications that falling monetary reserves are causing worldwide alarm. Argentina has just suspended transfer of dollars and other hard currencies from the country in payment of exports. Disparities in currencies, prices, and terms of trade are impeding economic recovery in Europe and elsewhere. The exchange rate of the dollar and the pound sterling—the two leading currencies of the world—is known to be vulnerable, subject to speculative raids, to illicit transactions, and to frightened withdrawals. In an attempt to remedy this situation, France has recently devaluated her currency, but was criticized by the World Monetary Fund.

Right in the face of this chaotic situation, the National Economic Advisory Council, in a report just sent to the Congress by President Truman, said the United States will require countries getting ERP aid to work out devaluation of their currencies with the 46-nation World Monetary Fund. This apparently is a threat that ERP money will be shut off to countries that refuse to submit to a revaluation of their currencies by the World Monetary Fund. That the National Economic Advisory Council would make such an announcement regarding a so highly sensitive matter, before formulating a policy and reaching an agreement, only goes to prove that top-rank New Dealers are still as oblivious to the dire consequences of monetary manipulations as was Henry Morgenthau when he talked about fixing the price of gold through a combination of lucky numbers.

If the World Monetary Fund can manipulate the currencies of other countries, it can manipulate the value of United States currency for, under the Bretton Woods monetary agreements, we took the power over our money from the Congress, in which that power was vested by the Constitution, and turned it over to the World Monetary Fund.

Before permitting ourselves to become further involved, it would be well to ponder President Garfield's warning that: "Whoever controls the money of a nation controls its industry and commerce."

Lest you have forgotten what this World Monetary Fund is and the powers with which it has been vested, let me refresh your memory: The fund is a financial dictatorship, set up in perpetuity, free from supervision, investigation, or criticism; and answerable to no one but its own officials. In its directorate, we are out-numbered 9 to 3, which means that debtor nations and international bankers will control money, the value of money, trade, and credit. Millions of lives and billions of dollars have been expended to dethrone dictators, but the fund is many times more powerful and dangerous than Hitler ever was.

If you doubt a single statement made above, secure a copy of the Articles of Agreement of the International Monetary Fund and International Bank, issued by the United States Treasury when Henry Morgenthau, Jr., was Secretary. Below are a few excerpts from pages 19, 26, and 33 of this very remarkable document:

The Managing Director and the staff of the fund, in the discharge of their functions, shall owe their duty entirely to the fund and to no other authority.

Any question of interpretation of the provisions of this agreement arising between any member and the fund or between any members of the fund shall be submitted to the executive directors for their decision. In any case where the executive directors have given a decision under the above, any member may require that the question be referred to the Board of Governors, whose decision shall be final.

The fund shall possess full juridical personality, and, in particular, the capacity to contract; to acquire, and dispose of immovable and movable property; to institute legal proceedings.

The fund, its property and its assets, wherever located and by whomsoever held, shall enjoy immunity from every form of judicial process except to the extent that it expressly waives its immunity for the purpose of any proceedings or by the terms of any contract.

Property and assets of the fund, wherever located and by whomsoever held, shall be immune from search, requisition, confiscation, expropriation, or any other form of seizure by executive or legislative action.

The archives of the fund shall be inviolable.

And on and on ad infinitum. The American taxpayers put up the money. The fund decides how and where our money will be spent, for "the Managing Director and the staff of the fund * * * owe their duty entirely to the fund and to no other authority."

The Bretton Woods monetary agreements, particularly the part referring to the fund, is the greatest conglomeration of double talk ever thrown together by that master of double talk, the late Lord John Maynard Keynes. Proponents of this measure did not dare submit it to the fierce light of publicity that blazed over the conference at San Francisco when the Charter of the United Nations was adopted. They chose to have it adopted as an "essential appendage" to the United Nations; but, rather than being an appendage, it is the tail that wags the dog. The fund is the big tent; the United Nations is merely the side show.

As now constituted, the principal functions of the United Nations are to spread confusion throughout the world and lull us into a false security while the internationalists are setting up their financial superstate—the World Monetary Fund. That there are some able, honorable men in the United Nations, no one will deny; nor can anyone deny that the United Nations personnel is honeycombed with one-worlders, fellow travelers, Communists, phony liberals, and "fugitives from the New Deal."

Before spending $65,000,000 of the American taxpayers' money to build a new "Tower of Babel" for the United Nations, would it not be well to explore the merits of a sound monetary system?

A sound monetary system will do more to maintain world peace and economic stability than all the League of Nations, United Nations, and European recovery programs that ever can be formulated.

A "managed economy and managed currency" as now perpetuated under the Bretton Woods monetary agreements means economic chaos, anarchy, and war. Sound money means peace and economic recovery.

The choice is now up to the American people, and the decision they make will determine whether they are to be free men or economic slaves.

THREE MEASUREMENTS ESSENTIAL TO ORDERLY GOVERNMENT AND ECONOMIC STABILITY

Three accurate measurements are absolutely essential to orderly Government and economic stability. These are: First, a measure of value; second, a measure of distance; and, third, a measure of weight.

At the Bureau of Standards in Washington, D. C., a metallic yardstick, fashioned from metals least affected by air or changes in temperature, and least subject to expansion or contraction, is kept in a dustproof, moistureproof case under constant guard lest something should cause it to vary one ten-thousandth of an inch. A metallic pound weight is likewise protected and guarded. Every few years they are carefully transported to London and Paris and compared with similar measurements there. These measurements do not vary with political or economic conditions or ideologies in the various countries; they are constant.

But the most important measure of all—the measure of value—is permitted to fluctuate all over the globe. Currencies are presumed to be measured in gold but the price of gold varies from $35 per ounce in the United States to as high as $110 per ounce in other parts of the world; and black-market quotations are much in excess of $110 per ounce. You cannot build a sound economy with an elastic currency any more than you can construct a building with an elastic yardstick as your only means of measurement; nor can the value of money be allowed to fluctuate with the prices of commodities. Surely no one would propose a difference in the number of inches in a yardstick whether the price of dress goods was 50 cents per yard or $10 per yard; and no one would propose to increase or decrease the number of pounds in a bushel, whether the price of potatoes was $1 per bushel of $5 per bushel. To stabilize the value of our currency does not mean to fix prices; it simply

means to make the dollar a constant, dependable measure of value.

MONEY MUST HAVE A VALUE OF ITS OWN

The principal function of money is to serve as a constant, dependable measure of the value of goods and services. When money fails to perform that function, there is bound to be economic chaos—the kind of chaos that exists throughout the world today. The economic problems of the world can be solved only by the adoption of a sound monetary system; and this naturally brings up the question: What constitutes sound money?

To be sound, stable, and dependable, money must have a value of its own, entirely unaffected by the credit or lack of credit of the countries in which it circulates. To give money this quality, currencies must be backed by, and be redeemable in, "something" that has a universally recognized and accepted value.

For centuries, gold and silver, and paper currencies redeemable in gold or silver, have been the only mediums that were universally recognized and accepted in exchange for goods and services. This didn't just happen. From the dawn of civilization, mankind, in the exchange of goods and services, recognized the necessity of a dependable measure of value and medium of exchange. Many mediums were tried and found wanting for, until the birth of mining, such objects or materials as could be accumulated in sufficient quantity to serve as money were more or less perishable and, therefore, variable in volume and value.

The impelling force that caused gold and silver to be accepted as money lies in the fact that of all material things, gold and silver alone are imperishable and indestructible. Because of their ready divisibility, noncorrosiveness, and susceptibility to luster, gold and silver are peculiarly adapted for coining into money, the purpose for which they were intended. Rarest and most precious of all metals, their relative production down through the ages has been remarkably uniform, increasing in almost exact proportion with increases in population and commerce.

The best evidence that there will never be a surplus through overproduction is the report of the United States Bureau of the Mint, which shows the total world production since the discovery of America in 1492 to be only 1,500,000,000 ounces of gold and a trifle less than 18,000,000,000 ounces of silver.

CONFIDENCE IN THE INTEGRITY OF GOLD AND SILVER IS UNIVERSAL

No other measures of value have been so constant and dependable; and, as a result, men of all times and climes have had confidence in the integrity of gold and silver money; and in articles redeemable in gold and silver. This confidence has been strengthened by custom, tradition, and sentiment; and no one will deny that customs founded on tradition and sentiment are the most changeless and unchangeable things in the world.

There is ample evidence of this in the Orient and Middle East where, despite the cruel manipulations in the price of silver since it was demonetized in 1873, three-fifths of the people of the world have tenaciously clung to silver as their money. In setting up a world monetary system, the wishes and desires of three-fifths of the world's people cannot be ignored. An awakening Orient will not tolerate for long a continuation of a monetary system forced on them by western powers which, by permitting manipulations in the price of silver, has kept millions of people in poverty and economic chains.

UNITED STATES GREW AND PROSPERED UNDER BIMETALLISM

Bimetallism—the use of both gold and silver for money and monetary reserves—is not a new untried theory. Years of successful operation proved bimetallism to be the most just and perfect monetary system the world has ever known.

In 1793, our young Republic adopted bimetallism as its monetary policy and during the 80 years in which this policy was in operation, the United States experienced the most phenomenal growth in our entire national history. It was with this kind of money we carried our commerce to the seven seas, expanded the Original Thirteen Colonies into our present great Nation extending from the Atlantic Ocean to the Pacific Ocean and from the Great Lakes to the Gulf of Mexico, adding the Louisiana Purchase, the Oregon Territory, California, Texas, and Alaska; settled our great West; expanded agriculture; explored and utilized some of our natural resources; developed many of our mines; built most of our railroads; and started the industrial development which has made us the envy of the world. Yes, we did pretty well with this kind of money.

It was not until silver was demonetized in 1873 that we were afflicted with major depressions like those of 1873 and 1893. Limited to gold as the sole monetary reserve, the population and commerce of the world increased so much faster than the production of gold, that currencies and credits were expanded all out of proportion to redeemable reserves. To circumvent economic laws, many nations resorted to cartels, monopolies, frozen credits, empire preferences, favored trade areas, and other stilts and crutches, only to have the world's economic structure collapes like a house of cards, in 1929. This unhealthy economic condition was responsible for both World Wars; for every war is, in essence, an economic war.

PRESENT LOW MONETARY RESERVES ARE INVITING DISASTER

With monetary reserves throughout the world averaging only half of what they should be, every thoughtful person must realize that silver should be joined with gold, at fixed and proper ratio, to supply the other half, if we are to escape a debacle many times as severe as that of 1929. It is trite to say: "All that is needed is confidence." But having said that, you have said nothing. You might better say—and with more fidelity: "All that is needed is credulity."

The bill introduced today is drawn to correct this desperate situation. It does not increase the value of gold; but merely adjusts the price of gold to bring it in conformity with the depreciated value of the dollar. Fifty-six dollars today is the equivalent of $20.67 prior to 1934—the price at which gold was pegged for 90 years—1844 to 1934. By accepting the price ratio of 16 to 1 which was fixed by the Congress in 1837, silver will have a price equivalent to $1.29 prior to 1934. The price ratio is presumed to represent the relative production of gold and silver, but since the true ratio is closer to 14 to 1, it may be developed in hearings before an appropriate congressional committee that the 14 to 1 ratio should be adopted.

NEED FOR SPECIAL CONGRESSIONAL MONETARY COMMITTEE

It is hoped that the Congress will create a special joint monetary committee with Members from both the House and Senate to consider this all-important matter and report back to the Congress at the earliest possible time. The one and only issue to be considered by such a committee should be a sound monetary system.

When, after thorough hearings, the proper prices for gold and silver have been agreed upon, these prices should be pegged by the method provided in this bill. By thus effectively pegging the prices of both metals, at fixed and proper ratio, the parity value of both will be maintained; and gold or silver money, or certificates redeemable in either, will be equally desirable. This will preclude any possibility for operation of the so-called Gresham law, which presupposes a preference by the people for one monetary metal over the other.

USE IS FIRST PREREQUISITE OF VALUE

The value of any commodity comes from the use that mankind makes of it. If we refused to use wheat for food and cotton for clothing—the purposes for which they were evidently provided by a Divine Providence—they would have little or no value. The same is true of gold and silver.

There are many other compelling reasons why the United States should remonetize silver. These will be covered under the heading: "The case for silver."

MONEY MAKES THE MARE GO

Time and space do not permit me to discuss the question of money as thoroughly as I should like, but to those who have a real interest in this subject—and everyone should have—I recommend the reading of the Government printed document titled: "Money Makes the Mare Go" by John McBride, former Clerk of the House Committee on Coinage, Weights, and Measures. It thoroughly covers the subject and is written in simple, understandable language. Referring to this book, Frank C. Waldrop, editor of the Washington Times-Herald, under date of November 13, 1947, said:

> Next to life itself nothing is so essential to mankind as money. * * *
>
> It begins to be time, therefore, for us to put a little effort into thinking about the

nature of money. What is it and why is it so powerful? * * *

Some very fascinating evidence on that subject has just come to hand from Capitol Hill. * * *

It is not dull reading. Quite the opposite. * * * The title is "Money Makes the Mare Go." You can argue with Mr. McBride if you like. * * * But it is hard for anybody to argue that the monetary history of the past 20 years reflects much credit on the brains of the people who have claimed custody over the valuation of money.

It is plain to anybody who has been to the grocery store lately that something is wrong with the alleged experts' management of money and has been for some time.

The report to the House Committee on Coinage, Weights, and Measures tells you some facts about that in language anybody can understand. It is worth reading and * * * items from it will be reported in this space from time to time just as reminders, but nothing less than the full item will really do justice to your interest, if you have interest.

And if you don't, then quit kicking at prices, taxes, and other consequences of the Government's money management.

And it's no good pointing at somebody else. We people in the United States of America are responsible for the kind of government we get.

Rev. Henry F. Wolfe, of Charleston, S. C., in commenting on this book in the Charleston News and Courier, November 23, 1947, said:

SOUND MONEY: A CURB ON WAR

If it were possible to make a book on money a best seller so that everybody would be reading it and discussing it, wars and depressions would be eliminated. All wars are economic. All depressions are the result of unsound economic and monetary policies. * * *

Sound money is the first requisite for peace and economic recovery. * * * If our congressional leaders in Washington would appropriate money to put this book into the hands of every honest-to-God American * * * inflation, depression, and world war III would disappear overnight. * * * After you read it, you will be a red-hot American and you will do your best to get your congressional leaders to get this book published and placed in the hands of all Americans.

THE CASE FOR SILVER

Probably the most widely accepted canard about silver is that somewhere there is a great horde of this metal ready to flow into the United States Treasury once the price is increased. During the debate on the Silver Purchase Act of 1934, it was gloomily predicted by the opponents of this measure that if we increased the price of silver to 45 cents per ounce, the flow of silver into this country would bankrupt the United States Treasury. But despite the fact that we purchased all silver offered at this advanced price, we were able to buy less than 3,000,000,000 ounces, and on this the Treasury already has made a profit of $1,500,000,000.

Just what are the facts about silver? The records of the United States Bureau of the Mint show that during the 456 years that have elapsed since the discovery of America in 1942, the total world production of silver has been a trifle less than 18,000,000,000 ounces. Making allowances for losses and industrial uses, there is probably not more than 9,000,000,000 ounces available for monetary purposes in the entire world. Approximately one-third of this is owned by the United States Treasury and most of the balance is coined into money in other countries, principally in the Orient.

An advance in the price of silver, as proposed in my bill, would not tempt other countries to melt down these coins for their silver content and sell the silver to us because, once the price of silver is pegged, their silver coins will have a value equal to their silver content. Nor would the owners of silver jewelry, silverware, and silver plate be tempted to melt down such articles for their silver content for sale to the United States Treasury; for at hearings on the Green bill before the Senate Appropriations Committee in 1946, it was shown that the retail prices on such silver articles were from 5 to 25 times the value of their silver content.

While silver has other industrial uses in such articles as moving-picture films and electrical appliances, the amount and value are infinitesimal when compared with the selling prices of such articles. A typical example is the thermostatic control used in refrigerators and automobile heaters. Approximately 3 cents worth of silver is required in the manufacture of each of these thermostats; and if the cost of the silver in each were increased from 3 cents to 10 cents or 12 cents, it would have small effect, indeed, on the cost of a $200 refrigerator or a $2,000 automobile. Surely the industrial users of silver are more concerned about sound money and a sound economy than they are about any temporary profits that might accrue to them through buying silver below the cost of production.

In the event that silver is monetized at the price suggested in my bill, it is doubtful that we would be called upon to buy as much as 1,000,000,000 ounces of foreign silver, but if we do find it necessary to buy any foreign silver, we will be reimbursed many times by the advance in the price of gold, since we own approximately 60 percent of the world's gold supply, most of which was purchased from other countries.

A return to the single gold standard would be most unfair to the United States and other countries of North and South America because the United States produces only 11 percent of the world's gold, and North and South America combined produce only 30 percent of the world's gold. Most of the balance is produced in Russia and the British Empire. South Africa alone produces approximately 40 percent. The reverse is true of silver, for North and South America produce 70 percent of the world's silver; and the remonetization of silver would eliminate the unfair discrimination against the Western Hemisphere, which exists so long as gold is the sole monetary reserve.

We have heard a lot about the administration's good-neighbor policy but recent events in Panama and Bogotá prove that our relations with Latin America leave much to be desired. Our national safety depends on the maintenance of friendly relations with our neighbors in North and South America; and nothing will cement the ties of friendship with Canada and Latin America so much as the adoption of a sound monetary system and the remonetization of silver. Our international do-gooders and "fugitives from the New Deal" have blundered about in South America, interfering with the political and economic life of the people and consorting with those considered subversives by South American governments. With a vulgar display of wealth, they have poured gifts of the American taxpayers' money into these countries in a way to offend the people. Latin Americans are a proud people and resent interference in their internal affairs, and gifts that put them in the role of mendicants.

Latin-American countries have almost unlimited natural resources awaiting development and if we give them a sound monetary system, they will not only be able to take care of themselves and develop a sound economy of their own, but will supply us with one of the best markets in the world for heavy machinery and equipment necessary to develop their natural resources.

There is the opportunity for similar trade in China and other parts of the Orient and Middle East where silver always has been and always will be their money. The people in those areas dislike and distrust paper money. They want hard money. Gold, because of its high price cannot be minted in coins of small enough denominations to suit their economy. Bleeding hearts that spout about political equality for all peoples while fostering economic and monetary policies which keep half the people of the world in economic chains are the rankest kind of hypocrites. Political freedom without economic freedom is an empty shell. If we would cement our friendship with Canada and Latin America, and save the Orient from communism, economic chaos, and anarchy, we will give them a sound monetary system. The United States is the one country in the world capable of doing this. Will we accept our responsibility, or will we follow the will-o'-the-wisp fallacies of those inoculated with foreign "isms," ideologies, and one-world-itis?

Based on the above facts alone, every loyal American should be in favor of bimetallism. But there is another equally important reason why the people of the United States should be wholeheartedly in favor of bimetallism and an equitable price for silver.

Silver is the magic metal—the Aladdin's lamp—which can quadruple our recoverable mineral wealth, make possible the profitable production here at home of 99 percent of our mineral requirements, including strategic minerals, and bring to the United States the greatest era of prosperity that we have ever known.

Silver's magic stems from the fact that it is largely a byproduct of other metals. Ninety percent of the silver produced in the United States comes as a byproduct of such base-metal ores as

lead, copper, and zinc, and, in many instances, it is the silver content in these ores that makes it possible to mine them.

Few people realize the effect of byproducts on our domestic economy. But for the fact that there is a ready sale for bran and other wheat byproducts, the cost of producing flour for bread would be much greater than it is now, and if it were not for the fact that there is a ready market for hides and other cattle byproducts, the cost of beef would be much higher.

If remonetized and priced at proper ratio to gold, silver will do exactly the same thing in keeping down the cost of producing lead, copper, and zinc that bran and hides do in keeping down the cost of producing flour and beefsteaks. Silver is just as essential to our monetary system as hides are to the manufacture of shoes, and it would be no more ridiculous to throw away the hides and go barefooted than to refuse to use silver for the purpose for which it is needed.

In our Western States are millions of tons of so-called low-grade copper, lead, and zinc ores which cannot be mined now except with the aid of Government subsidy payments. Many of these ores have a silver content of from 1 to 5 ounces of silver to the ton; and if silver were remonetized, these properties would go into profitable production without subsidiary aid.

There are also many instances where, in operating mines, low-grade lead, copper, and zinc ores with a small silver content are abandoned in the mine or thrown on the dump and their values lost forever, whereas this wealth could be saved for our Nation, if the price of silver was what it should be.

It is axiomatic that when the price of silver goes up, the prices of lead, copper, and zinc go down; and this reduction in the prices of these essential metals benefits manufacturers and ultimate consumers alike. With silver remonetized and priced at the proper ratio to gold, many of our idle mines will go into production and thousands of new mining properties will be opened up.

The remonetization of silver, and the resultant necessary increase in price that would come from joining silver with gold to supply adequate monetary reserves, can in no way be construed as a subsidy to the mining industry. The world needs—must have—a sound monetary system; and history and experience proves that bimetallism is the most perfect monetary system the world has ever known. Not only will it cost us nothing, but it will add immeasurably to our national wealth and national income. In view of the many advantages that will accrue to the United States by the adoption of a sound monetary system, it is beyond all comprehension how any intelligent, patriotic American can oppose such a policy.

IMMEDIATE STABILIZATION OF DOLLAR MOST URGENT

As previously mentioned, the bill introduced today does not increase the value of gold but adjusts the price of gold to the present depreciated value of the dollar. Nor does this bill attempt to restore to the dollar its pre-1934 value, or purchasing power; but to peg its value where it is now so that it will not continue to depreciate. The dollar is now losing a minimum of 1 percent a month of its purchasing power, and so long as that condition exists, there will be more and more strikes and labor stoppages; buying and selling will continue to be on a day-to-day basis; and no matter how acute the housing shortage, the situation will not improve until the value of the dollar is stabilized and builders have a constant, dependable measure of material and construction costs.

Once the dollar has been unhinged from value, it is practically impossible to restore its original purchasing power without wrecking our entire economy. For example, it now requires $2.71 to buy what could be bought for $1 prior to 1934. That means the dollar would have to be increased in value 271 percent to restore its pre-1934 purchasing power. This would be fine for those with plenty of money in the banks and no debts; but it would be mighty hard on the debtors since, in effect, their debts would be proportionately increased. Even to restore the dollar to its 1945 value would mean increasing it 60 percent. To realize what that would mean, take the example of a veteran who recently bought a home and assumed a mortgage of $10,000. In effect that mortgage would be increased to the equivalent of $16,000 based on the current value of the dollar. The best and fairest method is to peg the value of the dollar where it is now; and that is what this bill proposes to do.

WHY THE STOCK MARKET IS NO LONGER A BAROMETER OF AMERICAN BUSINESS

The present danger is doubly acute because of inconsistencies in our monetary policy. When the dollar was depreciated 41 percent in 1934, the price of gold was advanced from $20.67 to $35 per ounce to compensate for this change in dollar value. To be consistent, the price of gold should have been advanced to $56 per ounce when the dollar was depreciated another 37½ percent in 1945. But despite the fact that the enactment of Public Law 84—1945—caused gold prices in other parts of the world to advance to as high as $110 per ounce, we still permit foreign nations to buy our gold at $35 per ounce. This means that foreign nations are buying gold at the lowest price in history, for $35 today has a purchasing power equivalent to only $12.95 prior to 1934, when the price of gold was pegged at $20.67 per ounce.

That is why you hear so much about the dollar shortage in Europe and other parts of the world. Thank God there is a dollar shortage in other countries; otherwise they would drain our Treasury of gold at much below its real value. However, the vaults of New York banks and insurance companies are bulging with synthetic 37 cent dollars; and if we are simple enough to take the advice of the 42 economists who urge a return to the single gold standard and the redemption of currency in gold at $35 per ounce, we can expect to have our Treasury pillaged of its gold overnight.

So long as the present situation exists, foreign nations—and international bankers in collusion with foreign nations—can raid our stock market any time they choose, make tax-free profits, force down the prices of our choicest stocks and bonds and pick them up at bargain prices, and thereby gradually gain control of American industry. No wonder the stock market is no longer a barometer of American business and that industrial stocks are selling much below their real value. For example, based on the present value of the dollar, United States Steel stock is selling for the equivalent of $27.75 prior to 1934.

For the reason mentioned above, there is a dollar shortage in other countries, but the shortage of purchasing power in Europe is not nearly so acute as has been represented. Right now European investments and dollar credits in this country total $26,000,000,000, and much of this is British capital. There is plenty of money in the British Empire to rehabilitate England's decadent industries, but the owners of this money refuse to risk it under the Socialist Labor government which is nationalizing and socializing England's industries. While British investors are picking up our choicest industrial stocks and bonds at bargain prices, the administration—in league with Republican internationalists—is spending billions of the American taxpayers' money to bolster up England's Socialist regime.

Recent byelections in England prove that a majority of the English people are opposed to their Socialist government, and undoubtedly this Government would have fallen but for the $3,750,000,000 we loaned it. Thus, we are clearly interfering in the internal affairs of the English people and gaining the enmity of a majority of them.

Scarcely a week passes that the British-owned Lever Bros. does not buy another soap, toothpaste, or cosmetic company. Meanwhile, we have dismantled 14 soap plants in Germany. Could it be that this is to provide a profitable market for Lever Bros. soap under ERP? Be that as it may, much of the support for the European recovery program has been secured by appealing to the larceny of those who hope to profit from this international pork barrel at the expense of the American taxpayers.

PUTTING THE HEAT ON CONGRESS

One of the stock arguments of the proponents of ERP is that it is necessary to protect our own economy. By what sort of reasoning can it be shown that our economy will be benefited by giving away $17,000,000,000 of our money and resources? For 30 years we have steadily lost money on our trade with Europe; and there is nothing to indicate that the future promises anything better.

Proponents of the Marshall plan tell us that the sum of $17,000,000,000 was arrived at only after the most careful and painstaking study by the experts of the President's Economic Committee, the Harriman committee, and the Krug

committee. But more than a year ago Ben Cohen, then Under Secretary of State, gave exactly the same figures in a speech in Los Angeles. This forces one to the inevitable conclusion that they first decided how much the American people could be taken for, and then set up the committees to justify the take. But, folks, that is only the beginning. They are now planning to add a new lend-lease program; and Paul Hoffman, the new Administrator of ERP, was not warm in his chair when he said "more money was needed."

If you want to get the real low-down on Mr. Paul Hoffman, read the review of Jobs and Markets and The Elements of Economics in Public Document No. 94829.

Then the war scare, whipped up to put this program over, means additional billions of dollars for defense. General Marshall says our defense force is a hollow shell, although we spent $10,500,000,000 on national defense the past year. This is more than one-quarter of the entire national budget. Just how many additional billions of dollars will it require to fill that empty shell?

Five billion dollars have just been added to next year's defense program without an argument and yet when a courageous House Appropriations Committee dared to trim $1,000,000,000 from ERP, the internationalists of both parties let out a roar of opposition heard around the world. Would it not be wise to stop long enough to take inventory before pursuing further the mad course that leads to national bankruptcy?

HOW LONG CAN OUR ECONOMY CARRY MOUNTING TAX BURDENS?

In 1939, taxes took $1 out of every $13 of our national income. Today, taxes take $1 out of every $4.

For 14 years, we have been living on money borrowed against resources accumulated over the preceding 140 years. World War II cost us approximately $330,000,000,000. Since 1940, we have poured $73,000,000,000 into Europe. Our national debt is $255,000,000,000, but this does not take into account veterans' pensions and other commitments, which makes the total obligation of our Government approximately $425,000,000,000. This means a debt of $3,000 for every man, woman, and child in the United States; or a debt of $12,000 for every family of four in the United States. Few of us are in a position to pay these debts. And while the Government can borrow more money from the people and print more paper currency, just how long can our economy bear these burdens; and just what will the dollar be worth unless we take drastic steps to remedy this situation?

Every time we ignore the admonition of George Washington—to stay out of foreign entanglements—we get into trouble. Yet right now we are considering a political, economic, and military alliance with western European nations. Is this the entering wedge for a one-world superstate to which we will surrender our national sovereignty?

Many Members of Congress reluctantly admit they voted for ERP because a vote against it might be interpreted as supporting the Stalin-Wallace-Marcantonio program. Wallace is not opposing ERP to save the American taxpayers' money. He advocates turning $50,000,000,000 over to the United Nations for distribution so that Russia will get the lion's share. A sound monetary system will do more for European recovery than all the billions of dollars we have poured into Europe in the past, or may pour into Europe in the future. This is not a statement made at random. To substantiate it, let us briefly review the French situation:

France is the most self-sufficient country in Europe, capable of producing 98 percent of her requirements; but because of a lack of confidence in their country's currency, the French people have hoarded away more than $2,000,000,000 in gold. If we will but give ourselves and the world a sound monetary system, that hidden hoard of $2,000,000,000 will flow into the Bank of France and serve as a monetary reserve for $5,000,000,000 of sound, dependable, redeemable currency; and France will be able to take care of herself without aid from us. A similar situation exists throughout the world. Once a sound monetary system is adopted, from $12,000,000,000 to $15,000,000,000 in gold and silver will come out of hiding; and by using this gold and silver as monetary reserves, most countries will be in a position to issue sufficient sound currency to take care of themselves. But for the sake of argument, let us presume that after a sound monetary system has been put into operation, the various countries of the world still require $10,000,000,000 to put their economic houses in order. Instead of loaning them $10,000,000,000, it would be necessary to loan them only $4,000,000,000 in gold and silver, against which they could issue $10,000,000,000 in sound, stable, dependable currency. And instead of pouring the money down "operation rat hole," as we are doing at present, we would stand a reasonably good chance to get this $4,000,000,000 back, for once currency has been stabilized, economic recovery throughout the world will be rapid.

OTHER IMPEDIMENTS TO EUROPEAN RECOVERY

Aside from the lack of a sound monetary system, the two principal impediments to European recovery are the sadistic Morgenthau plan, which would make a cow pasture of Germany, and the Socialist government of England, which, in its administration of the German Ruhr, is more concerned with socializing and nationalizing the Ruhr than in producing coal and steel. Switzerland, only 70 miles from the Ruhr, where there is an abundance of coal, is forced to import coal from the United States; and we have even sent Pennsylvania coal to Newcastle, a performance considered for more than a century as the acme of the ridiculous.

Most European countries have their production up to 90 percent or more of what it was in 1939; but Germany's production is less than 50 percent of what it was in 1939. If that affected only Germany, it would not be so serious, but aside from France, practically every country in Europe was largely dependent on German trade before the war. For example, 28.8 percent of Greek imports came from Germany, and Greece's exports to Germany were in approximate balance. The German market took nearly all of Greece's export tobacco crop, and the loss of that market is a major factor in Greece's economic paralysis. The Netherlands got 21 percent of her imports from Germany; Denmark, 24 percent; Belgium and Luxemburg, 11 percent; Norway, 16.9 percent; Sweden, 21 percent; Switzerland, 23 percent; and Italy, 18.6 percent. Are the American taxpayers expected to supply these imports for free while some gloat and others profit because Germany is prostrate?

WHY THE DIFFERENCE IN TREATMENT OF GERMANY AND ITALY?

It is difficult to justify the difference in our treatment of Italy and Germany. Both countries were led into a war of aggression by power-mad dictators; and Americans killed by Italians are just as dead as those killed by Germans. Hitler never could have risen to power but for the manipulation of a debauched currency; and it was the pillaging of the German people through the manipulating and debauching of their currency that tempted them to follow the leadership of the demoniacally fanatical paperhanger.

To pursue a postwar policy that deprives the German people of the means of supporting themselves, and prevents the economic recovery of Europe; while placing the burden of feeding Germany and much of Europe on the back of the American taxpayers, is certainly going to the extreme to gratify the sadistic tendencies of those who would out-Herod Hitler.

Communism, fascism, and all other forms of absolutism come into being and are sustained by a debauched currency. They cannot compete or survive in a free world that operates under a sound monetary system. In view of these incontrovertible facts, is it not time that we abandon the course that is leading to a condition worse than war—unbridled anarchy throughout the world—and adopt a sound monetary system which is the first requisite of world peace, economic stability, and orderly self-government?

SOUND MONEY OR FIAT MONEY

The instability of world currencies is responsible for the economic chaos that exists throughout the world today. Some may attempt to deny this statement but none can refute it. In many countries, all limits on the amount of currency issued have been removed; and while the United States has not yet gone to that extreme, we are rapidly approaching it. The redeemability, which acted as a final check, is gone; and without that, the other limitations can be easily overridden.

Currency that is not redeemable is fiat money; and the only way that fiat money or managed currencies can work is through collectivism, or completely government-controlled economy. This means complete coercion of individuals, controlled production, rationing and

price fixing; and that is just exactly what the Administration is advocating and asking. That is not progress but reaction.

VAST GULF EXISTS BETWEEN AMERICAN ECONOMY AND EUROPEAN ECONOMY

Before we permit ourselves to be lured by the siren call of those who would have us surrender our national sovereignty and accept a satrapy in either a superfinancial controlled state or a superpolitical state, it would be well to recognize the great gulf that exists between the American way of life and the European way of life. Europe always has suffered under a semifeudal monopolistic private capitalism that controlled production, distribution, wages, and prices. In many of the European countries as few as 4,000 families, associations, and cartels owned or controlled 90 percent of the land and wealth. When these conditions caused the people to overthrow their government, it was but a step from private monopoly to state monopoly. But while they changed masters, they did not change systems. A minority group was still in control. Europeans always have lived under a controlled economy and know no other way. It never occurred to them to try free enterprise or grant the people freedom of opportunity. True, some large estates were divided among the peasants, but only to have their crops confiscated by the state. When this change in masters failed to bring about the promised millennium, the leaders explained their failures by contending that Marxism could succeed only if the entire world were brought under subjection and the wealth of the world divided: "To each according to his needs." Not to each according to what he merits, but "To each according to his needs." Of course, the masters of the controlled state would be the ones to decide how the wealth was to be divided.

SOFTENING US UP FOR THE KILL

Since the international banker racketeers operating under the semifeudal, monopolistic, private capitalism of Europe had pillaged not only Europe but most of the world as well, the choicest plum left to pick was the United States. Men of the type of Prof. Harold Laski and the late Lord John Maynard Keynes were sent over to the United States to inoculate our so-called intellectuals with the new ideology so they, in turn, could "soften us up for the kill." That could be best accomplished by debauching our currency and draining away our wealth so that we no longer would be able to consume the major portion of our own production. This would force our manufacturer to seek foreign markets, and consequently, they no longer would be interested in a protective tariff.

The international bankers were quick to recognize that such a program was playing right into their hands since foreign goods then would flow into free-trade America to pay interest on their foreign bonds. So they allied themselves with the motley crew of left-wingers, fellow travelers, Communists, and so-called liberals who went to make up the New Deal. Now that the international bankers of one-world persuasion are in the driver's seat and consider some of their erstwhile associates a liability, they have sent out the new barefoot boy of Wall Street to place all blame for present world conditions on the Communists, while they gather in the shekels.

COMMUNISM IS WORLD MENACE BUT NOT THE ONLY MENACE

Communism is unquestionably a world menace but if we accept the misleading propaganda that the Communists are our only enemy, the other conspirators will be free to pillage our country and gain control of our industry and commerce.

Today a mighty conflict rages throughout the entire world between two entirely different systems of government. One is a free economy—the American way of life—with freedom of action and opportunity for the individual. The other is a regimented economy—the totalitarian state—with slavery of the individual to the state.

We must surrender the illusion that there can be a common understanding between such contradictory systems of human relationships. If communism were the only enemy, it would be reasonably easy to combat. The Communist point of view was definitely stated by Nicolai Lenin, years ago, when he said:

As long as capitalism remains we cannot live in peace. In the end, one or the other will triumph—a funeral requiem will be sung either over the Soviet Republic or over world capitalism.

Soviet Russia knows that it must destroy us, emulate us, or face revolution at home. This revolution in Russia and the Balkans is nearer than most of us realize.

But there is another enemy more dangerous and powerful than communism, which, while using communism when it suits its purpose, adheres to the philosophy of Cecil Rhodes, who visualized a great superfinancial state of cartels and monopolies in the hands of a few individuals or groups which would control money, credit, production, distribution, and prices. Not only does this enemy visualize a superfinancial state, but it is mighty close to achieving it through the Bretton Woods monetary agreements, which set up the International Bank and the World Monetary Fund. Both of these institutions are controlled by debtor nations; and since debtor nations are at the mercy of the international bankers, this means that the international bankers are in control.

THE GREAT AMERICAN TRAGEDY

It is a tragedy that the American people consider big business as a composite of American capitalism, American industry, and international bankers. As a result, our industrialists and our capitalistic system are often blamed for sins committed by the international bankers.

Our domestic economy always has been entirely different from old-world economy. Instead of a monopolistic private capitalism, where a few thousand families or associations control most of the wealth, we have a people's capitalism with most of our wealth distributed among millions of our people. Even the giant corporations have millions of individual stockholders.

This is why the group which gained political control of our Government in 1933 were unable to establish complete economic control. With our wealth so widely distributed, they had to use a different technique than their European mentors. They first debauched our currency and then started confiscating our wealth by a system of tax and tax, spend and spend, lend and lend.

HOW OUR ECONOMY DIFFERS FROM THAT OF OTHER NATIONS

Foreign industrial nations imported most of their raw materials at the lowest possible prices, with little regard to the economic status of those from whom they bought, and then manufactured or fabricated these raw materials as cheaply as possible. They had little incentive to pay high wages to their own people because their products were manufactured chiefly for the world's markets and not for home consumption.

Our economy has been exactly the reverse. We produced 97 percent of our raw materials right here at home, the products of our farms, mines, and forests, and instead of shipping the major portion of our manufactured goods half way around the world, we consumed 94 percent of them right here at home. Our manufacturers and fabricators of raw materials had a direct incentive to pay the highest possible wages and the highest possible prices for raw materials because the American workman, the American farmer, and other producers of raw materials were their best customers. This brought about a more equitable distribution of wealth and gave the American people the highest standard of living in the world.

By encouraging free competitive enterprise production was increased and prices kept at a minimum, and to protect free enterprise from unfair trade practices and monopoly antitrust laws were enacted. Unfortunately, under the regimentation, restrictions, and controls of the past 15 years, antitrust laws have not been and could not be adequately enforced, and as a consequence, many small enterprises have been put out of business or absorbed by larger corporations. This drift toward monopoly is a dangerous threat to our economy and must be stopped by strict enforcement of the antitrust laws. There is no place under our system of government for regimentation, controls, cartels, or monopolies. They are the trappings of the totalitarian state.

Recognizing the incontrovertible fact that free trade is possible only between nations and peoples who enjoy the same standard of living; and that free trade would not bring the other 94 percent of the world's population up to our standard of living but would drag us down to theirs, we protected our home market for our home producers with a protective tariff.

The tariff not only protected labor and industry from the competition of goods from low-wage countries, but it created a great pool of purchasing power—a people's capitalism—from which industry and new enterprises could be financed without the aid of international bankers.

It was this great pool of purchasing power distributed in the hands of millions

of our people that made mass production possible, for mass production is possible only where there is mass consumption. That is why other countries have not attempted mass production; their people do not have the purchasing power to sustain it.

AGRICULTURE AND MINING FORM THE ARCH THAT SUPPORTS OUR ENTIRE ECONOMY, AND THE TARIFF IS THE KEYSTONE IN THAT ARCH

Agriculture and mining—the production of raw materials—form the arch which supports our domestic economy; and the keystone in that arch is the protective tariff. It is axiomatic that if the keystone is removed, the arch will crumble. Yet we are permitting internationalists and one-worlders, through the operation of the Reciprocal Trade Act and a debauched currency, not only to permit foreign imports to come in free but, in many instances, to subsidize them. If we do not restore these tariffs, the American standard of living will fall to the world level.

Why should not we protect our own market? We took it from no one. We created it ourselves with only 6 percent of the world's land area and 6 percent of the world's population. Other nations have the remaining 94 percent of the world in which to create sound economies of their own.

It is no mere figure of speech to say that agriculture and mining form the arch which supports our entire economy. The annual income of agriculture and mining is always one-fifth of our national income. Whenever anything happens to reduce the income of agriculture and mining, the national income is reduced 5 times as much; that is to say, for every $1,000,000,000 of loss to agriculture and mining, the national income loses $5,000,000,000. This follows just as surely as night follows day.

We are pursuing a most dangerous course which is bound to be reflected by a sharp drop in farm income. Normally, 70 percent of farm production—grains and grasses— is fed to livestock and thus converted into beef, mutton, pork, hides, wool, etc. Because of the huge exports of farm products and the resultant high prices, the number of cattle in the United States has been reduced by more than 10,000,000 head in the past 3 years; and the number of stock sheep in this country is the lowest since 1867. There is every indication that this year's crops in Europe and other parts of the world will be the highest in more than a decade. When Europe no longer needs our grain or we no longer can afford to give Europe this grain, we will have a huge surplus of grain and feed because the livestock that would normally consume it will be dead.

The resultant drop in farm income will be reflected by a drop in our national income.

The squeeze is also being put on our domestic mining industry; and many of our mines are idle. Unless something is done to correct this situation very soon, agriculture and mining are in for a big slump not unlike that which followed World War I. Sound money—bimetallism—and a protective tariff are the only things that will prevent such a catastrophe.

THE SOURCE OF MOST OF OUR TROUBLES

Most of our troubles stem from the fact that those who have been running our Government for the past 15 years have been trying to apply Old World isms and ideologies to our economy. The starry-eyed Galahads, who took over in 1933, called their program the New Deal because they thought they had discovered something new in Government. They ridiculed the Constitution as old and obsolete, prattled much about "the brave new world of the future"; "the dawn of a new era"; "the era of the common man"; "dynamic democracy"; and "democracy in action." Beware of men using such phrases. They are either a little cuckoo or demagogic opportunists. Their conception of democracy is to force on the people the kind of government they, in their ego, think is good for them, whether the people want it or not. Their entire philosophy was aptly stated by Harry Hopkins:

> The people are too damn dumb to know what is good for them.

There never was anything new about the so-called New Deal. New Dealism differs not in kind but only in degree from socialism, communism, collectivism, and other forms of absolutism—all of which are thousands of years old—and range all the way from absolute monarchies and the bureaucratic controls of Soviet Russia to England's socialism and the "managed economy and managed currency" of the New Deal.

Double talk has developed into a fine art. The most efficient technique to this end is to use the old words but change their meaning. The two most misused and abused words in the dictionary are "liberal" and "democracy." Every crackpot in the country calls himself a liberal and the thing he espouses democracy.

A United States Senator went into rhetorical rhapsodies telling how he saw democracy bursting into full bloom under Tito; and even Communist Russia has taken to calling herself a democracy.

Thank God, this country is a Republic and not an absolute democracy. For any government that has no restraining influence other than the unbridled will of a mere majority is tyranny.

The Constitution of the United States insures to everyone within our borders certain inalienable rights that even a majority cannot take away; and it is ironical that those who would destroy our system of Government are the most insistent for their rights under the Constitution. Beware of those who pretend to support the Constitution while advocating the destruction of capitalism, which Webster's dictionary describes as: "An economic system which rests upon private ownership of property, the conduct of business for private profit, and freedom of individual initiative in business; opposite of socialism." When they destroy American capitalism, they destroy the American system of government. Probably in their ego, they visualize a benevolent despotism in which they will be the king pins; but they fail to understand that despotism, which has a way of beginning with benevolence, usually ends by being merely despotic.

THE ONE WORLDERS ARE ON THE MARCH

One worlders arrayed in top hat, white tie, and tails, travel up and down the land exploiting the atom bomb and the fictitious power of Russia in the hope of frightening our people into surrendering our national sovereignty and accepting a vassalage in a world superstate in which we will be outnumbered and outvoted 15 to 1. They are just as much a threat to our American way of life as the Communists or the international banker-racketeers.

The two worst offenders among the one worlders are Robert M. Hutchins, chancelor of the University of Chicago, and Owen J. Roberts, former Justice of the United States Supreme Court, who seem to be incurably afflicted with "degree-ego-itis" and a delusion of omniscience. To arrogate to themselves the right to conspire to reduce the United States to a satrapy in a world government and thereby make a scrap of paper of the Constitution, which they have sworn to uphold, suggests an exaggerated ego and a crass conceit not unlike that of Dr. Alan Nunn May who, in seeking to justify his betrayal of the atomic-bomb secrets of Canada, said to the court:

> I felt that this was a contribution I could make to the safety of mankind.

It is gratifying to note that Mr. Justice Oliver made this fitting rejoinder:

> Alan Nunn May, I have listened with some slight surprise to the picture of you as a man of honor who has done only what you believed to be right. I do not take that view of you at all. How any man in your position could have had the crass conceit, let alone the wickedness, to arrogate to himself the decision of a matter of this sort, when you yourself had given a written understanding not to do it, and knew it was one of your country's most precious secrets—that you could have done this is a dreadful thing.

A one-world superstate, based on universal suffrage, like that of the World Charter prepared by Mr. Hutchins and his associates, would inevitably degenerate into a world dictatorship more dangerous and powerful than anything envisaged by Hitler. Based on population, the control of a one-world government would go to Soviet Russia and her Asiatic stooges.

Reference to Messrs. Hutchins and Roberts is made only to show that those inoculated with foreign ideologies or obsessed with ideas destructive to our American way of life are not all Communists. They run the gamut of many so-called "intellectuals," self-designated "liberals," various types of New Dealers and fellow travelers, and hundreds of "front" organizations, with deceptive names and concealed objectives.

It is a serious reflection on the judgment of many leaders of free enterprise that they have contributed hundreds of thousands of dollars to these "front" organizations, most of which are trying to hobble or destroy free enterprise. This is because they are permitted to deduct such contributions from their income-tax returns. While many tax-exempt contributions serve worthy purposes, on the whole they do more harm than good.

Our tax laws should be amended so that the full tax goes to the Government. Then pseudo-philanthropists

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would have to make such donations out of their own pockets and not out of the pockets of Uncle Sam. As a consequence, they would be more careful about investigating the purposes and objectives of organizations to which they are urged to make donations. The total over-all reduction in taxes made possible by such an amendment to our tax laws would be astounding.

IS POVERTY RESPONSIBLE FOR COMMUNISM?

The American people have been propagandized into believing that poverty is the cause for communism, and that if we just pour enough of the American taxpayers' money into poverty-stricken areas of the world, communism will vanish—presto. Was it poverty that made Communists out of the $100,000 a year Hollywood writers? Communism comes from "a limp in the head" rather than from an emptiness in the purse. Nowhere is poverty more prevalent than in China yet the Chinese Nationalist Government has consistently fought communism for 20 years.

The 400,000,000 people of China must have Manchuria's raw materials and water power if they are to develop a stable economy; and since we were a party to robbing them of Manchuria, it is our duty to see that Manchuria is returned to them. That does not mean risking the life of a single American soldier. China has the manpower. All Chiang Kai-shek needs is equipment and supplies. The rice and minerals of Korea are also essential to a sound economy in eastern Asia, and the Koreans should have a government free of Communist domination.

FUGITIVES FROM THE NEW DEAL

The task of the Chinese Nationalist Government has been made more difficult by New Deal appointees, holding lush jobs in the Orient, who persist in calling Chinese Communists agrarian reformers although the Chinese Communists frankly admit they are part and parcel of the world revolution. In Korea, where these New Dealers are contemptuously referred to as fugitives from the New Deal, their meddling has caused the Koreans to hate us after 40 months of occupation more than they hated the Japanese after 40 years.

The people of the Orient were interested observers of our stay in the Philippines, saw us raise the Filipinos to the highest standard of living in the entire Orient, and then give them their independence. As a result, our prestige in the Orient was higher than that of any other nation; but as a result of New Deal fumbling we are fast losing that prestige.

Another fallacious argument in favor of the United Nations and world government is that when all people know and understand each other they will not fight each other. Yet some of the cruelest and most ruthless wars in history have been civil wars where both sides talked the same language and knew all about each other.

NOW IS THE TIME TO THINK STRAIGHT, TALK STRAIGHT, AND HOLD FAST TO THE THINGS WE KNOW TO BE TRUE

We might just as well face the fact that we live in an age of treason, conspiracy, and double-talk. Unquestionably, most of those inoculated with foreign isms and ideologies, and their deluded followers, are sincere in their convictions. But among them are a few with treason in their hearts, conspiracy in their minds, and double-talk in their mouths, who have embraced the immoral doctrine that "the end justifies the means" and who recognize that: "When engaged in performing a discreditable action, there is nothing so advantageous as to utter loudly virtuous sentiments."

Of all the crimes they have committed against the United States, probably the worst is the twisting and corrupting of the minds of our children in schools and colleges, so that they humiliate, embarrass, and even betray their parents just as Hitler's youth and Stalin's youth betrayed their parents. But whether these expounders of false un-American doctrine are deliberate betrayers of their country and all mankind, or merely poor babes who were taken for a one-world ride at Bretton Woods, is beside the point. They must be weeded out from all positions in our Government, and schools and colleges should weed them out of positions of responsibility, for, as the man from Texas observed: "It makes little difference whether you are shot accidentally or on purpose, you are just as dead."

Two factors are largely responsible for the acceptance by many of our people of foreign isms and ideologies, and the idea of a world government. First and foremost of these is the outrageous propaganda of untruths and half-truths which have been disseminated largely by the expenditure of hundreds of millions of dollars of the American taxpayers' money. Second is the growing lack of confidence in our national leadership, particularly in foreign affairs. The most unpardonable and untruthful piece of propaganda disseminated to frighten the American people into sacrificing their freedom for a satrapy under a world government was the statement by Robert M. Hutchins, "that two atomic bombs exploded simultaneously would make the United States uninhabitable." The fact that most of our so-called scientists failed to refute this collossal falsehood suggests that they are a part of this one-world conspiracy. There is nothing in history to indicate that the adding of new weapons of war, or the outlawing of them, will end wars.

Half a century ago, during the Boer War, news reports out of South Africa carried the story that a single shell killed 500 soldiers; and that, therefore, the waging of future wars on a large scale was impossible because they would destroy civilization. Since that time, we have developed more and more deadly weapons and fought bigger and bigger wars.

WILL INTERNATIONAL CONTROL OF THE ATOMIC BOMB PREVENT WAR?

The atomic bomb is unquestionably a dangerous weapon, but by no means the most dangerous. It ranks fifth as a dangerous weapon; and any real scientist will agree that biological and bacterial warfare are more dangerous and deadly than atomic warfare. Nations did not refrain from using poison gas in World War II for humanitarian reasons; but because they feared retaliation. It is only fear of retaliation that will deter them from using the more deadly weapons referred to above.

There is just one way to stop war. Eliminate the causes of war. All wars are, in essence, economic wars. A sound world economy will bring an end to war just as it will bring an end to booms and busts and world-wide depressions. But you cannot have a sound world economy without a sound monetary system. First things must come first.

PEOPLE LACK CONFIDENCE IN OUR FOREIGN POLICY

The lack of confidence in our foreign policy comes from the growing conviction that those directing our so-called bipartisan foreign policy do not know whether they are on foot or on horseback; and that many of their decisions are governed by political expediency. Many things have happened in the past 3 years to strengthen this growing conviction. Of the billions of dollars of UNRRA supplies, more than half of them went to countries behind the iron curtain, and were used by those countries to build up their own war machines and equip guerrilla bands to prey on Greece. Then hundreds of millions of dollars of the American taxpayers' money was poured into Greeve to combat these selfsame guerrillas. A few months ago, it was decided to take Trieste away from Italy. Now they want to give it back. Heat was poured on the United Nations to force the partition of Palestine. Then it was decided to put Palestine back together again. By another flip-flop, the administration recognized Israel 20 minutes after the state had been formed. As a result of this off again, on again, gone again policy, thousands of Jews and Arabs have been killed. Three hundred million Moslems have been turned against the United States. Jerusalem, the Holy City of Jew, Gentile, and Moslem alike, has been desecrated, and many sacred shrines destroyed. We are sending oil badly needed at home to Europe because the chaos in Palestine has stopped oil shipments from the Middle East. We have played right into the hands of Russia, giving her a made-to-order excuse to send troops to protect the Jews just as she protected the Czechs and, incidentally, grab the great oil fields of the Middle East.

However, the administration is not alone to blame. The Republican members of the so-called bipartisan foreign policy committee must bear their full share of responsibility.

Neither party has a monopoly on opportunists. The Republican majority in the Senate has been sorely bedeviled by a small group of left-wing New Dealers of one-world persuasion, masquerading as Republicans; and because of their obstructive tactics, much meritorious legislation has been defeated. Some cynical Republican opportunists seem pleased to have these left wingers in the party on the presumption that in the coming campaign they can work both sides of the street; but it must be said to the credit of the great majority of the Republicans in Congress—they refuse to sacrifice principle for political expedi-

ency. Next week is the time for all real Americans to be on guard for whoever is nominated by the Republican convention will be the next President of the United States.

A DANGEROUS PRECEDENT

The political expediency that tempted the administration to turn the heat on the United Nations and force the partition of Palestine, set a most dangerous precedent. If the United Nations had a right to partition Palestine at the insistence of a minority, then it has the right to partition any country, including the United States. Armed with this right and the force to back it up, the United Nations could force the return to Mexico of California, New Mexico, Arizona, and Texas; and set up a Negro republic in the South, in accordance with the announced objectives of Soviet Russia.

Whatever our sympathies for any particular group, this is no time to let emotion or political expediency determine our action. The first concern of those entrusted to handle our foreign policy should be the safety of the United States and the security and welfare of the American people. American citizens who meddle in the affairs of foreign countries should be reminded that real Americans owe their full loyalty to only one country and have only one homeland—the United States of America.

HOLD FAST TO WHAT WE KNOW TO BE TRUE

The United States of America, starting from scratch 160 years ago, became in that short period of time the greatest Nation on earth—with more freedom, greater opportunity, and a higher standard of living for all of our people than exists anywhere else in the world.

Our system of government has worked so well that with only one-sixteenth of the world's population and land area, we are being called upon to feed millions of other people; and yet we find among us those who would have us follow strange isms, despite the fact that countries experimenting with such isms are coming to us for alms.

It was the proud boast of the makers of the Constitution of the United States that for the first time in history, the three departments of the Government: the legislative, the executive, and the judicial, were by that instrument made wholly independent of each other.

The Constitution grants to the Executive the right, and imposes it as a duty, to make to Congress recommendations from time to time as to the state of the Union; but the Constitution never contemplated the exercise of any pressure by the Executive upon Members of either House of Congress.

There is today throughout the country a feeling of uneasiness, crystallizing into a conviction, that the lines of demarcation, which the Constitution has wisely marked out between various departments of the Government, are being obliterated; and that the functions of Government are being merged more and more into the Executive.

If this Republic is ever to lose its liberties, it will be through the gradual absorption and concentration of all the functions of government in the Executive. We must return to constitutional government—to a government of law and not a government of men.

The platform of any political party that aspires to greatness and hopes to merit the confidence of the American people must conform in letter and spirit to the Constitution of the United States.

CAPITALISM AND THE CONSTITUTION

Since our system of government cannot function without capitalism, and capitalism cannot function properly without a sound monetary system, a brief résumé of the monetary policy pursued during the first 115 years of this Republic may be helpful in arriving at a correct solution of our present problems.

In 1793, bimetallism was adopted and continued as our monetary policy for the following 80 years. During this period, the United States experienced the greatest expansion and growth in our entire history. In 1873, when bimetallism was abandoned because of the machinations of England, Germany, and the international bankers, the United States was thrown into a violent depression.

Because of the superiority of our system of government, the freedom of opportunity given the individual, free enterprise, and the protective tariff, we recovered from this premeditated conspiracy to destroy us; but, by 1890, economic storm clouds began to gather which threatened another depression. World commerce and trade had expanded faster than the production of gold and it was evident that either silver would have to be added to gold to create an adequate monetary reserve or our economic structure would have to be shaken down by a depression to bring it in line with the inadequate gold reserve.

The statesmen of that day not only recognized the danger, but took measures to eliminate it. Both major parties had sound money planks in their 1892 platforms; and, in 1893, the Congress passed legislation declaring bimetallism to be the monetary policy of the United States. A commission was sent to London to seek the cooperation of England and other European nations in a return to bimetallism.

Probably the best composite view of the Congress of that period was voiced by the Honorable John Sherman in the Senate of the United States on January 5, 1890, when he said:

> I will vote for any measure that will, in my judgment, secure a genuine bimetallic standard. One that will not demonetize gold, or cause it to be hoarded or exported, but will establish both silver and gold as common standards and maintain them at a fixed ratio, not only in the United States but among all the nations in the world.
>
> The hope of philosophers and statesmen is now nearer to realization than ever before. If we could contribute to this result it would tend to promote commerce and intercourse, trade, and travel, peace and harmony among the nations. It would be in line with the civilization of our age.

But England was at the height of her power and influence—the greatest shipping, commercial, and banking nation on earth. Her colonies and the colonies of most of the other imperial nations were silver-money countries and by manipulating the price of silver, they were able to control the economic life of these colonies and pillage them at will. They refused to join with us in a return to bimetalism and, as a result, the United States was afflicted by the terrible 3-year depression from 1893 to 1896.

With this evidence of the consequences of an unsound monetary system, the American people were in a mood to return to bimetallism either with or without the cooperation of other countries; but just at that time, gold was discovered in South Africa and Alaska and greatly exaggerated reports of the extent of these gold deposits influenced many people to believe that production from these new gold fields would take up the slack and fill the role of silver in supplying adequate monetary reserves.

For a time this new gold did take up the slack but in 10 years the inadequacy of gold again became apparent; and in the money panic of 1907, banks were forced to issue scrip in lieu of redeemable currency. The gold shortage became increasingly evident but because we consumed 94 percent of our own production, most of our business was conducted among our own people. Other nations did not fare so well. They were forced to resort to cartels, monopolies, silver blocks, empire preferences, and other props to stabilize their credit and currency. This condition inevitably leads to wars and depressions and accounts for the present sad state in which most other countries find themselves.

The return to bimetallism is inevitable, but a return to a sound monetary system will not be achieved without bitter opposition from those who profit by a fluctuating currency; and you may again expect to hear exaggerated reports of new gold discoveries and increased production. But before giving too much credence to their arguments, just remember: The records of the United States Bureau of the Mint show that the total world production of gold during the 456 years that have elapsed since the discovery of America in 1492 has been only 1,500,000,000 ounces; and there is nothing to indicate that the production of either gold or silver will increase in any greater proportion than during this 456-year period. We dare not risk another war and another depression to satisfy the cupidity of the moneychangers.

LABOR IS LEARNING THE HARD WAY

Personal aggrandizement and promises of social and labor gains for their members tempted many labor leaders to support the New Deal policy of managed economy and managed currency, apparently unaware that they were selling labor down the river; for while wages advanced from $5 to $10 per day, the debauching of the currency makes $10 today the equal in purchasing power of only $3.70 prior to 1934; and the tax burden created by the New Deal's monetary and fiscal policies is so confiscatory that risk capital for new business enterprises is practically nonexistent. Ford Motor Co. employees, for example, were better off economically 30 years ago when Henry Ford established a minimum wage of $5 per day.

Labor is learning the hard way the truth of Daniel Webster's statement:

Of all the contrivances for cheating the laboring classes of mankind, none has been more effective than that which deludes them with paper money. * * * The very man of all others who has the deepest interest in a sound currency, and who suffers most by mischievous legislation in money matters, is the man who earns his daily bread by his daily toil.

THE KIND OF GOVERNMENT THE AMERICAN PEOPLE WANT

If I understand the wishes and desires of real Americans—and I think I do—they want to be free and enjoy the rights guaranteed to them under the Constitution; the opportunity for individual initiative and the right to engage in free enterprise.

Our forefathers did not come to America seeking security, but opportunity—a fair chance to make good in a free world. They were not prepared to surrender their rights as men for the promise that they would be fed, clothed, and noused. Security at the cost of surrendering their rights as freemen was repugnant to them.

One-tenth of our population once had that kind of security, but we fought a great war to end it, because we called it by its right name—slavery. Those who surrender any of their constitutional rights for the transient favors of a bureaucracy will shortly find themselves coming on bended knee begging for what was rightfully theirs in the first place.

The following plank is suggested for the Republican Party platform of 1948:

THE MONETARY POLICY OF THE REPUBLICAN PARTY

The Republican Party always has been the party of sound money. It recognizes that the principal function of money is to serve as a constant, dependable measure of the value goods and services; and that to have this quality, money must be backed by and be redeemable in something of a universally recognized and accepted value. It also recognizes that from time immemorial gold and silver money, and currencies redeemable in gold and/or silver, are the only things that have been universally recognized and accepted in exchange for goods and services.

In 1933, when the Democratic administration abandoned sound money and embarked on a policy of debauching the currency under the Marxist formula of managed economy and managed currency, it precipitated the vicious spiral of rising prices and the resultant demand for higher wages.

The Republican Party believes that unsound monetary and fiscal policies of Government and not business are responsible for booms and busts; and that an unsound monetary system is more fruitful of human misery than war, pestilence, and famine; and has brought more injustice than all the bad laws ever enacted.

The Republican Party further believes that the right of redemption of paper currency should be restored to the American people; not only because it is right and just and will restore confidence in the integrity of our money, but because it places in the hands of the people an effective brake against Government waste and extravagance.

In the event that a thorough investigation by appropriate committees of the Congress proves what now seems evident—that there is not sufficient gold in the world to adequately back currencies and insure their redemption at face value on demand—then a sound monetary system should be adopted in which silver is joined with gold, at fixed and proper ratio, to create adequate, redeemable monetary reserves; such sound monetary system to be in strict accordance with article I, section 8, clause 5 of the Constitution of the United States:

"The Congress shall have power * * * to coin money, regulate the value thereof, and of foreign coin, and fix the standard of weights and measures,"; and the act of Congress of November 1, 1893 (sec. 311, U. S. Code Annotated (ch. 8, 28, Stat. 4)), which is still in effect:

"SEC. 311. Policy of the United States as to bimetallism. It is hereby declared to be the policy of the United States to continue the use of both gold and silver as standard money, and to coin both gold and silver into money of equal intrinsic and exchange value, such equality to be secured through international agreement, or by such safeguards of legislation as will insure the maintenance of the parity in value of the coins of the two metals, and the equal power of every dollar at all times in the markets and in the payment of debts. And it is hereby further declared that the efforts of the Government should be steadily directed to the establishment of such a safe system of bimetallism as will maintain at all times the equal power of every dollar coined or issued by the United States, in the markets and in the payment of debts."

Displaced Persons

EXTENSION OF REMARKS
OF
HON. HARLEY M. KILGORE
OF WEST VIRGINIA
IN THE SENATE OF THE UNITED STATES

Saturday, June 19 (legislative day of Tuesday, June 15), 1948

Mr. KILGORE. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a letter from the Under Secretary of State, Robert A. Lovett, dealing with the subject of displaced-persons legislation.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

APRIL 15, 1948.

Hon. CHAPMAN REVERCOMB,
Chairman, Senate Subcommittee on Immigration and Naturalization.

MY DEAR SENATOR REVERCOMB: At your request, Mr. Richard Arens, staff director of the Subcommittee to Investigate Immigration and Naturalization, has asked for the views of the Department of State respecting S. 2242, a bill to authorize for a limited period of time the admission into the United States of certain European displaced persons for permanent residence. Inasmuch as this bill was introduced following executive sessions of the Committee on the Judiciary, and has since been pending on the Senate Calendar, the Department of State has not previously had an opportunity to comment on it.

As you know, Secretary Marshall testified last July before the House Committee on the Judiciary in favor of H. R. 2910, to admit up to 400,000 displaced persons to the United States. It remains his view that the United States should take significant action along these lines. The need is now, if anything, greater than it was last July. Therefore, while it is gratifying to note that the Senate Committee on the Judiciary has reported favorably on the principle of admitting displaced persons, it is somewhat disappointing that it has done so in terms of a bill providing for entry of only 100,000 displaced persons in 2 years, and under conditions and restrictions which make the bill extremely difficult to administer. I believe, however, that by a number of appropriate amendments the bill could be put into form which would contribute materially to a solution of this displaced-persons problem.

(1) Members: The bill provides for entry of 50,000 displaced persons a year for 2 years. There are now approximately 800,000 displaced persons in Germany, Austria, and Italy who should be resettled. I am convinced that if we take only 50,000 a year for 2 years we will still have the bulk of the problem with us in 1950. On the other hand, if we increase the number to at least 100,000 a year, we would, in cooperation with other countries, dispose of a substantial portion of the problem by the end of 1950. Moreover, our own contacts with agencies in the United States interested in exploring the opportunities for the resettlement of displaced persons meeting the tests of this bill have convinced us not only of the desire but the ability of the American people to afford opportunities to such numbers with helpful effect on our domestic economy. In any event, it would seem appropriate to raise the ceiling to that level in order to afford an opportunity for additional numbers to enter if they meet all the standards established by the bill.

(2) Eligibility: The bill would exclude otherwise qualified displaced persons who entered Germany, Austria, and Italy after December 22, 1945. This would be extremely difficult to administer and would apparently result in discrimination against most of the Jewish displaced persons. The committee's report explained that the date of December 22, 1945, was selected because it was the date applied under the President's directive of that date. There was justification for establishing this dead line under the President's directive at the time of its issuance because the numbers applying for admission to the United States obviously exceeded those admissible under the quotas and also because it was desired to avoid an influx of refugees into the United States zone for the purpose of taking advantage of its provisions. However, our own consuls subsequently found this date so difficult to administer that the Department of State, on February 12, 1948, changed the date to April 21, 1947. This later date was the one on which General Clay closed the displaced-persons camps to further admittance.

As far as discrimination against Jewish displaced persons is concerned, I should like to point out that almost all of the Jewish displaced persons who remain in Germany, Austria, and Italy arrived in those countries after December 22, 1945. They have been admitted to the displaced-persons camps and are fully eligible under the International Refugee Organization constitution. Under the circumstances, it would be unfortunate to exclude most of this group from potential eligibility. It is, therefore, recommended that the date of eligibility be changed to April 21, 1947.

(3) Agricultural priorities: The bill provides that not less than 50 percent of the visas shall be issued to agricultural workers. If the provision is applied as written, it would amount to an exclusive priority for agricultural workers if each brought in with him only one member of his family. I understand that you have already taken cognizance of this situation and have indicated your intention to propose an amendment which would make it clear that the wife and unmarried dependent child under 21 years of age of each agricultural worker would be included among the quota for agricultural workers. While this amendment would eliminate one drafting defect of the present bill, there would, in our opinion, still be room for improvement along two lines: In the first place, in conformity with our tradition of maintaining intact the family unit, it would seem advisable to include within the priority

all bona fide dependent members of the family; in the second place, the 50-percent priority would seem to be too high in the light of the fact that only about 25 percent of the displaced persons are agricultural workers and that the Judiciary Committee's own report points out that shortages in agriculture in the United States are not as acute or as enduring as shortages in other occupations, such as construction workers, nurses, domestics, seamstresses, and tailors. We would, therefore, recommend that the percentage of priority be reduced to approximately 25 percent.

(4) Priority for persons from annexed areas: The bill provides that not less than 50 percent of the visas shall be issued to displaced persons coming from areas "annexed by a foreign power." The committee explains in its report that it intends to refer to displaced persons from Latvia, Lithuania, and Estonia, and from that part of former Poland which is east of the Curzon line. In our opinion, the bill as drafted contravenes the present foreign policy of the United States which has declined to recognize the annexation of Latvia, Lithuania, or Estonia by the U. S. S. R.

Moreover, I should like to point out a number of objections to the policy of discriminating in favor of a particular group of displaced persons as provided in the section under reference. In our opinion, all of the displaced persons who have qualified for International Refugee Organization assistance are equally entitled to consideration. There is nothing in our knowledge of the situation which would justify the conclusion that displaced persons from the Baltic areas, or from former Poland east of the Curzon line, have suffered more than refugees from U. S. S. R. or Yugoslavia or Poland west of the Curzon line, whether Protestant, Catholic, or Jewish. Accordingly it is our opinion that opportunities to come to the United States should be distributed equitably among all groups of qualified displaced persons, in approximate proportion to their relative numbers in Germany, Austria, and Italy; also, we are convinced that the annexed-areas priority would be extremely difficult to administer because of overlapping with the priority for agricultural workers and because of the difficulties of proof which would arise in establishing place of origin, especially with reference to former residence east or west of the Curzon line. It is, therefore, our recommendation that this provision be deleted and that there be substituted a provision to secure an equitable distribution of such opportunities among the various categories of displaced persons.

(5) Administration: The bill provides for a three-man Commission, which would formulate and issue rules and regulations, receive reports, and transmit reports to the Congress. Otherwise administration of the bill is left to the various agencies presently responsible for administering the immigration laws.

Our analysis of the displaced-persons problem has led to the conclusion that an American resettlement program could best be administered by giving broad powers of coordination and administration to the Commission. These powers should embrace all aspects of the program, including the screening and selection of those qualified to fill such opportunities, ascertaining what opportunities there may be for resettlement in the United States without displacing residents from employment or housing, and their transportation and distribution throughout the United States. A program of the nature proposed by the bill is a new and special one. No existing agency is charged with or has experience in all of its aspects. A number of existing agencies must be used. Their efforts will need to be coordinated by over-all direction. We are confident that such a program would succeed. We are less confident that the program would be properly administered under the divided authority provided by the bill. In this connection, you may be interested in an analysis of the administrative aspects of S. 2242, made by Mr. Ugo Carusi, former Commissioner of Immigration, at the personal request of the chairman of the House Subcommittee on Immigration. A copy is enclosed.

(6) Exclusion of out-of-camp displaced persons: The bill would exclude out-of-camp displaced persons from eligibility except in hardship cases. In our opinion, this would discriminate unfairly against some of the most enterprising of the displaced persons who have temporarily supported themselves outside the centers in reliance upon assurances given that they would not thereby lose eligibility for resettlement. It is recommended that this section be eliminated.

Because of the urgency of the matter, this letter has not been cleared with the Bureau of the Budget, to which a copy is being sent.

Sincerely yours,

ROBERT A. LOVETT,
Acting Secretary.

Washington College of Law Commencement Address by Hon. Theodore F. Green, of Rhode Island

EXTENSION OF REMARKS
OF
HON. THEODORE FRANCIS GREEN
OF RHODE ISLAND
IN THE SENATE OF THE UNITED STATES
Saturday, June 19 (legislative day of Tuesday, June 15), 1948

Mr. GREEN. Mr. President, I ask unanimous consent that there be printed in the Appendix of the RECORD an address I delivered at the annual commencement exercises of the Washington College of Law on Thursday, June 10.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Dean Rogers, trustees, faculty, and graduating class of Washington College of Law, it is a pleasure to be present and take part in these commencement exercises. At least it would be a pleasure if in these hectic last days of this session of Congress if I were not momentarily expecting a call to hasten back to the Senate Chamber to decide the fate of our country and perhaps of our world. Each Senator I suppose has the feeling that their fate depends upon him. Literally that might be the fact in case of a close vote. However, I accepted this invitation some time ago, and with my New England tradition hate to break an engagement, especially of this kind.

This is by no means the first time that I have come in close contact with Washington College of Law. For 10 years I was a member of the council of legal education of the American Bar Association. That council, as you know, has in charge the establishment and maintenance of high standards in the American law schools, and in this connection publishes a list of those who meet the standards set. The Association of American Law Schools undertakes similar duties. During those 10 years I was a member of the council, we had occasion several times to examine the status of this college, and unfortunately did not find it meeting wholly the standards set up by the council. I am glad as a former member of that council to learn that those standards have now been met, the college having been admitted to the Association of American Law Schools last December, and being fully approved by the council of legal education as well as by the United States District Court for the District of Columbia. Let me congratulate you, the members of the fiftieth class graduating from the school, on this happy coincidence.

You as law students share with other college students, and in fact with your fellow citizens generally, interest in matters affecting not only ourselves, your family, and friends, but the communities in which you live, the Nation of which they are a part, and the whole round earth. This was not the case until after the First World War. It had justly been said that the average American college student knew little about the world outside and possibly cared less. No outside affairs seemed to touch him and perhaps few of them did. All that has changed. After World War I and, more especially now after World War II, the drastic economic pressures have affected the student profoundly, but there has been more than the pinch of financial pressure to awaken the American undergraduate to the problems of his larger world. You have not been able to remain uninterested in the face of so much that has vitally concerned your country, your families, your friends. You have realized, properly, that these economic, social, political, and international concerns of the hour are as much your business as they are anyone's. In a moment you will step into the midst of them. There may be many troubles you will encounter that will be beyond your control. How are you prepared to go ahead and in what way, best for you and for your fellows, shall you face the years immediately before you?

For one thing, I would urge upon you the value of a progressive temper of mind. It is more urgent than that; it is, as I see it, an absolute necessity that our society produce and use men of an all-round point of view, men of broad vision. I am not advocating any special set of ideas, rather I am advocating a way of thinking.

Let me give you an illustration of the regrettably misguided thought prevalent today. It is provided by some of our patriotic organizations. In them we have groups of people who especially revere the memory and deeds of our revolutionary forebears. They set up memorial tablets, they preserve historic buildings, they identify themselves with their ancestors who fought for the principles and the foundation of a democratic government. To such organizations we should naturally look for inspiration in the progressive ideas of today. But we find no such thing; we find, indeed a fairly general opposition to any departure from the settled ideas of long ago. The smallest attempt to change conditions with an eye to modern needs seems to them the threat of socialism or even communism. Such an attitude is certainly not keeping the faith with the forebears now so revered. The Yankees have become Tories, the revolutionaries have become reactionaries. In revering the ideas of their ancestors as practicable in all cases today, these people have been unfaithful to the spirit. They do not see that they are opposing the very attitude, the very way of thinking which made the founders of America brave and admirable men.

Now, to return to the quality of mind which I would urge upon you: it is apparent that we need men who will see the situation in its entirety and not only from one special angle or from one particular prejudice. The people of this country look to their leaders for expression of sound judgment and for the guidance of careful thought. The failure of some of these leaders has been a reproach to the schools and colleges where they were educated. If our colleges will not produce men of highest caliber I do not know where we shall find them. The American colleges have in their hands our future safety

and success. To some of you who graduate today we are looking for the sane, alert, comprehensive spirit needed to unshackle us from the outworn usages of the past and to determine the truly progressive actions of tomorrow.

Perhaps the most salient characteristic of this broad vision must be the habit of questioning. Accept nothing without first inquiring to the best of your abilities. Bring all that you know of past experience to test the promises of the present for the future. Reject as easily as you accept. We are encumbered with a prodigality of useless thought. Learn, above all, that the selfish way is not the best way—not even for you. What harms society harms every member of it. A man who thinks his benefits will arise from the calamities of others is as shortsighted as a man who, in the middle of the ocean, would set the ship leaking to be rid of his fellow shipmates.

The same thing is equally true, although perhaps the thought is harder to grasp, when we deal not with individuals but with nations. This thought, although now more generally grasped, is still sometimes found lacking, even among the leaders up on Capitol Hill. This crops out both in dealing with domestic problems, such as the relation of a citizen to his fellow citizens and the relation of a citizen to his government. It crops out also in our foreign problems dealing with the relation of one nation to another nation and of all nations to a world organization. The various aspects of these two questions seem at times almost too difficult for Members of this Congress or any group of men to deal with sympathetically, intelligently, and effectively.

Now that the day of graduation from college to brokerage office seems to be over, you may be in a better position to question the creed of profit for its own sake. In the catastrophes of the past few years it has been again and again proved that the profit motive is false and fatal. Long ago the American naturalist, Henry Thoreau, expressed the whole thing very simply and very well. Thoreau said, in effect, "Here is a hat factory. For what does it exist? To make hats? One would naturally expect a hat factory to exist primarily to make hats—but no; not at all. The purpose of this factory is to make money, as far as the owners are concerned, and for them that is the whole essential purpose." That little example of Thoreau's expresses, in principle, our major mistake of the past highly industrialized century. We did not plan, we did not stop to consider our true purposes, we were rarely interested in whether we turned out hats, or guns, or razor blades—our main objective was to make money. The consequence was that, with no regard for social values, we had a lot of good, fair, and bad hats; we had underpaid workmen; and we had overpaid profiteers. Then came the widespread depression as a result of such shoddy thought. It was not until then that the profiteers realized they were in the very boat they had set aleaking, and that everyone was going down together.

We must see to it that people have the opportunity to make a comfortable living—not just some people, but all people. Our trouble has assuredly not been that we lacked the facilities to insure the economic security of all. Our trouble has been in the careless, unthinking use of the marvelous facilities we have. Once more, then, it is not a matter of means so much as a matter of ways, and the way that your generation thinks and acts may well prove the saving grace of society.

Finally, it seems to me that the problems which confront you may be said to bear not only material but also spiritual implications. Men by their very nature are linked together the world around. So long as they quarrel, they are defeating their own ends. What is good for you is, on the whole, good for all—there is no other welfare. An individual can go selfishly through life, inconsiderate of others, and attain a material success, but that is success only from a very short-range view. Actually, the individual stands arraigned as an enemy of society, and we should have no place for such.

Our great necessity now is for clear thinking. We need men who can and will define terms and do so unmistakably. We do not need labelers; the propensity of sticking irrelevant, thoughtless names on any number of things is far too well developed. No. We need men who can look a fact in the face without blanching, who can tell what they see—not what they guess they see or what they want to see. If the American college cannot supply such men, I do not know where to look for them.

Actually, I believe the classroom and the campus can produce such men. When we speak, as we often do, of "a liberal education" we are primarily concerned with the contents, the materials of a liberal education. That is not my point now. For the moment I am more concerned with the way of a man's mind.

If the college can train the processes of a man's thinking and train them well, a very important thing can be accomplished. It is like the sharpening of a tool. The tool exists apart from the sharpener. Materially he can add nothing to it. But he can form it, he can shape it. He can change it from a blunt, useless object to a keen, skillful implement.

So the college, if it does nothing else, can do a great deal in preparing its students to recognize the genius of tolerance. We need broad-minded men. We need men able to judge which is idle fad and which is true progress. We need men who will not espouse a new formula because it is new nor stay wedded to an ancient one simply because it is old. They must be men with standards by which they can judge, not simply standards to which they will cling uncritically by habit and custom. The times are shifting, the search for the real values was never more avid. At this moment blundering experiment or stubborn reaction are out of place. We want men who will see the situation and see it steadily and whole; not out of prejudice, not out of preference, but from an honest will to understand all that can be known, and then to act in a way consistent with the facts and with the best interests of society.

The future of society depends on the emergence of such men in places of trust and of general importance. Their emergence should be mainly from the college campus. And that is simply one way of saying that, as I see it, the future of society is in the hands of the colleges of the world. Washington College of Law has developed such men. I trust that there are many such here now. You of the graduating class have the wonderful opportunity of entering actively into a tumultuous world in which such men are needed as never before. I congratulate you on your opportunities.

Theater for Washington

EXTENSION OF REMARKS

OF

HON. CARL A. HATCH

OF NEW MEXICO

IN THE SENATE OF THE UNITED STATES

Saturday, June 19 (legislative day of Tuesday, June 15), 1948

Mr. HATCH. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "Theater for Washington," from the Washington Post of June 19.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THEATER FOR WASHINGTON

With the passing of the National Theater into limbo or filmdom, the Capital of the United States will be without a single legitimate playhouse. The one structure which can more or less speedily be reconverted to remedy this lack is the old Belasco Theater facing Lafayette Park. The Public Buildings Administration has announced that it will receive bids for the rental of this structure. But the terms under which bids have been invited afford scant hope that the reconversion will become a reality. Elsewhere on this page, a correspondent analyzes in some detail the defects of these terms from the point of view of those interested in keeping the legitimate stage alive in Washington. We agree with him that the offer of the Public Buildings Administration to make the Belasco available will be no more than an empty gesture unless that agency acts to make private operation of the theater feasible and to insure that it will actually be operated in the interest of the community's cultural life.

There is no doubt at all that the people of Washington will support a theater which offers them first-class theatrical fare and which offers its tickets for sale on the nondiscriminatory, or American plan. Several commercial entrepreneurs have expressed lively interest in operating such a theater here. So has the American National Theater and Academy which, through the Washington Art Center Association, has done much toward inducing the Government to make the Belasco available. ANTA is perhaps peculiarly qualified to meet the drama needs of the National Capital. It was chartered in 1935 by Congress for the purpose of stimulating interest in the drama and bringing to all Americans their heritage of the past, the best of the present, and to aid the development of better drama in the future through its academy. Many of the most distinguished American dramatists, actors, and producers are among its officers and directors. Washington would be an ideal home for ANTA. And ANTA would be an ideal custodian of a Washington theater.

It was Washington's need which prompted the Public Buildings Administration to offer the Belasco for rent. That need should not now be ignored in the selection of a tenant. It is a far more important consideration than the amount of income which the Government can glean from the lease. It merits, indeed, on the part of the Government which has its site here, affirmative and sympathetic and generous help.

Col. Henry Bankhead

EXTENSION OF REMARKS

OF

HON. JOHN J. SPARKMAN

OF ALABAMA

IN THE SENATE OF THE UNITED STATES

Saturday, June 19 (legislative day of Tuesday, June 15), 1948

Mr. SPARKMAN. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article entitled "Colonel Bankhead Ready To Retire," from the Windsor Star of June 12, and an article entitled "Under the Reading Lamp," by W. J. Hurlow, from the Evening Citizen of Ottawa, Canada,

both regarding the retirement of Col. Henry Bankhead.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Windsor Star of June 12, 1948]

AMERICAN SOLDIER-DIPLOMAT—COLONEL BANKHEAD READY TO RETIRE

(By C. J. K.)

An American soldier-diplomat who in the earlier years of his colorful Army career molded a tribe of wild head hunters of the rugged Luzon Mountain region into an efficient fighting battalion of United States forces in the Philippines, is about to retire after having spent 15 consecutive years in the service of his country in the United States Embassy at Ottawa.

DISTINGUISHED FAMILY

He is Col. Henry Bankhead, member of the distinguished Alabaman family of that name, four of whom over a period of three generations have rendered combined aggregate service of 66 years in the House of Representatives and in the United States Senate.

John Hollis Bankhead, Jr., son of John Hollis, Sr., and Colonel Bankhead's eldest of two brothers, was serving in his third term in the Senate when he died.

William Brockman Bankhead, Colonel Bankhead's second brother, began his political career as a member of the Alabama Legislature. But he too was elected to the House of Representatives where he remained for 24 years to serve the last three terms of his career as Speaker of that august legislative body.

Walter Will Bankhead, son of John Hollis, Jr., and thus grandson of the first John Hollis, was elected when his uncle, Congressman William Brockman Bankhead died, to fill the vacancy created by his death.

Thus father, two sons, and a grandson achieved election to the Nation's highest legislative councils.

LEAVE IN JUNE

When Colonel Bankhead and his charming Irish-American wife, former Anabel Madden White, leave Ottawa in June for their retirement home upon the sun-kissed shores of Miami Beach, Fla., Canada's diplomatic corps will lose one of the most congenial and popular of its members.

Canada considered that she had been singularly honored when on June 20, 1933, President Roosevelt saw fit to appoint Colonel Bankhead as commercial attaché to the United States Embassy in Ottawa. The appointment was interpreted as an honor for the reason that Colonel Bankhead's Alabaman family already had become identified in the public mind in this country as one intimately associated with the highest affairs of state in Washington. There were few Canadians who were not aware when Colonel Bankhead arrived in Ottawa that his father was a distinguished Member of the United States Senate nor that his eldest brother was Speaker of the House of Representatives.

Colonel Bankhead strove quietly but assiduously over a period of approximately 11 years as commercial attaché to promote a closer trade and all-round commercial relationship between this country and the United States than had existed before his coming.

ALABAMA-BORN

Colonel Bankhead was born in Moscow, Lamar County, Ala. He received his early education in the public schools of Fayette, attended the University of Alabama from 1904 to 1907, inclusive, and then entered the Eastman Business College, intending to pursue a business career. While at the university he distinguished himself as an athlete and captained the university's football team.

During the First World War Bankhead was commissioned as a lieutenant colonel and as a colonel and was assigned to the Eighty-first Division of the United States Expeditionary Force, soldiers of which had been recruited from Alabama, Florida, North and South Carolina, and from Tennessee. He was appointed to the staff of his divisional commander as divisional quartermaster and sailed for France on July 31, 1918. He served as divisional quartermaster in the field until October 16, 1918.

Colonel Bankhead was twice married. His first marriage took place in Chicago on December 2, 1902. His wife of that marriage, Alice Buffington Stickney, daughter of John Buffington Stickney and Caroline Russ, of Jacksonville, Fla., died on September 4, 1938.

Six years later, on December 29, 1944, Colonel Bankhead married his second and present wife at Miami Beach, Fla., where he has established his permanent American home for his retirement years. Anabel Madden White was born in Ohio on January 1, 1900, the daughter of John Madden, a native of Dublin, Eire, and Martha Ann Wilcox, born in London, England.

SON IN WINDSOR

A son, John Long Bankhead, born in 1903, now in the United States Foreign Service is stationed as United States consul at Windsor, Ontario. He married Katherine Gill, daughter of Hester Ann Carrigar and James Shields Gill, representative of two pioneer families of the State of Tennessee. Their only child, Katherine Ann Bankhead, born at Morristown, Tenn., on August 24, 1928, is an only grandchild of whom the counselor of Embassy of Ottawa has become particularly proud. An only daughter of Colonel Bankhead, Mrs. Flamen B. Adae, resides with her husband, a realtor, at Miami Beach.

[From the Evening Citizen, Ottawa, Canada, of June 12, 1948]

UNDER THE READING LAMP—A FAREWELL ADDRESS TO CANADA REVIEWED AS LITERATURE

(By W. J. Hurlow, literary editor, the Evening Citizen)

In these practical and prosaic days when speech has lost its wings and become pedestrian and dingy, it is all too seldom that one hears a public utterance marked by the qualities of literature at a high level. In the era of the giants, that was not an uncommon experience of audiences. Much of the material in Edmund Burke's Reflections on the French Revolution, was first delivered to the House of Commons at Westminster.

The reason why so many of us profess to dislike oratory is that we lack conviction and are strangers to principles we feel to be greater than ourselves. We are ashamed to express emotion because our souls are like dried peas rattling around in a bladder.

On Tuesday evening of this week we had the privilege of listening to an address that deeply impressed a large audience of professional and businessmen and ladies; a deliverance that gripped us all by its clarity, sincerity, honesty, and feeling.

We regretted very much that extreme stringency of space on the following day compelled us to write only a short report, a summary consisting of paraphrases and brief quotations picked out here and there. Oratorical in manner, the material of this speech was couched in literary form.

However, it has now been printed and we have it before us in a neat little booklet which we have special pleasure in bringing to the attention of readers of this page. The title is, "Address of Col. Henry M. Bankhead at the Rotary Club Dinner." The function had been arranged to do honor to the speaker who is retiring after 15 years of service as commercial attaché, United States Embassy, Ottawa.

The brochure contains the author's reminiscences of his life among us, a beautiful description of the scenery of the Gatineau, an eloquent appreciation of Canada's development as a nation, her honorable place in the world's estimation and of our Dominion as seen through the eyes of an educated and sagacious American.

For many years Colonel Bankhead spent summers at MacGregor Lake and he tells of his coming to the province across the river:

"Good fortune led me to a beautiful lake nearby, where the water was cold and deep and alive with game fish. The people were friendly and hospitable and I lost my heart to the spot. I became the proud possessor of a small island with a modest cottage on it, where I spent 27 happy and contented summers. I would linger on into early fall when the green mountainside changed to gold, brown, and red and all the other beautiful colors of nature. When I could hear the swish of the wild ducks and the honk of the geese as they winged their way to the southland, then I knew it was time for me to go."

This passage, redolent of poetry, is followed by an autobiographical episode touched with humor. The writer tells of his first visit to what was then the new Legation on Wellington Street:

"I entered the building at noontime when all of those hard-working diplomats were out refreshing the inner man and, no doubt, solving the problems of the world. I went into an office on the ground floor which was well and attractively furnished. Beyond a large, flat-top mahogany desk was a huge and beautifully upholstered chair. As I was alone in the room I actually had the temerity to sit down in it. It was most comfortable. As I sat there looking over and beyond Parliament Hill I would visualize my beloved lake nestled in the foothills of the Laurentians. The thought occurred to me that it would be a happy situation if I had some legal right to the chair, but at that time I was on the wrong side of the political fence so I dismissed the idea from my mind and left."

Then comes a comparison or perhaps, rather, a contrast between political elections in Canada and the United States by one who has watched the former and participated in the latter.

"When election time comes your party leaders make a few dignified radio speeches expounding their theories of government. The 'outs' mildly condemning the 'ins' for their acts of commission and omission and the 'ins' with equal fervor denounce the 'outs' as being incompetent and unworthy of becoming the 'ins.' The party lieutenants go to the ridings and beat the bushes to get out the voters. On election day they all go to the polls and vote and the returning officer tallies up the result. And then, what happens? Nothing happens, because Mr. King, like Old Man River, rolls on and on and on. He appoints a new cabinet and continues doing business at the same old stand."

This is the year for a Presidential election in the United States and Colonel Bankhead draws a witty Dickensian picture of an American campaign:

"Our elections are like a cat and dog fight, and the fur flies everywhere. The two political parties in convention select their candidates and then those two giants enter the arena for mortal combat. The underlings on all sides hurl at each other all of the epithets laid down in the political book. They throw brickbats, dead cats, or anything that comes to hand, and a good time is had by all."

Growing serious again, the writer points out that the 27 years he has lived among us total one-third of the lifetime of Canada as a confederation, and continues:

"Since 1920 your population has increased more than 50 percent, your national wealth

has multiplied manyfold. Your production from natural resources, agriculture, and industry has grown so great that you now export one-third of all which you produce into the channels of trade to afford comfort and pleasure to other people of the world. That is a remarkable achievement for a country of 12,500,000 people and especially so when compared to the exports from the United States of less than 10 percent produced by 145,000,000 people."

There are many who assess the greatness of a country by its size, natural wealth, and material prosperity; who regard education as a means of filling the purses rather than the heads and hearts of citizens; to whom man lives by bread alone. It is thrilling to find a realistic neighbor with the discernment to recognize the true nature of Canada's influence, and sufficient interest in us to lift our sights to a higher range:

"But bear in mind that your acquired leadership and influence among the nations of the world is not on account of your territorial extent and geographical location, nor your unequaled natural resources and your economic growth but it is because of the character of your people. The blood of 26 nations courses through the veins of Canadians, making a composite citizenry containing all the better qualities of these diverse races. Creating a nation of Christian law-abiding people, a people imbued with the highest sense of honor, justice, and right, living with each other in a spirit of amity and accord, all working together for the prosperity, happiness, and contentment of all the people and for the glory of Canada and the brotherhood of man. Therein lies your greatness."

The prayer of Burns that some power would give us the gift to see ourselves as others see us, cannot, in the nature of things, be answered but as a compensation we have friends who reflect for us the virtues as well as the defects hidden from our own eyes. Colonel Bankhead sees the angel in the marble, the glints of gold in the quartz, and continues:

"We, your neighbors, do not envy your great expanse of land and sea, your fertile soil, the production of your factories and mills, the richness of your mines, the huge fortune which stems from your vast forests, or the power in your streams. We are happy that you possess them. We are not jealous of your industrial expansion or your power of place and influence in world affairs. We glory in your achievements. There is only one thing in all this wonderful country which we covet and that is your friendship. That, we treasure above all things."

Colonel Bankhead salutes the Allied leaders in the Second World War, the three white-plumed knights of democracy:

"One of these chieftains did not live to partake of the fruits of victory and lies peacefully sleeping in the hallowed ground of his ancestral estate. Another one, who by the magic of his inspiring words, led his people to the very heights of valor and courage and stood as a bulwark of democracy and freedom. He did see the victory but later fell a victim to the vicissitude of political fortune. The third one, happily, is still captain of the ship of state and has guided that noble vessel through the tortuous channels of economic readjustment and has brought his country to the highest peak of prosperity and the contentment of his people."

In striking words, the writer speaks of the very flower of the young manhood of both our countries who fought together as friends and allies, and emphasizes the pious duty of all right-minded and peace-loving men to see that the supreme sacrifice made by so many of them shall not be in vain:

"They died together and were buried side by side in the blood-soaked soil of alien lands where today their spirits, together with millions of other spirits, both friend and foe, stand as silent sentinels as a warning to the leadership of all countries that they must, in the United Nations, by the display of wisdom, unselfishness, patience, justice, and equity, create a condition where the peoples of all lands can live in peace and without fear. Toward that end our countries are making every effort and we shall continue to do so and pray for its success."

The colonel recalls the part Canadian scientists played in the performance of a miracle hitherto held impossible, the splitting of the atom, the issue of which feat may result in inconceivable good or ill. He says: "Canada is justly proud of the great contribution she made in the development and production of the atomic bomb, the use of which brought to a speedy termination the war in the Far East, thereby saving many thousands of precious lives. The magic ore which made it possible came from your good earth and your scientists and physicists in collaboration with our own, and some from other friendly countries, developed and produced this powerful instrument of destruction which staggers the imagination of man. The world knows it is safe in the hands of those who produced it, and that our countries would never use it as a weapon of aggression."

In an address of this kind it was inevitable that reference should be made to the 3,000 miles of undefended boundary between the two countries, but Colonel Bankhead is incapable of indulging in the trite and hackneyed clichés beloved by orators who keep on boring even although they strike no oil. He calls the general lesson derived from that fact a mistake:

"On occasions like this in both our countries the speaker frequently indulges in that fantasy of thousands of miles of undefended border line which separates our two countries. That is all a fallacy because that border line does not separate and divide our countries and our peoples, but it unites them and binds them together and every foot of that frontier is heavily defended—not with strong forts and powerful long-range guns and murderous modern deadly implements of war but by ties of mutual respect and understanding, confidence, trust, and friendship, ties which are more enduring than hoops of steel."

Contemplating the happy relationship existing between the United States and Canada, the colonel urges that the principles of faith, hope, and charity should be retained; faith that our shared ideas and ideals may never become dimmed or lose their lustre; that the 130 years of unbroken peace between us may endure for all time; and that no nation or combination of nations shall ever be permitted to effect a cleavage between us.

Knowing that there are evil intentioned people intent on sowing discord for sinister purposes of their own, the author, a patriotic American addressing loyal Canadians, uses plain talk: "There are a few people in both of our countries, happily only a few, who are possessed of pigmy souls and poisoned tongues, who by the spoken or written word say things which have the effect of creating discord between us. When we think of those unhappy souls we should recall the words of the Holy Nazarene when He was on the cross and being tormented by His persecutors and He cried out, 'Father, forgive them for they know not what they do.'"

The peroration sounds a personal note that moved those who heard and will touch others who may read it and closes with an apostrophe to the land in which the speaker spent happy years and made many friends:

"Tonight, my friends, my heart is sad because of the inevitable realization that we have come to the parting of the ways. But my spirits are buoyed somewhat by the consciousness of knowing that in my feeble way I have tried to foster the spirit of understanding, good will, and friendship between us. Henceforth, we shall pursue our separate ways but I trust that our pathways will converge again, and when they do I hope that we shall have, each for the other, the same sentiments and the same sympathies, and may the interim seem but as a dream.

"O Canada, dear friend, a fond farewell."

John Thomas

MEMORIAL ADDRESS
OF
HON. HENRY C. DWORSHAK
OF IDAHO
IN THE SENATE OF THE UNITED STATES
Wednesday, April 21 (legislative day of Monday, March 29), 1948

On the life, character, and public service of Hon. JOHN THOMAS, late a Senator from the State of Idaho

Mr. DWORSHAK. Mr. President, I desire to pay a tribute of respect to the memory of a friend of long standing, the late Senator JOHN THOMAS, who was distinguished for his service in this body to the people of the State of Idaho and to the Nation.

There was much in JOHN THOMAS of the rugged strength of the lofty mountains of Idaho whence he came; there was simplicity, the badge of greatness; there was courage and devotion to the principles of representative government. He had keenness of intellect, and integrity of purpose.

Senator THOMAS, from 1928 to 1933, had the privilege of serving in this body with another illustrious Idahoan, the late Senator William E. Borah, and he took understandable pride in friendship and close association with his noted contemporary. Like Borah, he believed that nothing should be left undone to preserve democracy in this country. His strong convictions against excessive participation in world affairs were similar to those of that senior statesman. Senator THOMAS primarily believed that attempts to impose our concepts of democracy on Europe would result in the weakening, if not the destruction finally, of our American form of Government.

Mr. President, it was my honor to have served in the other House of Congress during the last term of Senator THOMAS, and it was my privilege to have been his friend since 1924. I found him to be conscientious in his duties, aware of his responsibilities, and alive to the problems of the day. He was immensely loyal to our system of Government and proud of his part in its operations.

The esteem in which he was held by his associates in the livestock and banking enterprises in Idaho, their loyalty to his friendship, their confidence in his spoken word, and their faith in his ability were shared by thousands of other Idahoans who twice elected him to the Senate following appointments; first, to succeed Senator Frank R. Gooding, and later to succeed Mr. Borah.

I was present at Gooding, Idaho, at the funeral services for Senator THOMAS, where sheepmen and irrigationists, from

the reclamation lands he had helped wrest from the desert, mingled with Senators, high State officials, and his business associates—all gathered to pay final tribute to their friend, one of the great champions of the West.

It was there that the Reverend J. Wesley Miller, long-time friend of the Senator, in describing the nobility and strength of character of the deceased, said:

We shall not soon forget the earnestness, the vigor, the persistency, and the tenacity which marked his efforts in behalf of the farmer, the stockman, and the furtherance of reclamation throughout Idaho. He never seemed to be discouraged, and nothing seemed to daunt him.

He was loyal to his friends, liberal in his views, independent in his opinions, courageous in his convictions, an aggressive fighter, an eloquent advocate, an earnest worker, a wise legislator.

He was the embodiment of all the elements essential to the highest type of American citizenship, and the bright example of his life and work may well serve as a guiding star for those of us he left behind.

At the same services Senator C. WAYLAND BROOKS, representing the congressional committee appointed by the President of the Senate, said:

If you want to see a monument to JOHN THOMAS, look around Idaho. He was rich in his devotion to duty, in his friendship, in idealism, and in his courage, and the mark he has left on the educational, agricultural, commercial, and financial institutions of Idaho will carry on through all time as a living monument to a great man.

JOHN THOMAS was born in a rock-fronted dugout of his homesteading parents, Daniel W. and Mary Elizabeth Sparks Thomas, in Phillips County, Kans. After graduating from high school, he attended a State normal school at Great Bend, Kans., and taught two terms in a country schoolhouse. Later he was county superintendent of schools and then was registrar of the land office at Colby.

Coming to the pioneer community of Gooding, Idaho, in 1909, he established the First National Bank, a venture which was later to become an integral part of a banking corporation serving the financial needs of a rapidly developing agricultural empire. He had served as a director of the corporation of the Federal Reserve Bank of Salt Lake City.

His civic and political activities included terms as local school trustee, city councilman, and mayor; while in politics he served the apprenticeship of precinct committeeman, county and State chairman, and member of the Republican State and National committee.

He was never one to put personal advantage above political principle, and the record of his career reveals that he had within him the hard core of Americanism which has been our Nation's bulwark in time of need.

His exemplary service in the Senate did not have the colorfulness of a Borah. Senator THOMAS was not a speech maker nor an orator, but in his quiet, unassuming manner, he wielded the influence that goes with honesty of purpose and integrity.

JOHN THOMAS died of a cerebral hemorrhage November 10, 1945. His remains, accompanied by the congressional committee, military escort, his daughter, and grandson, were flown to Boise in a 12-hour, nonstop flight in an Army C-54 transport. He was buried in the cemetery at Gooding, Idaho, in the late afternoon of a winter's day, in the presence of hundreds of his sorrowing friends who came to pay him tribute. In their hearts, as in ours, is enshrined the image of this splendid Senator of honored memory.

The Eightieth Congress

EXTENSION OF REMARKS
OF
HON. HALE BOGGS
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. BOGGS of Louisiana. Mr. Speaker, the Eightieth Congress concluded its work after being in continuous session throughout the night and the early morning of June 19 and 20 at about 7 a. m. on the latter day.

As your Representative in the Nation's Capital, it is my desire to briefly summarize the work of the Congress.

I should like to divide this brief summary into three phases—local, national, and international.

A Member of Congress must divide his time between the interests of his own constituents and that of the Nation as a whole. The measures I shall discuss are all public measures. It is impossible to go into any detail on the countless letters and requests that must be answered and attended to, all of which are vital to constituents.

LOCAL MATTERS

Louisiana and New Orleans have fared exceedingly well under the provisions of legislation enacted by the Eightieth Congress. Of commanding importance to the entire State is the question of adequate flood control and the development of our rivers and harbors. In this respect the Eightieth Congress made available more funds and authorized more valuable projects than any previous Congress. Of particular importance to the people of the Second District is the authorization of the first funds for Federal protection of Lake Pontchartrain. This is a vast undertaking and one greatly needed by the residents of the area involved. Of importance to the fish and oil industries was the making available of funds to dredge Bayou Segnette from Westwego to Lake Salvadore.

It was necessary in the closing days of Congress to prevent the sale of the Federal Barge Line, which is domiciled in the city of New Orleans, and which serves our inland waterways, so that safeguards recommended by shippers and civic organizations could be incorporated. This was done. The Louisiana delegation worked diligently to protect the American merchant marine which is essential to the continuance of the great ports of our State. Early in the session a move was defeated which would have transferred 500 American ships to foreign flags. This proposal would have had disastrous effects upon the American merchant marine.

During the closing days of the first session the Eightieth Congress enacted a long-range sugar act. The act extends over a period of 5 years and assures basic prosperity for the sugar growers and processors throughout the State of Louisiana. It has been hailed as the finest piece of legislation on sugar ever passed by the Congress.

The Congress made available additional funds for social security, which will make it possible for the aged, the blind, and the dependent children in Louisiana to receive greater Federal assistance. More funds were made available for highway construction. Thus the Federal Government will match the State building program. Early in the session we succeeded in securing funds for the completion of the Robert Todd Homes, which are dedicated exclusively to veterans. A new branch post office is now operating in the Dryades Street section. This was made available last summer. The retirement pay and other benefits for the railroad employees have been increased without any additional cost to either the employees or to the employers.

Of vast importance to the State of Louisiana is the so-called tidelands bill. I was the author of one of these bills which would confirm the title of the State of Louisiana and that of the other seacoast States to the lands beneath the tidewaters upon which they border. The House of Representatives passed this legislation by an overwhelming majority. Unfortunately, however, in the hectic rush to adjourn demanded by the Republican leaders, the Senate took no action. This is one of the most important pieces of legislation which must be considered at a special session or when the Congress reconvenes.

NATIONAL AND DOMESTIC LEGISLATION

The domestic record of the Congress in many respects is a good one, although it is not unreasonable to be critical because of some of the things that were left undone.

One of the finest accomplishments of the Congress was the passage of legislation unifying the armed forces. This is a real step forward in providing for the national security, but it is now apparent that a considerable amount of repair work must be done on the unification act in order to eliminate wasteful and duplicating practices which still remain.

The Congress passed a tax-reduction bill in the opening days of the first session. I introduced legislation which would have increased the exemptions and increased the credit for dependents. Some concessions were made in both of these respects. The bill which was finally enacted recognized the importance of the Louisiana community property system from a tax point of view, and it is hoped that in future tax revisions it will not be necessary to again face this issue. During the closing days of the session many technical amendments were made to the Internal Revenue Code, which should be extremely helpful.

In the closing days of the session the Congress realistically faced the problem of national security by enacting a peacetime draft in order to bring our armed forces up to the required strength.

Legislation was enacted providing for the payment of terminal leaves of enlisted men in cash, and the veteran's benefits were adjusted so that the beneficiaries could meet the rising cost of living.

At about the same time, cost-of-living wage increases were made possible for postal employees and other Federal workers.

Despite the tremendous increase in the cost of national defense, and foreign commitments due to the aggressive tactics of Russia and its communistic satellites, a reduction of well over $2,000,000,000 was made in the Bureau of the Budget's estimate of Federal expenditures for the fiscal year of 1949.

The Bureau of the Budget requested approximately $37,000,000,000 and the Congress appropriated approximately $35,000,000,000. Of this amount, $13,000,000,000 were made available for national defense, $6,000,000,000 were appropriated for our veterans and the development of atomic energy, and approximately $6,000,000,000 were made available for the first year of the European recovery program.

The Congress failed to take action relative to housing, repeal of the oleomargarine tax, the tidelands bill, the education bill, and the wage-and-hour bill.

It was my privilege to serve on a joint committee throughout the fall of 1947, made up of Members of the House and Senate, which studied the critical housing shortage all over this country. As a result of the work of this committee, a comprehensive housing program and comprehensive housing legislation was introduced. This legislation passed by unanimous consent in the Senate. It was approved by the House Committee on Banking and Currency, but the Republican leadership in the House failed to approve the legislation and it did not become law. In my opinion, this is probably the most serious dereliction of the Eightieth Congress. The failure of the Senate to pass the oleo tax repeal bill must also be criticized. It was my privilege to sponsor one of these bills in the House of Representatives where the repeal measure was passed by a 2-to-1 vote. I have already commented on the tidelands bill.

In summary, I believe that it can be said with justification that the Congress has about a 50-percent batting average on domestic legislation. There is much to be done in the coming session.

The tragedy about the failure to enact housing legislation is that we not only failed to provide for slum clearance and low-rent housing, but we eliminated title VI and the other aids which stimulated private enterprise in building thousands of additional homes during the current year.

On the domestic scene, I was sorry that Congress failed to act on my resolution making the records of Congressmen available to the public—this should have been done.

INTERNATIONAL AFFAIRS

In the field of international relations this Congress has been outstanding. It must be remembered that this was the first postwar Congress after the conclusion of the Second World War. When compared to the Congress of 1920, the Eightieth Congress stands out as one of the great Congresses in the field of foreign affairs.

The 1920 Congress wrecked the League of Nations, returned the Nation to isolationism, built up a high tariff structure, and made the Second World War inevitable by its failure to recognize the world role of our great Nation.

The Eightieth Congress has fashioned the Marshall plan, which, if properly implemented and properly administered, should bring about the unification of Europe. It has already proved its value in stemming the onrushing tide of world communism. The Marshall plan will cost money, but its cost will be infinitesimal as compared with the cost of a third world war. The fight of Senator VANDENBERG in the last days of the session to obtain adequate funds for the program was a splendid one.

I was particularly pleased at the action of the Congress in view of the fact that in March of 1947 I introduced a resolution in the Congress sponsoring the idea of a Federation of Europe, which is largely incorporated in the Marshall plan. This resolution came about the time that the so-called Truman doctrine on aid to Greece and Turkey was presented to the Congress.

While I supported the Greek and Turkish program, it was my feeling that this type of piecemeal aid would never succeed, that Europe would ultimately be ripe for Communist infiltration and that sooner or later such a haphazard foreign policy would bankrupt our own country. The Marshall plan is a complete repudiation of the isolationism which found favor in our country from 1920 through 1938. The victory of democracy in Italy, the strengthening of the coalition government in France, and the active efforts toward western Europe may be attributed to the plan.

Of importance, too, was the passage in the closing days of the Vandenberg resolution, which expresses the approval of this Nation of the idea of regional security arrangements, such as the union of western Europe.

The over-all accomplishment on foreign affairs is an extremely good one. On the debit side must be mentioned the effort of a small group of isolationists in the House of Representatives to block the reciprocal trade program and the failure to appropriate funds to the United Nations for the construction of permanent buildings in New York City.

CONCLUSION

In conclusion, I believe it fair to say that this has been one of the busiest Congresses that the Nation has seen. For my own part, it has been hard and difficult work.

I have always, however, considered it a high privilege to represent a great American constituency. In conclusion, I would be remiss if I did not thank the members of that constituency for the guidance and help that I have received from them in meeting the many problems and issues which I have set forth.

Who Is Right on Each Point of the Arizona-California Water Dispute?

EXTENSION OF REMARKS

OF

HON. JOHN R. MURDOCK

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 1, 1948

Mr. MURDOCK. Mr. Speaker, in the several recent hearings before Congressional committees on legislation dealing with the water controversy between Arizona on the one hand and certain water agencies in southern California on the other, the representatives of the California agencies have correctly declared that there are three main points of dispute between the contending parties. Those men declare that these three items in dispute, when totaled, involve upward of 2,000,000 acre-feet of water annually out of the Colorado River. They argue further that Arizona must prove herself right in her contentions on all three, and prove those California agencies wrong, in order to show conclusively that there is enough water physically and legally available to Arizona in the main stream of the Colorado River, if Arizona is to get the 1,000,000 acre-feet of water for the central Arizona project covered in S. 1175. Of course, the men from southern California contend that Arizona is wrong on all three of these main points in this water dispute and that the California contention is correct. Let us see.

It helps to clarify the complicated matter somewhat to have this broad dispute thus narrowed to these three main points and to have it stated that they involve a total of more than 2,000,000 acre-feet of water out of the river annually. Now, that amount of water is twice what Arizona is asking for out of the river, under S. 1175. Obviously, even if Arizona is right on only two of the three points—since any two involve upward of a million acre-feet of water—then their contention against Arizona's claim would not be valid in their opposition to S. 1175.

Because these California witnesses, through several hearings, have filled thousands of pages of printed testimony in their attempt to prove their case to the disadvantage of Arizona, it is hardly to be expected that one can answer them adequately in a few paragraphs. Instead of attempting an adequate answer, I am briefly outlining the situation. Therefore, for the present I count confidently upon the good judgment of all who follow this matter to arrive at a correct conclusion and proper answer by their own sound reasoning. Now here is the case.

What are these three main points of dispute? They may be stated as follows:

First. These California agencies contend that the heavy evaporation losses, amounting to upward of 600,000 acre-feet of water annually, should and must be charged against Arizona entirely and no part of such inevitable losses may be charged against the California water users. Arizona rejects this idea.

Second. The California agencies contend that the 1,000,000 acre-feet of water mentioned in subsection (b) of article III of the Santa Fe compact is not "apportioned water" under the terms of the compact, but should be considered surplus, and, as such, 500,000 acre-feet of it belongs to California users. Arizona denies this.

Third. California agencies contend that in the proper system of water accounting out of the Colorado River water bank, Arizona must be charged with all of the sum total of her beneficial uses of any water which is diverted from the Colorado River or any of its tributaries, including the Gila River. On this third point there would be a difference of about a million and a half acre-feet of water annually involved in the difference between these disputants. Arizona takes an opposite view.

If the three lump sums first mentioned are totaled—and they are stated in round numbers—it will be seen that the California witnesses have stated it rather conservatively when they say that the three main points of dispute together involve upward of 2,000,000 acre-feet of water annually. I think it would be more nearly correct to say that the total of the three would be much nearer 3,000,000 acre-feet of water than the 2,000,000-plus which the California men admit. Now, according to my own thinking, Arizona is right on all three of these points in dispute. But even if Arizona is right on only two, she is entitled certainly to more than a million acre-feet of the water involved. Without doubt, any fair-minded, unprejudiced person can see the truth of this minimum claim of Arizona. While I have listed the three points from the opponents' testimony, my own statement of them, though brief, is, I believe, fair and conservative.

1. WHAT IS FAIR ABOUT EVAPORATION LOSSES?

There are heavy evaporation losses on the lower Colorado River because of the hot, dry climate. In a proper accounting, who shall bear those losses? When a dam is built and a storage is created in order to make flood water available, the larger surface of the quiet water impounded increases the evaporation losses. These witnesses from southern California know that storage is necessary in order to get even the minimum amount of water which California claims from the Colorado. In fact, without storage, they would be unable to get, in firm supply, one-third of the amount of water they are now actually getting. Since storage is necessary for California in order to increase the amount of water available to her out of the Colorado River, and since storage increases the evaporation losses, I believe in equity California ought to share in both the benefits and the losses.

What these California men are saying is that all of the advantages of storage are theirs, but they are not to share any of the evaporation losses. In effect, they say let the other States of the basin share all of these losses, as it is our view of the law that we are to share none of the losses of this water through evaporation. "It is not so nominated in the bond." Now, Arizona feels that these inevitable evaporation losses should be prorated and borne equitably. What is the right view from the standpoint of equity? What is your view as to what Congress intended in regard to this matter when writing the Boulder Canyon Project Act of 1928?

2. MAY CALIFORNIA RIGHTFULLY CLAIM III (B) WATER?

Another main point of dispute in this water controversy concerns the million acre-feet of water in subsection (b) of article III of the Santa Fe compact. If it is "apportioned water" within the meaning of the compact, as I certainly believe it is, it seems crystal clear that California excluded herself from claiming any part of it by her own Act of Limitation in 1929. Of course, if it is "surplus water" within the meaning of the compact, California may be entitled to half of it in firm supply after 1963. Now, according to the Santa Fe compact, there are two classes of water in the Colorado River, as treated by that instrument—namely, "apportioned water," meaning water allotted in firm supply in perpetuity; and the other class of water being "surplus water" or "undivided water," which is not yet divided into firm supply. Since California under the law is to share in the division of any surplus waters, it, of course, is her objective to try to show as much water as possible to be in that category. They twist the law in every possible way. It seems to me that their logic and reasoning that III (b) water is surplus under the terms of the compact and subsequent law is quite fantastic and violates all the plain intent and meaning of language. To any fair-minded, impartial reader, it is at once evident from a simple reading of the compact that the million acre-feet of water included in subsection (b) of article III is apportioned and is not surplus water as the California witnesses contend it is.

3. HOW ABOUT CALIFORNIA'S PLAN FOR WATER CHARGES?

On July 25, 1947, I extended my remarks in the Appendix of the RECORD under the title: "Which Is the Correct System of Accounting?" In that statement I contrasted the two methods suggested for charging each State for water used out of the Colorado River. I explained the depletion method, which is the one favored by Arizona and by the Bureau of Reclamation, and also by a majority of the leading water authorities in the West. In contrast with this proper depletion method, I explained the novel California method which, for want of a better name, we may call the beneficial consumptive-use method.

In my statement in the House on July 25 last year, I recognized that the expression "beneficial consumptive use" as a concept in western water law is of great significance, but explained that it was not intended primarily as a measure of volume, but rather as a measure of rightful use of water according to the meaning of the term in the Santa Fe compact. That term pertains to proper use of water in this basin, and it was not intended to be used as a measure of volume for accounting purposes. Therefore, I am convinced that the law intended each State to be charged for the quantity of water by which that State as a whole depletes the flow of the Colorado River, and that, of course, means diversion into the State, less the return flow from the State as a whole. That is the way the depletion must be figured.

Since July 25 last year I have heard much additional testimony from witnesses representing water agencies in southern California, all using the same fallacious arguments and manner of computation which they had previously used. Now, to my mind, Mr. Charles Carson, of Arizona, hit the California idea a fatal blow by his testimony recently before a congressional committee. He did this by pointing out that the Santa Fe compact, which is the basic law governing the fundamentals of this issue, was an authorized treaty between seven sovereign or quasi-sovereign States, on the division of the waters of the Colorado River. These seven States formally adopted the Santa Fe compact in their sovereign capacity, and, therefore, it is an instrument representing their sovereign will as States of the American Union.

No, this compact was not made by 30, 40, or 50 irrigation districts or by any other number of individual irrigation districts within the Colorado River Basin, for each of which this Federal law would require an individual computation of diversion less return flow to the river. How absurd the idea, both physically and legally. The Santa Fe compact is a contract entered into by these seven individual States. Each State as such is entitled to an amount of water from the Colorado River, which is rightfully coming to that State as a whole. The only logical and sensible measurement is the use of the depletion system as it applies to a State as a whole. When the compact says "diversion less return flow," it can only mean the amount of depletion of the river at the State boundary line just as it leaves the State, for only in this way can the exact and proper computation be made and charge be made against each State getting a share of that water.

This California proposal is to measure the Colorado River water by taking the sum total of all the amounts diverted in any way from the main stream or tributary, within a given State. But such computation becomes illogical and really impossible. There may be 10 or a dozen diversions from a small stream which is a tributary of the Colorado River within a State, and while it might be possible to measure the amount of water diverted at each of these diversions, it is impossible to tell how much of that diverted water gets back into the stream within that particular State. Water travels a long way underground. The only way to measure the return flow, whether it be from one diversion or 40 or more diversions within a State, is to measure the stream at the State

line as it leaves the State, in order to see how much of the diverted water within that State has returned to the river within that State. Any other method is fantastic and leads to utter confusion, or in other words—it is impossible.

This brief statement of the Arizona-California controversy may be entirely too concise to give Members of Congress the essence of a half dozen committee hearings during the past 3 years. I do not expect many to read those voluminous books. Arizona claims approximately 2,800,000 acre-feet of water annually out of the main stream of the Colorado River and desperately needs every drop of it. The water is physically available, for more than 12,000,000 acre-feet of water has been flowing in the river between Arizona and California, and nearly 10,000,000 acre-feet after the California diversions have been taken out. In other words, nearly 10,000,000 acre-feet of Colorado River water is leaving the United States annually and going to Mexico.

I trust that my colleagues will give this great controversy on which the welfare of the Pacific Southwest depends, very close and painstaking study, and after that I have full confidence that the Congress of the United States will complete in equity and justice the great work of Colorado River development, now only half finished, which was begun by Congress many years ago.

Accomplishments of the Eighteth Congress

EXTENSION OF REMARKS

OF

HON. JOHN SANBORN

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. SANBORN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following radio address I delivered over Stations KGEM, KTFI, KEIO, and KIFI in Idaho outlining the accomplishments of the Eightieth Congress:

ACCOMPLISHMENTS OF THE EIGHTIETH CONGRESS

Good evening friends. This is your Congressman, JOHN SANBORN, speaking to you from Washington. This will be my last broadcast during this session of Congress. I invite you to join me in a review of some of the accomplishments of the Eightieth Congress during the past 2 years.

As the Members of this Congress assembled here in the Capital City, January 1947, to assume their legislative duties, the critical eyes of the Nation turned toward them. Newspaper writers were more than skeptical and predicted failure. Opponents suggested that the country would end in a recession because of the reactionary trend reflected in the elections. However, in spite of this pessimistic forecast, the Members have consistently worked toward a sound legislative program and have achieved remarkable success. It is to be admitted that errors have been made, but over the long pull the trend toward achievement of good, sound governmental practices has been consistent.

From the very start, a program has been pushed to stabilize our economy and give confidence to business and security to the workingman. Legislation was passed in the first few weeks outlawing the pending crippling portal-to-portal suits. These billion-dollar suits not only would have bankrupted nearly every affected business in the Nation, but would have penalized every employer who had made concessions to the worker. The Republican Eightieth Congress, unhesitatingly made the decision and passed corrective legislation.

The general trend during the past 2 years has been toward the reestablishment of good government. Inspired by the unified leadership of the Republican Party, a majority of Democrats joined with the majority party to pass corrective legislation relieving the stress and strain on our economy caused by favoritism to certain groups. The good of the country was again placed above the interests of selfish groups. The rank and file of labor was given freedom again, and the economy of the Nation was assured of uninterrupted growth.

The Taft-Hartley bill became law with a majority of Republicans and Democrats voting to override the President's veto. As a result of this, certain selfish labor leaders have been shorn of some of their power. Although they protested desperately, the Taft-Hartley law has added greatly to the welfare of the people of the Nation. It is not the answer to all our labor-management troubles but it does provide an avenue of settlement without severe loss of production, and gives the workingman an opportunity to take a hand in the settlement of his difficulties.

Perhaps the greatest and most far-reaching achievement of the Republican Eightieth Congress has been its check on the trend toward increased Federal regulations.

Upon the insistence of the American people in an election year, the President removed most of the controls on civilian consumption of goods in 1946. However, the reaction to this by the administration has been to insist that these controls be restored with more authority than before. Their insistence makes it clear that the lifting of controls was intended to be only temporary for political purposes. In nearly every vital message the President has made to Congress there has been a plea for the return of controls. The Republican Congress has resisted the return of these controls and insisted that our economy be permitted to prosper on the freedom that made it so great. As a result we have witnessed an unusual increase in productive activity and employment.

In 1945, the President advocated a war-manpower draft bill. The Republicans successfully opposed this legislation. In 1946, the Republicans in Congress successfully opposed a bill proposed by President Truman to draft into the Army any worker striking in a plant or industry that had been taken over by the Government. In 1947 and 1948, the President has continued to try to gain more control of the people and the Republican Congress has consistently opposed such action. The Eightieth Congress has received and met the greatest challenge ever to be handed to any Congress. The challenge to establish a lasting peace throughout the world is still with us, but thanks to the Eightieth Congress a step toward the achievement of this peace has been made.

The Members of Congress have realized that to achieve victory for the cause of freedom we must be no less realistic, no less courageous, and no less self-sacrificing than we were in the achievement of our great military and naval victories.

Our problems are many and complicated. We have a $260,000,000,000 public debt—the largest in history—to carry and pay. We have a tremendous Federal budget to cut back. We have a burdensome tax rate to be reduced. We have other impediments to sustained production to eliminate. Production has not yet balanced with demand, and prices are high—but a step toward achieving these aims has been made.

For the first time in nearly 16 years the Government is operating on a balanced budget—and this at the insistance of the Eightieth Congress.

For the first time in nearly 16 years, Congress has reduced the amount of money requested by the administration. For the first time in many years the people of the Nation have been given a tax reduction. The Republican Congress finally succeeded in securing enough support to override the President's veto of a tax-reduction bill.

Our internal difficulties are further complicated by the demands from abroad. These demands are not so much for money as for goods in terms of money. America faces its greatest challenge in the effort to maintain its free economic order and still assist the foreign countries to regain economic stability. I believe it is the responsibility of the United States not only to assist in furnishing goods and wealth, but it is our responsibility to be sure that we are not indirectly supporting foreign systems of government that will in the future undermine our free-enterprise system of economy. There are no simple, magic-wand solutions to these problems. The picture is complex.

An even greater tragedy than Europe is facing today would be for the United States to adopt the very methods of government that have contributed to Europe's desperate plight. It must be realized that Europe's problem is not solely economic, nor that it can be resolved by outside financial assistance alone. What has been happening in Europe is not just that they have been running out of goods in terms of dollars. They have also been running out of freedom, by too much government. That must not happen here.

There are those who today urge more government regulation and control as the solution to the problem which government regulation and control itself helped create. The Eightieth Congress has opposed every effort of the administration to increase the trend toward more Government control and regulation. If to be free, the rest of the world depends upon our strength, then we must remain strong. That can only be done by reemphasizing—not discarding nor ignoring—the very principles of Government that have been our source of strength.

In the last 14 years, the Federal Government has expanded from 521 agencies and bureaus to 1,141. The number of employees has increased from 582,000 to 2,000,000. The Eightieth Congress has started the trend toward decreasing such bureaus. Our country is now proceeding along the paths of less and less control. We do not want regimentation.

We have witnessed what has happened in other countries when socialism has taken over. Great Britain is slipping from her position as a leader in the world. Her domestic economy is crumbling and were it not for the subsidy of our American dollars, she would be forced to return to sane practices of government. Many substantial Britons have expressed the thought that our aid to them has been a terrible deterrent to their recovery by underwriting their socialistic activities. In Great Britain, 2,000,000 persons toil over 25,000 rules. Government control has become Britain's biggest industry and a standard music hall joke.

Consider the plight of the British. The Ministry of Food, with its rations, tells 47,000,000 Britons what to eat for breakfast, lunch, and dinner. The Board of Trade decides how much clothing they can buy. The Ministry of Health controls the building and repair of homes. The Ministry of Fuel determines which of them may drive an automobile, and where they can go in it. The Treasury prescribes which foreign countries they may visit. The Ministry of Agriculture has the last word on who can kill a pig. The Ministry of Supply parcels out steel and other supplies to industry. This exempli-

fies the ends to which governmental controls can lead us. The trend toward this as a future for the American people has been halted by the Eightieth Congress.

The Eightieth Congress has not forgotten its responsibility to the veterans who served so nobly during the late war and other wars. Since the Eightieth Congress convened in January 1947, 24 bills pertaining to veterans have become law:

Public Law 115, increasing the revolving fund in the Veterans' Administration from $1,500,000 to $3,000,000 for the purpose of making non-interest-bearing loans to disabled World War II veterans taking vocational rehabilitation courses.

Public Law 270, to provide a 20-percent pension increase for veterans of the Civil and Spanish-American Wars.

Public Law 254, to provide for the cash payment of terminal-leave bonds any time after September 1, 1947.

Public Law 338, to increase the minimum allowances payable to disabled veterans undergoing vocational rehabilitation under Public Law 16.

Public Law 411, to increase the subsistence allowances to veterans pursuing full-time educational training courses under the GI bill of rights. The measure increased such allowances from $65 to $75 a month for single persons, from $90 to $105 for veterans with one dependent, and to $120 for veterans with more than one dependent.

The Republican Eightieth Congress resumed their development program on reclamation projects. Critics of the Eightieth Congress have accused the Republicans of forgetting the West and of hamstringing reclamation development. This is not true. Under the leadership of the Eightieth Congress, reclamation development is going forward at an accelerated rate. Last year the Republican Congress—contrary to the propaganda put out by opponents—appropriated the largest amount of money ever given reclamation. To the critics, I would like to point out that historically, the Republican Party was the first to recognize the need for reclamation projects. This goes back to the administration of Theodore Roosevelt. Ever since that time, the Republican policy has been to foster such projects. During the first session of the Eightieth Congress generous appropriations for reclamation and flood-control projects were voted—larger sums than in previous Congresses.

The State of Idaho has received her share under this program. I am pleased to report to the people of Idaho that my requests for additional money for reclamation have been well recognized.

All major projects in Idaho are going forward toward early completion. The following is a brief summary of the appropriations authorized for Idaho during the second session of the Eightieth Congress:

Bureau of Reclamation for construction

Boise project, Idaho, Payette division	$2,325,000
Boise project, Idaho, Anderson Ranch Dam	5,800,000
Lewiston Orchards project	1,136,000
Minidoka project, surveys and preconstruction	147,500
Palisades project, contracts	2,000,000
Rathdrum project, Hayden Lake	109,500
Preston Bench project, Franklin County	453,000
Total	11,971,000

The Eightieth Congress also appropriated $351,000 for flood control on the Heise Roberts area, and $500,000 to begin construction on the Lucky Peak Reservoir.

I had the pleasure of being host to a large group of visiting members of the House Public Lands Committee last year. This group was favorably impressed and gave me good support for Idaho projects this year. This summer I hope other committee members can visit Idaho and learn more about the resources and needs of our State. Some of the Appropriations Committee have promised us a visit in September.

Under the pressure of the Eightieth Congress, investigations of fraud in Government were continued and startling discoveries were made. Such persons as General Meyers were exposed and properly punished.

By persuasion of the Republican Congress, the administration conceded there were a few Communists and fellow travelers in high Government offices. And as a result of this persuasion, the Communists and fellow travelers are being shown in their true colors—traitors of our Government. Senate and House hearings on the Mundt-Nixon bill have brought into the open some significant disclosures of Communist purposes. This bill does not attempt to outlaw the Communist Party, but it does bring its members out into the open for identification. The House and Senate brought the bill's bitterest opponents before their committees. What we have learned from such opponents is very valuable. Two such witnesses were William Z. Foster, chairman of the Communist Party in the United States, and Henry A. Wallace. Each took about the same line of argument. Mr. Foster left no doubt as to where his allegiance was placed. He stated he would not support the United States if it were attacked by the Soviet Union—that American Communists would not in any circumstances obey any of the proposed legislation restricting Communist activities—that American Communists would seek to end any war in which the United States and the Soviet Union might become engaged, on Soviet terms—that if drafted into the Army, American Communists have not yet decided whether they would obey or disobey military orders.

The Eightieth Congress has taken steps through committee work, to establish a stable agricultural economy. Investigation is proceeding toward the initiating of a program to provide security against collapse of farm prices. This will be worked out in the next Congress.

The Eightieth Congress has made an enviable and remarkable record. Every member of the majority party and every member of the minority party who put aside partisanship for the welfare of their country can take pride in the part they had in it.

I am looking forward to my return to Idaho after the session is over. Many of you have written about problems you want Congress to Consider. I hope to discuss these problems with you personally and to see your projects first hand for better understanding.

I want to thank the radio stations for providing me with this outlet to bring you my views on what is being accomplished by Congress.

Our Foreign Policy

EXTENSION OF REMARKS
OF
HON. CHARLES W. VURSELL
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. VURSELL. Mr. Speaker, when World War II was forced upon us, two momentous jobs facing the American people had to be done.

It was imperative that our soldiers must win the war. It was imperative our Chief Executive and the State Department handling foreign affairs must win the peace.

We were told that the war was being waged for the freedom of all countries and was a war to end all wars and to establish permanent world peace.

Over 300,000 of our finest American soldiers gave their lives and won the war. Over 1,000,000 were wounded, many of whom will never again be able-bodied. Our soldiers did the most effective job of fighting the world has ever witnessed. They did their part of the job. Their efforts backed up by the American people with production and taxes of over $300,000,000,000 finished the job. These veterans and the 140,000,000 American people are entitled to know why our Chief Executive, State Department, and diplomats have not completed their task; why they have not been able to bring peace to the world; why there is less freedom, less peace, and more fear today than in any peacetime in the history of the world.

Mr. Speaker, the fathers and mothers who gave their sons and daughters to the service, many of whom never returned, would like to have the answer to the above questions. Millions of the GI's who served all over the world and who are back in civilian life, including hundreds of thousands languishing in the hospitals would like to know why, when they won the war, those handling our foreign affairs have failed to win the peace.

Today, I shall give some facts and point out why we have lost the peace up to the present time, and are again concerned about another war. I shall point out some major political blunders which followed one after another during and at the close of the war by the State Department and the past and present Chief Executives in power, whose acts are in part responsible for their not winning the peace. I believe the people should have all the facts.

THE CONFERENCE OF CAIRO, EGYPT

Mr. Speaker, shortly after Japan declared war on the United States the late President Roosevelt and members of the State Department flew to Cairo for a conference with Arabian leaders and were met there by Chiang Kai-shek, head of the Chinese Government, whose millions of Chinese soldiers had borne the brunt of battle against Japan for years. It was important to keep Chiang Kai-shek in the war against Japan. His people wanted to ease up their efforts after 4 years of sacrifice and war.

Powerful financial interests in China were urging Chiang Kai-shek to ease off the fight against Japan, clean out and subdue the Communists in China, and largely leave the war against Japan to be fought by the United States.

THIS HAPPENED AT THE CAIRO CONFERENCE

The President pleaded with Chiang Kai-shek to stay in the fight and step it up. He promised that the rich, big province of Manchuria, rich in minerals and necessary to the life of China which had been overrun and occupied by Japan would be returned to China after the war. That the United States would furnish modern Springfield rifles, artillery, air power, and American officers to train his soldiers. Chiang Kai-shek finally

agreed to continue in the fight and to step it up.

Mr. Speaker, nearly 3 years later at Yalta, when the war was coming to an end, in another conference, this time with Stalin, without a representative from the Chinese Government being invited or present, in order to persuade Russia at the close of the war when Germany was folding up to turn her armies in the east against Japan, the late President Roosevelt agreed to give Russia the two principal ports of Dairen and Port Arthur in Manchuria, control of the railroads which were the arteries of commerce, with a part of Sakhalin in Manchuria, the Kuril Islands east of Manchuria, and agreed that Russia should have the big Chinese state of Outer Mongolia which was the part of China largely controlled by the Chinese Communists. All of the above was promised to Chiang Kai-shek previously at Cairo. These are only some of the concessions made to Russia after we had won the war with the exception of dropping the two atomic bombs on Japan.

Russia was given this control in Manchuria and China, including one-half of Korea which is giving us a lot of trouble in Korea today, causing us to spend many millions of dollars a year and will doubtless ultimately turn Korea and China with 360,000,000 people over to the Communists, controlled by Moscow.

Mr. Speaker, after the war was over in 1946, the late President Roosevelt sent Gen. George Marshall, now Secretary of State, to China with instructions to insist that Chiang Kai-shek form a coalition government, taking in the Communists, giving them representation according to their strength.

Chiang Kai-shek had put off on the promise of the late President, the cleaning up of the Communists in his own country to help us fight the war, with the understanding that he was to get back the territory of Manchuria taken by Japan and was to continue to have the cooperation of the United States Government.

When Chiang Kai-shek, in charge of the real China, refused to accept the plan of General Marshall, the United States Government stopped shipping ammunition necessary for the Springfield rifles and the modern arms we had given China after the conference at Cairo. Chiang Kai-shek had to go back and open up the old munition factories of 1925 and gather up what old guns were possible which would shoot that ammunition. He needed special parts for American trucks. The government of China had on deposit in New York $17,000,000 in cash to purchase in the United States ammunition, special parts for trucks, and other material necessary for war. Notwithstanding she was willing to pay cash, an embargo was placed on the filling of these orders by this Administration and the State Department. Only within the last few months has the embargo been lifted on the $17,000,000.

Gen. Douglas MacArthur, in a long conference with one of the able Members of this Congress who visited him last fall in Japan, said, and I quote:

> Our failure to support the government of China immediately and vigorously at the end of the war, will turn out to be one of the biggest single blunders in the history of the United States.

Mr. Speaker, at that time we had idle enough trucks, light and heavy artillery, munitions of all kinds, and airplanes which were rusting out in the climate near there in Okinawa, Guam, and the Philippines, which if turned over to China, and we had not stopped flow of ammunition so they could use our modern arms we had given them, to enable Chiang Kai-shek at that time to win the war against the Communists, he could have defeated and pushed back Russian communism. He could have established a strong Chinese Government which is absolutely necessary to make the billions worth while we have put into Japan, out of which we seek to make a nation under the leadership of General MacArthur following the plan of the Government of the United States. By our acts and policy we sacrificed China. We broke our word with a nation with which we have been on very friendly terms for 100 years. We made it possible for Russia to extend her power. We are feeling the result of that power in Korea today. We made it possible for Russia to become a great menace to Japan, and particularly to the Philippines, and a greater threat to Alaska near the northeastern boundary of Russia. They further agreed Russia should sit in with a Board to help direct MacArthur in his administration of Japan, and the general deserves the thanks of the American people for rebelling with such vehemence that this mistake was avoided.

Mr. Speaker, the above are only a few of the true facts which also brought an indelible stain against the United States Government. Now, at this late day, China this year is given by the United States $800,000,000 which I fear will be wasted and lost because we appeased Russia till it's too late. China will most likely fall to the Communists and Russia.

THE TEHRAN CONFERENCE

Mr. Speaker, the next week after the Cairo, Egypt, conference, the President with his advisers from the State Department stopped off at Tehran for another conference. There they met Mr. Stalin and made the deal to partition Poland, notwithstanding at the beginning of this war under the articles of the Atlantic Charter one of the purposes set out and agreed to by the late President Roosevelt and Winston Churchill was, "that every government, whether large or small, after the close of the war, should have its present boundaries kept intact, that it should be free to set up its own government, without any interference whatsoever by a foreign power."

They agreed at Tehran that Russia should have a large part of the eastern half of Poland, and in order to compensate Poland who again was not consulted, Poland was to move west and take a lesser acreage from Germany. The result was that Russia was put in a position to absolutely take over Poland which she has later done, converting it into a more oppressive and totalitarian Communist government than exists in Russia today. This Christian nation was turned over in a secret conference to Russia. The late President Roosevelt, on being questioned after he returned from the Tehran conference, made a public statement that no secret deals were made and the people of the United States and the Members of Congress did not know until months later that Poland had been given away in part, and finally in fact in whole. Poland and China expected us to keep our word. We did not keep it. Then later on, when we were certain Germany would be defeated, a most important conference was held at Yalta.

THE YALTA CONFERENCE

Mr. Speaker, notwithstanding that all small nations were guaranteed freedom under the Atlantic Charter, the facts came out later that it was agreed to at Yalta that Czechoslovakia, Yugoslavia, Rumania, Hungary, Bulgaria, Albania, and Poland were to be considered as a part of the Russian sphere of influence. This is one of the reasons that Russia since the close of the war has insisted that she had been given special rights under the Yalta agreement to regard these countries to some extent as satellite nations, and as being under special commercial and trade relations to her.

Mr. Speaker, at the conference at Yalta it was further agreed that some of these satellite nations I have just named, and Austria and Germany, were to pay in war reparations to Russia an amount of over $12,000,000,000. They were in fact mortgaged in these agreements to pay financial reparations to Russia that would wreck all of these governments. This added to Russia's power over them.

At Yalta we agreed to the dismantling of nearly 1,000 industrial and war plants to go largely to Russia. We agreed that about 42 percent of all German reparations should go to Russia. We agreed that Germany alone should pay Russia over $10,000,000,000 in reparations. We agreed for the purpose of occupation to give Russia, in addition to the large part of eastern Germany Poland had taken, the rich agricultural eastern and northeastern part of Germany which completely surrounded the capital city of Berlin. England got the great industrial Ruhr section in the west. We took the southern part and France took some of the southwest part for the purposes of occupation and administration under the various governments.

Eisenhower later said Russia got the breadbasket, England the industrial section, and we got the scenery.

WE HELD OUR TROOPS BACK

Mr. Speaker, to give Russia the honor of capturing Berlin, the capital city of Germany, we made the great mistake of holding our troops back. That was a colossal blunder. The Germans, who knew they were beaten, would probably have surrendered with hardly any more loss of life to the Americans, and we could have occupied most of the territory now held by the Russians and occupied

the capital city of Berlin. Had we not held the troops back, we would be in a strong position in Germany today, instead of a very weak position that could touch off another war.

Had we done this and some other things there would be no stopping by the Russians of our trains, airplanes and trucks entering Berlin to the great embarrassment of General Clay and the United States as has been happening over the months past. We stopped our troops at Pilsen in Czechoslovakia, not many miles from the capital city of Prague of a million population, in order to let the Russians have the honor of coming in and liberating the capital city of Prague which had been ready and waiting to surrender to the American troops for days. That is one of the reasons that Russia is in charge of Czechoslovakia today.

Mr. Speaker, one of the greatest mistakes made at the Yalta Conference was the agreement which was carefully worked out and was later made a part of the United Nations Charter at San Francisco, giving the big five nations the single veto power.

Governor Stassen and others representing our Government at San Francisco, and the transcript of record of that convention will substantiate my statement "that the veto text referred to written and agreed to at Yalta was written into the United Nations Charter at San Francisco later without even the change of a comma or the crossing of a "t"."

Through and by the veto power agreed to at Yalta, Russia has been able to, and has prevented agreements on peace treaties with Germany and Austria, and has practically rendered the United Nations impotent to carry out its purpose and effort to bring peace to the world.

THE POTSDAM CONFERENCE

Mr. Speaker, at the Potsdam Conference, after the war ended, all the things we agreed to at Cairo, Egypt, Tehran, and Yalta were approved by President Truman, previously agreed to by the late President Roosevelt. At the conferences of Tehran, Yalta, and Potsdam, history will record that Stalin and Russia gained the greatest victories at the peace table in the history of the world.

History will record that after the United States made it possible through manpower and the great loss of life and all the billions of dollars we spent for equipment in the defeat of Hitler, that we, as a leading nation at the peace table, really by our own acts were largely responsible for putting Russia in the driver's seat in western Europe. Put her in a position to prevent the agreement to peace treaties and the rehabilitation of Europe up to the present time. We hope not, but history may later record that we lost the peace of the world at Yalta.

Mr. Speaker, these mistakes were, of course, not in any way willful or deliberate. They were made because of overconfidence in the good faith of the Russian leaders. The President and the Secretary of State knew that Stalin, Molotov, and the 17 men of the Politbureau who run the Government of Russia with an iron hand, rode into power over a bloody trail liquidating and starving to death millions of Russian citizens who opposed them. It is hard to justify the overconfidence of those handling our foreign affairs in dealing with these men who sacrificed the lives of millions of their own people to obtain their positions of power.

Their past record should have been a warning to our officials in approaching agreements.

These mistakes were made, to some extent, through the influence of too many left wingers, and doubtless a number of real Communists who had during the struggle of war, worked their way into the State Department. Granted we had some able men at the top level in the State Department, yet we must realize top men must to some extent depend for information from those in the lower levels. These mistakes we made in part was the result of our consistent policy of appeasement to Russia. These constant mistakes were made because we had a woefully weak State Department at a time when we needed the strongest State Department in our history.

THE MORGENTHAU PLAN PREVENTED GERMANY'S RECOVERY

At the behest of Secretary of the Treasury Morgenthau at a conference which he attended with Mr. Churchill, and the late President Roosevelt, at Quebec, while the war was on, they were persuaded to adopt the Morgenthau plan for the control of Germany after the war, which would prevent the recovery of Germany as an industrial nation and convert it into an agricultural nation.

Russia, which at Yalta, was given the breadbasket of Germany, had been placed in a position to starve western Germany and she did her best to do it. For over 2 years our Army of occupation attempted to carry out the Morgenthau plan, at a cost to the taxpayers of the United States for food to help feed the German people of over $500,000,000 a year.

Mr. Speaker, finally France, England, and the United States in late 1947, to a certain extent agreed to discard the Morgenthau plan, so that Germany might rebuild under proper safeguards for peace as an industrial nation. This section had always been the industrial part of western Europe and was never adapted to farming and agriculture. Through the Morgenthau plan we, in fact, held down and prevented the rehabilitation of Germany and Europe, and was thereby compelled to help feed her people for the past 3 years. There is now some hope for the recovery of Germany which is absolutely essential to a prosperous western Europe.

When Germany is allowed to manufacture, she can then feed her people through her exports and lift the burden from the American taxpayers.

After these major mistakes in foreign policy, one after another, one should not be surprised that out of many peace conferences we have subsequently held in Europe, no peace treaties or agreements worthwhile have been made with the exception of Italy. They have been failures because unwittingly we put Russia in a position of control where she compelled these attempts to be failures.

Realizing too late the great blunder in giving Russia such control, we have spent over a billion dollars on Greece and Turkey to try to stop the encroachment of communism. Over a billion dollars on Italy, billions to France and England, and finally twenty billions recently voted under the Marshall plan, for what? To try to stop the expansion of this giant we helped to build up through these mistakes.

Mr. Speaker, no one knows what the answer will be. I told you how we had helped to wreck China through our foreign policy. With the continued gains of the northern Chinese Communists largely supported by Russia in the background, the State Department recently suggested that we should now give China $800,000,000 and it was voted. Now when China is just about gone we try to help, rather than 3 years ago when much of the best authority on the Chinese question say it is now absolutely too late. That now all the millions we put in will not save the Chinese Government from communism. That is the result of our foreign policy in dealing with China.

The fact is we have had no consistent foreign policy.

Mr. Speaker, because of the major mistakes and by not having a strong consistent foreign policy we have traveled down the road toward the shadows of war, unfortunately out and away from the sunshine of world peace which we and the nations of the world thought we could build under the United Nations. Had we not helped Russia on to such a position of power at the end of the war, there would not be the threat of war today.

THE PALESTINE PROBLEM

We have changed our policy with reference to Palestine three different times in the last few months.

First. President Truman insisted on a partition of Palestine through the United Nations and forced it through largely against the advice of the military leaders of the Nation.

Second. Within a few months he decided that was a mistake and rescinded the action. He insisted, when the British was giving up its mandate, that the Arabs and the Jews must not recognize the former partition of Palestine, that the Jews must not set up a Jewish state. The Jews, naturally losing all confidence in our foreign policy, set up a Jewish state.

Third. The day before they set it up Secretary of State Marshall warned against it, and told them they were on their own if they did.

Fourth. At 6 o'clock the same date President Truman overrode the position of Secretary of State Marshall, and without any notice to the American delegates of the United Nations, who for days had been attempting to prevent this thing from happening, took upon himself the responsibility of recognizing the Jewish

state, of course, apparently for political gain in the coming election.

The military leaders opposed the Palestine partition on the grounds of national defense and the recognition of Palestine as a nation for the same reason.

They pointed out that the greatest oil supply in the world which had been used in the last World War was located in the Arab and Moslem nations, in Arabia, Iraq, Iran and other Middle East nations. They and others in Washington who have pledged to send countless millions of barrels of oil under the Marshall plan to rehabilitate western Europe expected largely to use this oil. The military strategy of the United States and Great Britain was to keep on friendly terms and through American and British capital to continue to develop as they had in the past, this great oil production in the Middle East countries. In the event of a war with Russia they realized that we needed to keep on friendly relations with these oil-producing countries so that we could continue to get their oil.

Military men have said openly that we must have this oil for the American fleet, a part of which has been in the Mediterranean for months. Military men wanted to remain on such friendly terms with these Middle East countries that we would be welcome not only to the oil but to occupy bases from which we could operate bombing fleets in the event of a war with Russia.

I am not arguing the merit or the demerits of the creation of a nation in Palestine. I think the people generally would like to see a home for the Jewish people established there where they could develop the country and live in happiness and peace as a nation. Possibly that can be worked out; at least, I sincerely hope so. I only refer to this Palestine matter in an effort to show the inconsistency and lack of any stable foreign policy on the part of the State Department and this administration.

Everyone in Washington knows that the vacillating policy of this administration for the past 2 years on the part of the President is the result of political expediency. Those in the Zionist movement, the military officials, and all Members of Congress realize that the hope of votes has been the predominating factor with reference to our policy toward Palestine.

Mr. Speaker, I have done careful research in an effort to correlate and detail some of our major foreign policy moves so that the people may better understand why we have not made greater progress toward world peace. It is their government and they should have all the facts in looking to the future.

Regardless of these serious mistakes of judgment of the past, we must continue to hope for and work toward peace. I do not believe a nation that has spurned and turned its back against God and all the teachings of Christianity, in the final show-down, can or will develop sufficient strength to cope with or seriously challenge the Christian Nations of the world. Undoubtedly Russia in time will realize the stupidity and folly of such a course.

Statement by William T. Faricy, President of American Association of Railroads

EXTENSION OF REMARKS
OF

HON. CHARLES A. WOLVERTON

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. WOLVERTON. Mr. Speaker, under leave granted to extend my remarks in the RECORD, I include the following statement by William T. Faricy, president, Association of American Railroads, before the House Committee on Interstate and Foreign Commerce, June 14, 1948, in connection with the national transportation inquiry:

Mr. Chairman and gentlemen of the committee, my name is William T. Faricy. I am president of the Association of American Railroads. I appear here in response to the committee's invitation and to offer certain observations with regard to some of the statements made before your committee on June 8, 1948, by Mr. Robert R. Young. Mr. Young advocated as a major step to be taken in the interest of a railroad system adequate to the defense requirements of the Nation that the Association of American Railroads should be broken up. This makes it appropriate that I reply.

As targets for Mr. Young's criticism, the Association of American Railroads and the railroad industry are in very respectable company. In his single appearance before your committee, Mr. Young excoriated the President of the United States and his Cabinet, with special attention to the State Department, the Congress of the United States, and some of its most distinguished Members, both political parties and all the leading candidates for the presidency, the Reconstruction Finance Corporation, the Office of Defense Transportation, and the Interstate Commerce Commission, the last of which Mr. Young said ought to be "wiped out."

The distinguished public servants and governmental bodies upon whom Mr. Young pours his condemnation need no defense at my hands. I shall, therefore, confine my remarks to facts within the field of railroading—facts which may be easily verified by all persons who, like the chairman and members of this committee, are interested in seeking the truth.

THE ASSOCIATION OF AMERICAN RAILROADS

Mr. Young's contention that the Association of American Railroads should be broken up in the interest of the national defense makes it pertinent to inquire what the association is, what is does, and what was its record in the war just closed.

The association is the organization of the principal railroads for the more efficient handling of matters of common concern in the whole field of railroading. Overwhelmingly the greater part of its work is in the field of operations, maintenance, and research. The association does for all the railroads those things which either must be done by a common agency, or which can be done better, more efficiently, and more economically by such an agency than they could be by each railroad separately.

Mr. Young does not lack opportunity for acquaintance with this work of the association and its value. Chesapeake & Ohio officers are members of many of the association's committees, and take an important part in its activities. Indeed, except for public relations work, the Chesapeake & Ohio participates financially and otherwise in 85 percent of the activities of the Association of American Railroads.

In his capacity as chairman of the Federation for Railway Progress, Mr. Young has had equal opportunity to know the contribution of the Association of American Railroads to the defense of the Nation. The Federation for Railway Progress publishes a monthly magazine. Last year that magazine invited Maj. Gen. Charles P. Gross, Chief of the Army Transportation Corps during World War II, to contribute an article on the subject Importance of the Railroads to the National Defense. General Gross wrote such an article and submitted it. It did not appear as scheduled. Several months passed. Finally, General Gross inquired and was informed that the article would be published only if he would agree to the deletion of certain passages because they did not comply with the policy of the federation.

The parts the federation wanted to delete praised the job done by the railroads and the Association of American Railroads. General Gross refused to delete these paragraphs, so the article remains unpublished. Among the paragraphs which the federation sought to suppress are these, which I quote with the permission of General Gross:

"Although the American railroads had less equipment in 1941 than in 1917, it was better equipment. Their physical plant generally was greatly improved, and as an industry they were much better organized to meet the emergency. In particular, the establishment of a strong central organization, the Association of American Railroads, was a noteworthy improvement. This organigation, which had broad authority to act for its members, maintained headquarters in Washington so that ccoperation between the Army Transportation Corps and the railroads was greatly simplified. As a matter of fact, the association's military transportation section was located in the Pentagon and functioned as much as an agent of the Army as the railroads. This same close coordination existed between representatives of the AAR and the Transportation Corps throughout the country.

"In conclusion, it may be said that the American railroads fulfilled their transportation mission so well that the full war might of the United States as a Nation in arms was brought to bear on our enemies to achieve overwhelming victory. They took in stride the ever-expanding load clear through to the end. They overcame their obstacles by strongly united action and by constant improvements in efficiency. Courage, energy, initiative, decision, cooperation, the will to do, were in their fiber. They knew the vital character of time. They, too, had their Pattons."

As to whether the Association of American Railroads should be broken up in the interest of national defense, I really need do no more than quote this testimony of the distinguished soldier whose opportunities for observation of the contribution of our association to the successful prosecution of the war were unsurpassed. But perhaps the committee would be interested also in the equally positive words of Rear Adm. William B. Young, Chief of the Navy Bureau which dealt with transportation, who declared that "with the cooperation * * * of the Association of American Railroads, they [the railroads] performed wonders." Col. J. Monroe Johnson, Director of the Office of Defense Transportation, described the association as "indispensable," and the first Director of the ODT, the late Joseph B. Eastman, ascribed much of the credit for what he called the "excellent performance" of the railroads to the coordinating work of the association.

This coordinating work is essential in time of peace, as well as in war. It is not commonly realized to what an extent every

railroad of the United States is in a very real partnership with every other railroad in the production of transportation service. From the 1860's, when freight cars first began to move off the lines of owning railroads, there has gradually evolved a system of handling through traffic in interchanged cars which has become the very foundation of the Nation-wide, and in fact continent-wide, commerce of North America.

This interchange of traffic would be impossible without cooperation in developing uniform standards and practices of many kinds, and without closely coordinated working arrangements of many sorts on all railroads. The necessity for such uniformity began to be recognized as early as 1867, when the first of the several organizations which finally came together to make up the Association of American Railroads was formed. The work of these coordinating groups which were responsible for such results as standard time, standard gauge of track, standard automatic safety couplers, standard brakes, and all the other standards in facilities and methods which it takes to have a continent-wide flow of commerce, is carried on today by the various departments, divisions, and sections of the Association of American Railroads. Without such coordination, we could not have the transportation which is at the foundation of our productive capacity, and certainly we could not put and keep these railroads in condition to meet the needs of national defense.

This association and its work have been the subject of constant misrepresentation at the hands of Mr. Young. A recent example is to be found in his testimony here on June 8. On the day before your committee had heard testimony from Dr. J. H. Parmelee, vice president of our association and director of its bureau of railway economics, and from Mr. J. H. Aydelott, vice president of the association in charge of its operations-maintenance department, as to the postwar condition of our railroads, and their readiness to meet their responsibilities in emergency. I shall not repeat what was said in their careful and accurate statements, other than to recall that they pointed to the need of the railroads for more cars and the strenuous efforts which the railroads are making to get them.

Mr. Young, as reported at page 249 of the stenographic transcript of his testimony, had this to say, with obvious reference to the statements of the representatives of the Association of American Railroads:

"And they came down here and testified yesterday that they cannot buy new equipment. That is not true. There is not a railroad in America today that cannot go out and buy all of the new equipment it wants and borrow all of the money it needs at 2¼ percent, almost as low a yield basis as the Government pays on its own bonds. Even the bankrupt railroads can buy all of the equipment they want. And when they come in here and testify that they cannot, they are testifying to something that is not so."

It is an all too familiar device to distort what has been said by others and then charge untruth. Neither Dr. Parmelee nor Mr. Aydelott testified that the railroads are unable to finance the purchase of new equipment. They did testify that the railroads are prevented by shortages of material from obtaining delivery of new cars in the requisite volume—a very different thing indeed. Thus, after stating that the railroads, at the close of World War II, "undertook a program of enlarging and improving their freight-car supply," Dr. Parmelee observed:

"Unfortunately, shortages of materials and manufacturing facilities of various sorts have prevented the railroads from reaching this goal."

Mr. Aydelott pointed out to your committee that on June 1, 1948, the railroads and private car lines had 127,689 new freight cars on order, including programed production at railroad shops; that they had never had fewer than 100,000 cars on order at any time within the past 12 months; that a minimum of 12,000 new freight cars per month is required if the car supply of this Nation is to be revitalized within a reasonable period of time; and he added:

"It is evident, therefore, that the immediate and imperative need is the availability of steel for, and the construction of, at least 12,000 new freight cars per month—this is additional to the requirements of steel for current maintenance and repair." "Here," he said, "is the principal bottleneck which retards restoration of our transportation system to a condition suitable to the prospect of possible future national emergencies."

It is thus clear that the association witnesses truthfully portrayed the situation in their testimony and that Mr. Young's charge of falsification finds its only basis in distortion of what had been said by them. I do not wish to overemphasize this incident—we in the railroad industry have become quite accustomed to Mr. Young's disregard of any niceties in the direction of accuracy of statement. But it has seemed to me worth while to bring the matter to your attention as generally indicative of the degree of reliance to be placed on his testimony when he inveighs against the association and those who represent it before your committee.

I was not invited here, as I understand it, to repeat the testimony of those who have appeared for the Association of American Railroads and have so carefully and thoroughly dealt with the condition and requirements of the railroads. I am here to discuss the allegations and assertions of Mr. Young so far as they pertain to the association and its activities. In doing so, I shall have occasion to discuss a number of topics—railroad research, for example, railroad car supply and use, rates, and what Mr. Young calls conspiracies and combinations.

RAILROAD RESEARCH

Mr. Young claims for the Chesapake & Ohio a virtual monopoly of research in the railroad field. The facts are that the Association of American Railroads, and its predecessor organizations going back more than 60 years, have carried forward research into every phase of railroading. Today the association is carrying on some 300 specific research projects. In addition, individual railroads and groups of railroads are engaged in research on problems peculiar to their own particular operations. For example, a group of nine principal coal-carrying railroads, of which Chesapeake & Ohio is but one, are engaged in the development of a gas turbine locomotive to burn powdered coal. At the same time, another railroad, in oil-producing territory, is experimenting with a gas turbine locomotive to burn oil. I mention these merely as examples of the sort of activity being carried on by individual railroads.

As for the Association of American Railroads, it maintains a research center and laboratory in Chicago, which it is rapidly outgrowing. Plans are well under way to house the laboratory in its own buildings upon the campus of one of the midwestern technological institutions. This, however, is but the center of widespread activity, which includes experimental work being carried forward for the association in a number of university and commercial laboratories, in test installations at various locations over the country, and in the field.

Perhaps the committee would be interested in a brief outline of just one phase of one project as a sample of the sort of work which has been going on for years and is going on today more extensively and with greater intensity than ever before.

Nearly 20 years ago, the railroads and the steel companies undertook joint research into certain causes of rail breakage, with the laboratory work carried on at the University of Illinois and field tests throughout the country. As a result of this study, the rail being rolled today is only one-fourth as likely to break and its service life has been materially increased. At the same time, and working along similar lines, every other element of track structure has been under study. Laboratory work on track structure is being carried on for the association at four universities and technological institutions, and there are in service on many railroads experimental stretches of track in which these elements are under study. The performance of these test tracks under varying conditions is being carefully checked by research personnel of the Association of American Railroads, using the most complete and up-to-date electrical stress measuring instruments.

One more example. Some time this summer there will start running on a 68-mile stretch of track in Illinois a freight train which will include five cars equipped as rolling laboratories, filled with scientific observing and recording instruments. The train will be run at various controlled speeds up to 90 miles an hour. On each test run, a different type of freight car truck, with different devices for smoothing the ride of the car, will be installed. These AAR tests, which are a continuation of similar tests inaugurated before the war, but which had to be suspended during the war, will give us data, we hope, from which it will be possible to improve greatly the riding qualities of freight cars.

The real test of railroad research, however, is not what is done or not done about some specific item or part of the railroad machine. The real test is in the over-all operating results of the machine as a whole. It is significant that as a result of research carried on between the two world wars, and the investment made in improvements, the railroads were able during the Second World War to carry a freight traffic load 74 percent greater than that of the First World War and a volume of passenger traffic 100 percent greater, and to do it without the congestion and delays of the earlier period. They did it, moreover, with one-fourth fewer men, one-third fewer locomotives, one-fourth fewer freight cars, and one-fourth fewer passenger cars. But these fewer cars and engines were better cars and engines. They ran on better tracks. Their movements were controlled and guided by better signals and communications. They had the use of better terminals, and were serviced in better shops. The net result was that the average freight car during World War II produced twice as much transportation per day as in the First World War, while the average freight train for each hour it was on the road turned out more than twice as much transportation service.

And since the war the same sort of performance has continued. Last year the railroads loaded more tons than were ever loaded before in any year, whether in war or in peace. They moved more carloads of freight than in any of the war years, and did it with fewer freight cars. They moved more tons more miles than in any peacetime year, 46 percent more than in the prewar peak year of 1929. They moved more tons of coal than were ever moved before. Thy successfully moved, right up to the capacity of elevator storage, the greatest wheat crop in the history of the world, as right now they are beginning to move the second greatest wheat crop ever known.

This impressive record of railroad performance is the direct result of railroad research work, carried out intensively for many

years, and still actively under way. Much remains to be done, but past achievements will be continued and surpassed in the future.

CAR SUPPLY AND CAR USE

Another group of Mr. Young's allegations centers around matters of car supply and car use. Mr. Young makes much of the point that there is no difficulty in financing car building through equipment-trust issues. Nobody disputes that point. He makes light of material shortages and production difficulties in the postwar period. For the relatively small production of freight cars he has a simpler explanation. "The same group that run the railroads," he says on pages 271-2 of the transcript, "run the equipment companies, and they want the steel to go to the automotive, automobile industry, and other industries, and they are deliberately keeping it away from the railroads." Such a charge, offered without any supporting evidence whatever, is not of a nature to deserve serious attention. It is interesting, however, to note that the Chesapeake & Ohio Railway, which Mr. Young runs, and which presumably he would exclude from his charge of deliberately keeping materials away from the railroads, has had no better fortune in securing the new equipment ordered since the war than have the other railroads of the country. Indeed, its efforts have been even less successful than those of the other railroads. At the end of the war the Chesapeake & Ohio had on order 3,000 freight cars and since then has ordered 10,690, making a total of 13,690 cars. Of these, it has secured delivery on 4,241, or 31 percent. The railroads of class I other than Chesapeake & Ohio—those which are alleged by Mr. Young to be averse to ordering cars and to be deliberately keeping them from being delivered—had 34,498 freight cars on order at the end of the war and have ordered 200,523 since, or a total of 234,991. Of these, they have secured delivery of 134,873, or 57.4 percent.

The facts of the matter are that the railroads, with the assistance of the Office of Defense Transportation and of Senator CLYDE REED'S subcommittee, have made and are still making every possible effort to secure the steel and other materials needed for building cars, both by the contract builders and in the railroads' own shops. The production of new freight cars has exceeded 9,000 per month, but has not yet reached the minimum goal of 10,000 cars per month. The goal ought to be at least 12,000 new cars per month. The bottleneck is steel, and if this committee can join Senator REED'S subcommittee and the Office of Defense Transportation in helping the railroads and the car builders get more steel, it will make an important contribution to preparation for any war emergency.

Mr. Young talked to the committee at some length about a standardized boxcar as a measure of improvement in the car supply. To hear Mr. Young tell the story, one would think that this was a Chesapeake & Ohio achievement. It was known in the railroad industry for some 2 years before such cars were ordered by any railroad that the builder was at work on such a design. Indeed, the Chesapeake & Ohio was not the first railroad which bought this particular type of car, and certainly is not entitled to claim credit for its origination.

Mr. Young imputes to the Association of American Railroads and the Interstate Commission "diabolical cleverness" in handling the subject of per diem car rental in such fashion as to "discourage car buying." Such a statement ignores the facts to which I have already adverted, namely, that the railroads now have on order more than 125,000 new freight cars and are unable, by reason of material shortages, to get delivery of as many as 10,000 cars per month. Certainly any deficiency in car supply cannot be attributed to a lack of buying orders.

If there be any relationship between the per diem rate of car hire and the acquisition or nonacquisition of new cars, there has been little opportunity for such relationship to assert itself for nearly 20 years past. In the decade before the war the existence of a large surplus of cars controlled the car-buying activities of the railroads. From the beginning of the war, to date, the railroads' orders for cars have consistently exceeded the ability of the car builders to supply them.

The per diem rental charge is, of course, a necessary incident to the free interchange of freight cars. The current rental rate for the use of a freight car, when on the line of a railroad other than the owning railroad, is $1.50 per car per day, which is 50 percent higher than the rate in effect as late as January 31, 1945. The rate was established by a vote of the individual railroad companies, taken through the machinery of the Association of American Railroads, with each company voting in proportion to its ownership of freight cars. Some railroads think it is too high; others, too low. There are cases pending before the Interstate Commerce Commission to resolve this question.

Mr. Young is equally misleading in his reference to the purchase of passenger cars. He states that in the past 12 months only 341 rail passenger cars were ordered by 131 railroads; that is, by all class I railroads other than the Chesapeake & Ohio. I do not know where Mr. Young obtained his figures, or to what period of 12 months they are supposed to apply. However, reports filed monthly by all class I railroads with the Car Service Division of the Association of American Railroads tell quite a different story. Briefly, the background of that story is this:

We start with the fact that on September 1, 1945, the first of the month following VJ-day, class I railroads, other than the Chesapeake & Ohio and the Pere Marquette, had 878 new passenger-train cars on order. These orders had been placed toward the end of the war with the hope of obtaining early delivery after the war was concluded. From September 1, 1945, to May 1, 1948, a total of 3,074 additional orders were placed. Thus, orders to May 1 of this year for new passenger-train cars for postwar delivery total 3,952. Of that number, 2,049 cars, or 52 percent, had been delivered and installed in service up to May 1, 1948, leaving 1,903 cars still on order. At the monthly rate of deliveries for the 12 months preceding May 1, it will take more than 18 months to obtain all the new pasenger-train cars on order by these railroads other than the Chesapeake & Ohio.

Turning now to the last 12 months for which we have complete figures, here is what we find: On May 1, 1947, railroads other than the Chesapeake & Ohio had unfilled orders for 2,069 new passenger-train cars. In the succeeding 12 months, 1,238 of these cars were installed, leaving 831 yet to come. However, on May 1, 1948, there were 1,903 cars on order, not including the Chesapeake & Ohio orders. By simple arithmetic, it appears, therefore, that 1,072 new passenger-train cars were ordered by railroads other than the Chesapeake & Ohio in the latest 12-month period of record. This is three times the figure given by Mr. Young.

It was not until 1947, after many other railroads had placed large orders, that the Chesapeake & Ohio entered the market in a substantial way for the class of equipment. This tardiness of Mr. Young's part in placing orders has put him even further behind the procession in securing delivery of new cars. Whereas the railroads which placed orders more promptly had secured up to May 1, 1948, delivery of more than 2,000 cars, or 52 percent of their postwar car orders. Mr. Young's road had secured delivery of only 24 cars, or less than 7 percent of its postwar orders. Mr. Young's most recent publicly announced action in respect of new passenger-train cars is to cancel one-third of his orders.

To hear Mr. Young, one might suppose that the modern passenger train originated with him, but the streamlined passenger train was first developed 14 years ago, among the western railroads. By the beginning of the Second World War, approximately 150 such trains were in service in all sections of the country. Their growth was interrupted by the war, but there are now about double that number, running at least 100,000 miles a day. The Chesapeake & Ohio has installed only two such trains, the Pere Marquette streamliners, which have been in service only since 1946, performing a total of 608 miles of service per day.

Mr. Young's protestations of leadership in the sleeping car field are equally hollow. Up to June 1, 1948, he had yet to put in service on his own railroad a single sleeping car of any type other than those which he denounces as "rolling tenements."

"COMBINATIONS" AND "CONSPIRACIES"

Mr. Young talked frequently and at length before your committee about what he called combines, which he said were trying to run him out of the railroad business. He even told an entirely fanciful story of how the Association of American Railroads "called in all of their 131 public relations experts a year ago and asked them to divert all their energies to killing off this new Federation for Railway Progress." At another point he announced to your committee that "they"—this mysterious "they" who he says have "been trying to get me out for 10 years"—"they are starting a new campaign that is about to break in tomorrow morning's papers, to get me out."

Melodrama of this sort is hardly to be taken seriously, but I should like to say for the record that there is nothing, absolutely nothing, in these repeated stories about the "131 railroad combine," the "131 monopoly," and the like. I presume that what Mr. Young means by the "131 combine" is the Association of American Railroads. I have told you earlier what that association is, what it does, and what its services mean to this country, especially in times of national emergency. Any charge that the association is Wall Street dominated, or banker dominated, or run in the special interest of any particular sectional, or other group, is absolutely false. There isn't a word of truth in it.

The association is in no sense a monopoly. It has no power to control its members, and no power to impose its will upon anyone else. Its governing body is a board of directors, chosen by the railroads of the eastern, southern, and western regions—six from the East, four from the South, seven from the West. On that board each member has a vote, and only one vote. The vote of a member from one of the smaller roads counts for just as much as the votes of the members from the very largest.

The board of directors cannot control the action of the membership, and neither the action of the board nor the entire membership can control or compel the action of any individual member. The plan of organization of the Association of American Railroads provides that:

"Nothing in this plan shall in any way prohibit or restrain any member road from acting individually and independently of the association or of any and all other member roads with respect to any of the matters covered hereby, and the right of individual and independent action is expressly reserved to each member road."

The per diem case before the Commission which I mentioned a few minutes ago is a concrete example of the unhesitating and

unrestrained exercise of the right thus preserved in the plan.

Mr. Young alleges also some sort of vague and undefined conspiracy on the part of the railroads to divert wartime tonnage from the port of Boston and concentrate its movement through the port of New York. The distribution of war traffic among the several ports is a matter for determination by the military. The railroads do not determine where the tonnage shall move. Within the limits of available facilities, there is no railroad reason why any distribution of traffic among the ports which the military might determine upon should not be made. Incidentally, the figures on traffic through the port of Boston during the Second World War which Mr. Young furnished the committee are grossly in error. General export traffic through the port of Boston during the 4 years of the war amounted to 212,352 carloads. If the movement through Boston had been only one-half of 1 percent of the total through all ports, as alleged by Mr. Young, it would have amounted to only 28,694 carloads—approximately one-eighth of the actual movement. The traffic through Boston was some 700 percent more than Mr. Young would have the committee believe.

Probably the most extraordinary conspiracy which Mr. Young imagines in the railroad business is what he claims is a conspiracy to hold rates down. "If these 131 railroads that enjoy so much power in the cabinet," he said on page 266 of the transcript, "if they were really interested in higher rates, they could have gotten them." Mr. Young attributes the failure of the railroads to get the higher rates which he says they could have had to the alleged fact that most railroad directors "have their own money in the air lines, and the busses, and trucks." Such an allegation is on a par with his other statement, noted earlier, that the men who "run the railroads" are "deliberately keeping (materials) away from the railroads." Both are broadside charges of breach of trust and lack of integrity, put forward without a shadow of proof. They are such allegations as no responsible man would make unless he were in position to sustain them—which Mr. Young is not, because they have absolutely no foundation in fact.

In view of Mr. Young's insistence upon the importance of ownership and investment by railroad directors, it is pertinent to inquire into the nature and extent of Mr. Young's investment in his own Chesapeake & Ohio. As to that, I refer the committee to the report of the Interstate Commerce Commission in finance docket No. 14692, decided May 10, 1948, in which Mr. Young's application for authority to go on the board of the New York Central was denied, and also to the Chesapeake & Ohio Railway annual report to the Interstate Commerce Commission for the year ended December 31, 1947. From these two public documents it will be found that on December 31, 1947, the self-proclaimed apostle of ownership-management in railroading owned directly only 10 shares out of the 8,003,969 shares of Chesapeake & Ohio stock outstanding, and had an indirect ownership, through the Alleghany Corp. holding company which amounts to less than 1 percent of 3.34 percent of the total assets of the railroad.

RAILROAD RATES

In view of Mr. Young's allegation that most railroad directors do not want adequate rates on the railroads because of their alleged interest in other forms of transportation, the committee might be interested in what the railroads have done, and are now doing to obtain rates properly related to costs of operation as expressed in dollars of today's purchasing power. We know that we need such rates, and have so expressed ourselves to the Interstate Commerce Commission and to the public in the strongest terms at our command. When wages were increased at the end of 1941, the railroads asked for rate increases to cover the added cost. The Commission, in deciding this case, ex parte 148, granted a temporary increase in freight rates, effective March 19, 1942. This temporary increase was suspended by the Commission May 15, 1943, over the vigorous protest of the railroads. The suspension continued in effect throughout the war, notwithstanding renewed protest by the railroads.

On April 15, 1946, in view of the postwar increases in wages and prices, the railroads again applied to the Commission for increased rates, in the proceedings known as ex parte 162. An interim increase was granted, effective July 1, 1946, and the Commission continued under advisement the amount of the permanent increases, which were subsequently allowed, effective January 1, 1947. The railroads believed that the interim increase was insufficient to meet pressing needs, and that final action should have been taken sooner than it was, and so expressed themselves.

With the continued increase in operating costs in 1947—an increase so great that it could not be absorbed even with the high volume of traffic moving—the railroads once more filed proceedings for increased rates, which came to be known as Ex Parte 166. Under that application, the Commission has granted three interim increases and now has under advisement the amount of the final and permanent increase to be made. This history clearly demonstrates unremitting effort on the part of the railroads in seeking to have their rates increased to meet the rising cost of operation.

It is the belief of the railroads which I represent that in this time of rising wages and rising prices the procedures and decisions of the Interstate Commerce Commission in general rate applications should be both prompt and adequate. This has not always been the case. We believe that improvement is entirely possible under existing law. It is our conviction that the future health and welfare of the Nation's fundamental and basic transportation depends on the railroads being given an opportunity to make earnings averaging not less than 6 percent on their net investment. To that extent we do not differ from Mr. Young. But it is one thing to be disappointed with the timing or the amount of a rate increase, and quite another to impugn the motives and attack the competence of the Interstate Commerce Commission, a body of hard-working, conscientious, well-qualified citizens upon whom there has been laid the responsibility of coping with questions of tremendous importance in a time of great difficulty, and who are earnestly trying to meet their responsibilities with fairness to all concerned. We disagree violently with Mr. Young when he recommends that the Commission be "wiped out," and we certainly do not subscribe at all to anything that, in the remotest degree, casts suspicion on that great tribunal which has a demonstrated record of accomplishment extending over 61 years.

Mr. Young is highly critical of what he says was a $500,000,000 loss in railroad-passenger business last year, which sum, he said, "had to be loaded onto the shipper, the freight shipper." Figures as to passenger earnings or losses are arrived at on the basis of division of costs among the several types of service prescribed by the ICC. There is some disagreement in railroad circles about the entire accuracy of the basis of division but the ICC does report a passenger loss for 1947, on preliminary figures, of $426,000,000—which is perhaps the basis for Mr. Young's statement of $500,000,000. Regardless of the exact figure, however, it is true that the railroads as a whole suffer substantial losses in this service. This is especially true of the Chesapeake & Ohio, which lost more on passenger business in proportion to its passenger revenues than any other of the 25 principal passenger-carrying railroads covered in the latest report of the Bureau of Transport Economics and Statistics of the Interstate Commerce Commission, dated May 11, 1948. Its passenger operating ratio—that is, its expenditures on passenger service in relation to its passenger revenue—was 192 in 1947, or $1.92 of expenditure for each $1 of revenue. The next highest among the 25 principal railroads reported was 165, and only four others were above 150.

Mr. Young claims to be the great innovator in passenger business. Yet it would appear that he is contributing more than his share to the passenger losses which he deplores.

RAILROADS AND NATIONAL DEFENSE

Mr. Young would have you believe that the railroads are not awake to the needs of our national defense. The railroads are alert to those needs. Other representatives of the Association of American Railroads have told you, and I repeat, the railroads must have more cars and they are doing all within their power to get them. The railroads need access to critical materials. They need opportunity to make the adequate earnings which will support further investment in railroads.

But with it all the fact remains that the railroads now have a larger number of serviceable freight cars, a larger number of passenger cars, and far better motive power—in short, greater carrying capacity—than they had at the time of Pearl Harbor. And they are gaining in efficiency and carrying capacity with every day that goes by.

They are concerned—deeply concerned—about the average age of their freight car fleet, in view of the intensive use being made of these cars. That is why they will never relax their efforts to obtain more steel for more freight cars until car shortages pass into history. Yet the worst of the war-weary freight cars have now been culled out and what remains are being repaired and rebuilt as fast as men, materials, and money are available. The railroads have not broken down and they are not going to break down.

I make here the same pledge which I had the honor to give within the last week to the Industrial College of the Armed Forces in a discussion of the organization and administration of domestic transportation in a war economy—a pledge that whatever the type of war, and whenever it comes, the railroads will do their utmost to see that nowhere in all the world will the military might of America be lessened or the striking power of its armed forces diminished by reason of any failure of rail transportation here at home.

The Flight of Risk Capital

EXTENSION OF REMARKS

OF

HON. WALTER A. LYNCH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. LYNCH. Mr. Speaker, many persons who are familiar with the economic structure of the country are fearful of the continued disappearance from the money market of risk capital. They look with grave concern upon the increasing tendency of business enterprise to look toward insurance companies, particularly our life insurance companies for new money.

It seems to me that their fears are quite justified, because, in my judgment, a sound economy demands a broad base of ownership of industry as contrasted to a concentration of ownership, whether by corporations or individuals. Memory brings us back to the days of the depression, when much of the best agricultural land in the country became, through assignment or foreclosure, the property of insurance companies. It was not a healthy situation either for the country in general or for insurance companies turned farmer. I can readily envision a similar situation with other industries, when, in a case of general depression, or for that matter any other compelling reason, the large insurance companies, now engaged in loaning risk capital would become vital factors in the ownership of large segments of our industries. That to my mind would be calamitous.

This general subject was discussed before the Economics Club of Chicago at the Stevens Hotel, Chicago, Ill., on May 11th last, by Mr. Emil Schram of the New York Stock Exchange. I do not know whether Mr. Schram has the right answer to the problem but his long years of financial experience, his recognized reputation for sound judgment, his service in public life, and his presidency of the world's greatest stock market give great support to his views.

His speech, which I know will receive the careful consideration of the members of the House Committee on Ways and Means and which I believe will prove of real interest to the Congress in general, follows:

I would much prefer to address you today on the subject of farming which I know a little something about, principally the raising of corn and hogs, both of which I have shipped to the markets in Chicago many times and which I made my chief vocation prior to going to Washington with the Reconstruction Finance Corporation. This being a gathering of businessmen interested in the economics of the Nation, and because of my position as President of the New York Stock Exchange, it is becoming that I talk to you about certain phases of our capital markets, which I deem of mutual interest.

I refer more specifically to risk capital. The need for an abundance of risk capital in the coming several years goes undisputed. Business management faces one of its most important problems in soundly financing its new money requirements. There are unnecessary obstructions in the path of the flow and function of risk capital that must be removed if, in the years to come, we are to avoid governmental interference in the conduct of business. I refer to the double taxation of dividends, the treatment of capital gains, and the discriminatory margin requirements of 400 percent.

I wish to open my brief remarks with a blunt statement of fact which I shall then endeavor to support. The life-insurance companies are making loans today which, in my judgment, belong in the commercial banking system, while the commercial banks, I think, are advancing credit where the funds should be obtained in the equity markets—and both these conditions have been forced upon these lending agencies because the capital markets have not been in a position to provide the necessary funds. I consider this condition and the trend which it has set in motion of vital concern. They are matters which should engage the study of our officials, the Congress, and the leaders of industry and finance.

The dependence of business enterprise on insurance companies, particularly life-insurance companies, for new money is a dangerous tendency. It is dangerous because our tax laws encourage the tendency of business to finance through debt securities. The continuance of this trend is likely to raise grave questions when business conditions are not as favorable as they have been in the past 2 years. In contrast, the diffusion of the ownership of industry among as large a body of individuals as is possible promotes flexibility for management and the spread of direct interest in and knowledge of the workings of business. In 1947, net new security issues, that is, new issues less retirements, amounted to $4,100,000,000. Life insurance companies purchased $3,000,000,000 of these securities, or approximately 73 percent of the total. In 1946, when new security issues aggregated $2,300,000,000, $2,000,000,000, or 87 percent, were acquired by life-insurance companies. When to this is added another large source of corporate funds, bank loans which amounted to $3,700,000,000 in 1947 and $1,400,000,000 in 1946, it is readily seen that after having painfully started to pare down the public debt and balance the budget, we now seem to be engaged in rapidly swelling the debt of business.

According to a recent report of the United States Senate Finance Committee, released in connection with the enactment of the Revenue Act of 1948—and I quote:

"Life-insurance companies are taking a very large proportion of the new securities, while individuals, who must be the chief source of risk capital, are buying a relatively small proportion. The life-insurance companies and banks, which must place their funds in securities with a low degree of risk, accounted for 83 percent of the net purchases in 1947 and were the only net purchasers in 1946. On the other hand, domestic individual buyers accounted for none of the net purchases in 1946 and only 17.1 percent in 1947. This is still another indication that those buying securities today are for the most part seeking relatively riskless investments."

I pause here to pay my respects to the leadership in the Congress that made possible a splendid beginning in correcting some of the injustices of our wartime tax structure.

I have dealt elsewhere on a number of occasions at some length with the broad question of double taxation of dividends, the need for stimulating the flow of savings that properly find their way into ownership securities and their activation in the capital market. Important benefits would be derived from changes in capital gains taxes in the direction of a liquid, orderly, and continuous stock market. This leads me to margin requirements because a 75-percent margin effectively adds to the mounting tendency to which I have already referred. It requires a little explanation to make it clear how the reduction of margin requirements would not aggravate inflationary pressures.

Let us take as an example a company with 500 stockholders which requires $5,000,000 in new funds. Right now it is attractive to borrow the money from an insurance company or from a commercial bank on a term-credit basis. Although we would always expect to have a differential between the cost of raising senior capital and equity funds, the difference is extraordinarily wide today because of the reduced incentives to participate in industrial ownership. However, even the reduction of margin requirements to 50 percent would be helpful because the sale of stock would shift the operation so that the debt created would be half of the $5,000,000, assuming the stockholders used their own funds to the extent of $2,500,000 and borrowed the same amount from banks. In addition to stimulating ownership capital and cutting down the amount of credit, the process would diffuse the ownership of the debt from one or possibly two institutions to the banks in the different localities in which the shareholders reside.

The Federal Reserve authorities at various intervals have spoken out on this question of risk investment in the banking system. The Federal Reserve bulletin of October carried the address of the former chairman, postwar bank credit problems, from which I quote:

"Maintenance of a high degree of liquidity should be encouraged; banks should be discouraged from reducing their large holdings of Government securities and cash assets in order to acquire less liquid and more risky assets.

"Supervisors should take a critical attitude toward any expansion of loans, unless they contribute directly to increased production and movement of goods. This attitude should apply particularly to consumer credit, real estate loans based on inflated values, loans to carry excessive inventories, and any loans for speculative purposes.

"As long as banks maintain their present large holdings of cash and Government securities, most of them are adequately capitalized. Banks with low ratios of capital to risk assets, however, should build up their capital. If banks persist in increasing their risk assets, they should be required to enlarge their capital accordingly by retention of earnings. If retained earnings are not sufficient, then additional stock should be sold."

It is all very well to talk about adding to the capital of our banks. I agree that the private commercial banking system is undercapitalized. This is especially true if we regard the present level of prices as a rather permanent fixture within our economic structure for many years to come. The fact is that there is scarcely a commercial bank stock that is not selling in the open market today for less than the known book value of the stock. This presents a decided difficulty on the part of the banks in raising new capital through their existing stockholders, and I might add that without prohibitive dilution of the present stock, it is impossible to attract new owners into the industry.

Ours is a great industrial empire that is capable of producing a vast amount of goods, an economy capable not only of supplying the wants and needs of one hundred and forty-odd millions of its own citizens, but capable as well of shipping abroad, on balance, surplus production. This empire has been built by private funds; that is the only way we want it and the only way we should have it. I make that statement with all the force at my command, even though at one time I headed the largest lending agency of the Government which came into being in an acute emergency, and which in my belief should function only in such a period. I am thoroughly confident that our corporate structure is in need of tremendous sums of equity capital if for no other purpose than to pay off private debt.

With our Federal debt in excess of $250,000,000,000 and the additional public debt (made up of States, cities, towns, and counties all over the land) totaling approximately $14,000,000,000, with a tax load that gives promise of exceeding $40,000,000,000 for the Federal Government in the coming fiscal year, and upwards of an additional $11,000,000,000 for the support of our States and their subdivisions—we should not build up the private debt of the country unnecessarily, except as a temporary accommodation. There is an exception in the case of the railroads and the public utilities, but as for the other business interests of the country, almost without exception, capital should gradually evolve into preferred and common stock, preferably the latter.

It is not only for the sake of our financial structure, public and private, that I make this point; it is because I am a firm believer in the rights and advantages of ownership on the part of all of our citizens, whether they be well off or of moderate means.

There is a certain something, by way of better citizenship, that accrues to the Nation from the privilege of ownership. That is why it is the duty and responsibility of every public official and of the Congress to safeguard and protect the property rights and rights of ownership if enterprise as we know it is to endure. The pay-off is in the pleasure of living in freedom and liberty.

We have Government agencies—the Interstate Commerce Commission, the Federal Power Commission, the Securities and Exchange Commission, and other agencies of regulation such as the Federal Reserve Board—all of which I think go far enough in certain forms of regulation in the public interest. We are in an enormously expansionary period. We are dealing in astronomical sums. We have no past yardsticks with which to measure the future growth of this country. That is particularly true as we strive to improve the standard of living of our people. We must not harass the investor and place unnecessary obstacles in the path of the free flow of investment funds from one market to another. Our primary interest is the private placement of the Federal debt at a rate of return which the Congress thinks is sound and within the bounds of the budget. Once this is accomplished other parts of the capital and money markets will fall in line.

Our life insurance companies should lend the main support to this task, especially in the case of the long-term Government debt. The savings banks likewise should continue to filter their funds to the medium- and long-term Government indebtedness. Our commercial banking system is the logical chief buyer of short-term Government obligations. I want to see a broad active stock market reflecting our preeminent world position. This statement does not imply a rising and falling market. I am not here to predict the course of values. The stock market is the best confidence barometer we have in this country. On the New York Stock Exchange, the largest open free-capital market in the world, we have listed today almost 2,000,000,000 shares of the preferred and common stocks of 1,133 of our large, medium-sized, and relatively small-business establishments. These businesses employ millions of people at an investment of from $3,000 to $39,000 per employee.

I am unalterably opposed to a capital levy in the form of the capital-gains tax. It is a definite barrier to the fluidity of funds. To press the point, income is one thing—it is the earning capacity or power of every individual to make money, either through his personal efforts, by his mind, his hands, or his accumulated resources; and beyond that income he must rightfully pay his just taxes to support his Government. Once the citizen has paid his just taxes on his current annual income and is able, after paying his honest debts, to lay aside a nickel, that nickel should not be taxed during his lifetime if he is prudent and fortunate enough to double or treble it.

We must follow a policy of encouraging the broadening of the base of wealth of the country from which income springs. Tax the income, not the savings or principal, during the lifetime of the individual. Give him that much-needed tool to work with, for it is in the interest of every laboring man in this country that we save and that we put our savings to work productively. I want to see the capital gains tax reduced by this Congress in the coming several weeks, should the Congress enact a second tax bill, from the maximum rate of 25 percent to 12½ percent. I want to see margin requirements, or the privilege of an investor to borrow on the common stocks representing his ownership in American industry, reduced from 75 to 50 percent, provided the banker or lending agency will give him the 50 percent. The 75-percent margin requirement, is really 400 percent, for today you can only borrow $2,500 on $10,000 of collateral—and it is thoroughly unsound.

For the life of me I cannot understand why it isn't a better practice to have several thousands, in fact, maybe several hundred thousands, owing the banks $1,000,000,000, if you please, secured by $2,000,000,000 of common stock or ownership in American industry than to drive the companies who are ultimately the beneficiaries of the $1,000,000,000 into the insurance companies or the banks to borrow. In one case we have a distributed risk, while the other is bound to be more concentrated. In one breath, our Federal Reserve authorities state that the common-stock market is the healthiest spot in the economy, indicating that our common stocks are worth what they are selling for, and yet with no rhyme or reason, they stipulate that you cannot borrow more than 25 percent on your collateral at a time when no money to speak of is being borrowed on common stocks.

These two recommendations which I so heartily endorse will lend fluidity, continuity and orderliness to our markets. They will lend support in periods of weakness and I am confident will invite the sale of securities when they are in short supply or are being bid up in price in a moment of overenthusiasm.

The capital gains taxes of the Internal Revenue Code are not regarded as revenue-producing features of the tax structure. Although capital gains taxes produced various amounts of income, ranging from $2,000,000 in 1941 to three hundred-odd million dollars in an active year such as 1945, I do not believe they produced any revenue to speak of in 1947. If the Congress will adopt the 12½-percent rate instead of 25 percent, I think the lower rates will actually increase revenues in the coming fiscal year. Certainly we should get behind a proposal that is thoroughly sound in the first place and that in the second place will gain us some revenues at a time when the Federal budget is threatened with being unbalanced.

I am enough of an optimist and enough of a believer in the fundamentals of democracy to hold that lack of understanding of and sympathy with the capital markets and their problems are not on the main road of American thinking but a detour. I am convinced that if our course is just—and this I believe fully and profoundly—we can carry our message successfully to the public and our representatives in government. We can be strong in our cause and vigorous in our efforts because we are in the fortunate position of being able to serve ourselves and our country at the same time.

Labor Conditions

EXTENSION OF REMARKS

OF

HON. CLAUDE PEPPER

OF FLORIDA

IN THE SENATE OF THE UNITED STATES

Saturday, June 19 (legislative day of Tuesday, June 15), 1948

Mr. PEPPER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an address I delivered before the convention of the Amalgamated Clothing Workers at Atlantic City, N. J., May 14, 1948.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Chairman POTOFSKY. We are privileged this morning to have with us one of our country's great statesmen. We have been speaking a great deal at this convention about the Eightieth Congress and its contemptuous disregard of the needs of the masses of the people of our country.

I want you to know—all of you do know—that there are some exceptions in the Eightieth Congress. Yesterday you heard the gallant voice of a Congresswoman, a woman who has carried on the fight for the people in the House of Representatives. This morning you will hear the voice of a Senator who has fought consistently against the Taft-Hartley bill, who has fought for the people on every occasion, who has championed our own minimum-wage law, and who is fighting against any effort of Senator BALL, Senator TAFT, and their cohorts to deprive the country of the progressive legislation adopted under President Roosevelt.

So, my friends, it is a great honor and privilege for me this morning to present to you a distinguished orator, a great statesman, a valiant crusader for the rights of the common people.

I know that you have the highest regard for this man. I heard him address the CIO convention last year, and he took it by storm. I told him then that what he had to say was a great lesson in civics, in Americanism, and I am very happy that he has accepted our invitation to appear before the Amalgamated Convention and give us his views on domestic and foreign affairs. I shall not restrict him as to what he wishes to say; we shall be privileged to hear him.

I do want to say to you, Senator PEPPER, in welcoming you to the Amalgamated, that you are speaking our language, the language of the common people of our great country.

Delegates, it gives me pleasure to present to you a great liberal, a great crusader, a great statesman, Senator PEPPER, of Florida.

Senator PEPPER. Mr. President, officers and delegates, members of the Amalgamated Clothing Workers of America, my fellow countrymen:

The philosophy of Emerson teaches us that an institution is but the lengthened shadow of one man. No one thinks of the Amalgamated without revering the memory of one of the greatest of Americans, Sidney Hillman. And humbly, and out of the depths of my heart, I salute this morning the memory, the work and the union, and above all, the great widow of Sidney Hillman.

I am honored to come into your company and to receive the inspiration which comes from association with a body of men and women who, with all their hearts, believe in and practice democracy.

There never was a greater demand than there is today for the mobilization of the forces of democracy to preserve peace and to promote the prosperity and to preserve the welfare of the people of all the world.

We have not yet even made peace before we are finding ourselves again preparing for war. A world that has been broken by the greatest struggle in history is threatened with a repetition of one greater still. The weapons, even in so short a time as since the end of fighting hostility, has increased immeasurably in terror and in destructive power, and the mobilized might of the world becomes ever more threatening with each passing day.

And even here, in rich America, we still have a great part of the Nation, to use the words of that great leader of democracy, yet so vividly in our memories, "Ill-clad, ill-fed, and ill-housed."

And we see America today, the hope of progress and peace on earth, itself in the dead grip of reaction and selfishness, when monopoly rises higher and higher in its arrogance and the profiteer mounts to a yet loftier and loftier place of power and prestige in all America's economic life.

I declare to you also that before we can save democracy in the world, we have got to be sure that we practice democracy in America.

And today, what do we find? We find that instead of labor being strengthened that it might fight the cause of working men and women everywhere, this group in power has done everything in its capacity to strangle the effectiveness of every labor union.

The purpose and design of the Taft-Hartley bill, as you well know, was not to remove any wrongs that might have crept into labor policy, but to strangle the whole effectiveness of the labor movement and to beat wages down, so that the profiteer could profit more, when he was making the greatest profits in the Nation's peacetime history.

And today living costs rise higher and higher, living levels fall lower and lower, while the Congress refuses to give aid to preserve an American standard of living to the American housewife and robs the labor union of its power to give, through effective collective bargaining, that security that the worker and the home in America are entitled to enjoy.

I would suppose that labor, all over America—and I apply that to unorganized as well as to organized labor—would be asking these gentlemen who are candidates for the Presidency, on any ticket, "How do you feel about the repeal of the Taft-Hartley law?"

You cannot go wrong in making that the criterion on whether they are the friend or the enemy of the working men and women of America, because the Taft-Hartley law is the enemy of every man and woman who works in all this land.

And the moral atmosphere of Washington today, instead of being humanitarian, is selfish. Washington is the sanctuary and the happy hunting ground of the sinister interests who want what they can get from the American economy.

Until we change the whole moral climate of Washington we will never start forward again along that path on which we were so gallantly and so gloriously led by the greatest Democrat of our time, Franklin Delano Roosevelt.

What happened in the Taft-Hartley bill is carried over into other issues that come before the Congress. For example, we have been struggling to get a minimum-wage law. We had one, you remember, enacted in 1938—a minimum wage of 25 cents an hour. That got up to 40 cents an hour in 1942 or 1943.

We have been trying to move forward on that front. But we have been stymied and strangled, and now a gentleman, who stands in the door, and at the gate, to stop all labor progress in America, it seems, as chairman of a committee in the Senate in holding hearings upon this minimum-wage legislation, proposes to set the scale at 65 cents an hour, but to make that the vehicle to put every strangling provision that he can into the existing law.

So there is not very much encouragement that we are to get in the immediate future the kind of a minimum-wage law that the working people of this country are entitled to enjoy. Certainly, 75 cents an hour, if not a dollar, should be the minimum in the law of the land.

And in addition to trying to keep the amount down, today we are accosted by every lobby group to take out somebody who is already covered, to diminish instead of to broaden the coverage even of the law we have.

That applies to the National Labor Relations Act; it applies to the minimum-wage law and many other fields. The whole trend in Congress is backward instead of forward in terms of human progress and the promotion of the general welfare.

We have been trying, as you know, to get a housing bill enacted down there. We finally got one through the Senate. It is now stymied in the House. Every subterfuge has been resorted to, to prevent its passage over there. The real-estate lobby and the rent profiteers seem to have had the major voice in the councils of the Congress.

Nothing but the indignation and the united demand of the American people offers any hope whatever that there will be for the welfare and the sanctuary of the American family a decent home.

Well, you know we have also been trying to pass some health legislation. They raise a mighty, angry howl if a few hours are lost by strike. But few are willing to acknowledge the 600,000,000 man-days a year which are lost by illness and by preventable accidents.

The American family does want security against medical costs it cannot meet.

I have seen rural mothers in Florida, with their dead children in their arms stiffening as they sat in the lobbies and vestibules of hospitals which would not permit them to enter. Yet we who seek to find means by which they can let decent medical and hospital care are called by some undesirable and odious name.

We have been trying (and you have been magnificent in this field), to make it possible for every working man and woman, every average citizen to budget his medical costs by paying like he does for social security, contributing into a fund out of which will be provided the medical, the hospital, the clinical, the nursing, the dental service that all the people of America require to prolong their lives and to preserve their health.

But there again, we are paying in dead and in ill for what we do not do in our demands upon the leaders of the American Congress.

And you know we, as I said, have been trying to get added research funds. I favored most of the foreign aid program. I did support ERP. Five and more billion dollars may be well spent in helping Western Europe and in preserving democracy and human dignity, and in providing good customers for America's producers.

But it seems to me a rather niggardly comparison for 5,000,000,000 and more dollars in 1 year to go for even so laudable a purpose when we are only able to get $1,000,000,000 for research against all heart diseases, which kill one out of three and struck down your great leader when he was never needed more, or only $14,000,000 for research against cancer, which strikes down one out of eight.

And I have thought it was a little inconsistent and contradictory for five and more billion dollars to be granted to Western Europe, deserving as it is, but for those who obtained these billions in Congress to quibble and deny more than $15,000,000 up until a few weeks ago, to satisfy the challenge and the demand of the United Nations Children's Organization to feed 20,000,000 hungry children hobbling across the broken world today, seeking something to eat.

Today, while we are extolling civil liberties to all the peoples in other parts of the world, while we are speaking about human dignity and the fact that every mortal man has a part of the divine soul in him, that he is made in the image of one Almighty God Jehovah, sovereign American States demand the unrestricted right to perpetuate wrong to enslave and to lower the dignity of many millions of American citizens. And they even say that they can't fight together, they can't even die in the same trench, side by side if the color of their skins are different.

While we are talking about the freedoms which we hope to give to all men—and God speed the effort that is our destiny—day after day in the American Congress ingenious minds are trying to find some way to strike down the freedoms of the native-born or the naturalized American citizens, and today intimidation stalks across the American stage against any man who doesn't happen to agree with the majority.

My fellow citizens, in a democracy you have got a right to make a fool out of yourself.

You have got a right to be wrong.

Who are these arbiters who have the presumption and the presumptiveness to lay down infallible standards that they would claim the approval of the Deity for?

I am not afraid for America, I am not afraid of this country being overrun by anybody, so long as we have a citizenry that has a stake in this sacred soil, a citizenry that has something to fight for, a place to work, a place to live, neighbors with whom to visit, a church in which to worship, unions in which to gather to fight the cause to which labor is dedicated. And I don't want to stifle and strike down even extremists from the expression of their opinions and the enjoyment of civil liberties. I don't want to censor what they write, even in a corporation newspaper, and I am glad that a Federal judge has had the courage to strike down that vicious attempt to censor what was published about a political candidate or party in a labor newspaper.

My fellow Americans, I do not ascribe to Mr. MUNDT or anybody else the right to set a standard of my patriotism or my fidelity to the glorious ideals of our country, our Constitution, and our flag.

Today intolerance and bigotry and one form of totalitarianism or another really do threaten us. Yet we must not, even in the face of danger, allow our judgment and reason to be dethroned and our allegiance to a higher fidelity and patriotism to be impaired by these petty figures who would be Paul Reveres screaming their various alarms.

America was pretty safe before any of them came along, and America would be strong if all of them disappeared.

I think these great civil issues are matters about which, naturally, a group like yours is mightily concerned. I want every worker to see the wisdom of associating himself or herself with an organized-labor movement somewhere. I was so delighted when I got off the train and was met by several members of your Amalgamated in Florida. God progress your cause. I want to see you get more members. I am glad to have the honor of seeing the southern delegation. I am so glad you are here.

Continue to grow as rapidly as you can. I will help you in any way within my power. This thing democracy is the salvation of the world. I believe it with all my heart. But we've got to let the light of democracy in to many peoples of this earth who have never seen it and who have never known it. Through countless dark centuries people have lived a miserable, wretched existence under one form of tyranny or another. It was either an oppressive landlord, or an exploiting employer, or a tyrannical king or potentate. They never knew what it was to live like men, to walk the face of God's earth as if they were made in His great image. They sense that we live as we do, somehow, many of them, through curtains and through dark media; they have divined it with that intuitive sense that the people seem everywhere to possess. How many parts of the earth have witnessed that glorious struggle to break these shackles and move forward like freemen into the sunlight of a new life and liberty?

America cannot be too careful that she does not throw her great might across the path of that progress. America must be reflected and interpreted to those people as it is. I have been a little disturbed at what appeared to be the impression in Government circles that, in order to speak for America, you had to be several kinds of a millionaire. You couldn't be a diplomat, you couldn't be an Ambassador, you couldn't deal with the problems of the world unless you had money back of you; not only did you have to be a millionaire, but your father had to have been a millionaire before you, and your grandfather before him.

I still want to see America's Foreign Service, every aspect of it, open to every compe-

tent, capable American man and woman. I want to see the statesmen of labor, who have proved their right in the American forum, consulted upon these great issues, given an opportunity to translate America to these people in all parts of the world.

I will tell you, a good labor representative who knows democracy from the ground up and lives with people who are the people could do more to give assurance to the workingmen and women in other parts of the world of the real America that is speaking through these programs than a dozen of these striped-breeched, frock-tailed diplomats.

I will give you my solemn opinion: I don't believe that communism or fascism or any other kind of totalitarianism can stand up in any country of the world against the practice of democracy. But the question is going to be soon, whether those governments that we are helping over there take the aid we provide down to the people; whether they demonstrate in their domestic policies that they believe in democracy; or whether it is stolen by the corrupt or whether it is taken by those who have the opportunity for privilege in their land.

I believe today in China that if the National Government, or if a government would put into effect a decent land policy and give economic hope and political liberty to the people of China, they could drive out communism quicker than a hundred armies. [Applause.] The same thing applies to Italy. I doubt if there is a more indulgent or more luxury-loving or more idle aristocracy in the world than is today centered in some of the ornate villas and palaces of Rome, while many Italian citizens struggle for a piece of bread. Yes; let us help Italy to the limit. There is no more deserving people, no finer citizenry, but let us say to that Government, "We want to see you practice democracy at home in your domestic policy."

But, my friends, I say it, not in a partisan vein, can men who never voted for labor in the United States Senate or House, men who never sympathized with the ill, men whose hearts never went out to the poorly clad or the shabbily housed, men who have always been the spokesmen of big business, never of little, men whose whole political careers have been dedicated to the service of monopoly, not free enterprise, with the best of intentions and the greatest of exertions—can those men interpret and put into effect democratic policy to the peoples of the world?

I believe that prosperity and peace begin in America. I believe the kind of a world we have will largely be the image of the sort of America we are. I say, if America again is to rise to the great moral leadership that made us such a human champion in the glorious days of Franklin Roosevelt, we must first purify the streams of American political and economic life; that we practice before God and man in America, the sort of democracy that we preach to others.

There has been much obstruction in world affairs. I don't see, however, that there is any reason for apology or embarrassment if our Government is disclosed to have been making friendly overtures to any people anywhere to spare the human race the torture and the horror of war. Of course, we want peace, and we aren't ashamed of wanting peace. Many of you have a vacant place in your home and in your heart for a boy who didn't come back from the other war, and you would have more another time.

We need every bit of material and all the labor we have to build a greater America, and we must constantly strive for understanding and for peace—without appeasement. I favor every military proposal that has been made as to the size of the Air Force, as to the size of the Navy, as to the size of the Army, and selective service with which to provide adequate forces, but I do not subscribe to fastening upon peacetime America the European system of compulsory military training for every high school boy.

I favor this Nation following the policy that says to everybody, "You have the right to sell your ideas in the market places of the world. Nobody has a right to stop you from selling them there, but by the same token you do not have the right to enforce a sale upon anybody."

They tell us this is a revolutionary period. It is. Is America going to prove to be a decadent democracy, shorn of its ancient and erstwhile vitality, or is America going to prove that it is still fresh and consecrated to the old spirit, liberty, and the furtherance of the religion of democracy that we have inherited and that we practice at home? Are we still zealous to give to all men this democracy? Do we yet yearn to heal the hurt of their hearts, to stir within them new courage and inspiration?

So I say to you, great army of American opinion and of American democracy that you are, the way is forward and not backward, upward and not downward. Let the amalgamated continue to lead the hosts of American democracy to a better world.

Eagles' Conference on Employment of Handicapped

EXTENSION OF REMARKS

OF

HON. JOHN J. SPARKMAN

OF ALABAMA

IN THE SENATE OF THE UNITED STATES

Saturday, June 19 (legislative day of Tuesday, June 15), 1948

Mr. SPARKMAN. Mr. President, in collaboration with my eminent colleagues, Senators AIKEN, HILL, MCGRATH, MORSE, JOHNSTON of South Carolina, STEWART, MCFARLAND, FLANDERS, and MCCARTHY, I have introduced S. 2896, a bill to establish a Federal Commission on Services for the Physically Handicapped.

We cannot doubt but that our Nation is becoming health-minded. Almost every week we note conferences, covering various phases of this vital program. But there is still a lack of specific plans, in blueprint form, to point the way of how best to do the job of restoring our millions of handicapped people so that they may take their places as wage earners. I believe this bill provides the means for Congress to enact such a measure, at once economic and humanitarian in its effect.

Recently, I delivered an address before the Eagles' Conference on Employment of Handicapped, a splendid meeting attended by representatives of industry, business, labor, and other organizations, sponsored by the Fraternal Order of Eagles, Aerie No. 0137, under leadership of Mr. Robert W. Hansen, former grand worthy president, FOE, and now editor, Eagles' publications.

This great fraternity, which has sponsored so many measures, now part of our national program of social benefits, is squarely behind legislation for the handicapped. In my address to them, I endeavored to afford an outline of the present situation as affecting our handicapped citizens, and, as a part of my remarks, I am including that address.

Because of the necessity for broadening the scope of public understanding as to the purposes of S. 2896, I ask that it, also, be inserted, as a part of my remarks, along with an explanatory statement by Mr. Paul A. Strachan, president, American Federation of the Physically Handicapped, 1376 National Press Building, Washington, D. C.

There being no objection, the matters were ordered to be printed in the RECORD, as follows:

ADDRESS OF HON. JOHN J. SPARKMAN, UNITED STATES SENATOR FROM ALABAMA, BEFORE EAGLES' CONFERENCE ON EMPLOYMENT OF HANDICAPPED, MILWAUKEE, WIS., FEBRUARY 28, 1948

Mr. Chairman, prefatory to my address, I wish to say that the people of this country owe a great deal to the tireless efforts of Paul A. Strachan. When he became physically handicapped he probably would have died had he been an ordinary person—in fact, he did die, almost. He practically died and the doctors still don't know how he pulled through. He can't be beat.

I don't deserve any praise for introducing the previous bill, H. R. 5206. Paul wrote the bill. He would have worried me to death if I hadn't introduced it. He has a bulldog tenacity in fighting for the things he believes in, and for the physically handicapped.

He is sitting here, beside me, and hasn't heard a word I have said. But you have. And I hope you will remember.

More than 2 years after VJ-day our country is economically sound and employment stands at the highest level in all our history. Despite that latter fact it is distressing to note that there is still much discrimination against employment of our physically handicapped citizens, both military and civil.

We must face the appalling fact that for some years prior to World War II there had been an annual average of something like 800,000 citizens disabled in industry and agriculture alone, of whom only approximately 15,000 had been rehabilitated through governmental activities and another 15,000 by industry each year, leaving an army of 770,000 on the human scrap pile.

Today, disregarding entirely the military disabled coming out of World War II, reports for 1946 show that well over 2,000,000 workers were totally or partially disabled, with 16,500 killed. Preliminary estimates for 1947 indicate an equal, or even greater number. This shows that the annual toll of workers disabled in American industry equals the number of disabled veterans from four full years of fighting.

Further reports show that 43,000,000 days were lost by American workers in 1946 from industrial accidents, reducing their income by $1,500,000,000. This would provide jobs for 142,000 people for an entire year.

The cumulative effect in future years from accidents in 1946 alone would total 230,000,000 days, sufficient to provide a full year's work for 765,000 men and women. This takes into account the life expectancy of the 16,500 who were killed, the 1,800 with permanent total disabilities, and the 92,400 with permanent partial disabilities, such as lost legs, hands, fingers, eyes, etc.

That all this has been costly, no one can deny. In citing the above, the human side of the picture, I have not taken into consideration the tremendous sum of $2,000,000,000, and more, which industry paid out as its part of the cost of these same accidents.

This, then, is a many-sided problem. On one hand, we must continually strive to perfect safety methods, to obviate accidents; stimulate preventive medicine, etc., to eliminate, so far as possible, diseases, while at the the same time we make every effort to assist those who have been injured or diseased to recover, and to assume their rightful places as citizens of this great Nation.

As we read history, we know that each age produces its own quota of handicapped. We

must recognize that fact and prepare accordingly.

While men have known of these matters for generations past, it is a sad commentary that they have not united, as they should, to take bold, drastic action to meet this problem. What has been done, in the public domain, has been done largely by organizations such as yours, fired by patriotic zeal to aid their fellow citizens, and to stamp out human misery and want wherever it is found in our Nation.

Of course, in the main, the chief people concerned are the workers themselves, and industry, as the employer. But there is a third party at interest, presumably striving to protect both workers and industry, and that is government—which, of course, also represents your interest.

That brings us down to Federal and State laws and municipal ordinances, etc. It is my conviction that to accomplish a real job, the Federal Government must take the initiative in this matter, beneficial to all handicapped in all States, and develop a program that will be inclusive of the several remedies leading to prevention of accidents suffered by workers from injury or disease resulting from their employment in industry.

Unquestionably, "National Employ the Physically Handicapped Week" has done more to arouse the public interest in the handicapped than anything else done in all previous history. By putting the emphasis on the economic aspects—where it belongs—we are, in pressing employment of handicapped, showing up, at the same time, all other phases of the matter. Certainly, if a man or woman cannot work, because of disability, then the need of such persons for essential and remedial medical care; education and training, or retraining; vocational guidance, and ultimate selective placement in work wherein their disabilities are not a factor, is crystal clear. So I firmly believe that stressing employment of handicapped will have corollary benefits to the whole program, and, by all means, should be continued, even increased.

In the war production record, we have ample proof that handicapped hitherto deemed unemployable were, in fact, nothing of the kind. When suitably placed, they held up their end well. The record speaks for itself: "Better absentee rate than nonhandicapped. Equal production—and in some instances even better production volume than nonhandicapped. Unquestioned loyalty to the job. And, best of all, they were found to be less susceptible to accidents than nonhandicapped."

The last is understandable. "A burned child dreads the fire." Naturally, those already disabled are careful not to sustain further disabilities, if possible.

The Social Security Board's report of a few days ago cites the shocking fact that on the average working day, between two and two-and-a-half million workers are off the job because of sickness or other temporary disability, and another 1,600,000 because of disabilities lasting 6 months or longer. A total of 4,000,000. Translating that into other terms: Suppose 4,000,000 workers were on strike every day—you can imagine what a public outcry there would be.

So, we must grapple boldly with this problem. We must implement, supplement, and complement the work of public and private agencies dealing with all phases of rehabilitation and employment of handicapped.

It is not a job for any one group. This is another time when the good old American spirit and team play can accomplish what single groups acting alone, or, individuals, cannot.

I believe we should overhaul our Federal-State program. Two years ago, I introduced a bill to establish a Federal Commission for the Handicapped. This bill was written and militantly campaigned for by the American Federation of the Physically Handicapped, and, among other groups, I was honored, by having the support of the Fraternal Order of Eagles.

Today, in the light of the great need, the bill, considerably revised, will soon be reintroduced, and I hope that the Eagles will give it the same support which they accorded the original measure. It will require the united strength of many organizations such as the Eagles, to secure enactment, and I feel that the Fraternal Order of Eagles, with its long and splendid record of achievements in the public-welfare field will be a valuable ally.

The Eagles are entitled to much credit for having aroused interest in and for securing enactment of the old-age pension laws. They merit congratulations, for there is no question but that we owe our aged citizens a decent honorarium upon which they may live in comfort.

In the present instance the FOE has a great opportunity for national leadership. Through its more than 1,500 aeries and 1,350,000 members it can spur the public from its apathy and arouse it to positive action. It can summon to its aid the employing groups through community institutes.

Business and the public, once they realize the terrific drain upon our Nation's resources, both economic and human, in permitting a condition to continue, fester, and grow worse, should have no hesitancy, now that the real facts are becoming known, to spend money to do this job. When we reflect that to keep a human being in idleness, who may be willing and anxious to work, but cannot, because of lack of means to repair an injury or cure a disease, such idleness is more expensive than actual rehabilitation. We know that today with the high costs of living, food, shelter, medicines, etc., would require at least $1,200 a year, to keep such a person on public assistance or charity basis, whereas if we could spend, say $500 to $600, we could put that person into working condition. At the same time we would take the load off the backs of his or her family, community, State, and Nation, and thereafter, that person would be a contributor to the general welfare and be a taxpayer, instead of a tax eater. That, to me, is sound American common sense.

S. 2896

A bill to establish a Federal commission on services for the physically handicapped, to define its duties, and for other purposes

Be it enacted, etc., That there is hereby created and established an agency of the United States, to be known as the Federal Commission on Services for the Physically Handicapped, which shall administer the provisions of this act, and all activities outlined under the following titles:

TITLE I. PURPOSES

SEC. 1. The purposes of this act, in furtherance of the general welfare and security of the United States, are (a) to provide for maximum extension of medical services, education and training, vocational guidance, and full employment opportunities to citizens handicapped by physical or mental disability; (b) to provide for a more effective coordination of the functions of the Federal Government relating to the rehabilitation and employment of the handicapped; (c) to provide for cooperative enterprises for the handicapped; (d) to provide financial grants to handicapped who are totally and permanently disabled; (e) to provide educational grants to handicapped who require home or special training; (f) to establish an Advisory Council on Affairs of the Handicapped; (g) to establish a Federal Interagency Committee on Rehabilitation and Employment of the Handicapped; (h) to establish a National Commission on Employment of Handicapped, composed of organizations and individuals outside of Government, to encourage employment of handicapped; (i) to establish a Division for Handicapped in the United States Civil Service Commission; (j) to provide for safety and sanitary engineers to assist in eliminating and preventing accidents and conditions tending to promote disease in Federal buildings; (k) to provide for reports on the handicapped from the United States Public Health Service and the United States Bureau of Mines, and for other purposes.

TITLE II. ORGANIZATION

SEC. 201. The Federal Commission on Services for the Physically Handicapped (hereafter termed the Commission), shall be headed by an Administrator, who shall be appointed for a term of 4 years by the President, by and with advice and consent of the Senate. The Administrator shall be paid a salary of $15,000 per annum, and, after consultation with the Advisory Committee on Affairs of the Handicapped (hereinafter described), is hereby authorized and directed to perform all duties, functions, and powers vested in him by this act. He shall have power to issue such rules and regulations as he may deem necessary to effectuate the purposes of this act, and to fix the pay of officials and employees in accordance with the Classification Act of 1923, as amended. He may also employ such specialists and consultants as may be required, without reference to civil-service laws. Whenever practicable, persons appointed shall be drawn from otherwise qualified, but physically handicapped applicants.

SEC. 202. The functions of the Federal Security Administrator relating to vocational rehabilitation, and the Office of Vocational Rehabilitation are hereby transferred to the Commission, together with all funds, personnel, and records. Hereafter, the Office of Vocational Rehabilitation shall be abolished, and retitled Federal Commission on Services for the Physically Handicapped. The Commission shall administer the Federal Vocational Rehabilitation Acts heretofore administered by the Office of Vocational Rehabilitation, retaining the present personnel of that agency, and maintaining the present relation with the States, with such additional functions as may be granted by this act.

SEC. 203. There is hereby established an Advisory Council on Affairs of the Handicapped, to be responsible to the Administrator in the formulation of administrative policies, and to advise him on any matters relating to promoting the purposes of this act. The council shall consist of nine members, who shall be selected by the Administrator, as follows: Two to be chosen as representatives of the public; two, as representatives of employers; two, as representatives of bona fide labor organizations, and three who are, themselves, physically handicapped, from bona fide organizations of the physically handicapped. The Administrator shall be ex officio chairman of the advisory council, which shall act in an advisory capacity to the Commission, and shall meet not less than twice yearly, or oftener, on call of the chairman. Appointed members shall serve for a period of 3 years, and shall be paid traveling and other necessary expenses, and a per diem of $50 per day for each day of actual service.

SEC. 204. There is hereby established a Federal Interagency Committee on Rehabilitation and Employment of Handicapped, which shall comprise qualified representatives to be chosen by the heads of all Federal departments or agencies which now, or in future may have a substantial and significant participation in activities dealing with problems of the handicapped.

SEC. 204 (a). The Administrator shall serve as chairman of the Federal Interagency Committee; shall prepare agendas therefor, and shall effectuate, insofar as may be possible,

the programs and policies developed by the committee.

SEC. 204 (b). The purpose of this committee shall be to effect more economical and efficient methods for the administration of activities relating to the handicapped, and to coordinate functions including development, through research, advanced programs for the blind, deaf, hard of hearing, cardiacs, tuberculous, arthritics, epileptics, poliomyelitics, cerebral palsied, amputees, diabetics, and any other large or distinct group of handicapped to—

(2) Collect, tabulate, and make public statistics pertaining to the physically handicapped.

(3) Ascertain what fields of employment are available to the physically handicapped and make such information public at least once yearly.

(4) Acquaint employers in private industry with the special capabilities of the physically handicapped, and encourage their employment, where feasible and practicable, on an equal footing with the nonhandicapped.

(5) To cooperate with public and private agencies, organizations, and individuals, in the medical and vocational rehabilitation and placement in suitable employment of handicapped persons.

SEC. 205. There is hereby established a National Commission on Employment of Handicapped, to consist of organizations and individuals outside of the Federal Government, representing industry, business, labor, veterans, farm, women, welfare, educational, civic, religious, fraternal, scientific, and professional, and other groups and individuals, which, upon invitation of the Administrator, acting for the President of the United States, may voluntarily cooperate, on a year 'round basis, in advancing employment of handicapped.

SEC. 205 (a). This Commission shall have the right to establish its own rules of procedure; designate, by proper election, its chairman and other officers, and the small staff required to carry on its work, as well as quarters, equipment, etc., shall be furnished by the Administrator.

SEC. 205 (b), The sum of $250,000, or such part as may be necessary, is hereby authorized to be appropriated, each year, out of the Treasury, from moneys not otherwise appropriated, to carry on the work of this Commission on Employment of the Handicapped, and all funds shall be cleared through the Administrator of the Federal Commission on Services for the Physically Handicapped, upon proper certification by the duly elected head of the National Commission for Employment of Handicapped.

TITLE III. COOPERATIVE ENTERPRISES FOR HANDICAPPED

SEC. 301. The sum of $10,000,000 is hereby authorized to be appropriated out of any moneys in the Treasury not otherwise appropriated for the fiscal year 1949, and $5,000,000 annually for each of the 5 years thereafter, for establishing and maintaining special industries for physically handicapped persons.

SEC. 302. Out of the foregoing sums the Commission is authorized and empowered to make loans, through its States' agencies and affiliates, to persons, corporations, States, Territories, or subdivisions, or agencies thereof, or limited dividend organizations organized under the laws of any State or Territory, for the purpose of financing work projects for physically handicapped persons, primarily drawn from the group termed "unfeasible for rehabilitation," who require special conditions of employment and training, such as is now afforded in a most limited way, by various so-called handicapped persons' industries, sheltered workshops, and so forth. No single loan shall exceed $20,000, and not less than 25 percent in amount of all loans shall be granted in rural areas.

SEC. 303. Such loans shall be made on such terms and conditions as the Commission shall determine; *Provided*, That all loans shall be self-liquidating in not to exceed 25 years, and shall bear interest at a rate equal to the average rate payable by the United States on its obligations, having maturity in 10 years or more, after the dates thereof, issued during the last preceding fiscal year in which any such obligations were issued, *Provided, further*, That no loans for the purchase, construction, enlargement, or operation of any plan shall be made without the consent of the State authority having jurisdiction in the premises, first being obtained.

TITLE IV. GRANTS TO TOTALLY DISABLED, UNFEASIBLE FOR REHABILITATION

SEC. 401. Physically handicapped citizens of the United States who, upon application to the Commission, are certified by it as totally and permanently disabled and unfeasible for rehabilitation, and are without means of livelihood or support, shall be paid, by the Bureau of Public Assistance of the Social Security Board, through appropriate State agencies, the sum of $60 per month, beginning with the month following that in which the Commission's certification is filed with the Social Security Board. Receipt of such $60 per month from the Federal Government by such unfeasible persons shall not debar them from applying for, or receiving benefits from other sources: *Provided*, That this section shall not include veterans who may be so provided for, under veterans' benefits acts.

SEC. 402. The Commission shall, through appropriate State agencies, at least once each year, make a thorough medical examination of such unfeasible cases, and in event it is determined possible to rehabilitate any of them by any means, including new or advanced developments in medical, surgical, or therapeutic sciences, upon such report and certification by the Commission, the monthly amount of $60 paid to such unfeasible cases, shall be discontinued and, in lieu thereof, the regular processes of rehabilitation shall be applied to such unfeasible cases.

SEC. 403. In event such unfeasible cases may be determined by the Commission as being potentially capable of rehabilitation, shall enter upon and pursue treatment or training designed to effect rehabilitation, and after treatment or training, fail to become able to care for themselves, or earn their own living, then, upon examination and certification by agents of the Commission, the Social Security Board, through its State agencies, shall reenter such unfeasible cases upon its registers, and the monthly payment of $60 by the Board shall be immediately resumed.

SEC. 404. The Commission shall report to the President, and to Congress, each year, upon the number and type of unfeasible cases, and the disposition made thereof.

TITLE V. EDUCATIONAL GRANTS FOR UNFEASIBLE CASES

SEC. 501. There is hereby authorized to be appropriated, out of any moneys in the Treasury not otherwise appropriated, the sum of $5,000,000 for the fiscal year 1949, and $2,000,000 annually, thereafter, and from the amounts hereunder appropriated, the Commission is authorized and empowered, through its State agencies, to make outright grants to local nonprofit educational groups, including special services to handicapped by local school boards, organized with the objective of providing a means of teaching and training physically handicapped persons, commonly known as shut-ins, whose disabilities confine them to their homes, or beds. Grants shall be made pro rata on the basis of population: *Provided*, That not less than 25 percent of all grants in any fiscal year shall be made to groups located in rural areas.

TITLE VI. UNITED STATES CIVIL SERVICE COMMISSION

SEC. 601. There is hereby established in the United States Civil Service Commission a Division for the Physically Handicapped, with a Chief, and such staff as may be required. It shall be the duty of the Division to deal with problems attendant upon the recruitment, examination, and appointment of physically handicapped applicants for employment in the Federal Civil Service. It is declared to be the policy of the Congress that no citizen, otherwise qualified, shall be denied the right to examination and appointment by reason of physical disability.

SEC. 602. The expense of the operation and administration of the Division for the Physically Handicapped shall hereafter be included in the regular appropriations for the Civil Service Commission. Such sums as may be necessary for the establishment and operation of the Division are hereby authorized to be appropriated.

TITLE VII. AID TO THE BLIND

SEC. 701. Operations under this act shall continue present aids to blind, through commissions, bureaus, or divisions for blind now established. Benefits now received by the blind shall not prejudice nor debar the blind from seeking or receiving such additional benefits as may be made available under this act, nor shall anything in this act be construed as abolishing or limiting any benefits now received by the blind.

TITLE VIII. SAFETY AND SANITARY ENGINEERS

SEC. 801. The Commission is authorized to cooperate with all Federal agencies in devising and arranging for proper safeguards to life and limb in public buildings, and eliminating and preventing conditions therein tending to promote disease or cause injury. It may employ safety engineers and sanitary engineers as required, who may, with the consent of the agency having jurisdiction, inspect and report on any and all buildings used by the Federal Government.

SEC. 802. The Commission may also cooperate with the American Institute of Architects and other interested groups and individuals, with a view to having public and other buildings constructed or remodeled with ramps, in addition to stairs and/or elevators, and with railings to facilitate the free and safe movement of lame and crippled persons, when designing and operating public and other buildings, institutions, parks, and conveyances.

TITLE IX. UNITED STATES PUBLIC HEALTH SERVICE

SEC. 901. The Public Health Service shall, through its field offices, report to the local agents of the Commission, as soon as possible after the effective date of this act, once monthly, the names, addresses, and other pertinent information, of citizens who, by reason of physical disablement, are in need of services to be afforded by the United States, under the terms of this act.

TITLE X. UNITED STATES BUREAU OF MINES

SEC. 1001. The United States Bureau of Mines shall, through its field offices, report to the local agents of the Commission, as soon as possible after the effective date of this act, once monthly, the names, addresses, or other pertinent information of all those who may be disabled by accidents or disease incurred in or around the mines, as soon as practicable after such accidents or diseases occur.

TITLE XI. GENERAL PROVISIONS

SEC. 1101. The term "States," as used in this act, means the States, Alaska, Hawaii, Puerto Rico, Virgin Islands, or the District of Columbia.

SEC. 1102. For the purpose of administering this act and for the purpose of making the investigations, studies, publications, and reports herein provided for, including cost of personal service in the District of Columbia,

and elsewhere; stenographic recording and translating service (by contract, if deemed necessary), without regard to section 3709 of the Revised Statutes; traveling expenses by attendance at meetings when specifically authorized by the Administrator; supplies and equipment, purchase and exchange of medical and reference books, directories, periodicals, newspapers and press clippings; purchase, operation, and maintenance of motor-propelled passenger-carrying vehicles; printing and binding (in addition to that otherwise provided by law), and for all other necessary expenses in carrying out the provisions of this act, there is hereby authorized to be appropriated for each fiscal year such sums as the Congress may determine to be necessary.

SEC. 1103. The provisions of this act shall not apply and the Government shall not be liable for claims in the cases of persons who are well provided for, financially, by such as—

(1) Recovery of large amounts on suits for damages, in personal injury cases.

(2) Payment of special compensation for injury or disease, covered by State laws (but not by present Federal laws).

(3) Other conditions under which disabled persons are sufficiently provided for.

SEC. 1104. If any provision of this act, or the application thereto to any person or circumstance is held invalid, the remainder of the act, and the application of such provisions to other persons and circumstances shall not be affected thereby.

SEC. 1105. This act shall be known as the Federal Aid to the Physically Handicapped Act.

SEC. 1106. All laws or parts of laws in conflict with this act are hereby repealed.

SEC. 1107. This act shall be effective 90 days after date of enactment.

STATEMENT OF PAUL A. STRACHAN, PRESIDENT, AMERICAN FEDERATION OF THE PHYSICALLY HANDICAPPED, INC., ON S. 2896—A BILL TO ESTABLISH A FEDERAL COMMISSION ON SERVICES FOR THE PHYSICALLY HANDICAPPED

The problems of our 28,000,000 handicapped citizens, many of whom are seriously disabled, fully warrant establishment of a Federal Commission to function solely in their interest. Their acute, often distressing problems are special problems which can only be dealt with in a specialized way, by specialists.

Administration of such an agency should be independent of other phases of Government activity because Congress, the President, and the public are entitled to know what is being done for the disabled; by whom it is being done; the cost, and the results. Today, agencies dealing with these matters are scattered widely; they have little or no coordination and there is bound to be duplication of effort and consequent waste of time and taxpayers' money, to say nothing of the fact that the present services, facilities, and personnel are wholly inadequate to the needs of the handicapped.

As stated, requirements of our millions of handicapped are growing more acute each day, particularly those who are civilians, and they cannot be adequately dealt with on any other than a basis of special service. If the transportation interests are serviced in Government by the Interstate Commerce Commission; banking interests by the Federal Reserve Board, Reconstruction Finance Corporation, and several other agencies; farmers and cattle raisers by the Department of Agriculture; working people by the Department of Labor; veterans, by the Veterans' Administration; those of road builders and construction groups by the Federal Works Agency, and many other special groups having their interests represented by special services of the Federal Government, then, in justice and equity, to say nothing of conservation of lives and human values, as well as strengthening the national security by improving the welfare of our people—the handicapped, who have few real champions, are fully entitled to a special agency in their own interest—properly manned by experts, and equipped with facilities and means sufficient to do a real job, instead of merely scratching the surface, as is now the case.

"Rehabilitation" is a meaningless term, because of the prevailing confusion as to the objectives it should accomplish. Therefore, to clarify and improve the understanding of the public, we propose changing the present Office of Vocational Rehabilitation to "The Federal Commission on Services for the Physically Handicapped" so that all people, and especially the handicapped themselves—at least 75 percent of whom, today, don't know what "Rehabilitation" means, after more than 20 years of effort to sell that name to them—will know exactly what the agency stands for, and what it is supposed to do.

Such a Commission would be able to cope more successfully with the multiple requirements of handicapped with any office or bureau. It should have independent powers, because it will deal with many subjects heretofore not part of the rehabilitation concept, which are necessary if the job is to be done right.

After 30 years' observation, study, and practice in this field, we firmly believe passage of this bill to be essential to the proper development of a program for the handicapped. We feel that the Congress can thus express its long-publicized desire and intent to afford better services for the disabled and by so doing concentrate sufficient of the present activities under one head so that better administration and more economy will produce greater results.

Obviously, Congress cannot be expected to be familiar with all details of a field which is now covered by some forty-odd Federal agencies, each of which has a part of the handicapped program. From time to time such agencies as are shown to be properly within its defined area could be integrated in the Commission until a well-proportioned whole is achieved.

We stress that the Commission would provide important and necessary services which are not now provided, and because of their lack make present operations of the program incomplete, awkward, and in many instances unworkable, all of which is a detriment to the Nation's welfare and particularly the welfare of the millions of handicapped who require such services.

TITLE I. PURPOSE

This outlines the scope of the act.

TITLE II. ORGANIZATION

This outlines and defines the functions of the Commission and the administrator thereof. Under this title, it is pointed out that much of the present duplication and waste of effort and money could be eliminated because the prime objective here is to coordinate many functions now scattered through various agencies. Also, present agencies lack requisite powers to educate the public, particularly employers, as to the value of handicapped as workers, and this title confers such powers upon the proposed Commission.

This title transfers the functions of the Federal Security Administrator relating to vocational rehabilitation and the Office of Vocational Rehabilitation to the proposed Commission, and henceforth all Federal vocational rehabilitation acts shall operate under the Commission. The present staff of the Office of Vocational Rehabilitation would be retained and the Federal-States relationship continue as under the present law.

It establishes an Advisory Council on Affairs of the Handicapped, composed of experts in this field, as a policy-developing unit, the need for which is very clear.

It provides a base for, and outlines the functions of, the Federal Interagency Committee on Rehabilitation and Employment of Handicapped, as a coordinating body, to bring order out of the present chaotic situation wherein approximately 40 agencies go in different directions at the same time. The proposed Commission is the logical place to coordinate such activities, and its composition thus would, doubtless, be the means of effectuating greater efficiency and economy in the operations of the various agencies involved.

It establishes a National Commission on Employment of Handicapped, to consist of representatives of national organizations and individuals outside of Government, to function voluntarily, on a year-round basis, to encourage employment of handicapped. This would provide a necessary and logical base, for example, for the activities of the present President's Committee on National Employ the Physically Handicapped Week, which has no present legal status, and which should, logically, be based in the Commission. Since the President's Committee on National Employ the Physically Handicapped Week presently has no funds to project and expand educational campaigns to promote employment of handicapped, this provides a relatively small sum for that purpose.

TITLE III. COOPERATIVE ENTERPRISES FOR HANDICAPPED

The Congress should remedy the present situation, wherein submarginal public assistance to handicapped does not provide them means to live, be treated, and trained so that they may earn their own living, and thus make substantial contributions to the national economy, if possible to do so, by learning trades or occupations, under conditions wherein their handicap is not a factor, or, at least, is properly evaluated and provided for.

Sheltered workshops are not a new concept. They have proven of great value in many respects. Yet they are too limited in number, have inadequate facilities and means, and in many instances lack business management. They offer a practical solution for the lack of training schools, as well as a means of affording income for otherwise capable but handicapped people, who have never had opportunity, especially when pitted against nonhandicapped in our rigid competitive employment system.

TITLE IV. GRANTS TO TOTALLY DISABLED, UNFEASIBLE FOR REHABILITATION

It is estimated by the Social Security Board that there are conservatively 3,600,000 totally and permanently disabled people in the United States. These, for the most part, are termed "unemployable and nonfeasible for rehabilitation." Many of them are bedfast or confined to wheel chairs, and a considerable number are destitute and wholly dependent upon an uncertain charity to sustain even the barest necessities of life.

In the light of continued improvement in medicine, surgery, and therapeutics, as well as discovery and application of new drugs and new type of treatments, it is reasonable to believe that many such cases rated unfeasible yesterday, or even today, may within a week, a month, or a year, or even longer, because of some new discovery become entirely feasible of rehabilitation.

On the other hand, when only superficial medical examinations or treatment are given, as, no doubt, in many instances has been the case when the applicant is termed "unfeasible," there is room for considerable margin of doubt, if not positive error, in such diagnosis and no medical examination should be accepted that is not thorough in every respect, and such examinations should be given at reasonably frequent intervals as a means of proper determination in any case.

The only practicable, just, and humane way to deal with this matter is, to see to it that such persons are afforded thorough diagnosis by qualified physicians, and if the find-

ings show such persons to be totally unfeasible for rehabilitation, then, if such persons are destitute, or wholly dependent upon others for livelihood, who, themselves, are unable to bear the expense of providing a living for such unfeasibles, then, such unfeasibles should be certified by the Commission as being wholly unemployable, and provided a Federal grant, the moderate sum of $60 per month.

Operations under this title would act as a double check, most effectively, and would reveal, over the long run, a more accurate picture of the so-called "shut ins", and provide for their needs, however meagerly, by recognizing the Federal obligation to them by a small grant—if they are disqualified for rehabilitation.

Rehabilitation agencies would have the responsibility of periodically giving medical examinations to such unfeasible cases, so that the real objective would be carried out—"rehabilitation," and not, "grant, or pension," unless the latter is absolutely necessary. But, as an alternative, there would be provided a means of meeting the fear of poverty, illness, the misery of being wholly dependent upon others who lack means, themselves, in the minds of destitute and totally disabled handicapped citizens.

We urge upon the Congress the great need and desirability of approving this title.

TITLE V. EDUCATIONAL GRANTS FOR UNFEASIBLE CASES

Many handicapped, especially those in rural, sparsely settled areas, are denied access to educational facilities. In many cases, schools are located considerable distance from the homes of persons where, for example, there are handicapped children, and it is not practicable for such handicapped children, or even adults, to attend such schools.

This title provides a modest beginning on development of a great and essential program, that of teaching the home-bound handicapped. In the case of the "Shut-Ins," it would provide a godsend, indeed, as development of this program, within the next few years would, doubtless, bring all the latest and most scientific means of learning, right to the bedside, by radio, motion pictures, television, etc.

TITLE VI. UNITED STATES CIVIL SERVICE COMMISSION

Growing requirements of civil service, dealing with physically handicapped people, necessitates establishing a regular division with the Civil Service Commission for that express purpose. The expense would be nominal; the effects far-reaching and beneficial, and operations under this title would implement the declaration of congressional policy, exemplified in H. R. 4236 (80th Cong. 2d sess.) which provides that no handicapped person, otherwise qualified, shall be denied examination or appointment to positions for which they may be fitted.

TITLE VII. AID TO THE BLIND

This continues and expands present means of assistance and rehabilitation to the blind. It provides some additional means of training, over the present set-up, of which blind may avail themselves, if they so desire.

TITLE VIII. SAFETY AND SANITARY ENGINEERS

This title provides for inspection services not now in general use, and which are needed, both from the standpoint of conserving the health of employees of the Government, and the public, using Government building, but, actually saving money for the Government by eliminating causes of accident and disease to Federal workers and others.

There is little need to dwell upon this matter, because it is manifest that the Federal Government should take steps immediately, to prevent acident, or illness, in the erection and reconditioning of buildings, and the equipping thereof, to provide such safeguards as may be necessary, upon recommendation of qualified safety and sanitary engineers.

TITLE IX. UNITED STATES PUBLIC HEALTH SERVICE

The United States Public Health Service already has physicians and surgeons covering all parts of the United States. There is no good reason why such agents of USPHS should not, as a part of their administrative functions, inform the Commission as to those handicapped within their respective areas who would be eligible for services to be performed by the Commission.

This is to eliminate much of the waste motion that now prevents speedy handling of cases, particularly in locating; having proper application made; processing and completing essential work on behalf of the rehabilitation of the individual.

With but rare exceptions, diseases and accidents, leading to a physical handicap, are not static, but dynamic. They get better, or worse, as the case may be, but they should be immediately treated, if the individual is to have a fair chance of full recovery. Therefore, in this matter, the USPHS can play a very important role in getting a case into processing, without so much lost time.

TITLE X. UNITED STATES BUREAU OF MINES

Accidents and diseases due to working in mines, often cause great disasters and loss of life and property. It is matter of record that many accidents cause numbers of men to lose the use of limbs; become paraplegics, amputees, victims of silicosis and consequent respiratory diseases, and so forth.

Quick rehabilitation processes must be applied, and since the Bureau of Mines already has a Health and Safety Service, it would be a comparatively simple matter for that Bureau to notify the Commission as to these accidents and disease epidemics, etc., so that prompt steps may be taken to treat the victims thereof.

TITLE XI. GENERAL PROVISIONS

This title provides for the appropriations which may be necessary to operate the Commission; shows what types of persons would not be eligible for the benefits administered by the Commission, etc.

Address of Hon. Lindsay C. Warren, Comptroller General of the United States

EXTENSION OF REMARKS
OF
HON. GRAHAM A. BARDEN
OF NORTH CAROLINA
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. BARDEN. Mr. Speaker, under leave to extend my remarks in the RECORD, I desire to include a speech made by the Honorable Lindsay C. Warren, who was for many years a most valuable Member of this body but who is at present Comptroller General of the United States. Mr. Warren delivered this speech on May 31, 1948, at New Bern, N. C., at which time a fine group of Coast Guard men were tendered a banquet in recognition of a heroic rescue performed by them off the coast of North Carolina. For many, many years the Coast Guard men throughout the Nation, and especially those stationed on the coast of North Carolina, have regarded Mr. Warren as one of the best friends the service ever had.

The speech follows:

I appreciate so much the invitation to join you tonight to honor men of the Coast Guard, a very great service which will always be my favorite one. From my earliest boyhood and on through the years, I have visited every shore station on the coast of our State, have known those who manned them, and formed many lasting friendships, and have thrilled over their daring and their exploits.

The Coast Guard, the oldest of all the services, looms high in the admiration and affection of North Carolinians. A dangerous and treacherous coast line brought the Coast Guard to us in the days of its infancy. It has been only in recent years that the inventive genius of man has contrived instruments such as the radio compass, radar, loran, and other inventions that has made sea travel less dangerous and at the same time has revolutionized the work of these ambassadors of mercy.

On account of this and to our regret, many of our shore stations have been permanently decommissioned and are no longer even owned by the Government. This, in my opinion, has impaired the service, has left sections of the coast unprotected if an emergency should arise, and has created a morale situation by taking men far from their homes. After all, a contented and happy man in a station near his home is the one who will render the best service, and I hope the officials will again recognize this salutary policy as they did several years back.

Just this last winter I read of the station in Massachusetts that had not received a sea assistance call in 23 years. But one finally came, and over a score of men are living today because that station was there. As one who helped to fight the battles of the Coast Guard in other years, and whose affection for it is deep-seated, I deplore the niggardly policy that has caused so many of these stations on the Atlantic coast to be closed. They should be kept open to stand there like a policeman on his beat, ready for a call if one should come.

I wish I could talk some about the activities of the Coast Guard, its far-flung operations, its Academy and its commissioned personnel, its cutter service, its aids to navigation, its iceberg and seal patrols, its air bases, its fine Commandant, and all the things the Coast Guard does in a day's work. But tonight we are paying tribute to those in shore stations, to the enlisted personnel, to those who move about the little communities in which they are stationed, and who are looked up to and respected because they have earned it as representatives of a noble service.

Looking over the list of those you honor tonight, I see names of men whose ancestors were always coast guardsmen. They were men who were born near the sea and who faced it with respect, but always unafraid. Read the log book of any station on the North Carolina coast and you will find in short and at times in simple and crude words hundreds of glorious epics of unexcelled heroism.

It was old Capt. Bannister Midgett, that tough, rough old salt, who 75 years ago, launching his boats from the beach at Chicamacomico, with only the strong shoulders and the brawn of his men to move them through a raging sea, recorded in his log the next morning this cryptic entry:

"We herd em, we seed em, and we went out and fetched em. No. saved, 63; No. lost, 0."

Not one word did it tell of the men who accomplished such a feat; not a word did it mention of their own suffering, nor was their heroism recorded.

About 20 years ago I attended a large dinner such as this at Elizabeth City when medals and promotions were bestowed on groups who had made two notable rescues

of large numbers. The greatest commandant the Coast Guard has ever had, the friend and champion of the enlisted man, my own dear friend, the late Admiral R. R. Waesche, was there with many others to pay tribute to them. Many of you remember the late James Henry Garrish, of Ocracoke. Speeches had been made by all of the so-called notables when finally Admiral Waesche said: "Let's hear from Captain Garrish just how it all happened." We settled back in our seats prepared to hear a long and graphic story from the lips of a man who was there. He got up, straightened out his giant frame and sputtered: "Well, we went out and we brung them in." And then he sat down. How well that illustrates the modesty and brave men and those who saved the crew of the *Norfolk* would undoubtedly tell their story in the same modest language.

Semper paratus—always prepared, always ready, is their motto. It was old Capt. Pat Etherdige, that valiant officer in charge of the Nags Head station of yester-year who contributed a priceless saying that has become a legend in Coast Guard history. A wreck was offshore in the deep of the night. Frantic signals were coming in from the stricken ship. It was a sea in which only the stoutest boat could survive and only stout-hearted men could face. For a moment there was hesitation on the part of a newly married surfman who cried out: "Captain, none of us will ever come back." Old Captain Pat, stern old long bearded man of the sea, without education, replied that he would read what the regulations had to say about such a situation. The story goes that when he opened the book it was upside down. "The regulations say," said he, "when you get a call you must go out there. I can't find where they say anything about how you are going to get back. Come on, men, and follow me." And they went out and they brought back 32 human beings who were snatched from the jaws of death.

World War I and World War II came to the shores of North Carolina with a tremendous impact. We witnessed the wanton destruction of the lightship on Diamond Shoals by the submarines of the Kaiser. No history can ever tell of a greater story than that of the Mirlo, when Capt. John Allen Midgett and his men went through a wall of an ocean on fire and with an almost sublime daring accomplished the impossible. None know better than most of this audience that from Nags Head to Beaufort Inlet the last war struck in all its fury and brutality and that deeds of valor and sacrifice were daily occurrences. The wrecks of scores of our own merchant ships and many enemy submarines are silent reminders of how near this conflict came to our section.

When, beginning with Guadalcanal and continuing on with Tarawa, Iwo Jima, Bougainville and Guam, the fate of ruthless Japan was being sealed, it was Coast Guard boys from coastal North Carolina, the sons, and grandsons and great-grandsons of those who made the Coast Guard great, trained for the purpose, who piloted the first waves to the beaches. Such has always been Coast Guard spirit. Such was the spirit in March 1943 when one more marvelous rescue was added to the long list and 22 men of the motor vessel, *Norfolk*, were spared for their loved ones.

So, ladies and gentlemen, all hail to the Swansboro, Bogue Inlet, Cape Lookout and Fort Macon lifeboat stations, and their sturdy men, and all hail to the Coast Guard wherever they are operating, and in the words of the psalmist, all hail to:

"They that go down to the sea in ships that do business in great waters:
These see the works of the Lord, and His wonders in the deep."

Soil and Life Essay Program, Schools of Lord Fairfax Soil Conservation District

EXTENSION OF REMARKS
OF
HON. BURR P. HARRISON
OF VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. HARRISON. Mr. Speaker, under leave to extend my remarks in the Appendix of the RECORD, I append an essay by Dane Mattos Long, of the Berryville Elementary School, Berryville, Va., on the subject of conservation:

1948 SOIL AND LIFE ESSAY PROGRAM, SCHOOLS OF LORD FAIRFAX SOIL CONSERVATION DISTRICT

(By Dane Mattos Long, Berryville, Va., seventh grade, Berryville Elementary School, Miss Garnet Levi, teacher)

Even since the early days man has realized that his life and that of his community depend on the soil and natural resources which surround them. He knows that from the soil come all the necessities of life for his standard of living. His food, both meat and vegetables, get their life from the soil. To be of real value they must come from a fertile soil—not one wasted by erosion. The plants or vegetables grow directly in the soil. From these or other plants the vegetarians or plant-eaters get their food. Upon these plant-eaters the meat consuming animals feed, and thus, directly or indirectly, all of man's food comes from the soil.

His clothing also comes from the soil. The cotton, which is the most important fabric in modern life, come directly from the soil. Wool which is sheared from sheep is another important fiber. The sheep get their food from crops which grow in the soil. Silk is a fiber which comes from the silkworm spinning its cocoon. These worms get their food from mulberry leaves. Linen, another fabric, is made from flax. All of these and other plants that clothe us get their food from the soil, air and water. Man can do much in soil and water conservation.

One of the most indispensable products in man's life gets its direct start in the soil. This product, upon which man depends so much, is wood. The products of wood, such as cellulose, wood pulp, plywood, and others, play an important part in any household. Just peek into the average home in America. When you enter you will step through a door of wood, step over a threshold of wood, and step into a floor also made of wood. Look around you and the number of wood products is almost endless. You might see a piano, which is made of tropical wood, mahogany. The keys also might be of a tropical wood, mahogany. The keys also might be of a tropical wood, ebony. Over in a corner you might see a chest; that, too, will be made of wood. You could go on forever with a list of wooden products which are found in the home and elsewhere. If something happened and all of the wood and its products disappeared from the earth man would probably find living almost an impossibility because we have become so dependent upon wood and its products to shelter and even partially clothe and comfort us. This all goes back to the fact that the standard of living is firmly rooted in the soil.

However, true all of this may be as we are still forgetting an important fact. This fact is that in the process of securing these necessities we are mistreating and abusing our soil. Many farmers, with their eyes on high prices, have planted crops where time, weather conditions, and the kind of soil are not suitable and conservation practices were not used. This may be profitable the first few years but later on it will catch up with them. The catching up will be in the form of erosion. Erosion, that is the combined agencies of wind, rain, and water, will descend upon the fields of these unwise farmers and gradually carry away the precious top soil and to the detriment of all—individuals and business alike.

Erosion might well be considered public enemy No. 1. Every year more than 500,000 acres of land are murdered. This land was murdered by the wind, the rain, or washed away by floods where careless farmers failed to use known conservation practices. Practices which give on an average one-third better yields and saves precious soil for future use.

Erosion, with all its dirty work, is robbing the world of its soil many times faster than nature can replace it. Erosion, even with its dirty work, does not get a start without our help. Careless farming methods, wasteful cutting of the forests, overgrazing, and all of the allies of erosion are causing us to lose about a half million acres of soil a year. Nature builds topsoil at the rate only 1 inch in 500 to 1,000 years. Mankind has less than 7 inches of topsoil between it and starvation today. It is against these kinds of circumstances that we must fight.

If we are to retain our health, prosperity, and freedom, we must keep our soil we now have left. To do this is simply a matter of patience and good common sense in the application of tested conservation measures now practiced by thousands of good farmers throughout the Nation and the world, where they use and conserve productive soil and rainfall.

There are many tools that play an important part in stopping erosion's dirty work. One of these is contour farming—crops rows on the level. This might seem a commonsense thing to do, yet the pioneers made it harder for themselves and their animals by plowing up and down the slope. Rows that go across the slope form little dams that hold the soil when it rains. In this way the water is allowed to soak into the ground instead of rushing down the rows, taking precious soil and seed with it. Part of this water which is allowed to soak into the soil is stored for later use by the crops, and the rest is added to the underground supply to feed springs, wells, streams, and ponds. Thomas Jefferson taught and practiced the art of contour farming. Beautiful patterns of contour and conservation farming are to be seen here in our Lord Fairfax Soil Conservation District. Still all too frequent is the ancient square farming with crop rows up-and-down hill, forming gutters to hasten soil and rainfall off the field.

When the pioneers were farming they made one crop their money crop. They planted this same crop over and over again on the same soil. When they wore out one farm they moved to another, when that one wore out they moved to still another. They could have avoided all the poverty and despair that their worn-out soil brought them if they had used a good crop rotation and other simple conservation measures. That means alternating production of various crops on a piece of land to keep the soil productive and to improve it. In a good rotation including grasses and legumes, one crop helps the next one. Crop rotation also can be combined with strip cropping, giving the crop rotation in a pattern of alternate contour strips, increasing yields and conserving soil and rainfall.

Strip cropping means planting alternate strips of crops. Strips of close growing crops like grass and clover between strips of a clean cultivated crop like corn in the crop rotation. The strips of close growing crops hold the water and keep it from eroding to the clean tilled crops below. The strips must be planted in accordance with the slope of the land; that is, the steeper the slope the narrower the strip. Contour strips on farms

in our area are from 70 to 100 feet wide and are effective in conservation of soil and rainfall, giving larger yields of better crops.

Another method of soil conservation is terracing. Just imagine a flight of stairs up and down the hills—that is just what terraces look like. They are embankments built on the slope to check water run-off. A terrace with a slight grade slows down run-off water, and guides it to safe disposal areas or grassed waterways.

In places where there are strong winds trees and tall growing plants help hold down erosion. Trees planted in belts of several rows wide are used as windbreaks. These trees help to break the force of the wind and reduce erosion. Trees also help conquer erosion in another way. They send down masses of roots that help hold the soil in place. Careless farming and cutting practices add so much to flood damage each year. Without this protective cover of trees and close-growing crops the major floods would be even more disastrous. Simple conservation practices applied to a watershed may reduce floods 25 to 35 percent.

Lands that are steeply sloping and cannot be used for crops even with the most protective measure should be turned into pastures, woodland, or wildlife areas. These lands if managed right and not overgrazed will hold erosion to a minimum. If you mistreat the land it will soon be bare of all of its protective plants and erosion will start its dirty work. Look at the Navajo Indians' plight at this very moment. Their main source of income was from their sheep. They allowed the sheep to overgraze the land, that is, they literally grazed the grass cover right off. When this protective blanket was gone, the lands eroded severely which limits the number of sheep they can now have. This number is not enough to keep a good standard of living; consequently there is poverty and despair among these people. Many people of ancient days followed similar roads to destruction.

When a farmer harvests his crops, he is usually taking more from the land than he is putting back and erosion on fields cultivated up-and-down slopes lose from 10 to 21 times more plant food by erosion than by that removed by crops. If in the course of time he doesn't do something to protect and restore the fertility to the soil it will just wear out or die away. Farmers do put some of nature's food back into the soil in a number of ways. One is the use of 16,000,000 tons of commercial fertilizer annually to say nothing of large amounts of lime. These fertilizers are a mixture of chemicals required for production of larger yields of better crops for better living. Another method is the correct use of manure, crop residues, and cover crops. They add much plant food and organic matter. Every year millions of dollars are wasted by allowing manure to leach out in the barnyard and costly fertilizer, lime, and seed to float away in eroding topsoil. Most of this could be protected. Obsolete practices are aiding erosion to destroy faster than soil is being built and protected through practical, easily applied conservation practices.

Right now the United States is the most progressive and resourceful country on the globe, and we are now on a global basis, but we weaken that position as we continue to lose our soil as the pressure on our cropland increases. It is almost unthinkable that intelligent America should be losing, by wasteful practices, 3,000,000,000 tons of precious life-giving topsoil annually. Many countries are now studying in this country our patterns and practices of soil conservation and are asking for the help of our scientists trained in soil conservation. We are now forced to think on a global basis. Think of Japan with less than one-quarter acre of cropland per person, China with less than one-half acre, Africa and Western Europe 1 acre, United States and Canada with only 3½ acres.

In his code of agricultural ethics, Dr. M. M. Hargraves, Mayo Clinic, writes:

"A good agriculturalist recognizes the basic nature of the soil and its relationship to all life and the economy of living. He knows that all individual health, happiness, and accomplishment, as well as that of the community, nation, and the world goes back to this indispensable soil."

The Miles City, Mont., Veterans' Hospital

EXTENSION OF REMARKS
OF
HON. MIKE MANSFIELD
OF MONTANA
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. MANSFIELD. Mr. Speaker, under unanimous consent, I am inserting in the RECORD copies of correspondence between myself and the United States Army engineers relative to the building of the proposed veterans' hospital at Miles City, Mont. I do this so that the people of Montana will know what the situation is with respect to this facility. It is my hope that the hospital for veterans at Miles City will be a reality in the very near future.

MAY 6, 1948.

Gen. J. S. BRAGDON,
Office of Engineers,
Gravely Point,
Department of the Army.

DEAR GENERAL BRAGDON: Since the Miles City Veterans' Hospital was authorized in June 1945, I have been making every effort to further the construction of this hospital at the earliest opportunity because of the great need for this facility for veterans of eastern Montana and western North Dakota, but it appears nothing but delay has resulted since that time due to facts over which the Corps of Engineers, I think, would have some control but in the final analysis has done very little.

I was informed in 1945, that a Montana architect could not be considered because of the fact that he could not complete the plans within a 60-day period. I know that since that time it has taken more than 60 days to complete the original plans and I know at the present time it is taking a great deal more than 6 months to complete the new plans. It has been well over a year since the bids were first called for on the Miles City Veterans' Hospital and at that time the bids were turned down because they were too much out of proportion to the estimated figure in the Office of Engineers. This is, of course, understood. However, I was informed last summer that bids would be called for again at the first of this year but nothing happened at that time and since then the calling of the bids has been put off from time to time until now the earliest time, so we have been informed, at which the bids will be offered will be around September 1948.

I think there is no justification for the policy pursued by the Corps of Engineers in this respect and I have called your office on a number of occasions and have been put off all the time by promises of something happening in the immediate future As it is almost 3 years since the Miles City Hospital was authorized, I feel that the time is long overdue when construction should have been started on this vitally important project. I cannot understand why it is taking so long to call for bids on this project and I want to take this means to urge on you that this matter be given your immediate attention and that bids be called for at the first earliest date. By this I do not mean September 1948 or later. I do mean sometime sooner.

I would appreciate hearing from you as to what you intend to do on this matter because if nothing is coming from your office, I will push this matter to a head so that I will get action at the earliest opportunity.

Must close now, but expecting a reply from you about this very important matter in the very near future and with best personal wishes, I am,

Sincerely yours,

MIKE MANSFIELD.

P. S.—I am informed that when the original bids last summer were turned down that the cost of each room at that time was estimated at $10,000. I repeat, I find no fault with your refusing the bids offered then because of the fact that they were away out of line. However, it is my understanding that the cost per room in this unit since that time with the rising prices, and it seems that the prices will continue rising, is approximately $11,000. If this continues, the result will be that the hospital will have far too few rooms and far too little in the way of facilities needed. It appears to me that it is imperative if the veterans of Montana are to receive any benefits out of this hospital, that it must be constructed at the earliest moment.

M. M.

MAY 22, 1948.

Gen. J. S. BRAGDON,
Office of Engineers,
Gravely Point,
Department of the Army.

DEAR GENERAL BRAGDON: As a result of my letter to you of May 6, I had a conference in my office with Mr. A. V. McIver and associate who are drawing up the plans for the Veterans Hospital at Miles City. Mr. McIver informed me that he would do his very best to get the plans completed by July 23, 1948, if possible and certainly by August 1 at the very latest. He also stated that the 45 days waiting period and study by the Corps of Engineers would not, on the basis of information he had received, be applicable in this particular instance but that after the plans were completed, bids would be immediately called for and the contractors would have 30 days to study them.

On this basis, it would appear reasonably sure that one of the bids, if within the specified range, would be acceptable and a contract let for the construction of the Veterans Hospital at Miles City by September 1.

In view of the fact that I have received these assurances from Mr. McIver, I will be satisfied if bids are called for and if acceptable, the contract let for the veterans hospital by the first of September.

Must close now, but thanking you for your attention to this matter and with best personal wishes, I am

Sincerely yours.

Copies to Alfred S. Kurtz, Engineers, room 2629, Gravely Point; Col. William C. Hall, Engineers, room 2555 Gravely Point; Col. Emerson Itschner, Engineers, room 2433, Gravely Point; A. V. McIver, Strain Building, Great Falls, Mont.

P. S.—I would appreciate a reply to this letter and confirmation of the statements contained therein.

M. M.

DEPARTMENT OF THE ARMY,
OFFICE OF THE CHIEF OF ENGINEERS,
Washington, D. C., June 2, 1948.

Hon. MIKE MANSFIELD,
House of Representatives.

DEAR MR. MANSFIELD: Reference is made to your letters of May 6 and May 22, 1948, addressed to Brigadier General Bragdon, in

which you urged that contracts for the construction of the Miles City, Mont., Veterans' Administration Hospital be awarded by September 1, 1948.

The status of the design of this hospital has been reviewed, and by modifying to some extent the normal procedure for the completion of the design and for advertising for bids, I hope to be able to receive bids about September 8, 1948. Technical experts from this office will visit the architect-engineer at frequent intervals to assist him in completing the design by about July 23. Furthermore, the 10-day period required for reproducing the plans and specifications after the design is completed will be reduced to 7 days, if practicable. The usual procedure of checking the plans in my office prior to advertising for bids will be waived in this case, and our review will be made during the bidding period. Such changes as are found to be necessary as the result of this review will be accomplished subsequent to the receipt of bids.

Maj. Gen. Lewis A. Pick, division engineer, Missouri River Division, Omaha, Nebr., informs me that a survey of prospective bidders indicates that not less than a 40-day bidding period will be required if reasonable bids are to be expected. This confirms my experience, as the average time required to advertise and receive bids on the 25 veterans hospitals awarded to date has been very close to 60 days.

If a satisfactory bid is received, I will request the Veterans' Administration to authorize the required funds immediately after the bids are opened, and the contract will be awarded as soon as the funds are authorized.

I assure you I will make every effort to complete the design by July 23, reproduce plans and advertise for bids by July 30, receive bids September 8, and award contracts by September 10.

I sincerely hope the above schedule meets with your approval and that you agree that no further shortening of the time periods is feasible or in the best interest of the Government. Your continued active interest in the Veterans' Administration hospital program is appreciated.

Sincerely yours,

R. C. CRAWFORD,
Major General,
Acting Chief of Engineers.

The International Wheat Agreement and the CCC

EXTENSION OF REMARKS
OF
HON. ALBERT L. REEVES, JR.
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. REEVES. Mr. Speaker, Mr. S. C. Masters, one of my constituents, has written me an excellent and forceful letter on the subject of the proposed international wheat agreement and the proposed permanent charter for the Commodity Credit Corporation. Under leave previously granted, I am including as a part of these remarks the text of his letter. It is as follows:

MASTERS-KELLEY GRAIN CO.,
Kansas City, Mo., May 15, 1948.

Hon. ALBERT L. REEVES,
House of Representatives
Office Building, Washington, D. C.

DEAR MR. REEVES: The Associated Press this morning quotes Mr. Norris E. Dodd as making the following statement in his testimony yesterday before the Senate Foreign Relations Subcommittee: "Neither national agriculture relief measures nor bilateral trade agreements have proved effective toward world wheat price stability at levels reasonable to both the producer and consumer and in preventing the piling up of wheat stocks in exporting countries." Mr. Dodd makes this confession in urging ratification of the international wheat agreement. If you have followed his testimony, you will find that after admitting a failure of the national farm program on a national scale we would attempt to broaden the failure by making it international.

We have been examining the records, and find that since the national farm program was fostered and became a law in 1933, with the admitted attempt on the part of then Secretary of Agriculture Henry A. Wallace to socialize farming as a way of life, that there has been a continuous tinkering with agriculture prices and markets for the avowed purpose of securing prices equal to parity for farmers. After studying the socialistic intents of the national farm program, that purpose can certainly be questioned and appears to be entirely conducted for the purpose of social reform.

In any event, from 1933 until 1945 the price of wheat never touched parity except for a brief period of a few months in 1936. At the beginning of the program in 1933 all farm products averaged 59 percent of parity, and at the end of the prewar period in 1939 they were up to 72 percent of parity. In the meantime, wheat, which was one of the commodities most actively supported, averaged 55 percent of parity in 1933 and was only 57 percent at the end of 1939. Cotton was almost exactly the same, and corn, which experienced two droughts during the period, was only slightly better. However, the important thing is that wheat was 16 percent below the general average of all farm prices, and corn was 16 percent below the average of all farm prices at the end of 1939, while other commodities that were left alone fared far better. We believe you will find the records show that it was postwar inflation that finally returned better than parity for farmers for their grain and that the operations of the Commodity Credit Corporation have not only cost many millions of dollars in tax funds but have denied producers many millions more because their operations were actually price depressing instead of price supporting in their effects. The Congress has under consideration a permanent charter for the Commodity Credit Corporation and the Senate has under consideration ratification and of the international wheat agreement. I believe that both are socialistic and un-American to the extreme and feel that an examination of the facts would convince you that they are definitely contrary to the best interest of either producers or consumers. Therefore, I urge your most active opposition to these two bills.

Yours respectfully,

S. C. MASTERS.

The March of Militarism

EXTENSION OF REMARKS
OF
HON. MERLIN HULL
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Thursday, June 17, 1948

Mr. HULL. Mr. Speaker, the presentation of this draft bill is the culmination of months of intensive promotion and propaganda by the Defense Department aided and abetted by General Marshall as Secretary of State. Backed by the special interests which seek this force measure upon our country, it has gathered momentum as those in high position have long demanded a huge Military and Naval Establishment to back their program and their operations at home and abroad. The same agencies of publicity have been subsidized handsomely from our Federal Treasury in the promotion of the Marshall plan for $17,000,000,000 in grants and gifts to foreign nations at the expense of our own people. Added to such propaganda has been the force of war scares and allegations of a crisis in world affairs threatening our national existence.

It is intended to fasten upon our country the same system of militarism which has brought ruin and disaster to so many countries of Europe and Asia. It is a system out of which wars have come and more will come.

Our Navy and our Air Force are able to maintain their forces by the traditional method of volunteer enlistments. It is only the Army which has manipulated its regulations to restrict enlistments which presses the demand for compulsory military training. The more men there are in the ranks the more the generals will augment their own numbers and their power.

No investigation has been made as to any crisis alleged to be imminent. Only a few months ago the generals were among those who advocated the Marshall plan as the guaranty of peace in Europe and a certain way of stopping the march of communism in the western European nations. Scarcely had Congress accepted their theory and their program than came the demand for "military might" to back up the expenditures.

Nor will the draft, with all its power and force, be sufficient to them. New and further demands will be forthcoming as each staged crisis is played up as a new danger to our liberties. Promising peace and at the same time promoting wars to destroy all peace is not consistent.

For years the brass hats have sought in every possible manner to obtain compulsory military training in peacetime. The plan often has been changed as our people and their Congress refused universal military training. Then came the peacetime draft proposal to keep our armed forces up to the mark which the saber-rattling generals demand.

Every amendment offered to this bill and adopted by the House will be swept aside by the military crowd which seems to dominate the situation. The bill will eventually pass and in the form the military manipulators demand. Let nobody be fooled that the draft is necessary for our safety or that it will end the increasing powers of the schemers who preach patriotism for their own professional glory.

This measure will set up anew the draft boards and the entire system of enforcement which was necessary for the war. It will require the registration of all young men between 19 and 31 years from which will be drawn inductees for the Army as the Federal agencies de-

mand. There will be exemptions, but 400,000 or more young men just starting out in life will not be exempt. They will serve the full terms the generals demand. The medical profession will be drawn upon for inductees as will the other professions which serve the health of our people. Every community and many millions of families will be drawn upon to gratify the insatiate demands of the military masters.

I am opposed to this measure. I shall vote against it. I am firm in my opinion that in opposing it I am reflecting the sentiment of 90 percent of the people of the district I represent and probably even a larger percentage. Our people are tired of war. They want peace and prosperity. They have seen the spread of militarism in other countries and the terrible consequences of it. They want none of it here.

The Rider Racket

EXTENSION OF REMARKS
OF
HON. JOHN E. FOGARTY
OF RHODE ISLAND
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. FOGARTY. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Washington News of Thursday, June 17, 1948:

STOP THIS RIDER RACKET

President Truman was on solid ground when he vetoed the $975,914,700 appropriations bill for the Federal Security Agency because it carried a rider transferring the United States Employment Service from the Labor Department to the FSA. It is too bad his veto was overridden.

Without arguing the merits or demerits of the Agency's transfer, we contend legislation such as this should be required to stand on its own feet. It should not be tacked onto an appropriation bill.

An appropriations bill should be only that—a measure making certain funds available for some governmental purpose.

The use of legislative riders has reached a new peak of absurdity in this Congress.

That odd product of North Dakota, Senator LANGER, tried to tie the civil rights bill to the measure repealing taxes on margarine. The subjects, of course, had nothing in common.

The Interior Department appropriations bill as it passed the House carried five pages of riders, some of which amended laws in effect since 1902. All of these were eliminated in the Senate except the most objectionable one. This was an amendment, sponsored by Senator SHERIDAN DOWNEY, Democrat, of California, designed to oust two Government officials, Michael Straus, Federal Reclamation Commissioner, and Richard Boke, a regional director of the Reclamation Bureau.

It provided that the commissioner, assistant commissioner, and regional directors must be engineers, with at least 5 years of engineering experience. This was an irrelevant requirement introduced to punish the two officials because they had applied acreage-limitation provisions of the reclamation law to California's Central Valley.

This unfair measure, too, is a fit subject for a Presidential veto. But more than the possibility of a President's veto, which may not be sustained, is needed to protect the public from the rider racket.

Congressional procedure should be revised so as to limit each piece of legislation to one subject and to prohibit legislation of any kind in an appropriations bill. Without these safeguards, it has been demonstrated that a single Member of Congress can attach vital legislation to a pending measure in the closing days of a session simply by threatening to filibuster against all other bills on the calendar until his individual demands are satisfied. That isn't majority rule. It is one-man government, of a most dangerous and irresponsible kind.

Work of the Eightieth Congress

EXTENSION OF REMARKS
OF
HON. A. L. MILLER
OF NEBRASKA
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. MILLER of Nebraska. Mr. Speaker, at the end of each session of Congress it has been my custom to make a report, through you, to the people of my district on its accomplishments. While the Chief Executive has severely criticized this Congress because it has not carried out his recommendations for the reenactment of all wartime controls over our economy, I personally feel that under your leadership we have made great progress in solving the problems that confront the country. President Truman has vetoed 140 bills to date and promises more vetoes. This is a record. Some of the legislation had to be passed over the veto of the President. There really has been very poor cooperation with Congress, by the administration. Its long term of power has made it deaf to the will of the people as expressed by their elected representatives in the Congress. It occurs to me, Mr. Speaker, that no administration can stay in power for 16 years without developing the feeling that its judgments are wiser than those of the people. This attitude results in corruption and bad government. While I personally believe the next administration will be Republican, I do not want it to stay in power for such a long time. I fervently hope that the States will ratify the action of this Congress to set a limit of two terms for any man to serve as President for I feel that the most of our troubles today stem from the breaking of that precedent.

GOVERNMENT EXPENSE

I have been greatly discouraged by the fact that we have not been able to cut Federal Government spending and reduce the number on the Federal pay roll to what they should be in time of peace. In the fiscal year 1933, the last before the New Deal, there were 572,091 persons on the Federal pay roll and the total appropriations for that year were $4,325,140,000. By 1940 the number of Federal employees had risen to 1,014,117, and Federal appropriations had reached to $9,127,374,000. At the present time there are well over 2,000,000 on the pay roll Appropriations for the fiscal year 1948 made by the first session of the Eightieth Congress were $35,000,000,000. The public debt on March 4, 1933, when the New Deal took over was $20,900,000,000. On December 7, 1941, it had reached to $55,200,000,000. Today our debt is approximately $252,000,000,000. The administration is today adding 500 new employees per day to the pay roll. The difficulty that Congress has had to face in trying to cut Federal spending is caused by the administration sending up demands for new expenditures which are so vague it is impossible for experts to determine whether or not they are needed. In spite of this, however, the first session cut appropriations for the fiscal year 1948 about $5,000,000,000 under the President's budget estimates. The saving will not be as great this year because of the war scare that has been engendered by the administration to justify greatly increased demands for appropriations. This much can be said: The Eightieth Congress has arrested and reversed the trend that was destroying the system of government that has made our country the richest Nation of all times. The trend is for less spending, less debt, and less taxes. The budget has been balanced, the first time in 16 years. We have made a good beginning but there is much more to be done. Certainly we cannot do much more until we are rid of the administration whose policy is to spend and spend, tax and tax, elect and elect.

HIGH COST OF LIVING

Living costs have continued to rise even though the removal of Government controls has resulted in a great increase in the production of goods. I am convinced that the chief cause of this increase is the huge amount of goods we have exported to foreign countries through our various relief programs. I realize that we need some export trade but for the past 6 years it has been entirely out of balance. Inflation is nothing more than having more money than goods. The way to cure it is to have more goods than money. This cannot be done if we continue to ship out of this country the goods manufactured by our labor and industry and not keep enough to meet our own needs. The President has asked for power to put rationing and price control in force. I cannot support this program. It slows production, creates black markets, and means complete regimentation. It just will not work.

FOREIGN AID

Mr. Speaker, I have supported appropriations to feed the hungry and to send them the necessary clothing and medicine. I have not been happy about the Marshall plan. I am sure that this country cannot continue to squander its resources without a fair return and at the same time remain economically strong. We will profit nothing if we waste all of our resources and bring ourselves down to the level of European and Asiatic countries. Now that the plan has been approved by the Congress I feel that it should keep a constant check on the expenditures of funds to diminish the chances of waste that has characterized all other foreign-aid programs. It must

be watched, otherwise the plan will become a world-wide WPA program.

UNITED NATIONS

I have always been in favor of the United Nations. I am disappointed that the principle of the unlimited veto was adopted at San Francisco and that it has been used so often by Russia. I have always felt that the United Nations should have a military force to back up its decisions. As it is now constituted it is nothing more than a debating society. Very little has been accomplished. The division of Germany into four sectors was a grave mistake. The Palestine issue has been badly handled and I hope that the present armistice will prove to be permanent. If the nations of the world are ever to get back to a permanent and a just peace they must adopt the fundamentals of Christianity which inevitably lead to peace.

DEVELOPMENT OF OUR NATURAL RESOURCES

In his recent swing through Nebraska the President took occasion to charge that Congress had not supported his recommendations for the development of our natural resources. The record of the Eightieth Congress belies this charge. It has made more liberal appropriations for public power, rural electrification, irrigation and flood control than has any previous Congress. It has not followed his recommendations for a Missouri Valley Authority or some of his extravagant, unsound requests.

Large appropriations have been made to carry out plans for flood control, power development, and irrigation under the Pick-Sloan plan for development of the great Missouri Valley. This is a sound, constructive approach. Before I came to Congress very little had been done to make surveys in central and western Nebraska provided for in this plan. I am glad to know that surveys are now being made in the Platte, Loup, and Niobrara Valleys so that work can be pushed ahead. Money for high-power lines from Gering through Bridgeport, Sidney, North Platte to Sterling, Colo., and from Bridgeport through Alliance and Chadron, Nebr., and from O'Neill, Nebr., to Fort Randall, S. Dak., has been provided. The Eightieth Congress has appropriated more money for the expansion of the REA program than has any four previous Congresses. The money appropriated for the development of our natural resources cannot be considered as an ordinary expenditure. Much of it will be used for REA loans which are repaid with principle and interest. All of it will produce national wealth which will increase the income of the Government.

INDUSTRIAL RELATIONS

The passage of the Taft-Hartley law in the first session of the Eightieth Congress has, contrary to predictions of its opponents, reduced work stoppages in industry due to strikes with its resultant loss of production and the wages of workmen. It has encouraged the settlement of controversies by negotiations to the benefit of workers, management, and the public. While experience with the operation of the law may indicate the necessity for amendments I am convinced that the great majority of workers approve of the law.

FEDERAL ACTIVITIES CURBED

This Congress has refused to carry out the administration's socialistic proposals and demands for interference with private enterprise. It has refused to permit the wasting of more money in large-scale public housing while it has continued the policy of mortgage insurance to encourage building by private industry. This policy has produced the largest home-building program in the history of our country.

Congress has resisted the heavy propaganda barrage aimed at forcing it to enact a so-called national-health program which is just another name for socialized medicine.

INCOME-TAX REDUCTION

The Congress passed, over the President's veto, a bill to reduce income taxes. This has brought most welcome relief to the people. It has freed 7,400,000 people for paying any income tax at all. It provided special relief also for the blind and aged. Seventy-one percent of its benefits have gone to taxpayers with incomes of less than $5,000. It further provides the incentive for men and capital to work together for needed industrial expansion, greater production, and more jobs for people.

MORE BENEFICIAL LEGISLATION

The Eightieth Congress has passed much other important legislation. It created a joint commission to study the reorganization of the executive branch of the Government to see where we can cut back the regular expenditures of Government. It will recommend what functions should be returned to the States and local governments, or to the people themselves. It will recommend plans for eliminating overlapping and duplication in Federal functions and for cutting out those that are unnecessary. This reorganization of Government will be the big task for the next Congress. I really believe that with a change of administration the now 1,200 Government agencies can be cut in half with a great saving to the taxpayer.

It has been generous in its treatment of our war veterans and has increased social-security benefits for more than 3,000,000 needy children, the aged, and the blind. It has established a National Heart Institute for research on diseases of the heart and circulatory system. It has been more than generous with measures to provide for an adequate national defense. While the job is not finished, this Congress has taken measures to root out of our Government service the Communists and fellow-travelers who have worked their way into it.

RETURN TO MY DISTRICT

Mr. Speaker, as is always the case the Eightieth Congress has had to adjourn leaving much unfinished work. Some of the action taken in haste in the closing week does not meet with my approval. I expect to go back home this summer and visit in every one of the 38 counties in my district. I like to meet and talk with the people. I get new ideas and a fresh viewpoint. It renews my faith in the common sense and good judgment of the people of Nebraska. It has been impossible for me to discuss all the legislation that has come before us. Most of it will be of interest to some individuals and groups. I will be glad to answer their questions for they have a right to know how their Representative voted on them. They then will be the judge as to whether or not they want me to come back here to represent them in the Eighty-first Congress. If they send me back I will continue to follow the pattern I have laid down to guide my action in the three Congresses I have served them. The RECORD will show that I am among the upper 5 percent of those who answer all roll calls. I have studied the legislation, listened to the debate and then voted the way I felt would be for the best interests of all the people. I may have made some mistakes but if so they have been of the head and not of the heart.

I have great hopes that our country will continue to be a strong Nation. We have the resources, the factories, the man-power and the know-how. There is no reason why we cannot get our economic machine in balance. Our people should go on to a happy and contended life. We should be able to build a peaceful world for the enjoyment of ourselves and our children.

Government in the Wheat Market

EXTENSION OF REMARKS

OF

HON. ALBERT L. REEVES, JR.

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. REEVES. Mr. Speaker, is the Government really buying wheat for export or for the purpose of holding prices up or forcing prices up? Mr. Harold A. Merrill, one of my constituents, has posed this question in a letter which I include as a portion of these remarks. It is as follows:

KANSAS CITY, MO., *May 26, 1948.*

Representative ALBERT L. REEVES, Jr.,
House Office Building,
Washington, D. C.

DEAR REPRESENTATIVE REEVES: I enclose a market letter received from Harris, Upham & Co. this morning. The contents of this should be valuable information for you as it brings out the question mark in the trade's mind as to why the Government continues to buy grain. You will note that this letter states this continued buying suggests either an effort to bolster prices or a further raise in the export quota, stating further that the latter seems unnecessary in view of the excellent new crop prospects abroad.

Last week Broomhall News, of Liverpool, England, stated that the crops of France, Italy, and even Germany would be about normal, which would eliminate the necessity of any quantity of imports. The present administration keeps talking about being against inflation but all their actions indicate otherwise. The loan put on different farm crops is ridiculously high. The percentage basis of the loan is a wartime basis and was instituted as a wartime measure to increase production. Since the war is over it is high time that the loan level be reduced

to a more sane basis, otherwise grain prices will be held high which will cause big production throughout the world and eventually a debacle.

Congress certainly should look into the Government grain buying program at this time and see that it does not buy to hold prices up or force prices up. The people abroad will take whatever we give them on a gratis basis just as long as we give it to them, but with their crops back to normal we should be able to stop this at once and let prices in this country go down so that living costs go down which is what we need above everything else at this time. The continued spiral of increased wages on account of increased living costs must be stopped, and now is the time to stop it by stopping the Government buying of foodstuffs as this is not necessary because of the normal crops abroad. For your information, a cable was received from Italy today by one of the members here stating that barley harvest was starting there. This means that wheat harvest is only a few weeks away in that country, which means that the other European countries will be harvesting their crops in a few weeks, which should eliminate any necessity of further grain shipments from this country. I am a raiser of both grain and cattle but I am not in favor of the present high prices as I believe in the long run they will prove detrimertal to we producers.

Therefore, will appreciate it if you will continue your efforts to control this Government food buying program and hold it down to the absolute minimum amount.

Yours very truly,

HAROLD A. MERRILL.

Mr. Speaker, is it not time that we restrict Government wheat purchases in view of the fact that grain crops are virtually normal in the countries to which we are about to export our own wheat? I also include in these remarks excerpts from market letters furnished by Mr. Merrill which emphasize the excellent crop prospects abroad:

MAY 25, 1948.

The Government continues to take sizable quantities, apparently greatly in excess of its announced export goal of 402,000,000 bushels. Last week CCC bought 8,499,295 bushels of wheat and 504,753 bushels of flour in wheat equivalent, and this continued buying suggests either an effort to bolster prices or a further raise in the export quota. The latter seems unnecessary in view of the excellent new crop prospects abroad. Yet the authorizations for the first quarter operations of ECA demonstrate the emphasis being placed on foodstuffs. Washington advices indicate that the estimates of European requirements of other goods under ECA have been heavily overstated by the State Department and that American shipments abroad under ECA will fall way below the appropriations allotted for the first quarter of operations.

JUNE 14, 1948.

The executive assistant to the Secretary of Agriculture, Nathan Koenig, in an address in New Jersey, said that western Europe's crop prospects have improved to a point where United States shipments of grain, beginning July 1, will probably be reduced about 20 percent below those of last year and that shipments of fats and oils may also be cut. He called attention to the survey made by the Department of Agriculture that shows that broad grain production in ERP countries is expected to be less than 2 percent below prewar. While coarse grain production is expected to run 3 percent above the prewar level.

JUNE 15, 1948.

The wheat that is being sold is going largely to the Government which last week purchased 11,642,368 bushels of wheat and 1,777,090 bushels of flour in wheat equivalent, a total of close to 13,500,000 bushels. Much of the wheat being harvested in Oklahoma is moving toward the gulf rather than to Kansas City, its normal outlet, because of the attractive prices being paid by CCC for wheat in that position.

JUNE 16, 1948.

The CCC advanced their buying price to 2.29½ for Chicago July, up 2½ cents from yesterday, but the basis for June and July 15 delivery at the Gulf and 17 cents over the June delivery at Philadelphia was unchanged. Considerable attention was paid to a statement by the Secretary of Agriculture, admitting that Government purchases would probably tend to advance food prices in this country. The necessity of such buying is questioned by trade interests and many Members of Congress and this doubt will be intensified by a report current near the close that France had failed to accept offerings of flour from this country on the ground that they had enough wheat of their own to supply them.

Political Side-stepping

EXTENSION OF REMARKS

OF

HON. MERLIN HULL

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 16, 1948

Mr. HULL. Mr. Speaker, after 18 months of the present Congress, the Committee on Ways and Means has reported a bill to add 3,500,000 people to the rolls of social security. Whatever may be its merits and its shortcomings, neither will be dwelt upon at any length in the closing hours of Congress. It will not pass both Houses of Congress. No opportunity will be offered for change or amendment. It will be whisked to the Senate where it will be quietly pigeonholed and the measure will cease to be. Nobody will be added to the rolls of social security. Nobody will be benefited by the committee's action. Like many other important problems awaiting consideration it will end as unfinished business.

There is no reasonable excuse for the failure of Congress to take up and solve the question of assistance for the aged, the blind, and orphaned children. For more than a dozen years honest and earnest men have urged congressional action only to be denied the privilege of a hearing at which they and their constituents might appear and exercise their rights to present their views before the committees. The Townsend organizations, representing millions of good old people, have sought for more than a dozen years to have Congress consider their plan and vote upon it, without success. The thousands of lobbyists which appear before committees of every Congress are heard, no matter what special interests they represent. Only the old folks who have helped make our country great, whose lives have been spent in aiding its progress and development, are thus discriminated against. Now another Congress is about to end, and with the same record for disappointment to the aged.

In their endeavors to obtain recognition in advancing the just demands of the older folks, 174 Members of the House have signed a discharge petition to bring the Townsend bill to the floor, and thus open up for discussion all the measures now pending before the committee. Under the rules of the House, 218 signatures are necessary to complete the petition.

But the fault lies not in the earnest endeavors of the 174 representatives who have labored so consistently to bring about the desired results. It lies with those in power who refused consideration and the many more who refused to sign the petition from lack of interest in the problem.

The fight will go on. The cause of the aged and the blind is just. It must eventually win not only the recognition of Congress but the passage of legislation which will bring relief.

The cause not only concerns those drawing the meager and insufficient allowances now provided by the Federal, State, and county governments. State and county resources are proving insufficient to meet the increasing demands for relief. A Federal law providing real relief is necessary.

Our Federal Government has given away $20,000,000,000 for postwar relief to European and other foreign countries. Congress has authorized the expenditure of $17,000,000,000 more. For the next fiscal year our defense program will cost another $20,000,000,000. With all such enormous allowances of funds of our taxpayers, Congress fails to even consider what should be a fair support allowance for its own aged people.

It is high time that Congress turned its attention to the problems of our people and to stop squandering billions abroad, including many millions to kings and their corrupt courts and agencies.

Work of House District Committee

EXTENSION OF REMARKS

OF

HON. J. GLENN BEALL

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. BEALL. Mr. Speaker, as chairman of the Public Service Subcommittee of the House District Committee, I submit the following, which is a résumé of the work done by the committee.

I am also submitting a list of the bills introduced by me and the action taken on legislation affecting the District of Columbia.

Twenty-six bills were referred to the Public Service, Streets, and Traffic Subcommittee. Of this number, seven were duplicated or superseded by bills resulting from hearings. Thus, there were before this subcommittee 19 bills for action; all were considered; public hearings were held on 17.

H. R. 4849, the bill covering development of the Arizona Freeway, was heard and an inspection trip was taken. However, an

agreement was reached by the Commissioners and the Department of the Interior which was filed with the Committee that made further action unnecessary.

H. R. 2471. A bill which contemplated repayment to the District by the Interior Department for uniforms of Park Police, was vetoed.

Of the remaining 15 bills, 12 have passed the House, and 10 have become public law.

Bills which were referred to the Public Service, Streets, and Traffic Subcommittee, District of Columbia Committee, Eightieth Congress:

H. R. 1624: Private vehicles for police inspectors. Public Law 114.

H. R. 1689: [1] Firemen, three-platoon system.

H. R. 1997: Firemen and policemen, seniority for veterans. Public Law 154.

H. R. 2049: [2] Credit police and firemen for military service. (Longevity.)

H. R. 2053: [3] Merge Park Police.

H. R. 2394: Reinstate Policeman Hall.

H. R. 2470: Police Band. Public Law 175.

H. R. 2471: Park Police, reimburse, District of Columbia uniforms. Pocket veto.

H. R. 2072: [4] Police benefits for retirement (military service).

H. R. 2947: [5] White House Police.

H. R. 3433: Platoon—two systems. Not yet numbered.

H. R. 3978: Temporary promotion of lieutenants. Reported in Senate.

H. R. 4572: Learners, permits (drivers). Public Law 487.

H. R. 4849: Arizona Freeway. Agreement signed by Interior and Commissioners.

H. R. 5047: Police, fire, salary increase. Reported in Senate.

H. R. 5451: Relief, L. B. Sank.

H. R. 5592: [6] Eastern Avenue, damages.

H. R. 6075: Firemen, retired.

H. R. 6295: Pensions for police and fire widows. Net yet numbered.

H. R. 6450: Parking facilities. Same as S. 2040. Not yet numbered.

H. R. 6522: Weed removal. No action taken.

H. R. 6533: [7] House Joint Resolution 421: Parking-lot facilities. Not yet numbered.

S. 924: Policemen and firemen's relief fund. Public Law 205.

S. 1022: White House Police. Public Law 90.

S. 2040: Not yet numbered.

The Honorable J. GLENN BEALL introduced 30 bills which were referred to the District of Columbia Committee, 11 of which have been reported by the Senate District Committee, 5 have received public law numbers, 6 are presently pending.

Of the 30 bills, 6 were duplication. The similar bill being introduced later following hearings. Four of the bills, while reported favorably by the subcommittee and full committee, had Senate bills passed in lieu.

BILLS INTRODUCED BY HON. J. GLENN BEALL

H. R. 1688: Investment of trust funds.

H. R. 1689: [8] Three-platoon system.

H. R. 1969: Barbers' hours.

H. R. 2053: [9] Abolish Park Police.

H. R. 2072: Drinking straws.

H. R. 2315: [10] Common trust funds.

H. R. 2470: Police Board. Public Law 175.

H. R. 2471: Abolish Park Police. Vetoed.

H. R. 2947: White House Police Force. S. 1022 passed in lieu. Public Law 90.

H. R. 3208: Nursery schools. S. 751 passed in lieu. Public Law 123.

H. R. 3238: Laundry loss.

H. R. 3433: Two-platoon system. Not yet numbered.

H. R. 3978: Temporary rank advancement for police lieutenants. Reported in Senate.

H. R. 4572: Learners permits (drivers). Public Law 487.

H. R. 5047: Police salary bill. Reported in Senate.

H. R. 5184: School tuition—nonresidents.

H. R. 5563: Business tax repeal.

H. R. 5591: Business tax repeal. S. 2409 passed in lieu. Public Law 509.

H. R. 5592. Eastern Avenue condemnation. S. 2040 passed in lieu. Not yet numbered.

H. R. 5737: Teachers' salary.

H. R. 5919: [11] Business tax repeal.

H. R. 6050: [12] Business tax repeal.

H. R. 6075: Retired firemen tax exemption.

H. R. 6119: Public utilities study—bus routes.

H. R. 6295: Widows (police and firemen) pensions. Reported in Senate.

H. R. 6296: Emergency powers for Commissioners.

H. R. 6522: Weed removal.

H. R. 6533: [13] Widows (police and firemen) pensions.

H. R. 6723: Prohibit purchase of beer on credit.

H. J. Res. 421: Investigate parking lots. Not yet numbered.

[1] See H. R. 3433.
[2] See S. 924.
[3] See H. R. 2471.
[4] See S. 924.
[5] See S. 1022.
[6] See S. 2040.
[7] See H. R. 6295.
[8] See H. R. 3433.
[9] See H. R. 2471.
[10] See S. 629.
[11] See H. R. 2409.
[12] See H. R. 2409.
[13] See H. R. 6295.

Hon. George A. Dondero

EXTENSION OF REMARKS
OF

HON. J. HARRY McGREGOR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. McGREGOR. Mr. Speaker, I desire to pay my respects to the distinguished chairman of the Public Works Committee, the Honorable GEORGE A. DONDERO, of Michigan, under whom it is my privilege to serve as a member of that committee as well as chairman of the Subcommittee on Public Buildings and Grounds.

In this period of recognized need for improvements in the various phases of our Federal works program, and with the realization that construction costs are nearly prohibitive, I fully realize the tremendous pressure that has been placed on the chairman of our committee. Congressman DONDERO'S record will justify the statement that he is one who believes in economy and yet one who recognizes the needs in the various areas of our country. Even in these trying times, he has been most courteous and considerate, not only to witnesses before the committee for and against legislation, but has always recognized the rights of the individual members and has always favored us with the opportunity to express ourselves whether in accord or in discord with his own views as chairman.

Congressman DONDERO'S record, as chairman of the Public Works Committee, in this first Congress under our reorganization plan, will be considered outstanding even in years to come.

Report on the Eightieth Congress

EXTENSION OF REMARKS
OF

HON. A. L. MILLER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. MILLER of Nebraska. Mr. Speaker, it has been my practice in the closing days of a session to report to the people of my district the things the Congress has accomplished and the position I have taken on the issues that have come before it. The Fourth District of Nebraska is primarily agricultural and is naturally concerned with the things Congress has done to encourage and make possible a healthy agricultural economy. This interest is not wholly selfish since no country has ever prospered when its agriclutural economy is depressed. A prosperous agriculture brings prosperity to every phase of a nation's economy. Recognizing this fact the Republican majority in the Eightieth Congress has promoted a strong program for the development of our great agricultural resources. Needless to say, I have aggressively supported this sound program.

CONSERVATION

Our basic resource is the soil. Before the war erosion was making heavy inroads on our soil and during the war we further seriously depleted our agricultural lands in attempting to feed the peoples of the world. The need to repair the damage is obvious and Congress has met this need by appropriating increasing amounts to furnish technical aids and payment for sound soil-saving practices. It seems to me that the future of our country depends upon how we conserve and utilize our soil and we must of necessity produce more and more to feed our increasing population. To do this we must have a program to conserve, preserve, improve, and properly use our land, water, and other resources. This will bring added wealth to our country.

To maintain our standard of living and meet the demands of the increasing population we must bring into cultivation our arid lands through irrigation and reclamation. The Congress must be liberal in providing funds for expanding this program. The people of Nebraska have been particularly cheered by the support Congress has given the coordinated plan for the development of the great Missouri Valley known as the Pick-Sloan plan. While we in this valley will derive great benefits the whole country will profit from this development.

Mr. Speaker, I was born on a farm homestead in Nebraska and lived all of my early life there. My father, at 85, still lives on this farm. I can tell you with some degree of understanding that the farmers of this country are the real backbone of our economy. Farm economy must be kept healthy or the rest of the country will be sick. Farmers do need good roads, development of REA, soil conservation, and a price for the things they produce which reflects fairness in comparison with the things they must buy. It is to be noted that manu-

facturers are pretty well protected in their price.

RURAL ELECTRIFICATION

Mr. Speaker, I am indeed pleased that this Eightieth Congress has seen fit to give liberal support to our REA program. This Congress has appropriated $800,000,000 for REA. This is 42 percent of all the funds voted in the 15 years of its history. No previous Congress has voted as much. I am pleased to state that the record of repayment of loans to the REA districts is impressive. It must be remembered that this money is being repaid in principal and interest. It is so different from the moneys we spend in the far corners of the world. Development of REA and our resources adds great wealth to the whole country. There has been some lack of generating facilities and inability to get material, which has held up some of the REA and flood-control programs. I believe this condition is now changing and this fine development can go forward. The initial appropriations were made in the Eightieth Congress for a high-power line from the Kortes Dam in Wyoming, to Gering, Bridgeport, Sidney, Alliance, and North Platte, Nebr. This continues on to Sterling, Colo., and will connect up with the Big Thompson project in Colorado. Appropriations are also included to begin work on the line from O'Neill, Nebr., to the Fort Randall Dam in South Dakota. The appropriations carry money for the needed substations to distribute this electric energy throughout Nebraska. It is interesting to note that 16 of the 22 REA districts in Nebraska serve as a whole or in part residents of the Fourth Nebraska District.

FARM PRICE SUPPORTS

The program for supporting the price of leading agricultural products on a 90-percent of parity basis has been extended for another 2 years. I introduced a bill for this purpose early in the session. While some consumer groups may complain that this program adds to the cost of living let me point out the great spread between the price the producer gets for what he raises and the price the consumer pays. I am convinced that this spread is excessive and have constantly urged a complete investigation of this situation. The farmer needs a parity price which will include labor and all production costs.

FOOT-AND-MOUTH DISEASE

An ominous threat has been hanging over this country—a catastrophe that might easily wipe out our meat supply. I refer to the dread foot-and-mouth disease that has rapidly spread through cattle herds in central Mexico and was threatening to spread to the great herds in northern Mexico. If I had it would be almost impossible to keep it from infecting the herds in our own country. Fortunately, the present epidemic seems to have reached its peak and, with the aid this Congress has provided, seems to be receding. Although the danger seems to be passing right now we can expect another outbreak unless other means are found to combat it. You, as Speaker of the House, made it possible for me to make two trips to Mexico to inspect this disease in that country. I have from time to time made suggestions to this Congress about what should be done to keep foot-and-mouth disease out of this country. I am happy to have had a small part in getting a laboratory established which will engage in research on this problem. I am convinced that the scientists can discover a vaccine which will not only cure but prevent the disease. It is interesting to note, Mr. Speaker, that the Fourth Nebraska District has the largest livestock population of any district in the United States. It behooves this Congress to work in close harmony with the cattle industry and to do everything possible to wipe this disease from our continent.

RECIPROCAL TRADE

Another issue coming before the Congress with far-reaching implications for agriculture is the extension of the Reciprocal Trade Agreements Act. Under the Roosevelt and Truman administrations, a large percentage of the items on which tariffs were reduced were agricultural products that furnish direct competition to our own. For that reason I supported the bill to extend the act for 1 year with the provision for transferring the authority to study and report the effect of the proposed changes from a committee within the Department of State to the United States Tariff Commission. I realize, Mr. Speaker, that we must have some trade, but this should not be a one-way street with the farm products of the Nation taking the brunt in all the tariff reductions. Other countries can produce food much cheaper than we can. The farmer needs protection just as much as the big industries need protection.

EUROPEAN RECOVERY PLAN

On the urgent insistence of the Truman administration the Eightieth Congress passed the so-called European recovery program which practically obligates this country to spend $17,000,000,000 of the taxpayers' money over a period of 4 years for the aid of 16 European nations. While, as a result of the propaganda methods used to sell the idea to the American people, it would have been much easier to support this legislation, I opposed and voted against it as did all members of the Nebraska delegation in Congress. My principal reason for doing so was the fact that with the help we had previously given them and through their own effort these nations have achieved more than 90 percent recovery of their national economy as of the year 1938. Most of the money to be immediately provided by us would be used by these nations to bolster their socialist experiments. Later, the money would be used to reestablish their armed strength. It seems to me to be wholly reprehensible to take in taxes from the people of this country the money they have earned under our system of individual enterprise to support a system in direct contrast to our own and if it achieves recovery, is bound to compete with us in foreign markets through Government-owned cartels.

The items to be procured from this country are already in short supply and will inevitably raise prices to our consumers and make it more difficult to get the things they need. I have supported aid in the form of food, clothing, and medicine to the needy in Europe.

I am convinced, Mr. Speaker, that you cannot buy friendship with money. When this program stops, these countries may well hate us for upsetting their own economy. I have been long concerned about this country bleeding itself white. We must remain strong at home if we are to meet our own needs and part of those of the world. We cannot continue to waste the resources of our own country all over the world, without the promise of a fair return. It just is not fair to the citizens of our own country to send so much material to Europe when those same materials are in short supply at home.

LABOR LAWS

Mr. Speaker, I supported the passage of the Taft-Hartley law. I did believe there was a great need for a balancing of power between industry and the powerful labor leaders who held the workingman in their grasp. The law has been in operation for some time. The grave predictions of the labor czars have not come true. The laboring man is given more freedom than he ever had before. The law brings about equality and best of all it does help to protect the public. I am sure the great majority of workers approve the law.

RETURN TO MY DISTRICT

Mr. Speaker, as is always the case the Eightieth Congress has had to adjourn leaving much unfinished work. Some of the action taken in haste in the closing week does not meet with my approval. I expect to go back home this summer and visit in every one of the 38 counties in my district. I like to meet and talk with the people. I get new ideas and a fresh viewpoint. It renews my faith in the common sense and good judgment of the people of Nebraska. It has been impossible for me to discuss all the legislation that has come before us. Most of it will be of interest to some individuals and groups. I will be glad to answer their questions for they have a right to know how their representative voted on them. Then they will be the judge as to whether or not they want me to come back here to represent them in the Eighty-first Congress. If they send me back I will continue to follow the pattern I have laid down to guide my action in the three Congresses I have served them. The record will show that I am among the upper 5 percent of those who answer all roll calls. I have studied the legislation, listened to the debate and then voted the way I felt would be for the best interests of all the people. I may have made some mistakes but if so they have been of the head and not of the heart.

I have great hopes that our country will continue to be a strong Nation. We have the resources, the factories, the manpower, and the know-how. There is no reason why we cannot get our economic machine in balance. Our people should go on to a happy and contented life. We should be able to build a peaceful world for the enjoyment of ourselves and our children.

Enrollment at the United States Naval Academy at Annapolis

EXTENSION OF REMARKS
OF

HON. ALBERT L. REEVES, JR.

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Friday, June 18 (legislative day of Thursday, June 17), 1948

Mr. REEVES. Mr. Speaker, not long ago my attention was called to an editorial entitled "A Challenge to Service Schools," which summarized the criticisms directed at the United States Military and Naval Academies because of their short enrollments and unfilled vacancies. Under existing procedure, in a large measure the fact that there are unfilled vacancies in classes at the Academies may very well be the responsibility of Congress itself. The editorial in question was inspired by an article appearing in the October 1947 issue of the Atlantic Monthly, written by a midshipman at the Naval Academy who had resigned in dissatisfaction.

I sent a copy of the editorial to the Honorable John L. Sullivan, Secretary of the Navy, requesting his comments. His replies, and that of Admiral Holloway, Superintendent of the Academy, so completely disposed of the criticisms which had been expressed that I am including both letters as a portion of these remarks. The letters are as follows:

THE SECRETARY OF THE NAVY,
Washington, December 9, 1947.

Hon. ALBERT L. REEVES, Jr.
House of Representatives,
Washington, D. C.

DEAR MR. REEVES: The following will amplify my previous acknowledgment of your letter of October 6, 1947.

Recent publicity in regard to the Naval Academy which resulted from the article in the October issue of the Atlantic Monthly has received the thoughtful consideration of the Navy Department. Your letter expressing concern over this matter evidences sincere interest in the Navy and is much appreciated.

The number of midshipmen at the Naval Academy authorized by law is 4,382 (excluding 20 authorized from the American Republics). However due to attrition and other causes, it would be impossible ever to attain the above number. The present enrollment of 2,865 is close to the maximum overload capacity of the Naval Academy. The normal capacity is 2,500, which has been increased by putting three bunks in double rooms; the maximum that can be accommodated by such doubling up is approximately 3,100. The conditions for study under these circumstances are not as good as are considered desirable. In view of the existing deficiencies in capacity and an expected enrollment of 3,500 midshipmen by 1950, the Superintendent of the Naval Academy has submitted plans to remedy the situation, which will be submitted to the Congress. These plans are now under study in the office of the Chief of Naval Operations.

When the existing deficiencies have been liquidated, it will be possible to increase the number of midshipmen without undue crowding. It is believed that existing legislation covering the presently authorized number of appointments is sufficient for the foreseeable future. Therefore, the Navy Department does not plan at this time to submit recommendations to the Congress for legislation to increase the number of appointments.

Adverse publicity concerning the Naval Academy has been aimed at hazing, the curriculum, the instructional staff, and regulations and traditions.

Neither the Navy Department nor the Naval Academy approves the practice of hazing. From time to time midshipmen have been dismissed from the Academy for the commission of this offense. Upon becoming the Superintendent of the Naval Academy in January 1947, Rear Adm. James L. Holloway, United States Navy, took positive steps to eliminate the hazing. In connection with the Atlantic article, Admiral Holloway said on October 23, 1947, "I will state categorically that the practice of hazing is nonexistent at the Naval Academy now. It is contrary to every principle and policy associated with my administration of the Naval Academy. This policy has the full support of the officers and instructors on duty here and the positive and dynamic support of the first, or senior class, at the Naval Academy." Further, the basic principles of the senior class policy reiterates this statement: "We, the members of the class of 1948-B intend to develop discipline based upon mutual respect. * * * We hold that instruction by example is vital to the organization and the administration of any military unit."

The curriculum of the Naval Academy has been revised and these revisions were put into effect at the beginning of the 1947 academic year. This curriculum is designed to give a broad general education strongly pointed to naval life. It hews closely to the fundamentals of the humanities, the sciences, and a basic knowledge of the naval profession. This curriculum represents the concerted efforts of well-qualified naval and civilian educators. Dr. A. John Bartky, the dean of education of Stanford University, a man well known and highly respected in the educational field, has said of the Naval Academy's new course of study, "It would be exceedingly difficult to develop a curriculum that would satisfy all midshipmen's and the Navy's needs any better than the 1947 Naval Academy curriculum does."

The faculty at the Naval Academy is composed of 40 percent civilians and 60 percent naval officers. This percentage compares favorably with that of the ratio of cultural instructors to technical instructors in the best professional schools of America. The Board of Visitors (1947) noted with approval the strengthening of the teaching force at the Naval Academy by the addition of well-qualified civilian instructors and by the careful selection by the Bureau of Naval Personnel of commissioned officers as teachers. Every effort is being made by the Navy Department and by the Superintendent of the Naval Academy to insure that the best educational methods are used at the Academy. The Naval Academy is kept abreast of modern educational techniques in two ways: First, by bringing outstanding educators to Annapolis for observation of the instructional methods in use and for conferences and critiques thereof, and secondly, by the assignment to the Naval Academy of certain naval officers who have had postgraduate instruction at civilian educational institutions.

The paramount aim of civilian schools and colleges is education for democracy. Thus, democratic practices are evidenced on every hand in school systems. A military organization in a democratic state zealously guards the integrity of the individual and the sacredness of personality, but it must nonetheless continue to be a military organization. Strategy is formulated at the highest level, rather than by the majority, and tactics are executed by those who may not know why the move is being made but who have implicit confidence in and respect for their leaders. Criticism of the Naval Academy as the citadel of a tyrannical set of traditions and needlessly irksome regulations stems from failure to understand this fundamental difference between civilian and military schools. The mission of the service academies differs from that of civilian schools, and practices must be consistent with the mission. Without violation of personality, the midshipman is subjected to strict discipline in which implicit obedience is the order of the day. He is deliberately plunged into a highly military pattern of living with all the traditions and customs that go with it.

Dr. Bartky discusses the relationships of a military organization to a democracy in the following words: "We insist that the primary objective for all education shall be that of preparing the individual to live in our democratic society. Leaders of a military society must be as thoroughly familiar with the peculiarities of that society as leaders in a democracy. There is only one way to learn about a cultural pattern, and that is to live it. Hence, it becomes the obligation of institutions, that prepare military leaders, to provide every opportunity to them to live a military life.

"This does not mean that the faculty at Annapolis avoid any reference to democratic ideals and procedures. It is recognized that all naval officers are American citizens, and as such have responsibilities that transcend their military obligations. An examination of the curriculum will reveal that the Academy offers many experiences that parallel those included in citizenship training for civilian schools."

Tables 1 and 2, attached as an enclosure, show by percentages of the student body the voluntary resignations of midshipmen in the years preceding, during, and immediately following the two World Wars. Although there has been a sharp rise in the number of resignations following both wars, it is noted that the percentages following the recent war are considerably less than those following World War I.

I trust that the above information will clarify any questions which you may have had concerning either present operation of the Naval Academy or the plans under consideration for filling vacancies. You are extended a most cordial invitation to visit the Naval Academy at your convenience and will be accorded every courtesy.

With particular reference to sentiment created by the article in the Atlantic Monthly, authored by former Midshipman Ralph Smith, I am enclosing copies of letters written by naval officers which I think you will find of interest.

I would not send you a letter of this length if I did not appreciate your deep interest in the matters discussed.

Sincerely yours,

JOHN L. SULLIVAN.

TABLE 1.—*Voluntary resignations, World War I*

	Percent
1915	9
1916	8
1917	9
1918	8
1919	4
1920	9
1921	9

TABLE 2.—*Voluntary resignations, World War II*

	Percent
1938	0.7
1939	.6
1940	.6
1941	.5
1942	.2
1943	.4
1944	.4
1945	.8
1946	6.0
1947	5.1

UNITED STATES NAVAL ACADEMY,
Annapolis, Md., January 19, 1948.

Hon. ALBERT L. REEVES, Jr.,
Member of Congress,
House of Representatives,
Washington, D. C.

DEAR MR. REEVES: I have a copy of your letter of January 8, to the Secretary of the Navy. Be assured that we are only too happy to send you material which will indicate the general pattern of policy, method, and objective here at the Naval Academy.

This pattern is far afield from that portrayed in such articles as the one appearing in the Atlantic Monthly. All the articles I have seen or heard of during the last year of the nature of the Atlantic Monthly article have dealt with a period at the Naval Academy prior to the time I assumed duty as Superintendent. As I have no first-hand knowledge of this period, I felt that I could not with probity offer comment as to facts. I am convinced, however, that the situations described are largely distortions. Of course, we know that it is conceivable that the plebe system has been abused to the point of hazing in days past. Laws are violated in all strata of society from time to time. However, as I have stated categorically to the Secretary of the Navy, the practice of hazing does not exist in the Naval Academy today.

You may be interested in the matter of vacancies at the Naval Academy. It has been inferred that the Naval Academy could conceivably have an enrollment now of 4,406 midshipmen if all appointments prescribed by present statute were filled. This number has been used in comparison with the current enrollment of 2,857 to indicate that an unusually large number of appointments to the Naval Academy are going begging. This is completely in error in both concept and fact.

Actually, the figure 4,406 entirely disregards all attrition and is based upon fulfillments of appointments, which do not become available in full under present law until 1950. Based upon experienced attrition rates at the Naval Academy, considering normal percentage of enrollment to existing vacancies which has been established over the last 20 years (77 percent), taking into account the nonavailability until 1950 of a total of 510 appointments provided by the Congress, and accounting for approximately 113 appointments lost in the division of the class of 1948, the normal expected enrollment of the Naval Academy is 3,211.

Actually, the enrollment as of October 1, 1947, was 2,875, 336 below normal expectancy—or 11 percent. However, 270 of these should not be charged to lack of interest in the Naval Academy. As indicated in enclosure, over 100 vacancies occur because most of the Enlisted Reserve appointments, recently increased by law, were not utilized. The fact that the Naval Reserve was not completely organized in the first postwar years explains the fact that these appointments were not filled. Furthermore, over 100 disappeared with the 3-year graduation of one-half of the class of 1948.

It is the estimate at the Naval Academy, pursuant to close analysis, that the congressional vacancies now unfilled are only a total of some 66 below normal expectancy.

Early in this new year we hope to have ready for distribution to all Members of Congress, to all high schools and junior colleges of the United States and others having an interest, a new catalog outlining the methods and objectives of the Naval Academy and incorporating all factual material concerning methods of entry, entrance requirements, curriculum, and way of life at the Naval Academy. This catalog will be well furnished with pictures so as to give the youthful aspirant a genuine over-view of what he will find here.

Of course, as you know, the Naval Academy is primarily an institution of obligation; that is, in training in accordance with the primary conception of obligation and service to one's country. That conception is paramount over that of opportunity, although the latter is certainly present in the opening up of a noble career to these young men.

Under separate cover I am sending you certain material which will indicate the pattern of concept, method, and objective here. It will appear voluminous but if you will glance over the titles, the nature of them will be indicated, and I hope you will find certain of them of particular interest.

Finally, Mr. REEVES, I want to assure you of our great appreciation of your interest in the Naval Academy.

With best wishes, I beg to remain,
Sincerely yours,
J. L. HOLLOWAY, Jr.,
Rear Admiral, United States Navy,
Superintendent.

THE SECRETARY OF THE NAVY,
Washington, January 7, 1948.

Hon ALBERT L. REEVES, Jr.,
Congress of the United States,
House of Representatives,
Washington, D. C.

MY DEAR MR. REEVES: In your letters of December 16 and 22 you stated that you would be glad to receive additional information concerning the United States Naval Academy and the contribution of its graduates to the national defense.

In view of the fact that your original letter to me was inspired by the article "Why I Resigned From Annapolis" in the Atlantic Monthly, I am sending you copies of two letters from naval officers to the editor of the Atlantic Monthly.

As regards the contribution of the Academy to the national defense, I concur with a recent statement by General Vandegrift, Commandant of the Marine Corps, that "success in war can be achieved only with an able, efficient, intelligent corps of Regular officers. I attribute the outstanding success of the Marine Corps during the late war to the fact that the Marine Corps started the war with an adequated nucleus of Regular officers." This same is equally true of the Navy. Without such a highly trained nucleus of Regular officers, the civilian component would be unable to approach its outstanding accomplishments of World War II.

I am sending a copy of this correspondence to Rear Adm. J. L. Holloway, Superintendent of the Naval Academy, with the request that he send direct to you any other material which he thinks might be helpful.

Sincerely yours,
JOHN L. SULLIVAN.

In time of peace as well as in time of war, Mr. Speaker, we are dependent upon our Navy to perform a major role in assuring our national security. It seems to me that every Member of the Congress ought to feel keenly the responsibility to strengthen our service schools and encourage public interest and confidence in their work.

Pay of Postal Workers

EXTENSION OF REMARKS
OF
HON. CARROLL D. KEARNS
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. KEARNS. Mr. Speaker, under leave to extend my remarks in the RECORD, I would like to express my esteem to the chairman and the committee who sponsored H. R. 6916, the bill that raised the pay of postal workers $450 yearly.

I have always been highly sympathetic with the cause of the postal workers, especially the letter carriers; and I know that this permanent yearly increase will be greatly appreciated by these men and women throughout the United States.

Most of us held the hope that this increase would be $600, and I would have supported an increase in that amount. However, I know everyone is thankful and grateful to this committee for their successful effort to have this legislation passed by the House on Friday, June 18.

Taft-Ellender-Wagner Bill

EXTENSION OF REMARKS
OF
HON. JAY LeFEVRE
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. LeFEVRE. Mr. Speaker, one of the most controversial questions that came before the Congress this year was the so-called T-E-W bill, which has been proclaimed by some as the solution to the immediate housing problem. The propaganda emanating from the proponents and opponents of the T-E-W bill did little to clarify the real issues involved, but only tended to confuse the American people.

Congress was deluged with letters, telegrams, and telephone calls from people who were for or against the legislation. The arguments on both sides were highly emotional and supported by very little fact. There was only one common theme that I could find in the correspondence coming into my office. Almost without exception people were asking Congress to enact some type of legislation that would result in more housing in the lower-price field in order to satisfy the demands of the middle- or lower-income groups. There is nothing peculiar in such a desire. I personally am sympathetic with the idea of obtaining more for less.

With this in mind, I undertook a study of the housing legislation pending before Congress, which included, of course, the so-called T-E-W bill which has been proclaimed by many to be the immediate solution to the housing problem. This study extended over a period of 1 month and after careful inquiry and consideration I concluded that of all the measures pending before Congress at that time, that the T-E-W bill was the less apt to produce any immediate solution to the housing problem of all the legislation pending.

Even the proponents of the legislation admitted that the T-E-W bill would have no effect upon the immediate problem. Some of the proponents admitted openly that it would neither solve the slum-clearance problem or the problem of housing the very lowest income groups. The most they contended was that it was a step in the right direction. The proponents of the bill on the floor of the Senate

stated that there was no intention and moreover no possibility of carrying out any of the long-range program within the next year or two. Moreover they conceded that it was never the intention to house the very lowest income groups in public housing projects because if they were to do so, the projects would become poorhouses.

In other words, any public housing projects that might be erected under the T-E-W bill were for people who had steady jobs and could afford economic rents. The proponents of the legislation also conceded that 500,000 units of public-housing projects built by the T-E-W bill would only house a very small percentage of the class of people that it was intended for. In other words, if public-housing projects were intended for people who had incomes of from $75 to $150 per month—taking arbitrary figures—the 500,000 units would house only a very small percentage of the people earning incomes within these brackets. The large percentage of the people earning incomes within these brackets would still have to pay taxes directly and indirectly to support the favored families occupying the 500,000 units.

This means that a large percentage of people in one income class must subsidize a small percentage of people within the same income class or you must build enough units to satisfy all people within that income class. In other words, you either have a discrimination within a class or you have to have a program five or ten times as large as the program proposed by the T-E-W bill. Discrimination would be utterly unfair and an enlarged program would be so costly that it would further endanger our economy and destroy the value of the American dollar.

I have no quarrel with the avowed objectives of the T-E-W bill. I believe, as every proponent of the T-E-W bill believes, that we should do everything possible to improve the living conditions of every class and segment of the American people, but there is a big difference between avowed objectives and accomplishments. Let me give you one or two examples to clarify this point.

If the Federal Government spends money to build houses for a very small segment of one income group of our population, we have to collect taxes to pay for that program. Now a lot of people would say: "Let's tax the rich and the big corporations." That all sounds very simple, but it doesn't work out quite so easily. Let us assume we tax General Motor, General Electric, and other big corporations to pay for this housing program. I hope no one is so naive as to believe that those corporations absorb that tax, even if they could afford to absorb it. What actually happens is that the tax is added to the cost of the commodity sold by that corporation so that the cost of this housing is reflected in the cost of living.

The large buying power of the American people lies in the hands of the lower-income groups because they are the ones who consume the largest percentage—being the largest groups—of the commodities produced in this country. Therefore, the poor and the lower income groups pay for the very housing which they thought they were getting at a reduced price. Not only do the people living in the project pay through this indirect method, but also that portion of the lowest-income groups who were discriminated against because there were not enough houses to house all of them. Moreover, the very lowest income groups, who were excluded from the units because they were the type who would make the units poorhouses, have to foot the bill because they, too, must buy the basic commodities of living. Some may accuse me of oversimplifying the problem, but example after example can be given to demonstrate and support the position of many who claim that the whole bill was a fraud on the lower-income groups.

Upon reaching the conclusion that the T-E-W bill would not accomplish its avowed purpose, I then turned to other legislation pending before Congress and being considered at that time, and I concluded that the bill introduced by Congressman WOLCOTT, chairman of the House Banking and Currency Committee, held out the greatest hope of producing more housing and especially more housing in the lower-price brackets of any housing legislation pending before Congress.

Congressman WOLCOTT's bill, H. R. 6959, for which I voted and which passed the House of Representatives on June 18, extended financial assistance to the construction industry in order to keep up the momentum of housing construction. This momentum of construction is now unprecedented in the history of our country and unless something unforeseen happens, the construction industry should produce 1,000,000 units in 1948. The quickest and surest way to assure the American people lower price houses—and for any other commodity—is to produce a sufficient number of units to create competition in the market so that the buyer is able to dictate the terms and not the seller. In other words, if we have more units than are needed, then the buyer can be selective and dictate what price he will pay.

The Wolcott bill, H. R. 6959, contains new provisions differing from previous housing legislation and these new provisions can do much toward inducing the construction industry to produce more homes in the lower-priced brackets. Before discussing these features, however, I want to point out that the Government's own statistics dispute the allegations that houses have only been produced for the people with high incomes.

A recent analysis of individual incomes throughout the Nation related to the prices of new homes, indicates that homes are being built for Americans in all income brackets except the lowest tenth, those receiving less than $1,000 per year, and the highest fifth, those receiving over $5,000 per year. Twenty percent of the homes built fit family incomes between $1,000 and $2,000 per year; 23 percent of the homes built are for family incomes between $2,000 and $3,000 per year; 25 percent fit family incomes between $3,000 and $4,000 per year, and 18 percent of the homes built fit family incomes between $4,000 and $5,000 per year. Only 14 percent of the homes built are for incomes in excess of $5,000 per year. Mark you, contrary to the popular impression, far less homes are being built for incomes in excess of $5,000 per year than for the other income brackets. This statement is based on the standard yardstick that a family can afford a house costing 2½ times the annual income—based on Bureau of Labor Statistics, news release, March 2, 1948.

Admittedly these figures include homes built in rural areas where labor and other costs are not as high and therefore tend to bring down the average price. It also includes homes produced in the southern areas not confronted by weather factors which increase the cost of homes in the northern areas.

Coming back to the provisions of the Wolcott bill which will induce the construction industry to build in the lower-income brackets, I would like to emphasize one particular provision which has not existed in previous legislation. This provision provides for 95 percent FHA insurance on mortgages not exceeding $6,000. Today FHA insurance is limited to 90 percent on any type mortgage and the tendency in the urban areas has been to build in the $7,000 to $12,000 brackets. With this new provision in the legislation banks and other financial institutions loaning money to builders and home owners will direct their capital into lower-price houses carrying mortgages not in excess of $6,000. This should result in diverting capital away from the more costly projects and induce the builders to reach down into the lower brackets, which will provide more housing for the lower-income groups.

The bill also contains another major change extending and increasing the program for the construction of homes in the suburban areas, the mortgages on which would not exceed $4,500. These are commonly designated as title 1, class 3, FHA insured homes.

In one particular project already constructed under the old legislation, a home owner with a $400 lot and with an additional $450 down payment, was able to buy one of these houses at 90 cents a day. This is even cheaper than living in a subsidized housing project. If the Federal Government would push this program, many people could live in the suburban areas and afford to have an automobile or an extra automobile for transportation. This has the added inducement of permitting the people to own their own homes and live outside the congested areas and enjoy the fruits of suburban life, the most important of which is fresh air and pastoral surroundings.

It was these and other things which induced me to turn from the so-called T-E-W bill to Mr. WOLCOTT's bill, H. R. 6959. I did so in the honest belief that more would be accomplished in the shortest possible time for the greatest number of my constituents and for the American people as a whole. I did so after careful consideration and I am willing to stand on that record. If I was wrong it was because no one came forward to show me wherein I was wrong.

Disbursements From Coal Miners' Fund

EXTENSION OF REMARKS
OF
HON. THOMAS E. MORGAN
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. MORGAN. Mr. Speaker, today will be a very important day to over 146,000 crippled and injured coal miners, destitute widows, and orphans of miners. Justice Goldsborough will rule in the district court whether actions and disbursements from the 1947 fund by the trustees are controlled by majority vote of the three-man board or whether there must be unanimity of decision. In all fairness, he should consider the welfare of these crippled soft-coal miners and members of their families and rule the American way of majority rule and grant the additional funds needed from the 1947 contract to carry on the United Mine Workers welfare and retirement fund.

Because of the dispute over pensions, negotiations for a new contract to replace the present one which expires June 30, are deadlocked. In order to reassure the Nation and to insure an adequate supply of coal after July 1, however, the United Mine Workers of America has proposed that subject to acceptance by the bituminous coal operators and the approval of the mine workers' national policy committee, the negotiating representatives of the United Mine Workers of America will recommend that all bituminous coal mines remain in operation after the end of the vacation period on July 6, 1948, under the terms, conditions, and rules of existing agreements, pending negotiation of a successor contract; with the understanding that any changes or improvements negotiated, affecting wages or conditions of employment, will be made retroactive to July 1, 1948, inclusive, provided (a) that this arrangement may be subject to cancellation by either party thereto, upon 5 days' notice; (b) that the bituminous-coal operators will cause their trustee representative on the United Mine Workers welfare and retirement fund, under the existing contract, to permit forthwith the administrative activation of said fund, and that the business of the fund and the disbursements of its moneys be governed in all matters by the majority decision of any of its three trustees; namely, Messrs. Bridges, Van Horn, and Lewis, or their respective successors.

Under leave, I am inserting in the RECORD an editorial from the June 18 issue of the Washington Evening Star, which pursues this matter:

THE COAL ISSUES

The controversy over use of some $40,000,000 in the United Mine Workers' welfare and retirement fund of 1947 comes up before Justice Goldsborough in district court tomorrow, and it may be the most important coal case that he has been called upon to decide.

Of most immediate importance, there is a crisis boiling up in the coal fields which, if allowed to come to a head, will tax the full resources of the Government to quiet down. Thousands of disabled miners, dependents, widows, and orphans of miners—probably 100,000 persons in all—are faced with loss of benefit payments upon which they have been subsisting. A wise determination of the issues involved is needed to prevent a crisis that may be too much for authority of the President and the courts, by way of injunction, to handle.

The miners and dependents have been receiving distress benefits from a $26,000,000 welfare fund accumulated during the 13 months the Government operated the mines. The fund will be exhausted in about 10 days, and will fall short by about $20,000,000 of meeting the commitments to those already receiving the payments.

John L. Lewis insists—and Senator BRIDGES, the third and neutral trustee, agrees—that the mine operators should allow the 1947 welfare fund to assume the obligations the old fund is unable to meet. The operators and their fund trustee, Ezra Van Horn, have refused. They say benefits have been granted improvidently from the old fund and to ineligible people.

The specific case before Justice Goldsborough tomorrow involves Mr. Van Horn's suit to invalidate the Bridges-Lewis plan to pay $100 monthly pensions to miners. But the issues in the case are nearly identical with those in the controversy over continuance of distress benefits.

In the main, it would seem that the two most important points the court will be called upon to decide are (a) who are eligible for the pensions, and (b) whether actions and disbursements from the fund by the trustees are controlled by majority vote of the three-man board or whether there must be unanimity of decision. Mr. Van Horn claims that he, the management representative, must concur for any decision of the trustees to be legal. He has dissented numerous times from decisions of Mr. Lewis and Mr. BRIDGES.

Negotiations for a coal-industry contract to replace the present one, expiring June 30, are deadlocked because of the dispute over pensions and distress benefits. But the matter of a new contract seems relatively unimportant compared with the more immediate problem of what to do about the thousands whose welfare benefits are about to be shut off.

Veterans' Legislation

EXTENSION OF REMARKS
OF
HON. CARL ALBERT
OF OKLAHOMA
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. ALBERT. Mr. Speaker, I am happy that the House passed this week H. R. 3748 to increase the compensation of widows, orphans, and dependent parents of veterans of World War I and World War II. I was particularly pleased that this measure passed unanimously. With increased living costs this legislation was absolutely essential.

Being a veteran of World War II myself, I have favored every piece of legislation brought before this Congress for the benefit of the veterans of all our wars. These include those few survivors of the Civil War, our Spanish-American War veterans, ond our veterans of both World War I and World War II. I supported the legislation to pay terminal-leave bonds in cash. I supported legislation to increase subsistence payments to veterans in schools, in our veterans' agricultural training, and in our on-the-job training programs. I have sponsored legislation to increase the pensions of Spanish-American War veterans and have introduced legislation to extend pension benefits to veterans of World War I. I have supported legislation to give our veterans the same monetary benefits that have been extended to military personnel on duty after World War II. I believe in the principle of adjusted compensation for war service. Above all, in my humble judgment, we must continue to improve our veterans' hospitals to take care of the sick and the maimed. We can never do too much for those who carry the wounds of battle and for the widows and orphans of the fallen.

The Eightieth Congress

EXTENSION OF REMARKS
OF
HON. EMORY H. PRICE
OF FLORIDA
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. PRICE of Florida. Mr. Speaker, during the last 6 years there has come before the Congress more important matters than ever before in the history of the United States of America.

We have won the most devastating war the world has ever known; therefore, while our country was waging this war, our people were necessarily mobilized and regimented to a point where their lives were almost entirely controlled by their Government.

American people resent regulations and control; therefore, emergency laws and Presidential directives caused much dissatisfaction, unrest, and resentment. Because of these emergency measures, the task of representing your constituents became more and more difficult. Now, since the actual fighting has ceased, the confusion and delay in getting back to any semblance of normalcy has added to the unrest of our people. We now find ourselves in the midst of many difficulties and faced with vexing problems.

Since I came to Washington, many history-making events have occurred. I have seen the inauguration of the only President of the United States who has been elected to not only the third but to the fourth term. The atomic bomb has been produced and used, and we have seen the mass destruction of human lives reach a level that passes all the wildest dreams of a raving maniac. They claim the latest bomb's destructive force would make the shambles of Hiroshima look as if some frolicsome junior high school had staged its initiation there, compared to the damage that would have been done had one of the newest bombs been dropped. For 6 years the world has seen millions of human beings cremated alive and millions of others put to such inhuman torture that a few years ago no one in the whole civilized world would have believed it possible. The world today is staggering from the shock of such terrible things and naturally the vibrations are felt all over the universe and especially in the Capitol of our great country, or, to be more specific, in Congress.

Thus it has been not only an honor and a privilege to serve in Congress during this time, but it has been a grave responsibility. In my opinion I have had the good fortune to serve with some of the most able men that were ever sent to Washington, for which I am grateful.

I wish to pay tribute to my colleagues in the House from Florida. They diligently serve their districts, their State, and their country, and I am sure the people of Florida are to be congratulated on selecting such able men to represent them in the United States House of Representatives.

At this time I would like to pay tribute to the Honorable JOE HENDRICKS, who is voluntarily retiring from Congress. I must say that the country, and especially the State of Florida, is losing one of its most valuable Representatives. It will be many years before a man from Florida can possibly reach the position on the important Appropriations Committee that JOE now holds and to acquire the influence and prestige that he now enjoys.

In the last 6 years the Congress of the United States has passed many laws providing benefits for the veterans of World War II, the most outstanding of which has been for their education and vocational training. It has been my pleasure to assist in the passage of such laws for their benefit, and I hope that Congress in the not-too-distant future will make some provisions to relieve the needs of our veterans of World War I.

It has been a pleasure for me to assist in passing legislation providing for a reforestation program which includes forest management, fire prevention, and experimental work in forest products. I have also taken an active part in providing for rural electrification and soil conservation. After World War I our farmers of America were the forgotten men, and my ambition has been to prevent a recurrence of events which led to the mass foreclosure on our farms after World War I.

There are 16 counties in my district and I have made an honest effort to represent every county and to look out for the interest of my constituents in each county.

At the present time we are hearing a great deal about the Veterans' Administration's inability to take care of the mentally ill veterans whose disability is non-service-connected; therefore, it is a source of genuine pleasure for me to know that I was instrumental in securing a 1,250-bed NP hospital for Alachua County during my service in Congress.

Then, too, I am pleased to know that my effort contributed materially to the selection of Green Cove Springs as a site for the largest laid-up fleet of combat vessels in the world.

One of the most difficult problems that has confronted this country in the last 6 years has been the labor-management troubles that we have had throughout the country. During my service in Washington I have consistently voted for legislation that I considered both fair to labor and management, and I believe the laws enacted along these lines, perhaps with some amendments, will eventually solve many of the problems confronting these groups. The labor-management troubles are vitally important because millions of our citizens who are not directly connected with management or organized labor are the innocent victims when labor and management cannot agree.

In leaving Congress, I wish to thank the Members of the House for the fine cooperation they have shown me and to say that to know and associate with so many outstanding men and women from all over the United States has been an experience and a pleasure which I shall never forget. Here I would like to include in the RECORD the thank-you ad I put in the newspapers of my district:

THANK YOU VERY MUCH

DEAR FRIENDS: To those who supported me I am grateful. To those who thought it best to support my opponent I respect you as good citizens who have voted your honest convictions.

It has been an honor and a privilege for me to serve as your Congressman.

Rural Electrification for Arizona

EXTENSION OF REMARKS
OF
HON. RICHARD F. HARLESS
OF ARIZONA
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. HARLESS of Arizona. Mr. Speaker, until recent years many ranch and farm people of Arizona had no electricity. At that time they supplied their basic necessities by use of individual generating plants, which were costly to maintain and operate. However, with the enactment of rural electrification laws we have made tremendous progress, especially since the establishment of the Rural Electrification Administration in 1935, even though we were late in getting started. In that year 5,557 of Arizona's 18,824 farms, or 29.6 percent, were electrified. Arizona then ranked twelfth among the States in this respect. Very little was done in this field between 1935 and 1940. While the national percentage of electrified farms had increased from 10.9 to 30.4, the percentage in Arizona increased less than 1 percent to 30.4 percent. At the time of the 1940 census, Arizona ranked twenty-fourth in the Nation; it had fallen back 12 places.

However, by 1940, a real start had been made in bringing the REA program into Arizona. By 1945, as shown by the agriculture census for that year, 8,603 Arizona farms were receiving central station electric service. More than half of the farms connected to high-line service during this 5-year period were being served by REA-financed systems.

The 1945 census reports a total of 13,142 farms, a net decrease of 5,326 from the 1940 census report. A careful check of the census report shows that the greatest decrease appeared in Apache, Coconino, and Navajo Counties. For reasons which do not appear, the 1945 census shows 6,075 fewer farms in these three counties alone than are shown in the 1940 census. But in each of the three counties the 1945 census reports greater land area in farms than does the 1940 census. Further examination discloses that the 1945 census reports 21,116 farm-dwelling units in the State as compared with 32,163 farm-dwelling units reported by the 1940 census. The decrease in number of farms and farm-dwelling units reported in the 1945 census must be attributed to a change in census definitions or method of counting.

Whatever the reason is for the shrinkage shown in the census reports for 1945 for farms and farm-dwelling units, it is apparent that in measuring the size of the rural-electrification job remaining to be done in Arizona, we must take into consideration this shrinkage in the census report of total number of farms. Whether the establishments involved be considered farms or not, they have the same need and desire for electric service. Being located in rural areas, they are entitled to participate in the benefits of the REA program.

The REA program in Arizona was substantially accelerated in the postwar period. From January 1, 1945, to June 30, 1947, the number of electrified farms in Arizona increased by 2,526 to 11,129. Of this increase, the greater proportion is attributable to REA-financed systems.

On January 1, 1945, there were four REA borrowers in Arizona holding loans totaling $1,326,000 for the construction of 849 miles of line and related facilities to serve 3,025 consumers. On that date, REA had advanced to these systems $1,105,078 and they were operating 635 miles of REA-financed lines, serving 2,102 consumers.

By April 30 of this year, REA loan commitments to 12 borrowers totaled in excess of $6,000,000. These loans were to build almost 2,300 miles of line and related facilities to serve approximately 8,400 consumers. On that date, REA had advanced almost $3,500,000 and its borrowers were operating 808 miles of line serving 4,117 consumers.

Included in these totals are the two systems which have fully paid off their REA loans, totaling approximately $245,000 plus interest, and two systems whose loans were rescinded in whole or in part because of certain uncontrollable events.

Since April 30, REA has made additional loans of $1,295,000 to two of its borrowers for the construction of 302 miles of line and related facilities to serve 807 consumers and for generation and transmission facilities. Three Arizona electric cooperatives have applications pending before REA for loans totaling $1,415,000 to build 239 miles of line and related facilities to serve 288 consumers and for needed generating facilities. Two have applications under survey for $850,000 to build 300 miles of line and related facilities to serve 750 consumers.

This is indeed a program of substantial magnitude, already involving over $6,000,000 and rapidly expanding to the $10,000,000 mark. All of these loans are self-liquidating and interest-paying. They create wealth by bringing the electric energy needed on our farms and in our rural areas to our rural people at prices they can afford. They make it possible to pump the water, without which Arizona agriculture cannot live, and they are the agencies which can

most effectively bring to the rural people of Arizona the benefits of the public-power developments on Arizona's rivers.

The biggest problem they face today is the power shortage which has plagued all of Arizona the past few years. Some of the rural electric cooperative systems have found it necessary to generate their own power. It is a tribute to the hard-headed planning of the farm people who organized these enterprises that only two of them have been unable to survive.

The cooperatives have banded together in a State association which is jealously guarding the advantages already gained and is militantly fighting for the continued existence and prosperity of the cooperative rural-electrification movement in the State. In 1947 this organization successfully sponsored in the legislature an Electric Cooperative Act providing for the organization and operation of electric cooperatives. The bill which was passed in 1947 is by no means perfect. It requires strengthening. I assure the association and all of its member organizations that I will support them in their endeavors.

The cooperatives have all filed with the Arizona Power Authority and with the Bureau of Reclamation of the Department of Interior their preferential claims for the power which will be developed at Davis Dam. They are urging the construction by the State authority and by the Federal Bureau of the necessary transmission and feeder lines to bring them this power.

The power shortage in Arizona and all that it means in terms of agricultural and industrial loss and retardation of development cannot be solved overnight. However, there is no question that the electric cooperative groups are making a very great contribution and furnishing at least an interim solution by building their generating plants to make power available until the power resources of the Colorado River are brought to their door.

I have already pointed out that the recent census count of farms is no true measure of the job yet to be done in electrifying rural Arizona. The magnitude of the program which has been laid out by the rural electric cooperatives demonstrates that they have the vision and the determination to see that every rural family has its share of our natural heritage of power. By bringing electric power and energy into areas which have never enjoyed it before these cooperative systems are advancing and accelerating the reclamation program in our State. They are making it possible to cultivate lands which could not be previously cultivated because there was no available power with which to pump the waters flowing underneath the soil. There is no measure of the number of farms which can be reclaimed in our State. No one can say what the limit of development is. The development of the central Arizona project alone will give a tremendous impetus to the reclamation and settlement of lands now lying idle. The REA program in Arizona offers the greatest promise of assistance to the pioneers who wrest these lands from the desert and convert them into productive agricultural uses.

I sincerely believe that the solution of our Indian problems will be materially advanced by the carrying forward of REA's area-coverage rural electrification program. These underprivileged citizens can be educated in the use of power so that they can contribute to their own elevation from the economic morass in which they are mired.

I have vigorously supported the national REA program. As a member of the Federal Power Subcommittee of the House Committee on Interstate and Foreign Commerce in the Seventy-ninth Congress, I stood firm with the friends of REA in all legislation furthering its advancement.

I realized full well the importance of this fight to the REA program and particularly to the electric cooperatives in Arizona. It was clear that losing this fight would be a death blow to the REA program in Arizona. We won that fight then and we are continuing to resist any and all limitations and restrictions which the adversaries of REA would like to have imposed.

In that same fight, the claim was advanced that the job of rural electrification was substantially completed and that REA needed no more funds. I knew how far this was from the truth and was not deceived for one moment by the distortions of facts and figures presented to our committee.

The Seventy-ninth Congress not only rejected outrageous proposals but also appropriated to REA the largest loan fund authorizations in its history. I supported each and every one of these appropriations. The record will show that on May 28, 1947, and July 28, 1947, I voted to increase the REA loan authorization from $225,000,000 to $250,000,000, restoring the $25,000,000 cut from the budget estimates by the Republican majority in the Appropriations Committee.

On February 23, 1948, I introduced a bill, H. R. 5489, to appropriate $300,000,000 additional for loans for fiscal 1948. And on February 24, 1948, I voted "yea" on a motion to provide a deficiency appropriation in this amount, a motion which lost by a narrow margin. On April 1, we won out in our fight for more loan funds when we provided a deficiency appropriation of $175,000,000.

I have always supported liberal administrative fund appropriations for REA because I know we need a strong, adequately staffed agency to administer this important program. As recently as June 16, 1948, I voted to increase REA's administrative expense item by the relatively small amount of $450,000 which is sorely needed to discharge its greatly increased responsibilities. The Congress had increased REA's administrative expense fund for 1949 only 9 percent after increasing its loan authorizations by more than 200 percent over 1948. We lost on that vote by the narrow margin of five votes. I sincerely hope that the Senate will take appropriate steps to rectify that blunder.

In all of these undertakings and contests in which I have engaged, I have fought for power for Arizona's progress. I shall not cease that fight until the people of Arizona have all the power they want, where they want, and at a price that they can afford. I am mindful not only of the benefits which will accrue to our rural people as one of the fruits of victory but also of the benefits that will result to our urban areas which always profit when agriculture prospers. There is also to be considered the tremendous impetus which the REA program has given Arizona's copper industry. Copper is electricity's highway to our cities and farms.

Overriding the Veto

EXTENSION OF REMARKS

OF

HON. ERNEST K. BRAMBLETT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. BRAMBLETT. Mr. Speaker, under permission of the House to extend my remarks, I include the following editorial by Mr. Allen Griffin, publisher of the Monterey Peninsula Herald, Monterey, Calif.:

OVERRIDING THE VETO — INDEPENDENT CONGRESS—RETURN TO TRADITION—WHAT'S THE MATTER?

President Truman's veto of the social-security bill passed by Congress did not have time to cool off before both Houses overrode the veto the same day the President stated his objections to the bill.

The vote was better than 5 to 1 in the Senate, almost 4 to 1 in the House, thus indicating that most of the Democratic Members joined with Republicans in riding down the veto.

The President's veto had no constructive meaning, as it was legislatively impossible for Congress at this late period of a concluding session to revamp the measure and introduce the considerable changes that the President demanded. Most of all, it was politically impossible, and certainly the President knew as much.

No doubt the Congress was also impelled to a quick overriding of the veto by President Truman's recent excoriation of Congress as the "worst ever," an opinion not shared by most of his own party followers who serve in the Eightieth Congress.

What is the matter with this Congress?

Something, of course, because there is something the matter with every Congress.

What seems mostly to be the matter, from the Presidential point of view, is that this has been the first independent Congress since 1932.

During his terms as a Senator, Mr. Truman never had the experience of serving in any Congress that wasn't a rubber-stamp of the Chief Executive.

Mr. Truman came to the Senate from Missouri as a result of the 1934 election. The New Deal was in full swing, and each election confirmed the authority and appeal of the late President Roosevelt to the public. Members of the House and of the Senate rode the tide of electoral votes hanging on to FDR's apron strings.

President Roosevelt had a way of appeasing most of the southern politicians and kept them lined up by making it profitable to them. Northern Democrats were largely confirmed New Dealers. A substantial working majority existed, and the President's wishes in legislation were carried out with a minimum of debate.

That sort of a situation couldn't exist forever.

In 1944 the change began to set in, although the minds of the Congress and the

President were as one in the conduct of the war.

In 1946 a considerable change was confirmed.

The Eightieth Congress assembled in Washington not in a rebellious mood but with an air of independence and a Republican majority.

It was a Congress determined to exercise its full legislative prerogatives and responsibilities. It has been, on the whole, a canny and conservative Congress, resentful of attacks made on its authority.

That is a return to a tradition, a very sound constitutional tradition.

Mr. Truman had never experienced that tradition as a legislator; and it comes hard to him to meet the Congress as a branch of the Government equal to him rather than as a subordinate—which is what it was during his terms of office as Senator.

The public attitude toward the Eightieth Congress was tested recently in numerous primary elections, and the vote generally upheld the position of the Congress.

In California the reaction was remarkable, in that the eight Republican incumbents seeking reelection won the Democratic as well as the Republican nominations, three Democrats also winning on both tickets.

Although the assumption is generally held by political observers that a Republican President and a strong Republican majority in the Eighty-first Congress will be the result of the November general election, it is certain that the new Congress will retain its independence and that a Republican President will not find it to be a rubber-stamp association.

The period of the domination of the executive over the legislative branch of the United States Government is definitely over. From now on, for an indeterminate period of time, the President will have to make his case rather than merely state it and have his emissaries cause it to be carried out by an acquiescent Congress.

We are satisfied that such is the outlook. We only hope that in matters of foreign policy the association of the President and the Congress will be sufficiently intimate, that this country will show to its friends as well as to its adversaries that there is unity and a common purpose in the front we present to the world. That we need, and that the people must insist upon, for a firm, dependable, sustained, and resolute attitude on the part of America is a powerful position from which to uphold peace in the world.—A. G.

Old-Age Assistance

EXTENSION OF REMARKS

OF

HON. CARL ALBERT

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. ALBERT. Mr. Speaker, I am pleased that this Congress before adjournment has finally consented to do a little something for the old people of our country. I am happy that Federal funds for old-age assistance have been increased, effective August 1, 1948, by an amount equal to $5 per person on the basis of present State old-age assistance rolls, $5 for the blind, and $3 for dependent children.

In my judgment these increases have not been sufficient. It is common knowledge that old-age assistance in these times of high living costs are hardly enough to keep body and soul together.

There is a dire need for more stability in our old-age assistance laws. There is something wrong with any system which continually keeps old people in doubt as to whether they might be eligible from month to month to remain on the rolls. There is something wrong with a system which subjects every old person who seeks the benefits of laws enacted by our Congress and State legislatures to inquisitions by investigators who have the power to cut them off the rolls. There is only one way to do this, and that is by basing eligibility on age and citizenship rather than on need. To take care of this situation I have introduced H. R. 5804. I claim no particular pride of authorship, but I do think a bill lowering the age limit for old-age assistance and increasing the amount of payments in view of the increased cost of living is very much in order at the present time. This is an American program. It is a program for the fathers and mothers of our country.

From Cotton Mill to Oxford: Story of South Carolinian

EXTENSION OF REMARKS

OF

HON. JOSEPH R. BRYSON

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. BRYSON. Mr. Speaker, as the Representative in Congress of the largest textile district in the world and as a worker in the cotton mills of my district for many years, I take great pride in inserting herewith an excerpt from the Christian Science Monitor of Saturday, June 19, 1948.

Within the span of my memory, miraculous changes have taken place in the living and working conditions and opportunities in our mill communities.

While the young men referred to in the accompanying article are outstanding, they are by no means the only ones who have attained distinction. The very finest opportunities and advantages are now available and are generally being utilized by the people engaged in the textile industry. I proudly call attention to the unusual accomplishments of John Q. Hill and James E. White, who are typical representatives of the fine people who live in our congressional district:

FROM COTTON MILL TO OXFORD: STORY OF SOUTH CAROLINIAN

(By Henry Lesesne)

LYMAN, S. C.—John Q. Hill, a cotton-mill worker, who is embarking this fall upon 3 years of study at Oxford University, never saw inside a schoolroom until he was 11 years old.

And when he did go to the six-teacher, seven-grade school near his parents' farm home in Cherokee County, he managed, somehow, partly because of his age and size, to get into the fifth grade.

His mother had taught him to read, and he had read quite a bit. But he couldn't write, not even his name, and arithmetic was a mystery to him. He says today his teacher must have had the patience of Job.

WENT TO WORK

He finished high school at Gaffney, the county seat, and then went to work in Pacific Mills at Lyman, a little textile community between Greenville and Spartanburg, because an older brother worked in the mill there. His brother was a loom fixer. Soon John himself became a skilled worker, a card grinder.

At 19 he married a Lyman girl, Vonnie Lee Hilliard, and they have a 9-year-old daughter, Lynda Donna. The worst part of winning the scholarship, Mr. Hill says, is that he must be separated from his family for 3 years. The annual stipend of a Rhodes scholar is about $1,600.

Mr. Hill got his education by working the second shift—3 p. m. to 11 p. m.—and going to college during the day. For a year he went to Spartanburg Junior College, paying his way out of his earnings. The next year, at Wofford College, in Spartanburg, he won a scholarship. Then came a year in the Marines. His last year at Wofford he was under the GI bill.

He was graduated last year, making straight A's on all subjects. Since then he's been a cotton mill worker at night and a college professor by day, teaching at Wofford.

You talk to young Mr. Hill, you hear his remarkable story. You say to yourself, here is an amazing story. And when you convey something of this thought to the young professor, he shrugs and says: "You ought to see my brother; you'd get a real story out of him."

He was referring to the older brother who was working in the mill when he came to Lyman, fresh out of high school. That brother, J. M. Hill, didn't begin his formal education until he was 28 years old. But he was hardly a man totally without education, for he entered the eighth grade, right off.

BROTHER A PASTOR

He was graduated from Wofford a few years later, in 1942. Then he went to the Southern Baptist Seminary and also to Cambridge, where he studied philosophy. He was a chaplain in the Army. Now he's pastor of the Tiger Baptist Church at Tigerville, S. C.

Oddly enough, John Q. Hill is not the only worker at Lyman to attain a high scholastic honor recently. A fellow worker, James E. White, was appointed to Annapolis.

Last year at the University of South Carolina, Mr. White, a freshman, made a straight "A" average. An appointee of Representative BRYSON, Democrat, of South Carolina, to Annapolis, couldn't make the grade because of a physical disability. The Congressman heard of Mr. White's accomplishment and arranged a last-minute appointment. Mr. White, at that time, was back at his old job in Pacific Mills working to earn sufficient funds to resume his education.

The Airplane Accident at Mount Carmel, Pa.

EXTENSION OF REMARKS

OF

HON. CARROLL D. KEARNS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. KEARNS. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to say that the entire United States was shocked over the tragedy of the DC-6 that fell at Mount

Carmel, Pa., on Thursday, June 17, carrying 43 people to their untimely death.

I think it is time that the Congress requests the Air Safety Board to cease their opposition to passengers carrying parachutes in commercial planes. The argument that people must be taught how to descend is highly questionable. The DC-6 that was destroyed Thursday was flying at an altitude of 17,000 feet when trouble was first detected. All the passengers aboard would have had ample time to parachute to safety had they been so equipped.

The air lines are to be complimented on the job they are doing; however, we must take steps to help them in providing further safety measures that will prevent such needless loss of life.

New Look in the South

EXTENSION OF REMARKS
OF
HON. BURR P. HARRISON
OF VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. HARRISON. Mr. Speaker, under leave to extend my remarks in the Appendix of the RECORD, I append the following editorial from the Rockbridge County News, Lexington, Va., entitled "New Look in the South":

NEW LOOK IN THE SOUTH

Some farms in Rockbridge County have been greatly improved in recent years by using strip-farming methods. Much of our land is steep and should not be plowed at all. If it must be, soil-preserving methods are essential. In spite of this fact, the old-time methods of plowing the steep hillsides continues to a great extent. The result is that much valuable Rockbridge County farm land is fast becoming worthless or of little value. This fact was commented upon recently by a member of the county reassessment board who had reason to look over much Rockbridge County land. What he saw in parts of the county was a distressing sight.

The New York Times recently published an editorial concerning a Virginia farm under the title of this article that sounds like a fairy tale. But it is not. It is perhaps an extreme case of what rehabilitation methods can do, but it is of interest to many of our people and is published below:

Miracles really do not happen to gullied and eroded land, so that overnight a run-down farm trebles in value. Yet what transpired recently on the 105-acre farm of a 57-year-old widow, near Lacrosse, Va., savors of the miraculous. The farm of the widow and her son (a veteran of the war) was chosen by veterans taking agricultural training in the area for a demonstration of what could be done with a treatment program for an old worn-out farm, if all available resources were used.

"One morning, soon after dawn, a cavalcade of conservationists swarmed over the place. Many tractors dug deep into the wasted land; posthole diggers, fertilizer spreaders, and a bulldozer battled the red clay. Jeeps jumped over old furrows as expediters of commands. Landscrapers limed the lawn and planted shrubs. A dejected farmhouse got a spray of white paint. The fields of the farm were laid off according to a model plan. Just for good luck an acre pond was measured off for fishing and recreation. When the conservationists began to go over the topsoil in the morning the farm was said to be worth $4,000. A soil conservationist said he would give $15,000 for it after the day's work.

"The farm is located in what used to be the center of the bright Tobacco Belt of the South. What happened there made news for many farm owners who only recently acquired their land. For thousands of farm owners of the South have come up from tenancy and sharecropping in the past decade or so. If we go to the deep South, where tenancy and sharecropping were once entrenched, even there we find a marked change for the better. In Mississippi in 1935, 69.8 percent of all the farms were operated by nonowners, but in 1945 the number operated by tenants had decreased to 59.3 percent. In South Carolina the number of tenant-operated farms decreased from 62.2 percent of the total in 1935 to 54.2 percent in 1945. In North Carolina much less than half of the farms are operated by tenants, and in Virginia nearly 80 percent of them are owner operated.

"In the early 1930's, when farm ownership in the South began to show a steady increase, 22,000,000 acres had been destroyed by wind and water erosion and by plows wantonly guided by unskilled hands, in 11 States of the region. Farm ownership is the best barrier against the tides of waste, for the owner has a vested interest in soil conservation. He is not, like so many tenants, 'aiming' to move next year.' "

Power for Arizona Progress

EXTENSION OF REMARKS
OF
HON. RICHARD F. HARLESS
OF ARIZONA
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. HARLESS of Arizona. Mr. Speaker, Arizona stands on the threshold of its period of greatest development. But in order to achieve its rightful place in the family of States—the place to which it is entitled by reason of its great natural resources and physical advantages—Arizona must obtain its fair share of two of its resources—water and power.

Without these basic ingredients, Arizona cannot continue and accelerate the rate of advancement which the last decade has witnessed. They are indispensible t both her urban and her rural development, to her industrial and her agricultural progress.

Arizona abounds in water and power resources. But so far these resources have been developed principally for her neighbors. The waters of the mighty Colorado whose main stream courses principally through Arizona have already been developed as a major source of water and power for the Far West. The massive structures at Boulder and Parker stand as a symbol of man's domination over the forces of nature and their utilization for human progress. But for Arizonans, unfortunately, they are still only a symbol and not a tool with which to forge Arizona's destiny.

It is useless to recount opportunities lost and advantages never realized. We must look forward to the creation of new opportunities and the realization of future advantages to be derived from them. We must be alert—never again to allow to be taken from us our birthright—our fair share in the bounty which Nature has so lavishly bestowed upon us.

Ever since I came to the Congress in 1943 I have fought, often against very heavy odds, to prevent this from happening. The struggle is by no means over; the fight is not yet won. My colleagues in the Congress have stood shoulder to shoulder in the contest to preserve Arizona's inalienable rights—always with the encouragement and able assistance of that great indomitable spirit, our late and beloved Gov. Sidney P. Osborn.

On the Washington scene two great Federal agencies are the instrumentalities which we must use to secure and hold Arizona's heritage—the Bureau of Reclamation of the Department of Interior and the Rural Electrification Administration in the Department of Agriculture. At home our Arizona Power Authority, the public power and irrigation districts, and the rural electric cooperatives are the agencies through which our heritage of power and water can be brought to the people of Arizona for their benefit and advancement.

The Bureau of Reclamation has made two great steps forward in harnessing the Colorado River, our greatest natural asset in terms of water and power. Boulder and Parker Dams are towering symbols of man's mastery over and utilization of our natural resources. But they are only the beginning. A few more years will see Davis Dam in place and, I sincerely hope, Bridge Canyon Dam begun. Their completion will mark the end of one long struggle and the beginning of another.

The securing of funds for construction of Davis has been indeed a series of struggles. We had to fight for practically every dollar we asked for so that construction might be accelerated to make up for the time lost by reason of the interruption required by the war. On May 14, 1946, I urged an increase in the 1947 Interior Department appropriations of $12,000,000 to expedite Davis construction. We did not secure anything near as much as we needed for fiscal 1947, but the record will show that I made a determined bid for it. I quote from the CONGRESSIONAL RECORD for May 14, 1946, at page 5019:

Mr. HARLESS. We are delaying the completion of an important part of the Colorado River project. I feel that what I have to say here is important to you, especially those of you from the East, because unless you have been in the Western States you cannot appreciate the fact that we must have irrigation to continue to expand. We have been absorbing the excess population as it has drifted westward. If another depression comes in this country, you will be very glad that there is a place for people to go to make their homes, so that you will not have an excess population here in the East.

You have made it possible by your appropriations to start projects, but now you choke off these projects by curtailment of these appropriations. May I emphasize that all of these projects pay for themselves. Members of the House sometimes protest that we are expending public funds, but the people who buy and use this irrigated land pay back this money. In addition, we must have the electricity to support the irrigation projects.

I particularly regret that this point of order has been made because I have in mind that the $15,000,000 will include some $3,000,000 to build a power line from Parker Dam, which has already been completed. The power is now wasted. We could build that power line into central Arizona and help pay for the construction of Parker Dam.

Unless you have been there, unless you have seen these projects, you cannot fully understand them. Unless you go ahead with the appropriations to complete these irrigation projects, you have in effect nullified the previous appropriations for the irrigation districts in the West.

I trust that when this appropriation bill goes over to the Senate they in their wisdom will restore these funds, and when it comes back here we will be able to recede and concur, because we must go ahead with the development of that country if this great Nation of ours is to realize its full heritage.

Mr. JOHNSON of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. HARLESS of Arizona. I yield to the gentleman from Oklahoma.

Mr. JOHNSON of Oklahoma. Permit me to say at this point that the gentleman is making a very persuasive argument, as he always does. I cannot resist the temptation to say that the distinguished gentleman is not only one of the ablest Members of Congress, but one of the most effective, a man whom the committee is always delighted to have come before the committee.

Mr. HARLESS of Arizona. I thank the gentleman very much.

Mr. JOHNSON of Oklahoma. As evidence of the gentleman's great work, let me say that the great State of Arizona could well afford to pay him and his colleagues many times the salaries they are now receiving because Arizona gets more money for irrigation and reclamation than several dozen other States that I could name.

Mr. HARLESS of Arizona. I thank the gentleman. If we get the money, I want to remind my distinguished friend who is so generous in his comments, all that money will be repaid. The only reason the appropriation is made is because we are one of the younger States in the Union. We have a great deal of desert country. We have a lot of fertile land and all of our future lies ahead of us because we are just beginning to realize our resources. We are a growing State. That is the reason we must come to Congress for help. I want to stress the idea here that we must have the help of the Nation to expand because when we expand the Nation expands with us.

Again on April 25, 1947, I fought to secure adequate appropriations for the Davis Dam project and for other Arizona reclamation project, including the central Arizona project surveys. Exponents of false economy had cut the budget estimates for Davis of $18,000,000 back to $6,000,000. We finally secured an increase of $3,700,000. For fiscal 1949, we finally secured more adequate recognition of the need and obtained an appropriation in the House of $18,000,000 which the Senate increased by almost $5,000,000. It has indeed been a long, strenuous grind, but I believe the end is in sight.

Our fight for construction of Bridge Canyon is well under way. It is already apparent that completion of Davis will by no means solve the water and power problems of Arizona. In the Seventy-ninth Congress and again in the Eightieth Congress, I introduced bills to authorize the construction, operation and maintenance of the Bridge Canyon Dam. This development, which is the heart of the central Arizona project, will do more to satisfy Arizona's needs than any development to date. We are still a long way from having this development but substantial progress has been made.

As recently as April 12 of this year, I took the floor to condemn the Hitler tactics employed by the propagandists for certain California interests to convey to the general public the impression that Arizona was raiding California to gain a water project for itself. I pointed out, as emphatically as I could, that the streams of Arizona make up a large part of the flow of the Colorado River and that the Colorado itself lies largely in Arizona or on its borders. I reiterated my view that thus far, Arizona's share out of this great river has been a mere pittance and that Arizona receives an infinitesimal portion of the water diverted from the river and of the power produced at its dams.

This reckless propaganda will never deter me, wherever I may be, from continuing my fight for the Bridge Canyon Dam. I have high hope and invincible determination that it will be built in the not too distant future to satisfy the needs of Arizona for water and power. And when it is built, I pledge myself to protect the interests of Arizona so that we will not have a repetition of what has happened at the Boulder and Parker developments.

I have already stated that the completion of these great developments will also mark the beginning of another struggle. We are already in the middle of a fight to preserve the benefits conferred by the irrigation reclamation laws. In January of this year the House of Representatives considered and passed amendments of the Reclamation Project Act of 1939 which would not only retard progress on new developments but would materially raise the cost of power developed at all reclamation dams. On January 21 of this year, I took the floor and opposed these amendments as vigorously as I could. At page 414 of the CONGRESSIONAL RECORD for that date, I said:

Mr. HARLESS Mr. Chairman, if this amendment is agreed to it will cripple the Bureau to the extent that we cannot have continued expansion in the West. I know there are some people who would move their lips in friendship for irrigation and reclamation in the West but deep down in their hearts they do not want to see the West developed because they are afraid there might be some competition. But let me point out that we do not grow the same products out West that are grown in the Middle West. We buy the manufactured goods from eastern plants. When we develop one of these irrigation and reclamation projects it results in our buying large amounts of electrical equipment and farm equipment, which are produced in the East; therefore, it is to your advantage to see that this portion of the United States continues to develop. To shoot a hole in this particular law is to destroy the progress already made in the western part of the United States. Leave the law intact. For 22 years it has been working well. * * *

This law has been working well and for anyone to come in here with these amendments is to destroy its whole effectiveness. Please do not meddle with the law at this time. There are no instances mentioned here where there has been an abuse of authority. There has been a group of generalities. Leave the law as it is and let the Bureau of Reclamation and Irrigation continue to function. They function as efficiently as any department. These projects pay back to the United States all money invested. In addition thereto, I have in mind a project near my home town of Phoenix. We pay more money each year in income taxes from the resources that we get out of this project than was paid to construct the project. It is to the benefit of all of us. Let us not poke holes in this law. So, I plead with you, do not adopt any of these amendments.

These crippling amendments were adopted in the House of Representatives. I am confident that they will not pass the Senate. But we may as well face the facts—the fight to emasculate these laws is on. I pledge my continued, unabated opposition to this campaign of destruction at every possible opportunity.

We must be on guard at all times against loss of the benefits we are entitled to from the developments which have been completed. The States of California and Nevada have already made claim to all of the power which will be developed at Davis. Fortunately, Arizona has also filed its claim to this power and is taking appropriate steps to protect that claim.

Under the reclamation laws, public bodies and cooperatives have preferential rights in the purchase of power generated at reclamation projects. Unfortunately, the Arizona public's interests were not adequately safeguarded when Parker power was distributed. Not only did Arizona fail to secure its fair share of Parker power, but it failed to take appropriate measures to see that the people of Arizona benefited from the Parker power which did come into the State. Instead, for the most part, a few large private interests have enjoyed the benefits of this development.

As for the Boulder project, the other large development on the Colorado, we all know that until 1944 no action was taken by Arizona to secure its statutory share of the power generated at the tremendous power plant. Under the leadership of the late Governor Osborn, the Arizona Power Authority Act of 1944 was enacted, and for the first time Arizona had a State agency through which it could claim its share of Boulder power. Only in recent months have the necessary formal actions been taken to recapture for Arizona the Boulder power which belongs to it. I have noted with great regret that there still remains a need for further State legislative action to perfect the Arizona Power Authority Act. When Governor Osborn signed the original authority bill he requested amendment of certain provisions. In 1947 certain amendments were passed which considerably weakened the effectiveness of the Authority as an agency for bringing the benefits of cheap and plentiful Colorado River power to the people of Arizona. I am convinced that it is necessary that this act be further amended by the Arizona legislature to remove the defects, and to perfect it as an instrument which will best achieve the objective of bringing to the Arizona people the tremendous benefits and advantages of cheap, plentiful power.

There is also the need for State legislation to safeguard the people of Arizona from extortionate power rates. If necessary, the corporation commission's regulatory powers must be strengthened and the Commission given legislative di-

rection, and the power to prevent the marketing of public power to enrich a few special interests. Too long have the people of Arizona been paying tribute on power generated at public developments and transmitted over public facilities, all built with public funds. There is needed also State legislation establishing an effective workable condemnation law which will permit municipalities and other public bodies to take over electrical properties required in the development of their power programs. The recent decision of the Arizona Supreme Court invalidating existing condemnation laws insofar as they relate to electrical properties, points up the need for such legislation.

I pledge my support for the enactment of all legislation required to meet these objectives.

National Conference on Community Improvement

EXTENSION OF REMARKS
OF
HON. FRANK L. SUNDSTROM
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. SUNDSTROM. Mr. Speaker, under leave to extend my remarks in the Appendix of the RECORD, I include the following address by Carrol M. Shanks, opening the National Conference on Community Improvement:

Last summer there was a rather informal meeting here in Washington of people active in community work; mostly people connected with national organizations which concern themselves with community-improvement programs of various types.

It was their feeling that community work needed more coordination—that some communities had strong, well-coordinated, progressive programs—but that in many parts of the country the growth in the central power of the State and National Governments had weakened community self-reliance.

They thought the time had come to organize a national council, the function of which would be (1) to provide assistance to local groups through interchange of information on successful community programs and (2) to stimulate communities throughout the land to adopt progressive community activities on a self-support, local basis.

The council has been established. It should be understood, clearly, at the start, that the National Council for Community Improvement will not supersede or interfere with or infringe upon established organizations working in this field at either the national, the State, or the local level.

The council is established to serve and assist all organizations which devote themselves to community work.

The purpose of this conference has been stated in the announcements you have received.

We have gathered leaders in various fields of community activity for discussion and exchange of information.

Through this conference, through the stimulation we hope you will get from meeting together on matters of common interest, through a widespread interest in community-improvement programs—we hope to arouse a determination on the part of American citizens to solve their community problems themselves.

We live in freedom—in a representative democracy—our Republic. That freedom, together with the initiative, self-reliance, and individual acceptance of responsibility which make it possible and the opportunities and incentives which accompany these qualities, have given us a dynamic quality which has stimulated production and brought a rising standard of living.

With all the imperfections of our system, no other system has ever approached it in bringing a bettering standard of living to the common man.

Our freedom and individual initiative, self-reliance, and acceptance of responsibility make it possible for us so largely to supply the world in time of war and so largely to feed, cloth, and equip it in time of peace.

Individual initiative, self-reliance, and acceptance of responsibility can be brought to bear effectively, however, only at close range, in the neighborhood and the community.

The force of these qualities has built our Nation. They are lost, muffled, or dissipated when employed at State or national levels—many times removed.

This conference may go down in history as a great rallying or turning point in bringing the solution of problems back to the neighborhood and local levels where our historic, dynamic qualities can be brought to bear upon them.

If we can help local initiative and activities—if we can aid in the coordination of local attacks on problems—then we will have done much to strengthen and bring to bear the basic forces of our Nation.

No nation is stronger or more vital than the communities of which it is made. The purpose of this conference is to aid and stimulate communities and neighborhoods to solve their own problems and build their own strength. The Nation will wax strong with the communities.

Socialized Medicine Would Lower the Standards of Medical Care and Retard Medical Progress

EXTENSION OF REMARKS
OF
HON. CHARLES J. KERSTEN
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. KERSTEN of Wisconsin. Mr. Speaker, it seems that many of those who have advocated socializing the practice of medicine in the United States are individuals who have not too much knowledge of the science of medicine. The great majority of doctors are convinced that the plan to socialize medicine in the United States would be a great detriment to their profession. Who are better qualified to determine the effect of this plan on medical practice than the doctors themselves? Really, doctors of medicine are those of our citizens who have devoted their lives to the study of medicine. No one is better qualified to determine the best plan on which that science should be based. They are best qualified to determine whether it is better that medicine be practiced on the individual and professional basis or whether it is better that the Government run the practice of medicine. They understand the elements involved—individual initiative and responsibility and a high sense of professional honor.

I wish to include in my remarks herewith the conclusions and recommendations of a recent study made by Drs. Lewis Meriam and George W. Bachman in behalf of the Brookings Institution. Dr. Meriam has made surveys of medicine of several State governments. Dr. Bachman has had a very wide experience in medical research and public health, both in this country and abroad. He has served on the faculties of Chicago, Johns Hopkins, and Columbia, where he undertook the organization, financing, and development of the School of Tropical Medicine in Puerto Rico. The following are their conclusions and recommendations on the subject of socialized medicine:

CONCLUSIONS

The conclusions based on this foundation are:

1. Probably no great nation in the world has among its white population better health than prevails in the United tates. A few small homogeneous countries, such as New Zealand with respect to its white population, are slightly ahead of the United States as a whole, but certain States of the United States with larger populations equal them.

2. It is apparent that the United States under its voluntary system of medical care has made greater progress in the application of medical and sanitary science than any other country. This progress is now reflected in low mortality and morbidity rates of infectious diseases and in increased life expectancy. There is every reason to believe that these trends will continue unabated under our present system of medical care.

3. The nonwhites in the United States have materially poorer health than the whites, but the evidence does not indicate that this condition is primarily or even mainly due to inadequacy of medical care.

4. The advances in health among both the whites and the nonwhites that have been made in the United States in the past four decades do not suggest basic defects in the American system.

5. Although the statistics resulting from the administration of the Selective Service Act—the so-called draft statistics—have been widely used to show bad health among the American people and the need for revolutionary changes in arrangements for medical care of individuals, they are unreliable as a measure of the health of the Nation and cannot be used to show the extent of the medical needs of the country as a whole.

6. Present medical care in the United States compares favorably with that which existed in other leading nations prior to the Second World War.

7. The conditions in extremely poor rural areas that lack the resources to support adequate public services, such as health work, education, and highways cannot be satisfactorily solved by subsidies. This problem calls for a radically different approach, either bringing in new or improved economic activities or getting the people to more favorable and administratively less expensive areas. This condition has been accentuated by the emigration of youth from these areas to urban communities.

8. The United States has some individuals and families not possessed of the resources to enable them to pay for adequate medical care. In the future, as in the past, provision must be made for them through public funds or philanthropy. The evidence suggests that

many of them are elderly, impaired, or underendowed or are widows or deserted women or their dependents. It is doubtful if they could be effectively covered by compulsory insurance because they would lack the means to attain and maintain an insured status. The large majority of American families have the resources to pay for adequate medical care if they elect to give it a high priority among the several objects of expenditure. The issue is not whether they can afford medical care but whether they should be compelled by law to pool their risks and to give payment for medical care a top priority. The major alternative for people with ability to pay is to leave them free to determine for themselves what medical care they desire and whether they will pool their risks through voluntary arrangements.

9. Compulsory health insurance would necessitate a high degree of governmental regulation and control over the personnel and the agencies engaged in providing medical care. This field of regulation and control would be far more difficult than any other large field previously entered by the Government, and past experience with governmental regulations and control in the United States causes doubt as to whether it encourages initiative and development.

10. The problem of eliminating politics from Government administration is extremely difficult. It does not seem probable that politics could be eliminated from medical care supplied under a governmental system.

11. Compulsory insurance would inject the Government into the relationship between practitioner and patient. A real danger exists that Government actions would impair that relationship and hence the quality of medical care.

12. The administration of compulsory insurance would require thousands of Government employees for accounting, auditing, and inspection, and investigation.

13. The cost of medical care presumably would increase because of (a) administrative expenses; (b) the tendency to insured persons to make unnecessary and often unreasonable demands upon the medical care services; and (c) the tendency of some practitioners and agencies to take advantage of the system for their own financial advantage.

14. The adoption of compulsory insurance would not immediately make available adequate service for all, because there are not at present the facilities nor a sufficient number of trained and experienced physicians, dentists, and nurses to meet the demand which would result from compulsory insurance.

15. Proposals for compulsory insurance provide for payment of practitioners under one or all of three methods: (a) fee for service, (b) per capita, or (c) salary. Use of the fee-for-service device represents the minimum degree of socialization, but it is administratively difficult. Administrative difficulties would probably result in the adoption of the per capita system which represents a higher degree of socialization or even in the salary system which represents practically complete socialization. It seems questionable whether a country which once embarks on compulsory insurance can turn back but must attempt to remedy defects by more complete government control and administration.

RECOMMENDATIONS

1. For the present, in our judgment, the National Government would be wise to leave to the individual States the question of whether compulsory health insurance is to be adopted or whether the provision of professional services is to be left in the realm of free enterprise. It seems highly probable that in many communities the intelligent cooperation of consumers and practitioners will develop satisfactory arrangements that remain subject to their own control without National Government administration. It seems highly improbable that this experimentation—possible under our Federal form of government—will ultimately develop a single pattern that is applicable to all sections of the country and is desired by a large majority of the people. If such a pattern should develop, it will doubtless then be adopted with a great degree of unanimity. If compulsory insurance should be adopted now by a narrow vote in the Congress, thousands of persons who are opposed to it would start hostile to the whole undertaking.

2. For the time being the National Government and many of the State governments may well devote their resources and energies to:

(a) Research and developments in the fields of public health;

(b) Health education at the school level;

(c) Teaching of preventive medicine;

(d) Assisting in the acquisition of physical facilities and training of personnel.

(e) Providing systematic care for the indigent and the medically indigent. In some States careful surveys of existing conditions will be required to furnish the basis for developing a comprehensive and coordinated program.

3. From the standpoint of public relations, governments might be well advised to leave adult educational campaigns for the control and prevention of disease to the national, State, and local voluntary organizations which have been able to enlist the active cooperation of leading laymen in most section of the country. It must be remembered that good health is not exclusively a matter of medical care; it also impinges upon causative factors that are nonmedical, such as food, shelter, vice and crime, transportation, and industry. Its maintenance depends also upon the intelligence, interest, and cooperation of individuals, families, and local communities.

These recommendations are not widely at variance with those of the majority of the Committee on the Costs of Medical Care, arrived at in 1932 after a comprehensive study. The report of the committee says:

"The majority of the committee does not endorse the recommendation which would make health insurance a legal requirement for certain sections of the population. These members realize that such a step may ultimately be necessary and desirable in some States, but they believe that for most States and probably for almost all of them at the present time, it is much more desirable (a) to encourage voluntary measures for protection against wage loss during sickness, and (b) to develop voluntary insurance for medical care in conjunction with group practice, with hospital service, and with the related measures recommended on the preceding pages. They are of the opinion that the difficulties of these plans can be controlled by a combination of professional and community effort, and that these plans hold the promise of steady extension in scope of service and in proportion of the population served. These members believe that the various payment plans (aside from compulsory insurance) if fully carried out, would: (1) Largely solve the problem of hospital costs which constitute about 50 percent of the average family expenditure for the care of sickness; (2) provide adequately for many rural areas in which serious deficiencies of facilities exist at present; (3) make more nearly adequate provision than exists at present for the "indigent" and for the care of certain diseases of public importance; and (4) provide, through voluntary cooperative insurance * * * medical service to a majority of the 70,000,000 people living in industrial communities and in cities." (Medical Care for the American People, the final report of the Committee on the Costs of Medical Care, October 31, 1932, p. 130.)

The years since 1932 have witnessed—

1. A great growth in voluntary insurance both for hospitalization and for medical services.

2. State experimentation with compulsory health insurance in Rhode Island and California.

3. A growing willingness on the part of practitioners to cooperate in the development of prepayment plans and other devices to enable patients who so desire to regularize their payments for medical care.

4. A profound change in the amount and distribution of the earnings of the American people. This change greatly reduces the number who cannot afford adequate medical care if they desire to purchase it.

The experience of the United States since 1932 seems to have demonstrated the wisdom of these recommendations of the majority of the members of the Committee on the Costs of Medical Care. It would seem unwise at this time to substitute for these developments a system of compulsory health insurance by national law which would have the unfortunate tendency to freeze policies and eventually retard medical progress.

Hon. Chet Holifield, of California

EXTENSION OF REMARKS

OF

HON. JOHN W. McCORMACK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. McCORMACK. Mr. Speaker, my colleague, Congressman CHET HOLIFIELD, of California, has served the Nineteenth District of California as their United States Representative for the past 6 years. During that period of time he has risen to important standing on two of the most important committees of the House, the Committee on Expenditures in the Executive Departments and the Joint Committee on Atomic Energy of the House and Senate.

The gentleman from California, CHET HOLIFIELD, not only votes right on the issues before the House, but he is a fighting, courageous, liberal who mixes in the floor debates without fear of reactionary opponents. As a true American and a liberal Democrat, he abhors and condemns communism, but he has not let fear of "witch hunters" and professional "Red baiters" scare him. He is one of the most vigorous defenders of the constitutional privileges and rights contained in the Bill of Rights. His fight against the abusive practices of the Committee on Un-American Activities, especially in their persecution of Dr. Condon has caused him to receive Nation-wide favorable publicity.

A Los Angeles metropolitan newspaper, the Daily News, recently carried a feature article on the gentleman from California, CHET HOLIFIELD. The article was written by Frank Rogers, their Washington correspondent. Under unanimous consent, I include it herewith as part of my remarks:

SINCERITY AND SUCCESS STAMP HOLIFIELD IN CONGRESS

(By Frank Rogers)

WASHINGTON, May 20.—Representative CHET HOLIFIELD'S 6 years in Congress have proven what a small-businessman with no political experience can do in Washington if he works hard and studies hard.

HOLIFIELD would probably be the last person to call himself a "self-made man," but

his colleagues in the House of Representatives think of him just exactly that.

The Congressman, who is a Democrat, and who represents the East Los Angeles area and such communities as Montebello and Huntington Park, left a thriving haberdashery business in Montebello to run for Congress in 1942.

Just as he had built up his clothing-store business from nothing, so did he build up his reputation as a hard-working, energetic, and militant Congressman, whose willingness to debate important issues with the best of them is highly respected.

But the biggest reward HOLIFIELD has reaped from his hard work is the respected position he holds as a member of the Joint Congressional Committee on Atomic Energy. No sooner had the first A-bomb fallen on Hiroshima than HOLIFIELD, with characteristic forcefulness, decided that the bomb represented an issue with which Congress would have to deal intelligently.

He knew no more about splitting an atom, probably, than did the Hiroshima people who never knew what hit them. But he found out. He locked himself in his office for hours on end, reading everything there then was to read about the subject—becoming one of the first Congressmen to read the now famous Smyth report from cover to cover.

As a member of the House Military Affairs Committee he was able to interview top officers in the Army who were running the atomic show. He became one of the leaders of the successful opposition to allowing the Army to continue its control of the atomic-energy program—mostly because many of the most famous atomic scientists came to his office to plead for civilian control of this new Pandora's box.

HOLIFIELD's intensive study next paid off in a big way when President Truman named him as one of the few Congressmen on the President's Special Evaluation Committee on the Atomic Bomb Tests at Bikini in 1946.

His appointment to the Joint Committee on Atomic Energy followed soon after the Eightieth Congress convened. Only 8 of the 435 Members of the House were selected for this choice committee. Representative CARL HINSHAW, of Pasadena, is another.

Representative HOLIFIELD almost never expresses his stand on an important issue by merely voting for or against it. He is always willing to debate the question, even when he knows he is part of a small minority.

His willingness to defend the liberal—and often the losing—cause has made him the object of both attack and applause by newspapers and public speakers far removed from his home district. But the record of the three elections in which he has participated indicates the folks at home are satisfied.

On his first time out, in 1942, HOLIFIELD was elected by a margin of 14,000 votes. Two years later his margin was 36,000, and in 1946, while the Republican tide was engulfing many of his Democratic colleague, HOLIFIELD was returned to office with nearly 50,000 votes to spare.

HOLIFIELD is probably one of those rare Members of Congress who finds that being a Member of the House of Representatives is not an ideal way to make a living, because it is possible to lose money at it. In his case, he must hire an executive to run his business while he is away; and like most California Congressmen, he finds it necessary to maintain two homes.

Congressmen get a travel allowance covering their trips to and from sessions, but with an election every 2 years, a business, and a family—in HOLIFIELD's case, four charming daughters—to divide one's attention and money, being a Congressman is no way to get rich quick.

Not that HOLIFIELD is complaining—he isn't. He regards himself as only another example of the kind of people the American system produces. He has virtually educated himself, built a successful business with money earned by his own hard work, raised a large family, and got himself elected and re-elected to Congress.

"All my life," he says, "I have had to depend on my own judgment. I think the people of my district expect me to use it in Washington."

His voting record is what the political experts call liberal. But he will leave the liberals when he thinks they are wrong—as witness his recent vote for the tidelands bill.

He is a bitter enemy of the tactics used by the House Committee on Un-American Activities, particularly in the case of Dr. E. U. Condon. While the majority of the present Congress is willing to give the committee anything it wants, in fear of being accused of making a gesture toward communism, HOLIFIELD bases his opposition on simple grounds.

He firmly believes Dr. Condon hasn't been given a fair trial—has, in fact, been given no trial at all, but has simply been accused. He has led the fight to force the committee to hold public hearings on the charges it has made against Condon; so far, he has lost that fight, but it hasn't stopped him from making it.

While a good many of his less militant liberal colleagues were simply lying low, or at most were doing no more than quietly voting against it, HOLIFIELD came out strongly against the Mundt-Nixon Communist-control bill. He felt this legislation endangered too many of the individual liberties which are part of the system which enabled him to have a successful and happy life.

In this regard, it was suggested to him recently that, in view of the nearness of the California election, it would be dangerous for him to vote at all on this issue, much less speak publicly on it.

"I didn't come back here just to get re-elected," he said. "I came back here to represent my people the way I think they want to be represented. I will not only vote against this bill, but I will work against it."

And he did.

Long-Range Bill for Agriculture

EXTENSION OF REMARKS

OF

HON. BEN F. JENSEN

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. JENSEN. Mr. Speaker, members of the House Committee on Agriculture are now engaged in a conference with members of the Senate Committee on Agriculture and Forestry, at the request of the Senate, on proposed legislation of the greatest importance to American agriculture and the Nation. Late Thursday night, with the least possible consideration, the Senate passed a bill which, if enacted, would not only bring about a major reorganization of the Department of Agriculture and a completly new system for handling the Nation's all-important farm programs, but would also revise sharply the parity-price formula.

The Senate bill provides that the support price of wheat, corn, and hogs be materially reduced, although curiously enough the Senate voted to make an exception of tobacco, which is a luxury. The level of price support for this crop would be held at 90 percent of its parity price. How would you explain this to the wheat, corn, and hog farmers of the country? Or the cotton farmers? Or the livestock producers?

In the very closing hours of the Eightieth Congress, the House is being asked to accept, without due consideration or study by the Members of this body, a major overhauling of the Nation's machinery and programs for agriculture. There is no opportunity whatever to find out what a majority of our constituents think of this legislation. It would be of the most vital importance to farmers—affecting their lives, their pocketbooks, and their future.

My district in Iowa is primarily an agricultural district, so I am personally very much interested in agriculture. While I am not a member of the Agriculture Committee, I have taken pains to follow the work of this committee and I have the greatest respect for its chairman, Mr. HOPE, Mr. HOEVEN, of Iowa, and the other distinguished members.

The House Agriculture Committee has been working hard for many months in preparation for long-range farm legislation. It has held literally scores of hearings in Washington and in all the major agricultural regions of the country over the past several years. It has invited to these hearings and listened to the first-hand opinions of hundreds of thousands of farmers. As the members here today recognize so well, agriculture is basic to the prosperity of our Nation. It has international as well as domestic aspects. What we do in the field of agriculture affects not only farmers and consumers but the Nation's industry and military strength as well.

To make a plain statement of fact, it would be most ill-advised to swiftly consider and pass sweeping farm legislation at this eleventh hour of the Eightieth Congress.

Chairman HOPE and the committee members have in my studied opinion wisely decided that an additional 6 months should be spent in refining and perfecting a bill in order that farmers and farm organizations may have sufficient time to study and determine fully a good, workable long-range farm program for America.

Instead of rushing to the floor hastily with their bills, the House committee recommended that we extend for a year the present farm program and full 90 percent of parity on basic farm crops. The House agreed with the committee earlier this week and passed H. R. 6248, which would accomplish this purpose.

Much as I am interested in seeing this House enact proper long-range farm legislation at an early date, I do not want to see us sacrifice quality and soundness for speed.

All Members of the House should have a full opportunity to give careful consideration and study to any legislative proposals of such far reaching and vital proportions as the bill passed on Thursday night by the Senate.

I introduced a year ago—H. R. 4417—covering the field of soil and water conservation known as a national land-policy bill.

I am pleased to say that Mr. HOPE and the Agriculture Committee have seen fit

to give careful attention to my bill and use many of my proposals in their new measure. This new bill (H. R. 6054) is a more comprehensive piece of legislation. It has a great many other fine points in its favor, which I will not attempt to discuss now. But I will say that with some amendments H. R. 6054 would be one of the outstanding pieces of agricultural legislation ever enacted in the Nation's history.

Mr. HOPE, of Kansas, is one of the truly great agricultural statesmen of our time. We would all be remiss in our responsibilities, and it would be a disservice to the Nation, if we did not have the patience to see exactly what he is going to propose for our consideration early in the next Congress. We are confident that Mr. HOPE and his able committee members, all of whom represent farm States, will propose the best bill that can be devised.

The Judd Bill for Equality in Naturalization and Immigration

EXTENSION OF REMARKS
OF

HON. WALTER H. JUDD

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. JUDD. Mr. Speaker, before the close of this session I wish to call the attention of the Members of the House to the progress made by the legislation I introduced in January to end racial discrimination in our nationality and immigration laws. I wish also to pay a deserved tribute to the chairman, the Honorable FRANK FELLOWS, of Maine, and other members, of both parties, on his Subcommittee on Immigration and Naturalization. Through open hearings and in executive session they have given generously of their time and judgment in perfecting this bill, which has now been reported unanimously to the full Judiciary Committee. If it were not for the press of urgent business before us in these last days before adjournment, I am confident that a favorable report would be forthcoming from the Judiciary Committee, and that there would be prompt passage by the House.

The introductory paragraphs of the analysis prepared by the Department of State provide a condensed and accurate summary of the primary objectives of this bill:

> The real objective of the bill—stated in a few words—is to eliminate all racial barriers in existing naturalization laws and to make it possible for Asian and Pacific peoples to enter the United States as quota immigrants; and, yet, from a practical standpoint, to keep within a reasonable number those persons who may come to the United States.
>
> The bill retains all the essentials of the Immigration Act of 1924, as amended, and maintains the full intent of the national origins provisions of that act. It extends to the peoples of the other Asian and Pacific countries the opportunity to emigrate to the United States, as has been done by special legislation for the Chinese and to the peoples of India. The total number of such oriental peoples who would be admitted thereunder, however, would equal less than 1 percent of the sum of all the present quotas.

Quite naturally, I am disappointed that it has not been possible to bring this measure to a vote before the House in this session. Nevertheless, we have been able to bring this measure dealing with a technically complex subject to a high degree of perfection, and we have developed a comprehensive printed record covering every detail of the matter before us. This perfected bill, H. R. 6809, and this record should be of great value to the Eighty-first Congress. The legislation will be reintroduced at the beginning of the next session. We may hope that this whole matter may then be brought before the House without delay for the favorable consideration it deserves.

The period of time elapsing before the next session of Congress will provide opportunity for study of the impressive record printed at the direction of the House Committee on the Judiciary. I urge all of you who are interested in this subject to secure and study the hearings.

Passage of this measure not only will be an act of justice but of direct service to every proper American interest.

It does not befit the American sense of honor and equity that the parents of Japanese and Korean Americans who served with such distinction during World War II should be unable to gain the privileges of citizenship. These men and women have all lived here for a quarter of a century or more; they have made their full contribution to our economy and to our social institutions. They have been law abiding, zealous in educating their children, quick to respond to community needs. The evidence is overwhelming that they desire to assume the full responsibilities of citizenship. I believe, and I am sure you agree, that all persons who have come legally to these shores for permanent residence should be urged to become citizens. It is up to us to remove the barriers to their assuming that great obligation.

According to the United States census of 1940, there were legally resident in the United States and its Territories 84,658 aliens of Japanese descent, 3,139 of Korean descent, and 145 who were listed as Polynesians and "other Asians." They will be here till they die. They pay taxes. They are useful members of our society. They should be permitted to become full-fledged citizens.

There is very little I can add to the record concerning the wartime service of these people. During the hearings testimony was presented by such outstanding Americans as John J. McCloy, wartime Under Secretary of War, and Gen. Mark W. Clark. Speaking of the Four Hundred and Forty-second Infantry combat team, composed almost entirely of Japanese-Americans, General Clark wrote, in part:

> The supreme test of citizenship is the willingness of a man to risk his life so that our country may live.
>
> Under my command in Italy the Four Hundred and Forty-second Infantry Regiment and the One Hundredth Infantry Battalion, composed of Nisei, fought the Nazi combat forces with the valor and skill characteristic of the young Americans that they are.
>
> The parents of these heroic Nisei should have the privileges of the democracy their sons helped to preserve.

To this, Mr. McCloy added:

> I believe legislation such as this, at least as it affects the interests of the Japanese-Americans, is only an appropriate form of recognition for the loyalty which Japanese-Americans as a whole evidenced to this country during the war.

Concerning their record in the Pacific theater, Brig. Gen. Bonner Fellers, wrote:

> I have first-hand, intimate knowledge of the service rendered by the Nisei in General MacArthur's headquarters during operations against the Japanese. The loyalty of the Nisei was absolute, and their willingness to go to the front where capture, even their presence, meant risk of their lives. I have the highest regard for the Nisei and feel the United States owes them a debt of gratitude for the magnificent service which they rendered in the Pacific.

Mike Masaoka, himself a veteran of the Four Hundred and Forty-second, whom many of you know, brought the question down to the bed-rock desires of the largest group covered by this bill:

> I say this not to brag about our outfit—although I think it is an American trait to brag about a good outfit like that—but I say it simply to indicate that here you had a great number of American soldiers of Japanese ancestry who believed in America, who so believed in it that even though they were incarcerated in virtual prisons, they saw behind and beyond the barbed-wire fences; they saw beyond the watch-towers armed by armed MP's; they saw America, just and fair-minded, willing to give them and their parents a decent break.
>
> And that is why, even though they were suspect by their own Government, they went out and fought as well as they did.
>
> Amazingly enough, right in the fox holes before battle we would talk about a lot of things; but the No. 1 topic was this: Sure, we wanted America to win the war, but we also wanted America to be the kind of America that it professed to be, and that kind of America would not discriminate against people like my mother, who came here early in the 1900's. When she had 8 children, dad died leaving us practically penniless. Yet, my mother saw every one of us through school, a number of us through college, and when the test of supreme loyalty to this country came it was my mother who first said, "Boys, your job is to go out and fight for these United States, because it is my country."
>
> Well, there were lots of other mothers and fathers like that, and, as I say, their sons and I knew each other overseas, and over and over again they insisted that my job was to come and tell you, the Congress of the United States, what their loyalties were—loyalties which could not be questioned.
>
> I am very full on this subject. I could go and talk on and on, because I know these people (the noncitizen parents of the Nisei) as I say, and I wish I had the opportunity to tell you more about them. I am sure that no one can deny one fundamental fact. These people are Americans by every standard of conduct that you can think of except that of technically belonging.
>
> I, as an American soldier, fought, with the thousands, millions, of other American soldiers, for the right of all people to be recog-

nized as individuals, and that is all we are asking, not to be judged or classified on the basis of race.

I plead with you not to make my promise to some of the boys overseas in vain. I can still remember them. On the field of war, on the field of battle, when race and nationality count for nothing and the worth of a man counts for everything, I think we children of these people who are ineligible for citizenship proved that we belonged. We now want our parents to belong.

Such is the record of devotion to America. America can do no less than to back their faith.

WEST COAST SUPPORT

Not the least impressive, during the open hearings, was the testimony of my colleagues from California, Congressmen BERTRAND W. GEARHART and GEORGE P. MILLER. Favoring resolutions, unanimously passed by the Board of Supervisors of Los Angeles County and of San Francisco city and county, were entered into the record. If before the war, our western friends had doubts concerning the loyalty of those of Japanese ancestry among them, their record has dispelled that doubt.

FOREIGN RELATIONS

In the sphere of American interests in the Far East, the testimony of the Department of State and of the Honorable Joseph C. Grew, former United States Ambassador to Japan, was clear and to the point.

In direct testimony, W. Walton Butterworth, Director, Office of Far Eastern Affairs, Department of State, noted that:

For many years the maintenance of normal friendly relations between the United States and oriental countries has been impeded by racial discrimination present in our immigration and naturalization laws. * * * Mr. JUDD's bill has the hearty endorsement of the Department of State. It very much hopes that Congress will act promptly so that it may be passed at this session, for it is of key importance to our relations with the great peoples of the Orient.

In support of this view, Ambassador Grew added:

I believe the present to be an exceptionally favorable time to take a step of this nature. * * * It seems to me to be the height of folly to ask the support of Democratic elements in these countries (Japan, Burma, Indonesia, and others), yet at the very point where our democracy comes to test, to back away. If we want to hold our friends, we must support them. The ending of exclusion now would provide concrete proof of American good faith at a time when it is most important that new leadership be oriented in our direction.

This measure brings nothing new to American policy. Twice in the past 5 years, the Congress has amended our immigration and nationality laws to extend to peoples of the Far East the privilege of naturalized citizenship and immigration to the United States under national origins quotas. The people of China were covered in 1943, those of India and the Philippine Islands in 1946. By these acts, the stigma of biological inferiority was removed from three-fourths of the 1,120,000,000 previously ineligible inhabitants of Asia, yet under the direct application of the national origins principle, as previously applied elsewhere in the world, authorized immigration from these countries was limited to 305 per year.

To extend this privilege to the rest of the peoples of Asia and of the Pacific Islands is just plain good sense. To do so will not change the quota law in any respect, but merely extend it. I believe in the quota law, and do not wish to change it; but I also believe that no decent person should be excluded from its application solely on the basis of his race or ancestry. Enactment of this measure will authorize the immigration of but a few hundred additional Far Eastern people in any year, but will do much to improve our relationships in that part of the world. To do so will be directly in the interest of the United States.

Editorial comment supporting this view has been found in the important newspapers of every section of the country. A typical example is that contained in the April 27 issue of the San Francisco Chronicle, with which I wish to close discussion of my bill to eliminate racial discrimination in American immigration and nationality law:

AN END TO RACIAL EXCLUSION

The American people are ready, from signs that appear here and there, to take the final step toward eliminating the last vestiges of racism from the laws governing immigration and naturalization of citizens. It is high time.

Endorsements of the Judd bill to abolsih racial exclusion, now being heard by a House Judiciary Subcommittee, indicate that support for it is widespread. Favorable testimony is coming from quarters that would have been in strong opposition 20 years ago. We are learning lessons.

The Judd bill, sponsored by the Minnesota Congressman who once was a missionary in China, puts all Asiatic and Pacific peoples on a quota basis for immigration, the same basis which applies to immigrants from Europe, Australasia, Africa, and the Western Hemisphere. It does for the Japanese, Koreans, Siamese, Samoans, and other Asiatic-Pacific peoples what the United States has already done for the Chinese, Filipinos, and Indians—lifts the color bar. The bill would admit about 185 Japanese annually and no more than 100 of each of 10 other nationalities. Thus it would add a trifling 1,185 at the maximum to the present yearly immigration totals.

Of greater importance numerically, the Judd bill would lift the bars against naturalization of ineligible aliens already residing in the United States. Most of these are Japanese, of course. By the last census there were 47,000 Japanese aliens on the mainland and 37,000 in Hawaii. Barred from citizenship because of racial origin, these alien Japanese are mostly elderly, having entered the country before the exclusion law of 1924. To enable them, and the Koreans, and the Polynesians, and all others now barred to take out citizenship papers would be a logical, consistent development of democratic practice. As an incidental result, it would clearly knock the props out from under the California alien land laws, which would be a very good thing.

Hawaii, as represented by its delegate to Congress, is strong for the Judd bill, and Hawaii's involvement with the results of such legislation would be greater than that of any State.

Congress should pay special heed in considering this question to the advice of Joseph C. Grew, former Ambassador to Japan. American relationships in the Far East, Grew warns, can never become entirely sound until this country eliminates the humiliation inflicted by our exclusion laws.

Just so, no one can say what part exclusion played in bringing about Pearl Harbor, but it was not negligible. And even with Pearl Harbor past and avenged, until we eliminate racial exclusion entirely we will continue to find the good name of the United States under a cloud, not only in the Orient, but in Europe, in the United Nations, and wherever our precepts are measured against our practices.

Rural-Urban Coordination

EXTENSION OF REMARKS

OF

HON. ALVIN F. WEICHEL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. WEICHEL. Mr. Speaker, there have been many suggestions covering rural-urban coordination and I want to include the report of a plan of the Rural-Urban Coordinating Council by C. S. Hunsinger, rural coordinator, Flat Rock, Ohio:

RURAL-URBAN COORDINATING COUNCIL GETS RESULTS

(By C. S. Hunsinger, rural coordinator, Flat Rock, Ohio)

Since a rural trading area is a real asset to any city, its development is not only an opportunity, but a responsibility of municipal government.

The city of Bellevue, Ohio, has done much to solve this problem by extending as many of its public services and conveniences as possible to the five surrounding townships, and has named the resulting trade area "Greater Bellevue."

More than a hundred public projects have been accomplished during the past 5 years through the rural-urban coordinating council of Bellevue and the surrounding townships, an organization which has been sponsored by the rural people in their endeavor to secure the public comforts and conveniences of city life.

Contact between the vital and constructive forces of the city and country is the secret of an effective organization of this type. This has been brought about through five general committees: Government, education, religion, economic, and social. Through these committees, it is possible for the city officials to meet with any or all of the township trustees and county officials, either directly or through the rural and urban coordinators.

METHOD OF ORGANIZATION

In order to organize a rural-urban council, the chamber of commerce or a local service club invites to a public meeting of the trading area the presidents of township trustees and boards of education; superintendents of schools; president of parent-teacher associations; all pastors, heads of all farm bureaus and other cooperatives; managers of public utilities; masters of all Granges; 4-H Clubs' leaders, etc.

Such a meeting is usually not only composed of the most public-spirited and influential citizens, but each individual is authorized to represent his organization—which makes for a powerful group, working together for the development of its united community.

The sponsoring club also invites a corresponding group of organization representatives of the city to the meeting. This includes the mayor and president of council, the superintendent of schools, president of ministerial association, president of chamber of commerce, president of service club, and heads of any other groups whose support is practicable.

In the preliminary meeting, the plan is discussed from a general viewpoint and a list of possible public projects suggested, especially emphasizing some one popular project that is needed. After nominating a temporary chairman for each township or district, the representatives are asked to discuss the matter locally.

Each township chairman is then requested to call a public meeting of his local citizens with special invitations to the heads of all public organizations and to propose the organization of a township council, using a formal ballot in order that the council may be entirely legal and democratic. It is best for each township to organize separately, as it is generally necessary that public projects be acted upon by township trustees, boards of education, and in accordance with township boundaries.

PROJECTS ACCOMPLISHED

The following projects have actually been accomplished by the rural-urban coordinating council of Bellevue and surrounding townships and will show the possibilities in other areas:

Rationing boards: As Bellevue is located in the extreme corner of four counties in the northwestern part of the State, it has always presented problems for both the city and surrounding townships—rationing not the least among them. However, the council was influential in arranging that the Bellevue board serve the rural people directly thus eliminating the necessity of their driving anywhere from 15 to 20 miles to the various county seats.

Defense council: At the time of the organization of the Civilian Defense Council, the mayor certified the rural coordinator—of the rural-urban council—in charge of rural defense, thus enabling him to arrange for first-aid classes and fire and police protection.

Rural map and address system: Upon completion of the fire-protection contract, a map of the surrounding rural areas was drawn up. This showed the names of all farmers and gave the address and location of each farm, and has proved itself especially popular with business and professional men and the public utilities.

Public library service: The Bellevue Coordinating Council put through a library project which gave the rural people convenient and efficient library service in their shopping-center town. This was the first time in the State of Ohio that library funds were allocated over county lines.

Postwar planning: The Rural-Urban Coordinating Council has effected close cooperation between the various township trustees, boards of education, county officials, and the city government agencies. It has helped to iron out many corporation problems such as those of drainage, sewage disposal, and parking and zoning.

Fire protection: Ohio State laws have been amended in order to create a fire protection district, and definite contracts have been made between the city and each surrounding township.

Other projects: Cooperative hospitalization plans have benefited Bellevue's city hospital. A telephone project, which had been hanging fire for many years because of an unresolved question of boundary lines, has been completed and has benefited the residents of both the city and the country. The Rural-Urban Council has also been partly responsible for the reestablishment of a State highway patrol office.

Record of the Eightieth Congress

EXTENSION OF REMARKS
OF
HON. DONALD L. JACKSON
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. JACKSON of California. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Santa Monica (Calif.) Evening Outlook:

THE RECORD OF THE EIGHTIETH CONGRESS

Candidate Truman's charge that "this is the worst Congress we have had since the first one met" is childish propaganda which lays him wide open to crushing Republican retorts. For the fact is that this Eightieth Congress, now working overtime before adjournment, has a record of accomplishment which includes the most generous cooperation with the Democratic administration in the fields of foreign policy and national defense, and a demonstration of freedom from narrow partisanship, in approaching most issues, which has rarely been equaled by any Congress.

When this Congress was called to session the United States was on the defensive in foreign policy. The Republican majority, no less than Secretary Marshall, was determined to change that dangerous condition, and in so doing they truly put the national welfare and world recovery above party politics. As a result of their passage of bills carrying out foreign policy, including the monumental European recovery plan, this Nation now has the upper hand in Europe and other parts of the world and Russia has been placed on the defensive.

The congressional leadership of such Republicans as Senator VANDENBERG, in achieving this result, has shone particularly in contrast to the fumbling confusion of Mr. Truman, whose idea of leadership was to make two complete policy reversals in Palestine, with great damage to our prestige in the United Nations.

On the domestic front, the record of the Eightieth Congress has been no less constructive and valuable. For the first time in a generation, the principle was recognized and acted upon that the American people might be better off if the Government did not take so much of their money away from them. Tax reduction may not stand up in the face of extraordinary Government expenditures, but at least an important principle has been declared which should help to curb future Government extravagance, and which meanwhile has presented every American taxpayer with a measure of relief. The Congress cut Mr. Truman's budget in many departments, but probably less than it deserved. It appropriated too much for armaments, in response to Mr. Truman's phony war scare and the failure of the administration to bring about any over-all military planning upon which all the services could agree.

Of course, this session of Congress has made some mistakes and has occasionally played politics. It has dilly-dallied over important issues, such as the draft bill, universal military training, the reciprocal trade treaties, and the bill to admit displaced persons. But it seems likely that most of these measures will be disposed of before adjournment. The striking fact is that this Congress has shown a capacity to rise above politics, rare in American history and most extraordinary in an election year.

If this has been the worst Congress in our history, then Mr. Truman is our greatest genius. He really should be grateful, as a good American, for some of the things which this Congress has done.

Planned Economy and German Industry

EXTENSION OF REMARKS
OF
HON. WAT ARNOLD
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. ARNOLD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Wall Street Journal of June 17, 1948, relative to the effects of a planned economy:

PLANNERS STILL WITH US

In yesterday's issue of this newspaper Mr. Evans wrote from Frankfurt how the planned economy administered by American occupation authorities in Germany has paralyzed German trade and industry.

Mr. Evans raises an interesting question: How does it happen that the United States with a free market economy operates in Germany a state monopoly as absolute—but apparently far less efficient—as any in any Soviet-controlled nation of eastern Europe? Mr. Evans suggests part of the answer is that in the early days of the "Morgenthauism" phase of the occupation the purpose was to hold down German production; the purpose is changed but the bureaucratic machine grinds on.

It is certainly true that once a Government policy has been implemented those charged with the implementation will carry on even after the reasons for the policy have ceased to exist; thus a set-up to restrict farm production will remain and even grow in a period when the crying need is for greater farm production.

But we suggest that the sheer momentum of a ponderous machine is not the sole answer in the case of Germany.

During the war and at its end, the devotees of a planned economy were in a powerful position in Washington. One has only to look at such arrangements as the International Monetary Fund to see what sort of a post war world these people contemplated; one where nations stepped along in response to the dictates of some world authority and where the citizen responded to the order of some powerful national authority. From the ranks of people with such philosophy came those who set up the occupation machinery in Germany and to some extent also that in Japan, and drew up the directives which the officers in immediate charge of the occupation were to follow.

It is exactly the same thing which plagues American foreign policy. At the end of the war Washington was filled with people absolutely sure that the centrally managed economy was the "wave of the future." Every encouragement was given to the sympathetic forces in Europe and every voice that was raised for a demobilization of war controls in Europe was "fascist." The result is a continent tied fast in a web of trade and currency restrictions.

It would be a mistake to suppose that the people who were originally responsible for these things have changed their loyalty or that they have completely lost the influence that would enable them to prevent a change in policy.

Recently the President of the United States has been traveling about the country futilely bleating a demand for a restoration of price and production controls. There must be among his advisers a group which still holds the hope of a return to a centrally regimented economy. Surely those who can so influence the President must also have enough influence to prevent the abandonment of occupation policies which make the people of Germany wonder whether after all the Russians are the greater of two evils.

Released Time for Religion Has Proved Its Worth

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. MULTER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial that appeared in the Brooklyn (N. Y.) Eagle on June 18, 1948:

RELEASED TIME FOR RELIGION HAS PROVED ITS WORTH

In days when many minds are at work ferreting out solutions for the problem of youth and its frequent tendency to run wild, the need for religious training is often cited. It is very natural under the circumstances that Jews, Protestants, and Catholics should be concerned about the question of the so-called released time for religious training in the schools. Today there is some question as to the constitutionality of the State statute on released time. That it is constitutional is being argued in the supreme court in Albany by the Greater New York Coordinating Committee on Released Time of Jews, Protestants, and Catholics.

The Freethinkers Society contends in a suit against the State Commissioner of Education that the decision of the United States Supreme Court in a case in Illinois renders released time in this State unconstitutional. The argument of the committee for the three faiths points out that here religious education in the schools is not compulsory. And public funds are not used for it. Furthermore, it lays emphasis on the fact that in Illinois the religious instruction was given in the school buildings, whereas the law in this State does not make that provision.

Certainly it should be clear that a child should not be kept in ignorance of religion. It should be a part of his education, part of his right as a free citizen to learn of religion as he learns history and all the other phases of human knowledge with which he comes in contact during his school days, all designed to give him information that will enable him to make wise decisions for himself. His parents ought to allow him an open mind. But if they do not want him to receive religious instruction as part of his school work, they are free to say that he shall not. As is being pointed out, there is no compulsion.

The ideal of all systems of education must be to put the child in the way of knowing all, understanding all, and then, on the basis of his knowledge, making up his own mind. The dream of education is to prevent or, where it exists, cure ignorance.

Hon. Frank A. Mathews, Jr., of New Jersey

EXTENSION OF REMARKS
OF
HON. GORDON CANFIELD
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. CANFIELD. Mr. Speaker, with the adjournment of the Eightieth Congress, one of the greatest friends and supporters of our country's veterans is retiring to private life, and I wish to take just a moment to pay my respects to him. I refer to my able and distinguished colleague from New Jersey, the Honorable FRANK A. MATHEWS, JR., who is not seeking reelection.

His service as a Member of the House of Representatives has been, I hope, but another milestone in an outstanding record of public service. He came to this body on November 6, 1945, after serving on the bench in New Jersey and as a deputy attorney general of our State. He has served in the military forces in two wars, coming up through the ranks from private to his present commission as a lieutenant colonel, which he now holds as a member of the Reserves. He has been New Jersey department commander of the American Legion, is the father of three sons who were in the armed forces during World War II, and is active in veterans' affairs and as a Reserve officer.

Few men are more familiar with veterans' problems, or have a greater interest in the welfare of our veterans, than FRANK MATHEWS, and veterans throughout the United States can be thankful that he has served here. A few days ago, as he steered two highly important pieces of veterans' legislation which he authored through the House, many Members paid tribute to his record, and I endorse and echo all that they said in compliment to him. Undoubtedly he will be best remembered in the coming years for his efforts in behalf of our veterans, but we will never forget his strength of character, his intellectual honesty, and his unwavering determination to stand by those principles in which he so strongly believes.

He will be sadly missed by us all, and by the country. It has been a privilege to serve with him, and through his service the country has benefited.

The Republican Record on Housing

EXTENSION OF REMARKS
OF
HON. FRANK BUCHANAN
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. BUCHANAN. Mr. Speaker, because the housing bill recommended by the House Banking and Currency Committee for passage contained most of the major provisions of the Taft-Ellender-Wagner bill, the Republican leadership in the House of Representatives has refused to permit the democratic process to function. By parliamentary tricks and the imposition of gag rules, the Republican leadership of the House has decreed that the Members of the House shall not be allowed to vote on that bill or any bill like it. The Republican leadership has also decreed that no Member of the House shall be allowed to offer any amendments to the substitute bill which—stripped of all major features of the Taft-Ellender-Wagner bill—it jammed through the House in order to say to the people of this country, "We have passed a housing bill."

We need only to take a look at the record of the Republican leadership of the House to know that they cannot fool the American people by such shoddy tricks. One of the developments in the course of the hearings on the Taft-Ellender-Wagner bill is a matter of considerable interest to the millions of just plain, ordinary American citizens who are personally concerned about housing, and what this Congress does with the Taft-Ellender-Wagner housing bill. These millions of just plain, ordinary American citizens should be of more than just passing interest to the Members of the Congress. In this year of 1948, I would suppose that they would even be of some interest to the Republican leadership in the House, and to its representatives on the House Banking and Currency Committee.

Now in the course of the hearings on the Taft-Ellender-Wagner housing bill, some of my distinguished colleagues on the Republican side of the aisle contended that, except perhaps for the extension of title VI of the National Housing Act, there was really nothing in the bill which would be of immediate help in meeting the housing emergency. Of course, when it was a question of extending rent control, they said that there really was not any housing emergency and we did not really need rent control; or at least it was no longer a critical housing emergency, and therefore we did not need very effective rent control.

But, they quickly took the shoe off that foot and put it on the other one when they got a different bill under consideration—a bill which offers a long-term program for the solution of our housing difficulties; a bill to help lift us out of a perpetual state of housing emergency. What happened then? Why, suddenly the House Republican leadership gives the order of the day, and these same Republicans execute a complete about face and say we have got on our hands a critical housing emergency, and we cannot waste time with any legislation that cannot be labeled "emergency housing legislation" in red letters 10 feet high.

I do not believe that the American people can be fooled by these tactics. Those members of the party which now is in control of the Congress who say we ought not to pass the Taft-Ellender-Wagner bill because it will not be of help in meeting the present housing emergency do not want this legislation enacted at any time. Let me tell you what one of our colleagues has said about these tactics. I quote:

> The housing shortage throughout the country is now acute. A year from now it will be still more acute. Whenever a situation is acute there are those who want to deal with the problem solely through emergency measures. Generally, these are the same people who, before the situation becomes acute, say there is no need to do anything at all. They say that a long-term housing program is unnecessary when there is no housing emergency; and when there is a housing emergency they say that a long-term program is too late to be useful. * * * I agree that we are late with this program, but we cannot turn the clock back by further delay. * * * Those who suggest delay will undoubtedly reveal—that they do not want a long-term, well-rounded housing program at any time.

In view of the herculean efforts of the Republican leadership of the House to

kill the Taft-Ellender-Wagner housing bill, and any other legislation which embodies any features of the Taft-Ellender-Wagner bill, this must sound to many of you like a statement made yesterday. It was not. It was made more than 2½ years ago on November 27, 1945, when the Senate Banking and Currency Committee commenced hearings on the predecessor bill. It was made by a beloved and respected Democrat who, throughout his more than 20 consecutive years in the Congress, has placed the welfare of plain, ordinary American citizens ahead of special privileges for special interests. It was made by one of the three distinguished cosponsors of the Taft-Ellender-Wagner bill — the Honorable ROBERT F. WAGNER, the distinguished senior Senator from New York. Let us give him credit for his farsightedness.

After weeks of hearings on the Taft-Ellender-Wagner bill, the Republican leadership of the House brought in a substitute bill. That bill we have now seen. It bore about as much resemblance to the Taft-Ellender-Wagner bill as black to white. The Republican leadership of the House labored—albeit with the utmost reluctance—and, in truth, it brought forth the proverbial mouse.

The Republican leadership of the House now seeks to pass off on the people of this country, as comprehensive housing legislation, an anemic, little bill stripped of almost all of the essential features of the Taft-Ellender-Wagner bill which would be of real and lasting help and benefit to the American people. And if it had not been for the members of the Democratic Party on the Banking and Currency Committee, the Republican leadership would have gotten away with it the first time—they would have killed the Taft-Ellender-Wagner bill in committee.

The Republican leadership in the House failed in its first efforts to kill the Taft-Ellender-Wagner housing bill in the Banking and Currency Committee, but they did not stop there. The Republican leadership ordered its Rules Committee to kill the bill. The Republican leadership insisted on requiring the House to consider an anemic, little substitute bill, under a gag rule permitting no amendments. The Republican leadership is afraid of the voice of the people. They are afraid that, if a real housing bill reaches the floor of the House it will pass. They were afraid that if the House was even allowed to vote upon amendments to their anemic, little, substitute bill, it would emerge from the House in the form of a people's housing bill—the Taft-Ellender-Wagner bill. So they denied the elected representatives of the people a right to vote a comprehensive housing bill which millions of just plain, ordinary American citizens want and need. The people of this country may now see how, if the Republican leaders in the House are to have their way, they will completely ignore one of our most pressing domestic problems.

I said, a few moments ago, that what this Congress does with the Taft-Ellender-Wagner housing bill is of more than passing interest to millions of just plain, ordinary American citizens. I said that, in this year of 1948, these millions of just plain, ordinary American citizens would even be of some interest to the Republican leadership in the House. But when I take one look at the forlorn and emaciated little housing bill which the Republican leadership in the House jammed through as a substitute for the Taft-Ellender-Wagner bill, it takes me back over the Republican record of the last 2 years when the Republican Party has been in full control of the legislative branch of the Government. And I must confess that perhaps I was in error. Even in 1948, these millions of just plain, ordinary American citizens—the unorganized citizens—are not of much interest to the Republican leadership in the House.

Take labor, for example. Oh, I can remember some pretty rough statements about labor that were made by my Republican friends on the other side of the aisle when the Taft-Hartley Act was being put through. I can remember that in December of last year the gentleman from New York [Mr. GWINN], a Republican member of the Education and Labor Committee, reported on his subcommittee's investigation of "restrictive, monopolistic, and racketeering" labor practices affecting the scarcity and high cost of housing. And labor unions and union labor got the full blame for the housing shortage. I can remember that the gentleman from Rhode Island [Mr. FOGARTY] called our attention to the matter. He said, and I quote from the RECORD of December 19, 1947:

> If you will take the time to read this report, you will find it contains nothing but vilification of every union leader in the entire country. He does not see fit in his entire statement to give one bit of credit to any labor organization or to any labor union representative in all the hearings that have been held by his committee.

I am not suggesting that this is unusual behavior on the part of our Republican friends on the other side of the aisle. On the contrary, back in 1944, the late Franklin D. Roosevelt indicated that it was to be expected. He said:

> We all know certain people who make it a practice to depreciate the accomplishments of labor—who even attack labor as unpatriotic. They keep this up usually for 3 years and 6 months. But then, for some strange reason, they change their tune—every 4 years—just before election day. When votes are at stake they suddenly discover that they really love labor and are eager to protect it from its old friends.

Another 3 years and 6 months have passed and, sure enough, it is happening again. We find one committee, under the leadership of a Republican Member from New York, blaming labor unions and union labor for all of our housing difficulties. Then we find a joint congressional committee on housing, under the leadership of another Republican Member from New York [Mr. GAMBLE], praising labor unions and union labor for the splendid job they are doing in helping to solve our housing difficulties. Last year, the Republican leadership was giving labor unions and union labor blame and condemnation in great gobs while it was jamming through the Taft-Hartley Act. This year all the Republican candidates are singing a loud chorus that labor unions and union labor are their dear, good friends, and promising to amend the Taft-Hartley Act in all directions.

I call attention to the 1944 Republican platform. It says: "The Republican Party is the historical champion of free labor." But the record suggests that, at one end or the other of that plank, there ought to be at least a sentence bearing, in very fine print, the words, "Every fourth year."

But what about these millions of just plain, ordinary American citizens—these unorganized citizens who are interested in what this Republican Congress does with the Taft-Ellender-Wagner housing bill. Well, of course, that is a different matter. The Republican leadership in the House will not even have to bother about them every fourth year—they prefer to write it in the platform and then forget it.

I think some of these just plain, ordinary American citizens must be a little puzzled as to the statement of one of the leaders of the Republican Party—Senator TAFT—who says he is in favor of a specific, detailed Republican platform. He says that the Republicans have a record here in the Congress for the last 2 years and the people should know about it in detail. I agree 100 percent that they should, but I want to assure my good friends on the other side of the aisle that it will not be necessary for them to write the details of that record into the 1948 Republican platform to accomplish that desirable objective. I assure them that the Members on this side of the aisle share the stated desire of this leader of the Republican party that the people be fully informed of that record. And what the Republican leadership in the House has sought to do with the Taft-Ellender-Wagner bill is part of that black record.

Now, this leader of the Republican Party is reported as saying that he has heard the usual talk among Republicans of adopting a short, readable platform outlining the general principles on which the party will stand in the November election, but he thinks the Republican platform should be specific. That is indeed interesting. There is an old saying that you ought never to mention the word "rope" in the house of a man who has been hanged. If I were a Republican, and should live for a thousand years, I would never mention the word "specific" in connection with the platform of the Republican Party. The 1944 Republican platform contained a statement as to where the Republican Party is supposed to stand today with respect to housing legislation. The 1944 Republican platform on housing said:

> We pledge our support of * * * the stimulation of State and local plans to provide decent low-cost housing properly financed by the Federal Housing Administration, or otherwise, when such housing cannot be supplied or financed by private sources.

Now, that is pretty specific. And what do you suppose has happened on that? Why, the Senate passed the Taft-Ellender-Wagner housing bill which contains a number of additional Federal Housing Administration aids for the stimulation

of housing. It also provides for some public aid to provide decent housing which cannot be supplied by private sources for low-income families, who, otherwise, must continue to live in slums or other inadequate housing.

Well, if the 1944 Republican platform promised anything, that is exactly what was promised. And that is exactly what the Republican leadership in the House is opposing. The Republican leadership in the House was widely quoted in the press as having decided that they would not handle this bill which would carry out the 1944 Republican platform promise to the people. The reported decision of the Republican leadership in the House to kill the Taft-Ellender-Wagner bill in committee—to walk out on the 1944 platform promise of the Republican Party—was never denied. On the contrary, the bill which the Republican leadership put through the House and is now trying to pass off on the people of this country as a fraudulent substitute for the Taft-Ellender-Wagner bill clearly confirms their decision to ignore the specific promise which the Republican Party made to the people. The Republican leadership in the House has flatly refused to carry out the party's promise. It wants to kill the Taft-Ellender-Wagner bill and kill public housing and farm housing. But all of the Republican candidates are going before the people of the country and saying that they are in favor of the Taft-Ellender-Wagner housing bill, and that they are in favor of public housing.

Senator TAFT is one of the co-authors of the legislation. No one can have the slightest doubt as to where he stands on public housing and all the other provisions of the Taft-Ellender-Wagner housing bill. And he is quoted in the New York Times of April 23, 1948, as informing the voters—

> My policies are exactly those of the Republican majority in the Congress.

Maybe the Republican leadership in the House is still using the 1944 Republican platform.

Mr. Stassen, about whose availability for the Republican nomination there has not been one bit of uncertainty for 2 years, is quoted in the Pittsburgh Post-Gazette of June 3, 1948, as trumpeting for the immediate enactment of the Taft-Ellender-Wagner bill. Of course, Candidate Stassen has not had any responsibility during the last 2 years for making the record here in the Congress on which the Republican Party has to run. I suppose that accounts for his tremendous popularity among the Republican voters in Wisconsin and Nebraska.

As for Mr. Dewey, there can hardly be any question as to where he stands on the matter of public housing since he has supported the public housing program which New York State has undertaken to supplement, but not to supplant, the Federal program.

If Mr. VANDENBERG is to be a candidate, there is no question as to where he stands, since he voted for the public-housing provisions of the Taft-Ellender-Wagner bill.

So, here we have the same old story again of the Republican platform promising and the Republican candidates promising, while the Republican leadership in the House uses every parliamentary trick to bottle up the legislation necessary to carry out those promises.

Oh, I can hear the excuses coming. Our Republican friends on the other side of the aisle will say there is not time; it is late in the session; there are too many other important bills which must be handled.

If there is not time left to pass a bill so vitally important to the welfare of millions of plain, ordinary American citizens, they may well ask, Why?—Why, during the 2 years that the Republican Party has been in full control of the Congress, do we reach the end of the session with no time left to pass the Taft-Ellender-Wagner housing bill? What have you done with your time?

There has been plenty of time for the Republican-controlled House to pass legislation to wreck the reciprocal-trade program and head back to the glorious Republican days of high tariffs and fat trusts.

There has been plenty of time for the Republican-controlled House to pass legislation to walk out on the European recovery program upon the success of which depends the welfare, and perhaps the lives, of millions of people.

There has been plenty of time for the Republican-controlled House to pass a tax reduction bill which, in terms of the income tax, gives 40 percent of the reduction to taxpayers with incomes over $5,000 and who constitute less than 5 percent of those who pay income taxes.

There has been plenty of time for the Republican-controlled House to pass the Rizley bill which would add millions of dollars to the cost of natural gas used by millions of these plain, ordinary American citizens.

There has been plenty of time for the Republican-controlled House to pass this kind of legislation. But, when it comes to legislation to improve the housing conditions and the welfare of the plain, ordinary American citizens, why the Republican leadership in the House has neither the time nor the stomach for that.

I said I did not believe that the American people can be fooled by these tactics. The General Assembly of the Presbyterian Church in America was not fooled by these tactics. At its meeting in Seattle a few days ago, it overwhelmingly put on record a formal resolution condemning the failure of the Republican-controlled Congress to enact this necessary housing legislation as a most shameful violation of common decency. The assembly also directed its division of social education and action to provide voting records of all Members of Congress on legislation about which they had expressed concern, and directed that those voting records be made a matter of study in individual churches prior to the November elections.

The record speaks for itself; the Republican Party has made its promises; the Republican candidates continue to make these same promises; legislation to carry out some of these promises is pending right here in the House. So far as Republican promises as to housing are concerned, the legislation necessary to carry them out is now waiting for action by the House. The Republican Party is in control of the House. The Republican leadership in the House failed once in its efforts to strip this legislation of the essential features which will benefit the American people. But it did not abandon its efforts to kill this housing legislation, or to strip it of all of the financing aid features. But by a gag rule prohibiting amendments, it finally succeeded in getting the diluted version through the House.

I will say to the Republican leadership in the House, "You can block the Taft-Ellender-Wagner housing bill, or any housing bill which retains its essential features. You can deny the voice of the people of America of the right to be heard by denying to their elected representative the right to vote freely and openly on housing legislation which the people of this country need and want. You can do this, for the Republican Party is in full control of the House. But you cannot fool the American people in this way, and you cannot ever really kill the Taft-Ellender-Wagner housing bill, because it is so necessary to the welfare of those millions of just plain, ordinary American citizens. And, like Banquo's ghost, it will return again and again to plague the conscience and the future of the Republican Party."

CHRONOLOGY OF THE T-E-W BILL

January 1944: Senator TAFT appointed chairman of a Subcommittee on Housing Urban Redevelopment of the Senate Special Committee on Postwar Economic Policy and Planning.

June 1, 1944: Hearings begun by Taft subcommittee.

February 7, 1945: Hearings concluded by Taft subcommittee. Taft subcommittee issued unanimous report recommending basic principles of Wagner-Ellender-Taft bill.

August 1, 1945: Senators WAGNER and ELLENDER, members of Taft subcommittee, introduced bill for over-all housing program (S. 1342).

November 14, 1945: Bill amended and reintroduced as Wagner-Ellender-Taft bill (S. 1592).

November–February 1945–46: Extended hearings held on Wagner-Ellender-Taft bill by Senate Banking and Currency Committee.

April 15, 1946: Senate approved Wagner-Ellender-Taft bill by voice vote. House failed to act before Seventy-ninth Congress adjourned. Banking Committee (House) busily occupied with price control and British loan, filibustering tactics delayed action of committee for full hearings and consideration on the W-E-T (S. 1592) bill.

August 2, 1946: Seventy-ninth Congress adjourned.

March 10, 1947: Bill amended and reintroduced in first session of the Eightieth Congress as Taft-Ellender-Wagner bill (S. 866).

April 23, 1947: Senate Banking and Currency Committee approved T-E-W bill by 7 to 6 vote.

July 26, 1947: Congress established Joint Committee on Housing, with appropriation of $100,000 to conduct extensive investigation of housing conditions.

March 15, 1948: Joint Committee on Housing filed report with Congress recommending basic principles of Taft-Ellender-Wagner bill with certain revisions and additions. Senator FLANDERS introduced amendments to S. 866 to conform it with recommendations of Joint Committee on Housing.

April 8, 1948: Senate Banking and Currency Committee reports favorably on Flanders amendments to S. 866.

April 21, 1948: Senate defeats Mr. CAIN'S motion to strike out title VI of the Taft amendment, as amended (public housing title), vote 49 nays to 35 yeas. (Division showed 18 Republicans voted yea, 17 Democrats voted yea; 24 Republicans voted nay, 25 Democrats voted nay.)

April 22, 1948: Senate passed S. 866 by voice vote.

May 3, 1948: House Banking and Currency Committee began hearings on S. 866 and sundry housing bills.

June 8, 1948: Mr. WOLCOTT introduced H. R. 6841, an amended version of the housing bill, omitting public housing, slum clearance, farm housing, and housing research.

June 10, 1948: House Banking and Currency Committee, by a vote of 14 to 13, reported out the Wolcott bill (H. R. 6841), as amended, with a new bill known as H. R. 6888, reincorporating public housing, slum clearance, farm housing, and housing research.

June 16, 1948: Rules Committee tabled H. R. 6888 by a vote of 6 to 2.

June 16, 1948: Chairman WOLCOTT introduced H. R. 6959, again omitting public housing, slum clearance, farm housing, and housing research.

June 17, 1948: House Banking and Currency Committee, by a vote of 15 to 12, reported out H. R. 6959.

June 18, 1948: House passed H. R. 6959, under suspension of rules.

Parachutes for Airplanes

EXTENSION OF REMARKS
OF
HON. EDWARD O. McCOWEN
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. McCOWEN. Mr. Speaker, the steadily increasing number of people being killed in airplane accidents would seem to require the attention of the Congress. The following telegram received by me today is well worth being inserted in the CONGRESSIONAL RECORD for reading by all Members:

TRENTON, N. J., *June 18, 1948.*
Hon. EDWARD O. McCOWEN,
Washington, D. C.:

Again 43 people killed unnecessarily because of the recent President's Air Safety Board report condemning parachutes for air liners as impractical. Plane was in trouble at altitude of from 11,000 to 17,000 feet and could not descend in less than 5 to 8 minutes. If parachutes were available more than sufficient time was had to bail out all passengers safely. Board report said few persons know how to jump correctly. They knew how to jump at the Atlanta Hotel fire. Modern passenger parachutes require no instructions for use, opening is automatic. Report claimed there is seldom time before a crash. Those in the know say there was time in all recent DC–6 crashes and many others. Multitude of safety devices are fine but when all else fails parachutes are dependable. Let's put a stop to needless loss of life. Give the parachute a chance to prove its worth.

STANLEY SWITLIK.

Hon. T. Millet Hand

EXTENSION OF REMARKS
OF
HON. WILLIS W. BRADLEY
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. BRADLEY. Mr. Speaker, as a member of the Subcommittee on the Coast Guard and Coast and Geodetic Survey, I take this means to congratulate the chairman of that subcommittee. We who have worked with him are deeply appreciative of his fairness, efficiency, and understanding of the problems of the Coast Guard and the Coast and Geodetic Survey.

I take pleasure in presenting herewith a report of legislation handled by this subcommittee during the Eighteith Congress:

To the Members of the Merchant Marine and Fisheries Committee:

Your Subcommittee on Coast Guard and Coast and Geodetic Survey is pleased to report to you that all bills favorably considered by the subcommittee, at the Eightieth Congress, second session, have now passed both Houses.

The numbers and titles of the bills are as follows:

H. R. 72: To increase the number of authorized aviation stations operated by the Coast Guard.

H. R. 239: To further perfect the consolidation of the Lighthouse Service with the Coast Guard.

H. R. 450: Providing for the conveyance to the town of Marblehead, in the State of Massachusetts, of Marblehead Military Reservation for public use.

H. R. 2054: To provide increased retired pay for certain members of the former Life Saving Service.

H. R. 2654: Authorize Secretary of Treasury to grant permanent easement for installing, maintaining, and servicing a subterranean water main in, on, and across land of Coast Guard at Baltimore, Md.

H. R. 3494: To integrate certain personnel of the former Bureau of Marine Inspection and Navigation and Bureau of Customs into Regular Coast Guard, etc.

H. R. 3539: To authorize construction of a chapel at the Coast Guard Academy.

H. R. 3619: Relating to sale of Mission Point Lighthouse Reservation, Grand Traverse County, Mich.

H. R. 4804: To allow service credit for certain enlisted men of the Coast Guard who acted as policemen and guards at the Ivigtut Cryolite Mine, Greenland.

H. R. 4817: To amend the act of July 23, 1947 (Public Law No. 219, 80th Cong.).

H. R. 4892: To amend the act of July 23, 1947 (Public Law No. 219, 80th Cong.).

H. J. Res. 76: Authorizing and directing Commandant of Coast Guard to waive compliance navigation and vessel-inspection laws administered by Coast Guard.

S. 1009: To extend time within which Fort Lauderdale, Fla., may consummate purchase of Coast Guard site.

S. 1853: To authorize Coast Guard to establish, maintain, and operate aids to navigation.

S. 2122. To authorize the Coast Guard to operate and maintain ocean stations.

H. R. 3247: To provide basic authority for performance of certain functions and activities of Coast and Geodetic Survey.

H. R. 3541: To define functions and duties of Coast and Geodetic Survey.

H. R. 4393: To provide for distribution, promotion, separation and retirement of commissioned officers of Coast and Geodetic Survey.

S. 874. To authorize the President to appoint Lt. Comdr. Paul A. Smith.

I feel this is a rather unusual record, which has been achieved through the excellent cooperation of members of the subcommittee, and the wholehearted assistance given to the subcommittee by the chairman and the members of the full committee.

Respectfully submitted.

MILLET HAND,
Chairman of Subcommittee on Coast Guard and Coast and Geodetic Survey.

No More Partitioning of Palestine

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. MULTER. Mr. Speaker, rumors are emanating from the British Foreign Office about an agreement made between the new British Ambassador to Washington, Sir Oliver Franks, and the State Department for another partitioning, a repartitioning of the small state of Israel, the territory of which has already been hacked to pieces by diplomatic knifework.

These rumors have been denied by both the State Department and the British Embassy. Let us hope that there is as little truth in them as the official statements claim there is. If they are merely trial balloons to test the American reaction they will never evolve into anything more. America has seen enough partitioning of other peoples' territories—in Ireland, in India, in Germany, and elsewhere.

Since the British took hold of Palestine some 30 years ago, they have managed to reduce the territory originally staked out for the Jews by more than four-fifths. They have taken away Transjordan, an integral part of the mandated territory, and set it up as a quasi-independent state under the puppet Abdullah. They have assiduously whipped up so-called Arab nationalism to a point where the United Nations could be persuaded to chop off even more of the territory allocated to the Jews. Obviously, there is a move on in some quarters to take away another portion of the land allocated to the state of Israel by the United Nations. These endeavors must halt at once.

This latest partition scheme, it appears, would separate the Negev region from Israel and give in return the western section of Galilee. Although the Negev is in large part now a desert, it is being settled and developed by Jewish pioneers who have made a garden out of the rest of western Palestine. It is capable of absorbing in time large numbers of the hundreds of thousands, clamoring to return to their homeland. To take away the Negev, after having lopped off Transjordan and given central Palestine to the Arabs, could be considered nothing but the rankest sort of discriminatory action against a government which the United States has recognized.

I trust that it is not for this infamous kind of secret manipulation that a truce has been won in the holy land. The truce has stopped the aggressor states of the Arab League in their murderous assault on Israel. If there is to be peace in Palestine it will not be brought about by demanding that the Israeli, who have been attacked, give up more of their territory to the invaders who have broken the peace.

It is my hope that our Secretary of State will use the time given him by the 4-week truce to bring about a decent and just solution which will eliminate the

causes of friction rather than augment them. He should make it absolutely clear that the United States intends that the state of Israel shall survive and grow strong as an ally of western democracy.

This Congress Should Not Adjourn on June 19

EXTENSION OF REMARKS

OF

HON. MIKE MANSFIELD

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. MANSFIELD. Mr. Speaker, the second session of the Eightieth Congress should not adjourn on June 19. There is too much unfinished business before us, there are too many bills being legislated on through suspension of the rules, and the result is that we are passing measures with too little consideration being given to their full meaning.

We have done nothing at all to alleviate the high cost of living for the American people. We have passed a housing bill after 40 minutes of debate and under suspension of the rules, which will not be of much benefit to the little people of this country. We have ignored our responsibilities to the United Nations and we have failed to even consider the Russell bill to aid in developing our small mines. There is no real need for Members of the Congress to attend the national conventions because those of us who are delegates can be represented by our alternates. Our business is here and our job is to stay in session so that we may do what we can in the public interest. There are too many responsibilities confronting us and too many problems to solve.

If we have any sense of responsibility, if we are conscious of our obligations to the people who elected us, we will not close up shop and go home, but will stay until we have faced up to the responsibilities which are ours.

United States Debt to Ireland

EXTENSION OF REMARKS

OF

HON. JOHN E. FOGARTY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. FOGARTY. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Gaelic American:

TIME UNITED STATES BEGAN TO PAY ITS DEBT TO IRELAND

The failure of our Federal administration at Washington to furnish adequate and full supplies of fertilizer to Ireland; the failure to furnish adequate and ample agricultural and other machinery to Ireland, or, in the alternative, the means wherewith Ireland may obtain such machinery; the failure to furnish the means for Ireland to obtain adequate and even generous supplies of hard grains for the feeding of Ireland's present and potential livestock—this multiple failure, or set of outstanding failures, constitutes a very severe indictment against the present Democratic administration. When thoroughly understood, it is likely to cost the Democrats millions of votes in the coming Presidential election.

The actual fact is that Ireland has given to various countries of western Europe, and to the peoples of those countries, and at critical times, more foodstuffs and other help than we can ever repay.

The further fact is that Ireland produced these foodstuffs from lands already deprived of fertilization during many years. This was because commercial fertilizers were not then available.

The next fact is that Ireland wore out much of its agricultural and other machinery producing those foodstuffs. This was at a time when ordinary repairs for such machinery were out of the question.

The added fact is that during those times Ireland threw practically all of its hard grains, even to the hulls, into the production of flour for the feeding of human beings, and in consequence there was little grain left to feed to pigs, to fowl, to the small animal population which rapidly reproduces itself and thus furnishes a quick supply of human foodstuff.

Today every available cubic yard of barnyard manure is being spread on Irish soil, but this cannot restore the worn-out fertility quickly enough. Commercial fertilizers are needed. Today every available acre that can safely be tilled is being tilled, but in too many cases plows and harrows and tractors are needed. Today every pig and every hen that can be fed is being kept. But the bacon is soft, and the eggs have lost their old flavor. Hard grains are needed for the pigs in their mash and as scratch food for the hens of Ireland.

These are things that it may be hard to realize from behind mahogany desks in Washington, but friends of the Gaelic American are actually seeing them in Ireland, and they are writing us about them. If Ireland is to be of the great help to western Europe that Ireland can be, Ireland must have generous treatment immediately.

A year ago, on the 17th of March, Mr. DeValera rung the bell when he warned that unless the unnatural partition of Ireland was ended quickly, Ireland might very easily lose all that she had gained in the last hundred years.

Today, Mr. Costello and Mr. McBride, the minister for external affairs, and their associates, are meeting with the same irrevocable truths, and they are endeavoring to grapple with them. Hence, the 26-country portion of Ireland hesitates to accept a loan when it cannot see its way clearly as to the method of producing earnings wherewith to pay back that loan in dollars. And Ireland always has paid, both principal and interest.

As a hardheaded business proposition—how can Ireland operate on borrowed money when her opponents are given the money wherewith to beat her down?

The United States of America is not doing its duty in this matter, and, as American citizens and American taxpayers, we bluntly say so.

Ireland has given of her substance; Ireland has given of her blood; Ireland's sons and Ireland's daughters have given of their service through the generations.

It is time for our United States of America to begin to pay its debt to Ireland and to the Irish. President Washington, himself, acknowledged that debt.

It is time for President Truman to plainly instruct his State Department to stop pussyfooting on the Irish political issue. It is time for the President of the United States to tell Mr. Hoffman that he is not bound by the preconceived ideas of the State Department with respect to the economic needs of Ireland.

And if these things be not done, and done at once, it is time for our Congressman at Washington (the men with the power of the American purse)—and particularly those of them with Irish blood in their veins—to stand up, and to make themselves heard. Their voices and their votes can easily be emphatic, and persistent, and effectual.

Now, is the time for Ireland!

Hon. Virgil Chapman, of Kentucky

EXTENSION OF REMARKS

OF

HON. JOHN ALBERT WHITAKER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. WHITAKER. Mr. Speaker, with the adjournment of this Congress the House will lose—by voluntary retirement in order to stand for election to the United States Senate—one of its most able, valuable, and beloved Members, Congressman VIRGIL CHAPMAN, who has served longer in the National House of Representatives than any other Democratic Member from Kentucky.

VIRGIL CHAPMAN was born at Middleton, Simpson County, Ky. Simpson County was at one time a part of the great county of Logan, my home county. He is not only a lifelong friend of mine but it was my privilege also to know his father, James Virgil Chapman, who was an outstanding educator and a thoroughly substantial, constructive, and admirable citizen.

In the near 25 years that VIRGIL CHAPMAN has devoted to service as Representative of the Sixth Congressional District of Kentucky, he has made a splendid and enviable record, and on every count has proved himself an honest, intelligent, courageous, unselfish, and effective leader.

Is the South To Be Called Upon To Endure a Second Tragic Era?

EXTENSION OF REMARKS

OF

HON. JOHN BELL WILLIAMS

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. WILLIAMS. Mr. Speaker, under leave heretofore granted to extend my remarks in the Appendix of the RECORD, and on behalf of the entire Mississippi delegation in both Houses of the Congress, I wish to include herewith an address delivered to the Mississippi State bar, at University, Miss., by Maj. W. Calvin Wells, a distinguished attorney and authority on constitutional government.

Many, even in the South, of the present generation do not begin to conceive of the iniquity and horror of the oppressions and humiliations imposed upon the South, beginning at the end of the Civil War in 1865 and extending up until 1877.

The name "Tragic Era," was coined in his book by that name, published in 1929, by one Claude G. Bowers, well known as a most distinguished historian. Therein he laid bare the infamy of the humiliation, robbery, and murder endured by the people of the South at the hands of the Negroes led by so-called scalawags and carpetbaggers. The scalawags were the people of the South who sold their souls for a mess of pottage and joined in the plundering of the helpless people of the South along with the Negroes then in power who were directed and guided by such scalawags and carpetbaggers—the latter being the northern people who came South to share in the plunder.

No one can conceive of the extent of such barbarities inflicted on the South during that period unlss he acquaints himself therewith—especially as shown in the book above referred to, Tragic Era.

In the preface of that book (p. vi) the following is found:

"I have sought to re-create the black and bloody drama of these years, to show the leaders of the fighting factions at close range, to picture the moving masses, both whites and blacks, in North and South, surging crazily under the influence of the poisonous propaganda on which they were fed.

"That the Southern people literally were put to the torture is vaguely understood, but even historians have shrunk from the unhappy task of showing us the torture chambers. Brutal men, inspired by personal ambition or party motives, assumed the pose of philanthropists and patriots, and thus deceived and misguided vast numbers of well-meaning people in the North."

The question which faces the South today is whether or not there shall be passed by the Congress of the United States the so-called civil rights bills, especially those three, to wit: (1) the misnamed Fair Employment Practice Act, popularly known as the FEPC; (2) the anti-poll-tax bill; and (3) the anti-lynching bill. If these infamous bills are passed, as surely as the night follows the day the South will be subjected to a Bureau, uncontrolled by the Courts, but with gestapo agents all through the South persecuting, imprisoning, fining, and humiliating the people of the South.

The fact that these bills are in palpable violation of the Constitution of the United States, as heretofore expressly held, as will hereinafter be shown, does not seem to deter those who, posing as philanthropists and patriots, are undertaking to secure the passage of those bills and thereby purchase the votes of those Negroes and Communists who, while a small minority of the people of the United States, in some States claim and perhaps hold the balance of power in the election of the officials both of the States and of the Nation.

If and should these bills be passed, and then finally approved by the Supreme Court as constitutional (which present Court has been condemned by an eminent Senator of the United States as being judicially dishonest), nevertheless the result would be just as much a purchase of the ballots of these minorities as was the purchase of votes in dollars and cents in the South, by which were corrupted the various legislatures and courts under the infamous reign existing during the tragic era.

It matters not that both the leaders of the Democratic Party and of the Republican Party, and the President now in power, are urging the passage of those laws. The fact remains that such laws are infamous, as will be hereinafter shown, and in palpable violation of the decisions of the Supreme Court of the United States in the past.

After the Civil War the Democratic Party in the North at least sympathized with the South while it suffered under the oppressions and tyranny then imposed on the South, and which were actually imposed on the South by the Republican Party then in power. And when finally the people of the North became convinced of the infamy being perpetrated on the South and elected a Democratic House of Representatives—ever since the people of the South have voted the Democratic ticket in gratitude for the assistance given them in that tragic time.

Now, however, with some three million Negroes having gone from the South to the North and been bought to desert the Republican Party and to vote the Democratic ticket in States where apparently the Negroes and Communists hold the balance of power, our Democratic brethren in the North have abandoned us of the South, thinking (as they had the reason to believe in the past) that the South would continue to vote the Democratic ticket in the coming elections, and that in fact the votes of the solid South are already in the bag for whoever shall be nominated as the Democratic candidates.

At long last, however, the South is in rebellion against this tyranny of those in control of the Democratic Party for the last few years. Since there has been placed in the platform of the Democratic Party the passage of these so-called civil-rights bills, and since a Democratic President has appointed a packed committee whose views he knew in advance would be in favor of the passage of those civil-rights bills, and that committee has brought in a report, just as the President thought it would, urging the passage of these bills—now, at last, as stated above, the South has rebelled.

None other than our own Fielding L. Wright, Governor of the State of Mississippi, has led in the revolt from this tyranny. Our two United States Senators, J. O. EASTLAND and JOHN C. STENNIS, have themselves, both on the floor of the Senate and before committees of the Congress and in the public press, declared that they, representing the State of Mississippi, and the State of Mississippi are in open revolt and that they will do every possible thing that they can do, legally and properly, to prevent the passage of these three infamous acts.

In the time allotted for this paper, it will be impossible to review and show up fully the infamy of these acts. Not only will these acts, if enacted and approved by the Supreme Court of the United States, bring a second tragic era to the South but such acts will finally make clear that the United States Government is no longer what it was intended to be, as set forth in the Constitution of the United States, which grants only limited powers to the Federal Government and which reserves all other powers to the States and to the people of the States.

Hereinafter will be set forth a demonstration of this statement of fact. The people of the United States, not only in the South but throughout the Union, would unquestionably defeat these measures if they understood the inevitable effect thereof. The greatness of the Government of the United States, as set forth in the Constitution, really was made evident and came to pass by the separation of the national powers ceded to the Federal Government from all other powers reserved to the States and to the people. As a result thereof, these local matters and customs and habits of the varying people in the great expanse of the United States could be preserved and local laws enacted. Thus, the customs and ideals of each State, though different from those of the other States, could be maintained, and the various sovereign States, when combined together, could make a great and happy nation.

At last, as hereinabove stated, not only have our Governor and our two United States Senators but also our seven able Representatives, to wit, WHITTINGTON, COLMER, ABERNETHY, WINSTEAD, RANKIN, WHITTEN, and WILLIAMS—and the grass-root peoples of the State—come to the parting of the ways with the Democratic Party because that party persists in its persecution of the South and because of its avowed intention of enforcing upon the South a second tragic era.

Up to this point in this address I have referred to the disastrous effect to be had on the people of the South, but, as I shall show hereinafter, while the South under these monstrous laws will suffer—especially under the FEPC—as the South suffered in the reconstruction days of 1866 to 1877, nevertheless, the South will not be the only sufferer—the whole of the peoples of the United States will likewise suffer in the loss of liberties.

The proponents of these measures who intend to destroy and humiliate the South will destroy the whole temple of the Government of the United States, and will pull down over their own heads the whole structure as heretofore contemplated and built up under the Constitution of the United States.

These proposed laws are in palpable violation of the Constitution of the United States as it now exists. No effort is being made to amend the Constitution in the manner and form as provided by the Constitution. Apparently the effort is to pass those laws in the face of and in defiance of previous decisions of the Court holding such acts absolutely void. Those Members of Congress who vote for such laws are violating their sworn oaths to uphold the Constitution.

Of course, if they succeed in the passage of those laws, and they are upheld as constitutional, then the bars are down, and the Congress of the United States can, under its supposed police powers or under the Interstate Commerce provisions of the Constitution, enact any law it sees fit.

Hereinafter I shall quote from some distinguished authors as to what will be the effect of such a palpable violation of the Constitution and the result thereof.

Let us consider first the anti-poll-tax bill. This bill, if enacted and sustained, would determine the qualifications or prohibition of qualifications requisite to be had by the electors or voters who would vote for Federal officers. It takes no great constitutional lawyer to show how this law contravenes the Constitution of the United States.

In section 2 of article I of the United States Constitution appears the following provision:

"1. The House of Representatives shall be composed of Members chosen every second year by the people of the several States, and the electors in each State shall have the qualifications requisite for electors of the most numerous branch of the State legisture."

Of course, it is perfectly palpable that this section means that the qualifications provided by the State laws or State constitution as to who shall vote for members of the house of representatives of the State shall be the qualifications of the electors who will vote for the Members of the House of Representatives of the Congress of the United States.

Under the seventeenth amendment to the Constitution of the United States the same qualifications are prescribed for electors who will elect United States Senators.

Now, in Mississippi, what are the qualifications requisite for electors voting for the members of the House of Representatives of the State of Mississippi?

In the constitution of Mississippi some of those qualifications are given in sections 241, 242, and 244. In section 241 appears, among others, the following qualification, to wit:

"Every inhabitant of this State * * * who has paid on or before the 1st day of February of the year in which he shall offer to vote all poll taxes which may have been

legally required of him and which he has had an opportunity of paying according to law for the two preceding years, and who shall produce to the officers holding the election satisfactory evidence that he has paid such taxes, is declared to be a qualified elector."

What could be plainer than that an elector of the State of Mississippi, qualified to vote for a State representative, must have paid his poll taxes as aforesaid?

Now, is there anything confusing or uncertain or ambiguous of requiring any master mind to understand what that means? No. It is perfectly clear that that qualification of paying poll taxes is one of the qualifications requisite for such electors, both as to State elections and as to Federal elections for Members of the Congress.

Now, this proposed anti-poll-tax bill undertakes to do away with this qualification requisite for the electors of the most numerous branch of the State legislature; namely, the house of representatives.

Of course, an amendment could be offered to the Constitution of the United States in regular form provided for by that instrument—first to be voted for by two-thirds of both Houses of the Congress, and afterward to be voted for by three-fourths of the various States, and then inserted in the Constitution by the Congress of the United States. The manner of so doing is provided in article V of the Constitution of the United States, the substance of which is that above given.

The proponents of the anti-poll-tax bill know full well that no such amendment to the Constitution could be obtained. Therefore, they propose to effectuate their infamies by violating the Constitution. What is the Constitution between friends, especially if the question has to do in some way, directly or indirectly, with the suffrage of a Negro?

The poll-tax requirement in the Constitution of Mississippi applies equally to Negroes and whites, and every dollar of the poll tax so collected must go into the fund providing for the support of public schools.

While this section II, article I, above quoted needs no interpretation at the hands of any court, because it is so plain and unambiguous, nevertheless the Supreme Court has in several cases held it to mean exactly what it says, and especially in the case of *Minor* v. *Happersett*, 21 Wall. 162, 22 L. ed. 627, which held as follows:

"If the right of suffrage is one of the necessary privileges of a citizen of the United States, then the Constitution and laws of Missouri confining it to men are in violation of the Constitution of the United States, as amended, and consequently void. The direct question is, therefore, presented whether all citizens are necessarily voters.

"The Constitution does not define the privileges and immunities of citizens. For that definition we must look elsewhere. In this case we need not determine what they are, but only whether suffrage is necessarily one of them.

"It certainly is nowhere made so in express terms. The United States has no voters in the States of its own creation. The elective officers of the United States are all elected directly or indirectly by the voters. The Members of the House of Representatives are to be chosen by the people of the States, and the electors in each State must have the qualifications requisite for electors of the most numerous branch of the State legislature.

To the same effect are the holdings in the cases of *Ex parte Yarbrough* (110 U. S. 651, 28 L. ed. 274, and *Pope* v. *Williams* (193 U. S. 621, 48 L. ed. 817).

As above stated, therefore, the provision in the constitution of Mississippi making the payment of a poll tax a prerequisite to the right of franchise, being applicable alike to both whites and Negroes, it is absolutely valid, binding, and controlling

A splendid argument in favor of the legality and propriety of the requirement of payment of a poll tax, and the illegality or unconstitutionality of the anti-poll-tax bill, was made by our own Senator JOHN C. STENNIS in the Senate of the United States. Limitation of time prevents me from quoting from his argument on the floor of the Senate on March 4, 1948.

Turning now to the proposed antilynching bill, it seems to me that the antilynching bill is the most absurd, fool effort at legislation that has ever been sought at the hands of the United States Senate. Of course, no right-thinking man approves of lynching, nor does he approve of murder, which is a form of lynching, nor does he approve of rape nor any of the other felonies. By the growth of an enlightened Christian conscience lynching has almost become a thing of the past. In 1946, there were six lynchings (more correctly two lynchings); in 1947 there was one lynching; and the number of those lynched has been so steadily declining as to reach practically the vanishing point. Every State in the Union has a law against lynching. But the Federal Government (having no general police powers, they being reserved to the States) has no right constitutionally to enact any antilynching bills. At the present time, when in every newspaper in the land, over every broadcast on the radio, in every magazine published from day to day, we are notified that the world is sitting on a powder keg, with fools brandishing around it, burning fagots, the Congress of the United States is now called upon to take the time of its 96 Senators and its 435 Members of the House of Representatives to undertake to pass an unconstitutional law to stop a practically nonexistent evil. Remember, too, that it has been made definitely known by the southern Senators that—call it filibuster or whatever it may be called—they will make every legal effort to prevent its passage.

On March 23, 1948, Senator CLYDE R. HOEY, of North Carolina, spoke over the Mutual Broadcasting System on the subject of the antilynching bill, in part as follows:

"Every good citizen in America is opposed to lynching. This is especially true in the South where every good citizen is not only passively against it, but affirmatively interested in doing something about it, and as a result of this vigorous and wholesome attitude lynching is now practically extinct. It has been out-lawed by public opinion and the people and the officials cooperate fully in an effort to completely stamp it out.

"The Tuskegee Institute says that 31 attempted or threatened lynchings were prevented last year by local and State officials and the public. This result could not have been achieved by any Federal statute.

"Every State in the Union has a strong law against lynching and these laws are better enforced than any other criminal statutes. Let's examine the record. In 1892 there were 255 lynchings in the United States—100 white and 155 colored. The crimes for which men were lynched ranged all the way from cattle stealing to murder and rape. Twenty-nine years later, in 1921, the number of lynchings had been reduced to 64. By 1935 the number was still further reduced to 20. And coming down to this decade the largest number in any one year was 6. In 1943, there were three lynchings; in 1944, two; in 1945, one; in 1946, six. As to those six lynchings in 1946, only two should be classed as lynchings, for four people in a car were waylaid and killed when they were driving from town to their homes in the country. That was a murder, rather than a lynching. In the year 1947 there was just one. There has not been a lynching in my State of North Carolina for 12 years.

"Think about it—out of 145,000,000 people in the United States, only one person was lynched last year. What other criminal statute, State or Federal, was so well obeyed? While there was only 1 lynching last year, there were over 13,000 murders; over 12,000 rapes; and over 1,500,000 of serious crimes, denominated as felonies, committed in the United States. That means that there was an average of 36 murders and 33 rapes every day last year, and 3 felonies every minute.

"Have you heard any demand from the Committee on Civil Rights that the Federal Government do anything about this—although many of these crimes were the most brutal and revolting ever committed in our land?

"Ten years ago the late great Senator William E. Borah, a sturdy defender of civil rights, said in discussing a proposed antilynch bill:

" 'When I read of the terrible things that happened in the South after the Civil War, I wonder now how the South has done such remarkable work in the way of recovery. * * * With all the hatred, the animosity, and the agony which came to the people, it is amazing to me that the crime of lynching has been gradually dying out. The people of the South have made a record of which they have a right to be proud. We could not improve upon what has been done. Why should we interfere now?'

"The proposals of the Civil Rights Committee invade the rights of every sovereign State in the Nation and would result in supplanting cooperative good will by coercive ill will in connection with our whole race relations. The passage of this measure would make the task more difficult and add immeasurably to the burden of every man in the South who is seeking to obtain equality of opportunity for the Negro race, and maintain fairness and justice for him in all the relations of life."

Senator JAMES O. EASTLAND, speaking in the Senate on March 9, 1948, offered certain amendments to the antilynching bill, which would put on the spot every Senator who undertakes to vote for this antilynching bill and then votes against these proposed amendments. In part, Senator EASTLAND spoke as follows:

"Mr. President, there is only one-thirtieth of 1 percent as many lynchings in this country as there are murders. The statistics show that in 1900 there were 115 lynchings; in 1910 there were 76; in 1920 there were 61; in 1930 there were 21; in 1940 there were 5; in 1944 there were 2; in 1945 there was only 1 lynching; in 1946 there were 6 lynchings, and in 1947 there was only 1 lynching. (Four of the six lynchings in 1946 were in truth just plain murders with no elements of a lynching therein.)

"There are practically no lynchings in this country, yet the Congress, at the darkest hour in the history of our country, is asked to take up days and weeks in an attempt to influence the votes of a minority group in the coming election by action on such a measure as the antilynching bill.

"The bill does not seek really to give protection to the people involved. What are the facts? In 1946, in the country as a whole, there were 8,444 cases of murder and manslaughter, 12,117 women were raped, there were 62,782 cases of robbery, there were 229,920 automobile thefts, there were 357,991 burglary cases, there were 941,738 larceny cases.

"Much of the agitation for a Federal antilynching act comes from the city of New York, and in that city, in 1946, 325 murders, 14,525 lesser felonies, and a total of 698 other crimes, were committed in that one city. These figures are for one city, and

for 1 year. In the entire United States in 1946, with 140,000,000 people, there were only 6 lynchings (and, in fact, only 2, as above stated, can justly be termed lynchings). Yet no cry comes to us to give the people of the city of New York adequate police protection."

Recently there appeared in the Indianola Enterprise and in the Jackson Daily News a short, succinct article written by one of the most distinguished judges and lawyers in the State of Mississippi, Judge Frank E. Everett. This had to do with the constitutionality of these so-called civil-rights bills. By Judge Everett's permission I quote briefly from his article, as follows:

"TRUMAN'S PLANS ARE VIOLATIVE OF ORGANIC LAW

"First, Truman proposes in the Civil Rights Statute or Act to prohibit segregation of Negroes and whites in hotels, theaters, churches, schools, busses, railway coaches, etc., and to place the races—whites, Negroes, Chinese, Japs, and all—into one melting pot. And, second, he proposes to have a Federal statute creating a Fair Employment Practice Commission, by which a man in his individual business, would be subjected to a penalty by both a fine and a prison sentence if he refused to hire a Negro in his business instead of a white man.

"Mr. Truman knows that such an act would be unconstitutional, and has been so held by the Supreme Court of the United States, as well as the courts of many States.

"In March 1875, shortly after the surrender, while tempers were high and prejudices against the South were rampant in the Congress of the United States, just such a Civil Rights Act was passed by Congress, which was as follows:

" 'SEC. 1. That all persons within the jurisdiction of the United States shall be entitled to the full and equal emjoyment of the accommodations, advantages, facilities, and privileges of inns, public conveyances on land or waters, theaters and other public places of amusement—applicable alike to citizens of every race and color, regardless of any previous condition of servitude.

" 'SEC. 2. That any person who shall violate the foregoing section by denying to any citizen, except for reasons of law applicable to citizens of every race and color, and regardless of any previous condition of servitude, the full enjoyment of any of the accommodations, advantages, facilities, or privileges in said section enumerated, or by aiding or inciting such denial, shall, for every such offense forfeit and pay the sum of $500 to the person aggrieved thereby to be recovered in an action of debt with full costs; and shall also, for every such offense, be deemed guilty of a misdemeanor and, upon conviction thereof, shall be fined not less than $500, nor more than $1,000, or shall be imprisoned not less than 30 days nor more than 1 year.'

"Now that is the same act, in effect, that Mr. Truman would have the present Congress to reenact, except that Truman wants to go further. That, I will refer to later.

"Article 10 of the Constitution of the United States provides:

" 'The powers not delegated to the United States by the Constitution, nor prohibited by it to the United States, are reserved to the States, respectively, or to the people.'

"Under the act of March 1875, above quoted, a number of cases were tried in various courts, seeking to enforce it and to force the white people to submit to its provisions by admitting Negroes to their theaters, hotels, trains, etc., which cases were brought by the United States, seeking to enforce its own congressional act. These cases were: *United States* v. *Stanly*, from the Federal Court of Kansas; *United States* v. *Ryan*, from the Federal Court of California; *United States* v. *Nichols*, from the Federal Court of Missouri; *United States* v. *Singleton*, from the Federal Court of New York; and *Richard Robinson and wife, Sally*, v. *Memphis and Charleston Railway Co.*

"The above cases all found their way into the Supreme Court of the United States and were grouped together and tried together as one, because they involved the identical question under the statute I have set out above. They are reported in 27 Law Edition, page 835, 109 United States, pages 8 to 62. The Stanly and Nichols cases were indictments for denying to Negroes the privilege and accommodations of hotels. The Ryan and Singleton cases were indictments for denying Negroes the rights and privileges of their theaters. The case of Robinson and his wife was against the Memphis & Charleston Railway for denying them the privilege of riding in the white-passenger car.

"The Supreme Court, in each of the above cases, held the statute above quoted under which these cases were tried, and which Truman now demands to be reenacted, to be wholly unconstitutional and in violation of amendment to the Constitution which denied to Congress the privilege of passing such a law. The Court said, speaking of article 10:

" 'It does not invest Congress with power to legislate upon subjects which are within the domain of State legislation. It does not authorize Congress to create a code of laws for the regulation of private rights.'

"In the case of *Plessy* v. *Ferguson* (163 U. S. 537, 41 L. Ed. 256), where Plessy, a Negro, took his seat in a white compartment of a train in New Orleans and refused to move into the colored car when ordered by the conductor, and who was arrested by a policeman and carried off to jail. When his case was to be heard he sued out an injunction against the court, alleging the law providing for separate coaches for Negroes and whites was unconstitutional. He lost—only one of the nine judges dissenting.

"In holding the segregation law constitutional, the Supreme Court of the United States, in discussing the various arguments in the case, said: 'If one race be inferior to the other socially, the Constitution of the United States cannot put them upon the same plane' (41 L. ed. 261).

"These cases were decided at a time when the Supreme Court of the United States was composed wholly of northern Republican judges. They were decided at a time when prejudice against the South was much greater than it is today."

At this point in my address I do not think it is out of place to quote Abraham Lincoln. In his speech delivered at Springfield, Ill., June 26, 1857, he spoke in part as follows:

"I will say, then, that I am not, nor ever have been, in favor of bringing about in any way the social and political equality of the white and black races—that I am not, nor ever have been, in favor of making voters or jurors of Negroes, nor of qualifying them to hold office, nor to intermarry with white people, and I will say in addition to this that there is a physical difference between the white and black races which I believe will forever forbid the two races living together on terms of social and political equality, and inasmuch as they cannot so live, while they do remain together there must be the position of superior and inferior, and I, as much as any other man, am in favor of having the superior position assigned to the white race."

The most monstrous of the proposed so-called civil rights bills is the misnamed FEPC—Fair Employment Practices Commission. I believe that that title has become so ridiculous and so obnoxious to fair play in all well-balanced minds that Senator IVES in his new bill has given it a new name—I have forgotten what it is—but it is the old monstrous effort to control every act of every citizen of the United States as to what he thinks in his mind when he employs or discharges a person.

Time will not permit me to quote verbatim herein from the magnificent arguments made by southern Senators against this iniquitous FEPC bill. For the most part, I will quote from able men who are not from the South, and who cannot, therefore, be charged as being partisan, biased, or prejudiced.

Surely, however, this address would be incomplete unless grateful reference be herein made to the determined, masterful address of the late Senator Theodore G. Bilbo, every word of which was directly in point, in his effort to defeat the enactment by the Congress of the FEPC bill. Call it filibuster—or what have you—it lasted for about a week—and largely was responsible, together with the efforts of other southern Senators, for the defeat at that time of that proposed infamous act.

At the beginning of the administration of President Franklin D. Roosevelt he called to his assistance a man whom he apparently considered one of the great lawyers of the country, and made him his confidant and adviser. This man was Donald R. Richberg, of New York. Afterward, Mr. Richberg became convinced that certain of President Roosevelt's programs were unconstitutional and unwise and he withdrew from this confidential relationship. On March 30, 1948, Mr. Richberg broadcast a talk on civil rights over the Mutual Broadcasting System. This address, together with the address on the same program by Raymond Moley, one of our most distinguished economists and public writers, are among the most logical and irrefutable arguments ever delivered against the enactment of these so-called civil-liberty laws. I would, that time permitted me, to give them to you in full in this paper. They are literally logically unanswerable.

When the FEPC bill (S. 101) was before the Senate, Senator BARKLEY, of Kentucky, the majority leader of the Democratic Party in the Senate, endorsed and supported the bill to the limit, and not a single northern Democrat took the floor against the bill and on the side of the South. However, a number of prominent Republicans strongly attacked the bill as unsound, unconstitutional, and without merit.

I shall quote briefly from a few of these:

Senator HAWKES, of New Jersey, according to the CONGRESSIONAL RECORD, February 1, 1946, page 712, spoke in part as follows:

"If I thought for one moment that fair employment practices could be established by law without a destruction of our American system of free enterprise, I would not be standing here discussing the subject today. My whole experience in life and what understanding I have of the Constitution of the United States, and the American method of making a living, which has grown up under the Constitution and has produced the highest living standards in the world, as well as the power to bring victory against our enemies who would destroy individual freedom, tell me in no mistakable terms that if we destroy by law the right of free choice in hiring, discharging, or promoting employees, it will be one more step in the destruction of our great American system of business and industry which is based upon ability to produce and sell in competition so that the ultimate consumer receives the benefit to which he is entitled.

"In my opinion, this controversial bill should never have been brought to the Senate at such a time as the present, when the world is on fire and there are so many more important problems awaiting the consideration and action of the great body, the United States Senate."

Likewise, Senator MOORE, according to the CONGRESSIONAL RECORD of February 5, 1946 (p. 889), I spoke in part as follows:

"Mr. President, I have just read the bill which is under consideration, and it seems to me that it would totally destroy inducement of any kind for any industry to try to function under it. Under the private-enterprise system, of course, private industry is operated for profit.

"Apropos of some of the objections which are made to the bill under consideration, without considering what may have been the practice of some employers with reference to the employment of members of certain races or creeds, the bill is so destructive of the freedom which is needed in private enterprise that it would practically destroy private enterprise."

In what was said to be one of the most masterly speeches ever delivered on the floor of the Senate, Senator MILLIKIN, of Colorado, as shown by CONGRESSIONAL RECORD, February 9, 1946 (pp. 1211–1214), spoke in part as follows, to wit:

"From the face of the bill I saw that almost every sentence of it is redolent of conceptions and procedures which in my judgment do not square with the American system of government, and therefore I voted against its present consideration.

"I shall always be glad that I did so, for if at any place in the procedures of the Senate I am given the opportunity of free choice of what shall come here, what shall stay here, how long it shall stay here, what consideration it shall receive while here, I expect to aline my vote against the possibility, remote as it may be, of the triumph of the kind of transparent viciousness that is concentrated and multiplied in this bill.

"The bill, with false proclamations, expands to the vanishing point the already grotesquely overexpanded commerce clause of the Federal Constitution.

"Whatever may be said against discrimination because of race, creed, color, national origin, or ancestry, there is nothing in our history to give validity to what I submit is the real theory of the bill, that a citizen has the right to work because of his race, creed, color, national origin, or ancestry, or has the right to work for a particular employer. * * *

"What is the standard for determining a specific case of discrimination? The act is silent. It comes to this: Unless the ridiculous task of trying to create the composite man is undertaken on an arbitrary and automatic basis and independent of actual motive, we must run an inquest on the mind of the employer and also on the mind of the employee.

"And that to my mind is the most vulnerable and offensive part of the bill. How much blood must be spilled, how much hatred and discrimination must be accentuated, how much ugly human history must be endured and repeated before we learn law cannot and should not coerce conformity in human thinking. * * *

"This bill bludgeons the spirit of numerous provisions of our Federal Constitution. Its cavalier indifference to protective-venue provisions for the citizen is an example. Its failure to provide a jury trial for an alleged violator, its failure to provide the accused with the right to confront and cross-examine the witnesses against him, are others. Its nonexisting standards of admissible evidence is another example. The use of hearsay, ex parte affidavits, and unsworn statements are not precluded. And in this connection please do not forget that the use of such so-called evidence against a citizen is not without precedent among our Government agencies."

About this same time, Senator WILEY, of Wisconsin, according to the CONGRESSIONAL RECORD of February 8, 1946 (pp. 1130, 1131), spoke, in part, as follows:

"I oppose this bill—

"1. Because this bill is a misnomer, like so many other high-sounding New Deal quack bills. It would not create fair employment practices, but, rather, would stimulate unfair employment practices.

"2. This bill would create prejudice instead of ending it.

"3. This bill is one more example of the worship of legislation as a panacea.

"4. This bill would create a super gestapo in every corner of our land—a gestapo which would destroy the constitutional rights of American citizens, which would drain the Federal Treasury of needed revenue, which would make life miserable for countless employers, which would be a dangerous instrument in the hands of spiteful and vicious individuals and business competitors. This bill would be a dangerous instrument for statism. * * *

"Mr. President, many Senators charge that provisions of the bill go beyond and are in violation of constitutional powers, of rights secured to our people by our American Bill of Rights, and of the ethnos of our people and institutions.

"Mr. President, these charges are but some of the many leveled at the bill. If they are justified, they are an unanswerable indictment of the proposed legislation. I am persuaded of the substantial truth of these criticisms.

"Eut these particular arguments do not stand alone, nor are they the most persuasive.

"Mr. President, in most instances in which boards or commissions are established with regulatory and quasi-judicial powers, provision is made that they shall be bipartisan in person and character.

"This is sound policy and right principle. It respects our idea of checks and balances in government. It assures expression of divergent views, and contributes to right determinations. In the pending bill this principle is completely repudiated, and instead of bipartisanship, section 5 permits all five members of the Commission to be of one race, one creed, one religion, one ancestry, one political party. I believe this possibility challenges every principle asserted in behalf of the proposed legislation. If we are against the grant of such power, the reposing of such power in the Executive, why give it to the Executive?

"Mr. President, the bill declares to be an offense that which, in the overwhelming number of cases, can never be proved. Who can know that I refuse to hire, that I discharge, or that I discriminate against any person, because of his race, or creed, color, origin, or ancestry? My motive is locked within my own mind, and except in very rare instances, motive can never be proved.

"The bill declares its lost faith in the efforts of Christian generations to build a world of tolerance, of knowledge, of good will, and of brotherhood. It substitutes for the humane and kindly spirit of men the fear and the compulsion of law. Threat, dictation, compulsion of sword, or force of law have never aided man as he has struggled through the long centuries to make this a better and happier world for all mankind. This bill has not in it the sympathy and the warmth of the human heart. It must fail, therefore, of its professed purposes.

"Finally, Mr. President, the bill creates another huge agency of a central Government which seeks always, and always exercises, restrictive and tyrannical powers over the social, financial, industrial, and political lives of a people. Here in America, warning of the loss of a people's freedom is seen all along the way we travel. These clear trends must be stopped if our America is to be saved."

About the beginning of World War II a bunch of Negroes threatened the President of the United States that unless he issued an Executive order providing for abolition of segregation of whites from Negroes, they would have 100,000 Negroes organized to march on the city of Washington and demand that Congress pass FEPC legislation. Under this threat of trouble the President issued Executive orders creating that committee. From the very beginning of the organization of the Committee, and later of the Commission, the President or those under him stacked the officers and employees thereof with a majority of Negroes. At one time on this Commission there were employed 112 persons, of whom 64 were Negroes. In the Washington headquarters where the final authority was exercised there were 49 employed, of whom 38 were Negroes and 11 were white. In the Division of Field Operation there were three white people and six Negroes. In the Division of Review and Analysis there were two white and six Negroes. In the Division of Budget and Administration there were 11 Negroes and no whites. In the Division of Mail and Files there were six Negroes and no whites. In the Division of Law there were two Negroes and one white person. In the Division of Information there were two Negroes and no whites. And in the regional office at Washington, D. C., there were five Negroes and one white person.

From July 1, 1943, to May 31, 1944, about 61 percent of the complaints were Negro cases.

Thus, by a Federal Bureau staffed largely by members of minority groups, their duty was to sit in judgment on complaints made by those same minority groups. A Southern employer had about as much chance to have a fair and impartial hearing before this outfit as a snowball in hell. Moreover, in the House and Senate bill which were before the Seventy-ninth Congress to make the committee a permanent Federal bureau, all the old officers and employees hereinabove described were to be transferred to the new Fair Employment Practices Commission.

There were developed in a booklet prepared by this outfit definitions of discriminatory practices and procedures which were declared unlawful. Time does not permit me to give a description of the outrages which would be possible under the definitions prescribed in such regulations. Suffice it to say that if this bill is passed now, and those same or similar regulations are put in force, truly the second tragic era of the South will begin.

I wish I had time to give here the history of the infamy of some of the decisions of this outfit. I shall refer briefly to the Philadelphia Transit Co. case, which company had over 6,000 employees, all belonging to a union, and the relationship between the company and the union had been pleasant and amicable from the beginning. The existing contract between the employees and the company had been in force 8 years. However, during the war, on demand of certain Negroes, the FEPC procedeed against the company on its contract and demanded its cancellation. The company refused and the union refused. Then the employees belonging to the union struck against complying with the demands of the FEPC as to making Negroes motormen and conductors where before all had been white. No complaint had come from the Negro employees of the company. The whole initiative was taken by the Federal Government through this FEPC. When the strike took place the FEPC had the United States Army to come in with armored cars, tanks, small cannon, tommy guns, live ammunition, and soldiers with fixed bayonets. The strikers were all notified to return to work or be drafted into the military forces or be black-listed so that they could work nowhere else. The Attorney General

of the United States convened a special grand jury to indict all of those employees for violation of a United States regulation. Of course, the strike was broken.

Time does not permit a statement as to the outrageous procedure in the United States Cartridge Co. case in St. Louis, Mo.

In those two cases, tyranny comparable only with communistic Russia or Nazi Germany took place, and both of them in the North. But with an army of gestapo agents sent into the South to pass on every motive each time we employ or discharge a Negro, imagine what a situation would exist here.

CONCLUSION

In conclusion, just at the time of the preparation of this address, it appears that no one knows what a day will bring forth. At any time, Russia, by acts of aggression and war and murder may bring us into war with her. This, of course, God forbid. But whether war comes or not, is there not enough sober, sound judgment in the hearts and minds of the Members of Congress to prevent such chaos and confusion in our land as would inevitably ensue if and should these infamous, miscalled civil-rights bills be enacted in to law?

God grant to us such Members of Congress at such a time as this.

United States Foreign Policy—An Address by His Excellency Jan Ciechanowski, Former Polish Ambassador to the United States

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EXTENSION OF REMARKS

OF

HON. JOHN DAVIS LODGE

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. LODGE. Mr. Speaker, under leave to extend my remarks, I include the following citation and degree awarded on June 14, 1948, to Jan Ciechanowski, former Polish Ambassador to the United States. I include also the address made by the former Ambassador, because, while it is possible to resort to other means than those suggested by him for dealing with the international dilemma, this address is a remarkably forceful and eloquent exposition of the challenge facing the United States. It contains also brilliant and penetrating comments regarding the spiritual factors without which no economy—no civilization—can survive.

The president and faculty of Georgetown College to all unto whom these present letters may come, greetings in the Lord:

The great apostle of the new dispensation, St. Paul, teaches that the power which can conquer the world is faith. Hence, history recounts how stalwart men from time immemorial have stood erect with heads unbowed in evil times. Uncorrupted by victory they have not despaired in defeat. Such a figure stands before us today in the person of one who for long years, even from early manhood, served his native Poland with a dignity commensurate with the nobleness of the race from which he springs. Faithfulness and professional skill in the discharge of diplomatic duties culminated in his appointment as Ambassador to the United States. Throughout a career of resposibility and public service he touched nothing which he did not adorn and the testament of duty descended from sire to sons. For one of these gave his youthful life in combat in the skies above a hard-pressed England, that other men might live. What their country's annals exemplified, father and son fulfilled. Neither the shadow of death nor the threats of a despot's chains availed to terrify the soul of liberty. With the sword of spirit thereafter and with a heart unafraid this legate of wounded justice has not ceased to vindicate her cause by voice and pen and truth of argument, responsive to the faith of Christian Poland and the integrity of the law of nations. Although an alien master now exults in the victory achieved by force and fraud in his far-off native land, this man still holds her honor unstained and his own mind untainted by the wrong.

Wherefor, this venerable University of Georgetown, saluting the unforgotten Poland in this remembered son creates and proclaims Jan Ciechanowski, doctor of laws, honoris causa.

Done by virtue of the powers entrusted to us by the Congress of the United States, signed and sealed by our own hands at Washington, on the 14th day of June in the year of our Lord 1948.

LAWRENCE C. GORMAN, S. J.,
President.
CHARLES L. COOLAHAN, S. J.,
Secretary.

ADDRESS BY JAN CIECHANOWSKI

Your Excellency, most reverend archbishop, reverend president, members of the faculty, distinguished guests, my fellow graduates, ladies and gentlemen, it is my fervent hope that through my work in the future I may become more worthy of the honor conferred upon me today by Georgetown University.

In expressing my most sincere thanks to you, reverend president, and to the board of directors, for granting me this high distinction, may I add that I appreciate your gracious gift all the more on account of the close ties that bind me to this great university.

During my two diplomatic missions in Washington aggregating almost 9 years, in the course of which I had the honor of representing my country—Poland—in the United States in times of peace and war—I came to regard this distinguished seat of learning, of Catholic thought and philosophy, as a welcome source of inspiration, of kindly understanding for the problems and tribulations of Poland, and of personal encouragement at times when I needed it most.

Two of my sons were privileged to complete their academic studies here and one of them, who was too young to be on active service during the war, is a proud alumnus of Georgetown University.

In times like the present, the beneficial influence of our Georgetown alma mater will be particularly helpful to those who had the good fortune of studying and learning to think under its guidance.

Apart from the actual scientific knowledge which you, my fellow graduates, have acquired here, you have the invaluable advantage of the firm support of your faith in the doctrine of Christ and of the forceful logic of Catholic philosophy. You have been brought up to understand and to cherish individual freedom and the high principles of morality and justice which alone are the foundations of true democracy.

Armed with these advantages, you can fearlessly face the complicated trends of our modern world. You start out with your minds made up as far as the fundamentals of civilized living are concerned. Supported by your faith, you know that, however highly developed and nimble your brains may become, however great your capacity for constructive thought, you are but God's creatures, responsible to Him for the way in which you use and develop your God-given human qualities and talents.

Thus, you begin your lives without any moral or mental vacuum as regards the basic elements of understanding and logic. While eager to probe and to analyze every new theory, you will preserve your moral values and fundamental Christian principles untainted by godless doctrines set up by the pride, conceit or opportunism of men deprived of the stability of Christian faith and of sound thinking.

Never before has mankind been in greater need of a solid Christian foundation than at present, when it is faced by a world of bewildering tendencies and paradoxes.

After the United Nations' complete military victory over totalitarian imperialist aggression, the decks were cleared for a global peace of justice and security. Security was to be founded on the close collaboration of all United Nations under the leadership of the Big Three Powers, united by brotherhood-in-arms in an unprecedented total World War fought by western civilization in defense of Christianity, of the high principles of national and individual freedom, of democracy and justice.

The present world situation, the dangerous tension in Soviet-American relations, the definite partition of the world which was to have been a one world—into two worlds, one free, and one slave—constitutes today's grim reality. The primary responsibility for this lamentable state of affairs rests upon Communist Soviet Russia, who broke her pledges and succeeded in gaining a position of virtual diplomatic dictatorship in regard to the other powers and United Nations, with whom she had pledged herself to work in accordance with the principles of the Atlantic Charter and the "four freedoms."

But Soviet Russia could not have achieved her aims, had she not been encouraged to press her ever-growing demands by the appeasement policy of the victorious western powers and their readiness to sacrifice fundamental principles and aims as the price of Soviet friendship.

The present world situation proves that one may not with impunity traffic with principles, nor substitute cynical opportunism for true realism; that one cannot indefinitely mislead oneself and one's people for internal political or power-political purposes; that one cannot stop dynamic aggressive totalitarianism, be it Fascist or Communist, by appeasement or by tough words unsupported by effective power. Nor can one hope to keep up the pretense that Soviet Russia, the foremost totalitarian power, is a "somewhat more radical democracy."

While democratic propaganda thus labeled them, the Soviets, who played an outstanding part in defeating Hitler, were simultaneously assuming his succession and preparing their own bid for world domination. They had suddenly found themselves in the camp of democratic nations as a result of Hitler's double cross of Stalin, his partner in the first 2 years of the World War. Because they were so gallantly defending Russia against totalitarian German aggression, it was conveniently assumed by the western powers that they had wholeheartedly espoused the cause of democracy and adopted its principles.

In reality, the alliance between the democratic United Nations and totalitarian Soviet Russia was but a chance purely military alliance. It should have been regarded as a temporary wartime association. The German-Soviet conflict was in fact a separate war between two rival totalitarian systems for world hegemony.

Wishful thinking and opportunism, which had so lamentably failed in the case of Hitler, led the American Government to abandon its sound initial decision of not sanctioning any territorial changes during the war. The record has unfortunately shown that yielding on this fundamental point of American policy was a grave error, not only because it resulted in the loss of independence of Poland, Latvia, Estonia, and Lithuania, already during the war, but especially because it opened a breach in the moral front of the western powers by making them give up the important principle of self-determination of nations, thus creating a dangerous precedent which made it increasingly difficult to oppose later Soviet demands.

Today's grim reality has not become clear even to arch-appeasers who so long persisted in trying to capture the favors of Stalin by concessions.

A more determined American policy to check Soviet-Communist expansion, has been outlined and is being gradually carried out. Its first act was the Truman doctrine of aid and support to Greece and Turkey, and the Marshall plan of assistance for rehabilitation to 16 western European countries and China. The second logical step is expressed in the discussions for the renewal of some form of selective service and the reestablishment of military preparedness. The third step foresees legislative measures for controlling and checking the subversive activities of the Soviet-led Communist "fifth column" in the United States. The Mundt-Nixon bill is the expression of this third step of the new policy. Its fourth step leads to the conclusion of some kind of military agreement between the United States and the western European nations—beneficiaries of the European recovery plan—for setting up military preparedness as a tangible deterrent to any further advance of Moscow-led communism.

The new policy is realistic and encouraging, and, if applied without hesitations and undue delay, it may still prevent armed conflict. It appears strong and definite, especially as compared to appeasement, to past illusions, hesitations and the weaknesses of a passive policy which patiently accepted Soviet-accomplished facts.

But even admitting that it will succeed in actually stopping further aggression by containing communism, it helps to perpetuate the present intolerable world situation.

It will not prevent the world from remaining half free and half slave.

Can our Christian civilization permanently tolerate a situation in which, with the tacit agreement of democratic powers, 11 countries with a joint population of 120,000,000, are Yalta-governed under the yoke of totalitarian communism?

A policy aimed at merely containing communism, even if successful, does not solve the problem of American and world security, nor can it restore peaceful international relations on a basis of mutual confidence. It will not allow the United States to reduce its vast program of rearmament. It will not permit the United States to relax in its military preparedness, nor will it allow the United States to reduce, let alone to stop, the flow of American financial and military assistance to western European nations and China.

It will not release the American taxpayer from the necessity of continuing to contribute to American and foreign armaments.

The present policy appears insufficient to restore to the war-weary and disillusioned nations of western Europe that sense of security without which the impulse to work out their own rehabilitation and to build up their resistance to external and internal Communist pressure cannot realistically be expected.

In fact, this policy does not sufficiently clearly guarantee security.

An American foreign policy firmly determined to insure American security and leadership cannot merely aim at checking and containing communism and Soviet expansion.

It will have to roll back Soviet communism to the prewar western boundary of Russia if it aims at the ultimate establishment of a really secure peace.

While the Soviets were confined within the legal boundaries of Russia from 1917 to 1939, communism made no progress in countries neighboring on Russia or in western Europe, nor especially in the Western Hemisphere.

Therefore, if communism is to be effectively stopped in its dynamic pressure and its dangerous infiltration, it will have to be checked not in western Germany, in France, in Italy, in Great Britain, Canada, the United States or in Latin America—where it has recently made such considerable progress—but on the eastern prewar boundaries of Estonia, Latvia, Poland, and Rumania.

This naturally raises the question: By what means, short of war, can such a policy be carried out?

The answer to this question is that in the present situation into which the world has been allowed to degenerate, there is no peaceful policy which could immediately reestablish a normal world on sound principles. But, all methods of persuasion having failed to convince the Soviets that international collaboration might be more profitable to them in the long run than their present ruthless drive for world domination, it is time to face them with a policy which would isolate them from the United Nations as a potential aggressor.

This can be done by reorganizing the United Nations regardless of the Soviet veto, even if this were to result in the withdrawal of the Soviets who have so far stalemated most of its vital activities.

If we are determined to restore security and gradually to rebuild a world in which mankind can live in peace and liberty, then it is illogical to pursue a policy which accepts the actual partition of the world, one which continues to aid and to abet totalitarian Communist domination in one part of the globe while actively defending freedom, justice, and a democratic concept of peace in the other.

Maintaining diplomatic relations with Soviet-imposed Communist puppet governments in eastern central European countries driven behind the iron curtain, was explained as the only practical means of obtaining continuous information about the trends in that region, of establishing some measure of collaboration and trade, and, possibly, saving some degree of independence for those nations.

None of these hopes have materialized.

As long as American policy persists in keeping up this parody of diplomatic relations with satellite suboffices of the Kremlin in countries now entirely Communist-controlled, while denouncing and actively opposing Communist infiltration and subversive activities in other countries—American prestige and the confidence of nations in American policies cannot be fully restored. It should be realized that in western Europe, strong Communist centers already exist and use their propaganda to weaken the local democratic elements by presenting American policy as one of indecision and duplicity.

The nations still outside the iron curtain, especially those of partitioned Europe, war weakened and deprived of their east European bread basket and mineral resources and mined by Communist fifth columns, may have to choose between an unwelcome Sovietic and a welcome American leadership. They can take the risk of opposing Soviet Communist pressure only if their democratic elements can definitely count on unequivocal American support and protection.

Their trust in American declarations was shaken by the fate of Allied Poland and of other countries now behind the iron curtain. Their confidence in the farsightedness and firmness of American policy was weakened by the Tehran, Yalta, and Potsdam agreements, by persistent appeasement of Russia and by premature American disarmament.

Financial assistance and words of encouragement, unsupported by power and readiness to defend security and basic principles of policy by force if necessary, cannot balance the direct menace of armed Soviet power and of aggressive communism.

Failure to isolate the Soviets by taking the necessary measures to reform the veto ridden, now almost sterile and inoperative United Nations, is interpreted as a sign of weakness on the part of the United States.

In the present state of Soviet Russia's precarious extension over vast European territories inhabited by populations bitterly hostile to Soviet rule and communism, the Soviets are in no position to risk isolation and to be forced to leave the UN along with their satellites.

A policy of initiative which would unhesitatingly isolate the Soviets as a potential aggressor, would undoubtedly induce her to yield on some major points and eventually to withdraw from the eastern European countries which she now illegally holds and dominates.

However, a policy is judged not only on its merits, but also by the way in which it is carried out. Much time has elapsed since the Marshall plan was launched. Finally, some weeks ago, the sums for its application were voted and the appropriate machinery was set in motion. Long before the ECA was actually set up, the favorable stabilizing effect of this excellent plan on the western European countries became apparent. A first initial dividend was paid in advance in the form of the heartening results of political and municipal elections held last fall and last spring in Denmark, Switzerland, England, France, and Italy. However now, at this crucial moment of world tension, considerable cuts in the sums voted for the ERP have been decided upon by the competent committees of Congress.

Without permitting myself to express any opinion on the merits of the case, I would like to draw attention to the effect which this discouraging decision has produced in Europe. It is no exaggeration to say that it has shaken the democratic governments of nations, now engaged in a relentless struggle against their local Communist Parties and their anti-American propaganda.

It is useful to note these reactions which show how sensitive these nations have become to every word and gesture of the United States.

This does not only prove the great dependence of these countries on American leadership and material assistance; it also points to the vast responsibilities which this powerful democracy has assumed and shows that its leadership must be unwavering and its policy firmly determined if it is to become fully effective.

Communist activity and propaganda are organized by master brains and work with clockwork precision without ever missing any opportunity or any trick. The reaction to the Mundt-Nixon bill is an example of Communist organization and methods. The bill in question has aroused seething indignation and furious protests in the Communist and fellow-traveler camp. Their loud reaction has its humorous side. The Communists who so bitterly attack American institutions, the American way of life, and the Bill of Rights, and whose program aims at the overthrow of what they are pleased

to call capitalist democracy—run to the protection of the Bill of Rights and the four freedoms as soon as they see any effective attempt at preventing them from carrying on their seditious activities.

After years of skillfully conducted propaganda, the Communist fifth column has succeeded in perverting the very meaning of words and in exercising a near terrorism which still appears to impress public opinion. By constant repetition that whoever criticizes the Soviets or tries to show that communism is not a form of liberalism—is a Fascist, a reactionary, and a war monger, a certain degree of intimidation and doubt has been injected into the minds of those who have not had the time or opportunity for closely studying the real tendencies of communism as opposed to true democracy. It is curious that reference is always made to the Fascists but rarely, if ever, to the Nazis, doubtless because of the former Soviet-Nazi partnership.

The Communists contend that the American Government, and especially the United States Congress, persecute them for their ideology. It is a convenient accusation, because it helps to mislead public opinion. If communism were but an ideology trying to gain converts on its merits, like any other political party, no democratically minded person would try to suppress it. It is being fought and opposed because it is not merely an ideology, but a doctrine which aims at destroying the basic elements of civilized human society, and especially because it is the ruthless instrument of policy of an imperialist totalitarian power which exclusively controls and directs it. It is not being combated as an ideology but as the Soviet fifth column, which it undoubtedly is, and as the international means of Soviet penetration for taking countries from within.

If the Communist system held any attraction and had nothing to conceal, would it have to surround itself for 30 years by an impenetrable wall, behind which it enforces slavery and suppresses the four freedoms, while professing outside that it is more democratic than democracy and more liberal than liberalism? If it had any attraction for Christian civilization, would it not have been adopted by some at least of the nations neighboring on Russia during those 30 years of its existence?

Would it not have made some progress in those countries, instead of having to be enforced by secret police methods, by murders, deportations, beating, and arrests?

In view of the curious misconceptions created by war and war propaganda, by expediency, wishful thinking, appeasement, and politics, it is time to readjust our way of thinking and to restate the basic foundations of our Christian and democratic principles.

It is time to revert to logical thinking and to discard sentimentalism and opportunism which befog true realism.

It is time to realize that our civilization is directly menaced and that our choice lies between its survival or surrender.

The Housing Bill

EXTENSION OF REMARKS

OF

HON. WALTER B. HUBER

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. HUBER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Akron Beacon-Journal of June 16, 1948:

THE HOUSING BILL

There may be room for a difference of opinion over the merits of some of the provisions of the Taft-Ellender-Wagner housing bill.

But there could be no possible justification for refusal by the House Rules Committee to let the measure come to a vote on the floor of the House of Representatives. That danger exists, however.

The Republican leadership was surprised and displeased last week when the banking Committee over Chairman WOLCOTT'S opposition, approved the bill, including its provisions for public assistance to slum-clearance projects.

Senator TAFT, who was mainly responsible for Senate approval of the measure, has reminded his colleagues that it's going to be embarrassingly difficult to write a housing plank for the GOP platform if Congress has rejected his bill or has pigeonholed it.

On the other hand, Congress is under terrific pressure from the powerful real-estate lobby to kill the bill or emasculate it.

Our own view is that the bill ought to be passed. As a matter of long-range principle, we have agreed with Senator TAFT that some form of public assistance is needed to provide decent housing for people in the lowest income brackets—those for whom private interests can and will do nothing because there's no profit in it.

We have said that this ought to be deferred because of the inflationary boost that it might give all building costs. But if it is a question of passing the bill with public housing assistance included or passing nothing at all, we believe the bill should be passed. In that case, we would hope that an actual start of construction might be far enough off that the inflationary dangers would be minimized.

Other provisions of the bill, such as those extending Government insurance of private loans for home and rental building, are necessary if the momentum now finally being attained in the housing field is to be maintained.

Some Akron real-estate men have classified the Beacon Journal with Senator TAFT as being "too radical" on housing.

While we are always amused at the charge, we are anxious that their arguments be presented. Accordingly, we are printing at the bottom of this page a letter written last week to Senator BRICKER—and his reply. Mr. BRICKER, incidentally, differs sharply with his senior colleague on this issue. He voted against the T-E-W bill.

Hon. Orville Zimmerman

MEMORIAL ADDRESS

OF

HON. GEORGE W. GILLIE

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 17, 1948

On the life, character, and public service of Hon. ORVILLE ZIMMERMAN, late a Representative from the State of Missouri

Mr. GILLIE. Mr. Speaker, the death of Congressman ORVILLE ZIMMERMAN removed from public life one of the most colorful figures of the Agriculture Committee of the House, and his passing was a sustained loss to the Nation.

He believed in America and in her destiny with a passion that was the touchstone of his life. Orville seemed to grow in stature with each succeeding year. I have enjoyed many pleasant relationships with Mr. ZIMMERMAN since coming to Congress 10 years ago. He was a public servant in a very broad sense—loyal and sincere in the discharge of his self-assumed obligations. ORVILLE ZIMMERMAN will be remembered for the gentle traits of character which endeared him to his friends.

To his devoted wife and son, Joe, may the precious memories you cherish of your life together and of Orville's unselfish devotion to the highest principles sustain you now and in the days to come.

"Homeward serenely he walked with God's benediction upon him."

The Minimum Wage and the Dignity of Human Labor

EXTENSION OF REMARKS

OF

HON. CHARLES J. KERSTEN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. KERSTEN of Wisconsin. Mr. Speaker, when the Eightieth Congress came into session in January of 1947 it faced the accumulated legislative problems of 16 years accentuated by the deep dislocations following the most terrible war in history. Growing into that dislocation there arose and still exists the threat of a third world war. The first duty of the Congress has been to do all in its power to create the conditions for a permanent peace. The Eightieth Congress approached its major problem with courage and has acted with decision.

However, there remain certain domestic problems that bear on the happiness of the people of the United States. One of those problems is the minimum wage.

As a member of the Committee on Education and Labor, I have from the first been concerned about the establishment of a realistic minimum wage. The present minimum wage of 40 cents an hour is inadequate to make the minimum wage law effective. If we are to give force and effect to the principle of the minimum wage which has been established in our laws, the hourly rate should long ere this have been raised. In my opinion it should be at least 65 cents per hour.

As a member of the subcommittee that conducted hearings on the minimum wage, I had occasion to note the two lines of thought with regard to the principle. Those witnesses that appeared before our subcommittee who opposed the raising of the hourly rate were, it always turned out, really opposed to the principle of the minimum wage.

In questioning the many witnesses opposed to a raising of the rate, I always sought to ask a question of them as to whether or not in their opinion an employer had the right to pay as low a wage to an employee as he possibly could get by with. Many times I asked such witnesses whether they thought it was

within the definition of freedom to permit an employer to pay less than a living wage—to pay, for example, a killing wage. Those witnesses who did not evade such a series of questions would reluctantly admit that an employer should have the right to pay less than a living wage and therefore a killing wage. Now in my opinion, an employer is entitled to keep down his costs by paying rates of wages not higher than the rate that he is obliged to pay having in mind market conditions. But, on the other hand, there is a point below which he should not be permitted to go. That point is the rate of the minimum wage. When an employer is purchasing labor from individuals and paying wages therefor, he is in a different position than when he is purchasing material to manufacture his product. There is difference between buying human labor and buying a ton of steel or coal or a load of wood. There is nothing wrong in buying steel, coal, and wood at the cheapest price possible as long as undue advantage is not taken of the seller. But steel and coal and wood that is purchased is essentially different than human labor.

When an employer contracts with a workman whereby the worker becomes obliged to furnish his labor and talents in behalf of his employer, such a workman dedicates to his employer his only ability to provide the means of livelihood for himself and his family. The worker has a duty to provide his own means of livelihood and also to provide for his family. That duty of the workman gives him fundamental rights—the right to expect from one who engages his working ability the means of making a livelihood.

Steel and coal and wood have no duties or rights to provide a livelihood for other steel or coal or wood. Steel and coal and wood can stand in piles and even be forgotten with impunity. They are dead matter. But human beings who are employed are not dead matter. They are living beings with reciprocal rights and duties. Employees cannot be treated as blind or dead matter. As human beings, they are entitled to expect from their employers sufficient to permit them to live as human beings.

The minimum wage must be raised to a point so that the employer will pay at least that amount that would be minimum to permit the employee to live as a human being.

It is true that presently most wages throughout the country are considerably in excess of what the minimum wage would be. But this does not do away with the necessity of raising the rate of the minimum wage to a point where it would have meaning. The present rate of the minimum wage must therefore be raised. The recognition of the principle of a realistic minimum wage is only the recognition of the difference between purchasing human labor as distinct from purchasing material for a product. When a business enterprise buys material for its product, there is nothing wrong with bargaining, without taking undue advantage, for the cheapest price the market will bear. But when a business enterprise buys human labor it engages the only ability that an employee has to furnish a livelihood for himself and family. Employers must recognize this distinction. A ton of steel has no rights or duties; a human being has. Upon this same principle also rests the duty of an employee to do an honest day's work for a decent wage.

The Canadian Alaska Railway and Development Project

EXTENSION OF REMARKS
OF
HON. HOMER R. JONES
OF WASHINGTON
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. JONES of Washington. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following information relative to the Canadian Alaska Railway and development project. There are two measures introduced in the House germane to this national defense project, namely, House Concurrent Resolution 214 and H. R. 6954. The importance of this project to the national defense of our Pacific coast area and the Territory of Alaska is well expressed in a telegram from the Cordova Alaska Chamber of Commerce which states in part—

This chamber vigorously supports the passage of your bill authorizing the building of the Alaska Canadian Railroad before Congress adjourns this session. This bill is most important to the development and national defense of the Territory.

PRIMARILY DEFENSE PROJECT

The construction of the transcontinental railway from Seattle, the Puget Sound region and Vancouver, British Columbia, to Fairbanks, Alaska, and 26 Mile Army Airport, is first and foremost a national defense project of the first order and importance, as the only means of hauling large tonnages of freight over this roughly 3,000 mile route in the necessary short period of time regardless of cost and with maximum reliability.

LOWEST COST TRANSPORTATION

However, the railroad is also justified because it will furnish this vital defense service at one-third the cost of the nearest competitor, and at the same time will make possible the associated and equally important program for the development of the region through which it passes with its rich and widely diversified natural resources.

BUILDING A NEW EMPIRE

The railroad and its associated development company will be responsible for building a vast new empire reaching across western Canada and Alaska, commencing at once and continuing at an accelerated rate, producing defense materials and aiding the security of the North American continent, and indirectly the entire Western Hemisphere, due to its strategic location.

EFFECT ON EXISTING ALASKA RAILROAD

The development of the region tributary to the Alaska Railroad and its eastward extension so as to make it economically independent, will make the present Alaska Railroad self-supporting due to the increased volume of business which will accrue as soon as the connection is made with the transcontinental systems serving all of North America.

PAST EXPERIENCE OF GOVERNMENT DEPARTMENTS

On the basis of past experience of the various departments of the Government, including the Defense Department as well as private industry in Alaska, involving the delivery of men, equipment, supplies, food and munitions in quantities demanded by war conditions, estimated to be from three to five times present shipments to the interior of Alaska, makes the railroad a necessity.

POPULATION AND INDUSTRY NEEDED FOR DEFENSE

Experiences of World War II have indicated that population, industry, and the other products of civilization are essential to the defense of any region. It is desired to have the present population of 100,000 in Alaska increased to 1,000,000 as rapidly as practicable by colonization. The development of the natural resources by a railway company in cooperation with the Department of the Interior, which has found success impossible in an isolated unit, will make it feasible to reduce freight and passenger rates over the present Alaska Railroad and its eastward extension sufficiently to enable settlers to make a living. In British Columbia the railway will actively cooperate with colonization agents from Ottawa and London for the purpose of assisting the British Government to transplant as many as possible of the 12,000,000 excess population on the British Isles over and above the maximum number which it is possible to support there. No doubt some of these also can be interested in settling in Alaska.

THREE-PART DEFENSE PROGRAM

To summarize the three distinct interests of the Department of Defense in the proposed railroad and development program, they are—

First. The railroad for its purely transportation capacity.

Second. The development program for the population and improvements which it will bring as an aid to defense.

Third. The strategic products which will be produced in Alaska and in British Columbia for wartime purposes.

In other words, the complete program involving the construction of the railroad proper and the affiliated development of natural resources together with the increase in population through colonization in both Alaska and western Canada are of immediate interest and importance from the defense angle. This is for the reason that entirely undeveloped and unpopulated country is difficult if not impossible of being successfully defended.

RAILROAD ROUTE

The main route for hauling freight and passengers from northwestern cities tributary to Seattle will be over the Great Northern main-line tracks and the Northern Pacific inland route to Vancouver, British Columbia. From Vancouver the tracks will be laid 42 miles to Squamish at the head of Howe Sound

where the existing tracks of the provincially owned Pacific Great Eastern Railroad lead over the coast range of mountains to the Fraser River Valley 347 miles to the town of Quesnel, the present northern terminus. Present light rails will be replaced with standard heavy rails, and excessive grades and curvatures reduced to comply with main-line standards. From Quesnel the tracks will be extended, probably on the more favorable west side of the Fraser River to Prince George on the Canadian National Railway route from Edmonton to Prince Rupert, and about half way between those two cities. From Prince George the new railroad will be constructed 173 miles north up the Rocky Mountain trough to Finlay Forks and thence down the Peace River Valley, with one branch connecting with the existing Northern Alberta Railroad at Dawson Creek and the other at Hines Creek on opposite sides of the valley.

From Finlay Forks the main line will extend 172 miles north to Sifton Pass which is the north margin of stands of merchantable timber and also the north limit of sufficient existing freight business to enable private capital to finance the new construction work initially. From Sifton Pass the new route will follow down the Kachila and Liard Rivers to Watson Lake where it will cross the existing Alcan Highway from Edmonton to Fairbanks, built to serve Army air bases. From Watson Lake the route will follow up the Francis River to Pelly Pass and thence down the Pelly River to the point where a branch from the northeast called Ross River joins it. This has been designated the Pelly River crossing since it is here that the branch lines running southwest 175 miles to White Horse and the inland terminus of the existing White Pass and Yukon Railroad having a 3-foot gauge and connecting with Skagway, Alaska, and an arm of the Pacific Ocean; and a branch 350 miles long extending northeasterly to Norman near which the Imperial Oil Co. has 63 completed oil wells with 35,000,000 barrels of developed oil being held in reserve for defense needs. Here connection is also made with the Mackenzie River, Great Bear Lake, Great Slave Lake, and Slave and Athabasca River inland navigation systems.

It is 182 miles from Sifton Pass to the northern British Columbia border, 169 miles to Pelly Pass or the Arctic-Bering divide; 375 miles to Stewart River where the 80-mile branch line takes off for Dawson City and the Yukon River navigation system of use in the summer; 48 miles to the eastern Alaska border, thence continuing up the Ladue River and down the Tanana River Valley to 26-mile United States Army airport, a distance of 260 miles from the border; thence 26 miles to the city of Fairbanks, Alaska, where connection is made with the existing Alaska Railroad 358 miles north of Anchorage, Alaska, on Cook Inlet, a branch of the North Pacific Ocean, which never freezes over.

The above-described transcontinental railroad system and the 40-mile cut-off between Clinton about midway of the Pacific Great Eastern Railroad and Ashcroft on the Canadian Pacific and Canadian National railroads in the Fraser River Canyon, which will provide increased flexibility, will constitute a main line system 3,158 miles in length exclusive of 1 mile sidetracks for passing every 10 miles along the route, and exclusive of future extensions.

It is proposed to acquire and consolidate the Pacific Great Eastern Railroad and the Alaska Railroad, which is in process of being modernized, with the combined system. The White Pass & Yukon Railroad may also be acquired.

CAPITAL REQUIREMENTS

Based upon the survey information obtained the Corps of Engineers in 1942, and map distances along Peace River Valley and from Whitehorse to Norman, in advance of obtaining detailed survey information, the estimated construction costs of the main portions of the line together with their public and private financing sources are listed as follows:

	Private finance	Government finance
Vancouver to Sifton Pass and Peace River	$200,000,000	
Sifton Pass to Fairbanks and Dawson City		$225,000,000
White Horse and Norman Branches		125,000,000
Rolling stock for entire project	125,000,000	
Total construction cost, using standard 90-pound rails	325,000,000	350,000,000
Add for new shape 115-pound rails designed to avoid fractures	25,000,000	25,000,000
Total construction cost, using preferred 115-pound rails	350,000,000	375,000,000

Of the approximately one-half of the total capital investment proposed to be financed by the United States and Canadian Governments, it is anticipated that $100,000,000 would be a reasonable participation by Canada since the greater part of the total main line mileage of railroad lies in the Dominion and a large part of the resources development program also will be in Canada. If the Canadian treasury should be unable to furnish this amount in cash, it is believed that the Export-Import Bank would be willing to loan Canada her suggested proportion of the capital investment. This amortized over a period of years would not add materially to the Dominion budget annually.

REPAYMENT OF GOVERNMENTS' CAPITAL

Some Government officials are inclined to the belief that the Governments' capital investments for defense purposes would not necessarily be refunded. However, the railway company is willing to issue interest-bearing debentures to the Governments in the respective amounts of their investments with the understanding that during the defense period one-half the saving in freight and passenger transportation costs will be credited to the retirement of the debentures and that any remaining amount not so redeemed will be repaid by the railway company as earnings permit.

SAVING IN FREIGHT COSTS DUE TO RAILROAD

Based on 1947 tariffs, the combination steamship and Alaska Railroad average for carload lots was $69 per ton from Puget Sound ports to Fairbanks, Alaska. Based on the average charge of 1 cent per ton-mile for railroads in the United States and Canada during the year 1947, similar charges would be $19.55 per ton to Fairbanks, with an average starting point of one-third of freight at Vancouver, Prince George, and Finlay Forks, respectively. With present annual tonnage shipments the saving in freight charges alone would repay the total Governments' investment in between 5 and 6 years. Besides, more steamships would not help to develop the interior route which the railroad will follow and that is a vital factor even if steamship lines hauled freight free. It should be noted that the development program is expected to double the volume of freight hauled along the coast line by 1955 independent of present Government freight delivered along the coast which will not be disturbed by the railroad.

RELIABILITY

Train operation will be continuous through the 12 months of the year, but to make allowance for blizzards and other physical hazards it is assumed that it will be practicable to operate 90 percent of the time or 330 days per year. It would be impossible to approach this reliability of service with any other means of transportation. Experience of the last 2 years has indicated about 50 percent availability for the steamships due to labor troubles caused by subversive elements, which the railway brotherhoods have not experienced. In peacetimes there is a heavy loss of steamships and freight due to wrecks on rocky islands and on the North Pacific Ocean, which is very stormy. In wartime this loss is multiplied manyfold due to inability to obtain additional sea captains having experience in these waters. While admittedly there will be train wrecks, even though block signal systems and other modern safety measures are systematically employed, very little freight will actually be lost since most commodities will be reloaded on new cars and delivered with little loss or delay.

POSTDEFENSE PERIOD

When defense needs are over, not one cent of the railroad investment will be wasted in the transition to purely peacetime traffic of Government agencies and commerce. It is planned that during the intervening period the development program will be gaining momentum so that by the time defense traffic tapers off the total tonnage handled monthly will continue to increase unabated, thereby assuring the financial success of the project as a whole.

CONSTRUCTION PERIOD

The minimum construction period is 2 years and is predicated upon an early determination of the Government's policy so as to utilize fully the 1948 construction season. It also depends upon securing the use of large quantities of Government-owned grading and excavating equipment now located in Alaska, as well as such new construction equipment as can be purchased, and other equipment owned by large contractors who will be interested in taking suitable portions of the mileage which they can complete within the 2-year period.

About one-third of the steel rails and bridge steel will be purchased in Canada, thereby relieving the load on United States steel plants and mills to that extent.

ALASKA RAILROAD REHABILITATION

The present rehabilitation program for the Alaska Railroad would be carried to completion under Government appropriations as planned, so that modernization will bring annual maintenance and operation charges within current railroad practice and within the range which it will be possible for the Canadian-Alaska Railway Company to pay.

COMPLETE PROGRAM

At the present time, when economic conditions are considered propitious, the private financing has been predicated upon completing the entire railroad and development picture so that ample revenues can be accurately predicted from all sources, rather than leaving a part until a later period when additional private financing might be impracticable due to changed economic conditions. Maintaining estimated rail revenues with the very low rates contemplated are dependent upon the completion of the main lines to Fairbanks, Norman, and White Horse as listed. Unstable political conditions increasing throughout the world also indicate the earliest possible start on construction.

Floods in Columbia River Basin

EXTENSION OF REMARKS
OF
HON. WESLEY A. D'EWART
OF MONTANA
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. D'EWART. Mr. Speaker, while considerable public notice has been attracted to the dramatic floods in the Columbia River Basin, a no less serious condition, though less widespread, has developed in the upper Missouri River Basin in my congressional district.

Unseasonably warm weather, rain in the mountains and rapidly melting snow in the past few weeks raised the Upper Missouri to flood stages and inundated several thousand acres in the vicinity of Great Falls, Mont. About 40,000 acres were under water along the Missouri southwest of Great Falls, and about 10,000 acres in the Sun River Valley. Many families were forced to leave their homes, and I am glad to report that the Red Cross and the Army were on hand to assist them.

It is fortunate that the Public Works Committee at my request a year ago authorized a study of the Sun River by the Army Corps of Engineers. Colonel E. H. Walter, the very able district engineer at Fort Peck, Mont., has scheduled a public hearing on this resolution in Great Falls on June 30. We are fortunate to have forseen the danger in the Sun River, and to have put the machinery in motion as we did a year before the floods struck. The public hearing at Great Falls should develop a great deal of worth-while information which will enable us to control future floods and to prevent further damage.

Meanwhile Government assistance is available in certain cases to repair local flood control structures, the RFC can assist individual farmers with disaster loans and we are going to do everything we can to recover quickly from this blow. I hope that in any legislation or any actions of Federal agencies intended to help the victims of this spring's floods, full recognition will be given to our problem in the Missouri Valley as well as to the Columbia Basin.

Appropriations for Foreign Relief

EXTENSION OF REMARKS
OF
HON. JOHN TABER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. TABER. Mr. Speaker, in this final consideration of the appropriation for foreign relief, I would like to give the House a recapitulation of the situation. It has been discussed before but it will bear repetition. We have provided more than ample funds in the House bill for an efficient and business-like administration of the foreign-relief program. The estimates submitted to us include the following items which very manifestly are not needed:

First. To pay the debts of the beneficiary countries to the United States and its agencies, $288,000,000. This is a demoralizing policy and will only lead to the expectation of a forgiveness on the balance of the debt.

Second. Large items are carried for grain shipments to recipient countries at a time when crop reports submitted to us by the Department of Agriculture—appearing on pages 389 to 389c of our hearings—indicate that those nations will have, in most cases, enough grain to take care of their needs. The Department of Agriculture stated on the 12th of this month at New Brunswick, N. J., through Nathan Koenig, assistant to the Secretary of Agriculture that shipments would be reduced 20 percent on July 1, 1948. In the justifications, however, it was indicated that more grain would be shipped in the next fiscal year than had been shipped in this. The saving resulting from a realistic consideration of this item will amount to more than $300,000,000.

Third. The program calls for shipping tobacco to the tune of $110,000,000. In the words of Senator CONNALLY, "When did tobacco become an edible item?"

Fourth. If the House bill is followed, the saving on farm machinery and tractors would be $30,000,000.

Fifth. On trucks, which they can manufacture in sufficient quantities themselves, the savings would be at least $50,000,000.

Sixth. If the amount of cotton shipped overseas is restricted to what can be used judiciously, the saving would be $170,000,000.

Seventh. If Mr. Paul Hoffman and Under Secretary of the Army, Mr. William Draper, will cooperate with the American experts on steel production who are available for conference on these matters, steel production in Germany can be stepped up to 1,000,000 tons a month and we can save $327,000,000.

These items make a total of $1,275,000,000.

Those are just a few of the very obvious savings which can be made in the interest of prudent administration. There are probably six hundred to eight hundred million dollars of loose items that are not specified that should provide a field for saving without impairing the purposes of the program.

Our critics have never intimated that they had any idea of what the money might be used for specifically. They prefer to talk in generalities. But this is too vast an outlay to appropriate in a hit-or-miss fashion. The House funds are ample to provide an honest and efficient administration.

One of the most devastating blows at the ultimate effectiveness of the ECA program was struck when Donald Stone was transferred from the Bureau of the Budget and placed in charge of administration activities. We, in the Appropriations Committee, are well acquainted with Mr. Stone, and his penchant for increased budgets and increased spending. In all the years he has appeared before us I cannot remember him making a constructive contribution to the efficient administration and management of any governmental agency.

Then followed the appointments of Mr. Averell Harriman and Mr. William Foster, neither one of whom gave the Department of Commerce a competent administration and who shielded and kept on the pay roll some of the more obnoxious Wallace appointees.

On May 26 Mr. Paul Hoffman announced the appointment of Virgil L. Couch as director of personnel. Assisting Mr. Couch in selecting the staff of this new agency is Samuel S. Board. Both these men have the same background. Both are graduates of the Farm Security Administration and the Resettlement Administration under Rexford Guy Tugwell and Calvin B. Baldwin, better known as "Beany" Baldwin. So that you may fully understand these implications, "Beany" Baldwin is currently the manager of Henry Wallace's Presidential campaign.

Now the question revolves itself as to who is running ECA? Is Paul Hoffman doing so or is "Beany" Baldwin running it by remote control?

Such a personnel situation as I have described would make any intelligent, honest American distrustful of the whole enterprise. The only hope we have now for the successful administration of this agency is for the Congress to keep the appropriation at a figure which will force these people to curb their fancies, and put the demand for a prudent administration squarely up to Mr. Hoffman.

Under the circumstances, there is no justification for the Congress to give this organization license for unbridled spending. It would be a grave injustice to the people of this country; it would bring about the ultimate destruction of the program itself.

The Atom on the Farm

EXTENSION OF REMARKS
OF

HON. JAMES E. VAN ZANDT
OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. VAN ZANDT. Mr. Speaker, atomic energy is generally considered from the standpoint of military use and many people have little or no idea of the vast effort being directed to make the atom beneficial to mankind.

Among the various phases of atomic energy research, the field of agriculture presents an interesting chapter.

Several million dollars a year are being spent on atomic energy research in agriculture, and every farmer in America, by paying taxes, is a contributor to this vast sum. He, therefore, has a right, as does every other American, to know how this money is being used. He has the right to expect some return on this money which will benefit him either directly or indirectly, and he also has the right to know what is being done to make such a return a reality.

In agriculture, the use of radioisotopes, which are atomic energy byproducts, is expected to provide future dividends for the farmer. These radioactive elements are variations of common elements, such as phosphorus, calcium, and sulfur, and they differ from them in only one respect. As they disintegrate they give off alpha, beta, or gamma rays at a rate that is characteristic of the element and their radioactivity can be detected accurately with an electronic detecting device, even in the most minute quantity. An infinitesimal amount of any one of these elements can be followed through a complicated series of actions in all kinds of biological, chemical, and physical processes. For example, if we are interested in the way phosphates behave in the soil and how they are utilized by plants, their movements can be traced from the soil into the root system and on into the plants, the leaves, and fruit. The introduction of small quantities of a radioactive element into the soil makes it possible to follow the element as though it were a microscope peering into the inner recesses of the plant's system. The use of radioisotopes enables the research worker to probe deeply into the processes by which plants develop through absorption of food and water.

For more than a year the United States Department of Agriculture, Bureau of Plant Industry, Division of Soils and Agricultural Engineering and several cooperating State agricultural experiment stations have been conducting extensive tests with radioactive phosphorus to study the action of phosphate fertilizers in the soil. It is important to understand that through these tests agricultural scientists will be able to learn how various crops utilize materials in the soil as food. The knowledge thus gained can then be applied to the manufacture of fertilizers of proper composition suited to the needs of individual crops. It also will be possible to understand how such manufactured plant food should be applied to gain maximum utilization on specific crops.

The experiments under way at Department of Agriculture test stations are expected to bring about changes in the production of fertilizer and its use, but it is important to realize that the use of radioactive materials does not enhance the fertilizer. Radioactive materials are used only in research and will not be incorporated in commercial fertilizer.

In 1947 preliminary experiments were conducted with radiophosphorus which indicated that different crops utilize phosphate fertilizers in different ways. Tests were conducted with corn, cotton, and tobacco grown on the same soil which contained 71 pounds of readily available phosphate. They were treated with fertilizer containing 80 pounds of phosphoric acid which was placed in bands. When the plants were first sampled, during initial growth, it was learned that 65 percent of the phosphorus in the corn and tobacco was from the fertilizer. A sampling of the cotton at the same time indicated that only 45 percent of the phosphorus was from the fertilizer. Another sampling of the plants at maturity was made and it was discovered that the fertilizer phosphorus in the cotton and tobacco was 35 to 45 percent, respectively, whereas only 15 percent of the phosphorus in the corn came from the applied fertilizer.

In 1947, cotton was grown also on soil containing 140 and 216 pounds of readily available phosphorus. The cotton grown on the least fertile soil derived 30 percent of its phosphorus from fertilizer, whereas only 7 percent of the fertilizer phosphorus was utilized by the cotton on the most fertile soil.

Field trials with potatoes were also made in 1947. Two rates of fertilization were used and the results of the experiments showed that increasing the rate of phosphate fertilization substantially increased the proportion of fertilizer phosphorus in the potatoes as in cotton and tobacco.

The significance of the 1947 preliminary trials was very encouraging to the Bureau and it is continuing experiments with phosphorus in 1948. Present tests are being made to: First, compare the relative effectiveness of different sources of phosphate material; second, demonstrate the relative effectiveness of different placements of fertilizer; third, establish possible relationships between growth responses and uptake of phosphorus by plants; and fourth, indicate the differences between crops in the utilization of native and applied phosphates. The 1947 experiments were conducted in North Carolina, but in order to give comparisons on many different soil types, the 1948 tests are being made in Colorado, Iowa, New York, North Carolina, and Georgia on 12 different crops. The soil types will be representative of the Eastern, Midwestern, and Western States.

The crops being covered in the 1948 experiments are: Soybeans, potatoes, cotton, corn, tobacco, pasture vegetation, oats, clover, sugar beets, and alfalfa seeded with barley. Utilization by plants of phosphorus in green manures and the differential response of corn hybrids to phosphate fertilization will also be studied. Soil types to be utilized are: Bayboro loam of both low and high phosphate rating; Norfolk sandy loam of medium and low phosphate rating; sandy loam soil with varying percentages of phosphate, with or without high lime; Cecil clay loam; sassafras silt loam with low and medium phosphorus levels; Mardin silt loam with low phosphorus fertility; and Clarion loam low and Clarion loam medium with available phosphorus.

In order that there will be conformity and control of the radioactive fertilizers used in its many field plots, the Division of Soils of the Bureau of Plant Industry has assumed the responsibility of the preparation of all materials for the field investigations.

The Bureau of Plant Industry will not speculate at this time on what effect such differences as indicated in early tests will have on fertilizer production and use, but it is continuing its experiments in order that it may check and double check its findings on many soil types with a variety of crops.

At the conclusion of each experiment, the Bureau of Plant Industry and the cooperating States critically evaluate the results to determine the validity of the interpretations presented by the study, the value of each program, and the direction indicated for further work. When substantial information becomes available, it may be that research involving the use of radioactive elements will improve present methods of fertilizing farm land. The value of the experiments cannot be overestimated and, in the long run, the value to the farmer may be inestimable.

Many other agricultural experiments are in progress at research institutions throughout the United States. For example, at Ohio Agricultural Experiment Station, Wooster, Ohio, radiophosphorus and radiochlorine are being utilized to study the action of phosphate and chlorine in growing plants. At the University of California radiosulfur is being used to determine whether or not sulfur used as insecticide or fungicide is producing physiological injury on citrus plants. Workers at the University of Florida are studying the effects of small amounts of minerals on the growth of pastures and on the cattle grazing on treated pastures. The University of Pennsylvania is conducting studies in photosynthesis, which is the process carried on in green plants which utilizes the energy from sunlight to build carbohydrate material from carbon dioxide and water.

Another agricultural research project was inaugurated in March when the Atomic Energy Commission announced that it had made a grant to the Department of Agriculture to study the influence of radioactive materials on plant growth. The new project is intended to find facts about the effects of radioactive materials used in fertilizer appli-

cations, not as tracers to measure the effects of fertilizer materials, but as a direct influence on the fertilized crops.

Many experiments in Europe and America have yielded conflicting and confusing results about the beneficial effects of radiation on growing plants. The present study is intended to attempt to establish the accuracy of the beneficial effects, if any, of radioactive materials on growing plants. The objective of the research is: (1) to measure the effect of additions of radioactive materials to soil and fertilizer on the growth, maturity, yield, and composition of various representative crops; (2) to determine the influence of low activities of alpha, beta, and gamma radiation on the germination of seed and the growth and vigor of seedlings; and (3) to ascertain the influence of the radioactive material on the number and activity of the bacteria and other soil microorganisms.

There will be 30 crop stimulation experiments with 20 crops at 19 different locations in 14 States. Crops to be studied are: Sweetpotatoes, cotton, corn, soybeans, oats, alfalfa, tomatoes, beets, beans, spinach, lettuce, potatoes, lespedeza, peanuts, ladino clover, carrots, wheat, barley, sugar beets, and field beans. However, to avoid premature speculation about the possible results of these experiments, the Atomic Energy Commission and the Department of Agriculture do not propose to make public anything on the results until all experiments are completed and the data carefully analyzed and evaluated.

The use of radioactive materials by farmers is not recommended by the Atomic Energy Commission or the Department of Agriculture on the basis of present knowledge. Many important questions must be answered before the exact influence of radioactive materials on plant growth is known.

All of the experiments previously mentioned are time-consuming. Laboratory work is painstaking work. The agricultural technician must check and recheck his findings. He must evaluate them and he must apply his results to actual conditions over several growing periods. Then it is necessary for the manufacturer of commercial fertilizers to learn how to utilize the knowledge gained by the scientist to produce better materials and how to organize his plant for such production. After all these steps have been successfully accomplished, the farmer will then be able to apply to his own needs the knowledge gained through years of experimenting with radioactive materials.

It is not possible, in such a limited space, to make an adequate presentation of the extensive and excellent work which is being carried on in agricultural research using atomic-energy materials. It is possible to visualize a future that will be brighter for the farmer as the result of such experimentation. However, the eventual dividends which may accrue to the farmer will more than repay him for his present investment in the development of atomic energy.

Sale of Livestock

EXTENSION OF REMARKS
OF
HON. HENDERSON H. CARSON
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. CARSON. Mr. Speaker, the purpose of the proposed legislation is twofold:

A. PURPOSE OF PROPOSED LEGISLATION

First. To make sure that dairy cattle held over 6 months by real dairy farmers are treated as capital assets so that gains from their sale will be taxed at a maximum rate of 25 percent.

Second. To avoid any contention that calves, after their birth, had not been held for more than 6 months when they were the offspring of cattle which had been so held.

B. NECESSITY FOR THIS PROPOSAL

1. The Revenue Act of 1942

By reason of section 117 (j) of the Revenue Act of 1942 gains on sales of property used in the trade or business are taxable like capital assets held for more than 6 months at a maximum rate of 25 percent, providing that such property is (a) of a character subject to certain allowances for depreciation (dairy cattle admittedly are); (b) held for more than 6 months; (c) not properly includable in taxpayer's inventory; (d) not held primarily for sale in the ordinary course of taxpayer's trade or business.

2. Interpretations of section 117 (j)

The Commissioner first ruled that livestock used for draft, breeding, or dairy purposes were "property used in the trade or business" within the meaning of section 117 (j) even though, for tax-computation purposes, a farmer might be permitted to include them in his inventory (I. T. 3666).

However, the Commissioner later ruled that only those gains from sales of such livestock which reduced the normal size of the herd were provided for by section 117 (j) (I. T. 3712).

In this later ruling, the Commissioner took the position that the offspring of the breeding herd were "property held by the taxpayer primarily for sale to customers in the ordinary course of his trade or business," and that any sales of cattle which did not reduce the herd below its normal size were likewise sales of property held primarily for sale in the ordinary course of business.

There have been no rulings on the question as to whether offspring of cattle held for more than 6 months are to be regarded on their birth as property "held for more than 6 months" within the meaning of section 117 (j). However, the Commissioner might make a technical contention that the calf had no legal existence prior to its birth, so that it could not be held until that time, notwithstanding ownership of its mother during a period prior to that time.

For example, with regard to a patent applied for, and later issued, the Commissioner took the position that, since the patentee had nothing but an inchoate right prior to issuance of the patent, he could not, for tax purposes, be said to have held anything prior to that time. The court recognized the soundness of the Commissioner's contention that the patentee had only an inchoate right until the patent was issued, but pointed out that, in reality, such an inchoate right might have a very substantial value and that he certainly held something of value within the meaning of the tax statutes even prior to the issuance of the patent. *Commissioner* v. *Stephens-Adamson Mfg. Co.* (51 F. (2) 681 (C. C. A. 7–1931)).

C. JUSTIFICATION FOR PROPOSED CHANGES

1. Treatment of dairy cattle as "property used in trade or business" as defined in section 117 (j)

The Commissioner's later ruling ignores the nature of the dairy business and the reasons why, without reducing the normal size of his herd, a dairy farmer may have cattle available for sale.

The availability for sale by a dairy farmer of cattle, whose sale will not reduce the normal size of his herd, can be caused by only two factors:

First. The birth of calves.

Second. The purchase of cattle to replace cattle already in the herd.

With regard to the latter factor, it is difficult to understand how the purchase of capital assets to replace other capital assets can change the character of the replaced capital assets from capital assets to "property held by the taxpayer primarily for sale to customers in the ordinary course of his trade or business."

If a dairy farmer has a herd of 10 cows and he buys two more and then sells two, the two sold are obviously capital assets which have been replaced by capital assets. If, instead of buying two and selling two, he buys four and sells two, then it would also seem clear that he has bought four capital assets and sold two capital assets, increasing the size of his herd from 10 to 12. If, instead of buying four and selling two and so increasing the size of his herd to 12, he merely buys 2 to accomplish that purpose, then clearly, if he sells all 12 the next year the sale of those 12, even under the Commissioner's ruling are treated as the sale of capital assets.

It is submitted therefore, that the Commissioner's later ruling cannot make any sense, unless it is limited to those sales which are attributable solely to the birth of calves.

However, the business of producing milk and dairy products requires the annual "freshening" of dairy cows. Thus, a dairy cow, used in the production of milk and dairy products, must give birth to a calf approximately once a year. The principal purpose of a dairy farmer in having calves is not to have them available for sale—it is to enable him to secure milk from his cows. After a few years, however, these cows, admittedly his "capital assets," are no longer usable for the production of milk. The calves represent nature's way of creating and replacing the dairy farmer's capital assets.

The reasoning of the Commissioner's later ruling is therefore unsound, insofar as dairy cattle are concerned. Whether or not a sale of dairy cattle results in a reduction in the normal size of the dairy farmer's herd, the cattle sold are certainly "property used in the trade or business" of the dairy farmer. As pointed out in the Commissioner's earlier ruling, which is not affected on that point by the later ruling, such cattle are not "property of a kind which would properly be includible in the inventory of a taxpayer" even though, for tax computation purposes, a farmer is permitted to include them in an inventory. If the principal business of the dairy farmer is the production of milk and other dairy products, it would seem clear also that the Commissioner was wrong in resting his later ruling on the premise that sales of dairy cattle which did not reduce the normal size of the heard, were sales of "property held by the taxpayer primarily for sale to customers in the ordinary course of his trade or business." In the case of calves, such property would be held because the taxpayer had to have them to get from his cattle the milk and dairy products which it was his business to produce. In the case of other cattle, it is difficult to understand how their character as capital assets can change merely because they happen to be the animals chosen for sale rather than those retained.

2. Treatment of calves after birth as property "held for more than 6 months," where they are offspring of cattle held for more than 6 months

The normal period of gestation for a calf is approximately 280 days, which substantially exceeds 6 months. Courts have frequently recognized unborn calves as being proper subjects for contracts as to their ownership (2 Am. Jur. 704). It is common practice to have calves bought and sold prior to their birth. When a cow, which has been "held" by a farmer for over 6 months, drops a calf, it is obvious that the calf has likewise been "held" for over 6 months.

3. Administrative advantages

The proposed changes in the law apply only where the principal business of the taxpayer is the production of milk and other dairy products. Its benefits would not be available to a taxpayer whose principal business is producing cattle for sale.

Hon. Paul Cunningham, of Iowa

EXTENSION OF REMARKS
OF
HON. J. HARRY McGREGOR
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. McGREGOR. Mr. Speaker, it has been my privilege to serve as a member of the Subcommittee on Roads of the Public Works Committee under the capable leadership of the subcommittee chairman, the Honorable PAUL CUNNINGHAM, of Iowa.

Congressman CUNNINGHAM's record is outstanding in his endeavors to see that the taxpayers of the Nation are given a road program commensurate with the dollar expenditures. I recognize the tremendous pressure under which he has been working and even in these trying times his gracious and courteous treatment to all parties concerned is an example of true statesmanship.

Chairman PAUL, as he is known to all of us, has the ability to analyze legislation and associate with it the needs of the day. His leadership in bringing about compromise between groups of varied differences and needs clearly demonstrates his ability as a leader and statesman. It has been a pleasure to serve with him.

Civil-Rights Legislation

EXTENSION OF REMARKS
OF
HON. LAURIE C. BATTLE
OF ALABAMA
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. BATTLE. Mr. Speaker, a great deal has been said about the so-called civil-rights legislation in this session of Congress.

People who are genuinely interested in better race relations instead of political expediency will be interested in this timely editorial which appeared in the Richmond Times-Dispatch on Friday, June 4, 1948:

LAWS DON'T CHANGE HUMAN NATURE

The Times-Dispatch gave two pages in its Sunday Our Times section on May 9 to aspects of racial segregation as practiced all over the South. This went deeply into the whole subject, with articles not only on segregation laws as they agree and differ in the Southern States, but also their application and varying degrees of enforcement.

It is interesting along with this to consider the question of segregation and discrimination as practiced in the North. A survey of the subject was made recently under Arthur Katona, Michigan State College, in a Michigan town, and the results are presented in the May issue of Social Forces. Every effort was put forth by Mr. Katona and the sociologists working under him to make this study accurate and definitive. It was felt that a sampling poll, such as Dr. Gallup's, was not just what was wanted, and a small town was chosen so that research workers could study personally every service agency in the town and make close checks elsewhere in the area on initial findings. The interviewer method was used in every known way, direct and indirect, formal and informal, written and oral, casual and concerned, open and concealed. This was supplemented with observation, participation, case study, and even experiment. One researcher took a lead from Gentleman's Agreement and posed as a Negro.

The results may be somewhat startling to people, North and South, who take it for granted that the racial-discrimination shoe is all on a southern foot.

The four hotels in the Michigan town, the tourist camp and 29 out of the 30 rooming houses will not rent to Negroes. None of the five dance places will admit them. The beauty parlors will not take them under any circumstances, and only one barber shop will serve them, and that only after hours. Out of 20 restaurants, only 7 will serve Negroes, and although the 5 drug stores will fill their prescriptions, only 1 gives fountain service, although 1 other will give such service if no white people are around. Of the 12 taverns, 11 refuse to serve them, 3 out of 4 poolrooms will not let them play, and the bowling alley will do so only in off hours. The swimming pool, although municipally owned, will not admit Negroes at any time. The department stores and 5-and-10-cent stores will sell to them, and the dress shops sell, but will not permit trying on. In the three shoe stores, two will seat them but tell them the store is out of the desired size. The children's store will not sell at all.

The hospital in this Michigan town accepts colored patients, if it has to, but segregates strictly. Most of the nurses are prejudiced, and one absolutely refuses to treat Negro patients, declining to show up for duty when colored patients are in. The hospital does not hire colored personnel, and the majority of the nurses indicated they would quit if a colored nurse was hired. Of the 10 doctors in the town, one would not take colored patients. All eight dentists professed to serve Negro patients, but two of them only after hours and a Negro checkup revealed that one would not serve at all. In the 10 churches, Negroes are permitted to attend divine service, but are omitted from choir singing and social activities. All six lodges refuse to admit Negro members.

Employment opportunities are meager, and only in the most menial service and unskilled-labor class. Even such jobs as waiters and waitresses are not open to Negroes. One businessman, when questioned about this, said: "It can't be done in this town; people won't come to your place of business."

Note that in the particular Northern State in which this survey was made there is a law against racial discrimination, carrying a heavy fine and prison sentence for violations. When researchers mentioned the law, a wide variety of replies were received, ranging from the belligerent businessman who said, "I would rather pay the fine than have Negroes patronize my store," to the tavern keeper who said grimly that he paid for protection, and what he paid wasn't peanuts. The average merchant simply threw up his hands: Law or no law, it was a matter of self-preservation, he said; they would not be patronized by white trade if they catered to colored, and would go broke.

Not the least interesting sidelight thrown on northern racial relations by this survey is the prevalent use of the word "nigger"—a term now generally frowned on in the South. The researchers found that "Negro" or "colored people" was exceptional and that "nigger" was the term habitually used by everyone. Moreover, the survey is dotted with references to Negroes in terms ordinarily associated with the short stories of Erskine Caldwell and unquotable in a family newspaper.

A further striking point is the constant recurrence of stock phrases referring to the Negro's "place." "The nigger knows his place here and we know ours," a banker said, and similar remarks turn up constantly throughout the survey. A frequent comment has to do with education: "It is ridiculous to try to educate a nigger," one man put it, "most of them are too big for their pants anyhow." The police, who were found to be hard on Negro lawbreakers, are quoted as saying: "Well, I'll tell you, we keep this place all taken care of and believe me, them niggers know who is on top around here. We just ride close herd on them. * * * I've been a policeman for years and I tell you you can't give 'em an inch."

So it would seem that laws are not the answer. In the North, where strict laws have been passed making segregation and discrimination illegal, punishable by heavy fines and imprisonment, they are evaded and

ignored. In the South, where strict laws have been passed making segregation compulsory, they are often evaded and ignored. A citizen of Mars, reading our law books would undoubtedly say that all the racial discrimination is in the South, and the people who think everything is going to be rosy in the garden as soon as a civil rights bill is passed, would seem to know as little about it as a citizen of Mars.

The Draft Compromise

EXTENSION OF REMARKS
OF
HON. AIME J. FORAND
OF RHODE ISLAND
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. FORAND. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the New York Times of Saturday, June 19, 1948:

A LIMIT TO DRAFT COMPROMISE

Whether Congress will pass a selective-service bill before scheduled adjournment tonight is still uncertain. If it is a question of accepting a gutted, delayed-action bill such as the House voted yesterday morning, 283 to 130, or not adjourning, then adjournment must not be taken. Congress either should pass a bill that will provide the men needed by the armed services, and that will provide them as soon as the draft machinery can be set up, or it should come back between the political conventions, or after them, and stay in session until such a bill is fought through both Houses.

There was talk in the corridors yesterday afternoon of a compromise between the House and Senate measures that congressional leaders believed could be put through before midnight tonight despite the threat of a Senate filibuster. There were varying reports as to just what it was. It seems to us that there has been enough compromise now with the necessities of the situation in the Senate bill which provides for an immediate start on the setting up of draft machinery—which will take 2 or 3 months, defense officials say—and 2 years' service for inductees. If some further concessions can be made that do not destroy the basic purpose of the bill, which is to provide men immediately, then perhaps that would be better than waiting several weeks for a better bill. There is a limit, though, beyond which the bill should not go. No congressional desire to pack up now and take to the hustings can be humored if it means acceptance of an unacceptable compromise.

The draft bill that the House finally passed is about as bad a bill as can be imagined. The amendments tacked on to the measure on Wednesday and Thursday's sessions were allowed to remain when the bill came up for final vote, including the Coudert amendment to provide for only 1 year's service, the Shafer amendment delaying the draft until next January 31 and a third crippling clause that would permit prospective inductees to avoid the draft by enlisting in the National Guard or an active Reserve organization for 6 years of periodic training. None of those three House-voted clauses should remain in any compromise measure. Together they make a mockery of the bill.

It is a sad spectacle that Congress has made of itself on selective service. Where to place the blame is clear. It rests on the Republican leadership in the House that permitted its Rules Committee to bottle up the bill for 5 weeks, apparently in the hope that exactly what is happening would happen—either that no bill at all would be passed or one that was so watered down that the effect would be the same. If, because of that, an attempt is made today to push through an unworkable compromise then these House leaders will have forfeited the respect and the support of their fellow citizens. For they have been gambling with the security of all of us.

Additional Billions for European Relief

EXTENSION OF REMARKS
OF
HON. HUBERT S. ELLIS
OF WEST VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. ELLIS. Mr. Speaker, just why some of the people around Washington are fuming and shouting for additional billions for European relief is beyond understanding.

While the Congress has been debating the Marshall plan, and the amount of money it should have, merchandise and commodities of every description purchased with the American taxpayer's money has been rolling out of this country through other channels in amounts that stagger the imagination.

When viewing this performance, we wonder if the people who are running the affairs of this Government are just plain nuts. According to Leslie Gould, financial editor of the New York Journal-American, in the first 3 months of this year—without the Marshall plan, ERP, ECA, and so forth—the United States made $1,400,000,000 in grants and loans, plus $200,000,000 in World Bank loans, plus $400,000,000 in private American loans. A grand total for 3 months of $2,000,000,000, or at the rate of $8,000,000,000 a year.

This $2,000,000,000 in grants and loans—which in the end will probably prove to be one and the same—gifts—paid for the difference between approximately $4,500,000,000 in American goods and food shipped abroad, and imports of $2,500,000,000 by America in this period.

Incidentally, these so-called grants and loans in the first quarter were exactly double those of the preceding quarter, which included Christmas. Also, in the Christmas period, the foreign nations bought $400,000,000 more American goods than they did in the first 3 months of this year.

It is obvious why the $400,000,000 less purchases—why pay when you can get it free by waiting a few months?

The House trimmed the appropriations for foreign aid under the ECA program by extending the period of the grants from 12 to 15 months and by reductions. In doing this, the House acted entirely within its rights, as well as the terms of the original authorization which stated:

Nothing in this title is intended nor shall be construed as an expressed or implied commitment to provide any specific assistance, whether of funds, commodities, or service, to any country or countries.

At the time a Member of the upper body said:

I say again—as I have said so many times before—these recommended figures are not sacred. I do not undertake to demonstrate that the resultant 12-month figure of $5,300,000,000 in the bill is precisely accurate. I have no sympathy with any take-it-or-nothing attitude.

Now, a few months later, that same Member is shouting and pounding the table that the House's action is in bad faith.

Under the House proposal $5,055,000,000 would be spent in 12 months or $5,600,000,000 in 15 months. The Senate has restored most of the House cuts and voted $6,125,000,000 for 12 months' spending.

There is a limit to how much this country can give away. There is a bottom to the barrel unless we are to reduce ourselves to the substandard levels of Europe. If this country weakens itself economically, there is no country in the world to come to our assistance. And if any of them could, would they?

This enormous export of goods will continue high prices and make merchandise and commodities scarce in the American market. Those of us who have continually opposed these huge grants to foreign countries have constantly given these facts to the Members of this House. Those of you who have voted for all these loans and gifts are going to be very much embarrassed when you go back home and are questioned about increased pay for Federal workers, aid to education, improvement of social-security payments, the high cost of living, and many other things.

John Marshall Robsion

MEMORIAL ADDRESS
OF
HON. CHAUNCEY W. REED
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Monday, May 17, 1948

On the life, character, and public service of Hon. JOHN MARSHALL ROBSION, late a Representative from the State of Kentucky

Mr. REED of Illinois. Mr. Speaker, JOHN M. ROBSION will long be remembered by those who served with him in the many Congresses of which he was a Member. His courage and independence won for him the admiration of his colleagues; his courtesy and kindly bearing, their esteem; and his profound knowledge of the law, their respect.

He was a most valuable member of the Committee on the Judiciary. During many of the tedious and exacting hearings of our committee he contributed by advice, argument, and searching questions to witnesses in a very substantial way toward obtaining the information necessary to the proper formulation of many laws. He was intensely interested in the revision and codification of the United States statutory law—a project

that has progressed materially under his leadership. Our committee has, indeed, lost one of its most faithful, energetic, and conscientious Members. Kentucky has sent many distinguished statesmen to represent it in Washington. JOHN M. ROBSION measures up conformably with them all. A man of lofty principles, he hewed his course and followed it to the end. He kept the faith. And when the inevitable messenger with the inverted torch beckoned him to depart, he passed on to be crowned with the triumphant benediction, "Well done, good and faithful servant; enter thou into the joy of thy Lord."

World Conditions

EXTENSION OF REMARKS
OF

HON. EUGENE J. KEOGH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. KEOGH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address by Hon. James A. Farley at the luncheon of the Executives' Club of Chicago, Sherman Hotel, Chicago, Ill., on May 7, 1948:

WORLD CONDITIONS

It is reassuring to know that in this Year of Our Lord, 1948, men like you in every corner of these United States have become thoroughly realistic in the knowledge that we cannot isolate ourselves from the other people of this world. We are at long last acutely aware that their economic and political problems today may become our calamities tomorrow. We know that without a return to political stability and sound economic intercourse on a world basis peace will be impossible.

Three fears grip the world at the present time: War, communism, and the atom bomb. And, of all the peoples of the world, we Americans are the most firmly held in the grip of these three fears. What they have done to our national outlook is extremely disturbing.

Just turn your memories back to the years of 1939–40 and recall that according to the polls 85 percent of the American people were determined that we should not enter the war. Recall, if you can, how shocked most people were at the demands of a few extremists for American entrance into the conflict at any time before Pearl Harbor. Today, these same polls show that a majority fear a war is inevitable within 10 years. And, I doubt if there is a person in this room who has not heard, as I have, the belief or the feeling expressed by some people that "we might as well have the war now and get it over with before Russia gets the atom bomb."

To me, it is abhorent to suggest that we get the war over before Russia gets the bomb. Just ponder it a moment. It seems that we must blast and kill 97 Russians to kill 3 Communists, as that is the proportion of party members, and that we continue to bomb civilians as national policy. It contemplates our launching a Pearl Harbor attack on Russia. To me, this is wholly immoral and un-Christian.

In the past 2 years I have circled this earth; have talked with heads of governments, members of legislative bodies, militarists, and just plain people. I have been on every continent and in virtually every nation of importance. I have toured the Americas—North and South. I have criss-crossed this country a half dozen times. The unvarnished truth is that fear of war, and a sense of insecurity grip everyone; apprehension as to what could and might happen prevails.

The reason for this almost universal attitude is not hard to uncover. It is the dread force of communism.

In communism we are dealing with a political instrument that is difficult for civilized comprehension. I used the word "civilized" deliberately. The progress of civilization has walked hand in hand with the progress of morals. Moral standards have become so fixed in our minds that we, of the civilized world, cannot do without them. When a man gives his word you expect him to keep it, when he signs a contract you expect him to honor it, when he extends the hand of friendship you do not look to see if it conceals a stiletto. It is our way of life—the very foundation of our civilization.

Because we hold these moral standards to be self-evident, it is small wonder that communism is almost beyond our capacity to understand. The ghastly fact is that communism is totally a moral. As a force without morals, it has only one objective—the seizure of power. How it attains that power, how many treaties it dishonors, how many contracts it violates, or how many democratic processes it rapes, it cares not.

To achieve its aims in nations that under peaceful conditions would never embrace communism, it has perfected the device of penetration, and by infiltration. If, as in Czechoslovakia, it becomes evident that it cannot win at the ballot box then it employs the device of infiltration to seize power by force. If the ballot box still threatens that seizure, as it did in Czechoslovakia, then it orders the single ballot with only one list of candidates, and purges all who stand in its way. Those who refuse to fall in step are either put to slave labor or liquidated. A police state terror is set up that reaches so deeply into the community life that a man is even afraid to talk confidentially to his wife much less to his neighbor. And, mind you, this is all accomplished by a terroristic minority wholly without morals—a political force which calls itself communism.

Almost one-fifth of the earth is now under the thumb of communism—12 nations in all. In not a single case, Russia included, has a victory at the ballot box put the Communists in power. In other words, in every case the will of a highly organized minority has been imposed on a majority by tactics that even barbarians would have considered dishonorable.

The question naturally follows: What makes communism run? Why has it been able to achieve these successes? Who supports it? Who is behind it? What is its strategy? What are we dealing with?

Communism is the refuge of the frustrated, the malcontent, and the maladjusted; a fringe force, composed of people motivated by bitterness and failure in the civilized world. And it can also well be the refuge of the victims of an intolerable economic situation. People sorely in need of food—of the bare necessities of human existence, are easy prey to communistic pressure and promises. I think that it is agreed by all of us that people do not starve peacefully. Innocent but hungry people, swayed by their own misery, or threats, if you will, are indeed vulnerable to the so-called benefits of communism.

Communists are united and bound like steel by their capacity to hate—and wait. Time means nothing; communism is willing to wait years. It is the intellectual gangsterism of the Hitler type. It attaches itself to good to accomplish evil. It waves the flag highest that it intends to destroy. It sets up front organizations with objectives that would match those of any decent civilized person. It infiltrates labor unions and proclaims goals that are beyond reproach. It attempts to penetrate our institutions, our schools, and even our churches. But it repudiates all its high-sounding objectives the minute that power is attained.

Communism itself has set up terms that describe communism's methods better than any words I can command, in the phrases "Trojan horse," "boring from within," "transmission belts," "front organizations," "cells," "fractions," and so on, right through the entire Communist terminology. The phrases and words themselves betray the whole strategy of deceit, subversion, use of force, and by minority rule by which communism would achieve its ends.

I tell the members of this audience nothing new when I say communism has sunk its roots into every nation of any importance on the face of this earth. No country, not even little Colombia, to the south of us has proven itself to be immune. We are dealing with a world movement—a syndicate of political criminals who have only one objective—the seizure of power.

What can we do about it?

There are those who would "fight fire with fire." Just as Stalin conducted the great purges of 1935 and 1936, when thousands upon thousands of persons were lined up and shot, and hundreds of thousands were sent to slave labor camps. These advocates of fighting fire with fire would line up the Communists here and elsewhere and shoot them. They would put down the whole cancerous movement by applying the same violence to communism that the Communists themselves employ. In dealing with Communist-controlled nations they would use the double-cross and the worthless contract just as those nations have applied them. Violence would be met with violence; deceit with deceit; gangsterism with gangsterism.

I do not believe any thinking civilized person can subscribe to such methods for ridding ourselves of communism. The Communists themselves have already made enough inroads on our morals; should we adopt their tactics our whole moral system might be weakened to the point of collapse. We witnessed that happen in Germany when the Hitler gangsters, deliberately capitalizing on the overwhelming public desire to rid Germany of communism, reduced that nation to a State without morals.

Now, let's take the other extreme—the man who says he would sit down and "make a deal" with Russia—"make a deal" with the Communists. Rumania tried it; Poland tried it; Czechoslovakia tried it. We know what has happened to every nation that has tried to make a "deal" with the Communists. The reason that the Soviet Union and the Communists cannot be dealt with is self-evident. The contract or "deal" is valid only so long as it is useful to them. It is a one-way street. It is like a businessman buying protection from a gang. You cannot win. The gang eventually "muscles in" and takes you over. The gang has no moral standards—you have. You lose.

What is left to do? If we cannot "fight fire with fire" and we cannot make a "deal" what can we do?

Democracy is fighting for its very existence, make no mistake about it. But its only course is to take a middle road. First, the democracies must make the contract, more than ever, the bond it is supposed to be, both between individuals and nations. Second, the inroads on our moral standards must be arrested and those standards guarded as jealously as a man guards his family. Third, there must be economic and social justice such as we have never seen before—a willingness by the peoples to trade on a world-wide basis to their mutual advantage. Finally, there must be created a democratic will to make democracy work.

Communism festers on political and economic unrest. The greatest enemy of com-

munism is peace and prosperity. We, in America, have the capacity to bring both to the world. We must provide the leadership, and leadership is a big word. It means that men like you and me in the business world must do our part. It means that men in the political world must examine every move they undertake to make sure that they are acting not from expediency but for the ultimate welfare of everybody. We have the wealth; we have the capacity to produce and we have that most precious of all things—a free people. Only by asserting a great moral force in the world can we achieve what we all want—peace at home and abroad. America must realize that it has risen to the maturity of world leadership. We are the one force in existence today that can stop the sweep of communism.

This world leadership that we have attained was not sought by us. We have never practiced imperialistic exploitation such as the Roman, Spanish, and British Empires have employed. In fact, our policy at this moment might be called "imperialism in reverse." Instead of exploiting those countries with which we come in contact we are offering help. This is a wise policy, and is selfish only to the extent that we believe America thrives best when there is peace in the world.

How well this policy has worked in its early stages can best be judged by the outcome of the Italian elections. Now that they are over and the Communists have apparently publicly accepted defeat, we may tend to forget the crisis we faced. That would be a tragic error. We must always remember that in the recent Italian elections the Communists controlled about one-third of the vote—a good-sized bloc—and we should recognize it as a danger signal. I shudder to think what would have happened if Italy had gone Communist. There, thrust into the Mediterranean like the nose of a machine gun, would have been the Soviet-dominated Italian boot. The iron curtain would have dropped over the cultural splendor that is Italy, moving west to the Alps. Christianity throughout the world would have been outraged. The fear of the possibility of war would certainly have been more real than imagined.

The American handling of the Italian crisis was due largely to adroit diplomacy by our State Department. The decision to appeal for the return of Trieste to Italy was not just a masterful stroke, well-timed, but demonstrated our understanding of the Italian heart and pride. That is the type of diplomacy and influence we must exercise and bring to fruition if we are to carry the leadership which devolves on us toward worthy ends.

We all know that our diplomatic moves in the past have not always been so skillful, and it is incumbent on thinking Americans that they support a program to bring about the wisest and best-trained diplomatic service possible. We should encourage young people to enter the diplomatic service in the same spirit that Britain has done. The time is past when we can look upon the Foreign Service of the United States as a minor part of government. We need training of the most intensive sort in our universities and in our Government to help maintain this mantle of leadership which has fallen upon us.

I have had some experience in the field of exports and in my travels I have met hundreds of foreign businessmen and Government officials. I have seen how American enterprises are respected abroad and I have come to realize with more and more intensity how important it is to develop the best brains possible in matters concerning foreign relations—both in business and in government. The greatest export that this country can provide is an export of brains.

The free enterprise system is an integral part of the role we are assuming. Free enterprise is simple, straightforward and honorable. It derives its rights from a natural human impulse. It is based on human initiative and the right to create, share, and enjoy and spend the wealth amassed by individual and collective efforts. As Democrats and Republicans, and above all as Americans, we will not surrender free enterprise to national socialism, communism, or to any dictatorship. If we are to exert our leadership for peace, free enterprise can be the backbone of our effort to restore order in the world, to continue our prosperity and bring peace and happiness to our people at home, and other nations throughout the world.

International House: A Symbol

EXTENSION OF REMARKS
OF
HON. HALE BOGGS
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. BOGGS of Louisiana. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from New Orleans States of June 17, 1948:

INTERNATIONAL HOUSE: A SYMBOL

Even through the heavy wartime muffler the hum of activity on the New Orleans waterfront was distinctly audible throughout the world. For a time, indeed, this was the Nation's No. 1 port, so complete was the U-boat blockade of the Atlantic coast. By dozens and scores foreign freight forwarders migrated to New Orleans.

Against that background appeared the vision of an organization which would not only consolidate wartime gains but elevate the sights for new and greater trade targets.

Translation of the vision into hard cash—approximately $500,000—came by dint of hard campaigning. In 1945 International House was opened. This week it enters its fourth year, "bursting at the seams," in the words of its retiring president, A. E. Hegewisch.

There can be no reasonable doubt of the efficacy of International House. Proof of the pudding came in last year's all-time high in port business, a $1,250,000,000 volume of international traffic across the wharves.

More proof comes in the leavening of city and the mid-continent area with increased interest in exports, imports, and world relations. Witnessing the soundness of the International House idea also are plans of competitor ports to establish counterparts of the organization.

More direct are testimonials of ambassadors, Federal officials, industrialists, and many others whose names bulk large in the daily news. Add to those the testimonials afforded by the fact that more than half the 74 foreign freight forwarders who came here as a wartime expedient have stayed on.

The leavening has created the International Trade Mart, Greater New Orleans, Inc., and other less conspicuous achievements. And International House has proved its desirability to the point where its membership, under the astute directorship of Charles Nutter, may this year quadruple its original membership goal.

With becoming modesty, International House officials credit much of New Orleans' international-trade gains to wholehearted cooperation received from public and private agencies, but the fact remains that International House is a symbol of New Orleans' renaissance.

The Program of the Quartermaster Corps for Future Research

EXTENSION OF REMARKS
OF
HON. HUGH D. SCOTT, JR.
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. HUGH D. SCOTT, JR. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by Brig. Gen. Georges F. Doriot:

THE PROGRAM OF THE QUARTERMASTER CORPS FOR FUTURE RESEARCH

(By Brig. Gen. Georges F. Doriot)

We have tried today to present to you a summary of the more important Quartermaster programs in the field of textile research. We should like to tell you that the Quartermaster Corps appreciates the extent to which the results which have been obtained stem from the cooperation and assistance of the textile industry and of its allied research facilities. I wish, therefore, to express my sincere thanks to all of you who have contributed to the textile research program of the Quartermaster Corps and to assure you that your efforts were reflected not in documents buried away in filing cabinets, but, instead, in the comfort, well-being, health, and efficiency of the American soldier.

It is perhaps inevitable that the major share of the publicity given to war material should be confined, almost exclusively, to the offensive weapons of the land, sea, and air forces and to the other new and startling developments in such fields as aviation and electronics. To most people, including scientists, there is nothing glamorous in a better pair of shoes, a better fabric for a field jacket, a better filling material for sleeping bags. It is unfortunate that this distinction exists, because it does not reflect the important contribution of these materials to the successful operation of the Army. It is unfortunate also because it has influenced, in some cases, the effort which industry and other research facilities have been willing to expend on the problems of clothing and individual equipment which fall within the sphere of Quartermaster Corps activity. A 20-percent increase in the fire power of a division, resulting from the adoption of improved weapons, affords no appreciable advantage over the enemy if 30 percent of its men are to be incapacitated by trenchfoot or other exposure injuries.

The importance of providing clothing which will permit troops to operate efficiently regardless of climate or terrain is clearly established by the following quotation from the Biennial Report of the Chief of Staff of the United States Army for the Years 1943 to 1945:

"In the autumn of 1941 after the Battle of Vyasma, the Germans stood exhausted but apparently victorious before Moscow. According to Jodl, the general staff of the armed forces considered that one last energetic push would be sufficient to finish the Soviets. The German High Command had neither envisioned nor planned for a winter campaign. A sudden change in the weather brought disaster. The Red Army defense, a terrific snow storm, and extremely unseasonable cold in the Christmas week of 1941 precipitated the strategic defeat of the German armed forces."

Medical records do not by any means reveal the number of casualties or the instances in which specific military objectives have not been gained because men were inadequately

protected against climate and terrain. Every one of you remembers an occasion when you were unbearably cold and perhaps wet, when your feet were numb, and when it required a real effort to move your fingers. Under such conditions, with what effectiveness could you have attacked an enemy strong point, or, in turn, repulsed a counter attack? Clothing and the other items of personal equipment for the fighting man make a much greater contribution to the efficiency of the Army than is generally appreciated. Superiority for the United States in this field must be maintained just as superiority must be maintained in tanks, planes, and automatic weapons. Research in textiles, clothing, footwear, and individual equipment must figure large in our plans for the future.

We are interested today in the future—not in the past—but a brief summary of our experience during the last 4 years may make some contribution to our thinking for the years ahead.

EXISTING EQUIPMENT INADEQUATE

Four years ago we came face to face with the problem of completely reequipping the Army. It has been said too often that the Army started this war with the equipment with which it had ended World War I. Actually, the situation was much worse. Many items which had been developed as the result of field experience in the mud and rain of northern France in 1917 and 1918 were "modified" in peacetime to be more suitable for the garrison life at Fort Benning, Ga., or Fort Sam Houston, Tex.

Even after the outbreak of the war the importance of immediately improving existing equipment was not recognized by many. There were far too many offhand statements about how rugged the American soldier was, how he could get along in winter with only one blanket and without food other than corned beef and black coffee. These latter statements I have not invented; they were actually made by important and influential persons. It can easily be appreciated that from such leadership it was difficult, if not impossible, to get help, difficult to obtain funds and the personnel necessary if we were to move ahead.

Furthermore, many of the items which are procured by the Quartermaster Corps are of commercial types. In peacetime research had to be carried out on ordnance material because there were no commercial items available. On the other hand, it was felt by many that the Quartermaster Corps could and would accept standard commercial designs and items without difficulty. No single point of view has perhaps done the Army more harm than this one. There are extremely few commercial items which are suitable for military use. The demands which the Army places upon equipment are such that the use of commercial items results in lower efficiency, higher casualties, and, incidentally, higher costs.

The inadequacies of existing equipment and the dangers implicit in its use were brought out at once in the snow and mud of supposedly subtropical north Africa and in the early campaigns in the Aleutians. Unfortunately, even when the inadequacies of this equipment had been recognized no immediate solution was possible because there was nowhere available the background of knowledge necessary to improve it—knowledge both of the conditions of climate, terrain, and the use to which items were to be subjected in the field, and of the suitability for military use of products for which production capacity and know-how existed in industry. As a temporary expedient, the Quartermaster Corps did the only thing it could do. There was brought together in Washington a nucleus of technical and production personnel from industry, together with men with long experience in living out-of-doors under difficult conditions—mountaineers and explorers of the type of Dr. Vilhjalmur Stefanson, Sir Hubert Wilkins, Maj. Paul Siple, and many others. Equipment was immediately redesigned, the new designs based on the best judgment of these men and tempered by industry's experience wherever it was applicable. It is a tribute to all those who participated in this program that very few subsequent changes had to be made in the over-all direction of the research. Inevitably, however, the results were, in many cases, far from the ultimate goal. Often, new items of equipment were found to be necessary as the war progressed. And we were still confronted with the problem of building an organization to correct the existing situation and to establish research on a more sound basis. In this program we had the strong backing of the Quartermaster General, who, with great foresight, recognized the problem at hand and did everything in his power to see that a prompt solution was reached.

INDUSTRY'S ROLE IN MILITARY TEXTILES

In order to insure an adequate research organization, the prime requirement was for men with sound technical judgment and experience who could deal effectively with industry and evaluate the suitability for military use of the items developed by industry. We encountered difficulties, unfortunately, in obtaining such personnel. The only source of them was industry, because, contrary to the popular conception, men in the Army who had adequate technical or executive ability were far too few for the jobs which had to be filled. Companies were reluctant to deprive themselves of technical personnel, an attitude which, while understandable, was, in many instances, shortsighted; for, to the extent to which specifications were not correctly stated, the extent to which designs were changed more often than necessary, the extent to which specifications and production schedules did not take into account the facilities, equipment, and know-how of industry, headaches of corresponding severity were in store for those same companies.

Industry was also impatient at times, or disturbed, by frequent changes in specifications and numerical requirements. These changes were necessary. We do not like to make changes; neither does industry; but there is no one, I am sure, who will say that changes should not be made if there is any possibility that, by changing, the number of casualties could be even slightly reduced. Had we been better prepared for war, changes would have been less frequent. But because we were unprepared and were forced many times to make hurried decisions, it was inevitable that changes should be frequent.

Similarly, changes in requirements were inevitable. We could not know what operations were being planned. Even the General Staff could not foresee the future with sufficient accuracy to provide stable requirements and, if you remember that a lag in manufacturing time ranging from 3 months to a year must be taken into consideration, the numerous peaks in our demands upon industry were inevitable. The situation was complicated by the fact that the need for Quartermaster equipment varies, depending upon the season of the year—a rifle can be used winter or summer; woolen underwear and shoepacs are strictly winter items. Remember, again, that these changes were as unwelcome to us as they were to industry.

As the war progressed and as we were able to establish more carefully the characteristics required for military items, and as our background of scientific knowledge became more extensive, the situation showed marked improvement. This improvement was stimulated by what to my mind was the most important single development in this field—that is, the establishment by the Chief of Staff of a new Development Division of the War Department. That organization, for the first time, recognized the fact that scientific, technical knowledge was on a par with tactics and strategy and gave to existing programs an impetus without which many of our accomplishments would have been impossible. Maj. Gen. Stephen Henry, the original director of the new Development Division, was the first man who came to us saying, "What can I do to help you? We must have more adequate and better equipment," instead of saying, "You can't do that!" We were equally fortunate in General Henry's successor, Gen. William A. Borden, under whose direction and intelligent interest the program was still further expanded.

Despite the many difficulties which appeared as the war progressed, the Quartermaster Corps followed its original plan of calling upon industry whenever possible, doing independent research itself only when facilities and know-how did not exist in industry or other research facilities outside the Army. It may truthfully be said, therefore, that the accomplishments of our research program are the accomplishments of industry and of its allied research facilities. In the conduct of this program the Quartermaster Corps-National Academy of Science Committee has been of invaluable assistance. In the formulation of research programs we have also leaned heavily upon the members of the Quartermaster Corps Advisory Board. Formed in 1942 and expanded since that time, it today includes 230 men, leaders in the various fields of science and industry of importance to the Quartermaster Corps. This organization has made an outstanding contribution toward providing proper equipment for the Army.

SUCCESS OF RESEARCH PROJECTS

The results obtained from the various research projects have been most gratifying. The Quartermaster Corps has taken great pride in the many unsolicited letters which have been received from officers and enlisted personnel in all theaters of operation, expressing their appreciation for the job which has been done in providing improved clothing and equipment for the Army. Such comments as that received from the late Gen. Simon Bolivar Buckner—"For the first time in all my service I have seen soldiers take the field comfortably and sensibly equipped. It is a great pleasure to feel that we are so splendidly served"—reflects a condition for which the clothing and textile industries are certainly in part responsible. It would be pleasant to be able to sit back, accepting these many words of praise which have been received and consider the job to be completed. But we must be realistic and we must recognize the fact that the unpreparedness which existed at the beginning of the war and which resulted in an untold number of casualties can and will reoccur unless we learn from the past and insure the continuation of the research program. Soberly we should ask ourselves, "Will the United States in another war be able to overcome the same initial handicap in its war potential?" Or more specifically, "Can we afford to risk the future on the possibility that the answer to the above question would be 'Yes'?" In this connection we might quote again from the Biennial Report of the Chief of Staff:

"Twice in recent history the factories and farms and people of the United States have foiled aggressor nations; conspirators against the peace would not give us a third opportunity. * * *

"They [American cities and industries] escaped destructive bombardment in the Second World War. They would not in a third. * * *

"The peacetime army must not only be prepared for immediate mobilization of an

effective war army, but it must have in reserve the weapons needed for the first months of the fighting and clear-cut plans for immediately producing the tremendous additional quantities of material necessary in total war. We must never face a great national crisis with ammunition lacking to serve our guns, few guns to fire, and no decisive procedures for procuring vital arms in sufficient quantities.

"The necessity for continuous research into the military ramifications of man's scientific advance is now clear to all and it should not be too difficult to obtain the necessary appropriations for this purpose during peacetime. There is, however, always much reluctance to expenditure of funds for improvement of war-making instruments, particularly where there is no peacetime usefulness in the product."

There can be only one answer to the questions set forth above. There must be worked out the means by which industry can in the peacetime years ahead contribute to the Quartermaster research program to the extent necessary to maintain the broad superiority of American clothing, rations, and individual equipment. The question for industry to answer cannot be: "Should we participate in the program?" It must be: "How can we best contribute?"

At this point one more thought might be added: It has often been said that it is easy to do research for the Army because there are no limitations on how much can be spent. I want to point out that our research program saved many times over the expenditure made. The development of a shrink-resistant treatment for socks, which you have heard described here today, saved the Army more in 1 month than our entire research budget for 1 year. Similar savings could be cited for innumerable other projects.

NEED FOR PEACETIME RESEARCH

Recognizing the need for continuing research in peacetime, the Quartermaster Corps has already given considerable thought to means of facilitating the cooperation between industry and the Army, which will, of necessity, be required. Certain changes which during the war were not possible can and will be made now that it is over. As you know, the research activities of the Quartermaster Corps have been highly decentralized. We have had laboratories and research personnel in Boston, Lawrence, Chicago, Jeffersonville, Jersey City, Philadelphia, and Washington. In many instances, confusion has developed in this or that program, and it is my feeling that you, as research personnel, have been remarkably patient in bearing with us while some of the resulting problems were worked out. To overcome this condition but, above all, to provide for more efficient use of personnel and facilities, it is the plan of the Quartermaster Corps to consolidate at the Philadelphia Quartermaster depot all of the research activities of the Corps other than those pertaining to subsistence, packing, packaging, and processing. These will remain in Chicago, where they are located today. The intention is to develop an outstanding technical organization at Philadelphia. This activity will require technical and military personnel so that field reports can be correctly evaluated, the research programs will be well laid out and executed, and the results can be accurately measured as to their suitability for military use.

It is our plan to put much more emphasis upon fundamental research than it has been possible to do during the war, when finding immediate answers to many problems of end-item design required the greatest percentage of the time and effort of available personnel. The physiological research conducted during the war at the Climatic Research Laboratory at Lawrence, Mass., and by various universities under research contracts will be greatly expanded. You have already been told the extent to which it is planned to carry out fundamental research in the field of textiles.

Philadelphia was chosen as the location for this research center because of its proximity to the many industries serving the Quartermaster Corps and its proximity to research laboratories in universities and in industry. Close by there are mountains and the ocean is not far distant, which permits the testing of equipment under conditions approximating those to be expected in combat operations.

Again, such an organization can obtain maximum usefulness only if it has the strong and continued backing of the research organizations which have contributed to this program in time of war.

We plan to maintain our testing activities at Camp Lee. In addition, we expect to use facilities in Alaska, in Panama, and in other locations for testing activities where special conditions of climate or terrain are required.

The Quartermaster General of the German army made the statement in the course of questioning that American research and development on Quartermaster equipment had progressed as far in the 3 years of this war as had the Germans' in the 15 years during which they had prepared for the world conflict. Until the defeat of Japan we all felt very proud of the equipment which had been provided for the American Army. But now that VJ-day has passed, we realize that little of the present Quartermaster Corps equipment will be applicable to a future war. We cannot relax our efforts. We must give men lighter clothing and lighter equipment. For every ounce of weight we can take off a man's feet, we can put 4 ounces on his back in the form of more ammunition or better protection. Most of the products for which the Quartermaster Corps is responsible were not constructed according to engineering principles which have been recognized for generations. In clothing, for example, we have failed to recognize the points of strain and to offset them by the use of more material or different constructions. We carefully made clothing water-repellent, we develop fabrics specifically to resist water, and then we use conventional stitching of the seams, which puts thousands of holes in a garment. These are only a few factors which must be investigated. We can repeat that there is little of the present Quartermaster Corps equipment which will be satisfactory in the years to come.

If you accept the premise, as I think you must, that industry has a tremendous stake in the continuation of a sound program of research for the Army, it follows that industry itself must contribute freely and that its leaders should consider themselves to be responsible for ensuring that all avenues of research of potential value to the Army are being explored. The role of industry must be active—not passive. You are the trustees of Army research—its future is in your hands. In effect, the Army in its research activities should act largely as the liaison between the requirements of troops in the field and your scientific thinking.

Personnel will continue to be a most serious problem, and, again, one which cannot be solved without your help. You will have to recognize that a relatively small number of capable men will have to be available to the Army for this program. You should not think that such a program involves a loss for industry in the long run. The men who have been leaving the Research and Development Branch have almost all gone back to substantially better jobs than they had before the war. It has been apparent that industry feels that the training which these men have received has contributed to their ability and judgment—in short, it has made them better able to fill important positions in industry. Insofar as possible, we are placing as many research contracts as we can in order to make efficient use of present scientific personnel. In the more important fields, committees have been formed, with industry's cooperation, to plan and guide our activities. In the field of textiles a number of such committees have been appointed. Their contribution has already been substantial; it must continue to be so in the years ahead.

During the last 4 years the contribution of American industry to the over-all war effort has been a striking measure of its patriotism and of its sense of responsibility to the men and women of this country. On the other hand, no one, I am sure, would deny that this attitude is supported by a clear appreciation of the stake that industry has in the future of this country and in a world political and economic structure which will leave us strong and free from foreign domination. The philosophy with respect to military research embodied in such statements as "We will get around to that some day," or, "The other fellow can work out that problem," can lead us into unpreparedness as surely and as rapidly as it has led us in the past. Only by a sound research program, utilizing the best scientific and technical personnel available in the country, can we avoid a repetition of the tragedy which took place between the two World Wars. We must review this problem cold-bloodedly, with great realism. At all times we must keep in mind the dangers involved, which are so aptly stated by General Marshall in his biennial report to the Secretary of War:

"We finish each bloody war with a feeling of acute revulsion against th'? savage form of human behavior, and yet on each occasion we confuse military preparedness with the causes of war and then drift almost deliberately into another catastrophe. This error of judgment was defined long ago by Washington. He proposed to endow this Nation at the outset with a policy which should have been reasonable guaranty of our security for centuries. The cost of refusing his guidance is recorded in the sacrifice of life and in the accumulation of mountainous debts. We have continued impractical. We have ignored the hard realisties of work affairs. We have been purely idealistic."

Hon. John Taber, of New York

EXTENSION OF REMARKS

OF

HON. ALBERT THOMAS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. THOMAS of Texas. Mr. Speaker, permit me to say a few words about my chairman, JOHN TABER, of New York.

JOHN TABER is one of the real leaders, not only of the House, but of the entire Republican Party. No man has had a bigger task in the last several years, in his capacity as ranking member, and now chairman, of the Appropriations Committee. All of us fully realize the importance of his outstanding work in handling the appropriations for the Federal Government, and in keeping constant watch to do away with unnecessary Government spending. We all admire him for his honesty, his fine judgment, and his untiring efforts. The people of his district are indeed fortunate to have a man of JOHN TABER'S caliber and stature as their representative. He is not only a credit to them, but to the Nation.

Carnivals of Waste

EXTENSION OF REMARKS
OF
HON. HUBERT S. ELLIS
OF WEST VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. ELLIS. Mr. Speaker, under leave to extend my remarks in the Appendix of the RECORD, I include an editorial from the Washington Times-Herald of June 19.

It appears that the Marshall plan for the relief of Europe is going to take its place along with other carnivals of waste much sooner than its opponents contemplated.

The editorial follows:

FROM ERP TO WPA

Ever since the kickoff of the Marshall plan, or European recovery program a year ago, we've been callously expressing grave doubts about the success of this project to boost western Europe back to its feet with 17 billions' worth of United States aid.

Now, if the Wall Street Journal can be believed (and it virtually always can), these doubts are coming gruesomely true—and this before the ERP has begun really to roll.

The well-known financial paper's Washington bureau reported yesterday that the ERP is already turning, subtly but surely, into a WPA. The WPA, you probably remember, was the giant leaf-raking and boondoggling scheme conceived by President Roosevelt and administered by Harry L. (tax and tax, spend and spend, elect and elect) Hopkins.

Secretary of State Marshall started out by saying that the ERP must help the war-stricken Europeans to help themselves. There was much tough talk a while back about how the United States must insist on European currency reforms, lower tariff barriers, etc., as the price of its food, clothes, machinery, fertilizer, and other forms of aid. Some of this talk came from Paul G. Hoffman himself, and it helped to get him the job of ERP Administrator.

Now, it comes out, various European politicians are saying that they must be allowed to spend our wealth as they see fit; that for us to require them to get businesslike and drop some of their Marxist share-the-poverty devices would be an insulting interference with their sacred sovereignty by Uncle Sam.

Too many of the boys are forgetting promises to use our help as economically as possible, and are upping requests for money and goods all along the line.

And Mr. Hoffman is having trouble inducing hard-headed and experienced businessmen to take key jobs in the ERP machine. A number of those whom he has approached have refused to touch the project with a 10-foot pole. As a result, he is under increasing pressure to take on a horde of leftovers from the UNRRA and lend-lease carnivals of waste—the kind of fellows and girls who did so much to fatten up Pal Joey Stalin's war potential and siphoned enough stuff to Bolshevik Tito to enable him to build the Yugoslav army to the unjustified strength of 800,000.

That's the ERP picture as of now, according to a report which we consider reliable. We're curious to know whether Mr. Hoffman, with the best will in the world, can reverse this trend. If he can't we're curious to know how long it will be before western Europe is on a straight, undisguised WPA dole, leaning on its shovels, and cursing Uncle Sam for not putting out dough in greater and greater amounts every month.

The Next Conscription Bill

EXTENSION OF REMARKS
OF
HON. DANIEL A. REED
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. REED of New York. Mr. Speaker, inasmuch as the militarists have adopted the Prussian conscription system, only more drastic than any foreign system, what is the next step to further fasten peacetime military enslavement upon our youth? Already the militarists are planning the next move. Now the propaganda is in the making for compulsory peacetime military service for the young women of the Nation. This proposal will be urged as "necessary for world peace and the security of our Republic."

I am submitting a list of questions to the parents of the potential female trainees, the answers to which may be revealing to the authors of the proposed female conscription legislation. There are some questions too delicate to propound, but the parents should have an opportunity to speak on all phases of this all-important change in their domestic life. For the present an answer from the home folk to each of the 48 questions herein submitted will be helpful to the legislators who have to act upon these military proposals:

COMPULSORY PEACETIME MILITARY SERVICE, FEMALE TRAINEES—INTERROGATORY

1. What would be the average annual number of females called upon for training?
2. What would be the probable annual number of rejections?
3. What would be the size of each annual class of trainees?
4. Would standards of mental and physical requirements be as high as in the Regular Army and Navy Establishments, or would substandards for training be adopted?
5. What would be the character of service for which female trainees would be trained?
6. Would there be any color lines or segregation into racial units?
7. If so, what would be the social and moral effect on those so segregated?
8. If not, what would be the social and moral effect on white trainees, especially from sections of the Nation in which color lines are traditionally observed?
9. How many commissioned officers would be required as a standing class of instructors to train the females each year?
10. How many noncommissioned officers would be required as a standing class of instructors to train the females each year?
11. How many privates would be required as a standing army to aid in training each annual class of female trainees?
12. Would the same commissioned and noncommissioned officers who train the male trainees be available to train the female trainees, or would there have to be a separate class of commissioned and noncommissioned officers?
13. Would these permanent classes of commissioned and noncommissioned officers give rise to a military caste in this country?
14. Has compulsory military training or service in other countries given rise to such a military caste?
15. Would a military caste be dangerous to American free institutions and traditions?
16. Would female trainees be taken from their schools for a year and sent away to barracks or training areas distant from their homes?
17. If young women were withdrawn from their school work a year, what would be the effect on their school work and training?
18. Would this service be compulsory military service, or compulsory military training?
19. Would this compulsory service violate constitutional provisions against involuntary servitude?
20. What are the points of difference between compulsory military service and compulsory military training for females?
21. In either case would female trainees receive training other than strictly military training?
22. Should female trainees be subject to service with regular troops abroad?
23. Would female trainees be subject to active military service in police regiments outside their own country?
24. What pay would female trainees receive for their period of training?
25. Would females be trained as a part of the National Guard under control of State Governors, or as a part of the United States armed services under control of the Federal Government?
26. What would be the period for which female trainees would be liable to call for military service?
27. What would be the effect of this liability to call on the business, professions, and homes of the Nation?
28. What would be the effect on American womanhood?
29. What would be the period of training?
30. Would a year's training be adequate to train females for some of the more technical work they would be called upon to perform?
31. Would training courses for females closely simulate actual modern battle conditions?
32. If so, would such training tend to brutalize young women, break down moral inhibitions, and produce a generation loose in morals?
33. Would female trainees be called back at later periods for refresher training?
34. If so, how long after the first training period is ended?
35. What effect would this have on business, the professions, and the homes of the Nation?
36. What pensions or other benefits would female trainees injured in training receive? Would such benefits be comparable to benefits paid regular members of the armed services injured in battle?
37. What would the cost of such a training program be to the Federal Government?
38. If we are to have a durable peace, what would be the need for such compulsory military service?
39. What nations, now that this war is ended, will be our potential enemies of the future?
40. If a durable peace is not in prospect, how could the United States have an adequate defense without such compulsory military service or training on the part of both men and women?
41. If a durable peace is not in prospect, would a year's training period be sufficient adequately to train American female youth for war services?
42. Would the rapid advances in military machines, weapons, and munitions render such training rapidly obsolete unless female trainees were frequently called back for refresher training?
43. Will it be possible to achieve a peace so certain and lasting that the Nation would not need a national defense adequate to meet another sudden war?
44. Will the United States be likely to have as much time in any future war to train females for military service as we had in the first and present World Wars?

45. If not, then is compulsory military training for females imperative to our national defense?

46. What other countries, if any, have had compulsory military service for females?

47. What has been their experience with regard to the problems outlined in the foregoing questions?

48. What would be the effect of such a program upon the trend of the Nation toward militarism?

The Displaced-Persons Bill

EXTENSION OF REMARKS
OF
HON. AIME J. FORAND
OF RHODE ISLAND
IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. FORAND. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the New York Times of Saturday, June 19, 1948:

A SHAMEFUL DP BILL

Eighteen months ago a humanitarian drive, worthy of the best traditions of this country, was begun to save some of the lives of 850,000 men, women, and children in the displaced persons camps of Europe. With sweeping support of Americans in every walk of life and of civic, Government, labor, and religious groups, the Stratton bill emerged, symbolizing the highest principles as a basis for taking a fair share of the DP's—400,000 over a 4-year period on the concept of justice for each group of DP's.

That bill died in committee, and two bills subsequently took the Stratton bill's place. In the House, a more moderate bill, but nevertheless humane, was sponsored by Representative FRANK FELLOWS, to admit 200,000 DP's over a 2-year period. In the Senate a bill written by Senators REVERCOMB and WILEY was the antithesis of humanitarianism and deliberately sought to scuttle every high concept of either of the House bills. It cruelly favored one DP group above another, injected the religious issue, and because of its unworkable administrative provisions was a bill of exclusion rather than admission of DP's.

This week has brought a shameful victory for this latter school of bigotry. A joint conference committee approved virtually every narrow concept of the Senate measure and the House yesterday endorsed the conference report.

It is to their honor that four of the Senate-House conferees refused to sign the bill—Senators FERGUSON and KILGORE, and Representatives BOGGS and CELLER. This DP bill's main provisions are these: 205,000 DP's shall be permitted to enter over the next 2-year period, including 3,000 war orphans; 40 percent of admissions shall be allotted to DP nationals of the Baltic states and Poland east of the Curzon line; 30 percent of admissions shall go to farmers, discriminating against other skills; those not in the camps by December 22, 1945, are not eligible for admissions, discriminating against the bulk of Jewish DP's, who suffered the most cruelly during the war. Even the Volks Deutsche are given a boost—permitting these persons of German ethnic origin, many of whom had strong Nazi ties, to compete for regular quota numbers with bona fide DP's.

This is a sad conclusion. There is also no assurance that the 100,000 proposed for the first year's admissions will come into the country, because of the bill's unworkability. Perhaps most significant, this triumph for the Revercomb group holds disturbing portents for the future. Good bills have gone down the drain; a bad bill and a bad precedent bode ill for democracy, which finds discrimination on its books repugnant.

Railroad Retirement Act

EXTENSION OF REMARKS
OF
HON. CHARLES B. DEANE
OF NORTH CAROLINA
IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. DEANE. Mr. Speaker, in casting my vote in favor of the amendment to the Railroad Retirement Act I rejoice with that great host of loyal Americans, our faithful railroad employees, that this great forward step to improve the retirement provisions of the Railroad Retirement Act has at last been made possible. It has been too long coming.

At this time I wish to pay my respects to that distinguished Representative and our beloved colleague, Hon. ROBERT CROSSER, of Ohio, for the grand part he has played through the years in championing the cause of our railroad employees. I want him to know that I shall stand by his side as we face the coming months and years in protecting and extending the great benefits of the Railroad Retirement Act.

The amendment we approve today is included in H. R. 6766. It has passed both Houses of Congress. It is now the law of the land.

The Crosser amendment to the Railroad Retirement Act, which became effective July 1, 1947, provided sick benefits for railroad workers at rates comparable to those paid during unemployment, the scale of which was also increased. This legislation provided railroad workers with the most complete and unified plan of benefits existent in the United States up to the present time. Rates are computed according to a schedule of the worker's earnings during the base year and annual benefits covering either sickness or unemployment are payable for a maximum of 130 days during any calendar year.

Four changes are made by H. R. 6766, none of which in any way limit the benefits to railroad workers described above. First, this amendment will increase all pensions and annuities to retired workers and to those who retire in the future, by a flat 20 percent. We all know that the increase in the cost of living during the past few years has hit those on fixed incomes the hardest. This increase during the Eightieth Congress has amounted to over 10 percent. Between 1939 and 1947 the cost of living increased over 60 percent. For retired workers, therefore, this bill to increase the retirement benefits will represent only partial alleviation of the soaring cost of living, but it is essential that the Congress provide at least this increase. The increased annuity will begin in the month after the month of enactment of the bill.

Second, H. R. 6766 provides a guaranty that for an employee dying on and after January 1, 1947, if benefits under the Railroad Retirement Act paid to him and to others with respect to his death do not equal the total of the taxes he had paid into the railroad retirement system, plus a slight amount in lieu of interest, the difference should be paid to his survivors or beneficiaries. This portion of the bill reestablishes the provision for lump-sum benefit payments which was in effect before the act was amended in 1946. It will guarantee on an optional basis to every employee who has contributed to the fund that an amount equal to his contribution, plus a small amount for interest, minus benefits which he has received, will be paid to someone.

Finally, this bill provides for a reduction in the contribution rate paid by employers for the maintenance of the Railroad Unemployment Insurance Act. The present rate is 3 percent, but this will be reduced on a graduated scale so long as an ample balance is maintained in the fund. The soundness of the railroad retirement fund will be preserved since the rate of contributions to the fund will be increased by one-half percent for each $50,000,000 by which the balance in the account on September 30 of any year is less than $450,000,000, and to graduate back to 3 percent when such balance is less than $250,000,000.

As outlined above the three major purposes of the bill are: (1) It increases the amount of annuities by 20 percent; (2) it restores on an optional basis the provision for lump-sum death-benefit payments; (3) it reduces the employers' contribution, but maintains the stability of the railroad retirement fund.

This legislation has received the support of both the employers and the railway workers. While both groups have modified their position this legislation provides the best answer to conflicting interests. I am especially glad that it has received the support of Congress because it provides an increase in pension benefits to workers sorely pressed by the increase in the cost of living. These people, many of whom live in small communities throughout our land, deserve consideration because they have contributed so much to the successful operation of our railway system throughout the years. Who can imagine the growth and industrialization of our continent, the expansion of cities and markets, without the network of railroads which link together our Nation? And who believes that this would have been possible had it not been for devotion and energy on the part of our railroad workers? While no retirement system can entirely foreshadow the changing conditions which occur, it is important that in some measure we compensate these employees for the loss of income which the change in the cost of living represents to them. Because this legislation does just that, and because it provides a means of reducing the burden of contributions made by the railroads to the fund set it for retirement purposes, while in nowise endangering the continued stability of that fund for workers in the future who will come under its provisions, I have supported it.

The Diamond Jubilee of the Polish Roman Catholic Union of America

EXTENSION OF REMARKS
OF
HON. THOMAS S. GORDON
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. GORDON. Mr. Speaker, under unanimous consent granted me by the House of Representatives of the United States of America, I am privileged to insert in the CONGRESSIONAL RECORD a copy of a resolution that has been sent to me by the Honorable Joseph P. Rostenkowski, one of Chicago's and Illinois' leading citizens. Mr. Rostenkowski is a member of the Chicago City Council and was responsible for the introduction of the resolution commemorating the seventy-fifth anniversary of the Polish Roman Catholic Union of America before that distinguished body. The council approved the resolution, ordered it engrossed, and spread it on the official records of that council.

Mr. Speaker, the Polish Roman Catholic Union of America has contributed much to the welfare of its members and has distinguished itself in the fields of culture, economics, and humanity. It has ever been loyal to the ideals of our great country and it has worked unstintingly and courageously through its membership in its behalf.

Mr. Speaker, I know that I express the feeling of the House of Representatives and the Congress of the United States when I extend to the Polish Roman Catholic Union of America our best wishes and our high respect on the seventy-fifth anniversary of this great and outstanding fraternal organization.

The resolution follows:

RESOLUTION

Whereas the Polish Roman Catholic Union of America, a national fraternal organization, maintains its home office in Chicago for the past 75 years and became prominently a part of Chicago; and

Whereas the union that has contributed so much to the economic, cultural, and humanitarian progress of our country deserves the respect and good wishes of every American; and

Whereas the union has always been a strong advocate of the youth movement embodying sports and culture for boys and of the daughters of the union for girls, and has established youth camps throughout the country, where obligations of citizenship are taught and health-building activities carried out; and

Whereas in its broad spirit of tolerance, religion, and civic life, the Polish Roman Catholic Union of America has been of inestimable service to all our people and to this great democracy, whose ideals the union so truly reflects: Now, therefore, be it

Resolved, That the City Council of Chicago acknowledge the diamond anniversary of the Polish Roman Catholic Union of America, now being observed throughout the United States in cities where the union maintains its societies; and be it further

Resolved, That the City Council of Chicago consider this a most appropriate occasion to acknowledge the generous and zealous contribution of the Polish Roman Catholic Union to the progress of Chicago; and be it further

Resolved, That the City Council of Chicago in assembly this 11th day of June 1948, extend the felicitations of the city of Chicago to the Polish Roman Catholic Union of America on the Chicago observance of their diamond anniversary; and be it further

Resolved, That a suitably ornamented and engrossed scroll embodying this resolution be designed, executed, and presented to the Polish Roman Catholic Union as a testimonial of the official congratulations and appreciation of the City Council of Chicago.

Public Housing

EXTENSION OF REMARKS
OF
HON. DANIEL A. REED
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. REED of New York. Mr. Speaker, I voted for the Wolcott housing bill, the cost of which is estimated to be about $20,000,000, as against the estimated cost for the Taft-Ellender-Wagner bill. In addition to the excessive cost, my objections to the Taft-Ellender-Wagner bill have been well and forcefully stated by Willford I. King, an outstanding economist of New York, as follows:

It provides for more than $7,000,000,000 to put Government into housing permanently, in addition to the appalling sum of $20,000,000,000 loans or subsidies already made.

The public-housing brigades and propagandists misrepresent the facts and confuse the people. Our investigations show that Government housing never goes to the really poor, and it has never cleared slums.

Public housing, by offering exemptions from taxation, induces purchase of Government certificates of participation in Government housing and makes possible credit for private building in competition. It destroys free economy which in the United States has provided housing unparalleled elsewhere in the world. It overburdens the general taxpayers, exempts capital from taxation, and grants low rents to political party workers and voters to keep corrupt Government in power. It makes immediate the prospect of a million or more votes that will be cast, and in some districts 100 percent, for the local political party that builds the houses, whether that party is Republican or Democratic. It violates the fundamental principle of Government treating all citizens alike and sets up a mechanism of political favoritism.

Socializing activity in housing, by suppressing private initiative, causes scarcity. That has already proved disastrous in every socialized country in Europe. It can be stopped here only by the most vigorous leadership of those who want to save our form of government. To rush to enactment in the closing days of Congress such vote-buying, politically motivated legislation is a perversion of the functions of Congress.

The Housing Bill

EXTENSION OF REMARKS
OF
HON. FRANK BUCHANAN
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. BUCHANAN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by Ingrid Jewell, from the Pittsburgh Post-Gazette:

TAFT-MARTIN FEUD PERILS HOUSING BILL—OHIOAN AND SPEAKER COLLIDE ON PAY RAISE, AID TO EDUCATION

(By Ingrid Jewell)

WASHINGTON, June 17.—The friction between Senator ROBERT A. TAFT, Republican, Ohio, and Speaker JOSEPH MARTIN, Republican, Massachusetts, is beginning to produce fire.

Senator TAFT is quietly furious because Speaker MARTIN is cutting the heart out of his housing bill.

And Speaker MARTIN is wrathful because the Senator is crowding the House leadership into a corner where it looks bad to the liberals, not only on the housing question, but also on pay raise legislation and Federal aids to education.

HOUSING BILL IN DANGER

On the pay-raise question, the Speaker is committed to support raises for postal employees but not other Federal employees; Senator TAFT has said all Federal employees should get a raise.

And on Federal aid to education, the Senate passed the bill, authored by Senator TAFT, only to have the House leadership prevent a vote on the companion House bill in the Education and Labor Committee.

This animosity between the Senator and the Speaker leads many observers here to think no housing bill will be enacted by this Congress. The Wolcott version which will come up for House consideration probably Friday, is considered by the Senator to be so poor, it is unlikely he would agree to compromise on it.

And the House leadership has been at such pains, such parliamentary intrigue, to make the Wolcott bill weak, it is unlikely that leadership would ever agree to compromise in the direction of the Senate bill.

VITAL SECTIONS ELIMINATED

The version of the Wolcott bill now ready for presentation to the House not only omits the four vital sections on public housing, slum elimination, rural housing, and housing research, but also contains some sections considered bad by the proponents of the Taft bill.

Among these sections are:

1. That which would require cash payments for Government-owned multiple dwellings built as war housing, and now to be sold to private owners.

2. That which would permit owners of large rental developments built under the bill to depreciate them 50 percent in 5 years for income-tax purposes.

The House leadership has barred amendments to the Wolcott bill. The Members will either have to vote it up or down as it stands.

The Housing Fiasco

EXTENSION OF REMARKS
OF
HON. FRANK BUCHANAN
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. BUCHANAN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Pittsburgh Post-Gazette:

THE HOUSING FIASCO

The Republican leadership in the House has resorted to unconscionable procedure in denying the American people an adequate long-range housing program.

After a long, bitter struggle, the House Banking Committee last week approved legislation substantially in accord with the Taft-Ellender-Wagner bill. That measure, already passed twice by the Senate, included provisions for public housing, slum clearance, and urban redevelopment. It was a broad approach to this country's greatest domestic need.

But then the Rules Committee, led by Chairman LEO S. ALLEN, vetoed the Banking Committee's action by voting 6 to 2 to table the legislation. Now Chairman WOLCOTT, of the Banking Committee, has come forth with another housing bill, an emasculated document eliminating the public housing features of the T-E-W bill. It is expected to reach the floor under an airtight gag rule. The only hope now for a decent housing bill lies in the meager possibility that eventually the Senate might prevail in a joint conference.

Perhaps the best way to drive home the real nature of the blow the House leadership has dealt ill-housed Americans is to state briefly what it means to the Pittsburgh district.

It means, first, that the Pittsburgh Housing Authority's plans for 7,000 more badly needed low-rent housing units, now on file in Washington, are stymied. The needs of 62,000 families in the district's lower-rent market, like those of thousands of others over the Nation, have been ignored. The 30,000 families actively applying for low-rent housing here can continue to cool their heels.

The House action means that work of Pittsburgh's new urban redevelopment authority is severely handicapped. The law creating the authority provides quite properly that before a blighted area can be cleared for redevelopment, housing provision must be made for persons who will be dislocated. Invariably, such areas are tenanted by those in the lower-income brackets, whose housing needs private industry has been unable to meet. The T-E-W bill would make available funds for the redevelopment work.

The T-E-W bill also provided for a subsidy to bridge the gap between the cost of acquiring land for urban redevelopment and the use value of the land after it is cleared. Moreover, it encouraged private housing projects by guaranteeing returns to large-scale investors like insurance companies.

Now these provisions, constituting the real backbone of a housing bill, have been knocked out by the House leadership.

Apparently the reactionary MARTIN-HALLECK-TABER-ALLEN-WOLCOTT clique in the House cares not how many campaign obstacles it puts in the way of the man its party will nominate next week in Philadelphia.

There Is Need for Fair Play

EXTENSION OF REMARKS

OF

HON. E. L. BARTLETT

DELEGATE FROM ALASKA

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. BARTLETT. Mr. Speaker, the struggle for Alaska home rule has gone on unremittingly for 81 years. The gains have been all too small. But in the long run the fight will be won. We Alaskans know that but we know too that certain big business interests would rather have it otherwise and have fought tooth and nail, on the skirmish line and on the battle line, against the desires of Alaskans to govern themselves as other Americans are allowed to govern themselves.

The newspapers of Alaska which have spoken out in support of the people and in opposition to these vested interests have not been immune from the general attack.

Under the able, progressive editorship of William L. Baker, the Ketchikan Alaska Chronicle has fearlessly espoused the people's cause. Its reward has not come in increased revenues because evidence accumulates to demonstrate that the advertising revenues of the Chronicle have suffered by reason of the editorial position which it has taken. In a colloquy with me before a subcommittee of the House Merchant Marine and Fisheries Committee, Mr. Gilbert W. Skinner, dominant figure in the Alaska shipping industry, admitted his companies had withdrawn their advertising from the Chronicle because of its editorial policy. The episode is recounted in a Chronicle editorial which is reproduced here:

THE IRON CURTAIN: IN RUSSIA AND HERE—IN YOUR ALASKA

We have just received a printed copy of testimony before the subcommittee of the Committee on Merchant Marine and Fisheries, United States House of Representatives. The Chronicle is mentioned in several places because of the boycott in advertising placed on this newspaper by the Alaska Steamship Co. and Northland Transportation Co.

We think Congress this year should recall to mind the wording of the first amendment to the United States Constitution. "Congress shall make no law," it says, "abridging the freedom of speech or of the press." This would mean, by a straight interpretation, that Congress can grant no subsidies from the Public Treasury to public carriers that abridge freedom of the press by refusing to let the papers in which they spend the people's money comment in a critical manner on their types or conceptions of service and rates.

Admiral F. A. Zeusler stood in our office a few short weeks ago and said he had heard criticism in other parts of Alaska about the Alaska Steamship Co.'s boycotting this newspaper. He wanted to know what it meant * * * "Haven't you been getting our special ads?" We replied that we had been getting those over his signature of an institutional type—but not all of them—and that the daily advertisement of ship schedules had been jerked out several months ago at a cost in lost revenue of $48 per month.

"Well, that doesn't go," replied the admiral, "I'll have our agent reinstate it." He did. But 10 days later word came through from Seattle to cancel the advertising again and this time the cancellation included both the daily ad, which had just been reinstated, and the institutional copy which had been running fairly regularly in this paper. Mr. Zeusler's efforts at playing fair with the press boomeranged in a hurry. We think and hope they were sincere and that someone higher than he caused the cancellation. The loss in revenue is over $100 a month (plus Northland's $30 to $35), which means considerable to us during slack times like these. But what profiteth it a man if he gain the whole world and lose his soul? We prefer Lincoln's version: "Let us have faith that right makes might; and in that faith let us dare to do our duty as we understand it."

The lesson is clear: The steamship companies Mr. Gilbert Skinner dominates do not want the Alaska public to know the full facts, to get both sides. He admitted it in the hearings referred to above. Here is the conversation:

"Mr. BARTLETT (Delegate from Alaska). The allegation was made that the Alaska Steamship Co. and Northland had withdrawn their advertising from the Ketchikan Chronicle because they did not approve of the editorial policies of that paper. Do you want to make any comment on that?

"Mr. SKINNER. Did you ask me if that was true?

"Mr. BARTLETT. No. I invited you to make an observation about that if you cared to.

"Mr. SKINNER. Yes, sir; that was done.

"Mr. BARTLETT. The advertising was withdrawn?

"Mr. SKINNER. Yes, sir.

"Mr. BARTLETT. It was because of the editorial policy of the paper?

"Mr. SKINNER. That is true."

The evidence is clear, so the people may know the methods the two big operators use to tighten their monopoly and boost their rates. In the dim, dark ages the king generally forced the press to obtain a license before it could operate. In return for printing favorable news, the king's printer was rewarded with all kinds of royal printing contracts. He was an agent by special appointment. This is apparently the aim for the press of Alaska, which must not criticize; must not defend the people.

Today's newspaper is protected and encouraged by the courts and the legislatures to criticize and to advocate constructive measures. That is its duty except in Russia where there is an iron curtain and in Alaska where there is almost an iron curtain. Do the people of Alaska want this curtain pulled down a little farther in the next 12 months?

While not denying the right of free enterprise to place its advertising where it chooses to, the Portland Oregonian editorially in commenting on what had been done to the Ketchikan Chronicle called attention to the fact that the steamship lines are being subsidized by the Government:

THE PUBLIC PAYS FOR IT

The Ketchikan Alaska Chronicle is on firm ground in protesting editorially the withdrawal from its pages by the Alaska Steamship Co. and the Northland Transportation Co. of paid advertising. Gilbert Skinner, the Seattle man who heads these firms which monopolize the Alaska trade under permit from the Maritime Commission, testified before a congressional committee that advertising had been withheld from the Chronicle because that newspaper criticized the kind and cost of service Alaska receives under the monopoly.

The point is not that free enterprise has the right to place its advertising where it wishes. It is that the Alaska lines operate under Government subsidy, and yet while expending public funds attempt to deny the right of a newspaper to comment as it thinks best on a subject of public interest. We think the Chronicle is right in stating that this boycott—which was a withdrawal of sailing schedules and policy advertisements previously carried—is an attempt to abridge the freedom of the press, as guaranteed in the first amendment to the Constitution.

The misuse of financial power by a company subsisting on the Public Treasury likewise makes more apparent the need to break the Alaska shipping monopoly so that competition may be introduced by ships loading in ports other than Seattle.

Should there be no restraints on a business which is operating in part because of a subsidy paid for by the taxpayer? Apparently not. Apparently that subsidy can be employed in many diverse ways, as the Chronicle has found out to its financial sorrow.

The Ketchikan Chronicle's fight against odds is related in the editor and publisher column, Shop Talk at Thirty,

by Robert Hugh Brown. This column told of not only the withdrawal of advertising of the steamship lines but similar action taken by local advertisers after he had printed a letter in which Mr. James Wooten, president of Alaska Airlines, told of threats made against him by representatives of the canned salmon industry if he continued to testify in favor of and to urge statehood for Alaska. The Shop Talk at Thirty column is reproduced here:

SHOP TALK AT THIRTY

(By Robert H. Brown)

The battle for statehood for Alaska which echoes only faintly in the Halls of Congress and seems very remote from the corners of Forty-second Street and Broadway, is having its repercussions among the few and scattered newspapers within Alaska.

Opponents of statehood, including some of the big business interests there, are violent in their dislike for the opposition, as who might not be, but when it comes to the newspapers they use the easiest weapon at hand—advertising.

We get this information from William L. Baker, publisher of the Ketchikan Chronicle.

Last September a subcommittee of the House Merchant Marine and Fisheries Committee visited Alaska under the leadership of Representative FRED L. CRAWFORD and held statehood hearings in Anchorage. James Wooten, president of Alaska Airlines, whom Baker calls a newcomer to Alaska, made a statement supporting statehood. Later he made an affidavit to the committee, which the Chronicle published with CRAWFORD'S permission, in which it was stated Wooten had been warned by nine different cannerymen to lay off statehood or he would lose their business totaling $400,000 in 1947, chiefly transporting cannery personnel to outposts.

Baker tells us that 4 days after publication of the letter a cannery owner who is a major stockholder in a department store, one of the Chronicle's largest advertisers, was responsible for that store canceling practically all of its Christmas business in the newspaper. The boycott continues, we are told. Other business boycotts have been imposed, Baker says, by traveling salesmen and field agents for nationally advertised products who also place the advertising and are unsympathetic to the Chronicle's statehood appeals.

Baker, in his editorials, fearlessly quotes testimony from the committee hearings to the effect that representatives of the Alaska Steamship Co. admitted their advertising had been withdrawn from the Chronicle because of its editorial policies.

Last year the paper published an 88-page statehood edition which has been bought by 3,000 school, college, and public libraries. Thus was the newspaper's conviction on the issue of statehood broadcast. All but one newspaper in Alaska distributed the section and statehood won 3 to 2 in the referendum, Baker states.

More power to this fighting publisher. Advertiser boycotts are not unknown in the United States. Usually they are attempted against the smallest and weakest newspapers. And the Chronicle's loss of revenue must hurt. The battle has been won by others in the past, and we hope Baker wins in the cause of free editorial expression.

The letter described was written by Mr. Wooten. I know that of my personal knowledge. I know, too, that the threat of loss of business was not an idle one. This year Alaska Airlines is carrying no fishermen from Seattle to Bristol Bay, a business which increased its gross revenues last year by almost half a million dollars. Mr. Wooten and Mr. Raymond W. Marshall, chairman of the board of Alaska Airlines, are to be applauded for their courage in resisting these threats. They have continued to urge statehood despite the huge financial losses such a policy has caused for Alaska Airlines. They know statehood will bring more people and more business to Alaska, and they are ready to stick to their guns no matter what the cost may be.

The power of money unwisely used is a terrific threat to American institutions. No better illustration of that could be furnished than in the circumstances surrounding the Ketchikan Alaska Chronicle and the Alaska Airlines cases.

Hon. Clarence Cannon, of Missouri

EXTENSION OF REMARKS

OF

HON. ALBERT THOMAS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. THOMAS of Texas. Mr. Speaker, permit me to say a few words about our colleague the gentleman from Missouri, CLARENCE CANNON.

I know of no man who has done more for his district in the fields of rural electrification, support for farm prices, and soil conservation. The present high level of progress in these undertakings is the result of his leadership and hard work. Not only the people of his great agricultural district benefited by his outstanding efforts and good judgment in these fields but also all the farm people throughout the United States. I know that the membership of the House will join me in the hope that the people of Congressman CANNON'S district, and the Nation, will continue to benefit by many more years of his service in Congress.

Hon. Herbert Hoover

EXTENSION OF REMARKS

OF

HON. J. GLENN BEALL

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. BEALL. Mr. Speaker, under unanimous consent to extend my remarks in the RECORD, I include an editorial from the Cumberland News of June 18, 1948:

TIME RAPIDLY WASHING OFF MUD FROM HERBERT HOOVER

It is doubtful if a President of the United States was more bespattered with mud than Herbert Hoover. In a sentence, he was the victim of one of the nastiest of political campaigns. It is now in the process of redress. It began when Senator ALBERT W. HAWKES, of New Jersey, introduced a bill to restore Mr. Hoover's name to the dam on the Colorado River, originally known as the Hoover Dam but designated Boulder Dam by Harold Ickes.

He was blamed for a depression actually caused by forces that were in motion long before he became President. He was politically smeared with such violent terms that during the period after his defeat for reelection until the inauguration of Roosevelt he was set up in the public imagination by Roosevelt and his "brain trust" as a monster who would be responsible for any calamities that might befall by the day Roosevelt took office. He was pictured as heartless, bungling, and reactionary. When he left office he was probably one of the most hated in the Nation's history. His wise and conscientious counsel went unheard.

He had, throughout his term as President, scrupulously refrained from exploiting the Presidency for his personal monetary gain or the profit of members of his family. He had served without pay, but that fact had been kept a secret until long after he returned to private life.

But, getting back to the dam issue. Mr. Hoover had never asked that his name be restored to the dam for which more than any other man he was responsible. Mr. Hoover did not name the dam himself. It was so named by Ray Lyman Wilbur, as Secretary of the Interior, in 1930. The Roosevelt Dam, the Wilson Dam, and the Coolidge Dam all had been named for incumbents. The Roosevelt in this case was Theodore Roosevelt. The Norris Dam had been named for Senator Norris while he was in office.

Now, a magazine editor and veteran foreign correspondent, who took some part in spreading anti-Hoover propaganda, has just written a book—Our Unknown Ex-President. It was given a brief review in this newspaper, and on this page, several days ago by Columnist George E. Sokolsky. The book is by Eugene Lyons.

In his book, Mr. Lyons has sought to draw a truer picture of Herbert Hoover; the portrait of a man of dignity and honor and high ability who, rising from humble origin, has crowded into one life span three great careers as an engineer, humanitarian, and public servant. After citing how he had harangued Hoover during the Landon candidacy for President, Mr. Lyons states:

"The marvel to me is that so many men and women are at last coming to an understanding of this amazing man, Hoover. They are beginning to realize what a mistake was made in 1932. Hoover has lived long enough to visualize this change in attitude, to realize he has rewon the respect, if not the affection, of a very large part of the American people."

Mr. Hoover, on learning of the contents of the book, commented that it was a bit embarrassing. He has never been embittered by attack and smear and humiliation. He has remained shy and bashful.

It is gratifying that the book has been written while Mr. Hoover is still with us. Many will agree with Mr. Lyons' conclusion:

"Time is rapidly washing off the mud with which Herbert Hoover has been splattered. The granite of integrity underneath is becoming obvious even to the less perceptive of his countrymen."

Cold War on Israel

EXTENSION OF REMARKS

OF

HON. ANDREW L. SOMERS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. SOMERS. Mr. Speaker, under leave to extend my remarks in the RECORD, I desire to include an editorial, Cold

War on Israel, written by Mr. T. O. Thackrey, editor of the New York Post, and which appeared in that publication on June 11, 1948. This editorial calls attention to the present situation in Palestine and the treachery with which the seven Arab nations, financed and led by Great Britain, are conspiring to kill the small and newly organized state of Israel:

COLD WAR ON ISRAEL

(By T. O. Thackrey)

The next 4 weeks will see the greatest concentration of effort to smash Israel's independence by diplomatic conspiracy, taking up where seven Arabian nations, financed and led by Great Britain, failed to exterminate the world's newest democratic nation by force.

The effort will fail.

Israel will never surrender her independence. She will never surrender to again become a chattel of Great Britain. That servitude has been abolished by the blood of men and women and children defending their homes and their freedom with their lives.

But the United States of America has a vital role to play during the weeks immediately ahead.

First, we must make it clear that, just as Great Britain has actively supported the Arab nations—which she created—we intend to equally support our commitments to Israel, which have been iterated and reiterated for more than 30 years.

There is nothing in the truce arrangement which prevents our extending recognition to Israel as a lawful state, and exchanging diplomatic representatives.

That action would serve notice at the outset that we will not be a party to the effort to beguile Israel into surrendering at the council table that which could not be blasted from her in an aggressive war.

Failure to do so, however, will be complete admission that President Truman has wholly abdicated our foreign policy to Foreign Minister Bevin—and that the people of this country will not stand for.

There is another and even more important step which needs to be taken, not a week or 4 weeks from today, but now.

This is notification to Israel and to the United Nations that if the Arabs—and their ally Great Britain—resume their hostile warfare on Israel at the expiration of a truce, the United States will immediately lift the arms embargo to Israel.

The Arab states retain an enormous advantage at the council tables in the absence of such a declaration, for Great Britain has made it clear with deeds as well as words where her sympathies and her support will lie in war, as well as peace.

We have pretended peace and friendship but have acted as enemies would act.

For weary months while murder was being done in Palestine, we prevented Israel from obtaining arms to defend the very lives of her people, permitted Great Britain to embargo immigration to the free nation we called friend, and allowed our citizens and our property to be outraged by any British puppet that cared to show contempt for our stated policies.

Now the real test has come.

The American people demand an American policy toward Israel.

Further, they will make certain, eventually, that Britain receives no American funds to replace those she uses to purchase murder, hostile war of aggression, and to foment anti-Semitism on a Hitlerian scale.

Only action now, while there is time, will bring a real and lasting peace with honor in Palestine. It can be had, in this 4-week period, if we quit playing Bevin's game, and for a change really act like Americans.

Unfair Displaced Persons Bill

EXTENSION OF REMARKS

OF

HON. ADOLPH J. SABATH

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. SABATH. Mr. Speaker, after many pledges and assurances that relief would be granted to at least 200,000 unfortunate and long-suffering people who have been in displaced-persons camps for nearly 4 years, I was happy that the House originally passed a fairly good bill. Unfortunately, the conferees of the House yielded to the Senate and an extremely discriminatory Senate bill ensued.

It has been charged by many who know that this bill willfully and deliberately discriminates against the Catholics and Jews, and grants special privileges and favors to the Nazis by permitting a greater number of them to come to the United States, which in turn will deprive many of the most-deserving people from coming to our country.

The members of the Committee on the Judiciary, who were also members of the conference committee, in their reports and speeches on the floor have fully explained the discriminatory provision in the bill so I shall not repeat their statements.

However, I insist that this bill will not admit deserving people and it will not help the displaced persons in the main; but who will it help? I will tell you—it will help the Volkdeutsche. For 2 years you are going to take the combined quotas for Germany and Austria, and you are going to issue an engraved invitation to the Volkdeutsche to come in to the extent of 50 percent of those combined quotas. You will thus admit 27,000 of them.

Who are the Volkdeutsches? You ought to know something about them. They were the advance guard who fertilized the field for Hitler's Panzer divisions. They were the natives, citizens, and subjects of Czechoslovakia, Poland, Holland Belgium, Hungary, Rumania, of German ethnic origin. They were what Hitler called the Herrenvolk. They were like the German-American bunds in the United States who turned against the Allies. These Volkdeutsche did all in their power to make it easy for Hitler's advance. Hitler's capture and overrunning of Czechoslovakia and Poland was made far easier for him because of the fifth-column work that was done by these Volkdeutsches. Fritz Henlein was their leader and the main quisling. If Hitler were alive today, he could qualify. He was born in Austria of German ethnic origin.

Are we going to forget so soon the purpose for which this recent war was fought? Are we going to admit these people against whom our veterans fought, bled, and died, and went through the valley of the shadow? I cannot subscribe to this kind of procedure. This is the uttermost injustice.

Mr. Speaker, I am inserting as part of my remarks an editorial which appeared in the New York Times on June 19, 1948, entitled, "A Shameful DP Bill," and a portion of an article written by Walter H. Waggoner appearing in the New York Times, of June 19, 1948.

They read as follows:

A SHAMEFUL DP BILL

Eighteen months ago a humanitarian drive, worthy of the best traditions of this country, was begun to save some of the lives of 850,000 men, women, and children in the displaced persons camps of Europe. With sweeping support of Americans in every walk of life and of civic, Government, labor, and religious groups, the Stratton bill emerged, symbolizing the highest principles as a basis for taking a fair share of the DP's—400,000 over a 4-year period on the concept of justice for each group of DP's.

That bill died in committee, and two bills subsequently took the Stratton bill's place. In the House, a more moderate bill, but nevertheless humane, was sponsored by Representative FRANK FELLOWS, to admit 200,000 DP's over a 2-year period. In the Senate a bill written by Senators REVERCOMB and WILEY was the antithesis of humanitarianism and deliberately sought to scuttle every high concept of either of the House bills. It cruelly favored one DP group above another, injected the religious issue, and because of its unworkable administrative provisions was a bill of exclusion rather than admission of DP's.

This week has brought a shameful victory for this latter school of bigotry. A joint conference committee approved virtually every narrow concept of the Senate measure and the House yesterday endorsed the conference report.

It is to their honor that four of the Senate-House conferees refused to sign the bill—Senators FERGUSON and KILGORE, and Representatives BOGGS and CELLER. This DP bill's main provisions are these: 205,000 DP's shall be permitted to enter over the next 2-year period, including 3,000 war orphans; 40 percent of admissions shall be allotted to DP nationals of the Baltic states and Poland east of the Curzon line; 30 percent of admissions shall go to farmers, discriminating against other skills; those not in the camps by December 22, 1945, are not eligible for admission, discriminating against the bulk of Jewish DP's, who suffered the most cruelly during the war. Even the Volks Deutsche are given a boost—permitting these persons of German ethnic origin, many of whom had strong Nazi ties, to compete for regular quota numbers with bona fide DP's.

This is a sad conclusion. There is also no assurance that the 100,000 proposed for the first year's admissions will come into the country, because of the bill's unworkability. Perhaps most significant, this triumph for the Revercomb group holds disturbing portents for the future. Good bills have gone down the drain; a bad bill and a bad precedent bode ill for democracy, which finds discrimination on its books repugnant.

HOUSE VOTES BILL TO AID DISPLACED—BUT COMPROMISE ADMITTING UP TO 200,000 MEETING RULES IS DELAYED IN THE SENATE

The bill, which would finally become law by Senate acceptance, was agreed upon in a Senate-House conference committee last evening. It provides for the admission into the United States in the next 2 years of up to 200,000 displaced persons meeting certain national and employment specifications, 2,000 Czechs who have fled their Communist government, 3,000 orphans under 16 years of age, and up to 15,000 eligible DP's now in this country on temporary visas.

DP COMPROMISE DENOUNCED—SENATE-HOUSE BILL A BETRAYAL, LEADERS HERE DECLARE

Jewish leaders here denounced yesterday the compromise displaced persons bill drawn up by a Senate-House conference committee Thursday night and approved by the House of Representatives. They called it discriminatory against Jews and Catholics and urged Congress to enact more equitable legislation.

Joseph M. Proskauer, president of the American Jewish Committee, said the compromise bill had "all the evils and little of the good of either the Senate or House measures." It constitutes "a betrayal of our basic American traditions," he said.

"Through ignorance or design," he explained, "this legislation in effect aims at deliberate exclusion of Jews and to a lesser extent of Catholics now languishing in displaced persons camps in Europe."

Former Gov. Herbert H. Lehman declared the compromise bill retained "most of the indefensible discriminatory restrictions" of the measure that had been passed by the Senate. In a prepared statement the former Governor said it was "a shock and a disappointment" to all who had hoped this country would assume world leadership in the solution of the DP problem.

He asserted that "the bill deliberately creates a barrier against Catholics and Jews and against the very men, women, and children who through suffering and record of sacrifice deserve fair and sympathetic treatment by our lawmakers."

Rabbi Irving Miller, chairman of the executive committee of the American Jewish Congress, asked congressional leaders to reject the compromise and enact legislation to "expedite and not hinder the immigration of displaced persons."

According to Rabbi Miller, the bill is "a legislative monstrosity which will work irreparable injury to the international prestige of the United States."

The Antitrust Laws Must Be Revised—Healthy Competition, Not Monopoly, Has Made Possible American Know-How, Initiative, and Invention

EXTENSION OF REMARKS
OF
HON. CHARLES J. KERSTEN
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. KERSTEN of Wisconsin. Mr. Speaker, I am today introducing a bill designed to correct what I deem to be an important tightening of our antitrust laws. While I realize that it is being introduced late in the session and has little or no chance of passage now, I think that this is a measure that should be taken up at the beginning of the next Congress or if we should be called into recessed session this year, it should at that time be considered.

The purpose of the bill is to prevent the creation of monopolies and the substantial lessening of competition in interstate commerce through the acquisition by a corporation of the assets of its competitors.

In 1926 the Supreme Court, in a decision covering three section 7 cases, declared that if the acquiring corporation had so used its stock purchases as to secure title to physical assets of the corporation acquired before the Federal Trade Commission issued its complaint, an order by the Commission was improvident. In 1934 the interpretation of the law respecting acquisitions of stock control, which were subsequently converted into outright purchase of assets, was extended by the Supreme Court, which held that if an acquiring corporation secured title to the physical assets of a corporation whose stock it had acquired before the Federal Trade Commission issues its final order, the Commission lacks power to direct divestiture of the physical assets, even though the acquisition of stock control may have fallen within the prohibitions of section 7 of the Clayton Act.

The testimony before the Federal Trade Commission reveals that during the past 4 years, particularly since the war, there have been 1,800 major acquisitions of manufacturing and mining corporations. A large part of these acquisitions have been made by the large corporations. The testimony shows a definite monopoly trend. Even before the postwar merger movement the Federal Trade Commission found a marked tendency toward concentration.

At the end of 1945 the 62 largest listed corporations held $8,400,000,000 of net working capital, which was largely in highly liquid form. This amount was sufficient to purchase the assets of nearly 90 percent of the total number of all manufacturing corporations in the United States—see Senate Document 17, page 6. It is only reasonable to assume that unless this amendment to section 7 of the Clayton Act is enacted into law, these corporations will continue to use a substantial part of their cash on hand to buy their competitors and thus accentuate the rapidly growing trend toward monopolization.

The National Resources Committee, which made an exhaustive study of many elements of the national economy during the thirties, estimated that in 1909 the 200 largest nonbanking corporations owned about one-third of all corporation assets in the United States. By 1928 they owned 48 percent of the total and by the early thirties the proportion increased to 55 percent.

If the tendency toward monopoly continues, it will crush the initiative of small business. A proper understanding of free enterprise would restrain an all-powerful monopoly that could crush all competitors in the market place. Free enterprise like free speech has limitations. Under the guise of free speech you cannot shout "fire" in a theater. Under the guise of free enterprise a powerful monopoly should not be permitted to crush all competition in fields where there should be competition. Absolute free enterprise is the law of the jungle where might makes right and prescribes all the rules of the game. Small business should be encouraged, not overwhelmed. Small business has made America great.

We do not want big government and we do not want business so big that it is monopolized in the hands of a very few.

Mr. KEFAUVER introduced a similar bill at the last session. I intend to press for its enactment at the earliest opportunity afforded.

Brooklyn Will Miss Him

EXTENSION OF REMARKS
OF
HON. EUGENE J. KEOGH
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. KEOGH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial which appeared in the Brooklyn Eagle:

BROOKLYN WILL MISS HIM

Brooklyn will not seem like Brooklyn with Peter J. McGuinness gone.

That was the name of the man whose great heart stopped beating in St. Catherine's Hospital just before midnight last night—but nobody ever called him by his full name. To all his friends—and they were numbered by the thousands—he was Pete McGuinness.

He was Pete, the politician. He was so meticulously honest that in more than a quarter century of political battling, no one ever raised the whisper of a suspicion of a dishonest penny maneuvered by Pete to his own benefit.

He was Pete the forthright, who spoke what was on his mind, in his own language and his own words. He was Greenpoint's picturesque Pete, who talked of Greenpoint as the "garden spot of the universe" because to him it was just that, and if it was not yet the perfect garden spot, he aimed and worked to make it so. He was Pete the friend of all the hard-working people in and around Greenpoint, whom Greenpoint's people—the factory workers and the small-business men and the day laborers and all the rest—loved because he loved them and was ready at the drop of the proverbial hat to fight for them.

Sometimes his grammar faltered, but his great heart never did. His death is a loss to which Greenpoint and Brooklyn will not for a long time become resigned.

Conferences in Fourth District, Ohio

EXTENSION OF REMARKS
OF
HON. WILLIAM M. McCULLOCH
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. McCULLOCH. Mr. Speaker, I am of the opinion that a Congressman should visit and confer with his constituents as often as time will allow.

I was elected to Congress at a special election on November 4, 1947. The Congress has been in session almost continuously since that date and there has been no opportunity for visits or conferences.

When Congress adjourns I expect to return home and to be available for conference with constituents in the common pleas court room of each county seat between 9 a. m. and 4 p. m., in accordance with the following schedule:

Lima, Allen County: August 17 and 18.

Wapakoneta, Auglaize County: August 19 and 20.

Greenville, Darke County: August 24 and 25.

Troy, Miami County: August 26 and 27.

Celina, Mercer County: August 30 and 31.

Sidney, Shelby County: September 1 and 2.

No appointments will be necessary and any problem or opinion touching official duties will be a proper subject for conference.

Of course, I will be available for conference in my Piqua office during the entire time that the Congress is in adjournment.

Exports

EXTENSION OF REMARKS
OF
HON. FRANK B. KEEFE
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. KEEFE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following letter:

JUNE 9, 1948.

Re exports.
Hon. FRANK KEEFE,
Member of Congress,
Oshkosh, Wis.

DEAR SIR: We previously corresponded with you on this subject, but to no avail.

The condition to which we called your attention has by no means improved, but is steadily becoming more and more aggravating.

The handwriting on the wall likewise is clearer and clearer. In addressing you again on this subject we are not merely concerned about business, but there are far more important factors to be considered which we will soon come to face.

This is a lengthy letter. Please read it. We are not pleading an individual cause.

When referring to "our business" in this letter we are merely using it to bring out actual facts.

Our business is to manufacture machinery and we are primarily occupied with the manufacture of wrapping machines—approximately 90 percent of our production—and also bread-slicing machines, which we produce to operate in conjunction with our automatic bread-wrapping machines, one of the several types of wrapping machines we manufacture.

Our business for many years, prior to World War II was world-wide and our greatest exports were to England, approximately 20 percent of our production.

At the start of the war we turned over all our facilities and personnel to war production 100 percent.

At the end of the war, like thousands of others, we converted to civilian production 100 percent.

At about the same time we had word from our London agents they had a backlog of orders for Hayssen wrapping machines but that the situation was such that they could not import our machines, and that, as the picture unfolds led to conversation, meetings, letters, cables—all further leading to the idea of manufacturing Hayssen wrapping machines in England.

Now that appears ordinary business procedure and should cause no alarm when it is viewed as only a single case, but the rub is that hundreds, probably thousands, of such business deals have already been consummated and more are in the process of being closed.

What about this? Nothing at all while we are riding the crest of sham prosperity and being lulled into deeper sleep by false sense of security.

Our company is only the foothill of the mountains of this Nation. Like other manufacturers we have been doing very well since the start of the war and probably would not be very much concerned about this situation if it were not for the months of November, December, 1947, and January, February, March, 1948, when we found the backlog of orders had suddenly melted away to a point where we were compelled to discharge an ample number of employees, reduce working hours, all against the face of a rising buyers' market and naturally disgruntled employees—mind you, not yet threatening.

Then matters changed—reasons are well apparent to you—Marshall plan, war talk, etc.

Once again we are busily engaged in manufacturing our machines on full-time basis—not too seriously concerned about exports to noncontiguous countries—and again we have that sense of security, but we do not become aware of the falsity of this sense until we begin to look into the future and start considering the over-all picture and realize the pitfall up ahead.

To give and help our neighbors is Godliness. To give some of ours and the all of some others is not Godliness, it is sincere foolishness and spells chaos.

Our company is but an example. We are situated in a community of some 40,000 inhabitants and average employment is 100 persons. We have already explained the nature of our business and relationship to export.

The export business to England has been cut off entirely. Up to recently we have enjoyed some export business with Australia, New Zealand, Belgium, Switzerland. This export business has also been cut off and you can easily surmise the reasons given—no dollars.

Our Canadian representatives have been indicating the same for the past several weeks, though we are still fortunate in being able to ship machines to that country.

To cap this we are approached personally and through the mails to make provisions for the manufacture of our machines in these foreign countries and if it is not with the gesture that others are planning to copy the machine if we do not step in and make arrangements for the manufacture of these machines for a paltry commission, it is an outright threat that unless we concede to such plan the machines will be copied outright and built with or without our approval.

Unfortunately we are helpless to do anything about this—one way or the other—either to go over there and establish manufacturing branches or to stop any action of copying and building our machines.

As we have already intimated—we are busily engaged here flooding the markets with machines to businesses that are riding a crest of false prosperity. Naturally we find it impossible to do both, although it would not be impossible to step up production with equipment, machinery and trained personnel that we have available to handle the export market from here.

The point we are trying to bring out in this connection is twofold—

1. While we are being lulled into a deep sleep of security by this false sense of prosperity we are likely liable to lose a great deal of our export business through establishment of branch manufacturing plants in foreign countries or through outright carrying out of threats by copying and building machines by others over there, which will only be made possible and profitable in such cases where manufacturers over here refuse or cannot otherwise comply—regardless of threats to go over there to manufacture.

2. The labor problem will not be felt as long as we ride on the crest of this false prosperity, but which sooner or later will come to an end—when we have given as much as some of "ours" that we can give and the all of "some others"—labor.

Let us go back to our company. That labor problem—as far as exports alone are concerned—may be anywhere from 15 to 25 percent of our employment and just so many families will be out in the cold unless they can be absorbed by other industries and that is very questionable when that situation arises.

The manufacturer will suffer some profit losses—some of the more unfortunate by these tragic events will lose all.

Now, it should not be overlooked that we are but one of many others who are being approached in this manner—some have acquiesced to these demands—others are sitting on edge and can be saved if action is not long in coming.

We are not entirely adverse to the idea of lending a helping hand to those in need, but that help should not be to the utter detriment of the giver.

It is probably too late to save us in our predicament because we have already been handed an ultimatum that if we did not agree to come over there to manufacture or otherwise send them complete drawings, jigs, dies, etc., or detailed drawings to manufacture the same, they would commence to copy our machines as of May 15, 1948.

It may be interesting to note that we have offered to temporarily trade our machines for commodities, but that has been turned down as an unsatisfactory proposition and in the course of the same conversation we have been informed that they were only interested in selling for cash and recalling cash balances so accumulated to their country immediately.

While there may be no crying demand for export business, it is nevertheless important that we strive to keep what we have even if it is necessary in helping to reestablish others on a footing to give them additional help.

It would be sheer folly, however, in helping others to create adverse conditions here and moreover establish direct competition with ourselves after we have accomplished our mission.

Summing this up in a single paragraph, conditions now are such that we are being rocked to sleep by a false sense of security through the creation of sham prosperity by distribution of materials and wealth throughout the world. This situation, however, cannot continue for an indefinite period. As a progressive people we can and will recuperate given a fighting chance but we will not be so happily situated if after we wake up with a sudden jolt we find ourselves competing with the rest of the world building and offering the very products we previously exported to them, the know how and manufacture of which they obtained through duress, threats, unfair and unbusinesslike methods.

The matter, in our opinion, is serious and, as already intimated, unless curbed in time will prove a boomerang to business and a serious blow to labor.

The case here is only briefly stated with belated question, Will we be prepared for the loss of this export trade? How will business and labor take this set-back?

Copies of this letter will be mailed to various governmental heads and to others who might be interested.

We will appreciate hearing from you in this connection. We would like to know your reaction to this, and if any action is contemplated.

Yours very truly,
HAYSSEN MANUFACTURING CO.,
F. HORWITZ.

New Johnsonville Steam Plant Only Temporarily Lost

EXTENSION OF REMARKS
OF
HON. ESTES KEFAUVER
OF TENNESSEE
IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. KEFAUVER. Mr. Speaker, we Members from the Tennessee Valley are terribly saddened with the vote that has just been cast where, by a majority of 15, we have lost during this session the appropriation for the steam plant at New Johnsonville, Tenn. Only a further refusal of the Senate and a change of several votes in the House can now save this necessary project. This seems unlikely.

We did the best we could in the House. Every Member was contacted and the facts justifying the project were presented. We thought we had enough votes to win. The Republican leadership in the House, however, decided to make a vigorous party fight over this issue. The leadership of the majority put heavy pressure on several Members whom we expected to vote with us. The whip was cracked again and again—and we lost.

But it is a temporary loss only. The power requirements of the valley, the needs of national defense, and the remarkable record made by TVA weigh heavily in support of this steam plant. The case presented for it was so overwhelming that the force of public opinion, fairness, and good business judgment will require the building of the plant. We must and we will continue our effort until the money is appropriated to commence its construction. We ask that our friends in and out of Congress stand with us and help in our future efforts. We ask that those who voted against the appropriation reconsider the facts. We hope they will come down to the valley and see for themselves the sound progress being made in building up a great section of our country. We want them to study again the necessity of this plant in relation to the airplane, atomic energy and the whole defense program. If they will do this—they will join in correcting the error made here today.

The facts justifying this plant are unanswerable; our position is sound; our case is meritorious and on the good American principle of "doing what's right" this Congress must give this project the go-ahead signal—we must never and we will never give up the fight.

War Housing Disposal

EXTENSION OF REMARKS
OF
HON. FRANK BUCHANAN
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. BUCHANAN. Mr. Speaker, under unanimous consent to extend my remarks in the RECORD, I include at the conclusion of my remarks a letter signed by every member of the six-man Republican delegation from Connecticut in the House of Representatives and released to the press in October 1947. This letter registers a strong protest against the sale of permanent war-housing projects in Connecticut under preferences and procedures, almost identical with the preferences and procedures which title II of the so-called Wolcott housing bill—H. R. 6959—passed by the House yesterday would enact into law, on a mandatory basis, with a deadline date, and with no administrative discretion allowed.

It is to be noted that every member of the six-man Republican delegation from Connecticut in the House of Representatives yesterday voted in favor of these preferences and procedures which, on behalf of their constituents, they publicly denounced a short time ago.

I make these brief remarks so that the good people of Connecticut may see that the Republican members of the Connecticut delegation in the House are perfectly willing to promise one way and vote the other way, not only on general matters, but even on specific vital matters affecting their constituents most intimately, in which their promises were individually made and now have them individually broken.

I quote from hearings on investigation, disposition of surplus property:

HEARINGS BEFORE THE SURPLUS PROPERTY SUBCOMMITTEE OF THE COMMITTEE ON EXPENDITURES IN THE EXECUTIVE DEPARTMENTS, EIGHTIETH CONGRESS, FIRST SESSION, PURSUANT TO HOUSE RESOLUTION 90 AND HOUSE RESOLUTION 100

(Part 5)

HEARINGS ON DISPOSAL OF WAR HOUSING UNDER THE PROVISIONS OF THE LANHAM ACT, AS AMENDED, AND HOUSING AND HOME FINANCE AGENCY PUBLIC REGULATION 1, DECEMBER 12, 1947

Mr. HOLIFIELD. Did you three gentlemen vote for the Wolcott bill?

Mr. MILLER. I did not. I spoke against reporting it out of the committee. In my small town the citizens will be asked next week to authorize the expenditure of funds to build 28 houses for veterans. It will be hard to sell them that idea when the Federal Government is selling this housing project in the community.

Mr. HOLIFIELD. I voted against the bill myself, because I could foresee situations like this. So you and I see alike on that.

Mr. MILLER. I am for veterans' preference, but at least three of the Legion posts in that district have adopted resolutions opposing the sale under this regulation at this time. Maybe 2 years from now the situation will be different. It would mean the forced removal of nearly 3,000 families in that area.

Mr. FOOTE. I am not complaining particularly about the Wolcott bill. I am complaining about the regulation. I think the nub of the thing is failure to consult and pay some attention to the wishes of the people in the community, which Mr. Foley in his letter says he is bound to do, and says he has done. Under the Lanham Act as originally passed—that was before I came down here—it provided for the disposition of these properties as expeditiously as possible.

Mr. HOLIFIELD. Within 2 years after the cessation of hostilities.

Mr. FOOTE. Hostilities, I think, have ceased temporarily.

Mr. HOLIFIELD. The President has not proclaimed a cessation of hostilities within the meaning of the act, but the Wolcott bill supersedes that, in my opinion.

Mr. FOOTE. They have a year and a half to dispose of these projects, and I assumed, and I think the Banking and Currency Committee assumed, that they would not go in a congested area and proceed to sell this Lanham Act property.

Statement of Hon. Antoni N. Sadlak, a Representative in Congress from the State of Connecticut

Mr. SADLAK. Mr. Chairman and members of the committee, I am the Congressman at Large in the district. I would merely be emphasizing the same contention that has already been put forward to you. I think we should get on at this meeting to hear the gentlemen who came down here from Plainville.

The genial chairman mentioned there was another Congressman from Connecticut present, JOHN DAVIS LODGE, and if there were no conflict I am sure Mr. PATTERSON and Mr. SEELY-BROWN would also have been present.

Thank you.

Mr. RIZLEY. Congressman LODGE.

Statement of Hon. John Davis Lodge, a Representative in Congress from the State of Connecticut

Mr. LODGE. There is very little I can add. Congressmen MILLER and FOOTE are familiar with the matter.

I would like to stress one phase, and that is that, as I recall, under the Lanham Act public interest is mentioned. It seems to me it isn't in the public interest to dispose of this housing, whether it is done under regulation No. 1 or any other regulation at this time. I think you have to take into consideration the effect the disposal would have. I know in Bridgeport, in my district, housing is practically impossible to find. It might be a good idea to think twice before feeling compelled to dispose of housing of this kind at this particular time.

I thank the chairman and this subcommittee for the opportunity to appear.

Mr. RIZLEY. Thank you, Congressman.

I think we should hear from the housing people first, and then we will hear from the people from Connecticut.

UNITED STATES SENATE,
COMMITTEE ON ARMED SERVICES,
Washington, D. C., October 23, 1947.

Hon. RAYMOND M. FOLEY,
Administrator, Housing and Home Finance Agency,
Social Security Building,
Washington, D. C.

DEAR MR. FOLEY: The State of Connecticut has, as you no doubt know, an acute shortage of housing. During and since the war, there has been a heavy population increase in this State. Housing construction has not kept pace.

It is our understanding that under Public Regulation 1, your agency proposes to dispose of federally owned war housing. This would, of course, mean the eviction of thousands of tenants who would simply have no other place to go. It is our belief that no considerable proportion of these tenants wishes, or is able, to at this time purchase these houses. However, under existing conditions, they may be forced to buy whether they can afford it or not.

Recently, in a letter to his excellency, James L. McConaughy, Governor of the State of Connecticut, you stated, "It is our conclusion that our policies should conform with the wishes of Congress as expressed in these hearings and by the passage of the bill referred to." As a matter of fact, the so-called Wolcott bill which called for the disposition of this housing was not considered by the Senate, and of course was not passed. Consequently, it is difficult at this time for any one to determine the wishes of the Congress.

We believe at this time, when there is a considerable discussion of the necessity for increased Federal aid to housing it would be most unwise to dispose of the presently owned Federal projects of the kind described.

We have met with housing commissioners, members of disposition committees, and representatives of tenants, here in Connecticut, and are enclosing, for your information, a copy of a resolution passed at a meeting October 22.

There is also, as you know, a very real problem for persons who might buy this housing in that many of the towns concerned waived all normal zoning and sanitation regulations. Until some adjustment can be made on these matters. It would seem unwise to contemplate sale.

We feel very strongly that insofar as the State of Connecticut is concerned, your agency should withhold action until such time as Congress has the opportunity to act.

We will, very much, appreciate your cooperation.

Yours very sincerely,

RAYMOND E. BALDWIN,
United States Senate.
WILLIAM J. MILLER,
Member of Congress, First District, Connecticut.
ELLSWORTH B. FOOTE,
Member of Congress, Third District, Connecticut.
ANTONI N. SADLAK,
Member of Congress at Large, Connecticut.
HORACE SEELY-BROWN, Jr.,
Member of Congress, Second District, Connecticut.
JAMES T. PATTERSON,
Member of Congress, Fifth District, Connecticut.
JOHN DAVIS LODGE,
Member of Congress, Fourth District, Connecticut.

The Railroad Rate Bill

EXTENSION OF REMARKS
OF
HON. ALFRED L. BULWINKLE
OF NORTH CAROLINA
IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. BULWINKLE. Mr. Speaker, under permission to extend my remarks in the Appendix of the RECORD, I am quoting an editorial from the New York Times of Friday, June 18:

THE RAILROAD RATE BILL

The Eightieth Congress succeeded in writing a new record into legislative history when the House voted, 297 to 102, to override President Truman's veto of the Bulwinkle railroad rate bill, sustaining a similarly one-sided vote in the Senate, for this marked the third time within a week that Congress had defied the President on major legislative issues.

To many it will seem that the President added needlessly to the friction between himself and the Congress when he undertook to negate this measure. The legislation, passed by clear-cut congressional majorities, had the support not only of an overwhelming majority of shippers, business groups, and farm organizations, but of the very Government agency charged with regulating the carriers, the Interstate Commerce Commission. Yet in the face of these facts Mr. Truman elected to go along with the antitrust division of the Justice Department, which has repeatedly given evidence that it seems to enjoy harassing "monopolies" that either have ceased to be monopolies or never were monopolies.

The Bulwinkle bill exempts railroads and other common carriers from prosecution under the antitrust laws for entering into agreements on rates with the sanction of the Interstate Commerce Commission. Despite the assertions of the Justice Department, this does not introduce anything that is basically new in railroad rate-making practice.

Rates, in an overwhelming majority of cases, are initiated by the carriers themselves. This measure merely extends statutory sanction to the joint preparation of tariffs by the roads concerned, subject to approval by the ICC. To say, as does Mr. Truman, that this represents "a departure from the present policy of regulated competition" is absurd. The railroads have been subject to antitrust regulation for more than a generation. The only difference between them and most industries is that enforcement was entrusted in their case to the Interstate Commerce Commission instead of the Justice Department. The present legislation, in fact, would probably never have been sought had it not been that the Justice Department insisted on trying to superimpose its own concepts of monopoly on those of the Interstate Commerce Commission, a body infinitely better equipped, both by training and political detachment, to render and enforce intelligent judgments in the highly technical realm of railroad rate making.

Americanization Day Exercises at Jersey City, N. J.

EXTENSION OF REMARKS
OF
HON. EDWARD J. HART
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. HART. Mr. Speaker, recently I inserted in the RECORD an account of the annual Americanization Day exercises conducted in Jersey City, N. J., under the auspices of the Captain Clinton E. Fisk Post, No. 132, Veterans of Foreign Wars of the United States. At that time the speech delivered on that occasion by Ray H. Brannaman, commander in chief of the VFW, was not yet in my possession. It having recently come to me, I now include it in this extension of remarks:

It is a privilege for me as commander in chief of the Veterans of Foreign Wars to assist the Captain Clinton E. Fisk Post, No. 132, of our organization in making the seventeenth annual Americanization Day parade the most successful and memorable in the history of this inspiring spectacle.

The real value and significance of this demonstration of patriotism and loyalty are to be found, I think, in the very purpose for which this Americanization Day parade was organized. The members of the Captain Clinton E. Fisk Post of the Veterans of Foreign Wars realized that the citizens of your city and State, as well as of the entire Nation, must rededicate themselves to those ideals and principles on which this Nation was founded to combat the insidious and destructive growth of communism in America.

The malignant cancer of communism which has entered the bloodstream of our democracy must be cut out or the body politic of America will surely be destroyed.

Immediately steps must be taken to rid our Federal Government of Communists and their fellow travelers who would incite unrest, inefficiency, and disloyalty leading to the overthrow of our democratic form of government.

Industry, business, and labor must also awake to the danger of communism within their ranks. For there can be no question that many of the strikes, labor-management disputes, unwarranted increase in prices and the creation of deliberate scarcities of essential items were caused by the Communists to sabotage postwar production and prosperity in America and to prevent the economic recovery of the free nations of Europe.

This is the immediate danger which we must acknowledge and resolve. But the final defeat of communism in America and the other free nations of the world depends upon the intelligence, courage, and determination of the youth of our Nation * * * the future leaders of our Republic.

Armed with the intelligence to appreciate the inestimable value of their heritage of freedom and opportunity, the youth of America will exhibit that same courage and determination to defend their heritage, with their lives if necessary, against internal or foreign aggression as have their predecessors throughout the history of this democracy.

It is obvious, however, that appreciation cannot exist without knowledge and understanding. And today in America there is a great need for a revitalization and revamping of our education system to insure a more detailed and thorough teaching of those democratic ideals and principles which are the foundation and strength of our country. If the future welfare, security, and prosperity of America are to be entrusted to today's school children, they must be provided with the tools with which to work.

Unquestionably the greatest weapon we can place at their disposal is an awareness on their part of the terrible price which has been paid for the freedom and opportunities they enjoy. We can endow them with no more powerful defensive force to help safeguard America than the intelligence to evaluate the real menace of communism and other ideologies which advocate the overthrow of our democratic institutions and way of life.

A necessary adjunct to this program of academic education is a healthy environment, physically, socially, and economically.

The foundation of our national life is the individual home. Today in America countless thousands of parents are unable to provide their children with adequate, decent homes because of the desperate housing shortage which exists. The exorbitant high prices charged for even meager shelters has forced other families to curtail or eliminate normal social, educational, and financial advantages which all parents would confer upon their children. These benefits have contributed to the establishment in America of the highest standard of living of any nation in the world. And they are important. At least thousands of our fellow citizens thought enough of them in the past war to give their lives so that they might be preserved.

The Veterans of Foreign Wars also believes that a great deal can be done in each community to expand and improve athletic and recreational facilities which will take our youngsters off the streets and give them the opportunity to learn the practical lesson of cooperation. They will also be taught that basic concept of competition which has characterized our American way of life for more than a century and a half.

This concern for our children's future, translated now into terms of better living conditions, greater supervision of our educational system, increased athletic and recreational facilities, will insure healthier, more mature, intelligent, and responsible citizens. It will also insure that America's future leaders will be wise and determined enough to defend our heritage of freedom against communism or any other foreign ideology which has as its basic purpose the overthrow of our Government and the enslavement of our people.

A rebirth of patriotism and a rededication to the principles which are the foundation

and strength of our democratic government are our immediate responsibility. Constant vigilance and a continued determination to make whatever sacrifices are necessary to protect the United States against impending Communist aggression are the price of our independence.

Inadequate national security and a policy of isolation, appeasement, or indifference can cause America to be invaded and defeated today, even as we wait for our children to come of age and assume their responsibility for defending our Republic tomorrow.

Reciprocal Trade Program

EXTENSION OF REMARKS
OF
HON. JOHN C. KUNKEL
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. KUNKEL. Mr. Speaker, under leave to extend my remarks, I include my radio broadcast transmitted over Station WHP, Harrisburg, Pa., on May 29, 1948, relating to the extension of the reciprocal trade program:

This week the Republican Congress approved a further extension of the reciprocal trade program. This was done despite every effort by the Democrats to end the reciprocal trade policy. Every action taken by them was calculated to destroy completely this governmental policy of ours and at the same time to throw the responsibility for so doing upon the Republicans.

I thoroughly believe in the principles behind the reciprocal trade treaties. Indeed, after my studies in connection with conditions in Europe, as a member of the Herter committee, I am convinced that it is essential to the welfare of the United States for us to import much more than we have in the past. If we are ever to receive actual payment for the goods we export, then we must give foreign nations the opportunity to ship their products to us. Unless we take these imports and fit them in with our economy it will be difficult to carry to fulfillment the objectives of the European recovery program or to establish a sensible postwar world.

My personal belief is that President Truman, the Democratic leadership of the House, and the opposition were disappointed not because the present bill was a bad one but because the bill reported by the Ways and Means Committee was such a good bill. It was not open to any legitimate criticism by any proponent or advocate of trade treaties. The attack on this principle was based entirely on the theory that the extension had to be "as is" for a 3-year term. While the two changes made were assailed as crippling, it is not easy for any fair-minded person to see how they can, in fact, fail to improve and safeguard the trade-treaty policy.

Let us examine the disputed points in the new bill.

First of all, there is the question of whether it should be an extension of 1 year or 3 years. In answering this, do remember that the length of the extension does not affect existing treaties. All treaties, either concluded in the past or to be concluded during the time of extension, are valid until canceled by a President of the United States. They do not even die automatically when the other contracting nation (as in the case of Mexico) cancels its concessions. Now, a 3-year extension would have bypassed the Eighty-first Congress—the next one. In past five extensions of the trade treaties even the Democrats only once have proposed an extension which would have bypassed a full Congress. Furthermore, you cannot bypass a Congress even though you would like to do so because each Congress can legislate for itself. Therefore, any argument for a 3-year extension is completely invalid.

At first I thought a 2-year extension would be preferable; after hearing the arguments, I changed my mind. A new President, as well as a new Congress, will be inaugurated next year. They should be able to make their recommendations on this important subject. If President Truman is reelected, then he can call the turn. Every Republican Presidential candidate has endorsed the trade-treaties agreements principle. If elected, the Republican President should be given a chance to say how it should be applied.

There are two additional important arguments in favor of a 1-year extension. Under the European recovery program, with which the principal of reciprocal trade is correlated, the so-called Watchdog Committee set up to survey the operations of the Economic Cooperation Administration, must report to Congress on its operations and make recommendations for changes during the early part of the next session of Congress. Thus the present termination of the extended Reciprocal Trade Agreements Act will coincide in time with the report to Congress on this matter, so intimately tied up with the questions involved in international trade. This is a most natural and happy result.

In addition, the next Congress is to consider the charter of the International Trade Organization. This body has been working on the general principles of international trade for many months, both at Geneva and later in Habana. If it adopts a program, legislation of a permanent character relating to our trade with other nations will be required. At that time it will be essential that we review completely our present trade program and policies. This would be true whether the extension had been for 1, 2, or 3 years.

Those two things—I shall not go into detail about them because of lack of time—are intimately connected with the ultimate objectives of the reciprocity program. They should all be considered together and weighed together. A 1-year extension assures that this will be done. The other changes are in the administrative process. The Tariff Commission is substituted for the Committee on Reciprocity Information. Previously the CRI, established by Executive order and composed of representatives of interested executive departments, held hearings. It was conclusively shown that this Committee never made any recommendations. The members were not paid, they were merely picked from the Government agencies. They did not even keep a record of the testimony given to them in most cases. They merely sat, looked wise, and listened to explanation—or pretended to—from representatives of American business, agriculture, industry, and labor. They never prepared a report. The members were not even permanent. The President or the State Department could change them at will and did so.

In place of this the Tariff Commission, a nonpartisan body appointed by the President and composed of three Republicans and three Democrats, has been substituted. This body is composed of technical experts chosen because of their knowledge and ability in connection with questions of foreign trade and the tariff. During the years of its existence, the Tariff Commission has been praised by anyone who knows anything about its operations as an organization. It is noted for performing its functions in a disinterested and purely professional way. Since the appointments are made by the Presidents and since practically every member of the present Tariff Commission has been appointed by either President Roosevelt or President Truman, to the great believers in lower tariffs, it is inconceivable that this body would not be most freely disposed toward the principle of lowering tariffs. The argument that the Tariff Commission would act in a manner to sabotage the trade-treaties program is ridiculous under the circumstances.

Now, the Committee on Reciprocity Information has no power or authority whatever. The Tariff Commission, under the terms of the House bill, is charged with the duty of recommending to the President the limit to which tariffs can be lowered and the limits to which they can be raised. If within these limits so recommended—and these recommendations are secret—the President can negotiate freely and make final and binding agreements. The Tariff Commission is charged with the duty of keeping in mind the national welfare and the national defense in judging how far tariffs can either be raised or lowered. Let us suppose the President does not want to follow the advice of the Tariff Commission. This is the second change in the act. The President can, if he so desires, reduce or raise tariffs below the limit set by the Tariff Commission. But, if he does so, then the final agreement must come before the Congress for disapproval. If both Houses of Congress—the Senate and the House—acting individually, disapprove the agreement made by the President then it is invalid. If the President can command the majority in either House, then the agreements he concluded cannot go into effect. This is the same principle embodied in the Reorganization Act which President Roosevelt requested and which the Congress enacted.

The President initiates the agreements exactly as he does today but if he goes beyond the limits recommended by the Tariff Commission, then he must submit the matter to the Congress with his reasons for doing so—and presumably they would have to be good reasons if he has done so—and then the Congress has the opportunity of disapproving the agreement if (1) it does so within 60 days, and (2) if both Houses give a majority vote against it.

As a matter of fact, this entire issue is more or less moot. The tariff is a means of controlling foreign trade in these days of import-export controls, distorted currencies, embargoes and subsidies. People with whom I have discussed this problem—both in this country and in foreign countries, including people in the State Department, agree that little, if anything, can be done within the next 5 years. This is not the fault of the United States. It is the fault of world conditions. Furthermore, the United States has already negotiated trade agreements to the hilt. We have used up practically all the authority given to the President. Any further trade agreements which might be concluded would be limited in scope. So, the whole problem is more academic than real.

There can be no real free trade in the world until war and the threat of war has been removed. As long as there is a probability of war, countries will place embargoes and restrictions on the raw materials and commodities essential to their national defense. The reciprocal trade treaties were claimed to have been a prevention of war. They have been in effect for some years. The result was World War II. When you argue that trade treaties prevent war you are putting the cart before the horse. After you take the necessary steps to end all wars, then there is a real opportunity to improve trading conditions throughout the world.

Now, let me summarize the benefits from the present bill as contrasted with just a simple extension.

1. It will take the trade treaties and foreign trade and commerce problem from a partisan administration for all time to come. It will make it an impartial national policy which all can support.

2. It will tell the world that our country intends a bypartisan individual determination of the economic facts involved in these treaties.

3. It will tell the world that if there is a real controversy, the ultimate decision will be made by the elected representatives of the people. In other words, that our international cooperation depends not only upon the President, but upon the continued cooperation of the President with Congress in protecting our own economy and our national security.

4. It will remove the doubts concerning the constitutionality of the whole trade treaties program. Congress has always been considered to have control over foreign commerce. Whether Congress could completely delegate this authority to the Executive is a question which has puzzled some of our best lawyers. By placing certain limits, tenuous as they may be, upon the authority this question of a complete delegation of legislative authority to the Executive is eliminated. In other words, the program is changed from one probably unconstitutional into a similar program having all the advantages of the former program but in a manner which is clearly constitutional. The administration should welcome this because the one thing which would really ruin the whole policy would be a Supreme Court decision holding the program unconstitutional. That would not only end the program but it would void every agreement previously made.

The Late Fred Richardson

EXTENSION OF REMARKS
OF
HON. E. E. COX
OF GEORGIA
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. COX. Mr. Speaker, when Fred Richardson, fatigued with life and exhausted from toil, bade this world farewell and his spirit passed through the Golden Gate and heard the heavenly accolade "Well done, thou good and faithful servant," the Nation lost a valued citizen and the Congress a devoted friend.

For more than 30 years this good man devoted the energies of his body and mind without stint and without limit to the cause of good government. Like the lighthouse to the lost mariner, he served as the guide and counselor to many people bearing the heavy responsibility for the proper conduct of the people's business and the enactment of just laws.

He was a profound student of government and believed, as the great Jefferson said, that "The art of government consists in the art of being honest."

The character of our departed friend was built upon the eternal rock of principle and truth, and from the course pointed out by his high sense of right he never departed. He was wise in resolution and patient in performance, always mild, always merciful, always strong, always good. His great talents he consecrated to honest aims, and for no reward except that which comes with a consciousness of work well done. His was a heart and mind that was filled with love and joy and worship. May God bless his memory.

America Needs More TVA's

EXTENSION OF REMARKS
OF
HON. ESTES KEFAUVER
OF TENNESSEE
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. KEFAUVER. Mr. Speaker, under leave granted to extend my remarks in the RECORD, I include the following remarks made by me in debate with Congressman BEN F. JENSEN, of Iowa, over the Columbia Broadcasting System:

Public ownership of power is desirable, for it is the only proven method by which the power potentials and rich resources of the great river valleys of our Nation can be fully developed for the benefit of the American people. The great flood in Oregon and the terrible destruction and loss of life which followed in its wake once again underscores the immutable fact that these rivers and the wild energy which pours through them must be harnessed. They can only be harnessed by an over-all coordinated approach on a regional basis, made possible by publicly owned projects such as the Tennessee Valley Authority.

The rivers of the United States belong to the people—that is provided for in the Constitution. It is the Government's duty to develop these rivers for the use of the people. Public ownership of power is not socialization but fully in keeping with the intent of the Constitution.

A headlong attack has now been launched by an association of private power companies on public ownership of power in general, and the Tennessee Valley Authority in particular. Headed by a $65,000 a year lobbyist Purcell Smith, a former head of a private power company once controlled by Samuel Insull, this group approaches the subject of power purely from the standpoint of rates. Here we find the very crux of the entire question of public versus private ownership of power. The Federal Government which is after all the people's Government responsible to the people, approaches the ownership of power from the larger standpoint of developing the great river valleys of our Nation—to stimulate free enterprise in the development of new industry, to bring cheap electricity to the farms, to rehabilitate the soil through fertilizer programs and check its erosion by flood control.

This is the kind of free enterprise and progress our forefathers brought to the early pioneering of America. It is one of the very purposes for which our democracy was born. * * * for such a vast undertaking as the development of a great river valley and the area surrounding it can only be accomplished fully by public ownership through the Federal Government, as exemplified by the Tennessee Valley Authority. It is obvious to all that private power interests have never had the motive, the facilities or finances for the execution of vast multi-purpose development of our Nation's river valleys.

As a Tennessee Congressman I have been privileged to take an active part with many of my colleagues in Congress in seeing to it that the Tennessee Valley Authority was allowed to progress and develop to the best interests of all of the people.

In 1933 the Tennessee River was almost useless for navigation, its power resources were undeveloped, its turbulent waters were a danger both in the valley and beyond the river's mouth, along the Ohio and Mississippi Rivers. The economy of the region was almost wholly based on agriculture and the land, which supported the people, was approaching exhaustion. Great forests and farm woodlands alike were depleted. Abandoned farms, barren and eroded hillsides scarred the landscape and foreshadowed a future of poverty and despair. In but a short span of years the Tennessee Valley Authority publicly owned power changed all this. In 1933 before TVA in the dark age of private power ownership, one farm in 23 had electricity. Now every other farm in the area is served and we look forward to the day, in the near future, when every farm will have electricity. More than 1,800 new manufacturing and processing plants have been established in the Tennessee Valley. Only four have actually moved in from other areas of the country. During the war years this area played a leading role in the production of things vital to the war effort.

The small clique of private power interests would have you believe that they speak for free enterprise, but the people are familiar with this Samuel Insull brand of free enterprise, the kind of free enterprise that produces enough profit to pay $65,000-a-year lobbyists and places quarter-of-a-million-dollar budgets at their disposal with which to attempt the old shell game of pressure politics in the Nation's Capital.

Purcell Smith and his lobby have centered their present attack on the Tennessee Valley Authority's requested appropriation with which to begin construction of a new steam power plant at New Johnsonville, Tenn. Power is one of the essential tools of modern progress; demand for it increases steadily. Present development in the increase of the hydroelectric power will bring the capacity of the TVA system to a total of 3,270,000 kilowatts to meet the rising demands for power in this area. The Tennessee Valley Authority is the sole power supplier for a region of 80,000 square miles. To meet the requirements of more than 800,000 existing consumers of electric power and more than 100,000 additional farms to be served in the next few years, it is vital that the TVA be allowed to build this additional power plant.

The purpose of the act etablishing the TVA in 1933 was to develop the area's resources for the benefit of the people, to promote their prosperity, their enterprises, to raise the level of their incomes and to strengthen the entire Nation by making the valley more productive. The TVA has accomplished all that and can point to a glorious record of accomplishment. Those of us who believe that public ownership of power is in the best American tradition of producing the most good for the most people will see to it that no lobby of private power interests will ever put a lid on the continued healthy development of the Tennessee Valley Authority, which has brought a better life to so many Americans.

Projects like the Tennessee Valley Authority are not subsidized power, as the lobbyists would have you believe * * * the Federal Government investment in TVA has proven to be a good business proposition. It pays its own operating expenses and continues to improve the area it serves. It will fully pay for itself in time out of the reasonable profit it is allowed to make.

To the fatuous charge made by the private power lobby that the public development of

regional sections of our Nation throws unjust tax burden upon other parts of the country, I would say this: I believe the people of Tennessee would always expect me, as their elected representative, to lend my wholehearted support to the development of similar projects in other great river valleys of the United States, for I am sure they are convinced, as I am, that progress anywhere in America is progress everywhere in America.

Income Tax Reduction Bill: The Dingell Statement

EXTENSION OF REMARKS
OF
HON. ALBERT L. REEVES, JR.
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. REEVES. Mr. Speaker, the gentleman from Michigan [Mr. DINGELL] has had a wonderful afterthought. In the Appendix of the CONGRESSIONAL RECORD at page A3711 he has included remarks relating to a bill he introduced 7 years ago on the subject of Federal income taxes. He has requested that his extension of remarks be added to the remarks he extended in the RECORD on February 2 in rebuttal, he says, to my remarks on the same day. In the permanent RECORD his remarks will appear to have been made in the Committee of the Whole House on February 2. Actually they were written more than 4 months later.

Wholly disregarding the personal reflections against the gentleman from Missouri which the gentleman from Michigan so carefully expressed in his extension of remarks—and they should be disregarded, of course, in all charity—it is quite obvious that the sketchy bill referred to has little to do with the merits of the matter under discussion. It represented such a hasty and superficial approach to the problem of equalizing the income-tax liability of married couples in all States that the Ways and Means Committee gave it exactly the consideration to which it was entitled. They completely ignored it and took no action whatever with respect to it. That is the record, for all who wish to read it. And it made so scanty an impression on the gentleman from Michigan himself that in replying to me on February 2 he did not then even remember having introduced it—and that is the reason for his request that his belated recollection and reference to it on June 10 be placed in the RECORD for February 2 with the rest of his remarks.

For the 7 years after August 2, 1941, when his bill was introduced, the gentleman from Michigan did absolutely nothing about the matter, although his party controlled the Congress and the Ways and Means Committee, and the unfair tax discrimination against married couples in the non-community-property States had become well-nigh intolerable. In all that period the gentleman from Michigan remained completely silent on the subject. That is how he "long labored" over the matter, as he puts it.

I am satisfied with my original statement of the situation. I repeat my challenge of the correctness of the gentleman's statement. What were his exact words? He said that universal income splitting to equalize the Federal tax burden on married couples in all States was—and note his words carefully—"an item of Democratic origin which we proposed in the consideration of H. R. 1—the first tax-reduction bill of 1947." Aside from the fact that that claim is not borne out in any respect he now abandons it completely and moves the date of alleged origin back 5½ years prior to H. R. 1.

It is gratifying to know that the gentleman thinks that "it is quite all right for a freshman Member of Congress to take an interest in important legislation." His leave is neither needed nor asked, but I think he may well regret his slurring implication.

The Late J. Frederick Richardson, Coordinator of Information, House of Representatives

EXTENSION OF REMARKS
OF
HON. KARL STEFAN
OF NEBRASKA
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. STEFAN. Mr. Speaker, the death of J. Frederick Richardson, Coordinator of Information of this House, on May 16, brought sorrow to his scores of friends on either side of the aisle.

More than a quarter of a century ago, "Rich"—as so many of us knew him—came to the Hill as a newspaperman. His adept mastery of the written word, his skilled counsel, his devotion to constitutional government was valued and used alike by committee and by individual Member. It was in those days that he was to raise a banner which he would keep aloft as long as he lived, a banner which bore the device made immortal by Ethan Allan at Ticonderoga, "In the name of the Great Jehovah and the Continental Congress."

He left these Halls to meet the challenge of hard work and brilliant accomplishment which his career held in store for him. But never, in those achievement-packed years, did he forget the indestructible bonds of fellowship which united him to Congress. In his chosen field of endeavor, helping Congress, he was—like Roland—"without master, without peer." When he returned to us last year, as Coordinator of Information, he was received by all of us who knew him and given the welcome accorded the homecoming of a tried and trusted friend.

J. Frederick Richardson was a twentieth century crusader for the America we all serve. Those near to him have suffered a great loss. This Congress is bereaved. Let our monument to his memory be our determination, translated into action, to preserve for all posterity the American way of life to which he gave his selfless devotion.

Constructive Expansion of Social Security

EXTENSION OF REMARKS
OF
HON. GEORGE P. MILLER
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. MILLER of California. Mr. Speaker, a veritable blueprint for legislative achievement of constructive expansion of social security has been available to Congress in the form of H. R. 16, Eightieth Congress, first session, known generally as the Townsend program.

It is tragic that the Members of this Eightieth Congress have been denied any opportunity to debate on the floor and to apply these principles to the problems plaguing the lives of millions of United States citizens.

The cost of all Government bureaus, including aid to agriculture and highway construction, is less than one-fifth of the expenditures originated by war. Social welfare, health, and security cry for substantial expansion. In this era of unprecedented prosperity—yet featured by tremendous hardship for those with low fixed income—the forgotten man is the work veteran—a work veteran is a person who has retired after about four decades of economic service or regardless of length of service is incapacitated.

The men who supplied the capital equipment without which the war would have not been won are entitled to retirement payments in return for past services. The active workers of today have inherited the country as a going business concern with farms improved and factories equipped to supply the current standard of life. As a self-respecting economic organization our Nation cannot deny to its retired workers and their dependents a current income to provide comfortable living. In meeting its responsibility to work veterans the Nation may serve its self-interest most and best.

NOT SPENT BY GOVERNMENT BUREAUS

What will the expansion of social security do? It will tend to hold down the peak of excessive capital investment and fill the valley of inadequate long-run consumer demand. In stifling an undesired boom it will avert depression. It will insure continuity of production and investment. The money collected for this purpose is not expended by Government bureaus. Bureaucratic organization is lessened rather than increased. the United States Treasury merely serves as a channel for the diversion of part of the tax money from sources where it would be used largely for investment into the hands of work veterans for goods and services. Since these veterans are numbered mainly among the low-income

group, consumer markets may be expected to receive the continuous support essential to continuous production and investment.

POSTWAR BUSINESS ACTIVITY

The adequacy of investment funds is visible to the naked eye in our productive plant reflecting expansion and capacity beyond our dreams. The excesses of investment are confirmed by the periodic booms in the production of capital goods far above the ability of consumers to absorb the output. Most of the analysts of American business trends foresee a post World War II pattern of movement very similar to post World War I. This would mean high business activity extending into the mid-fifties. Large deficits in goods and ample availability of funds combine to confirm this probability. Investment in fixed capital is anticipated to exceed all prudent limits. Then the unavoidable collapse. It is not a happy outlook.

We do not like depressions. We do not like taxes. Which is least to our liking? The depression of the thirties cost us in curtailed output as much as the present national debt. A tax may be productive. The gasoline levy has built our highways. Statesmanship in taxation can create enduring prosperity. Tax revenue to be expended as outlined herein may be the answer to our prayers for an end to boom-and-bust. Many will oppose it because old habits of thought cannot be changed. Many believe or profess to believe that investment is the main road to permanent prosperity. In spite of recurring disasters based on this premise they cling to their views. They do not accept consumption as the mainspring of economic activity. Yet, is there not overwhelming reason to sustain consumption as the means to insure continuous production?

WE COULD DISAPPOINT STALIN

Stalin is said to be waiting for our depression. He appears to feel certain of his ground. We could disappoint him. Perhaps the cue to our success lies in Federal taxes. If a sufficiently large proportion of the national income flows through the United States Treasury to the people, to maintain the required equilibrium between consumption and investment, the era of prosperity may be made perpetual. No longer, then, any fear of a foreign "ism" boring from within. Private enterprise will become invincible from internal or external attack.

Tax collections, as suggested, would not be impounded for administration and expenditure by an expanded bureaucracy, but would go immediately to those whom we have called work veterans for the reason that over a period of 40 years their labors have been responsible for most of the capital equipment which gives to the Nation its current productive capacity. Inherently, these men and women, now retired, are the partners of the active members of our economic society and have earned a share of the current income. The weight of the evidence suggests that such sharing of income would expand the long-run output of the Nation to result in the increase of general per capita income. All should gain.

AN UNBEATABLE TEAM

Our paramount need is a greater degree of stability in economic life. We require protection from the excesses of overexpansion to avoid the disaster of underconsumption. Leaving out of account a major crisis in foreign affairs, all the ingredients of an overinflated business boom are present. Zooming economic activity may continue on its merry way far beyond the confines of rhyme and reason. There is still time to apply restraint and intelligence.

For 160 years we have tried to beat the game of boom and bust—and failed. We have never harnessed consumer spending and investment as a team. Investment is permitted to run far ahead. Finally, we tie investment in its stall for a few years until consumer spending catches up. If we would only harness them together, they should make an unbeatable team.

Failure of Enactment of Federal Aid to Education

EXTENSION OF REMARKS
OF

HON. CHARLES B. DEANE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. DEANE. Mr. Speaker, I rise to express my great disappointment in the refusal on the part of this House to pass at least some token legislation in behalf of that great host of loyal Americans—our faithful and sacrificing school teachers.

This Congress stands indicted. The great majority of our teachers have the same feeling, but this House in the same breath says "No" to our teachers.

Those of us who have labored so long for Federal aid for education depart from this session with the knowledge that at a time of great emergency the leadership of this House shut the door in the face of one of the most loyal, honest, faithful, and patriotic groups of Americans that can be found—I refer to our school teachers scattered throughout the length and breadth of this land.

We shall not stop in our fight for equal opportunities to these devoted school people. I might say we have just begun to fight.

If S. 472—which was passed by the Senate on April 1, 1948—had been enacted into law, it would have authorized the appropriation of $300,000,000 of Federal funds annually for the support of elementary and secondary education in the States. If H. R. 2953—which on July 15, 1947, was favorably reported to the full committee by the House subcommittee on measures relating to education generally—had been enacted, it would have authorized the appropriation of $200,000,000 for the first year of operation of the act and increasing amounts thereafter for the same general purpose as S. 472. The failure of the Eightieth Congress to pass one of these bills, or a similar measure, has resulted in immeasurable loss to the Eighth District of North Carolina, to all the United States, and to the whole world.

It is a great loss in the world struggle of democracy against communistic totalitarianism. Democratic education is the most powerful weapon for use against dictatorship. Ignorance is the breeding ground for the communistic ideology. Thomas Jefferson warned us that "If a nation expects to be ignorant and free in a state of peace, it expects what never was and never will be." H. G. Wells predicted that the fortunes of the world will depend upon the outcome of a race between education and catastrophe.

Democracy cannot function in the United States unless all its citizens obtain the basic education to permit intelligent and informed participation in the work and life of the Nation. We cannot lead the world struggle against communism, nor even preserve our own Republic, unless its people are sufficiently well educated to understand the basic principles of democracy and to apply them to current problems. Furthermore, we cannot win a war, if one should come, unless our people as a whole have superior technical and scientific training to that of the enemy. During World War II the Federal Government found it necessary to spend billions of dollars in training not only military but also civilian personnel in practically all subject fields, at all educational levels. If we continue to leave education almost entirely to the States, we may not win the next war, if there be one, because we shall not have time adequately to educate the whole population.

The failure of the Eightieth Congress to pass a Federal-aid-to-education bill has resulted in a loss to every State in the Union. Let not the Representatives of the rich States deceive themselves with the idea that their States would have contributed most and received least under the measure. The provision of adequate standards of education for all is becoming increasingly necessary to the national well-being. The high mobility of our population makes the educational deficiencies of any locality a national concern. Many thousands of our people migrate annually to wealthy industrial centers from relatively poor areas in which educational facilities are inadequate. Mere enlightened self-interest demands that the richer States protect their citizenship and economic security by promoting the level of education in the poorer communities from which they will inevitably draw a part of their population.

The failure of the Congress to provide for adequate Federal participation in the financing of education causes a continuation of loss to the citizens of the Eighth District of North Carolina. It must continue to educate, besides its own future population, many young people who will move to other parts of the country. This activity is costly even though these young people go out inadequately educated to meet the needs of highly industrialized areas into which

they move. Under S. 472 the people of the Eighth District would have received about $2,427,750 of Federal aid to education next year. The Federal Government is not fulfilling its responsibility to the Eighth District to aid in the education of about 104,000 school-age children future citizens of the United States.

Because of the many inquiries I have received from educators from every section of my district on what the proposed legislation on Federal aid to education would mean to them, I give below the estimated allotment of Federal aid to the 12 counties of the Eighth Congressional District under S. 472.

County	Number of children 5 to 17 years of age [1]	Column (2) × $23.40 (estimated Federal allotment per child in North Carolina under S. 472) [2]
(1)	(2)	(3)
Anson	9,129	$213,618.60
Davidson	15,434	361,155.60
Davie	4,362	102,070.80
Hoke	4,879	114,168.60
Lee	5,439	127,272.60
Montgomery	4,914	114,987.60
Moore	9,215	215,631.00
Richmond	11,390	266,526.00
Scotland	7,277	170,281.80
Union	12,084	282,765.60
Wilkes	13,436	314,402.40
Yadkin	6,191	144,869.40
Total	103,750	2,427,750.00

[1] Sixteenth Census of the United States: 1940.
[2] S. Rept. No. 425 (80th Cong., 1st sess.).

Unpunished Murder

EXTENSION OF REMARKS
OF
HON. ELLSWORTH B. BUCK
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. BUCK. Mr. Speaker, a 21-year-old graduate of Kings Point Academy, an officer on an American-flag ship, was recently struck down without warning by a disgruntled messman in a cafe in French territory. Subsequent to the ship's departure, with the assailant aboard, the young officer died of his injuries. The murderer is now at large in this country, immune from arrest or punishment.

The State Department advises that the murderer's extradition is prohibited under a controlling 1909 treaty, as construed by the Supreme Court, because citizens of the contracting nations are exempt from its provisions. I say it is high time for a new treaty or a new Supreme Court ruling.

Amazing as it may seem, Coast Guard authorities are without authority even to relieve this murderer of his seaman's papers. They will continue powerless until S. 1077, approved by the Senate last July, is brought out of the Judiciary Committee and before this House. Until its enactment, disciplinary cases on the Coast Guard docket, involving every crime of violence, now numbering 943, will grow steadily, but no action will be taken to protect the courageous and law-abiding men who man our ships from these hoodlums.

This—when we talk of strengthening our merchant marine.

Government Subsidies for Air Lines

EXTENSION OF REMARKS
OF
HON. JOHN F. KENNEDY
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. KENNEDY. Mr. Speaker, I received a six-page letter the other day from a former Member of this House who now represents the Air Transport Association of the big certificated air lines, attempting to refute the remarks I made on the floor of the House on April 28, on the subject of discrimination against the veterans' air-cargo companies.

I ask permission, Mr. Speaker, to insert into the RECORD, the entire text of Mr. Ramspeck's letter to me, and my reply. While I will not burden this House with a verbal recitation of the details, I wish Mr. Ramspeck's letter to be inserted verbatim, not only for fairness in comparison with my own, but also in deference to his years of distinguished service in this House. This air-transport business has become so important to the taxpayer and the public generally, that Congress should consider clearly the argument of both sides of this controversy.

The heart of the difference between the former Representative from Georgia, who now represents the certificated air lines, and myself, who in this case can be said to represent the interest of the veterans, is really over two matters:

First. Are the public payments to the air lines for carriage of the United States mails excessive, or are they not?

Second. Is there a place in the commerce and security of this country for the newly formed veterans' air-cargo companies, or is there not?

I am very critical, Mr. Speaker, of the fact that the Civil Aeronautics Board has determined that the mail rates of the Big Five be at about 60 cents a ton-mile, and I note with interest that this rate, which the taxpayers are asked to pay, is about five times the CAB rate—13 to 16 cents a ton-mile—which Mr. Ramspeck considers fair for the carriage of cargo. His letter to me does not explain this tremendous difference, and I will gladly insert into the RECORD any information which he gives in the future in reply to my request for an explanation of this difference. It is painfully apparent to me, however, that the taxpayer is being required to pay the air lines not on the basis of services rendered in the carriage of the public mail, but on the basis of the deficits run up by those air lines. This system, in effect, means that those who do the worst, get the most from the Public Treasury.

In contrast to the present subsidy practice, which Mr. Ramspeck evidently approves, I note with interest that the independent air lines that are applying for permission to carry cargo are not asking for any subsidies from the taxpayers.

It is, and has been, my contention, Mr. Speaker, that the public would be relieved of the burden of air line subsidies, which run into millions of dollars per year according to the report of the distinguished Representative from Kansas [Mr. REES], if these air lines were to develop the new cargo business. But they have, in good part, ignored the new cargo business, an assertion supported by the fact that the newly formed veterans' air-cargo company—even though operating on a shaky basis, without capital, and without certificates from the CAB—have carried more freight than all the certificated air lines put together which are backed with $70,000,000 in mail pay per year from the Government.

It is my contention that these newly formed veterans' companies deserve a chance to develop the new air-cargo business which they, more than any other group, have pioneered. That is why on April 28 I said that it was shameful that the CAB had not given a single certificate to any of the veterans' air-freight companies who have been waiting on the CAB's doorstep for over 2 years.

For M-day, the military have stated their needs to be several thousand freight planes. The entire fleet of the certificated air lines, as quoted by Mr. Ramspeck, even admitting for the moment that passenger planes are easily converted to be all-cargo planes, is only around 20 percent of the military requirements. It is, therefore, obvious to me, Mr. Speaker, that every new freight plane that can be brought into our commerce is a necessary addition to the military reserve. Since, according to the Commerce Department, the veterans' companies already possess around 125 cargo planes, and would likely bring into use a great many more if they would receive certificates from the CAB, I naturally conclude that this group would be a significant addition to the security, as well as to the commerce, of this country.

Under unanimous consent, I insert in the RECORD the complete text of the letter to me from Mr. Ramspeck of the Air Transport Association, and the complete text of my own point-by-point rebuttal:

AIR TRANSPORT ASSOCIATION OF AMERICA,
Washington, D. C. May 19, 1948.

Hon. JOHN F. KENNEDY,
House of Representatives,
Washington, D. C.

MY DEAR MR. KENNEDY: I am writing you with regard to your recent speech in the CONGRESSIONAL RECORD on the subject of air freight.

We believe that the sources of some of the data contained in that speech have misled you into incorrect conclusions and we assume that you will, of course, afford an opportunity for both sides of the case to be heard.

There are strong indications that such statements as were contained in your speech, and have appeared in very similar form elsewhere, are part of an effort which has been going on for some time by the air freight carriers to influence the decision of the Civil Aeronautics Board—a semijudicial body—before which the air freight case is pending.

Here are the facts:

1. You refer to the "kicking around" that is being received by the so-called independ-

ent air freight carriers. The record shows plainly that quite the reverse of this supposition is true. The Civil Aeronautics Act of 1938 demands a certificate of convenience and necessity for any carrier desiring to operate under the act on a common-carrier basis. The independent air carriers, not having granted such certificates, since June 10, 1947, have been operating under an exemption from the Civil Aeronautics Act granted to them by the Civil Aeronautics Board. The exemption affords the independent carriers every advantage enjoyed by the certificated carriers under the terms of the Civil Aeronautics Act. They are allowed to publish schedules, to advertise for and solicit business, in fact to do anything in the air transport business—and all this without the responsibility required of the certificated carriers. The independents have had and have more advantages than any carriers in the history of air transportation. They are not required to service any particular points but can pick the high volume stops at random. The independents have been coddled and pampered as a result of this exemption from the law. They are not required to conform either to the safety or operational requirements rigidly enforced upon the certificated carriers.

It must be remembered that these independent air carriers could not have entered any other form of transportation without certificates of convenience and necessity. For instance, they could not have purchased trucks and gone into the interstate trucking business without full certification and regulation.

They operated as contract carriers for some time before they even applied for certificates as common carriers. By their own testimony they did finally apply because they realized that their operations had become common-carrier operations and they would sooner or later have to obtain certificates.

2. You constantly refer to these independent air carriers as veterans' air lines. The records of application to the Civil Aeronautics Board by these carriers show that only a minute portion of the capital invested in the principal independent carriers' organizations (that is, the five lines which have been considered for certification and who do the vast majority of irregular carrier business) could possibly be referred to as veterans' money. It is true that the independent carriers are attempting to masquerade in GI costumes purely for the purpose of garnering public opinion and sentiment in their favor, but we challenge any of these five independent carriers to show that a major portion of the capital has been provided from the life savings accounts of returning GI's. We believe it will be found that most of the money is being provided by large New York banking concerns, colossal family fortunes, or has been drummed up in stock-selling operations on a purely investment basis. Besides, the certificated air lines employ some 30,000 veterans (approximately 30 percent of the total employment). The importance of the success of the industry to these 30,000 wage earners is probably greater than the few stockholders in the independent game.

3. You refer to the fact that the Civil Aeronautics Board has been slow to act with reference to certification of the independent air carriers. If the CAB has been deliberate, it has been acting in line with the recommendations proffered it by the President's Air Policy Committee and the Congressional Aviation Policy Board, which strongly asked that the air freight-air cargo subject be dealt with carefully and deliberately and with a full recognition of economics, safety, and operations.

4. You refer to the national-defense aspect of the independent air cargo fleet. We thoroughly agree that the national-defense aspect of civil air carriers is a most vital one, and one which affects the public directly. But to infer that the independent air carriers have more to offer in this regard than the certificated air lines is far from the truth. The planes flown by the certificated carriers are the same planes which successfully shuttled back and forth over both the Atlantic and Pacific in the hands of the military as well as certificated lines under contract during the war. Your argument that few of the certificated air liners are capable of ocean transportation is thereby completely disproved. The scheduled air-line fleet now numbers in excess of 1,000 planes. These airplanes are available on a few hours' notice in any national emergency, and the fleet was so utilized in 1941. However, the certificated lines have so expanded and improved their fleet since 1941 that they can offer to the military today 632 percent more emergency lift capacity for just such use as was available in 1941. This is, I believe, the only element of national defense, with the exception of the atomic-bomb project, which has actually grown since the end of the war. On the other hand, the planes of the independent carrier group number something between 40 and 50 against the 1,000 of the certificated fleet. The only difference between the two types of airplanes is that all except 60 of the certificated air liners are equipped with seats. The 60 all-cargo planes of the certificated fleet more than match the capacity and availability of the independent operators, and it is only necessary to remove the seats from the 900 passenger-cargo-carrying planes in order to effect their usage for cargo lift. This is only a matter of hours under emergency circumstances.

One of the announcements made recently by the independent carriers is that they are planning to lease airplanes from the military in order to expand their operations. It is difficult to see how these carriers who have not bought a single airplane from a manufacturer since the war was over can expect the public to believe that their operations contribute mightily to national defense when they intend to lease military planes already in existence for the purpose of such aid. This certainly is not adding either planes or capacity to the total military emergency lift.

5. With regard to your discussion of competition, it is necessary to understand the declaration of policy enunciated by Congress in enacting the Civil Aeronautics Act of 1938. This act made mandatory in the exercise and performance by the Civil Aeronautics Board of its powers and duties, the following:

(a) the encouragement and development of an air transportation system properly adapted to the present and future needs of the foreign and domestic commerce of the United States, of the postal service, and of the national defense;

(b) the regulation of air transportation in such manner as to recognize and preserve the inherent advantages of, assure the highest degree of safety in, and foster sound economic conditions in, such transportation, and to improve the relations between, and coordinate transportation by, air carriers; * * *

(c) competition to the extent necessary to assure the sound development of an air transportation system properly adapted to the needs of the foreign and domestic commerce of the United States, of the Postal Service, and of the national defense;

(d) the regulation of air commerce in such manner as to best promote its development and safety; and

(e) the encouragement and development of civil aeronautics.

It will be noted that in these statutory provisions the CAB is required to promote the sound development of an air transportation system properly adapted to the needs of the commerce of the United States, of the postal service and of the national defense. It will be noted that the air transportation system of the country is to be regulated in a manner which will foster sound economic conditions in such industries and that in so doing, the CAB is to permit competition only to the extent necessary to assure the sound development of the air transportation system.

It should be clear that this provision is not a direction from the Congress to the Civil Aeronautics Board to consider competition an end unto itself and it is not a direction to authorize additional competition for reasons which are not consistent with the basic precepts stated. It clearly is an instruction to add competition only when additional competition is necessary to assure the sound development of the air transportation system, and then only to the extent required. The entire philosophy of regulations embodied in the Civil Aeronautics Act is a control of both the nature and the amount of competition. Excessive competition under the philosophy of the act is as much an evil as monopoly, and the act, I believe, provides against both.

6. In view of the effect that a superimposition of an entirely new cargo-line structure on top of the present certificated airlines' structure is having and will have on the regulated air transport industry, it is well to review the current status of the Nation's air transport industry:

The certificated air lines collectively lost approximately $6,000,000 in 1946. They lost a total of more than $21,000,000 in 1947. A total loss of the two postwar years of $27,331,164. All except 5 of the 35 certificated air lines had net operating losses in 1947. It is simple to see what the added competition asked for by the independent air carriers would mean to the already gloomy financial status of the air transport system. You can judge for yourself whether or not there is any basis for the charge of monopoly when you consider that 91 percent of the total air traffic of the United States moves over routes with two-carrier competition, 59 percent moves over routes having three-carrier competition, and 13 percent moves over routes having four-carrier competition. The serious result of such competition already in effect is further shown in the reduction in load factors from 90 percent in 1945 to approximately 69 percent in 1947. The condition of the certificated air lines is further indicated by the fact that total investments in the air lines represented by common stock or equity money decreased from 90 percent in 1945 to 41 percent in 1948. During the same period money represented by preferred stock increased from 7 percent to 17 percent, and money obtained through long-term obligations increased from 3 percent to the startling figure of 42 percent.

By far the greatest volume of cargo developed by all types of carriers involves movement over transcontinental routes. Between the east coast and the west coast four transcontinental carriers certificated for passenger, mail, and property currently operate. Yet of the total operating loss suffered by the domestic air lines in the United States in 1947, approximately $16,000,000 of such amount was lost by the transcontinental certificated carriers. Yet it is over these routes and in spite of policy provisions of the Civil Aeronautics Act that duplicating air lines and route structures for the transportation of property is proposed.

7. We would like to set straight the facts regarding the highly touted so-called rate war referred to in your speech.

Prior to the independent carrier exemption order in the summer of 1947, the independent air carriers were not required to file any rates whatever. At that time the certificated air line rate level was approximately 26½ cents per ton-mile. The air lines publicly announced and filed with the Civil Aeronautics Board on August 1, 1947, a joint tariff providing for 20 cents per ton-mile. The independent air carriers, with full knowledge of the 20-cent figure, then filed rates at 13, 14, and 15 cents per ton-mile, and some of their

rates were as low as 11 cents per ton-mile. The certificated air lines found that the independent carriers were only operating between big cities and were attracting only specific commodities. The certificated air lines left their rate structure at 20 cents, but filed rates equal to the independent carrier rates of 13 and 13½ cents per ton-mile on those specific commodities. The independent air carriers then shouted "rate war."

The opinion of the Civil Aeronautics Board on the motions of the Air Freight Forwarder Association decided October 2, 1947, spells out the facts of this case very clearly. It states that the reduction of specific commodity rates by the certificated air lines "admittedly * * * is competition, even though it may not be competition at every point. This is the very privilege that the uncertificated carriers asked and were granted. The exemption (from the Civil Aeronautics Act) accorded them certainly was not that of a one-sided right, namely, the right to compete against the certificated carriers and the privilege to be protected against competition against them."

In the international picture, sufficient competition is just as evident. On the north Atlantic routes there are three United States certificated carriers in competition with each other as well as with British Overseas Airways, Air France, Sabena, KLM, and others.

8. The opinion of the Civil Aeronautics Board quoted above also strongly refutes your argument that subsidy by the United States Treasury has supported the certificated air lines in their "war" with the independent carriers. The opinion of the Board reads: "No action that the Board has taken or is now taking places subsidy of the United States Treasury behind this effort of the certificated carriers to meet the competition of the noncertificated carriers. This venture, so far as this Board has expressed any concern, whether for gain or loss, depends on their own funds."

Recognition by the CAB that the 20 cents per ton-mile certificated air-line rate is a purely compensatory rate is highly inferred in the decision on the air freight rate case where 16 cents per ton-mile was set as a compensatory rate. In order for the argument that the certificated air lines are using Government money to fight the independent carriers to hold water, it would have to be shown that the rates charged by the certificated carriers are lower than compensatory rates could be.

With best wishes, I am

Sincerely yours,

ROBERT RAMSPECK,
Executive Vice President.

JUNE 1948.

Hon. ROBERT RAMSPECK,
Executive Vice President, Air Transport Association of America,
Washington, D. C.

MY DEAR CONGRESSMAN RAMSPECK: I have read your letter of May 19 with great interest, not only because of the importance of its contents, but also because of the respect I have for the long years of distinguished service which you contributed in the House of Representatives.

Unless you have objections, I plan to insert into the CONGRESSIONAL RECORD the entire text of your letter to me, as well as my reply, because I think the subject of air transportation has become of such importance to the taxpayer and the public generally, that a clear statement of both sides is called for.

At the beginning I should like to make it clear that I have never been involved with any aviation interests, and have only the public interest at heart. I have always looked out for the interest of my fellow veterans of World War II, and it is on behalf of those veterans who have been trying to form new air cargo companies since the end of the war in what I conceive to be the public interest that I come into debate against your distinguished self, who, having resigned from Congress, now represents the certificated air lines which are the members of your Air Transportation Association.

Perhaps the simplest method for me to answer your letter is to go over, point by point, the eight objections which you raise to my speech of April 28, on the floor of the House, entitled: "Discrimination Against Veterans' Air Cargo Lines."

1. KICKING AROUND OF AIR VETS—TRUE OR NOT?

You object to my complaints against the kicking around which the air vets have been getting, and you allege that "the independents have had, and have, more advantages than any carriers in the history of air transportation. * * * The independents have been coddled and pampered as a result of this exemption from the law." I should judge that if the present situation of the veterans is as comfortable as you describe, they would not be trying to change their present status by applying to the CAB for certificates of convenience and necessity. Of course, as you know, the lack of certificates from the CAB makes it almost impossible for these air freight groups to raise from private banks and other sources money needed for development and expansion, and consequently they have been, since the end of the war, in a very uncomfortable and restricted financial position. As you also know, the lack of a certificate of convenience and necessity restricts the air carriers operating abroad under economic regulation 292.1 to "irregular" or "occasional or infrequent" operations.

In this uncertain status, a veteran company operating abroad cannot provide adequate service to the trade and is, itself, in a precarious position. As Raymond A. Norden, a 32-year-old Air Force veteran, now president of Seaboard and Western Airlines, said about his own company: "In a word, if it succeeds with the trade to a point where some degree of regularity is obviously called for, it may violate the (CAB) regulation and thus effectively succeed itself out of business."

I judge that if receiving certificates of convenience and necessity from the CAB would bring only additional responsibility and no additional advantages to the veterans' air freight groups, you and the certificated airlines who are members of your organization, would not be making such strenuous efforts to keep the veterans from getting those certificates.

2. INDEPENDENT AIR CARRIERS—ARE THEY VETERANS OR NOT?

You allege that the five air freight companies currently under consideration by the CAB for domestic certificates are attempting to masquerade in GI costumes. Not only are the vast majority of the employees of these companies, veterans, but in addition my information is that the men who are running these air lines have spent quite a bit of time in GI costumes during the past few years.

Slick Airways

The president and principal organizer of this company, Earl Slick, is in his late twenties and served with the Army Air Forces from 1942 to 1945. I believe your comment about colossal family fortunes has very little to do with the fact that while he did apparently inherit money from his late distinguished father, he is a veteran and is doing a splendid job in financing and running his company.

Willis Air Service

It is my understanding from reading the CAB examiners' report in the air-freight cases that this air line was formed after VJ-day, largely with and by young men who had been involved in naval aviation, and I note that the president and executive vice president, Mr. Willis and Mr. Rose, both saw considerable service with the Navy.

United States Airlines

The president and secretary-treasurer both appear to be veterans of the Air Corps in World War I.

The Flying Tigers Line

The president, and principal founder, Mr. Robert Prescott, appears to have held a commission in the Navy until he transferred to the Flying Tigers to do combat work in China. The other top officials and organizers seem mostly to be bona fide veterans.

California Eastern Airlines

This company started 2 years ago, hauled more freight than anyone of the certificated air lines, but has just gone into bankruptcy through inability to wait any longer for the CAB to grant its certificate of convenience and necessity, and through its inability to raise sufficient capital from private banks in the meantime while lacking a certificate. I understand that the president at the moment, who was called in for the financial reorganization of the company, is not a veteran, but that a substantial number of the original organizers served with the Army Air Forces or ATC in World War II.

Of course, there are, as you know, a lot of other air freight companies run here and abroad by veterans of World War II, but since you did not mention them in your letter, I will not take the time to do so now, and hence confine my rebuttal to the facts about only the five domestic air-freight companies which you mentioned. The point is that the initiative in getting these air-freight operations going has largely emanated from a number of relatively young men who wanted to apply in peace one of the talents they learned in war—moving large quantities of freight by air.

It was in World War II that air cargo was really developed on a big scale, and these young men who are now veterans, underwent what amounts to a new experience in air transportation. Unfortunately, a lot of the top officials in the already-established air lines did not have that experience, or if they did have it, it did not sink in very far, and many of them appear to be managing their companies on the basis of their prewar experience when air transportation was largely a matter of passengers and mail and a few boxes of cargo in the nose of the airplane.

The fact that these veterans' companies, even without certificates, already haul more freight than do the established lines which are members of your association, is to me pretty good indication (a) that they want to go into air freight on a big scale and have been trying hard to pioneer this new business, and (b) that your members, which possess far more capital and other resources, have been making only half-hearted efforts in that direction.

Now you point out that the certificated air lines employ some 30,000 veterans. I have no means of checking those figures, and I would certainly like to know your sources of information. But you will surely recognize, and I am sure that this principle has occurred to you more than once in your long years as a Member of the House, that some young veterans would prefer to establish their own businesses rather than simply take a salaried job in an already-established enterprise.

How would the important personages in the certificated air lines, now members of your association, have felt if a quarter of a century ago they had been denied the opportunity to establish their own companies, and had before them only the alternative of taking a salary job in some already established business? As Americans, we have always believed that the door to going into

business should not be slammed in the face of the next generation. And we are not going to forget that principle now.

3. CAB SLOW TO ACT—TRUE OR NOT?

The applications of most of the veterans' air freight companies were made early in 1946, over 2 years ago. I do not know how you can justify the delays of the CAB from 1946 to the present by quoting the reports of the President's Air Policy Commission (which after all did not come out until January 1948) and the Congressional Aviation Policy Board (which did not report until March 1948). While it is true that these two temporary boards were somewhat cautious about air cargo, I did not see that either of them recommended that the present air transport industry be frozen against newcomers—which is obviously the effect of stalling off the applications of newcomers. I think it is regrettable that any Government agency should have taken so long in handling a case as the CAB has taken with the various applications of the veterans' air freight companies, and as I have pointed out, after some 2 years of applying on the part of several dozen veterans' air freight companies, to date not a single one of the air vets have received a certificate from the CAB.

While the CAB cases are no doubt complicated, and while the air cargo cases in particular doubtlessly involve a subject matter unfamiliar to many persons connected with the CAB, it seems to me exceedingly unfortunate that these cases should be taking the CAB twice as long to handle as the average truck cases decided by the Interstate Commerce Commission.

4. NATIONAL DEFENSE—ARE THE VETERANS' AIR FREIGHT COMPANIES HELPFUL OR NOT?

As I said in my speech of April 28 on the floor of the House, the military will need, ready and operating, on M-day, several thousand C–54 freight planes, or a smaller number in new type large-pay-load air freighters. The certificated carrier fleet, even granting your statement that passenger planes can be easily converted to cargo work, would not exceed 20 percent of the total military requirements. Therefore, I cannot see how it is to the interest of national defense to drive out of business the veterans' air freight groups who have, according to the Commerce Department, around 125 all-freight planes which could become part of the national defense fleet.

Now you say that the veterans have not yet bought any new cargo planes. I assume that until the vets can raise money on the basis of being able to show the bankers a certificate from the CAB, they will be unable to buy new planes. But their past record, their current interest in, and their future plans for air cargo on a big scale, lead me to believe that quite a lot of new planes would be put into commercial service if these veterans could get the status that they deserve from the Government.

Now about your paragraph No. 4. I want to ask you three questions of fact, and I ask them in all sincerity because I am frank to admit that I do not have all the information on the subject of air transport that I would like to have, and I want to be thoroughly fair in presenting the facts to the House.

a. How many all-cargo planes of 4-motor C–54 type or bigger (in pay-load) do the certificated air lines now have in use?

b. How many postwar type cargo aircraft have been purchased by the certificated air lines since the end of the war?

c. Of the thousand planes which you say the certificated air lines could offer to the military in war, you admit that over 900 are primarily designed for carrying passengers. You state that these passenger planes could be turned into all-cargo planes for the military in only a matter of hours. It is my understanding that to convert a luxury passenger plane into a freight plane suitable for the specifications of the military is a very considerable undertaking indeed, in fact so lengthy as to cast great doubt on the auxiliary military value of 90 percent of the entire air fleet of the members of your association. Naturally, this is a very grave question and one not to be answered lightly, and I would appreciate receiving some authentic information, supported by actual experience and if possible by the military authorities, on just how long and how difficult it would be to convert the passenger planes owned by the members of your association into all-freight planes, and whether or not the resulting converted planes would meet the military specifications for overseas freight work in a future war. The information I receive from you I will place in the RECORD, so the Congress will know all the facts.

5. CIVIL AERONAUTICS ACT OF 1938—DOES IT RULE OUT THE AIR VETS OR NOT?

I am fully cognizant that the Civil Aeronautics Act, as do most of the regulatory acts of the Government, attempts to outline a middle road between monopoly on the one hand, and excessive competition on the other. I am simply saying that in my opinion, the CAB, in its administration of this act, and you and the members of your association in your public interpretations of this act in connection with this matter, have so far tended to overbalance the act a bit too much away from free competition.

6. LOSSES OF THE CERTIFICATED AIR LINES—DO THEY RULE OUT ADMITTING THE AIR VETS TO THE INDUSTRY OR NOT?

I am fully aware that the certificated air lines lost some $20,000,000 in 1947, and I understand that it is a very grave situation indeed. It has been my feeling that these losses might have been in the past, and might in the future be relieved, if the certificated air lines really went into air cargo on a big scale and brought in some new business. My impression is that the potentials are big enough to nourish both the certificated air lines and some newcomers, too. I would certainly like to obtain your comment on this possibility. I would also like to know if you, or the members of your association, have made any thorough study of the real potentialities in domestic and international air cargo.

7. RATE WAR—WAS IT A RATE WAR OR NOT?

In my speech on the floor of the House on April 28, I commented that it was indeed strange that while the certificated air lines on the one hand were asking for greatly increased mail pay from the Government, they were on the other hand cutting their air cargo rates, a move which the veterans charged was intended to put them out of business through a rate war. You say that there wasn't any rate war and quote a brief passage from a CAB opinion of October 1947.

You doubtlessly are familiar with the more recent document of the CAB in the Air Freight Rate Investigation, dated April 21, 1948, in which, on pages 26 and 27 the CAB finds: "Present competition * * * has resulted and will result in unduly low, depressed, and noncompensatory rates and charges for the transportation of freight by air, and that these practices have, and will result in unsound economic conditions in the air freight industry within the United States."

I guess the above is the legal way of saying that there really was a rate war.

Besides, the CAB records disclose that your 20-cent tariffs were filed after, not before the 13-cent tariffs of at least one of the veteran freight air lines. And furthermore, how does a carrier keep from attracting specific commodities? In view of the rate policies of the ATA carriers in every other field, passenger, express, mail, and most overseas freight, isn't it clear that the low-rate policy in domestic air freight is beyond doubt an effort to exclude the only non-ATA competition which your air lines have found in the domestic field?

8. SUBSIDIES

It is my contention that the big certificated air lines have been getting through the CAB, from the taxpayers, an excessive amount of mail pay. On the one hand the CAB determines that a fair rate for carrying cargo by air is between 13 cents and 16 cents a ton-mile, and on the other hand, at the petition of the big air lines, it decides that around 60 cents or 70 cents a ton-mile is a fair rate for carriage of the mails. About the mails, it certainly is my impression that the delivery, ground handling, and pick-up are performed by the United States Government, and, furthermore, the mails which are delivered to the air lines certainly represent business which the air lines do not have to solicit. Both of which facts make me wonder why the mail rates are so much higher than the cargo rates. I would certainly like to see your explanation in detail as to why carrying mail by air costs almost five times as much as carrying cargo by air.

If you have no objection, I intend to put the full text of your letter, as well as mine, into the CONGRESSIONAL RECORD, so that the public may see both sides of this debate. I will gladly insert into the RECORD such additional material as I receive from you, and I will willingly retract any of my assertions if you can demonstrate to me by any relevant facts that the rates paid the air lines for carrying the mail are not excessive, that the freight potential is too small to justify allowing the veterans and other newcomers into the air-transport industry, that the veterans' air-freight companies are not important to defense, or that any of my other statements are in error.

I, and those interested in this debate, will be very glad to see your answers to the specific questions I have posed, particularly in paragraphs numbered four and six.

The air-transport industry is extremely important to the public, and since it is so intimately associated with the operations of the Government, the public should have a chance to see all sides of the issue.

With kind regards, I am,

Sincerely yours,

JOHN F. KENNEDY,
Member of Congress.

J. Frederick Richardson

EXTENSION OF REMARKS
OF
HON. DANIEL A. REED
OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, June 18 (legislative day of Thursday, June 17), 1948

Mr. REED of New York. Mr. Speaker, 1 month ago, on May 16, there passed suddenly from our midst my beloved friend and the dear and devoted friend of all Members of Congress—Mr. J. Frederick Richardson.

It was but one short year ago that Mr. Richardson was appointed to the honored post among us of Coordinator of Information for the House of Representatives. But not only we who comprise the Eightieth Congress, but Members of many previous Congresses over a period of more than a quarter of a century have felt the influence and valued the friendship and counsel of this brilliant and unselfish man.

Mr. Speaker, there may be some Members present here today who have not yet learned of the sudden death of Mr. Richardson. It was his oft-expressed wish that when he passed from this mortal scene, his friends would remember him as they saw him last. For that reason he had requested his funeral be private—without flowers and, he hoped, without mourning. Rather, he wished his friends to believe, as so beautifully expressed by John L. McCreery:

There is no death! The stars go down
To rise upon some other shore,
And bright in heaven's jeweled crown
They shine for'evermore.

And ever near us, though unseen,
The dear immortal spirits tread,
For all the boundless universe
Is life—there are no dead.

Never was there an individual more wholeheartedly and unselfishly devoted to the causes of good government and the high ideals and sound principles of our American democracy than J. Frederick Richardson.

As Coordinator of Information, he was an institution in himself, and his loss is irreplaceable. His love of country, and his constant efforts to perpetuate traditions truly American found vivid expression in one of his recent studies, Americanism, Fascism, and Communism—a Comparison, of which there have been several hundred thousands of copies distributed.

All who knew Rich loved him. He will ever be revered in the memory of his friends for his fine intellect, for his warm and understanding heart, and for his devotion and service to his country, which began when he put on his soldier's uniform during the Spanish-American War and continued throughout his life to the very end. His mortal remains now rest in Arlington Cemetery with thousands of others who have served their country well.

I would like to quote a few concluding lines from one of the last things he wrote, still only in his penciled notes:

Our flag. There it waves, and, please God, may it ever float free in the breezes; and may we so live in justice, in tolerance, and in liberty that each one of us—of whatever race or creed or station in life—may gaze upon it and in pride and reverence say, "My flag. God bless it."

Federico Henriquez y Carvajal

EXTENSION OF REMARKS
OF
HON. GEORGE A. DONDERO
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. DONDERO. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following resolution:

FEDERICO HENRIQUEZ Y CARVAJAL PROCLAIMED IN BOGOTA "AN OUTSTANDING CITIZEN OF THE AMERICAS"

The following resolution was unanimously approved at the plenary session April 30, 1948:

"A TRIBUTE TO DON FEDERICO HENRIQUEZ Y CARVAJAL

"The IX International Conference of American States.

"Whereas this year of 1948 marks the centenary of the birth of Don Federico Henriquez y Carvajal, an illustrious citizen of the Dominican Republic, the supreme objective of whose life has been a sustained devotion to the achievement and strengthening of the freedom, not only of his own people, but of all the peoples of the Americas; and

"Whereas in the course of his unique existence, illustrative of the highest attainments in civic life in the Americas, his love of freedom impelled him to a fruitful consecration to the task of founding the Republic of Cuba; and

"Whereas Don Federico Henriquez y Carvajal gave cordial and firm support to Jose Marti during the organization of the revolution successfully carried out by the Cuban Liberator in the final period of the continued and dramatic struggle of the Cuban people for their independence; and

"Whereas in referring to Don Federico Henriquez y Carvajal, Jose Marti acclaimed him as one of those men "rare as the lofty mountains, but capable of looking down from the peaks and of feeling with the heart of a people or of all humanity": Now, therefore be it

"Resolved, That our homage be tendered to this outstanding citizen of the Americas."

(NOTE.—Don Federico Henriquez y Carvajal was born on September 16, 1848, in the city of Santo Domingo, capital of the Dominican Republic, where up to this day he has resided always, and will attain his centennial birthday next September 16.—Persio C. Franco.)

[From the New York Times of June 2, 1948]

THE ELECTIONS IN CUBA

The country of Jose Marti must show an example to Latin America by conducting honest elections according to law, free from violence, all the people accepting sincerely and firmly supporting the winning candidates. It would be the finest compliment to the Great Friend of Cuba, Don Federico Henriquez y Carvajal, on the occasion of his glorious centennial anniversary. "Everything for Cuba" as has been preached and practiced by the noble and venerable Don Federico. No man, no party, no doctrine is worth the shedding of a single drop of Cuban blood. The solution of political, social, and international problems by means of violence is pure barbarism. A civilized people ought to use debate, the franchise, the law and the courts. Let us pray that the Almighty God may impart His great blessings on the beloved people of Cuba.

A Sorry Spectacle

EXTENSION OF REMARKS
OF
HON. CLARE E. HOFFMAN
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. HOFFMAN. Mr. Speaker, it is a sorry sight when the statesmen of a great and powerful Nation—the greatest and the most powerful in the world—think they find it necessary, in peacetime, to conscript the youth of the land for military service.

It needs no recital of facts to show that from a productive, financial, and resourceful standpoint, no nation is the equal of the United States—no combination of nations has the slightest chance, at this time, of invading our land or destroying our national supremacy. However, a few indisputable statements should call to the minds of all that we have no justifiable fear of aggression.

We have the only worth-while Navy in the world. We have the atomic bomb—the most powerful single weapon known to man. We have the most powerful air, underseas and on-the-land weapons yet produced. We have the greatest productive capacity of any three other nations.

Two wars have demonstrated that our fighting men, trained or untrained, are the superiors in courage, in endurance and, above all, in initiative, in effective action of any, anywhere. We are told we must help the whole world because it is prostrate. Without our aid, people everywhere will starve or freeze. In the same breath we are told that the starving, the freezing and the helpless will suddenly, overnight, arise, smite, and destroy us.

Proof that our people have the greatest degree of freedom, of prosperity, and the widest opportunity for physical, material, educational, and spiritual advancement in all the world, is shown by the fact that people everywhere, when they desire to leave their native land, choose America as the promised land.

It is a sorry commentary on the statesmen and the leaders of any administration when, after directing the policy of our Nation for 14 years, upon which, we are told, the whole world depends for the preservation of civilization, that they find themselves in such a state of fear, so lacking in confidence in the ability and the integrity of our own people, that they deem it necessary to enact legislation to force the youth of our land into the armed services to fight for its preservation.

One of two things is certain: Either our young men are so lacking in courage, in loyalty, or civilian awards are so superior to those of a military career that they will not enter the service to defend themselves, their kin, their homes, their fatherland; or the need for such service is not, in their opinion, necessary for the preservation of the Nation. The former, I do not believe. The indisputable facts justify the conclusion that all the propaganda, all the publicity put out by Wall Street, the war profiteers, those of a militaristic mind, the internationalists who would surrender a part of our sovereignty by entering into a one-world organization or a military alliance with a part of Europe, has not been able to undermine the good, hard common sense of our youth—otherwise they would flock to the colors and enlist by the thousands.

This country does not need, and cannot survive, a continued draining of its essential and necessary national resources through granting largess to other nations which are controlled and guided by world politicians.

This Nation has millions of courageous young men who would be willing and eager to fight for their homeland; who would eagerly enlist if they thought it to be necessary for the country's security.

They do not believe war is either necessary or inevitable, and they do not pro-

pose to voluntarily fight another war, a third one, either as an experiment for world government or to advance the interests of politically ambitious internationalists or fatten the pocketbooks of the makers of munitions.

An Administration which, in command of the most powerful nation in all the world, cannot so guide it as to convince would-be enemies that war would be disastrous for them, who cannot follow international policy which would keep us out of foreign entanglements without bankrupting us, should not be permitted longer to guide the destinies our Nation.

Conscription of men—and women are now in the Army and the Navy—would be but following the policy of a Hitler and a Stalin.

We are making ourselves invincible. While doing that let us remove the causes which lead to war without resorting to a totalitarian form of government or the conscripting of our manpower.

What this country needs above all things is a President, Senators, and Representatives who have the knowledge and the good sense to so guide our Nation that we will not become involved in every squabble, wherever in the world it may occur; that we will not be forever a party in every war, no matter what the cause—no matter how remotely it may affect our national interest. What we need, above all, is a party with a policy designed to first advance our own national interests, preserve the liberty, the prosperity, and the opportunities of our own people.

A President and a political party which cannot, guiding the destinies of the most powerful nation in the world, keep it free from bankrupting itself, regimenting its people, destroying its foundation—the Constitution—and drafting its young men for foreign war, is a failure. President Roosevelt made one true statement when he said, "We have nothing to fear but fear itself." He might have added—fear generated by those who profit out of war through the shedding of American blood on foreign soil.

Propaganda by the Soil Conservation Service

EXTENSION OF REMARKS
OF

HON. ALBERT L. REEVES, JR.

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Friday, June 18 (legislative day of Thursday, June 17), 1948

Mr. REEVES. Mr. Speaker, Federal law makes it an offense to expend funds appropriated by the Congress for propaganda in support of or in opposition to measures pending before the Congress. Yet the departments and agencies of the Federal Government continue willfully and flagrantly to violate the statute, and both secretly and openly to generate pressure on Congress with regard to pending measures.

This statement is not made carelessly. I have in my possession photostatic copies of documents which show without question how employees and officials of the Soil Conservation Service of the Department of Agriculture have used their time and Government facilities in a propaganda campaign on behalf of certain bills. Let me give you the background of the story.

William H. Colman, an employee of the Soil Conservation Service residing in Cape Girardeau, Mo., attended a meeting at Columbia, Mo., presumably at the request of Howard Jackson, whose title is assistant state conservationist for the State of Missouri. Apparently at least one purpose of that meeting was to instruct Mr. Colman as to how to put the proper pressure on Congress for the benefit of the Soil Conservation Service. Mr. Colman evidently took fairly complete notes on the instructions given and placed them in the field notebook which had been issued to him by the United States Department of Agriculture. That notebook was lost on the streets of Columbia that day and I have photostatic copies of its contents, furnished me by a source which will remain undisclosed.

The problem to which the bills in question and the documents in question relate has to do with agriculture extension work and research. The Soil Conservation Service, in effect, desires itself to do the work of terracing, and building ponds and waterways, with equipment owned and supervised by the United States and directed by the Soil Conservation Service. It is bringing every effort to bear to prevent the farmers from doing the work themselves under the direction of their own extension services, on the basis of technical programs developed for their particular areas, and from employing terracing contractors who are small-business men investing their own funds and serving the farmers on a constructive profit-and-loss basis.

The quotations which follow consist of notes taken from the field notebook of William H. Coleman:

H. Jackson (Howard C. Jackson, assistant State conservationist).

1. Three letters to editor of Post-Dispatch by farmers next week.

2. Two letters to Globe for October 3 editorial. Stress what Soil Conservation Service has done in my district.

3. Minimum of five in soil district counties and one from non (soil district) county.

4. Each bill should be discussed with supervisor's board meeting. Have members ask questions.

5. Two or three farmers to see Congressman.

6. Get every Congressman in soil district. Have him invited to meetings.

7. Have five letters from each district before January 1948.

8. Know State and National key people.

9. Know key editors.

Cultivate State and local Farm Bureau and Missouri Farm Agency Directors. State Conservation Federation.

Mrs. Earl Jackson, head of garden clubs.

See Mrs. Werhn.

Veterans teachers.

Get supervisors to talking more of how Soil Conservation Service helps districts.

I do not think these notes need detailed explanation. They show a concerted, planned program to bring pressure through newspapers and directly on Members of Congress for the passage of legislation which would vastly increase the powers and jurisdiction of the Soil Conservation Service of the Department of Agriculture, and which would virtually wipe out the extension services of the various counties.

Here are some more notes from Mr. Colman's notebook. Not only do they disclose a comprehensive plan to high-pressure Congress and to expand the Soil Conservation Service, but they show specifically a violation of the Federal statute to two instances. The references to "BANTA" in items 10 and 11 relate to our distinguished colleague, the Honorable PARKE M. BANTA, representing the Eighth District of Missouri. The references to "Zimmerman" and "Zim" in items 17, 18, and 19 relate to our late and lamented colleague, the Honorable Orville W. Zimmerman, who represented in this House the Tenth District of Missouri. The notes are as follows:

JENSEN BILL

1. Has definitely defined national land policy. None in Cooley bill. Never been one before Congress. Must have one to govern production.

2. Purdis (purpose?) of Congress to set up use of all agricultural resources.

3. Dykes asked for seventy million: Fifty-two for technical, seven for surveys (capability), ten flood, two for research.

Divorce farm bureau from extension. Have district supervisors understand both bills.

Sixteen percent overhead in Soil Conservation Service.

Thirty years of extension haven't done soil conservation.

COOLEY BILL

1. Sets up 48 different programs.

2. Will destroy districts.

3. What power would supervisors have for running districts if Extension runs it?

Slusher (head of Missouri Farm Bureau Federation) and Burch (Jim Burch, head of Missouri State Extension Service) say districts not needed.

Cooley bill doesn't say any of money will go to district.

Will put soil conservation in pressure group (farm bureau).

Knocked out Farm Security Administration.

Would subject soil conservation experimental work to rivalry with other extension work.

1. Resolutions from Cape and Pemiscot Farm Bureau. Resolutions from Cape and Bollinger supervisors.

2. Letters from priests at Jackson, Portageville, Leopold, and Winegarten to Congress.

3. Letters from farmers and others in Cape, Perry, Scott, St. Francis, Bollinger, Dunklin, Pemiscot, Stoddard, St. Genevieve, Butler, Reynolds, Mississippi, and Iron.

4. Cape Federated Club through Goodwin. Maybe resolution.

5. Affiliate members through Goodwin.

6. Letters to Congress and State office, holders from supervisors.

7. Supervisor's letters to St. Louis papers.

8. Letters to Behyum myself.

9. Talk to Rotary clubs in southeast Missouri (explaining two bills).

10. BANTA obligated to Hall. (This is Len Hall, St. Louis columnist.) Len will see him this week.

11. Frank Groom raised with BANTA.

12. See Hy. Kolmeyer (St. Louis F. Co.).

13. Explain bills to supervisors.

14. Mrs. Wilson to write or see Mrs. Jackson (garden clubs for resolution).

15. Publicity to 35 to 40 southwest papers.

16. Give ammunition to Triple A.

17. J. R. Byrd, Cape County, influence with Zimmerman (the late Congressman Zimmerman).

18. Get Missourian (a southeast Missouri newspaper) to get something in Craig record. Print it and have four sent to Zim. (The late Congressman Zimmerman.)

19. Ronnie (Greenville State soil conservation supervisor) and Zimmerman to see Johnnie.

20. Agricultural committee, Cape Chamber of Commerce.

21. Write Cousin Will re John Richardson (district soil conservation man at Chillicothe) on the two bills.

These notes appear to disclose two flagrant and specific violations of the statute, and in my opinion they demand complete investigation and perhaps further action.

The next extract from Mr. Colman's notebook discloses a somewhat more subtle approach. Supervisors—employees of the Soil Conservation Service, mind you—are encouraged to write their Congressmen for a copy of the Jensen bill on the theory that the request will be interpreted as a vote for it. Similarly, the Cooley bill was to be discreetly criticized. And note this comment:

But don't stimulate a flood of the latter letters. We do not want that at this stage of the game.

Prepare for final action.

I quote the entire sheet of instructions on this point:

Supervisors and others should be encouraged to write their Congressmen for a copy of the Jensen bill and study it. A request for a bill is usually construed as a vote for it. (In view of that fact, it will be well if many of those writing for the Cooley bill indicate that they have heard about it and don't like it and want a copy so they can study it. But don't stimulate a flood of the latter letters. We do not want that at this stage of the game.)

Prepare for final action. Lay the groundwork for a direct line of letters and other communications from the people back home expressing their wishes, to their Congressmen when either or both bills come before the Congress. We may not need that action but the people should be prepared.

The type of letters needed now are a few good ones going in to Senators and Representatives from local people or groups to let Congressmen know what is going on in the way of soil conservation progress; what a farmer thinks of his plan, and the fact that SC helped him do it; a progress report from supervisors to their Senators and Representatives. If these are bona fide letters written by the individuals (or groups), they mean more going in during the fall and winter than a flood of letters when the bills are before Congress. In other words, people should let Congress know they are interested in soil conservation, in districts, and in the SCS all the time.

To cap the climax, Howard C. Jackson, assistant State conservationist for the State of Missouri, wrote a memorandum to Mr. Colman under date of October 7, 1947, about the same matter. It was written on an official interoffice transmittal form of the United States Department of Agriculture, Soil Conservation Service, and I have a photostatic copy of it. It was taken from Mr. Colman's official field notebook. It bears the typed name Howard C. Jackson and the initials HCJ. It is as follows:

Gud Budde former executive secretary of the Missouri Conservation Federation and now more or less engaged in private work with the Outdoor Tourist Bureau and other activities in St. Louis has been a stanch friend of ours throughout all of these years.

Gus has a friend, Guy R. Dixon, who is president of the Current River Chapter of the Ozark Protective Association in Ripley County at Bennett, Mo. He says the old boy is a little eccentric, writes a lot of letters, but is dead serious about conservation. He says he would be a good contact for the foundation that creates interest for a soil district and suggests that one of our men contact him. I would suggest that you plan to take a run over there sometime and look around getting acquainted with those fellows. There is another man down that way, Dr. Z. Lee Stokely at Popular Bluff. I think Dr. Stokely is the postmaster. Pres knows him. He is a radical against high dams and wrote a clever piece a while ago in it and he is active in the Conservation Federation. As I recall, he is hard of hearing but has definite opinions of his own. Pres can give you a little dope on him.

Going back to Mr. Dixon. He has asked for some help as president of his chapter and Gud Budde has suggested that someone might help him set up a series of meetings where you and one of your men would take one or two meetings, help him set up an outline where maybe he could invite someone from the Forest Service and other agencies.

It is just possible that this is a contact that we would want to develop for future use.

Mr. Speaker, I have additional information on this matter. Part of it was also found in the notebook in question. One document consisted of a list of Arrowhead Questions from the Federal Soil Conservation office to the State soil conservation office for use in Missouri. Typical questions on the list of 11 are these:

You know that soil erosion does not stop at county lines or State lines, because rivers don't stop there and streams don't stop there, and neither do dust storms stop there. Don't you think we need a Federal agency working across States lines to take care of these erosion problems?

Isn't it true that the Farm Bureau monopoly bill is contrary to our constitutional Government by a system checks and balances—Federal agencies and States agencies both functioning to best serve all the people of this country?

What right does the Farm Bureau lobby, representing no more than one-sixth of the farmers, have to try to wipe out a Federal conservation agency like the United States Soil Conservation Service with its democratic system of districts operated by local farmers?

"How to get what is needed" is the heading of a section of another outline of methods for obtaining the legislation desired by the Soil Conservation Service. Under this heading are three items which show exactly how the soil-conservation officials propose to apply the right degree of pressure on Members of Congress.

Mr. Speaker, I do not undertake to pass upon the merits of the two bills with which the Department and the Soil Conservation Service were concerned. But I insist that so deliberate and flagrant a violation of an express statute forbidding the propagandizing of Congress by Federal employees using appropriated funds must not go without investigation and whatever further action the circumstances may warrant. It amazed me to learn that substantially all of the information contained in this extension of remarks had been submitted to a committee of this House during the current session, and that no action was taken with respect to it. I am making available to the Harness Subcommittee on Propaganda all of the documents to which I have referred and from which I have quoted, and more, with the request that they take action to determine the character and full scope of this propaganda campaign by Federal employees, using Federal funds, and take such further action as in their judgment seems proper.

Let me clarify one point. The information and documents to which I have referred were not given me by the witness who testified before the House committee, nor have I even discussed the matter with him.

Certainly the Congress should not and cannot tolerate further violations of the antipropaganda statute, especially when they are as flagrant and offensive as those indicated by the documents to which I have referred.

Protecting the Fundamental Rights of Labor

EXTENSION OF REMARKS

OF

HON. GERALD W. LANDIS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. LANDIS. Mr. Speaker, sufficient time has now elapsed to see that labor has continued, and will continue, its forward progress under the labor act passed by the last Congress. Practically every day brings forth new reports in newspapers, radios, and union publications of increased gains by labor, but instead of these gains being made after time-losing strikes we see, and statistics released from time to time by the United States Bureau of Labor Statistics prove, that more and more of these gains now are being obtained through peaceful collective bargaining. That is the real gain for the workingman. The false charges that the labor law would enslave labor and do away with collective bargaining have been proved to be false by the acid test of experience. Labor continues its forward march—through peaceful collective bargaining and by so doing labor is gaining in public support and esteem.

The labor law is working in the best interests of the workingman and the public. The basic rights of labor are fully protected, and so is the public interest.

In the last session three great decisions were made in the legislation then under consideration which were vital to the basic rights of labor and which have done so much to make the act fair and just. First, is the union-shop provision. Second, is the protection of labor's right to bargain on an industry-wide basis.

Third, is the exemption of railroad employees covered by the Railway Labor Act. The welfare-fund action was also of extreme importance.

With respect to the protection given to the union shop and industry-wide bargaining, I wish to pay special tribute to some of the new members on the committee who were so helpful in seeing that the labor law protected these fundamental rights of labor. I refer to Representatives KEARNS of Pennsylvania, KERSTEN of Wisconsin, MACKINNON of Minnesota, NIXON of California, and our friend who passed away recently, that other valiant fighter for the right as he saw it, Representative Tom Owens, of Illinois. Without their vigorous demands for the union shop and industry-wide bargaining provisions, these valuable benefits might well have been lost to labor.

These Members were also strongly insistent on the amendment to exempt railroad employees who are covered by the Railway Labor Act. Representative MACKINNON was the author of this amendment in the committee and made a valuable contribution in this and many other respects. Actually, there was no sound reason to include railroad employees under the labor law, as railroad employees have different bargaining problems, and they have been for many years operating under the United States Railway Labor Act, which deals specifically with their situation. It would have been a mistake to do away with the Railway Labor Act, and Representative MACKINNON was quick to note this undesirable possibility.

I also wish to express my appreciation to Representatives MCCOWEN and BREHM, of Ohio, for their fine support of these measures. They are not new Members but gave valuable support to the above provisions, and I am looking forward to their continued support in the future.

Increases in Pensions

EXTENSION OF REMARKS
OF
HON. EDWARD O. McCOWEN
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. McCOWEN. Mr. Speaker, the Eightieth Congress has done much by way of legislation for veterans of all wars, but they have not done too much, and perhaps not nearly enough. The record is good even though it may have been considerably better. In the last week before the recess, two bills for an increase in pensions were passed. Both of these will be of great interest to all who will benefit by them. After much debate as to the amounts of increase, the conference committee between the two Houses made the following report which was accepted by both Houses.

Analysis of H. R. 5588: Provides the following additional compensation for World War I and II, Spanish-American, and peacetime—combat or extrahazardous service—veterans who are 60 percent or more disabled:

Totally disabled:	
Wife, but no child	$30.00
Wife, 1 child	35.00
Wife, 2 children	45.50
Wife, 3 or more children	56.00
No wife, 1 child	14.00
No wife, 2 children	24.50
No wife, 3 or more children	35.00
Dependent parent or parents (each)	17.50

Partial disability compensated at percentage of disability of cited rates but no compensation for less than 60 percent disability.

The conference report which was accepted by both Houses for S. 2825, briefly stated, is as follows:

The surviving widow, child or children, and dependent mother or father of any deceased person who died as the result of injury or disease incurred in or aggravated by active military or naval service as provided in part I, paragraph I hereof, shall be entitled to receive compensation at the monthly rate specified next below:

Widow but no child, $75; widow with one child, $100 (with $15 for each additional child); no widow but one child, $58; no widow but two children, $82 equally divided); no widow but three children, $106 (equally divided) (with $20 for each additional child; total amount to be equally divided); dependent mother or father, $60 (or both), $35 each.

Any veteran or the dependents of any deceased veteran otherwise entitled to compensation under the provisions of part II of this regulation or the general pension law shall be entitled to receive the rate of compensation provided in part I of this regulation, if the disability or death of such veteran resulted from an injury or disease received in line of duty (1) as a direct result of armed conflict, or (2) while engaged in extrahazardous service, including such service under conditions simulating war, or (3) while the United States is engaged in war.

SEC. 3. Paragraph III of part II of Veterans' Regulation No. 1 (a), as amended, is hereby amended to read as follows:

The surviving widow, child or children, and dependent mother or father of any deceased person who died as a result of injury or disease incurred in or aggravated by active military or naval service as provided for in part II, paragraph I hereof, shall be entitled to receive compensation at 80 percent of the rates specified for such dependents in paragraph IV, part I hereof, as now or hereafter amended.

SEC. 4. The increases provided by this act shall be effective from the first day of the second month following the passage of this act.

It was my pleasure to vote for the conference report which provided for the increases described above. Personally, I feel sure that more of the increases should have been made larger, because the total amounts allowed even by the changes still provide inadequate amounts. The present high cost of living should have been given more consideration in fixing the increases. All legislation is a result of compromises, and perhaps the Congress did well to get the amounts as high as they are when everything is considered.

Address of Branch Rickey

EXTENSION OF REMARKS
OF
HON. FRANK L. SUNDSTROM
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. SUNDSTROM. Mr. Speaker, under leave to extend my remarks in the Appendix of the RECORD, I include the following address by Branch Rickey, president of the Brooklyn Dodgers, before the National Conference on Community Improvement in Washington, D. C., on May 25, 1948:

Mr. Chairman, ladies, and gentlemen, it is not easy for one coming from my field of play, if you might call it that, to your Nation-wide field of community development, to speak constructively. One might say it is a bit incongruous for me to attempt it, but I am really interested in community improvement. However, I do not come here as one whose interest in the field is to give advice, counsel, or information. Rather, my effort here this morning is to testify to the value of the move this council is undertaking, and to give the opinion of a common citizen of our country who is looking on, seeing what is going on.

I have examined this council's plans pretty carefully, and I know about its work, also the program for these 3 days. Frankly, I don't know of anything more challenging than this program.

The subject assigned to me was, "Recreation—Its Importance to the Community." Well—in a general way, I will talk to that subject, but it is not easy for anyone from Brooklyn these days to talk on any subject specifically. However, I don't have to get back to the ball game. As far as I am concerned I could stay here all day. It doesn't seem to make much difference what influences are around the team these days. It manages to lose with apparent glee and pleasure.

Recreation is an interesting subject. This thing of the citizen seeking relaxation, diversion, play, or useful application of his leisure time, is mighty important. But we should be more particularly concerned, I think, with the immature, the adolescent, the youth. What of him or her?

It seems to me that monotony on a job is bad, but bad as monotony there may be, there is one thing that certainly in the life of young men and boys is worse—that is idleness. Nothing to do puts the skids under almost all of a boy's moral standards.

Leisure is a good thing in the development of any people. It permits understanding of art and other worth-while subjects. You have a chance for cultural enrichment by the use of leisure if society knows what to do with it. Leisure is marvelous for mature people who have high purposes and plans. But 20,000,000 boys in this country do not have plans and many of them do not have high purposes—they do not have any purpose. They are creatures of circumstances. Perchance, they are victims of doing things of least resistance. In some of our cities, we actually have organizations of boys competing with one another in the commission of crime.

I do not think that many boys are inherently bad, however. In fact I believe most boys are inherently good. If they are bad, they need official attention, maybe a psychiatrist, but most all of them have handles to the good in them if you can take hold of them.

To the adolescent, that age which the Germans call the storm and stress period, the great solvent, the great antidote to character ills, to character-breaking conditions, is physical exercise. The organized confusions we have among youth today I think is traceable directly to the negligence of the family. I do not think you can escape that. In some instances, it is perhaps due to entire indifference by the community. That is a frequently contributing factor. And that is why a meeting of this kind and a work of this kind becomes so everlastingly important.

Men don't need rules, or boys either, to make them come in at night, to observe the decent customary rules for athletes when they are physically tired. They just come in at night without being told. Discipline is not a matter of not drinking or not smoking on the part of boys, or not doing any of the obvious things some people are inclined to think indicate an undisciplined person. Discipline is never a superimposed thing.

I'm talking now directly of what I handle most. The organization that I'm connected with looks at as many as 4,000 boys in 1 year—candidates for a career in the playing of a competitive game where you put the dollar mark on muscle and expect it to be clean—to stay clean. I'm talking about the great effort of those boys to make good in this so-called professional undertaking.

What causes them to fail? Where do you find the value of discipline? How does it affect all the careers or all the attempts to make a career? We have learned that discipline is not a superimposed thing—it is not a thing handed down. No man, no baseball club is ever disciplined when it reacts from a sense of fear, from a sense of penalty, compulsions from without. I doubt if it is sufficiently disciplined if its motivation comes solely from a vision of the fortunes of victory.

Discipline is a self-imposed thing—a coming from within, out; an election to do thus and so because of a realization of the compensations that comes as a result. It controls relations with teammates. The right sort of chap devotes himself quickly to his weaknesses instead of playing all the time to his strengths. Those things are not taken up just by the boys' own regulation and thinking—not regularly so. They need systematic program, they need coordination, they need encouragement. The need for these is greatest in the home, but it certainly exists in the community. It can be the solution of many of our national problems.

If you will study the history of sport—take it in China, take it in Japan, take it in Russia, take it in France, other countries, what is the effect over a period of 400, 500, 600 years, on the life and progress of the country? It is a great study. I like to read about it. Take the relationship of sport to the history of the British Empire. That nation invests more in sport than any other country in the world except the United States of America. There you find that preparation for war and other problems takes place on the playfields of the empire.

Let me illustrate. When the British cricket team was playing in Australia (you may recall Collier tells about it in his work on England and the English) in Newspaper Square in London there were great placards—red boards—and on them were three or four headlines of what was appearing in the public print in a particular paper. There was debating in the House of Parliament on Navy appropriations—the Irish question was quite acute at the hour—they had a problem with one of their distant colonies, but headlined above all were these words: "England's big task."

Collier knew about all the other things, but he relates that England believed the big task had nothing to do with all these important national and international problems of the Empire. The English cricket eleven was playing in Australia and on that day the Australian eleven had made an unexpectedly large score. It was England's big task to meet or beat that score on the succeeding day. Challenge to the Empire.

We think we have great attendances over here at some of our contests in football and baseball. In England recently I saw an attendance of one hundred-and-thirty-odd thousand at a single athletic event. The significance of this lies in the fact that in England they recognize that public interest in sport is a sound investment—a recognition of such importance that a mere handful of men have controlled the destinies of two-fifths of the inhabitants of the world for centuries.

I am not advocating for one single second that we have a proletarian government that controls sports, particularly professional. I want enterprise to be there, the creativeness of competition in sport. It benefits everyone, and I want no control but I would like to see sports tremendously stimulated.

I would almost like to see an addition to our official Cabinet family, perhaps under public health. The one selected should have enough authority to do a great job in finding out what stimulation to competitive sport, what games in all fields would do in our country to the cost of our criminal procedures, and what it would do to the minds of youngsters in this country.

You can't do this just simply by stimulating games. That isn't enough. You've got to go deeper than that. Competitive games without any emphasis whatsoever on the sportsmanship of them can lead you nowhere at all. It could lead you into unsportsmanlike conduct. Somewhere in the program there must be the motto: "Not honors, but honor." There must be a searching for some of the equivalents of such virtues as may come out of war, if any.

Professor James wrote an essay on the Moral Equivalents of War. It is deeper and more comprehensive than the application I would like to make of it in one particular. It seems to me that Professor James might have written an extra paragraph if he had cared to do so—it would fit the picture perfectly.

If he had said that the moral equivalents of war in the United States of America are to be found in sports, in competitive games, the stimulation of youth everywhere to use its leisure in sports, he would have helped. Relaxation, recreation, the change from work, the employment of time, bring better results than misuse of youthful leisure with no challenge and nothing to do.

I think that sports have a very definite place in this program of community improvement. It is so easy to organize it. You have so many sympathetic forces back of it. All the boys, all the men, yes, and the girls, love the competitive challenge. It is physical exercise. Think of what it would do if the world would employ in an all-sports program just a small part of what we are putting into armament.

The psychology of it is emphasized by a case involving my own boy. He went over to Edinburgh to the Boy Scout jamboree and came back with commodities traded with a boy from Czechoslovakia, one from Italy, a boy from Scotland, and another chap—four of them. They corresponded for a time and then one day when we were talking at the dinner table about results of the First World War, the fourth chap who was present spoke up and said: "I don't see how we can fight people like that." He told about the other boys and named them. He said, "It just seems to me if everybody knew everybody like I know Sam," and he named the other boys, "they just couldn't fight."

There isn't any link in all creative thinking that brings men quicker to understanding of one another than competitive games—any kind of games where sportsmanship itself comes into the picture. There isn't much luck about it in the creation of good boys. Things don't just happen anywhere without cause. Baseball games are not lost or won without a reason for it.

This thing called fortune, or good fortune, or bad fortune, is a pretty dangerous thing to talk about or to give any credit to—to the extent to which a man attributes his success or his failure to the workings of chance. It seems to me, and at least to a baseball club, attributing things to luck becomes ineffective in controlling the destiny of one's own work and a person becomes ineffective in controlling any part of the outcome of his games.

Things just do not happen that way. When boys do all they can, and teams do all they can to win, they've done everything humanly possible in physical effort, in intelligent effort. The outcome is on the board, and usually that team has what is known as good luck. And if it does not, it has what is known as bad luck.

Some years ago there were two great ends on the University of Michigan football team, one being an All-American. The Michigan team had played the University of Minnesota team early in the season and had lost. Then it played a number of other games and didn't lose any, and was coming up against the University of Minnesota team for the final game of the year. There wasn't much chance to win, in the opinion of Coach Hurry-Up Yost.

The week before they played that game with an expectancy of losing it, because Minnesota's comparative scores had been better, they made very definite, specific preparation. Not quite according to the vogue—not the traditional coaching. You may recall that particular game, which is in the history books and has been widely written about by commentators and in sports pages for years; it resulted in a score of 7 to 6 in favor of Michigan.

During the entire game, only one time did Michigan have the ball in the Minnesota end of the field. Minnesota made something like six or seven hundred yards in rushing and passing that ball and Michigan had something like 30 or 40 yards, in a total of the game. Defense, defense, defense, and within their own 10-yard line several times, was the lot of the Michigan players.

In the last 1 minute of the game, Michigan was defending on its own 5-yard line. The University of Minnesota was ahead 6 to 0. The halfback on the Minnesota team fumbled. The ball was in the midst of 22 men. A chap named Oosterbahn (recently appointed coach of the University of Michigan football team) picked that ball up. He didn't fall on it. According to the rules and practices of good coaching he should have done so. Instead he picked it up, really scooped it with one hand. He shook off a tackler here, a tackler there. He changed his course twice and ran 95 yards for a touchdown—on a flukey fumble. Then Michigan kicked a goal and won a game.

About 3 or 4 weeks later I was on a peninsula in Michigan—a little old hotel in the evening after a day of hunting. I noticed a youngster coming in at the hotel entrance. I called to him, "Harry, come over here." It was Harry Kipke, the assistant coach of the team. He was over there making a high-school speech, trying to get another good athlete, I imagine, for the University of Michigan. He came over, and we were talking, I suppose rather happily and gleefully, about the great season Michigan had had, and how in the final game we beat Minnesota for the championship in the Big Ten.

I was a Michigan man—Harry was—it was a natural celebration. There was a little old wizened fellow—must have been about 75, with a little scraggly beard, sitting in a

big leather chair about 5 or 6 feet from us. He kept crossing his legs back and forth and smoking his pipe. Finally when we had talked and talked about it—yes, it was a great game—he got up and he said, "Gentlemen, I can't stand this any longer. I'm a graduate of the University of Minnesota class of 1877." Then he said, "I want to tell you that it's scandalous. We won so many yards. We made so many yards—we made so many first downs."

He was mathematically perfect. He told how we had been on defense the whole time and came to the point where Oosterbahn violated the first rule in the book of good coaching when he picked up that football and undertook to run with it and got away. "Lucky," he said. "Luck, pure luck, and Michigan's always had it," said he. We were subdued, as we saw him making his way off in nervousness out of the hotel lobby.

Harry Kipke turned to me and said, "He's right. Of course Oosterbahn did violate the usual, but there's something that the Minnesota grad doesn't know. On Monday morning before the game, the coaches decided that they'd have to do things differently. We outlined the plan that we adopted that afternoon when we met all the players.

"We took aside Oosterbahn and the other ends, but particularly the two regulars. Then we put assistant managers and substitute players on the field with their arms full of footballs. The ends were not allowed to enter scrimmage all week. Instead they were to run up and down the sidelines with the other boys throwing rolling footballs in front of them until," he said to me, "Oosterbahn could take two at a time, one in either hand, on a dead run.

"They were perfect on it," he said, "and they were coached not to fall on footballs. They must take chances." Luck? If so, I could give you illustrations by the score on the point.

Luck is what's left after you've done all you can. After you've invested yourself fully in the job in front of you, with what intelligence you have, what information you can get, with what energy, what industry you can put into it—you give it all you've got, and what comes out of it is luck. And if you haven't left very many loopholes for negligence or mistakes, it's probably good luck.

Luck is the residue of design. This great effort that we have in mind here, this great program and its challenge to American communities everywhere, is, in the opinion of a humble citizen who comes from the field of professional sport, the investment of ourselves, fully realizing what the results may be, and can be. The talent to work with, the ease of organization, the facility for enlisting community sentiment back of it all certainly are available. Let's utilize them.

I just give testimony, that's all; not advice or counsel. You are in front of a magnificent opportunity, and may all good citizens recognize it.

Now Is the Time To Build Ships

EXTENSION OF REMARKS

OF

HON. JOHN J. ROONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. ROONEY. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following pamphlet issued by the National Security Division of the American Legion:

NOW IS THE TIME TO BUILD SHIPS

In March 1947 President Truman appointed an Advisory Committee on the Merchant Marine to study a problem that must be solved * * * how to build and maintain a strong, up-to-date American merchant marine.

The five prominent Americans who undertook the study as an important public service were: K. T. Keller, president, Chrysler Corp.; Marion B. Folsom, treasurer, Eastman Kodak Co.; Andrew W. Robertson, chairman of the board, Westinghouse Electric Corp.; James B. Black, president, Pacific Gas & Electric Co.; E. L. Cochrane, vice admiral, United States Navy (retired), formerly Chief, Bureau of Ships, and president, the Society of Naval Architects and Marine Engineers.

The President's Advisory Committee studied the problem from every angle. A report was made to the President after 8 months of detailed analysis.

The recommendations in that report are important to you and your country.

For our merchant marine must be strong.

It is absolutely necessary to our national security. It is an important part of our peacetime economy.

IT MUST NOT HAPPEN AGAIN

Twice in one generation this country has been forced into emergency shipbuilding programs of huge size.

Why? Because this country would not maintain an adequate merchant marine. And a ready and strong merchant marine, like the Army, Navy, and Air Force, is indispensable to our national security.

In World War I only a few of the ships begun under our war program saw service because the conflict ended before we could complete more than a few ships under that program.

In World War II the results were better, for then we had the advantage of a modest shipbuilding program started about 3 years before Pearl Harbor. With that as a start, we were able to get into high gear on our war shipbuilding program with less waste of time, money, and lives. But even with that preparation, it was several years after Pearl Harbor before our full shipbuilding potential could be made effective.

Next time we will not have a screen of time, distance, and allies behind which we can work until we are ready. Our best hope of preventing a "next time" is to get ready now.

PASSENGER SHIPS COME FIRST

In any emergency, passenger-carrying ships are the number one requirement. Our troops should not be transported as cargo as many of them were in World War II.

On December 7, 1941, we were down to 113 ships in active passenger service, capacity 38,000 passengers. Our initial troop movements were critically delayed by this lack of troop carriers.

Today we have only 48—capacity, 17,000 passengers.

And not one passenger-carrying ship is being built in this country today. Even the most recent Government plans (if carried out) would add only a few passenger ships, and none before 1950.

But 173 passenger-carrying ships are being build in foreign yards today. Other nations recognize a need we neglect.

The President's Advisory Committee recommends that by 1953 we build 46 new passenger ships, capacity 20,000 passengers.

WE ALSO MUST HAVE CARGO SHIPS

Our cargo fleet of modern ships is in fair shape today. But we still need additional types to round out that fleet, such as refrigerator ships and others for special services.

Moreover, the efficient useful life of a ship is only about 20 years. The ships we do have are all about the same age. They will all grow old together.

If we let that happen, we may some day have a huge rebuilding job..

What we need is a steady, yearly replacement program to keep our fleet of cargo carriers up to date and efficient in all classes, for trade and defense.

The President's Advisory Committee recommends that such a program be begun at once.

WE MUST NOT THROW AWAY OUR SKILL

It takes special skills to design and build a ship. It takes years of steady work to perfect those skills.

The engineering knowledge and unique skills that must go into the designing and building of a ship must be used constantly. If not, they are soon lost. And once we lose them, our progress ends.

Without shipbuilding there will be no jobs in the shipbuilding industry. The craftsmen and engineers will turn to other industries for employment, as they have been doing. Those men will not come back without some hope of steady work. Without that same hope, young men will not be drawn to shipbuilding as a career.

The only way to stop this disintegration is to begin the steady shipbuilding program recommended by the President's Advisory Committee.

The Committee says: "Shipbuilding skills * * * are essential national assets and must be preserved."

WHAT ABOUT THE SHIPS BUILT DURING THE WAR?

During the war we could not manufacture enough modern equipment and machinery to build more than a limited number of high-class cargo ships.

Therefore, most of the ships we built were especially designed for multiple production in newly built shipyards. Those ships were fitted with equipment and machinery that could be mass-produced in a hurry. That was the only way we could meet the critical need.

The result was a great number of the slow Liberty ships that did their war job and did it well.

But that kind of ship cannot ordinarily compete on regular trade routes with the fast new vessels now being built by other countries.

Hundreds of our war-built Liberty's are already laid up. Many more will be laid up as the volume of relief shipments decreases.

These ships cannot be considered as part of our permanent merchant marine. They were just as expendable as tanks, trucks, planes, and all other war equipment. When no longer required for foreign relief cargoes, their only value will be as a reserve to supplement our active fleet in case of emergency.

Only modern, efficient ships comparable with foreign-flag ships now building can keep the American flag on the high seas and provide and maintain the fleet required for national security.

Both our trade and defense will suffer unless we start a shipbuilding program that, year after year, guarantees us the most efficient ship designs and the best ships.

WHAT WILL IT COST?

The cost of the recommended passenger-ship program is not large compared with the cost of other vital parts of our national economy and national security.

On the basis of the President's Advisory Committee estimate, the cost to the Government of building the 46 passenger-carrying ships would not exceed $300,000,000. The cost to the private ship operators would be about the same.

Spread out over a 6-year building period, that is a cost of about $50,000,000 a year to the Government.

Many times that amount is spent every year to help support other essential elements of our economy.

The Government supports the entire cost of the Army, Navy, and Air Force. These are necessary security costs.

The merchant marine is equally important to our national security, and most of the cost is borne by the shipping industry.

In addition, a strong merchant marine is an important factor in our economy and national prosperity.

Other maritime nations maintain strong merchant marines.

WHY ANY COST TO THE GOVERNMENT?

We pay the highest wages in the world to maintain our American standard of living. Likewise we require the highest safety standards on our ships. It therefore costs more to build ships in this country than abroad. It, likewise, costs more to operate American ships than foreign ships.

A large part of our foreign passenger and cargo trade today moves on the important trade routes of the world with scheduled sailings in competition with foreign ships. Certain of these routes, which include practically all our passenger services to foreign ports, are designated by the Government as essential. Operators on these routes are eligible for Government aid to enable them to complete on equal terms with foreign operators.

Because the cost of building a ship in this country is greater than that abroad, the Government absorbs that difference so that American operators on the designated routes may have new ships built at the same cost as their foreign competitors.

The Government also absorbs the difference between American and foreign ship-operating costs in order to place American operators on these essential routes on an equal footing with their foreign competitors. This also helps American operators accumulate sufficient funds for necessary replacements and additions to their fleets.

Shipbuilding, ship repairing, and allied marine industries form a widespread industrial structure.

They utilize material and equipment from almost every State in the Union. The wages paid to men in these activities have a Nationwide effect. Thus marine industry is important to our national well-being.

This outline obviously can touch upon only a few of the high spots of the problems involved and on the more important recommendations of the President's Advisory Committee.

But the four practical, successful businessmen, and one retired high-ranking naval officer, who made the study for the President, produced a searching analysis of the merchant marine and shipbuilding problems and recommended a program to help solve these problems.

The recommendations are sound and should be acted upon.

You can help solve this problem.

Think it over.

Talk it over.

Let others know what you think should be done.

Veterans' Affairs

EXTENSION OF REMARKS

OF

HON. JOHN A. BLATNIK

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. BLATNIK. Mr. Speaker, I rise to speak on the subject of veterans' affairs, and the need for the adoption of additional national legislation which will be of value to the discharged serviceman. As a veteran myself, I have always been interested in the development of a sound program to assist those who were in uniform, and I know that most veterans and nonveterans—as well as many of my distinguished colleagues—share my view that such a program is both just and necessary.

When I first came to Washington as a freshman Congressman, I expected to see some constructive veterans' legislation enacted into law. I felt that the election of a number of World War II veterans to the Eightieth Congress was a good sign, and that we would be able to get something done in the field of veterans' affairs. I was encouraged by the introduction of several hundred bills during the first few days of the session which related to the problems of our veterans.

GOP FOLLOWS A DO-NOTHING POLICY

But my optimism did not last. Many fine bills were introduced but nothing happened to them. They were killed in committee, some in the House and Senate Veterans' Committees, and others which passed this hurdle of receiving Veterans' Committee approval, in the Rules Committee.

I soon discovered that the Republican leadership in Congress was not interested in a veterans' program. They were interested in giving tax relief to the big corporations and the wealthy income groups. They were interested in passing the Taft-Hartley law, which takes away the hard-earned rights of labor. They were interested in curtailing the Roosevelt farm program, and destroying our late President's program for full employment, social security, and the realization of his economic bill of rights. My Republican friends had no time to spend on veterans' affairs—only a minority were interested in the veteran and his problems. As a result, little was accomplished during either session of the Eightieth Congress in the line of veterans' legislation.

Let us look at the record: During the first session, only three minor veterans' measures were enacted into law. One was the bill permitting veterans to cash their terminal-leave bonds; another measure provided for the expansion of the on-the-farm training program; and the third granted a 20-percent increase in the tiny pensions paid to veterans and their dependents of the Civil War, Spanish-American War, and the Philippine Insurrection. All other needed veterans' legislation was ignored completely, and the problems of our ex-servicemen were ignored completely.

During the second session the GOP majority had a chance to redeem themselves, but again they refused to do anything constructive in the field of veterans' affairs. As the second session comes to a close, we find that very few veterans' bills have been passed. One bill raised subsistence payments for veterans attending college from $65 to $75 per month for single GI's, from $90 to $105 per month for married veterans, with an additional $15 being allowed for veteran students with children. Another bill raised the income limitations for veterans taking on-the-job training from $175 to $210 per month for single veterans, and from $200 to $270 a month for married veterans, with an additional $20 being allowed for veterans with a wife and two children. A few other minor revisions of present laws have been made. More liberal veterans' benefits were provided for service-connected disability, and widow's benefits were increased in case of service-connected death. Veterans who acquired tropical diseases have been made eligible for disability benefits. However, none of this legislation deals with the major problem of the veteran.

Mr. Speaker, this is the record of the Republican Party regarding veterans' legislation—this the GOP legislative program for the ex-serviceman. It is a record of miserable failure, and proves that the Republican Party has betrayed the veterans, just as it has betrayed the people during the whole life of the Eightieth Congress. There are plenty of necessary and important veterans' bills which have been pending for months and there is no excuse for this failure to take action.

A VETERANS' LEGISLATIVE PROGRAM

I wish to use the remainder of my allotted time to discuss the big issues in the field of veterans' affairs, and to indicate those major legislative proposals which should be enacted into law. In other words, I am attempting to outline a legislative program which would, in my opinion, provide constructive and practical solutions to the problems facing our ex-servicemen. It is a program of action which is just the opposite of the do-nothing policies of the Republican Party.

I. NEEDED: A HOUSING PROGRAM

The first plank in any sound veterans' program is housing legislation to build enough homes to relieve the present housing shortage, and meet America's long-run housing needs. It is generally agreed that—from the standpoint of the average veteran—the No. 1 problem in America today is housing. As everyone knows, the present housing shortage is acute with some 3,000,000 families in the United States being forced to live doubled-up with relatives and friends because they cannot find homes.

Some 40 percent of these homeless families belong to veterans of World War II—over 1,000,000 GI's cannot find homes for their families. Hundreds of veterans back in my district are victims of this

unhappy situation. In Duluth there are over 1,000 veterans' families living with relatives and friends, in Hibbing there are 500 veterans' families without homes, and in Virginia there are some 300 homeless veterans' families.

To make matters even worse, the purchase price and rentals on the few new homes available are high. According to the Bureau of Labor Statistics, a home which sold for $5,000 in 1939 is now priced at $10,000—an increase of 50 percent. The average sales price for all homes built during 1946 and 1947 was over $8,000 each. Loans to GI's for house financing during 1947 have averaged $8,200, which means that veterans who have built homes have had to mortgage their future. New homes are renting for an average of $65 per month and up.

But the Senate Committee on Banking and Currency has estimated that the average veteran cannot pay more than $4,000 to $5,000 for a home, and cannot go over $40 per month for rent. Hence the current high housing prices and rentals mean that decent housing is so expensive that it is completely out of reach of the average veteran's pocketbook. He cannot afford to build a home, or to buy one even if he can find a house for sale—he cannot afford to move into an apartment when one is available due to high rents. The destruction of rent controls last spring by Congress—and the enactment of the anemic so-called rent control bill which allowed rents to rise nearly 10 percent since July 1, has created additional hardship for our GI's.

This discouraging picture makes housing the No. 1 veterans' problem, and the first proposal in my program for veterans is legislation to whip the present housing shortage. In my opinion, Congress should adopt the Taft-Ellender-Wagner housing bill to build 15,000,000 new homes during the next 10 years, with at least 2,000,000 to be constructed within the next few months. I am convinced that this measure is the only logical solution to the veterans' housing needs.

Unfortunately, the Republican leadership has repudiated this sound and constructive proposal in favor of makeshift and piecemeal housing legislation, most of which cannot pass before adjournment, and which, if passed, would not furnish the decent housing that our exservicemen need and deserve.

II. INCREASE EDUCATIONAL SUBSISTENCE PAYMENTS

There is a crying need to increase the subsistence payments to veterans who are attending college in order to implement the objectives of the GI bill of rights. When Congress adopted the Servicemen's Readjustment Act of 1944 it was the intention of the legislative branch to guarantee educational opportunities to all veterans who wanted to go to school. Several million ex-servicemen have taken advantage of this opportunity to improve themselves by attending college.

Today the entire GI education program is in danger due to the increased cost of living. Since the program was instituted the cost of living has increased by more than 40 percent, and many veterans are unable to make both ends meet while attending school. To cope with this situation Congress did raise subsistence payments during this session, but the increase was far from adequate. At the present time single veterans get only $75 per month while attending school, and married veterans receive $105 per month.

I need cite only a few facts and figures to demonstrate the seriousness of this situation confronting GI education. According to several studies, the average monthly expenses of single veterans attending college is $121—yet the monthly subsistence check is only $75. Monthly expenses for married veterans come to $198 but the GI law only provides these men with $105 a month.

Some 48 percent of the 2,000,000 veterans now in college are married, and three-fourths of them must work part-time, and half of their wives must work, to obtain enough money to continue their school work. One-fourth of all single veterans are also forced to work to supplement their subsistence checks. Furthermore, three-fourths of all GI's are going into debt while attending college.

During the last 2 years some 600,000 veterans have quit school, and over half of this number have dropped out of college because present subsistence payments are inadequate to meet school expenses. Thus we see that the purpose of the GI bill of rights of providing education to all veterans is being defeated by the inflationary rise in the cost of living.

This threat to the veterans' education program must be met by additional legislation to increase monthly subsistence payments; the $10 increase for single students, and the $15 raise for married students granted by Public Law 411 (80th Cong., 2d sess.) is wholly inadequate to offset the present high cost of living. I believe, in view of present inflationary living costs, that subsistence payments for single veterans should be increased to $90 per month. Married students should receive at least $125 monthly, with liberal allowances for each child.

III. EDUCATION FOR CHILDREN OF DECEASED VETERANS

The children of veterans who were fortunate enough to live through the war have their futures assured somewhat by the GI bill which gives educational rights to their fathers, who may then be in a position to guarantee education to their children in the years to come.

But what about the children of veterans who were killed? Pensions paid to their widows are not enough to educate the children, and they may go through life handicapped by the fact that their fathers died in the service of their country. In fairness to these fatherless children, I maintain that the GI bill of rights should be amended to give the children of deceased veterans financial assistance to permit them to obtain an education. Furthermore, I believe that widows of veterans who died in the war, and the wives of disabled veterans, should be given these same educational benefits.

IV. MORE LIBERAL LOANS TO VETERANS FOR BUSINESS AND FARM OWNERSHIP

One of the dreams of thousands of veterans is to own their own business or farms. This is certainly a worth-while objective, and one which should be encouraged. It is desirable—not only because of the veteran—but also because it is good for the Nation. The encouragement of small individually operated business enterprise is helpful in preserving our free competitive economy. To help veteran tenant farmers become farm owners makes for a healthy agriculture.

For these reasons, I recommend the expansion of the farm-tenant-purchase program, and the appropriation of adequate funds for this program to furnish credit to tenant farmers for the purchase of farms. Such credit should be available to veterans and nonveterans alike. I maintain that the Republican majority made a big mistake last year when they reduced the funds from this program from $35,000,000 to $15,000,000, and regret to say that the same mistake was repeated this year when the Congress again approved only $15,000,000 for this worthy purpose.

I also believe that terms on business loans to veterans should be liberalized to allow more veterans to enter the business field and establish their own individual commercial firms.

V. LIBERALIZATION OF PENSIONS AND BENEFITS FOR VETERANS AND DEPENDENTS

Everyone agrees that veterans who have suffered disability during service are entitled to compensation, and that their widows and children are entitled to death benefits. Congress has already established an elaborate system of disability and death benefits and pensions. Unfortunately, this system is subject to several grave weaknesses.

In the first place, monthly payments established by existing law are now completely inadequate due to the high cost of living. For example, a veteran may receive benefits as low as $13.80 per month for a service-connected disability, with monthly payments going no higher than $138 for total disability. In case of service-connected death, the widow receives only $60 per month with an allowance for each child. A veteran with a non-service-connected disability obtains a monthly pension of $60, and a widow receives only $42 per month in case of non-service-connected death.

Although Congress has just passed a bill increasing veterans' benefits by $21 per month in case of 60 percent or more disability ($35 increase in case of veteran with two dependents), and raising widows' benefits in case of service-connected death, the pension payment structure is wholly inadequate to meet the rising cost of living. It is impossible for a widow to exist on $42 per month, or a veteran to live on a $60 monthly pension.

In the second place, legislation governing veterans' pensions and benefits contain several loopholes which cause many injustices. For example, a single veteran with a non-service-connected disability cannot obtain a pension if his annual income exceeds $1,000—in case of a married veteran, the income limitation is $2,500. The same income limitation is true of widows of veterans involving non-service-connected death;

widows without dependents are ineligible for pensions if their annual income exceeds $1,000, and $2,500 if there are dependents. Today, almost any job pays more than $1,000 per year, and although this is not enough to live on, many veterans and veterans' wives find themselves ineligible for a needed pension because of this limitation.

Another type of injustice which arises from existing legislation occurs when veterans develop tuberculosis after discharge. In many instances this malady was service-aggravated, but the GI cannot become eligible for service-connected benefits.

Congress should recognize these weaknesses in our present pension and benefit system, and face the issues squarely. In my opinion, veterans' pension and benefit laws should be liberalized as follows:

First, benefit and pension payments should be increased by 30 percent to make up for the increased cost of living. In addition, I believe that such payments should be anchored to the cost of living by establishing a sliding scale. Thus, when the cost of living rises all such payments would adjust upward automatically, and vice versa.

Second, the $1,000 per year income limitation for veterans and veterans' widows governing non-service-connected pensions should be increased to $1,800. I might mention that I introduced H. R. 2566 last session to eliminate this inequity, but the Veterans Affairs Committee has chosen to ignore it to date.

Three, veterans' pension laws should be amended to provide service-connected disability to those who have developed tuberculosis after discharge, when such disease was service aggravated and diagnosed within 2 years after separation from the armed forces.

And four, additional legislation should be enacted establishing a Federal program to stimulate the employment of disabled veterans in industry—this could be accomplished by allowing some kind of a tax-reduction bonus to those employers who cooperate with the Government program.

VI. EXPAND HOSPITAL SERVICES

The present hospital facilities for veterans are altogether inadequate, and such facilities need to be expanded to meet present needs. Under the law, hospitalization is guaranteed to every veteran honorably discharged who served in time of war, but additional legislation is needed to make this effective. I need only to mention the present situation at the Veterans' Hospital in Minneapolis to demonstrate this to be a fact. At the present time, there is a waiting list of 750 veterans who have non-service-connected disability requiring hospitalization at the Minneapolis hospital—often serious cases are forced to wait 10 days, and many tuberculosis and psychiatric cases are required to wait over a year before admittance. It is estimated that Minneapolis needs to expand its facilities by 200 beds to meet its needs. This same overcrowded situation exists all over the country, and I maintain that Congress should make additional appropriations for increasing hospital facilities. I also insist that the service program for the care of the blind and the amputees should be improved.

VII. ADEQUATE APPROPRIATIONS FOR THE VETERANS' ADMINISTRATION

At the present time, the Veterans' Administration is greatly understaffed due to lack of funds, and this results in long delays in the processing of veterans' claims, and applications for pensions, GI education authorizations, and so forth. Lack of funds has also forced lay-offs of personnel, and the closing of veterans' service offices.

I maintain that the action of the Republican majority in reducing VA funds during the first session by $35,000,000 represents a false economy which has meant less service to the veteran. A further reduction in VA funds during this session, which has resulted in staff reductions, is certain to undermine the work of the Veterans' Administration. I believe that the Congress should be more generous in the future, and that the VA should be given enough funds to allow for the efficient performance of its duties.

VIII. FULL EMPLOYMENT AND AN ECONOMY OF ABUNDANCE

The proposals that I have made so far relate largely to the veteran himself, and are based on the assumption that the GI has certain problems of his own, arising as a result of his time in the service.

At the same time, we all know that the veteran is a member of the community, and his interests cannot be divorced from the interests of the community itself. In other words, the veteran wants about the same things as the nonveteran, and his future is linked to that of his fellow citizens. Thus the veteran is, in the last analysis, interested in the maintenance of full employment and full production, social-security and health insurance, the expansion of the Roosevelt farm program, the encouragement of small business, and the development of our natural resources. The veteran requires any legislation which benefits the Nation—he desires a guarantee of the good life for all the people, and peace throughout the world.

Mr. Speaker, the program which I have outlined contains the essentials of a program which reflects the basic interests of our 13,000,000 ex-servicemen. I claim that it is practical and that its objectives are possible to realize. I maintain that Congress has a moral obligation to take action along these lines if we are to keep faith with those who only recently stood at the gates of death in the service of freedom, and offered their lives in the defense of their country.

Transfusing Your Own Blood

EXTENSION OF REMARKS

OF

HON. GEORGE B. SCHWABE

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. SCHWABE of Oklahoma. Mr. Speaker, the following release from Samuel B. Pettengill is worthy of much thought, and should be read by all who read the CONGRESSIONAL RECORD:

TRANSFUSING YOUR OWN BLOOD

Something of the real scope of the saving made possible by the tax-reduction bill has just been revealed. The figures are startling. They show how false is the booby bait of Federal aid.

Mississippi, one of the poorer States of the Union, benefits by keeping within its borders the tidy sum of $17,000,000. Throughout the Nation, in the pocketbooks of all of us, there is left $4,500,000,000 that, except for the tax-reduction measure, would have vanished in the maw of Washington.

Senator MILLIKIN, of Colorado, put the figures into the CONGRESSIONAL RECORD. Too few of us see them there. They show, for instance, that in Indiana $108,000,000 are saved to that State; $164,000,000 to Texas; $273,000,000 to Ohio; $37,000,000 to Oklahoma; $81,000,000 to Maryland; and $474,000,000 to California.

The money left in the States is now available for local and State taxation. In nearly every one of the 48 States the Federal tax cut equals the cost of their schools and libraries. When too much money is siphoned off to Washington, the taxpayers and the States feel poor. They then go to the Nation's Capital to beg for Federal aid—the return of their own money, less the political brokerage collected by the politicians on the Potomac.

For every dollar the average American taxpayer has been paying for the support of his State government, he has been paying five to seven dollars to Washington, D. C.

It is said that the States need more schools, hospitals, etc., and don't have the money to finance them. But why? Because Washington drains their money away.

Federal taxes should have been reduced more than they were. The managers of the tax cut, however, were threatened with a veto. They wanted a bill that would be sure of enough votes to override Mr. Truman's desire to keep the money flowing into Washington for the 2,040,000 Federal bureaucrats to get a slice of. Other Federal spending should now be cut by whatever the Marshall plan costs us.

The New Dealers say that the tax cut was nothing but a political gesture; that when the election is over, the taxes must be reimposed. They should be told that if the administration can't run national affairs with $38,000,000,000, we will get an administration that can—and, indeed, for even much less.

The endless appetite of the Federal Government for the people's money must be resisted, and that calls for organization. It is tragic how poorly supported are the organizations which carry on the fight year after year for economy in public spending. Every person who has paid income taxes has benefited from the cut. The cut would not have been made without the organized support of various taxpayers' associations and citizens' groups. What a grand thing it would be if every person should now resolve to contribute 10 percent of the money saved for him by this tax cut to the support of those groups which made his savings possible. Then the fight could go on successfully.

Year after year, businessmen and homemakers pay for insurance against fire and burglary. The losses from these hazards are infinitesimal compared to the losses from wasteful public spending—the loss of money and the loss of liberty.

In short, the Federal Government causes economic malnutrition and anemia in the States, and then gives them a blood transfusion from their own veins—charging a fee for doing so.

SAMUEL B. PETTENGILL.

Delay in Draft Law Unlikely To Weaken United States Diplomacy

EXTENSION OF REMARKS
OF
HON. PAUL W. SHAFER
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. SHAFER. Mr. Speaker, under leave to extend my remarks, I include the following timely news commentary by David Lawrence which appeared in last night's Washington Star:

DELAY IN DRAFT LAW UNLIKELY TO WEAKEN DIPLOMACY OF UNITED STATES—ADMINISTRATION FAILURE TO SHOW ITS NEED LEAVES CONGRESS HESITANT

(By David Lawrence)

Outwardly the controversy over what kind of a draft bill to pass could be mistaken for a conflict of interest between isolationists and internationalists or between advocates of preparedness and opponents of larger armament.

But no such definitions or cleavages can be justified. The truth is that the President and the Secretary of State have failed to make out a case for the need of peacetime conscription. This means that just ahead of a national election, Members of Congress of both parties are hesitant to vote for a draft.

This may be called plain politics, but it is at the same time the manner in which the electorate reacts, irrespective of partisanship. There are as many Democrats as there are Republicans who fear the consequences of a draft bill on the attitude of voters.

REPORTS TOSSED AROUND

It isn't as if there were a war in progress into which America might suddenly be drawn. The threat of war with Russia has been dramatized again and again but without conviction. The House of Representatives, during its debate on the draft bill, tossed around one report that the Secretary of State did say war was possible and another that he said there was no pressing emergency. Whatever he said was said in an executive session and serves only to underline how uninformed the American people are as to what is the nature of the military crisis that confronts them.

The diplomatic relations between Russia and the United States have, of course, been strained but the Russian "peace offensive" successfully disseminated the impression that war isn't likely in the immediate future. The American Government's rejoinder to the "peace offensive" was weak and clumsy, and hence the draft bill suffered.

Much more important as an influence in retarding the draft law from being passed in the form desired by the armed services was the propaganda attributed to the supporters in Congress of the 70-group Air Force. Over the protests of the President and his Secretary of Defense, Congress appropriated more money than was requested in order to put into being a 70-group Air Force. The explanation heard in the corridors of the Capitol was that by voting more planes there would be no need of a draft. As a sheer matter of exchange, many Members were willing to spend more dollars than to vote to tear up the lives of the younger generation and interrupt their schooling and their working careers with 2 years of military service.

GROUND FORCES NEEDED

As it turns out, Congress voted the 70-group Air Force and still has been confronted with a demand for a draft bill. Many members have hesitated to go along with the peacetime conscription because they honestly believe an Air Force can do everything. They have been told by some overenthusiastic airmen that both an Army and a Navy is relatively inconsequential and that, if only enough airplanes are provided, American security will be assured.

Now the ground forces feel themselves in need of a draft law to supply the enormous numbers of men needed to handle the installations and mechanical work at the bases where airplanes take off and land.

While the armed services have each been eager to get their necessary appropriations, it does seem nevertheless that not a very strong case has been made for the draft—at least one strong enough to convince Congress, many of whose Members still feel that a mild draft law with a deferred date will accelerate recruiting and bring the necessary personnel into the armed services long before the actual need for war service will arise.

Since war isn't regarded as imminent, a draft law that takes effect after election isn't likely to weaken the diplomacy of the United States, for the important fact psychologically is that there is to be a peacetime draft.

The Matanuska (Alaska) Colony

EXTENSION OF REMARKS
OF
HON. E. L. BARTLETT
DELEGATE FROM ALASKA
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. BARTLETT. Mr. Speaker, under leave to extend my remarks, I include herewith a very interesting article under date of June 15, 1948, appearing in the Valley Frontiersman, a newspaper published at Palmer, Alaska. This is the location of the colonization undertaken some 13 years ago which was the occasion of much criticism. It was known as the Matanuska Valley Colony.

It is known that the Matanuska Valley is one of the best and most promising areas in Alaska from the standpoint of agriculture and that it is the leading farm region in point of acreage and production in the entire Territory at the present date.

Questions have frequently been asked about the present status of the colony and the article here inserted will be found extremely interesting and very informative. It appears that some 49 of the original settlers are still there and that most of the farms which were abandoned during the early years have since been taken up by others and are now producing.

During the summer of 1946, a group of agricultural research scientists from the Department of Agriculture visited Alaska for the Appropriations Committee and made an exhaustive study of the agricultural potentialities of the Territory and of the need for an agricultural research program. This matter was discussed at length at the hearings of the subcommittee the following winter. These discussions and the report of the research group may be found on pages 1812 to 1869 of the hearings on the appropriation bill for the Department of Agriculture for the fiscal year 1948.

The article referred to follows:

STATISTICS SHOW VALLEY'S PAST

Modern Valley settlers, who may think they've had it rough on the way to Matanuska, when spring floods washed out highway bridges this year, should talk to M. D. Snodgrass. Mr. Snodgrass, formerly colonization agent for the Alaska Railroad and now a local realtor, would tell them a bit about how the first settlers came.

The occasion of the valley's recently celebrated thirteenth anniversary of Colony day set Mr. Snodgrass to thinking of the faces that have come and gone through the years he's known this valley. He decided it might be interesting to find out just how many of the present-day settlers could be traced back to the days of the real pioneers.

So Mr. Snodgrass set to work with notes, maps, and farm ownership records of the Alaska Rural Rehabilitation Corporation. He found the first group of what he terms the original settlers, who came here between 1912 and 1917, were pioneers in the truest sense of the word. Of that original group which settled here in a 5-year span more than 30 years ago, Mr. Snodgrass cataloged 17 still living in the valley.

The first 2 of the 17 to reach the valley came by rowboat from Knik. They were E. J. Tomlinson and A. A. Cobb, who arrived in 1917. They were followed within the next 5 years by these folks:

Gust Haller, J. J. Bugge, J. E. Edlund, G. Gustafson, Carl Engstrom, S. Fleckinstein and wife, C. Thorpe and wife, Ashley Egtvet, Roy Cornelius and wife, Ben Marino, Charles Marino, P. N. Johnson (R. Anderson), Jens Hansen, Gus Swanson, and Mr. and Mrs. Adam Werner and family.

In the years between 1917 and 1929, when no active colonization plans had yet stirred national interest in the Matanuska Valley, Mr. Snodgrass records 11 more early residents who are still living in the valley; some of them came to live at the old town of Matanuska and others went on to Wasilla. Since there were neither roads nor planes yet, the going still was tough for the homesteader who chose the Matanuska Valley. These are the 11 who glimpsed a bright future in this untried agricultural center of the north:

Mr. and Mrs. Oscar Tryk and family of Wasilla, Fred Nelson of Wasilla, Pete Nelson of Wasilla, Mr. and Mrs. Charles Cadwalader and family of Wasilla, Mr. and Mrs. Gerritt Synder and family, Mr. and Mrs. Jesse Kepler, Ed Ueeck, Jacob Berg, Glen Cope, Mr. and Mrs. Emil LaWalter and Mr. and Mrs. M. D. Snodgrass and family, all of Matanuska.

From 1929, the Alaska Railroad became interested in developing the Matanuska Valley and made some effort toward bringing farm families from the States to settle here. Mr. Snodgrass recalls that there were 55 of these families, of whom there remain 46 still in the valley. However, some of the 46 settlers have forsaken their farms in favor of Palmer businesses. Their names include:

Mr. and Mrs. S. B. Cook, Mrs. Lamp (Johansen), Mr. and Mrs. J. R. Monoghan and family, Mr. and Mrs. B. J. Lossing and family, Mr. and Mrs. Harold Thuma and family, Mr. and Mrs. Harold W. Moore and family, Mr. and Mrs. C. V. King and family of Wasilla, Mr. and Mrs. F. N. Hurd of Wasilla, Mr. and Mrs. Ty Wilson and family of Wasilla, Earl McHenry, Bill Edlund, Mr. and Mrs. Frank Gagnon, H. L. Grantram and daughter, Mr. and Mrs. Jack Cope, Mr. and Mrs. William Hoskins, C. C. Brix, Mr. and Mrs. Frank Clark, Horace DuFour, Mr. and Mrs. L. O. Hayes.

Mr. and Mrs. J. D. Childers, Mr. and Mrs. V. J. Falk, Sr., and family, C. H. Halstad, Mr. and Mrs. William Senske of Wasilla, Mr. and Mrs. H. T. Ohnstad of Wasilla, O. A. Berg, Emil Kircher, Walter Menck, Mr. and Mrs. Joe Kircher, F. Lothrop of Wasilla, W. H. Grow, J. C. Grow, Dave Grow, Mr. and Mrs. R. E. Ware, Charles Wilson, J. J. Tully, Mr. and Mrs. J. H. Harrison, E. P. Stringfield, Mr. and Mrs. Ed Johns, F. T. Ohnstad, Harry Morehouse, Mr. and Mrs. Clyde King, Jr., Mr. and Mrs. Victor Falk, Jr., Mr. and Mrs. Art Thompson, Mr. and Mrs. Leo Lucas, Mr. and Mrs. F. S. Lee, and Mr. and Mrs. Roland Snodgrass.

Of the true colonists, those who arrived in the valley 14 years ago, Mr. Snodgrass found that 48 of the original 298 families were still in the valley, either on their farms or in business, on the occasion of the thirteenth colony day. The 48 who remain include:

Lawrence Arndt, Ferber Bailey, R. W. Barry, Henning Benson, Leonard Burgin, Oscar Beylund, William Bouwens, Harry Campbell, Arnold Carson, William Casler, Herbert Caulkins, Joe Church, Herman Diess, Harold Dinkel, Lawrence Dreghorn, Virgil Eckert, Kenneth Foster, Grant France, Darrell Frank.

Leroy Hamann, Mrs. A. Havemeister, Pat Hemmer, Wilhelm Ising, Henry Jensen, Arvid Johnson, Victor Johnson, Oscar Kertulla, Cecil Kurtz, Henry LaRose, Fred Larson, Joe Lentz, William Lentz, Tom Lepak, Joe Loyer, Neil Miller, Paul Nelson, Irvin Newville, Don Parks, Clair Patten, Ray Rebarchek, I. M. Sandvik, Gus Schiebl, Loren Smith, William Smith, George Venne, A. Vickaryous, Elno Wirtenan, and Francis Henry.

(Note: The Valley Frontiersman is grateful to Mr. Snodgrass for compiling these figures and making them available for publication. It is a task which could have been completed only by someone with a thorough knowledge of the valley and its history, such as Mr. Snodgrass has.)

Some British Views of the Marshall Plan

EXTENSION OF REMARKS

OF

HON. GEORGE B. SCHWABE

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. SCHWABE of Oklahoma. Mr. Speaker, the following is a release from Samuel B. Pettengill which I think explains the attitude of some of the British conservatives with reference to the British loan and the Marshall plan, or the European Cooperative Administration program, which Mr. Pettengill has entitled "A Message to the Nation." It clearly shows some British views of the Marshall plan:

A MESSAGE TO THE NATION

As a policy, the Marshall plan has been approved. The money has been authorized to be appropriated. But the actual appropriations are still to be made. That will be up to Congress each year the plan is continued.

It may seem incredible to those who favored the Marshall plan that important Britishers object to receiving the money.

The London (England) Express is the most widely read newspaper in the world. It says:

"The belief must be reiterated that the loan (the previous loan of $3,750,000,000) did nothing but injury to Britain and the Empire, and the Marshall plan will have the same effect."

Last January the same newspaper said: "It therefore becomes the urgent and manifest duty of Britain—her duty to herself, her people, and her future—to declare that the American proposals are utterly unacceptable. The British people are not prepared to sell their financial independence for the cigarettes, prunes, and dried eggs of the Marshall plan. Stand on your own two feet."

We should recognize that there are Britishers who oppose socialism and realize that the Marshall money helps to keep the socialistic Attlee government in power, just like subsidies from Washington to the boss of any political machine in America.

Britain exported only 1,000,000 tons of coal last year. But in 1935 she exported 35,000,000 tons. There was a day when Britain paid for her wheat with her coal. Britain is now stepping up her coal exports, but with the help of the slave labor of prisoners of war who should long ago have been sent to their homes under every rule of international law.

In England, the Society of Individualists is trying to stop the march of the Socialist politicians to complete ownership of the industry of Britain. I quote from one of their bulletins entitled "A Message to the Nation":

"We, of the business community, claim:

"That without our work mankind would still be in a state of primitive barbarism.

"That recent experience has proved the inability of governments to perform our functions and satisfy the economic needs of the people.

"That supplies of the means of life, whether from at home or from abroad, are steadily and rapidly diminishing, because governments are not subject to those economic forces which govern and control the work of individual enterprise.

"We claim the right to shoulder responsibility.

"We have worked for profit on the terms that we paid the losses, and have thus insured to the whole of society the maximum of economy.

"Our traditional freedom acted as a spur to effort. Controls shackle all endeavor. Considered in terms of the work and produce of millions of individuals, the difference between freedom and control is more than sufficient to balance our national deficit.

"We claim that the economic freedom upon which our national supremacy was founded offers the only way out of our present distress.

"We recognize that a return to freedom and competition must mean, for a time, hardship, confusion, and inequalities. It is for the nation to choose between these temporary troubles and permanent destruction by political methods."

SAMUEL B. PETTENGILL.

Conference Report on Displaced Persons

EXTENSION OF REMARKS

OF

HON. KENNETH B. KEATING

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, June 18 (legislative day of Thursday, June 17), 1948

Mr. KEATING. Mr. Speaker, during my tenure of office I have not encountered a more conscientious and sincere effort to perform a public service than that exhibited by the able gentleman from Maine and the members of his subcommittee. He and they have labored long and faithfully for months on the distressing and heart-rending problem of the displaced persons. They have recently been in conference far into the night in an effort to reconcile the widely conflicting terms of the Fellows bill and the vastly less desirable measure passed in the other body. I realize the great difficulties they have had and sympathize completely with their concern and regret over the adamant attitude they seem to have met.

While the compromise at which they have arrived is some improvement over the original Senate bill, it impresses me as still open to the fundamental objection that it is discriminatory against racial and religious groups and for that reason not consonant with the best traditions of this great country.

Therefore, it seems to me we should return it to the conferees to make another attempt to obtain a more acceptable enactment—one in which we can take pride, rather than one for which we must make excuses.

Address of Prof. Claude Horack

EXTENSION OF REMARKS

OF

HON. CHARLES A. HALLECK

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. HALLECK. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following remarks of Prof. Claude Horack, former dean of Duke University Law School, at the dinner given in his honor by the Inter-American Bar Association and the Duke University alumni, June 16, 1948, Washington, D. C.:

The objectives of the trip through Central and South America and the Caribbean area are to help promote a better understanding between the law schools of the United States and the Latin-American countries. At the present time it is safe to say that only three or four law schools in the United States have a fair understanding of the type and objectives of legal education in these countries, and it is a fair assumption that the Latin-American countries know as little about North American legal education. Each group has a long history and tradition behind it which has affected its viewpoint. Should we be able to effect in even a slight degree a friendly and understanding attitude of one group toward the other, that in itself will be most worth while.

Already there is a very great interest in the interchange of students. Many young men from the United States are applying under the GI bill to study in Latin-American law schools because they see in this an opportunity to represent United States interests in these countries. On the other hand, there are now about 40 students from Latin-American countries who are studying law in the law schools of the United States. It seems quite apparent that this movement will accelerate and within the next few years we may expect a very great interchange. The business interests of the Latin Americas that deal with United States business interests are equally concerned about having in their offices or in the offices of their legal advisers, young men who know something of United States business and traditions and American law. The provision for extension of credit to Latin-American students has already been made by the Association of American Law Schools which now provides for at least 1 year of transfer credit and in some cases, such as in the schools of Louisiana, as much as 2 years.

Up to the present time the difficulty in most schools has been that a school in the United States has not known what to do with a student from Latin America or how to evaluate his credits either for entrance or for law-school credit. In the short time I have been interested in this matter I have already made a great discovery, and that is that I could send transcripts to Dr. Jorge Basadre, of the Pan American Union, or to the United States Bureau of Education, and I would be told what the credits were worth from the standpoint of requirements for admission. If I did nothing else, I would do a great service to the law schools of this country by bringing this fact to their attention. In a few cases on which I had to pass

as dean of the law school, I wrote to all the law schools I could think of who had had some experience, to try to obtain some help, at least enough on which to pass a judgment as to the students' qualifications. The information I received was very sketchy and sometimes very inaccurate, yet here was a source of information about which I knew nothing and which would have made it much easier for a student to enter the law school of his choice. As this movement of students gains force, I know that Dr. Basadre's help and that of the Bureau of Education, will be of inestimable value and will do much to promote cultural relations in the Western Hemisphere. So our main objective is to secure better understanding of the purposes and methods of the schools involved in these interchanges and seek to effect a better understanding so that we may get to see the other fellow's viewpoint with the result of securing better relations between lawyers and the countries they represent.

As to the manner in which the trip has been arranged, it is sponsored by the Inter-American Bar Association, the membership of which, as you know, is composed of various bar associations in the hemisphere. We are much indebted to the support given by the American Bar Association, the Bar Association of the District of Columbia and the Women's Bar, the Federal Bar Association, and the many other legal organizations which are members and have contributed through their membership to the support of the association which sponsors this trip. The major portion of the funds have been provided by the Department of State through a grant-in-aid, and I am also indebted to Duke University for the aid which it has given me to make possible this venture.

As to the countries to be visited, this takes in nearly all of the Latin-American republics. After visiting with a number of law school deans in Washington, I will proceed to Louisiana, the one civil-law jurisdiction in the United States, where I will talk with the three schools there to get their ideas about the interchange of students and how it can be best effected. Some day I hope to visit the interesting institution which was established by Judge Arthur Vanderbilt at New York University where at the present time a large portion of the Latin-American law students are studying. There is a most sympathetic interest in the problem in Southern Methodist University where, under the leadership of Dean Robert Storey, an institute similar to the one started by New York University is now beginning operations. Many other schools are considering the problem and are establishing courses which will be of particular value to Latin-American students.

Because of the vast territory involved, it will not be possible at this time to visit all schools, but at least one law school in most of the Latin-American republics will be visited. The first stop will be in Ecuador, then to Peru, Bolivia, Chile, Argentina, Brazil, Paraguay, Uruguay, Venezuela, and Colombia, where the South American trip must necessarily end because this takes up to the first of December at which time the schools of most South American countries begin their summer vacations. The first stop in Central America will be at Guatemala, then to Honduras and to Mexico, and finally a hop to the Dominican Republic, Haiti, and Cuba, and then back to the United States after almost 11 months. A survey can in no way be complete in this length of time, but at least it is a start and I hope it may be carried on by others in subsequent years until we have as full information about Latin-American schools as the American Bar Association now has through its system of school inspection and surveys covering the law schools of the United States.

It is interesting to note that a movement has started in South America for an association of law professors which in general outline seems to correspond with the objectives of the Association of American Law Schools, so that they may discuss law school problems and secure a better understanding of each other, their objectives and methods, and establish somewhat uniform standards for those who are expecting to practice law.

Depression Dangers

EXTENSION OF REMARKS
OF
HON. HAROLD D. DONOHUE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. DONOHUE. Mr. Speaker, without question the most urgent basic economic problem facing this country today is to attain a stabilization of the general level of prices at an appropriate figure. I mean a price level that will make it possible to provide continuing jobs at fair wages for all of our people who want to work. However, the behavior of prices since June of 1946 and the ever-rising living costs demonstrate clearly that prices are not at that appropriate level which will make possible continuing full employment; indeed, the specter of the post-World War I depression is on the horizon.

Statistics released by the Department of Labor point out that over-all cost of living on December 15, 1945, stood at 129.9—with the period 1935 to 1939 equaling 100 points. The figures also show that the index for the cost of all items has continued to rise throughout this year and recently reached 169 points, which represents an unparalleled jump of 30 percent in the over-all cost of living during this time; these increases apply directly to the cost of the basic necessities of life.

These statistics seem academic on paper, but they have definite meaning to the elderly widow existing on a small legacy who figures endlessly how to take care of herself under such conditions. How can she buy a dollar a pound butter and meat, 93 cents a dozen eggs, the other basic foods she needs, and pay rent, medical and doctor bills.

The office girl or store clerk at the soda fountain starts to order a ham sandwich then says, "No; make it lettuce." She needs a new suit to look presentable on her job, and with constantly rising food prices is forced to cut her lunches back to 40 cents. The same problem confronts the student veteran and his wife, the professor's family, those struggling to get along on a small retirement pension, our Federal employees, and the great majority of the people in this country who work for a weekly pay check.

The worker with a $65 a week wage is astounded to find there is not enough money to pay the month's bills. He thought he was getting a good salary. Back in 1939 he would have been doing exceedingly well, but now he and his wife must cut corners very carefully to maintain family living on a decent level. These are the real victims of our current-day inflation and exorbitant price levels.

All the authoritative reports point out that with most manufactured products and some essential raw materials a relatively few big producers control an important part of the total production and directly influence the price that is to be charged.

What that price will be, as demonstrated by the recent price advances in steel, is, unfortunately, all too often, not the adaptation of prices to the requirements of mass market but the price which the dominant big-business men think the traffic will bear. They seek the highest immediate profits without regard for the probable damage to our economy in the long run.

Rigid prices are most often found in industry where the concentration of control has assumed near-monopoly proportions so that we find manufacturers meeting buyers' price resistance by curtailment of supply to avoid the reduction, in price to consumer, which a really competitive market would demand. Our serious economists warn there is paramount danger that industrialists will be tempted to maintain prices at such a high level that our economy will tend to become stabilized at a lower level of production, which will eventually mean widespread unemployment.

I would consider myself utterly remiss in my obligation to the people I represent if I did not offer this reminder that we are obviously pursuing unsound economy policies which invite economic collapse; such a collapse would cost America the confidence of people all over the world in our traditional system of free enterprise.

As you well know the Soviet regime has freely predicted economic collapse for the United States and indeed are eagerly awaiting such a development, because they know that a calamity of this kind would make it impossible for us to continue extending leadership to the smaller nations of the world in their struggle for freedom.

A sound and stable American economy is of vital necessity if we are to prevent the spread of communism and if we are to preserve free democratic processes in this confused, hesitant world.

I earnestly urge my colleagues to give immediate serious attention to this threatening danger of ever-rising prices and unbalanced living costs, in order to protect our own national economic stability and prevent a repetition of our post-World War I economic collapse.

Common Sense

EXTENSION OF REMARKS
OF
HON. GEORGE B. SCHWABE
OF OKLAHOMA
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. SCHWABE of Oklahoma. Mr. Speaker, I am pleased to quote the following editorial from the pen of Mr. Richard Lloyd Jones appearing in the

Tulsa Tribune, of Tulsa, Okla., in the issue of June 5, 1948:

COMMON SENSE

(By Richard Lloyd Jones)

Forty-eight States. Forty-eight stars on our flag. That's the United States of America. Common sense built this country. Nothing has led us into confusions but our departure from the common sense that made us. Nothing can save this Republic but our return to common sense in the management of our common affairs. Have we sense enough to save ourselves?

Ours is a beautiful country. It is a great country. There is no other nation on earth which has so much of everything that is needed to sustain a high level of living, to enrich the lives and enhance the happiness of a people.

Switzerland has mountains. Heroic scenery. But the Alps at their best are not as tremendously impressive as our Rockies, our Sierras, and our Cascades.

Italy has lakes that idle poets love. But nothing more beautiful than our Champlain, Winnepesaukee, Tahoe, Klamath, or any one of a thousand other lakes which have no equal in all of Europe.

And as for scenic harbors our San Francisco Bay and Puget Sound outrank in awe-inspiring beauty the harbor of either Rio or Lisbon.

Our so-called desert lands have colors and flowers unmatched in the Pampas lands of Argentina. On our so-called barren wastes have grown cities the like of which are found nowhere else in the arid areas of the world.

More beautiful even than the magnificence of nature's heroic displays are the fertile farms from Gulf to Great Lakes, from the Atlantic to the Pacific. No other country on earth is blessed with the physical assets that are ours. We have everything with which to enrich our lives. So, why can't we live in peace?

While wise men were drafting the immortal Declaration of Independence which caused the Liberty Bell to proclaim freedom in the new land, men were reading a little book written by a chap whose name was Tom Paine. Tom's little book called Common Sense moved men like the rattle of a snare drum, and the call of the bugle.

It was common sense that caused the Minute Men to leave their plows to fire the shot heard round the world. Freedom was common sense. Common sense pitched the tea in the Boston Harbor. Common sense refused to pay usurious taxes. Common sense shrieked for liberty and got it. Common sense put government into the grass roots of our country.

Our confusions and our high cost of living have all come to pass because we have been misled by demagogs who induced unthinking citizens to take self-government away from the several communities we call States and concentrate all the law-making and taxing power into a central autocracy that repudiates the Republic. This autocracy has developed into a power quite as imperial as that which caused our revolutionary forefathers, fighting for common sense, to turn the redcoats back.

Beginning with 13 States, as the course of empire took its western way, settlements found their geographic boundaries. Stars were added to our flag until now we have 48. A great country. A great country that should be too enlightened to longer be as dumb as we have been to let ourselves drift into economic confusion.

Our confusions have grown as we have centralized our law-making powers into one central capitol, liquidating the self-rule in the 48 State capitols. Our State capitols have all but been abandoned. Not much left in them any more.

The Constitution of the United States, the greatest instrument common sense ever devised, stated in precise terms what should be the function and authority of the Chief Executive, the judiciary, and the legislative branches of the collective government of all the States. After definitely defining how far these central powers could go, the common-sense Constitution definitely drew the line that limited these powers. The Constitution declared that "The United States shall guarantee to every State a republican form of government." Instead of respecting that guaranty, without protest we let the executive branch of the Federal Government take away from each State its republican form of government.

The common-sense Constitution further declares that: "The powers not delegated to the United States by the Constitution are reserved to the States respectively."

And it was so done until, attempting to defend the indefensible institution of slavery, the rights of States became confused with a form of property rights that was in violent conflict with human rights.

State's rights was and is the right of home rule. By all the elements of climate and earth New Hampshire differs from New Mexico. New York from Nebraska. Maryland from Montana. Connecticut from Carolina. The local problems should in all common sense be handled by the people's representatives in their own State capitols. It was the common sense of good government in our country's beginning. It is common sense now.

When State's rights prevailed men resigned from the Senate of the United States to accept the higher honor and the greater responsibility of being the Governors of their home States. But we have so far violated both the spirit and the letter of the Constitution that today men use the office of Governor as a stepping stone to get into the Senate. Our Federal Government has reversed the constitutional plan of the Republic.

Without the restraint and interference of Federal monitors our country grew. No New Deal bureaucrat can find a common denominator in the industrial and economic operations of Georgia and Oregon. Individual enterprise was encouraged by local laws to build factories, employ workers who were eager to work, produce commodities that lightened the labors of workers, enriched and embellish-d the people's lives.

But today under the Federal repudiation of our Constitution everything that can be devised to discourage initiative and enterprise and hinder inventive genius has been put into operation to slow down or stop the wheels of progress. Our "expert" economists who devised these assaults upon our freedoms and the politicians who put these crazy concoctions into operation violated their sacred oaths to uphold the Constitution. Neither they nor the people who fell for their treachery show any conception of the injury they have done. And now, with aggravated stupidity, they suggest injury upon injury, interference upon interference, and confusion on confusion. Nothing now is a greater menace to this Republic than the perpetuation of the centralized power which has robbed the States of their constitutional right to self-rule.

Nothing will return us to the life and to the liberties that made us a mighty Nation but our own rededication to the common sense which Washington's army fought for and which the Liberty Bell proclaimed throughout the land.

Candidates for office will multiply the confusions this summer and fall with an assortment of conflicting, ill-considered economic concoctions that cannot be made to work in a land so broad and so diversified in its industrial and commercial activities as America.

Keep within the Constitution of the United States. Make any man who seeks to be President, every Congressman who seeks office in our National Capitol, and every candidate for judicial powers pledge himself to respect the republics of each of the several States and, obedient to his oath of office, no longer violate the specified limitations of the Constitution of our country.

Common sense made America, and only common sense can save us.

Tobacco Program: Its History, Its Accomplishments, Its Future

EXTENSION OF REMARKS

OF

HON. VIRGIL CHAPMAN

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. CHAPMAN. Mr. Speaker, the term "farm legislation" is comparatively new in American legislative history. Scarcely any laws for the benefit of agriculture were enacted by Congress from the inauguration of George Washington on April 30, 1789, to the inauguration of Franklin D. Roosevelt on March 4, 1933. Practically all farm legislation has become law since the spring of 1933, and the many acts of Congress during the intervening years have resulted in the most successful and beneficial farm program in the history of the world.

At the height of the fictitious prosperity that reached its peak in 1929 farm products could be exchanged for only 91 percent as much of other products as they could be exchanged for prior to the First World War. In the midst of the depression that began in 1929, the disparity became worse, and in February 1933, on the eve of the inauguration of President Roosevelt, the exchange value of farm products for industrial goods had fallen to 50 percent of the prewar average. The exchange value of farm products for taxes and credit was at an even lower level.

No segment of agriculture was at a lower ebb than tobacco. The 1931 burley crop sold for an average of 8.7 cents; fire-cured: type 22, 5.8 cents; type 23, 4 cents; type 24, 4 cents; dark air-cured: type 35, 3.4 cents; type 36, 3.3 cents.

Because of unusual competitive conditions growing out of the depression, which resulted in increased consumption of lower-priced cigarettes, the price of burley in 1932 rose to the munificent average of 12.5 cents per pound. The same disparity between the price of farm products and other commodities was rapidly breaking down the business structure of the country through impairment of the purchasing power of agriculture, America's basic industry.

AGRICULTURAL ADJUSTMENT ACT OF 1933

One of the first steps to relieve the economic illness of the country and to deliver the American farmer from economic bondage was the enactment of the Agricultural Adjustment Act, which became a law on May 12, 1933. As a base period to establish parity between farm products and the things farmers have to buy, the authors of the bill selected the

5-year period, 1909–14. Some of us who had lived for years with the constantly recurring difficulties of Kentucky's principal money crop and understood the problems of its growers, saw in this act, as introduced, a mirage in a desert; a promise impossible of fulfillment, because the base period 1909–14 would have left tobacco untouched and would have brought no benefits to its growers. The intervening years between that base period and 1933 had witnessed a remarkable transition in the production and processing of tobacco. The burley tobacco of the 1909–14 period was a heavy tobacco used largely for smoking and chewing. The cigarette had grown into a major commercial product since 1910. Scarcely any burley had been used in cigarettes prior to 1915 when about 10 percent of burley went into the making of that growing tobacco product, the manufactured cigarette. The rapidly increasing popularity of the cigarette created a demand for a lighter and finer burley tobacco than had been produced during the prewar period. Our small tobacco group in Congress saw the necessity for a base period for tobacco that would make the Agricultural Adjustment Act operative for the benefit of Kentucky's principal money crop, and succeeded in changing the base period of tobacco from that applicable to all other crops to a 10-year postwar period, 1919–29. Without this change the new farm program would have been ineffective on tobacco and of no benefit to tobacco growers.

AAA UNCONSTITUTIONAL—SOIL CONSERVATION ACT

On January 6, 1936, the United States Supreme Court in the Hoosac Mill case held the Agricultural Adjustment Act of 1933 was unconstitutional, thus ending the most successful plan that had ever been undertaken up to that time to bring about rational self-governing production control, and to eliminate nerve-wracking uncertainty and wild fluctuation from tobacco markets. Without delay our tobacco group began conferences among ourselves, with representative tobacco growers, and officials of the Department of Agriculture, with the determination to develop a plan consistent with constitutional limitations that would permit a continuance of the benefits that had accrued to tobacco growers during the 2 years of the Agricultural Adjustment Act of 1933.

Early in 1934 the Department of Agriculture had estimated that 50,000,000 acres of farm land had been destroyed by washing away and that an additional 50,000,000 acres had been almost as severely damaged. The Congress passed the Soil Erosion Act for the improvement and preservation of soil as one of our most valuable national resources. The first step we took in trying to find a legislative substitute for the invalidated Agricultural Adjustment Act was by enactment of the Soil Conservation and Domestic Allotment Act of February 29, 1936. It provided a base for production adjustment of tobacco that complied with the doctrine laid down by the Supreme Court in its decision holding the original Agricultural Adjustment Act unconstitutional, but it proved insufficient standing alone as a solution of the tobacco growers' problem.

STATE COMPACT LAW

We later sought to implement it by the enactment of the State compact law, which was a clearly constitutional method of adjusting tobacco production, without benefit payments, depending for its strength on the valid exercise of the police power inherent in the sovereignty of the States. After the requisite number of States failed to adopt a compact law pursuant to the act of Congress authorizing such compacts, we were confronted with the necessity of seeking another solution of our problem.

AGRICULTURAL ADJUSTMENT ACT OF 1938

While the Soil Conservation Act fulfilled our most sanguine expectations in the conservation of soil it was extremely disappointing as a substitute for the Agricultural Adjustment Act and resulted in the 1937 crop being the second largest crop of burley tobacco that had ever been produced. We had witnessed the economic wreckage of the section of the country dependent upon burley tobacco when the 1920 crop, following the period of World War inflation, sold for 13.37 cents per pound. We had seen the average price received by farmers for all types of tobacco in the United States declined from 18.3 cents in 1929 to 10.5 cents in 1932, and the farmers' income from tobacco had declined during the same period from $281,000,000 to $107,000,000. We had seen burley tobacco drop from 31.34 cents in the boom year of 1928 to 8.63 cents in 1931, in the midst of the great depression. During the same period we had seen the income from tobacco drop from $86,252,359 to less than $38,000,000. The recurrence of such experiences was unthinkable. A new law was necessary, and out of that necessity came the Agricultural Adjustment Act of February 16, 1938, which, with its subsequent amendments, is probably the most constructive, important, and beneficial law ever enacted for the solution of the difficult and complex problems of agricultural economy.

Numerous amendments have been written into the law. Every time experience has taught us that an improvement was needed the tobacco Representatives in Congress have formulated and sponsored the enactment of legislation to effect the needed improvement. Four important amendments, introduced by the gentleman from North Carolina [Mr. COOLEY], and me, became law August 7, 1939. Their enactment led to a reversal of votes on a referendum and saved the quota system. Provision for 3-year quotas was made by an enactment approved May 31, 1940. The hardest fight we have ever had was in the fall of 1940, when we undertook to change the base period for calculating parity from the 10-year postwar period to the present 5-year base period, 1934–39. After weeks of effort the tobacco group succeeded in enacting the proposed change into law.

LAW EXTENDING TIME TO INCREASE QUOTAS

When Congress convened in January of 1942, soon after our entrance into the recent World War, we thought we could foresee an unprecedented demand for tobacco that would result from the increased purchasing power of the American people and the inevitable shipment of huge quantities of cigarettes overseas. Accordingly, we sought to procure a 20 percent increase in burley marketing quotas for the ensuing crop year. Failing in this, I introduced a bill which became a law February 28, 1942, granting to the Secretary of Agriculture the power to raise marketing quotas by not exceeding 20 percent at any time from his original proclamation of quotas December 1 to March 1 of the succeeding year. The burley marketing season has usually started early in December and it is impossible December 1 to forecast accurately the amount of the crop just beginning to be sold. The new law makes it possible for the Secretary to readjust the allotments for the following year if the marketing season reveals the need for an increase of allotments as was demonstrated during the marketing season of 1947–48, following which the Secretary of Agriculture, under the power granted him by the act of February 28, 1942, restored nearly all of the cut that had been ordered by him in the proclamation of December 1, 1947, before the beginning of the marketing season.

QUOTAS PRESERVED IN WAR

In the summer of 1943 quotas were removed from all farm products except burley and flue-cured tobacco. When it became apparent to our tobacco group in the House of Representatives that those types of tobacco, for which there existed an unprecedented demand and which were already bringing high prices, were to be removed from production control and quotas were to be discontinued, because the Secretary of Agriculture could not proclaim quotas in accordance with the requirements of the statutory formula, we held a conference and decided to secure the enactment of a law to continue quotas on burley and flue-cured tobacco notwithstanding the statutory formula. We agreed on such a bill, which by request of the group, was introduced by me and which was enacted into law in July 1943. This action by the representatives of tobacco-growing districts saved the quota system for burley and flue-cured tobacco. There was no need at that time for quotas for dark air-cured and fire-cured tobacco, according to the judgment and advice of representative growers of those types of tobacco and officials of the Department of Agriculture. If there had been a need for quotas then, those types of tobacco would have been included in the act of July 1943, which was supported by the representatives of the dark-tobacco-producing districts. It is interesting to try to imagine the extent of the calamity that would have befallen the growers of burley and flue-cured tobacco, the principal ingredients of the American type of blended cigarettes, in the years following the recent war if we had not provided by that act for a referendum in 1943 which saved the production-adjustment program for those types of tobacco.

DARK AIR-CURED AND FIRE-CURED SUPPORT PRICE

By 1945 the growers of dark air-cured and fire-cured tobacco in the western sections of Kentucky and Tennessee

were in need of production control and a support price that would enable them to continue, with a reasonable hope of profit, the production of those types of dark tobacco which had been the money crop of those sections for several generations. Their bill was introduced by Congressman Earl C. Clements, the present Governor of Kentucky, who had the united support of the tobacco group in Congress. The enactment of the Clements bill involved the establishment of a new formula for support prices based on the support price of burley tobacco. The burley support price is 90 percent of parity, and the Clements Act established the support price for dark fired tobacco at 90 percent of the burley support price and the support price of dark air-cured tobacco at 66⅔ percent of the support price of burley.

LAW AID TO BOTH DARK AND BURLEY

This law proved also a great boon to the growers of burley tobacco; in fact, its enactment has contributed a great deal to a balanced economy in the States of Kentucky and Tennessee, which produce the vastly major portion of the three types of tobacco—burley, dark air-cured, and dark fired. Historically, since the early days in Kentucky and Tennessee, the farmers of the western part of those States have depended upon dark tobacco as their chief source of livelihood. The narrow, selfish, isolationist, reactionary tariff policies of the Republican Party erected trade barriers around our country and virtually destroyed the foreign market for dark air-cured and fire-cured tobacco, both of which have always been in large measure export products. When their historic market was destroyed it was natural that people accustomed to the cultivation of tobacco and to dependence upon it as a cash crop should turn their hands to the production of burley tobacco, for which there was a growing demand and the prospect of a profitable price. They were not to be censured for that because it was a case of self-preservation, but the result was very detrimental to the economic welfare of burley growers in central and eastern Kentucky and in middle and eastern Tennessee. The result was that, as burley acreage spread into the dark-tobacco area, the price of burley tobacco was depressed, and the value of burley-producing land declined. Thus, the Republican tariff policy by destroying the export trade in dark tobacco inflicted severe financial loss on the growers of all types of tobacco in Kentucky and Tennessee, with the inevitable ill effect on the entire economic fabric of those two States. By accepting dark-tobacco quotas, which the new price-support plan contained in Public Law 163 made possible, growers of dark tobacco precluded themselves from burley quotas, with desirable results to the producers of burley, fire-cured and dark air-cured tobacco, and the great improvement of the economic condition of the sections dependent upon those types of tobacco as the major source of income.

STOCKS AND STANDARDS ACT OF AUGUST 31, 1935

One of the most important laws in regard to tobacco from a long-range standpoint is the tobacco Stocks and Standards Act of August 31, 1935, which I introduced in the House and Senator BARKLEY introduced in the Senate. Those who understood the importance to tobacco growers and the tobacco trade in general of collecting and publishing statistical information on tobacco by types and grades had long recognized the need for improvement in the law on that subject. Its benefits have been even greater than we could foresee. It has proved of great importance in every phase of the tobacco program since its enactment. It is used constantly by all who deal with tobacco subjects. It has been of inestimable value in the administration of the price-support program, which has maintained a floor under the price of tobacco during recent years.

FIGHTS FOR FEDERAL GRADING ON ALL MARKETS

When the tobacco market showed danger signals of collapse in 1940 it became necessary to provide Federal graders for all markets in order to make available to growers the benefits of the price-support plan, which at that time amounted to 85 percent of parity. There were then 43 burley markets, only 16 of which had Federal grading, and there were 12 dark fired markets, only 3 of which had Federal grading. The price-support plan could not be put in operation at any market which did not have the uniform grading system. It was necessary to get a sufficient appropriation almost overnight to supply graders to all burley and dark fired tobacco markets. Failure to do so would probably have resulted in closing 27 of the 43 burley markets and 9 of the 12 dark fired markets. This was unthinkable. Our tobacco group in Congress, stanchly supported by the Burley Tobacco Growers Cooperative Association and the Kentucky Farm Bureau, succeeded in our effort, and the tobacco growers came safely through another crisis. For several years we experienced difficulty annually in obtaining a sufficient appropriation to maintain the grading system, authorized by the Flannagan Tobacco Inspection Act of August 23, 1935, on all of the markets for tobacco, but after several successful fights for an adequate appropriation the Appropriations Committee became aware of the necessity of uniform grading for the operation of the price-support plan, and during the war years for the maintenance of ceilings as well. Neither plan could have functioned without the important grading service.

NEW PRICE FORMULA FOR CEILINGS

On September 7, 1942, President Roosevelt asked Congress for a new Price Control Act. The economic situation was dangerous, and the war program and the country's economic stability were in serious jeopardy from inflationary increases in living costs. The Banking and Currency Committees of the House and Senate reported a bill which included authority to impose ceilings on farm products including tobacco. I thought it was unfair to impose a ceiling on burley tobacco when its chief competitor, flue-cured tobacco, the other principal cigarette tobacco, had been sold without ceilings in a market that was almost ready to close. The burley market was yet to open, and, under the terms of the bill, as reported, would have been sold under a ceiling of approximately 27 cents per pound, which was 2 cents less than the 1941 crop had brought. However, if there were to be ceilings on burley tobacco, it was necessary to find a different formula for determining what the ceiling should be than the one written into the bill as reported by the committees. The cost of producing and marketing tobacco had increased since the preceding year and the growers were entitled to a higher price. I devised a new price formula for fixing ceilings on burley tobacco, and drafted it into an amendment of 47 words. This amendment, sponsored by Representative SPENCE, of Kentucky, a member of the House Committee on Banking and Currency, and by Senator BARKLEY, of Kentucky, a member of the Senate Committee on Banking and Currency, was accepted as a committee amendment by both committees, and became a part of the Price Control Act of October 2, 1942. The net result of that 49-word amendment brought to burley tobacco growers $227,609,700 more for the three crops that were sold under ceilings than could have been received for those crops of tobacco if I had not devised the new price formula and it had not been written into law.

FUTURE OF TOBACCO

My idea of a future program for tobacco is as follows:

QUALITY, NOT QUANTITY

First. Growers should specialize on quality instead of quantity. Instead of trying to produce a large amount of heavy, coarse tobacco, they should use every means at their command to grow a fine, light type of disease-free tobacco of such quality that there will be an unfailing market for it at a living price.

CONTINUE PROGRAM UNIMPAIRED

Second. It is necessary that we continue our production adjustment program with sufficient appropriations for measuring land, enforcement of quotas, and for the administration of the acts providing for grading, market reports, and stocks and standards, all of which implement and strengthen the entire tobacco program.

NEW USES FOR TOBACCO

Third. The Seventy-ninth Congress enacted the Agricultural Research and Marketing Act, which is popularly referred to as the Flannagan-Hope Act, in honor of the then chairman and the present chairman of the Committee on Agriculture, both of whom have long records of honorable and constructive service to the cause of agriculture. From the time this bill was introduced I thought I could see in it greater potentialities for the benefit of tobacco growers than for the growers of any other agricultural commodity. I followed its legislative course with great interest and high hope. Very little has been done in laboratories for the development of byproducts from tobacco. A little nicotine and a little chlorophyl represent the extent of accomplishment along that line. Much progress has been made through laboratory experiments with grain and cotton, and useful commodities have been

developed from them. I have always believed that there were great possibilities of finding new uses for tobacco. When I think of the almost miraculous achievements of the industrial chemists of America, especially the discoveries during the recent war period, I cannot but wonder what that same chemical genius might accomplish with tobacco. When I go fishing with a nylon line that will hold the biggest fish I ever hope to catch, and I am told that it was made of coal, water, and air, I cannot help wondering what potentialities there may be in a hand of pungent, aromatic, fragrant tobacco. I believe that chemical research will result in discoveries that will find new uses for tobacco so that cheaper grades will not go to the warehouse floor for sale in competition with the finer grades of tobacco, but will be diverted to other profitable uses. Such a result would add greatly to the prosperity of tobacco-growing sections. I earnestly hope that the Congress will make more adequate appropriations for the activities authorized by the Agricultural Research and Marketing Act.

FOREIGN MARKETS FOR TOBACCO

Fourth. There has always been a strong foreign market for flue-cured tobacco. Before the Republican tariff policies practically destroyed the foreign market for dark air-cured and fire-cured tobacco, those types enjoyed a lucrative export trade. Prior to the recent war there had never been any appreciable foreign market for burley tobacco. With adequate appropriations for the administration of the Research and Marketing Act, our Government can be very helpful in rebuilding the foreign market for dark tobacco, and in enlarging the outlet of burley to other lands in which there has recently been cultivated a taste for the American type of blended cigarette. During World War II millions of American citizens in the uniform of our country carried American-blended cigarettes to every section of the earth. In view of the precarious export situation that confronts the growers of flue-cured tobacco as a result of conditions in England, which have in large measure closed the principal foreign market for flue-cured tobacco, I believe it behooves the flue-cured growers and the burley growers to work together in unity to cultivate the taste for the American cigarettes of which those two types of tobacco are the principal constituents. The flue-cured producers can no longer depend on England as the principal market for their product. The burley growers have had little export trade, but hundreds of millions of people in other lands have acquired an appetite for the cigarettes in which the two types are blended.

LONG STRUGGLE FOR EXPORT TRADE

In January 1947 Members of Congress representing districts that produce burley, flue-cured, dark air-cured, and fire-cured tobacco began a series of conferences with representative growers of those types of tobacco and officials of the Government, seeking to devise ways and means to develop an export trade. We sought vigorously, but without much success, to get tobacco into the American zone of Germany. We continued our efforts and did succeed in having tobacco included in the interim aid program. We also succeeded in having it included in the larger and more far-reaching European recovery program. We fought successfully for an appropriation for that purpose, when it was challenged. The only limitation on the purchase of American tobacco of all types by foreign countries is the limitation of funds. There is a demand for dark air-cured and fire-cured tobacco, which was formerly used extensively in many countries of Europe. There is a lively and constantly growing demand for the American type of cigarette made largely of flue-cured and burley tobacco with a little of Maryland tobacco added for its burning quality. Considerable quantities of tobacco are now being exported. A few days ago a rather large transaction was consummated. They will manufacture blended cigarettes in Europe out of American tobaccos. The development of the full potentialities of export trade in Kentucky's principal money crop will go far toward the solution of our surplus problems, and will be an important factor in continuing prosperous conditions in the tobacco growing areas of this country.

UNIFIED EFFORTS

The success that has attended this undertaking has been due in large measure to the cooperation and team work of all interested groups. Members of Congress in both Houses from tobacco-growing States have been unfailing in their efforts. All of the associations of growers of burley, dark air-cured, and fire-cured tobacco, the Burley Warehousemen's Association, and the Association of Dealers in Burley and Dark Tobacco, representing the growers, warehousemen, and dealers of all States in which those types of tobacco are grown, together with the Kentucky Farm Bureau Federation, united in 1947 to form the Burley and Dark Leaf Tobacco Export Association, Inc., of which Mr. John W. Jones, of North Middletown, Ky., is president, and Mr. Hugh W. Taylor, of Washington, is secretary. This united effort on the part of all groups interested in the export of these types of tobacco has already been of great benefit, and a continuance of such unity bids fair to develop the foreign trade that will assure a continuing market for this important commodity.

PRICE SUPPORT ESSENTIAL

Fifth. It is essential that we maintain a price support that is in effect a floor under the price of tobacco. This is the only absolute insurance the farmers have against a return to marketing conditions under which the only man who touched tobacco, directly or indirectly, from the time the seed was sowed in the plant bed until the cigarette was purchased at the store, who didn't receive a fair proportion of the consumer's dollar, was the man who spent a year in the production of the crop. The present support price is 90 percent of parity and that support price ought to be continued indefinitely. The House of Representatives recently passed a bill to continue the support price at 90 percent of parity until July 1, 1950. The Senate also passed a bill, known as the Aiken bill, containing an amendment providing the same support price for tobacco that is provided in the House bill. I hope there will be no failure by this Congress to continue the support price plan now in effect. The conferees have been in disagreement all day. I hope they will reach an agreement before adjournment. If Congress should adjourn without passing such a law, it would be necessary for it to reconvene before the expiration of the present support price December 31, 1948.

THE AIKEN BILL

When the Aiken bill was first introduced it contained provisions that would have completely wrecked the burley- and dark-tobacco programs. When I read the bill, I took it upon myself to request for all interested growers a hearing before the Senate Committee on Agriculture. The hearing was set for April 24, 1948, and witnesses appeared representing all organizations of tobacco growers and warehousemen, together with the Farm Bureau and the Grange. The growers' organizations represented every State growing types of tobacco now under the quota system. We had a preliminary meeting at the Ambassador Hotel on April 23 and agreed on plans for presenting arguments the following day in opposition to the tobacco sections of the Aiken bill in the form in which it was pending before the committee. Following that hearing the bill was reported in a form much less destructive to the tobacco program than it had been prior to the hearing. The following day I issued a statement pointing out that the bill, while a great improvement over its original form, had not been drafted to meet all of the justifiable objections made by growers' representative at the hearing. I stated that the principal objection of the growers to the Aiken bill, as reported, was that it substituted a variable plan for computing parity for the fixed-base period plan now in successful operation, and that it substituted a sliding scale of price supports for the constant 90 percent of parity price support that has met successfully the test of time and experience. Some people defended the price-support plan in the Aiken bill, under which, in a period of large production and declining prices, the price support would decline also, and in years of a short crop, when prices would be high, the support price would be higher also. In neither case would it be of much, if any, benefit to the growers. I continued to criticize the parity definition and flexible price support in the Aiken bill, and emphasized the danger of making the change, in a speech in favor of H. R. 6248 to continue the present price-support program, which passed the House June 12, 1948. It was gratifying when the Senate, in passing the Aiken bill June 17, adopted the parity and price-support formulas, which have worked so successfully in stabilizing tobacco markets and in insuring tobacco growers against disorderly declining markets. It is obvious that, although the authors of the Aiken bill were ambitious to improve upon the present farm program, they learned during the weeks

of its consideration that they could not improve upon the parts of it affecting tobacco. The action of the Senate in passing the Aiken bill with its tobacco provisions is a complete endorsement of the tobacco program which has resulted from the united efforts of the growers, the men in Congress representing tobacco States, and the officials who have administered the program from its inception.

SOIL CONSERVATION

Sixth. Underlying the entire tobacco program and essential to its successful permanent operation is soil conservation. It behooves tobacco growers to work together with all other farmers for the continuance of the soil-conservation program that was inaugurated in 1934.

We have had hard battles to secure necessary appropriations for the constructive soil-conservation program since the Republican Party gained a majority in the present Congress, but we must be constantly on guard to retain the gains we have made, remembering always that eternal vigilance is the price not only of liberty but of many other blessings we enjoy as a free people in a free Republic.

Presentation to the Honorable Louis Ludlow, of Indiana

EXTENSION OF REMARKS
OF
HON. J. PERCY PRIEST
OF TENNESSEE
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. PRIEST. Mr. Speaker, a few days ago in a ceremony in the press gallery tribute was paid to a truly great American, the gentleman from Indiana [Mr. LUDLOW].

Under leave to extend my remarks, I desire to include here a transcript of the program on that occasion.

It follows:

PRESENTATION TO HON. LOUIS L. LUDLOW, OF INDIANA, PRESS GALLERY, HOUSE OF REPRESENTATIVES, JUNE 15, 1948

(Present: Hon. JOSEPH W. MARTIN, JR., the Speaker; Hon. SAM RAYBURN; Hon. JOHN W. MCCORMACK; Hon. ROBERT CROSSER; Hon. MARY T. NORTON; members of the press; family and friends of Hon. LOUIS L. LUDLOW.)

Mr. TRUMAN FELT (secretary of the National Press Club). Ladies and gentlemen, LOUIS LUDLOW has so many friends in the press corps and in Congress, after nearly a half-century in the Capital, that we simply could not see him retire without some small token of our esteem. The president of the National Press Club, one of his successors in that office, had to be absent from the city, covering a certain nonpolitical story on the west coast that you may have heard of and, as a former Hoosier and secretary of the club, he asked me to represent him on this occasion. I am delighted, because I do not know anyone who ever came from Indiana who did not regard Mr. LUDLOW as a friend.

As the word got around, the movement just grew and mushroomed and the only problem was that everyone wanted to make a speech, and we decided about the only way we could solve that problem was not to have any speeches.

We should like to have just a few words, if we may, from the leaders who have served in Congress with Mr. LUDLOW, so I thought I might call on the Speaker and on Mr. RAYBURN.

Speaker MARTIN. Mr. Chairman, Louis, and ladies and gentlemen, all of whom I am sure are friends of Louis. I am happy to be here this afternoon and to join in this splendid tribute. It is a tribute to a fine legislator, a faithful public servant and a grand fellow in every sense of the word.

We know newspapermen make good Congressmen and Louis demonstrated that he was an able Representative. He possesses a thorough knowledge of the many problems before Congress and he has rendered invaluable service to his country.

I am told he is to be presented with a scroll testifying to the esteem in which he is held by his friends. I should like to tell him that whenever he looks at this token of friendship, he will know that imprinted in the hearts of all of us who remain behind will be a memory of a warm personal friend, a fine American and one whom we all love.

We feel sorry at his departure because we realize a fine man and a good public servant is departing. We hope, Louis, that you will enjoy the rest you well deserve and will find happiness and contentment in your memories of the pleasant days passed here in Congress. There is one thing all of us come to realize about this great institution that we call Congress; whether we are Democrats or Republicans, we are imbued with the dominating desire to do that which is best for our country.

Louis has exemplified in a great measure the highest ideals of Congress. Because of his faithful service, his many fine attributes, we all, regardless of party, regret his leaving us.

Louis, may you have many years of happiness in the years ahead. [Applause.]

Mr. LUDLOW. Thank you, Mr. Speaker.

Mr. FELT. I know we would like to have a few words from Mr. RAYBURN.

Mr. RAYBURN. Mr. Chairman, Louis, and your friends, and I know they are your friends, because long before you became a Member of the House you were in this gallery, as I remember, and had many friends then.

I know with what satisfaction the members of the press expressed their happiness when you were made a Member of the House of Representatives. Yours has been a splendid life and a fruitful life: a fine newspaperman, a capable and efficient and able legislator, and, above all that, one of God's noblemen—an American gentleman in every sense of the word.

Louis, our hearts go with you. You have our friendship that you may cherish, because, if you have an enemy in Washington, in the House of Representatives or any place else, I do not know it.

God bless you and keep you, my friend. [Applause.]

Mr. LUDLOW. Thank you, Mr. RAYBURN.

Mr. FELT. I should like to present this scroll to Mr. LUDLOW and for the benefit of those who have not seen it, I think I shall read it. It is brief and it is a very modest and, I am afraid, an inadequate expression of the sentiments of all of us.

"LOUIS L. LUDLOW, OF INDIANA

"On the eve of his retirement after a long, exceptionally meritorious and fruitful career, first as a Washington correspondent and Hoosier author and later as a Member of Congress, his many friends and colleagues in the Nation's Capital take this occasion to pay their heartfelt tribute.

"A former president of the National Press Club and the first correspondent to go directly from the congressional press galleries to a seat in the House of Representatives, he has always displayed the breadth of vision of true statesmanship and an unflagging zeal to serve the public interest.

"His fellow Washington newspapermen and his colleagues in Congress wish him Godspeed and enjoyment of the rewards of a life whose accomplishments in the arts of letters and lawmaking, whose generous understanding and whose unfailing kindliness knew no narrow partisan or geographical bounds.

"Done this 15th day of June A. D. 1948."

Mr. LUDLOW, it is a great pleasure for me to present this to you.

Mr. LUDLOW. Thank you, Mr. Felt.

Mr. Speaker, Mr. RAYBURN, Mr. MCCORMACK, and friends, I shall not undertake to make a speech, but I want you to know how deeply my family and I appreciate this beautiful gift and the generous and kindly sentiment that inspired it. We shall treasure it always as one of our most prized possessions.

I said I would not undertake, Mr. Felt, to make a speech, but I fell into my old habit of writing and wrote something which I hope will not be inappropriate to the occasion. I shall ask my wonderful secretary, Mrs. Esther Pillen, to read that little article to you, and I beg your indulgence while she does.

(The statement Mrs. Pillen read is as follows:)

"Dear friends, there are times when the tongue cannot speak the language of the heart, and that is the fix I find myself in when I undertake to express my appreciation of the beautiful gift. To all who have participated in this gracious offering, I can only say, with deepest feeling, from the bottom of my heart, 'I thank you.'

"I joined the press gallery in the fall of 1901, nearly 47 years ago, as Washington correspondent of the Indianapolis Sentinel. When I arrived at the Capitol, Col. Daniel M. Ransdell, Sergeant at Arms of the Senate, an old Indianapolis friend, escorted me to the Senate press gallery and introduced me to its Superintendent, Jim Preston, who was as youthful in spirit and action then as he is now. His assistant, who afterward became Secretary of the Senate, was the late Col. Ed Halsey. My recollection is that Charlie Mann was Superintendent of the House press gallery at that time. Shelby M. Cullom, a personal friend of Abraham Lincoln, was a Senator from Illinois. Other prominent Senators were Orville Platt, of Connecticut; Thomas C. Platt, of New York; Eugene Hale, of Maine; and Nelson Aldrich, of Rhode Island. Boies Penrose, of Pennsylvania, arose to the zenith of his power soon afterward.

"In those times the opening day of Congress was an auspicious occasion, when outstanding members of the press gallery upheld the dignity of the press by wearing high hats and long-tailed coats. Being of the common and garden variety and possessing neither type of sartorial equipment, I kept in the background. With two small children, my wife and I found hard going on my salary of $25 a week.

"Only a few persons whose service in the press gallery antedates mine are now living. Senator CAPPER is the only one I recall, although there may be others. When I entered the press gallery in 1901 there were 172 accredited correspondents. Now there are 750, of whom more than 100 are women.

"For years after I came the only woman member of the gallery was Mrs. Isabel Worrell Ball. Her entrance was warmly contested by the male members, who felt that to have a woman around would be a handicap to freedom of speech and action, but she was a woman of stamina, and she kept on trying until she secured the necessary credentials. She later married Col. John McElroy, publisher of the National Tribune, a newspaper devoted to the interests of the Union soldiers of the War Between the States.

"I well remember the derision with which the House Appropriations Committee in the long ago greeted the first suggestions of a

small appropriation to develop aviation. There were caustic comments on the futility of man's efforts to imitate the birds, and sardonic remarks about 'Darius Green and his flying machine.' Even after Orville and Wilbur Wright had demonstrated at Kitty Hawk that a flying machine will really fly, the Appropriation members were skeptical and cold to the proposition and unwilling to vote more than the most meager token appropriations. Little did I imagine then that the day would come when as a member of that committee I would vote billions for airplanes.

"When I came to Washington what is now the west section of the House Restaurant was a barroom with a sawdust floor, brass rail, and all the usual accouterments. An Indiana Member of Congress, responsive to the rising prohibition sentiment in his district, was accustomed over a period of years to introduce riders to appropriation bills to abolish that barroom. The House would adopt the rider and a goodly number of Members would go straightway over to the Senate and intimate that there would be no hard feelings if the Senate would kill the rider and the Senate would obligingly do so. But the time came when the Senate decided that if the House wished so ardently to part company with Bacchus it should be permitted to do so. It adopted the rider and the saloon went out of the Capitol, never to return. That was about 40 years ago.

"I was present in the House Press Gallery when the House, under the leadership of Representative George Norris of Nebraska, adopted the resolution dethroning Speaker Joe Cannon by taking away from him the power of appointing standing committees and vesting that power in the caucuses of the two political parties. This action was taken after several days of acrimonious debate. Prior to that time Speakers had packed the committees in favor of legislation which they supported and against legislation which they opposed. The system was penicious in the extreme and its abolishment did not come too soon.

"Uncle Joe Cannon was a commoner of the homespun type and always bought his clothes ready-made. It was his proud boast that he never paid over $30 for a suit in his life. His daughter, Helen, often tried in vain to induce him to have a tailor make a suit to order for him. Finally, she and Jim Watson combined their efforts and persuaded him to be measured for a suit by a well-known tailor by promising that he would not have to pay more than the usual price for a tailor-made suit. When his measure was taken he asked the price and was agreeably surprised when the tailor replied: "Thirty dollars." It was a beautiful suit and Uncle Joe exhibited it proudly to his friends, with many compliments to the tailor on the quality of his goods and the moderation of his prices, but he did not know until a long time afterward that Helen slipped the tailor a $50 bill to square the account.

"I was in the press gallery when a distinguished Representative from Mississippi, one of the quaintest characters I have ever known, in a speech of great volume and vehemence, declared: 'There are times in the lives of all of us when we must rise above principle.' I suppose that speech has been quoted about as often as any ever delivered in the House.

"I was also in the press gallery 23 years ago when Representative W. D. Upshaw, of Atlanta, rushed into the House, secured recognition of the Speaker, waved a telegram and dramatically announced the birth of 'Theodore Roosevelt Longworth. In his haste and excitement he had assumed the newcomer was a boy and had not taken time for verification on that important point. I have never heard what Paulina has to say about this faux pas.

"My mind also recalls in retrospect many more somber and solemn occasions. I was in the press gallery when Woodrow Wilson, in a personal appearance before Congress in joint session, asked for a declaration of war against the Central Powers. I could not then foresee, of course, that later, on a similar occasion, I would vote for six similar resolutions declaring a state of war to exist between the United States and Germany and Japan and their satellites.

"I did not intend to tax your patience by going so far afield, but the thoughtful gift from you and other friends inspires a train of hallowed memories of my long service in the press gallery. My family and I will treasure this gift as one of our most valued possessions." [Prolonged applause.]

Anthony D. Tieso, State Commander, Disabled American Veterans of Massachusetts

EXTENSION OF REMARKS
OF
HON. JOHN W. McCORMACK
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. McCORMACK. Mr. Speaker, under permission to extend my remarks, I include a telephone speech I made on the occasion of a banquet recently tendered in Boston to Anthony D. Tieso, State commander of the Disabled American Veterans of Massachusetts:

Mr. Toastmaster, distinguished guests, and my valued friend, State Commander Tieso, ladies and gentlemen: I am glad of the opportunity to be able to join with you tonight in honoring State Commander Tieso. It is a source of personal pleasure to me.

It is fitting and proper that this group should join together to pay homage to a man so worthy as Tony Tieso. While there are a number of attributes that make for nobility of character in a person, that which is all-important is loyalty, and Tony Tieso has loyalty ingrained in every fiber of his being. When a man is loyal, he is, of necessity, also sincere, devoted, generous, charitable, and is too, a man who stands by his friends and fights for right and justice. Such a man is State Commander Anthony D. Tieso, and we find his loyalty evidenced in innumerable ways.

As a loving and devoted husband and father, he has shown his loyalty to his family, and because of it he is highly respected by all who know him. We hold him in high esteem because we realize that in the application of his love and loyalty to his fine family he strengthens the foundations of our beloved country, for we know that a strong and sound Government depends on a strong family life.

We have seen his loyalty evidenced in thousands of ways during his many years of service at the Boston Navy Yard, when he gave of his time untiringly to fight for the best interests of his fellow-workers, and for the best interests of the Boston Navy Yard. We are all aware of the magnificent results of his efforts.

I can well testify to his loyalty in this, and many other respects for many times during the past 20 years my valued friend, Tony Tieso, has presented to me the cases of hundreds of employees of the Boston Navy Yard, and asked me to go to bat in the interest of a worthy worker. You are all aware of his thorough knowledge of the civil-service rules and regulations, and the fact that because of Tony Tieso there is in the laws of the land today legislation which benefits the civilian employee of the Navy Department, and the United States. I know, because I helped write the legislation.

Tony Tieso has worked hard for the civilian employees in the ranks of the civil service, but, his greatest efforts, and his greatest results have been in behalf of the veteran who fought that his country might live. Tony Tieso has labored arduously in behalf of all veterans but his heart has been with the disabled veterans, and those who are their dependents, their widows, and their orphans. It has been to these beloved ones of our departed comrades that Commander Tieso has unstintingly given of his time, his devotion, and his loyalty.

I say again, a man of such loyalty deserves richly the honor you are paying to him this evening.

To Tony, to Mrs. Tieso, to their fine family, may I say that Mrs. McCormack joins with me in extending to you all our esteem, and our firm hand of friendship.

To all present, we extend to you our kindest regards.

I appreciate this opportunity to send this message to you from Washington.

H. R. 4071, Amendment to Food, Drug, and Cosmetic Act of 1938—History of That Act — Differences Between New Law and Old Law

EXTENSION OF REMARKS
OF
HON. VIRGIL CHAPMAN
OF KENTUCKY
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. CHAPMAN. Mr. Speaker, the adoption of this conference report on H. R. 4071 will restore to the Food and Drug Administration the authority to protect the American people from filthy, contaminated food which becomes dangerous to health while stored in a warehouse after the actual shipment in interstate commerce. Conservative estimates by reliable and responsible witnesses before our committee were that at least 20 tons of such food every day has been protected from seizure and removal from the market by a recent court decision, which held, in substance, that foods and drugs are no longer in interstate commerce after they are unloaded at the end of actual transit in interstate commerce. Since the enactment of the original Wiley Act in 1906, the public had been protected from foods and drugs that became contaminated and dangerous while stored in a warehouse to which they were shipped. The committee viewed nauseating pictures of foodstuffs infested by bugs and defiled by rats and mice. The clear legislative intent of the Federal Food, Drug, and Cosmetic Act of 1938 was to strengthen the worth-while provisions of the old Wiley Act, and certainly not to weaken it in any respect. We discussed this subject many times during the preparation and consideration of the bill which became the new law in 1938. There was never the slightest suggestion by anyone that the new law should or would weaken the authority of the Food and Drug Administration to protect the public. The clear intention was to strengthen that authority.

This bill makes clear the prohibition of any act with respect to foods, drugs, devices, and cosmetics that would result in the article being misbranded while held for sale after shipment in interstate commerce, whether or not that sale is the first sale. It also authorizes seizure and condemnation of foods, drugs, devices, or cosmetics that are adulterated or misbranded while in interstate commerce or while held for sale—whether or not the first sale—after shipment in interstate commerce. I would have felt that this Congress was recreant of its duty to the American people if it had adjourned without enacting this law, which makes so clear that it cannot be misinterpreted what was unquestionably the legislative intent of Congress in enacting the Food, Drug and Cosmetic Act of 1938. The language of this bill is not susceptible of misinterpretation by any court. Its enactment into law will stop a leak in the dike that was erected for the protection of American consumers by the enactment of the Food, Drug, and Cosmetic Act of 1938, which was an important milestone in the history of American legislation and the most advanced step ever taken for the protection of the consuming masses of the American people.

THE SUCCESSFUL EFFORT FOR A NEW FOOD AND DRUG LAW

The pure food and drug law of 1906, popularly known as the Wiley Act, in honor of the great pioneer in pure-food legislation, the late Dr. Harvey W. Wiley, was an important, progressive action by Congress for the protection of American consumers of foods and drugs. It proved of great benefit for more than 30 years and was enforced by an able and faithful group of men and women whose primary concern was the public welfare. Modern methods of manufacture, advertising, and salesmanship during that 30-year period rendered the old law ineffective in many respects, and it was apparent by the early thirties that the subject ought to be reexplored by the Congress and a new law enacted to safeguard the life and health of the American people, and to protect the market baskets of American housekeepers from innumerable economic cheats. Recognizing the need for a new law, President Franklin D. Roosevelt sent a message to the Congress on that subject. It was referred to the Committee on Interstate and Foreign Commerce, of which I was then and am still a member.

After I was appointed by the then chairman of that committee, Hon. SAM RAYBURN, as chairman of a subcommittee to conduct hearings on this subject, I was amazed and shocked by the revelations of abuses of consumer welfare, loss of life, or permanent disability, resulting from use of poisonous drugs and cosmetics, and the callous selfishness of an outer fringe of manufacturers seeking profits in disregard of human welfare. It was gratifying to find that a large percentage of food, drug, and cosmetic manufacturers were willing to cooperate in the enactment of a law adequate for the protection of the American people, which at the same time, protected the legitimate and honest manufacturers from the unscrupulous and reprehensible practices of the outer fringe of disreputable producers.

Some of us soon became deeply interested in this vital need for a new law to protect the 140,000,000 citizens who consume foods and drugs, and the more than half that number who use cosmetics. After more than 3 years of practically ceaseless effort we witnessed the final passage and approval of the new law, the Food, Drug, and Cosmetic Act of 1938, which contained about 90 percent of the consumer protection for which we had striven. I shall point out some of the abuses that were permissible under the old law that have been practically eliminated by the new law. The comparison of the two laws shows the great advance that has been made by the new law in safeguarding the life, health, and pocketbook of the American public.

COSMETICS

Under the old law there was no provision for the regulation of cosmetics in interstate commerce. The cosmetic industry operated without legal restraint. The use of cosmetics had rapidly increased since the enactment of the Wiley law, and there was manifestly a serious need for a law that would protect the women of America, the principal users of cosmetics, from the unregulated commerce in so-called aids to beauty that were injurious to the health of the users, sometimes to the point of causing death. I accumulated enough bottles, packages, samples, and other exhibits to start a little chamber of horrors in my own office. A striking example was the product known as Lash Lure—the new and improved eyebrow and lash dye—several packages of which were purchased in various stores in the principal shopping section of Washington while this hearing was taking place on Capitol Hill. I have a picture of a very accomplished and personable lady in Ohio, who was to be the guest of honor at a State-wide dinner in the Capital City in recognition of her unselfish service to her home State. This lady did what thousands of other women would have done under similar circumstances. She used cosmetics in preparing for this great event in her life. Lash Lure ruined her complexion, destroyed her beauty, seared her eyeballs, and doomed her to walk in utter darkness to her grave. The new law brought cosmetics under Federal regulation. It outlaws articles which may be injurious to health and prohibits false or misleading labeling, as well as other injurious or deceptive practices. It requires an informative label containing the warning "May cause blindness." It is our earnest hope that such a protective measure may save many other women from the tragic fate of those who have suffered from unregulated cosmetics.

POISONOUS FOOD

The old law contained no authority to stop the distribution of poisonous foods unless the poison had been added. The sale of poisonous mushrooms, which was not uncommon, did not constitute an offense. The new law corrects this deficiency. While the old law prohibited the distribution of foods containing added poisons in amounts which might be harmful to health, it did not ban the unnecessary addition of poisons. No matter how inexcusable the whim of an irresponsible manufacturer, the old law could not stop him from adding poison if the quantity did not reach the point where expert toxicologists could convince a jury that the food might thus be rendered harmful to health. Grave difficulties were met in developing the evidence required to establish a case under this wording of the law. Complications arose from the fact that traces of poison continuously consumed may produce recognizable symptoms only after a period of years; sometimes, in the case of lead, as long as a decade or more. If the particular poison was a new chemical about which little was known, time-consuming laboratory work on test animals was necessary to determine the degree of its toxicity, and then another problem arose in translating effects on test animals into effects on man.

A further difficulty lay in the necessity, under the law's wording, of showing that the quantity of poison in the particular food on trial was so high that the food, by itself, may be harmful to health. The effect of further quantities of that same poison the consumer might unavoidably get from other sources had to be ignored.

Another deficiency of the old law was that, no matter how frequently the identical issues would arise throughout the country, the Government was required to put on the same long parade of expert witnesses in every trial. The uncertainty of uniform verdicts on complex scientific questions is well recognized.

The necessity for more effective protection of the public against added poisons in food has become more and more acute, as the use of poisonous insecticidal sprays and dusts, particularly lead arsenate, has increased year by year in the production of fresh fruits and vegetables, notably apples and pears.

To correct the weaknesses of the old law the new law flatly prohibits the addition of poison to food unless the addition is required in production or cannot be avoided by good manufacturing practice. Where the use of poisons is necessary, as in the protection of growing fruits and vegetables against insects and plant diseases, the new law provided for the establishment of legal tolerances limiting the quantity to the point of safety. The capricious or unnecessary addition of poison to foods, which had occurred all too frequently under the old law, became illegal with the enactment of the new law in 1938.

POISONOUS CONTAINERS

Poisonous containers which may render the contents injurious to health are prohibited by the new law. The old law contained no such protection to the public.

DECEPTIVE PACKAGES

We found large numbers of packages designed to deceive the housewife as to the amount of food which they contained. Boxes contained air space concealed from the purchasers. Packages of nuts, cheese, spices, and many other articles were constructed with false bottoms. The new law eliminates such economic cheats from the market place.

INSANITARY CONDITIONS IN FACTORIES

A very important provision of the new law which was not contained in the old law is the prohibition of traffic in foods, drugs, and cosmetics which have been prepared or handled under insanitary conditions that may contaminate them with filth, or render them injurious to health. Unfortunately methods for detecting filth through examination of samples from interstate shipments were notoriously inadequate. Foods could be put up under the most revoltingly insanitary conditions imaginable and become thoroughly and disgustingly contaminated, and yet the Government was powerless to protect the public from food produced in such factories and packing plants. No action could be taken unless the representatives of the Government actually found the filth and detected the contamination by examination of samples from interstate shipments. Laboratory problems in the detection of filth are exceedingly difficult, and in many cases have proved insurmountable. Because of this defect much unfit food packed under indescribably sickening conditions escaped detection and found its way to American kitchens. There is a class of food manufacturers, happily only a small proportion, constituting an outer fringe of the food business, which seemed to think that because they had been selling filth with impunity for many years they had a vested right to continue to sell it to the public. I remember one miller who wrote that he had been selling flour for years that had been infested by rats and mice and that as he had heard of no one being killed by it, he could see no reason for stopping the practice. We wrote into the new law a provision that is keeping establishments that handle food, drugs, and cosmetics for interstate shipments in at least a reasonably sanitary condition.

PERMITS TO FOOD PRODUCERS

Disease epidemics are sometimes spread through contamination of food with germs in the course of preparation or handling in the factory or packing plant. Methods for detecting the germs by examination of samples from individual interstate shipments are too slow and uncertain to permit the arrest of the goods and their removal from channels of consumption through seizure action. The new law provides that in order to protect the public health in such circumstances the enforcing agency may control the affected food factories through the issuance of permits conditioned upon the adoption of sanitary and other measures which will prevent the spread of disease. If such a provision as this had been in the old law, numerous deaths that occurred several years ago from the consumption of contaminated ripe olives and several epidemics of less severity that have been spread through the distribution of contaminated crabmeat, packed under shockingly insanitary conditions, could have been avoided.

METALLIC TRINKETS

We had before the committee many X-ray pictures showing metallic trinkets lodged in the windpipes of children. I still have them. These trinkets had been imbedded in pieces of confectionery. Naturally, children would eat candy and other confections, oblivious of the danger concealed in them. Frequently only a major operation could prevent a fatal result. Children, fond of both candy and trinkets, and lacking discretion when tempted by either, needed protection which the old law did not afford them. We wrote into the new law a prohibition against traffic in confectionery containing trinkets and other inedible substances.

INFANT AND INVALID DIETS

There was nothing in the old law which required fully informative labeling of infant and invalid food. Mothers who buy special food for their babies have not always been given full information concerning the amounts and kinds of vitamins, minerals, and other nutritive substances. They could not be sure they were providing a diet for proper nutrition and growth. We had before the committee so-called special foods selling for high prices that actually were of little value. I remember one widely advertised product, then on sale in many drug stores at Washington, that was selling for $1.25 and which we found to be worth only 13 cents in food value. The new law requires that food for which special dietary properties are claimed shall be labeled with full information so that the food can be intelligently and effectively used. The result of label disclosure was that some comparatively worthless products went off the market. Some others, whose producers had already made large investments in advertisements, were able to remain in circulation by reason of having sufficient vitamins, minerals, and other nutritive properties added to them to make them reasonably worth-while food products.

DEFINITION OF STANDARDS OF FOOD PRODUCTS

One of the most important provisions of the new law authorizes the establishment of definitions and standards for food products. Under the old law, which contained no such authority, the Government was frequently defeated in its efforts to hold foods to proper standards. An interesting case was one against an oyster company on the charge of adulterating oysters with water. Shucked oysters need to be washed to remove sand, bits of shell, and other foreign substances. Oysters have an affinity for fresh water and absorb it rapidly, thereby increasing in size and weight. In the old days some packers yielded to the temptation to protract the washing process, which resulted in bloated oysters and the sale of water at oyster prices. The court, while condemning the fraudulent practice of selling water as oysters, dismissed the case because the natural water content of oysters varies under different conditions, and there was no legal standard limiting the amount of water they may contain. Cases involving many other foods which had been debased or cheapened also resulted in aquittals. Under the old law ice cream could be and was often inflated with air. The usual air content of ice cream is 31 percent. We found that some ice cream contained 56 percent. Increasing the percentage of air decreased the percentage of butter fat. We found two brands of ice cream in the same city, one of which contained 7 ounces of butterfat to the quart and the other only 1.4 ounces. Legal standards, under the new law, have eliminated that commercial cheat. I am glad to bear witness that practically all manufacturers of ice cream showed a spirit of cooperation and helpfulness in the making of the new law, which leaves inflated ice cream, like bloated oysters, only an unpleasant memory. Without legal standards there was no assurance of integrity in food products. Neither consumers nor honest manufacturers had any protection against the unscrupulous practices of those who would profit by debasing the people's food.

ALLERGY INGREDIENTS

During the course of hearings on the measure we heard much about food allergy, or the sensitiveness of some individuals to food which can be eaten by most people without ill effects. It is estimated that a rather high percentage of our population are made ill, sometimes seriously so, by some food or other. The new law provides that the labels of food bear a statement of ingredients. Thus the law establishes the right of the consumer to know what he is getting as opposed to the right the producer heretofore enjoyed of maintaining secrecy as to his compounds. Allergic people can now more easily determine what foods disagree with them and thus exercise more intelligent selection of their diet. This provision will also promote fair dealing by putting an end to the false pretenses under which compounds of well-known ingredients have been sold under fanciful names and in an aura of mysterious pseudo-scientific jargon.

DISTINCTIVE NAME FRAUD

The old law contained the "distinctive name" fraud, under which any food not injurious to health could escape control if sold under a fanciful name. Under this provision many debased foods were freely sold to the detriment of the consumer's pocketbook and to the unfair disadvantage of competing manufacturers. For example, "Bred Spred—Raspberry Flavor" looked like raspberry jam, was packaged in a typical jam jar, but contained less than half as much fruit as jam should contain. This deficiency was cleverly covered up with a little water, a little pectin, and some added acid to pep up the flavor. Such abuses are impossible under the new law. Similar frauds were perpetrated under the old law upon users of cosmetics, as illustrated in a typical product "Oyloff," a dry shampoo, a 6-ounce bottle of which sold for $1, which contained hydrant water with a little salt and a dash of cheap perfume added. That type of fraud has been eliminated by the enforcement of the new law.

STRUCTURE OF FUNCTIONS OF BODY

The old law did not apply to drugs used in the diagnosis of diseases or to drugs intended to affect the structure or functions of the body. Because of this there was no way of proceeding against such maiming and deadly drugs as dinitrophenol, which was sold as a fat reducer, but was the proximate cause of many deaths and literally scores of cases of blindness. The new law includes these

drugs and applies to them the same controls that are afforded for drugs used in the treatment of disease.

DEVICES

The old law contained no provision to protect a gullible public from innumerable allegedly curative devices, such as electric belts, a tin whistle recommended as a "pocket gymnasium," for "health, strength, vitality, beauty." A "Pandiculator," advertised as "the leading health invention of the age," price $75, recommended to increase height; "Thermalaid," an electric gadget, for $25, to cure prostate trouble and improve "mental serenity." These were merely contraptions to separate people from their money. The seller preyed upon the credulity of sick people, but depleting the pocketbook was not the most serious menace of these worthless gadgets that were sold with impunity prior to the enactment of the new law. Some of them were recommended as cures for deadly diseases, even for some forms of cancer. Mistaken reliance on such fake methods of treatment often caused people to neglect consulting a physician until the dread malady progressed to an incurable stage and resulted in death. The new law contains ample authority to bar these fakes from the channels of interstate commerce, but its enactment did not stop attempts by people to invent new gadgets for sale to ill people. The new law has been invoked a number of times in the seizure of a type of machine that was placed on the market at $95, which consisted of an electric-light bulb over which various colored glasses were placed to change the color of the light. According to the labeling, a person could cure himself of any known disease by choosing a particular color of light in which to bathe himself. A green glass over the incandescent bulb would cure one disease; a yellow light another disease; a red light still another. Without the new law the Government would have had no power to protect people from such deceptions, and reliance on such a gadget would have kept sick people from securing proper medical care.

DANGEROUS UNDER PRESCRIPTION OF MANUFACTURER

Another deficiency in the old law was the absence of any prohibition against drugs which are dangerous to health under the conditions of use the manufacturer prescribes in the labeling. Our committee had before it, among many other examples, the radium-water preparation which was sold several years ago under the name "Radithor." Its use resulted in horrible casualties. People who took it according to directions suffered disintegration of their bones and suffered horrible deaths. Such products as Cinchophen when taken in doses prescribed on the label for neuralgia, rheumatism, and neuritis resulted in unconsciousness and acute yellow atrophy of the liver. Many pain-killing tablets, of which women were the principal users, contained such dangerous drugs as amidopyrin and literally destroyed the white corpuscles in the blood. Sometimes its action was so insidious that the ill effect was not recognized until too late to be cured.

Yet, since the labeling told no falsehood the Federal Government was powerless under the old law to protect the public. For instance, in the case of Elixir Sulfanilamide, which, in the fall of 1937, killed approximately 100 people for whom it was prescribed by some physicians, there was no law under which the Government could proceed against the dangerous product upon the ground that it killed people. Fortunately, the alert and capable Federal Food and Drug Administration was able to proceed upon the technicality that it was improperly labeled by being called an elixir, when in fact it was not an elixir. The new law is directed specifically at correcting this deficiency and affords the Government ample authority to proceed against murderous concoctions masquerading as medicines.

NEW DRUG PROVISION

Until the enactment of the new law there was nothing to prohibit untrammeled traffic in new drugs which had not been adequately tested to show that they were safe for use. When the Elixir Sulfanilamide tragedy occurred in 1937, while we were working on the new food, drug, and cosmetics bill in the Committee on Interstate and Foreign Commerce, I introduced in the House, and the late Senator Copeland introduced in the Senate a resolution calling on the Food and Drug Administration to investigate and report to the Congress on the death of the victims of Elixir Sulfanilamide. Based on the information contained in that report I drafted a new section of the pending bill, which for the first time provided for proper and adequate tests before new drugs can be placed in the channels of consumption. That amendment, in substance, became a part of the new law. While it was pending I obtained the opinion of approximately 200 of the most eminent medical men and the principal pharmaceutical manufacturers in America. I also asked for and received expressions of opinion from the unfortunate physicians who had in good faith prescribed the fatal untested Elixir Sulfanilamide. The consensus was that such a provision ought to be written into the law. I took the personal testimony of the eminent Dr. Malcolm Goodrich, of New York, one of the most outstanding leaders in the medical profession, whose testimony in favor of the new drug provision made a profound impression on our committee. The new drug section was written into the new law. Under its operation more than 6,000 applications for the recognition of new drugs have been considered; most of them have been approved. The use of penicillin and the sulfa drugs has become widespread and beneficial to society. Such new drugs as sulphapyradin, tyrothrycin, streptomycin, and many others that have effected cures bordering on the miraculous have been developed and marketed under the new drug provision with assurance against the recurrence of such a deplorable tragedy as the Elixir Sulfanilamide deaths in 1937.

DEFINITIONS OF STRENGTH, QUALITY, AND PURITY

Under the old law official drugs, that is drugs recognized in the United States Pharmacopoeia and the National Formulary, were permitted to differ in strength, quality, and purity from the standards set up by those authorities, provided the actual strength, quality; and purity of the drug was stated on the label. For example, a mother whose doctor had prescribed cod liver oil for her child to cure or prevent rickets might accept from the druggist a bottle labeled "Cod Liver Oil—40 units of vitamin D per dram" without knowing that this was less than one-half of standard strength. Under the new law the cod liver oil has to be labeled so as to show clearly the difference between the strength of the product being sold and the official standard established by the recognized authorities. The old law permitted similar variations in innumerable medicines, but the labeling required by the new law fully protects the public.

HABIT-FORMING DRUGS

The old law contained no provision to require habit-forming drugs to be labeled with appropriate warnings. Many people have innocently acquired a drug habit because of the failure of the label to give any indication of the consequences of protracted use of the drug. The new law requires narcotic habit-forming substances to be plainly labeled "Warning—may be habit-forming." The old law did not require label precautions against overdosage, too frequent dosage, or other public misuse of potent and dangerous drugs, ignoring the human tendency to apply to the taking of drugs the old theory that "if some is good, more is better." That is not unnatural, especially in the case of a person suffering intense pain. However, many so-called pain killers are exceedingly dangerous if taken in too large doses, too frequently, or over too long a period. The new law applies to drugs containing such dangerous ingredients as marihuana, a hemp product, the use of which has proved very disastrous. It requires that the labeling of all drugs, as well as therapeutic devices, must bear adequate warnings against probable misuse which may be dangerous to health.

ANTISEPTIC

It is small comfort to those who use an an antiseptic to find out later that the "antiseptic" which failed to prevent infection merely killed some of the weaker germs. This was entirely possible under the old law. There are many examples of it. The new law requires that antiseptics possess germicidal power; that is, that they kill all of the germs. If they are labeled antiseptic they must be antiseptic.

SECRET REMEDIES

One of the worst weaknesses of the old law of 1906 was its failure to prohibit secret remedies. Many cases of poisoning have resulted from the choice of the wrong bottle from the home medicine cabinet or from bottles carelessly left within reach of small children. The attending physician is able to proceed intelligently and administer the proper antidote or other treatment only where labels show the composition of the drug the patient has administered to himself. Delays in obtaining this information may often mean the difference between life and death. Before enactment of the

present law physicians were handicapped in arriving at a correct diagnosis and giving proper treatment when called to treat patients who had made unsuccessful attempts at self-medication with secret remedies. Such remedies frequently caused symptoms that led to erroneous diagnosis. Even if the diagnosis was correct the kind of treatment needed often depended upon what the patient had been taking. The label declaration of the composition of the medicine might reasonably mean the difference between life and death.

The new law corrects this fatal defect in the old law and meets the danger to health and life by prohibiting secret remedies, large numbers of which took their toll of life and money every year before the enactment of the present Food, Drug, and Cosmetic Act. As in the case of foods, the law recognizes the right of the consumer of drugs to know what he is buying and taking into his system.

FAKE CLAIMS OF CURATIVE EFFECT

Under the old law the Government was required to prove that false claims of curative effect on the labels of quack medicines were made with a willful intent to deceive, which made it difficult and sometimes impossible to proceed successfully against the worst class of vendors of worthless patent remedies. We had before us Mixer's Cancer and Scrofula Syrup recommended for cancer and scrofulous affections, such as erysipelas, scald head, ringworm, tumors, ulcers, boils, pimples, catarrh, laryngitis, dyspepsia, bronchitis, piles, and all diseases peculiar to the glandular or assimilative system; also a "splendid tonic" with alcoholic content of 7½ percent. The difficulty was in proving that Dr. Mixer made such recommendations with the willful intent to deceive. It was impossible to prove what was in his mind. Another product that required 10 years of enforcement effort and $75,000 to remove from interstate commerce was a horse liniment named B & M. With the advent of the age of motorization and mechanization the trade of the vendor of this horse liniment fell off to the extent that he found it necessary to recommend his liniment as a cure for various diseases, and he continued selling it for many years as a remedy for tuberculosis, pneumonia, influenza, pleurisy, bronchitis, laryngitis, coughs, colds, catarrh, blood poisoning, and other germ diseases. It was simply a counterirritant which was harmless when used externally but a dangerous reliance for a remedy by a person suffering from tuberculosis or pneumonia. Yet the manufacturer testified so plausibly of his implicit faith in this nostrum that the Government found it practically impossible to convince a jury that he actually knew the label claims were false and made such fantastic claims with the willful intent to deceive.

One of the worst offenders that came to my attention during the hearing was "Banbar," a simple brew of horsetail weeds boiled in water, and peddled at $12 per half pint by a shirt salesman as a side line, as a remedy for diabetes. There was no intrinsic harm in "Banbar." Taken in reasonable doses it would not perceptibly injure the patient, but by relying on it as a cure the diabetic would neglect to seek proper medical attention, and without the established and recognized insulin treatment would pass in ignorance to an untimely grave. The Government prosecuted the manufacturer of "Banbar" under the old law for selling this concoction to sufferers from diabetes with willful intent to deceive. A sheaf of testimonials from satisfied patients was exhibited to the jury, and then a sheaf of death certificates specifying diabetes as the cause of death of the signers of the testimonials was viewed by the jury; yet the salesman convinced the jury that he really believed in the efficacy of his product as a substitute for insulin, and the jury returned a verdict of not guilty. The new law prohibits therapeutic claims if they are false, irrespective of whether the Government is able to prove intent to deceive. This is belated but proper recognition of the obvious fact that the meaning of label statements is the same to the consumer regardless of whether those statements are made in good faith or bad faith.

As time goes on defects in the law will be revealed by the test of experience. We never cease to learn by trial and error. Schemes will be designed to circumvent the law. We must be constantly alert to prevent the weakening of this great remedial measure for the protection of all of the people in the United States. The benefits that have already accrued from the enforcement of this law during the 10 years since its enactment are incalculable. With a strong, healthy public opinion behind us, we will defend this law against the assaults of those who would weaken and break it down, and an able, courageous staff of officials will continue to enforce it.

Contested-Election Case of Wilson Against Granger

EXTENSION OF REMARKS

OF

HON. WILLIAM A. DAWSON

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. DAWSON of Utah. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following report of the Committee on House Administration in the election contest in Wilson against Granger, First Congressional District, Utah:

[H. Rept. No. 2418, 80th Cong., 2d sess.]

RELATIVE TO THE CONTESTED-ELECTION CASE OF WILSON AGAINST GRANGER, FIRST CONGRESSIONAL DISTRICT OF UTAH

The Committee on House Administration, to whom was referred the resolution (H. Res. 692) relative to the contested-election case of Wilson against Granger, First Congressional District of Utah, having considered the same, report favorably thereon without amendment and recommend that the resolution do pass.

All papers and documents in the above-mentioned election case have been fully examined, including the notice of intention to contest, the answer and exhibits attached thereto, the briefs of the parties and the minutes of the hearings, and a full hearing was given to the parties in person and by counsel on April 6 and 7, 1948. Upon consideration of all proceedings, it is respectfully submitted that the afore-mentioned contest be dismissed as lacking in merit.

However, on this record there are undoubtedly numerous and widespread errors and irregularities in many parts of the district, which reveal a lack of knowledge of the law and a failure to enforce properly the registration and election statutes by those charged with that duty.

It is felt by the committee that a continuation of such practices is a serious threat to the safeguards of the election process and the conduct of legal elections, but the committee find that the true results of the election are not affected in this case.

The extensions of time heretofore granted in this contest by the Committee on House Administration are hereby authorized and approved.

MINORITY REPORT

In the case of David J. Wilson, contestant, versus WALTER K. GRANGER, contestee, for a seat in the Eightieth Congress from the First District of Utah, all of the evidence, when it is summed up, appears that since the New Deal came to power the Democratic organization which controlled the election machinery in all of the populous counties in the district was so determined to keep control politically and remain in power, that its members seemed to feel they had a vested interest in political control, and that the State law of Utah could be set aside, and was set aside at will by the party in control of the election machinery.

In the particular case in question, those in control of the election machinery gave a majority to Congressman GRANGER of 104 votes out of a total of 89,672

The printed record in this case shows overwhelmingly that the laws of Utah regulating registrations, balloting and counting of ballots, as well as in the canvassing of returns, were ignored and violated numerous times in Utah's First Congressional District in the election of 1946. In some instances acts constituting a felony, under the law, were committed.

While the law specifically prohibits, under heavy penalty, hauling any voters to points of registration, or to the polls on election day, and specifies certain days and hours for the registration of the voters, with one registrant to the precinct stationed at a definite location or office, the evidence shows, and is not disputed, that 16 extra registration agents were appointed in addition, who went out and canvassed from house to house the town of Washington Terrace, and from this registration alone brought in and caused to be put on the registration books in violation of the law nearly 700 voters, of whom over 400 voted.

This arrangement was made under the direction of the Democratic politicians with their full knowledge and cooperation, and is admitted in the sworn testimony of the printed record.

At another place, district 11 in Ogden in the same county, the red capped CIO organization hired three colored women as extra registrants in that precinct, notwithstanding, under the law, a qualified regularly appointed registrant had previously been appointed by the board of county commissioners to act as the registration agent. While the law specifically says that registration agents shall be paid out of the county fund, these three extra women registered nearly 100 voters, and were paid for their services by the

CIO organization, and were not paid out of the county fund. They were supervised, as well, by the CIO in their work.

Congressman GRANGER carried Washington Terrace by a majority of 543 votes, and carried district 11 by 93 votes. Both of these districts should have been thrown out in considering this contest because the registration law was flagrantly violated, and had they been thrown out the returns would show that the contestant, David J Wilson, was entitled to the seat in Congress.

Then again in district 15, the record shows there was little or no privacy in connection with the casting or the counting of the ballots. Unsworn and unauthorized persons handled the ballots. Many of the people voted openly on tables rather than secretly in booths. More than one person went into the election booths together. Where the tally books didn't agree, the judges arbitrarily forced the balance.

While the registration law specifically says those registering must present themselves to a specified place for registration between the hours of 8 a. m. and 9 p. m. on certain days, the sworn testimony shows that women were employed by the Democratic organization in Ogden to follow the paymaster through the railroad yards, and to other places, as early as 6 o'clock in the morning soliciting and registering people before 8 as the paymaster paid them off in groups. While the registration law prevents, under penalty, the hauling of people to the polls, in fact, the Democratic organization circumvented the law by hauling the registration booths, so to speak, to the people, not only violating that provision of the statute, but violating the statute which says that people must come to certain designated places to register.

In Carbon County the general record is as bad with reference to failure to comply with the registration laws of the State of Utah as in these former instances I have discussed.

The Democratic county clerk, who is the general supervisor over elections, never did furnish registration lists or registration books containing anything except names of purported electors, and never did instruct the registration agents to fill in the information required by the law of the State.

The law says:

"Registration agents must enter upon the official register, under the proper heading, the date of registration; the names alphabetically; the age and activity of the elector, together with the location of his residence as directed in section 25–2–5, and when the person so registered is of foreign birth, the fact of exhibition of or failure to exhibit his certified copy of naturalization must be noted in the column provided for that purpose; which list, when made as in this section required, is known as the official registration of electors of their respective districts."

In other words, a list known as the official register did not carry out these provisions of the law. In all instances throughout the county, only lists of names with no identifying information were furnished. The sworn testimony and records show that quite a number of Mexicans who could not speak the English language were hauled to registration precincts in Dragerton Township in Carbon County, and that they were sworn in and registered by a person not duly qualified to take an oath, and by one who could not understand the language spoken. We are led to believe that many of these persons were migrant workers, and few, if any, were then or ever have been legal residents of Carbon County.

The entire county of Carbon, which was carried by Congressman GRANGER by a majority of 2,242 votes, should have been thrown out. Had Carbon County and Washington Terrace been excluded from the count because of these illegal actions under the direction of the Democratic officeholders in control of the election machinery, Mr. Wilson would have been elected by a majority of approximately 2,500 votes.

It is our contention that the interest of the people of that entire congressional district would have been best served if the entire vote in Washington Terrace, district 15, and Carbon County had been excluded from the count in this election.

The good law-abiding citizens want the election laws of the State obeyed. They realize that the very freedom we have in this Nation depends on the sanctity of the ballot and on honest elections. They would rather have an entire county thrown out, or districts where gross violations of the law occurred, than to see these votes counted.

They realize that sometimes a shock must occur in order to awaken the people generally to the necessity of the strict enforcement of election laws in the interest of all.

We hope the facts we have pointed out in this report may serve as a warning to election officials who have charge of the election machinery, and that in the future strict compliance with the election laws may follow.

CHARLES W. VURSELL.
WILLIAM C. COLE.
ROBERT J. CORBETT.
JAMES GALLAGHER.

The President's Criticism of the Congress

EXTENSION OF REMARKS
OF
HON. FRED L. CRAWFORD
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. CRAWFORD. Mr. Speaker, with respect to the President's recent outbursts against Congress, the immediate impression on the part of many colleagues has been that there is not too much change to accomplish substantially anything more before the country elects a new President. However, as we are governed by our constitutional framework we must naturally continue to try to work with Mr. Truman, in spite of his attitude toward the Congress. Today I received a letter from a friend of mine, Carl Nepruo, of Coon Valley, Wis., who, in my opinion, makes some very appropriate comments on the recent spectacle of the President attempting to belittle the Congress. Nepruo draws a parallel between what President Truman has tried now and what President Franklin Roosevelt attempted on occasions—particularly the time he tried to prevail upon the Congress to accept his position with respect to one of the main provisions of the 1942 farm bill. On that occasion, a Democratic Congress led by the floor leader, Senator ALBEN BARKLEY, revolted against the President and asserted the prerogatives of Congress. As the people stood by Congress then, I am sure they will applaud Congress now in the manner it maintains its position, and, I might add, its dignity. Nepruo's letter is quoted in full below:

KARLANNA FARM,
Coon Valley, Wis., June 18, 1948.

Hon. FRED CRAWFORD,
House of Representatives,
Washington, D. C.

DEAR FRED: The spectacle of President Truman's attempt to ride herd on Congress and to belittle the efforts of our legislative branch reminds one of somewhat similar performances on the part of his predecessor—particularly Franklin Roosevelt's brazen attempt in 1942 to force Members of Congress to accept his wishes with respect to a percentage figure in a farm bill. Fortunately, the Democratic leaders in Congress felt that the President was going out of bounds in his attempt to dictate to Congress and Senator BARKLEY, the Democratic floor leader, led a revolt which put through the farm bill containing however a percentage figure which had been worked out by the Congress and which was quite different from the figure worked out by the President's advisers.

It may be recalled that at the time I wrote some observations which I labeled "The Issue Before the Congress and the People." As some of the remarks contained in the memorandum seem equally pertinent now, I quote a few excerpts below:

"It seems to me that if Congress abjectly meets the President's wishes against its own better judgment—based on congressional hearings—then it resigns its legislative functions and becomes a rubber stamp. Even if after a most careful study, the President should still feel that his figure is more nearly correct than the one named by Congress, it does not seem to me that the difference involved warrants a move which would compel our Congress to lose its self-respect and the respect of the Nation.

"I can think of no question of any greater importance to this Nation than that of preserving the prerogatives of Congress. This is no time for the Members of our great Congress to supinely yield to 'or else' dictums, nor, might I add, would it seem to be the time for anyone to confront them with such dictums. It would seem that if a rereading of their oath of office is not sufficient for the Members of Congress to realize their obligations to preserve the Constitution and the framework of our Government, then the instinct of self-preservation and self-respect should cause them to assert and protect their position. If Members of Congress do so with all the vigor they possess I believe that the American people, whose chosen representatives they are, will applaud them."

We recall how the American people applauded Senator BARKLEY for leading the fight against Roosevelt's attempt at dictation.

That the Members of the present Congress are equally concerned about maintaining their prerogatives is clearly shown by the many occasions which Democratic Members in both Houses have joined with Republican Members in overriding President Truman's vetoes.

One can be quite sure that the American people are following events closely and fully appreciate the concerted action taken by congressional leaders in both parties. I feel strongly that the people of the country will always support Congress in its constitutional authority because in the end it is the people and the country as a whole who stand to lose in case a President should succeed in lowering the prestige of Congress.

Yours sincerely,

CARL NEPRUD.

More Than a Decade

EXTENSION OF REMARKS
OF
HON. OVERTON BROOKS
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. BROOKS. Mr. Speaker, I am about to conclude 12 years in the House of Representatives. It has been 12 years

of active, interesting, and what I believe to be very productive service, representing the people of the Fourth Congressional District. It is therefore entirely proper before the adjournment of this Congress that I should say something regarding what has transpired during the time when it has been my privilege to represent a great people of a great State.

FLOOD CONTROL

It has been during the course of this period that a great development in flood control and navigation on Red River has begun. The late Senator John Overton, now gone to his reward, laid the pattern for a marked development along the Red River Valley and Mississippi River Valley. This development has proceeded year by year, beginning with an appropriation of just a few hundred thousand dollars for Red River until now the annual appropriations for the Red River Valley alone will run between six and ten million dollars.

I introduced the original resolution calling for a study by the Army engineers on an interim flood-control plan. This resolution passed and, after a protracted study, the engineers reported the familiar $77,500,000 interim flood-control program which has already been started and is fast moving to consummation. This program provides for levees up and down both sides of Red River from Fulton, Ark., to the mouth of the river. It provides for a series of dams and reservoirs on both sides of the river built for the purpose of holding back the uncontrolled flood waters of the river when it is on a rampage and allowing an orderly release of these waters to the use of civilization. While I have been in Congress and with the great leadership of the late Senator Overton, I have been able to bring this entire program to the point where it should gradually be automatically completed during the years ahead, if given proper guidance.

I have been working with Senator Overton on plans for the Overton Red River lateral canal. The authorization for this canal has already passed Congress and I hope within a reasonable period ahead actual work will be begun. As a matter of fact, already $150,000 has been spent in planning for the canal and another $150,000 will complete the planning.

When the Overton waterway is completed, it will provide direct water transportation from Shreveport, La., connecting with the great Mississippi River and its tributaries and with all parts of the midcontinent inland waterways of America. Such a development will help the entire State of Louisiana. It will connect New Orleans, Lake Charles, Baton Rouge, Monroe, and Shreveport by water and will give another great area in Louisiana water transportation.

I have helped on flood control and rivers and harbors legislation in all parts of Louisiana and the Nation. I realize that water transportation and flood control is just as important to other people as it is to ourselves and, with this in mind, I have tried to extend my efforts to all parts of Louisiana and the Nation.

HOLC FORECLOSURES

One of the first measures which attracted my attention as a newly elected Congressman 12 years ago was the method which the Home Owners' Loan Corporation was using in Louisiana to seize possession and foreclose mortgages on the sale of hundreds of homes owned by some of our most honest and industrious citizens. I stepped into the breach during the first month that I was in Congress, and by aggressive opposition to unfair and indiscriminate foreclosures of HOLC I stopped them. In doing this, it is my belief that I saved hundreds, if not thousands, of homes for our people, who, in the course of time, paid out the loans due the Government on the property, and own them at the present time. Such action makes for useful and loyal citizens.

VETERANS' LEGISLATION

During the course of my work in Congress I have voted for every piece of veterans' legislation presented to the Congress for a vote. I have in no case opposed any legislation which has been endorsed by the three large patriotic organizations. Long before the coming of the Second World War, I supported legislation increasing the benefits for Spanish-American War veterans and liberalizing the compensation for veterans of World War I.

It was during the course of the war that I advanced the idea of terminal leave to all enlisted men and pay for this time. At first my plan was rejected, but I am very pleased with the fact that in the course of time terminal-leave pay was provided as I always advocated for enlisted men as well as officers. My bill was one of the three bills used to write up the original terminal-leave-pay measure which was finally passed by Congress. I was a member of a small subcommittee which perfected the terminal-leave-pay bill, and I actually had control of the bill in the House of Representatives as it went through Congress. This measure, which I sponsored, has resulted in the Government paying $3,000,000,000 in money to enlisted personnel of the Second World War for something which I have always believed they were entitled to.

I helped write the GI bill of rights and I consulted with high officials of some of the patriotic organizations in the original inception of this measure. I supported it at every turn in Congress and since its passage I have voted to liberalize many of its provisions.

I realize that the amount of money paid to veterans going to school under GI training has been insufficient. I supported increases in this pay.

I realize that our housing legislation has not been adequate and I have supported GI housing continuously in both Congresses since the close of the Second World War. In fact, I made a very active fight on the floor of the House of Representatives for the continuation of the policy of refinancing GI loans with the RFC and in expanding FHA so as to take care of huge volumes of housing loans. While the need for housing is extremely great at the present time, it has been a problem which has had my attention during the course of lengthy debate on the floor of the House and in committee meetings.

It has only been a short while ago that I actively supported legislation which has now become law to increase compensation paid to widows and orphans of veterans. Only this week I supported a measure to increase the benefits paid to all service-connected disabled veterans with dependents and which veterans are 60 percent or more disabled.

The plight of the wounded and disabled veteran has always claimed my sympathy and attention. I felt like the needs of this group of veterans should come first in the mind of Congress and in the desires of the Nation. I therefore fought for and voted for a bill to give an automobile to every amputee and recently I have supported similar legislation to give a car to the blinded war veteran who needs some means of transportation because of the lack of sight. It is cases such as this which appeal strongly to the hearts of the Nation, demanding that the purse strings be loosened to the needs of this group of our veterans.

In connection with my assistance to veterans, I cannot overlook the program of hospitalization and rehabilitation undertaken by the United States in Louisiana. Even before the war I became actively interested in such a program for our State. I realized that a million wounded veterans and approximately 10,000,000 living veterans of all wars meant a large additional need for veterans' hospitals. I accordingly went to work on this program. Since I represented the Fourth Congressional District, it was my obligation to work for the people of the northern part of the State; and after several years' intensive work I managed to obtain approval of a $10,500,000 veterans' hospital to be located in Shreveport, La. This hospital is now being built and will be as fine and as modern a 450-bed hospital as there is anywhere in the world.

Due to my efforts, I obtained the location of a Veterans' Administration Regional Office in north Louisiana; and it is now temporarily domiciled at Dodd College in the heart of the residential district of Shreveport, La. I have gone to work on obtaining permanent housing and I am glad to be able tc state that the Veterans' Administration has sent a committee to north Louisiana to advise as to the need for permanent quarters in a business section for this Regional Office of the Veterans' Administration. Before long, I hope to be able to give the news to the people of Louisiana that a million and a half dollar Veterans' Administration building is in the process of being constructed.

AGRICULTURE

As Louisiana is primarily an agricultural State I have felt that I should always be alert to the needs of our agricultural products such as sugar, rice, cotton, corn, lumber, and so forth. I have therefore always supported the agricultural appropriation bills. The production and marketing program, soil conservation program, and land utilization program of the United States have been programs of genuine interest to me.

The tragic conditions of our washed and eroded hillsides, especially in central and north Louisiana, have fairly shouted their need for conservation and conservation payments. It has been with much satisfaction that I watched the soil conservation program grow from a small beginning until it reached out and extended through every section of the State beginning with the original drainage program which is extremely important to Louisiana. I know of nothing which means more to our farmers than the continuation of these most beneficial programs.

One of the first measures supported by me when I came to Congress was the program to effect the cancellation of the old oat loans. About $1,000,000 had been loaned in small amounts, varying from $5 to $50. These amounts had been loaned to our farmers on chattel mortgages covering household furniture and farm equipment. Crop failures and poor advice on the part of the Government resulted in disaster to thousands of our small and hard-working farm population. I worked out a cancellation of these loans with the Agriculture Department and saved the little farmers of the State a million dollars.

As a part of the agricultural program, I helped inaugurate the original hot-lunch program. In its beginning the idea was to take farm surpluses and distribute these to the underprivileged. This finally worked into the hot lunch school program which has become a permanent fixture in our legislative establishment. Under this beneficial program the United States contributes millions of dollars yearly for the purchase of food to be distributed to our underprivileged young boys and girls in America. This is a fine program and should meet with enthusiastic response from all of our people.

Likewise on part of the agricultural program, I have supported appropriations for the construction of roads, both farm and arterial highways. Each year we are managing to increase the size of the highway and road appropriations bill, distributing the billions of dollars appropriated by the United States to the several States on a basis of matching funds to the extent of 50 percent at State level. In this way Louisiana has had a great amount of Federal help in building her highway system, which is so badly needed by our people. I do not mean this work is complete but much help has been given in this respect. Much remains to be done and I shall continue to devote my efforts to the perfecting of model highways and roads leading to every farm, village, and city in Louisiana.

REA

REA was an infant when I first came to Congress. Now it has attained the size of a program calling for the expenditure of hundreds of millions of dollars yearly. I have seen our farm land gradually taken out of darkness and given electricity. The farmers and their families by use of rural electricity have made REA power do the chores of other years. I have pledged myself to continue this work until the time when every farmer in America has electricity.

NATIONAL DEFENSE

My committee assignment when I came to Congress placed me on the Military Affairs Committee, which later became the Armed Services Committee. I served on this committee during the trying days which led up to the Second World War. I was an active member of the committee during all of the tragic days of this struggle; and I actually worked on and helped write all of the major military legislation which was indispensable to build up our armies and our Air Force and to bring to us victory.

I am very proud of the fact that many of these bills bore my name. I helped write three Army pay bills raising the pay of the private enlisted man from $30 to $75 per month. The last one of these bills bears my name and many parts of it were actually written in longhand by me. During the course of the war, I visited the fighting fronts in several countries in Europe. I was under fire when I talked to enlisted men to find out what they were thinking and where our legislation might need perfecting. On one of these trips the chairman of our committee took pneumonia and subsequently passed away.

Following the end of the war, I have worked studiously on a program of building up our national defenses. We must keep America strong and vigorous if we are to keep America at peace. With this in mind, I have advocated an adequate Army and an Air Force second to none. During the current session of Congress I have helped draft the legislation making our Air Force a 70-group Air Force which, when it reaches this point, will be as strong as all of the other air fleets of the world combined.

Immediately before the war, I visited the War Department with the late Senator Overton and discussed military development in our native State. During the course of the maneuvers, I repeatedly visited with our troops in the field and studied the problems of the Army in the field under batle conditions. I also visited all of our military camps and installations, including the great Army port of embarkation located in the city of New Orleans, and the camps in central Louisiana.

Now that Congress is about to enact a draft bill as a temporary expedient, I am anxious to join in an effort to locate Army camps and an additional Army post in Louisiana. We are entitled to this consideration by the Army, the Air Force and the Navy; and I shall not be satisfied until we are given additional consideration by our national defense forces.

I might add that since Barksdale Field has been in my congressional district, I have worked untiringly for this post. When I came to Congress, I was told the expenditures on Barksdale Field for permanent construction were $7,500,000. Since I have been in office, I have worked to expand this field and now I am proud to proclaim the fact that Barksdale Field represents an investment of millions of additional dollars. During the course of the war alone, I helped obtain expenditures of $30,000,000 of additional Federal money for construction on this post.

The Louisiana ordnance plant and the reconsignment depot are likewise results of my efforts; and my interest has been in military plants and arsenals all over the State.

CIVIL SERVICE AND RETIREMENT

I have supported Federal civil service. I have supported this continually by my vote and by my voice. As a result of this, during the time I have served in Congress, civil service benefits have been extended and the civil service retirement system has been expanded and strengthened and has now become an integrated part of the civil service system of the Nation. Hundreds of thousands of Government employees look forward to the time when they can enjoy the fruits of their public labor by a healthy retirement system.

In this connection I wish to say I have supported the extension and expansion of the railroad retirement legislation. I voted for several bills extending and increasing these benefits. During the current week, I supported a new bill increasing retirement benefits by 20 percent to thousands of railroad employees who have done their bit in the transportation problem of the Nation and are now entitled to an old age of comfort and leisure. This increase of 20 percent in retirement pay will not meet the needs of those who are entirely dependent upon it. This increase will, however, help to alleviate some of the hardship and suffering brought about by high prices and inflation.

STORM RELIEF

I would not be true to my record in Congress if I did not mention the strenuous efforts which I made to extend relief to those in storm areas in my congressional district. During the course of my tenure in office, two great cyclones have swept north Louisiana, doing tremendous damage to life and property where they hit. In Rodessa a number of years ago a storm destroyed a large portion of the town. Only last year, in Webster and Claiborne Parishes, a most destructive tornado swept through the towns of Cotton Valley and Haynesville, killing and maiming people and destroying property. In both instances I acted swiftly to extend every facility of the United States Government to administer relief to the suffering and financial aid to those rendered homeless and shelterless as a result of the storm. In both cases the Government expended a huge amount of money, giving blankets, cook stoves, tents, simple home equipment, and even food in some cases to take care of the storm sufferers.

Although I have worked upon larger projects, I do not know of anything which gives me as much enthusiasm as the thought of our great and powerful Government stooping down to administer comfort and succor in cases of tornado distress to those who have felt the full fury of the elements.

CONCLUSION

Mr. Speaker, I could go on at length. Twelve years is a long time and it is difficult to condense the activity of that period in one single speech. I want to say in conclusion that I have tried to be active for my people during this period of time. I have tried to answer their letters

and communications and to administer to their small needs as well as to their large ones. I think I have accomplished much. I have been fortunate in representing a most cooperative citizenry which has been most understanding in its problems. This desire to cooperate on the part of my people has made my work pleasanter and much easier.

This report, of course, emphasizes the Fourth Congressional District in Louisiana. This is the area which I have been privileged to represent in Congress. I have therefore not dealt generally with those things that affected the rest of the State of Louisiana or the Nation as it is my present desire to merely render an account of my 12 years of service in Congress.

Mr. Speaker, these have been 12 very pleasant and happy years. I am most grateful to the people of my congressional district who have permitted me this opportunity of representing them for more than a decade in the Halls of this Congress and during the most critical period which this Nation and the world has ever passed through. It has been a singular honor to have this position; and with this feeling of obligation on my part, I have worked diligently, aggressively, and conscientiously to represent a people who, I think, are entitled to the best there is in the way of government and the highest type of democracy.

I thank you, Mr. Speaker, and Members of the House with whom I have served during this period. I leave here with most happy recollections of friendship for those Members of this body and will treasure them in the future as a part of this service.

Mr. Speaker, I bid you adieu.

John Thomas

EXTENSION OF REMARKS

OF

HON. JOHN SANBORN

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. SANBORN. Mr. Speaker, at the time of the passing from this life of the late Senator John Thomas I was in the State of Idaho and with all Idaho citizens was shocked to learn of his death.

John Thomas and I lived in the same county of Gooding and we knew each other well. He served as State chairman of the Republican Party for several years, part of it being while I was serving in the Idaho Legislature. His successful and varied activities, ranging from farming and stock raising to banking, gave him a broad background of practical knowledge that was a great asset to him in his senatorial duties. He made a splendid record in the Senate.

Senator Thomas was a keen and able businessman and a remarkably good organizer. He demonstrated and availed himself of one of the greatest heritages of the American way of life—the opportunity for self-achievement.

His passing was regretted by all. He was a fine, honorable public servant.

Representative Justice

EXTENSION OF REMARKS

OF

HON. GEORGE MacKINNON

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. MACKINNON. Mr. Speaker, we approach the close of the Eightieth Congress. During its deliberations those of us who are serving our first term have gained valuable experience in dealing with the numerous critical problems which face our Nation in this volatile postwar period. We have been confronted with many difficult and pressing issues touching every field of human endeavor and intimately affecting the daily life of all our citizens. We have attempted to deal courageously with these problems, having in mind the best interests of all our citizens.

CONSIDER LONG RANGE EFFECTS

Frequently, Members are asked what principles guide them in arriving at their decisions. The inquiry most often heard is whether majority opinion is followed. Others ask whether long range or immediate considerations are most persuasive. Of course, it is not within my power to answer for others, but in the course of my service here as a representative of the rights of others I have felt that it would be a breach of the power confided in me if I were to ignore ultimate results and be guided by transitory considerations however bright and gaudy they may be painted.

CONSTITUTION PROTECTS ALL CITIZENS

As for representing the majority, it is true we are elected by a majority. But we are elected to serve under and uphold our Constitution which is based on the principle that all citizens have certain fundamental rights which are entitled to protection regardless of whether they find themselves in the majority or the minority after any particular election. With that principle I am in full agreement. It represents the basic difference between the American form of government and the totalitarian form. Each one of our citizens is entitled to have his legitimate and fundamental interests considered and protected by his representatives. Some say this is impossible. In my own district on three occasions I have campaigned against one individual who boasted that he would only represent a particular class if he were elected. His usual statement is, "I don't claim to represent all the people." How alien that view is to our form of government. It is extremely short-sighted and shows a lack of fundamental knowledge of our form of government and of the basic principles of morality upon which our country is founded. This line of thought holds that it is impossible for one to represent all his constituents. Persons who so state argue that there are fundamental conflicts between some segments of our people that will forever be irreconcilable and hence a representative must choose which segment to represent. I deny the truth of that premise.

EQUAL JUSTICE BEST RULE

During my service in our State legislature I observed, and that observation has been strengthened during my service here in Congress, that even on what may appear to be the most difficult problems involving the sharpest conflict, there is always a fair midground to be found between seemingly irreconcilable and conflicting interests where it is possible to draw a line of equal justice, which, once found and established, best represents the interests of all concerned.

CONSTANT EFFORT REQUIRED

In many situations this line of equal justice is very difficult to find, and once found, additional hardships may frequently arise to hamper its enactment into law or its application to the problem. But once it is established and applied the best interests of all concerned are most truly represented—and in my view, best represented. Constant striving is necessary to arrive at such beneficial results which guarantee even-handed justice for all, but so worthy an end justifies all the hardship and endeavor necessary to bring it about. However, he who at the outset denies that such equitable results are attainable, will most certainly be no material aid in bringing about fair decisions. By refusing to admit such fair results are possible one thereby forecloses his ability to contribute to anything except an unfair decision. Such views thus operate as an additional handicap to securing and establishing that equal justice under law which is the very keystone of the United States.

The Need for a National Old-Age Pension

EXTENSION OF REMARKS

OF

HON. CHET HOLIFIELD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. HOLIFIELD. Mr. Speaker, one of the most important problems facing the Congress and the old people of America is the desperate need for security for our senior citizens.

The fear of desperate poverty, lack of food, medicine, clothing, and shelter during the last few years of existence, is in the hearts of millions of middle-aged people today.

They face an insecure future, they have been unable, because of misfortune, sickness, unemployment, and because of the expense of raising their children, to accumulate savings for their old age.

MILLIONS OF AGED PEOPLE ARE NEEDLESSLY LIVING IN POVERTY

To those who have reached the age of 60 or more, the fear of the future has become the horrible reality of the present. They are living daily in such poverty-stricken circumstances, as to bring the blush of shame to those more fortunate. I know of hundreds of cases in my own congressional district. The cases of aged people, sick in many instances for

want of medicine they cannot afford, or nutritious food which they need but cannot buy with their limited means. These people have come to me with their troubles and I long ago pledged to them that I would do all in my power to extend and improve social-security benefits.

I promised them that I would work for a national old-age pension which would be paid to them as a matter of right and justice from a grateful Nation. I firmly believe that our Nation has the natural wealth, the machinery of production, the brains and ingenuity, and, most important, the manpower to produce enough and more to pay every aged or incapacitated person in America an adequate pension. By an adequate pension, I mean a decent average standard of living for every recipient.

EFFORTS TO OBTAIN CONGRESSIONAL CONSIDERATION

In performance of my pledge, I have made innumerable speeches in the House of Representatives advocating these principles. I have tried to persuade my colleagues to join with me in passing a law which would accomplish this noble purpose.

Failing in my efforts, along with a small group of like-minded Representatives, to obtain the reporting of such a bill from the proper congressional committee, we turned to the petition-for-discharge method.

When a committee of the Congress refuses to report a bill for a vote of the membership, any Member may file a petition at the Clerk's desk which, when signed by a majority of the Members—218—will automatically force such a bill to the House floor for a vote. In my 6 years in Congress I have known of only two occasions where the discharge-petition method has been successful. One occasion was to pay the enlisted men their accumulated leave in cash and the other occasion was the revoking of the tax on oleomargarine. It is very difficult to get the Members of Congress to sign a discharge petition, because it is a reflection on the leadership of the party in power as well as all the members of the particular committee involved.

Notwithstanding this difficulty and the reflection mentioned, I have signed the two discharge petitions which have called for a national old-age pension vote. One petition was known as the General Welfare Act and the other important petition was H. R. 16—the Townsend plan.

I tried to obtain additional signatures and did obtain some, but I regret to say that the little group of Representatives who believe sincerely in the need for a national old-age pension have not as yet been able to obtain the necessary 218 signatures. Several times we have come near our goal, but each time we lacked a few signatures and another term of Congress ended without success.

We shall keep on trying, but we need the help of other Congressmen who believe as we do. Unless these pension-minded men are elected I fear that we will continue to fight a losing battle. I plead with my friends to write to their relatives and friends in other congressional districts for political action in behalf of congressional candidates pledged to vote for a national old-age pension.

WE CAN AFFORD TO TAKE CARE OF OUR AGED PEOPLE

Society owes a solemn duty to the senior citizens of America. It is a moral and spiritual obligation which we cannot escape. We are the richest nation in the world and we can afford to take care of our own aged people. We are sending billions of dollars to nations overseas for rehabilitation and reconstruction. Surely we can spare a few dollars for our needy here at home. The wealth of dollars and goods which we have squandered in war and in assistance abroad is much greater than the comparatively small sum necessary to bring happiness and security to our older citizens.

OUR NATION WAS DEVELOPED BY OUR PREDECESSORS

We must always remember that we owe the development of our Nation to our parents and our forefathers. Without their pioneering and without their sacrifices it would be impossible for us to enjoy the blessings we now have. We owe to those who made this great, rich, productive America a debt of love and gratitude which will not be fully paid until we destroy the fear and suffering of a poverty ridden old age forever from their minds.

As long as I remain in Congress I pledge to the senior citizens of my district and my Nation that I shall not falter in my fight to obtain for them an adequate nationally paid old-age pension which will bring them comfort and a decent living standard in their later years.

Is It Wicked for Farmers To Make Money?

EXTENSION OF REMARKS

OF

HON. ALVIN E. O'KONSKI

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. O'KONSKI. Mr. Speaker, there are some people in this country who apparently think that it is a crime for a farmer to make money. They are strong for prosperity, but they hate to see the farmer have any part of it. A typical expression of this attitude is contained in an article appearing recently in the Washington Daily News by Peter Edson, well-known Washington columnist, entitled "The Farm Vote—Sacred Cow." This article is so biased against farmers and contains statements so far from the truth that it ought to be challenged.

Mr. Edson begins his article by calling attention to the fact that the proportion of our population engaged in farming is rapidly declining, and goes on to state that while in the past Congress might have been justified in giving some consideration to agricultural problems, that because of the decline in the number of farmers no particular attention need be paid to them now and that there is no political harm, at least, in kicking farmers around. Mr. Edson says:

By today's estimates, United States population over 21 years of age is divided, roughly, 50,000,000 in cities, 16,000,000 in small towns classified as rural nonfarm, and only 14,000,000 rural. This accounts for a possible 80,000,000 voters.

This farm vote is still important to Congressmen who come from strictly rural districts. But based on the interests of the people—percentagewise and on a national average—city population should control 62.5 percent of the votes in Congress, the rural nonfarm population should control 20 percent, the farm population only 17.5 percent.

Mr. Edson then goes on to say:

But there is no denying that today more weight is given to maintaining farm prosperity than to maintaining prosperity for the industrial worker. And there is no point in keeping the city worker broke just to maintain the country cousin in clover. The two problems should no longer be considered separately.

If the country wants industrial peace, the place to begin is on the farm front. Outlawing the Communist Party and tightening up on the labor laws won't stop today's strikes.

Some place, sometime, somehow—somebody is going to have to get at the roots of labor trouble. Right now those roots reach back to the farm and too-high food prices.

In other words, according to Mr. Edson, it is not John L. Lewis or Philip Murray, or the Communist leaders in labor who are causing our trouble today. It is the wicked farmers who have forced prices up so high that city people can no longer exist and have to strike for more money. Well, that is very interesting, if true. Mr. Edson does not cite any facts to back up his statement, and cannot do so. But I am afraid there are some as prejudiced as he who will accept his conclusions without proof.

FARM INCOMES LESS THAN ONE-HALF NONFARM INCOMES

But before blindly condemning the farmer as the villain in the piece, let us take a look at the facts. What about the incomes of farmers as compared with the incomes of nonfarmers? What about the increase in food prices as compared with the increase in wages and consumer incomes? Facts on these matters are readily available to Mr. Edson or anyone else who desires to obtain them. Let us see what they are.

Well, according to Government statistics, for 1947 the per capita income from farming for persons on the farm was $725. That is a good deal more than it was before the war and it sounds fairly good in comparison. But how does it compare with the per capita income of the nonfarm population? What was that in 1947? It was $1,480, or slightly more than double that of the average farm income.

PEOPLE ARE LEAVING FARMS BECAUSE OF HIGHER INCOMES IN CITIES

That ought to settle the question, had not it? But here is something else to back it up. We all know that if one part of our economy is more prosperous than any other, there is a drift of people into that particular activity. If farmers are so prosperous today at the expense of their city cousins, you would expect that there would be a rush of people to the

farms in order to get in on some of this easy money. But here again, the hard cold facts tell just the opposite story. This year there are 2,500,000 fewer people on the farms than we had in 1941. But during the same time, our nonfarm population increased by 12,500,000 people, and that notwithstanding the fact that the birth rate on the farms is much higher than it is in the cities. The people who left the farms to work in industry, as well as many of the boys who went in the Army, have not come back to the farm because they are making more money as downtrodden workers in the city than they can make on the farm.

INCOMES AND WAGES HAVE ADVANCED FASTER THAN FOOD PRICES

Now, let us look a little further into Mr. Edson's contention that food prices are keeping city workers broke. What are the facts there? Well, the latest Government figures show that for March 1948, food costs were 102 percent above the average for the years 1935–39. That is quite a little jump, is not it? But what was happening to people's incomes during the same time? Just this: The average nonfarm income in this country from 1935–39 was $625. In 1947 it was $1,480, or an increase of 136 percent, as compared with 102 percent increase in food costs. During the same period factory weekly earnings increased 119 percent, so that the workingman in the city was still ahead of the game, compared with prewar, as far as food costs are concerned.

But here are some more figures, and I think they furnish the best test as to whether Mr. Edson is right in his contention that we are "keeping the city worker broke just to maintain the country cousin in clover." These figures show the percentage of total income in this country which is currently being spent for food, as compared with prewar. For that period 22 percent of our total income went for food. For the year 1947, 26 percent of our total income was spent that way. That looks as if the consumer might be getting pinched somewhat. But here the figures are deceiving because in 1947 the average consumer in this country was consuming 16 percent more food than he consumed in the prewar period; and what is more, this increase was mostly in the foods that the nutritionists say should be consumed in larger quantities for the maintenance of health. That is, people were eating more dairy products, more meats, more poultry, and more fruits and vegetables. So that, for this 4 percent in increased expenditures in food, the consumers of this country were getting 16 percent more food and better food than they had before the war. If people were consuming today on an average the same amount and kind of food that they consumed prewar, they would be spending only 18 percent of their income for food, which is less than they have ever spent for food as far back as we have any figures on the subject. These figures show up Mr. Edson's statements for just what they are—100 percent bunk.

PRICES OF PRACTICALLY ALL FOOD CROPS FIXED BY SUPPLY AND DEMAND

Another thing that is implied in Mr. Edson's article is that food prices today are being kept up by reason of Government support prices, which Mr. Edson infers are being applied in underhanded, tricky sorts of ways. Here is what he says:

Double parity formulas, trick conservation payments, unreasonable support prices, and all the hidden subsidy gimmicks thought up during the depression need a complete overhauling.

If Mr. Edson means by this that the general level of farm prices is being kept up through Government supports, he is wrong again. There is temporary legislation on the books, passed during the war, which provides for support prices on certain agricultural commodities. That legislation was passed for the purpose of protecting farmers who were asked to expand their operations and to go into the production of new and unfamiliar crops because they were especially needed; and also in order to enable farmers to reconvert after the war period to peacetime production. The idea was the same as contained in provisions made for business, to enable farmers to expand their production during the war and to swing back into peacetime production after the war was over. The only difference is that the provisions for business cost the taxpayers of this country a lot more than did those for agriculture.

But what are the facts as to support prices? Simply this: There is no important agricultural commodity today which is getting any benefit from support prices, and the only cases where any price supports on food crops are in effect, either wholly or partly, are those involving a few minor commodities. In those cases the support is at 90 percent of parity which, after all, means less than fair prices to the farmer. The provisions authorizing this support expire on December 31. Note also that the prices of which consumers are complaining are those of commodities on which prices are being made by supply and demand, such as grains, livestock, and meats, milk and milk products, and poultry, as well as some fruits and vegetables.

The fact is, some farm prices are declining at this time and they are declining much faster than food prices. A lot of the declines have not been reflected at all in lower prices to the consumer. For instance, wheat dropped about 70 cents per bushel in February and the price has stayed just about the same ever since. Nevertheless, the average price of bread is as high as it was before the drop, and in some places it is higher. During the recent meat strike, meat prices to consumers went up, but prices on livestock to farmers declined.

FARMERS CANNOT FIX PRICES ON THINGS THEY SELL

Now, just what is it that has brought about an increase in farm and food prices during recent years, and what is holding them up to their present levels? Is it anything that farmers are doing? Well, that question almost answers itself, because there is no way by which farmers can control the prices of their products. No individual farmer can do a thing about what he gets for his product. All he can do is take it to market, ask what the price is, and if he does not like it, he can haul it back home. Most farm products are perishable or semiperishable. They have to be sold at a certain time, so the farmer is at the mercy of the buyer and the consumer.

Unlike labor and industry, farmers do not go on strike or stop production in order to hike prices. I mentioned a while ago that food consumption in this country had gone up 16 percent per capita, but agricultural production, as compared with prewar, has gone up 35 percent. That is notwithstanding the fact that there are fewer people on the farms and that farmers are still suffering from an acute shortage of machinery and fertilizer. Now, suppose that farmers had followed the example of some of their cousins in the city and had cut their production by going on strike, or by slow-downs, or the other methods which are used as weapons by organized workers to secure higher income? Suppose, instead of increasing their production 35 percent under great difficulties, farmers had kept on producing at the same rate they did before the war. Where do you suppose farm prices would be today?

Another thing which may or may not interest Mr. Edson and those who think with him, is that production costs on the farm have advanced tremendously. The wages of farm labor are up almost 300 percent and every article which the farmer uses in production has advanced substantially. The farmer may be handling quite a bit of money nowadays, but with expenses as they are, his bank account at the end of the year is not nearly as large as outsiders might suppose.

WHY FARM AND FOOD PRICES ARE HIGH

Now, let us get back to the question of what is holding up farm prices today. There is just one answer, and that is supply and demand. Our per capita consumption of food is 16 percent above prewar. Our population has increased over 11,000,000 since that time. So demand is high and, with a greater national income than we ever dreamed of in this country, people are bidding against each other for food items. That is one part of the story.

The other part is that during and since the war, this country has sent vast quantities of food abroad. This food has not only saved the lives of millions of people, but has been an important part of our foreign policy. It is our atomic bomb as far as the cold war is concerned, and if we win that war, it will be largely because of the redoubtable efforts of American farmers in increasing production in spite of some pretty serious handicaps.

The fact is, when supply and demand are operating, farm incomes in this country move right along with industrial wages. It is almost uncanny, but over a period of many years, going back at least as far as 1920, cash receipts from farm marketings and the wage earnings of factory workers have been almost the same. The only time when there has been any great variation was during the war when we had a ceiling on farm prices and no ceiling on wages. At that time, factory wages were substantially in excess of the total receipts from farm marketings. As soon as price ceilings

were removed, however, the relationship between the two figures was again restored and for 1946 and 1947 they were almost identically the same. For 1946, cash receipts from farm marketings were $24,519,000,000, and wage earnings of factory workers were $24,221,000,000. The preliminary estimate for 1947 shows cash receipts from farm marketings to be $30,000,000,000, and wage earnings of factory workers to be $29,500,000,000.

If we have another round of substantial wage increases, it is almost certain that in the end it will result in another increase in food prices.

WHAT WOULD MR. EDSON DO ABOUT FARM PRICES?

Mr. Edson makes some sweeping generalizations, but nowhere does he say what he would do about farm prices. Perhaps he is in favor of price ceilings. If so, is he in favor of ceilings on wages, on freight rates, on steel, on farm machinery, and on all the other articles that farmers buy? Or does he want to establish an OPA on farm prices while wages and other prices keep on soaring? Judging by the tenor of his article, that is probably just what he wants to do.

MR. EDSON ENCOURAGES STRIKES AND DISUNITY

Mr. Edson says, "Outlawing the Communist Party and tightening up on the labor laws will not stop today's strikes." Without agreeing or disagreeing with Mr. Edson on that, it can well be said that neither will articles like Mr. Edson's stop strikes. Indeed, if people generally swallow his unfounded, misleading statements and accept the biased conclusions which are contained in the article, it can well have the effect of encouraging strikes.

It is unfortunate that anyone should write such an article at this time when the American people are confronted with so many grave problems at home and abroad. This is a time for unity in thought and action, not for class strife and group hatred. I know of nothing which is better calculated to bring about disunity and dissension among our people than mischievous, demagogic articles such as that written by Mr. Edson.

Hon. John H. Overton, of Louisiana

EXTENSION OF REMARKS
OF
HON. OVERTON BROOKS
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. BROOKS. Mr. Speaker, I was not in this Chamber on May 14 when announcement was made of the death of Louisiana's Senator John H. Overton. I was not able to pay the tribute of love and affection which was voiced from countless lips on that occasion. I was then with the family.

John Overton was my uncle. He was likewise my godfather. During the course of his 72 years of active life, I followed his career with a filial interest which never wavered. The influence of his life on my own has been profound.

At the time of his birth 72 years ago, the Overton family, consisting of three children, lived in what was then the straggling little French village of Marksville, La. The parish of Avoyelles in which he was born was set in the angle made by the confluence of the Red, Atchafalaya, and the Mississippi Rivers. The earliest recollections of his childhood were along the banks of Bayou Jack and Bayou deGlaise in Avoyelles Parish in central Louisiana. The periodic floods of these great rivers were tragedies of his early childhood which made an enduring impression upon his mind and neither time nor the moving political events of volcanic Louisiana politics were able to erase them from his retentive mind.

A course at the Louisiana State University, followed by a law degree from Tulane University at New Orleans, completed his education. He left the scenes of his childhood to move to the nearby city of Alexandria where he built up a large law practice and a reputation as an advocate which spread to all parts of the State of Louisiana.

While John Overton actually held no political office during the years of his early life, he nonetheless maintained an active interest in those gubernatorial campaigns which every 4 years have swept our State. It is said that he was the force which more than any other brought about the election of many of our governors prior to his own entrance into the political arena.

As the dark clouds of war came to this Nation, John Overton accepted the responsibility as to the condition of our Navy. He became chairman of the Subcommittee on Appropriations for the Navy; and he gave his best efforts toward placing our sea fighters in such a condition as to meet the test when the Nation called upon them. How well this goal was met is shown by the stirring and historic naval drama of the Second World War, out of which we emerged with an incomparable fleet manned by the most aggressive and intrepid personnel which this world has ever known.

With the war won, Senator Overton again turned his attention to flood control. During these years, his innate desire to provide for those who dwelled in the valleys of the Nation returned to him with renewed appeal. He worked as a member of the Appropriations Committee and as a member of the Public Works Committee in the Senate, devising plans and programs to meet the flood emergencies occurring all over America. As he saw his plan move toward fruition, the scenes of his early years began to crowd upon him—his birthplace at Marksville, La., behind the Mississippi, the Atchafalaya, and the Red Rivers; the frightened cries arising from the floods; the dirty yellow waters from far up the Mississippi Valley which flooded the homes, killed neighbors, and destroyed their property. Could any resolve be more worth while than that of giving succor, comfort, and aid and flood protection to those whose lives are spent in the valleys and in the shadow of the levees of the great rivers of the Nation? He entered into the work of organizations whose purpose is dedicated to sponsoring projects which give protection to those in the valleys.

After World War II, Senator Overton announced his decision to retire to private life. This decision was made, no doubt, upon the realization that he had done his full part in helping to win the war; and he naturally longed to retire to private life and to ease and comfort. Some 43 Senators signed a petition urging him not to retire but to stand for reelection. Pleas from the people of the State of Louisiana came to him by the thousands, and hundreds more came from all parts of the Nation, asking him to again stand for the Senate. He took all of these requests to heart and, after a careful reexamination, he announced a change in his decision, stating that he would run again. No doubt, this change may have been influenced by the lines of Tennyson's immortal poem, Ulysses, which he loved so well:

I cannot rest from travel; I will drink
Life to the lees. All time I have enjoy'd
Greatly, have suffer'd greatly, both with those
That love me, and alone; * * *
How dull it is to pause, to make an end,
To rust unburnish'd, not to shine in use.

He did not care to spend the remainder of his days in idleness—he did not want to rust—to go to seed. He wanted to use his energies and his God-given talents to the utmost. At this age, when retirement was normal and to be desired, he sensed that

Tho' much is taken, much abides; and tho'
We are not now that strength which in old days
Moved earth and heaven; that which we are, we are—
One equal temper of heroic hearts,
Made weak by time and fate but strong in will
To strive, to seek, to find, and not to yield.

As a result of this decision, he literally died in his boots. It seemed to be his desire that he would fight on to the very end, serving his people and his Nation with patience and fidelity. To him, public service was a public trust; and at all times he so conducted himself that his record might bear public inspection and public criticism.

Mr. Speaker, I was called to the Bethesda Naval Center just before Senator Overton was taken to the operating room for the operation which he knew would bring the end. Along with his wife and his daughter, I maintained a vigil by his bedside throughout the long and trying hours of his critical illness. I talked with him just before death came on silent wings. His mind was on flood control. He talked of projects in south Louisiana and in north Louisiana. He talked about the Overton-Red River Lateral Canal and the New Orleans projects. He lamented that he would not be able to be present in the Senate to handle the flood-control-appropriation bill, which by tragic coincidence, was scheduled to come up for consideration in the Senate on the very day of his death. He asked who would be able to carry on his work in his absence. This question remains unanswered at the present time.

Mr. Speaker, I am not discouraged as to flood control and navigation. The vastness of these problems challenge the abilities of our leadership. Millions of people living in the valleys of the Nation want and need this help; and in the course of events someone will rise up and meet this challenge with energy and courage. But the training and experience and unselfish leadership of Senator Overton is lost; and the people of our State of Louisiana lose an outstanding public official as he goes to his reward.

I saw the telegrams which came to the widow and family. They were from all parts of the Nation. They were words of sympathy and of sorrow. But more than that, they were filled with gratitude and appreciation—gratitude and appreciation from those who had received at his hands help and protection from floods. They were from peoples who know that water can be even more devastating than fire; peoples who had fought the battles of the swirling, ugly, muddy flood waters as they sought to inundate their homes and destroy their property; people who thanked God that Louisiana had given them a leader who would battle for them in high places in Washington; humble people who heard his voice from the floors of the United States Senate and took courage. These people will not forget.

You that have faith to look with fearless eyes
Beyond the tragedy of a world at strife,
And trust that out of night and death shall rise
The dawn of ampler life;
Rejoice, whatever anguish rend your heart,
That God has given you, for a priceless dower,
To live in these great times and have your part
In freedom's crowning hour.

Address Before Amphibian Engineer Association

EXTENSION OF REMARKS
OF

HON. JOHN W. McCORMACK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. McCORMACK. Mr. Speaker, under leave to extend my remarks, I insert herein in the CONGRESSIONAL RECORD, an address made by me before the third annual convention of the Amphibian Engineer Association at Boston, Mass., Saturday, on June 5, 1948:

Gentlemen, it is always a good feeling to be with a great outfit. A feeling second only to being part of a great outfit.

I envy you your membership in the Amphibian Engineer Association, and all that it stands for.

I want to join in welcoming you to Massachusetts—the mother State of America's amphibian glory.

In establishing your Boston beachhead, you have moved in, I must say, by all manner and means unbecoming true amphibians—by rail, by air, and by smooth auto highway. But Boston does not begrudge you these luxuries.

Within a few hours the entire Nation will be looking back 4 years to one of the most tense moments in world history—D-day—June 6, 1944. Many of you were there as you were everywhere that the going was toughest.

At Oran, Omaha, and Okinawa. At Salerno, Samar, and Sansapor; Leyte, Luzon, and the Lingayen Gulf. At Bohol and Balikpapen. As I chant them now these names have a sort of musical ring, but you know the kind of music that was played there.

It was the same monotonous music which one engineer special brigade listened to during 82 combat landings—82 combat landings. The longest list of combat operations of any unit in the entire United States armed forces. And, as I don't have to tell you, every one of these 82 combat landings stuck. During its campaign, this same brigade brought down 42 Jap planes mainly with small-arms fire, and killed over 1,000 Japs.

On one occasion, a boat company met and repelled an attack which the enemy launched as the boat company hit the beach.

Swinging to the logistics side of the amphibian-engineer saga, it is now proud history that two amphibian engineer brigades handled a cargo tonnage across Omaha Beach which was the equivalent for a like period handled by the combined port facilities of the cities of Philadelphia and Baltimore. This was on an open beach with only a breakwater of sunken ships.

And when Patton's Third Army was coming back to the beach for its supplies—when it was slowed down due to the lack of essential supplies—these brigades responded by adding to its around-the-clock shift every man in the entire organization—clerks, cooks, colonels, and corporals. The cargo moved off the boats onto the roads, and Patton moved again with his usual speed like lightning.

The back-breaking toil on Omaha Beach went forward in the face of heavy casualties. The supplies and equipment that weren't barged ashore or DUKW'd ashore were brought ashore in small boats, or the boats were landed and unloaded by hand.

A brigade quartermaster platoon—apparently figuring that it had some time on its hands during the landing—managed to muscle its way into a Ranger Battalion and slug it out with the Germans.

Just let it be said that in the early fighting the entire rate of advance of our armies across France was entirely dependent upon the logistical support from Omaha Beach.

Yours is a very rich tradition indeed; one filled with courage, teamwork, efficiency, skill, speed; with contempt for danger, and with a tremendous capacity for sacrifice.

I cannot attempt tonight to recount the brilliant successes of each of the various engineer special brigades. Nor would it be possible for me to single out your Noces (like Close), Trudeaus (Trew-doe), Wolfes, Hoges (Hoag), Thompsons, Ogdens, Heaveys (Hee-vee), Houstons, Quinns, and Mulligans, without running the list down the line and through the ranks until I had named every last amphibian soldier.

I'll just name one amphibian soldier tonight. But in naming him I want to read again the citation which accompanied his Congressional Medal of Honor:

"Pvt. Junior N. Van Noy, Five Hundred and Thirty-second Engineer Boat and Shore Regiment: For conspicuous gallantry and intrepidity above and beyond the call of duty in action with the enemy near Finschafen, New Guinea, on 17 October 1943. When wounded late in September, Private Van Noy declined evacuation and continued on duty. On 17 October 1943, he was gunner in charge of a machinegun post only five yards from the water's edge when the alarm was given that three enemy barges loaded with troops were approaching the beach in the early morning darkness. One landing barge was sunk by Allied fire, but the other two beached 10 yards from Private Van Noy's emplacement. Despite his exposed position, he poured a withering hail of fire into the debarking enemy troops. His loader was wounded by a grenade and evacuated. Privae Van Noy, also greviously wounded, remained at his post, ignoring calls of nearby soldiers urging him to withdraw, and continued alone to fire with deadly accuracy. He expended every round and was found covered with wounds, dead beside his gun. In this action Private Van Noy killed at least half of the 39 enemy taking part in the landing. His heroic tenacity at the price of his life not only saved the lives of many of his comrades but enable them to annhilate the attacking detachment."

Your association has for its purpose the perpetuation and strengthening of the amphibian comradeship and ideals to which I pay tribute. It is to all of you that I say, "Well done." And it is to those men who never came back from their beachheads that you and I tonight silently promise that their job will remain "Well done."

In its present state of affairs, the world should be taking a lesson from the amphibian scorebook—not only from its magnificent combat pages, but also from the chapter concerned with the formative and development stages, where it would find a pattern of determination and clear-thinking for surmounting most all of the man-made obstacles to unity, cohesion and cooperation.

It is not by chance that the engineer amphibian command can claim to be the first truly unified fighting force to have pulled in and carried with it not only the American Army, Navy, Marine Corps, Coast Guard and Air Force, but the British Army and Navy as well. If the amphibian engineers had had the notion that they could have made any use of them whatsoever, I'm certain they would have swept into their fold not only the Democrats but also the Republicans. I still think the Amphibian Command could have found room for the Republicans at Carabelle.

Unification on the amphibian scale was no easier upon its elements than has been overall unification of the armed services on the grand scale of total defense. There were bound to be differences of opinion, tradition and ambition. The important fact is that when these differences were encountered by the men charged with organizing our amphibian force they were analyzed intelligently—and vigorously attacked. These differences were dissolved in an air of sober understanding, not detoured or left to widen the gap between give-and-take.

In its original training the engineer amphibian command had a Coast Guard detachment administering boat training. Shore training and doctrine came under a Marine Corps officer; Coast and Geodetic Survey officers were used in their specialty. And goodness only knows the range of techniques contributed to amphibian training by the "Mississippi River Gang", and the New England fishermen and motorboat men.

The amphibian planners performed in true American character. It is the only way we really know how to behave, but we are being put to extreme ends in our efforts to go on expecting the same behavior by others.

Yours was a fighting and a logistical mission and you accomplished it exceedingly well. Now, instead of sitting back on your laurels, you are eagerly promoting the peacetime development of the wartime weapon you called your own. You are aware of the unpleasant fact that victory is slow, almost vengefully so, in producing the peace that it promised. You are self-alerted to this realization. You trained for and fought for objectives in terms of proper preparation. These are still terms which

you understand full well, and that is a natural and a very fortunate development.

You now constitute a spearhead of thinking which must lead the way to national thinking about the virtues of preparedness—preparedness to join with other nations in a common front of understanding, preparedness to defend the democratic tradition against those who would bring about its downfall, and, just as important, preparedness to strengthen and improve our Nation in the ways of peace, so that American tradition and American intelligence and strength can work constructively, not only for our own good, but for that of all mankind.

Federal Aid to Education

EXTENSION OF REMARKS
OF

HON. VIRGIL CHAPMAN

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. CHAPMAN. Mr. Speaker, the representatives of the American people in this Congress have many duties to their constituents that ought to be performed and many problems of vital importance to our country that ought to be solved before this Congress adjourns sine die. I appreciate the desire of the gentlemen to escape from the heat and humidity of the Capital City during the period of midsummer. I remember the story of how the flies from a neighboring livery stable near Independence Hall caused the Members of the Continental Congress to hasten their adoption of the resolution offered by Richard Henry Lee of Virginia, "that these United Colonies are and of right ought to be free and independent States," and the promulgation of the Declaration of Independence a little earlier than had been expected because of the flies biting the calves of the statesmen in knee breeches. I certainly understand and appreciate the desire of the gentlemen to get back home in a campaign year. Frankly, I have some matters to attend to myself in the State of Kentucky. However, our first duty is to our constituents and to the American people. We ought not to adjourn with so much unfinished business of great moment to the welfare of our country.

I have just learned that the conferees have failed to agree on an agricultural bill that will extend the price-support program, which for several years has insured agricultural producers against the kind of financial calamity that in former days was a constant threat to producers of farm products. I hope agreement will be reached before adjournment.

SHOULD PASS HOUSING LAW BEFORE ADJOURNMENT

The House of Representatives has failed to pass a housing bill worthy of the name. The one passed yesterday is but an empty shell and holds promise of no relief to veterans or millions of other citizens in the lower income brackets.

Another subject that ought to be dealt with intelligently and courageously before we adjourn is that of Federal aid to education. It was with reluctance that I felt constrained to sign a petition to discharge the Committee on Education and Labor from consideration of that bill as I did to discharge the Committee on Banking and Currency from consideration of the housing bill, both of which had passed the Senate in such form as I believe ought to have the approval of the House. I had never before since I became a Member of the House more than 23 years ago signed a discharge petition, but, recognizing the definite need for these laws and the existence of an emergency in both education and housing I signed those two petitions in the hope of forcing those two bills to the floor of the House for consideration.

JEFFERSON AND FEDERAL AID

For many years there has been a powerful movement in this country for appropriations by the United States Congress for the aid of schools in the States. The proposal has been presented in various forms, some good and some bad. There has been, and is now, a prevailing tendency to look to the colossal majestic dome of the Nation's Capitol for a cure for all the ills and a panacea for all the evils that afflict our country. Frequently, that tendency has gone to dangerous extremes and manifested itself in foolish innovations, but the idea of Federal aid to schools is not new. The most profound political philosopher, the wisest political seer, the greatest constructive statesman America has produced, the author of the Declaration of Independence, the father of American democracy, the leader of the strict constructionists of the Constitution in the formative period of the Republic, Thomas Jefferson, advocated Federal expenditures for education even if such a governmental activity should require amendment of the Constitution. He was the antithesis of a Federal interventionist. He inspired and collaborated in the drafting of the Virginia and Kentucky resolutions of 1798, which constitute two of the finest statements of the doctrine of State sovereignty in all political literature. Jefferson would have abhorred the idea of Federal control of schools and direction by bureaucrats at Washington in indoctrinating the plastic minds of boys and girls of school age when their minds are like wax to receive and like marble to retain. That fear has always been present in the minds of statesmen who cherish our institutions and are solicitous of the future of our country. I have always shared that fear and would oppose any bill that I thought would lead to that result.

EDUCATION BASIS OF DEMOCRACY

Nothing is more fundamental than that the permanence and the prosperity of American institutions depend on the intelligence and character of the American people. Cultivated mind is the only leadership which free people will accept and free government cannot function long or successfully unless it derives its powers from an electorate of intelligence and character. There is more of the spirit of the Declaration of Independence and the Bill of Rights in the public-school system than in any other of our cherished institutions. It is the symbol of democracy in the broadest and most vital sense in which that word can be used, including the kind of democracy that teaches every man to be his brother's keeper and to love his neighbor as himself. There is an obligation that rests upon the State to provide ample and proper educational opportunity for all of its children.

AGAINST GOVERNMENT MONOPOLY IN EDUCATION

While education is the responsibility of Government, one of the most dangerous menaces that could threaten our free institutions would be Government monopoly in education. While the State should hold open the school house door to every child within its borders, the right of every mother and father to send their children to the school of their own free, untrammeled choice, whether it be public or private, sectarian or non-sectarian, is as fundamental, as vital, and as sacred as their inherent, inalienable right to lead those children to the altar of their choice for the worship of God in their own way. I would oppose to the uttermost any bill which would interfere with that right.

THIS BILL ELIMINATES DANGERS; MEETS REQUIREMENTS

At last we have a bill to meet a crying need at a time when we are told that the school system of some of our so-called poorer States is on the verge of collapse; when because of State constitutional limitations, lack of a sufficient tax base, or for other reasons, State and local school districts are unable adequately to provide for their educational necessities. It is the most meritorious Federal education bill that has ever had a chance to become a law. It is designed to preserve State and local control; would preclude domination by the Federal Government as far as that desirable result can be accomplished by writing language into law; would provide for the grant of Federal funds to be expended in accordance with the constitutions and laws of the respective individual sovereign States. It is not the grab-bag type of bill that would give too large a proportion of the aid to the wealthier States, and contains provisions for equalization that would bring much needed benefit to the poorer States. There is nothing in it that would prevent a fair amount of aid to schools in southern States, where the need is greatest and the ability to provide sufficient funds is the least.

SIGNED DISCHARGE PETITION

An aroused public opinion demands the enactment of this bill into law. It is believed to be the answer to the cry of distress from impoverished school districts in the poorer sections of our country. It would seem to be the fulfillment of the prophetic vision of the Sage of Monticello. It has passed the United States Senate. I believe a large majority would vote for it in the House of Representatives if the titular leaders of that body would permit it to be voted on. The responsibility rests with them. Scores of Members of Congress with the sanction of American public opinion behind them have urged the titular leaders, who map the course of legislation and shape congressional programs, to bring this Federal education bill to the floor of the

House of Representatives for action. Many of us resorted to the most drastic means known to House procedure—the discharge petition—to force a vote on it. President Harry S. Truman, who included an estimate of $300,000,000 for this purpose in his budget recommendation at the beginning of this session of Congress, directed an urgent appeal to Speaker JOSEPH W. MARTIN of the House of Representatives not to deny the people's representatives the opportunity to vote the will of their constituents in enacting this bill, which we hope and believe will make a stronger America.

SCHOOL SYSTEM FIRST LINE OF DEFENSE

The argument that expenditures for national defense preclude expenditures for education is fallacious. The American school system is America's first line of defense. Wellington truly said that the Battle of Waterloo was won on the playing fields of Eton. Those who have won the greatest battles of our country in both war and peace learned invaluable lessons and received exalted inspiration from consecrated, devoted teachers. It was pitiable and tragic to see the 659,392 young Americans who, because of educational deficiency, were denied the priceless privilege of wearing their country's uniform and following their country's flag wherever it flaunted its folds of red, white, and blue amid the shock and din of battle in the recent Armageddon for the preservation of civilization. As a consistent, constant advocate of adequate national defense as the best insurance against war, a doctrine I have proclaimed in a thousand speeches during the past 30 years, I have joined with a host of my colleagues in urging the small group of titular leaders in Congress, who hold in their hands the fate of this great beneficent measure, to give us the opportunity before this Congress adjourns to enact it into law as a vital factor in the program of national defense. Let us not adjourn until we pass this bill for which the boys and girls of America are calling.

Peace—The Greatest Issue of All

EXTENSION OF REMARKS
OF
HON. ESTES KEFAUVER
OF TENNESSEE
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. KEFAUVER. Mr. Speaker, the varied and complex problems we have considered in this Eightieth Congress have been many and I know we have all of us tried to consider only those matters which would be most beneficial to the welfare of the people we represent and our Nation. We have succeeded in large measure, but we have scarcely considered the greatest issue of all—peace.

Without peace, all our expenditures for dams and highways only afford greater destruction. There was a time when broad oceans and friendly neighbors protected us. That time has passed. No part of the world can be in flames without this country becoming involved. We may as well recognize that. Every thoughtful man knows that we all must somehow learn to live together in peace, or we all must perish together in mortal combat. Always remember: Victories on the battlefield do not bring peace. We need a moral and religious crusade to bring unity and understanding to the people. You can order a man around at the point of a gun in war, but you cannot win the peace that way. Peace is not the absence of something; it is the presence of something. The Good Book says—and I sometimes think men need to hear and heed it more—"Blessed are the peacemakers." Peace is not the product of wishful thinking; it is the result of intelligent effort and devout work.

UNITED STATES ASSUMES WORLD LEADERSHIP FOR PEACE

The leadership for peace and stability has now passed to the United States. It is a great challenge. I think we have the power and means either to make this era a great and peaceful one, or to allow the mighty forces of war to destroy civilization. When the war was over we hoped that we could live peacefully with all people. We found that it could not be that way. We ran head-on into communistic aggression which was about to take over all of Europe and most of Asia, leaving only a little island of democracy. There came a time when we had to stand up to the Communists. I think we should have made a stand sooner. We realized that we had to have friends who saw things our way, if it was to be possible to have any real chance toward peace. The Greek-Turkish program was a "stop, look, and listen" sign to the Communists. The European recovery program was a policy adopted in keeping with our position of world leadership. It convinced the Communists that we were going to cooperate with the 16 democracies of Europe in the interest of stability; that we were determined to stop their program of dangerous and unlawful expansion. It was the only course that we could take.

Up to this point I think it has been successful. I think the Communists now understand that we mean business—that we are not going to be pushed around. Their dictatorship is just as dark as any the world has ever seen, and we cannot afford to take a chance of our country or of any of our real friends being destroyed by the Communists.

THE NEXT STEP TOWARD PEACE

Now that we have inaugurated the European recovery program I think it is time to take further steps in the interest of peace. The United Nations is doing some good work, but as long as Russia blocks every move and has the right of veto, we cannot expect the United Nations to bring peace to the world or to settle major disputes that may arise. I think we should make every effort to strengthen the United Nations, and we should look forward to the day when the Russian people and the satellite nations under new leadership may cooperate in the United Nations.

But we need more than the United Nations. We need a close and formalized working arrangement with the high producing democracies of the world—those included in the ECA and others. History is quite clear in showing that World War I could have been avoided if the democratic countries had stood and acted together. Hitler would never have gone on his warpath if he had known that the freedom-loving people of the world would unite to strike him down. Stalin and his despicable group would back away and not bring the world into another conflict if he knew that the democracies of the world would be united against him. I have studied the matter very closely. I am convinced that the one real way that we can have peace in the world is to join in a kind of federation with the other freedom-loving peoples. This would be a federation not for war but for peace. It should include common political and military aims. Restrictive trade barriers should be removed and a system assuring a stabilized currency should be adopted. I feel that the statesmen of these democracies should work toward this program, just as the statesmen of our Nation worked toward building Thirteen States into the federation which grew into the great United States of America. The democracies associated should hope other nations would join in this quest for stability and peace. The door should always be left open for other nations when they become free, because liberty-loving people never cause war. It is going to take work, a lot of prayerful thinking, and moral and religious regeneration. But it is not only possible. It must be done.

HULL TRADE PROGRAM A CORNERSTONE FOR PEACE

Last week I visited that great Tennessean and world statesman, Cordell Hull. In spite of advanced years he is alert, active, and inspiring. He has made the greatest contribution to the cause of world peace of any of our time. He recognizes that wars result from economic warfare between nations. Trade is necessary if people are to live in unity. Mr. Hull deplores the trend back to isolationism as evidenced by the recent sabotage of the trade-agreements program in the House. We must fight for this program with all our might. We must do our utmost to prevent our foreign policy from becoming a political issue.

Yes, friends, it is a challenging day—but we can grow strong in the effort. We can accomplish peace if we will hold the torch high.

Joseph Jefferson Mansfield

MEMORIAL ADDRESS
OF
HON. CLARK W. THOMPSON
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Monday, May 17, 1948

On the life, character, and public service of Hon. JOSEPH JEFFERSON MANSFIELD, late a Representative from the State of Texas

Mr. THOMPSON. Mr. Speaker, almost a year ago the long, useful, and distinguished career of Judge JOSEPH JEFFERSON MANSFIELD as a Member of Congress was terminated by his death. His

character and achievements have already been extolled on the floor of this House by voices more eloquent than mine. It is fitting that those who paid the most sincere honor to his memory at the time of his death were those who had served here longest as his colleagues and who, accordingly, knew him best. But I do not feel that I can see the close of this session without contributing my equally sincere and heartfelt tribute to the nobility of his character.

I, too, knew him long and well. More than 12 years ago, when I first entered these Halls as a young and willing but untutored Member of this body, it was he who became my friend and mentor and helped me over the rough places with his kindly counsel. I knew him also at home, during the periods when Congress was not in session. There he moved about, loved and respected, among his friends and neighbors, explaining and interpreting for them the significance of the issues of national scope and seeking to draw out their attitudes, opinions, and convictions so that he could truly represent them.

There could be no more convincing proof of the practical workability of our democratic system than the life and achievements of Judge MANSFIELD. Under no system other than ours would the opportunities be available for such a career as his. He was born in Virginia at the very beginning of the tragic strife that, for a time, sundered the Nation, and permanently wrested the region of his birthplace from the mother State. He was not willing, however, to remain in that war-torn border section lamenting the passing of the old regime. Before he had attained voting age his venturous spirit led him to undertake what were in those days the genuine hardships and hazards of travel, to join his brother in the newer and more forward-looking State of Texas. There, within a few miles of his present home, he established himself, first as a fruit-tree nurseryman, then, successively, railroad station agent, mayor, county attorney. For 20 years he occupied the county judgeship of Colorado County, where his well-known courageous sense of fairness earned for him the confidence, affection, and esteem of his neighbors that made him their chosen Representative in Congress for the remainder of his life.

We like to think of his record and his accomplishments as typically American. But, although most of us are, we hope, capable of rising on stressful occasions to the demands and tests of patriotism and good citizenship, unfortunately, there are only too few of us who can maintain ourselves serenely on that high level throughout the years as did Judge MANSFIELD.

Mr. Speaker, the almost insurmountable difficulties of trying to walk in his footsteps and adequately represent the district that he honored for so many years makes me recognize, perhaps more clearly than most, how rare and outstanding were his attributes and achievements in this democratic body of ours. There is a time-honored custom at the United States Military Academy, an institution almost equally democratic in its organization, of according to a new cadet some of the prestige of his predecessor from the same congressional district, until he can establish himself on his own merits. I am proud to have had Judge MANSFIELD as my predecessor, and I could wish for no greater good fortune than to be accorded some of the prestige he has earned, while I truly endeavor to measure up to the splendid precedent that he has set.

Address by Hon. Alfred Schindler, Former Under Secretary of Commerce, Before National Conference on Community Improvement, Presidential Ballroom, Hotel Statler, Washington, D. C., May 24, 1948

EXTENSION OF REMARKS
OF
HON. CLARENCE CANNON
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. CANNON. Mr. Speaker, under leave granted to extend my remarks, I wish to insert in the RECORD an address delivered by Hon. Alfred Schindler, former Under Secretary of Commerce, before the National Conference on Community Improvement, Hotel Statler, Washington, D. C., on May 24, 1948.

Mr. Schindler with his long and successful business experience brought to the Department of Commerce a practical approach to many of the problems of both large and small business. His personal knowledge of community organizations and activities gives him a comprehensive insight into the needs and requirements of community life in America.

For many years there has been a growing tendency in American communities to shift their responsibilities to others and especially to the shoulders of the Federal Government. It is highly encouraging to find that we have a Nation-wide organization which is endeavoring to correct this tendency and to develop interest within our communities in undertaking their own improvement and development activities on a self-reliant, self-sufficient basis.

The National Council for Community Improvement is made up of representatives from the many national organizations who are interested in the various phases of community improvement. Its officers, board of trustees, and advisory committee include many of the outstanding citizens of the country. These men and women recognize the great need for united action on a coordinated and voluntary basis in the community. At the recent National Conference on Community Improvement held in Washington outstanding authorities on community affairs presented an epic-making program that may well become the turning point in arousing communities to meet and solve the many problems now confronting them.

The activities of this national group include:

Public interest: To use the press, radio, motion pictures, and other means for developing public support of voluntary, coordinated community improvement activities; for encouraging flexible procedures in fully expanding and developing local resources and facilities; for increasing community self-reliance and self-sufficiency in solving local problems.

Information clearinghouse: To engage in the collection and dissemination of information pertaining to planning and community improvement activities which have been undertaken, are now under way, or are contemplated by urban or rural units. To serve as the national clearinghouse for experiences and examples of successful developments and encourage all communities to send us records of accomplishments. Thus each community will benefit by having this combined information readily available.

Local and State councils: To encourage the formation of State and local improvement councils. To inspire and help establish community improvement groups to unite all interests so that the most widespread benefits will be derived.

Participation and membership: To encourage business, industry, labor, the professions, organizations, and individuals to be members and actively cooperate with their local and State councils, as well as our national council.

The importance of this program is widely recognized as affecting the economic welfare of the Nation, better relations between industry and labor, juvenile delinquency, recreational facilities, and various other urgent problems.

It has demonstrated already that home-town attention to such problems can produce more effective answers than can be secured by any shifting of responsibility to others. The people of America live in these hundreds of cities, towns, and villages of the Nation, rather than here in Washington. It is in these home communities that many of our most pressing problems can and should be settled.

When neighbors in a community or fellow residents of a larger area get together to plan and work for better places in which to live and do business, there is little opportunity for communism or other undesirable activities to divert attention.

May I commend the careful reading of the following excerpts from Mr. Schindler's remarks:

Mr. Chairman, members of the conference, may I first of all extend double congratulations—first to the officers and directors of the National Council for Community Improvement for their outstanding accomplishments to date, and for their preparations for this most important meeting. Secondly, to you members of the conference for taking time out of your busy lives to come and share this program with us and give us your counsel, your best suggestions and recommendations, so that when the meeting is over, we may give further and more rapid action to the all-important problem facing our Nation today—that of community improvement.

The subject of community improvement is not a simple nor an easy one to discuss. It is difficult because it is tremendously complex inasmuch as it touches practically every phase of human conduct. There may momentarily be problems that seem more urgent and more important, but their ultimate

solution lies in the hands of individuals and the communities of which they are a part.

This council is very wise in attacking the problem of community improvement at its source. Unless it is attacked there and solved there, as Mr. Shanks and Mr. Beck have so well brought out, we had better not be too optimistic in hoping that the problem will be solved correctly or in time.

Fortunately much work on community improvement has already been done. There is no one in this audience who has a more profound respect and admiration than I have for those who have contributed so much to some of the fine plans for community improvement that we have in many communities throughout the Nation. It is good to know that we may draw on their rich talents because there is much additional work that remains to be done.

One cannot travel up and down and across this land without seeing community after community that has done little if anything along the lines of community improvement. Unless we have improvement on a national scale—unless we can interlink our communities in a broad program of improvement, we are not going to make the national progress which is imperative.

The work of community planning and improvement must be better coordinated to give it greater acceptance, strength, and action. There is need for the organization of local councils or reorganization of existing community units for improvement. Under their guidance activities can be better coordinated and can achieve better acceptance on the part of those whom they are designed to help.

We need to develop certain avenues of approach, certain pegs on which to hang programs of community improvement in order to speed their development and in order to hasten their acceptance by our citizens if the programs are to be successful. May I suggest three pegs on which to start: One, the protective phase; two, the social phase; and, third, the economic phase. I do not believe that community improvement can succeed without these three phases being taken fully into consideration.

First let us discuss briefly the protective phase. I mean such forces as the police force, the fire force, the public utilities, etc.—those protective forces that protect our home, our community and our country.

We have just recently organized a new Civilian Defense Commission. It reminds me that I had the great privilege and opportunity to be appointed to the first National Civilian Defense Commission in the summer of 1941, 6 months before Pearl Harbor. Our task was to arouse community interest in civilian defense and prepare for it in the event of war.

Two great shocks came to me. One was the wholly inadequate protection available in the average community in America, but more than that, the very rude shock caused by the absolute lack of interest in that most important aspect of our life. May I give as an illustration the city of St. Louis. If we had had five big fires simultaneously, our city might well have been destroyed. God was kind to our city because we didn't have five big fires at one time. Because of that situation and others similar to it in other communities, one of the first things that the late Mayor LaGuardia, who was the first Director of the National Civilian Defense Council, did was to demand of Congress and the President that we immediately have more adequate funds to take care of ordinary protection of our homes and our communities.

Now, when I speak of emergencies, I do not speak solely of the emergencies of war. There are other emergencies that arise for which we must be prepared with adequate facilities in our areas if we are to protect our homes and our families. Many communities realize this, as I learned when it devolved upon me to close up Civilian Defense after the war and dispose of some $28,000,000 worth of equipment that had remained after hostilities ceased. I am happy to tell you that we had no problem at all in readily disposing of the protective equipment that remained. Communities bought the equipment because they realized that they must be protected against all emergencies whether from a military standpoint or other contingencies.

Now we have another National Civilian Defense Commission set up endeavoring to organize our communities so that they will be ready for any emergency of any kind. Like Mr. Shanks, I believe that this council is one of the most important being developed in the Nation today. I believe that without local councils for community improvement, the civilian-defense program is going to have a difficult time to succeed. After all, it is not military preparation alone we're talking about. We do not have enough military people to provide protective forces and other needs throughout our country and still fight whatever battles they may be called upon to enter in the future. We need an aroused civilian citizenship to help take care of all needed requirements.

It was very difficult at first to set up the final civilian defense committee in my own city and elsewhere in the country, but later when we had 125,000 people enrolled we knew that we had an adequate human force to protect our city against all emergencies. One of the great regrets that I have is that that force has dissipated, that it has broken up, and members are no longer interested in the adequate protective forces of which I speak. I hope that we can rearouse them and reorganize them into a virile, aggressive force, because if we overlook the protective aspects of community improvement we may well vitiate many other aspects that are just as important.

Secondly, the social phase of community improvement is another peg upon which we may hang much important planning and improvement. I have reference to such forces as the educational forces, recreational forces, better homes, beautification and physical improvement of the community, and religious forces. Many of the social problems that we have today—and, friends, they're growing—are due to a lack of community improvement when you analyze them and carry them right down to the final point.

Inroads by communism, disrupting labor disputes, juvenile delinquency—none of those things thrive where you have active and intensified community improvement supported by your citizens. If we hope to build better citizens in the future, then we must sow the seeds upon which that citizenship can thrive. I have no great fear of the spread of communism in the average community in America, but I do have fear of that slow moral deterioration in the average community when it passes the buck to someone else and refuses to do that which is the task of honorable citizens to accomplish.

These evil trends of a social nature, lack of education, lack of recreation, juvenile delinquency, lack of religious activity in a town, generally come from a lack of facilities in which these forces can grow and thrive. Is there anything more important in this Nation today, aside from protecting our homes and our families against all emergencies, than to protect our generation and those to come against negative social trends which may become increasingly evil?

This council has a tremendous responsibility and a tremendous opportunity in this field of social improvement. I have had the pleasure of doing a great deal of work with boys. I have not found very many (unless they were organically delinquent, and then they became medical cases) that you could not generally build into wonderful citizens. But you cannot do it in a slum environment. You cannot do it where your words are idle and unsupported by the things into which you would like to develop boys.

The hearts and souls of the American kids are basically right and sound, yet we see juvenile delinquency on the increase. We are spending millions of dollars to try to correct it. Do away with the causes of juvenile delinquency and interest ourselves in correcting the problem before it becomes critical. Let us be more interested in seeing that the problem doesn't arise in the first place. That is the duty and the responsibility of your local council for community improvement as well as the national council. Let us solve these problems at their source lest they become pyramided and become too costly and too difficult to solve after they have developed.

Finally, another peg on which we can hang our community-improvement program is the economic one. The expansion of our areas industrially is important. It means bringing in new industries and expanding commercial activity. This means an increased source of employment, and an increased source of producing the higher incomes that produce the higher standards of living, at the same time helping to produce better relations between labor and management.

As one who has spent his entire lifetime in the selling end of business, I, for one, do not like to go into cities where economic opportunities do not exist—where incomes are low. I know that I can only sell when there is money to pay for items I may have for sale.

When you have income on the increase due to increased production, due to expansion of opportunity, then you have a thriving community in which evil social forces can gain little foothold, and we can't go on demanding higher and higher incomes for less and less production. It simply isn't done that way. We can't go on raiding the Federal Treasury and adopting the slogan that is, unfortunately, popular in many quarters today—"more money for less work." There's only one way we can raise our incomes, and that is by increasing our productivity, not only as individuals but also collectively in the areas from which we come.

It is high time that America realizes this and it is high time that we are implementing this fact. We have a tremendous opportunity to do this on a local level. It cannot be done on a national level alone, for, if it is done there, then I think we shall see two forces implemented. We shall be controlled locally and we shall be deprived of the fullest fruit of our activity because we will have shunted to others the responsibility that is ours.

Let us proceed with this program of community improvement along protective lines, along social lines, and along economic lines. Many fine plans exist already—many more will have to be developed. With the proper and complete development of these plans, we face our biggest problem of all. Suppose we have the plans all made and there is little opportunity to improve them. We have the package ready to sell and it has to be sold properly to those for whom it is designated. There we face the biggest problem of all, and that is how to get action of the right kind on our plans.

We must get our forces coordinated so that we will avoid duplication and have greater strength and with it greater clarity to sell the program to the people and secure their acceptance and action on it. It is much more difficult to secure the acceptance of people when you have a confused and complex program, many segments of which are not tied together. It is an impossible job of selling in many cases, and so our package—our plans—must fit the people themselves. They must be acceptable to those whom we ask to accept them.

We can sit in Washington and plan; we can sit in New York or any other big center and plan for others, but as a St. Louisian, I want St. Louis people to make the play for my town. I don't want Washington to do it—I don't want New York or any other area to do it. I merely want that supreme court of helping—the National Council—available to counsel with us as we need their help. But the responsibility of my home town is that of the people themselves, because they know their area best, and those outside of it do not know it as we who live and have our homes and our families in it.

That is why we are laying stress in this conference on the local council, and on plans that fit the people locally, and on plans that fit the community locally. They must be right in order to be acceptable to those who are asked to accept them. We must then do the best job of selling that we have ever done in our lives, because it is not going to be easy to get the average citizen to accept our plan, and work with us on its development, regardless of how good it is.

Let me give you an illustration of a big city. It had an ambitious program, designed to be put over by 1951. It was needed in that area. It was perhaps the boldest undertaking that area had ever contemplated, and for months upon end leaders of that community got together and developed their program. I'm sorry to say it died aborning because the people refused to accept it, and they refused to accept it because they didn't know very much about it. Those who created the plan were unable to make clear to those who were expected to accept it that their support was needed.

Let us not overlook two very important factors: We must have our master planners and outstanding planning talents to create the plan, but we must likewise bring in that other talent needed that can sell in order to secure the acceptance and action of the people on it. Finally, we get right down to our third peg upon which to hang our efforts of action—to the most important one of all—and that is to line up the men, women, and children to help put the program over. We must have the right number of people and the right kind of people—not too many; not too few.

Some areas—again, if I may use the illustration of Civilian Defense back in the summer of 1941—lined up far too many people, with the result that they did not have enough to do. They quickly lost interest and faded out of the picture. Many areas did not line up enough people, and the big job could not be done. So the right number of people and the right kind of people to line up in order to help put your program over is very important.

Aptitude for the various aspects of community improvement is particularly important. Be sure that people are put at the right tasks. In every community there are hundreds; and in the bigger ones, thousands; and in the still bigger ones there are millions of people ready to work heart and soul on programs of community improvement if they know what is being undertaken and what is expected of them. If you can convince them that it is for their good, and if you can give them a job to do that fits their talents, they will help tremendously. They want to belong to something constructive and worth while and help to put it over and make it successful.

Just look around your community and you'll find many good boys and girls, many fine men and women who have time on their hands, only too eager to help you in your program; but they've got to be sold on what you're trying to do. They've got to be properly selected. You've got to give them a task that fits their talents. You will be amazed, as we were in Civilian Defense, to find that you have right in your own community a tremendous power of men and women who can and will contribute a tremendous lot in their own individual way to help you make your program successful.

With the right plans, along protective lines—along social lines—along economic lines; with the right methods of promotion, of finance, of selling and advertising of your plans; with the right number and kind of people organized into a well-coordinated and powerful local council, a new, vital, and powerful force can be built that can only result in tremendous forward advances in community improvement.

We can have stronger and better individual citizens, stronger and better communities, more powerful in all the ways of life—physical, mental, social, and spiritual; we can have a stronger and more powerful Nation that will ever remain a beacon light of hope to free men the world over. Finally, we shall build together a stronger and better world in which free men can live and give fullest expression to their individual and God-given talents and constantly evolve into a better way of life.

We can only do it by starting at the grass roots, starting with the individual, building up through the community, and then merging the community endeavor into a State, then a national one, and through our continued outstanding contribution as a Nation, help make the world a better place in which to live.

John Bankhead

MEMORIAL ADDRESS
OF
HON. GEORGE D. AIKEN
OF VERMONT
IN THE SENATE OF THE UNITED STATES

Wednesday, April 21 (legislative day of Monday, March 29), 1948

On the life, character, and public service of Hon. JOHN BANKHEAD, late a Senator from the State of Alabama

Mr. AIKEN. Mr. President, the name of JOHN BANKHEAD will forever be engraved in the hearts of American farmers. No man ever took to himself the problems of our farm people more than did JOHN BANKHEAD.

He particularly was interested in the farm tenant and share cropper, those farmers who were too poor to own farms and homes of their own, and the legislation in their behalf which bears his name has provided a long step forward in bringing to them independence and happiness.

When I first came to the Senate, Senator BANKHEAD was one of the first men I became acquainted with. He showed a kindly interest in me as a newcomer, and from the time I became a member of the Agriculture Committee until he died he was always helpful and considerate in my behalf. The fact that we belonged to opposite political parties made no difference, for he could not have been more kindly to me had I belonged to his own party.

His overwhelming thoughts were in the interest of the American farm people, and in the passing of Senator JOHN H. BANKHEAD American farmers lost one of their best friends.

Warning From a Great Farm Journal on Reciprocal Trade Agreements

EXTENSION OF REMARKS
OF
HON. SCOTT W. LUCAS
OF ILLINOIS
IN THE SENATE OF THE UNITED STATES

Saturday, June 19 (legislative day of Tuesday, June 15), 1948

Mr. LUCAS. I ask consent to have printed in the Appendix of the RECORD a very timely and discerning editorial from the June 19, 1948, issue of the Prairie Farmer, on the reciprocal trade agreements program.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

WARNING

Did Republicans in Congress tip their hand on future intentions by their refusal to come through on a clean-cut extension of the reciprocal trade agreements? If so, people of the Midwest need to do some plain talking to their representatives in Washington before next fall's election.

After the First World War Republicans returning to power passed the outrageous Smoot-Hawley tariff which helped set the stage for the great depression of the thirties. The road back from this economic isolation has been a long one, but slowly people, especially farm people, are beginning to realize that we cannot build a wall against the world we live in.

Isolation has been a dead duck since our experiment with it back in the twenties. There is no safety in burying our head in the sand and pretending that we have no responsibility for the rest of the world. There is no lasting prosperity in burying our talents in the sand, keeping them out of the normal trade channels. Trade is after all the free flow of goods from where they are in surplus to where they are most needed. The faster and freer the flow the more everyone will have of what he needs.

As this country grows older we need world trade more rather than less. As our own store of natural resources goes down hill we need to exchange our skills and efficiency for more raw materials and save our own.

Successful world trade means buying and selling in appproximately equal amounts, not trying to get by with selling only, or giving other countries the money with which to buy our stuff.

In recent years farm organizations have backed the idea of a growing and healthy foreign trade. Farm people in general are accepting this view. If a Congressman can't grow up to the idea, he should be retired.

Work Restrictions Are Being Relaxed in Building Unions

EXTENSION OF REMARKS
OF
HON. RALPH A. GAMBLE
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Friday, June 18 (legislative day of Thursday, June 17), 1948

Mr. GAMBLE. Mr. Speaker, under leave granted me by the House I present for insertion in the CONGRESSIONAL REC-

ORD an article which appeared in the New York Times, Sunday, May 9, 1948, entitled "Work Restrictions Are Being Relaxed in Building Unions."

In this article the Construction Industry Information Committee confirms the improvement that has been brought about in home construction. Increased productivity in the entire building industry was one of the principal objectives of the Joint Committee on Housing. Shortly after organizing, our committee invited both labor and industry to appoint cooperating groups. The effect of such cooperation is seen in the fact that 25 percent more new homes were started in the first 4 months of this year than in the similar period last year and 28 percent in the first 5 months of this year. The building trades labor committee with which we are cooperating is headed by Richard J. Gray, president of the building trades department, American Federation of Labor. I feel that a great deal of the improvement in the rate of home building is due to the helpful spirit shown by organized labor.

WORK RESTRICTIONS ARE BEING RELAXED IN BUILDING UNIONS—INDUSTRY HEADS CITE PROGRESS IN HANDLING PROBLEMS OF JURISDICTIONAL NATURE—POWER TOOLS ACCEPTED—NEW DEVICES HELP TO INCREASE PRODUCTIVITY—MORE WORKERS IN APPRENTICE TRAINING

Important steps to increase productivity in the building industry by bringing labor practices in closer accord with modern building techniques recently have been taken by labor organizations, according to a study by economists of the Construction Industry Information Committee.

Melvin H. Baker, chairman of the committee, reported yesterday that reduction in the number of jurisdictional strikes should result in a more efficient handling of new methods in construction and reduce the number of work stoppages. This improvement should tend to increase the productivity of labor and reduce the cost of building, he pointed out.

Many international unions have moved to eliminate ingrained industrial practices that have retarded technical progress, restrictions on the numbers of apprentices have been greatly relaxed, and cooperative machinery has been set up to settle jurisdictional disputes, Mr. Baker said.

TO USE MODERN DEVICES

Noting changes that have been made, he cited the fact that the International Brotherhood of Electrical Workers had stated its approval of the use of power tools and labor-saving devices. The carpenters' union now imposes no restrictions on the use of power tools by its members, provided they are used under conditions safeguarding the worker.

The plumbers' and pipefitters' union has emphasized its consent to the cutting and threading of pipe by its members at the contractor's shop and to their use of power tools for cutting and threading pipe of any size.

The International Brotherhood of Painters permits the use of spray guns where adequate provision is made for protecting the health of workers, and has removed objections to the installation of window sashes which have been glazed in the factory, Mr. Baker added.

He pointed out that labor unions in almost all crafts are cooperating with management in increasing the number of apprentices and in providing for their training, with the result that the number of trainees in the building trades now is three times greater than it was 2 years ago. About 115,000 apprentices now are in training, he said, and efforts to expand the program are continuing.

The survey cited the announcement that the head of the Bricklayers, Masons, and Plasterers International Union had urged all local unions to permit as many new apprentices as are needed to meet future building demands.

MORE WORKERS IN TRAINING

"The results of the apprentice program," Mr. Baker declared, "will be a larger and better trained labor force than was available in former years and a labor force which is more productive because of a lower average age."

Recent developments, the committee reported, should reduce costly delays in construction arising from disputes between various unions as to which should handle various parts of a building job.

A new plan devised by the building and construction trades department of the American Federation of Labor and the employer associations for settling these jurisdictional disputes promises to be acceptable both to management and labor and to have an effectiveness never achieved in earlier attempts to solve the problem, the report explained.

A basic attack on the causes of jurisdictional disputes has been made in the pipe trades where a combination of the crafts of plumbers and steamfitters has been undertaken by the international union, and in some localities is already in effect.

Inflation and Tax Reduction

EXTENSION OF REMARKS
OF
HON. ROBERT HALE
OF MAINE
IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. HALE. Mr. Speaker, under leave granted me on June 18 to extend my remarks, I wish again to direct attention to the letter from E. W. Axe relative to inflation and tax reduction which appears on page A3204 of the RECORD.

On receipt of this letter I inquired of Mr. Axe whether he would advocate further reduction of taxes even if it meant unbalancing the budget, and whether he thought we should attempt to make any payments on the principal of the national debt. Mr. Axe replied to my inquiries under date of June 15 in a letter which certainly makes provocative reading for any Member of Congress. Whether or not we agree with the views expressed, the handling of our debt is certainly a major problem for the statesmanship of the next generation. We have only begun to reckon with the economic trifling of the New Deal.

I append the text of this letter to these remarks:

E. W. AXE & CO., INC.,
New York, N. Y., June 15, 1948.

Hon. ROBERT HALE,
Member of Congress,
Congress of the United States, House of Representatives,
Washington, D. C.

DEAR MR. HALE: I must apologize for my delay in replying to the questions contained in your letter of May 15. Questions concerning taxation bring up so many different ideas that it is difficult to write a short letter concerning them.

Your first question was "Would you advocate further reduction of taxes even if by so doing we cannot balance the budget?" I should certainly advocate further reduction in taxes even if that meant an unbalanced budget. It seems to me that the present level of taxes, together with the mass of bureaucratic regulations which are such an impediment to any type of activity connected with the production of goods and services are the main part of the problem and whether the debt is fifty billions higher or fifty billions lower is relatively much less important. This, of course, answers your second question also.

Bad as inflation is, it seems to me that in the long run there can be no choice between a lower value for the dollar on the one hand and state ownership of business on the other. A substantially higher price level would, of course, constitute a tax on the possessors of fixed income and on many other people as well. (I have no doubt that I would be much better off myself on a lower price level than on the high.) But the system of money, credit, prices, and profits can function at any price level, while it cannot function if taxes continue at such a high level. It would seem to me therefore that a moderate amount of inflation is much the lesser of the two evils.

To take this position is of course to abandon the idea of hard money, at least at the present level of the dollar. But it would seem to me better to abandon hard money for a time and to save the rest of the system than to let the whole system go—when hard money will not be any good either. Furthermore, if we continue to move in the direction of state control of business it is highly probable that the dollar will sooner or later be debased greatly and perhaps finally destroyed. The time to have thought about hard money was in 1933. Since that time we have had what is in effect an inconvertible paper currency, so we cannot at this late date say too much about the integrity of the currency.

It has seemed to me that any discussion of balancing the budget has in the past several years been confused by concentrating attention on the items that are hardest to reduce—so as to distract attention from those that could be cut. Even though expenditures are cut only a few billion dollars it would be a step in the right direction. In any plan the points of attack should be the soft spots and not the difficult ones. Undeniably there exists a tremendous amount of waste. Many of the things that the Government Bureaus do are useless and should be eliminated. For example I have always found the work of the United States Bureau of Labor Statistics very useful. In the last 10 or 20 years they have made their reports appreciably more elaborate, but the additional material which they compile and publish is largely useless and in fact makes it more difficult to use what is of value. If the Bureau would return to what it was publishing in 1928, it would be at least as useful to me and the material would be more convenient than it is today. Yet I imagine that the Bureau's expenditures are many times what they were in 1928. There undoubtedly is a lot of publicity material and propaganda and also a tremendous amount of sheer nonsense that could be eliminated to the advantage of everybody with the possible exception of the Government employees who would be discharged and would have to seek a more honest way of making a living.

I have often wondered whether the quickest way of setting things on the right course would not be the drastic one of devaluing the dollar considerably, paying off part of the public debt with the gold, and simultaneously returning to the gold standard.

Faithfully yours,

E. W. AXE,
President, E. W. Axe & Co., Inc.

Soybeans and the Oleomargarine Tax

EXTENSION OF REMARKS
OF
HON. SCOTT W. LUCAS
OF ILLINOIS
IN THE SENATE OF THE UNITED STATES
Saturday, June 19 (legislative day of Tuesday, June 15), 1948

Mr. LUCAS. I ask consent to have printed in the Appendix of the RECORD an editorial from the June 1948 issue of the Soybean Digest.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

STOOD UP TO BE COUNTED

In a legislative activity such as the margarine repeal battle there are always men who come to the foreground because of their foresight, their zeal, their willingness to assume responsibility for leadership. This battle was no exception.

From the Midwest area, where soybeans reign as the second largest cash grain crop, two men have distinguished themselves as true friends of the soybean producer. In the House of Representatives the amendment to place the Rivers bill on a domestic fats basis was introduced by Congressman RALPH HARVEY, of Indiana. A newcomer to the Halls of Congress, Congressman HARVEY is a farmer, maintains a dairy herd, and grows soybeans. He has been close enough to agriculture during recent years to know the true situation, and to recognize trends. He was not led blindly by dairy interests, but chose to make his own decisions. He is a man to watch during coming sessions.

In the Senate SCOTT LUCAS, of Illinois, distinguished himself as a true friend of the soybean producer. A member of the Finance Committee of the Senate, LUCAS consistently championed the cause of the grower of soybeans who needs the margarine market on a tax-free basis. He was the one man from the Midwest territory who had the courage of his convictions and was willing to stand up and be counted for what he knew was right. He, too, is to be commended.

The soybean producers of the Midwest area will not forget these two men.

Arthur Capper, of Kansas—Harlan Bushfield, of South Dakota

EXTENSION OF REMARKS
OF
HON. GEORGE D. AIKEN
OF VERMONT
IN THE SENATE OF THE UNITED STATES
Saturday, June 19 (legislative day of Tuesday, June 15), 1948

Mr. AIKEN. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a statement I have prepared on Senator ARTHUR CAPPER, of Kansas, and Senator HARLAN BUSHFIELD, of South Dakota, who are retiring from the Senate.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Mr. President, when the new Congress convenes next January two valuable and highly respected members of the Committee on Agriculture will not be with us. I refer to Senator ARTHUR CAPPER, of Kansas, and Senator HARLAN BUSHFIELD, of South Dakota. Both Senators CAPPER and BUSHFIELD have announced that they are not candidates for reelection.

I cannot let this session close without paying a well deserved tribute to both these men.

Senator CAPPER came to the Senate in 1918 and has been a highly influential Member of this body ever since. His work in behalf of farm cooperatives and other legislation which tends to make farm life more attractive has been outstanding. That this work has been appreciated is shown by the fact that the great agricultural State of Kansas has elected him to this body five times in succession.

In January 1947 be became chairman of the Senate Committee on Agriculture. It has been a pleasure to serve under him in that capacity during the 2 years he has been chairman. His efforts as usual have been toward making farm family life in America better. He has been a lifelong friend of farm people, and I know that farmers everywhere appreciate the work of this great agricultural statesman, and the debt which they owe to him.

Senator HARLAN BUSHFIELD became a member of the Committee on Agriculture 6 years ago. During this period he has been a diligent and earnest worker on agricultural problems. A year ago he made one of the great speeches of recent years in behalf of American agriculture. Last year he was named a member of the subcommittee to study the trends and needs of American agriculture and to develop a long-range program. This work has finally culminated in the passage of a bill providing long-range farm price support, a badly needed piece of legislation. Senator BUSHFIELD has shown great interest in this legislation and has given it his wholehearted support.

It is pleasing to me that this legislation has been adopted by the Congress while he is still a Member of this body.

We shall miss the able and genial Senator from South Dakota very much, but the creditable record on farm legislation which he has established will remain as a permanent monument to his efforts.

I know that I speak the sentiments of all the members of the Committee on Agriculture when I state that we shall miss the Senator from Kansas and the Senator from South Dakota very greatly, and our best wishes and appreciation go with them as they leave their work in this body.

The Housing Program

EXTENSION OF REMARKS
OF
HON. HORACE SEELY-BROWN, JR.
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. SEELY-BROWN. Mr. Speaker, I want to take this opportunity to say very candidly and honestly that I am disappointed at the inability of the House and the Senate to agree on a comprehensive housing program. Let me further add that I consider it necessary and proper for the Congress to return to Washington immediately following the party conventions in order to tackle this important problem once again. It is my considered opinion that a proper housing program must be initiated immediately.

In order that the record may be completely clear, let me review certain facts with you.

On July 24, 1947, I supported House Concurrent Resolution 104, creating a Joint Committee on Housing, with Instructions to conduct a thorough study and investigation of the entire field of housing.

This committee, composed of seven Members of the House and seven Members of the Senate, conducted open hearings in nearly all the principal cities of the United States. On March 15, 1948, the Honorable RALPH GAMBLE, Republican Congressman from the Twenty-eighth District of New York, chairman of the Joint Committee on Housing, submitted to the Congress a final majority report. This report is a matter of record. It contains certain conclusions and recommendations.

Having studied this report in detail; having studied its recommendations with particular reference to slum clearance and public housing; having observed from personal observation and study the critical housing shortage in the congressional district which I have the honor to represent; I signed on April 1, 1948, discharge petition No. 6.

By doing so, I hoped to use this means to bring out on the floor of the House for debate the much-discussed Taft-Ellender-Wagner bill, with its public housing, slum clearance, urban redevelopment and rural housing provisions. It was my opinion at that time—and still is for that matter—that the matter under discussion was too important a one to be locked up in committee.

I must say in all honesty that I did not then—and I do not now—approve of all of the provisions of the Taft-Ellender-Wagner bill as it is presently written. I was prepared to support an amendment to that bill providing for the greater sharing of the financial responsibility of public housing and slum clearance by the Federal, State, and local governments. It was my hope that this sharing of responsibility—that this bringing of responsibility more directly to the people in the community—would do much to eliminate the graft so ever present in so many federally sponsored projects.

Parliamentary procedures, unfortunately, were used to prevent this bill from being brought out on the floor for open debate and for a final vote. Instead, a substitute bill—the Wolcott bill, H. R. 6959—which contained aids and incentives to private builders, was presented.

On June 18, 1948, I voted in favor of the Wolcott bill. Many of its provisions met with my approval. However, I must register at this time the fact that I did not approve of the provision in this bill for disposing of so-called Government-owned permanent war housing. The very critical situation in New London, Conn., at College Heights, as regards this matter, convinced me that a more flexible disposition clause would be desirable. However, rather than risk having no housing bill, I did support H. R. 6959. This measure passed the House by a vote of 318 to 90.

Unfortunately, the House and the Senate were unable to agree on either the Taft-Ellender-Wagner bill or the Wolcott bill. They did agree on a compromise measure which authorizes the Reconstruction Finance Corporation to provide a secondary market for GI

home-loan mortgages up to the amount of $840,000,000 and to permit banks to sell up to 25 percent of their GI mortgages to the Federal National Mortgage Association.

This compromise measure is fine as far as it goes. It provides definite and very real help to the veteran. It is my firm conviction, however, that we must do more than just this if we are to meet properly our responsibility to the people as regards the question of housing.

Let me again go on record as favoring the convening of Congress as soon as possible in order to initiate promptly a proper housing program.

Local Public Health Units, a Vital Need—Review of Public Health Activities of Federal Government

EXTENSION OF REMARKS
OF
HON. VIRGIL CHAPMAN
OF KENTUCKY
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. CHAPMAN. Mr. Speaker, it is regrettable that H. R. 5644, to assist the States in the development of local public-health units could not be enacted during this session of Congress. The subcommittee, of which I was a member, reported it to the full committee, and the full committee reported it to the House. I am sorry it is not on the legislative program for passage now. This bill was inspired by the National Congress of Parents and Teachers, one of the greatest organizations for unselfish service to the childhood of this country. The purpose of the bill is through Federal grants-in-aid to the States to provide basic public-health service all over the country. The ultimate result would be a full-time local health unit in every county in the United States. Testimony before the Committee on Interstate and Foreign Commerce revealed that only about 10,000,000 Americans are now living in communities that have well-equipped full-time health units; that 40,000,000 other people have practically no public-health service available, and that the remaining 90,000,000 citizens have the benefit of very inadequate public-health service. While much progress has been made in the prevention of disease and life expectancy has greatly increased since the turn of the century, much remains undone that ought to be done in the field of public-health service.

These local health units would not undertake to cure the sick or to take the place of the physician, but they would perform important service in the prevention of disease, and in doing the things for the public that properly belong in the field of public-health service. They would gather information that would help the physicians in determining the general health needs of the county. In the field of communicable diseases and their prevention, the health center is practically a necessity. Its public-relations activities in informing the general public about health needs and conducting local clinics in cooperation with the schools is of incalculable public benefit. This program has the approval of the spokesman for the American Medical Association, Dr. James R. Miller, who filed an informative statement before the committee. It was also endorsed by Dr. Chester D. Swope, of Washington, D. C., representing the American Osteopathic Association. The bill was drafted so as to operate according to the generally accepted system of Federal aid for public-health purposes so that it would be administered according to a State plan and the money would be spent at the local level. Such local needs as supervising food establishments, assuring a pure water supply, bringing technical knowledge to the problems of sanitation and health, vaccination and quarantine enforcement, would be well taken care of under this plan. Localities that have enjoyed the benefits of full-time local health units, staffed by competent personnel and equipped for useful health work, have recognized the importance of the public-health units and have contributed local funds for public-health purposes. It is shocking to learn how many counties in the United States have either no public-health service or are very inadequately equipped to deal with such problems.

The experience of the recent World War, when hundreds of thousands of young men were rejected because of physical disqualification, was an impressive object lesson of the seriousness of this problem. Every citizen of the country ought to have such service available in the locality of his residence. We have a great shortage of physicians. Many counties in the United States are without a doctor. Not only would these local public-health units be of inestimable benefit to such communities, but they would also be of great help to doctors in the practice of their profession. The enactment of this bill would be very helpful in the prevention of illness and the improvement of the health of the people. It would not take the place of medical care, but would be a source of help to every doctor in every rural county in America. It is my earnest hope that when the next Congress convenes in January, this bill, sponsored originally by the Congress of Parents and Teachers, and supported generally by members of the medical profession and all who are conversant with public-health needs, will be near the top of the list for consideration and passage. Such outstanding Kentuckians as Dr. P. E. Blackerby, State health commissioner, and Dr. C. C. Howard, of Glasgow, have written to me strong endorsements of this measure.

The enactment of this bill would be another step in the great public-health program that has been undertaken by the Congress during recent years. Since I have been a member of the Committee on Interstate and Foreign Commerce, which has jurisdiction of all legislation pertaining to public health, we have reported and sponsored to passage a number of important health measures. One of the most constructive was enacted during the closing days of the Seventy-ninth Congress, and became a law August 13, 1946. It is the Hospital Construction Act providing for Federal aid in the establishment of hospitals in communities throughout the land in which there is a crying need for hospital facilities. I took an active interest in the consideration and enactment of this law, as I have in all other public-health measures that have come before my committee, and it has been gratifying to observe in the brief period of 2 years how many local communities have found incentive in the law we passed to raise local funds for the construction of hospitals that are badly needed. On July 28, 1946, when I was asked by the chairman of the Public Health Subcommittee, at that time the gentleman from North Carolina [Mr. BULWINKLE], to close the debate in the House on the hospital bill, I said:

Mr. CHAPMAN. Mr. Speaker, the gentleman from Iowa is right in saying that the people in these small towns and rural communities are neighborly and generous, and are actuated by humanitarian impulses. But the fact remains that they are unable to provide these hospitals for themselves. As the distinguished majority leader, the gentleman from Massachusetts said 40 percent of the more than 3,000 counties in the United States have no hospital facilities at all. We know that the scarcity of physicians is in almost direct ratio to the scarcity of hospital beds. For example, up to the time of the World War, when so many of our doctors answered the call to the colors and put on the uniform of the Army and the Navy, in communities having 4.6 hospital beds per 1,000 population, there was one doctor for every 600 people. In communities—and there are many of them—where there was less than one hospital bed per 1,000 population there was one doctor for every 1,350 people.

Infant mortality, because of medical progress and sanitary improvement, has been reduced in this country until there are about 40 deaths to every 1,000 births, but in communities that do not have adequate hospitals the infant mortality rate is appalling. We must not permit this condition to continue anywhere in the United States.

There are three kinds of hospitals: Proprietary, which are privately owned and operated for profit; public, which are supported at public expense; and the voluntary, nonprofit hospitals, which include most of the hospitals operated by churches of various denominations, fraternal organizations, and local nonprofit hospital associations, in which classification probably the major portion of hospitals belong. This bill would grant aid to the public hospitals and to all of these nonprofit voluntary hospitals, the ones that serve most of our country. For rural communities unable to support a hospital this bill makes provision for grants-in-aid for the establishment of local health centers, which would be of incalculable benefit to millions of our fellow citizens "far from the madding crowd's ignoble strife."

The old-fashioned country doctor, who visited alike the hovels of the poor and the mansions of the rich, ministered to all classes and conditions of society, and alleviated the pains of suffering humanity, with or without hope of remuneration, was more than a great personality. He was a great and beloved American institution. Now, with rare exceptions, he has become a part of the history and folklore of America, and is a tender memory of this generation of American people. Yes, Mr. Speaker, but the doctor of the future is going to practice his profession where he has laboratory and hospital facilities, and can make the best of modern equipment and well-trained nurses available for the treatment of his patients.

Many great hospitals have been endowed by the possessors of large personal fortunes, but our present and prospective economic system and tax structure indicate that there will be fewer such fortunes in the future than in the past. This measure would induce endowments, and would be an incentive to communities to wage subscription campaigns and issue bonds for 66⅔ percent of the hospital cost in order to make available the 33⅓-percent Federal grant. It is expressly and explicitly written in this bill that there shall be no Federal control when this grant is made to a local organization to build a hospital. That local hospital organization will have control of that hospital and will operate it without Federal supervision or Federal dictation. It is provided that if within a period of 20 years the hospital should pass into the hands of an agency not authorized to accept this grant, such as a hospital company operating for profit, a refund would have to be made to the Government of the money that had been advanced for the construction of the hospital.

In passing this bill we are answering the call of humanity.

Years ago in France a referendum was held to determine which was the greatest name in French history. The people of France in that referendum did not select the name of one of the literary geniuses whose names illumine the pages of French literature. They did not go into the field of French statesmanship. They did not even select that renowned soldier "who born no king made monarchs draw his car," whose stakes were empires, whose dice were human bones, the first Napoleon. Rather, by a majority of millions the people of the French Republic selected as the greatest name in the annals of France the name of the man of science, the man who labored through long hours, day and night, in the laboratories, evolving formulas, not to kill people but to save lives, the father of modern medicine, Louis Pasteur.

Mr. Speaker, let us find our just reward in serving humanity, in answering suffering humanity's crying need. Let us pass this bill by the necessary two-thirds majority, to relieve suffering and save lives.

The benefits of that law are already being realized in many counties in my own State of Kentucky, as they are in all sections of the United States.

CANCER INSTITUTE

Our committee conducted hearings, reported and passed the National Cancer Institute Act of August 5, 1937. Cancer, this insidious killer, has taken its toll of millions of lives through the centuries, and official statistics show that the death rate from cancer is actually increasing; has risen recently from 171,000 in 1944 to 182,000 in 1946. Progress has been made by the National Cancer Institute of the United States Public Health Service, as it has been also by privately endowed foundations that have performed great service in cancer research, but cancer remains in second place among the causes of death today.

Representatives of the National Advisory Cancer Council and other agencies that are working in this field and are trying to learn something about the causes and cure of this deadly disease have told us that research is badly needed and that we have annually as much money for cancer research as there are qualified experts to use that money properly and effectively. The Congress has made moderate appropriations for the National Cancer Institute, and public subscriptions to private institutions have been sufficient from year to year to carry on this work. We cannot expect very rapid progress, and cannot hope to blot out in a few years a disease that has been killing people for centuries. Medical authorities tell us that nearly one-half of all cancers affect the internal organs, and that the victims in most such cases are near death before the symptoms are discovered. It is then too late to have much hope of cure. The National Cancer Institute has accomplished much during the decade of its activities in this almost unexplored field. Private agencies, great foundations, capable physicians, and the United States Public Health Service, working together can continue to strive to learn more about this terrible scourge and to improve diagnostic methods which will result in discovering cancerous conditions before it is too late to save lives, and when there is still a hope of permanent arrest or cure.

INSTITUTE OF MENTAL HEALTH

In 1946 we took up in the Committee on Interstate and Foreign Commerce a bill to provide for research into psychiatric disorders, and to aid in developing more effective methods of prevention, diagnosis, and treatment of mental and nervous diseases. Organized society has spent countless millions of dollars on its mentally ill people without much knowledge of the disease with which they have been afflicted through the ages. The various American States have established hospitals or asylums, as they have often been called, and have called people "crazy" and practically incarcerated them in those institutions with little, and sometimes with no knowledge of the disorders that needed treatment. There are comparatively few trained and qualified psychiatrists in the medical profession. Even a majority of those generally referred to as psychiatrists are in reality little more than custodial physicians.

I have long had hope that proper study by capable physicians with an aptitude for psychiatry would lead to greater knowledge of the causes of mental disorders, and their diagnosis and proper treatment. Having great hope for the success of this undertaking, I naturally took deep interest in the study and enactment of this bill which became a law July 3, 1946. Incidentally, I learned during the hearing that my own State of Kentucky, which was one of the first States in the Union to establish an institution for the treatment of mental disorders, made the lowest per capita expenditure of any State in the Union for the treatment of its mentally ill citizens. The functions of this "National Mental Health Act" are research, investigation, experiment, and demonstration relating to the cause, diagnosis, and treatment of nervous disorders. The Federal Government affords assistance to research activities by other agencies, public and private, and aids in the training of doctors through grants-in-aid to universities, hospitals, laboratories, and other agencies. There is a comparatively small number of highly qualified psychiatrists in this country, but there is a vital need for many more. Through the operation of this law, the Federal Government will have a hand in training others who will be equipped to perform great service to humanity in the battle for the prevention, diagnosis, and cure of mental disorders.

NATIONAL INSTITUTE OF DENTAL RESEARCH

During the present Congress two very important bills in the interest of the public health were reported by the Committee on Interstate and Foreign Commerce, and have passed both Houses. One of those bills was sponsored by the dental profession of the United States for the improvement of the dental health of the people generally. The American Dental Association gave it united support. It provides for research, investigation, experiments, and studies into the cause, diagnosis, and methods of treatment of dental diseases. We learned that tooth decay afflicts approximately 90 percent of the children in this country by the time they enter school, and that by the time they finish high school, if they do, most of them have lost permanent teeth. From that time on through life pyorrhea and kindred diseases afflict nearly all of the population of the United States. Malocclusion is found among people of all ages and the testimony before our committee showed that 25 percent to 40 percent of the people suffer from that trouble. Frequently diseases of the teeth and gums, either cause or contribute to painful and deadly diseases.

This new activity in the Public Health Service is expected to contribute greatly to research that will lead to prevention of much of these diseases that bring so much discomfort and suffering to the human race. Its work will be according to a similar pattern to that of the National Cancer Institute and the Mental Health Institute, and will conduct not only basic and applied research but also will make grants-in-aid to private and and public institutions that are striving for more knowledge and skill that will aid in the prevention and cure of disease that throughout the years has been generally and casually accepted as one of the afflictions that flesh is heir to.

NATIONAL HEART INSTITUTE

We had an interesting and informative hearing this year on heart disease. Heart disease is so common that it has been generally accepted as something that a large proportion of human beings must suffer. We were told at the hearing that one out of every three people now alive is destined to die of heart disease unless something is done to repel the constant attack of the No. 1 destroyer of the human race. Five hundred and eighty-seven thousand deaths in the United States were chargeable directly to heart disease in 1945. It is feared that diseases of the heart and circulatory system will exact an even higher toll as the average age of people increases, largely due to other advances which medical science and public-health measures have made. The reason for that is that cardiovascular diseases, while killing people of all ages except infants, concentrate on killing people in the middle- and old-age groups. We had witnesses from the American Heart Association, the National Research Council, the American Medical Association, the College of Physicians and Surgeons of Columbia Uni-

versity, Dr. Leonard Scheele, Surgeon General of the United States, and many others qualified to speak, who urged impressively that we pass this bill to create the National Heart Institute in the Public Health Service. These witnesses emphasized that the most necessary thing is research into causes, treatment, and methods of prevention. We learned that research facilities are pitifully inadequate. There are less than 200 hospital beds in the United States that have been set aside for clinical research in heart and circulatory diseases. Only about 900 hospital beds in the United States are reserved for convalescent cardiac patients, and of these 344 are in New York State alone, all of the remainder being in only 7 other States. Only 199 physicians in the United States limit their practice to heart disease, and only 439 others devote special study to cardiology. The hearing impressed upon us that there is a desperate need for trained doctors and technicians to engage in research and to use the knowledge thus gained in striving to solve the problem of heart-disease mortality. This institute will work along lines comparable to the functioning of the cancer, mental-health, and dental institutes. The Government will use public and private agencies, and will provide research fellowships and training for those who give promise of performing great and much-needed service in this field in which research and knowledge are necessary, if we hope to stem the tide of death being caused annually by heart disease.

In 1938 I served as chairman of a subcommittee that conducted a hearing on venereal diseases. The revelations of the prevalence of these diseases were shocking enough to stir any committee to action. We reported and secured enactment of the Venereal Disease Control Act of 1938. Definite and splendid results have been accomplished during the intervening decade. The death rate of syphilis has diminished from 16.2 to 9.3 per 100,000 population. The decrease of the infant mortality rate from seventy-three hundredths to twenty-five hundredths during that period is, I believe, largely attributable to the venereal-disease-control program. Attack on diseases that cause blindness, insanity, and death, diseases which have so weakened America's human resources as to impair seriously the strength of our national defense. More recently this service has expanded and improved by the establishment of rapid-treatment centers, jointly operated by State and Federal health authorities. State and local health departments throughout the land are matching Federal funds in the operation of out-patient clinics. Tangible results have been accomplished. Progress is being made every day in the conquest of these diseases whose ravages have left an indelible mark on the human race for centuries.

I shall not go into much further discussion of this work of the committee of which I long have been a member. I could recite the valiant efforts being made to control and eventually to eradicate tuberculosis. That also is a great program worthy of the support of Congress and the people we represent. The authorities estimate that there are approximately 500,000 cases of tuberculosis in the United States, only about half of which have been diagnosed, and that the annual death rate from that terrible plague is 50,000. The Public Health Service is undertaking to see that every adult in America is given X-ray examination during the next 5 years. Six million are being X-rayed this year. Experimentation with the BCG vaccine has practically established its efficacy as a preventive agent. This battle must be waged to completion.

The whole public-health program is sound, worth while, and of indescribable benefit to society. By carrying on these activities in cooperation with the State and local governments, the United States is not only recognizing its obligation to its citizens, from whom all its power is derived, but these laudable and beneficent Federal activities constitute the surest and most impregnable defense against the threatening advances of the undesirable ideology commonly called socialized medicine, which we in America do not want.

Overtime on Overtime

EXTENSION OF REMARKS
OF
HON. JAMES E. MURRAY
OF MONTANA
IN THE SENATE OF THE UNITED STATES
Saturday, June 19, 1948

Mr. MURRAY. Mr. President, I ask unanimous consent to have inserted in the Appendix of the RECORD a letter signed by William R. McComb, Administrator, Wage and Hour and Public Contracts Division, United States Department of Labor, appearing in the Washington Post of June 17, 1948, on the subject Overtime on Overtime. I also ask that there be printed with Mr. McComb's letter the comments of the Washington Post which follow the letter. The letter was written in answer to an editorial appearing in the Washington Post of June 14 which commented on a recent decision of the Supreme Court affecting the longshore industry.

There being no objection, the letter and comments were ordered to be printed in the RECORD, as follows:

OVERTIME ON OVERTIME

Your June 14 editorial, Overtime on Overtime, has omitted reference to a most important fact. The Administrator of the Wage and Hour Division in November 1940 issued an interpretative bulletin in which he said that extra compensation for hours worked outside the normal or regular working hours or for work on Sundays and holidays may be credited against the overtime pay required by the Fair Labor Standards Act. Later the same opinion was expressed regarding extra compensation for work on Saturdays.

In its decision the Supreme Court overruled the Administrator's opinion regarding extra compensation for Saturdays, Sundays, and holidays and for work outside of normal or regular working hours; however, and this is a point I want to emphasize, employers who relied upon the Administrator's opinion are protected by the Portal Act from liability for the past.

With respect to night work in the stevedoring industry, the Court ruled that these hours were not outside the normal or regular working hours and that the higher rates were simply the regular rates for undesirable hours. A former Administrator told the stevedoring industry this same thing as long ago as 1943, and the industry elected to ignore his opinion. My predecessors and I have felt it to be our duty to give employers our best judgment regarding the requirements of the act and to advise them to change practices which did not satisfy the statute. Opinions so expressed usually have been upheld by the courts. In this particular instance the stevedoring industry certainly had ample and timely warning.

Various estimates have been made of the potential liabilities. Most of them are completely fantastic. The Supreme Court commented on these estimates on page 6 of its decision and in footnote 7 pointed out "the basis for such figures does not appear." Even the $43,000,000 mentioned in your editorial as the potential liability of one firm touches the realm of fantasy.

This industry has the good faith defense available as to Saturdays, Sundays, and holidays; it possibly may be relieved of the double damages liability by section 11 of the Portal Act; longshoremen frequently work for more than one employer in a single week without working more than 40 hours for any one of them; suits not already filed will be subject to a 2-year period of limitation. When all of these considerations are weighed in the final determination of the suits, I am confident the ultimate recovery will be only a small fraction of the vast amounts which have been mentioned.

I agree completely that legislative action to define the regular rate of pay is needed. I have said so to the Congress in my last annual report and have testified to this effect before subcommittees of both the House and Senate within the past few months.

WILLIAM R. MCCOMB,
Administrator, Wage and Hour Public Contracts Division, Department of Labor.

WASHINGTON.

The Washington Post was aware of these defenses to payment of damages but space did not permit of comment on this question at the time. Moreover, Mr. McComb's statement indicates that in case of the stevedoring industry damage claims may be quite large, for the industry had been told by a former Administrator that, in his opinion, higher rates for night work were not outside regular working hours. Consequently the stevedoring industry and any other industry similarly advised having the same type of wage schedules will be deprived of the good-faith defense as regards night work. And the Administrator himself is by no means sure that the stevedoring industry will escape double-damage liability under the Portal Act. Meantime, a west coast longshoremen's union is preparing to file an additional 2,000 suits for back pay on the basis of the Supreme Court decision.

Outlook for GI Home Loans

EXTENSION OF REMARKS
OF
HON. EDITH NOURSE ROGERS
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mrs. ROGERS of Massachusetts. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following talk by T. B. King, director, Loan

Guaranty Service, in connection with panel discussion on mortgage terms and interest rates at the Institute of Housing Studies, New York, June 3, 1948:

It is a pleasure to take part in this afternoon's panel discussion. As my contribution, I have elected to discuss the outlook for 4-percent GI home loans in the home-finance picture.

As you gentlemen all know, the GI loan has played a major role in mortgage finance during the postwar period. Today almost 1,200,000 veterans and their families are living in homes financed with a GI loan.

The importance of VA guaranteed and insured loans in the mortgage portfolios of private lending institutions is clearly seen in the proportion of total mortgage recordings which GI loans have represented. During many of the months of 1946 and 1947, about one out of every four small-home mortgages recorded in the United States was a GI loan. In terms of dollar amount, the ratio has been even higher, accounting for 25 to 35 percent during much of the 1946-47 period.

As a result of this high level of GI lending, most of which has been telescoped into a period of two short years, the composition of outstanding small-home mortgage debt has been altered substantially. We estimate that currently almost 20 percent of the total mortgage debt outstanding on the Nation's small homes carry VA guaranty or insurance.

The loan-guaranty program has thus furnished an interesting chapter to the history of home finance. I am convinced, moreover, that the GI loan has provided the greatest single governmental aid toward the solution of the veteran's housing problem. And, although I am naturally open to the charge of being prejudiced, I am also convinced that this aid has been accomplished with a minimum of administrative delay and Government expense, both present and potential.

Some observers, instead of regarding the tremendous volume of GI loans as a desirable accomplishment, have expressed the view that GI loans, at least a good share of them, are unsound. These critics have stressed the high percentage of loan amount to value as an unwholesome characteristic of GI loans. They have also said that GI loans have not been subject to strict underwriting control, that too much responsibility in judging loan quality has been left in the hands of local lending institutions.

Let me cite some of the reasons why I do not agree with these observers.

One of the strongest proofs of the soundness of GI loans is the superlative manner in which these loans are being repaid by our former GI's. Out of the total of home loans reported closed by lenders to date, only about 31,000 have been reported in default, and 16,000 of these defaults, or 53 percent, have been cured by proper servicing. Currently, only about one GI loan in a hundred is experiencing default trouble. The success of the other 99 veteran mortagors reflects the integrity and responsibility of our veterans, and also attests to the sound credit standards by which lending institutions have guided themselves.

Another healthy characteristic of GI loans is the concentration of the homes which they finance in the moderately priced home field. Although the average price of the new homes bought with the GI loans has been rising apace with mounting construction costs, the fact remains that the bulk of the homes financed under the GI bill are in the low and medium-priced field in terms of today's market. For example, even during the recent 9-month period May 1947 through January 1948, the average purchase price of all homes bought under the GI bill was $7,500. Well over 40 percent of these homes were purchased at prices below $7,000. And it must be remembered that these figures are national averages which reflect the influence of the highest cost urban areas.

This concentration of GI homes in moderate-price brackets enhances the security strength of GI-loan portfolios in the event that real-estate values decline. In the past the market for low- and medium-priced homes has been least affected by falling realty prices.

Also remember that homes which qualify for GI loans must meet the test of reasonable value. Admittedly the reasonable value restraint is not a rigid price control. But it must also be admitted that, at a time when home prices are generally being set upon the basis of what the traffic will bear, the GI loan is unique in that it alone imposes a restraint upon the home price which the veteran may be required to pay.

I want to emphasize one other aspect of GI home loans about which there is wide misunderstanding. Too often I hear loose statements which imply that all, or at least the bulk, of GI loans, are 100 percent loans above which the veteran has no equity interest. These statements are just not true. In several recent months for which data are available, over 70 percent of the veterans who made first mortgage loans invested equity money of their own. These cash payments averaged 16 percent of purchase price. The will to protect those savings by avoiding default is another element adding to the strength of GI loan portfolios.

These are some of the factors on which I base my belief in the healthy outlook for the GI loans which lenders have originated during the past several years. Barring the onset of a severe economic depression, which would threaten the most gilt-edged investments, I am confident that GI loans will continue to prove their soundness.

Turning now to the problem facing those veterans who hope to obtain GI loans during the coming months, I must say that the outlook at the present moment is not so promising.

The volume of GI home loans has been declining steadily since last September. Home-loan applications in April 1948 numbered slightly less than 29,000. This is 45 percent below April a year ago. The steady decline in GI home loans is especially significant when it is contrasted with the fact that home-building activity and mortgage recordings have not experienced a similar decline, but are running well above last year's levels.

Undoubtedly, one of the primary causes for this decline is the disparity between rising home prices and the average veteran family's ability to pay for housing. According to our best estimates the average veteran family can afford a home priced in the neighborhood of $5,000 to $6,000. And yet, the prices of new homes which veterans are buying with GI loans are now averaging over $9,000. It is not difficult to see that the price problem is barring the door to home ownership for more and more veteran families.

The other cause for the decline is of course the growing unattractiveness to lenders of mortgage investments at the 4-percent maximum interest rate permissible under the GI bill. There is no need for me to review the developments which have contributed to this situation, such as the elimination of the RFC secondary market for GI loans on June 30, 1947, the upward movement in bond yields which took place during the latter half of 1947, and the progressive saturation of many lender portfolios with 4-percent loans. These influences have made it increasingly difficult for veterans to obtain the favorable financing terms of GI 4-percent loans.

Even in the face of these developments threatening the 4-percent loan, I must confess that I had hoped that the 4-percent GI loan could be maintained. This hope was based upon several factors. One was the stabilization of bond yields which took place early in 1948. As a matter of fact, in April the yields on high-grade corporate bonds fell back almost to the level prevailing in November 1947, although they are still above the yields of the summer of 1947. Another factor was the possibility that the opportunity to make conventional loans will become progressively more restricted. Conventional loans require the borrower to pay higher interest rates and to be able to supply a large equity payment. To the extent that the number of prospective home buyers able to meet these stiffer requirements is diminishing, there would be greater incentive for lenders to make GI loans to veterans.

Let me emphasize, however, that this hope of maintaining the 4-percent GI loan was promised upon the assumption that there would be no increase in the maximum interest rates on home loans insured under other Government programs. It now appears, however, that this assumption is no longer valid. Whether or not FHA's title VI is extended with a higher interest rate, the recent discontinuance of stabilized cost as a basis for FHA cost estimates under title II indicates that the 4½ percent interest rate applicable under title II will tend more and more to become established as the competitive minimum for Government guaranty and insurance programs. The recent pick-up in applications under section 203 reflects this trend. Lenders will not be inclined to make 4-percent loans which are 50-percent guaranteed when they have equal opportunity to make 4½ percent loans which are 100 percent insured by the Federal Government and which are also supported by a Government secondary market. This will mean that veterans who need mortgage loans will have to pay 5 percent on FHA loans (4½ percent plus the one-half of 1 percent insurance premium), or perhaps even higher on conventional loans. This will raise the ultimate cost of home ownership to veterans by 10 percent and higher.

These developments in their practical effect mean that for the first time since 1944, when the Servicemen's Readjustment Act became law, veterans will no longer have an advantage over nonveterans in their ability to obtain home-financing credit on favorable terms.

The implications of this situation for 4-percent home financing for veterans are clear. If the status quo is maintained, the supply of 4-percent money will rapidly approach the vanishing point.

One of the possible solutions, which is contemplated in various bills now before Congress, would involve the continuance of the GI bill in its present form, but with a permissive interest rate increase to 4½ percent. Such a permissive amendment to the GI bill would present the choice of maintaining the 4-percent ceiling for a handful of veterans fortunate enough to find a loan at that rate or making GI loans generally available once more by hiking the rate to 4½ percent. While an amendment along these lines would raise financing costs to the veteran to 4½ percent, he would still benefit by a rate lower than the 5-percent rate which an FHA or a conventional loan would cost him. Moreover, there are other advantages of a GI loan which would continue to benefit the veteran, such as the 4-percent gratuity payment, the privilege of prepayment without penalty, and the scaling down of other penalties and closing costs to the veteran which present regulations require.

Let me conclude by saying that the outlook for the continued availability of low-cost mortgage loans to veterans depends upon the action of Congress. Without some new form of legislation, it appears very probable that veterans will be forced to pay interest rates of 5 percent or higher for their home-financing loans in the months to come.

The People Need Steel

EXTENSION OF REMARKS

OF

HON. JAMES E. MURRAY

OF MONTANA

IN THE SENATE OF THE UNITED STATES

Saturday, June 19, 1948

Mr. MURRAY. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a statement by me entitled "The People Need Steel."

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

THE PEOPLE NEED STEEL

(By JAMES E. MURRAY, Senator from Montana)

Mr. President, the continuing shortage of steel is the greatest single threat to a stable domestic economy in the United States and to the success of our foreign recovery program. Witnesses have come to Washington from all parts of the country complaining about the effect of this steel shortage on independent and small businesses, steel fabricators, construction, oil- and gas-well development, and automobile and farm-machinery production.

My own State of Montana is seriously affected. Mr. J. N. Thelen, president of the Montana Stripper Well Producers' Association of Great Falls, so testified before us in hearings on steel supply and distribution held by the Senate Small Business Committee the end of May. Mr. Thelen represents several hundred independent Montana oilmen, each adding to our total supply of preciously needed oil by stripping wells that still have oil in them. He pointed out that the abandonment of these wells is a loss of oil for all time, that such wells are being abandoned at an alarming rate because of the steel shortage which makes casing so scarce and costly that it is pulled out to be used elsewhere, and that new wells are not being developed as they should be because of lack of steel. When it is known that there are some 300,000 stripper wells producing about one-fifth of all oil in the United States, what Mr. Thelen is referring to as determining the life or death of much of Montana's oil industry becomes a matter of serious national concern as well.

This condition of great demand for steel and short supply arose at the close of the war, when the floodgates of pent-up demand for goods again opened and deluged American business with customers' orders. Anticipating it, as the then chairman of the Senate Small Business Committee, I called a series of conferences in Washington with the head of the War Production Board, Julius Krug. My intention was to devise a workable plan whereby the small and independent businesses of this country would be assured of a fair share and continuing flow of steel when the floods of orders swept over the land. Promises were made, and a method of dealing with distress cases was worked out that did much to accomplish my purpose.

But, Mr. President, still the steel shortage continued while business expanded, causing ever-increasing hardship to businessmen, farmers, workers, and consumers.

Not content with taking testimony in Washington alone, the Senate Small Business Committee has gone out into the States where the people could lay their problems directly before us. During the past 2 months we have conducted hearings of both our steel and oil subcommittees, in an area covering 10 States remote from Washington. In city after city, the story has unfolded of people being unable to get steel products, and of businessmen failing or cutting down their production and employment for lack of this basic raw material—steel. The distribution of steel to small producers is even worse than it was a year ago. This is an indisputable fact established by the hearings. An Associated Press dispatch from Detroit on June 10 carries the disturbing news that 200,000 workers in the General Motors plants were being laid off for a period of 10 days for lack of steel to make into automobiles and trucks, still another and recent proof of the widespread effects of the long-continued steel shortage.

The chairman of the committee, Senator KENNETH WHERRY, was so alarmed at the disclosures made before the committee that he issued a statement declaring, "Since controls on steel were lifted in the fall of 1945, distribution of steel to these areas has been shrinking * * * Where is the steel going? It must be going in larger quantities to larger users of steel. * * * It boils down to the simple facts of whether the steel industry wants a free, competitive economy—in which all segments may have a chance for survival—or whether you want a regimented economy. * * * Quite frankly, unless industry does take on the responsibility—Congress will legislate to make that responsibility mandatory. I have very little doubt of that, as distasteful as the idea of Government controls of industry is to most of us."

Mr. President, when we stop to think we all appreciate that steel is the basic raw material of our economy today. Some 95 percent of our manufacturing depends on steel. No new mining operation can start without steel; no mines or oil wells can be opened or continue without new steel tools and equipment coming in regularly. Much of farming is mechanized and depends on steel farm implements. Oil drilling is at a standstill in many localities today for lack of steel casing. Water, gas, and sewage systems all need large quantities of steel. It's surprising how much steel is required to build even the smallest house, and a factory or store building has a steel skeleton. Hard roads and bridges are reenforced with steel. Our whole transportation system is made of steel. We could not communicate with each other by telephone without steel. No housewife could work in her kitchen today without using essential equipment made of steel.

It is because this is an "age of steel" that the economic welfare of our people depends on an ample supply of steel. This shortage has gone on now for more than two peacetime years, and indications are that it will continue for some years more. In fact, as amply shown in the testimony before the Senate Small Business Committee, the shortages are growing worse, the costly gray market is growing bigger, and independent businessmen who are located far from steel-producing centers find their sources of supply closing. Yet when the chairman of the committee, Senator WHERRY, asked this question of Mr. David F. Austin, vice president of the United States Steel Corp., "Then you have no program as a group (for insuring steel to small business)?" this representative of the steel producers replied, "As an industry, I have not."

So the prospect of any early change in conditions is slight, and the chances are that small business will continue to suffer shortages of steel and the American people will be compelled to go without needed steel products.

The steel shortage affects my own State of Montana in a cruel way, for with the close of the war there was a long-planned program of industrial expansion and renovation. A representative of the Governor of our neighboring State of North Dakota pointed out in the recent hearings that lack of steel was responsible in considerable part for the reduction in the size of our cattle herds, for cattlemen and farmers cannot get enough steel pipe, well equipment, and construction steel for silos and barns. I have already referred to the testimony of Mr. J. N. Thelen, who told the committee that steel pipe for oil and gas wells and transportation was impossible to get, except at such exorbitant gray-market prices that it was unprofitable to open new wells or continue operation of low-producing wells in our State. Thus, the promising prospects of our industrial future are blighted at the start by lack of one thing—steel. How can we have enough steel for all our needs? The answer is not simple, but there is a satisfactory answer. It has been found in the long-continued studies which we have made in the Senate Small Business Committee. I have just reported my view of these studies and recommendations in a published Senate document, Steel Supply and Distribution Problems, which is now available for everyone interested to read.

The answer to the problem includes action along the following lines: An impartial body, probably the President's Council of Economic Advisers, set up under the Full Employment Act of 1946, of which I had the honor to be the author, should ascertain the amount of steel production required to meet the needs of our economy. This would then become the minimum goal at which private business could reasonably direct its efforts.

If the leaders in the steel industry are too timid, or have too little faith in our future to risk such investment in plant capacity, then there are smaller independent steel companies which are anxious to grow. They do not lack for courage or business optimism, but they are throttled by the monopoly power of the steel giants. They cannot get capital from the Wall Street financial partners of these steel monopolists. The RFC was established in part to make sure that this country would not lack for basic materials such as steel because enterprising businessmen were denied access to capital markets. Now, its facilities should be made available under such conditions as will insure increased expansion and guarantee a fair return to the Government. The arrangements should provide for the widest possible participation of local bankers in any loans made, and thus provide for a sufficient expansion of production which will result in an adequate steel supply and increased competition in this tightly organized industry so that the American people can get the benefits of lower competitive pricing.

For us in the West such a program offers the only hope of an adequate supply of steel and the development of a western steel industry which will use our great bodies of ores, coal, potential hydroelectric power, and hold our young people at home by providing them with steady, well-paying jobs.

Mr. President, one of the most serious failures of the Republican-controlled Congress which has just ended is the failure to meet this problem of safeguarding our economy by providing a program for an adequate expansion of steel production. As a result of this failure, thousands of businessmen will be forced out of business during the year, and the American people will come more and more to realize that they can't always depend on these large combinations that exercise arbitrary control over our basic industries.

All this goes to show that we must have men in the Congress with the courage and the stamina to grapple with this problem and provide a program along the lines I have suggested. This is the road to a balanced economy and true prosperity.

Revolving Fund for Purchase of Natural Fibers

EXTENSION OF REMARKS
OF
HON. ARTHUR WINSTEAD
OF MISSISSIPPI
IN THE HOUSE OF REPRESENTATIVES

Friday, June 18 (legislative day of Thursday, June 17), 1948

Mr. WINSTEAD. Mr. Speaker, I consider S. 2376, a bill to provide a revolving fund for the purchase of agricutural commodities and raw materials, to be processed in occupied areas and sold, one of the soundest pieces of legislation that has come before this Congress for the purpose of helping to rehabilitate foreign countries.

This measure does not constitute a gift and the American taxpayer should not lose one single dime in the enactment of it. Instead, this should save millions of dollars on occupation cost alone. It has been estimated that had this act passed 2 years ago that $300,000,000 in operating costs would have been saved in Japan alone. It is expected that a substantial profit will be realized from proceeds of sales beyond what amount will be needed to repay the fund.

In this program we not only provide employment, which lessens the occupation cost, but we also provide a market for our surplus fibers produced in this country, such as cotton, wool, mohair, and flax fibers.

As a member of the House Committee on Armed Services, which committee handled this measure, I have been pleased to find that the membership in both the subcommittee and full committee voted unanimously to report this bill. There was no opposition in the Senate and there should be none here. The House should, and I believe it will, give full and unanimous support to this measure.

Veterans' Homestead Housing Bill, H. R. 4488

EXTENSION OF REMARKS
OF
HON. EDITH NOURSE ROGERS
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mrs. ROGERS of Massachusetts. Mr. Speaker, in all of our discussions on the question of housing legislation, there is one fundamental fact which too many of us overlook. We tend to forget the fact that the housing problem is primarily a veterans' housing problem. We are forgetting the pledges we made to our demobilized veterans that we would do something about their housing problem. The suffering caused by the present housing shortage is not equally distributed—our former GI's are bearing the brunt of it.

There is ample evidence that the average veteran family is already priced far out of the market for new homes. The high rate of home-building is an excellent achievement, but let us not delude ourselves that these homes are going to our veteran constituents. They simply cannot afford them.

The general housing legislation we have considered will not improve this situation. The general housing bill will merely continue a status quo in which the veteran has no real preference.

It is time for us to live up to our pledges and to pass a housing bill which will really help our veterans. I am convinced that H. R. 4488, the Veterans' Homestead Act of 1948, is that bill. The veterans' homestead bill has the sponsorship of the American Legion and was reported out unanimously by the Committee on Veterans' Affairs. It is the only legislation I know of which will really give the veteran a break in the housing market.

It will give them homes at much lower cost. Through FWA grants and other features, the bill will reduce housing costs to veterans by as much as 20 percent. Unlike the general housing bill, which would give aid to the bottom 10 percent of our income groups through public housing, and to the top 10 percent through its other provisions, the veterans' homestead bill is aimed squarely at the home-seeking veterans in the middle 80 percent.

It will give veterans the tools to master their housing problem through their own initiative. Through homestead associations chartered by the Veterans' Administration, veterans can go ahead in their own communities and build their homes without having to rely on the efforts of others.

It assures veterans of the necessary financing. Through loans from the Veterans' Administration and through provisions which assure the availability of an adequate supply of capital for GI loans, home-seeking veterans can be certain of low-cost financing.

It will solve the rental-housing problem which is plaguing our veterans in urban centers. Homestead associations can begin immediately to build apartment houses which will feature greatly reduced monthly rentals.

It provides the very necessary aid to GI's who need farms. By making low-cost credit available to veterans through the Federal land banks and the Farmers Home Administration, the bill will answer a crying need in our farm communities where veterans are now unable to get the necessary financing to buy a farm.

These are the compelling advantages offered to veterans by the homestead bill. Now, as to legislative cost, I have heard opponents of the bill say, "The bill is all well and good, but won't its cost to the taxpayers be prohibitive?" The answer is an emphatic "No."

The great bulk of the funds made available under the homtsead bill will not be expenditures at all, but will be self-liquidating loans which will be repaid to the Government with interest. The only direct cost involved is the $200,000,000 for FWA grants for land development and public utilities, and even this cost will be spread over a number of years. I think that all of us who have helped to develop the homestead bill can well be proud that it will accomplish so much at so little cost. It certainly seems the least we can do to help our deserving veterans solve their housing problem.

GENERAL PROCEDURE

I know that every Member of Congress is gravely concerned about veterans housing. I shall never be able to forget some of the individual cases which have been presented to me. I have studied the veterans' homestead association bill to see how it would apply to those cases. I wanted to find out if it can actually help the individual veteran who wants to own his own home—a home that is soundly planned, soundly built, and within his ability to pay. I believe the Veterans' Homestead Act will help that veteran. I should like to explain how.

In the first place he is eligible to become a member of a veterans' homestead association made up of other veterans in the same situation he is in and organized for the express purpose of aiding each other, without financial gain to themselves, to obtain a home. The fact alone that the individual veteran can discuss his problem and get advice through his association from sources that are familiar with and sympathetic to his needs is a real help in itself. This availability of experienced counsel will present many individual veterans from going off the deep end—from acting too hastily, of buying beyond his needs, or encumbering himself beyond his means. It must not be forgotten that the average person does not buy but one home in his lifetime. Buying or building a home is a serious step. More often than not it is the largest single financial transaction the average individual ever enters into. It involves the longest continuing debt he will ever assume. In the case of our veterans this is especially so—he commits himself to pay over the next 20, 30, or 40 years of his life. When a veteran engages to build or buy a home it is essential that he get sound advice. The elements involved in home building or in home purchasing you and I know are technical. There are many things to know—many things to consider. Let us look at a few of them. Take the matter of location: The type of neighborhood, its proximity to schools, to work, to shopping, to church, the availability of utilities, the existence of municipal facilities, and many other factors which affect value and should be considered when making a decision is but one phase of the building operation—that of where to build. But there are many other factors which must be considered and which bear upon the cost and the ultimate value of the end product. Take for example the size of the lot; the size, design, and type of structure; the comparative costs of different materials; the different methods and cost of financing; and the legal aspects—just to mention a few. These matters are not readily understood by the average veteran and I say it will be a real help for him to be a

member of an association that can get him over the first hurdles in acquiring his home.

It must be borne in mind that these associations are nonprofit organizations of veterans organized for a single purpose—that of helping their fellow veteran members obtain a home. It is contemplated by the American Legion in sponsoring this bill that the association can command their experienced advice of public-spirited leaders in the community. But, important as sound advice and help of this sort is, that is not all the help these associations will give the individual veteran. Not a dime will be spent for materials or for labor except as there is value received. Moreover, these associations solve the veteran's problem of obtaining construction-loan money. This has been a troublesome problem for many veterans. In many communities it has been impossible for a veteran—primarily because he has limited means—to obtain a construction loan; in other communities such money is not available, and in still other communities available but at high costs. These associations will pay for work as it progresses and the need for a construction loan is obviated. Furthermore, these associations will have the benefit of supervision, inspection, and the services of the technical staff of the Veterans' Administration. The many services and facilities which this bill makes available to the individual veteran through his homestead association adds up to this: He will get a home that is soundly constructed, that has good design, good planning, is well located, meets the veteran's needs, and be one he more probably will be able to pay for.

PRIVATE ENTERPRISE

I would like to make it clear to my colleagues in support of the addition of the veterans' homestead association bill that whatever housing is built under the veterans' bill must be built by private enterprise. The Federal Government does not obligate itself nor undertake to build houses for veterans under the veterans' bill. All the Government does is to lend money to approved homestead associations upon the security of real property in order that the veteran members of approved homestead associations can get a decent place to live in. Our veterans do not want something for nothing. The homestead association bill does not give them something for nothing. What the veterans want and what this bill gives them is an opportunity to demonstrate that they can help themselves out of this deplorable housing situation—a situation not of their making. To say to our veterans that they are incapable of contributing to the solution of their own housing problems would be absurd. To them was entrusted our very existence at a time of our Nation's greatest peril. Is there any reason to believe that our veterans cannot now be trusted to conduct in a businesslike fashion the affairs of associations which they themselves have organized and which they themselves will manage? Have our veterans ever defaulted in the trusts our Government has reposed in them?

As I said at the outset this bill is entirely compatible with the precepts of the private enterprise system. It requires—and it rewards—private initiative. The mere passage of this bill does not mean that thereupon the housing problems of veterans are automatically solved. From the very moment the bill becomes law—whether housing will be produced under it will largely depend upon the private initiative of veterans. To produce housing under this bill the veterans must act as would any group of prudent businessmen were they to engage upon a similar housing undertaking. All construction undertaken under the bill will have to be built by private contractors on a normal profit basis. All construction will be approved in advance and inspected during the building process by the Federal Government. Ample provision is made to assure economic soundness. Veterans homestead associations will not spring into existence by themselves; veterans must take the initiative and themselves proceed to organize an association. To obtain a charter such veterans must show that there is a need in their locality for veterans housing; that such need is not being met and that they have a plan that will meet that need. Only if the plan is approved as sound and feasible, only if it will produce housing for sale or rent at prices veterans can afford, will a charter be issued, advances made or loan given to carry out the plan. The rest depends upon private enterprise and private initiative. Is there anything basically wrong with that idea? Our Government time and again aided private industry—aided it by credit, by direct loans—yes, even by direct subsidy itself. In a matter as vital to the welfare of our nation as homes are today can it be said that our Government will do less for its veterans in their need than it has in the past for private industry in its need? I am satisfied our veterans will get these housing enterprises going, and get them going quickly, economically, and with credit to themselves. I know too that our veterans will be grateful for the opportunity to help themselves. But the opportunity the passage of this bill will afford veterans is even less than the opportunity it affords our Government to demonstrate that our political and economic system in times of emergency can accommodate itself to meet the needs of private industry and private citizen alike. I believe the initiative, the purpose, and the good sense of our veterans justify the confidence and trust this bill places in them. In time of need you and I know our veterans will never let our country down. The question this bill poses is whether our Government is going to let the veteran down.

FARM LOANS AND RURAL HOUSING

When the call to colors sounded for World War II, hundreds of thousands of young men left our farms to join with those from towns and cities, for service in the country's Army and Navy. Following demobilization, most of these young men have returned to work with the soil, along with thousands of others who have planned and dreamed of life on a farm. But with every passing month since war's end, the actual ownership of a farm through purchase has become progressively more difficult. Rising commodity prices have been reflected in rising farm-land prices, and with every increase, lenders have become more cautious. As a consequence, those of our veterans who have sought financial help for farming purposes have found it more difficult to obtain. Since most of our veterans are young, it is not to be expected that they would have saved enough for the substantial down payment required by conventional mortgage financing.

It is true that the Federal Government has extended aid to prospective veteran farm owners through the GI bill, the Farmers Home Administration, and the Federal land banks. But the record shows that only a pitifully small number of veterans have been accommodated by these agencies. While high farm-land prices have deterred some, many others have been restrained from purchasing the farm of their choice only by their failure to obtain mortgage financing. The Farmers Home Administration is quite limited in the amount of funds available for loans to veterans, while the absence of an adequate secondary market for farm loans has made lenders cautious to proceed under title III of the GI bill.

Recognizing these legislative and fiscal deficiencies, the veterans' homestead bill of 1948, H. R. 4488, proposes to come to grips with the financial problems confronting veterans in several ways. First, it provides for the investment by the Secretary of Agriculture of $100,000,000 a year in a manner assured to help veterans seeking farm ownership or improvement. The Secretary may lend part of this money to the various Federal land banks for their relending to veterans on favorable terms, and he may also make part of this money available to the Farmers Home Administration for loans to veterans in the event that conventional loans become unavailable.

The homestead bill provides a secondary market for farm loans guaranteed or insured under the GI bill, by authorizing the Administrator of Veterans' Affairs to purchase them from lenders under the same terms provided for the VA purchase of home loans. This assurance of a certain future liquidity should go far toward overcoming the reluctance of some private lenders to extending to veterans the credit so necessary to enable them to buy or improve a farm.

Finally, the homestead bill removes certain limitations of law placed on the Federal land banks and the Farmers Home Administration in the making of farm loans guaranteed under title III of present GI bill.

In concert, these aids will go far toward relieving the mounting farm credit stringencies now beleaguering those of our veterans seeking to purchase farms for themselves. It should be particularly noted that all of the farm aids

proposed by the homestead bill will require no expenditure by the Federal Government. The loans will be self-liquidating and the money invested will be returned with a yield to compensate the cost of Treasury borrowing. Adequate security will be held to protect the lender by taking a first mortgage on the real estate in an amount within its reasonable value. The net effect of this extension of Government credit will make it possible for thousands of veterans to get started on their own farm instead of working as a tenant or a farm hand, or remaining tied to a city job not to their liking, training, or ability.

The homestead bill will enable the veteran who owns his farm to borrow money from a homestead association to cover the cost of building or improving his farmhouse. He need only join the association formed in his county or community to be eligible for such a construction loan on terms that will be highly favorable. When the house is completed, it will automatically be eligible for a 40-year guaranteed GI loan from a private lender, the Federal land banks, or the Farmers Home Administration, so that the construction loan from the homestead association may be repaid.

Is extending this aid too much for us to do for our farm boys who went to war against the Japs and the Nazis? Since it is hard to visualize how this type of aid can be an expense, we will be remiss in our duty if we fail to act now.

RENTAL HOUSING

For many veteran families the big problem is rental housing. Many of our veterans have only recently become family heads and are not yet prepared to become home owners. Many others dwell in the large urban centers where apartments are the accepted means of shelter. For these veterans the problem is to find a decent apartment at rentals which they can afford.

The rental housing provisions of the legislation we are now considering are definitely now the answer. They merely continue unchanged the present Government aids to rental housing which have been proved almost totally ineffective. The number of apartment units which have been built in the postwar period is a mere trickle, wholly insufficient in the face of the crying need for rental housing in today's market. Moreover, the few new apartment units which have come on the market have been priced completely beyond the reach of the income of the average veteran family.

I confess I am ashamed when I read the "apartments for veterans" ads in our newspapers today. You have all seen these ads. They run something like this: "Newly completed apartment units. Veterans given preference. One-bedroom apartments, $85; two-bedroom apartments, $100." One hundred dollars for a small two-bedroom apartment. Think how the average GI with a $50 weekly income must feel when he reads an ad like that. Can you blame him for feeling outraged at the emptiness of the legal preference with which a grateful Government has rewarded him?

What we need is plenty of apartments at rents which veterans can afford. The only legislation I know of which will meet this need is H. R. 4488, the Veterans' Homestead Act of 1948.

When we drew up the veterans' homestead bill we had this rental problem clearly in mind. I am confident that the veterans' homestead associations which would be chartered under the bill can really launch a frontal attack on the rental-housing shortage.

In the first place, homestead associations will not be hampered by the big deterrent to rental housing today, namely, the reluctance of investors to put their money into long-term rental projects. Assured of their financing through loans from the Veterans' Administration, homestead associations can go right ahead and build the apartments which many association members will want.

And, in the second place, homestead associations will be able to offer their members good-quality apartments at rentals far below present levels. Through FWA grants and other features of the homestead bill, associations will be able to build apartments at a reduced initial cost. This is one big saving. Another substantial saving is the reduced financing costs which associations would enjoy under the bill. They will receive long-term 40-year loans from the Veterans' Administration at only about 2½ percent interest, and, of course, there will be no question of landlord profit. Taking all these savings together, the veterans' homestead bill should enable associations to offer apartments to their veteran members at rents 25 percent below prevailing levels.

Let us do away with the humiliation our veteran apartment seekers are now experiencing. Instead of forcing them to follow countless futile leads in their search for an apartment which finally turns out to be hopelessly overpriced or to involve a furniture tie-in sale or some other joker, let us give the GI's a break.

COSTS OF H. R. 4488

Over the course of the last decade and a half, the Federal Government has pursued several methods in attempting to provide housing, to stimulate construction activity, and to relieve mortgage distress. Some of these devices have proved to be quite expensive to the Government and often ineffective while others have been very successful with little or no drain on the Federal Treasury. Accordingly, I would like to examine the provisions of the veterans homestead bill, H. R. 4488, in the light of their probable ultimate cost to the Government.

Generally speaking, plans involving the making of loans to home owners or the guaranty of loans to aid home ownership have been self-liquidating, and have cost the Federal Government little, if anything, even for administrative expenses. The provisions of section 511 of the veterans homestead bill which permit loans to be made to groups of veterans for the construction of single or multiunit dwellings, call for self-liquidating advances adequately secured by realty appraised to assure protection for the Government. The interest return on such loans would not only cover the cost of money to the Treasury, but would allow a small margin to offset the administrative expenses. There is no reason to believe that homestead loans would not be as successfully liquidated as the Home Owners' Loan Corporation portfolio, for none of the loans to veterans would be similar to the distress loans made by HOLC. As a group, our veterans have their period of higher income ahead of them, and barring a national calamity, they should prove to be excellent risks for mortgage loans.

The investment of Government funds in established lending institutions as provided in section 513 of the homestead bill for home loans and in section 514 for farm loans, has ample precedent that has proven most successful in combatting monetary stringencies. RFC has invested Government funds in banks, HOLC has invested funds in the building and loan industry, and constantly the Treasury has Government funds on deposit with banks throughout the Nation. Some of this money has been invested on a short-term basis and some of it on a long-term basis, but ultimate return without loss to the Government has been the rule rather than the exception.

Section 515 of the homestead bill provides for the purchase by the Government of mortgages made to veterans by private lenders, provided they are guaranteed under the GI bill and are secured by first liens on real estate, for amounts within the reasonable value of the security. The history of veterans' repayments under the GI loan program thus far has proven more successful than even the most optimistic had dared to hope. In fact, the purchase of guaranteed GI loans by the Government should provide a margin of return to pay the administrative expenses of doing so, as the differential between the cost of money and the yield will provide a spread of about 1 percent.

The only foreseeable cost of the homestead bill to the Government is the 50 percent matching grant provided in section 512 for the development of land sites and the construction of community facilities. To reduce the cost of site preparation and to facilitate the construction of well-planned subdivisions, an amount not exceeding a total of $200,000,000 over a 9-year period is provided by the bill. This expenditure by the Federal Government will reap a dual benefit in the years to come, not only by helping our young veterans on their way toward achieving the stability of home ownership, but also by building our new communities in conformance with good planning and sound design that will stand the test of time without the early depreciation that has plagued so many American cities in the past. I wish to call the attention of the House to the fact that this proposed expenditure is far less than the amount of Government aid that is contemplated by the other housing bills under consideration.

In summary let me again emphasize that the homestead bill follows formulas that have been tried and tested, and have proven successful without cost to the Government. The comparatively small grant involved is of little cost in relation to the immediate and long-term benefits it will yield. The provisions of this bill are a minimum that the Federal Government can grant in discharging its debt to those whose housing plans were disrupted by the war.

John Hollis Bankhead 2d

MEMORIAL ADDRESS
OF
HON. LISTER HILL
OF ALABAMA
IN THE SENATE OF THE UNITED STATES
Wednesday, April 21 (legislative day of Monday, March 29), 1948

On the life, character, and public service of Hon. JOHN HOLLIS BANKHEAD 2D, late a Senator from the State of Alabama

Mr. HILL. Mr. President, when JOHN H. BANKHEAD slipped out of the company of living men on the 12th day of June 1946, there was sadness in every farm home in the land. The outstanding champion of the cause of the farmer, the great leader for agriculture in the Congress of the United States was gone.

There was sadness in the hearts of the people of Alabama, for they were proud of JOHN BANKHEAD. They were proud of his notable services to the State and the Nation, proud of the honor and the distinction he had brought to Alabama. They held him in warm affection and highest esteem.

When JOHN BANKHEAD died, there was sadness in this body. A friend, a congenial associate, a faithful fellow worker, an informed and tireless leader in so many important matters had left us. No Member of the Senate had more friends in this body among Democrats or Republicans. JOHN BANKHEAD'S fairness, his forthrightness, his loyalty to those about him, his sympathetic understanding and willingness at all times to see the other fellow's problems, his generous impulse to be helpful, his indefatigable labors won and bound his colleagues to him in ties of lasting friendship. With this friendship went a confidence in the man, inspired by his integrity, his infinite pains, his zeal for his cause, and his devotion to the common weal.

No Member of the Senate possessed a rarer genius for reconciling differences, composing conflicting views and bringing forth consummate action. No Member commanded more influence in the Senate. He was indeed the successful legislator.

Senator BANKHEAD came of a family eminent in the political life of Alabama and the Nation for more than three-quarters of a century. Three successive generations of the Bankhead family have served in the Congress of the United States. It is almost without precedent for a father who has served in both Houses of Congress to have two sons and a grandson serve in either or both branches of Congress. And yet this is the story of the Bankheads.

Senator BANKHEAD'S father, John H. Bankhead, Sr., came to the House of Representatives in 1886 and was elected to the United States Senate to succeed Gen. John T. Morgan in 1907. The last Confederate soldier to serve in the United States Senate, the elder Bankhead began his political career in the Reconstruction Legislature of Alabama in 1865. In the House and the Senate he pioneered for rural-free delivery, was the father of good roads for our country and the indefatigable champion of inland waterway development. The Bankhead Highway, crossing the continent from Washington, D. C., to San Diego, Calif., is a memorial to him.

William B. Bankhead, brother of the late Senator JOHN H. BANKHEAD, served for nearly a quarter of a century in the House of Representatives, and was the only man ever to be unanimously chosen as Speaker of the House. He filled the position with a fairness, an ability, an eloquence and a distinction that set him apart as one of the great Speakers in the history of the House.

Senator BANKHEAD'S son, Walter Will Bankhead, served in the House of Representatives for a short while after the death of his uncle, Speaker Bankhead.

The Bankhead family has not only given to both Houses of Congress men who had long, successful and distinguished tenure of office, but it has given outstanding names to the fields of history, of art, of literature, and of the stage.

Senator BANKHEAD was well equipped for his career in the Senate. Born in Lamar County, Ala., in 1872, he attended the public schools of Alabama and was graduated from the University of Alabama when only 19 years of age. He was a member of Phi Beta Kappa. He received his law degree from Georgetown Law School and practiced law with his brother until Speaker Bankhead was elected to Congress in 1916. Senator BANKHEAD continued the practice of law until his election to the Senate in 1930, where he represented the people of Alabama until his untimely death.

Senator BANKHEAD'S interests were broad. He served on the Banking and Currency Committee, and played a leading role in fashioning and passing the many important measures which restored the Nation's financial strength and stability and that did so much to lead us out of the depression. His wisdom with his counsel went into the writing and the passage of the financial legislation so necessary for the winning of the last World War through which we have so recently passed. He was an effective and influential member of the Appropriations Committee, and chairman of the Irrigation and Reclamation Committee. He served on the Agriculture Committee, and it was here and on the floor of the Senate that he gave himself to the cause of the farmer.

Throughout his long service in the United States Senate, JOHN H. BANKHEAD stood dedicated to one supreme task—to build a sound and enduring foundation for American agriculture and to assure the farmer of a stable, long-range, profitable agriculture, free of drastic price fluctuations and disastrous surpluses. He fought that the American farmer might enjoy his rightful place in the Nation's household and that American agriculture might at long last receive parity in the Nation's prosperity.

The United States was nearing the depths of the depression when Senator BANKHEAD came to Washington in 1930. The farmers of the Nation were desperate, pressed down by taxes, interest, and debt. Many farmers were losing their farms through mortgage foreclosures. Crops were rotting in the fields because rock-bottom prices did not justify harvesting. The first ominous clouds of the dust storms were gathering in the Midwest. Cotton was soon to drop below 6 cents a pound. For years agriculture had been denied its fair share in the Nation's economy and the farmer's plight was desperate.

With the election of Franklin D. Roosevelt and a Democratic administration in 1932, the farmer took heart. The executive and the legislative branches of the Federal Government joined hands to meet with dynamic action his problems.

As a member of the Senate Agriculture Committee, Senator BANKHEAD took over chief responsibility for guiding the much-needed farm legislation through the Senate. His interest and activity covered the whole field of agriculture. He labored with the problems of wheat and corn, as well as with those of cotton and peanuts. He labored for fair and adequate prices for all farmers in all sections of our country. He was the author of many major pieces of legislation for the benefit of the farmer and of agriculture. These statutes are part and parcel of the epochal program that has brought fair prices to the farmer for his products, soil conservation for the preservation and building of the soil, fair and adequate farm credit, rehabilitation of the small farmer, elimination of farm tenancy and restoration of home ownership, better rural housing, crop insurance, reforestation, strengthening of the Farm Extension Service and the land-grant colleges, and many other benefits to the men, women, and children of the farm.

These statutes constitute an enduring monument to JOHN BANKHEAD'S life and work. The list of statutes which bear his name is too long to discuss in detail. I should like to mention only a few which stand as milestones in the development of basic, progressive agricultural programs in America.

The Bankhead Cotton Control Act of 1934 fostered and protected interstate and foreign commerce in cotton and was the forerunner of the present marketing quota law. The act helped the South to free itself from the shackles of the one-crop cotton system, to diversify farming practices, and conserve the soil from the exhaustive demands of cotton production.

The Bankhead-Jones Act of 1935 provided for additional research into farm production, distribution, and conservation. Special research laboratories were established and Federal and State activities closely integrated. The research work of the laboratories has justified itself manyfold. Among the accomplishments of the laboratories are new methods for production of penicillin, findings in the production of synthetic rubber, and development of motor fuel and synthetic fibers from agricultural products. For example, a new artificial fiber has been produced from peanut protein.

Senator BANKHEAD helped to draft the Soil Conservation and Domestic Allotment Act of 1936. Our soil was fast being depleted by farming practices. Under this act, improved farming practices were encouraged and we were started on

the road which has led to the restoration of the productivity of millions of acres of land and to diversified farm practices and land uses.

In the Bankhead-Jones Farm Tenant Act of 1937, Senator BANKHEAD moved to help the farm tenant, the laborer, and the share-cropper to realize the dream of owning his own land, of becoming the master of his own acres.

In 1945 he was co-author of the Bankhead-Flannagan Act which authorized additional appropriations for cooperative extension work in agriculture and home economics. This measure did much to aid the farm people in improving their standard of living, their marketing, their methods of farm and home management, their youth-clubs, and their programs for correcting nutritional deficiencies.

No mere enumeration of the wise legislation Senator BANKHEAD sponsored and guided can do justice to his services. His great work will live in the improved standard of living the farmers enjoy, in the expanded markets for their products, in the increased share of the national income the farmers receive, and in the new strength and dignity he helped to give American agriculture.

And let us not forget that when war came and its impending danger threatened our Nation American agriculture was able to produce undreamed-of harvests—to supply the demand for vast quantities of food and agricultural commodities for our civilian population, our armed forces, and our Allies—because of the wise program sponsored by JOHN H. BANKHEAD and those who worked shoulder to shoulder with him for American agriculture.

One of the last agricultural measures advocated by Senator BANKHEAD was the national soil fertility bill, jointly introduced by him and myself and sponsored by the American Farm Bureau Federation. This bill would give our Nation a national soil policy, provide an adequate supply of high-grade fertilizers at reasonable prices for the farmer and insure the restoration and preservation of the Nation's most vital material asset, the soil.

Busy as Senator BANKHEAD always was with agricultural legislation, he was never too busy to give me, his colleague from Alabama, a helpful hand. Today I wish to acknowledge my debt to him and my appreciation for the splendid support he gave me in my sponsorship of measures such as those for TVA, for rural electrification, for vocational education, for the building of hospitals and health centers, for the removal of unjust discriminations in freight rates, for the development of Alabama's waterways, for veterans' benefits, and for the national defense. Senator BANKHEAD and I worked together for Alabama and her people.

As one who was privileged to stand by Senator BANKHEAD's side and to sustain and support him in his battles for the farmer, I know how great was the loss to Alabama and to the Nation when he fell. He left behind him a rich heritage. We must guard that heritage and go forward with new works that will strengthen our agriculture, conserve and rebuild our precious soil, and insure a prosperous, happy, and secure life for the people he loved and served so well—the farm people of America. In his spirit and following his example, we must carry on that America may be strong, that she may continue free, and that she may play her full part in the building of the peace of the world.

Members Retiring From Congress

EXTENSION OF REMARKS
OF
HON. ADOLPH J. SABATH
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. SABATH. Mr. Speaker, I have been informed that up to this hour it is known that, due to voluntary retirements and the misfortunes of politics, we shall not have with us in the Eighty-first Congress about 30 of our present colleagues. How many more will be absent as a result of the forthcoming election is problematical.

Among those who will not be Members of the next House I regret to find the name of the gentleman from Tennessee [Mr. KEFAUVER], who has been with us more than a decade doing a splendid and outstanding service for his State and the Nation. On every question affecting the best interests of the whole country he has been found on the right side.

My regret for the retirement of Mr. KEFAUVER is somewhat softened by the prophecy of those well informed that the country and the State of Tennessee are not to lose his services but are to retain them in a position of great responsibility here in Washington that is considered by some as a deserved promotion for important work well done.

In the retirement of Mr. CLARK and Mr. FOLGER of the House, the Nation and the State of North Carolina, which has contributed generously to the statesmanship of the country, suffer a real loss. They carry back to private life the deserved well wishes of every Member of this House who appreciates unselfish and constructive work for the public weal.

In the loss of Mr. FLANNAGAN, by voluntary retirement, the cause of American agriculture loses one of its most intelligent and stanch advocates. No Member of this House during my day has had a better and clearer understanding of agriculture than has this sound and constructive legislator.

Capitol Hill will not be the same when Mr. LUDLOW voluntarily retires after about 47 years as Washington publicist and Member of this House. His outstanding contribution to the important and far-reaching legislation of the disturbed era in which he served so faithfully will be his indelible monument.

I join my colleagues in wishing for these retiring faithful public servants long life, health, prosperity, and happiness, wherever they may be.

Hon. Fred Hartley, of New Jersey

EXTENSION OF REMARKS
OF
HON. JAMES C. AUCHINCLOSS
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. AUCHINCLOSS. Mr. Speaker, I wish to take this opportunity to express in the RECORD my sincere regret that my dear friend and colleague, FRED HARTLEY, will not return to Congress next year because of his decision to retire. He has served his country and the Tenth District of New Jersey, which he represented, faithfully and well since he was elected to the Seventy-first Congress.

FRED HARTLEY always had a real contest at election time but that was natural for a fearless fighter and one who enjoyed the battle. He always won, not only because of his indomitable spirit but because the people he represented admired his strength of character and his determination.

It took courage to take over the chairmanship of the Education and Labor Committee of the House at the beginning of the Eightieth Congress and to guide through a long period of hearings the labor legislation which bears his name and is now on the statute books, in spite of a veto by the President of the United States. During the course of these hearings he exhibited a fine sense of justice, patience, and resourcefulness, and showed qualities of leadership which aroused the admiration of all who worked with him.

There is nothing of a counterfeit about FRED HARTLEY, and no one could ever call him a sham. He is honest in his convictions and he is not afraid to stand up for them. People cannot help but admire a character of this kind and although such a one is often apt to make enemies yet that did not bother FRED HARTLEY when he knew he was right.

The Congress of the United States will miss FRED HARTLEY. His many friends know that he is irreplaceable and his constituents are bound to regret that he will no longer represent them. I am proud to know him and to call him my friend, and I trust that the days to come will be happy ones and bring rich blessings to him and his family.

Columbia River Flood Proves Need of Over-All Valley Development Plan

EXTENSION OF REMARKS
OF
HON. JAMES E. MURRAY
OF MONTANA
IN THE SENATE OF THE UNITED STATES
Saturday, June 19 (legislative day of Tuesday, June 15), 1948

Mr. MURRAY. Mr. President, for many years now, I, with other Members of the Congress, have consistently sponsored and spoken in behalf of legislation

for the purpose of protecting and developing our priceless natural resources. I am wholly convinced that the most effective solution of our growing power shortage, the depletion of our agricultural resources, retardation of industrial development in underdeveloped sections of our country, and the prevention of periodic disasters such as the recent Columbia River flood lies in the creation of regional resources authorities.

Such authorities, operating in the great river valley areas of this Nation, with local representation attuned to the needs and aspirations of their people, would provide the type of integrated planning and development of our resources which would alleviate substantially the problems confronting us today.

In this connection I ask permission to have printed in the Appendix of the RECORD the following article on the recent Columbia River flood by Dr. Dewey Anderson, executive director of the Public Affairs Institute, which appears in the Trainman News of June 19.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

COLUMBIA RIVER FLOOD PROVES NEED OF OVER-ALL VALLEY DEVELOPMENT PLAN

(A report by the Public Affairs Institute (founded by the Brotherhood of Railroad Trainmen), Dr. Dewey Anderson, director)

Flood waters in the Pacific Northwest have already destroyed Vanport, a city of 19,000. Damage to smaller communities and thousands of inundated acres of fertile farmlands along the path of the swollen Columbia is yet to be calculated.

Current estimates indicate a flood toll of 30 dead; property damage amounting to $140,000,000; 48,000 persons homeless; 6,000 homes destroyed; 414,000 acres in the Columbia River Basin flooded, soil damage tremendous; and undetermined damage to State and county roads, city streets, dike and drainage districts, city sewer and water systems, and power and telephone lines.

The principal cause of the flood, the worst since 1894, appears to have been the unusually hot weather in the upper Columbia with consequent heavy snow and glacial melting. Heavy rains on the lower tributaries aggravated the situation and resulted in convergence, backing up and overflow at vulnerable points, of the flood waters.

Between the upper reaches of the Columbia and the heavily populated Portland area, the sole major facility capable of controlling the level of the Columbia is the Grand Coulee Dam.

It is said that by controlling the height of the water in the Coulee Reservoir the level of the Columbia River can ordinarily be reduced about 4 feet between Coulee and Bonneville. At best, however, this could have reduced the damage but slightly. Moreover, this would require having been able to forecast the flood flow. In addition it would have meant curtailing substantially the amount of power generated by Coulee Dam.

POWER SHORTAGE

It is generally known that the Pacific Northwest has been suffering from an acute power shortage with the result that many industries have been forced to operate below capacity levels.

Coulee Dam is today carrying the backbone of the electric power load of the entire Pacific Northwest.

The 1947 Department of the Interior Report on the Columbia River Power System states:

"The year served to emphasize further the seriousness of the power supply situation in the region. The rapid return to operation of aluminum plants, the growing demand of new and expanded industries, and the rising requirements for commercial and domestic power on the systems of the region's distributors, together with the fact that for the most part generating capacity in the area has remained static since the war, combined to present a problem of considerable magnitude."

This is the perspective of the facilities available to deal with the problems of the Columbia River Valley.

What may not be generally realized is that Coulee Dam was not designed, planned, financed, or operated for normal flood-control purposes. The allocation to incidental flood control benefits of the dam amounts to less than 1 percent of the cost of the dam.

What we have in the Columbia River Valley today—and the same is true of the Missouri River Valley—is a system of overlapping efforts, competition between agencies, and noncoordinated activities, with the Bureau of Reclamation planning and executing projects to store water for land reclamation and power; the Army's Corps of Engineers operating similarly on problems of flood control and navigation; the several agencies of the Department of Agriculture engaged in soil conservation, reforestation, and other activities.

These independent activities represent a relatively ineffective and expensive piecemeal hacking-away operation at a gigantic interrelated problem. The Vanport disaster illustrates that years of Corps of Engineers flood-control efforts, and the independent efforts of Reclamation's Grand Coulee and Bonneville, are not the way to handle the problem.

TVA SUCCESS

In contrast is the Tennessee Valley which had long been subject to periodic flood disasters. Since completion of the TVA system it has functioned sucessfully on numerous occasions to prevent damage from flood waters. Moreover, TVA has demonstrated that it can prevent devastating floods, and at the same time produce low-cost power to benefit a vast region, engaged in resources development, increase employment and incomes, provide wonderful recreation areas, and substantially raise the agricultural and industrial standards of the region.

On June 2, 1948, an editorial in the Washington Post, entitled "Disaster In the West," dealing with the Columbia River flood, suggests that a consequence of the tragedy may be an intensified demand for a Columbia Valley Authority to place the problem of flood control on a regional rather than local basis." And the editorial states further:

"The one great point which TVA has driven home convincingly is that no little plan will do. If conservation of the country's resources now imperiled by floods is to be effective, then it must be accomplished on a broad basis, resolving interagency conflicts through a single authority with decentralized operations. The best form of sympathy for the Oregon victims, aside from immediate relief, is to hasten meaningful steps to see that this appalling waste is not repeated."

Proposals in the form of bills introduced in Congress for the establishment of a CVA and a MVA have been widely discussed. The need has been widely recognized and the vast majority of the residents in the areas favor the proposals. Congress on the other hand has displayed little awareness of the problem and no disposition to deal effectively with it. The bills were not passed.

Senator GLEN TAYLOR (Democrat, Idaho) in discussing S. 1647, a bill for the establishment of a Columbia Valley Authority, which he had introduced during the first session of the Eightieth Congress asked:

"Must Congress always act in an atmosphere of crisis? Must we always avoid taking action in the calm atmosphere of affirmative planning for the future? I admit it is much less dramatic that way—the creation of opportunity for happy families and national development does not offer the drama which comes from running to the rescue of flood victims. But surely it is a better way to build a great nation."

FUNDS CUT

Just recently the House, immediately prior to the Vanport disaster, had voted to impose crippling amendments upon the operations of the Department of the Interior's Bureau of Reclamation. One of the amendments wiped out completely funds ($80,000) for a small program staff in the Secretary of the Interior's Office whose duties were to assist in defining the problems of resources development and develop improved integration of national resources policy.

Another action of the House was to cut almost $2,000,000 from the Budget Bureau's request for next year's work on the Hungry Horse Dam construction project in Montana.

And as Senator TAYLOR had prophesied, it was only a few days later, responding to the drama and tragedy of the Vanport disaster that bills were offered in Congress authorizing the appropriations of millions of dollars to repair the damage that had been wrought.

The piecemeal approach which Congress has elected to follow in dealing with the problems of our great river valleys, and the consequent disasters that inevitably follow, will only be corrected when Congress recognizes as did the father of TVA, the late Senator Norris, when he said shortly before his death:

"When God made the Missouri Basin He paid no attention to State lines. He made it as a whole, and as a whole it must be approached. * * * Only by approaching the basin as a whole will human beings living in it be able to develop to the full its magnificent resources."

ONLY ONE WAY

Of course, the same thing applies to the Columbia Basin, the Central Valley in California, and scores of other river valleys. Coupling the latent resources of these regions to the potentially enormous and cheap electric power supply by means of an overall unified plan and program for the development of the water, land, and mineral resources of these regions can prevent the recurrence of disastrous floods, depletion of natural resources and at the same time provide a much more realistic approach to the maintenance of national production, income, employment, security, and living standards. Such regional developments will strengthen our national economy. For a strong national economy depends upon prosperous and well-balanced regional economies.

Appropriations, Eighteth Congress, Second Session

EXTENSION OF REMARKS

OF

HON. JOHN TABER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. TABER. Mr. Speaker, I submit herewith tables showing:

First. The appropriations for the first session of the Eightieth Congress made in 1947.

Second. The budget estimates submitted by the President this year.

Third. The appropriations made by the Congress in the second session of the Eightieth Congress.

The Congress reduced the requests submitted by the President this year from a total of $35,425,245,222.79 to $32,683,763,930.87—a saving of $2,741,481,291.92.

This saving was made only as a result of long hearings which gave the Appropriations Committee a complete grasp of the demoralized condition of the executive branch of the Government.

Everywhere there is complete confusion and inefficiency.

Never has there been more complete proof of the total incapacity of the Democratic Party to govern.

This year President Truman—evidently to prove to the country the total incompetence of his administration—failed to present to the Congress the major budget requests at the opening of the Congress in January as the law requires and as has been the practice for the past 28 years.

The final budget estimates for Government corporations did not come to us until April 6; for the Interior Department until May 10; for the Army and the Air Force until May 26; for independent offices, including Veterans' Administration, the Atomic Energy Commission, and the Maritime Commission, until May 27; and for the Navy until June 1.

This made it almost impossible to hold proper hearings and get the appropriation bills through Congress in time for adjournment.

But tremendous effort and the hardest kind of work on the part of the committee has enable us to do a thorough and good job.

It shows that even the incompetence of a Democratic administration could not prevent the Republican Congress from doing a good job.

The tables showing details follow:

REGULAR BILLS

Bill	Law, 80th Cong., 1st sess.	Estimates, 80th Cong., 2d sess.	Law, 80th Cong., 2d sess.	Reductions below estimates, 80th Cong., 2d sess.
Agriculture	$613,046,826	$636,412,090	$577,546,953	−$58,865,137
District of Columbia	95,504,737	101,897,283	99,729,483	−2,167,800
Government corporations	70,540,000	49,644,100	38,479,061	−11,165,039
Independent offices [1]	8,188,822,927	7,347,415,864	6,787,102,402	−560,313,462
Interior	194,587,859	474,773,835	407,836,974	−66,936,861
Labor-Federal Security, etc.[1]	1,674,158,631	1,925,247,629	1,866,053,700	−59,193,929
Labor [1]	75,850,901	93,870,300	14,423,700	−79,446,600
Federal Security [1]	901,670,630	1,175,608,779	1,195,861,450	+20,252,671
Other	696,637,100	655,768,550	655,768,550	
Legislative	55,294,435	61,379,520	56,140,401	−5,239,119
Military	5,482,529,633	7,216,592,000	6,705,418,163	−511,173,837
Navy	3,268,766,100	3,936,738,700	3,749,059,250	−187,679,450
State, Justice, Commerce, and Judiciary	551,175,932	589,417,230	511,129,662	−78,287,568
State	232,724,703	215,823,330	202,693,862	−13,129,468
Justice	107,488,230	116,997,000	116,655,700	−341,300
Commerce	191,914,834	236,843,500	172,428,000	−64,415,500
Judiciary	19,048,165	19,753,400	19,332,100	−401,300
Treasury and Post Office [1]	3,216,509,450	2,400,154,575	2,244,727,680	−155,426,895
Treasury	1,684,848,400	530,823,975	490,399,855	−40,424,120
Post Office	1,531,661,050	1,869,330,600	1,754,327,825	−115,002,775
Civil functions—Army	502,123,912	737,804,300	641,575,666	−96,228,634
Total regular annual	23,913,060,442	25,477,477,126	23,684,799,395	−1,792,677,731

[1] Includes totals carried in supplemental bills.

DEFICIENCIES, SUPPLEMENTALS, ETC.

Urgent deficiency, 1947	$179,645,668.40			
First deficiency	2,835,161,509.32			
Second deficiency	192,438,858.70			
Second urgent deficiency, 1947	72,236,257.87			
Employees' Pay Act, 1947	243,255,607.00			
Foot-and-mouth-disease control	9,000,000.00			
Emergency appropriation, 1948	6,180,000.00			
Supplemental, 1948	1,658,802,197.22			
Second supplemental, 1948	106,695,100.00			
Third supplemental, 1948	914,286,500.00			
Urgent deficiency, 1948		$131,546,901.67	$136,368,385.67	+$4,821,484.00
H. J. Res. 355		555,125,000.00	555,125,000.00	
First deficiency, 1948		1,002,150,316.84	777,986,045.84	−224,164,271.00
Supplemental national defense, 1948		964,100,000.00	949,000,000.00	−15,100,000.00
Foreign aid, 1948		6,533,710,228.00	6,030,710,228.00	−503,000,000.00
Second deficiency, 1948		761,135,650.28	549,774,876.36	−211,360,773.92
Total deficiencies, etc	6,217,701,698.51	9,947,768,096.79	8,998,964,535.87	−948,803,560.92
Grand total	30,130,762,140.51	35,425,245,222.79	32,683,763,930.87	−2,741,481,291.92

The Housing Program

EXTENSION OF REMARKS

OF

HON. JOHN J. ROONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. ROONEY. Mr. Speaker, it will be interesting to see what kind of a platform the Republican Party adopts in Philadelphia next week in connection with the vital subject of housing. In view of the ridiculously inadequate housing bill being jammed through the House and Senate a few hours before adjournment of this Eightieth Congress, the Republican Party will find this a most embarrassing situation to explain to the American public. The housing bill proposed and being railroaded through this House and the Senate by the Republican leadership contains no provisions for slum clearance and none for low-cost rental public housing. The legislative machinery of the majority is well oiled in pushing through a bill which has the unqualified endorsement of the greedy real-estate lobby. The wishes of the selfish interests are paramount and consequently thousands of families will have to continue to live in sordid disease-ridden slums and many thousands of veterans and others will have to continue to live with their relatives in impossibly crowded quarters. This is a sad commentary on modern civilization. One of the principle factors in juvenile delinquency which is so prevalent today is the lack of proper housing.

The widely known Wagner-Ellender-Taft general housing bill which I have consistently supported, would have established a permanent and comprehensive solution for the housing problem of people at nearly all income levels. It is a long-range program designed to meet the needs of all classes and types of people and has been endorsed by an impressive group of civic and church organizations as well as the labor organizations, the Veterans of Foreign Wars of the United States, and the American Legion, of Kings County, N. Y.

We desperately need more housing in the city of New York, particularly low-cost rental housing. We could have met this crying need through the adoption of the Wagner-Ellender-Taft bill, but the Republican Party is too indifferent to realize that the future welfare of our country is dependent upon healthy living conditions and a happy environment for our people.

The record of the Republican Eightieth Congress with respect to housing is a total blank. Social justice must and shall be attained for our people and the country should not permit continuation of such unwholesome conditions. This will have to be answered by the Republican leadership as they are completely responsible for their negative attitude in dealing with the foremost economic and social problem facing this country today. I firmly believe that the people will answer it for them in the November elections when the people also answer them for their failure to do a single thing about the cost of living.

How About That Supreme Court Trial Which California Demands?

EXTENSION OF REMARKS

OF

HON. JOHN R. MURDOCK

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 16, 1948

Mr. MURDOCK. Mr. Speaker, in regard to the fierce contest between Arizona and California over the disputed waters of the lower Colorado River, the second most frequently asked question is: "Why shouldn't this dispute be settled by a case in the Supreme Court of the United States?" Prior to last year the question most frequently asked concerning the settling of this dispute was:

"Why don't Arizona and California compromise their controversy and reach a settlement by agreement and compromise?" I do not regard either of these two as the best of the three possible solutions of this problem. However, within the last year, officials and witnesses representing water agencies in southern California have attempted to carry out one of their former suggestions and to stop all developments on the river by throwing the whole matter into litigation before the High Court. Congress would not legislate on it if it were in litigation.

Now, Arizona attempted several times during the past quarter century to launch a suit in the Supreme Court of the United States, to bring this matter squarely before that tribunal, but was unsuccessful in doing so, not from lack of merit in the case but for reasons which every lawyer well understands. For those same reasons, Arizona lawyers do not believe today there is a justiciable controversy within the meaning of the Constitution over which the High Court will take jurisdiction. Whatever may be the motive prompting the demand for this trial in the Supreme Court, Arizona lawyers are of the opinion that it will have the effect of further interminable delay and in the end will be unavailing under the present set of circumstances.

Twice within recent months the case has been fully argued before a Committee of the House and also before a committee of the Senate, without favorable action on the resolutions considered. The lawyers handled the intricate legal questions, but on May 26 this year, I appeared before the House Judiciary Committee and made the following statement:

STATEMENT OF HON. JOHN R. MURDOCK, OF ARIZONA, BEFORE THE JUDICIARY COMMITTEE, HOUSE OF REPRESENTATIVES, MAY 26, 1948

Mr. Chairman, I appear in opposition to this resolution and ask that your committee take no favorable action upon it.

What is the purpose of this pending resolution? It has Congress directing the Attorney General to bring action before the Supreme Court of the United States to render a judicial decision in a water controversy between certain States in the Colorado River Basin over the dividing of the waters of the Colorado River. I have sat in these and earlier hearings for hours listening to voluminous testimony. I have heard practically all that the California witnesses have presented, and I feel that much of it, if not most of their testimony, has no bearing whatsoever on this resolution. Of course, it would require many hours on the part of the opposition to answer all of their arguments, and it would be a waste of time all around for us to do so. While some of the arguments which the proponents have presented are fallacious, some of them are admissible facts.

They have pointed to the growing population of southern California and have laid great stress upon water needs. This is true, and readily admitted. They call attention to the military installations in southern California and the need of water for living purposes for the Navy at San Diego. This is true, but it must also be recognized that San Diego is now getting what water she needs from the Colorado River, and nobody appearing here in opposition to this resolution would withhold or take away from her one drop of that water needed for such national defense. Such has never been our thought, but it is our contention and our firm belief that none of the present supply of water, or any augmented supply which may be needed in the future for San Diego and for the Navy, need be taken out of any other State's supply from the Colorado River. We think that justice requires that such supply be taken as a part of California's allotment. When they claim that the increasing population in southern California has exceeded that of any other part of the country, they are on doubtful grounds if the claim is that California has made greater percentage gains than Arizona, for Arizona's population since 1940 has increased approximately 50 percent. I must not take time to touch upon all of these irrelevant matters, although they are mighty important, but I merely point out that they have little or no bearing upon this resolution and the committee's attitude toward it.

Why is this resolution before you demanding this very unusual thing and laying this very unusual requirement upon the Supreme Court of the United States? The proponents point out that there is a water dispute between Arizona and California, and that is a fact, but it is broader than a dispute between two States, as it involves seven States in the Colorado Basin as well as the United States of America. Yes, there is a dispute, but the question before this committee for tentative decision is whether or not it is a justiciable controversy within the meaning of the Constitution, giving the Supreme Court original jurisdiction in controversies between States, and whether or not it is a justiciable controversy within the recognized practice of the Supreme Court. Able lawyers are here in opposition, and they will handle that matter. As a Member of Congress, I want to touch on something else.

I keep being reminded of a small town wag—a clever "fellow about town"—who argued with a Baptist preacher about the well-known story of Philip and the Eunuch and proved to the satisfaction of an uncritical audience, by slightly misquoting the thirty-eighth verse of the eighth chapter of the Acts of the Apostles, that the Eunuch baptized Philip by sprinkling him. It is easily seen that his argument is based on an arrangement of words, and he totally ignored all that goes before or after it. Strange arguments may arise out of the meaning of words, and unbelievable things may be proven, even from the Bible, by taking words out of their context, or by taking parts of sentences and paying no heed to their common-sense meaning.

These able attorneys who represent the water interests in southern California have laid great stress upon certain words and terms in what they call the "Law of the River." Some of their definitions of expressions used in the basic law are marvelous, but I wonder how they would sound to the men who wrote the Santa Fe Compact. Most of the authors of that famous compact have passed on. We cannot ask them just what they meant by certain words; and very unfortunately there is no complete verbatum journal of their debates and proceedings. I have often wished there had been a James Madison at Santa Fe in 1922 to keep notes on the drafting of that basic instrument, as there was in 1787, to help us understand our basic Constitution. It seems to me that these able attorneys have given a questionable interpretation of the meaning of the language in a number of instances throughout these hearings. It seems to me that an ordinary layman acquainted with the subject matter should be able to read this basic compact and understand what they meant by it.

I have read the Santa Fe Compact and the basic legislation passed by Congress in 1928, as well as the other documents which make up the "law of the river." I have spent a third of a century thinking about this subject matter. I have listened to these same witnesses many hours, not alone in this hearing, but in previous hearings to even a greater extent. After all this, I am convinced that these witnesses are, by a unique construction of language crossing the plain highway of speech, reading meaning into the law that just simply isn't there. If anyone really wants to know what the Santa Fe Compact and the Boulder Canyon Project Act provide, he must read those documents in the ordinary sense of the English language, and he must also know the historical background in order to have a full understanding of the intent of the lawmakers. I am thoroughly convinced that no such reading of the law in the light of the historical background will substantiate the contentions of the witnesses from Southern California who have already appeared before your committee. Mind you, I am not suggesting nor admitting that only the Supreme Court can read this body of law correctly. I do affirm that it is the duty of Congress to do so as further legislation is necessary in order to carry out the original intent.

It has all along been my conviction that the question of the division of the waters of the Colorado River was virtually settled, not in detail, but in broad outline, by existing law. Let it be understood that while this existing law is made up of more than 35 acts of Congress, it does include basically the Santa Fe Compact of 1922 and the basic legislation by Congress known as the Boulder Canyon Project Act of 1928. Also included in this "law of the river," as required by the Boulder Canyon Project Act, is the California Limitation Act of 1929, whereby the State of California in meeting the requirements of Congress limited herself to 4,400,000 acre-feet of water annually in firm supply, out of the Colorado River. One point I want to emphasize is that more than 35 acts of Congress have been passed having to do with the division and disposition of the waters of the Colorado River.

Of course, chief among these was the Boulder Canyon Project Act of 1928. Now this act was so greatly desired by California that she was willing to meet its requirements by a statutory limitation as to the amount of water she might receive or take from the Colorado River. If a mathematician were to estimate all of these more than 35 acts of Congress pertaining to this water problem, I can say without any fear of contradiction that the mathematician would find that the great majority of benefits under these various acts of Congress accrue to California. There is no doubt about it but that California received by far the greater share of benefits from this legislation.

Now, today California comes before you and says we must have a Supreme Court decision before anything else is done and that there is no other way of settlement. Let me remind you that this dispute has been going on for many years. This dispute between Arizona and California was a hot issue when I went to Arizona in 1914. The dispute has been getting hotter and hotter, especially since 1922, and it was a raging issue in 1928. Did California ask for a Supreme Court decision in 1928? Did this committee have any such resolution as this one before you in 1927, or in 1928, or at any time prior to the present Eightieth Congress? No, they made no such demand then.

California witnesses speak of several hundred million dollars of their implied investment in the lower Colorado River in Hoover Dam, in the All-American Canal, and in many other appurtenances. They say now this investment must have the protection of judicial determination. Whose money is that? Most of it is Uncle Sam's money. Don't you let anyone tell you that anybody in California, or in Arizona for that matter, put up a hundred million dollars to build Hoover Dam. Supposing Hoover Dam should

go out within the next hour? Would the remaining unpaid part of the cost be guaranteed by anybody in California or in Arizona? Certainly not. The money was put up by Uncle Sam, and the risk is his, though of course, it is a mighty good business risk, and it is being paid back out of the revenue that is paid by the users of the power it furnishes. It is erroneous to conclude that California has underwritten the cost of Hoover Dam in the insurance sense of the term.

However, Los Angeles and her neighboring cities did make a great investment, and they do have moneys and capital at stake. They say now that this investment should be guarded by a judicial decision. I do not believe that it is jeopardized by anything outside of California's own water arrangement. Did they come in 1928, or anytime prior to the Eightieth Congress, and say to this committee something like this: "Now, we want to invest $200,000,000 in construction to get water out of the Colorado River, but we do not think we ought to take such a great risk with our money, and we do not think the American taxpayers should take such a great risk until the highest judicial authority in America has determined how much water California may have?" Did California ever present such a demand for a judicial determination? They did not. Instead they put the matter up to Congress.

Exactly what did they do? They came to Congress, and Congressman Phil Swing and Senator Hiram Johnson, of California, introduced one bill after another until the fourth one, which is known to us as the Boulder Canyon Project Act of 1928, passed and became law. Congress thought at the time—20 years ago—that it was certainly carrying out the provisions of the seven-State treaty known as the Santa Fe Compact which was unanimously signed in 1922, and that the logical development of the river could be begun under the Boulder Canyon Project Act and continuously carried forward under its provisions. Thus California got her water. Most of the benefits contemplated in the Boulder Canyon Project Act were for California, but some of the benefits were intended for all of the other six basin States, the chief one being to safeguard their interests in the river so that California would be limited and unable to take all of the advantages and benefits immediately in water and power as she expanded, and that a proper and just share should be reserved for each of the other States as they needed it.

Congress evidently thought the other States were safeguarded in the act of 1928. I verily believe that if the California interpretations of existing law should prevail, California would escape her limitation by these very clever definitions and interpretations. Those future interests of all the other Basin States which Congress wrote into the Boulder Canyon Project Act would be ineffective if her contention before this committee should prevail. Oh yes, I know they have been loud in their protestations that they intend to abide by the solemn covenant which California made in her act of limitation with the United States and with the six other Basin States. They say emphatically that they recognize that binding, solemn obligation, and propose to abide by it, and yet in my opinion they very cleverly evade, or try to evade, by their definitions and explanations and their interpretations, the effect of that provision. Twenty years have elapsed and Arizona needs some water, and yet if California's contentions prevail, there is none for Arizona.

Gentlemen of the committee, up to this time California has relied upon an act of Congress, and, as I have said, more than 35 acts of Congress, during a quarter of a century, have made possible the water which she is now getting. But these witnesses are protesting against a measure now pending in Congress which is designed to give Arizona some water out of the Colorado River. I will not say that the introduction of this resolution calling for a Supreme Court trial and decision was deliberately aimed to stymie consideration of such legislation as S. 1175 and also a bill introduced by myself on this side of the Capitol, but it certainly seems that such was the case. At least this resolution before you was introduced in the midst of hearings on the bill, S. 1175. While we are speaking of intent and results, I am not saying that the intent of the proponents of this resoluton is to cause interminable delay, but I am convinced that the effects of favorable action on the resolution by this committee and by Congress will mean interminable delay in litigation. Meanwhile, California is getting her water and none of her water rights are jeopardized, while the other basin States tragically in need of water must wait.

Gentlemen of the committee, the proponents of this resolution have talked about what they call the judicial character of the controversy, saying that terms used need judicial determination and definition. Your chairman the other day, with keen insight, inquired of one witness testifying in favor of this resolution, "How will the matter be settled if it goes to the Court? Will not further legislation be needed, and possibly further Court decisions?" Mr. Chairman, you were exactly right in raising those questions. Certainly, there must be much future legislation. There have already been more than 35 acts of Congress pertaining to the Colorado River, and the river is now only half developed. We may logically assume that there will be many subsequent acts of Congress necessary.

Does it not occur to the committee that it is rather ridiculous for the Congress of the United States to direct the Supreme Court of the United States to tell this Congress what the Congress in 1928 intended to do, and ask how later Congresses are to do it? This whole Colorado River development started out under congressional legislation based on the seven-State treaty, and it was plainly intended that it should be carried through by subsequent legislation. What has necessitated a change in procedure? Do you gentlemen, now Members of Congress, feel that you must ask the Supreme Court what Congress in 1928 intended, or do you feel competent to read the laws already enacted and to extend them as needed? Congress was competent in 1928 to start this great and beneficial program; surely Congress is competent in 1948 to carry it on. Therefore, I ask that you table this resolution.

And now, Mr. Speaker, I am happy to say that the House Judiciary Committee took no action upon the resolutions which would have called for a Supreme Court decision in this water controversy. Nor was any action taken by a Senate committee on an identical resolution. It seems to me that at the present time there is no justiciable issue which would enable the Supreme Court to take jurisdiction. In view of the fact that it is apparent that these resolutions were filed in an effort to stymie legislation which was pending at the time in Congress to furnish Arizona a million acre-feet of water annually for the central Arizona project, the way ought to be cleared now for Congress to consider such legislation on its merit. Obviously, there is little chance of agreement and no chance of a reasonable further compromise in regard to the dispute between Arizona and California, and obviously it is not considered now to be a matter for judicial determination. Therefore, there ought not to be any further obstruction of the needed legislation to supplement the Boulder Canyon Project Act of 1928, which would merely give to Arizona the same consideration as has been given to California during the past 20 years.

Before and After the New Labor Law

EXTENSION OF REMARKS
OF
HON. GEORGE MacKINNON
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES

Friday, June 18 (legislative day of Thursday, June 17), 1948

Mr. MACKINNON. Mr. Speaker, the proof of the pudding is in the eating. The proof of a law is to be found in the changed conditions it brings about—what it does to the evils it seeks to remedy. The true standard by which to test the 1947 amendment to the Labor Relations Act is to note their actual effect on workers, management and the public. We should inquire whether strikes have increased or decreased since the new labor relations law became effective, whether workers' wages have increased or decreased under the law, whether workers are better off, or worse off, or just about the same.

The answers to these and associated questions set forth below are based on the regular reports of the United States Bureau of Labor Statistics. In this discussion the entire postwar period since VJ-day—August 15, 1945—is considered as that represents the whole of the present era. Obviously the conditions existing in the two prior periods, that is, the World War II period, and the prewar period, are not comparable, because conditions during those periods differed materially from present-day conditions.

STRIKES HAVE DECREASED

Strikes have decreased materially since the Labor-Management Relations Act became effective on August 22, 1947. Under the old law work stoppages averaged 395 per month. Under the new law they have been cut to an average of 201 per month. This represents a reduction in strikes of 49 percent.

From VJ-day until the new labor act the average number of workers involved in new strikes each month was 337,000. Since the act the average number of workers so involved is 131,000. This represents a cut of 61 percent under the new law.

From VJ-day until the new act the average number of man-days of idleness caused by work stoppages was 7,213,000 per month. Under the new law this figure has been cut to 2,613,000 days per month. This is the most important fact because it represents a great improvement in cutting actual pay-roll losses suffered by workers because of strikes. The reduction in this item is 64 percent. Conversely stated time lost through strikes before the act was more than two and a half times the time lost since passage of the act.

Supporting data is set forth in the following tables:

TABLE I.—*Work stoppages before and after the Labor Act, 1947*

Period	Work stoppages beginning in period		Number of man-days idle
	Number	Workers involved	
Before act (VJ-day to effective date of act)	*Average per month* 395	*Average per month* 337,000	*Average per month* 7,213,000
After act (from August 1947 to date)	201	131,000	2,613,000

TABLE II.—*Strike data from VJ-day (Aug. 15, 1945) to Aug. 22, 1947*

Period	Work stoppages beginning in period		Number of man-days idle
	Number	Workers involved	
1945: [1]		*Thousands*	*Thousands*
September	573	526	4,340
October	474	551	8,610
November	358	420	6,930
December	134	50.4	7,720
Total	1,539	1,547.4	27,600
1946: [1]			
January	337	1,370	19,700
February	290	134	1,500
March	440	147	1,010
April	504	566	14,300
May	376	569	13,700
June	388	181	4,580
July	563	228	3,970
August	560	227	3,900
September	499	356	4,880
October	516	307	6,220
November	344	435	4,980
December	168	76	3,130
Total	4,985	4,600	116,000
1947:			
January [2]	320	105	1,400
February [2]	300	75	1,300
March [3]	361	96	1,100
April [3]	479	624	8,540
May [3]	471	230	6,730
June [3]	379	448	3,960
July [3]	315	242	3,970
August [3]	336	113	2,520
Total	2,961	1,933	29,520
RECAPITULATION OF PERIOD FROM VJ-DAY TO EFFECTIVE DATE OF LABOR ACT, 1947			
4 months 1945	1,539	1,547	27,600
Year 1946	4,985	4,600	116,000
8 months 1947	2,961	1,933	29,520
Total	9,485	8,080	173,120
Average per month	395	337	7,213
Average per year	4,742	4,040	86,560

Strike data since effective date of Labor Act (August 22, 1947) to date

Period	Work stoppages beginning in period		Number of man-days idle
	Number	Workers involved	
1947: [3]		*Thousands*	*Thousands*
September	219	79	1,970
October	219	64	1,780
November	178	57	829
December	119	32	590
1948:			
January [3]	175	75	1,000
February [3]	200	70	725
March [4]	225	500	6,000
April [5]	275	175	8,000
Total	1,610	1,052	20,904
Average per month	201	131	2,613
Average per year	2,412	1,572	31,356
COMPARISON OF AVERAGES BEFORE AND AFTER EFFECTIVE DATE OF LABOR ACT, 1947			
Before act, VJ-day to effective date of act.	[6] 395	[6] 337	[6] 7,213
	[7] 4,742	[7] 4,040	[7] 86,560
After act to date	[6] 201	[6] 131	[6] 2,613
	[7] 2,412	[7] 1,572	[7] 31,356

[1] From p. 10, U. S. Department of Labor Bull. No. 918 (1946).
[2] P. 3, U. S. Department of Labor, release, Jan. 7, 1948.
[3] P. 594, U. S. Department of Labor, Monthly Labor Review, May 1948.
[4] U. S. Department of Labor release of Apr. 29, 1948.
[5] U. S. Department of Labor release of May 28, 1948.
[6] Average per month.
[7] Average per year.

WAGES HAVE INCREASED

Accurate statistics on wages for this same period are also available in the official published reports of the United States Bureau of Labor Statistics. The key dates in any such comparison are, first, the starting period at VJ-day, August 15, 1945; second, the date the new labor relations law became effective, August 22, 1947; and third, the latest available date.

Comparative figures for these three vital dates are set forth below for the industries that are the most highly organized by labor unions and hence would be the quickest to feel the effect of legislation detrimental to labor unions. These industries are the manufacturing industry, the soft-coal industry, and the private building industry. Data on these three industries is set forth separately in table III and then added and averaged with equal basis being given to each industry in table IV. This analysis shows that under the new law wages have continued to rise, more leisure time has been made available through a shorter workweek, and the average hourly earnings have also increased.

During the 2-year period from VJ-day to the effective date of the Labor Act average hourly earnings increased 27 percent. From the passage of the act to the present date, a period of 7 months, average hourly earnings increased from 27 percent to 35 percent over the wages paid on VJ-day. Thus 8 percent of this increase was reflected during the 7 months from the passage of the act until March 1948.

For the same dates the increase in average weekly earnings was 26.6 percent and 30.7 percent, respectively. These figures reflect the shortened workweek.

TABLE III.—*Wages*

Period	Average weekly earnings	Average weekly hours	Average hourly earnings
ALL MANUFACTURING			
August 1945	$41.81	40.8	$1.025
August 1947	49.21	39.8	1.238
March 1948	52.07	40.3	1.291
BITUMINOUS COAL MINING			
August 1945	49.89	40.1	1.248
August 1947	71.49	40.1	1.778
March 1948	74.61	40.4	1.847
PRIVATE BUILDING CONSTRUCTION			
August 1945	55.79	40.3	1.383
August 1947	66.13	39.8	1.662
March 1948	66.14	36.5	1.810

TABLE IV.—*Wages (all manufacturing, bituminous-coal mining, private building construction)*

	Average weekly earnings	Weekly earnings percentage increase since VJ-day	Average weekly hours	Average hourly earnings	Hourly earnings percentage increase since VJ-day
August 1945	$49.16	----	40.4	$1.215	----
August 1947	62.24	26.6	39.9	1.559	27
March 1948	64.27	30.7	39.0	1.649	35

PRICES AND COST OF LIVING

Now let us examine the relationship between prices and the cost of living during this same period. First, what were prices and the cost of living on VJ-day; second, what was the situation on the day the Labor Act became effective, August 22, 1947; and third, what is the situation today?

Here are the figures as reported by the United States Bureau of Labor Statistics for prices and the cost of living for all items on the three dates in question:

TABLE V.—*Prices and cost of living since VJ-day*

	All items [1]	Increase since VJ-day
		Percent
VJ-day (Aug. 15, 1945)	129.3	----
When Labor Act became effective (Aug. 15, 1947)	160.3	24
Present time (latest available date, Mar. 15, 1948)	166.9	29

[1] As reported by U. S. Department of Labor in Monthly Labor Review, May 1948, p. 586.

WAGE INCREASES HAVE MORE THAN KEPT PACE WITH PRICE INCREASES

Next, to determine whether wages have kept pace with the cost of living, we should compare the percentage increase in the cost of living with the percentage increase in wages which occurred in the heavily unionized industries covered by table IV. Such comparison shows that hourly wages paid on VJ-day in these industries had increased 27 percent by the effective date of the new labor law and the increase in the cost of living during the same period was 24 percent. It also shows that under the new law hourly wages rose 35 percent and weekly earnings increased 30.7 percent over wages paid on VJ-day. For the same period the cost of living increased 29 percent. These statistics are compared in table VI:

TABLE VI.—*Comparison of hourly wages paid in all manufacturing industries, bituminous-coal mining, and private building construction with the percentage increase in prices and the cost of living and monthly average of man-days lost through strikes*

	Increase in hourly wages [1]	Increase in weekly wages [1]	Increase in prices and cost of living	Average man-days idle per month
From VJ-day to effective date of labor law (Aug. 22, 1947)	*Percent* 27	*Percent* 26.6	*Percent* 24	7,213,000
From VJ-day to present date [2]	35	30.7	29	[3] 2,613,000

[1] Manufacturing, bituminous coal, private building.
[2] Latest available data.
[3] From effective date of Labor Law to present date.

LABOR ACT WILL SAVE WORKERS ESTIMATED $1,000,000,000 IN FIRST YEAR

Thus the actual proof shows that labor has not been hurt by the Labor Management Relations Act of 1947, but instead has been helped. Labor under the new law is continuing to improve their wages and hours of work and to keep abreast of the cost of living just as well, and in some respects a little better, than they did before the act was passed.

But the vital point is that these gains which labor is now making under the new law are being made much more frequently through peaceful collective bargaining, while before the new Labor Act these same gains more frequently required costly strikes. The ability to obtain wage increases peacefully without suffering severe losses in wages through time-consuming strikes is of incalculable benefit to wage earners. It means a better annual wage. Obviously increases in wage rates are of little benefit if the increases are lost to workers by costly strikes.

In the calendar year 1946, under the old law, workers lost 116,000,000 man-days because of strikes. Under the new law this figure has dropped to an average of 213,000 days per month lost through strikes. At the same rate for a year that would mean a loss of 31,356,000 man-days. This would mean a net saving under the new law of 84,644,000 man-days in 1 year over the 1946 experience.

At the present time the average hourly earnings in the three industries reported in table III is $1.649 per hour and workmen in these industries work an average 39-hour week, or 7.8 hours a day. Average earnings of this group is thus $12.86 a day. If the 84,644,000 man-days, which it is estimated will be saved in the first year under the new law, applied to this group of workers, or those with similar wages, it would mean that $1,088,521,840 would be saved for the workers' family budget to meet living expenses, instead of being lost to the workers through strikes as it was in the year 1946 before the new law. That $1,000,000,000 is just as much a wage increase as though it had been added to the hourly rate because it represents take-home pay that the worker will get and take home rather than lose through costly and time-consuming strikes.

That is a real benefit to all workers. It shows that the new labor law is providing real benefits to workers. Management and the public also benefit through continuing production of vital articles and commodities. In short, the new labor law is proving beneficial to labor, management, and the public.

No claim is made that this is an exhaustive analysis, but all statistics I have seen support the conclusion that this fairly represents in a general way the actual experience under the old law and under the new law.

Sol Bloom: Public Servant and Benefactor

EXTENSION OF REMARKS

OF

HON. JOHN W. McCORMACK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 16, 1948

Mr. McCORMACK. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include the text of an address I delivered at a testimonial dinner at the Commodore Hotel in New York on Thursday, June 10, 1948, in honor of our dear colleague, SOL BLOOM, on the occasion of his completion of 25 years of distinguished service to the American people as a Member of this House. I also wish to include addresses delivered at this dinner by Attorney General Tom C. Clark, Mrs. Eleanor Roosevelt, former Ambassador James W. Gerard, the noted news analyst Dr. Frank Kingdon, and the response by the Honorable SOL BLOOM, as well as some letters, telegrams, and newspaper clippings.

The text of my address follows:

SPEECH OF THE HONORABLE JOHN W. M'CORMACK

There comes a time in the life of every man who has lived a full, an active, a purposeful life, when he sits back and reflects upon man and the world, when he philosophizes on life—the meaning of life and its intricate and devious ways.

Recently a little book came to my attention, a book containing some thought-provoking reflections written by just such a person. In it I found the following views and ideas expressed in very clear and cogent language:

"All the woe of nations and men can be traced to failure or refusal to follow the truth that binds the universe together. Truth is right, justice, concord, fidelity, order, or any other word that fitly describes the universal harmony ordained by the Creator."

And a few pages further on I found another very timely and meaningful passage which I should like to quote:

"Where love abounds, there can be no hate or war. Hatred is evil, originating not in the loving God, but in ignorant, perverse man."

These quotations are taken from a little book of only 16 small pages, published a few months ago under the truest and most appropriate title that has ever come to my attention. The title of that book is "One With God Is a Majority," and its author is our dear friend, the Honorable SOL BLOOM, to whom we are paying such well-deserving tribute this evening.

SOL BLOOM is himself a characteristic example of a man who walks humbly with God, who forever seeks the ways of truth and love. He is the epitome of the well-rounded harmony in life to which we all aspire. He fears no man or any group of men, because he knows that being one with God is—a majority.

Tonight we are paying homage to him in recognition of his 25 years of service in the Congress of the United States. In any man's language, 25 years of public service is a great accomplishment, an experience to look back upon with great pride and joy.

And SOL BLOOM has much to be proud of. His patriotism to this country is proverbial. His faith in humanity and in the ultimate good of humanity is unshakable. His devotion to his own coreligionists is beyond any reproach. Never a pessimist at heart, he continues to dream of and work for a happier world, a world truly at peace.

He is the kind of a dreamer who perhaps should be classified as somewhat more in the nature of a philosopher—a philosopher of the people and for the people. By his very nature, his accomplishments over these many years, the position and the prestige he retains in the fabric of American life and leadership, BLOOM is in recent years emerging in the role of an elder statesman.

But far from looking back upon his many active years, SOL BLOOM prefers to look forward. Perhaps that is the secret of his youthful zeal and appearance, his clarity of mind, and his energy.

For some time now he has given much thought to the question of Palestine. Many of us, whether Jew or non-Jew, find ourselves thinking very often on this most perplexing problem. With BLOOM, however, it is not a new problem. He is reputed to be one of the first and earliest Zionists in the United States—and I know that he is personally very proud of that fact.

Surely you will agree with my contention that Palestine today is not only the overshadowing problem in Jewish life, but that it is also of vast importance in world affairs. The creation of the new state of Israel marks the culmination of the hopes and the aspirations of the Jewish people, who have suffered untold misery and persecution for many hundreds of years—much of it in our own twentieth century.

Despite these sufferings, Jews have never despaired of fighting for justice and righteousness, for liberty and democracy. Nor have they ever despaired of the hope of reestablishing their ancient homeland where they once made such magnificent and lasting contributions to the great religions of our day, and to western culture and civilization.

Now we are all witness to the historical fact that, by their own strength and their own zeal and resourcefulness and devotion and hard work and superhuman effort, the Jewish people have within the space of a single generation succeeded in revitalizing the state of Israel. I am happy in the knowledge that the new Jewish state will be a republic, very much in the image of our own Republic of the United States.

To my mind the recognition of Israel by the Government of the United States was a reasonable and natural step. When President Truman announced our recognition of Israel—and I rejoice in the fact that history will record that we were the first to extend such recognition—I felt that he had acted wisely and judiciously, that the course he had chosen was in the spirit of our own Declaration of Independence and of the Biblical command: "Proclaim liberty throughout the land and to all the inhabitants thereof."

That forthright action of the President has received the warm support of the overwhelming majority of the American people. There is not the slightest doubt in my mind today where the American people stand on the question of Palestine.

Our hearts and our prayers now turn to the problem of peace in that unhappy and war-torn country, which of late has forsaken the plow for the sword. We all hope and pray that peace will soon reign again in the Holy Land, and that the Jews of Israel will have the opportunity for which they have longed for so many centuries—the opportunity to build their homeland on an ancient and beloved soil.

It is in that spirit that I desire to greet my dear friend SOL BLOOM, in the spirit of the rejuvenation of his people. It is through him that I desire tonight to send my greetings to the valiant defenders of Israel and to assure them that our hearts and our thoughts are with them in their hour of crisis.

I am told that the proceeds of tonight's dinner will go for a great charitable institution in Jerusalem, a hospital which caters to the poor, and that this hospital has decided to name one of its new wings in honor of SOL BLOOM. This is indeed a great honor, and we are all proud that such honor has come to an American citizen. I hope and trust that the many friends and admirers of SOL BLOOM will make possible the erection of that wing in the very near future.

I am happy to join this illustrious gathering in paying public tribute to SOL BLOOM for his numerous accomplishments, and in recognition accorded him this evening for his capabilities as a statesman, which he has proved himself to be on many occasions during the past 25 years.

I consider SOL BLOOM one of the greatest and noblest persons I have ever met. I value and prize his friendship.

ADDRESS BY TOM C. CLARK, ATTORNEY GENERAL OF THE UNITED STATES

It is really heart warming to participate in this gathering. This is truly a love feast. The world needs more events of this nature. This is a testimonial to a friend of man who has become distinguished. I wish that there were more SOL BLOOMS on this earth—then there would be less pain.

You, his neighbors, know him—know him far better than my feeble words can express.

Our presence on this occasion demonstrates our affection and admiration for this noted statesman and humanitarian. He symbolizes America and he is a living example of the workings of our glorious democracy. His 25 years of service in the Halls of Congress, fearlessly devoted to the public good, has gained for him fame and honor here and throughout the world.

Stemming from a race of people as old as time itself, as chairman of the House of Representatives Foreign Affairs Committee, he has won the respect and esteem of all races and creeds.

I wish that a picture of this happy assembly could be televised to every home all over the world. If that could be done, understanding and brotherhood would supplant the bigotry and hate that are keeping lands in turmoil and the world quivering. Yes, the world needs more testimonial dinners—dinners inspired by men like the one to whom we are paying tribute here tonight. His personal glories are too voluminous to recount at this time. But there is one that he, himself, loves to boast about, and that is that he is George Washington's press agent.

His wide knowledge of American history, together with a patriot's zeal and a humane heart, drove him into the thick of every legislative fight that involved human happiness. Walking with the mighty, understanding the needs of the lowly, he dreams of a happier and better world for all peoples.

The crowning glory of his full life is his effort to help in reshaping and in rebuilding the world for future generations.

He has followed the ideal that man by nature is good, that his inborn instincts point in the direction of justice, liberty, and cooperation.

It is a most fitting recognition that the 100-year-old hospital in Palestine should construct a special wing and name it in honor of this benefactor of mankind. As in the noble Hebraic tradition, this institution of healing, as well as other Jewish hospitals in the State of Israel, will render service, as always, to men, women, and children, regardless of race, color, or creed.

Yes, faith, hope, and charity nestle in the tender heart of him whom we toast tonight. His broad sympathy and deep compassion, his comprehension, and insight, have made him sensitive to the longings of peoples everywhere. Hate finds no lodging in the soul of his race.

A long time ago he learned that men do not gather "grapes of thorns," nor "figs of thistles"—that a civilization of peace and happiness must be built out of peace and happiness in the minds and hearts of men.

He realizes the great need to spread broadly a deep regard for the dignity of man. And that is exactly what they are doing in Palestine—recognizing the dignity of man—in between the falling of bombs and the rain of machine-gun bullets, a woe-beset people are building an addition to a hospital. That's man in the image of God—man's innermost desire to save, not to kill—to build, not to destroy. Let us and peoples everywhere take heart from this noble deed of a brave people.

May the day soon come when the world will turn to the erection of such missions of mercy rather than digging graves of sorrow for fallen warriors.

Yes, the time has come to follow the example of the Blooms and carry out the gospel of love, of botherhood, and of self-sacrifice. We must help to give rebirth to hope in the human heart.

Searching questions are found in the opening chapter of Genesis.

"Cain, where art thou?"

"Where is Abel, thy brother?"

All must answer these questions: "Where are you? What are you doing for your country and the world?"

"Where is your brother? What are you doing for him?"

And it matters not whether our brother belongs to our Nation or another nation. We are all brothers under God. He intended it to be so.

Ours is the task to help build a world in which people may live free from fear and terror, where children may grow up unafraid; where justice reigns for all men, and where the spirit of brotherhood extends across and beyond all barriers of faith and race. Why can't it be so?

An enduring temple of peace must rest upon a foundation of good will—respect for the rights of others, willingness to understand their viewpoints and to sacrifice one's own interests for the good of all.

There is a common ground upon which all men may meet—liberty, justice, equal opportunity for all.

As we understand more fully the world problems and relationship of our country to them, we can exert a definite influence for peace.

We must all be citizens of the great republic of humanity. Just because we may think internationally, it does not mean that we are less national.

One of the founding fathers said, "Our wisest policy is peace and friendship with all mankind." He was no less American because he was world-minded.

We must have a deep concern for the well-being of all humanity, and strive to bring about liberty and justice for all.

We must wage the peace as we waged the war.

We must be strong to protect that which we have from those nations who recognize only force; but we must also strive through education to bring about peace and understanding among peoples everywhere.

As has been truly said, "If civilization cannot destroy armaments, armaments will destroy civilization."

The task that lies before us individually and collectively is almost heaven inspired.

Our beloved President, Franklin Delano Roosevelt, stated the position of our Nation in these words:

"Our Nation has held forth for its own guidance and for the guidance of other nations, this great torch of liberty of human thought, liberty of human conscience. We will never lower it."

And that noble American woman, Mrs. Eleanor Roosevelt, is helping to keep alive the flame to light the way and guide humanity to freedom and happiness. As Chairman of the Commission on Human Rights, she is tirelessly and continuously at work on a world bill of rights.

The torch of the Jewish people for a homeland of their own has burned for thousands of years. Today the torch has lighted the way to the new nation of Israel. Webster's dictionary does not contain the word "despair" for such a courageous people. Thousands of years of exile, dispersion, blood, and tears has proved that to a world that is now ready to applaud.

Our Government will do everything within its power to help all the people—both Arab and Jew—in the new nation of Israel and other parts of Palestine. Its people shall find new life in their own homes and build gardens where desert sands have covered God's good earth.

I am proud—yes, so proud—that our country, through the action of our great President, Harry S. Truman, was the first in the world to recognize the new nation of Israel. It has been brought into the family of nations—in the spirit of peace. May it be developed in peace.

More blood spilt upon the soil of Palestine will not serve God. A united effort must be put forth by all the nations of the world to find a way to help both peoples live in friendship.

As I stand before you here tonight, let us hope and pray that the blessed ray of light which yesterday broke through the terrible storm, bringing a long-awaited truce, may widen and widen until it dissipates all the dark and heavy clouds of war and suffering that envelop the beloved Holy Land.

And when the morrow dawns, may all the voices in that stricken land ring out, echoing and reechoing over the universe: "Peace on earth, good will to men." May the joyous shouts rise—not for 30 days, not even for 30 years, but for evermore.

It is noteworthy and gratifying that in the declaration of independence of the Republic of Israel, the new government extended the hand of friendship to the Arab citizens of the Republic and a guaranty of full democratic, economic, political, and social freedom for all of the people of that land. This is in the great American tradition.

The peace of the world is bound up with the freedom and happiness of the people of the Near East. Unless civilization can be restored in the areas where it has been badly damaged, sooner or later those spots will threaten our own existence. Science has so shrunk time and space—so diminished the size of the earth and drawn closely together peoples everywhere—that we cannot, even if we wished, isolate the weak sectors of civilization.

To keep civilization strong, it must be restored where it is weak. History tells us that.

The fall of Rome had its beginning in the decadence of the far-away places of the Roman Empire. What happens in the far-away places can cause our downfall also.

The smoking ruins in war-torn lands left more than physical destruction—they left an appalling spiritual devastation. The destruction of war is always spiritual as well as material.

Stripped of security, a world of broken ideals behind them, values of life trampled upon, faith in themselves and faith in mankind blasted, and the lamp of hope gone out, the desperate victims of the recent holocaust look to see if the stars of America are shining.

And the stars of America must continue to shine.

Through the ages, men have dreamed of, struggled toward, fought for, and died for the concept that nothing on earth is more sacred than human personality—that there is in the human soul a place inviolate, where no government or men may enter. Thousands of wars have been fought, countless millions have died that this ideal might one day become a living reality for all men everywhere. Through democracy's path we are headed toward that goal.

We Americans cannot forget our brothers across the seas.

We have tried the hermit's game—and with what tragic results. They are still fresh in our memory.

This time there can be no retreat into isolationism.

Humanity is indivisible.

Freedom is indivisible.

Justice is indivisible.

In our present practice of the eternal mandate to do good—to heal the sick, give relief to the suffering—lies our greatest strength, our greatest protection.

Yet there are some who in this critical hour would deliberately wreck the Marshall plan. They would wilfully break our country's solemn pledge to liberty-loving peoples as they struggle to recover their freedom and escape the grasping clutches of ruthless dictators.

For not in frowning battlements, not in huge armies, not in two-ocean navies, not in mighty air armadas lies our future.

Oh, yes; these are all essential—vitally essential—in a world of power-mad men. However, in the final analysis the hope of the world rests in people who cherish in their hearts the love of liberty which the Divine planted there. Freedom and all the happiness that goes with it must become the heritage of all men all over the world.

If the vision of freemen is to be realized, human resources must be conserved and developed and human beings must be equipped spiritually, mentally, and physically. The SOL BLOOM wing of the Bicur Cholim Hospital is truly a fitting tribute to a man who has spent his life in furthering this cause.

With faith in God, we will meet the challenge of our age. We will surmount its difficulties.

We shall fight for the right that needs assistance, against the wrong that lacks resistance, for the future in the distance, and the good that we can do.

ADDRESS DELIVERED BY MRS. ELEANOR ROOSEVELT

Mr. Chairman, Mr. BLOOM, the Attorney General, distinguished guests, ladies and gentlemen, I am sorry that I had to arrive late, but these days I am spending a great deal of time out at Lake Success, and it does not leave one very much time to do anything else. But I am very glad that I could get here to be with you and take part in this tribute to a very grand person, a man who has served with such distinction in Congress and who has helped many other people through his congressional career, but who has also always had a great interest in things which were philanthropic and which helped his fellow men.

I am sure that he is happy tonight that his name will be part of a hospital in Palestine.

I want very much to add just one word of deep appreciation for the very many things which I happen to know that Mr. BLOOM has done for individuals, things which brought him no return.

Many of us know of things that are done which bring a return at least in appreciation by many people, but the things which are done for individuals may take a great deal of time and bring one very little in the way of recognition, and so I would like to speak of the personal things to which I know that Congressman BLOOM has given a great deal of his time.

I know of a refugee, for instance, who would never have gained citizenship if it had not been for the untiring efforts of this kind gentleman. She came to see me and her story was one of the most moving stories. I could think of no one who could help her except Congressman BLOOM. I found she had already been to him, so his reputation had already spread abroad for kindness and willingness to help other people.

I come across things all the time, and I am always discovering new things. I didn't know until I got word about this dinner that he had connections with a particular hospital. Constantly, I am finding new things that he had done. So I am very glad to be able to come and be with you.

Now I am going to tell about one of the things which he did for me which he has probably forgotten but which I think will amuse you.

It happens that I am a very impatient person about things that don't seem to me very important, and some time ago, when you (turning to Representative SOL BLOOM) and I were once in London, I complained rather bitterly that it seemed to me the gentlemen—particularly the gentlemen in Congress—could grow very passionate about points of procedure and take a great deal of time. You looked at me very sternly and you said, "You had better learn they are very important. If your procedure isn't properly laid down you will find yourself in a great deal of trouble."

Well, I watched and listened and I learned. But I have to tell you, sir, that with all your teaching I still get into a great deal of trouble on procedure.

I now preside over the Human Rights Commission, and I spend hours there. I leave home at 9:30 in the morning and I don't get home until 6:30 or 7 at night, and during the day my life was made miserable by two things: One thing—the impossibility of getting the legal points of view of the countries that are under Napoleonic Code and the countries that function under the common law of Great Britain and the United States to come together and find that they can work together. Then, when you do find that you think you have got the legal aspects all right, then you find that in Russian it means one thing and in Spanish it means another and in French still another and in English still another; and how are you going to get all those things to mean the same thing in all the different languages?

By the time you have discussed first what the meaning is in all those languages and then whether the legal phraseology is correct, then you get one amendment after another and you can't keep straight which amendment is furthest away, and you end the day having worked all day and having not yet decided what shall be the purpose of education.

That is what we did today.

All my loyal friends are very much amused because they always thought that I was very impatient about these legal points, but now I have to be patient no matter what happens; I have to sit and listen and I have to hear all the different points of view.

Seriously, I can't think of Congressman BLOOM without thinking that he probably is one of the people who stands most stanchly for the things that we hope to achieve, even though we laugh at the difficulties we have. I think he would agree with me that fundamental rights for the people of the world are very important gains toward achieving peace, and I think that probably the life and the work and the service of Congressman BLOOM exemplify efforts to achieve fundamental rights and freedoms of people here in his own country, and efforts to make it possible for other people the world over to work to achieve these same ends.

So I wish you long life and added service. May we be here to thank you many years in the future. [Applause.]

ADDRESS DELIVERED BY HON. JAMES W. GERARD

Our beloved SOL BLOOM, the Attorney General, the other distinguished guests, ladies and gentlemen, it is a privilege to be allowed to preside over this dinner tendered in recognition of his splendid work for his country—the Representative SOL BLOOM.

For 26 years he has served us in the House of Representatives, 10 or 12 of those years as chairman and always member of the House Committee on Foreign Affairs.

A French author once said that the fourteenth century was the "century of fury," on account of its wars and disturbances. I think we can apply that term to our own century, and during the recent wars and disturbances in this country and in the world, SOL BLOOM has carried on successfully his splendid work.

I wish that he had always succeeded in having a hand in the foreign policy of these United States. I am sure that, after having decreed the partition of Palestine, he would never have consented to take back suddenly that gift.

Nicholas Murray Butler, president at Columbia University, and preeminent in his knowledge of foreign affairs, told me that he often consulted with SOL BLOOM.

And so it is, in the evening of his days, at the peak of his career, we, his friends in this city, delight to honor this quiet, tactful, efficient, loyal, good American, SOL BLOOM.

You know that this dinner has another object; that is, to raise funds for this hospital wing in Jerusalem to be named for him.

Eighteen hundred and seventy-eight years ago, Titus, the son of the emperor Vespasian, captured Jerusalem after a siege in which the Jews defended themselves with unexampled valor. But they could not prevail against the legions abroad. Jerusalem was destroyed and the people killed or sold into slavery or scattered over the face of the earth.

Now, after all those years, owing to the patriotism, the devotion of the Jewish people, the Jewish state once more appears.

And how those Jews can fight. If we only give them arms—they need them—we need have no fear of the five surrounding nations that now attack them.

ADDRESS DELIVERED BY DR. FRANK KINGDON

Mr. Ambassador, Mr. Attorney General, Congressman BLOOM, ladies, and gentlemen, I am delighted to find myself on a platform with a Member of the present Congress that I can praise.

It is an honor, in our national House of Representatives, to have a man of distinction, conscience, and ability like SOL BLOOM. I am very glad to be able to have a part in honoring him.

This is the year 1948. It isn't 1947 and it isn't 1946; it is 1948. It is one of those years that will go down in the history of the world as long as any history of mankind is told or songs of heroism are sung. It is the year when Israel has come to birth.

There have been peoples in previous generations who have lived through their time and historians have said that those times were historic times, but the generations themselves did not realize how historic their epochs were.

We are in a more fortunate position. We know that this is an historic year. We know that this is one of the dates that will always be remembered as long as people talk about those who have made the world a better place in which to live.

Not only has Israel been born; Israel is going to stay alive and independent, even though the great empires of the world use every bit of their resources to crush it, because there is something that lives in Israel that no empire and no great power can kill, and that is the dual love of the soil and of independence which is making the people of Israel a strong, a determined and a permanent people.

You see, the trouble with these foreign offices, whether they happen to be in London or Washington is that they have experts on the Near East. Now, every expert on the Near East knows that every government in the Near East is for sale, and any good expert in any of our foreign offices has the table of the prices at which you purchase the princes and the generals of the Near East.

When they think about the Middle East, even now, they think they are dealing with that which was true yesterday, and they still think that everybody in the Middle East has his price.

But something new has happened in the Middle East. A nation has been born for which there is no price, led by men who cannot be bribed or corrupted or made the

vassals of any greater state. That is the new fact with which these foreign governments do not seem able to come to terms.

Certainly, you can buy a mercenary; certainly you can buy an Arab. It has been part of the business of the Middle East to buy and sell men, because men have been cheaper than oil. But something has happened which takes that whole bargaining for money out of the world of the Middle East, and it is only as the great powers understand that that they will be able to deal with this new and vigorous youthful country, which is not only going to be something new but to create something new in the Middle East—a new democracy, a new lamp of liberty that will shine where that light has never been seen.

As an American citizen, proud of the fact that men who loved their soil and loved independence took up their independence and beat down an empire that sought to enslave them generations ago, my hope is that my country will not hesitate to stand with all it has behind those who have the spirit of freedom that made our own country come to birth and grow in power.

This is not something strange to us that is happening in that ancient land; this is something that we know, something that is flesh and blood of our blood as Americans.

Oh, yes, you hear them say, "Aren't they a little overzealous? Wouldn't it be better if they were just a little more tactful? Perhaps they ought not to be so extreme in their actions."

That is what they used to say about Washington. The boys met in the First Congress and they said, "This man Washington, if only he would be just a little more reasonable. After all, you don't have to have an army watching all the time. You can be a little more careful about things." And George Washington, the man who, unfornately, has been so caricatured by Gilbert Stuart that he looks like somebody who knew nothing but a monumental calm, was the passionate extremist of his day, who said that freemen should never, never, never accept the tyranny of any empire over their own country. It is that spirit which marches tonight in Palestine.

Those men and women of Israel are going to fight. I don't know what this truce is going to amount to. Perhaps it really means that we are going to take four weeks to settle the issue of Palestine. We can settle it if we have any interest in justice. If we put the value of peace above the value of commercial advantage, we can settle it in the 4 weeks; there is no doubt about that.

When I say "we" I mean the western democracies, with our own country playing a great part.

Not an Arab is going to march unless he gets the O. K. of Britain; not a bullet is going to be fired by any of those Arabs unless they have the consent of London. How can they? These men are the vassals and the puppets of the British Empire and British money. If Britain has any intention of finding a just solution, the Arab armies who were stopped for the truce will be stopped permanently.

We can take the lead because Israel will listen to us. It will never bow to us, but it will listen to us.

The United States and Britain in the next 4 weeks can settle this matter permanently, unless utter selfish stupidity governs one or the other or both. But this I say to Britain, and this I would echo in the rooms of our State Department: If there is treachery in this truce and if these are 4 weeks stolen to give the Arabs time to arm and to mobilize their forces, that treachery will not stop the people of Israel from fighting; they will fight until the last drop of their blood has been shed, and the responsibility for the shedding of that blood will be upon the masters of empire who have cheated the people out of their claim to independence.

Let it further be said that American public opinion will rally behind the cause of Israel as it has not rallied in recent years behind any cause presented to us.

The year 1948—and it is now not Israel that is on trial; it is now not the dream of the Jews that is on trial—it is now the great democratic governments that are on trial. For these 4 weeks are going to test whether we mean what we say when we talk about liberty, when we talk about justice, or whether we are using them merely as empty words. For in these weeks the world will learn and know whether the great democracies stand for humanity, for the stabilization of the world, or whether they stand only for selfish interest and for national greed.

We are talking tonight about a great institution that is dedicated to the healing of the bodies of those who suffer. To that institution, with all fitness, we are proposing to add a new wing to be named for a man who, in American public life, has never hesitated to stand for liberty and for justice.

I honor SOL BLOOM. I hope that we shall be generous in our later gifts for the memorial to him.

More than the man, I honor the principle which has made this country great, because in terms of that kind of national greatness we can enjoy the greatness and the service of a citizen who knows what freedom is, and under its bright sun can grow in strength and in power.

America, the leader of liberty, now stands in the position to take that liberty and make it manifest in the Middle East, in the strength and the fulfillment of the life of the people of Israel, who will give to liberty their loyalty and to mankind such treasures as only a great, free people can give. [Applause.]

TEXT OF ADDRESS BY THE HONORABLE SOL BLOOM

I am very happy to see so many of my good friends here tonight. In the days and months ahead I shall remember the kind words that have been said about me this evening, but most of all I shall remember the faces of my friends who came to share in my joy.

Although the honor given me tonight is most pleasant and exciting, I must warn you that I shall not allow myself the luxury of being swept off my feet. I am far too level-headed for that—certainly at this day and age, and in these critical times which we are experiencing.

While in my heart there is a feeling of deep gratitude to each and every one of you for your presence here this evening and for your kind words, I know that I am not disclosing any great secrets when I tell you that we are here also for another purpose.

Let me make a few brief observations first about the recent developments in connection with Palestine, before I proceed to tell you about our other purpose. The creation and rebirth of a Jewish state in Palestine is of such great historic significance that we, who live in this period and have witnessed the birth-pangs of this new state, do not as yet grasp the full meaning and the value of this historic event.

The rebirth of the new Jewish state Israel symbolizes far more than the realization of the dream which our fathers and forefathers have dreamed and the prayers which they said in their synagogues for nearly 2,000 years. The fact that a Jewish state is today a reality has given new meaning to Jewish life, it has aroused a new spirit and a new hope that Israel will once again be an equal member in the family of nations, and it has resulted in a new determination and a new sense of unity among Jews everywhere to contribute to the welfare and civilization of the world by making Israel a model state.

Never in their long history have Jews been so united on a problem as they are today on the question of Palestine and the new Jewish state in Palestine. But not only to Jews does the creation of the Jewish state have concrete and definite meaning. To the nations of the world, particularly the democratic and liberty-loving nations, the Jewish state of Israel is today a beacon of light which casts its rays in two distinct directions, both of which hold great promise of realization in our own day:

First, there is the hope and the promising possibility that in the near future Israel will absorb several hundred thousand Jews who are now languishing in DP camps or are in utter despair in the countries of central and eastern Europe where their present is insecure and their future is hopeless. Their dream is resettlement in Palestine, and to these destitute and homeless survivors Israel will be more than a mere haven of refuge—it will be home itself, it will be a final return to the Promised Land. In this way, Israel should render invaluable help in solving the DP problem, which the nations of the world have not been able to cope with too successfully.

Second, the state of Israel is to be a bulwark and an outpost of true democracy in a region of the world which as yet does not know the meaning of democracy as we know it in the United States. Through its political, social, and economic achievements, Israel should become an inspiration for its neighbors in the Middle East who live under a system of political and social oppression and economic exploitation.

President Truman's recognition of Israel is consistent with the best and noblest of American tradition. The courageous people of Israel are still in the midst of a struggle to safeguard their independence and defend the borders of their state. We in this country, who experienced our great struggle for independence more than a century and a half ago, must now aid this new state in every conceivable way—morally, politically, financially.

I should like to see this country implement at this time President Truman's offer of 2 years ago to assist in transporting the Jewish DP's from the camps in Europe to the shores of Israel. I should like to see this country grant a loan of $100,000,000 to Israel, as requested recently in Washington by Dr. Chaim Weizmann, for the purposes of reconstruction and upbuilding of Israel when the war in Palestine is brought to an end, as it should be immediately. I should also like to see a great movement in this country of American friends of the Jewish state of Israel to help that state during its difficult and formative years.

I spoke a moment ago of reconstruction and upbuilding. Of primary importance, perhaps, will be the need for restitution of health to a weary and war-shattered people. Some of the hospitals in the Holy Land have been destroyed in the fighting there in recent weeks. Existing hospitals are not able to cope with the great demand on their services at this time and will have to be enlarged and expanded.

This is where we come in this evening. For many years I have taken an active interest in the Bicur Cholim Hospital in Jerusalem, a great charitable institution which caters to, and cares almost exclusively for, the poor, who would otherwise not be in any position to receive medical attention. The destruction resulting from the recent fighting in Jerusalem; the dire need of the Jewish masses there who for many weeks have gone without sufficient food and medical supplies; and also the expected large Jewish

immigration to Palestine in the months and years ahead—all of these factors make it most urgent to undertake immediate expansion of this hospital.

We shall be supporting a just, a worthy, an honorable cause. And so, if I give you my assurance that I shall remember your kind words this evening, I want to give you my double assurance that most of all I shall remember your deeds and your response tonight. To struggle for a good and just cause is difficult, but when we attain our goal, when we realize the good it is doing for humanity, we know that the effort and heartache were not in vain.

Mr. Speaker, at this point I desire to place in the RECORD the text of a telegram by President Truman addressed to the Honorable SOL BLOOM at the testimonial dinner given to our colleague on June 10 in honor of a quarter of a century of service in Congress. I might add that the dinner was sponsored by the friends in America of the Bicur Cholim Hospital in Jerusalem, which will build an additional wing to be called the Sol Bloom Wing.

From the large batch of congratulatory letters and telegrams to SOL BLOOM, I have chosen a few which I am inserting in the RECORD, including that of the late Secretary of Labor Lewis B. Schwellenbach, who wrote his letter just a few days before he died; a letter by Mayor O'Dwyer, of New York; a telegram by Philip B. Perlman, Solicitor General of the Department of Justice; and several other telegrams.

They are as follows:

WHITE HOUSE,
Washington, D. C., June 9, 1948.

Hon. SOL BLOOM,
Madison Hotel,
New York:

It is a pleasure to send hearty felicitations and warmest personal greetings to all who are honoring you for long and faithful service to your country and to oppressed people everywhere. It is particularly fitting that an addition to Bicur Cholim Hospital in Jerusalem should bear your honored name. Hearty congratulations and every good wish.

HARRY S. TRUMAN.

SECRETARY OF LABOR,
Washington, June 4, 1948.

The Honorable SOL BLOOM,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN BLOOM: I want you to know how sorry I am that I am unable to attend the dinner to be given at the Hotel Commodore in your honor.

I want you to know of my personal good wishes as you observe with your many friends your 25 years of service as a Member of the House of Representatives. This is indeed a splendid record and one of which you can justly be proud.

I am confident that in the days ahead the record which you have so ably established will be still further enhanced.

Yours very truly,

LEW.
L. B. Schwellenbach.

CITY OF NEW YORK,
OFFICE OF THE MAYOR,
New York, N. Y.

I congratulate Representative SOL BLOOM on his 25 years of service in Congress. His distinguished record, especially as chairman of the Foreign Relations Committee, is an honor to his name. To him and to his many friends who are honoring him tonight I send my sincere best wishes. May the SOL BLOOM Wing of the Bicur Cholim Hospital give long years of service to humanity.

Cordially,

WILLIAM O'DWYER,
Mayor.

WASHINGTON, D. C., *June 10, 1948.*

Hon. SOL BLOOM,
Commodore Hotel,
Care Sol Bloom Testimonial Dinner Committee:

Heartiest congratulations on the honors and recognition you are receiving from your many friends who are proud of all you have done for the country and for humanity in general.

PHILIP B. PERLMAN,
Solicitor General.

WASHINGTON, D. C., *June 10, 1948.*

JAMES W. GERARD,
Care Sol Bloom Dinner,
Commodore Hotel:

We are in the midst of the consideration of the displaced-persons bill. The committee has just arisen and the bill will be considered further early tomorrow morning. Regret cannot be present at dinner tonight in honor of my distinguished colleague, SOL BLOOM. Please convey to him my best wishes.

Congressman EMANUEL CELLER.

WASHINGTON, D. C., *June 9, 1948.*

JAMES W. GERARD,
Chairman, Sol Bloom Testimonial Dinner,
Hotel Commodore, New York:

Deeply regret inability to be present at dinner honoring SOL BLOOM's twenty-fifth year in Congress. Have served with him on House Foreign Affairs Committee for last 2 years and understand better than ever the love and admiration in which he is held. Warmest regards to your guest of honor, to you, and to all his friends, and may the Sol Bloom Wing of the Bicur Cholim Hospital in Jerusalem flower and grow as SOL BLOOM himself in all these years in the service of his country.

J. K. JAVITS,
Member of Congress, Twenty-first Congressional District, New York.

WASHINGTON, D. C., *June 10, 1948.*

Hon. JAMES W. GERARD,
Chairman, Sol Bloom Testimonial Dinner,
Hotel Commodore:

Deeply regret that late adjournment of House following debate on DP bill makes it impossible for me to reach New York in time for dinner. However, I should like in this way to pay my personal tribute to my honored colleague, Congressman SOL BLOOM. For almost three decades he has set a wonderful example of devotion to duty and to enlightened legislation. He deserves in fullest measure every word of praise which will be given him tonight, and I look forward to many more years of friendship with him.

ARTHUR G. KLEIN,
Member of Congress.

NEW YORK, N. Y., *June 10, 1948.*

Hon. JAMES W. GERARD,
Chairman, Hon. Sol Bloom Committee Dinner, Commodore Hotel:

Regret unable to join dinner to my friend and colleague—illness in family reason. Please convey my congratulations to my colleague and friend, Hon. SOL BLOOM. He was and is rendering great service to mankind, and hope for his continued health and continued service in the Congress of the United States.

Judge SAMUEL DICKSTEIN.

WASHINGTON, D. C., *June 10, 1948.*

JAMES W. GERARD,
Chairman, Sol Bloom Testimonial Dinner:

Deeply regret that I cannot attend testimonial dinner honoring that great American and great Jew, SOL BLOOM. His work in Congress for a quarter of a century has been marked by an undeviating loyalty to the great American ideals and his personal labors in our cause have made a lasting impression. It is only fitting that he should be honored by so many distinguished guests this evening and that his name be perpetuated with the building of the Sol Bloom Wing of the Bicur Cholim Hospital in Jerusalem.

ELIAHU EPSTEIN,
Special Representative of the Provisional Government of Israel.

WASHINGTON, D. C., *June 10, 1948.*

Hon. JAMES W. GERARD,
Chairman, Sol Bloom Testimonial Dinner:

Will you please convey to my old friend, Congressman SOL BLOOM, my warm greetings and assure him that I am genuinely sorry not being able to join those who are honoring him today.

With sincere good wishes for you all on this occasion.

Cordially yours,

WILHELM MORGENSTIERNE,
Norwegian Ambassador.

WASHINGTON, D. C., *June 9, 1948.*

JAMES W. GERARD.

DEAR AMBASSADOR GERARD: Unexpectedly prevented to take part at Sol Bloom dinner. Kindly convey on my behalf sincerest wishes and congratulations for his long and useful work. Poland will never forget the part SOL BLOOM played in the creation of UNRRA. We shall not forget his moving speech in the United Nations on this topic. Many happy returns. To you, dear Ambassador, deepest regards. Your instructive books on Germany written with such experience are well remembered in my country.

JOZEF WINIEWICZ,
Ambassador of Poland.

NEW HAVEN, CONN., *June 10, 1948.*

Hon. SOL BLOOM,
Hotel Commodore:

Accept my sincerest congratulations on the occasion of the twenty-fifth anniversary of your activities in Congress and my very best wishes for the future.

Dr. LUDWIG KLEINWAECHTER,
Minister of Austria.

CAMBRIDGE, MASS., *June 9, 1948.*

JAMES W. GERARD,
Testimonial Dinner for Representative Bloom:

Regret absence from the city has prevented previous acknowledgment your invitation to SOL BLOOM dinner. Other commitments will unfortunately keep me from participating with you in honoring this distinguished citizen. My best wishes for a successful evening.

CHARLES LUCKMAN.

NEW YORK, N. Y., *June 9, 1948.*

SOL BLOOM TESTIMONIAL DINNER,
Hotel Commodore:

Profoundly regret long-standing educational engagement necessitates my arriving late at dinner in honor of our friend, Congressman SOL BLOOM. The erection in his honor of an annex to the Bicur Cholim Hospital in Jerusalem is a well-deserved tribute to SOL BLOOM's unique record of patriotic service and dedication to America and to Israel. Pray convey warm greetings to your

guest of honor and sincerest wishes for many years of health and strength.

Rabbi LEO JUNG.

NEW YORK, N. Y., *June 10, 1948.*

Hon. SOL BLOOM,
Hotel Commodore:

Congratulations on your twenty-fifth anniversary. May the Almighty give you strength to continue noble deed you have done for mankind.

Grand Rabbi BERL SHAPIRO.

Mr. Speaker, I now wish to insert into the RECORD two brief letters by two of the most distinguished leaders in the world today. Before I do so, however, I should like to explain the origin of these letters. One letter is by President Truman and is dated May 15, 1948; the other is by Dr. Chaim Weizmann, the President of Israel, and is dated 1 day later, May 16, 1948. There is a story to these letters.

One of the most ardent friends of the Jewish cause in Palestine, one of the most consistent fighters for an independent Jewish state in Palestine since the days of the Balfour Declaration, and one who has for many decades been a supporter of Jewish charitable and religious institutions in the Holy City of Jerusalem is the Honorable SOL BLOOM. During the past few years, in particular, he has been very helpful in advancing the cause for the establishment of a Jewish national home. He applied his influence, his prestige, and his wise counsel in that direction in the Congress of the United States, at international conferences of the United Nations in San Francisco, London, and New York, and on numerous other occasions.

More recently he has been active in gaining support for United Nations recognition of the partition of Palestine and the establishment of a Jewish state, for United States support of the implementation of the partition decision of the United Nations, and finally for the recognition of the state of Israel by the United States.

The state of Israel, as is known, came into being on May 15, 1948. Two days earlier, when it had been definitely ascertained that a new Jewish state was to be proclaimed on May 15, Representative SOL BLOOM sent a lengthy telegram to President Truman strongly urging him to extend immediate recognition to Israel, thereby making the United States the first country in the world to recognize the Jewish state.

As we all well know by now, President Truman acted promptly and wisely, recognizing Israel when it was only a few minutes old. But what is not widely known, however, is the fact that on that same day, May 15, he openly acknowledged and expressed his appreciation to SOL BLOOM for his wise and statesmanlike counsel to take that step. Mr. Speaker, at this point I should like to place in the RECORD the brief letter of President Truman, which speaks for itself:

THE WHITE HOUSE,
Washington, May 15, 1948.

Hon. SOL BLOOM,
House of Representatives,
Washington, D. C.

DEAR SOL: I appreciated your telegram of the 13th very much. I hope things worked out to your satisfaction.

Sincerely yours,

HARRY S. TRUMAN.

One day later, Dr. Chaim Weizmann took time out from his busy schedule in New York to write a letter to the gentleman from New York, SOL BLOOM, acknowledging his valuable assistance in furthering the Jewish cause in Palestine. The letter from the President of Israel, likewise, speaks for itself:

THE WALDORF-ASTORIA,
New York, May 16, 1948.

Congressman SOL BLOOM,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN BLOOM: Before my departure from this country, I would like to take the opportunity of sending you my heartfelt wishes and thanks for all the valuable assistance which you have rendered to the cause of the Jewish national revival throughout this difficult period. I think the consummation of our hopes which has now taken place ought to constitute by itself the richest reward, and any words of mine are really superfluous.

I hope you will be given many years to continue your good work and that we shall be able to count upon your help and advice to meet the difficulties which, I fear, we may still have to overcome in the near future.

With warmest regards,

Yours very sincerely,

CHAIM WEIZMANN.

Finally, Mr. Speaker, I am placing in the RECORD several news stories and editorials about the gentleman from New York, SOL BLOOM, in conjunction with the dinner given in his honor. These are as follows: Clark Asks Action for Lasting Peace, New York Times, June 11; Palestine Accord Urged by Clark at Sol Bloom Dinner, New York World-Telegram, June 11; BLOOM Honored at a Dinner Here, New York Sun, June 11; Honor Congressman BLOOM at Dinner, New York Daily Mirror, June 11; editorial entitled "The Dinner for SOL BLOOM," translated from the Jewish Morning Journal, of New York, June 10; news report entitled "United States Will Help Bring Peace to Israel, Says Attorney General," translated from the Jewish Morning Journal, of New York, June 11; news report entitled "Attorney General Clark at Banquet for SOL BLOOM," translated from the Jewish Day, of New York, June 10; news report entitled "National Leaders Join in Paying Tribute to Congressman SOL BLOOM," from the Jewish Advocate, of Boston, Mass., June 17; and a brief item from Drew Pearson's column in the New York Sunday Mirror, May 23, entitled "Recognizing Israel"; and a telegram from Rabbi Alexander S. Teitelbaum, of the Bronx, N. Y., May 16:

[From the New York Times of June 11, 1948]

CLARK ASKS ACTION FOR LASTING PEACE—CALLS ON ALL NATIONS TO JOIN IN ENDING NEAR EAST WAR—SOL BLOOM HONORED

Tom Clark, United States Attorney General, called last night for joint action by all nations to bring about a speedy and lasting peace between the Arabs and Jews in the Near East.

Mr. Clark spoke at a dinner at the Commodore Hotel honoring Representative SOL BLOOM on his completion of 25 years of service in Congress. Mr. Clark paid tribute to Mr. BLOOM as a statesman and humanitarian.

President Truman also praised Mr. BLOOM. In a telegram read at the dinner, which was attended by 500 persons, the President said:

"It is a pleasure to send hearty felicitations and warmest personal greetings to all who are honoring you for long and faithful service to your country and oppressed people everywhere. It is particularly fitting that an addition to Bicur Cholim Hospital in Jerusalem should bear your honored name. Hearty congratulations and every good wish."

Proceeds of the dinner will be used to establish the SOL BLOOM wing of the Bicur Cholim Hospital, which Mr. BLOOM has been active in helping.

In his plea for peace in the Near East, Mr. Clark said:

"Our Government will do everything in its power to help all the people, both Arab and Jew, in the new nation of Israel and other parts of Palestine.

"More blood spilt upon the soil of Palestine will not serve God. A united effort must be put forth by all the nations of the world to find a way to help both peoples live in friendship."

Mr. Clark said that Mr. BLOOM symbolized America and that his 25 years of service in Congress "fearlessly devoted to the public good has gained for him fame and honor here and throughout the world."

Representative JOHN W. MCCORMACK of Massachusetts, minority leader of the House, sent a message praising Mr. BLOOM and declaring that the recognition of Israel by this Government was a reasonable and natural step.

"When President Truman announced our recognition of Israel, I felt that he had acted wisely and judiciously, that the course he had chosen was in the spirit of our own Declaration of Independence," he said.

Mr. BLOOM said the fact that the state of Israel was today a reality had given new meaning to Jewish life. He declared that never in their history had the Jews been so united on a problem as they were on the question of Palestine, and that the state of Israel was a beacon of light to the nations of the world. He expressed the hope that a loan of $100,000,000 would be granted to Israel by the United States.

Mrs. Franklin D. Roosevelt praised Mr. BLOOM for his services to individuals who needed help here and abroad. She described him as a distinguished statesman who always had evidenced great interest in humanitarian affairs.

James W. Gerard, former Ambassador to Germany and chairman of the dinner committee, introduced Mrs. Roosevelt and Attorney General Clark.

[From the New York World-Telegram of June 11, 1948]

PALESTINE ACCORD URGED BY CLARK AT SOL BLOOM DINNER—NOTABLES HONOR CONGRESSMAN 25 YEARS IN CAPITOL

A world-wide effort to bring about lasting peace between the Israelis and Arabs in Palestine was urged last night by Attorney General Tom Clark.

Mr. Clark made his appeal at a dinner honoring Representative SOL BLOOM (Democrat, New York) for his completion of 25 years of service in Congress at the Hotel Commodore. Other speakers were Mrs. Eleanor Roosevelt and James W. Gerard, former Ambassador to Germany.

"What this world needs is more SOL BLOOMS," Mr. Clark continued. "He is a living example of the workings of our glorious democracy. His 25 years of service in the Halls of Congress, fearlessly devoted to the public good, has gained for him fame and honor here and throughout the world."

URGES ARAB-JEW ACCORD

In discussing Palestine, Mr. Clark declared:

"Our Government will do everything within its power to help all the people—both Arab and Jew—in the new nation of Israel and other parts of Palestine.

"More blood spilt upon the soil of Palestine will not serve God. A united effort must be put forth by all the nations of the world to find a way to help both peoples live in friendship."

MESSAGE FROM TRUMAN

A message from President Truman was read at the dinner, attended by more than 500 persons. It said:

"It is a pleasure to send hearty felicitations and warmest personal greetings to all who are honoring you for long and faithful service to your country and oppressed peoples everywhere.

"It is particularly fitting that an addition to Bicur Cholim Hospital in Jerusalem should bear your honored name. Hearty congratulations and every good wish."

[From the New York Sun of June 11, 1948]

BLOOM HONORED AT A DINNER HERE

A united effort by all the nations of the world to bring lasting peace in Palestine was urged by Attorney General Clark last night at the Hotel Commodore, at a dinner honoring Representative SOL BLOOM, Democrat, of New York, on his completion of 25 years of service in Congress. Proceeds from the dinner will be used for the Sol Bloom wing of the Bicur Cholim Hospital in Jerusalem.

"Our Government will do everything in its power to help all the people, both Arab and Jew, in the new nation of Israel and other parts of Palestine," Clark said. "More blood spilt upon the soil of Palestine will not serve God. A united effort must be put forth by all the nations of the world to find a way to help both peoples live in friendship."

In his speech, BLOOM expressed the hope that the United States will grant a loan of $100,000,000 to Israel.

Some of the program, including a speech by Mrs. Franklin D. Roosevelt, was broadcast over Station WMCA from 10 to 10:30 p. m. Messages also were read from President Truman, who praised BLOOM for "long and faithful service to your country and oppressed people everywhere," and from Representative JOHN W. MCCORMACK, Democrat, of Massachusetts, minority leader of the House. James W. Gerard, former Ambassador to Germany, introduced the speakers.

[From the New York Daily Mirror of June 11, 1948]

HONOR CONGRESSMAN BLOOM AT DINNER

Representative SOL BLOOM, veteran New York Congressman, was honored last night, for more than a quarter of a century of humanitarian service, at a dinner at the Hotel Commodore, attended by 600 local, State, and national figures.

Highlight of the event was presentation to BLOOM of a silver medal for his long years of assistance to the Bicur Cholim Hospital in Jerusalem. The medal was presented by Rabbi Meyer Shapiro.

Attorney General Tom Clark, one of the speakers, acclaimed the 78-year-old Congressman for his long service in the House. Similar praise was spoken by Mrs. Eleanor Roosevelt.

Among the guests was Babe Ruth, an old friend of BLOOM's. Master of ceremonies was Harry Hershfield, noted humorist, after-dinner speaker, and Mirror columnist.

[Translated from the Jewish Morning Journal, New York, June 10, 1948]

THE DINNER FOR SOL BLOOM

Congressman SOL BLOOM, who recently reached the age of 78, has surely earned the honor being given him by Jews and non-Jews alike. The dinner tonight at the Commodore Hotel in his honor, however, goes beyond merely extending recognition to Congressman BLOOM. It is also dedicated to a worthy institution in Jerusalem—the Bicur Cholim Hospital in the Holy City.

The Bicur Cholim Hospital, one of the oldest institutions of the old Jewish community, has always occupied an important place in the Holy City. In the current tragic moment, when Jerusalem has experienced and will probably continue to experience a difficult period, this hospital assumes even greater importance.

It is a well-known fact that the Bicur Cholim Hospital is now overcrowded with the wounded—wounded fighters for Israel who were injured by Arab bullets. Even the corridors are crammed beyond capacity. Much of this overcrowded condition is due to the fact that the Hadassah Hospital was almost totally destroyed and it further entails some risk to reach it because it is too remote, whereas the Bicur Cholim Hospital is in the very center of Jerusalem.

The purpose of tonight's dinner in honor of SOL BLOOM is to create a fund for the construction of a wing to the Bicur Cholim Hospital which will be named for Congressman BLOOM. It is a purpose which will surely find a warm response in Jewish hearts and which deserves the full support of the Jewish public.

[Translated from the Jewish Morning Journal, New York, June 11, 1948]

UNITED STATES WILL HELP BRING PEACE TO ISRAEL, SAYS ATTORNEY GENERAL

"The United States will do everything in its power to help all the people, both Arab and Jew, in the new nation of Israel and other parts of Palestine. I am proud that our country was the first in the world to recognize the new nation of Israel." These statements were expressed by Attorney General Tom C. Clark at a dinner last night sponsored by the Bicur Cholim Hospital of Jerusalem in honor of Congressman SOL BLOOM, who has completed a quarter of a century of service in the United States Congress.

About 600 of the most prominent Jewish and non-Jewish leaders, Government dignitaries and leaders of industry and labor were present to express their recognition to the veteran Congressman as a Jew and an American patriot.

President Truman, in a telegram read by the toastmaster, Harry Hershfield, sent greetings to Congressman BLOOM for his long and devoted service to the United States and to all oppressed peoples of the world.

Attorney General Clark, principal speaker at the banquet, emphasized that it is of utmost importance that "in the declaration of independence of the Republic of Israel, the new government extended the hand of friendship to the Arab citizens of the republic and a guarantee of full democratic, economic, political, and social freedom for all of the people of that land. This is in the great American tradition," Clark said.

JOHN W. MCCORMACK, minority whip of the House of Representatives, stated that Palestine is today not only the overshadowing problem for Jews, but also for the whole world.

"Despite their sufferings," he said, "Jews have never despaired of fighting for justice and righteousness, for liberty and democracy. By their own strength and superhuman effort, the Jewish people have within the space of a single generation succeeded in revitalizing the state of Israel. I am happy in the knowledge that the new Jewish state will be a republic, very much in the image of our own republic of the United States."

The other speakers, too, praised the valuable service rendered by Congressman BLOOM and they stressed the fact that the anniversary of his 25 years of service in Congress coincides with the occasion when the Jewish state became a reality.

A glance at the dais where the distinguished guests were seated was sufficient to show how renowned and beloved the Jewish Congressman is. Not only the dais, at whose head sat the guest of honor, but also the entire hall was full of many outstanding personalities of the country and foreign dignitaries.

A very moving scene occurred when Attorney General Clark left the head table to greet one of the guests, the most famous figure in the American sports world—Babe Ruth.

Moving was also the responding address by Congressman BLOOM, whose eyes were at times filled with tears because of the great honor bestowed upon him. BLOOM, in his address, spoke of the rebirth of the Jewish state Israel "which symbolizes the realization of the dream which our fathers and forefathers have dreamed and the prayers which they said in their synagogues for nearly 2,000 years."

Congressman BLOOM also voiced the hope that the United States would assist in transporting the Jewish displaced persons from the European camps to Israel. He urged this country to extend a loan of $100,000,000 to Israel, as requested by Dr. Chaim Weizmann during his recent visit to Washington.

BLOOM closed with the reminder that support of such an institution as the Bicur Cholim Hospital in Jerusalem by the Jews of America will be of great service to the health and welfare of the inhabitants of the Jewish state.

[Translated from the Jewish Day, New York, June 10, 1948]

ATTORNEY GENERAL CLARK AT BANQUET FOR SOL BLOOM

Attorney General Tom Clark will be the principal speaker at the Commodore Hotel tonight at a dinner honoring Congressman SOL BLOOM. The dinner is sponsored by the Bicur Cholim Hospital of Jerusalem in recognition of Congressman BLOOM's activities as a member of the board of directors of the hospital for the past 10 years. It is expected that Attorney General Clark, as a member of President Truman's Cabinet, may make an important statement in connection with the state of Israel.

For the period that he is a member of the administration, Attorney General Clark has undertaken various efforts to combat intolerance. He is known as a foe of the Ku Klux Klan. Mr. Clark is a close friend of Congressman BLOOM and he is coming tonight to express his appreciation of the Congressman.

A number of Senators, Congressmen, diplomats, judges, prominent lawyers, businessmen, and others are expected to attend the dinner. It will also be dedicated to the support of Israel, and particularly to the Bicur Cholim Hospital in Jerusalem whose doctors and nurses are now working with so much self-sacrifice to save the wounded and ailing Jewish fighters who are defending Jerusalem from Arab attacks.

The Bicur Cholim is the oldest and largest Jewish hospital in Palestine. It was founded about a hundred years ago by the philanthropist Sir Moses Montefiore and had a prominent role in the improvement of health conditions in the old and new Jewish communities of Palestine. The proceeds of the dinner have been designated for the construction of a hospital wing to be named in honor of Congressman BLOOM.

The dinner committee reads like a Who's Who in America. Mayor O'Dwyer is honorary chairman; Ambassador James W. Gerard is chairman. Cochairmen are: Morris Weinberg, publisher of the Jewish Day; former Gov. Charles Poletti, Postmaster Albert Goldman, and film-magnate Spyros Skouras. The committee is comprised of a long list of the most prominent personalities in the country.

[From the Jewish Advocate, Boston, June 17, 1948]

NATIONAL LEADERS JOIN IN PAYING TRIBUTE TO CONGRESSMAN SOL BLOOM

President Truman, Attorney General Tom Clark and other prominent leaders at a dinner last Thursday paid tribute to Congressman SOL BLOOM upon the completion of the Congressman's twenty-fifth year of service in Congress. At the dinner held at the Hotel Commodore and attended by 500 persons, Mr. Clark praised Mr. BLOOM as a statesman and humanitarian.

In a telegram President Truman said:

"It is a pleasure to send hearty felicitations and warmest personal greeting to all who are honoring you for long and faithful service to your country and oppressed people everywhere. It is particularly fitting that an addition to Bicur Cholim Hospital in Jerusalem should bear your honored name. Hearty congratulations and every good wish."

Proceeds of the dinner will be used to establish the Sol Bloom Wing of the Bicur Cholim Hospital, which Mr. BLOOM has been active in helping.

In his plea for peace in the Near East Mr. Clark said:

"Our Government will do everything in its power to help all the people, both Arab and Jew, in the new nation of Israel and other parts of Palestine.

"More blood spilt upon the soil of Palestine will not serve God. A united effort must be put forth by all the nations of the world to find a way to help both peoples live in friendship."

Mr. Clark said that Mr. BLOOM symbolized America and that his 25 years of service in Congress "fearlessly devoted to the public good has gained for him fame and honor here and throughout the world."

Representative JOHN W. MCCORMACK of Massachussets, minority leader of the House, sent a message praising Mr. BLOOM and declaring that the recognition of Israel by this Government was a reasonable and natural step.

"When President Truman announced our recognition of Israel, I felt that he had acted wisely and judiciously, that the course he had chosen was in the spirit of our own Declaration of Independence," he said. "That forthright action of the President has received the warm support of the overwhelming majority of the American people."

Mr. BLOOM said the fact that the State of Israel was today a reality had given new meaning to Jewish life. He declared that never in their history had the Jews been so united on a problem as they were on the question of Palestine and that the State of Israel was a beacon of light to the nations of the world. He expressed the hope that a loan of $100,000,000 would be granted to Israel by the United States.

[From the New York Sunday Mirror of May 23, 1948]

WASHINGTON MERRY-GO-ROUND

(By Drew Pearson)

RECOGNIZING ISRAEL

Various people played important backstage roles in switching President Truman away from his earlier position against Palestine. One was Eddie Jacobson, Truman's old haberdashery partner in Kansas City, who was brought to Washington by Frank Goldman, of Lowell, Mass., head of B'nai B'rith. Together with Maurice Bisgyer of the same organization, they had several talks with Truman.

Another who talked with the President just 1 day before he recognized Israel was venerable Representative SOL BLOOM, New York Democrat, who advised:

"Jump in fast with recognition, Mr. President. Don't wait for Russia and her satellite states to recognize. They are sure to do it, but don't let them do it first."

Next day Truman acted. In fact, he acted so fast that he had to tip off the Jewish Agency to send him a request for recognition so he could act on it. They hadn't even had time to make a formal request.

NEW YORK, N. Y., *May 16, 1948.*

Congressman SOL BLOOM,

House of Representatives, Washington, D. C.:

Mazel tov, heartiest felicitations. The glorious moment that Israel has yearned for 2,000 years has come. Your masterful and wise counsel, your tremendous but modest influence, your genuine love for your brethren has borne fruits. Your wonderful words at the rabbinical reception tendered in your honor recently still ring in my ears now. I observe fully their complete import and impact. May the Almighty spare you many more healthful years replete with noble deeds for your people and your country. Fondest regards.

Rabbi ALEXANDER S. TEITELBAUM.

BRONX, N. Y.

Why Cannot Arizona and California Compromise Their Water Dispute?

EXTENSION OF REMARKS

OF

HON. JOHN R. MURDOCK

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 16, 1948

Mr. MURDOCK. Mr. Speaker, there has been so much contention over legislation involving this water dispute between Arizona and California and such an intense struggle to shape legislation regarding it that many Members of Congress have asked why it is not a matter of compromise and why it has not been compromised. In fact, these are the questions most frequently asked me concerning it. They are logical questions and ones which might very well be asked. Both sides have said repeatedly that they have been willing, during the past quarter century, to compromise the dispute and that they have made many efforts through the years to do so. Well then, to what extent has it been compromised, and how? What is the likelihood of a final and complete settlement by further compromise?

As a political-science instructor years ago in Arizona, I was asked somewhat facetiously by an inquiring student, "What is a compromise?" Knowing that the young fellow knew the meaning of the term which had been used so frequently in that course, I replied that there are various kinds of compromises and I would illustrate one kind for him. Then I used this illustration: "One spring, Mrs. Murdock and I were window-shopping on the streets of Phoenix before the windows of the largest department store there, and we were attracted by a large assortment of woolen blankets on display, marked down to a more reasonable price at the beginning of summer in this warm valley. Knowing that we should soon leave Phoenix for Flagstaff, where I would be an instructor in the summer session of the college up in that cool resort, I said to Mrs. Murdock that we ought to buy a pair of those nice white blankets. She explained that we were planning to live in a cabin among the pines, and that those white blankets would not stay white very long, and she insisted that we buy a pair of brown blankets. Now, I compromised with her, and we took a pair of brown blankets." Years later that fellow remembered my illustration and was still smiling about my compromise. No doubt a similar kind of compromise could be arranged with California over the Colorado River more in the nature of a capitulation than a compromise. But let us examine the elements of the dispute from near the beginning and see wherein a compromise of a sort has already been effected and what might further be effected.

Let us go back nearly to taws and see what the situation was prior to 1922. At that time only relatively little physical development down near the Mexican border had taken place on the main stream of the Colorado River. Some diversions of the natural flow had been made from the Colorado into California at Blythe for the Palo Verde reclamation district, and some near Yuma for the Imperial Valley and for the Yuma irrigation districts. Earliest of all, some had been taken for Arizona Indians at Parker. Of course, full diversions had been made in Arizona from the Gila River and its tributaries before the Santa Fe Compact of 1922, and it was universally considered without question that all of that in the Gila Basin, aside from a little in New Mexico, belonged to Arizona. Therefore, the Gila should be left out of the picture as an element of negotiation. This was the first step of compromise on November 24, 1922, when Arizona, with California, signed the compact. And it should be noted that in 1922 somewhat more Colorado River water was being diverted into California than into Arizona from the main stream.

Going back, then, to that convenient date, 1922, as a beginning, and regarding the two States as being previously about equal in this race for water, let us indicate the extreme demands of each State as a basis of negotiation. Naturally, from the start both Arizona and California hoped to get all of the possible benefits of the river as their extreme demand, and, if not all throughout the entire length of the river, then all possible benefits both in water and power from the lower part of the river below the State line dividing Arizona from Utah. That lower portion or basin is usually designated as that part below Lees Ferry. It is no exaggeration to say that both Arizona and California wanted and strove for all the benefits of the lower portion of the Colorado River. While such a demand on the part of each State may be fantastic and unreasonable, we must consider it human nature to strive for it as each did.

WHAT JUSTIFICATION HAD EACH STATE FOR ITS LARGEST CLAIM?

Let us ask what basis of claim either Arizona or California prior to 1922 could have for such a hope and claim. Arizona felt that it ought to be "her river," because it flows 300 miles through the State of Arizona and about the same distance along her western border. Ninety percent of the entire area of Arizona is within the Colorado Basin, and Arizona contributes 17 percent of the total flow of

the Colorado River. Arizona contains far more irrigable land within the Colorado Basin than any other State, and has a 12-month growing season, or ideal climate, for the fullest utilization of the water. On the other hand, California has only a very limited fraction of her area within the Colorado Basin—perhaps less than 2 percent—as compared with Arizona's 90 percent within the basin. Unless she takes water entirely outside the Colorado Basin, California has less than 200,000 acres of land that may be irrigated within the basin. This compares with Arizona's at least 5,000,000 acres of land capable of irrigation within the basin. Thus we see that California has only about 4 percent as much irrigable land within the Colorado River Basin as has Arizona. California has no tributaries to the Colorado River and furnishes less than one-tenth of 1 percent to the total flow of the stream. Therefore, California's use of the river requires exporting water and power hundreds of miles from the river in a transmountain diversion. It is easily seen then that any semblance of merit of California's extreme claim to all of the river depends upon an anticipated growth of her seaport cities and interior communities several hundred miles from the river. This, I think, is a fair contrast of the rival claims in and prior to the year 1922. What has happened since November 22, 1922, by way of a compromise between these contenders?

Of course, I am looking at this from the standpoint of Arizona. Many in Arizona think that there has already been too much compromising and giving away, and that any further compromising now would be capitulation. Furthermore, I think that the combined intent of the Boulder Canyon Project Act of 1928, and the California Limitation Act of her legislature in 1929, amounts to a liberal concession to California and that no further compromise is justified. Therefore, to speak of compromising the problem further since the compromises of 1922 and 1929, as the present-day question implies, would, in my judgment, mean a further reduction amounting to an injustice and irreparable injury to Arizona.

COMPROMISE POSSIBLE IN DIVIDING BOTH WATER AND POWER

By going back to the writing of the Santa Fe Compact in 1922 as the convenient starting point in this two-State controversy and considering that Arizona, as also California, would like to have all the benefits of the lower river below Lees Ferry, we can see what has already been done, what kind of a compromise has already been effected, and what might or ought yet be done. How much water and how much power is there to be divided and allotted to Arizona and to California below Lees Ferry? So far as the amount of water is concerned, I think we may, within the meaning of the compact, safely say that there are in firm supply the seven and a half million acre-feet allotted in (a) of article III, but this does not take into consideration any other water. Naturally, there will be more than the seven and a half million acre-feet available when the river is fully developed. Nevada's relatively small part of water and power may be omitted from this discussion as agreed upon.

So far as the power to be divided is concerned, no accurate figure can be given now, but of course, it will be practically all the power capable of being developed at the existing dams, such as Hoover, Parker, Davis, and Headgate Rock, together with any from proposed dams, such as Bridge Canyon and Glen Canyon. Since there is a power shortage with an increasing demand in both Arizona and California, and the last two dams mentioned have not been built, we can only surmise how much power there will be and how the power will later be divided. Looking at it from the power angle, it is also one of those unusual compromises, because today California is getting virtually all of the power, and Arizona is getting none of the power except the power for the Gila irrigation project below Parker, plus the power which Arizona users are buying from the California power companies, at a good stiff price. Does that look like a compromise between the two States on power? The plain fact is that California is now getting practically all of the hydroelectric power produced on the lower Colorado River. She wants to get more and to give up none, which is stating our power situation mildly.

DIVISION OF WATER REGARDED MORE IMPORTANT THAN POWER

How about the water? How has it been divided? How much firm water is there to divide? An eminent water authority in southern California says there are ten and a half million acre-feet annually to be divided. But he does not imply that it is all firm water. This is in strange contrast to the contention of another eminent authority from southern California that the river is dry and already far overdrawn. My own conservative view is that under the compact and from the physical and the engineering facts of the river, we may safely count on article III (a), water, seven and a half million acre-feet annually as a minimum, in firm supply and in perpetuity, for the lower basin. Nevada claims 300,000 acre-feet.

The first beginning of compromise by Arizona and California on this water problem, which meant the withdrawal of each State from its original extreme demand for all the benefits of the river, was their signing of the Santa Fe Compact along with the other five Basin States on November 24, 1922. By this compact, which both Arizona and California agreed to, the waters of the Colorado River were roughly divided, and seven and a half million acre-feet of the total flow was allotted to the upper basin above Lees Ferry. Therefore, this action thus limited, to the extent of the foregoing amount, the water available for division between Arizona and California, but this same compact did also guarantee a delivery of a minimum of seven and a half million acre-feet on an average annually to the lower basin. Let it be remembered that this is the minimum amount required by the compact to pass Lees Ferry, and it is based on the assumption that there will be storage on the river above Lees Ferry so that an average of seven and a half million acre-feet annually, in firm supply, can always be available to be let down to the lower basin. Of course, there is bound to be surplus water—and there will always be when the river is fully developed—more than seven and a half million acre-feet of water passing Lees Ferry each year. The upper basin States agree to let an average of seven and a half million acre-feet pass Lees Ferry annually, and that can be safely counted on when storage is provided. It is this minimum of firm supply I am considering here, and to be sure to count all drafts, I am including one which does not belong there, namely, any part of Mexico's water.

THIS COMPUTATION DEALS ONLY WITH FIRM WATER

Mexico's water is not to come out of the seven and a half million acre-feet allocated to the lower basin, but to demonstrate there is enough water for central Arizona we may, from the seven and a half million acre-feet of firm water, which is the safe basis of our computation, for illustration subtract 1,000,000 acre-feet, or less, out of storage for Mexico—discussed further on—and 300,000 acre-feet for Nevada, leaving 6,200,000 acre-feet on which to work a compromise between Arizona and California. Of that amount California by law is destined to get 4,400,000 acre-feet under her act of limitation of 1929. Arizona recognizes that that is legally California's water. Subtracting that 4,400,000 acre-feet from the 6,200,000 acre-feet of firm water, we have left 1,800,000 acre-feet of somebody's water, even after assuming one million for Mexico which neither the compact or act of 1928 intended. California did grudingly consent that Arizona might have a right to 600,000 acre-feet by permitting the Gila reauthorization bill to pass Congress in 1947, and subtracting that would leave 1,200,000 acre-feet of somebody's water. Arizona claims it rightfully but California is unwilling that Arizona shall have about a million acre-feet of water for the proposed central Arizona project, and has the effrontery to suggest another compromise. In thus dealing only with the unquestioned minimum firm supply, and with the assurance there is enough water to take care of other items, we see Arizona rightfully claims what she is asking for.

It may easily be seen from the nature of "the compromises" thus far effected that California already has the lion's share. How would another "compromise" probably leave it? There remains 1,200,000 acre-feet of assured water, and Arizona needs it and rightfully claims it, but California has suggested a further "compromise." Of course, she would not be satisfied with less than half of it, and if California did get 600,000 acre-feet or more of it to add to her 4,400,000 acre-feet, it would mean that such final "compromise" would yield California a total of 5,000,000 acre-feet as compared with Arizona's 1,000,000 acre-feet, as already provided by acts of Congress or prospective acts of Congress, all under the compact of 1922. What kind of compromise would that be?

PART OF MEXICAN TREATY WATER SHOULD BE SECOND-HAND

Although I do not admit that Mexico has any claim on the 7½ million acre-

feet allotted, when I said earlier that we may subtract 1,000,000 acre-feet or less from our firm supply of stored water for Mexico, for sake of argument, although Mexico's part was to come out of surplus, I could almost hear the opposition triumphantly shout that this was a bald-faced error, and that the treaty with Mexico provides that the Republic of Mexico is to receive one and a half million acre-feet, if not more, of water annually. No, it is not an error as to the amount for Mexico out of storage. However, California witnesses have been exerting their utmost to exaggerate the amount of this treaty burden and to insist, for the sake of their argument, that the amount which we are to hold ourselves in readiness to furnish Mexico direct from storage is nearer 2,000,000 acre-feet than the amount specified in the treaty. Not that the California witnesses want to give Mexico as much as 2,000,000 acre-feet, but it is evident they want to figure it in such a way as to make that amount of water available for some purpose other than for use in any of the six States of the Colorado River Basin, not including California. They also figure in the Mexican water as a part of our firm supply, although it should and must ultimately come out of surplus.

As to the stipulated amount it is true that the treaty calls for a million and a half acre-feet of water for Mexico, and I insist that the treaty be fully observed and not breached. However, not all of that treaty water needs to come from storage, and I insist that it is nothing short of folly and akin to treason for us not to use at least a third of the water ultimately intended for Mexico in irrigation within the United States before it goes to Mexico. To do so is easily an engineering possibility and is, to a considerable extent, being done at this very moment. Last year Mexico was furnished about 200,000 acre-feet of second-hand water which had already been used to irrigate land in Yuma County, Ariz. This amount thus used can be soon trebled as a fuller utilization and as the development of the river occurs. Suspect any man who at first opposed the treaty with Mexico and who now declares that we must hold in storage approximately 2,000,000 acre-feet of water to carry out the Mexican Water Treaty.

HOW WOULD ARIZONA FARE IN ANOTHER COMPROMISE?

The above contrast of compromises resulting since 1922 affecting Arizona and California is almost unbelievable in the light of what took place between November 22 and November 24, 1922, as there has already been assigned by effective congressional acts seven times as much water to California, in firm supply and in perpetuity, as has been assigned to Arizona. What kind of a compromise is this? While there is more firm water to be divided, and also an indefinite amount of surplus water to be divided in the year 1963, at the moment we could only compromise further in the division of the firm water. I am convinced that California will not agree on dividing the remainder, but even assuming she would agree on the best possible 50–50 division, it could only result in assigning to California five times as much water in perpetuity as would be assigned to Arizona. That is why I stated earlier that Arizona feels that already too much has been conceded and that any further concessions would be to Arizona's irreparable injury. My own view is that Congress, having already passed more than 35 acts on this matter, should settle it still further by law on its merits and in furtherance of the basic act of 1928.

President Truman Appears More Interested in Politics Than in a Constructive Agricultural Approach

EXTENSION OF REMARKS

OF

HON. REID F. MURRAY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. MURRAY of Wisconsin. Mr. Speaker, it is to be regretted that President Truman has selected this hour to make political agricultural speeches while on his nonpolitical tour. We have been trying for months in the Congress to piece together the information obtained by the chairman of the Agriculture Committee, CLIFFORD HOPE, and the Senate Agriculture Committee. Hearings have been held in various parts of the country. These hearings have been nonpartisan and have been held in the North, South, East, and West.

However, President Truman's cheap political approach to the problem of providing sufficient food for an ever-increasing population is deserving of consideration.

In the first place, the New Deal Party has been in control of Congress and the White House for 14 years and they had ample time to bring out a long-range agricultural program if they had spent less time on politics and more on agriculture. American agriculture, a $30,000,000,000 business in 1947, is a big business. Many groups are involved. Many crops and products are involved, especially when one realizes our country is practically self-sufficient so far as varieties of foods and fibers are concerned. Chairman HOPE and the committee have made an earnest and sincere attempt to obtain all the facts involved in a long-range agriculture program. Congressman HOPE, with his many years of legislative experience, has seen the creation and dismantling of the Federal Farm Board. This was the first attempt to support farm prices by the Federal Government. This was in the 1920's. Of the $500,000,000 appropriated, about one-half was never returned to the United States Treasury. The wheat farmers, however, received a large percentage of the loss encountered by the United States Treasury. Then the New Deal came along and set up controls and supports for the so-called basic crops of wheat, cotton, corn, peanuts, rice, and tobacco. Three hundred million dollars or more per year were pumped into this program. Millions were spent for not growing crops in the United States when we were importing more agricultural products than were being exported. By 1939, the seventh year of the "more abundant life," we found the whole program bogged down. Farmers in August 1939 received 54 cents per bushel for wheat, 5 cents-plus for hogs, 8 cents-plus for cotton even after the millions had been expended for not growing the crops, and other millions because what was grown did not bring enough in the market place. One weakness of this set-up was the same weakness apparent in the Federal Farm Board. A very large percentage of American agriculture was not included in the support program. Export subsidies were resorted to. Many schemes, not in keeping with a good-neighbor policy, were resorted to. These included embargos and quotas that the New Deal substituted for tariffs.

The war years then followed. Large employment rolls resulted from the war. The patriotic desire to produce was apparent. To meet the challenge in an attempt to first obtain an increased food production and second to give producers assurance they would not lose "their all" by resulting low prices if they stepped up production, the Congress passed the Steagall amendment to the Price Control Act. This was most assuredly a bipartisan approach. Not only Mr. Steagall, but other Democrats like the Honorable PAUL BROWN of Georgia, the Honorable ALBERT GORE, of Texas, and Republicans like the Honorable JESSE WOLCOTT, the Honorable FRED CRAWFORD, of Michigan, the Honorable HENRY TALLE, of Iowa, and the Honorable MERLIN HULL, of Wisconsin worked together harmoniously to pass this legislation. The results obtained by the Steagall amendment have led many to believe that it was and is one of the most important and successful pieces of agricultural legislation ever passed by the Congress. The Steagall amendment proved its value in war and can be easily adjusted to peacetime. The original amendment provided 90 percent of parity floor price and a 110 percent parity ceiling price. The late President Roosevelt listened to the wrong people at the wrong time and the 110-percent ceiling was removed because someone thought the producers were obtaining a legislative advantage over other groups of our society. I realize that he was under great pressure at the time, but a much more harmonious and satisfactory set-up would have been obtained if this 110-percent parity-price ceiling could have been in operation. Later, of course, even under the OPA some ceiling prices advanced materially above the 110-percent parity. In fact, since the Secretary of Agriculture has even placed a 165-percent parity price as support—for example under flaxseed.

With this legislative background it should be apparent just exactly how involved a long-range program really becomes because this price support is just one angle.

We then have to face the soil-fertility-maintenance problem, and the improvement of the humus content under soil conservation and fertility maintenance. Between $100,000,000 and $200,000,000 worth of soil fertlity will be exported in

1948. We have the drainage problem, the irrigation problem also to be taken into consideration. The above with the plant and animal disease problem, the scientific research approach, the marketing problem, as well as other phases of the $30,000,000,000 1948 business must also be taken into consideration.

The Agricultural Committee and the Banking and Currency Committee have made a nearly perfect record in approaching farm legislation from a bipartisan standpoint. At the higher level, in fact in the top levels of the United States Department of Agriculture, do we find the political agriculturalists carrying on their activities.

However, Mr. President, if you are as interested in agriculture as you are in criticizing Republicans in Congress, there are a few questions that you may wish to answer in order to keep the record straight.

First. In your Omaha speech you profess great sympathy for reciprocity and a good-neighbor agricultural policy. If this be true, then I ask, Why did you use the power under section 22 of the AAA Act to put a quota and a near embargo on cotton imports?

Second. Why do you lend approval to the near embargoes under the same section 22 of the AAA Act?

Third. If you really wish to see a good neighbor agricultural policy, why do you allow the paying of export subsidies on cotton even when cotton is above parity?

Fourth. Why criticize any Republican position on tariffs when you and your party substituted quotas and embargoes for tariffs?

Fifth. Why criticize any Republican position on tariffs as long as your party erected the worst trade barrier; yes, the most vicious, ever erected in the history of our country? It is the embargo on tobacco seed. Why did your party pass the legislation in 1940 and why do you not advocate its repeal if you really mean you are an advocate of reciprocity?

Sixth. Why all the antilivestock attitudes in your Agriculture Department at top levels? Why, for example, have a 1 cent per pound import duty on hogs, 25 cents a bushel on corn, and 3 cents per pound on lard? If it takes 12 bushels of corn to produce a 100-pound hog, it is evident that a 100-pound hog can be imported for $1, but it would necessitate the paying of $3 in duty on the corn to produce the 100-pound hog or three times as much. Why the 1 cent per pound duty on hog imports and 3 cents per pound duty on lard when live hog and lard prices have been practically equal for years? Is the 3 cents per pound duty on lard to keep it in line with the 3 cents per pound import duty on vegetable oils?

Why, Mr. President, does the executive branch of the Government use the section 32 funds, obtained largely by imports of livestock and its products, to subsidize exports of soil-depleting crops like cotton? Did you know that over $400,000 of these section 32 funds have recently been used to even subsidize tobacco exports, and that $9,000,000 were used to grind up federally accumulated tobacco and dispose of it for fertilizer and insecticides? Do you really believe tobacco growing excels sheep growing as a soil-conservation system of farming?

Why, Mr. President, has your party reduced the duty on dairy products all the law will allow you to reduce them, and recently went so far at Geneva as to reduce the duty on skim milk to a fraction of a cent per pound? Why, Mr. President, has your party reduced the sheep numbers of the United States by 37 percent in the past 5 years, the cattle numbers by over 6,000,000, and the hog numbers on January 1, 1944, were 52 percent above what they were on January 1, 1948. I ask in all respect, Mr. President, one additional question at this point. First, if you really believe in soil conservation, why do you keep agricultural leadership in high places that subsidizes soil-depleting crops and at the same time jeopardizes soil-conserving systems of farming?

Seventh. Mr. President, if you are now so alarmed about the future of cooperatives as shown in the Omaha speech, why do not the parts of the United States represented by Democrats have some in their own districts? Wisconsin has over 1,000 of them, and we will take care of the situation without outside assistance that has the earmarks of being more political than helpful.

Eighth. Why did your party allow a program that provided one Mississippi farmer, Oscar Johnson's Pine Bluff farm, a total subsidy of $819,644.22 in a period of 15 years? Why did your party, Mr. President, provide Mr. Tom Campbell, of Montana, $249,603.47 under the guise of soil conservation or some other reason? Did not Tom Campbell call on you at the White House last summer and advise you that he wanted $3.50 per bushel for his wheat? Do you think Tom Campbell should have been provided these thousands of dollars for mining the fertility of his land and do you call that soil conservation?

Mr. President, Chicago is the agricultural food capital of the world. We have altogether too much agricultural political leadership. A dozen States around Chicago have the responsibility of feeding the 145,000,000 Americans. Many of the other States cannot or do not produce enough food to feed themselves.

Special-privilege legislation has been provided for the products south of Mason and Dixon's line. The real food-producing areas have been subjected to unfair legislative treatment. If some of these agricultural legislative wonders are so beneficial, why does not your party get in on it, and try them out south of Mason and Dixon's line. At least give the American people the facts, and do not try to blame the Republicans of the Congress who have made every effort to subscribe to a constructive approach.

Of course, as long as your party takes the position that about one-fourth of American agriculture is basic, as cotton, corn, wheat, tobacco, rice, peanuts, and the other 75 percent of American-produced agriculture products are not, naturally, there will be differences of opinion. A $165,000,000 rice crop, a $213,000,000 peanut crop, and a $1,000,000,000 tobacco crop do not appear very basic when they are compared to a $9,900,000,000 meat crop, a $4,000,000,000 to $5,000,000,000 milk crop, a $2,900,000,000 poultry and egg crop, but the New Deal has led many people to believe more strange things than that.

The trouble, I repeat, with the New Deal agricultural approach is that it is upside down. It subsidizes soil-depleting crops and jeopardizes the soil-conserving crops. Perhaps you can make some people believe otherwise, but can you?

Among the many trade barriers, then, that your party has erected are: (1) the embargo on tobacco seed, (2) the export subsidy on cotton and tobacco even when the market was above parity, (3) the near embargo on wheat imports, (4) the embargo on short-staple-cotton imports, (5) the embargo quota on imports of long-staple cotton put into effect by you. These quotas and embargoes are not in keeping with the propaganda sent out by your State Department these many years.

The New Deal had a long time to put into effect a long-range agricultural program; but instead the New Deal followed a special privilege, a sectional, a favorite-crop program, and one that will continue to ruin the fertility of the soils of our country.

What Pay for Hired Man?

EXTENSION OF REMARKS
OF

HON. KARL M. LeCOMPTE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. LECOMPTE. Mr. Speaker, under leave to extend my remarks in the CONGRESSIONAL RECORD, I desire to include therein a short article from Wallaces' Farmer entitled "What Pay for Hired Man?"

WHAT PAY FOR HIRED MAN?

What is a fair wage agreement between farm operator and hired man? It's tough to work out these days.

Here's an agreement—fixed up by a central Iowa farmer—which satisfies both operator and hired man:

The hired man gets $110 per month wages from March 1 this year to March 1 next year. Payday comes twice a month.

Extras include three dozen eggs each week, two quarts of milk a day, a half pint of cream a day, two 225-pound hogs for butchering per year.

The hired man also has a house, a garden, and a potato patch large enough for his own use. His electricity is on a separate meter.

The operator and the hired man chore together every Sunday morning. Chores are done alone every other Sunday evening.

On top of all this is a bonus: Five percent of the egg receipts; 5 percent of cream receipts, 3 percent of butcher hog receipts. Hogs butchered for home use are not counted in the bonus; feed purchased is deducted from the gross sales before figuring out the bonus.

The bonus will be paid March 1 next year if the hired man stays for the full year. If any butcher hogs are not sold until after March 1, 1949, the bonus then will be paid at time of sale. The bonus is guaranteed to average $15 per month until March 1, 1949.

How Public Law 642, Eightieth Congress, Second Session, Restricts Old-Age and Survivors' Insurance Coverage

EXTENSION OF REMARKS
OF
HON. CHARLES B. DEANE
OF NORTH CAROLINA
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. DEANE. Mr. Speaker, when House Joint Resolution 296 became Public Law 642, despite the veto of the measure by the President, the Eightieth Congress excluded an estimated 750,000 people from social-security coverage. This law recites as its purpose "to maintain the status quo in respect to certain employment taxes and social-security benefits pending action by Congress on extended social-security coverage." However, instead of maintaining the status quo, this statute amends the Social Security Act and the Internal Revenue Code and thereby changes the law as outlined by the Supreme Court in June 1947—*U. S.* v. *Silk* (67 S. Ct. 1463), *Harrison* v. *Greyvan Lines, Inc.* (67 S. Ct. 1463), and *Bartels* v. *Birmingham* (67 S. Ct. 1547). The result is that these 750,000 individuals and their dependents are left without protection under the old-age and survivors' insurance program.

This group is made up of a substantial portion of the persons who work as salesmen, miners, taxicab operators, journeymen tailors, industrial homeworkers and others. In general, persons employed in these occupations need protection against the hazards of old-age, and their dependents need protection against the premature death of the wage earner as much as any group now afforded social security coverage. Yet Public Law 642 will prohibit the payment of benefits and the collection of the old-age and survivors' insurance tax from the employer and the employee for any future employment in these occupations unless the so-called common-law relationship of master and servant is found to exist.

The common-law relationship of master and servant has not been clearly defined by the various courts. Cases arising under a similar set of facts have been decided in favor of the "employee" in some jurisdictions, while in others the person rendering service for an employer has been determined to be an independent contractor and not entitled to social security coverage. The control exercised by the employer over the method and means of performing the services performed by the worker is often the determinative factor in deciding whether the worker is an employee or an independent contractor under the common-law test. Just what constitutes sufficient control to take a worker outside the independent-contractor concept varies. Some courts require that the employer have the right to control the physical performance of the work while others require only general control over the person engaged. Still others have found that under certain circumstances a worker is an employee although no control in a physical sense was exercised by the employer.

The common-law master-servant concept has not afforded the taxpayers, the beneficiaries, or the administrators of the old-age and survivors' insurance program any clear-cut rule. More important, however, is the fact that, in general, the common-law concept is more restrictive than the definition of an "employee" developed by the Treasury Department and the Federal Security Agency in the light of the pronouncement of the Supreme Court in the aforementioned decisions of June 1947. Under this definition an employee is "an individual in a service relationship who is dependent as a matter of economic reality upon the business to which he renders service and not upon his own business as an independent contractor." If Public Law 642 had not been enacted, this rule would also have had the effect of levying the Federal tax for unemployment compensation on employers for wages paid to individuals who are dependent as a matter of economic reality upon the business to which they render service. A majority of the States have adopted tests for determining the employer-employee relationship for unemployment compensation which are broader than the common-law test. The rule, therefore, would have had a more limited effect on coverage for unemployment compensation than for the Federal program of old-age and survivors' insurance.

This definition has been nullified by Public Law 642 and the effect of this nullification in the words of the President is to "overturn the present sound principle that employment relationships under the social-security laws should be determined in the light of realities rather than on the basis of technical legal forms. In so doing, it would make the social-security rights of the employees directly excluded, and many thousands of additional employees depend almost entirely upon the manner in which their employers might choose to cast their employment arrangements. Employers desiring to avoid the payment of taxes which would be the basis for social-security benefits for their employees could do so by the establishment of artificial legal arrangements governing their relationship with their employees. I cannot approve legislation which would permit such employers at their own discretion to avoid the payment of social-security taxes and to deny social-security protection to employees and their families"—veto message from the President on House Joint Resolution 296, House Document No. 711, Eightieth Congress, second session, pages 1–2.

Some of the proponents of Public Law 642 have maintained that it is unimportant if this statute does exclude workers who cannot meet the common-law test for coverage under the Social Security Act. They point to the study of the Social Security Act being conducted by the Advisory Council on Social Security to the Senate Committee on Finance and the recommendation of the Council for extension of coverage to the self-employed. These proponents state that the individuals excluded from coverage by Public Law 642 can be covered as self-employed. Thus under this proposal the employer would not be required to pay his share of the tax for old-age and survivors' insurance but the burden would be shifted to the employee as the recommendations for covering the self-employed propose a higher tax rate for the self-employed than what is paid by other workers.

Moreover, it is an indisputable fact that social-security coverage has been restricted rather than extended. Since the Social Security Act was enacted in 1935, the Congress has not extended coverage to any major group of workers despite the frequent recommendations made for such extension by impartial study groups, President Roosevelt, President Truman, the Federal Security Agency, and others. Today, 13 years after the Social Security Act was passed, only 3 out of 5 jobs are covered by the old-age and survivors' insurance program and more than 20,000 workers are not given the opportunity to earn a right to benefits for themselves and families provided for others under the program. Unless this trend to restrict social-security coverage is stopped and affirmative action is taken to strengthen the social-security system, not only will the 750,000 individuals affected by Public Law 642 continue to be excluded from coverage, but the goal of social insurance protection for all workers will be jeopardized.

Some advocates of Public Law 642 urged its passage because it provided for increased Federal grants-in-aid to the States for State-Federal public assistance programs. This statute does enable the States to increase payments to old-age assistance and aid to the blind recipients $5 per month and aid to dependent children payments $3 per month per child without requiring additional expenditures from State funds. The recipients of public assistance need higher payments in order to meet the increased cost of living. However, increased assistance payments could have been provided by a separate bill instead of attaching this essential legislation to a law which deprives 750,000 individuals and their dependents from the protection afforded by the old-age and survivors' insurance program.

Appreciation Shown to the Signers of Discharge Petition 7

EXTENSION OF REMARKS
OF
HON. HOMER D. ANGELL
OF OREGON
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. ANGELL. Mr. Speaker, pursuant to permission heretofore granted, I include as part of my remarks the following resolution which was adopted June 5,

1948, at the Eighth National Convention of Townsend Clubs:

Whereas the Townsend program has always been presented and bills sponsored on a nonpartisan basis; and

Whereas we, the delegates assembled in convention representing chartered Townsend clubs of America, realize because of action taken by certain party leaders in the House against signing of petitions, they have shown that they are not willing to have this legislation brought out of committee and discussed and voted upon the floor of the House: Therefore be it

Resolved, That this convention of Townsend delegates render a vote of appreciation to the signers of petition No. 7 and cosponsors of H. R. 16 who have had the courage of their own convictions and who have seen the need of bringing this bill out in the open for discussion and vote on the floor of the House this Eightieth Congress, so that the elderly citizens of our country can be properly cared for, without plunging our Government into further debt.

Review of Principal Events Contributing To Prevent Threat of World Totalitarianism and World War III

EXTENSION OF REMARKS

OF

HON. MAX SCHWABE

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. SCHWABE of Missouri. Mr. Speaker, the historical background of the Marshall plan is a vitally interesting story. It has been prepared and properly documented by Women Investors Research Institute, Inc., as part of the study that institute prepared on the Marshall plan for a group of Members of the Congress. The Marshall plan historical background follows:

PART II. REVIEW OF PRINCIPAL EVENTS CONTRIBUTING TO PRESENT THREAT OF WORLD TOTALITARIANISM AND WORLD WAR III

It is, of course, impossible to determine whether the Marshall plan—or any similar plan—will achieve the desired objectives without considering the present situation in Europe, and what has created it. A brief review of former events is, therefore, essential.

It is charged that the present European situation has been caused by the programs and propaganda of totalitarian forces seeking to convert Europe into a planned-economy area—that such programs and propaganda are designed to enable minority groups to seize control of the administration of government within the 16 western European countries and to maintain themselves in power by the suppression of individual liberty.

It is recognized that communism, due to its rapid spread throughout Europe and Asia—today is a major threat to individual liberty, not only in Europe, but to the entire world.

Modern communism came to power in Russia with the October 1917 revolution, when a strongly organized minority seized control of the administration of the Russian Government at Petrograd—now Leningrad. This seizure was accomplished with little resistance because the highly trained and exceedingly loyal palace guard had been wiped out in its invasion of East Prussia in 1914.

As German armies speedily approached Paris in the fall of 1914, the influential social and business groups in Petrograd began a propaganda campaign for the use of Russian troops in an effort to divert German armies from Paris. These groups maintained that if Paris fell to the German armies Europe was lost. They believed that Paris was the seat of all culture, business endeavor, and individual liberty on the Continent.

The Russian Defense Minister informed the Czar that troops were not available for any extended campaign such as the pro-French pressure group demanded. The pressure continued and increased as the German armies neared Paris. Finally, the pro-French-Russian group insisted that the palace guard be sent to the East Prussian front. This was done and a workers' guard was recruited from the Petrograd factories to replace the palace guard as a home-defense force.

The palace guard invaded East Prussia as far as Koenigsburg and compelled the German high command to withdraw troops from the Paris advance. Paris and France were saved, but Petrograd and Russia were lost, for when the Lenin-Trotsky horde moved on Petrograd there was no loyal palace guard to defend it. The workers' guard had joined the Bolsheviki forces.

RED FLAG OVER KAISER'S PALACE

Few now recall that communism came to central Europe on November 11, 1918, when the Red flag was raised over the Kaiser's palace in Berlin. Woodrow Wilson, on that day, told the American people: "The armistice was signed this morning. Everything for which America fought has been accomplished. It will now be our fortunate duty to assist by example, by sober friendly counsel, and by material aid in the establishment of a just democracy throughout the world."

Berlin then became the center of the world Communist movement. There followed a period of wild inflation, elimination of private-property rights, and suppression of individual liberty throughout Germany. This liquidated the last vestige of Germanic free enterprise and laid the foundation for Hitler's rise to power in 1933 on a program of driving the Communists out of Germany and central Europe into Russia.

The present march of communism across Central Europe began in 1939 as a result of Hitler's foreign policy, which was supposedly designed to restore Germany's territorial boundaries as they existed prior to the Versailles Treaty.

BIPARTISAN APPEASEMENT

Inspired by the belief that achievement of the above-cited foreign policy objectives would result in building a strong Germany as a bulwark against Soviet central European expansion, the administrations then in charge of the governments of France and Great Britain offered no serious objection to this phase of Hitler's foreign policy. In fact, both administrations joined in what might be termed a bipartisan appeasement of that foreign policy, thereby permitting Hitler to advance more rapidly toward his secret foreign policy objective—domination of all of Europe.

After Hitler had seized the Rhineland, Austria, Sudetenland, Czechoslovakia, and Memel, through a combination of fifth-column activities in those countries, plus indirect assistance through the French-British appeasement policies, the administrations then in control of the governments of France and Great Britain finally realized Hitler's real goal.

They ended their bipartisan appeasement policy and determined to "call a halt" to his advance across Europe. They drew a line in Europe and informed him that, if he crossed it, they would go to war.

Following this declaration of a new foreign policy by the French-British Governments, Hitler began active preparations for war in western Europe.

First, he entered a mutual nonaggression-aid pact with Stalin. Under this pact, signed in the late summer of 1939, Stalin agreed that Russia would remain neutral if Germany went to war with France, Britain, et al.; that Russia would supply Germany with needed raw materials, war material and food to assist her in prosecution of total war against western Europe. Also, that Russia's fifth column in western European countries would assist the advance of Hitler's forces, westward, by internal sabotage and like activities.

In return, Hitler agreed to assist Stalin in regaining control of certain territories lost by Russia under the Brest-Litovsk and Warsaw Treaties.

These, generally, were the publicly-stated objectives of the 1939 Stalin-Hitler pact.

However, in interpreting and evaluating the programs and propaganda of totalitarian forces, due consideration and analysis must be given to the use of certain words and phrases which are interpreted to mean one thing by English-speaking peoples, but are intended to mean the direct opposite when used by followers of totalitarian principles.

While the words and phrases used by Hitler and Stalin in their 1939 pact indicated its purposes as outlined above, later events established that their actual objectives were considerably different.

BIPARTISAN PACTS BRING WAR

Records uncovered since the May 1945 World War II European truce indicate that Hitler's actual objectives in this pact were:

1. To permit him to fight only one-front engagements at a time.
2. Drain Russia's defense potentials.
3. After consolidation of his gains in western Europe, to turn eastward and eliminate Stalin's Communist totalitarianism as a competitor of Hitler's Nazi totalitarianism.

These same records further indicate that Stalin's real objectives in this pact were:

1. To lead Hitler into a war to the death with the western European powers and Great Britain; and
2. Eventually, to move in and take over complete control of at least all of Europe—plus the Near and Middle East—without direct war involvement.

It is believed that each dictator knew full well the unstated objectives of the other—but each believed that—in the final analysis—he would be able to checkmate and eliminate the other.

With his eastern front thus temporarily secured—Hitler was ready for war in the west.

His first step was to close the gap in his eastern line by invading western Poland and the free port of Danzig—the line which the French-British Governments had warned him he must not cross unless he wished war.

Simultaneously—in accordance with terms of the Stalin-Hitler past—Soviet troops seized control of Estonia, Latvia, and east Poland and endeavored to seize control of southeast Finland, but met with stiff resistance.

World War II was then well under way in Europe.

Following invasion of the above areas—both sides rested.

The Hitler-Stalin forces proceeded to consolidate their gains and the western European powers and Great Britain began to prepare their defense against the onslaught they knew would come in the spring of 1940.

Hitler's preparations for the 1940 spring drive were materially aided by the flow of materials from Russia. The Allies turned to the United States for similar assistance—but found themselves temporarily blocked by the arms-embargo clause of the Neutrality Act.

BIPARTISAN APPEASEMENT COMES TO UNITED STATES

When it became evident this clause would prevent supplying the Allies with war mate-

rials needed to defend themselves against the impending German onslaught—President Roosevelt asked Congress to repeal that section of the Neutrality Act in the interest of our own national security. This request—backed by an extensive propaganda campaign, plus bipartisan action in the Congress—finally was granted.

Thus was laid the foundation for the bipartisan appeasement program of the Roosevelt foreign policy.

With the spring of 1940 came the German drive across the lowlands and France to the English Channel. Its rapidity startled the world. Its success was attributed entirely to a marvelously trained German war machine, plus secret German weapons.

Again, evidence uncovered following the May 1945 World War II European truce revealed that one of the most effective of the German secret weapons in that campaign was Communist-inspired sabotage behind the defending lines of the Allied armies—principally in France.

Shortly after taking office in 1936 Premier Leon Blum declared "I am going to give France the Roosevelt New Deal." Although France always had been basically nationalistic, he adopted internationalism and continual meddling in other nation's affairs as the principal plank of his foreign policy.

He courted Russia. He gave aid—money, war equipment, and men—to the Spanish Communists. He granted the Communists and left-wing elements of his own country the right to operate openly under government protection. In addition, he gave them government jobs and furthered the Communist doctrines of worker-control of industry, riotous government spending and unbalanced budgets. He allowed the Communists to infiltrate the French trade unions and to gain control of many of the unions in basic defense industries.

When the facts began to leak out—as they always will—relative to the weakening of France's national defense and its economy—Mr. Blum went to the people and declared his new deal was giving the French people the best national defense it ever had in peacetime—particularly in airplanes and tanks.

But in May 1940 Premier Reynaud declared the rapid German invasion of France could only be attributed to his nation's pitiable weakness in air force and tanks.

In addition to sabotaging the French national defense industries, it has since been established that the Soviet "fifth column" in France and the lowland countries also participated in sabotaging rear-area defenses, communications, and transport.

ROOSEVELT'S SINGAPORE PACT—FRENCH "NEW DEAL" BUILT SOVIET FIFTH COLUMN

Blum's policy of permitting Communists and left-wing elements to operate openly—to infiltrate defense industries and even the armed forces—proved to be one of the most valuable secret weapons at Hitler's disposal in his 1940 campaign. The success of Hitler's forces enabled these saboteur forces to strengthen their positions inside the conquered countries.

Coincident with the fall of France, President Roosevelt asked for, and was granted by Congress, authority to order the National Guard and Organized Reserves of the Army of the United States to active duty within the Western Hemisphere. He declared this action was necessary to the national security of the United States, and this contention was ably sustained before various congressional committees by Army Chief of Staff George Marshall.

Next, President Roosevelt demanded, and was granted through continued bipartisan appeasement of his foreign policy, the first peacetime manpower draft in the history of the Republic. Following this, he was elected the first third-term President of this country on an avowed policy to keep out of war. His foreign policy was not subjected to searching debate in the 1940 campaign, principally because of a continuation of the bipartisan appeasement program. It will be remembered that the late Wendell Willkie joined in this program.

Meantime, Hitler sought to consolidate his European gains—and the Stalin-Hitler pact continued in force.

Early in 1941, President Roosevelt announced his program to "take the silly dollar sign out of aid-to-the-Allies" and Congress began debate on Lend-Lease I legislation.

Again backed by an extensive propaganda campaign—and aided by a continuation of the bipartisan appeasement program in Congress—Lend Lease I was enacted by Congress on the guarantee of President Roosevelt and Army Chief of Staff Marshall that it would continue for only 2 years—would cost not more than $7,000,000,000—and would keep the United States out of the European War.

The twenty-fifth annual accounting of Cumulative Lend-Lease Spending Through June 30, 1947, submitted to Congress by President Truman shows that it totaled—as of that date—$50,243,000,000—of which Stalin received $10,900,000,000.

Simultaneously with the enactment of Lend-Lease I, Stalin began to press Hitler for additional territorial concessions. He particularly wanted territory bordering on the Dardanelles and the Mediterranean Sea.

These demands tended clearly to establish that Stalin—among other objectives—wished to make a reality of the old Czarist dream of a Petrograd-Bagdad trade route. Success of such a program would prevent Hitler from effectuating the old Bismarckian plan for a Berlin-Bagdad trade route.

It now is evident that—at that time—Stalin believed Hitler could not refuse to grant his new demands—particularly because of pending United States lend-lease aid to the Allies. But Hitler had another secret weapon with which he believed he could prevent the lend-lease program from becoming effective.

It was a secret military pact with Japan, plus evident knowledge of a secret pact between President Roosevelt, Britain, China, and the Dutch.

Without any knowledge or approval by Congress, President Roosevelt had entered into a secret military pact with Great Britain in 1936—as part of his secret foreign policy. Following the terms of this secret pact—he had entered an additional secret pact with the ABCD Powers—American, Britain, China, and Dutch—at Singapore on April 25, 1941.

Under the Singapore agreement, the ABCD Powers drew a line in the South Pacific and agreed they jointly would go to war against Japan if that country crossed that line.

On June 22, 1941, Hitler broke his pact with Stalin by sending his troops across the Russian-German borders.

President Roosevelt, almost immediately, announced Russia would be included in the Lend-Lease I program, because now, he said, Russia was fighting to protect democracy and individual liberty against aggression.

On August 17, 1941, 113 days after the signing of the Singapore ABCD agreement, President Roosevelt, on returning from his Atlantic Charter conference with Churchill, which conference was attended by General Marshall, informed the Japanese Ambassador at Washington of that agreement and notified him that if Japan crossed the "deadline" it meant war with the United States.

November 28, 1941, the United States Joint Chiefs of Staff notified President Roosevelt that a large Japanese military convoy was steaming toward the South Pacific "deadline." There is no evidence that either the Pearl Harbor or Philippine defense commands had been given any information of the Singapore agreement—or the impending crossing of the "deadline" by Japanese forces.

Records now available prove that the United States had "cracked" the Japanese top-secret code and for nearly a year President Roosevelt and General Marshall had complete advance information of practically all Japanese war plans. The Pearl Harbor and Philippine defense commands were not notified that our Government had possession of this top-secret code.

December 4, 1941, President Roosevelt, at a White House conference, told Senate and House leaders there was no reason for Congress to remain in session, that it could adjourn sine die and its Members go home for the Christmas holidays.

December 6, 1941, the United States Joint Chiefs of Staff notified President Roosevelt that the Japanese convoy, previously reported, had crossed the South Pacific "deadline." There is no evidence that either the Pearl Harbor or Philippine defense commands were notified.

December 7, 1941, 113 days after President Roosevelt's above-cited notification to the Japanese Ambassador at Washington, Japanese forces attacked Pearl Harbor, and the United States was actively in World War II.

WHERE WAS MARSHALL?

General Marshall has yet satisfactorily to explain to the Congress his exact whereabouts on the night of December 6 and the morning of December 7, 1941, while members of his staff sought to inform him that intercepted Japanese messages indicated the United States was about to be attacked.

Hitler's secret weapon failed—due to what history may well term his major tactical error. He declared war on the United States—thereby enabling President Roosevelt to obtain a declaration of war against Germany by Congress. Had this not occurred, it is doubtful President Roosevelt could have continued the Lend-Lease I program of assistance to Europe and Russia. Nor would American forces have been sent to drive Nazi-Fascist forces out of Africa, the Mediterranean, and Europe. Hitler might well have defeated Stalin and consolidated his European empire while the United States was engaged in defeating Japan in the Pacific.

While there have been efforts in Congress to spread on the record complete details of the secret agreements entered into at Yalta and Tehran between President Roosevelt and Stalin—and at Potsdam between President Truman and Stalin—these efforts have been unsuccessful to date because of the continuation of the bipartisan appeasement program of the Roosevelt-Truman foreign policy.

However, sufficient evidence has been brought to light to establish that—at the Yalta-Tehran-Potsdam conferences—President Roosevelt and President Truman, with Army Chief of Staff Marshall acting as a principal adviser, agreed to give Stalin practically all the territory which Hitler refused to cede to him. In fact, it now appears evident that the agreements secretly reached at these conferences gave Stalin more territory than he demanded from Hitler.

It is claimed these concessions were necessary to keep Stalin at war with Germany and induce him to enter the war with Japan. It would appear that Stalin threatened to withdraw from the European war unless his Yalta-Tehran demands were granted—and no one, at those conferences, apparently thought to ask "What can Stalin expect from Hitler—other than liquidation—if he quits fighting now?"

The Yalta-Tehran-Potsdam agreements evidently ceded to Stalin Estonia, Latvia, Lithuania, east Poland, Bessarabia, East Prussia (Koenigsberg and Carpathia Russia) thereby extending the Soviet western Europe frontier from the Baltic Sea to the Black Sea. They also allowed Stalin to move his troops into the eastern sections of Germany

and Austria; to take control of all of Poland, Rumania, Hungary, Bulgaria, Yugoslavia, and Albania. They further gave him the Petsamo area in north Finland—the only nonfreezing Arctic port and rich in nickel and cobalt deposits. This area also serves as a dagger in the back of Norway and Sweden.

Stalin, under these agreements, also was given the Karelia area in south Finland—the area which the Red Army unsuccessfully attempted to seize in 1939. This is within a few miles of Helsinki and gave the Soviet complete control of the Bay of Finland.

These agreements also granted Stalin a 99-year trusteeship over the Allan Islands—which control the entrance to the Bay of Finland from the Baltic Sea and serve as a dagger in the sides of Sweden and Finland.

The granting of all of the above-mentioned territory to Stalin left Czechoslovakia surrounded on three sides by Soviet-controlled or dominated countries. It should have been recognized, by those attending the conferences, that Stalin could not permit this country long to remain outside the Soviet area of influence. Czechoslovakia's huge industrial plant—an immense war potential—in itself would have been too great a threat to Stalin's continued domination of central Europe.

Further, a glance at the map establishes that once the above-mentioned territories had been taken over by Stalin, Czechoslovakia—if it remained outside the Soviet orbit—became a corridor running from west to east through the Carpathian Mountains, through which an attacking force could pour from the Bavarian plains to the Ukrainian "bread basket of the Soviet," thereby cutting Russia off from her all-important Balkan oil supply and the Mediterranean Sea.

BIPARTISAN APPEASEMENT APPROVES GIFTS TO STALIN

It would, therefore, appear that the Yalta-Tehran-Potsdam agreements—effectuated as part of the bipartisan-appeased, General Marshall-approved Roosevelt-Truman foreign policy—either granted Stalin outright or enabled him to gain—control of the foregoing territories and contributed materially to creating the present European situation.

In addition, the record further establishes that, as the price paid Stalin for his agreement to take active part in the war with Japan (which he did not do until it was almost ended), these same agreements also gave him control of Manchuria, North Korea, and the Kuril Islands in the northwest Pacific. This territory serves as an additional protection to the new defense plant Stalin is building in Siberia, east of the Ural Mountains. It also serves as a well-protected base from which he may launch an attack on Alaska and the west coast of the United States in event we become involved in another European war.

Shortly after the end of the Japanese war the Soviet press began, and has continued, a campaign to prepare the Russian people to support a Soviet demand for the return of Alaska to Russia. This campaign is based on the claim that all Russian territory belonged to the Russian people, and therefore the sale of Alaska to the United States by the Czar was illegal.

It is recognized that the bipartisan appeasement group in Congress can maintain they had no knowledge of these agreements. The same cannot be held for General Marshall. He was present as a key adviser at all these conferences. He saw Stalin make use of territorial grants to move members of his fifth column into adjacent territory for the purpose of taking over the governments of such territories by forcing their way into cabinet positions in such governments.

Yet, as President Truman's special ambassador to China, he induced Chiang Kai-shek to "broaden his government policy" so as to include Communists in the Chinese Cabinet. It is reported that this was part of General Marshall's "United States aid to China" program.

At the end of 1946 Stalin and his satellite countries controlled practically all of the European oil production.

Early in 1947 he started his move to gain control of the Middle East oil supply.

He insisted that control of the Dardanelles be changed from its present one-power control by Turkey to a four-power control by Turkey, Russia, and the Russian satellites, Rumania and Bulgaria.

He further demanded that Russia be given a trusteeship over the former Italian Province of Cirenaica in Libyan Africa.

Bulgaria demanded she be given the Grecian Province of Thermopolae controlling the Aegean Sea outlet of the Dardanelles.

Aided by the Soviet satellite administrations of Bulgaria, Yugoslavia, and Albania—evidently operating under orders from Moscow—Grecian Communists demanded key positions in the Greek Cabinet.

If these demands were granted, Stalin not only would have gained control of European oil supplies, but also of Middle East oil outlets into the Mediterranean to Europe and the world.

He then could have forced all of Europe, the Middle and Near East, into the Soviet Empire.

THE PALESTINE BLUNDER

Finally recognizing this danger, the Truman administration changed its attitude toward Russia—at least insofar as the Mediterranean area was concerned. Evidence reveals, however, that—despite extension of export control powers granted by Congress—President Truman did not halt the flow of potential war material from the United States to Russia.

President Truman met the above-mentioned Stalin demands with a request to Congress for special emergency aid to Greece and Turkey—including military supplies, as well as dollars—in order to bolster the administrations of those Governments against Stalin's demands.

The unquestioned objective of the aid to Turkey and Greece program was to prevent Stalin from obtaining control of the Mediterranean outlets of Middle East oil.

Yet—shortly after he had appeared before congressional committees to urge speedy adoption of the above program—Secretary of State Marshall played a leading role in pressuring the Palestine partition agreement through the United Nations Assembly.

Oil from the Middle East reaches the Mediterranean through Palestine.

It was generally recognized by almost everyone—except possibly President Truman and Secretary Marshall—that the United Nations Assembly Palestine partition program could not be made effective without implementation.

Implementation—in present-day diplomatic language—means troops.

It further was generally recognized by almost everyone—except possibly President Truman and Secretary Marshall—that troops for implementing this partition agreement could only be supplied by the United States—and Russia.

Therefore, while the Congress was being asked by President Truman and Secretary Marshall, on the one hand, to supply the funds to keep Stalin out of Turkey and Greece, to keep him from gaining control of the Mediterranean outlets for Middle East oil, on the other hand they were insisting that the United Nations adopt a program that would put Russian troops in Palestine, through which Middle East oil must flow before it reaches the Mediterranean.

It is not surprising that President Truman and Secretary Marshall were forced to reverse at least that phase of their foreign policy within the last few days.

In closing this brief review, it is believed unnecessary to cite details of the march of events—relative to the progress of the Roosevelt-Truman-Marshall foreign policy—during the period June 1-December 31, 1947. Those received wide publicity and should be fresh in the memory of all.

WORLD WAR III TIME TABLE?

However, it is advisable to mention certain events that have occurred since January 1, 1948—which might have escaped general attention but which are reminiscent of certain events of the 1940-41 period.

January 30, 1948, Washington press reports announced that the United States National Defense Staff has signed a secret offensive alliance with Great Britain continuing in effect the 1936 secret offensive alliance signed with Britain by President Roosevelt.

March 6, 1948, the London Economist, in its lead article, stated that Marshall plan economic aid alone could not be expected to bolster the administrations in power in the 16 western European countries which are to be beneficiaries of that plan. This article stated frankly that, if there is to be any hope of success for the Marshall plan, it must be implemented for at least 2 years, with some form of lend-lease of military equipment in order to equip the armies of these countries. It further stated there is a serious manpower shortage in these countries, that they could not be expected to supply manpower to handle this lend-leased military equipment, and therefore the United States must meet that shortage by sending troops to Europe.

March 13, 1948, Washington press reports announced that President Truman had drawn "a line in Europe and intimated that, if Stalin crossed that line, it will mean war."

March 17, 1948, President Truman, in a special message delivered before a joint session of the Congress, asked for enactment of the second peacetime draft in our history.

March 18, 1948, Paris press reports announced that the United States is expected to sign a military pact with western Europe within the next 3 months.

In view of the foregoing brief review of events which contributed to creating the present situation in Europe it is exceedingly doubtful that the Marshall plan—or any plan designed to subsidize the continuation of the Roosevelt-Truman-Marshall foreign policy—can hope, unless implemented by total war, to halt communism in Europe.

This review also supports the finding that any such plan—predicated upon a continuation of the Roosevelt-Truman-Marshall foreign policy—cannot, even with implementation, restore normal trade and commerce throughout the world, maintain true freedom of the individual, and establish a durable peace.

1948 Is the Year To Vote American

EXTENSION OF REMARKS

OF

HON. CLARE E. HOFFMAN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. HOFFMAN. Mr. Speaker, so runs the caption of the editorial in the June 5, 1948, issue of Collier's. Over the years, Collier's has been a vigorous, consistent advocate of the New Deal philosophy and

has ardently supported an international policy which would unload upon America the burden of rehabilitating the whole world and then policing it.

The objective of making all the people of the world happy and prosperous, all nations live in peace, is an extremely worthy one. It is a version of "on earth peace, good will toward men." Toward it we should continue to strive.

But while striving toward that objective which is akin to Christianity's goal, we must not forget that we were also admonished to cast out the beam in our own eye before searching for the mote in our brother's eye, that he who would help others must first make himself strong, and that the Lord helps those who first help themselves.

As Collier's states:

> Of course, no Presidential year is a year to vote against America.

Wisely, but a little late in its editorial policy, Collier's adds:

> But in 1948 we are on an unusually hot spot.

May I add, we sure are, and may I for once agree with Collier's that—

> In such a position, we cannot afford to take chances on having a lightweight in the White House, for the term 1949–53.

And let me most emphatically add that we cannot afford to take chances on becoming a lightweight nation. Our youth licked Hitler, but our politicians built up Stalin. He and communism are one present danger.

Some months ago Herbert Hoover, than whom none has had a wider international experience, warned us that we must take stock of our national resources, guard against excessive giving which would imperil our ability to help others and to defend ourselves. More recently, he has reemphasized the point that we can and may, if we do not watch our step, destroy our ability to help others, imperil our own future existence by wasteful, unwise, or exhaustive giving.

On June 12 last, John Foster Dulles, Republican foreign policy adviser of Senator VANDENBERG and Governor Dewey, answering the question, Can we guarantee a free Europe? wrote:

> The United States cannot and should not go on indefinitely bolstering up peoples who have the possibility of standing independently on their own feet. I am confident they can stand alone. If so, we will have helped to create a great sister federation. * * * That transformation in Europe would bring to an end the present considerable risk of war.

The President and the Congress having committed this Government to the Marshall plan, to conscription of our youth in peacetime, the people should in this crucial year vote American, insist our efforts produce results.

We should elect a President and a Congress which will see to it that, while carrying out the Marshall plan and our foreign policy, not a dollar, not an ounce of food, not a pound of material, is wasted, unwisely used, or expended for any purpose other than to further the ending of war and the helping of those peoples and nations who are willing to make sacrifices and fight for their own independence and security.

The people are entitled to a President and a Congress which, while aiding others, preparing for our own national defense, will keep ever in mind the well-known truth that our resources are not inexhaustible, that the willingness of our people to conscript men for foreign service is not without limit.

The New Deal mistakes of the past few years are water over the dam. We must minimize the injuries they caused.

The President and the Congress having adopted the Marshall plan, enacted conscription, those are now national policies. I shall follow the thought of Stephen Decatur when he said:

> Our country. In her intercourse with foreign nations may she always be in the right; but our country, right or wrong.

In following national policy and in serving you, it will be my purpose to see to it that we do not weaken ourselves and endanger our national safety by exhaustive, wasteful, unwise giving, or conscription of men. That we at all times retain our sovereignty and adhere to the principles which guarantee the people's freedom and independence. That we do not become involved in every war no matter where or why fought. In short, that, when the people "vote American," we make sure that we act for America.

Open Letter From Howard Fast

EXTENSION OF REMARKS
OF
HON. VITO MARCANTONIO
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. MARCANTONIO. Mr. Speaker, under leave to extend my remarks, I am inserting the following open letter to the American people written by Howard Fast:

AN OPEN LETTER TO THE AMERICAN PEOPLE

NEW YORK, *June 15, 1948.*

MY FELLOW AMERICANS: In a sense, it is presumptuous of me to attempt to speak to all the millions of good people who inhabit this land. For many months now almost all of our newspapers have been closed to me; the magazines, too, and the radio as well. To slander a man; then to permit him no answer, no defense; there is the simple rule of free press in today's America.

Yet I would be remiss indeed if I did not raise my voice concerning the refusal, yesterday, of the United States Supreme Court to hear the appeal of the board of the Joint Anti-Fascist Refugee Committee. This is not a time for silence and forbearance.

In a few days 11 men and women will go to prison. Their crime, for which they are being punished, is twofold: Firstly, they are anti-Fascists; secondly, they have devoted years of effort to healing the sick, to feeding the hungry, to aiding the lame and the halt who have fought for Republican Spain. For this they are branded as criminals.

For 2 years, we, the board of the Joint Anti-Fascist Refugee Committee, have been hounded and persecuted and questioned, and no other facts but those I list above emerged.

Hundreds of pages of sworn committee and court testimony have been taken. Yet no other facts but those I list above emerged.

There are those who say we are foreign agents. They lie in their teeth! There are those who say we are un-American. I call them un-American—for I know of no better Americans than my fellow members of this board, no more loyal, no more devoted to those splendid principles that once made the very name America such a good sound in the ears of all men.

That we are going to jail is not a matter of great consequence. We personally accepted these jail sentences rather than surrender our principles and the principles of our Nation to the ethics of the Un-American Committee. But the reasons why we go to jail are a matter of great—indeed tragic—consequence to all Americans.

For, with our imprisonment, anti-fascism becomes a crime under the law of the land. Charity becomes a crime. To aid the sick and the hungry becomes a crime—if the politics of those you aid are not the politics of the Un-American Committee.

This is the burning, terrible shame of America today! This is what we cannot and must not accept! I need not and will not apologize for my native land. I know it too well and love it too deeply. Tens of millions of you have read my books; I need not testify to you that I have never written a work except out of love and concern and respect for the land which gave me birth and sustenance. I cannot remain silent while a group of evil men attempt to make that land an abomination, in the eyes of free people everywhere.

My voice will be heard. The voices of the 10 brave men and women whose sentence I share will be heard. And yours must be heard, too—for this is a long step toward the beginning of the awful night, that terrible and inhuman night which has descended upon so many nations and which men call fascism.

HOWARD FAST.

Draft Law Will Not Prevent Another Bataan

EXTENSION OF REMARKS
OF
HON. HOWARD H. BUFFETT
OF NEBRASKA
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. BUFFETT. Mr. Speaker, under leave to extend my remarks, I am including the following letter to Secretary of the Army Kenneth C. Royall and a reply from Col. C. G. Blakeney of the Secretary's office:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., April 22, 1948.

The Honorable KENNETH C. ROYALL,
Secretary of the Army,
Department of the Army,
Washington, D. C.

MY DEAR MR. SECRETARY: On January 17, 1947, Brigadier General Trudeau, in a speech dealing with the manpower requirements for the Military Establishment, made the following statement:

"If we were to face a crisis tomorrow, most of our forces in occupation zones could be overrun and destroyed; in the United States we have neither the force to control emergency situations, nor the troops even to prevent sabotage of an elementary nature at

critical points in our industrial, transportation, and communication systems."

I am writing to ascertain two things:

1. Are the military establishments now existent in Berlin, Vienna, and Korea strong enough in manpower, equipment, and matériel to resist successfully an attack in force from foreign powers adjacent to them in each of these areas?

2. If not, have any legislative proposals been officially presented to the Congress by the Department of the Army and/or the Department of National Defense which were designed to enable the Army to place in these locations military establishments strong enough to resist successfully attacks in force by foreign powers?

Your cooperation in furnishing me with this information promptly will be appreciated.

Sincerely yours,

HOWARD BUFFETT,
Member of Congress.

DEPARTMENT OF THE ARMY,
SPECIAL STAFF, UNITED STATES ARMY,
Washington, D. C., April 28, 1948.

Hon. HOWARD BUFFETT,
House of Representatives.

DEAR MR. BUFFETT: Secretary Royall has requested that I reply to your letter in connection with two questions you have propounded to the Department.

The first question asks: "Are the military establishments now existent in Berlin, Vienna, and Korea strong enough in manpower, equipment, and matériel to resist successfully an attack in force from foreign powers adjacent to them in each of these areas?" The answer to this question is that the military establishment in these areas is not strong enough to resist an attack in force. Our forces are deployed in foreign areas based on the mission of maintaining the internal security of a given area and to provide administrative machinery for the United States' share of occupation. One of the chief reasons for occupation is to establish a sound government based on democratic principles. To have sufficient personnel to resist a possible attack in a given area would require armed forces far in excess of those presently available to the Military Establishment. The only suitable mission for our forces in overseas areas appears to be that given above while depending on the authority and prestige of the United Nations to forestall any armed action from a foreign source.

The second question was: "If not, have any legislative proposals been officially presented to the Congress by the Department of the Army and/or the Department of National Defense which were designed to enable the Army to place in these locations military establishments strong enough to resist successfully attacks in force by foreign powers?" The Military Establishment as such, and particularly the Army, have long realized the present weakness in strength of its forces. The combined Army and Air Force strength of 1,070,000 men was decided on not because that number was sufficient but as a compromise, because of the effect it would have upon the economy of the United States to withdraw personnel from industry in order to increase the armed forces materially and the additional cost on the taxpayer. With this strength the Army has deployed its forces, and assigned missions thereto, so as to accomplish most effectively the mission placed on it by the President and the Congress. The Secretary of Defense, the Secretary of the Army, and the Chief of Staff of the Army have called attention to the need for:

1. Additional strength to build up the reserve components of the Army by inauguration of universal military training.

2. An expansion of the Regular Army by reinstituting the draft in order to build up the Army's strength of 822,000 men.

Even though both of these proposals were to be passed, it would still leave all garrisons in overseas areas without sufficient strength to resist an attack in force. It is believed that, at present, the number of men and the amount of equipment necessary to place enough personnel in the various areas overseas to resist any attack would be inconsistent with the national economy and the plans of the United Nations.

Your interest in this problem is deeply appreciated and I trust that this discussion will be helpful to you.

Sincerely yours,

C. G. BLAKENEY,
Colonel, GSC, Legislative and Liaison Division.

The Right to Work

EXTENSION OF REMARKS
OF

HON. RALPH W. GWINN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. GWINN of New York. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement of Maurice R. Franks, director and editor of the National Labor-Management Foundation, Chicago, Ill., before the Committee on Education and Labor, May 12, 1948, on the subject entitled "The Right to Work":

Mr. Chairman, members of the Committee of Education and Labor, my name is Maurice Franks.

I appear here today at your invitation in the capacity of director of the National Labor-Management Foundation, an educational, nonprofit corporation, organized for the purpose of bringing about a better and clearer understanding between the workers, their employers, and the general public. I am also the editor of the Foundation's publication known as Partners. It is obvious that in these capacities, I am interested in the affairs affecting the workers and the employers, and one of the most important things affecting the American worker today, at least to my way of thinking, is his right to work, and that, gentlemen, is a most pertinent subject that calls for careful deliberation.

Just as a matter of record, I declare that I am not here before your committee representing any organization other than the National Labor-Management Foundation. I am not on the pay roll of any labor union nor that of any employers' association. I come before you with clean hands to give to you what I believe to be important information that may play its part in establishing for all time the natural prerogative of every American—his right to work—and I may add to this the natural prerogative of the employer—his right to make work available to all those who seek it, coming within legitimate requisites.

Now, gentlemen, this immediately brings us on the threshold of the subject matter having to do with the right to work. The Bill of Rights, under our Constitution, specifies, and in no uncertain language, that nothing shall interfere with this inherent right; and yet, in spite of this document of rights, we have evidence before our very eyes today that the workers of this Nation are compelled to meet requisites that have positively nothing to do with their actual employment.

No; I'm not going to "beat around the bush" on this subject; I'm going to tell you quite frankly what I have in mind, even though I already know that I will be highly criticized for telling you what I am about to disclose, and it has to do with dictatorial labor leadership—leadership that is as unnecessary as earmuffs in the summertime. But to try to explain it to certain leaders of labor unions is just like trying to converse with a person wearing earmuffs; they just don't seem to hear well, and simply because the argument doesn't listen well, as far as they themselves are personally concerned. Therefore, it becomes most important at this time for the gentlemen of this committee to lend their ears and have an open mind if we are to have unionism within these United States, within the bounds of Americanism; and, gentlemen, on that point we cannot have this type of unionism if we allow the dictators of labor to set up a government within our Government that infringes upon the rights of the citizenry that are guaranteed by the Government of their own through the Constitution and the bill of rights.

I'm not antiunion; I believe in unions, good unions; unions that operate on a basis of respect and responsibility, and when they do operate on this basis there is no shortage of followers and thereby no need of labor dictatorship. A man's right to work is a God-given right; yes, an inherent right; and no labor leader or union book of rules has the right to disregard these God-given endowments. In spite of this, we have laws on the statute books today, right here in these United States, that condone and even encourage the abuse of these fundamental prerogatives. Gentlemen, I have reference to the closed shop. No; not the closed shop that we knew under the Wagner Act that prohibited a man from obtaining work before joining a union. This little piece of deviltry removed all rights of the worker unless he joined a union before being employed, a system that is so repugnant and unfair when brought into its true light that it couldn't stand a chance of holding its own before the court of public opinion.

The public, like myself, deplores unfairness, and it was they who stormed the Congress for its elimination; thereby making it possible for Mr. TAFT and Mr. HARTLEY to place a prohibition against it within their Taft-Hartley labor law. Had this proviso ended the abuse of the American worker, I assure you, gentlemen of this committee, that I would not be here today; but if you are to be realistic about the condition, you must face the fact that you did not accomplish what you may have intended to be your real objective, because you did not get rid of the practice of compulsion. What you actually did was get rid of a particular name of compulsion when you outlawed the closed shop. That is what you did, gentlemen, you outlawed a name, you did not outlaw the practice because we still have a closed shop in practice; I mean the union shop. It is nothing more than the black cat of the closed shop dyed white, with a 30-day bleaching period, the bleaching being that under the union shop a worker is not compelled to join a union as a prerequisite of employment, but, gentlemen, under this system, he, too, must join the union for the right to continue to earn a living after 30 days of employment, whether or not he subscribes to the aims, objectives, and achievements of the particular union, whether or not the union is capable of representing him in an efficient manner by representatives of his own choosing, by men who come within the confines of dignity and responsibility. There is no sound argument that compulsory unionism in any form is a necessary instrumentality for good union operation. The greatest criterion that I can offer the committee on this point is backed up by the operation of the railroad brotherhoods.

Twenty-eight years of my working life has been spent with two of these unions, and during this period I had ample opportunity

to examine the inner operations of the railroad brotherhoods as to their modes of operation, particularly those having to do with their membership. There are 21 separate and distinct unions on the railroads, with a potential membership of one-million-three-hundred-and-fifty-some-odd-thousand followers, meaning that if they were completely organized they would have some one-million-three-hundred - and - fifty - some - odd-thousand members. Do they have a closed or union shop? No, gentlemen, they do not. They operate on a basis of selling the bill of goods of unionism. Now, if I were to tell you that the railroad brotherhoods have 1,250,000 members, would you believe that they have sold a bill of goods. I believe you would almost answer in unison that they have. Well, gentlemen, they don't have 1,250,000 members enrolled in the brotherhoods. They have almost 1,500,000 dues-paying members, and without benefit of the union, or closed shop system, if you please. This may sound rather preposterous—a potential of 1,250,000 and an enrollment of 1,500,000. It does sound so on the surface, but when you go below the surface, you will find that these brotherhoods have really sold the bill of goods of unionism, and I repeat, without the benefit of compulsion through the medium of the closed or union shop.

After joining the brotherhoods of their own volition, they see enough beneficial results within the unions that even after they retire from railroading they still retain their membership; and those who entered the railroad field and left it for other lines of endeavor, respect the brotherhoods well enough to continue their membership; that's why they have more members than the actual potential, and that's why I lay my claim, gentlemen, that we do not need compulsion in any manner, shape, or form for a strong and effective labor movement within these United States. Therefore, it is obvious that the elimination of the union shop would not be a handicap, but in reality would be a great stimulus to a bigger and better union labor movement here in America because it would place unionism in the true position of Americanism; and when this system operates contrary to the principles of our Constitution and Bill of Rights, it is un-American and has no legitimate place within the confines of this system.

The Congress displayed a tremendous amount of courage by bringing through the Taft-Hartley law. I subscribe to it, not in toto, but I do say that there are some very fine provisions that will prove themselves to be for the betterment of the worker, the unions, the employer, and the Nation as a whole. Now you can display more courage, irrespective of what some labor leader may tell you, by outlawing the union shop; and you will get the same barrage of adverse criticism from the labor leaders who do not want a system that makes them less than dictators; but don't worry too much about them, and bring it through, and you will find, like the Taft-Hartley law, that when the worker really understands the actual intention behind your action, that he will back you up just as he is doing today with the Taft-Hartley labor law. There is not a man in this room right now that hasn't heard the new labor act referred to as a slave-labor law. Well, when this fancy label was attached to the law the average American worker, and particularly the union worker, believed it to be just that, but as time went on, and as he became acquainted with the law, he became conscious of the fact that it was not a slave-labor law at all. He realized, and is realizing more fully every day, that the good points of this law are playing an important role in unshackling him from the chains of the dictatorial labor leader and are really making him a free man. So vociferous were the cries of the labor leaders, and so cocksure were they, that the workers did not want the Taft-Hartley law, that they caused a poll to be taken among the workers of this Nation.

The American Federation of Labor made a poll available to their 7,500,000 members on this so-called slave-labor law. How many do you think voted on this poll out of 7,500,000. You'd never guess unless you have read the same figures that I have. Polls on economic issues, like polls on political issues, are more intense when the voters are voting against an issue; therefore, it is reasonable to assume that if the American workers, and particularly the members of the American Federation of Labor were not satisfied with the Taft-Hartley labor law in the main, that they would have availed themselves of the opportunity to vote against it, thereby equipping their leaders with a mighty important instrumentality for the repeal of this law. Especially would this have been done, since the poll was a secret ballot with no possible repercussion to the voters; but, gentlemen, out of 7,500,000 voters on this secret ballot, about 1/700 percent of them thought enough of the issue to even cast a vote, and this statement is backed up by the records of the American Federation of Labor, who just the other day disclosed the result of the poll. Out of 7,500,000 members just a little better than 10,000 of them cast a vote for or against the Taft-Hartley law, and that, gentlemen, should be conclusive proof to you that any new legislation that you may bring forth that is based on equity and sound Americanism will stand the test of the court of public opinion, and that court is constituted by men and women from every walk of life, including the members of our various unions. Yes, gentlemen, by all means, outlaw the union shop too; and speaking of a man's right to work, I want to take you just one more step into a subject that also needs correction.

I am going to pick on picketing. No, I'm not entirely against picketing, I firmly believe that labor has a right to let it be known through pickets, or any other means of communication, that they are not on good terms with their employer; but I see no reason why I, a member of the public, who has no grievance with an employer, should come under the rules and regulations of any union. I, as a free American citizen, should have the right at all times to go when and where I please, and yet, under the system of present-day picketing, I am not allowed to do this. Just a short time ago, over in Pennsylvania in a very small town, I wanted to visit with a friend of mine who owns a manufacturing plant. When I arrived at the gate of entrance, I was completely surrounded by pickets and told that I was not allowed to enter that plant; and believe it or not, I did not enter that plant. My friend was not allowed to see me on his own property, and by special permission from the charge d'affaires, my friend came outside to meet me. Just what kind of unionism is this? Who has the right to infringe upon my rights? Why does it take 100 and sometimes 5,000 pickets to tell the public that a plant is on strike? In my mind, this is not only unnecessary, but definitely un-American. This is mob rule. This is obstruction. Yes, gentlemen, this is confiscation of property.

I believe in free speech, and I reiterate that the unions have a right to let it be known that they are not getting along with the employer; but it doesn't take 100 men at an entrance, or 5,000 walking up and down in front of the plant, to acquaint me with the fact that the plant is on strike. This system of union strategy is as outmoded as the wood-burner on the railroad. It is not streamlined union strategy. It does not accomplish anything but adverse public opinion, and it should not be tolerated. One man at an entrance of a plant, or two at the most, equipped with the proper signs, would accomplish the same purpose, because no real sympathizer would cross the line, whether it be a human or imaginary line; therefore, I suggest that picketing be reduced to no more than two men at any one entrance. Mass picket lines, in my mind, are nothing but an act of dog in the manger. The strikers don't want to work, and they place themselves in the position of not allowing anyone else to work, even though the terms may be acceptable to the newcomer. As I said before, the right to work is inherent, and since it is, no dissatisfied worker should be allowed to prohibit anyone from taking a job that he gave up, and he should be intelligent enough to realize that if his grievance against the struck employer is legitimate, that it won't be long before his successor will be seeking other employment; thus, placing an unfair employer in the position of treating workers as they deserve to be treated. Yes, gentlemen, as I view compulsory unionism and mass picketing from all its angles, I have come to the conclusion that these practices within American unionism are not only unnecessary but rather picayune.

I thank you.

The Situation Confronting Us

EXTENSION OF REMARKS

OF

HON. CLARE E. HOFFMAN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. HOFFMAN. Mr. Speaker, many times an attempt has been made by me to visualize the situation which, because of previous blunders, now confronts us.

Over the months I have endeavored to select leading articles by well-informed individuals which would give a rather accurate and concise view of the world situation.

From one such article, I read:

Unless faced by Soviet aggression in western Europe this year, President Truman and Secretary of State Marshall will have to think seriously about whether present American foreign policy, centered on saving Europe, shall continue—and if so, how?

Although the majority of politicians are reluctant to admit it, all our major domestic policies, such as taxation and economic stability, are dependent on our policies with respect to the rest of the world.

Conditions which have existed since the end of World War II cannot continue. This country will have to decide either to deal energetically with the problems of Europe as they have been created by Russia and form what amounts to an alliance with the countries outside the iron curtain, or get out of Europe altogether and try to establish a protecting curtain in the Western Hemisphere.

According to the best American military and political minds, there can be no middle-of-the-road policy, since there is no real indication that the Kremlin has changed its expansionism in any way.

The overwhelming majority of American people are of European stock. Hence, our attention has been riveted on developments across the Atlantic. We have paid less attention to the Pacific, where China has been regarded as an important business investment. Up to the outbreak of the war Japan was a potential enemy, threatening our security.

Only relative attention was paid to the vast territories extending from the Rio Grande to Cape Horn, where some 160,000,000 persons inhabit sovereign republics with immense prospects.

To most Americans, even those who are labeled isolationists, Europe is the chief center of foreign interest. Nothing but exceptionally powerful and dramatic stories from Latin America and Australia get top billing in American newspapers and newsreels.

Still, in becoming thus engrossed in European matters we are prone to overlook the fact, which is becoming increasingly obvious that Europe is a dying continent. Its civilization already has been transplanted to the Western Hemisphere.

The present tragic turmoil which is developing under our eyes is not accidental. Nor is it likely to be remedied, many realistic and unemotional observers fear, by vast expenditures or even armed intervention on our part.

PROGRESS MOVES WEST

Since the dawn of history world civilizations have moved from east to west. From the days of Babylon those civilizations have lasted a couple of centuries and been destroyed by invasions from Asia. From the ruins of one of the greatest of civilizations, the Roman, which was destroyed by barbarian tribes from the East, arose western Europe's civilization, which progressed billiantly until 1914, when World War I began.

World War II, far more destructive than its predecessor, accomplished nothing more than destruction, on a larger scale, than World War I.

In retrospect, it appears that World War II was unavoidable because European civilization had run its course. The destiny which decreed that civilizations should have a life span, just like the human beings who comprise it, is doing its work in Europe just as it did in the once prosperous and highly civilized Middle East, Greece, and Rome.

By the same token, world war III appears inevitable to many observers. There is no real reason why it should occur. The impoverished and war-weary nations of Europe would like nothing better than to be allowed to live in peace. But the same elements which ruined other civilizations have appeared again. They are the half-Slav, half-Asiatic masses from the East, the Soviet Union, which holds its 200,000,000 in as tight a grip as Genghis Khan or Tamerlane ever held their warrior hordes.

UNITED STATES ALONE STANDS IN WAY

Europe is powerless in the presence of an immense military force backed by some 360,000,000 people who inhabit the land of the Soviet Union and its satellites and supported by vast natural resources. Its only hope for survival lies in the timely intervention of the United States, which has become so imbued with optimism for peace that it must now make a superhuman effort to put its powerful industrial and human resources to work in order to meet the fateful situation which confronts it.

We regard lightly the fact that from 1940 to date we have spent over $300,000,000,000 of America's substance, principally for World War II. Money may mean little these days, but besides spending money lavishly, we are depleting what used to be described as the inexhaustible natural resources of the United States.

According to most conservative estimates, another war soon would cost at least twice what we paid out in World War II. It not only would impoverish the United States, reducing it to the level of the already bankrupt European countries, but also would have a considerable impact on our social structure.

None of our politicians deny that the most drastic controls of all kinds will have to be imposed if we become involved in another war against one of the most ruthless totalitarian regimes the world has ever seen.

The unbelievably blundering policies of our statesmen during and after World War II, when we unquestionably had the power to dictate conditions for a better and freer world, can be ascribed again only to fate. Otherwise it is impossible to imagine how our Government leaders could avoid seeing where a policy of rank appeasement will lead us and the rest of the world, particularly since they have in their possession all the facts proving the Soviet's bad faith.

But these are things of the past which can no longer be changed. The cold fact of the matter is that we are now confronted with another world war and the Russians have the initiative. It is up to them to decide the time and place where their well-organized hordes will strike. This may occur in the next few months or the next few years. On one thing all our high-ranking officials agree: That sooner or later a war between the Union of Soviet Socialist Republics and the west is inevitable.

The question which the next administration must decide is whether we are going to accept the Soviet challenge in Europe or Asia, or both. The alternative is to write off Europe, letting it go its own way while we concentrate on building our defenses in the Western Hemisphere with the assistance of the young Latin Republics.

Of course, military strategists will say that in this age of the atom bomb, supersonic jet planes, and all the other technical devices which the ordinary citizen does not even suspect, it would be foolish to imagine that in another war distance will be any handicap in committing aggression.

The problem which will confront the next administration, if it faces the issue realistically, will be as follows:

1. The American Government believes that the present European shell can be mended and preserved against Stalin's hordes from the east. It feels that it must not permit the initiative to rest with the Union of Soviet Socialist Republics. It must proceed with a large-scale and rapid rearmament program and must, at the same time, provide the fighting forces of western Europe with the economic and military means to defend their freedom. Military assistance, estimated to cost about $4,000,000,000 in the first year, must be more emphasized than economic support.

2. The American Government is convinced that the peoples of this country cannot be induced to make an effort greater than during the last war until the Russians take the initiative. In such a case we will not have time to prepare, as was the case after Pearl Harbor. Many politicians believe that Russia does not intend to expand, for the time being, farther than the Atlantic. If they are correct, we must concentrate on establishing a strong defense line extending from the Arctic Circle to the southernmost tip of South America.

Within this concentrated defense area we must organize genuine harmony with those republics, which in coming decades will be strengthened by the arrival of immigrants from Europe, men and women who are strong and energetic enough to settle and develop those vast uninhabited areas in South America which lack only population.

Whatever the answer to this complicated problem may be, there is no question that the next administration will have to choose between taking the initiative to lance the Communist abscess which is festering in Europe, or will have to withdraw from present entanglements, taking a chance on the future in the hope that Moscow will find it too dangerous to continue its drive across the Atlantic and Pacific into American territory itself.

There is no question that our hit-and-miss foreign policies pursued since 1942 cannot continue without impairing the whole life of this hemisphere.

New York City Tenants Receive Raw Deal

EXTENSION OF REMARKS

OF

HON. VITO MARCANTONIO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. MARCANTONIO. Mr. Speaker, under leave to extend my remarks, I am inserting the following letter to Hon. Tighe Woods, Housing Expediter:

Hon. TIGHE WOODS, *Esquire,*
Office of Housing Expediter,
Washington, D. C.

MY DEAR MR. WOODS: I acknowledge receipt of your letter of June 5 in reference to premises located at 429 East Eightieth Street, New York City. I am forced to state that I have never read so much double talk in my 12 years in Congress as is contained in your letter.

You do not justify or give any reasons that can be used as justification of the increase from 25 percent to 33⅓ percent above maximum existing rentals in the premises.

I am shocked. There is something rotten here. I have been informed also that blanket orders have been given from Washington to various local offices in this area to give the landlords something. In this case the something amounts to 25 to 33⅓ percent.

I am certain that Congress never granted you this kind of authority to extend this extraordinary gift to any landlord. I ask that you direct a rehearing where I will personally appear, and I shall present concrete evidence which will leave not the slightest doubt that the increase granted is exorbitant and unjustified.

Please advise me without delay as the tenants are suffering undue hardship. Further, this decision is being used by every chiseling real-estate office in this area to exploit tenants. This decision has been the long-awaited surrender on the part of the Housing Expediter which will now allow the landlords to move in for wholesale exploitation of the tenants of the city of New York.

Sincerely yours,

VITO MARCANTONIO.

Accomplishments of the Eightieth Congress

EXTENSION OF REMARKS

OF

HON. JOSEPH H. BALL

OF MINNESOTA

IN THE SENATE OF THE UNITED STATES

Saturday, June 19 (legislative day of Tuesday, June 15), 1948

Mr. BALL. Mr. President, I ask unanimous consent to have printed in the final edition of the RECORD a statement which I have prepared on the accomplishments of the Eightieth Congress.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Although the second regular session of the Eightieth Congress is now ending, the first in 16 years organized by Republicans, it is apparent that its record both in terms of what it did and what it failed to do will be a major subject of controversy in the coming months of a national political campaign. Indeed, the attack on the Congress began long before it had finished its work and made its record.

This is not new or surprising. Congress has always been a favorite scapegoat on the American political scene, particularly for the party out of power. It is easy to see why this is so. No Congress that really deliberated and considered on their merits the issues presented to it could possibly in 2 years pass upon all of the controversial measures proposed to it and strongly supported by various pressure groups, some large and some small. Nor could any Congress that really functioned as a parliamentary body, through consideration, debate and decision, possibly satisfy all of the interested pressure groups with its final decisions on any of these controversial measures which it did consider and pass upon. That is why there are always plenty of vociferous groups eager to blame Congress either for what it did or what it failed to do.

This year, perhaps because the Congress and the White House were controlled by different parties, it appears that the debate over Congress' sins of omission and commission will be even more vigorous and perhaps more vitriolic than usual. Because I believe that in a public debate of that kind, if our democratic system is to survive, it is tremendously important that the debate bear at least some relation to the facts, I have undertaken the task of presenting in summary form just what the Eightieth Congress accomplished and what it did not do.

I shall admit at the outset that I am perhaps a prejudiced witness because I have served in five Congresses, beginning with the Seventy-sixth, and in my experience the Eightieth Congress was the hardest-working Congress and did the least rubber stamping of proposals of any in which I have served. I think it accomplished more than any other recent Congress.

In reviewing the record of the Eightieth Congress, let's start with some of the major measures for which there was considerable support which failed on final enactment. I can only think of six such—the long-range housing legislation known as the Taft-Ellender-Wagner bill, the $300,000,000 Federal aid to education bill, the so-called Wagner-Murray-Dingell bill for compulsory health insurance, the bills for a complete revision of the Fair Labor Standards Act, the proposals for price control and rationing, and the various so-called civil rights bill, such as the anti-lynch bill, the anti-poll tax bill, and the Fair Employment Practices Commission bill.

The housing and Federal aid to education bills both passed the Senate and I supported both of them. They both died in the House. They died there in the final analysis because in spite of strong public support for them there is also strong opposition among the people to both of them and so far the balance is fairly close. Eventually both bills will pass because support for them is growing, even though they may be somewhat modified before final enactment.

The general revision of the Fair Labor Standards Act was not considered by either House in this Congress simply because time did not permit. There are literally dozens of very controversial issues in the legislation, and it should be a major job of the next Congress.

The compulsory health insurance bill did not get out of committee in either House and is opposed about as strongly as any major bill pending. In my opinion, it will never be passed, but the Congress will continue to strengthen the public health program by providing for increased research on major diseases, plus much greater emphasis on the prevention of disease, but not socializing medical care except as people may set up voluntary systems similar to the Blue Cross hospitalization plan.

The so-called civil-rights bills are perennials which have appeared in every Congress in which I have served. Not only are they highly controversial, but they run up against the almost fanatical opposition of southern Democrats who make no bones about taking advantage of the rules of the Senate to filibuster them to death. Probably their presentation at every session is serving a valuable educational purpose, but it will take some drastic changes in Senate rules before any of them can be enacted.

President Truman proposed that Congress grant to him the extraordinary power to control prices and ration goods whenever he felt it necessary. The Congress did approve a very mild measure permitting industries to agree, with approval of the Department of Commerce, on a voluntary program for allocating scarce materials. But Congress rejected completely price controls in peacetime on what I believe to be the sound grounds that first it would be totalitarian, and, second, that price controls never have worked in peacetime and will not work.

Of the entire foreign-policy program considered by the Eightieth Congress, and it was a tremendous one, only one minor measure, that providing for a $65,000,000 loan to the United Nations to finance construction of its new headquarters in New York, failed of passage. It passed the Senate but died in the House, where there was strong opposition because only the United States participated in the loan and not other members of the United Nations. Senator VANDENBERG had advised against that type of loan but the administration did not heed his advice. Incidentally, this record on foreign policy is a remarkable display of the overcoming of partisanship in a Presidential election year when the administration was controlled by the Democrats and the Congress by the Republicans.

So much for the measures on which the Eightieth Congress failed to act. Those measures which really have merit and public support will eventually be enacted and despite the pleas of those who want to cure all our ills overnight, I suspect that in the long run we will achieve sounder solutions and better ones for the cause of freedom by accepting the delays and the slowness of action which are inherent in a democratic system. Even though I supported strongly some of these measures which failed of passage, I would be the last to urge that the United States have a Congress reduced to the status of a Reichstag which merely voted "Ja" to every proposal made by the executive.

And when measured against the positive accomplishments of the Eightieth Congress, these measures which failed of enactment shrink to relative unimportance.

In the field of foreign policy, the Eightieth Congress in the 1948 session enacted the European recovery program, which is the most important foreign policy measure to come before Congress since lend-lease. It also extended the Reciprocal Trade Agreements Act for 1 year, passed the bill to admit to the United States 205,000 displaced persons during the next 2 years, and enacted the United States Information and Educational Exchange Act of 1948, placing the State Department's information service and Voice of America broadcasts on a statutory basis. The Senate also adopted the Vandenberg resolution urging the elimination of the veto in the United Nations on questions involving the peaceful settlement of disputes and supporting regional security arrangements.

The 1947 regular and special sessions passed nine important foreign policy measures and also ratified the peace treaties with Italy, Rumania, Bulgaria, and Hungary. Among the measures passed were two different foreign-aid relief acts, the Greek-Turkish Aid Act, the International Refugee Act of 1947, and a law approving the trusteeship agreement between the United States and the United Nations covering the former Japanese islands.

Although for a time its final enactment appeared doubtful, the 1948 session finally enacted a long-range farm program in the closing hours of the session. The bill extended the present farm price support at 90 percent of parity through 1949 and provides for support after that on a flexible basis varying from 60 to 90 percent of parity, depending on the available supplies. The long-range bill also reorganizes the soil conservation and marketing programs and places their administration largely under farmer-elected committees in the various States and counties.

Some eight other farm bills were passed in the two sessions, including one extending indefinitely the Commodity Credit Corporation, which handles the price-support program, and another reorganizing the Federal crop-insurance program.

In the field of labor, the major accomplishment of the Eightieth Congress was the enactment of the National Labor Relations Act of 1947, known as the Taft-Hartley Act, which revised thoroughly the Federal labor-relations policy. The 1947 session also passed the Portal to Portal Act to meet the problem posed by unexpected and retroactive liability under the wage-and-hour law. A number of important acts, such as that increasing workmen's compensation benefits for longshoremen and harbor workers were also passed, along with the act granting a pay increase of $450 a year to postal employees and $330 a year to other Federal employees to meet higher costs of living.

Major accomplishments of the Eightieth Congress in the fiscal field included the passage of the 1948 act reducing income taxes an average of about 10 percent and the work on 44 appropriation bills which reduced appropriations in 1947 $3,163,000,000 under the budget estimates and in 1948, $2,741,000,000 under the budget estimates. In both instances the reductions were made without any cuts of importance in either the foreign-aid programs or the national defense program.

In the field of national defense the Eightieth Congress in the first session enacted the armed forces unification law and in the second session strengthened the national defense by providing a 70-group air force and enacted selective service in order to bring our forces up to the minimum strength essential to keep war away from this continent. Scores of other bills dealing with national defense were passed, including such measures as that providing for a promotion-on-merit system in the Army in 1947 and the uniform procurement bill passed in 1948.

At least a score of bills affecting veterans, including those increasing GI subsistence allowances and increasing benefits to disabled veterans and providing for payment of terminal leave in cash instead of bonds were passed by the Eightieth Congress.

There were scores of other measures, some of them controversial and all of considerable importance to our domestic economy, which were enacted and which are set forth in the complete tabulation below.

This brief summary, however, is enough to indicate why it was necessary for both the 1947 and the 1948 sessions of the Eightieth Congress to meet longer hours and hold more evening and sometimes all-night sessions than any other Congress in recent

history. A tremendous volume of work was accomplished.

Looking forward for just a moment to the Eighty-first Congress, it would appear as of today that its major tasks will be a review of the Taft-Hartley Act, overhauling of the wage-and-hour law, a general tax-reform law, broadening the coverage of social security, the Federal aid to education and long-range housing bills, a reexamination of the European recovery program after a year's experience and finally putting into effect the reorganization of the executive branch which the Hoover Commission, established in 1947, has been developing and will recommend to the new Congress. That is a formidable agenda for any Congress and the Eighty-first will do well to act on all those measures in 2 years.

Following is a partial list of the various bills passed by the first and second sessions of the Eightieth Congress, broken down by subjects:

AGRICULTURE

FIRST SESSION (1947)

Public Law 130: Commodity Credit Corporation Extension Act of 1947. Extends the Corporation as an agency of the United States until June 30, 1948.

Public Law 320: Federal Crop Insurance Act of 1947. Places crop insurance on a county basis and extends such insurance only to counties in which income from insured crops is of primary importance.

Public Law 40: Foreign Farm Labor Supply Act of 1947. Provides for continuation of program through December 31, 1947, and for liquidation thereafter.

Public Law 8: Authorizes cooperation between United States and Mexico in stamping out foot-and-mouth disease or rinderpest in Mexican cattle so as to prevent the disease from spreading to United States cattle.

Public Law 305: Secretary of Agriculture shall maintain quality and maturity standards above or below parity and continue operations in the public interest. Called Marketing Agreements Act of 1947.

Public Law 243: Authorizes the Bureau of Census to collect and publish monthly statistics on the quantities and kinds of oil and fat products processors have on hand or in transit to consuming establishments.

SECOND SESSION (1948)

H. R. 6258: Continues price support for cotton, wheat, corn, tobacco, rice, and peanuts, providing producers have not disapproved marketing quotas suggested by Secretary of Agriculture, at 90 percent of parity through 1949. On January 1, 1949, the long-range farm program, largely as passed by the Senate in the Aiken bill, becomes effective. It provides for support of prices of basic farm crops at from 60 to 90 percent of parity, the percentage varying in inverse ratio to the supply in sight. The act also provides for a considerable reorganization of the soil conservation and marketing services of the Department, and places local administration under farmer-elected county and State committees.

S. 1322: The Commodity Credit Corporation Charter Act. Establishes the Corporation as a permanent agency for the purpose of stabilizing, supporting, and protecting farm income and prices. It is authorized to increase the domestic consumption by expanding or aiding the expansion of domestic markets and increasing the uses for such commodities. Finally it is authorized to procure commodities for the carrying out of our foreign relief commitments.

S. 2767: To facilitate the recruitment and distribution of farm labor in order to meet domestic and foreign agricultural commitments, a revolving fund is set up of $1,000,000 to pay the transportation, lodging, and subsistence costs of such farm labor recruited in the Western Hemisphere and Puerto Rico. Employers shall reimburse the fund upon conditions and terms prescribed by the Secretary of Labor.

APPROPRIATIONS

FIRST SESSION (1947)

The first session of the Eightieth Congress passed 22 appropriation bills. By careful study and many weeks of investigation Congress was able to cut the budget estimates sent up by the President for these bills a total of more than $3,163,000,000. The table below shows the President's estimates for the various departments and programs, the totals of the bills finally enacted into law, and the difference between the two:

Public law	Regular appropriations	Budget estimate	Law	Actual increaes or decrease
	Part I. Regular appropriations:			
266	Agriculture	$802,360,608	$613,046,826	−$189,313,782
237	District of Columbia	95,793,160	95,504,737	−288,423
268	Government corporations	50,137,500	35,040,000	−15,097,500
269	Independent offices	8,500,497,759	8,188,822,927	−311,674,832
247	Interior	295,463,060	194,587,859	−100,875,201
165	Labor-Federal Security	1,771,614,039	1,674,158,631	−97,455,408
197	Legislative	76,153,077	55,294,435	−20,858,642
267	Military	5,716,791,500	5,482,529,633	−234,261,867
202	Navy	3,513,000,300	3,268,766,100	−244,234,200
166	State, Justice, Commerce, and Judiciary	698,788,588	551,175,932	−147,612,656
147	Treasury-Post Office	4,099,123,500	3,216,509,450	−882,614,050
296	War, civil functions	619,727,100	502,123,912	−117,603,188
	Total, regular appropriations	26,239,450,191	23,877,560,442	−2,361,889,749
	Part II. Supplemental appropriations:			
161	Emergency appropriation	5,750,000	6,180,000	+430,000
271	First supplemental	1,925,683,823	1,658,802,197	−266,881,626
256	Supplemental Government corporations	35,500,000	35,500,000	
299	Second supplemental	242,285,460	106,695,100	−135,590,360
	Total, supplemental appropriations	2,209,219,283	1,807,177,297	−402,041,986
	Part III. Deficiency appropriations:			
22	H. J. 154	9,000,000	9,000,000	
25	H. J. Res. 159	243,714,587	243,255,607	−458,980
46	First deficiency, 1947	3,082,332,589	2,835,161,509	−247,171,080
76	Second deficiency, 1947	224,528,415	192,438,859	−32,089,556
20	Urgent deficiency, 1947	179,319,100	179,645,668	+326,568
122	Second urgent deficiency, 1947	61,778,758	72,236,258	+10,457,500
	Total, deficiency appropriations	3,800,673,449	3,531,737,901	−268,935,548
	Part IV. Total, permanent appropriations	5,951,309,846	5,911,309,846	−40,000,000
	Part V. Supplemental and deficiency estimates submitted but not considered	90,805,020		−90,805,020
	Grand total	38,291,457,789	35,127,785,486	−3,163,672,303

SECOND SESSION (1948)

The second session of the Eightieth Congress enacted 21 major appropriation bills totaling more than thirty-two and a half billion dollars. Again, Congress succeeded in reducing the budget estimates submitted by the President a total of slightly more than $2,741,000,000. The table below shows the budget estimates for the various departments and activities, the amounts finally appropriated and the difference between the two:

Bill No.	Title	Budget estimates	Public law	Reduction from budget estimate
H. R. 5883	Agriculture	$636,412,090.00	$577,546,953.00	−$58,865,137.00
H. R. 5524	Army, civil functions	737,804,300.00	641,575,666.00	−96,228,634.00
H. R. 6430	District of Columbia	101,897,283.00	99,729,483.00	−2,167,800.00
H. R. 6481	Government corporations	49,644,100.00	38,479,061.00	−11,165,039.00
H. R. 5214	Independent offices	1,047,606,864.00	967,442,551.00	−80,164,313.00
H. R. 6829	Supplemental independent offices	6,299,809,000.00	5,819,659,851.00	−480,149,149.00
H. R. 6705	Interior	474,773,835.00	407,836,974.00	−66,936,861.00
H. R. 5728	Labor-Federal Security	931,539,169.00	890,139,000.00	−41,400,169.00
H. R. 6355	Supplemental Federal Security	993,708,460.00	975,914,700.00	−17,793,760.00
H. R. 6500	Legislative	61,379,520.00	56,140,401.00	−5,239,119.00
H. R. 6771	Military	7,216,592,000.00	6,705,418,163.00	−511,173,837.00
H. R. 6772	Navy	3,936,738,700.00	3,749,059,250.00	−187,679,450.00
H. R. 5607	State, Justice, Commerce, and Judiciary	589,417,230.00	511,129,662.00	−78,287,568.00
H. R. 5770	Treasury-Post Office	2,044,949,200.00	1,996,313,425.00	−48,635,775.00
H. R. 6758	Supplemental Treasury-Post Office	355,205,375.00	248,414,255.00	−106,791,120.00
	Subtotal	25,477,477,126.00	23,684,799,395.00	−1,792,677,731.00
	DEFICIENCY AND SUPPLEMENTAL ACTS			
H. R. 5525	Urgent deficiency, 1948	131,546,901.67	136,368,385.67	+4,821,484.00
H. R. 6055	First deficiency, 1948	1,002,150,316.84	777,986,045.84	−224,164,271.00
H. R. 6226	Supplemental national defense, 1948	964,100,000.00	949,000,000.00	−15,100,000.00
H. R. 6801	Foreign aid	6,533,710,228.00	6,030,710,228.00	−503,000,000.00
H. R. 6935	Second deficiency, 1948	761,135,650.28	549,774,876.26	−211,360,773.92
H. J. Res. 355	Foreign aid, welfare of Indians, and tax refunds.	555,125,000.00	555,125,000.00	0
	Subtotal	9,947,768,096.79	8,998,964,535.87	−948,803,560.92
	Grand total	35,425,245,222.79	32,683,763,930.87	−2,741,481,291.92

FOREIGN POLICY

FIRST SESSION (1947)

Public Law 84: Devastated Countries Assistance Act of 1947. Authorizes $350,000,000 to send essential supplies to war-devastated countries. Earmarks substantial portion to care and feeding of children.

Public Law 75: Greco-Turkish Aid Act of 1947. Authorizes a $400,000,000 loan to Greece and Turkey, providing therein for cooperation with the United Nations.

Public Law 146: International Refugee Organization Act of 1947. Authorizes membership of the United States in that organization to aid in the resettlement of displaced persons. Reserves congressional consent to the resettlement of any persons in the United States or its Territories and possessions.

Public Law 369: Reestablishes the Institute of American Affairs and the Inter-American Educational Foundation as a single Government corporation in order to further strengthen the community of American nations.

Public Law 204: Congress approved the agreement between the United States and the United Nations for trusteeship of islands formerly held by Japan under mandate of the League of Nations.

Public Law 362: Puerto Rico Organic Act of 1947. Expands the power of self-government of the people of Puerto Rico to elect their own governor and he in turn is authorized to appoint the heads of the executive departments with the exception of the auditor and members of the supreme court, who will still be appointed by the United States.

Public Law 7: United Nations Site Act of 1947. Contributions to the United Nations site in New York City are deductible from income, estate, and gift taxes.

Treaties of peace with Italy, Rumania, Bulgaria, and Hungary negotiated and signed at Paris on February 10, 1947, were ratified by Congress.

Public Law 389: Enacted during the special session of Congress called by the President. The Foreign Aid Act of 1947 authorizes $597,000,000 for aid to Austria, China, France, and Italy.

SECOND SESSION (1948)

Public Law 402: The United States Information and Educational Exchange Act of 1948 creates an information service to disseminate abroad information about the United States, its people, and policies. Act gives legal status to the Voice of America broadcasts. Creates an educational exchange service to cooperate with other countries in the interchange of persons, knowledge, and skills, etc.

Public Law 472: The Economic Cooperation Act of 1948 provides for economic aid from the United States to participating countries in the Marshall plan until June 30, 1952, unless terminated at an earlier date by congressional concurrent resolution. Authorizes expenditures for 1 year of $5,300,000,000 and necessary sums thereafter for relief and recovery purposes. Authorizes contribution not to exceed 72 percent of the total resources contributed to the International Children's Emergency Fund. Increases the subsistence under the Greek-Turkey Aid Act and finally authorizes aid to China.

S. 2242: Admits 205,000 European refugees to the United States in the next 2 years for permanent residence.

H. R. 6556: Extends the Reciprocal Trade Agreements Act for 1 year with some changes.

Senate Resolution 239: The Vandenberg resolution. Advises the President to work out agreements with other nations to strengthen the United Nations and expresses a willingness to remove the veto power in assembly proceedings.

H. R. 6801: Appropriates more than $6,000,000,000 to finance the foreign-aid program.

PUBLIC WELFARE AND LABOR

FIRST SESSION (1947)

Public Law 282: Enacts into positive law title 9 of the United States Code concerning the settlement of maritime disputes by arbitration.

Public Law 317: Authorizes up to $5,000,000 for aid to school districts overburdened by war-swollen populations.

Public Law 101: The Labor Management Relations Act of 1947. Popularly known as the Taft-Hartley Act. The act recognizes the equities in labor-management relations by providing for the protection of individual employees in their relations with labor organizations, for protection in collective bargaining, for enforcement of labor contracts, for minimizing strikes and labor disputes, and by insuring fair-labor practices on the part of both employers and employees.

Public Law 49: Portal to Portal Pay Limitation Act of 1947. Bans suits by employees against employers for time or overtime used in arriving at the actual place of performance of their principal work or payment for activities which are preliminary or postliminary to their principal work.

Public Law 298: Farm Labor Supply Camps Act of 1947. Aids localities to continue farm labor supply camps by authorizing the Secretary of Agriculture to dispose of such camps to purchasers who will continue them for that purpose.

Public Law 265: Postal Employees Pay Act of 1947. Gives supervisory employees in postal service compensatory time for work in excess of 8 hours per day.

SECOND SESSION (1948)

Public Law 426: Liberalizes the Civil Service Retirement Act. Sets out a new formula for the computation of annuities.

Public Law 642: Maintains the status quo in regard to certain employment taxes and social-security benefits until the coverage problem can be completely gone into.

H. R. 6916: Increases the pay for postal workers by $450 a year and for Federal workers in the amount of $330 a year.

S. 2237: Liberalizes the Longshoremen's and Harbor Workers' Compensation Act by increasing the benefits allowable for disability. Also increases the benefits allowable for death and funeral expenses plus increasing the benefits for widows and children.

NATIONAL SECURITY

FIRST SESSION (1947)

Public Law 253: National Security Act of 1947. Provides for the unification of the armed forces. A single Cabinet member, the Secretary of National Defense, heads the three departments of Army, Navy, and Air Force. Establishes a Central Intelligence Agency and provides for integration and coordination of the armed forces with all other departments of the Government.

Public Law 36. Army-Navy Nurses Act of 1947. Sets up a permanent Nurses' Corps in the Army and Navy with a total authorized strength of 6 to every 1,000 of the personnel of the Army and the Navy.

Public Law 96. Cadet and Midshipmen Pay Increase Act. Raises their pay from $780 to $936 a year.

Public Law 219: Coast Guard Personnel Act of 1947. Sets up a permanent commissioned personnel strength in the same percentages as that of the Navy.

Public Law 42: Suspends the import duty on copper for industrial and defense uses remaining in short supply until March 31, 1949.

Public Law 125: Provides for the study and investigation into the advisability of maintaining a permanent domestic tin-smelting industry and to investigate the availability of supply. Reconstruction Finance Corporation shall finance research in tin smelting and buy and transport tin for the Nation's armed forces and industry.

Public Law 319: Naval Vessels Conversion Act of 1947. Removes existing restrictions on the amount that can be expended per ship so that up-to-date equipment can be installed.

Public Law 381: Officer Personnel Act of 1947. Establishes a broad and comprehensive promotion system for the armed services in harmony with the needs and structure of the modern Army and Navy.

Public Law 24: Authorizes a study of the best methods of creating and maintaining an adequate supply of natural and synthetic rubber. Stock piling and rotation of rubber reserves together with certain controls authorized until more permanent legislation is effected.

Public Law 63: Submarine Experimental Construction Act of 1947. Authorizes up to $30,000,000 for submarine experimental construction.

Public Law 128: Voluntary Enlistment Act of 1947. Lowers the enlistment age to 17 with parental consent necessary. Makes enlistment conditions more attractive.

SECOND SESSION (1948)

Public Law 413: Armed Services Procurement Act of 1947. Enacts uniform provisions covering purchasing procedure for the armed forces, including the National Advisory Committee for Aeronautics. Declares it the policy of Congress that a fair proportion of business done will be with small business. Forbids cost-plus-a-percentage contracts.

Public Law 460: Consolidates into the Organized Reserve Corps the units of the Officers' Reserve Corps, the Enlisted Reserve Corps, and the Organized Reserves. Provides for inactive-duty pay for the Organized Reserves and the National Guard.

Public Law 469: Rubber Act of 1948. Provides for the maintenance of an adequate domestic rubber-producing industry. Exercises inventory control over natural and synthetic rubber. Requires at all times the maintenance of facilities, both Government and private, with a certain rated capacity.

Public Law 547: Authorizes the appropriation necessary for a 70-group air force.

H. R. 6402: Extends the terms of the Atomic Energy Commissioners for 2 years.

Selective Service Act: Provides for the drafting of 19-to-25-year-olds for a period of 21 months' service.

Public Law 549: Increases the membership of the National Advisory Committee for Aeronautics from 15 to 17. Purpose of the Committee is to supervise and direct the scientific study of the problems of flight toward formulating national policies in that regard.

Public Law 557: Establishes the Civil Air Patrol as a civilian auxiliary of the United States Air Forces and authorizes the Secretary of the Air Force to aid the patrol by releasing surplus buildings and equipment to them and by aiding in the training thereof.

SOLDIERS AND VETERANS

FIRST SESSION (1947)

Public Law 236: Provides additional death benefits to beneficiaries of aviation officers.

Public Law 151: Authorizes transportation of dependents and household effects of Navy, Marine Corps, and Coast Guard to unrestricted domestic posts and overseas bases.

Public Law 338: Disabled veterans taking vocational rehabilitation courses with 30 percent service connected disability or more, receive compensation at the following rates: $115 single, $135 with one dependent, $20 for one child, $15 for each additional child, and $15 for dependent parent. All above rates per month.

Public Law 153: Federal Employees Military Leave Act of 1947. Government personnel while on military leave stand in the same status as private employees with respect to pay and employment protection.

Public Law 34: Government Life Insurance Renewal Act of 1947. Provides renewal of 5 year level premium term insurance up to 5 renewals without a medical examination.

Public Law 5: Government Life Insurance Reinstatement Act of 1947. Permits service personnel to apply for permanent or term insurance upon enlistment. Liberalizes restrictions. Insurance held by totally disabled veterans who fail to apply for conversion are automatically converted to ordinary life plan.

Public Law 82: Homestead Entries Act of 1947. Allows up to 2 years' service credit on homesteads. If both husband and wife were in the service, they can count their service jointly.

Public Law 377: Institutional on Farm Training Act of 1947. Veterans may take agricultural courses while working on their own farms and receive subsistence allowances. At least 8 hours attendance per month plus supervised work experience on the farm is required.

Public Law 270: Veterans of the Spanish-American War and the Civil War receive a 20-percent increase in pension.

Public Law 310: Interned service personnel and civilians interned by the Japanese are given a tax-exempt status for that period.

Public Law 254: Terminal Leave Bond Payment Act of 1947. Veterans can cash terminal leave bonds at any time after September 1, 1947.

Public Law 350: Terminal Cash Payment Act of 1947. In lieu of terminal leave cash payments will be made on base pay, plus longevity, and that reenlisted personnel may take a cash payment for accrued leave or transfer accrued leave to the new enlistment.

Public Law 115: To encourage veterans taking rehabilitation courses, a revolving fund of $3,000,000 is set up to extend temporary loans to veterans who might not otherwise be able to enter upon such courses.

Public Law 85: Veterans' Housing Act of 1947. Authorizes an additional $35,500,000 for housing construction for distressed families of servicemen and veterans.

Public Law 366: Mortgage Insurance Act of 1947. Increases private home building mortgage insurance by $200,000,000. In addition $750,000,000 in insurance is made available to veterans to purchase permanent housing.

SECOND SESSION (1948)

Public Law 396: Extends veterans' preference in Government service to mothers of exservicemen who lost their lives in any war or died from wounds resulting from such service. Grants 10 points preference on civil-service examinations and special privileges in regard to noncompetitive examinations.

Public Law 411: Increases the subsistence allowance of trainees under the Servicemen's Readjustment Act as follows: $75 if without dependents, $105 if one dependent, $120 if with more than one dependent. Above are monthly rates.

Public Law 421: Authorizes loans or gifts of condemned or obsolete material to veterans' organizations.

Public Law 458: Ratifies administrative promotions of employees on military furlough from the postal field service if the promotion was made between September 15, 1940, and Janary 1, 1948, to a position not then in an automatic grade and was unauthorized only because the employee was absent on military furlough.

Public Law 512: Increases the GI subsistence allowances and ceilings for full- and part-time institutional and on-the-farm trainees, as follows: Single person with no dependents, $75; with one dependent, $105; and with more than one dependent, $120. Part-time trainees receive an increase in proportion to the above. The ceilings for on-the-job training are increased as follows: Single with no dependents, $210; with one dependent, $270; and with more than one dependent, $290.

S. 2790: Authorizes the Reconstruction Finance Corporation to establish a secondary market for GI home-loan mortgages.

GENERAL LEGISLATION

FIRST SESSION (1947)

Public Law 289: Surplus Airport Act of 1947. Permits transfer of surplus airports and airport facilities without cost to any State, municipality, or tax-supported institution when used for the benefit of the public without discrimination.

Public Law 102: Emergency Flood Control Act of 1947. Appropriates $15,000,000 for immediate spending on emergency repair, restoration, and strengthening of levees and other flood control works threatened or destroyed.

Public Law 110: Forest Pest Control Act of 1947. Authorizes the Secretary of Agriculture to directly or in cooperation with the States, Territories, individuals, or organizations, to conduct surveys on all forest lands, appraise infestations and determine measures to remedy such infestations.

Public Law 89: Export Import Bank Act of 1947. Bank reincorporated as agency of Government, given broader powers, and extended through June 30, 1953.

Public Law 363: Authorizes the Federal Deposit Insurance Corporation to retire its capital stock by payment to the Treasury retaining a capital surplus of $1,000,000,000 and the borrowing power of the Corporation is increased to $3,000,000,000 to provide adequately for continuation of bank-deposit insurance.

Public Law 41: Federal Reserve banks are authorized to purchase and sell Government securities from the Treasury to permit the Treasury to obtain funds quickly to meet temporary situations or contingencies.

Public Law 132: Reconstruction Finance Corporation Act of 1947. RFC extended for 1 year with many changes in organization and powers and with a lending authority of $2,000,000,000.

Public Law 29: First Decontrol Act. Congress discontinues after March 31, 1947, broad powers of the President under the Second War Powers Act to control motor and water carriers, requisition property, assign priorities, and waive navigation and inspection laws. Portions of the act continued until June 30, 1947.

Public Law 188: Second Decontrol Act of 1947. A reduced list of materials in short supply in United States continued under control to promote home production and assist export of products required in foreign countries for production there.

Public Law 30: Sugar Control Act of 1947. Sugar control continued under moderate control until October 31, 1947. Inventory control continued until March 31, 1948. The Secretary of Agriculture was authorized to get rid of all controls when the situation was no longer critical.

Public Law 388: Sugar Act of 1947. Stabilizes the sugar situation by placing producers on a tonnage basis rather than a percentage basis. United States market is divided among the several domestic sugar-producing areas.

Public Law 162: Sets up a commission to study organization and operation of Government bureaus, and report its recommendations to Congress.

Public Law 311: Broadens existing powers by authorizing Federal home loan banks to accept mortgages having a 25-year maturity as mortgage collateral.

Public Law 129: Housing and Rent Act of 1947. Takes off controls on construction except recreational building. Extends rent control until March 1, 1948. Negotiated rent increases up to 15 percent allowed after March 1, 1948, for leases running to December of 1948.

Public Law 301: Low-cost housing and slum clearance released from prior laws which restricted building costs to low prewar levels.

Public Law 199: Presidential Succession Act of 1947. In case of the death or disqualification from office of the President or Vice President the Speaker of the House shall succeed, and if he cannot qualify, next in line shall be (1) the President pro tempore of the Senate; (2) the Cabinet, starting with the Secretary of State.

Twenty-second amendment to the Constitution: Limits the Presidential term in office to two terms, and in the case of a Vice President succeeding to office with more than 2 years to run, his tenure in office is limited to one additional elective term.

Public Law 17: Excise taxes continued by Congress on certain luxuries, including jewelry, furs, toilet preparations, and distilled spirits.

Public Law 100: Changes existing 1-year limitation on use of highway funds to 2 years to provide time to States and local areas for further building and repair of urgently needed roads.

Public Law 168: Federal Bureau of Investigation Retirement Act of 1947. Provides liberal retirement privileges for members of the FBI who have reached the age of 50 with 20 years of service.

Public Law 263: Employees separated from Government service with less than 10 years' service can withdraw the full amount previously deducted from their salaries for retirement purposes with interest at 4 percent.

Public Law 284: Government Utilities Supply Act of 1947. Congress authorizes Army and Navy Departments to sell power, steam, compressed air, water, sewage and garbage-disposal service, ice and mechanical refrigeration to welfare activities and private parties in immediate vicinity of military establishments where such utilities are not otherwise available.

Public Law 131: Authorizes States to disregard agricultural labor and nursing service as income earned in making old-age assistance payments until July 1, 1949.

Public Law 35: Postal Service Substitute Personnel Act of 1947. Upon appointment to a permanent status employees receive credit on a calendar basis rather than upon the number of hours of prior service. Promotion also is on a calendar basis.

Public Law 379: Social Security Act amendment of 1947. Increases amount employees and employers pay on social-security taxes to 1 percent through 1949, 1½ percent in 1950, and 2 percent in 1952. Federal grants to needy and blind continued until 1950.

Public Law 395: Enacted during the special session called by the President. Provides for voluntary industry-wide agreements effective until not later than March 1, 1949. Government officers and agencies may request in writing compliance by one or more persons to a plan of voluntary action with respect to any commodity. Continues until February 28, 1949, the controls over exports and rail transportation. Those over grain and production of distilled or neutral spirits are continued until January 31, 1949.

Public Law 394: Enacted during the special session called by the President. Increases the maximum amount of mortgages which may be insured under title 6 of the National Housing Act by $750,000,000.

SECOND SESSION (1948)

Public Law 548: Amends the Reconstruction Finance Corporation Act. Revamps the Corporation by reducing capital stock from $350,000,000 to $100,000,000. Lists as one of its objectives the making of loans to small business. Reorganizes the Corporation's capital structure.

Public Law 606: Continues for a temporary period certain powers, authority, and discretions conferred on the President by the Second Decontrol Act of 1947.

S. 110: Popularly referred to as the Bulwinkle bill. Amends the Interstate Commerce Act so as to allow certain contracts and agreements between carriers which would otherwise be in violation of antitrust laws. Purpose of the act is to better utilize our rail transportation system as a whole.

Public Law 464: Housing and Rent Act of 1948. Extends until April 1, 1949, rent control and also continues until that date provisions for veterans' preference in new housing. Repeals limitation on recreational construction. Provides for termination of controls on maximum rents in areas and on housing accommodations where conditions justifying such controls no longer exist. Extends from April 1, 1948, until April 1, 1949, the provisions protecting tenants in publicly operated housing from eviction on grounds of income limitations.

Public Law 468: Amends the mortgage insurance provisions of the National Housing Act by increasing to $5,350,000,000 the aggregate amount of principal obligations of all

mortgages which may be insured thereunder, and extending the provisions until April 30, 1948.

Public Law 471: Revenue Act of 1948. Reduces individual income taxes in percentages ranging from 12.6 percent in low-income brackets to 5 percent in the upper brackets. Allows married couples to divide their combined income in making out returns. Reduces the maximum aggregate tax on net income from 85½ percent to 77 percent.

Public Law 530: Seniority Act of Rural Mail Carriers. Prescribes the methods of advancement for rural carriers.

Truce in the Holy Land

EXTENSION OF REMARKS
OF

HON. ARTHUR G. KLEIN

OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. KLEIN. Mr. Speaker, an uneasy truce lies over Palestine—a truce which lies like a cloud of steam over an active volcano. Under leave I am including some recent comment on events which affect the Holy Land.

First is an editorial from the June 19 issue of the Nation:

The touch-and-go truce in Palestine offers no hope of ushering in a permanent peace unless certain basic facts are accepted. The sooner they are acknowledged on all sides, the better the chances of success. First and above all is the simple fact of Israel's existence as a sovereign power. Whatever negotiations are conducted at Rhodes by Count Folke Bernadotte must rest on an irreversible act of history, explicit in the United Nations resolution of November 29 and now formally recognized by 11 nations. Obviously, the Israeli will not surrender at the peace table what was granted them at Lake Success and what six Arab nations have not been able to make them surrender on the battlefield. Second, the British, in open partnership with the Arab states, cannot reasonably be thought to qualify as observers or as conductors of any mediation procedure. Their pressure on the mediator for an invitation to provide ships and planes to enforce an arms blockade was as gratuitous as it was inflammatory. It is known that the British idea of a settlement includes an Arab Palestine, ruled by Abdullah, which would be enlarged by the inclusion of the Negev and the port of Haifa—both assigned to Israel under the partition plan and essential to that state's viability—as well as Jerusalem, intended by the UN to be an international city. Through Abdullah, the British would retain control of all three areas. Finally, under the terms of the truce resolution the British should be blocked in their present scheme to deny oil to Israel by closing down the Haifa refinery while furnishing Transjordan with oil from a small plant in Kirkuk. The purpose of the truce, after all, was to provide an opportunity for a peaceful settlement, not to weaken Israel to the point where it could neither insist upon nor fight for the boundaries mapped for it by the United Nations.

INDICTMENT BY LAWYERS' GROUP

Even more devastating is an indictment prepared by the Lawyers' Committee for Justice in Palestine, of 11 West Forty-second Street, New York.

This is a nonpartisan, nonsectarian group. The members, it may be presumed, have taken a position; but beyond that they direct themselves to the legal aspects of the Palestine questions. In language devoid of emotional coloring they sum up the situation in words which condemn the betrayal of democracy by the western democracies more overwhelmingly than more robust words could do.

The indictment of the great powers of the west is contained in a letter sent simultaneously to President Truman, Secretary Marshall, Ambassador Austin, Senator Vandenberg, and Congressmen Martin and Eaton, the text of which follows:

JUNE 10, 1948.

MY DEAR SIR: The resolution of the General Assembly of the United Nations on November 29, 1947, for partition with economic union for Palestine was supported by the United States because it provided the most equitable solution for Palestine in view of the sharp tension between the Jewish people and the Arab peoples living there, created in no small measure by Britain as mandatory.

The resolution is still valid. It is still the only practicable compromise solution bringing a measure of justice to all the inhabitants of Palestine. Its fulfillment insofar as the Jewish people are concerned was advanced by the establishment on May 15, 1948, of the Jewish state provided for therein. The Arab state, giving Palestinian Arabs equal independence, as well as the international regime for Jerusalem, are yet to be established. They await the withdrawal from Palestine of foreign Arab armies invading the country to divide it amongst themselves.

The actions of Arab states have violated the resolution and the United Nations Charter itself.

Our Government must shoulder much of the responsibility for the present state of events in Palestine because of its failure in the period between February 18, 1948, and May 15, 1948, to take the necessary steps to implement the resolution, and especially because of our imposition of an arms embargo on December 7, 1947.

Britain also, by its obstructionist tactics toward and refusal to cooperate with the United Nations Commission, by arming and training Arab troops, by violating its pledges to withdraw the Arab Legion by May 15, 1948, and by opposing the cease-fire proposal of May 24, 1948, stands condemned as the chief instigator of the breach of peace that has occurred in Palestine. Britain's efforts to justify the invasion by Transjordan are particularly shocking. When United States Delegate Herschel Johnson, in August 1947, in connection with Greece, defined a threat to the the peace as "giving support to armed bands and going into the territory of another state." (UN Weekly Bulletin, August 5, 1947.) Britain gave full approval and support to the definition. Yet Bevin, when asked if he considered Transjordan's participation in the Palestine fighting an act of aggression, cynically replied "Certainly not. She has been invited to go into the territory by her fellow Arabs." (New York Post, June 2, 1948.)

Even Trygve Lie, Secretary General of the United Nations, found it necessary to warn Bevin that Britain's policy toward Palestine "might destroy the United Nations," and that in his opinion, "Britain could do much to end the war in the Holy Land."

The state of Israel, recognized now by 10 nations, is a fact. Its continued existence as a sovereign and independent nation must not be interfered with or infringed upon.

Support for Israel strengthens the United Nations and restores the hope of the world that it will continue to be a world force for peace and justice, whose decisions cannot be set aside by aggression.

Arab rejection of the cease-fire order of May 24, 1948, brought further appeasement of aggression in the form of Britain's truce proposal of May 29, 1948, instead of punitive action by the Security Council. This truce proposal was but one further step by Britain in its support of Arab aggression against Israel and Arab violation of the United Nations Charter. Small wonder then, as reported in the New York Times, that the Arab states were delighted by the proposal (May 29, 1948).

We set forth without comment the following from the New York Times: "Complete silence on Israel's acceptance of the truce proposal was maintained by the United States delegation whose lack of expressed opposition to the British cease fire resolution was one of the key factors in the approval of it by the Security Council last Saturday" (June 2, 1948).

The British truce proposal, although adopted by the Council in a modified form on May 29, 1947 and accepted by Israel on June 1, 1948, must be condemned. It treats equally Arab aggressors and Israeli defenders. It permits Arab aggressors to maintain military positions achieved as a direct result of their aggression, yet it limits Israel in its efforts to secure the arms needed to repel these aggressive acts. The truce freezes the initial advantage in military equipment enjoyed by the Arabs, created in great part by our own arms embargo and the constant flow of arms to the Arabs from Britain.

In the very act of acceptance of the truce proposal, the Arab states committed a further threat to the peace by coupling their acceptance with a specific refusal to respect the independence and integrity of Israel. For they openly declared that at the end of the truce period aggression will commence again and that the peace will be ended unless Israel's independence is terminated. "We will never under any circumstances accept a Jewish state," declared Abdullah on June 2, 1948. The King of Egypt made a similar statement, while Jemal El Susseini, cousin of the Mufti and vice-chairman of the Arab Higher Committee stated bluntly at Lake Success that the truce would "only delay matters 1 month" unless Israel agreed to dissolve. "We will fight the existence of the Jewish state and we will not waver in this fight", he declared. (New York Post, June 2, 1948.)

The Security Council must, therefore, take immediate steps to determine the specific non-military sanctions under the Charter it will invoke against the Arabs if they break the truce or resort to warlike measures again at the expiration of the truce. The Council must call upon all member nations to adhere to these measures. The Council will thus be ready to act at once. Failure to do this now opens the door to more delay and more encouragement to aggressors. These nonmilitary sanctions provided for in article 41 of the Charter, include complete or partial interruption of economic relations and of railroad, sea, air, coastal, telegraphic, radio or other means of communication, and the severance of diplomatic relations.

That Transjordan is not a member of the United Nations organization does not free it from the consequences of its acts, nor exempt it from Security Council action. Article 2, paragraph 6 of the Charter provides that "the organization shall ensure that States which are not member States of the United Nations act in accordance with these principles so far as may be necessary for the maintenance of the peace and security." Ambassador Austin took the same position in June 1947, in connection with the Balkan reports: "The Council must treat alike all states using force against the territorial integrity of another—whether they are members of the United Nations or not."

We must be alert that the truce is not used in an attempt again to weaken or abandon

the partition resolution, or to substitute for it any trusteeship, federalization or cantonization proposal that would destroy the existence of Israel as an independent state.

The record of the United States on Palestine is good in words, but not in deeds:

Arms are still being withheld from Israel.

No effective measures are being taken to prevent passengers from being taken off and cargoes from being confiscated from American ships.

It is time for us to act as well as to speak in support of the United Nations and Israel. Therefore, we call upon our President, our State Department, our Congress, and our delegation to the United Nations immediately to do the following:

(a) Accord de jure recognition of Israel, enter into diplomatic relations with it, and extend economic assistance to it.

(b) Take appropriate action against Lebanon and Egypt in respect to their acts against American ships, cargoes, and passengers in violation of international law.

(c) Discipline those officials of the executive departments of the United States Government who have endeavored to frustrate the United Nations Resolution of November 29, 1947.

(d) That Congress immediately investigate the extent to which American funds have facilitated British action in arming and financing Arab aggressors, and take measures to prevent any further economic aid from the United States to Britain from being so used.

(e) That our delegation to the United Nations move in the Security Council the immediate adoption of nonmilitary sanctions, to be applied at once in the event of further aggression against Israel.

Very truly yours,

LAWYERS COMMITTEE FOR JUSTICE IN PALESTINE,
BARTLEY CRUM,
National Chairman.
PAUL O'DWYER,
New York City Chairman.

The following general statement prepared by Mr. Alexander E. Racolin, the acting executive secretary, explains the position of the Lawyers' Committee for Justice in Palestine more fully:

The Lawyers Committee, although initiated by the National Lawyers Guild, is today an independent organization. The committee's purpose is to afford the bar with an opportunity to acquaint the American people with the activities of our Government in relation to Palestine and to express the bar's position on the issues involved, with special emphasis on the legal aspects of these problems.

The committee has and will continue to issue releases to the newspapers, conduct public meetings, to do research and prepare briefs on legal problems, to send delegations, and to take all steps likely to achieve justice for the inhabitants of Palestine. It has been our practice to discuss problems and methods of work with Dr. Benjamin Akzin, of the American Zionist Emergency Council, although we are in no way affiliated with the council.

We hope to coordinate the legal work being done by the various existing organizations concerning themselves with Palestine by inviting them to have their attorneys join us, either as individuals or as representatives of their organizations.

A memorandum has been prepared by the committee and submitted to Ambassador Austin bearing the signatures of almost 4,000 lawyers and was presented to him by a delegation of approximately 400 lawyers. It urged our Government to adhere to the partition resolution of the General Assembly on Palestine and to implement it. More recently we have urged our Government to lift the arms embargo, to withhold ERP aid to Britain so long as Britain continues its anti-Israel policy, and to take vigorous steps to prevent interference by Lebanon and Egypt with American ships, cargoes, and passengers, and to secure the release of all passengers detained by Lebanon and all cargo seized by Egypt. On June 4, 1948, the committee urged our delegation to the Security Council to support the Soviet resolution that a breach of the peace exists and that the Council issue a cease-fire order rather than the British truce proposal, and that nonmilitary sanctions be imposed in the event the Arab states failed to abide by the order.

Bartley Crum is the national chairman of the committee and Paul O'Dwyer the New York City chairman. It is the desire of the committee that other cities set up local committees in order that the purposes for which we were created may be more effectively achieved.

Please let me hear from you about the possibility of the creation of a committee in your city and as to any suggestions or comments you care to make. May I urge you to proceed to set up such a committee in your city as soon as possible.

BOYCOTT ADVOCATED

Just as demands which I voiced in Congress that Great Britain be punished through economic sanctions in the appropriation bill for European rehabilitation were effective in modifying the British oppression, so now the idea of a boycott against British goods is gaining wide discussion.

Here are just two paragraphs from a recent column by Dr. Frank Kingdon, the widely known liberal leader:

BOYCOTT

The British-dominated Iraq Petroleum Co. is prepared to cut Israel off from the precious fuel it needs for industry. Such a major economic boycott of the new state is plainly another cynical move dictated by savage British policy. Our Government should bring its full influence to bear on Britain to prevent consummation of such a scandalous procedure. Meanwhile, every liberty-loving American should retaliate by refusing to purchase British goods. A boycott of Britain is due to demonstrate where the American people stand.

APPLAUSE

Bevin does not represent the British people in his animosity to Israel. Throughout Britain audiences applaud newsreel pictures of the Haganah in action. Plain people know heroes when they see them.

J. Frederick Richardson

EXTENSION OF REMARKS
OF
HON. CLARENCE F. LEA
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. LEA. Mr. Speaker, I became well acquainted with J. Frederick Richardson while serving as a member of the Lampert investigating committee on aviation about 23 years ago. In contact with him, I became well acquainted with his live, intelligent interest in public affairs and his wholesome attitude as to the problems of government.

His services and interest in public questions since that time have been helpful to the public and to hundreds of Members of Congress. With it all, he had a kindly disposition and appreciation of his friends that add much to the memory of him.

Address of George L. Radcliffe at Democratic State Convention of Maryland

EXTENSION OF REMARKS
OF
HON. EDWARD A. GARMATZ
OF MARYLAND
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. GARMATZ. Mr. Speaker, under leave to extend my remarks, I wish to insert in the Appendix of the RECORD the following speech made by George L. Radcliffe, former United States Senator from Maryland, at the Democratic State Convention of Maryland:

As chairman of the Democratic State Convention of Maryland, I gladly welcome you as fellow delegates on this historic occasion. Overwhelming evidence shows conclusively that the Democratic Party is entering this year a Presidential and congressional campaign after again having demonstrated in a successful and epoch-making manner its ability to give efficient government.

Since the election in 1948 is a national and not a State or local one, special stress this year will naturally be on national and international issues.

In Congress, Maryland has had an able representation headed by the resourceful, skillful, energetic, and competent Senator TYDINGS. It is likely that this convention will endorse Senator TYDINGS for honors even higher than what he now enjoys.

When Hon. William Preston Lane, Jr., took office, as Governor of Maryland, he faced an exceedingly difficult and harassing situation. This he met with courage, industry, ability, and good judgment. Already he has solved many very urgent problems of the State and is successfully engaged in working out a far-reaching program for the betterment of Maryland. He is living fully up to his promises to the people.

The youthful mayor of Baltimore city, Mr. D'Alesandro is keeping fully his campaign pledges. He is meeting his municipal responsibilities with buoyancy of spirit, energy, ability, and sound vision. He has already accomplished a very large part of his program for the improvement of Baltimore and will continue to render excellent service as mayor of Baltimore.

Throughout the State of Maryland the Democratic Party, which is generally in political control, continues to give an excellent and satisfying demonstration of good government.

The last 16 years have been as hazardous and as momentous as any in the history of our United States. The beginning of that period found this country and the world in a state of distress, economic upheaval, and danger so acute as to threaten the entire fabric of society. Our economic, financial, and social structure faced a collapse. The extreme gravity of the situation called for immediate action. It demanded far-reaching remedies.

No one questions that ruin was enveloping our country in 1933, when the Democratic Party was called by overwhelming vote of our citizens to take charge of our Federal Government. Immediate and constructive action in many directions was necessary, and

we got it. Much legislation was passed along many lines, some of which was admittedly experimental and temporary in nature, but imperative demands of the depression required action at once.

Let me illustrate: The most of the credit facilities in our country had been destroyed or suspended. The Republican Party while in power had failed miserably to prevent, or to remedy that collapse. Business enterprises, big and little, would have been strangled but for the Federal assistance, wisely and quickly given.

One of the agencies utilized for that purpose was the Reconstruction Finance Corporation which, under the beneficial guidance of President Roosevelt and Jesse Jones made loans to banks, insurance companies, transportation companies, and many other business concerns. Without these loans—many to Maryland companies—nearly all of these companies would have been out of existence. Yet so wisely and prudently were the loans made that the vast majority of them have already been repaid in full. No one has ever suggested how a country-wide collapse in business could have been avoided, if the RFC had not given the necessary support in those numerous cases where no adequate assistance from other public, or from private sources was possible.

Much more had to be done. For instance, over a million owners of homes were facing the loss of these homes from eviction because they could not meet payments on loans or secure credit elsewhere. Customary sources of credit for securing or preserving ownership of homes had ceased almost entirely to function.

The Home Owners Loan Corporation was formed as an agency of the Federal Government to grapple with this situation. It took over more than 1,000,000 mortgages on homes having mortgages, either in foreclosure or facing it. Had the HOLC not assumed these mortgages, millions of persons would have been dispossessed from their homes. Such disaster would have added so gravely to the misery and the general disruption of society, that it is quite possible that our national economic structure already dangerously strained, and staggering under tremendous burdens could not have endured.

The need for the HOLC was indispensable but fortunately not a continuing one. Therefore, when our banks and other lending institutions, aided very materially by Federal backing, had become able to assume some of their normal functions of supplying credit, the Federal Government stopped in 1936 the writing of new mortgages in the HOLC.

The results of the liquidation of these loans have been surprising. However, these mortgages have been liquidated without any substantial loss to the Federal Government. Seldom has any emergency measure been so effective and has accomplished its purpose so quickly. The concept of the HOLC was an inspiration. Its able administration, a blessing.

Let me cite another illustration: On the whole our banks had an enviable record for stability, but bank runs due frequently to hysterical fears of depositors, had been always a source of serious danger. One bank failing often pulled down others, and the depression caused very many of our banks to stop functioning. The Democratic administration moved quickly and effectively in rehabilitating our banking system.

The Government then believed that a move in the interest of allaying fears and the creating of confidence and stability was advisable after the banks throughout the country were reopened. Consequently the FDIC was created by which the Federal Government guaranteed the safety of bank deposits.

The result was a most happy one. Confidence in the stability of our banking structure returned almost immediately. No longer were there frenzied efforts to draw out funds from banks. No longer was fear begetting fear in our banking structure.

The FDIC whose creation had met with considerable distrust and opposition soon demonstrated that it was serving a useful purpose. No one today suggests that we do without the FDIC. It is regarded as a permanent feature of our system of government.

Since then very few banks have failed and the Federal Government has not lost a cent from its guaranty of bank deposits because the small fee which it collects from the banks for insuring their deposits has been sufficient many times over to meet any payments by our Government to depositors. Also big reserves available to pay losses have accumulated in the hands of the Government. Furthermore the FDIC is exercising a supervision over the operation of the banks which is generally regarded as wholesome. The FDIC is a fixture in our Government and is so regarded without question by both Republicans and Democrats.

Let me cite another instance from the many which are available. We are all familiar with the acuteness of the housing shortage due primarily to the fact that the needs of our war program required other uses for building materials. Many a veteran returning from the war has found it possible to secure a home only because of the assistance given by the FHA.

The Democratic administration put in operation a system of social security. The Republicans in power had merely talked about it. Some imperfections in plan and execution have become apparents and some have already been remedied. The significant fact is that so generally is our program of social security approved, that every political party, or prominent leader in it, seeks to retain social security and often desires to expand its scope of operations.

During the depression our States, cities, and counties were unable to meet all necessary costs of operating their governments, and of feeding hungry millions of people whom the Democratic administration on entering office in 1933 had found to be without jobs. No one knew or now knows how any other solution could have been found, if the Federal Government through PWA, WPA, and various other agencies had not provided jobs for those out of work and furnished food for starving people.

Time is lacking to refer to the many things done by the Democratic administration which have been of incalculable benefit to the people of this country. No one claims that all of these measures were wisely conceived or executed. Many had to be started without any precedent. Some imperfections in human planning and execution appeared and some were remedied as they became apparent. Many temporary measures, especially those of regulatory nature have been terminated. Some of the legislation is still regarded as controversial; but no other party in a period of 16 years or much longer has ever in the history of this country passed as much beneficial legislation, permanent or temporary.

But the call upon the Democratic administration for unusually difficult and momentous service had not ended. The international situation became more and more clouded. In some countries basic customary rights of the people were extinguished and despotic governments set up. History frequently records that a despot usually tries to distract his unhappy subjects from the realization of the loss of their freedom by launching upon an aggressive militant foreign policy. So history repeated itself when the totalitarian governments of Germany, Italy, and Japan attempted to conquer the world.

Their sinister intent was not entirely cloaked. I recall a conversation with President Roosevelt about a year before the outbreak of hostilities in Europe. In discussing with me a matter of domestic legislation, he suddenly exclaimed with a vehemence quite unusual for him. "We can control our domestic policies but we are facing an international situation which is gravely menacing our people, and yet they do not realize their danger."

Upon our people wearied from vast but successful efforts to overcome the depression, there was forced the necessity to make a tremendous preparation for our national defense, since war was apparently about to be thrust upon us. Step by step these stupendous preparations were made with amazing swiftness and success.

I chanced to be chairman in the United States Senate for 6 years of the Merchant Marine Committee. Our overseas shipping under Republican rule had fallen largely into disuse and was dangerously out of date and otherwise inadequate. No matter how effectively speed is secured, several years of preparation are necessary for obvious reasons before shipbuilding on a large scale is possible. Fortunately we started in 1936 to rebuild our merchant marine in the face of considerable opposition, and when we were forced into the war by the infamy of Pearl Harbor in 1941, we were already building indispensable ships, rapidly and in an ever-increasing number.

In spite of all of our successful efforts to get speed, and the resourceful and patriotic endeavors of our shipbuilders, other business men and labor, in 1917 and 1918, the First World War was over before we were able to launch our first ship under our war building program.

Such a dangerous plight in December 1941 would have meant unspeakable disaster to us. Immediately our ships had to meet the tremendously increased demands of our own war operations in the various waters of the globe. They had to service all of our allies. The demands upon our shipping were the greatest to which any country had ever been subjected at any time in history.

The job of building and of running our ships was well done. In a few years, in spite of the heavy losses by enemy submarines and bombs, we had the largest fleet of civilian ships the world has ever known, comprising two-thirds of the shipping of the entire world.

It would be the height of folly for us again to permit the supply of ships and our shipbuilding facilities to fall into disuse. The Republicans so blundered dangerously after the end of World War I. We must always operate and maintain afloat modern ships sufficient for overseas service in peace or in war. Such a policy is vital to Maryland as one of the greatest shipping centers of the world. Such facilities would be one formidable safeguard against our being forced into another war. The Democrats built an adequate merchant marine. The Democrats promise to retain it and they will do so.

It is unnecessary to recount the tremendous efforts put forth to win the war. Our war operations were on a scale more stupendous than ever known before. We had tried to persuade Hitler and Mussolini from deluging the world with blood. When our efforts to avoid war failed, the patriotic citizens of this country under Democratic leadership made the mightiest effort ever known in warfare. Never before have the people of this country united and cooperated in such a vast and comprehensive effort to preserve our liberties and to bring peace to the world. Of course, leadership was necessary. People of this country repeatedly placed that responsibility on the Democratic Party. History records that the choice was a wise one.

Some say that it is a tragedy that the atomic bomb was ever discovered or invented, but let us never forget that Hitler was making frantic efforts to create such a bomb. Had he succeeded in doing so ahead of us,

even in the last year of the war when his armies were being battered and driven back, he might still have been able to turn the tide of the battle by the use of the atomic bomb. Under any circumstances our military and civilian losses would have been tremendously increased. New York, Baltimore, and Washington might have been totally destroyed.

One of the most fortunate events in history was the fact that we were the first nation after long, daring, and very expensive efforts on our part to find the atomic bomb. That bomb, in spite of the bloodshed which it occasioned, brought an end quickly to the Japanese war, thereby saving the lives of millions of Americans and of Japanese.

And so this tragic war which had been forced upon us came to an end, but unfortunately in some respects, not the kind of termination which we had sought. The end of fighting found the world hungry and with ravaged fields and dilapidated machinery gravely inadequate for the necessary production of food. It found many countries suffering from discord and violent animosities so acute as to threaten to plunge the world again into war.

History teaches us that the end of a big war may bring the end of fighting, but not necessarily peace in its truest sense. The effects of gigantic upheavals are not so quickly readjusted. Hunger, malnutrition, and nerve-racked bodies are still left to be reckoned with. It is an old story. Just as an individual recovering from an illness suffers from the fretful irritability of a convalescent, so nations do not find a true peace until people are restored mentally and physically to something like normal conditions. This dreary discordant period of convalescence has followed every big war.

When Roosevelt died just before the moment of victory, responsibilities greater than any new President in history has faced, were placed upon the shoulders of President Truman. He was called upon to act immediately in matters of colossal importance affecting vitally our country and the rest of the world. No one doubts that he endeavored to meet his responsibilities squarely and that he accomplished splendid results in a very short time. He has disposed satisfactorily of many different matters of vast importance.

As the head of our Government, he has sought zealously to secure the cooperation of all of our peoples irrespective of party affiliations. He has obtained much of such support in a part of our international program.

More progress has been made in the handling of our international difficulties, in spite of persistent Russian obstructive tactics, than is apparent. We still meet distrust and failure of cooperation in some quarters of the world. These we hope will fade out and we will continue to do what is reasonable to encourage their disappearance.

Sometimes we on the outside may not know what is really going on. We may not realize what problems those on the inside are facing, and why certain delays, or even apparent changes, in international policy are necessary. This is illustrated by our policy toward Palestine where we are trying to help to restore to the Jewish people their historic home.

I have abiding faith in what President Truman with the assistance of hard-working, patriotic, and competent Democrats and some Republicans are doing in the field of international relations. We have not threatened any nation nor attempted to dominate it. We are not trying to appease any nation. We are seeking through the United Nations organization and our economic cooperation and help to secure a just and enduring peace. Such a peace must continue to be our objective and we must not falter but press forward steadily toward that gleaming goal. Nor will we desist until the satellite nations of Russia are free to manage their own affairs.

When the Republicans acquired the control of the United States Senate and the House of Representatives about a year and a half ago, they boasted that they were going to readjust our economic system by the repeal of much legislation passed by the Democratic Party. They have failed to do so and they have not attempted to make any serious efforts to bring about their promised upheaval. The legislation passed by the Democrats has in the main continued unchallenged by the Republicans in the Halls of Congress. Much of it they even endorse in substance in their platforms.

The Republicans have conducted numerous investigations. These have proved to be costly and in substance barren of results.

The Republican Party must come before the people in the Presidential and congressional elections of this year with the attitude of having accepted very largely what has been done by the Democrats in both war and peace policies.

We hear general denunciations by the Republicans of the Democratic record, but never before in the history of this country has any party which has been out of power, as the Republicans have for a long time, been so ready to accept and to retain in overwhelming extent what has been done by their opponents in office. The Republicans are paying a big tribute to the efficiency of Democratic legislation and administration.

The question which the people of this country must decide on November next is whether the Democratic Party, whose leadership has carried us successfully through the depression, through preparation for war, the conduct of war, and of the postwar period, shall be supplanted by a party which by general admission has been consistently lacking in constructive leadership.

The irritation of our convalescent Nation led the people of this country in 1920 to get rid of Democratic leadership after World War I. Was the shift to Harding well advised? It was not. Neither Harding nor his Republican successors took any adequate steps to curb or to eliminate these unhealthy feverish conditions which led to the depression out of which we were extricated by the Democratic Party.

In Europe after both world wars there was a precipitous and unwise rush to discard their leaders who had led them successfully during those wars. The recent dropping of General Smuts, of South Africa, is a calamity to that country and to the world.

During the days of national and international convalescence we may think more of our troubles than of our blessings. Judgment is dangerously lopsided which permits our objections to a few matters to blind us as to the merits of the many.

We are more prosperous today than we have ever been in our history—much more prosperous than any of our allies. Over 60,000,000 people are employed in the United States, many more than at any time in our history, many more than it was believed by Democrats or Republicans could possibly at any one time find employment in this country. Our national income is vastly in excess of what it has ever been before. Would a prudent man or woman want to throw overboard the pilot who has brought us successfully through unparalleled perils and dangers?

We have a President whom we know is safe and sound. Truman has stood stanch against hairbrained or subversive schemes. The executive administration of our country in the hands of the Democratic Party has been subjected to the most terrific tests in our history and the Democratic Party has made good. The Democratic Party has sought to promote the just ends of labor, of capital, of agriculture, and in fact, of all forms of industry, and all causes entitled to governmental action.

In November thoughtful and fair-minded voters will consider and judge the record of the Democratic Party as a whole, not merely a part of it.

When the people of Maryland in November next make a careful estimate of pertinent relative values and reach a decision based upon sound proportions their conclusion will be that the Democratic Party, when subjected to the fiery ordeal, has made good, and is entitled to the continued support of the people of this country. They will vote for a Democratic President. They will reelect Congressmen SASSCER, FALLON, and GARMATZ, who fully deserve continued support and confidence. They will send to Congress for the first time Messrs. Beck, Bolton, and Austen, who richly deserve election.

Dunkirk Harbor

EXTENSION OF REMARKS

OF

HON. DANIEL A. REED

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. REED of New York. Mr. Speaker, so that the citizens of Chautauqua County who are interested in the improvement of the Dunkirk Harbor may know what has been done and what is planned for the further development of the water-borne traffic facilities at the Dunkirk Harbor, I am inserting at this point the following letter from Maj. Gen. R. C. Crawford, Acting Chief of Engineers of the United States War Department:

WAR DEPARTMENT,
OFFICE OF THE CHIEF OF ENGINEERS,
Washinton, D. C., June 17, 1948.

Hon. DANIEL A. REED,
House of Representatives,
Washington, D. C.

DEAR MR. REED: In accordance with your request, I am pleased to furnish you the following information concerning the present status of the Federal navigation project at Dunkirk Harbor, N. Y.

The existing Federal project for Dunkirk Harbor provides for an entrance channel 16 feet deep and a harbor basin of the same depth, 2,420 feet long and 1,000 feet wide, protected by a pier on the west side of the entrance and a detached break-water extending eastward from the entrance channel. This project was completed in 1918.

The Corps of Engineers in response to a resolution by the Committee on Rivers and Harbors of the House of Representatives adopted in September 1945 recently completed an investigation of Dunkirk Harbor. Our report which is being printed as House Document No. 632, Eightieth Congress, recommends deepening the entrance channel to 17 feet in earth and 18 feet in rock, with a least width of 190 feet just inside the harbor structure flaring to a width of 320 feet about 600 feet lakeward thereof and extending to deep water; and removal of the rock shoal on the west side of the entrance channey to a depth of 17 feet with changes in the limits of the basin area at a cost to the United States of $390,000. The conferees' report on the river and harbor and flood control bill (H. R. 6419) as passed by the United States Senate on June 16, 1948 contains an item which would authorize this further improvement of Dunkirk Harbor.

As you know, at your request the Committee on Public Works of the House of Representatives this date adopted a resolution directing the Board of Engineers for Rivers and Harbors to review the reports on Dunkirk Harbor, N. Y., contained in House Document No. 720, Sixty-first Congress, and subsequent reports with a view to determining

if it is advisable to modify the existing project in any way at this time. This review study will consider further improvement of the harbor in the light of new developments which it is understood have occurred since out recent investigation of the locality. The study will be assigned to the division engineer of the Great Lakes Division and the district engineer at Buffalo who will initiate the necessary field studies at the earliest practicable date. In connection with the study, the district engineer will in due course hold a public hearing locally to accord all interested parties full opportunity to present their views and desires regarding the further improvements they consider to be now needed. Advance notice of the hearing will be issued by the district engineer who will advise you thereof.

After careful consideration of the project the district and division engineers will submit the basic report in response to the committee resolution to this office. The report will then be referred to the Board of Engineers for Rivers and Harbors for review as required by law prior to its submission to Congress with recommendations.

Your continued interest in Dunkirk Harbor is appreciated and you may be sure that the further improvements now advocated will receive every consideration in connection with the authorized investigation.

Sincerely yours,

R. C. CRAWFORD,
Major General, Acting Chief of Engineers.

At the time the present recommendation was made, upon which the legislative authorization for an appropriation of $390,000 was enacted into law, it was not known to the Army engineers that the Buffalo Niagara Electric Corp. contemplated an ultimate investment of $47,000,000 just inside the harbor for a steam electric plant to serve the city of Dunkirk and the surrounding area.

The erection of the plant will require a large tonnage of coal, much of which will be water-borne, hence the necessity for a greater depth in the channel and the harbor for larger ships.

The Civil Functions Committee and each member thereof has been most cooperative in furthering legislation authorizing the appropriation for the Dunkirk Harbor.

The district engineer and the Board of Army Engineers have cooperated with the citizens of Chautauqua County in developing the facts in support of the project.

The criticism that the item of $390,000 is only a "housekeeping" item does not express the sentiment of the civic-minded people of western New York, but comes from those who are allied with those who fear and oppose the competition of water-borne traffic rates.

Hon. Fadjo Cravens, of Arkansas

EXTENSION OF REMARKS
OF
HON. MARTIN GORSKI
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. GORSKI. Mr. Speaker, I want to join the many Members who have expressed their regrets because of the leaving of our committee of the gentleman from Arkansas, FADJO CRAVENS. I have been closely associated with him on the Judiciary Committee and always found him to be a very fine lawyer, a man of the highest integrity, of fine principles, and I am sorry that he will not be with us next year. He did not seek reelection. His loss will be felt by the committee. He has served it well. He deserves the gratitude of all of us who have been working with him. He has given unstintingly of his time and has fulfilled every duty with honor and credit. I want to extend to him my heartiest best wishes for his future welfare. I want to wish him good health and a very long and happy life. May his future be bright and may it bring him greater honor and higher glories, which he so richly deserves.

The Draft—Past, Present, and Future

EXTENSION OF REMARKS
OF
HON. THOMAS E. MARTIN
OF IOWA
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. MARTIN of Iowa. Mr. Speaker, now that the draft bill, H. R. 6401, has been approved by both the House and the Senate and will undoubtedly be signed by the President, compulsory military service in peacetime will become an established fact in America. When it becomes the law of the land, it will be the duty of every American citizen to support it in every way. On the other hand, the President and Congress have the duty and obligation to examine our military policy and its historical background and to amend or repeal any laws of the land that may run counter to the American tradition, as soon as the President and Congress think it advisable.

The Constitutional Convention made the President the Commander in Chief of the armed forces. They took this action without debate and without clarification of their intent as to the extent of his powers as such, but our American history shows the development of these powers as practically unlimited in peacetime as well as in war.

The Constitutional Convention very carefully gave to Congress rather than the President the power "to raise and support armies" and "to provide and maintain a navy." Consequently, the President has always had to look to Congress for the exercise of those powers, and, without congressional authorization, the President has never been able to force any person to serve in the armed forces against that person's will.

Congressional authorization of conscription for military service and the appropriation of tremendous sums of money were absolutely essential for the successful waging of wars of the magnitude of World War I and World War II, and no one can deny that the draft is the most effective and efficient method for creating our armed forces, although it may not create the most efficient and effective armed force. For the purpose of protecting our Nation at war the draft is absolutely necessary. With the end of hostilities, however, we must consider the dangers of overconcentration of power in the President which the draft and the appropriation of tremendous sums of money give him in addition to his powers as Commander in Chief of the armed forces. Our forefathers very carefully avoided this tremendous combination of power in the President when they wrote our Constitution and in my judgment we cannot afford to draft our citizens into the armed forces and make them amenable to the Articles of War and to court martial in peacetime against their will just to make it easier for the President and his responsible leaders of the armed forces to secure the personnel of those armed forces.

Conscription was never authorized by Congress in peacetime until September 1940 when a world war was raging and our Nation was becoming dangerously involved and was being drawn or led into that war. Congress then, after a bitter battle, enacted the first peacetime draft in the history of our Nation. As was to be expected, the proponents of the draft in the Eightieth Congress have undertaken to portray the present international situation as closely analogous to that of 1940, but I firmly believe we are more nearly dominated today by the desire for power that will lift us to complete dominance of the world rather than for our defense only. The lust for unlimited power is the greatest single danger to a victorious Nation. That lust for power coupled with the concentration of unlimited powers of conscription and funds in the President, together with his duties as Commander in Chief of the armed forces thus created, not only rides roughshod over the very freedoms that made our Nation the promised land for all the peoples of this earth, but it can also lead us down the pathway of militarism to our doom and destruction.

I think the lust for power rather than the imminence of war is the controlling factor behind the enactment of the draft law. If war is as imminent as the proponents of compulsory military service say it is, how can they justify the following developments?

First. The complete failure of the responsible officials to build a stock pile of strategic and critical materials.

Second. The failure of Congress to enact legislation to help develop a healthy mining industry in America.

Third. The complete failure of responsible officials to maintain and preserve a balanced supply of weapons and ammunition from the huge supply we had at the end of World War II.

Fourth. The complete lack of effort by Government officials and by private industry to disperse and distribute our industrial development away from a few highly concentrated areas.

Fifth. The barn-storming political junket of the President away from duties

that should have kept him more than occupied if war is approaching.

Sixth. The adjournment of Congress.

Our Nation must exercise eternal vigilance if we are to avoid the unnecessary destruction of individual freedom in peacetime. The clamp of the steel jaws of militarism and the subjugation of individual freedom should not be established as a permanent peacetime policy. If we are successful in avoiding or preventing world war III, I sincerely hope that our great Nation can discard the shackles of compulsory military service by the repeal of the draft law long before its expiration date.

By Bread Alone

EXTENSION OF REMARKS
OF
HON. DEWEY SHORT
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. SHORT. Mr. Speaker, under leave to extend my remarks heretofore granted, I submit the following editorial from the magazine Signs of the Times for June 15, 1948:

BY BREAD ALONE

While the European recovery program has been called "the greatest venture in constructive statesmanship" ever undertaken by any nation, yet we are prone to overestimate its power to help a stricken continent. Materialism has so distorted the thinking of the man in the street that he sincerely believes money can save the world.

Howard Mumford Jones indicts our foreign policy in the Saturday Review of Literature when he says: "What Europe hungers and thirsts after most deeply is moral and spiritual strength; what our policy insists upon giving Europe is materialism—a materialism which, whether you want to call it the Marshall plan, or the cold war against Russia, or the restoration of doubtful governments, or bolstering European currencies, springs from an erroneous concept of the uses of victory."

Spiritual and moral leadership are in grave danger of being sidetracked in the race for armaments and the attempt to secure the peace by balance-of-power politics. Have we no power in the spiritual realm to equal that of atomic bombs in the physical world? Europe is desperately short of the bare necessities of life, it is true; but she is dying for lack of faith and spiritual calm. We have not offered these fundamentals to the millions in need because, as a nation, we do not possess them. The America of 1948 is caught in paroxysms of fear. We are trying to buy good will with money; we hope that dollars will guarantee security. We hear lofty phrases of idealism, but they do not conceal our selfish aims.

"The essential appeal of fascism was to the soul," Jones reminds us. "Overburdened by the responsibilities of life, frightened by the incoherence of a state at once tyrannical and irresponsible, the individual European could through fascism share the strength of the corporate spirit. He became a member in a mystical body. Participation in the party not only removed the crushing weight of freedom and frustration from the average man; it also gave him the strength of great causes, the assurance that he shared the total life of the nation, the race, the world."

The Fascist governments are gone, but multitudes have no leader they can trust. It is an opportune moment for the pseudo-religion of communism to engulf the masses who are longing for a messiah. We can never fight communism successfully with dollars alone, for that system holds out a utopia of materialism to mankind. Our program must offer Europe that which is deep and enduring, as well as that which satisfies the needs of the moment, or we shall fail.

In our attempt to save Europe from disintegration, we seem to forget the Master's words: "Man shall not live by bread alone." When human beings lose faith in themselves and in God, they deteriorate into a fearful burden upon society. Bitter with cynicism, they say, "Life isn't worth living." They may be given food and clothing sufficient for their needs, but if the fire of faith has gone out of their eyes they are blind and helpless.

The apostles Peter and John, found the power of God to be greater than silver or gold. They found the helpless cripple at the temple gate expecting help from them. "I have no silver or gold," Peter said, "but what I have I give you. In the name of Jesus Christ, the Nazarene—walk!" (Acts 3: 6, Weymouth.) Have we nothing but gold and food to offer a distraught world?

"Man must be arched and buttressed from within," said Marcus Aurelius, "else the temple wavers to the dust." Along with the financial assistance we are sending to Europe, we must send the gospel of hope and regeneration. Inner resources can be strengthened only by the peace of Jesus Christ. The Master left His followers a precious legacy in His last will and testament. He did not promise them material riches, for He died a poor man, but He bequeathed to them a treasure so precious that the richest man on earth would give a fortune to possess it. "My peace"—this is the priceless gift the Son of God offers distraught humanity.

We promise freedom from want to our European allies, but with that must come freedom from fear and freedom from sin if they are to know peace of mind. Freedom from fear grows out of perfect love and confidence in the Heavenly Father. The miracle of faith drives out fear when a human being no longer trusts self but allows God to control his life. Freedom from sin comes when a lost soul accepts the full pardon offered by the Saviour of the world. Thus, the chains are broken forever and man finds genuine happiness.

This is the spiritual power America should give war-torn, disillusioned Europe. But before we can give the Gospel to others we must possess it in our own hearts.

John Hollis Bankhead

MEMORIAL ADDRESS
OF
HON. CLYDE M. REED
OF KANSAS
IN THE SENATE OF THE UNITED STATES
Wednesday, April 21 (legislative day of Monday, March 29), 1948

On the life, character, and public service of Hon. JOHN HOLLIS BANKHEAD, late a Senator from the State of Alabama

Mr. REED. Mr. President, when the late United States Senator JOHN HOLLIS BANKHEAD died, the United States lost one of its finest citizens and agriculture lost one of its most steadfast friends. Few men in the Congress have ever understood the needs of agriculture so well as did the late Senator BANKHEAD.

His friendship for agriculture was not confined to that of his own section of the country. His immediate interest, of course, was in cotton, but Senators from the Wheat Belt and the corn States as well found in him a friendly and sympathetic colleague. He was proud to be known as one of the leading Members in what was loosely called the farm bloc.

From the time of my entrance into the Senate until his death, JOHN BANKHEAD was one of my firmest friends and deserved the high respect and admiration in which all of his colleagues felt for him. He was a great man, a "gentleman of the old school," an orator of note, an intelligent student of economics, especially farm economics, and a patriot devoted to the welfare of his country. It was a great loss when JOHN BANKHEAD went off the stage of human affairs.

Report to the People of the Eighth Congressional District of Wisconsin—II

EXTENSION OF REMARKS
OF
HON. JOHN W. BYRNES
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. BYRNES of Wisconsin. Mr. Speaker, under leave to extend my remarks, I include a report to the people of the Eighth Congressional District of Wisconsin on my voting and attendance record during the special session and second session of the Eightieth Congress.

This continues a service I began last year when I included my complete voting and attendance record for the first session of the Eightieth Congress. This record can be found in the Appendix of the CONGRESSIONAL RECORD, volume 93, part 13, on page A4091.

As I explained then, the purpose of this report is to collect, in one place and in concise form, information which is scattered through thousands of pages of the RECORD in order that my constituents may more accurately evaluate my congressional stewardship.

The basic reasons why such a report is necessary have been summed up by a publication which furnishes, for a fee, just such a service to newspapers, magazines, and others. In its advertisements, Congressional Quarterly states:

The complete official voting record of a Congressman for a single term of two years is buried in about 30,000,000 words of the official CONGRESSIONAL RECORD. Votes are not tabulated by party or State—and sometimes the record is changed days and weeks—even months after a roll call. * * * It is impossible to make an accurate check on a Congressman's attendance record through official sources without hundreds of hours of

tedious research and considerable knowledge of legislation. * * * Official records on Congress run to about 20,000,000 words a year—more than 100 pounds per set—more than 16,000 pages fine print. * * * But this ocean of printing does not show how a Congressman stands on many important issues.

I do not believe my constituents should be deprived, through the sheer impossibility of getting the facts, of an easy-to-read, compact record of my stand on the issues. I believe it is my responsibility to provide that record.

The record which follows includes all roll-call votes, all quorum calls and my votes on other important measures or measures of particular interest to my district on which there was no record taken. No attempt is made to include all of the hundreds of bills that were considered by the House during the session. The description of bills in the voting record is for purposes of identification only. No attempt is made to describe the measures completely nor to elaborate upon the issues involved. Upon request, I will be pleased to furnish a more complete description of any particular bill considered by the House, as well as a summary of the issues involved and the reasons for my position. The record follows:

Voting and attendance record, Representative John W. Byrnes, Eighth District, Wisconsin (80th Cong., special sess.)

Roll call No.	Date	Measure, question, and result	Vote
	1947		
134	Nov. 17	Quorum call	Present.
135	Nov. 18	Quorum call	Present.
136	Nov. 20	Quorum call	Present.
137	Nov. 24	Quorum call	Present.
138	Nov. 24	H. Res. 363 (H. Rept. 1128) citing Albert Maltz (screen writer) for contempt of Congress. On passage. (346–17.)	Yea.
	Nov. 25	H. R. 4469, amending Public Law 162 of July 1947 to authorize Commission on Organization of the Executive Branch of the Government to procure services of experts or consultants. (Passed, voice vote.)	Yea.
139	Dec. 2	Quorum call	Present.
140	Dec. 5	Quorum call	Present.
	Dec. 8	H. R. 4604, providing interim foreign aid to France, Italy, Austria, and China:	
		On adoption of amendment making provisions of the bill to supply food, medical supplies, clothing, etc. to recipient countries retroactive to Dec. 1, 1947. (Adopted, voice vote.)	Yea.
		On adoption of amendment prohibiting the formation by President of any new agency to administer program and removing authority for the President to establish credit accounts of foreign currency in this country to be spent at his direction for relief. (Adopted, division vote.)	Yea.
		On adoption of amendment striking out provision allowing incentive goods to be distributed in recipient countries. (Defeated, division vote.)	Nay.
		On adoption of an amendment providing that no item, presently in short supply in the United States, could be purchased for relief shipment. (Defeated, division vote.)	Nay.
	Dec. 9	On adoption of amendment prohibiting the shipment of fertilizer, farm machinery and petroleum to foreign countries. (Defeated, division vote.)	Nay.
		On adoption of amendment requiring that goods procured by this bill be carried by American-flag vessels if obtainable, or ships of the recipient countries. (Defeated, voice vote.)	Yea.
		On adoption of amendment providing that no funds shall be used by any procurement agency for the purchase within this country of any supplies, other than supplies procured by or in possession of the CCC, at prices higher than market price prevailing at the time of purchase in the area wherein the purchase is made. (Adopted, voice vote.)	Yea.
		On adoption of amendment prohibiting export of gasoline and fuel oil unless the Secretary of Commerce certified such shipments would not impair national security or normal domestic needs. (Defeated, voice vote.)	Nay.
		On adoption of amendment requiring reimbursement either in money, strategic materials, or military bases. (Defeated, voice vote.)	Nay.
141	----------	Quorum call	Present.
142	Dec. 10	Quorum call	Present.
		On adoption of amendment decreasing authorization to $290,000,000. (Defeated, voice vote.)	Nay.
		On adoption of amendment increasing authorization to $661,000,000. (Defeated, voice vote.)	Nay.
		On adoption of amendment decreasing authorization to $500,000,000. (Defeated, voice vote.)	Nay.
		On adoption of amendment requiring foreign governments receiving aid to certify that no person formerly or presently identified with communism would distribute relief. (Adopted, voice vote.)	Yea.
		On adoption of amendment stipulating that the President would terminate aid to countries adhering to policies of the Soviet Government. (Adopted, voice vote.)	Yea.
142	Dec. 10	On adoption o. amendment creating a joint committee of the two Houses to observe and advise recipient countries as to the distribution of relief. (Adopted, voice vote.)	Yea.
		On adoption of amendment eliminating provision for establishment of a National Food Conservation Committee. (Defeated, voice vote.)	Nay.
		On adoption of amendment eliminating provision directing the RFC to advance $150,000,000. (Defeated, voice vote.)	Nay.
		On adoption of amendment preventing funds for purchase of grain for recipient countries from being used in manufacture of distilled spirits. (Defeated, voice vote.)	Nay.
	Dec. 11	On adoption of amendment directing CCC to make surplus crops available for foreign relief. (Adopted, voice vote.)	Yea.
		On adoption of amendment requiring carry-over of 150,000,000 bushels of wheat. (Adopted, voice vote.)	Yea.
		On recommital. (Defeated, voice vote)	Nay.
		On passage. (Passed, voice vote)	Yea.
143	----------	Quorum call	Present.
144	Dec. 15	Quorum call	Present.
		H. J. Res. 273, a stabilization and anti-inflation measure (Wolcott bill):	
145	----------	On approval of motion to suspend rules and consider. (Defeated 202–188 (⅔ majority required)).	Yea.
		S. 1770, amending National Housing Act to authorize $750,000,000 additional insurance for residential housing loans by FHA:	
146	----------	On suspending rules and passing bill. (Passed 392–4.)	Yea.
		S. 1774 (H. R. 4604), providing interim aid to France, Italy, Austria, and China:	
147	----------	On passage (313–82)	Yea.
		H. R. 4651, authorizing reinstatement of lapsed 5-year level-premium-term national life insurance on a comparative health basis until Dec. 31, 1948:	
		On passage. (Passed, voice vote.)	Yea.
148	Dec. 16	Quorum call	Present.
	Dec. 17	S. 1770, anending National Housing Act to authorize $750,000,000 additional insurance for residential housing loans by FHA:	
		On adoption conference report. (Adopted, voice vote.)	Yea.
		H. R. 4748, third supplemental appropriation bill for 1948, authorizing funds for foreign interim-aid bill and other purposes:	
		On passage. (Passed, voice vote.)	Yea.
149	Dec. 18	Quorum call	Present.
		H. Res. 365, providing for inquiry on dismantling and removal of plants from Germany:	
		On adoption. (Adopted, voice vote.)	Yea.
		H. Res. 404, creating a Select Committee to Investigate Transactions on Commodity Exchanges:	
		On adoption. (Adopted, voice vote.)	Yea.
150	Dec. 19	Quorum call	Present.
		S. J. Res. 167, anti-inflation program:	
151	----------	On adoption of rule fixing length of debate. (203–143.)	Yea.
		On motion to recommeit. (72–156)	Nay.
152	----------	On passage. (281–73)	Yea.
153	Dec. 19	Quorum call	Present.
		S. J. Res. 170, amending Commodity Exchange Act to permit Secretary of Agriculture to furnish information on individual grain traders:	
		On passage. (Passed, voice vote.)	Yea.
		H. R. 4748, third supplemental appropriation bill for 1948, providing foreign-aid funds:	
		On adoption of conference report (233–2)	Yea.

Voting and attendance record, Representative John W. Byrnes, Eighth District, Wisconsin (80th Cong., 2d sess.)

Roll call No.	Date	Measure, question, and result	Vote
	1948		
1	Jan. 6	Quorum call	Present.
	Jan. 13	H. R. 2759, amending Interstate Commerce Act changing statute of limitations for recovery of undercharges and overcharges by or against common carriers. (Passed, voice vote.)	Yea.
		H. R. 4071, amending Food and Drug Act relative to misbranding of foods and drugs and seizure and condemnation of same. (Passed, voice vote.)	Yea.
	Jan. 15	H. R. 2575, amending Articles of War to improve administration of military justice, providing more effective review and insuring equalization of sentences. (Passed, voice vote.)	Yea.
	Jan. 19	H. R. 4141, extending time eligible veterans may apply for gratuitous insurance benefits. (Passed, voice vote.)	Yea.
		H. R. 4236, preventing discrimination against physically handicapped persons in Federal civil service. (Passed, voice vote.)	Yea.
		H. R. 3342, authorizing United States information and educational exchange program in foreign countries: On agreeing to Senate amendments. (Adopted, voice vote.)	Yea.
2	Jan. 21	Quorum call	Absent.
3	Jan. 22	Quorum call	Present.
		H. R. 2873, amending provisions of Reclamation Project Act of 1939, extending time for retirement of Government loans on reclamation projects and reducing interest rates on power investments:	
4		On recommittal with instructions to restore amortization period from 78 to 50 years and require initiation of new projects by Secretary of the Interior only after congressional approval (211–153).	Not voting.[1]
5		On adoption of above amendments. (Adopted 220–134.)	Not voting.[1]
6		On passage (232–120)	Not voting.[1]
	Jan. 26	H. R. 4044, creating war claims commission, permitting liquidation of impounded German and Japanese property seized in this country, and providing for payment from proceeds for relief to American civilians interned, injured, or killed during Japanese invasion of United States Territories:	
		On passage. (Passed, voice vote.)	Yea.
7	Feb 2	Quorum call	Present.
		H. R. 4790, individual income tax bill for 1948, providing an additional $100 in personal tax exemption, reducing percentage rates on individual incomes by 10 to 30 percent and allowing income splitting for tax purposes as presently used in community-property States:	
		On adoption of committee amendment equalizing the operation of the Federal estate and gift tax law in community- and non-community-property States. (Adopted, voice vote.)	Yea.
8		On motion to recommit to committee with instructions to revise bill by increasing personal exemptions and impose excess-profits tax (159–258).	Nay.
9		On passage (297–120)	Yea.
10	Feb. 3	S. 1393, raising ceiling on wages and allowances for veterans on-the-job training (373–5).	Yea.
11		S. 1394, providing increased subsistence allowances to veterans pursuing educational courses (372–6).	Not voting.[1]
12	Feb. 4	H. R. 5214, appropriating funds for operation of Executive Office of President and independent offices (339–10).	Yea.
	Feb. 9	H. R. 2161, authorizing funds for construction and operation of demonstation plants producing synthetic fuel. (Passed, voice vote.)	Yea.
	Feb. 16	H. Res. 385, requesting Secretary of the Interior to furnish statistics on fuel oil and petroleum products now available. (Passed, voice vote.)	Yea.
	Feb. 24	S. J. Res. 173, extending authority of U. S. Maritime Commission to sell, charter, and operate vessels. (Passed, voice vote.)	Yea.
	Feb. 24	H. R. 4127, liberalizing the annuities and benefits of Civil Service Retirement Act:	
		On adoption conference report. (Adopted, voice vote.)	Yea.
		H. R. 5391, continuing until Mar. 31, 1948, the Second Decontrol Act. (Passed, voice vote.)	Yea.
		H. R. 5390, extending rent control until Mar. 1, 1948:	
13		On recommittal (57–306)	Nay.
		On passage. (Passed, voice vote.)	Nay.
		H. R. 5525, urgent deficiency bill 1948:	
14		On recommittal with instructions to provide for additional $300,000,000 for REA (151–181).	Nay.
		On passage. (Passed, voice vote.)	Yea.
	Feb. 25	H. Con. Res. 131, expressing disapproval of President's Reorganization Plan No. 1 to transfer administration of unemployment compensation from Social Security Administration to Labor Department. (Adopted, voice vote.)	Yea.
	Feb. 26	H. R. 5524, appropriating funds for nonmilitary functions for Army in fiscal 1949. (Passed, voice vote.)	Yea.
	Feb. 27	S. Con. Res. 42, legislative budget, providing revenue received in fiscal 1949 will approximate $47,300,000,000 and that expenditures should not exceed $37,200,000,000 of which latter amount not more than $26,600,000,000 would be in consequence of appropriations:	
15		On recommittal to committee with instructions to lower expenditure ceiling to $36,700,000,000. (72–277.)	Nay.
16	Feb. 27	On adoption (315–36)	Yea.
17		Quorum call	Present.
18		H. J. Res. 296, maintaining status quo of definition of employee under social security regulations: On adoption (274–53)	Yea.
	Mar. 2	S. 203, increasing equipment maintenance allowances for rural carriers from 6 to 7 cents per mile. (Passed, voice vote.)	Yea.
19		H. Res. 462, appointing select committee to investigate income-tax returns of candidate for Governor of Louisiana:	
		On adoption (112–239)	Nay.
	Mar. 4	H. R. 5052, excluding newspaper and magazine vendors over age of 18 from employee status under Social Security Act. (Passed, voice vote.)	Yea.
20	Mar. 5	Quorum call	Present
		H. R. 5607, appropriating funds for the Departments of State, Justice, and Commerce, and the Judiciary. (Passed, voice vote.)	Yea.
	Mar.	H. R. 5728, appropriating funds for Department of Labor and Federal Security Agency for fiscal 1949. (Passed, voice vote.)	Yea.
21	Mar. 9	H. Res. 484, providing additional $200,000 for Committee on Un-American Activities:	
		On adoption. (337–37.)	Yea.
		S. 1174, standardizing inactive training pay for all Reserve components and granting inactive duty training pay to Army reservists. (Passed, voice vote.)	Yea.
22	Mar. 10	Quorum call	Present.
		H. R. 2744, extending retirement benefits to Army Reserve Corps, National Guard, and Naval Reserve and providing for retirement of officers of the Regular Army. (Passed, voice vote.)	Yea.
	Mar. 11	H. R. 5770, appropriating funds for operation of Treasury and Post Office Departments. (Passed, voice vote.)	Yea.
23	Mar. 16	Quorum call	Present
		S. 2182, extending modified rent control until Mar. 31, 1949:	
24		On adoption of committee amendment. (228–155.)	Yea.
25		On passage. (251–132.)	Nay.
	Mar. 18	H. R. 5883, appropriating funds for Department of Agriculture for 1949. (Passed, voice vote.)	Yea.
	Mar. 22	H. R. 5065, exempting hospitalized servicemen and veterans from admission tax. (Passed, voice vote.)	Yea.
	Mar. 23	H. R. 5854, extending title VI of the National Housing Act until Mar. 31, 1949, and providing $2,000,000,000 insurance authorization on home construction. (Passed, voice vote.)	Yea.
		S. 2202, Foreign Assistance Act of 1948 (Marshall plan):	
26		On adoption of rule waiving points of order and providing 15 hours of debate. (316–21.)	Yea.
	Mar. 24	H. R. 4790, Revenue Act of 1948, reducing individual income-tax payments:	
27		On adoption of resolution providing acceptance by House of Senate amendments. (289–67.)	Yea.
		H. R. 2298, permitting railroads to enter into voluntary reorganization plans under ICC supervision:	
		On adoption of conference report. (Adopted, voice vote.)	Yea.
28		Quorum call	Present.
29	Mar. 25	Quorum call	Present.
		S. 2182, extending rent control until Mar. 31, 1949:	
30		On adoption of conference report. (220–95.)	Nay.
31	Mar. 29	Quorum call	Present.
32	Mar. 30	Quorum call	Present.
		S. 2202, Foreign Assistance Act of 1948 (Marshall plan):	
		On adoption of amendment providing for inclusion of Spain. (Adopted, voice vote.)	Yea.
		On adoption of amendment requiring security check on employees by FBI. (Adopted, voice vote.)	Yea.
33	Mar. 31	Quorum call	Present.
		S. 2202, Foreign Assistance Act of 1948 (Marshall plan):	
		On adoption of amendment directing the Administrator to use funds to pay certain freight and handling charges on shipments of private relief packages abroad. (Adopted, voice vote.)	Yea.
34		On passage. (329–74)	Yea.
35	Apr. 1	Quorum call	Present.
		H. R. 6055, first deficiency appropriation bill for 1948:	
		On adoption of amendment striking from bill $10,000,000 to provide a different uniform for the Air Corps. (Adopted, voice vote.)	Yea.
36		On motion to recommit with instructions to increase to $400,000,000 the amount for REA loans. (199–154.)	Nay.
37		On passage. (339–3.)	Yea.
38	Apr. 2	Quorum call	Present.
		H. R. 4790, Revenue Act of 1948, reducing individual income-tax payments:	
39		On overriding Presidential veto. (Overridden, 311–29.)	Yea.
		S. 2202. Foreign Assistance Act of 1948 (Marshall plan).	
40		On adoption of conference report. (318–75.)	Yea.
41	Apr. 8	Quorum call	Present.
		S. 2098, enabling Secretary of Agriculture to conduct research of hoof-and-mouth disease. (Passed, voice vote.)	Yea.
	Apr. 12	H. R. 5888, Federal-Aid Highway Act of 1948:	
42		On passage. (278–6.)	Yea.

[1] Absent; would have voted "yea."

Voting and attendance record, Representative John W. Byrnes, Eighth District, Wisconsin (80th Cong., 2d sess.)—Continued

Roll call No.	Date	Measure, question, and result	Vote
	1948		
43	Apr. 14	Quorum call	Present.
		H. R. 5052, excluding newspaper and magazine vendors over age of 18 from employee status under Social Security Act:	
44		On overriding Presidential veto. (Overridden, 307–28.)	Yea.
	Apr. 15	H. R. 6226, supplemental national defense appropriation bill, appropriating $3,200,000,000 for aircraft procurement:	
45		On passage. (343–3.)	Yea.
	Apr. 20	S. 560, prohibiting operation of gambling ships. (Passed, voice vote.)	Yea.
	Apr. 21	S. 1641, authorizing enlistment and appointment of women in reserve components of Army, Navy, Air Force, and Marine Corps. (Passed, voice vote.)	Yea.
46	Apr. 22	Quorum call	Present.
		H. Res. 522, directing Secretary of Commerce to transmit to the House of Representatives a certain letter with respect to Dr. Edward Condon:	
47		On adoption. (301–29.)	Yea.
48	Apr. 26	Quorum call	Present.
		H. R. 2245, removing tax on oleomargarine colored yellow:	
49		On adoption of motion to discharge Committee on Agriculture from further consideration of bill. (235–121.)	Nay.
		S. 1481, authorizing the Board of Commissioners of the District of Columbia to establish daylight-saving time in the District:	
50		On passage. (204–92.)	Yea.
51	Apr. 28	Quorum call	Present.
		H. R. 2245, removing tax on oleomargarine colored yellow:	
		On Hill amendment, permitting yellow oleomargarine, manufactured in triangular form to be sold without 10 cents a pound tax. (Defeated, 83–114.)	Yea.
		On Murray amendment, repealing 3 cents a pound tariff on imported vegetable oils. (Defeated, 116–126.)	Nay.
52		(H. R. 2245) on passage (260–106)	Nay.
	Apr. 29	H. R. 6355, providing supplemental appropriations for Federal Security Agency and for transfer of United States Employment Service to F. S. A., effective July 1, 1948:	
53		On passage (271–35)	Yea.
	Apr. 30	H. R. 5992, confirming and establishing the title of States to lands beneath navigable waters within State boundaries:	
54		On passage (257–29)	Yea.
	May 3	H. R. 5820, aiding in the development of improved prosthetic appliances. (Passed, voice vote.)	Yea.
	May 4	S. 2277, providing for disposition of surplus real property to States, political subdivisions and municipalities for use as public parks, etc. (Passed, voice vote.)	Yea.
		H. J. Res. 334, granting consent of Congress to southern compact on regional education:	
55		On passage (236–245)	Yea.
56	May 6	Quorum call	Present.
		S. 2287, extending life of RFC until 1952 with restrictions upon its lending authority. (Passed, voice vote.)	Yea.
	May 10	H. Res. 587, proposing that certain words be deleted from the Permanent Record.	
57		On adoption (121–171)	Nay.
58	May 11	Quorum call	Present.
		H. R. 6481, appropriating funds for operation of government corporations for fiscal year 1949:	
59		On recommital to Committee on Appropriations with instructions to amend by providing $4,000,000 for starting construction of $84,000,000 steam plant at TVA (152–192).	Nay.
		On passage. (Passed, voice vote.)	Yea.
	May 11	H. R. 221, amending Interstate Commerce Act with respect to rate-making agreements between carriers (Bulwinkle bill):	
60		On passage (271–53)	Yea.
61	May 12	Quorum call	Present.
62	May 13	Quorum call	Present.
		H. R. 6500, appropriating funds for operation of legislative branch for fiscal 1949. (Passed, voice vote.)	Yea.
		H. J. Res. 432, directing all executive departments and agencies to make available to congressional committees information deemed necessary to enable them to properly perform the duties delegated to them by Congress:	
63		On recommittal (145–217)	Nay.
64		On adoption (219–142)	Yea.
	May 14	H. R. 5852, combating un-American activities by requiring registration of Communist-front organizations (Mundt-Nixon bill):	
65		On adoption of rule providing for consideration (296–40).	Yea.
	May 18	H. R. 1878, denying admission to the United States of persons deemed to endanger the country:	
		On agreeing to Senate amendments. (Passed, voice vote.)	Yea.
		H. R. 354, for the relief of Dixie Margarine Co., of Memphis, Tenn., providing for refund of capital illegally collected by Internal Revenue Bureau under the guise of taxes:	
66		On striking out the title (killing the bill) (127–221)	Nay.
67	May 19	Quorum call	Present.
		H. R. 5852, combating un-American activities by requiring registration of Communist-front organizations (Mundt-Nixon bill):	
68		On passage (319–58)	Yea.
69	May 20	Quorum call	Present.
70		Quorum call	Present.
		H. R. 6342, authorizing $207,000,000 for construction at military installations. (Passed, voice vote.)	Nay.
71	May 24	Quorum call	Present.
72		Quorum call	Present.
		H. R. 6227, providing for home rule and reorganization in the District of Columbia:	
73		On adoption of rule providing for consideration of. (Adopted, 177–147.)	Not voting.[1]
74	May 25	Quorum call	Absent.
75		Quorum call	Present.
		H. R. 6227, providing for home rule and reorganization in the District of Columbia:	
76		On striking out the enacting clause (163–182)	Yea.
77		Quorum call	Present.
78	May 26	Quorum call	Present.
		H. R. 6556, extending for 1 year provisions of Reciprocal Trade Agreements Act and providing for congressional disapproval of agreements lowering or raising tariffs beyond limitation deemed safe by Tariff Commission.	
79		On ordering the previous question (i. e., voting upon whether rule governing debate shall be voted upon) (212–156).	Yea.
80		On adoption of rule providing for consideration of bill (197–166).	Yea.
81		On recommittal to committee with instructions to extend act in present form for 3 years (168–211).	Nay.
82		On passage (234–149)	Yea.
83	May 27	Quorum call	Present.
		H. R. 605, appropriating funds for Department of Interior for fiscal 1949. (Passed, voice vote.).	Yea.
84	May 28	Quorum call	Present.
		H. R. 6208, providing for a census of business. (Passed, voice vote.)	Yea.
		H. R. 5645, assisting States in collection of cigarette taxes. (Passed, voice vote.)	Yea.
		H. J. Res. 409, providing for United States participation in World Health Organization. (Passed, voice vote.)	Yea.
85	June 1	Quorum call	Present.
86		Quorum call	Present.
		H. R. 6758, providing supplemental funds for Treasury and Post Office Departments for fiscal 1949. (Passed, voice vote.)	Yea.
87	June 2	Quorum call	Present.
		H. R. 6771, providing $6,500,000,000 for Army and Air Force in fiscal 1949:	
88		On passage (348–2)	Yea.
		S. 1641 (conference report), establishing Women's Army Corps in Regular Army and authorizing enlistment of women in Regular Navy:	
89		On adoption (206–133)	Nay.
		H. R. 6341, authorizing $130,000,000 for construction of certain naval public works, including $12,000,000 for an airport at Annapolis. (Passed, voice vote.)	Nay.
90	June 3	Quorum call	Present.
		H. R. 3825, exempting toilet preparations from excise tax when sold retail to operators of beauty parlors and barber shops. (Passed, voice vote.)	Yea.
		H. R. 6772, providing $3,700,000,000 for Department of the Navy for fiscal 1949. (Passed, voice vote.)	Yea.
		H. R. 6419, authorizing construction of navigation and flood-control works on rivers and harbors. (Passed, voice vote.)	Yea.
		S. 263, permitting Postmaster General to readjust compensation of star-route contractors for increased or decreased costs due to changed conditions. (Passed, voice vote.)	Yea.
91	June 4	Quorum call	Present.
		H. Res. 264, sending H. R. 5883, Agriculture appropriation bill to conference:	
92		On adoption (204–140)	Yea.
		H. R. 6801, appropriating funds for foreign aid for period from Apr. 3, 1948, to June 30, 1949:	
93		On adoption of rule providing for consideration of (329–22).	Yea.
		On amendment providing that no more than $50,000,000 shall be used for farm machinery, including farm tractors. (Adopted, voice vote.)	Nay.
		On recommittal with instructions to change period of appropriations from 15 to 12 months. (Rejected, voice vote.)	Nay.
		On passage. (Passed, voice vote.)	Yea.
94		Quorum call	Present.
	June 8	S. 1470, providing medical care for reservists injured or contracting diseases while engaged in military training. (Passed, voice vote.)	Yea.
		H. R. 6482 for relief of sundry claimants against the Government:	
95		On motion to strike out title providing for relief of Harry Tansey by appropriating $39,105 in full settlement of all his claims against United States (192–173).	Yea.
		H. R. 6766, providing for 20-percent increase in the payment of pensions and annuities of retired railroad workers and for graduated unemployment compensation tax:	

[1] Absent; would have voted "nay."

Voting and attendance record, Representative John W. Byrnes, Eighth District, Wisconsin (80th Cong., 2d sess.)—Continued

Roll call No.	Date	Measure, question, and result	Vote
	1948		
96	----------	On suspending rules and passing bill (381-0)	Yea.
		S. 2152, increasing maximum travel allowance for railway postal clerks and substitutes. (Passed, voice vote.)	Yea.
	June 9	H. R. 6829, providing supplemental funds for independent offices. (Passed, voice vote.)	Yea.
		H. R. 6355, providing supplemental funds for Federal Security Agency for fiscal 1949:	
97	----------	On adoption of conference report (228-137)	Yea.
		H. R. 5728, appropriating funds for Labor-Federal Security Agency for 1949:	
98	----------	On adoption of conference report (256-109)	Yea.
	June 10	S. J. Res. 231, authorizing stopgap emergency housing in Columbia River flood disaster area. (Passed, voice vote.)	Yea.
99	June 11	Quorum call	Present.
		H. R. 6396, authorizing admission of displaced persons into the United States:	
100	----------	On passage (239-91)	Yea.
101	June 12	Quorum call	Absent.
		H. R. 6808, permitting credit to brewers for taxes paid on beer lost in bottling operations. (Passed, voice vote.)	Yea.
		H. R. 6248, authorizing Secretary of Agriculture to stabilize prices of agriculture commodities (farm price support bill). (Passed, voice vote.)	Yea.
		H. R. 6162, making imported beer subject to internal revenue tax. (Passed, voice vote.)	Yea.
102	June 14	Quorum call	Present.
		H. R. 4777, extending coverage of social-security system and increasing certain benefits under such system. (Passed, voice vote.)	Yea.
103	----------	H. R. 3748, providing additional compensation to widows and other dependents of certain veterans: On passage (360-0)	Yea.
		H. R. 5588, providing increase of compensation for certain veterans with service-connected disabilities. (Passed, voice vote.)	Yea.
		S. 418, providing for control of stream pollution. (Passed, voice vote.)	Yea.
		H. R. 5883, appropriating funds for Department of Agriculture for 1949:	
104	----------	On motion to concur in Senate amendment with an amendment providing $262,500,000 for soil-conservation payments. (Bill as passed by House provided $225,000,000; bill as passed by Senate provided $300,000,000) (191-179).	Yea.
	June 14	H. J. Res. 296, maintaining status quo of definition of employee under social-security regulations:	
105	----------	On overriding Presidential veto. (Overridden 297-75.)	Yea.
	June 15	H. R. 6527, providing assistance to certain local schools overburdened with war-incurred or postwar national-defense-incurred enrollments:	
106	----------	On suspending the rules and passing (325-48)	Nay.
		H. R. 6401, Selective Service Act of 1948:	
107	----------	On adoption of rule (329-61)	Yea.
108	June 16	Quorum call	Present.
		H. R. 6935, second deficiency appropriation bill for 1948:	
109	----------	On recommittal with instructions to increase administrative appropriation for REA by $450,000 (199-204).	Nay.
		H. R. 6355, Federal Security Agency appropriation providing for transfer of U. S. Employment Service from Department of Labor to the Federal Security Agency:	
110	----------	On ordering the previous question (agreeing to vote on overriding Presidential veto) (238-161).	Yea.
111	----------	On overriding Presidential veto. (Overridden, 286-113.)	Yea.
112	----------	Quorum call	Present.
113	----------	Quorum call	Present.
114	June 17	Quorum call	Present.
		S. 110, amending Interstate Commerce Act with respect to rate-making agreements between carriers (Bulwinkle bill):	
115	----------	On overriding Presidential veto. (Overridden, 287-102.)	Yea.
		H. Res. 685, making in order motion to suspend the rules, motions for recess and waiving requirements for two-thirds vote for balance of week:	
116	----------	On adoption (240-160)	Yea.
117	----------	Quorum call	Present.
	June 18	H. R. 6401, Selective Service Act of 1948:	
118	----------	On motion to recommit (125-283)	Nay.
119	----------	On passage (283-130)	Yea.
		S. 2242, authorizing admission of displaced persons into the United States:	
120	----------	On motion to recommit to conference committee (133-266).	Nay.
		On passage. (Passed, voice vote.)	Yea.
121	----------	Quorum call	Present.
		H. R. 6959, Housing Act of 1948:	
122	----------	On passage (318-50)	Yea.
123	June 19	Quorum call	Present.
		H. R. 6481, appropriating funds for Government corporations and independent offices:	
124	----------	On motion to recede and concur in Senate amendment to authorize $4,000,000 for construction of a steam plant by TVA (186-204).	Nay.
		S. 2655, Selective Service Act of 1948:	
125	----------	On adoption of conference report (259-136)	Yea.
		H. R. 6712, Revenue Revision Act of 1948, removing inequities, preventing tax avoidances, and simplifying tax system. (Passed, voice vote.)	Yea.
		S. 2760, providing a secondary market for veterans' home loans and promoting veterans' housing. (Passed, voice vote.)	Yea.
		H. R. 6801, appropriating funds for foreign relief and recovery:	
126	----------	On adoption of conference report (318-62)	Yea.
		H. R. 6248, providing for a coordinated long-range farm program:	
		On adoption of conference report. (Adopted, voice vote.)	Yea.
		H. R. 6916, providing increased postal rates and additional compensation for post-office and Federal employees:	
		On adoption of conference report. (Adopted, voice vote.)	Yea.

Clifford J. Durr

EXTENSION OF REMARKS

OF

HON. ARTHUR G. KLEIN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. KLEIN. Mr. Speaker, I consider it a genuine privilege to have known Clifford J. Durr, however slightly.

Senator PEPPER recently inserted in the RECORD biographical material about Cliff Durr, and therefore I shall not dwell on his background or accomplishments, other than to say that he exemplifies the very best in public administration. He has proved himself, at his peril and to his cost, courageous, outspoken, honest, and with a faith in the rightness of democratic principles, which he implements by positive acts.

It gives me pleasure to insert, under leave, the valedictory address in Cliff Durr's honor delivered by Wayne Coy, recently appointed Chairman of the Federal Communications Commission:

I wish to speak of a man—with full realization that the best speech about Cliff Durr is in our experience with him. Some of you have shared experiences with him far longer than I. I have no doubt that many of you feel that in a much more deep sense than I. You know him and have shared his life.

You have marshalled about him for battle with a fire in your heart that was hotter than the flame of a cannon. You have marched with him in his fight to prevent the corruption of the life-blood of our democracy. You know this man even though you may not address him as Cliff.

I like the patriotism of Cliff. He does not overlook the dangers that are within our borders. Nor does he hold any base shame for his own folk. He knows their underlying greatness. He is an exultant believer in democracy. If he is capable of wrath, all his wrath would fall upon those reckless sons of America who would sell our soul of liberty for restraints to be imposed by a few.

He sees the heart of our people. He sees there what all men hold precious. He sees this freedom as a cherished heritage for all. He sees no danger in the other fellow enjoying the same freedom as he enjoys. He has no easy-going tolerance for things that should not be tolerated.

I covet such patriotism for myself. I am angry at myself when I recognize my derogations from this standard.

The city of Washington is a long way from a vast area of our country and a long way from millions of our people. Probably one of the biggest temptations a public servant in the capital has to resist in the day by day performance of his duty is permit that distance to exist mentally as well as physically. He is subjected to diverse pressures, some subtle and some as bold as brass. And there are new intimidations every day. He must be eternally vigilant that he does not confuse the public interest with someone's private interest. On the other hand, he often finds a lack of sympathy or understanding or appreciation from the very people whose interests he is striving to further.

NO FAN MAIL

But that is all part of the American system. The people, having created this system, hope that those on the public pay roll will come to their task with an adequate sense of trusteeship. They do not feel obligated to bolster that sense of trusteeship by sending in fan mail.

In any event, the volume and complexity of governmental processes have increased so

greatly that techniques have not yet been perfected to familiarize the masses of our people adequately from day to day with the real significance of our operations. It has been said that taxation without information is tyrrany. We hope that all those concerned with the communication media can eventually improve this situation.

In the meantime, public officials must be true to the faith reposed in them by the people, a faith that is more often implied than expressed. We need only to think of the medical profession with its Hippocratic oath to remind ourselves of the solemn obligation implied by such faith. The greater the reliance on faith between him who is served and him who serves, the greater is the responsibility for selfless, courageous leadership.

Part and parcel of this democratic system is the arrangement whereby men of differing political parties are placed on Government commissions. The expectation is that each will function as a miniature town hall meeting and that each member will exercise independent judgment and will speak his mind freely in the day-to-day deliberations. The assumption is that he will make a full and honest contribution of all that he has to offer in the way of intellect, intuition, specialized training, experience, and geographical background.

Actually, this day-by-day meeting and labor of men free to act according to their conscience, this clash of opinion are the very essence of our democracy. It is the wellspring of this Nation's vigor and progress. In our way of life, public servants are not expected to act as robots.

My own conclusion, from what I was able to observe as a broadcaster and from what I have experienced as a member of the commission is that in Clifford J. Durr this Nation has had an official who has exemplified the highest type of public service in the American tradition.

TOO PROPUBLIC?

Of Mr. Durr, fighting for his beliefs in the smoke and fury of battle, you can make this observation: 'There he stands like a stone wall."

And I can assure you that you do not know how immovable a stone wall can be until you have engaged Mr. Durr in debate.

Mr. Durr has been criticized for being too propublic. He has not seen fit to turn away that soft impeachment.

Because of his shining integrity, his keen intellect, and his disarming charm, most people who have differed with him have not been able to find it in their hearts to resent him. The few real enemies he has made are of such a stripe that their enmity is a badge of honor.

Today the name of Clifford J. Durr stands high on the roll of those who have contributed to American broadcasting in the public interest. He has always had before him the vision of broadcasting as a palladium of the people's liberties. He has had high aspirations for the fulfillment of broadcasting's destiny as a dynamic leader in moving this Nation toward the realization of the American dream.

He has envisioned goals of achievement that much of American radio has not yet attained—goals toward which it must move or mock the bright hopes that arise with each new technical advance in this electronic miracle.

The inauguration of facsimile, joining with AM, FM, and television to give this Nation four commercial broadcasting services, underscores the need for the type of broadgage, long-range thinking that Mr. Durr has brought to bear on our broadcasting problems.

Mr. Durr has been one of the most diligent and one of the most discerning architects of the house of radio.

OPPONENT OF NINETEENTH-CENTURY THINKING

He has been a consistent rebel against nineteenth-century thinking in twentieth-century electrical communications.

With the perceptiveness of a Hogarth, he has helped the members of the broadcasting fraternity to get a perspective on the follies and the foibles of their profession.

He has lost his share of skirmishes and battles, but it will be a sad day for America if his long-range objective of a more socially useful and a more democratic broadcasting system ever becomes a lost cause.

Some of the seed that he has sown has fallen on barren ground, but the other has borne fruit in the new concern among thoughtful people far and wide over the trends of our broadcasting system.

For these elements of the radio public, he has been the shadow of a great rock in a weary land.

Because of his vast learning, his hair-trigger wit, his seldom-failing cheerfulness, and the real affection he has engendered, it is difficult to say good-by to this asscciate of ours. It is difficult to realize that this pleasant comradeship must end.

I know that I speak what is in the hearts of hundreds of his admirers over the Nation when I express appreciation for the splendid service above and beyond the call of duty that he has rendered in the communications field and when I give him our best wishes for all success and happiness in his future undertakings.

I regret that Cliff is seceding from the Commission. I would much prefer to see him continue to carry the load of drudgeries he has endured for the past 7 years. I am made selfish in this regard by my own responsibilities. Perhaps I hesitate to face them without his company.

If I forget thee, Cliff,
Let my right hand forget her cunning;
Let my tongue cleave to the roof of my mouth,
If I remember thee not.

Introductory Address Before Graduating Class of Norwich University

EXTENSION OF REMARKS
OF
HON. CHARLES A. PLUMLEY
OF VERMONT
IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. PLUMLEY. Mr. Speaker, I wish to extend into the RECORD my introduction of the Honorable WALTER PLOESER, who delivered the doctoral address before the graduating class of Norwich University, on June 7, 1948, at Northfield, Vt.:

INTRODUCTION

Congressman PLUMLEY'S introduction of Congressman PLOESER follows:

"The unexpected opportunity to be present today is affording me great pleasure. I appreciate the honor you have generously bestowed, in granting me the high privilege of introducing my colleague, the speaker of the day.

"Early in his career in Congress I marked him as one I would like to have on my committee. He has more than justified such selection and all my expectations.

" 'Sauviter in modo, fortiter in re' he is an antagonist worthy of any man's steel—when he either attacks or defends.

"On the basis of service rendered, ability demonstrated, both in and out of the Halls of Congress, he is an ideal public servant.

"We in the House of Representatives listen attentively, with pleasure and profit, and to our own advantage, whenever WALTER C. PLOESER speaks. You will now be afforded a similar opportunity.

"Hon. WALTER PLOESER, who will address you."

Address of Hon. Virgil Chapman, of Kentucky, at Unveiling of Statue of Henry Clay on March 3, 1929

EXTENSION OF REMARKS
OF
HON. DEWEY SHORT
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. SHORT. Mr. Speaker, much to our regret, several of the ablest Members of the House of Representatives are retiring from Congress at the end of this session.

Among those who are voluntarily leaving us is a stalwart son of Kentucky, who has served faithfully and well his great constituency for more than a score of years. Hon. VIRGIL CHAPMAN, of the old Blue Grass State, will be greatly missed by Members on both sides of the aisle. Those of us who have come to know him intimately and well respect his character, admire his great ability, and appreciate his loyal friendship.

On March 3, 1929, the gentleman from Kentucky [Mr. CHAPMAN] delivered an address at the unveiling and presentation of the statue of Henry Clay in our Nation's Capitol. It is one of the most eloquent encomiums ever paid by one Kentuckian to another. And no orators are to be found anywhere greater than those from Kentucky. Many times I have read the address of the gentleman from Kentucky [Mr. CHAPMAN] to different colleagues, and though it is not like hearing its delivery, every listener has considered it a masterpiece which should be preserved for all posterity. His address follows:

ADDRESS BY REPRESENTATIVE CHAPMAN

Mr. Chairman, Dr. McVey, Dr. Hutchins, my fellow citizens of Kentucky, ladies and gentlemen, Oliver Cromwell said to a portrait painter, "Paint me as I am; leave out not one wrinkle, scar, or blemish, at your peril." This is no occasion for fulsome eulogy or extravagant panegyric. Rather is it proper to attempt an appraisal of the character and an estimate of the place in history of the men whom we memorialize today.

Henry Clay was born amidst the stirring scenes of Revolution, a few months after his great compatriot, Thomas Jefferson, had written the Declaration of Independence. The place of his nativity was The Slashes of Hanover, in the home county of the forest-born Demosthenes, Patrick Henry, whose clarion voice was as a bugle call to arms and whose inspired eloquence fired every patriot's heart. That other great Virginian, George Washington, was translating into armed force the sentiments which Jefferson had written in the study and Henry had thundered in the forum. Clay's plastic mind, like wax to receive and like marble to retain, absorbed its earliest and most enduring impressions in

that environment of patriotic fervor and love of liberty.

At an early age it was his good fortune to become the amanuensis of the illustrious George Wythe, signer of the Declaration of Independence, Member of the Constitutional Convention, first professor of law in America, preceptor of Thomas Jefferson, James Monroe, St. George Tucker, Edmund Randolph, and John Marshall. The great chancelor's office at Richmond was visited not only by his eminent pupils but also by such other friends as Patrick Henry, George Mason, and George Washington. Thus, the "Mill Boy of The Slashes," although deprived by circumstances of the privilege of acquiring an academic education, was afforded an excellent opportunity to improve the talents with which nature had lavishly endowed him, and no young American ever availed himself more completely of such a golden opportunity.

We see him at the age of 20 crossing the mountains to Lexington, intellectual center of the new State of Kentucky, and appearing at the bar, as he afterward said, "without patrons, without the favor or countenance of the great or opulent, without the means of paying my weekly board."

That was an exceptionally strong bar, boasting such beacon lights of jurisprudence as George Nicholas, Joseph Hamilton Daviess, and the elder John Breckinridge, collaborator with Jefferson and Madison in drafting the Kentucky and Virginia resolutions of 1798, and attorney general in the Cabinet of President Jefferson.

Following the first dangerous Federal aggression, the enactment of the alien and sedition laws, threatening the life of the newborn republic, Henry Clay, barely of voting age, denounced those hated laws with such scorching invective that "indignation came like a dark shadow upon every countenance. The flame that burned in his own heart was caught up and lighted in every other."

After that speech, inveighing against Federal encroachments upon the reserved rights of the States, Clay's reputation as an orator was established, and his vision of an income from his profession of a hundred pounds a year in Virginia money became a reality.

That success at such a brilliant bar and among such a brave and generous people would open the door to a political career for a youth of his personality, character, and attainments was inevitable. At 29 Kentucky's adopted fair-haired son was commissioned a Member of the Federal Senate. At 34 he entered the House of Representatives, meeting then in this historic hall, the theater of many of his most brilliant forensic conquests. The young war party was ascendant. The need was for a leader who could vanquish in debate the sage of Roanoke, the most vituperative orator and greatest master of invective whose vitriolic utterances ever resounded through these corridors.

"It must be," said one, "a man who can meet John Randolph on the floor or on the field, for he may have to do both."

All eyes were turned to young "Harry of the West." He was chosen to the speakership the day he became a Member of the House, an unprecedented distinction, and Speaker Champ Clark described him as "the most renowned of all Speakers."

Mr. Clay's election to the speakership in 1811 marked the real beginning of the great career as a national political leader which ended only with his death 41 years afterward. That period was the golden age of American parliamentary history, and Webster, Calhoun, Benton, and Clay would have adorned any deliberative body ever assembled in the world. The only President during that epoch whose name looms in history as large and resplendent as their names was "Old Hickory" Jackson, whose heroic figure in bronze stands as a mute witness today to the unveiling of this statue of the greatest and most formidable of his great political antagonists.

In grim determination and inflexible will, strong though he was, Mr. Clay did not equal the invincible old man in the White House. In close reasoning and inexorable logic, Calhoun was his superior. In profound learning and classic diction his speeches were excelled by those of Webster the majestic sweep of whose sublime rhetoric and the grandeur of whose glowing perorations have been surpassed, if at all, in no speeches save those of Burke, among all in the English tongue. Yet as an intrepid and inspiring party chieftain, as a resourceful and redoubtable parliamentary leader, as a magnetic and charming personality, as a brilliant and versatile orator, taken all in all, Henry Clay has had no equal in the annals of America.

Without the advantage of power and patronage throughout most of half a century he was the master and the idol of his party, and his only equal in popular affection was the picturesque, indomitable, lion-hearted hero of New Orleans. So remarkable was Mr. Clay's personality that one eulogist said of him that he was able—

"To cast off his friends, as the huntsman his pack,
For he knew when he pleased he could whistle them back."

They would rally around his stately form, draw inspiration from his classic features, catch the gleam of his eagle eye, thrill to the silvery tones of his mellifluous voice, and unswervingly follow his standard even as the soldiers of France followed the white plume of Henry of Navarre. To them his battles were at once a crusade and a feast. They fought, as he did, with visors open, marching to such rallying tunes as—

"Oh, we'll sing a Harry Clay song by night
And beat his foes by day."

Dr. Robert J. Breckinridge, who knew him intimately, said:

"God had bestowed on him a personal presence and bearing as impressive as any mortal ever possessed."

Calhoun once said:

"I don't like Clay. I wouldn't speak to him, but, by God, I love him."

Richard M. Johnson, hero of the Thames, ardent supporter of Old Hickory, paid him this tribute:

"Every spot of ground Henry Clay touches he immortalizes."

Gen. John C. Breckinridge, great Democrat and successor to Clay as the idol of Kentucky, declared:

"As a leader in a deliberative body, Mr. Clay had no equal in America. In him intellect, person, eloquence, and courage united to form a character fit to command."

Appropriately descriptive of him is Hamlet's tribute to his father:

"* * * What a grace was seated on this brow;
* * * * * *
An eye like Mars, to threaten and command,
* * * * *
A combination and a form indeed,
Where every god did seem to set his seal,
To give the world assurance of a man."

The orator was greater than the oration. No adequate conception of the power of his speeches can be gained by their perusal. To those who would measure his oratory by the standard of his reported addresses we should say as did Aeschines to one who had only read Demosthenes on the Crown, "You should have heard the lion himself." In the Sage of Ashland nature mixed in perfect proportion all the elements that constitute the truly great orator. With his scintillating intellect, pure patriotism, physical, mental, and moral courage, masterful personality, imperious nature, superb histrionic ability, grace and naturalness of gesture, marvelous voice, and consummate mastery of crowd psychology, he was incomparably great before any audience, popular or deliberative. He could—

"* * * talk with crowds and keep his virtue,
Or walk with kings—nor lose the common touch."

A born leader, he was the Prince Rupert of debate, the Chevalier de Bayard of the forum.

His voice, flexible and melodious, possessed, we are told by his contemporaries, the tone qualities of a pipe organ. So magical was the power of that voice that his ancient enemy, eccentric old Randolph, of Roanoke, with whom he had fought a bloodless duel, and who is reported to have requested that he be buried with his face turned toward the West in order that he might watch Clay of Kentucky, the last time he visited this Capitol asked that he be carried to the Senate Chamber, where, feeble almost unto death, he cried:

"Lift me up! Lift me up! I came here to hear that voice again."

Then those two sages, erstwhile mortal foes, clasped in friendly grasp each other's hand and gazed through a mist of tears into each other's countenance, exemplifying the truth that—

"The bravest are the tenderest,
The loving are the daring."

Henry Clay's fame is based not only on his elcquence as an orator and his brilliancy as a party chieftain but also on the greatness of his achievements in the field of constructive statesmanship. Probably none of his compeers equaled him in prophetic vision of the expanding majesty of this Republic; none left as imposing and enduring monuments in the form of national legislation.

"He exercised this influence," says one writer, "not as an originator of systems, but as an arranger, and as a leader of political forces."

For him absolute fixity of mind and unyielding consistency—"The hobgoblin of little minds, adored by little statesmen, philosophers and divines"—cannot be claimed. In the titanic battle over the United States bank he was embarrassed as its chief defender by the record of his speech 20 years before, probably the ablest argument ever uttered against the recharter of the bank, but impartial history concedes the honesty of his convictions, the purity of his motives, and the integrity of his purpose.

Like most great statesmen, he was not only ambitious but also was a practical politician, and that is not a term of opprobrium but one of honor. His most fatal mistake of judgment, as he afterward recognized, was the acceptance of the premiership in John Quincy Adam's administration. That prevented the realization of his laudable and justifiable aspiration to be President of the United States. The charge that his appointment was the result of a bargain for Kentucky's support of Adams is universally branded as a calumny. Sincere and vibrant were the words of Mr. Adams himself, spoken at Maysville, Ky., in 1843:

"As I expect shortly to appear before my God, to answer for the conduct of my whole life, should those charges have found their way to the throne of eternal justice, I will, in the presence of Omnipotence, pronounce them false."

After the sunlight of truth had dissipated the storm clouds of partisan hatred, Mr. Clay was exculpated even by most of his bitterest political enemies. The retraction of the groundless charge by its author, George Kramer, and the irrefutable testimony of Benton, Blair, Van Buren, General Lafayette,

and a host of other qualified witnesses support the verdict of history that Henry Clay was a noble-hearted, virtuous statesman of impeccable honesty and unsullied honor.

In his every utterance and every deed he visualized the splendor and grandeur of America's destiny. At 34 he was the dashing, fiery, intrepid leader of the so-called younger element that forced the administration into the second war with England, which resulted, to use his words, in giving our country "respectability and character abroad, security and confidence at home." He became the principal advocate of internal improvements and chief apostle of the American system. His reconciliation of Jackson and Calhoun to his compromise tariff of 1833 averted the horror of internecine strife and postponed for nearly three decades the tragedy of the War Between the States. While not the author, as is generally stated, of the Missouri Compromise, which was initiated in the Senate, had it not been for his wise leadership and sagacious rulings as Speaker of the House it would not have become a law. There was no grander act in the drama of his life than his fight for the compromise of 1850. Ominous clouds hovered close. Feeling that it was his last service to his country, he spoke with all the fervor of a soul that ardently loved both North and South and devoutly hoped for peace. His burning eloquence, pathos mingled with magnificence, was a voice from the brink of eternity.

"Without any earthly object of ambition before me," he said, "I am here expecting soon to go hence, and owing no responsibility but that which I owe to my own conscience and to God."

Never was a more impressive scene enacted in this Capitol than when in the old Senate Chamber he made his great speech of February 5 and 6, 1850, pleading with "thoughts that breathed and words that burned," appealing with all the emotion of his fast-ebbing life for peace and concord and union, and when he had finished men and women pressed around him, grasped his hand, and kissed his tear-stained cheeks.

The master passion of Henry Clay's life was love of freedom. His eloquence reached its sublimest heights in this historic Hall as he pleaded for recognition of the South American Republics in their struggle for liberation from the yoke of Spanish tyranny. Simon Bolivar, the great Colombian liberator, had those speeches translated into the Spanish language and read at the head of the embattled hosts of freedom in the South American revolution. By act of the American Congress, the people of the United States soon will present to the people of Venezuela a magnificent statue of Henry Clay in Caracas, the native city of the great Bolivar. The name of Henry Clay is inscribed in the pantheon of immortality as the father of Pan Americanism and enshrined in the hearts of those who love liberty throughout the Western Hemisphere. Of the great man, Sargent Prentiss truly said:

"His civic laurels will not yield in splendor to the brightest chaplet that ever bloomed upon a warrior's brow."

Henry Clay was one of the most human of all the human beings that ever lived. Always the center of the storm, to his friends he appeared as a demigod, to his enemies as a demagog. He was as bold as a lion, as tender-hearted as a little child. Impetuous and domineering, he was at times ill-tempered and vindictive. Naturally he became embittered when he believed he had been betrayed by those in whose friendship he had reposed implicit trust. It seemed that the Whig Party denied him the Presidential nomination invariably in years when any Whig could win and placed its banner in his hands at times when party victory was impossible. Gov. Henry A. Wise, of Virginia, in his delightful Seven Decades of the Union describes a scene in a Pennsylvania Avenue hotel when the news of General Harrison's nomination was conveyed to Mr. Clay, who passionately exclaimed:

"Would to God there were two Henry Clays. One of them would make the other President of the United States."

Withal he was generous and magnanimous, as evidenced by his consent to the appointment of his old friend, John J. Crittenden, to the Cabinet of Filmore, only a few months after he had felt outraged by Crittenden's support of General Taylor in the Whig convention. Harmoniously blending into the last chapter of his life were the manifestations of mutual regard between the Old Lion and his former opponents, Benton and Van Buren. Beautiful was the renewal after a lapse of more than 20 years of the cordiality that had characterized the early friendship of Mr. and Mrs. Blair and its genuine reciprocation by him who had suffered most from the trenchant Blair pen.

On that last night yonder at the National Hotel, before his masterful spirit took flight from its tenement of mortality, Henry Clay's mind reverted to the scenes of his childhood and carried him back over the old trail through the primeval forest back to old Virginia. He was again for a moment the "mill boy of the slashes" and was heard to whisper childhood's holy prayer, which he had learned at his sainted mother's knee, "Now I lay me down to sleep."

He loved Kentucky and Kentucky loved him with a love that amounted to adoration; he loved Ashland, his beautiful home in the environs of Lexington; he loved his silken-coated, fleet-footed thoroughbred horses; he loved the marvelously beautiful, gently undulating fields and paddocks of the fairest pastoral country beneath the stars—the blue-grass region of old Kentucky; he loved all of Kentucky; he loved its brave, proud, and chivalrous people; he loved "its flowers, its birds, its dews, its rainbows, its glad streams, its vales, its mountains, its green, wooing woods, its moonlit clouds, its sunsets, and its soft and dewey twilights." His name is indissolubly associated with Kentucky's history and tradition. Kentucky is proud of his life of service; Kentucky cherishes his renown.

"His spirit wraps the dusky mountain,
His memory sparkles o'er the fountain;
The meanest rill, the mightiest river,
Rolls mingling with his fame forever."

Today Henry Clay takes his place beside Webster, Calhoun, Benton, Cass, Blair's son, and the immortal Jackson, whose figures in chiseled marble and molded bronze stand in this hall dedicated by act of Congress to the individual States as a shrine for the statues of the best loved among their illustrious dead. Such ceremonies as this are not for those whom we memorialize but rather are for us and those who are to come after us. Here in Statuary Hall we ought to consecrate our lives to the service of our country. We ought to dedicate ourselves to the preservation of constitutional government in its dual form and the maintenance of the equipoise among its three departments. Our jealous and vigilant gardianship of those vital, fundamental principles, which Henry Clay consistently and stoutly defended, will constitute the surest shield and most impregnable bulwark of those cherished liberties which it is our sacred duty to transmit unimpaired to posterity. Let us so shape our lives that those who gave us our great heritage shall not have lived in vain. Let us so live that the immortal spirits of our deathless dead shall seem to live in us and "through us shape far in the future equal destinies."

"God of our fathers, known of old,
Lord of our far-flung battle line,
Beneath whose awful hand we hold
Dominion over palm and pine—
Lord God of Hosts, be with us yet,
Lest we forget—lest we forget!"

Transcript of Meet-the-Press Program in Which Hon. Karl E. Mundt, of South Dakota, Is Queried About His Communist Control Bill by Marquis Childs, Phelps Adams, Mae Craig, and Lawrence Spivak

EXTENSION OF REMARKS
OF
HON. KARL E. MUNDT
OF SOUTH DAKOTA
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. MUNDT. Mr. Speaker, to the end that our office can supply the numerous requests which we have received for transcripts of the Meet-the-Press program of June 11, at which time I was questioned in this press conference of the air about the provisions and purposes of the Mundt-Nixon bill, I am herewith including the official Mutual Broadcasting System transcript of this entire program, as a part of the CONGRESSIONAL RECORD:

ANNOUNCER. The most revealing half hour in radio, Meet the Press, America's press conference of the air, coming to you from Washington, D. C., the news center of the world.

We invite you to listen to an unrehearsed and spontaneous press conference as four of the country's ace reporters fire questions at Representative KARL E. MUNDT, of South Dakota, whose anti-Communist bill has stirred up a hornet's nest throughout the country. Each week, Mutual presents Meet the Press in cooperation with the editors of the American Mercury, one of America's most fearless, outspoken, and stimulating magazines. Our press conference will begin in just a moment.

Will the Communists rule the world? Friends of the Soviet insist they will rule it by force of ideas. Enemies of the Soviet feel they will rule it through aggressive action. Both friends and foes point to the gains made by the Communists during the past 3 years. One thing is certain. Groups in every independent country are aroused and are battling to further or to stop the forward march of communism. Here in America, we have spent years on investigation and talk, talk that started softly but rose at times to hysterical pitch, and having ignored the Communists completely, they are suddenly determined to take measures. Will those measures help or hurt democracy? All over the country, sober men are debating that issue. After months of study, Congress was presented with the Mundt-Nixon bill, which recently passed the House of Representatives. Will it smoke the Communists out? Expose them to the light of day and thus make them important or will it, as its oponents insist, drive the Communists underground and make them more dangerous than ever? Will it endanger the liberty of the very people fighting to preserve liberty? We hope tonight to get some of the answers to these all-important questions, for here in person is Congressman KARL MUNDT, one of the authors of the bill, and here to welcome Congressman KARL MUNDT and the members of the press is the well-known newsman and commentator, Albert L. Warner.

Mr. WARNER. Welcome, everybody, to another weekly news conference. Seated around the press table are Mae Craig, of the Portland (Maine) Press-Herald; Phelps Adams, of the New York Sun; Marquis Childs, of United Features; and Lawrence Spivak, of the American Mercury magazine. Facing the press table is Representative KARL E.

MUNDT, Republican, of South Dakota. He was born and brought up in South Dakota. He taught there in school and college. He operated farms and insurance business. With Representative RICHARD NIXON, of California, he has drafted the bill which won overwhelming approval in the House and now awaits action in the Senate committee. The bill defines the Communist movement as a foreign-dominated conspiracy aimed at setting up a totalitarian dictatorship in this country. The authors of the bill are convinced that the Communist Party as it is presently organized fits this definition. Communist Party members and officers would have to register and Communist propaganda would have to be labeled as such. Communists would be forbidden Government jobs and passports. Communist-front organizations would be obliged to register. Now, in the echoes of both applause and denunciation for this bill, I see Mr. Childs has the first question.

Mr. CHILDS. Congressman MUNDT, I wonder if you could tell us as simply and briefly as possible what you think will be the result of this bill. What are you really trying to do with it?

Congressman MUNDT. I think, Mr. Childs, that if this bill becomes law, as I hope and believe it will, that the result will be, first of all, that those members of the Communist Party who are actually members of the party will find themselves exposed because they have to register with the Department of Justice as such, and they have to list all their literature and label it as Communist literature. In addition to that, it will provide safeguards for which Americans, many of them, have been seeking a long time. That is, it will safeguard us from having to include Communists in the Federal pay roll. It precludes definitely the employment of Communists on the Federal pay roll. It does one other thing to Communists per se. It denies them a Federal passport so that they cannot legally leave the country and legally return. So much for the Communists.

Now, as to the Communist front organizations, it deals with them much less stringently but it does require them to label their literature as such and does compel them to keep accurate records and to file with the Department of Justice a record of their expenditures and a record of where they get their contributions.

Mr. SPIVAK. Well, Congressman MUNDT, if the Communists register under the act, they admit their guilt, don't they?

Congressman MUNDT. They admit that they're Communists to the extent as being a Communist is an admission of guilt, they do so admit guilt.

Mr. SPIVAK. Well, isn't that what your act tried to do at the beginning, to show that they are conspirators, that they are trying to overthrow our Government, and are guilty of something?

Congressman MUNDT. No, because the act places no penalty whatsoever on a man because he is a Communist. He pays no fine. He is denied no rights. He is denied two privileges, which go only to good citizens, and those are the privileges of holding employment in the Federal Government, and the privilege of securing a passport. More than that, he gets no penalty at all.

Mr. SPIVAK. Well, don't you, in the introduction to your act, define a Communist as someone who is guilty of conspiracy?

Congressman MUNDT. No; we have a separate clause, a separate section, section 4, dealing with conspiracy. We do define the Communist movement as a movement which is operating to deliver this country eventually by varying stages and degrees to the regime controlled in Russia, the Communist Party.

Mr. SPIVAK. Well, do you think the Communists, the members of the Communist Party, are part of a conspiracy?

Congressman MUNDT. Not all of them. I think some of them are innocent dupes. Some of them don't appreciate and realize the full extent of what it means to be a Communist. I do think the top leaders of the Communist Party are engaging in a conspiracy.

Mrs. CRAIG. Many witnesses object even to being asked whether or not they are Communists. They say it invades the secrecy of the ballot. Now, will you talk about that a minute?

Congressman MUNDT. Yes; because that has been recently tried out in the courts in connection with the Hollywood cases. These people were asked, "Have you ever been a member of the Communist Party or are you now a member of the Communist Party?" and they said they objected to answering it. The reason they objected to answering it was, of course, because we had their membership cards on file at the time we asked them the question. Had they said "No," they would have been guilty of perjury. Had they said "Yes," they probably would have lost their jobs in Hollywood, so they said, "We decline to answer." We feel it's a fair question. It's a question every voter is asked in South Dakota in the primaries, possibly in Maine, too, Mrs. Craig. I don't know, but in many States you are asked, "Are you a Democrat or a Republican?" and if you refuse to answer, you don't have the opportunity to function as a party member.

Mr. ADAMS. Congressman MUNDT, I find that many loyal Americans are not convinced that the Communist Party does seek to overthrow our Government by force or that it is controlled by a foreign power. What proof does your committee have on that point?

Congressman MUNDT. That's a splendid question, Mr. Adams, and our committee has literally volumes of proof. I might read you the shortest testimony that we have to that effect and it's among the most definite items. It comes from J. Edgar Hoover of the FBI, who, testifying before the House Committee on Un-American Activities last year, said this: "The Communist Party of the United States is a fifth column if there ever was one, and it is far better organized than were the Nazis in occupied countries prior to their capitulation." The truth comes not only from the FBI, not only from students of communism from the outside, we get it from men like Louis Budenz, the former editor of the Communist Daily Worker, who for many years was a Communist leader, who has testified under oath repeatedly that the function and the purpose of the Communist Party is to establish in this country, not only a totalitarian regime but a totalitarian regime controlled and dominated from the Russians abroad.

Mr. ADAMS. Well, anybody, Congressman, who has that purpose is guilty under your laws, is he not, and subject to a fine of $10,000 and 10 years' imprisonment?

Congressman MUNDT. That's correct. Under section 4, Fowler's conspiracy clause, we propose without even mentioning the Communist Party that anybody in America who is guilty of conspiring to establish within our boundaries a totalitarian regime controlled from abroad shall be subject to a 10-year penitentiary sentence or a $10,000 fine.

Mr. ADAMS. Well, not if your committee is convinced that the purpose of the Communist Party is to do this thing and if all those people were trying to do this thing, they're subject to a jail penalty or heavy fine. Doesn't your bill, as a matter of fact in any section outlaw the Communist Party as it is now set up?

Congressman MUNDT. Our bill outlaws certain practices in America. Whether those practices are performed by the Communist Party or the German American Bund, or by the Black Dragon's Society of Japan or by some other organization, if and when it can be proved in the court that Communists are engaged in that particular practice, they become guilty of violation of the law. We feel that some of the Communists can be still prosecuted and still convicted and other Communists cannot because some of them are entirely unaware of the ulterior objectives of the Communists.

Mr. ADAMS. Registration wouldn't phase them under the bill.

Congressman MUNDT Registration would not phase them but registration would provide that each time a man registers the Attorney General sends them a notice that he knows that he has been registered as a Communist.

Mr. CHILDS. It seems to me that you have said in effect Mr. MUNDT that the Communist Party would be outlawed and wouldn't we therefore get an underground party far more dangerous, or wouldn't we get a party under another name as Canada did which also was far more dangerous than the known Communist Party?

Congressman MUNDT. We wouldn't have the experience with Canada, Mr. Childs, because our bill does not specify the Communist Party by name. We specify 50 conspiratorial acts. Now if Communists are engaged in those conspiratorial acts then they do become guilty of violating the acts, and if they violate the acts and hide from the forces of Government, they become outlaws until they are apprehended, of course.

Mr. CHILDS. But every reference in the bill is to communism and Communist-front organizations, you make no reference to facism whatsoever except in section 4.

Congressman MUNDT. It defines the totalitarian debt which deals just as directly with fascism as it does with communism.

Mr. CHILDS. But you thought it wasn't necessary to mention Fascist organizations at all.

Congressman MUNDT. We feel as J. Edgar Hoover does, that fascism is just another flank of the Communist movement. Communism, fascism, and nazism are in fact identical and the same in substance but each pays its loyalty to a different country abroad.

Mrs. CRAIG. Congressman MUNDT, Henry Wallace said that this bill would probably hit his new party and other innocent groups. Do you think that's true?

Congressman MUNDT. No, it is not true and after he made the statement we made doubly sure we put an amendment in the House which definitely excluded a legitimate political party even when there is doubtful legitimacy as that of Henry Wallace.

Mrs. CRAIG. Do you think that any bill is going to be passed along this line?

Congressman MUNDT. Yes, sir; I certainly do; we spent practically all day yesterday with the Senate Judiciary Committee and parted and a meeting will again adjourn tomorrow morning at 10 o'clock and they're moving ahead with tremendous speed of thought, and painstaking analysis.

Mr. CHILDS. You mean the Senate may actually vote on this on the floor, this session?

Congressman MUNDT. That's right; I think the Senate may actually vote on it this session; I think the Senate will certainly vote on that this session if they figured on extension of the congressional activities which has been suggested taking place between the two political parties and they may even do it next week because the demand in the country is growing like a snowball for some kind of corrective action to curb Communist activities in this country.

Mr. SPIVAK. Mr. MUNDT, on the war investigation. Is there any question in your mind that the party is guilty of treason and conspiracy?

Congressman MUNDT. No question in my mind whatsoever, Mr. Spivak, but that the party, the hard core of the party, the hard members of the party, at least insofar as the governing echelon is concerned is guilty of—in wartime it was called treason and in peacetime we might refer to it as a great, dangerous form of conspiracy.

Mr. SPIVAK. On the books, how to handle that conspiracy.

Congressman MUNDT. We asked Attorney General Clark that question when he was before our committee. He said that the present acts are inadequate and he said why don't you report the acts of these Communists to Time and he pointed out certain loopholes, certain flaws and in fact the so-called Mundt-Nixon bill in large part meets the very purposes of the various programs that Mr. Clark outlined before our committee.

Mr. SPIVAK. Isn't it true though, that if two men get together and conspire to commit an unlawful act they are guilty of conspiracy and there are Federal laws now that can handle them?

Congressman MUNDT. Not at the present time, except in time of war. As you say now, if you are basing your "now" on the theory that we are now technically at war, possibly by the same interpretation we might apply.

Mr. SPIVAK. I understand there are Federal laws that made it a crime for people to get together and conspire to do anything that's unlawful.

Congressman MUNDT. I repeat then, according to Attorney General Clark, now in wartime that's correct, we have the Vorhees Act and other acts in wartime which meet the problem and when we pointed out to Attorney General Clark that each big body of opinion in this country felt that he was very derelict in his duties because he was not enforcing the act, he pointed out that in peacetime he could not enforce this, that he needed something like the Mundt-Nixon bill to tighten the spots and loopholes and give him strength to do a job.

Mr. CHILDS. Congressman MUNDT, you spoke about printed actions, forthcoming printed actions. I notice that a number of Republican Senators have spoken of the need for rather drastic changes in the Mundt-Nixon bill. Now would you agree that the bill that passed the House needed more tight definitions and perhaps more drastic.

Congressman MUNDT. Certainly Mr. Childs, I would be the last to say that the Mundt-Nixon bill in the form that it passed the House was the epitome of perfection. I think it can be improved, in fact, Mr. Nixon and I, as I say worked with the Judiciary Committee of the Senate all day yesterday and some tightening up processes were engaged in. No material changes are made, if we can tighten it up and I think possibly we can, we would be in favor of doing that.

Mr. CHILDS. Senator BALL has said that it's too totalitarian.

Congressman MUNDT. I think Senator BALL is wrong. What do you suppose—I mean, he's a very disturbed man. I wonder what's your feeling about the possibility of an Attorney General and a President who want to take this country down a totalitarian road, using the Mundt-Nixon bill with its broad power. It could not be done because it provides for a judicial review, a review by the district court of appeals and the United States Supreme Court, so it would take more than an Attorney General and a President. It would take an Attorney General, a President, a judiciary assistant, and the United States Supreme Court to do that job.

Mr. ADAMS. Well, Congressman, some of the sources entirely friendly to your bill take two exceptions to it particularly. They think that insofar that it deprives subversive Americans of their citizenship, it goes too far on the ground that the jury would be reluctant to convict under such heavy penalties.

Congressman MUNDT. I think there is a considerable basis of merit in that objection. We discussed it at great length in committee and now on the floor of the House, having in mind that possibly a jury might not do this. Well, as a consequence, we provided that alternative penalty of 10 years in the penitentiary or a $10,000 fine, or, if the crime is bad enough, we can revoke the citizenship.

Mr. ADAMS. I see. The other provision I object to is that which abolishes the statute of limitations insofar as it passes under this bill are concerned.

Congressman MUNDT. That's a unique procedure, and I can well understand why people who are not familiar with the Communist movement might object to that. We put that in only because of the tremendous capacity of Communists to operate in secrecy. We have found, for example, frequently in this country Communists—transmittal bills, carriers of Communist idealism from Moscow who have been here illegally without a passport for as much as a dozen years before they were apprehended, and, so, as a consequence, we don't want to leave too many doors open for them to continue their nefarious practice.

Mr. ADAMS. Well, suppose, Congressman, that 10 years ago I was a young blood who wanted to be a Communist and thought I was, and then outgrew it and now I'm not any more, but under your bill couldn't you go back and prosecute me because 10 years ago I was a Communist?

Congressman MUNDT. No, indeed, Mr. Adams. Let's examine exactly what would happen to you because 10 years ago—and that's quite understandable—because most youngsters in college are pretty much progressive and misunderstand what liberalism means, and are inclined to go off on a radical line. Well, let's assume you were a Communist 10 years ago and had outgrown it, but, suddenly your name appears on this registration list. Now what happens to you? You get a note from the Attorney General saying, Mr. Adams, you have been listed as a Communist in the United States, and if you don't want to be so listed, you have the right to appeal to him, to have a hearing before him, to take it up in a judicial system through the courts and even through the Supreme Court, to find out if you had reformed and were now a very highly respected reporter for a splendid newspaper like the New York Sun.

Mrs. CRAIG. Congressman, what kind of changes does the Senate propose? On what points do they find your bill objectionable?

Congressman MUNDT. They raised this question, largely raised by Senator FERGUSON—whether or not instead of having the Attorney General make the finding in the first interest, it might better be done by what they call a Subversive Commission comprised of a representative selected from the Department of State, one from the Department of Commerce, and one from the Department of Labor. In other words, a body of three men, instead of one man making the initial finding. As far as Mr. NIXON and I are concerned, we are quite indifferent as to whether it's the Subversive Commission or the Attorney General because in the final analysis no finding is made until a public hearing is held and somebody has made a decision. The other place in which they find some criticism with the bill is the one mentioned by Mr. Childs. Perhaps we could tighten up the standards, the definition by which this determination is to be made whether an organization is a Communist-front organization or whether an individual is actually engaging in a Communist practice and we have made some improvement, I believe, in those definitions and I think that as a consequence of the very careful screening that has been given this bill over the—by the general public by the last 3 weeks, by the Judiciary Committee, by the Library of Congress, that when these new definitions are written up, as we think they will be by tomorrow afternoon or tomorrow evening, that they will be an improvement perhaps over those that we had in the House.

Mr. WARNER. Mr. MUNDT, may I ask won't public opinion in time deal with the Communist Party? Isn't that sufficient to handle whatever dangers there are in the Communist Party?

Congressman MUNDT. Mr. Warner, I live up in a rattlesnake country, that is, we have a few rattlesnakes out in the heart of South Dakota. We're trying to eliminate them. Public opinion is against them. If public opinion can't eliminate them, you give public opinion a weapon with which to deal, so we appointed a State rattlesnake exterminator and since then we have eradicated a great many of the snakes.

So, that's the way it is with the Communists. You've got to have some tools, some weapons, some device—public opinion itself. Without any device, you can't possibly do the job.

Mr. SPIVAK. Mr. MUNDT, the impression you gave in answering one of my questions a moment ago was that the Attorney General approved of the bill. Is that so?

Congressman MUNDT. I do not think that's correct. I don't want to quote him as saying so. The Attorney General appeared before our committee and we questioned him as to why he was not doing what Mr. Warren says could now be done. Why can't you enforce the present law? Why can't public opinion and existing legislation get the job done? He pointed out loopholes, why he couldn't do it, and our bill plugged up those loopholes.

Mr. SPIVAK. Well, does he think, though, that your bill plugs those loopholes up; because I understand the President is against the bill?

Congressman MUNDT. I think the President is against the bill for other reasons and the fact that we have plugged up the loopholes.

Mr. SPIVAK. For what reason do you think he's against the bill?

Congressman MUNDT. Political reasons, if you want to know in short words.

Mr. SPIVAK. I don't quite know what that means, Mr. MUNDT. Would you explain what you mean by political reasons?

Congressman MUNDT. Yes, if you insist, I will be happy to turn this into a political rally because I think the President is 100 percent wrong. The political reasons I mean are the CIO; the large block of population votes which he hopes to scramble for this election are against the bill. Since they're against the bill, Truman is against the bill because Truman wants those votes.

Mr. ADAMS. Congressman, has the FBI accepted this measure or do you know whether it is acceptable to them?

Congressman MUNDT. The FBI, as you know, Mr. Adams, operates in a rather anonymous position in this country. It is the creature of the Attorney General so that publicly and on the records the FBI prefers not to be quoted in connection with the bill.

Mrs. CRAIG. Now, Congressman, let's be political. Do you think, as a good Republican, that this is the worst Congress since Thaddeus Stevens?

Congressman MUNDT. I do not.

Mrs. CRAIG. And why?

Congressman MUNDT. I think it is one of the best Congresses that we have had in this country for a good, long while on the basis of its record.

Mr. ADAMS. Well, tell us something. What is the record that makes it the best?

Congressman MUNDT. Now, you're going to ask me something I can't answer in connection with your theory of keeping in a short reply.

Mrs. CRAIG. Can't you think of anything?

Congressman MUNDT. Yes, indeed. There are many things that would kill the rest of the program. Let me mention some of them. This Congress was elected on the first instance on the major issue in connection with the questions—"As Americans, have you had enough?" Enough of what? Enough of

blundering and waste is one thing. This Congress has effected some economy. Not as much as we would like to but the world situation is worse than we had expected it to be, and, of course, even the President, when he isn't out on a political campaign, it's public expense and a 15-car special train, commends this Congress for having done a swell job in bipartisan support for foreign power. The next thing, had enough of what? Had enough of communism in government, and so we pass this bill 319 to 58 with virtually every Republican in the House voting for it to stop the Communists from holding a job in the Federal Government and the President says he's against that but, certainly, I think the public is going to deal with Congress on that one. We've said had enough, had enough taxes. We'll reduce the taxes because it can reduce the expenditures of Government, so we passed the tax bill which the President vetoed, which we passed over his veto and, as a consequence, I think that is a highly acceptable measure to the average member of the American public. I can go on as much * * * But I'll be glad to answer another question.

Mr. WARNER. Mr. MUNDT, we'll let you extend in the record.

Congressman MUNDT. That's quite all right. Thanks for the opportunity.

Mr. CHILDS. Well, on this political matter, I thought from the heat with which you spoke, Mr. MUNDT, about the present stand on the Mundt-Nixon bill that you thought he had a good chance for reelection. Do you think that's true?

Congressman MUNDT. You mean the President?

Mr. CHILDS. Yes.

Mr. MUNDT. I hope the Mundt-Nixon bill has a better chance of passage than he has of being reelected President or we might as well quit working on it before morning.

Mr. CHILDS. Well, there is one more serious question on this Mundt-Nixon bill. How many individual Americans will be affected by your bill? Half-million, ten million, how many?

Congressman MUNDT. Well, Mr. Childs, if you're referring now to the number of card-carrying Communists——

Mr. CHILDS. No, I am not. The Communist front organizations to everyone defined as a Communist or Communist front.

Congressman MUNDT. Of course, you see, the effect upon the members of the Communist-front organization is virtually nil because his name does not appear in the Federal registration. I don't think he is directly affected. We feel that there are about 2,500,000 Communists and Communist fellow travelers in front organization membership in the country but of those only the card-carrying Communists would be individually affected, as I see it, because the fellow traveler just doesn't have his name appear any place in print.

Mrs. CRAIG. Well, let's be political again. Some of your Republican colleagues have said that he is the worst President. Do you think so?

Congressman MUNDT. No, I don't think that's true either, but it would be harder for me to find the reason to prove that statement than it would be.

Mr. SPIVAK. Mr. MUNDT, under your bill, to come back to the bill itself, under your bill, anyone who helped the Communists International would be guilty of something wrong, wouldn't he?

Congressman MUNDT. Well, now, I think that if you interpret help as a man who meets with them, who finances them, who conspires with them, or who carries out their activities, that would be true. Or, if you interpreted help simply as a man who paid his dues to the party, I wouldn't think that was wrong.

Mr. SPIVAK. Or who commits acts.

Congressman MUNDT. That's correct.

Mr. SPIVAK. Senator TAFT today—and Senator TAFT, I understand, is one of the leaders in the Republican Party—said about Mr. Truman today that Mr. Truman's attack on Congress, and I quote, "gives aid and comfort to all those who want to destroy representatives of government as do the Communists, Fascists, and every believer in a totalitarian state." Now, if the bill were enforced, would anybody attempt to bring Mr. Truman up?

Congressman MUNDT. No, of course not. He doesn't give overt help and even Mr. Wallace doesn't give help and even Mr. Wallace, I suppose, would not be brought up, although he follows the party lines pretty closely. I don't think he gives overt help to the Communists at all in the sense designated and spelled out in section 4 where specifically we point out what kind of conspiracy we mean, actively aid in the establishment of the totalitarian regime here which is dominated by the Communists and abroad.

Mr. WARNER. A swift question, Mr. Adams.

Mr. ADAMS. Congressman, the President in his speech in Chicago the other night made one of his complaints against this bill which has hurt most frequently when he said, "You cannot stop the spread of an idea by passing a law against it." What is your answer to that?

Congressman MUNDT. I agree with him on that and we're not trying to stop the spread of an idea. We're trying to stop the spread of an aggressive system, a technique, a device, a totalitarian regime, a dictatorship, not the idea of Marxism at all, but the implementation of it, the way the Communists have, the cruel, ruthless, godless, aggressive dictatorship.

Mr. ADAMS. You're trying to stop an organization and not an idea.

Congressman MUNDT. That's correct exactly, Mr. Adams.

Mr. WARNER. I am sorry I must interrupt. Mr. MUNDT, our time is up.

Protest Against the Drift to Authoritarian Militarism

EXTENSION OF REMARKS

OF

HON. ARTHUR G. KLEIN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. KLEIN. Mr. Speaker, I recently received from one of my constituents, Timothy G. Dyas, of 265 Henry Street, a copy of a profoundly moving letter which he had written to the President. It had been my hope to read this letter on the floor while we were debating the Conscription Act; but the limitations of time in the closing hours of the session made that impossible, and so I am inserting this letter, together with another impressive document from the New York East Conference of the Methodist Church.

I am not presenting these communications because I agree with every word; but because I believe that they give voice to a genuine fear of a genuine danger that this country will slip imperceptibly into a military dictatorship, or at least a military dominance, which will spell the doom of democratic freedoms as we have known and revered them.

I offer first the letter from Mr. Dyas:

NEW YORK, N. Y., *March 25, 1948.*

President TRUMAN,

White House, Washington, D. C.

DEAR MR. PRESIDENT: It is with deep regret that I find myself forced to return this medal. My conscience would not rest if I kept this medal from a government as obviously committed to war and world domination as ours is. The onus doesn't rest completely on your shoulders alone, for both of the major parties must share the guilt, and in the parties the small groups who run our country.

I volunteered for service in the Army 1 year before we entered the last war and served for 4 years and 8 months, 21 of which were spent in a German prison camp. I've never been a member of the Communist Party and feel our system is immeasurably superior, economically and politically. It is a sad commentary on our Government when I feel I must include the two above statements to avoid being branded, as many honest Americans have been for daring to disagree with your policy.

The action of the Government in the UN on the partition of Palestine has made me ashamed for my country. Here, again, I feel I must make a statement to show my mind has been made up on an objective basis—I'm not Jewish. I can't help but feel that the entire policy was dictated to our Government by the oil interests. Mr. President, has oil become more important than human blood? This is a question that will have to be answered before any blood flows.

If our services are so much under strength, why has the Army been turning down volunteers? I feel this wave of hysteria has been whipped up in order to stampede a draft bill through and give the military mind, as exemplified by Admiral Leahy and Secretary of "Aggression" Forrestal more power in dictating to our people. Mr. President, will they and the plutocracy they represent serve in the trenches of another war? Will other General Meyers and others as equally guilty but never caught remain behind while we little guys do their dirty work? That was a very clever idea, exempting veterans in order to stave off their objections, but will they be exempted when a war is on? Why were our armed services allowed to deteriorate at the rate they have if our military intelligence knew of a threat to our security? I'll try to answer this by pointing out that to build them up to the point where they would be effective will require the outlay of tremendous sums of money. This will pour more money into the coffers of a few, as was already evidenced by the fact that the stock market climbed right after your speech.

I further believe that you can't beat a philosophy by guns as the last war certainly proved. Perhaps we didn't feed Europe so the Communists would rush in and the whole affair would be brought to the point where neither of us could make a graceful concession?

If you want to look in your history books, Mr. President, you'll find a remarkable similarity between the recent actions of our Government and that of Austria under Metternich.

I still feel that the vast majority of Americans are decent, peace-loving people who are being led down the rocky path to war by way of our yellow press, and a combination of ineptitude and covetousness among the plutocracy. Why don't you meet with Stalin, as he suggested, and talk the situation over? You are the President of the United States of America, so will you please act as one should, ignore the advice of the militarists in the State Department and other branches, and act as I'm sure your innate sense of decency must impel you to. You'll be the goat for the actions of these people, so please, in the name of God, act now while

there is still a chance. Perhaps your letters are not shown to you many times?

I want this Purple Heart held in trust for me until such a time as peace is assured the world and not through another war. I remember your speech, in which you said you were not buying. No, Mr. President, someone is not buying, but instead is selling; selling American decency.

Yours for a decent world,

TIMOTHY G. DYAS.

I next present the Methodist report, including the transmittal letter from the Reverend Arthur B. Dewberry. Note that, in different language and in a different context of experience, this church group courageously expresses the same dignified but penetrating protest against our drift into totalitarianism:

NEW YORK EAST ANNUAL CONFERENCE
OF THE METHODIST CHURCH,
New York, N. Y., June 21, 1948.

The Honorable ARTHUR G. KLEIN,
House of Representatives,
House Office Building,
Washington, D. C.

MY DEAR MR. KLEIN: Please find enclosed a copy of the report of the Social Service Committee of the New York East Annual Conference of the Methodist Church. The conference was held in the Hanson Place-Central Methodist Church, Brooklyn, N. Y., May 19–23, inclusive. The delegates to this conference represent approximately 500, of which half are laymen. The report was adopted unanimously, and I was instructed to send a copy to the Senators and Representatives of the States of New York and Connecticut, which I hereby do.

Sincerely yours,

ARTHUR B. DEWBERRY.

THE REPORT OF THE SOCIAL SERVICE COMMITTEE OF THE NEW YORK EAST CONFERENCE OF THE METHODIST CHURCH, HELD IN THE HANSON PLACE-CENTRAL METHODIST CHURCH, IN BROOKLYN, N. Y., MAY 19–23, 1948

PART I. STUDY UNIT

The committee is printing a study unit for use by local church boards of education, youth fellowships, women's societies, and other groups, dealing with the home as a social concern. This unit seeks to bring to the local church level, through a series of workshops, an awareness of the social forces at work to injure the Christian home, and the countermeasures that can be taken by the local church to help protect the home as the basic unit both of society and of Christian nurture. The outline of the study unit is as follows:

The home as a social concern.

Introduction—Crisis in the home.

Social problems affecting the home:

Temperance and the home; home-relief and social-work agencies; social psychiatry and the war's aftermath; public health and the home; adult social education.

Economic problems affecting the home:

Housing; condition of employment; poverty as it affects the home; standards of living and the church.

Moral problems affecting the home:

Youth and sex morals; influence of press, radio, and movies; delinquency and the home; divorce and broken homes; preparation for marriage.

Conclusions and bibliography.

PART II. FREEDOM OF THE PULPIT

Efforts at control of social ideas through intimidation are not new in American history. After every war we have had a period of social readjustment that brought into sharp conflict the liberal and antiliberal ideas within the Nation. We are now in such a postwar period of adjustment and conflict. While the struggle has centered largely in social, political, labor, and educational areas, there has been a growing tendency to impair the effectiveness of the liberal traditions of the Protestant pulpit.

Efforts have come from without and within the church. From without the church, the antiliberal press serves as the main instrument of intimidation. One has only to compare the official proceedings of the Methodist Federation for Social Action Conference at Kansas City with the newspaper reports of the conference under the name of a feature writer of the World-Telegram, to see how completely unfair such attacks have been. One has only to read the speech of our bishop, made at Morristown, N. J., on Washington's Birthday and compare it with the editorials and newspaper reports that were printed concerning it to see how far irresponsible groups are willing to go to try to injure the liberal leadership afforded by protestantism. One need only read the report of the committee of clergymen who investigated religious freedom in Yugoslavia, and compare it with the vicious attacks upon these clergymen in the press, to know to what extent the antiliberal press will go to keep the American people from geting factual information on a subject of religious and international importance. To go further, one need only to read the seasoned and objective findings of the committee that visited the Soviet Union under the leadership of the distinguished pastor of Christ Church, New York, and compare it with the steady stream of distortion that is filling large sections of the press, to know the purpose of such antiliberal attacks.

From within the church, well-meaning but poorly informed persons act upon misinformation as generally given through the press, to further impair the free exercise of the rights of unrestricted pulpit utterance. Most displeasing, is the appeal to unreasoned emotion through the use of name calling. Such an approach has been condemned by the President's Committee on Civil Rights as follows: "A state of near-hysteria now threatens to inhibit the freedom of genuine democrats. * * * If we fall back upon hysteria and repression as our weapon against totalitarians, we will defeat ourselves. Communists want nothing more than to be lumped with freedom-loving non-Communists. This simply makes it easier for them to conceal their true nature and to allege that the term "Communist" is "meaningless." Irresponsible opportunists who make it a practice to attacks every person or group with whom they disagree as Communists have thereby actually aided their supposed enemies. "We would caution those within our fellowship of the dangers of becoming mouthpieces for such irresponsible opportunists."

In a day when the streams of truth are muddied by the fears and confusions of war's aftermath, it is imperative that we keep open the channels for truth that the freedom of pulpit expression affords. When we cannot get the truth through the daily press, the radio, or the popular journals, is the time when it is of critical importance for us to fight for the rights of a free and fearless pulpit. We strongly reaffirm our belief in the freedom of the pulpit as protestantism's enduring contribution to democracy and human freedom. We urge our people to look to the journals of the Protestant churches, the utterances of our ecclesiastical leaders, and the voice of our traditionally free and unintimidated pulpit for guidance during these days. We would caution our people about the dangers of accepting on face value any reports, comments, or headlines dealing with controversial or religious matters as found in the secular press. We are in the midst of a struggle of ideas. A large segment of our press is in the hands of irresponsible opportunists who are making it their deliberate policy to misrepresent, distort, and openly falsify the actions and attitudes of protestanism.

So, we would stand firm on a sacred right and a noble tradition, reserving the right of the free pulpit to speak the truth as God gives us to see it, without regard to the pressures inspired by authoritarian forces, whether they be social, political, or ecclesiastical. We will fight to withstand any intimidation that would through fear of misrepresentation and false witness seek to keep our clergy from speaking with courage and Christian insight on any subject that affects the welfare of the human personalities entrusted to them for guidancé.

We ask our charge lay leaders to read this statement to the official board and also to the congregation of the church, to support the spirit and ideal of this utterance.

PART III. RESOLUTIONS

1. We recommend that the two speeches of Bishop Oxnam, now available in printed form, be given as wide and general circulation as possible throughout our churches; and we request the secretary of the annual conference to send copies of this report with a letter to those Representatives of Congress who shall be indicated by the chairman of the social service committee.

2. In a day when a critical housing shortage is causing real damage to Christian standards of home life, we deplore the willingness to spend 20 times as much for military use as we are willing to appropriate for the crying housing needs of our people. We recommend the passage of the Wagner-Ellender-Taft housing bill with its provisions for a 10-year program of aid to private and public housing on a large scale.

3. We recommend that pastors consider the presenting of brief courses of instruction to our youth dealing with the matters involved in marriage and the Christian home, with emphasis on such items as mixed marriages, broken homes, and ethical standards of behavior during courtship.

4. As this is a year of Presidential election, we would urge a wide distribution of the pamphlet prepared by the division of the local church of the board of education of the Methodist Church entitled "The Christian Churchman and Politics."

5. We would urge a careful study of the report of the President's Committee on Civil Rights entitled "To Secure These Rights." We would go on record as supporting the legislation presented to implement this report.

6. We would commend the New York East Conference Chapter of the Methodist Federation for Social Action for the active program that it is carrying on within the conference. We would urge conference-wide support for this program of education and information.

EDGAR N. JACKSON,
Chairman.

NEW YORK POST EDITORIAL COMMENT

Perhaps the best summation of the situation is offered by the following editorial from the New York Post and Bronx Home News of June 6, 1948:

POWER AND ILLUSION

It is a curious thing that we have become simultaneously the most powerful and the most frightened Nation on earth.

It is even more curious and more disturbing that in our hysteria we are cowering constantly at shadows, while ignoring the substance of the real dangers which menace not only the liberties we have won, but threaten to extinguish the hope of expanding them, and with them human security and happiness.

In the process we are creating the very monsters we fear most.

The real and serious enemies of freedom, democracy, liberty, and justice are near at

hand * * * all about us * * * and not inhabitants of some distant land to be reached only by superforts or supership.

The widespread appeal of Red-baiting arises from a desperate fear that somehow our liberties and freedoms are being undermined, and that something alien to the great dream enunciated by Thomas Paine is secretly capturing converts to Communist dogma from among our friends and neighbors.

But under cover of that illusion, in the name of combatting this shadowy threat, reaction bred of fascism and lust for power is working swiftly and too often successfully to lead us into economic and political slavery.

This is the purpose, not of all of the supporters, but of the framers of the Mundt-Nixon bill, for example. Those who yearn to stifle all protests and all criticism, who seek to throttle free speech and free assembly, hope, by constantly labelling it an anti-Communist bill, to make its antidemocratic provisions so palatable to us that we will surrender our principles in the belief that we are scourging evil instead of creating it.

Billions of tax dollars, which we would all cheerfully contribute to extend human security and the privileges of freedom, are being poured into armaments for war, while the Taft-Ellender-Wagner housing bill gathers dust.

Hundreds of thousands of our citizens cry for homes—and we give them guns in the name of security, and speak of something out there somewhere, Red-hued and menacing, as the greatest threat to democracy—but the homeless still lack shelter.

If they are to protest, the Mundt-Nixon bill will provide one man with power to convict them of treason; and yet its supporters claim it as a weapon to preserve freedom.

The fable is that the only menace to our liberties is from the Soviet Union, and that it is the kind of threat which can be met only by bombs, bullets, and fighting men.

Yet in the very effort to provide the tremendous military power we are assured is necessary we persist in discriminating between Negro and white citizens, segregating their service units and limiting the Negro's service opportunities in everything except the hazard of losing his life.

Our hearts cry out over the terrible tragedy of human beings uprooted from their lands and homes—the homeless of the concentration camps formally called displaced persons—but the enemies of freedom and equality among us insist on so limiting our special immigration bill that Roman Catholics and Jews could scarcely be included in the quotas, while good Protestant Aryan Germans, many of them deeply imbued with nazism, would get preference.

This is a real, and present, menace to the spread of democracy.

But this plot was bred by little knots of Ku-Klux and Nazi-minded sympathizers with facism and the Hitlerian doctrine of racial and religious intolerance, and spawned on the floor of Congress. The color is not red, but black.

The truth is that democracy's progress here in its birthplace is being stopped dead-center, and a series of tremendous drives are under way to reverse its course—to give us less and less of it, under the guise of attempting to defend it.

Our Defense Secretary demands a Military Establishment big enough, expensive enough, to challenge Russia in war and to "defend democracy" from Red attack.

But who and what will defend us against the military mind; who will protect us against losing our democracy at home while we pretend to fight for it abroad?

Not the authors of these vicious bills.

Not the men committed to complete domination over civilian life by the military machine.

Not the public officials who rush aid to Turkey, Greece, and China, but deny it to Israel.

This is an election year. It is the year to challenge every Congressman and every Senator and every public official on the record.

We can save democracy only by voting for men who believe in it and practice it. And we must build it at home as well as support it abroad.

Taber's Accomplishments

EXTENSION OF REMARKS
OF
HON. WALTER C. PLOESER
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. PLOESER. Mr. Speaker, one of the outstanding accomplishments, and probably the most far-reaching accomplishment of the Eightieth Congress, has been the stabilization of the Federal Budget. When the Eightieth Congress convened the Honorable JOHN TABER, of New York, who became chairman of the Committee on Appropriations after having had longer prior service on the committee than any former chairman of the committee, announced that his ultimate desire was to put the Government on a sound business basis.

That he has achieved a high degree of success is borne out in the comparison of the deficiency appropriations which it was necessary to make to meet the operating requirements of the Government during the first session of the Eightieth Congress and those required in the second session. During the first session it was necessary to make appropriations totaling more than $3,500,000,000 to provide additional amounts required during the fiscal year 1947, for which the original budget had been passed by the Seventy-ninth Congress. The second session of the Eightieth Congress was required to appropriate $1,700,000,000 for the fiscal year 1948, and of this amount $1,200,000,000 was for tax refunds leaving only $500,000,000 as the actual requirement for operating deficits.

This record was possible only because the agencies of the Government knew JOHN TABER, functioning not only as chairman of the whole Committee on Appropriations, but also, as chairman of its Subcommittee on Deficiencies, well enough to know that when he said he expected to enforce the Antideficiency Act, he meant just exactly that. The executive agencies had grown into the habit of taking their original budgets and making such expenditures as they saw fit, and then running back to Congress and getting supplemental amounts as and when needed. The Congress had relinquished to the Executive its constitutionally mandated control of the public purse, and JOHN TABER, who as minority member of the Committee on Appropriations, with others, had fought the change in policy at every turn in the road, took his assignment as chairman of the Committee on Appropriations as a direct mandate to restore constitutional government with respect to finances. He has had the fortitude to forge ahead when others, but for him, might have faltered. He has faced every kind of persuasion and pressure but has never been taken off his feet. He has been depicted to the American people as a hard-hitting legislator, and that certainly is true, but just as important is the fact that he can take a never-ending stream of punishment without losing heart to battle for the cause he knows to be right.

When the record of achievement of the Eightieth Congress is written, the record of the Committee on Appropriations, under the able and tenacious leadership of JOHN TABER will be outstanding, and I am proud to have been a part of it.

Long-Range Agricultural Program (H. R. 6248) and Federal Charter for Commodity Credit Corporation (S. 1322)

EXTENSION OF REMARKS
OF
HON. GEORGE D. AIKEN
OF VERMONT
IN THE SENATE OF THE UNITED STATES

Saturday, June 19 (legislative day of Tuesday, June 15), 1948

Mr. AIKEN. Mr. President, I ask unanimous consent to have printed in the RECORD that is to come out after the adjournment an analysis of the long-range farm bill and the Commodity Credit Corporation charter bill as they were reported by the conference committees.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

I wish to make the following analysis of certain provisions of S. 1322, the Commodity Credit Corporation Charter Act, for the purpose of clarifying the intention and meaning of certain provisions of the conference report on S. 1322.

The affairs of the Corporation within the meaning of section 10, which requires the executive staff to devote its full time to the affairs of the Corporation, would include functions performed for any agency of the Federal Government (including the Department of Agriculture) utilizing the personnel and facilities of the Corporation as authorized by section 11. Thus, the executive staff could devote itself to such programs as section 32 and school-lunch programs if the personnel and facilities of the Corporation were utilized by the Secretary of Agriculture in carrying out such programs. Likewise, the affairs of the Corporation include participating in activities of the Department of Agriculture in which the Corporation has a direct interest, such as production goals, marketing quotas, marketing agreements and orders, acreage allotments, foreign and domestic allocation programs, etc.

Section 10, providing for an executive staff which would devote its full time to the affairs of the Corporation, was not intended to require any extensive change in the relationship between Commodity Credit Corporation and the Production and Marketing Administration.

The determination of the Board of Directors of Commodity Credit Corporation

shall be final as to which officials of the Corporation constitute the executive staff.

The term "officer or employee" within the meaning of the authorization in section 10 to pay premiums on bonds includes any officer or employee of the Department of Agriculture utilized by the Corporation.

The powers conferred by section 4 (m) include the power to, in any manner, acquire, hold, and dispose of personal property or any interest therein, as the Corporation deems necessary in the conduct of its business.

Although under section 9 two members of the board must be persons who are not "employees of the Corporation or any department or agency of the Federal Government, if also directors," this does not mean that such board members may not devote their full time to their duties as board members and receive compensation for such full time participation at the rate of $10,000 per annum, or may not be former employees of the Department of Agriculture. It is anticipated, however, that in the case of a former employee a reasonable time would elapse between the time of his resignation from the Department and his appointment as a board member.

Another change made by the conference committee was to make the proposed 4-year statute of limitations applicable not only to claims against the Corporation but also to claims by the Corporation. The committee felt that the statute of limitations should be applicable to claims by the Corporation as well as to claims against the Corporation. As provided by section 16, the proposed 4-year statute of limitations will not limit or extend any period of limitation otherwise applicable to claims against the Delaware Corporation. With respect to claims by the Corporation, the 4-year period of limitations will not begin to run on claims of the Delaware Corporation transferred to the Federal Corporation until June 30, 1948, the effective date of the new charter.

Section 9, which provides that the compensation paid any director shall not exceed in the aggregate $10,000 per annum and that employees of the Corporation or any department or agency of the Federal Government, if also directors, shall not receive additional compensation for their services on the board does not prevent a director who holds another position in the Federal Government from receiving a salary for such position in excess of $10,000. In such a case the director would serve on the board without compensation.

Section 9, in providing that a majority (three members) of the board of directors shall constitute a quorum of the board, will, if there are three members in office, permit the board to function, and vacancies in the board, whether arising by failure of the President to nominate or the Senate to confirm the original or subsequent members, will not impair the powers of the board to execute the functions of the Corporation so long as there are three members in office.

I also wish to make the following analysis of certain provisions of H. R. 6248, the Agricultural Act of 1948, for the purpose of clarifying the intention and meaning of certain provisions of the conference report on H. R. 6248. It was the intention of the House and Senate conferees that the authority contained in section 1 of title I of the Agricultural Act of 1948 to require compliance with marketing regulations as a condition of eligibility of producers for price support would permit the Secretary of Agriculture to condition price support for potatoes and other nonbasic commodities upon marketing orders issued pursuant to the Agricultural Adjustment Act as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended, being in effect with respect to such commodity in such production areas as the Secretary may designate. This was also intended to be permitted by the provisions of section 302 (a) of the Agricultural Adjustment Act of 1938 as amended by section 202 of title II of the Agricultural Act of 1948 authorizing eligibility for price support to be conditioned upon compliance with marketing practices prescribed by the Secretary of Agriculture.

My Voting Record on Farm Legislation in the Eightieth Congress

EXTENSION OF REMARKS
OF

HON. HUBERT S. ELLIS

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. ELLIS. Mr. Speaker, I have had prepared for the benefit of the farmers of the Fourth Congressional District, composed of the counties of Cabell, Jackson, Lincoln, Mason, Pleasants, Putnam, Roane, Tyler, Wayne, Wirt, and Wood, showing how I voted on all legislation passed by the House of Representatives relating in any way to agriculture.

This record speaks for itself and shows that bills designed to aid the farmer have consistently received my support.

It is not supposed that everyone will agree with my position. Honest and well-informed persons differ in opinion. All votes have been made after careful consideration of the problem and a thorough study of the evidence presented in committee hearings and in the debate on the floor of the House.

The record is as near complete as is possible to make at this time, and I am pleased to present it to you:

Public Law 2; approved February 1, 1947: Extending time during which Federal alcohol plants could manufacture sugar to relieve shortage and provide a market for surplus potatoes and soft and wet grain. ELLIS voted "Yes."

Public Law 30; approved March 31, 1947: To extend the powers of authorities to ration distribution of sugar and fix prices. ELLIS voted "No."

Public Law 40; approved April 28, 1947: An act to permit importation of Mexican farm labor. ELLIS voted "No."

Public Law 104; approved June 25, 1947: The Federal Insecticide, Fungicide and Rodenticide Act, to protect the public, and especially farmers, against misbranded or adulterated economic poisons of great value to agriculture but which were unknown and not covered by the Insecticide Act of 1910. ELLIS voted "Yes."

Public Law 131; approved June 30, 1947: An act to extend until July 1, 1949, the period during which income from agricultural labor and nursing services may be disregarded by the States in making old-age assistance payments without prejudicing their rights to grants-in-aid under the Social Security Act. This law is to encourage recipients of such assistance to engage in these occupations, in which there is a labor shortage, and to do so without loss of assistance. the State governments being given the option to disregard such income in the granting of eligibility. ELLIS voted "Yes."

Public Law 145; approved June 30, 1947: Extending the Second War Powers Act for 15 days. ELLIS voted "Yes."

Public Law 188; approved July 15, 1947: To extend until February 29, 1948, certain powers of the President under the Second War Powers Act and Export Control Act, retaining certain war controls upon American farm products. ELLIS voted "No."

Public Law 249; approved July 26, 1947: To extend provisions of the Bankhead-Jones Farm Tenant Act and the Soil Conservation and Domestic Allotment Act to the Virgin Islands. ELLIS voted "Yes."

Public Law 266; approved July 30, 1947: An act making appropriations for the Department of Agriculture for the 1948 fiscal year. On final passage ELLIS voted "Yes."

NOTE.—Total vote was: Yes 315, no 38; indicating general agreement between majority and minority.

On motion to recede and concur in Senate amendment which made an appropriation of $20,000,000 for farm-tenant loans, July 18, 1947. ELLIS voted "Yes."

Public Law 290; approved July 31, 1947: To amend the Plant Quarantine Act to protect American nursery stock against disease-infested stock and plant pests from abroad. ELLIS voted "Yes."

Public Law 297; approved July 31, 1947: An act to provide for research into basic laws and principles relating to agriculture and to provide for the further development of cooperative agricultural extension work and the more complete endowment and support of land-grant colleges. ELLIS voted "Yes."

Public Law 298; approved July 31, 1947: To authorize the Secretary of Agriculture to dispose of farm labor supply centers, camps, facilities, and equipment used in connection with the farm labor supply program at such prices, and under such terms and conditions and in such manner as to insure, as far as possible, their continued use in the housing of migratory labor engaged in agricultural work. ELLIS voted "Yes."

Public Law 205; approved August 1, 1947: To amend the Agricultural Adjustment Act relating to marketing agreements and orders, authorizing the Secretary of Agriculture to establish and maintain such minimum standards of quality and such grading and inspection requirements for agricultural commodities, other than milk and its products, in interstate commerce, as will effectuate orderly marketing of such commodities in the public interest. ELLIS voted "Yes."

Public Law 360; approved August 5, 1947: To assist the Commodity Credit Corporation to dispose of surplus wool, protecting the price and the American market. ELLIS voted "Yes."

Public Law 388; approved August 8, 1947: An act to protect consumers of sugar and of those engaged in the domestic sugar-producing industry, to promote trade, and for other purposes. ELLIS voted "Yes."

Public Law 389; approved December 17, 1947: European Interim Aid Act, providing, among other things, that the President be authorized to purchase for gift to Europe, foodstuffs from other countries at a higher price than paid for the same products in the United States. ELLIS voted "No."

Public Law 395; approved December 30, 1947: Authorizing Government and industry to enter into certain voluntary arrangements for price stabilization. ELLIS voted "Yes."

Public Law 427; approved February 28, 1948: Second Decontrol Act of 1947. ELLIS voted "Yes."

Public Law 472; approved April 3, 1948: Foreign Assistance Act of 1948, to provide former allies, neutrals, and enemies with $17,000,000,000 worth of gifts, including farm machinery, fertilizer, automobiles, and trucks, and other materials, such as steel, oil, foodstuffs, etc., in short supply at home. Sponsors of bill admitted it would increase cost of living and lower standard of living at home but was a necessary supplement to $20,000,000,000 in gifts to foreigners since VJ-day and to buy friends. ELLIS voted "No" on passage of bill.

Public Law 495; approved April 21, 1948: To amend the Bankruptcy Act of 1898, extending benefits of its provisions to farmers. ELLIS voted "Yes."

The following bill was vetoed:

S. 814: Vetoed by President June 26, 1947. A bill to support wool prices and protect American producers against unfair foreign competition. This bill was supported by all farm organizations and wool growers. Bill passed House May 23, 1947. ELLIS voted "Yes."

The following bill failed of passage in House:

House Joint Resolution 273 (S. J. Res. 167). Failed to pass House December 15, 1947: To stabilize by voluntary agreements entered into under sponsorship of Government, the prices of livestock, poultry, etc., to aid in stabilization of the national economy, to regulate speculative trading on commodity exchanges which would injure farm prices, and to allocate transportation equipment for movement of grain. ELLIS voted "Yes."

The following bills passed the House but had not yet become public laws as of June 18, 1948. There was little doubt but that they would become law. Most of them were on the President's desk, awaiting his signature when Congress adopted a motion to adjourn June 19.

H. R. 3370. Passed House July 21, 1947: A bill to direct the Secretary of Agriculture to support the price of milk at not less than 90 percent of parity. ELLIS voted "Yes."

H. R. 4856. Passed House February 3, 1948: To require liquidation of mineral interests reserved to the United States to be delayed until such time as Congress may establish a policy on the subject. Bill seeks to halt sale of such rights as surplus property, to highest bidder. ELLIS voted "Yes."

H. R. 5883. Passed House March 18, 1948: Department of Agriculture Appropriation for 1949 fiscal year. Bill provided $400,000,000 for REA which was $100,000,000 more than President requested. It provided also $1,048,000 for soil conservation research and $44,000,000 for the Soil Conservation Service. This was $6,000,000 above the Administration budget request of $38,000,000. The PMA or AAA program was given $225,000,000. Funds for certain work of the Extension Service were increased $2,000,000 above administration requests. Sixty-five million dollars were provided for the school-lunch program, adequate funds for crop insurance, research, etc. Total appropriation for the year was $1,010,000,000. ELLIS voted "Yes."

The conference report provided for $262,500,000 for AAA payments, which was $37,500,000 more than was provided in the House bill. On passage of the conference report June 14, 1948, ELLIS voted "Yes."

NOTE.—Bill as finally approved in conference report, June 14, 1948, contained the record-breaking total appropriation of $1,123,000,000 for the 1949 fiscal year. Among other things the conference report increased Extension Service funds $3,000,000 above the President's request; increased the Soil Conservation Service funds to a total of $45,048,000, which was over $7,000,000 above the President's request; increased REA funds to a total of $400,540,000, which is over $100,500,000 above the President's request; and included $75,000,000 for school lunches and $262,500,000 for AAA subsidy payments.

Again, as on passage of original House bill on March 18, 1948, the conference report (compromise bill agreed on by Senate) with increases specified, passed unanimously, with the minority so well satisfied that they did not even contest it by asking for a roll call record vote.

H. R. 6114. Passed House May 18, 1948: A bill to encourage extension of loans to qualified veterans, tenants, share croppers, and farm laborers, for the purpose of acquiring, enlarging, and improving family size farm units. ELLIS voted "Yes."

H. R. 6556. Passed House May 26, 1948: Extension of Reciprocal Trade Act, reserving to Congress its constitutional authority over tariffs which had previously been surrendered to State Department bureaucrats, and requiring President to seek advice of the Tariff Commission on whether or not tariff cuts will injure American industry and agriculture. ELLIS voted "Yes."

S. 1249. Passed House June 8, 1948: A bill authorizing additional research and investigation into problems and methods relating to the eradication of cattle grubs, and for other purposes. ELLIS voted "Yes."

House Resolution 452. Passed House June 8, 1948: A resolution to request the Secretary of Agriculture to take action to prevent damage to valuable crops as a result of the use of the weed killer known as 2,4-D. ELLIS voted "Yes."

H. R. 5263. Passed House June 8, 1948: A bill to permit the Secretary of Agriculture to execute and deliver to present owners of certain real property quitclaim deeds to the minerals in or under such property ELLIS voted "Yes."

H. R. 5154. Passed House June 8, 1948: A bill to extend the period within which the Secretary of Agriculture may carry out the purposes of the Soil Conservation and Domestic Allotment Act by making payments to agricultural producers. ELLIS voted "Yes."

S. 2137. Passed House June 8, 1948: An act to provide for the protection of potato and tomato production from the golden nematode, and for other purposes. ELLIS voted "Yes."

H. R. 6248. Passed House, June 12, 1948: The farm-price support bill to place supports of at least 90 percent of parity on hogs, poultry, eggs, wheat, corn, cotton, peanuts, rice and tobacco, and supporting nonbasic commodities on a sliding scale ranging down to 60 percent of parity for the next 2 years. In reporting this bill, the committee said the idea of approving a long-range farm program at this time was abandoned because an abnormal world demand for farm products exists now, and any program worked out under such conditions could not be expected to operate in normal times and at the present, too. The committee is continuing its hearings and studies and states it will report such a program at the proper time. In the meantime, this bill gives farmers assurance of continued price support so they can, with confidence, plan for the future, ELLIS voted "Yes."

H. R. 2028. Passed House June 16, 1948: A bill to facilitate and simplify the work of the Forest Service, and for other purposes. ELLIS voted "Yes."

S. 1087. Passed House June 16, 1948: An act to amend section 502 (a) of the Department of Agriculture Organic Act of 1944. ELLIS voted "Yes."

H. R. 6935. Passed House June 16, 1948: A bill making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1948, and for other purposes. This bill provides $33,300,000 for the Department of Agriculture, including appropriations for the agriculture remount service, forest roads and trails, and eradication of contagious diseases of animals. ELLIS voted "Yes."

H. R. 6263. Passed House June 18, 1948: A bill to provide a Federal charter for the Commodity Credit Corporation for the purpose of stabilizing, supporting and protecting farm income and prices; for assisting in the maintenance of balanced and adequate supplies of agricultural commodities, products thereof, foods, feeds, and fibers; and of facilitating the orderly distribution of agricultural commodities. ELLIS voted "Yes."

Mr. Speaker, it is agreed by all interested parties that the Eightieth Congress has done a good job in behalf of the farmers and has taken full cognizance of the fact that the farmer is the backbone of our economy and must remain secure if our country is to prosper.

We must not be misled in the consideration of farm problems by the high farm prices brought about by two wars. We must consider the long, lean years in between when the farmers' income was pitifully low.

It is my contention that the farmer should receive his prices in the market place on the basis of his investment, depreciation and labor, the same as any other businessman or worker, and this right should be safeguarded.

Great Britain Is a Cobelligerent in Holy Land War

EXTENSION OF REMARKS
OF

HON. ARTHUR G. KLEIN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. KLEIN. Mr. Speaker, I take it that every Member of this great House is fully aware that I am an advocate of the establishment of a stable, independent Jewish state in Palestine; that I have been grateful for the complete recognition of Israel by our Government; and that, from time to time, I have strongly criticized both our own and the British governments for their actions or lack of actions in this regard. I think I can further say that there is no Member of this House who believes that my sympathy with Israel deprecates in the slightest way my absolute loyalty and devotion to the United States.

This is preparatory to discussing two communications which, by coincidence, arrived in my daily mail at the same time.

OPPOSING VIEWS

One was a communication from one of my constituents somewhat warmly challenging the accuracy of my remarks berating Great Britain; the other was a slightly tardy issue, dated June 4, of the Palcor Middle East Bulletin confirming everything I had previously said.

My constituent, Mr. Elizur Yale Smith, who is registrar of the New York Society of the Order of the Founders and Patriots of America, refers to Great Britain as "our greatest friend and ally."

Apparently the irony of such a eulogy of Great Britain, the nation which our own Revolutionary Government had to fight twice merely to survive as a nation, is lost on Mr. Smith. I have noticed a tendency on the part of many people who live in the past to forget that the United States came into being by violence and armed revolution; that our forefathers died, and were cold and hungry, and were wounded and sick, to secure the blessings of liberty to ourselves and our posterity. To them, the Declaration of

Independence and the Bill of Rights become only sacred relics and not living documents of human freedom and aspiration to a more abundant life for all.

Nevertheless, Mr. Speaker, I am glad that Mr. Smith wrote to me manfully and straightforwardly. While I disagree with him as to most of his assumptions, and as to his interpretations of the facts, I agree with him fully on one issue: Freedom of speech and of belief is an essential of the democratic processes. I want to preserve and protect and enlarge Mr. Smith's right to those freedoms as well as my own. He fears that I will consider him anti-Semitic because he disagrees with me; he fears in vain. Honest disagreement and criticism do not constitute anti-Semitism; they are part of the unending splendor of the democratic way of life.

CHALLENGE TO FAIRNESS

Let there be no misunderstanding. Palcor News Agency strives to be accurate, but not impartial. Palcor News Agency is registered with the Department of Justice as an agent of the Palestine Correspondence Bureau of Jerusalem. I want that made clear. But I also want it made clear that the statements published in the June 4 issue are true and accurate, to the best belief of the publishers and writers and of myself.

Mr. Smith challenges me to insert his letter, opposing my views in the RECORD. Under consent, I accept that challenge, and following his letter I insert also the text of the June 4 Bulletin. I can conceive of no better way to accentuate the differences of opinion which can arise, properly and democratically, where the press is free and we can all hold and express our views; and this I share with Mr. Smith: an enthusiastic desire to keep those freedoms here and extend them everywhere.

NEW YORK, N. Y., *June 14, 1948.*

Hon. ARTHUR G. KLEIN,

Member of Congress, Seventeenth Congressional District, New York, House of Representatives, Washington, D. C.

DEAR CONGRESSMAN KLEIN: As you are the Member of Congress from the district in which I live and work, I consider it my privilege under our republican form of government to criticize your public political actions. That is one of the rights our Constitution gives us.

I am a careful reader of the CONGRESSIONAL RECORD, and I note that every opportunity you get you clutter up the pages of it with editorials from newspapers attacking Great Britain, especially editorials from the New York Post. Alexander Hamilton would blush with shame could he see the newspaper he founded in 1801. It seems very bad taste to me for a Member of our national legislative body to keep continually handing out hate about our greatest friend and ally, Great Britain.

It is perfectly proper for a citizen, or even a legislator, to disagree with the policies of another nation and the Bill of Rights says Congress cannot interfere with free speech, but sometimes free speech is indiscreet.

Personally, I think the British made a blunder (always worse than a mistake) in the Balfour Declaration of November 2, 1917, which promised the Jews a homeland in Palestine. I am not in accord with our Government backing the Jews to establish a home there. It looks to me as though politics and votes are mixed up in it. I am very familiar with Biblical history and the history of Palestine back to the earliest known times. History seems to tell me that the Arabs have a considerable claim on the land of Canaan, as well as the Jews. Did not General Allenby capture Palestine from the Ottoman Empire on December 9, 1917, and did that not give Great Britain a mandate over it? The Balfour Declaration says that in favoring the establishment of a national home for the Jewish people in Palestine "nothing shall be done which may prejudice the civil and religious rights of existing non-Jewish communities in Palestine," etc. Have the Jews lived up to that part of the declaration? I would say not.

Let us admit that the Jews occupied the land of Canaan about 1000 B. C., and that their single monarchy was split up into Judah and Israel, but before long the land of Canaan was invaded and conquered by other nations, the Jews losing control of it. Then, in A. D. 634–36, the Arabs came along and conquered it from the Byzantine Empire. That certainly gives the Arabs some claim to the former land of Canaan. The Indians originally owned Manhattan Island, but the Dutch came along and hoodwinked the Indians into selling it for a few beads and baubles valued at 60 Dutch guilders. The United States Government has also taken lands away from the Indians and have scattered the tribes hither and yon. What would you say if Soviet Russia now said to us, "Give Manhattan Island back to the Indians, as well as the other lands you took from them"? Wouldn't Soviet Russia be just as much within her rights in giving this advice as the United States Government has in telling Great Britain what to do with Palestine?

Naturally, the Jews would like the homeland they once occupied as the land of Canaan, and then lost by being conquered by another power; so would the descendants of Manhattan Island like their native land back. There is plenty of land on the continent of Africa where the Jews could establish a country of their own, if they can get it.

The Arabs, as I understand, accept all of the Bible, only believing their prophet had an additional and later revelation. Why is not Palestine their land? I am not for our soldiers being sent over to Palestine to fight a holy war. Many others feel the same way as I do about it.

The United States and Great Britain need each other's support more than they need the support of either the Arabs or Jews. If that fact is given its full weight in American and British policies for Palestine, a solution of the conflict there can be achieved. This is a time when American-British cooperation needs reaffirmation. Great Britain saved our life by holding the line in the early days of the Second World War. We are the two only great English-speaking nations. I am bringing out this sentiment in an article to be published in the magazine section of the Christian Science Monitor on July 3, in connection with the Declaration of Independence. I write for various newspapers and will probably speak of it in other articles.

I suppose you will accuse me of being anti-Semitic, but such is not the case, as you will see if you will read my article in the New Bedford Standard Times of April 18, 1948, titled "Early Jewish Settlers Noted in Nation's Early History." You will find that newspaper in the Congressional Library.

One day last week you published a letter in the RECORD from one of your constituents on the other side of the fence, so why don't you be fair and publish this letter in the RECORD inasmuch as you have had so much anti-British propaganda there?

Maybe you will say I am intolerant because I stick to my convictions. I have fought alongside the British in a war and so perhaps I know their viewpoint better than you do. If there be such a thing as intolerance, I think you are the intolerant one in your attitude toward the British.

You know what Voltaire said, "I do not agree with a word you say, but I will defend to the death your right to say it." Those are the words at the top of the letters page in the New York Herald Tribune Sunday edition.

Yours sincerely,

ELIZUR YALE SMITH.

[From the Palcor Middle East Bulletin, New York, N. Y., of June 4, 1948]

BRITAIN, A BELLIGERENT IN THE HOLY LAND WAR

British guns, operated by British-trained and British-paid soldiers, under the command of British officers, are raining death on the Holy City of Jerusalem. British-led Arab Legionnaires have stormed the ancient synagogues and other historic shrines in the Jewish quarter of the old city, ignoring an appeal by the archbishop of Canterbury to spare Jerusalem.

On May 17—a scant 5 days after the departure of the British garrison from the city—Arab Legion troops, commanded by Brig. John Bagot Glubb, surrounded Jerusalem and the next day occupied part of the old city after laying down a heavy artillery barrage on the Jewish quarter and shelling Jewish districts in the new city, a communique announced officially in Amman. Brigadier Glubb toured the front and inspected his troops on May 18, an Associated Press correspondent in Jerusalem reported.

LEGION BRITISH-CONTROLLED

The Transjordan Arab Legion is a British-controlled force; it could not launch an assault without the approval of London. Furthermore, this arrangement between Transjordan and Great Britain is to continue in the future. A Foreign Office spokesman in London declared (May 18) that British officers serving with the Arab Legion would not be recalled nor would regular shipments of arms and supplies and the annual British subsidy of $8,000,000 which supports this force be discontinued unless the United Nations decides that the Arabs are acting illegally. And in the United Nations the British delegates are working every angle short of the veto to block any such resolution.

Before laying down the Mandate in Palestine the British Army turned over to the Arab Legion sufficient military stores to meet the Legion's normal demands for at least 8 months, ONA correspondent Jon Kimche reported from Tel Aviv on May 18. Two days later Kimche cabled that two British ships had unloaded heavy military equipment, including antiaircraft guns, at the Transjordanian port of Aqaba.

AID TO EGYPT AND IRAQ

But British complicity in the present Arab League war against Israel is not limited to outfitting, training and leading Abdullah's Arab Legion. Britain is also indirectly collaborating in the invasion efforts of Egypt, Iraq, and Syria. In accordance with long-standing treaties, the British arm, supply and train the armies of Egypt and Iraq. This aid is continuing despite Egyptian and Iraqi aggression in Palestine. London is also selling arms and supplies to Syria and a British military mission is operating in Saudi Arabia.

Overseas News Agency reported from Tel Aviv on May 18 that a careful scrutiny of captured Arab material and Arab war prisoners revealed that Egypt, Syria, Lebanon, Iraq, and Saudi Arabia are mounting their Holy Land invasion with British arms and equipment. Fully 90 percent of the Arab material captured by the Israeli forces is of British manufacture.

MADE IN BRITAIN

The Egyptian fighters and bombers raiding Israeli cities are British-made, and the bombs which killed 51 Jewish civilians and maimed 53 more in Tel Aviv's bus terminal in an Egyptian raid May 18 were British. The pilots who operate these planes were trained by Britain. Without assurance of continued British arms shipments, the armies of Egypt and Iraq could not have been launched on their Palestine adventure.

However, not content with abetting Arab aggression in Palestine directly, the British Foreign Office is also performing yeoman service for the Arab Cause at Lake Success. On May 19 Sir Alexander Cadogan told the Security Council that any attempt to determine who were the aggressors in Palestine would lead to interminable and unprofitable wrangles.

"ISRAEL DOES NOT EXIST"

So far as the state of Israel is concerned, "Britain officially does not know that it exists." New York Times Correspondent Herbert L. Matthews reported from London May 18. "One official said," Matthews continued, "that the British Government had not even considered whether to recognize Israel, since there can be no state where there are no clearly defined boundaries, no recognized government writ (charter), and no adequately functioning administration."

On May 19 in the Security Council, Sir Alexander Cadogan asserted that the partition of Palestine and the establishment of the state of Israel on the strength of the General Assembly resolution of November 29 is juridically extremely doubtful, according to a Palcor News Agency report from Lake Success. He further observed, says Palcor, that Israel was not born in strict conformity with all the provisions of the General Assembly resolution, particularly with respect to the role assigned to the Palestine Commission. Cadogan then went on to assert that if the Jews set up a state to include the Jewish areas defined in the United Nations resolution, and if the Arabs claim to have established a state covering the whole of Palestine there would be nothing legally to choose between those claims.

MANDATORY POWER OBSTRUCTS

Sir Alexander Cadogan and other British spokesmen neglected to add that the November 29 resolution was not properly implemented principally because of British obstruction and noncooperation. In its report to the United Nations General Assembly the Palestine Commission declared:

"The general policy of the mandatory power has been not to take any measure which might be construed as involving it in the implementation of the Assembly's resolution. It did not accept the provision of the resolution calling for a progressive transfer of authority to the commission, insisted on retaining undivided control of Palestine until the termination of the mandate, and informed the commission that it would not regard favorably the arrival of the commission in Palestine earlier than a fortnight before the date of termination of the mandate." (New York Times, April 14.)

REFUSE TO OPEN PORT

The British refused to honor the November 29 decision regarding the opening of the Jewish port and hinterland area for Jewish immigration by February 1, 1948, and opposed the establishment of provisional governments in the Arab and Jewish areas by April 1. They also refused to permit the formation of a Jewish militia as provided in the General Assembly's partition resolution and requested January 29 by the Palestine Commission, and prevented the commission from coming to Palestine to properly define the frontiers of the Arab and Jewish states.

However, despite deliberate British obstruction, the Jews of Palestine have implemented partition and have set up a state, which, according to neutral observers, is functioning more efficiently than the British administration in the last period of the mandate.

THWART HOLY LAND SOLUTION

Britain's attitude during the special session of the General Assembly, called to reconsider the Palestine question, has been wholly negative. Her representatives at Lake Success appeared determined to thwart any Holy Land solution unacceptable to the Arabs, and there is ample evidence that the British, who rejected American pleas to postpone evacuation of their forces from Palestine, are not at all anxious to see French or American troops—not to mention Red Army units—on Near Eastern soil. As Brigadier Glubb puts it, "Great Britain doesn't want to dominate the Arabs, but seeks to prevent any other power from doing so." (Nomad, by Robin Maugham.)

In January our Arab correspondent in the Middle East reported that, according to influential Arab circles, the British have elaborated a carefully considered plan for the solution of Arab problems, particularly with regard to Palestine. This scheme allegedly provided for the invasion of Palestine by pan-Arab forces with the Transjordan Arab Legion acting as nucleus and spearhead. "The objective of this invasion is said to be the occupation of the Arab part of Palestine plus major portions of the proposed Jewish state and the herding of the Jews into the Tel Aviv and Haifa areas." (This bulletin of January 23.)

BEVIN-CLAYTON PLAN

On April 2 this Bulletin carried a summary of a plan reportedly devised by Foreign Secretary Bevin, Brigadier P. A. Clayton, Minister of the British Embassy in Cairo, and leading Anglophile Arab politicians. This secret Bevin-Clayton scheme, reported by the Haganah Radio in a broadcast on March 12 and described by Ladislas Farago in an article appearing in the May 1948 edition of the "United Nations World," is said to envisage the following:

(a) The formation of a Jewish State is to be abandoned once and for all.

(b) No independent Arab state will be established within Palestine.

(c) Palestine will be divided among Syria, Lebanon, Transjordan, and Egypt, with Arabs and Jews in the respective territories acquiring citizenship of the countries to which they are to be annexed.

(d) King Abdullah of Transjordan relinquishes his plan for a greater Syria.

(e) The Arab League will undertake to promote the project as one best calculated to satisfy all interested Arab parties and to guarantee the elimination of Zionism as a continued threat to the unity of the Middle East.

(f) Arab armies will enter Palestine at points to be determined later so as to preclude opportunity for intervention by any international organization.

(g) Arab countries agree to sign either jointly or individually binding military treaties and alliances with Britain granting British troops the right to enter Arab countries in an emergency.

BRITISH WANT PALESTINE BASES

Information from other sources indicate that British desire for permanent bases in Palestine is responsible for the support given to Abdullah and his legion. C. L. Sulzberger, in a dispatch to the New York Times from Paris on May 19 declared:

"There are certain indications that Britain would definitely desire to retain within her zone of influence * * * bases nearer to Mediterranean shores than Kenya. One is the Negeb area of Palestine between the inland sea and the Gulf of Aqaba—an area known to contain petroleum. * * * The British would certainly prefer to have Abdullah's Arab Legion take the Negeb. Abdullah has always been well paid by and friendly to Britain." Then Sulzberger adds:

MAY SEEK COMPROMISE

"The British may well seek to encourage a compromise settlement when the battlefronts have hardened. * * * British good offices through Amman would certainly be effective. Should King Abdullah obtain the Negeb in a final settlement, it is certain the British would be accorded base facilities there if they desired them." Thus, if Israel cannot be destroyed, Bevin at least hopes to whittle down her territory.

Although ultimate British intentions in Palestine remain obscure, their present policy of backing the Arab League adventure in the Holy Land with arms and leadership, while paying lip service to the United Nations by way of mild protest notes to Cairo and other Arab capitals, may backfire. Britain today can ill afford to outrage world opinion. Furthermore, the British Foreign Office may find that it has picked a loser in Palestine, since Bevin and his Arab friends have always grossly underestimated the stamina and determination of Israel to survive. The elimination of the Jews as a factor in Palestine will require more force than Arab States can muster.

ARAB AND BRITISH AIMS CLASH

Just what chestnuts the British hope to pluck out of the Holy Land fire by strengthening the Arabs is not clear. Arab objectives do not necessarily coincide with Britain's and in most cases conflict. These Middle Eastern states accept loans and military aid from Britain, but their leaders do not aspire to remain Bevin's pawns. Arab spokesmen have indicated on various occasions that they aim at setting up an independent regional block of Near East states which would avoid foreign commitments and involvement in big power disputes.

Nationalist opinion in the Arab countries is rabidly anti-British, particularly in Egypt and Iraq, where recently a violent popular outburst forced the Iraq Government to cancel a treaty of alliance it had signed with Britain. Egypt's oft-repeated demands for British evacuation of the Sudan and the Suez bases are still being pressed and it is naive to assume that Cairo will be appeased by a strip of Palestine desert.

HAIFA REFINERY SHUTS DOWN

The economic effects of British policy in Palestine is proving disastrous to the Mediterranean countries and may ultimately hinder the European recovery program. The Haifa oil refinery, which produced about 4,000,000 tons of petroleum annually, has been forced to cease operation. An article appearing May 1 in the Economist of London reveals that "more than half of it (Haifa refinery output) was consumed on the Mediterranean shore of the Middle East, principally in Palestine and Egypt."

"In 1947 Palestine alone," asserts the Economist, "absorbed 690,000 tons, Egypt consumed over 800,000 tons, and the balance of the 1,400,000 tons consumed in the Levant was absorbed by Syria, Turkey, and Cyprus. Europe (mainly Greece, drawing—on American account) took 900,000 tons, of which 200,000 tons went to the United Kingdom. North Africa absorbed 225,000 tons, and 500,000 tons were supplied locally in shipping.

NO ALTERNATIVE AVAILABLE

"Except for small refineries at Tripoli (Lebanon) and in Egypt, neither of which meets home consumption, there is no alternative eastern Mediterranean refinery available," says the Economist. "At a mo-

ment, therefore, when the world is particularly short of refinery plants," the article continues, "a large and valuable unit is put out of commission and a large additional group of consumers must be fed from elsewhere. The situation is all the worse for Britain in that the Haifa output is largely a sterling area source of supply."

In addition to halting oil production at the Haifa refinery, British authorities drained the plant's storage tanks. ONA correspondent Jon Kimche reported from Tel Aviv on May 18 that "following instructions received from London, two ships, the tankers *Red Bank* and *Norsia*, have removed 20,000 tons of fuel oil from Haifa and have left that port's 40 oil tanks—with a storage capacity of 480,000 tons—drained to their bottoms." Kimche adds: "When the *Red Bank* left Haifa last week, orders were received from London to discontinue flowing further oil from the pipe line from Iraq to Haifa." Apparently, the British Government has no qualms about risking a grave oil shortage in the Mediterranean area so long as it can impose oil sanctions on Israel.

(The government of Israel has offered to guarantee the flow of oil products to the Arab states if the Arab states provide oil for the Haifa refinery, an AP dispatch from Haifa May 28 said.)

FOREIGN OFFICE CODDLES ARABS

At present the British Foreign Office is working overtime to convince the United States that the only way to deal with the Arabs is to coddle them, like spoiled children. In London, United States support for zionism is held responsible for the lack of a "fair solution" of the Palestine problem.

From London, New York Times Correspondent Herbert Matthews writes (May 20): "It is believed here—and Mr. Bevin has said as much on several occasions—that but for United States interference on the side of the Zionists * * * there would have been a fair solution of the Palestinian problem long ago." On May 22, Clifton Daniel, in a dispatch to the New York Times following the Bevin-Douglas conversation in London discloses: "He (Bevin) reportedly expressed the belief that at one time the Arabs inclined toward a truce, but shied away upon the announcement of United States recognition of the State of Israel."

CEASE-FIRE HOPES DIMMED

On May 25 Daniel reported that "the news of President Truman's projected loan to the State of Israel dropped like a bomb into Foreign Secretary Bevin's office today. * * * The foreign secretary, it is understood had previously told Ambassador Douglas of the United States that King Abdullah of Transjordan was prepared to accept a cease fire in Palestine," but now "it is believed at the foreign office that hopes for a cease fire have been dimmed although not extinguished."

Although the Arabs for years have violently opposed any compromise with the Jews in Palestine, Mr. Bevin is inclined to find them on the verge of accepting a fair solution which has not been forthcoming, he claims, because of fanatical Jewish intransigence backed by the United States. One is forced to conclude that the existence of Israel is not compatible with Mr. Bevin's idea of a fair solution and that any move in support of the Jews hinders such a solution in the Holy Land.

DENY INFLUENCE OVER ABDULLAH

Matthews, of the New York Times, reports from London on May 20 that the Foreign Office is trying to impress Washington that "Britain's alliances in the Middle East do not give this country (Britain) the right to control the foreign or military policies of the Arab countries. That type of British imperialism has gone into history, it is asserted, and Britain today feels it is in no position to order King Abdullah to do anything." Apparently the new British imperialism trains, arms, and supplies Arab armies for motives of lofty altruism and disinterested charity.

However, midnight has not yet struck. It is still not too late for Britain to restore order and stability out of the chaos and anarchy her policy has produced in Palestine. If, instead of promoting Arab aggression in the Holy Land, Bevin were to use his influence in the Middle East to uphold the United Nations decision, the cause of world peace—so vital to Britain—would be rendered a real service.

ARABS RAZE JEWISH SHRINES

The wailing wall, only remnant of the second temple and holiest Jewish shrine in the world, has been held by the Arabs since November 30, 1947. "Never since the time of the Romans," said Dr. Isaac Herzog, chief rabbi of Palestine, "have Jews been so completely cut off from the wailing wall" (New York Times, March 26, 1948).

On May 20, Arab Legion troops captured the Tiferet Israel Synagog, after having reduced it to shambles with artillery and mortars. The ancient Beit Yaacov Synagog, known as the hurva (ruin), was also blasted by legion artillery and stormed on May 27.

HOLY PLACES DESECRATED

The Jewish Agency listed the following desecration, casualties, and damage to churches and religious foundations in Jerusalem as a result of Arab attacks from May 14 to 22:

May 14: Catholic Monastery of St. Claire, belonging to the Soeurs Clarine, occupied by Arab troops and fire directed from it at Jewish positions.

May 16: Iraqis occupied the Armenian Orthodox Cathedral of St. James, and plundered the church and surrounding buildings. Arab mortar shells hit the Abyssinian Cathedral several times, damaging the building.

May 17: Arab mortar positions established in the Syrian Orthodox Church (Deir Surian) in the Armenian quarter. Mortar positions set up in the Church of St. George in the Armenian quarter.

May 18: The Anglican Cathedral of St. George shelled by Arabs from the Sheikh Jarrah quarter. The British Consul filed a strong protest.

May 19: The Monastery of Ratisbon shelled by Arab mortars. The fathers protested to the Red Cross. The Arab Legion occupied the Greek Orthodox Monastery of Mar Lias on the Bethlehem Road and used it as a base for attacks on Ramat Rahel.

May 21: The abbe of Notre Dame de France, Peres de Sion, killed by an Arab mortar bomb.

May 23: The Terra Sancta Convent damaged by direct shell hit. It was under the supervision of the International Red Cross as a refugee center.

Some Facts About REA

EXTENSION OF REMARKS
OF
HON. PARKE M. BANTA
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. BANTA. Mr. Speaker, it is gratifying to know that gradually, but in ever-increasing numbers, the farm homes in America are being provided with electric power and light. It is being accomplished by the locally owned and locally managed electric co-ops, now operating throughout the Nation. There are eight such co-ops serving farmers and small businesses in my congressional district. According to the information furnished to me by the Washington office of REA, these co-ops now serve approximately 22,000 consumers, and funds provided by the Eightieth Congress for the construction and extension of REA lines, will enable them to serve many thousands more.

The record of the Eightieth Congress in providing funds for REA is an impressive one. I am going to review that record briefly, Mr. Speaker, because at different times during the sessions of the Eightieth Congress, there was circulated propaganda, to the effect that persons wanting electricity, and who had signed up for it, were unable to have it because Congress had not provided the necesary money. An impartial review of the record completely refutes every such statement.

WHAT THE EIGHTIETH CONGRESS PROVIDED FOR REA

Last year—fiscal year 1948—Congress provided the REA with loan funds in the sum of $400,000,000. This was done by an initial appropriation of $225,000,000, which, added to $325,000,000 left over and unexpended from the year before, meant that REA began the fiscal year—July 1, 1947—with $550,000,000 of loan funds available for use during the succeeding 12 months. Later in the year as material became more abundant, an additional $175,000,000 was provided, making available for use in the fiscal year 1948, a grand total of $725,000,000. Incidentally, this was the total amount requested by the REA.

In addition, there was appropriated for administration the sum of $5,225,000 for the fiscal year 1948, and $5,450,000 for the fiscal year 1949. Although the Washington REA office claimed this was not enough, Mr. Speaker, we all know that most of the cooperatives are well on their way administratively, and they no longer need nor desire intensive supervision from Washington.

This year—fiscal year 1949—the House appropriated REA loan funds in the sum of $400,000,000. The Washington REA office requested of the Bureau of the Budget $325,000,000. The Bureau reduced the request to $300,000,000, which was the amount recommended in the official budget, submitted to the Congress by the President. To this, the Congress added $100,000,000. Some may ask, and it is proper for them to do it, why this huge sum, with the already unprecedented backlog of unused funds. I joined with many of my colleagues in the House in urging the members of the Appropriations Committee to adopt this policy. It is justified upon the theory that unless the co-op has a loan contract with the Washington office of REA definitely earmarking a particular sum to a particular project it cannot place orders for material with firms producing such material. Recognizing the importance of rural electrification to our farmers, their need for labor-saving devices for themselves and their families, and their right to some of the comforts of living, too, I was one of the Members of Congress to express the hope that no one will be without electricity if and when the

necessary materials are available for more rapid construction. By this appropriation the Congress has expressed its belief that the materials situation will improve from now on. Moreover, these REA appropriations are not down the drain. The funds are loaned to the locally owned and locally managed co-ops, and repayment, with interest, is made to the United States Treasury. The repayment record is good. Reviewing the record on repayments, I was pleased to find that no co-op in Missouri is shown to be in default or delinquent in payments of either principal or interest.

While we have doubtless provided it with more money than REA will be able to spend or perhaps allocate in full, to the local cooperatives, it is my feeling that unless the money is available for allocation, orders cannot even be placed for future delivery of materials now in short supply.

The action we have taken will not provide electricity for every farmer as soon as he wants it. It will not provide it for all who have long been subscribers. I wish it could. The job is too big for that. Much will depend upon where the farmers are, who are not yet served. Much will depend upon the decisions of the management of the respective co-ops, and upon their ability and diligence in finding materials and labor for the execution of their plans. Moreover, all plans must be approved by the Washington REA office, and much will depend upon the plans each local co-op submits, as to whether they will receive approval, and in this proper timing of the application for the loan as well as the skill employed in its preparation, may count for something.

The Congress can only provide the money for the loans. The rest is up to REA. Where the lines are built and when, is not the business of Congress, but of these locally owned and managed business enterprises, subject, of course, to planning which will meet the approval of the Administrator of REA.

MATERIALS IN SHORT SUPPLY AND WHY

The Washington office of REA as well as the managers of the local electric co-ops have repeatedly stated that materials are in short supply. This we know to be the fact. As of March 8, 1948, REA had on hand almost $400,000,000 allocated (that is earmarked) for certain projects, but not used, and in addition it had approximately $62,000,000 which had not been loaned or allocated. It was shortage of material that contributed chiefly to this backlog of allocated but unused money. This short supply of material may continue so long as the executive branch of our Government insists upon exporting it to foreign countries.

Reports of the Department of Commerce, which licenses all exporters, indicate that wire, generators, magnetos, batteries, boxes, insulation, metal conduits, transformers, sockets, fuses, lighting fixtures, and parts of all kinds have been and are being exported to all parts of the world, and some of it to Communist Russia. There are some of us in the Congress who protest against the exportation of the things which our own constituents and our own people need here at home, and some of us will continue to protest until such time as our own people are provided for.

In the meantime, it is sufficient to point to the record of the Congress to find that the people's elected representatives, at least a substantial portion of them, are staunch supporters of REA. And the Eightieth Congress has the best record of all in this regard. In 2 years the Eightieth Congress voted $800,000,000 of loan funds for REA, 42 percent of the total amount voted in 15 years of REA's history. Mr. Speaker, I am glad to have had a part in providing this loan fund for the extension of the REA program. It is my hope that every farmer in my district, and every farmer in the Nation for that matter, may have the advantage of adequate electric power at the earliest possible moment, and I shall at all times support legislation which appears to be helpful to accomplish this.

Because it may be interesting to compare the record of the Eightieth Congress with the record of previous Congresses in providing REA loan funds, the following is a record of funds voted each year since the beginning of the program:

REA funds voted by Congress

Fiscal year:	
1935–36	$13,928,288
1937	46,500,000
1938	30,000,000
1939	140,000,000
1940	40,000,000
1941	100,000,000
1942	100,000,000
1943	10,000,000
1944	20,000,000
1945	25,000,000
1946	300,000,000
1947	250,000,000
1948	400,000,000
1949	400,000,000
Total	1,875,428,288

The Future of the Republic of Israel

EXTENSION OF REMARKS

OF

HON. ARTHUR G. KLEIN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. KLEIN. Mr. Speaker, under leave, I insert as an extension of my remarks the following address delivered by Mr. Leon Gellman, president of the Mizrachi Organization of America, at the twenty-eighth annual national Mizrachi convention in New York:

The Jewish people of the Republic of Israel do not relish fighting a war which has been forced upon them. But even more grievous do they find the so-called cease-fire arrangement which, it is becoming increasingly apparent, is being implemented not for the purpose of putting a cessation to hostilities, but rather for strengthening the enemies of Israel and bolstering their positions.

Bevin's England has emerged from Palestine drenched with shame. Wherever the British lion has thrust his foot there he has remained. But only from the land of Israel has the lion been thoroughly routed. That is why Bevin rages with fury and wrath. The British designs against Israel guised by seemingly noble proposals of "cease-fire" and "truce" have deceived no one. They cannot uproot the state of Israel nor the Government of Israel, for these are firmly established realities; therefore, they now finagle with the most perfidious diplomatic devices to reduce the area of the Jewish State, to tear away the entire Negev, which they will present to their vassals, the Arabs, or perhaps retain for their own military purposes.

The greatest danger confronting the Jewish people is not a fighting war, but rather the latest "truce device" which the British Foreign Office has concocted and in which these masters of deceit are so intensely interested. Jealous of the "vastness" of the Jewish State which has now been shrunken to one-eighth of the Holy Land area, they strive relentlessly to carve up Israel still further.

For the Jewish people the next few weeks will be the most critical and decisive. Jews will have to fortify themselves with tact, logic, patience, and stubbornness in order to prevent their being snared in a political trap which is being set by Bevin's Foreign Office and our naive friends in the State Department. The Jewish people cannot afford to compromise on another handful of land in the state of Israel. It is generally conceded that had there been less compromises in the recent past, had there been a more firm political approach on the part of Zionist leadership, much of the present tragedy could have been averted.

The future of Jerusalem is more confused than ever before. Jews the world over have found a bitter pill to swallow in the decision of the United Nations which has taken Jerusalem out of the jurisdiction of Israel and transformed her into an international island. Under no circumstances, however, will the Jewish people permit Abdullah to reign over the Holy City. Any attempt to foist his rule upon Jerusalem will be fought to the bitter end.

It is erroneous to believe that with the establishment of the Republic of Israel the Zionist movements in America have ended their function or must develop a new orientation. Now, as before, American Zionists must continue their endeavors to help relieve the heavy financial burdens which the young Republic of Israel will incur in providing immigration facilities for the hundreds of thousands of Jewish refugees and tens of thousands of orphaned Jewish children still cursed with homelessness in a hostile world. Despite the gain of taxes and loans, Israel will be faced with tremendous budgetary problems and American Zionists will have to become the hinterland, furnishing financial aid, investing in new industries, and launching building projects for the homeless.

The new Jewish State will give much to the Jews in the diaspora; it will give them pride, dignity, spiritual wealth, and cultural treasures. Therefore, there can be no question of curtailing Zionist efforts; on the contrary, Zionist endeavors must perforce be broadened, strengthened, and developed.

For the World Mizrachi movement the tasks have actually just begun. With the Jewish state a fact, Mizrachi must now strive with every means to influence the development of the state along truly Jewish, truly religious-prophetic lines. It is a heartening encouragement for religious Zionists to learn that through their influence the Israeli government in Tel Aviv has just proclaimed the Jewish Sabbath and all Jewish holy days and festivals to be national holidays. But our maximum program is far from fulfillment, and until the spirit of Torah and prophetic Judaism suffuses the entire framework of life in Israel we must continue to labor for realization of religious Zionist goals. There-

fore, we need not develop a new orientation, but rather continue working for the old Mizrachi principles for which we have always struggled.

Similarly must we continue our program for strengthening Judaism in America and in other diaspora countries. Our greatest pride, yet our greatest challenge in America, is the Mizrachi National Education Committee which has so magnificently begun training a new generation of religious Jewish children in the Nation-wide Mizrachi all-day school system. Through this excellent channel we must continue developing a flourishing, dynamic Jewish civilization in America. And in Europe, we must not for one moment overlook the much-needed relief work among our sorely tried brethren, which we are conducting through the Mizrachi relief bureau in Paris, and through the Central Orthodox Committee of the Joint Distribution Committee, which we have helped organize and develop.

We must help our brothers and sisters meet the major challenge of the hour; emerging victorious on the military fronts. We must continue our support of the Haganah. We must not rest until Israel is made secure, and until the hundreds of thousands of Jewish men and women in Europe's DP camps find their home, their peace, their future in the land of Israel. We must earnestly consider inaugurating a full-scale housing project for these unfortunate human beings who soon will begin streaming into the land of their fathers. We, the hinterland, must begin now providing roofs and hearths for their harassed bodies and tormented spirits.

As the first major project of the American Mizrachi movement, supporting the embattled men, women, and children of Israel, it is my happy privilege to announce that on Sunday, June 27, the religious Zionists of the Greater New York area with the cooperation of the Keren Hayesod (Palestine Foundation Fund) and with the sincere support of thousands of New Yorkers, will send the first Mizrachi shipload of basic food necessities to Israel. This is a significant indication to the enemies of Israel that the peoples of the world, the fair-minded man and woman of the street who are tired of diplomatic schemes and the corruption of justice in high places, will find their own means of supporting those who fight for freedom and the democratic rights of man. This Mizrachi food shipment is but the first of a fleet which the American Mizrachi movement hopes to send to the Republic of Israel.

This annual national convention, at which is assembled the foremost leaders of the religious Jewish community of America, conveys its heartiest greetings, blessings for victory and peace to the President, the Cabinet, and the Parliament of the heroic Republic of Israel. May the prophecy be fulfilled that "nation shall not lift up sword against nation and learn war no more"—and that "out of Zion shall go forth the Law, and the Word of the Lord out of Jerusalem * * *"

A Letter From Prague

EXTENSION OF REMARKS
OF
HON. WILLIAM LEMKE
OF NORTH DAKOTA
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. LEMKE. Mr. Speaker, there are, of course, many innocent victims who think they prefer the Russian form of government to ours. They have been fed on false propaganda. Stalin, the liquidator, has been deified. They have been given glowing pictures of Russia—a land where all are supposedly equal, socially and economically.

Yet, in reality, Russia is not a communistic state. It is governed by dictators and liquidators—murderers. Under the Russian system, you can kick the person that is lower in the gutter than you are, but you dare not criticize anyone above you. There is no social or economic equality. There is no freedom of speech, thought, or action.

The best way to educate these innocent victims that they are on the wrong road—on the road to the place where it never gets cold rather than on the road to Paradise—is to have them go to Russia or its satellite states and have them stay there for a few months. They will undoubtedly then see the light.

To show you what the situation is in Czechoslovakia, I am inserting in my remarks a letter received by a friend of mine who has a nephew in Prague. You will note that he has carefully deleted all possible identification. That, alone, speaks louder than words. Here is a translation of the letter:

MAY 6, 1948.

ESTEEMED GRACIOUS LADY: Your nephew, ——— ———, of Prague, ———, who is my legal representative, has entrusted to me (the task) to write to you from this country and to describe somewhat our situation in Czechoslovakia. I will attempt to picture how things are with us, with a prayerful request to you to destroy this letter after you have read it so that it might not become public and cause me unpleasantness.

Communist dictatorship rules our country, the entire nation fears to speak freely, as free (adverse) speech is reported to the police. It is even worse than during the German regime. There is nothing one can purchase, adults can get no milk or butter, everything has to be obtained by devious (illegal) means; textiles also are not to be obtained. As I was leaving for ——— there was no meat at all, and housewives are in utter despair.

——— does not wish to write to you about the over-all situation, since all letters from Czechoslovakia and into Czechoslovakia are censored.

Our President is ill and is compelled to sign whatever is submitted for his signature; he is not in Prague, but in Segimov Usti, his out-of-town residence. All power is in the hands of the Communist Party, and that dictates unceasingly. This month we have the elections, and I am glad I am here in ——— and not there.

Before I left I talked with ———, who was greatly distressed over his position—he was forced to step down to make way for a certain Communist; his villa, ———, near Prague, also is to be confiscated for socialistic purposes.

I (———) can tell you sincerely that all business transactions today are at a standstill (scarcity of raw materials, etc.).

The Communist Party has nationalized everything—trade, industry—and so we work from bad to worse, and all of us will become veritable beggars.

I hope I have at least partially described everything; but if you wish to know something more in detail, please write me at the address given below. In conclusion, I pass on to you the greetings of your esteemed family in Prague.

With respectful regards (literally kiss the hand).

Best of Luck, Governor Dewey

EXTENSION OF REMARKS
OF
HON. RALPH A. GAMBLE
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. GAMBLE. Mr. Speaker, under unanimous consent of the House, I insert in the CONGRESSIONAL RECORD the attached editorial from the Daily Times, published at Mamaroneck, N. Y., June 14, 1948, entitled "Best of Luck, Governor Dewey":

BEST OF LUCK, GOVERNOR DEWEY

If it be true, as they say in politics, that the home folks know a man the best, then the delegates from the other States to the Republican National Convention in Philadelphia next week should be informed as often and as emphatically as possible that Thomas E. Dewey stands high with the voters of the Empire State.

Governor Dewey has reduced taxes; he has increased State fiscal aid to municipalities; he has liberalized welfare and relief administration while weeding out waste and extravagance; he has as executive worked for 6 years now harmoniously with the legislative branch of State government and few, if any, of the laws he has advocated have been held unconstitutional by the judicial branch.

It is difficult to pick out any one particular field in which the Governor has been more adept than in others. But if we were asked to select his outstanding achievement in State government, we would answer that it has been his proven ability to surround himself with capable, efficient, entirely honest assistants. Much of the success of his two administrations, naturally, is due to these members of his cabinet, but credit for their selection goes wholly to himself. Therefore, what they achieve redounds directly to his personal credit.

Further, we think it is noteworthy, and we hope delegates from other States are so informed, that Governor Dewey holds fundamental views with regard to government. A public official, he believes, is the servant and not the master; he does not look down upon those who elected him, but rather up to them as his employers. Such views, in sharp contradiction to those which characterized the New Deal administration, are surely worthy of stress.

To be practical about the coming campaign, let delegates to the Philadelphia convention from other States bear in mind that the election of a President hinges heavily upon the candidate's ability to carry the largest State of the Union.

After more than a generation of Democratic governors at Albany, Mr. Dewey won in 1942 over the combined opposition of the Democratic and Labor Party forces, and then repeated in 1946 by the greatest majority ever accorded a governor of this State, and, we imagine, of any other State. That is what the voters of New York think of Governor Dewey and that is the best illustration of his realistic value to his party as its nominee this year.

So, Governor Dewey, as you leave for Philadelphia, we wish you well. As a vigorous campaigner against crime, as an experienced administrator of government upon a large scale, you have earned recognition not only from your party but from your country at large.

We in Westchester, with the rest of the State, stand behind you as our proven representative of good government, now qualified to advance from the second most important public job in the United States to the most important, the Presidency.

Hon. Albert W. Hawkes, of New Jersey

EXTENSION OF REMARKS
OF
HON. ALEXANDER WILEY
OF WISCONSIN
IN THE SENATE OF THE UNITED STATES
Saturday, June 19 (legislative day of Tuesday, June 15), 1948

Mr. WILEY. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a statement in tribute to our colleague the Honorable ALBERT W. HAWKES, of New Jersey.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

TRIBUTE TO SENATOR HAWKES

Mr President, on June 19, 1948, a very dear friend and colleague, ALBERT W. HAWKES, made his valedictory address before the Senate of the United States.

His remarks, as always, were rich with the wisdom gleaned from experience.

Senator HAWKES was born on November 20, 1878. He worked his way up in business until he became president of the Congoleum-Nairn Co., Inc., and director in many business concerns. His outstanding ability was recognized by his being elected to the presidency of the United States Chamber of Commerce. In 1942, he was elected to the Senate of the United States from New Jersey.

I remember well the first time I saw Senator HAWKES. He had just entered his office in the Senate Office Building when I called on him, introduced myself, and told him how glad I was to see him representing the great State of New Jersey. I remember his genuine cordiality and the friendly greeting I received.

I remember, too, with gratitude the many kindnesses that he later showed to me. He was always kind and generous toward me when he visited his old business friends back in the State of Wisconsin.

Mrs. Wiley and I always remember Mrs. Hawkes and their daughter. They, too, have always been genuine.

ALBERT HAWKES has not simply been a businessman. He has had a grasp of fundamentals in government. He has constantly stressed the need for the Government to get rid of waste, bureaucrats, and leftist thinkers. He has seen the imperative need of making sure that American enterprise is not hamstrung by regulations and excessive taxation. He has known the importance of maintaining and sustaining American ingenuity and enterprise. He has felt that too much Government interference would lead only to disintegration.

While he has been a man of large experience in business, he has never forgotten the common man and the common touch. He has recognized that difficulties in management and labor could not be eradicated by legislative enactment, but only by understanding and fair and honest treatment by each party of the other.

He has had some very strong convictions on the subject of communism and state socialism. He has felt that they had no place in the American economy.

He saw the importance of maintaining balance in Government—the balance envisioned by the founding fathers. He has constantly preached the need for cooperation and the getting rid of bigotry and the like, and has acted upon his own beliefs.

In his voting here in the Senate, Senator HAWKES has always shown a great independence and a courage of his convictions. He has not thought in terms of political expediency or in terms of satisfying pressure groups but rather he has thought of the general welfare and has acted in accordance with his conscience.

ALBERT HAWKES came up the hard way. He began as an office boy and clerk, handled sales, got acquainted with people, overcame obstacles and solved problems. He has stressed that the American system was not simply a profit system, but a profit-and-loss system; that the philosophy which taught men to lean on Government was a debilitating philosophy.

ALBERT HAWKES has liked to quote Lincoln. In physique he is tall and slender like Lincoln. He has a sense of humor like Lincoln and he has a deep strain of religion like Lincoln.

The experience that Senator HAWKES has had in the Senate will only add another page to a life that is rich with many accomplishments and experiences. This acquaintanceship with government will only make him more fit to carry on. While he is nearly 70 years of age, he does not really appear to have arrived at three score years and ten. He is physically strong, mentally alert, and ready for the next venture.

We are sure that he will have many more years of active life and fine accomplishments in front of him. We say to our friend, "Happy voyage. We will always be glad to see you."

Protect America

EXTENSION OF REMARKS
OF
HON. J. HARRY McGREGOR
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. McGREGOR. Mr. Speaker, I firmly protest the action of the President and those in executive authority in their attempt to lower the tariffs on certain articles being shipped into this country. This program means that the American farmer, American labor, and American industry will be forced to compete with the low-wage labor rate and low production costs existing in foreign countries. As an example, the glass and pottery industries of this country would be forced to close their doors if foreign glass and pottery are allowed to be imported without an adequate protective tariff.

Mr. Speaker, I feel the lowering of tariff rates would force American agriculture, industry, and labor to compete with other nations that have not recognized individual rights, and that do not have a living wage rate established, and where living conditions are not on a par with this country. I assure you, Mr. Speaker, I will oppose any procedure that will attempt to put the American people on a lower standard of living, such as seems to prevail in some other countries. As I have stated on the floor of this Congress many, many times, we must take definite action to protect our American people against the inroads of products imported from foreign nations which have by comparison a substandard for living- and production-wage rates. Let us recognize and protect the rights and living conditions of our own people.

The Free and Independent Republic of Israel

EXTENSION OF REMARKS
OF
HON. ARTHUR G. KLEIN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. KLEIN. Mr. Speaker, under leave I am extending my remarks to include the address of Aubrey S. Eban, Israeli delegate to the United Nations, delivered at the anual banquet of the Mizrachi Organization of America and broadcast over radio station WMCA in New York:

We are gathered together at a high moment in the history of our people and in the annals of international statesmanship. The spirit and civilization of Israel which have contributed so much to the thought and spirit of mankind, are to be embodied in free political and social institutions on a level of equality with all other nations in the human family. And the manner in which this came to pass befits the dignity of the event itself. For let us recall in what circumstances the Jews of Palestine on the 14th of May set their hand to the declaration of their independence. They were besieged and invaded. They stood almost entirely alone. They had few elements of organized military strength. They had no reason to expect international recognition for their act. Indeed, they were menaced by the prospect of international repression. Meanwhile, five armies, sustained by the equipment and alliance of a great military power, stood poised on their frontiers ready to swoop violently upon them and sweep them away.

It was in these conditions that the representatives of the Jewish people, affirming their faith in divine providence and in their national destiny, established themselves on the soil from which their Nation had sprung, as a free and independent republic. This was not an ordinary rational act arising from any cold calculation of balance between advantage and danger. For evidently, we are not a rational people. Rational men have their place in the world, I suppose. But their place is not amongst the liberators of nations. The liberation of a people, after centuries of suffering and ceaseless quest, is an act of faith rising up in defiance of cautious logic. No wonder that the spectacle of this tiny republic defending itself against overwhelming aggression has captured the sentiment and imagination of the liberal world.

Yet, although this renewal of Israel's independence is primarily an act of faith, it has its deep foundations in the hard soil of contemporary political facts, for Israel's statehood is no more than the due title of what Palestine Jewry had already come to be—a mature society, complete and fully articulated in all the functions and responsibilities of a state; a community whose towns and villages, industry and agriculture, schools and academies, science and art, lan-

guage and tradition, associations and loyalties—were all distinctive to itself, were all the product of its native personality. It had long been incongruous for a people such as this to live under a regime alien to its spirit and aspirations, and the ordinary laws of political nature cried out for its immediate emancipation.

Moreover, Israel's independence was necessary for the normal relation of the Jewish society to its Arab environment. In a quarter of a century all the Arab peoples had advanced from tutelage to sovereign independence. One community alone in the Middle East was not independent or free. The question which presented itself to the conscience of the world was whether the Jews of Palestine were so inferior socially, culturally, and politically to the nomad Bedouin of Transjordan, to the tribesmen of Jebel Druze, to the serfs of medieval Yemen, to the illiterate peasant of Egypt, that they alone of all the near eastern peoples must not be allowed to take their destiny into their own hands and carve out their future in the image of their special culture and tradition.

When we establish a Jewish state, we, therefore, create the objective conditions of Arab-Jewish cooperation, for such cooperation does not begin to be a prospect until the two peoples face each other on the level of political equality. The Jews of Israel are willing to be the equal partners and allies of the Arab world. They will never be its subject. History will not tolerate for Israel a status which even the more primitive societies around them have long outgrown.

Yet a more compelling motive for Jewish statehood came from Europe, where the fugitives of terror and holocaust wait patiently across the months for a chance to become citizens of a Jewish society in which their capacities and ideals would be fully at home. The impact of their plight upon the human conscience—their tragic, but glorious quest for national freedom stretching across the sea of years between the Struma and the Exodus, have created in the minds of the international community a sense of inseparable connection between the Palestine problem and the most profound humanitarian issue of our time.

Out of the great complex of motives and circumstances the state of Israel has arisen and now exists. It will survive. This new republic is no mean heritage. It is not a heritage to be lightly abandoned. It will not be surrendered at the mere smell of danger. The independent state of Israel is a permanent and immutable part of international life for this and all future generations. And when we declare Jewish statehood to be permanent and immutable we define the starting point of our political attitude today. Arab leaders still profess to speak of the Jewish state as a plan, a program which can either be realized or set aside. They hope to undo the accomplished fact. They would like the chicken to return to its egg. Mr. President, what a grotesque and sinister illusion. Can anybody believe that a state established by this great union of historic compulsions can somehow still be overthrown? Does anybody in his senses seriously believe that the Jewish people has striven for this precious prize for two millenia in order that, once nobly gained, it will be relinquished, in obedience to a sordid, illegal, incompetent, and entirely unsuccessful campaign of aggression? What sort of people do they think we are? Do they imagine that they can gain at the conference table the fruits of a victory which they failed to achieve in the battlefield—a battlefield of their own making, from which most of them have fallen back in disorder and disgrace?

As we enter upon a period of vital political negotiations, it is my duty to express as clearly as I can the principles which guide the Government of Israel at this time. If, as we hope, the invading Arab states want peace with Israel, they can have it. If they want war, they can have that, too. But whether they have peace or war, they will have it with the state of Israel. The Government of Israel will gladly discuss with the United Nations mediator the prospect of a peaceful relationship between independent Israel and its neighbors. But it will not discuss with anybody any proposal which undermines its independence or integrity. It will, therefore, not consider any proposals for confederation or any manner of cooperation resting upon any compulsions or upon anything except free relations of "sovereign equality." Israel hopes that its neighbors will choose the essential truth and honor of a lasting peace. But if, unhappily, they choose aggression, Israel will resist it, and the resistance will be no less determined or successful than in the recent inspiring weeks when the beleaguered little republic swept the invader from its frontiers and took the war into the very territory from which the aggression was launched. Israel asks nothing of the Arab states. It demands none of their territory. It seeks no limitation of their sovereign rights. Making no such claims upon them, Israel admits of no such claims which they can lawfully make upon it. If the Arabs, as the Charter requires, recognize and accept the full and exact judgment of the General Assembly, Israel stands ready to cooperate on that basis. If, however, the Arabs and their allies prefer to base a settlement on the arbitrament and equilibrium of war, then they must accept the consequences of that war. And those consequences find Israel in complete control of all its territory, of western Galilee, Jaffa, the road to Jerusalem, in complete freedom and unsought separation from the bulk of its own Arab citizens. If the Arabs put their faith in the de facto results of invasion, then we, too, shall take our stand upon the positions and liberties which we have wrested from the aggressor.

We are now in a position where for us to return to the provisions of the November resolution after having been attacked by aggression would represent the greatest possible act of political and territorial concession which we can make. The November plan can be the basis of agreement but only as soon as the Arabs accept that resolution and recognize the sovereignty of Israel, as Israel recognizes their sovereignty without reserve. We certainly do not feel bound to reward aggression with any face-saving devices, reducing our patrimony below the level which the General Assembly has laid down. The Charter of the United Nations, with its insistence on the independence and integrity of all states is the only basis upon which Israel's relations with its neighbors can be laid. The Charter forbids member States to make the overthrow of a neighboring State the condition of a peaceful settlement. When we turn to a map of the Near East and see that vast unbroken succession of Arab sovereignties, the idea that an independent Israel is a threat to the Arab world becomes visibly absurd. When we contemplate the social and economic ills of that stricken region, we have complete certainty that Israel, by its exertion and example, can contribute abundantly with enrichment and development.

It is surely the duty of the international community to summon the Arabic-speaking world, the freedom of which is amply secured, to ways of cooperation with an independent Israel. When Israel enters the United Nations as a full member, a fitting milestone will have been reached, both in its own career and in that of the international organization itself. For Israel is both a national and a universal ideal; and it is in the prophetic tradition of Israel—looking to the day when "Nation shall not lift up the sword against nation and there shall not again be war"—that the concept of international cooperation has its original roots.

Communist Subversive Activities in the United States

EXTENSION OF REMARKS

OF

HON. GEORGE A. SMATHERS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. SMATHERS. Mr. Speaker, under leave to revise and extend my remarks, I would like to insert into the Appendix of the RECORD three articles from the Miami Daily News. In these articles a young American girl tells how she became a member of the Young Communist League back in 1941—and how she was reconverted to democracy. Hers is the story of insidious methods by which communism seeks to undermine our way of life and defeat our democratic ideals. It is a story which should be brought to the attention of everyone who thinks that the subversive activities of the Communists in this country are neither extensive nor dangerous.

(EDITOR'S NOTE.—This is the first of a series of three articles in which Claire Brandler, formerly of Miami Beach, tells how she became a member of the Young Communist League here in 1941. She describes the activities of the league up until the time, in 1943, she "rejected the commissar for all time.")

(By Claire Brandler)

In September 1941 I had just passed my seventeenth birthday, and I was faced with an unusual and delicate problem. I was about to begin functioning as editor-in-chief of the Miami Beach High School newspaper, the Beach Breeze, and I was also about to begin functioning, secretly, as a member of the Young Communist League. This was the youth section of the Communist Party.

My delicate problem was to take advantage of my newspaper position to advance the Communist Party line, without going far enough to be discovered and ousted from the editorship.

The events leading up to this situation began some 8 months earlier, when I first became involved with the Communists through their web of "front" organizations. From the fertile fields of these front groups, whose alleged programs are usually hard for any liberal to oppose, the seasoned party members select the most promising raw material for specialized cultivation.

Those responding to the cultivation are further involved in the maze of the Communist fronts, until, hardly realizing where they are being led, they find themselves at the doors of the Communist Party itself.

My own introduction to the Communist Party closely followed this procedure. I was curious about an organization called the American Youth Congress. I made inquiries, located its Miami members, and attended one of their meetings. At this meeting a report was given on recent national activities of the Youth Congress, with details of the Washington mass meeting which occurred a few weeks before.

Hundreds of young delegates had stood in the rain outside the White House and booed President Roosevelt for his speech against Nazi aggression. I was particularly impressed by the professional conduct of the young man who made the report. There was a complete lack of confusion and the young people there seemed to have a well-defined and readily expressed opinion on every possible subject. They were the most self-assured group of boys and girls I had ever seen.

At the conclusion of this meeting, after speaking to several of the people there, I was invited to attend a meeting of the American Peace Mobilization.

At the Peace Mobilization gathering I found most of the same people whom I had seen at the earlier youth meeting. The few exceptions consisted mainly of several adults. At this meeting I heard discussion and plans relating to a tremendous peace offensive to be spearheaded by this so-called Peace Mobilization.

The plans consisted mainly of efforts to raise funds for the purpose of sending delegates to a national meeting in New York. At this New York meeting Nation-wide activities would be organized to keep America from joining in the war against Hitler.

I later discovered that the Stalin-Hitler pact was responsible for these intensive anti-war activities. This pact had established a close working friendship between Germany and the Soviet Union, while at the same time Germany was at war with England and France. It is therefore easy to see why the Communists and their front organizations were so loud and expressive in their demands for peace.

Russia's foreign policy required that America remain neutral, and the American Communists were doing their best to see that neutrality was kept.

The Miami Beach Peace Mobilization prepared parties and other money-raising stunts to get funds for the delegates. Inasmuch as peace seemed a worthy cause, I joined in enthusiastically, and after several weeks of activity I was delighted to find myself mentioned as a delegate to the New York meeting.

I was 16 years old at the time and my parents were very unenthusiastic about permitting me to make an automobile trip to New York in the company of people they knew nothing about.

I explained my problem to members of the group and they suggested that the director of the local APM visit my parents and try to persuade them to let me go.

Charles Doraine, whom I later knew as Charles Smolikoff, was introduced to me as the director of the Miami chapter of the American Peace Mobilization, and it was he who came to my home and spoke to my mother, convincing her to let me make the trip.

In the months that followed, I learned that this man, Charles Doraine (Smolikoff) was a key behind-the-scenes leader of all activities in the Miami area inspired or sponsored by the Communist Party.

The trip to New York was made in the company of two other girls and two men. Although I had no idea at the time, these people were Communist members whom I saw often after I joined. In Jacksonville we stopped for the night and met a large group of people who arranged food and sleeping accommodations for us.

In the evening we all attended a meeting of the Jacksonville APM. I later found out that most of these Jacksonville people were also Communists.

The New York meeting was held April 5 and 6 at the Mecca Auditorium. Leading speakers were VITO MARCANTONIO, American Labor Party Congressman from Manhattan's east Harlem district, and John P. Davis, executive secretary of the National Negro Congress (a well-known Communist-front organization).

Paul Robeson, famous Negro singer, also appeared on the program. MARCANTONIO made an impassioned isolationist speech, and after bragging of his lone vote in Congress against the national defense program, he concluded with the statement that "One man with courage is a majority."

This concept puzzled me, since it seemed at variance with my basic ideas of democracy, but it was only later that I learned this attitude of hero worship is deeply ingrained in the Communist psychology.

In addition to the publicized speakers there were many small conferences and numerous parties, all aimed at cultivating innocents like myself. Much money was obviously spent in the conduct of the meeting, and everything was carried out very lavishly, but the total effect was rather unimpressive.

It was too machine made, too standardized and impersonal. I sensed this even though I had never before attended any Communist-front mass meetings.

Upon my return to Miami I was deluged with literature of all descriptions, and once more involved in a steady round of meetings and parties. The general emphasis was wholly on peace efforts.

Imagine my surprise when, on June 23, the day after Hitler attacked the Soviet Union, I was told that the Peace Mobilization had disbanded.

I failed to understand why a German attack on Russia affected peace sentiment in the United States, but it was quite obvious that the now former members of the APM thought it did.

They considered an attack on the Soviet Union as an attack on themselves, and they wanted to plunge into the war against Germany as soon as possible.

I also found it incredible that an organization could disband without discussion with its membership, and without even informing them of the intention. This was especially amazing in an organization which had held a meeting of several thousand interested delegates only a few months earlier.

But apparently peace in America was no longer a vital concern now that the Soviet Union was in the war.

For several months I occupied myself with other affairs and had very little contact with any of the people in the defunct APM. But late in the summer I was swept up in a furor of attentions from Young Communist League members. One girl devoted almost an entire month attempting to convince me that the actions of the Communist Party were both logical and just.

Her persistent efforts and her hammering away at the weaker points in my objections finally broke down my resistance. I became more involved than ever before, and before I realized what was happening, I found all my thoughts and interests centering around the Communist Party.

The girl's family ran a boarding house on Euclid Avenue, Miami Beach, and it was here that I began to make my second home. At this house I had the opportunity of renewing my acquaintance with Charles Doraine, although he always kept very much in the background.

I still had misgivings about the Communist approach, but they seemed to be the only people in Miami who were doing anything about many injustices which I felt were important, so I finally joined the Young Communist League in September 1941.

I learned very quickly that the Communists' main interest in me was based on the fact that I was going to function as editor of the high-school paper.

I was told that my major responsibility in the Young Communist League would be to make the most of my position to advance party propaganda in the newspaper and among my contacts without permitting anyone to develop any reasonable suspicions about me. I was in for a touchy job.

REDS' HOLD ON CONVERTS IS EXPLAINED

(By Claire Brandler)

During my first days as editor of the high-school newspaper I readily discovered it would be far easier than I thought to advance the Communist Party line. This was because of the common lack of interest among most students in international political issues. Since it was precisely in this field that the Communists wished to promote their viewpoint, it was not very hard to maneuver a relatively free hand on the editorial page.

The Communist Party at this time (September 1941) was extremely interventionist. The Soviet Union had been attacked by Germany 3 months before, and the sole aim of American Communists was to push the United States into war to help Russia.

Prowar sentiment was prevalent at this time among many Americans outside of the Communist Party, and I was thus able to be as prowar as I wished without anyone questioning my motives.

However, even when my views were not in accord with popular opinion I was still able to say pretty much what I chose because of the general preoccupation with problems closer to home.

A very clear example of the result of this apathy can be seen in the fate of a high-school discussion program held by radio station WIOD each Sunday at this time. As editor of the school paper I was invited to join the group, and I quickly found they were having a hard time interesting boys and girls in coming down to a broadcast on Sunday mornings.

I was easily able to supply the program with a group of outspoken and opinionated young people who had no objections whatsoever to the inconvenient hour. In no time at all almost the entire high-school branch of the Young Communist League was airing its opinions each Sunday.

I saw this happen time after time, and it became quite obvious that the Communists or any other unrepresentative minority could wield influence far out of proportion to their numbers because of the lack of participation by sincere democratic Americans in political and community affairs.

The Communists are loud in their lip service to democracy, and they are among the first to protest any infringement of their rights in a democratic society, yet it is quickly apparent to a new recruit that they do not practice what they preach.

Their organizational plan is based on a doctrine worked out by Lenin in 1903. This plan was called democratic centralism. In theory it meant combining democratic control by the membership with complete unity in action. This sounded fine, but in practice it was all centralism and very little democracy.

The lowest unit in the Communist set-up is the branch (sometimes referred to as cell), which is composed of a small group whose daily work is closely allied. I belonged to the high-school branch; there was also a university branch and a working branch.

My branch was the largest and most active, since we had the least outside responsibilities. Each branch elects a leader who represents it at a city committee composed of all branch leaders. But this is as far as the democratic elective process goes.

The next rank in the hierarchy is the section organizer, appointed by the national office in New York. The south Florida section organizer of the Communist Party at that time was Charles Doraine (Smolikoff).

He was responsible to Al Trainor, the State director for Florida, who in turn was responsible to a regional director, and so on, up to the top leadership of the national committee of the Communist Party.

One of the major objectives of the Communists is to quickly indoctrinate new mem-

bers in the fundamentals of the party's theology. Surprisingly enough, very little time was devoted to Marxist theory. Foremost on the list is discipline. It is hard for an outsider to realize the extent of the discipline which the Communists work under.

For example, it was quite a shock for me to realize that the boys and girls I had considered my good friends on an individual and personal basis were in reality a tightly knit group of people whose every gesture of friendship was carefully planned with a particular end in mind. And they never slipped up in their roles.

Although discipline is one of the major sources of strength for the Communists, it is by no means their chief reservoir. They have developed the art of organization to a point where it is no longer a party which they belong to, but rather a family.

Intense social life and strong emotional ties are developed. This is done as part of a plan, the result of which is to so involve people that their entire life is dependent upon the party.

They have their friends in the party, they usually marry in the party, the party employs many of them (through its front groups, union, etc.) and when they die it is the party, and the Daily Worker, who mourn for them. A party member of long standing is no longer a political convert but rather a member of a large and emotionally integrated family. To think of leaving the party to many would be worse than death.

In fact, the party considers that anyone who does leave it, is, to all intents and purposes, dead. Old friends suddenly do not know you in the street; husbands or wives discover the party means more to them than their marriage, and divorce sometimes follows; usually loss of a party-derived job with no references leads to lengthy unemployment, and always there is the inevitable slander, insults, and name-calling as only the Communists know how.

Young converts to the party are quickly involved in this trap, and this comes far before any political education.

In return for the intense devotion which the party demands, members enjoy a sense of deep satisfaction and nobility. Some even develop martyr complexes and go out of their way to make great personal sacrifices for the party.

Altogether it is a type of attachment almost impossible to break with, and certainly not based on calm political conclusions. Realizing this helps explain some of what being a Communist means.

The Communist Party is a great believer in the power of the press. It places great emphasis on its literature program, and each branch usually has one person designated as "lit agent." When I became active in the Young Communist League they were pushing a 5-cent edition of the Soviet Power, by Hewlett Johnson, the dean of Canterbury.

The dean's name clothed the book in respectability, although he actually, I later learned, is a relatively minor official in the English church. It is the Archbishop of Canterbury who is the important figure, and the Communists took advantage of the similarity in names.

This book was emphasized as part of a campaign to make public sentiment increasingly sympathetic to Russia. Several times each week a group of YCL members would canvass different sections of Miami, selling these books from door to door. Many hundreds were sold here this way.

The Soviet Power was not the only piece of literature which they pushed, however. The newsletter, In Fact, edited by George Seldes was one of their favorite pieces of material for contacts, and from what I hear, it still is.

In Fact devotes itself to inside information, exposés of antilabor activities and racial and religious discriminations, and other similarly liberal causes. Its value to the Communists lay in its consistent follow-up of the party line.

"Friday" was the name of a party-line picture magazine they were also promoting at that time. It has since gone out of business.

Another entirely different type of material printed by the Communist Party were leaflets for free mass distribution. These were left in doorways, automobiles, and in any convenient public place where they might be picked up and read. Their subject matter was usually simple and concerned with a single issue the party was making an immediate campaign about.

Thousands of "Free Earl Browder" leaflets of this type were distributed in many ingenious ways. They were pinned on backyard clothes lines, left in public rest rooms, slipped between the pages of library books, and so on.

But important as the literature work was, the most important activity of all was considered to be work in front organizations, since it was through this medium that the party got most of its new members. Each YCL member was expected to be active in several front organizations and to have several "contacts" under cultivation at all times.

At this time the Communists had very little to do with the labor movement here. When they finally did establish an opening into union work here they naturally changed their emphasis from front organizations to union activities. This was done so they could work more closely with the "proletariat."

But in 1941 and the spring of 1942 they concentrated on their front groups. These were created and abandoned as the party line changed, and changed again. During the "peace" period they established "the Yanks are not coming" and the "American peace mobilization."

After Russia was attacked these organizations were abandoned and prowar groups were formed. The American Youth Congress was also disbanded during this period. I was able to closely observe the formation of the local Russian war relief chapter.

The Young Communist League was informed that a Russian war relief chapter was going to be started in Miami and our job was to start a youth division. We decided that I would be a good person to "elect" as chairman, and we made our plans.

All our contacts were invited to a meeting, and I was duly elected chairman. The other officers were also YCL members. Once established we held parties and tried to involve other young people in the group. Plans were made to bring the Russian war relief into every fraternal, church, and community group.

And so in this pattern I did as I was told, worked hard, studied party literature, and became a devoted Communist. But there was a long and difficult road ahead, with disillusionment every step of the way.

SMOLIKOFF INVITED YOUNG COMMUNISTS TO UNION MEETING

(By Claire Brandler)

Japan attacked Pearl Harbor in December 1941, and on that same day the Miami section of the Young Communist League happened to be holding a membership meeting. This was the only time I saw all the members of the various branches together at the same time. Charles Doraine (Smolikoff) was present to direct and advise the young Communist group. He also addressed the meeting on the subject of more effective future action by the YCL, and he criticized the university branch for inactivity and failure to build a strong group there.

When we returned home after the meeting we heard the news that Pearl Harbor had been attacked. This fitted in perfectly with Communist plans, since it meant that America would enter the war, exactly what the Communists had been plugging for.

Immediately the line went from "intervention" to "open a second front now." It is particularly interesting to note that the constant demand was for a second front in western Europe, not a more logical second front through the Balkans. Even as far back as this, and while under attack by Hitler's armies, Russia was concerned with keeping us out of the Balkans and had her eye on future control of eastern Europe.

In the YCL we were all encouraged to participate in some way in the war effort. Following this policy, two other young Communists and myself went to the National Youth Administration camp in Ocala, Fla., to learn to be machinists. While there the three of us carried on as a unit, trying to politically cultivate some of the other boys and girls there and possibly bring them into the YCL.

Several months after my return from the NYA camp I left Miami to go to college in the Midwest.

It took some time for my YCL transfer to go through, and during this time I was able to lead a fairly normal student life. I had a chance to become close to my roommate, the first non-Communist friendship I had in over a year and a half.

As the weeks passed and I began receiving my copies of the Daily Worker, I realized that the Communists were becoming superconservatives under the pressure of Moscow's immediate needs. One by one they began dropping all their progressive issues. They led the pack in calling for antistrike legislation and even went so far as to use unions which they dominate to break strikes in other unions. Usually outspoken on the issue of racial equality, they even dropped this. They began to advocate incentive-wage programs, a long-condemned labor practice. The motivation for all these policies was clear. Russia's needs were the primary concern. I realized then that their entire social program was mere window dressing to attract the innocent.

I lost heart when I began to realize the Communists had no principles, no ethics, and no minimum program. This, on top of my earlier misgivings, made me decide that I needed to do some serious rethinking of the entire Communist approach.

The first problem which came to my attention was that of ends and means, and here I saw that I differed with the Communists sharply. They feel that any means are justifiable for use in order to achieve their end. This literally places the party stamp of approval on every moral and legal crime in existence, so long as it is performed to help the Communist Party. The more I considered this position, the greater difficulty I had in understanding how people could accept and practice this approach and still claim to be fighting for the betterment of mankind. Could people who would commit any crime if it suited their purpose be fit or able to build a better society?

I decided to investigate more objectively the society which they created in Russia. I wanted to see if the sacrifice of decent ideals could possibly have produced a better life there. I was familiar with most of the current material printed by the Communists about the Soviet Union. I had read The Soviet Power, by Hewlett Johnson, dean of Canterbury, and I had studied the History of the Communist Party of the Soviet Union. I also had studied the Soviet constitution and various other books and pamphlets.

Now, I decided to learn the other side of the story. In locating material for this study I was especially concerned with avoiding reactionary authors. I wanted to read about Russia in the books of authors who were seeking to better society in a democratic fashion. I wanted criticism of the Soviet Union by liberals and progressives, and from

these sources I discovered some amazing facts.

I read books such as Max Eastman's Stalin's Russia, Manya Gordon's Workers Before and After Lenin, and Norman Thomas' Russia, Democracy or Dictatorship? Here are some of the incredible things I learned:

In Russia it is illegal to organize independent unions and the crime is punishable by death. The only recognized labor unions are sponsored by the state, which is also the employer. (In America we call such unions company unions.) Strikes are punishable by death. No person can change jobs without permission from the Communist bureaucracy. The discrepancy between the wages of the workers and the bureaucrats in Russia is amazingly large—much larger than similar differences in capitalist countries. Wages for the average worker in Russia are so low that he is actually worse off now than he was under the Czar.

Despite a tremendous amount of publicity about early efforts at progressive education and free schools in Russia, there is no longer free education above the grade-school level, and coeducation has been discarded. High school tuition fees are far above the limits of average working-class parents.

Advanced treatment of criminals was another undertaking of the Soviet Government. This, too, is now discarded. In Russia the death sentence is applicable to children 12 years old; a person is responsible for the crimes of his relatives; and one out of approximately every six people in Russia are inhabitants of slave-labor camps where they are placed for "political" crimes.

In the People's Army of the Soviet Union second lieutenants get 1,000 rubles for every 1 paid to enlisted men, so great is their difference in pay. Any Red Army officer, in peace or war, has complete authority in noncombat conditions to execute any enlisted man in his command without recourse to trial.

These are only some of the facts which I found verified beyond all doubt, and which led me to the conclusion that instead of building a better society they have devised a new exploitative system which enslaves the worker more than ever before. Instead of a worker's paradise they have created a totalitarian police state.

All this led me to the conclusion that there is no road to social progress without the recognition of the basic dignity of the human being, and his individual liberty. This can only be achieved by insistence on democratic processes.

It took me well over a year to reach and accept these conclusions, and meanwhile I had become involved in Communist activities at the university. So strong were the ties which already bound me that I lacked courage to make a definite break until after my return to Miami.

In the summer of 1943 after my first year at college I therefore returned home still a member of the Young Communist League. During this summer I learned that Charles Doraine, our former Communist section organizer, had achieved leadership in certain CIO unions here under the name of Smolikoff. At an invitation from him to YCL members, I went with a group to sit in on a union meeting held at the present CIO headquarters.

They tried to reinvolve me in Communist activities here, now centered on trade union work, but in my mind I knew there was no turning back.

When I returned to college in the fall my break was final and I knew that henceforth my belief in social progress would have to be based on fundamental democratic principles; I decided that the dictators of the left were no better than the dictators of the right, and I rejected the commissar for all time.

Keeping the Record Straight

EXTENSION OF REMARKS

OF

HON. CLARE E. HOFFMAN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. HOFFMAN. Mr. Speaker, to keep the record straight, let me insert an answer to Drew Pearson's charges as made in the Washington Post of June 9, 1948. Mr. Pearson wrote:

Thirty million dollars' worth of tubes (vacuum) were purchased by the Army in 1942, enough to last for 10 years. Yet the following week another order was placed for $60,000,000 worth of tubes because the Army had to stock different types.

The Department of the Army reports that—

There were never purchased at any time during the war enough tubes to last for 10 years. However, there were purchased during the 1942 period the sum of $132,000,000 worth of tubes of the varying types needed to meet the equipment requirements of the expanded armed forces. In this purchase there was no unnecessary duplication nor waste of Government funds or property involved. The quantity of tubes actually purchased was based on the estimated requirements and was only enough to meet these requirements. However, as the situation developed, it was found that an additional quantity had to be purchased to last out the war period.

Of course, the Army bought different tubes. No one interested in national defense would fail to do that.

Pearson further says:

As a result, Army warehouses overflowed with tubes that varied only slightly from each other, maybe no more than a prong spaced differently.

Warehouses did not overflow. No more tubes were purchased than were necessary. Naturally, the tubes were not all of the same pattern.

Pearson then wrote:

Yet, even this overflow was multiplied a hundredfold by duplication of stock numbers.

The Department of the Army states:

The paper work was increased to a very limited extent because of the inexperience on the part of the personnel involved—this inexperience being due to the fact that many new employees were required by the Department because of the expansion of the war program. There was also a lack of definite information from the manufacturers which would have enabled the Signal Corps to have identified the same part by one number. Just as soon as this was discovered immediate action was taken to eliminate this condition by having a single identifying number for duplicate parts. Of necessity, there was some increase in the paper work involved, but the actual amount is unknown.

Unfortunately, neither the Signal Corps nor the Army, the Navy nor the Air Force possesses the wisdom or the foresight of some of those who are so free with their criticism, who either know nothing of the facts or do not choose to give them, who have no responsibility to anyone, and who think that God has anointed them to tell not only the Congress but all agencies of the Government what they should do.

Pearson writes:

The Army Signal Corps discovered this duplication and assigned 400 technical personnel to straighten out the records. After a 3-month analysis, they were able to eliminate 63,000 duplicate items out of 220,000—a reduction of almost 30 percent.

The answer of the Department is:

There were actually some four-hundred-odd personnel assigned to duties of this nature and in this connection, they performed this task along with other important supply and inventorying duties.

The Army reports that the personnel was able to eliminate 63,000 duplicate and defective items—not articles—a reduction of 30 percent. May I add that that in itself was no small achievement for the personnel employed.

Even more serious, many installations were forced to shut down temporarily for lack of spare parts, although the parts were discovered later under different numbers—

Pearson writes.

The Department of the Army replies to this, as follows:

In general, this statement is not correct. However, in a few instances it was true, but it was a situation which was unavoidable due to lack of sufficiently experienced personnel both in the supply system and in the operating set-up of the equipment itself. (An unavoidable situation in a war in which the greatest expansion of the armed forces in history occurred.)

Quoting further from Pearson's article:

This happened to one of the powerful radar sets in Panama during the spring of 1942 when the Canal was in constant danger of Jap attack. To the horror of the Army, it discovered the replacement part was not in stock. A hurried telephone call was put through to Washington and the missing part was ordered flown to Panama at once.

Sure, the Canal Zone at Panama was in constant danger of Jap attack. We are always in danger of an attack from someone—that is, according to the columnists and those who must sell their wares, sensational and many times false, to a section of the public which reads or listens one day, forgets it all before the sun goes down. Without a daily crisis or emergency, some commentators would be out of business.

So far as I have been able to learn from the armed services, no one in the services seems to have any definite information as to the incident to which Pearson made reference. If this commentator knew so much about it, why did he not tell the Army?

Pearson's statement that the stock officer discovered eight bins full of the article for which he was searching might or might not be true because sometimes the seemingly impossible turns out to be a fact. But what of it? If Pearson knew that they had eight bins filled with this particular kind of tube, certainly no longer than 2 feet nor greater in diameter than 1 foot, he would, at that time, be declaiming about the waste. Even the dumbest of us knows that hindsight sometimes is more accurate than predictions.

The Army, further advising what is now being done with respect to cataloging by single nomenclature the component parts and equipment of electronics and communications for the Army, Navy, and Air Force, states:

The first major step in providing uniform item identification for the armed services was taken in the field of electronics and communications equipment. Under the auspices of the Joint Chiefs of Staff, the Army, Air Force, and Navy, in 1945, collaborated in the publication of a manual outlining specific standards for naming and describing items in this field. As a result, tens of thousands of such items are now uniformly described and named by these services and identical stock numbers assigned for use by the Air Force, Navy, and Army. Coincident with the passage of the National Security Act of 1947, a similar but expanded program was established under the Munitions Board, encompassing all items of supply in the National Military Establishment. This project is now actively under way and is being conducted as rapidly as practicable with personnel which can be made available.

The Army reports that all that needs to be done to prove the lack of consideration by Pearson of authentic information on this project and its accomplishments is to refer to the testimony of Mr. Hargrave, Chairman of the Munitions Board—pages 98 to 103—and Mr. McNeil, special assistant to the Secretary of Defense—pages 41 to 44—of the hearings on the military functions, National Military Establishment appropriation bill for 1949, part 1, before the subcommittee of the Committee on Appropriations, House of Representatives, on March 17, 1948.

Appropriations of the Eightieth Congress

EXTENSION OF REMARKS
OF
HON. WESLEY A. D'EWART
OF MONTANA
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. D'EWART. Mr. Speaker, a great deal of misinformation regarding appropriations by the Republican Congress has been going out of Washington. Undoubtedly this is put out deliberately for partisan political purposes. The appropriations for development of the West and for rural electrification have gone to the President for his signature, and we know exactly what amount will be available for the coming year.

The fact is that this Congress has appropriated more money for river development, reclamation, power development, and rural electrification than any other Congress in the history of this country.

Project	1948 appropriation	Unobligated	1949 appropriation	Total
Civil functions (Army engineers):				
Fort Peck	$150,000	$10,000	$3,710,000	$2,720,000
Forsyth	171,000		74,200	74,200
Reclamation Bureau:				
Sun River		26,365	45,000	71,365
Hungry Horse	2,500,000		14,611,650	14,611,650
Fort Peck	1,500,000	2,202,563	990,000	3,192,563
Missouri Basin	23,400,000	1,310,442	54,786,650	56,097,092
Phase A (construction):				
Canyon Ferry	600,000		2,950,000	
Lower Marias			450,000	
Missouri-Souris			287,500	
Powder River	900,000		850,000	
Yellowstone pumping	200,000		565,000	
Montana pumping			160,000	
Phase B (preconstruction):				
Hardin			500,000	
Jefferson River			82,500	
Lower Marias			300,000	
Missouri Souris			700,000	
Montana Pumping			50,000	
Sun River			40,000	
Phase C (planning):				
Clarks Fork			4,200	
Helena Valley			21,000	
Judith River			10,500	
Nilan			5,600	
Three Forks			299,600	
Upper Marias			35,000	
Other Department of the Interior agencies:				
Bureau of Land Management			390,000	
Bureau of Mines			150,000	
Fish and Wildlife Service			425,000	
Geological Survey			3,305,000	
National Park Service			185,000	
Office of Indian Affairs			165,000	
Subtotal, other agencies			4,620,000	
Grand total, Missouri Basin program			54,786,650	

The Rural Electrification Administration received in 1948 the sum of $225,000,000. It has an unobligated balance of $400,000,000, and the 1949 appropriation is $575,000,000, making a total available to be spent this year $975,000,000.

The Interior Department which includes the Bureau of Reclamation, Bureau of Land Management, Bureau of Mines, Fish and Wildlife Service, Geological Survey, National Park Service, and Office of Indian Affairs received an appropriation for the next fiscal year that is $112,876,523 larger than last year. The Missouri Basin got $30,000,000 more than last year's appropriation, which was the largest in history. In view of the above, the propaganda that has gone out in the West that REA and Reclamation have insufficient funds is a deliberate attempt to deceive.

United States Defense Plans Mean Higher Prices, Fewer Cars, Homes, Hospitals for People

EXTENSION OF REMARKS
OF
HON. DEWEY SHORT
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. SHORT. Mr. Speaker, under leave to extend my remarks, I include an article appearing in the Trainman News of May 29, 1948, which concerns the bill before this body on peacetime military conscription. The Trainman News is the official publication of the Brotherhood of Railroad Trainmen.

The article follows:

UNITED STATES DEFENSE PLANS MEAN HIGHER PRICES, FEWER CARS, HOMES, HOSPITALS FOR PEOPLE

Observers on Capitol Hill have long since learned to expect a certain amount of confusion whenever major changes of national policy take place in Washington. There is plenty of confusion in our national-defense picture today.

Most of us are aware that the United States is embarking on a very large military program—but just how large is it, and what effects may it have on our day-to-day living?

In a democratic society we are entitled to a clearer view of our expanding national defense program than the average intelligent citizen can make out from ordinary newspaper reading these days.

In an election year when we are choosing our leadership for the next critical period, it is particularly important to know the answers to these questions.

As the following résumé will show, the present planned program of defense expenditures is large and growing rapidly. Whether the amounts to be spent are absolutely essential or inadequate is not the point of this article—we do not pretend to be military experts. Rather we are attempting to point out that the present program carries far-flung economic implications for our domestic policy, implications that it might be disastrous to ignore much longer.

But first, just what are the dimensions of our current and contemplated defense program? A simple straightforward answer to this question is not available. Anyone reading accounts of testimony before the various congressional committees is aware that literally scores of different estimates are floating around. We are tempted to say that not even the highly placed military planners have a definitive answer. It should be clear, therefore, that the figures which follow are tentative, but are the best public estimates we have seen.

When the President's budget for the next fiscal year (1949) was presented to Congress early this January, we apparently expected to spend about $11,000,000,000 for the military services. This sum is a ground-floor estimate—the real question is how much additional will be appropriated or authorized above and beyond $11,000,000,000.

70-GROUP AIR FORCE IS EXPANSION GOAL

For more than a month now you have been reading about House and Senate hearings on a supplementary defense bill, which has just passed Congress and been sent to the President. Technically this bill, which is designed to start our 70-group Air Force program into high gear, is charged to the current fiscal year which ends June 30. Realistically we can regard it as the first appropriation additional to the regular $11,000,000,000

budget for next year. The bill authorizes $3,200,000,000 in cash or contract authorizations. Of course, this amount alone is not sufficient to bring the Air Force up to its planned 70-group strength with completely modernized planes. The expansion has to start gradually, increasing year by year until it reaches a peak about 1952, when the Air Force budget will be stabilized at a cost of about $7,500,000,000 annually.

So we can summarize the new plan's effect on the budget as follows: In fiscal 1949 we will spend about $14,200,000,000 (11.0 plus 3.2), and in 1952, about $18,500,000,000 (11.0 plus 7.5).

It is likely that some sort of universal-service law, either compulsory military training or the draft, will pass the present Congress. This program will, of course, cost additional money. Again it is difficult to find out exactly how much. According to the testimony given before the House Military Affairs Committee the cost will include two major items. To set up the training equipment and other initial machinery under the draft involves spending about $2,100,000,000. Secondly, the Army Ground Force testified as to the importance of modernizing the equipment of the 25-division strategic reserve of the Army as augmented under the draft bill. The cost of this modernization in fiscal 1949 was estimated to be $3,900,000,000. So altogether with the increased size of the armed forces authorized under H. R. 6401 (the House version of the draft law) we have an additional $6,000,000,000 which is to be added to the $14,200,000,000 above.

Thus, it now appears that our present plans contemplate an expenditure of about $20,000,000,000 in 1949 when the draft and the increased Army and Air Force requirements are added to the President's budget of $11,000,000,000.

ALL SIGNS INDICATE $20,000,000,000 FIGURE

It is always possible, of course, that less than the full amount will be appropriated. But all indications point to our soon reaching the $20,000,000,000 figure. Secretary Forrestal has repeatedly emphasized that the present military requests represent a minimum program. On May 12 such a staunch advocate of Government economy as Senator BYRD was reported by the New York Times as conceding that within 2 years the cost of the armed forces would amount to at least $20,000,000,000 and carry the full national budget to some $50,000,000,000.

Another reason for believing that the estimate of $20,000,000,000 may be on the low side is the possibility of lend-lease military aid to the Marshall-plan countries, as the Secretary of State admitted was being considered. (New York Times, April 28.) No quantitative estimates of the billions in additional costs involved have yet been made public.

Unless a drastic reversal in our military planning takes place the above analysis indicates that for the foreseeable future we can expect a military budget of perhaps twenty to twenty-five billion dollars annually. What will this mean in terms of our domestic economy and specifically in terms of our standard of living?

Corresponding to expenditures for military purposes is a real cost in goods and services which must be diverted from peacetime production.

As the minority report on the House Selective Service Act of 1948 (H. R. 6401) put it: "We are at a stage when there is no slack in the use of our resources, including both men and materials, and the imposition of a permanent military program can only be effected by switching our resources from the production of necessary civilian goods.

GASOLINE RATIONING MAY BE NECESSARY

"There will be less lumber for housing and fewer automobiles because of the reduced supplies of steel. * * * Even the rationing of gasoline may well be necessary. Because of shortages of materials such as copper, lumber, and nails, much needed construction will again have to be deferred. We will have fewer new school buildings, fewer new hospitals, less of the necessities."

This is the unpleasant side of the rearmament picture which is too often brushed over when military appropriations are voted by the Congress. There is very little testimony on this subject in the congressional hearings. Occasionally such an exception is voiced by the responsible armed service representatives as when Mr. Forrestal, Secretary of Defense, candidly remarked: "You cannot get a big military program unless you stop the making of motor cars, washing machines, and refrigerators" (New York Times, April 26). The truth unfortunately is that the industries which produce the large-scale weapons of war must simultaneously curtail sharply their output of many of the most important durable consumer goods.

Furthermore many other plants not actually being used to supply the armed forces may have to reduce their output because the materials will be no longer available for civilian production. The steel, aluminum, and copper that goes into aircraft and tanks just cannot be used (at the same time) for passenger cars and civilian housing. It also cannot be used for the expansion of our basic industrial capacity which is necessary for our long-hoped-for economy of abundance.

How seriously will this peacetime military program affect the production of civilian goods? No clear-cut answer to this question can be provided in the abstract. The answer depends a great deal on how we manage the defense program. And this management or planning is the crux of the whole problem. Congress has refused to meet the issue squarely—for economic controls are perhaps the most unpopular issues in our political life. But the facts remain—we will not have enough scarce basic materials to serve all of our needs—the materials must be allocated in some fashion to meet our essential requirements.

INFLATION WILL RATION UNLESS CONTROLS ADDED

One way is to sit tight and do nothing. Then the price system will do the allocating—higher and higher prices will ration the steel, aluminum, lumber, and many other items. If only enough steel will be available to build (say) 3,000,000 cars annually, instead of the present 5,000,000, the price of steel will go up, either openly or on the black market, until only 3,000,000 cars can be marketed.

If a racetrack is willing to pay more for construction materials than a contractor building houses, the available scarce materials go to the track. And similarly for every other product. To be realistically blunt—continued inflation will do the rationing. Our experience since July of 1946 when OPA expired is recent enough so that we can all remember the consequences of inflation rationing. The burden falls most heavily on the low-income groups least able to increase their money incomes. The working population has to tighten its belt and do without, while the high-income groups are denied nothing—they can pay the higher prices.

The alternative is not without unpleasant memories either. No one likes controls. Materials allocation and price control do involve red tape and increased governmental intervention—but we must face up to the situation confronting us. We must not continue to plan large military expenditures without providing for the necessary counterpart—a system of controls sufficient to spread the burden fairly and to distribute the remaining raw materials according to needs of our economy.

High Cost of Government

EXTENSION OF REMARKS

OF

HON. PARKE M. BANTA

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. BANTA. Mr. Speaker, one of my chief interests as a Member of the Eightieth Congress has been to make every contribution I could toward reducing the expenses of the Federal Government. I voted to reduce individual income taxes, and finally, over the vigorous protests and vetoes of the President, we were able to provide some saving in the take-home pay for workers, strike from the tax rolls many thousands of low-income persons, and reduce, though slightly, the income-tax payments for hundreds of thousands of others. The reduction was not enough, Mr. Speaker, but it was a step in the right direction.

We made some progress, too, in the reduction of Federal Government expenses, but again, it was not nearly enough. The Federal Government has no money to spend except that which it takes, or proposes to take from the people in the form of taxes. The policy of the executive branch of our Government has, for years, been to tax and tax the people, and at the same time promise to them all manner of Federal aid, hoping, and apparently believing, that they will not think for themselves, but will succumb to the blandishments of something for nothing from Washington. Unfortunately, too many of our citizens have fallen for this sort of thing, until we find pressure put upon the Congress by the President, and by the department heads and bureau chiefs, and by many pressure groups, for funds from the taxpayers for almost every conceivable Government spending project. Sometimes I fear that the people, who must eventually pay the bill, have been taught not to think. It is a sad commentary on our thinking that so many of us seem to believe that what we get from Washington costs us nothing.

I have repeatedly said, Mr. Speaker, that Government spending is like individual spending; that the amount thereof should be determined by what we can afford. And the people themselves should know what we are doing, for it is their money, withheld from their pay checks, and collected in all manner of hidden taxes, which we here appropriate for the executive branch of the Government to spend.

Testimony given before the Committee on Banking and Currency, of which I am a member, was to the effect that our national debt, though reduced somewhat these last 2 years, still amounts to approximately $1,725 for every man, woman, and child in the United States. In addition to this debt obligation it will require approximately $285 for every man, woman, and child to pay the expenses of the Federal Government for the fiscal year 1949. These are sums which no human mind can contemplate. To pay the annual cost of our Federal Government

more is being taken from the taxpayers than they spend for food.

The total assessed valuation in the Eighth Congressional District is $174,112,752, and our per capita share of the national debt is approximately $477,712,550, more than two and one-half times the total assessed valuation. Moreover, our district's per capita share of the cost of the Federal Government for 1 year at the present rate is $78,935,390, almost half the assessed valuation. Included in this sum is a total of $12,618,020 for European aid—Marshall plan. I know, Mr. Speaker, that a majority of my colleagues supported the appropriation for ERP, but none of them could ever justify to me why we should provide Europeans with tobacco, coffee, radios, farm tractors, and many other things which are either of infinitely more use here than in Europe or things definitely in the luxury class.

Mr. Speaker, in order that the people in the Eighth Congressional District may know in some detail about the present per capita national debt and the annual per capita cost of the Federal Government as well as the cost of foreign aid under the Marshall plan for 1 year I insert the following table. For purposes of comparison I have included in the first column the assessed valuation of each of the 18 counties.

Assessed valuation of each of the 18 counties of the Eighth Congressional District of Missouri and, on a per capita basis, the district's approximate share of (1) the national debt, (2) Federal expenditures, 1949, and (3) ERP (Marshall Plan, 1949)

County	Assessed valuation	Share of national debt	Share of Federal expenditures, 1949	Share of cost of ERP, 1949
Total	$174,112,752	$477,712,550	$78,935,390	$12,618,020
Carter	3,148,638	10,739,850	1,774,410	280,170
Crawford	8,788,102	21,895,425	3,617,505	571,175
Dent	6,555,967	20,291,175	3,352,455	529,335
Iron	5,117,960	18,008,000	2,975,400	469,800
Jefferson	29,552,478	55,239,675	9,126,555	1,441,035
Laclede	11,519,593	32,288,550	5,334,630	842,310
Madison	5,351,861	16,656,600	2,751,960	434,520
Oregon	5,793,365	23,097,750	3,816,150	602,550
Perry	9,548,641	26,492,550	4,377,030	691,110
Phelps	11,698,853	29,978,825	4,971,545	784,665
Pulaski	6,386,493	18,585,875	3,070,875	484,875
Reynolds	2,738,471	16,784,250	2,773,050	437,850
St. Francois	29,750,272	62,013,750	10,235,750	1,773,050
Ste. Genevieve	8,847,303	18,811,125	3,107,925	490,725
Shannon	4,869,536	20,408,475	3,371,935	532,395
Texas	11,634,217	34,177,425	5,646,705	891,585
Washington	7,037,852	30,173,600	4,985,220	785,140
Wayne	5,773,150	22,069,650	3,646,290	575,730

Mr. Speaker, we cannot continue to spend money at this annual rate and escape national bankruptcy. As each successive spending program is submitted to the Congress, it becomes our duty to scrutinize it carefully, and to finally decide whether it is one which the Nation can afford. At any rate, the American people should know the facts, and they might well be able to tell us, if we ourselves do not know, how much the Nation can afford for the annual expenses of the Federal Government.

Statements From Memorial Day Address Given on May 30, 1948, by Hon. J. Harry McGregor, of Ohio, at Keene, Ohio

EXTENSION OF REMARKS

OF

HON. J. HARRY McGREGOR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. McGREGOR. Mr. Speaker, by leave granted me, I wish to cite a portion of my remarks from the Memorial Day address delivered at Keene, Ohio, on May 30, 1948:

America, as I have said, has been called to the highest of all callings—a position of leadership in the atomic age, a leadership that is economic, political, and social.

But while we make our supreme effort to arrive at true international friendship, and while we dedicate our will and purpose for a just and lasting peace, we recognize still that eternal vigilance is the price of liberty. In this day and age, when time and space have been rendered meaningless by man's inventions, vigilance is necessary on every front.

So, then, on this Sabbath Day, as we are gathered here to pay tribute to our heroic dead, we must remember that the peace of the world and the safety of our liberty lie in eternal vigilance. We must remember that in the state of the world today America must maintain a national defense sufficiently strong and efficient that no nation bent on aggression will be invited to direct an attack upon us. Above all, my fellow citizens, we must give our common devotion to our common country just as those who today sleep beneath the grassy mounds gave their common devotion. They died in their devotion to liberty. We must live our devotion to liberty if they are not to have died in vain.

Hon. Edward H. Moore, of Oklahoma

EXTENSION OF REMARKS

OF

HON. ALEXANDER WILEY

OF WISCONSIN

IN THE SENATE OF THE UNITED STATES

Saturday, June 19 (legislative day of Tuesday, June 15), 1948

Mr. WILEY. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a statement in tribute to our colleague the Honorable EDWARD H. MOORE, of Oklahoma.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

TRIBUTE TO HON. EDWARD H. MOORE

Mr. President, I should like to say a few words about one of our distinguished colleagues who is leaving the United States Senate but whom we hope we will continue to see in the years up ahead on many occasions. This colleague served on the Senate Judiciary Committee and I have come to know and appreciate his fine abilities and talents and his warm friendship.

I am referring to Senator ED MOORE, of Oklahoma, a man who made a success in law, in business, and in agriculture. Senator MOORE has come to be known for his deep devotion to the American way of life and for his stern opposition to Government regimentation and bureaucratic controls. He has met issues head-on and he has not yielded to any considerations other than the welfare of his country as he sees it.

ED MOORE, who was born on a farm in Missouri, who was educated in the common schools of the Show-Me State, who moved to Oklahoma in 1901, practiced law for 18 years, entered business and made a resounding success as an independent oil producer and in other fields, represents the American process at work—the process by which men can rise by their own bootstraps—by their own abilities.

ED MOORE represents, too, a business leader of civic conscience who recognized that his country called for more than his business services but could use him in political life as well. He has served his State and his Nation well.

I say this even though I have personally had some differences of opinion with him, both in committee and on the floor. I have always respected the independence of his judgment and the sincerity of his views.

No one here in the Senate need to be told of Senator MOORE'S contributions to charitable organizations and of all the other evidences of his fine public spirit.

As with many other of our colleagues whose terms expire this year, we will miss his presence. We look to Senator MOORE, however, knowing that he will continue to render service in whatever advantures he may choose in the days up ahead.

What the Eightieth Congress Has Done for the Farmer

EXTENSION OF REMARKS

OF

HON. CLIFFORD R. HOPE

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. HOPE. Mr. Speaker, in the field of agriculture and agricultural legislation, the Eightieth Congress has a record of accomplishment that is surpassed by no Congress in recent history. Convening at a time when farmers were still operating on an emergency all-out production basis, when shortages of agricultural commodities rather than surpluses were providing the greatest concern, when the rising level of all prices was carrying up with it the cost to the consumer of farm products, and when an unprecedented and unmeasured foreign demand was crying to be filled—this Congress faced immediate problems in the agricultural field that were different from

those which have ever faced any other Congress.

In spite of these unusual conditions, the Eightieth Congress began to carry out immediately its announced intention of getting to work on a long-range policy and program for agriculture. The groundwork of such a program has been laid in extensive hearings in both the Senate and House. A long-range price support program has been enacted and the long-term policies developed in the hearings have been applied to other legislation as it has come up for consideration.

The crop-insurance program, for example, has been completely revised and set up on a sound long-time basis. Basic improvements have been made in the administration and operation of marketing agreements and in the laws relating to farm labor, the national forests, the tenant-purchase program, the handling and distribution of insecticides and other agricultural chemicals. The Commodity Credit Corporation was given a permanent charter.

Diseases of plants and animals, that are a threat to both farmers and consumers, have been promptly attacked by this Congress. Authority and ample appropriations were provided for fighting foot-and-mouth disease in Mexico in order to prevent its spread into this country, for the eradication of cattle grubs, for a fight against the new threat of the golden nematode disease in potatoes and tomatoes, for added safeguards against the importation of pests and diseases of shrubs and small plants, and for concerted action against destructive pests and diseases in our forests.

The welfare of farm families and the improvement of farm living conditions have bulked large in the actions of the Eightieth Congress. Unprecedented appropriations have been made for the extension of rural electrification and for the development of rural roads.

Following is a brief statement of the action taken by the Eightieth Congress in each of several fields that are of concern to the farmers of the Nation and to the consumers who depend upon them for their food and fiber.

RURAL ELECTRIFICATION

No Congress in history has provided so generously for rural electrification as the Eightieth Congress. During this Congress, $800,000,000 in loan authorizations has been provided for the extension of REA electric lines to farm homes. This is almost twice as much as has been provided by any previous Congress and is only $275,000,000 less than the total amount provided for REA work in the whole period prior to the Eightieth Congress.

As the result of these generous appropriations for REA loans, REA electricity was extended during the past fiscal year to 400,000 farm homes—more than twice as many as in any prewar year—and an even larger number of farm homes are scheduled to receive electricity during the 1949 fiscal year.

In addition to providing unprecedented funds for REA extension, the Eightieth Congress enacted a law which permitted REA to refinance additional rural lines in the TVA area and refused to take action on several bills which would have weakened or limited the REA program.

The following table shows the appropriations and authorizations, by fiscal years, for REA loans:

1936	$14,928,288
1937	46,500,000
1938	30,000,000
1939	140,000,000
1940	40,000,000
1941	100,000,000
1942	100,000,000
1943	10,000,000
1944	20,000,000
1945	25,000,000
1946	300,000,000
1947	250,000,000
1948	400,000,000
1949	400,000,000

SOIL CONSERVATION

More than half a billion dollars was appropriated by the Eightieth Congress for soil conservation activities on American farms. By far the largest part of this was in appropriations for payments through the agricultural conservation program, the former AAA activities. During the 2 years of the Eightieth Congress $415,000,000 was appropriated for this purpose. At the same time $86,821,000 was appropriated for expenditure by the Soil Conservation Service, most of which will be spent in technical assistance in cooperation with local soil-conservation districts. In addition, the session just closed authorized the expenditure of $262,500,000 for soil conservation payments for 1949.

In spite of these tremendous appropriations the most significant action on soil conservation was in the deliberations of congressional committees.

No Congress in history has been so thoroughly aware of the necessity for real soil conservation in the United States as was the Eightieth Congress. This was largely due to the fact that early in the first session hearings on a long-range agricultural policy were started by both the House and Senate, and one of the first conclusions reached by those committees was that soil conservation must be the keystone and the No. 1 objective of any sound, long-range agricultural policy.

On that premise hearings on soil conservation were held by both the Senate and House Committees on Agriculture. In the House committee more than 3 weeks of hearings were devoted to bills seeking to establish an effective long-range program for the conservation of the Nation's agricultural resources.

In both Houses of Congress there was the feeling that the appalling rate at which our soil resources are being dissipated makes it imperative that the soil program for the future shall not be a piecemeal operation, but must be one in which all activities and programs are coordinated to the one dominant policy of restoration and conservation of the Nation's agricultural resources.

Pending the enactment of such a program an act extending the authority for AAA soil conservation payments through 1951 was passed by the Eightieth Congress.

COMMODITY CREDIT CORPORATION

One of the outstanding long-term contributions to agricultural stability was adoption by the Eightieth Congress of a permanent charter for the Commodity Credit Corporation.

This chapter establishes the Commodity Credit Corporation as a $5,000,000,000 corporation charged with the responsibility of carrying out operations to stabilize prices of agricultural commodities. The Corporation will be under the direction of a five-man Board of Directors—three, including the Secretary, from the Department of Agriculture—the other two from outside the Department.

The Corporation is authorized to stabilize farm prices through purchases, loans, direct payments, and other methods. It is directed to use the normal commercial channels of trade to the greatest extent possible in carrying on its operations.

Because of its permanent status, the Corporation will provide a continuity of action in support of the farm economy that has not been possible under programs operating merely on a year-to-year basis.

FOOT-AND-MOUTH DISEASE

In December 1946, one of the most dreaded of all animal diseases—foot-and-mouth disease—was reported to be raging in Mexico. This was the first time since 1929 that this disease had been reported on the North American Continent. Its spread to the United States would not only cause billions of dollars of loss to farmers and the livestock industry, it would have a most serious effect on consumers. Interstate shipments of livestock would be stopped immediately. Packing plants would have to suspend operations. Cities which depend on interstate shipment of meat would be virtually without meat. Worst of all, an outbreak in the United States would probably deplete breeding stock so seriously that there would be a shortage of meat, with accompanying high prices, for many years to come.

Acutely aware of the menace this presented to farmers, consumers, and the whole economy of this country, the Eightieth Congress took prompt and energetic action to combat the disease in Mexico. One of the first laws passed by this Congress—Public Law No. 8—was an act authorizing the Department of Agriculture to go into Mexico and work with the Mexican Government in an all-out effort to stop the disease and prevent it from reaching the United States.

More than $60,000,000 was appropriated or allocated to carry on the battle in Mexico. Funds were appropriated with which to strengthen the patrol on the Mexico-United States border. Additional research was authorized.

When it became apparent that the disease could not be quickly suppressed and eradicated in Mexico—that it was going to be a stubborn, long-term fight—Congress again acted promptly to provide the best possible long-time defense. Funds were appropriated for the establishment of a quarantine line across Mex-

ico, including many miles of fence, and manned with American veterinarians and technicians.

On the advice of the Bureau of Animal Industry, an act authorizing research on foot-and-mouth disease in the United States and the establishment of a complete laboratory for that purpose was passed by the second session of the Eightieth Congress. In order to give as great assurance as possible that the disease will not be spread accidentally from the laboratory, the law requires that the laboratory be built on an island separated by deep water from the mainland of the United States.

LONG-RANGE PRICE-SUPPORT PROGRAM

Of vital concern to both farmers and consumers was the enactment by the Eightieth Congress of farm price-support legislation geared not only to the present emergency demand for food exports but to the long-range welfare of both consumers and producers.

The price-support bill passed by Congress combines the temporary incentives necessary to secure all-out farm production through the 1949 crop year with a long-range price-support program for future years designed to provide an abundance of agricultural products for American consumers and to protect both producers and consumers against unstabilized agricultural prices.

Recognizing that the needs of other countries for American food, and the commitments of our foreign policy, create an emergency situation calling for all-out farm production similar to the war years, and recognizing also the need for a long-range farm-price support program protecting both producers and consumers, the Congress embodied both these principles in its price-support bill.

First. The basic commodities—corn, wheat, rice, tobacco, cotton, and peanuts—will be supported at 90 percent of parity through June 30, 1950.

Second. The major nonbasic commodities will be supported at 60 to 90 percent of parity through December 31, 1949—except that milk and its products, hogs, chickens, and eggs are to be supported at 90 percent of parity for that period.

Third. The present support level of 90 percent of parity will be continued on Irish potatoes for the 1948 crop year.

Fourth. Beginning January 1, 1950, the provisions of the long-range price support program will go into effect. These include a general revision of the parity formula to take into consideration the shifting costs of agricultural production, changes in the pattern of consumption, and other factors.

The basic commodities will be supported at 60 to 90 percent of parity, depending on the level of supply. All other agricultural commodities may be supported at 0 to 90 percent of parity depending upon the importance of each commodity to the national economy, its degree of perishability, the level of supply, and other factors.

The bill also authorizes the President to restrict the importation of foreign agricultural commodities or products if such importation would materially interfere with the price-support program.

RURAL ROADS

The greatest rural road-building program ever undertaken cooperatively by the Federal and State Governments is scheduled for the next 3 years under legislation enacted by the Eightieth Congress.

Realizing the necessity of good farm-to-market roads for modern motorized farming, the Eightieth Congress appropriated almost twice as much money for Federal participation in secondary road construction in two fiscal years as was spent by the Federal Government for that purpose in the 10 years previous to 1948.

Federal expenditures for secondary roads in the 10 fiscal years, 1938–47, amounted to approximately $112,000,000. In the Eightieth Congress, $74,000,000 was appropriated for that purpose for the fiscal year 1948 and $128,000,000 for the fiscal year 1949. This will make possible a Federal-State secondary road program more than five times as great as in any single previous year.

In addition to appropriating funds for the immediate future, however, the Eightieth Congress enacted legislation projecting an even larger road-building program for the fiscal years 1950 and 1951.

This act authorizes an appropriation of $450,000,000 a year for Federal participation in road building in those years. Funds appropriated, according to terms of the act, are to be utilized 45 percent for primary roads, 25 percent for city thoroughfares, and 30 percent for secondary rural roads. This will amount to approximately $135,000,000 each year for rural roads.

CROP INSURANCE

One of the major contributions of the Eightieth Congress to the stability of agriculture was the writing of an entirely new Crop Insurance Act.

Crop insurance was started in the midst of the depression-drought years and was compounded almost equally of efforts to provide real insurance and farm relief. It was never entirely successful for either purpose. As relief, it failed to reach millions of farmers who were most in need of it. As insurance, it did not satisfactorily meet the needs of most farmers and accumulated an operating deficit of more than $100,000,000 in 7 years.

So unsatisfactory was the crop-insurance program that Congress had in one year refused to appropriate the money for it, and when the Eightieth Congress convened there was grave doubt that any further appropriations would be made for this purpose.

After extensive study, an entirely new Crop Insurance Act was passed by the Eightieth Congress. It was based on the premise that crop insurance should be a sound business proposition, and that it must offer farmers a type of insurance they want at rates they can afford to pay. Following are its major provisions:

First. Authorization for extending crop insurance at once to several additional commodities, but placing the whole program on an experimental basis until sound actuarial tables and procedures can be worked out.

Second. As the methods and procedures are demonstrated by experience to be sound, crop insurance will be extended to additional commodities and to new areas.

Third. Provision is made for participation in the crop insurance program by private insurance companies and by local associations of farmers.

The Crop Insurance Act has now been operating approximately 1 year under the new law and the experience thus far indicates that, for the first time, the Crop Insurance Corporation is definitely on the road to providing farmers in all parts of the country with a sound and businesslike program of insurance for a great many agricultural commodities.

SUGAR ACT

The purpose of this act, passed by the first session of the Eightieth Congress, is to assure consumers of an adequate supply of sugar at reasonable prices—from both domestic and offshore sources—and to assure American farmers producing sugar that they will have an equitable share of the American market.

The act places on the Secretary of Agriculture the responsibility of determining the quantity of sugar desired by American consumers, of allocating that quantity between domestic and foreign producers in accordance with terms of the act, and of protecting the welfare of consumers and those engaged in the domestic sugar industry by assuring a supply of this essential food product at prices which will not be excessive to consumers and which will equitably maintain and protect the sugar industry of the United States.

The act is self-financing. An excise tax on sugar produced in the United States is designed to provide revenue equal to the amount of payments to producers. The law remains in effect until December 31, 1952.

GOLDEN NEMATODE

The Eightieth Congress has taken emergency action in a number of cases to control and destroy pests and diseases such as have, in the past, taken heavy toll of American plant life after they reached our shores from other countries. One of the latest of such invaders is the golden nematode, which for a number of years has made costly attacks on the crops of potato and tomato growers in England, Ireland, and Scotland.

A small infestation of this pest has been discoverd in the area around Hicksville, Long Island, and legislation passed by the Eightieth Congress is expected to limit it to that area and finally eradicate it altogether. Because the infestation lasts over a period of years, the battle against it will be a long-term effort—even though it may be on a scale small in comparison to governmental combat against other threats of pests and diseases.

The nematode attacks only potatoes and tomatoes, but the soil in which it is present may carry the infestation to other areas if moved, even in small quantities when other root crops are grown and not thoroughly cleaned before moving. The legislation provides authority to the Department of Agriculture for

rigid control of use of this soil and the disposal of the crops grown thereon until the infestation is destroyed. It authorizes the Secretary of Agriculture to cooperate with other agencies in this effort, to control and coordinate this activity, and to conduct research.

CATTLE GRUBS

For many years cattle grubs have been doing damage to cattle in the United States estimated to cost consumers and producers more than $100,000,000 a year. These grubs are one stage of the life cycle of the heel fly. Their presence in cattle greatly reduces the value of the hide and seriously retards the production of meat and milk.

Before the war it was established that the grub can be killed by treating infected cattle with preparations containing rotenone. By destroying the grubs in a sizeable area for a period of about 3 years the heel fly is virtually eliminated from that area and this pest to livestock removed.

The Eightieth Congress authorized the Bureau of Animal Industry to undertake for the first time eradication of cattle grubs on such an area basis. The program will be carried out with the voluntary cooperation of the farmers in the area, with the Federal Government providing the materials and some of the machinery and the farmers providing the labor.

INSECTICIDES

Farmers and all other users of modern chemical preparations for the killing of weeds, insects, and pests will be able to use such preparations in the future with greater safety and confidence because of action taken by the Eightieth Congress in revising and greatly improving the Insecticide Act of 1910. That act was written at a time when paris green, arsenic, and a few other relatively simple preparations were virtually the only insecticides used. Since that time there has been a tremendous development not only in the field of insecticides but in the allied fields of chemical preparations to destroy rodents and other pests and to kill or retard the growth of weeds.

The new Insecticide Act adopted by the Eightieth Congress provides the safeguards that are necessary to protect and assist the users of these new agricultural chemicals. Important improvements and changes made by the Eightieth Congress include, first, the application of the law to herbicides, rodenticides, and fungicides, as well as to insecticides; second, the requirement that all such preparations must be registered before they are sold or transported in interstate commerce; third, the requirement that poison warnings must be prominently displayed on all poisonous preparations and that white powders must be colored or discolored to prevent their being mistaken for flour, sugar, or similar foods; fourth, requirement that full instructions for use and for the safe handling of the preparation must be provided with each package.

In addition, the Eightieth Congress gave special attention to the important new herbicide, 2,4–D, and adopted two resolutions calling upon the Department of Agriculture to conduct immediate research into the use of this material and to provide the farmers and others with complete information on its handling, so that the fullest benefits from its weed-killing properties could be obtained and at the same time the utmost protection could be afforded to crops which are susceptible to this powerful herbicide.

MARKETING AGREEMENTS

Marketing agreements, under which farm commodities are graded and sold in an orderly manner, are important to many segments of agriculture.

The Eightieth Congress materially improved the working of such agreements. It provided that grading and inspection to maintain minimum standards of quality and maturity could be carried on continuously under marketing agreements, whether the price of the commodity is above or below parity. Previously such grading and inspection could be carried out only if the commodity was selling below parity.

Similarly, the Eightieth Congress provided that the administrative staffs and offices administering marketing agreements could operate continuously, in order to maintain records and carry on other business, whether the price of the commodity is above or below parity.

RESEARCH

Scientific research is as important to agriculture as it is to industry. During the Eightieth Congress agricultural production research has been continued and expanded and substantial funds were appropriated, for the first time, for extensive research in the marketing of agricultural products.

The growing importance of finding new and better methods of marketing farm products, of discovering new uses for agriculture commodities, and of developing new markets, was recognized in the Hope-Flannagan Act, which was passed late in the Seventy-ninth Congress.

The Eightieth Congress carried forward the purpose of this act by appropriating $9,000,000 for the fiscal year 1948 and $13,850,000 for the fiscal year 1949 for the research authorized by the act.

The appropriation for 1949 will make possible the carrying out of 180 to 200 separate research projects. Emphasis will be on research into new methods of utilizing farm products. Approximately two-thirds of the projects will be breaking new ground—research on subjects which have never been scientifically studied before.

In addition to appropriations for the Hope-Flannagan Act, the Eightieth Congress appropriated $46,537,000 for research in the regional laboratories, experiment stations and otherwise through the Agricultural Research Administration, $9,282,000 for Forest Service research, and $2,596,000 for research by the Soil Conservation Service.

FARM TENANT ACT

Veterans, tenants, sharecroppers, and farm laborers who want to own their own family-size farm were given a helping hand by the Eightieth Congress. Improvements were made in that part of the Farm Tenant Act providing for Government reinsurance of private mortgage loans made to such persons for the purpose of buying, enlarging, or improving family-size farms. The new act removes some of the obstacles that have retarded the making of such loans.

FOREST SERVICE

The Eightieth Congress has been very conscious of the value of the Nation's forests and the need for safeguarding them in order to assure continued production for home building and other construction, to prevent the rapid water run-off and aid in conservation, to provide recreational areas for the healthful enjoyment of the people, and for other purposes. Much legislation attests to the consideration given forest matters by the Eightieth Congress.

New laws on the statute books as the result of these legislative efforts cover many phases of conservation, promotion, and control, while sympathetic study of Forest Service problems has resulted in the promulgation of planning which includes both long- and short-range aims for the preservation and use of our forest resources for the public benefit.

Among the items of legislation passed by the Eightieth Congress which will assure better use and conservation are laws to provide for:

A more efficient forest pest control, which would coordinate public and private agencies and provide for immediate action in halting the incursions of pests and the progress of diseases before they have gained a major foothold; preventing forest fires by closing forests to public use and providing penalties for violation, when such forests provide seasonal fire hazards; providing for the broader use of certain forest lands by authorizing controlled use of such lands by private citizens; consolidating the lands of the Superior National Forest through exchange for State lands and purchase of small private holdings, to give the Nation one last wilderness area for the recreational use of the people; transfer to the Forest Service of small areas adjoining national forests more suitable for forest purposes than for other use, and the disposal of small tracts which had been held as forest land or as a part of the public domain but which were serving no really useful purpose to that end.

Of particular interest was direction and authority given the Secretary of Agriculture to provide for the constructive use-maintenance of the Tongass National Forest in Alaska. Action in this matter was taken to alleviate the Nation's newsprint shortage and aid in other useful timber production, and to encourage the commercial, agricultural, and recreational development of Alaska.

WOOL

On April 15, 1947, action taken by the Secretary of Agriculture terminated the price-support program for wool which had been in effect since 1943. Termination of the program at that time, if it had been permitted to continue, would have been disastrous to wool growers

since market prices for comparable grades of imported wool were 8 to 12 percent below the purchase prices of domestic wools under the support program. In addition large stocks of both foreign and domestic wool, built up during the war, were on hand.

The Eightieth Congress, in order to provide proper protection to domestic wool growers, enacted S. 814, which directed a continuation of the wool price support program until December 31, 1948. It also amended section 22 of the Agricultural Adjustment Act so as to authorize the President to control imports of foreign wool in such a manner as to prevent such imports from interfering materially with the marketing of domestic wool under the price-support program. This provision was included because of the great increase in the importation of foreign wool—importations of raw-apparel wool in 1946 were approximately six times greater than the average annual importations during the period 1936 to 1940 and represented about 90 percent of the United States domestic consumption of wool. This bill was vetoed by the President. A new bill which eliminated the provisions authorizing the President to control wool imports was passed and became law, extending the price-support program until December 31, 1948.

The duty on wool was thereafter reduced by 25 percent by action of the President under the Reciprocal Trade Agreements Act.

Under the general price support measure (H. R. 6248) passed during the second session of the Eightieth Congress the present price-support program for wool is continued until June 30, 1950. Thereafter, wool will receive price support at levels ranging from 60 to 90 percent of parity with the Secretary of Agriculture authorized to support wool at 90 per cent until a production of 360,000,000 pounds of shorn wool a year is achieved. In addition, the bill empowers the President to control imports so that the importation of foreign wool will not disrupt the production and marketing of domestic wool.

FARM LABOR PROGRAM

In an effort to meet the acute wartime shortage of farm labor and to obtain maximum food production, emergency programs were instituted during the war providing for the recruitment, transportation, and housing of foreign agricultural workers.

During the first session of the Eightieth Congress it appeared that it would be possible to meet the foreseeable farm-labor requirements after the end of 1947 from domestic labor sources, and Congress directed the discontinuation of the emergency farm-labor program on December 31, 1947.

Shortly before the close of the second session of the Eightieth Congress, however, it appeared that the supply of farm labor—particularly hand labor—was growing more and more acute. Farmers were having difficulty in recruiting, assembling, and transporting seriously needed foreign labor.

To meet this situation and to assure the availability of an adequate supply of foreign labor, the Eightieth Congress enacted a measure authorizing the Administrator of the Federal Security Administration to assist farmers by recruiting foreign laborers for temporary agricultural employment in the United States and to direct, supervise, coordinate, and provide for the transportation of, such workers. The cost of transportation and subsistence of foreign agricultural laborers is to be borne by the employers who use the labor.

FARM LABOR CAMPS

During and prior to the war the Government acquired labor camps and other facilities for the housing of migratory farm laborers. These camps were of two general types—permanent and temporary. The permanent camps, 52 in number, had a capacity for housing 48,600 workers. The temporary camps, 70 in number, had a capacity for housing 20,500 workers.

The law then in effect required that when Government use of these camps had ended they be sold or transferred to other agencies of the Government for disposal as surplus. This would have meant that these housing facilities would have been lost for agricultural purposes. Farmers, farm groups, and organizations, and State and local agencies urged that these facilities be disposed of in such a manner so that they would continue to be available for housing migratory farm labor.

The Eightieth Congress enacted Public Law No. 298, which authorized the Secretary of Agriculture to dispose of these camps and facilities to public or semipublic agencies, or nonprofit associations of farmers, who would agree to operate and maintain the facilities for housing migratory farm laborers. Any facilities remaining unsold after June 30, 1949, are to be disposed of as surplus.

By the enactment of this law the Eightieth Congress has made it possible for farmers to obtain these labor camps and facilities and to have them available for migratory farm laborers.

ALCOHOL PLANTS

Prompt action by the Eightieth Confiress has saved for research purposes and for possible use in disposing of agricultural surpluses three industrial alcohol plants that otherwise would have been disposed of as surplus war property.

The three plants are located at Kansas City, Omaha, and Muscatine, Iowa. Built during the war to provide alcohol for war purposes, bids had already been received for disposal of two of the plants when the sale was halted by congressional action.

Later, a bill transferring all three plants to the ownership of the Department of Agriculture was enacted. The Department will lease the plants to commercial operators and will utilize them for carrying on research in the manufacture of motor fuels, oils, and other products from agricultural commodities.

At the same time, the plants will be available for emergency operation in case of another war, or for the disposal of surplus agricultural products if that becomes necessary.

TAX REDUCTION

The Eightieth Congress gave more than the usual study to the field of taxation. The Income Tax Reduction Act of 1948, passed by the Congress over the President's veto, made substantial reductions up and down the line.

Some of the provisions of this act were particularly beneficial to the farmer and his family. Among the reductions which provided relief for the farm family were, first, the increase of personal exemptions from $500 to $600; second, additional exemptions of $600 for persons over 65; third, the income-splitting provision, which benefits the farm family particularly, because the farm wife generally has no other income than that of the farm; and, fourth, the reduction of tax rates which eliminated 7,500,000 people from paying any tax, many of them small farmers.

H. R. 6712, which was passed by the House, but was not reached in the Senate, included a provision which would allow deductions from income taxes of expenditures made for soil and water conservation work. It also extended the date for the filing of farmers' income-tax declarations from January 15 to January 31, thus giving farmers more time in which to gather complete data on the previous year's transactions. While final action was not taken on the measure this session, it will be up for early consideration next year if a Republican Congress is elected.

FARM MACHINERY

High on the list of shortages plaguing farmers in the postwar period was the acute scarcity of farm machinery, which persisted long after the Nation's industries had returned to their peacetime pursuits.

An investigation of this situation that brought some measure of relief to farmers was conducted by the House Committee on Agriculture. This investigation served the purpose of focusing sharply the attention of farm machinery manufacturers, Government officials, and the general public on the serious situation facing American farmers.

The investigation showed, among other things, that the schedules for shipping farm machinery to Europe under the relief program were not based on practical surveys of the quantity of machinery which was actually needed. As a result of this finding there was a reduction of about 25 percent in the quantity of farm machinery slated for export under that program.

Through the active efforts of this committee, increased emphasis has been placed upon the need of American farmers and on better distribution of available machinery.

FERTILIZER

No single problem has been more distressing to farmers since the war than that of fertilizer. In the face of a world shortage of nitrogen and other fertilizer materials, and in view of the tremendously increased demand of American farmers for fertilizers, it was inevitable that there would be shortages.

These shortages would have been much more acute for American farmers, however, had it not been for action taken by the Eightieth Congress. Early in the first session a special House committee began an investigation of the fertilizer situation and has worked continuously on it since that time. It has met at almost weekly intervals with representatives of farmers, fertilizer manufacturers, transportation officials, and Government agencies for the purpose of securing more fertilizer production and obtaining the fairest possible distribution of available supplies.

Two special reports on fertilizer were issued—one for 1947 and one for 1948. These were instrumental in helping the situation.

Legislative action included authorization and appropriations for the Army to operate its nitrate plants to relieve civilian fertilizer manufacturers of the drain of sending fertilizer to the occupied areas. All the nitrates that have gone to such areas have come from these Army plants. In addition, in the 1949 fiscal year, because of action by the Eightieth Congress, half of the nitrates shipped to other countries under the foreign-relief program will come out of the Army plants.

SUGAR SUPPLIES

In spite of its consideration of a great many subjects relating directly to the farmers, the Eightieth Congress has not been too preoccupied with farm legislation to take action on behalf of American consumers where such action was required in connection with agricultural productions.

When the Eightieth Congress convened, sugar was still rationed in the United States. One of the first acts of the House Committee on Agriculture was to appoint a special subcommittee to survey the sugar situation. That committee found that there was an adequate supply of sugar to meet domestic needs. It recommended the immediate liberalization of both household and industrialist rations and their removal if supplies, in fact, turned out to be as adequate as they appeared from the committee's survey of the situation.

The committee also recommended that the Secretary of Agriculture take every step possible to secure more abundant sugar production in the United States and its Territories during 1947 and 1948. Specifically, it suggested that acreage quotas should continue to be suspended and that no restriction whatever should be placed upon domestic production during those years.

Following the recommendations of the Committee, sugar rationing to household users was discontinued, and allocations to industrial users were dropped a few months later.

FOOD SHORTAGES

Since January 3, 1947, another subject of vital importance to consumers—food shortages—has been under constant surveillance by a special subcommittee of the House Committee on Agriculture. When the Eightieth Congress convened the full extent of the demand which would be made on American agriculture to help feed the hungry world was not yet realized. It was the general assumption, shared by farmers and food experts alike, that the demand would decrease quickly and that, with American agriculture producing at top speed, as it was, production might soon overrun consumption.

After surveying the situation, the subcommittee reported that foreign demands for American farm products were likely to continue at a very high level for at least two more crop years, that the price which American consumers would be forced to pay for food would depend to a large extend on the proportion of our production which was shipped abroad, and that therefore, in order to assure an ample supply for both foreign and domestic demands, farm production should be kept at a high level.

Since that time, the committee's analysis of this situation has been borne out by events. The committee has held numerous hearings and has conferred frequently with producers, processors, and distributors of food, and its constant vigilance and activity has assisted materially in maintaining an adequate supply of food commodities for American consumers.

LONG-RANGE PROGRAM

During the Eightieth Congress, farmers themselves in every part of the country have had an opportunity to tell Congress their ideas on the kind of a long-range program which should be adopted for American agriculture.

Hearings on a long-range program have been held by the Agriculture Committees of both the Senate and the House. Together, they are the most comprehensive and complete hearings that have ever been held on an agricultural subject.

Not content with hearing merely the representatives of organizations which maintain spokesmen in Washington, or those which are able to send their witnesses to Washington, both the Senate and House committees went out into the States to give working farmers themselves an opportunity to appear as witnesses in hearings close to their homes.

The hearings held by the House committee were unprecedented in their scope and thoroughness. Never before has a whole committee of Congress left Washington and gone direct to the people for a series of hearings such as that conducted by the House Agriculture Committee on the long-range farm program.

On its series of hearings throughout the country, the committee traveled more than 9,500 miles. More than 3,000 miles of this travel was by special bus, so that the committee could stop along the road to look at farms and crops and to talk to farmers in their fields and at rural community gatherings. On its travels the committee was in 34 different States.

It held 11 formal hearings at which it heard testimony from 727 witnesses—most of them working farmers—who came from every State in the Union but two. In addition, the committee heard the views of hundreds of other farmers as they talked in their fields, at informal meetings, and wherever they met along the road.

These extensive hearings have formed the solid background of information that is providing the basis for the working out of a long-range farm policy. No Congress in history has been better informed of the farmer's needs and desires, and of what the farmer wants in a long-range program. This information has guided the thinking of Congress as phases of the farm program have come up for discussion and action, and it will continue to provide a guide for such purposes as the various parts of our future farm program and policy are worked out.

Choosing the Wasteful

EXTENSION OF REMARKS

OF

HON. GEORGE B. SCHWABE

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. SCHWABE of Oklahoma. Mr. Speaker, the following editorial appeared in the Daily Oklahoman, Oklahoma City, a Democratic newspaper with the largest circulation of any daily newspaper in the State. The article deals primarily with the waste of Federal aid, especially as applied to the proposed $300,000,000 Federal aid to education proposal.

CHOOSING THE WASTEFUL

In discussing the general subject of Federal grants-in-aid, Senator BYRD declares that on an average 15 percent of every Federal appropriation for State aid is spent by the Federal Government in allocating and distributing the funds provided and in maintaining a department or bureau to direct the expenditure of the money. In other words, 15 percent of the money voted to aid the States is wasted without ever reaching the States for which it is intended.

Instead of supplying their own needs the 48 States induce Congress to vote, say $100,000,000, to help the States supply their needs. This money is voted, and then the Federal Government holds out $15,000,000 to meet the costs of distribution and supervision. Thus the States receive only $85,000,000, while paying a total bill of $100,000,000. If they had voted the money themselves, the States would have saved $15,000,000.

Just now Congress has in contemplation the approval of a $300,000,000 appropriation to help the schools of the 48 States. If the pattern revealed by Senator BYRD is followed, the States would receive only $255,000,000 of the money voted, although they would pay the entire $300,000,000 in taxes. Thus the States would save a clear $45,000,000 by providing this money themselves. They will be deliberately wasting $45,000,000 in calling upon the general government to provide the money instead of providing it themselves.

It is now the thoroughly established custom for the States to call upon the National Government whenever large sums of money are needed, and the granting of Federal aid is almost certain to increase from year to year. But, however popular the process may be, it probably is the most costly that has yet been devised. If the States were asked to pay 15-percent interest on the money that is handed back to them from Washington, the country would speedily seethe with near rebellion; but, as it is, the States are paying the equivalent of a 15-percent-interest charge while blandly imagining that they are getting everything free. As a matter of fact they are paying every penny in a transaction in which they have been short-changed.

Record of Committee on Veterans' Affairs During Eightieth Congress

EXTENSION OF REMARKS
OF

HON. EDITH NOURSE ROGERS

OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mrs. ROGERS of Massachusetts. Mr. Speaker, the Committee on Veterans' Affairs made an impressive record during the Eightieth Congress in the consideration of veterans' legislation. During this period 498 bills and resolutions were referred to the committee for consideration. The full committee held 106 meetings and the subcommittees 56 hearings. A total of 56 bills, 1 House joint resolution, 1 House concurrent resolution, and 2 Senate bills were reported favorably to the House. Of this number, 36 are now public laws and an additional 6 passed the House and are now pending in the Senate and one was vetoed.

In addition to its legislative activities and in accordance with House Resolution 120, the chairman of the full committee and the chairman and members of the subcommittees made group and individual inspections and surveys of Veterans' Administration hospitals.

A survey was also made of the operations of the insurance division of the Veterans' Administration and appropriate recommendations were made which, it is believed, if followed will result in more efficient handling of United States Government and national service life insurance policies.

Hearings were held on personnel reductions in the Veterans' Administration. These hearings resulted in an additional appropriation, public law No. 519, Eightieth Congress, of $3,000,000 for the remainder of the fiscal year, 1948, to enable the retention of approximately 3,000 positions directly concerned with service to veterans.

An additional $1,500,000 was appropriated to provide automobiles for amputee veterans—public law 785, Eightieth Congress.

I have listed below various bills and resolutions which were reported favorably by the committee:

PUBLIC LAWS

House Concurrent Resolution 54: To use Schick General Hospital, Clinton, Iowa, for the care of veterans, particularly convalescent or domiciliary cases. Reported June 26, 1947; Report No. 714. Passed House July 23, 1947. (Provisions of section 2 of S. 1035 (H. R. 2971), which also provided for acquisition of hospital at Camp White, Medford, Oreg. This measure passed Senate May 24, 1948. Reported in House June 1, 1948, Report No. 2100; passed House June 1, 1948. Approved June 3, 1948. Public Law No. 577.)

House Joint Resolution 196. Authorizes the Administrator of Veterans' Affairs to continue for 1 year offices in the territory of the Republic of the Philippines. Reported May 19, 1947; Report No. 392. (Senate Joint Resolution 115 passed House in lieu June 2, 1947, with amendment.) Senate concurred with House amendment June 9, 1947. Approved June 14, 1947. Public Law No. 91.

H. R. 246: Raises the ceilings on wages and subsistence allowance payable to veterans undergoing on-the-job training as follows: $250 monthly for veterans without dependent (formerly $175), $325 for veteran with one dependent (formerly $200), $350 for veteran with two or more dependents (formerly $200). Adds 2 years to the customary training period. Reported February 26, 1947; Report No. 77. (S. 1393 passed by Senate July 25, 1947. House passed S. 1393 February 3, 1948, with language of H. R. 246. Conference agreed on $210 for veteran without a dependent, $270 for veteran with one dependent, and $290 for veteran with two or more dependents; also granted increase to part-time institutional and institutional on-the-farm trainees; excludes overtime in determining ceiling; retains 2-year limitation on training. House agrees to conference report (H. Rept. 1520) March 8, 1948. Senate rejects conference report and agrees to House amendment with an amendment (in effect the language as agreed upon by the conferees) April 15, 1948. House concurs in Senate amendment April 21, 1948. Approved May 4, 1948. Public Law No. 512.)

H. R. 1327: Extends for an additional 5-year period the privilege of renewing 5-year level-premium term United States Government life insurance for World War I veterans. Reported February 5, 1947; Report No. 18; passed House March 13, 1947; passed Senate April 7, 1947. Approved April 15, 1947. Public Law No. 34.

H. R. 1335: Increases compensation rates for disability incurred in peacetime service to 80 percent of rates payable for similar disability incurred during wartime service. Reported July 24, 1947; Report No. 1069. (S. 595 identical bill passed Senate June 10, 1948; passed House June 19, 1948.) Approved July 2, 1948. Public Law No. 876.

H. R. 1353: Repeals time limit (now extended administratively to January 1, 1948) for reinstatement of national service life insurance (level-premium term) on comparative health basis, to provide for automatic conversion to ordinary-life plan for total disability at end of term, and to provide for original application on any permanent plan. Reported January 29, 1947; Report No. 13; passed House January 29, 1947; passed Senate February 17, 1947. Approved February 21, 1947. Public Law No. 5.

H. R. 1844: Permits Administrator of Veterans' Affairs to grant easements in lands belonging to the United States under his supervision and control. Reported March 27, 1947; Report No. 187; passed House April 10, 1947; passed Senate May 22, 1947. Approved May 31, 1947. Public Law No. 83.

H. R. 2181: Includes by statute institutional on-farm training among types of full-time training afforded World War II veterans under title II of the Servicemen's Readjustment Act and to set up certain standards relative thereto. Reported April 30, 1947; Report No. 327; passed House May 12, 1947; passed Senate, amended, July 25, 1947; House agrees to Senate amendments July 26, 1947. Approved August 6, 1947. Public Law No. 377.

H. R. 2368: Authorizes an increase in appropriation for revolving fund from $1,500,000 to $3,000,000 for purpose of making advancements by the Veterans' Administration not to exceed $100 in any case to disabled veterans of World War II taking vocational training. Reported March 27, 1947; Report No. 188; passed House May 12, 1947; passed Senate June 16, 1947. Approved June 25, 1947. Public Law No. 115.

H. R. 3060: To extend for 1 year (until June 30, 1948) certain provisions of section 100 of the Servicemen's Readjustment Act, as amended, relating to authority of the Administrator of Veterans' Affairs to enter into leases for periods not exceeding 5 years. Reported May 22, 1947; Report No. 443. Laid on table June 5, 1947. (S. 1135 passed in lieu June 5, 1947; passed Senate, May 22, 1947. Approved June 14, 1947. Public Law No. 94.)

H. R. 3308: Increases the minimum monthly subsistence allowance payable to disabled World War II veterans who are taking vocational training and who have a service-connected disability, disabling to a degree of 30 percent or more, to the following sums: Without dependents, $115 (now $105); with one dependent, $135 (now $115); plus the following amounts for additional dependents: $20 (now $10) for one child, and $15 (now $7) for each additional child, and $15 (now $15) for a dependent parent. Reported May 20, 1947; Report No. 396. Passed House July 26, 1947. Passed Senate July 26, 1947. Approved August 4, 1947, Public Law No. 338.

H. R. 3546: Permits recognition of officers and enlisted men retired from the military and naval forces of the United States as representatives of certain organizations in the presentation of claims to the Veterans' Administration. Reported July 19, 1947; Report No. 1010. Passed House July 23, 1947. Passed Senate July 25, 1947. Approved August 1, 1947. Public Law No. 316.

H. R. 3739: Authorizes the acquisition by the Veterans' Administration of certain land in Harrison County, W. Va., as a site for the proposed Veterans' Administration facility at Clarksburg, W. Va. Reported July 16, 1947; Report No. 960. Passed House July 17, 1947. Passed Senate July 23, 1947. Approved July 30, 1947. Public Law No. 288.

H. R. 3748: Increases service-connected death rates of compensation for widows and dependents to: Widow, no child, $75; widow, one child, $100; with $15 for each additional child; no widow, but one child, $58; no widow, two children, $82; no widow, three children, $106; $20 for each additional child; $60 for a dependent mother or father (or both, $35 each); rates for peacetime veterans' widows and dependents set at 80 percent of above. (S. 2825 passed in lieu.) Reported July 24, 1947; Report No. 1068; supplemental report April 28, 1948; passed House June 14, 1948; passed Senate June 12, 1948; House agrees to conference report (H. Rept. 2408) June 18, 1948; Senate agrees to conference report June 18, 1948. Approved July 1, 1948. Public Law No. 868.

H. R. 3889: Establishes by statute a presumption of service connection for certain enumerated chronic and tropical diseases which are shown to exist within 1 year from discharge from active service, or within the incubation period of such tropical diseases. Reported July 8, 1947; Report No. 808; passed House July 21, 1947; passed Senate June 12, 1948; House agrees to Senate amendments June 14, 1948; approved June 24, 1948. Public Law No. 748.

H. R. 3961: Provides increase of 20 percent in rates of service pension for veterans of the Spanish-American War and Civil War and their dependents. Reported June 25, 1947; Report No. 690. Passed House June 30, 1947. Passed Senate July 19, 1947. Approved July 30, 1947. Public Law No. 270.

H. R. 4055: Provides increase of 20 percent in rates of service pension for veterans of Indian wars and their dependents. Reported July 3, 1947; Report No. 794. Passed House July 26, 1947. Passed Senate, amended, January 12, 1948. House agrees to Senate amendments January 14, 1948. Approved January 19, 1948. Public Law 398.

H. R. 4073: Authorizes grants for construction and equipping of hospitals in the Philippines for Philippine veterans who served pursuant to military order of President of United States. Reported June 10, 1948, Report No. 2304; S. 2861 passed in lieu; passed House June 18, 1948; passed Senate June 18, 1948. Approved July 1, 1948. Public Law No. 865.

H. R. 4141: Amends the National Service Life Insurance Act to extend for 2 years the time within which eligible persons may apply for payment of automatic (gratuitous) insurance death benefits. Reported July 19, 1947; Report No. 1011. Passed House January 19, 1948. Passed Senate February 25,

1948. Approved March 3, 1948. Public Law 429.

H. R. 4212: Increases subsistence allowances for World War II veterans pursuing full-time institutional training to $75 per month, if without a dependent, or $105 per month if he has one dependent, or $120 per month if he has more than one dependent. Reported July 23, 1947; Report No. 1044. (An identical bill, S. 1394, passed Senate July 19, 1947; passed House February 3, 1948.) Approved February 14, 1948. Public Law 411.

H. R. 4244: Authorizes assistance to "spinal-cord-case" World War II veterans in acquiring specially adapted housing which they require by reason of the nature of their service-connected disabilities. Reported July 24, 1947; Report No. 1067; passed House April 6, 1948; passed Senate June 12, 1948. Approved June 19, 1948. Public Law No. 702.

H. R. 4478: Authorizing certain expenditures previously authorized in appropriation acts for the Veterans' Administration. Reported January 26, 1948; Report 1271 (pt. II filed February 17, 1948). Passed House March 1, 1948. Passed Senate March 29, 1948. Approved April 3, 1948. Public Law No. 473.

H. R. 4479: Transferring Veterans' Administration land at Camp Phillips, Kans., to Department of Army. (S. 1791, identical, reported June 2, 1948; Rept. No. 2143); passed House June 8, 1948; passed Senate January 26, 1948. Approved June 19, 1948. Public Law No. 682.

H. R. 4943: Continues authority to operate Philippine Office of Veterans' Administration until June 30, 1950. Reported February 9, 1948; Report No. 1367. Passed House March 1, 1948. Passed Senate March 29, 1948. Approved April 3, 1948. Public Law No. 474.

H. R. 4962: Grants pension to dependent unremarried widows of Spanish-American War veterans 60 years of age who married veteran 10 years prior to his death. Reported June 11, 1948; Report No. 2316; passed House June 16, 1948; passed Senate June 18, 1948. Approved June 24, 1948. Public Law No. 762.

H. R. 5134: Permitting commutation of travel expenses for vocational rehabilitation purposes. Reported June 1, 1948; Report No. 2129; passed House June 8, 1948; passed Senate June 10, 1948. Approved June 16, 1948. Public Law No. 660.

H. R. 5588: To increase compensation for veterans 60 percent or more disabled and who have dependents. Reported April 12, 1948; Report No. 1717 (S. 2821 passed in lieu); passed House June 14, 1948; passed Senate June 12, 1948; House agrees to conference report (H. Rept. 2409) June 18, 1948; Senate agrees to conference report June 18, 1948. Approved July 2, 1948. Public Law No. 877.

H. R. 5734: Authorizing transfer of land to city of Cheyenne, Wyo., for public-park and golf-course purposes. Reported June 1, 1948; Report No. 2130; passed House June 8, 1948; passed Senate June 18, 1948. Approved June 29, 1943. Public Law No. 831.

H. R. 5820: Authorizes $1,000,000 annually to Veterans' Administration for prosthetic research. Reported April 6, 1948; Report No. 1657; passed House May 3, 1948; passed Senate June 12, 1948. Approved June 19, 1948. Public Law No. 729.

H. R. 6234: Authorizes establishment of system of internships in the Department of Medicine and Surgery of the Veterans' Administration. Reported June 1, 1948; Report No. 2131; passed House June 8, 1948; passed Senate June 12, 1948. Approved June 19, 1948. Public Law No. 722.

H. R. 6448: Authorizes transfer of 32 acres of land near Veterans' Administration center near Johnson City, Tenn., to the city. Reported May 19, 1948; Report No. 1984; passed House June 8, 1948; passed Senate amended June 15, 1948; House agrees to Senate amendments June 18, 1948. Approved June 28, 1948. Public Law No. 803.

H. R. 6507: Authorizes additional period of 5 years for all level-premium-term insurance on all policies issued prior to January 1, 1948. Reported June 1, 1948; Report No. 2132; passed House June 8, 1948; passed Senate June 18, 1948. Approved June 29, 1948. Public Law No. 838.

H. R. 6635: Creating secondary market for housing loans made under title III of Servicemen's Readjustment Act of 1944, as amended. Reported June 2, 1948; Report No. 2157. (S. 2790 passed in lieu.) Passed House June 20, 1948; passed Senate June 18, 1948; Senate agrees to House amendments June 20, 1948. Approved July 1, 1948. Public Law No. 864.

H. R. 6716: Authorizes transfer of land from Veterans' Administration center at Los Angeles, Calif., to the State of California for use of University of California as a medical center. Reported June 1, 1948; Report No. 2133; passed House June 8, 1948; passed Senate June 12, 1948; House agrees to Senate amendments June 14, 1948. Approved June 19, 1948. Public Law No. 726.

H. R. 6730: Extends until June 30, 1949, authority of Veterans' Administrator to enter leases for office space for periods not exceeding 5 years. Reported June 1, 1948; Report No. 2134; passed House June 8, 1948; passed Senate June 10, 1948. Approved June 16, 1948. Public Law No. 661.

H. R. 6956: Authorizes the Veterans' Administrator to transfer land in Arkansas (S. 2849 passed in lieu). Passed Senate June 18, 1948; passed House June 19, 1948. Approved June 28, 1948. Public Law No. 797.

BILLS PASSED BY HOUSE PENDING IN SENATE

H. R. 3814: Authorizes $5,000,000 appropriation for establishment of a hospital for Negro veterans at the birthplace of Booker T. Washington in Franklin County, Va. Reported July 15, 1947; Report No. 925; passed House January 19, 1948. (Before Senate Labor and Public Welfare Committee.)

H. R. 4160: Amends the National Service Life Insurance Act of 1940 to provide for extending the time 1 year in which a veteran or the beneficiary may make application for waiver of insurance premiums retroactive to October 8, 1940, based upon total disability. Prohibits the lapse of an insurance policy in cases where there is sufficient money due the veteran by reason of waiver of premiums for total disability to keep the insurance in force. Reported July 24, 1947; Report No. 1071. Passed House July 25, 1947. (Before Senate Finance Committee.)

H. R. 4651: National service life insurance reinstatement. Reported December 15, 1947; Report No. 1164; passed House December 15, 1947. (Before Senate Finance Committee.)

H. R. 5680: Excludes from payments under National Service Life Insurance Act parents who have deserted families. Reported April 6, 1948; Report No. 1658; passed House May 3, 1948. (Before Senate Finance Committee.)

H. R. 6439: Directs Veterans' Administrator to make complete investigation of so-called West Virginia plan for the construction of low-cost housing. Reported June 10, 1948; Report No. 2305; passed House June 16, 1948. (Before Senate Finance Committee.)

H. R. 6958: Authorizes the Veterans' Administrator to transfer approximately 315 acres at the naval training station, Great Lakes, Ill., to the Navy Department. Reported June 17, 1948; Report No. 2390; passed House June 18, 1948. (Before Senate Finance Committee.)

BILLS REPORTED, PENDING ON HOUSE CALENDARS

H. R. 451: To provide service pensions to persons who served in Philippines after July 4, 1902, and prior to January 1, 1914. Reported June 11, 1948; Report No. 2313. (Union Calendar 1142; Consent Calendar 783.)

H. R. 969: Twenty-percent increase in Spanish-American War pensions. Reported May 9, 1947; Report No. 344. (H. R. 3961, passed in lieu June 25, 1947.)

H. R. 3016: Authorizes Administrator of Veterans' Affairs to furnish stenographic assistance for the use of paid full-time representatives of organizations recognized by act of Congress and have been assigned office space in the Veterans' Administration. Reported July 24, 1947; Report No. 1055.

H. R. 3516: Twenty percent increase in Spanish-American War and Civil War pensions. Reported May 20, 1947; Report No. 397. (H. R. 3961, passed in lieu June 25, 1947.)

H. R. 3565: Authorizes the Administrator of Veterans' Affairs to subsidize by loans the construction of not exceeding 200,000 multiple-dwelling units for rental to World War II veterans at low and medium cost pursuant to certain prescribed standards and specifications. Reported July 24, 1947; Report No. 1070. (Union Calendar 560.)

H. R. 3583: Automobiles for certain disabled veterans. Reported June 2, 1947; Report No. 498. (See H. R. 4007, reported July 2, 1947.)

H. R. 3623: Provides that no person who is a member of the Communist Party, in sympathy with its general aims, or who owes allegiance to the Government of the Union of Soviet Socialist Republics or any government subservient thereto, shall be eligible for any benefits under any laws or regulations administered by the Veterans' Administration, and provides for certain procedures, forms, and penalties to carry out the purpose of the act. Reported June 24, 1947; Report No. 687. (Union Calendar 342.)

H. R. 3888: Increase in subsistence allowances for veterans attending schools under Public Laws 16 and 346, Seventy-eighth Congress. Reported June 20, 1947; Report No. 620. (See H. R. 4212.)

H. R. 4007: Authorizes the Administrator of Veterans' Affairs to pay not to exceed $1,600 on purchase price of an automobile for any war veteran entitled to compensation for loss or permanent loss of use of one or both feet or one or both hands or permanent impairment of vision of both eyes of certain prescribed status. Reported July 2, 1947; Report No. 780. (S. 1391, similar bill, but providing for only World War II veterans, passed Senate July 23, 1947.) (Union Calendar 399; Consent Calendar 489.)

H. R. 4159: To provide gratuitous insurance to certain persons who served in the Naval Reserve after April 14, 1935. Reported June 11, 1948; Report No. 2314. (Union Calendar 1143; Consent Calendar 784.)

H. R. 4242: Increases annual income limitations governing the granting of pensions to veterans and death-pension benefits to widows and children of veterans as follows: Unmarried person, $1,800 (now $1,000); married person or any person with a dependent, $3,000 (now $2,500). Reported July 21, 1947; Report No. 1021. (Union Calendar 535.)

H. R. 4243: Provides for a disability rating of 100 percent for arrested tuberculosis for the first 2 years of arrest, then 50 percent for 5 years, with a minimum rating thereafter of 40 percent for those whose tubercular condition was diagnosed as far advanced, and 30 percent for those diagnosed as moderately advanced or less. Reported July 19, 1947; Report No. 1012. (Union Calendar 531.)

H. R. 4309: Provides for loans by the Farm Credit Administration to World War II verterans for the purpose of acquiring farms, farm equipment, and personal property up to $12,000 on any one farm, with interest rate of 3 percent per annum, and provides for repayment of loan in not more than 40 years. Reported July 23, 1947; Report No. 1039. (Union Calendar 540.)

H. R. 4488: Authorizes chartering of veterans' homestead association to provide housing for veterans. Reported May 3, 1948; Report No. 1848. (Union Calendar 886.)

H. R. 5464: Provides that Spanish-American War veterans shall be deemed to have incurred service-connected diseases or disabilities for purposes of hospitalization. Reported June 11, 1948; Report No. 2317.

(Union Calendar 1146; Consent Calendar 787.)

H. R. 6079: Provides hearing before State agency on complaint of Veterans' Administrator as to tuition charges under the Servicemen's Readjustmten Act of 1944, as amended. Reported June 9, 1948; Report No. 2295. (Union Calendar 1130; Consent Calendar 773.)

VETOED

H. R. 6656: Authorizes Veterans' Administrator to prescribe the rates of pay for certain field positions, notwithstanding the Classification Act of 1923. Reported June 10, 1948; Report No. 2303. (S. 2794 passed in lieu. Passed House June 18, 1948; passed Senate June 12, 1948; vetoed July 3, 1948.)

Challenge to the Candidate

EXTENSION OF REMARKS
OF
HON. RALPH A. GAMBLE
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. GAMBLE. Mr. Speaker, under unanimous consent of the House, I insert in the CONGRESSIONAL RECORD the attached editorial from the Daily Times, published in Mamaroneck, N. Y., June 17, 1948, entitled "Challenge to the Candidate":

CHALLENGE TO THE CANDIDATE

President Truman vetoed the Taft-Hartley bill, and it became a law only when Congress, in its own wisdom, passed it over his veto.

The President has used the law a half-dozen times, in crucial issues, including stoppages of strikes in the coal mines, upon the railroads, and now in the maritime field, strikes which would have paralyzed this Nation.

Yet, Mr. Truman bitterly condemns the same law which has saved his administration from chaos. Where is the logic?

To be consistent, the President must demand of the Democratic National Convention next month that the party's platform contain a repudiation of this law and a pledge of its repeal.

Does he dare?

Oologah Reservoir

EXTENSION OF REMARKS
OF
HON. GEORGE B. SCHWABE
OF OKLAHOMA
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. SCHWABE of Oklahoma. Mr. Speaker, the Oologah Reservoir has been the subject of a great deal of controversy in my congressional district for the past 12 or 13 years. House Document 308 of the Seventy-fourth Congress, first session, contained a review of the reports of the Board of Engineers for Rivers and Harbors, including the construction of a dam on the Verdigris River, near the town of Oologah. The construction of this dam was subsequently authorized in the Flood Control Act of 1938. Notwithstanding the fact that 10 years have elapsed since the Authorization Act was passed by Congress, no funds have been appropriated by Congress for the construction of this dam. I have been a Member of Congress only 3½ years and I have not sought any appropriations for the construction of this dam. Neither did my predecessor, who represented our district for 14 years, obtain any appropriations for the construction of this project. Neither did any of the Senators who have represented the State of Oklahoma during that period obtain appropriations for this purpose.

As is generally the case, those below the dam site are favorable to its construction, for the buliding of the dam would be calculated to prevent the flooding of their properties. On the other hand, those above the dam, within the area to comprise the reservoir or basin, have always bitterly opposed the construction of this dam. They have argued that if this project were built as planned, it would put out of production some of the finest river bottom and valley land in the State of Oklahoma. The losses to agricultural production alone would weaken the economy of the northern end of Rogers County and virtually bankrupt the southern half of Nowata County along the Verdigris River. It has been estimated that it would result in the loss of approximately $60,000,000 worth of oil that can and will be recovered, according to present-known methods of recovery, lying within the area of the basin.

Subsequent to the authorization of this project by Congress, 10 years ago, the Congress has authorized the construction of several other dams upstream on the Verdigris River and its tributaries, in Oklahoma and in southern Kansas. Still other dams along the Verdigris and its tributaries above the Oologah Dam site, are now the subject of study by the Army engineers, and I predict several of them will be found economically feasible. This has radically changed the picture. The people along the lower reaches of the Verdigris River are entitled to flood protection, and that is what they want. Likewise, the people on the upper portions of the same stream and its tributaries are entitled to flood protection, and they want it.

Hence, all sections seem to have gotten together recently and, in the light of present conditions, and in view of the upper dams now in process of construction and others in contemplation, it has been thought highly proper to request the Congress to direct the Board of Engineers for Rivers and Harbors to make a restudy of the problem, with the view of a possible relocation or reduction in size of the Oologah Reservoir and Dam to the fullest extent possible, consistent with the needs of flood control and navigation, and to avoid so far as possible the inundation of stripper-well oil properties now operating in the upper reaches of the presently authorized Oologah Reservoir, and to conserve as far as possible present and potential highly productive agricultural lands in such authorized reservoir. Resolutions of the interested parties, those who favored and those who opposed the construction of the Oologah Dam, have agreed that such a restudy should be made. All those affected now request a restudy of the Oologah project.

Hence, in response to the united wishes of the people of my district, I appeared before the House Committee on Public Works and presented and requested the adoption of the following resolution, which was adopted June 17, 1948, upon the favorable report of the Corps of Army Engineers:

COMMITTEE ON PUBLIC WORKS,
HOUSE OF REPRESENTATIVES,
UNITED STATES,
Washington, D. C.

Resolved by the Committee on Public Works of the House of Representatives, United States, That the Board of Engineers for Rivers and Harbors be, and is hereby, requested to review the reports contained in House Document No. 308, Seventy-fourth Congress, first session, and subsequent reports on the Verdigris River in Oklahoma and Kansas, with the view of possible relocation or reduction in size of the Oologah Reservoir to the fullest possible extent consistent with the needs of flood control and navigation purposes, with due consideration of the contribution other authorized and proposed reservoirs of the Verdigris system would make toward such reduction, and to avoid so far as is possible the inundation of stripper-well oil properties now operating in the upper reaches of the presently authorized Oologah Reservoir, and to conserve, as far as possible, present and potential highly productive agricultural lands in such authorized reservoir.

Adopted June 17, 1948.

Attest:

ROBERT F. MCCONNELL,
Clerk.

Requested by Representative GEORGE B. SCHWABE.

The following excerpts from a letter from Mr. N. R. Graham, president of the Arkansas Basin Development Association, speak for themselves:

Hon. GEORGE SCHWABE,
Member of Congress,
House Office Building,
Washington, D. C.

DEAR GEORGE: Congratulations on the Verdigris resolution. I was afraid that the Army might hold it up, but last week Colonel Chorpening told me his office had approved. * * *

I feel this has strengthened your standing, for all sides to the controversy were in agreement asking for it. * * * I want to thank and congratulate you, GEORGE, on this accomplishment.

Sincerely yours,

NEWT GRAHAM.

Sound Money: A Curb on War—A Sound Monetary System Will Do More To Bring About World Peace, European Recovery, and Economic Stability Than All the Leagues of Nations, United Nations, and European Recovery Programs That Ever Can Be Formulated

EXTENSION OF REMARKS
OF
HON. JOHN SANBORN
OF IDAHO
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. SANBORN. Mr. Speaker, today I introduced the following bill, H. R. 7012,

and an identical bill, S. 2895, was introduced in the Senate by the Honorable ZALES N. ECTON, United States Senator from Montana.

For an explanation of this proposed legislation I refer my colleagues and the people of the United States to a statement made by me on page A4214 of the Appendix of the CONGRESSIONAL RECORD:

H. R. 7012

A bill to promote the general welfare by scrapping the unsound and ruinous monetary policy which is wrecking our domestic economy and creating chaos throughout the world, and replacing it with a sound monetary system in strict accordance with article I, section 8, clause 5, of the Constitution of the United States and the act of Congress of November 1, 1893 (sec. 311, U. S. C., Annotated (ch. 8, 28, Stat. 4)), which will stabilize the currency; prevent economic collapse in the United States; give economic stability to the rest of the world; stop communism and other forms of absolutism; insure peace by eliminating the causes of war; save for the American taxpayers most of the billions of dollars proposed to be spent under the European recovery program; reduce taxes; protect our national sovereignty; preserve the American way of life; raise the American standard of living; quadruple the recoverable mineral wealth of America; make possible the profitable production here at home of 99 percent of our mineral requirements, including strategic minerals; and usher in an area of the greatest prosperity the United States has ever known

Be it enacted, etc., That the Secretary of the Treasury and the Federal Reserve Board are directed to scrap the Laski-Keynes-Marxist formula of "managed economy and managed currency" which, for 14 years, has been draining away our wealth, wrecking our domestic economy, promoting communism, fostering monopoly, throttling small business, and so debauching our currency that the dollar and all fixed-dollar-value securities, including savings, pensions, and life insurance, have lost 63⅛ percent of their value; and replace it with a sound monetary system in strict accordance with article I, section 8, clause 5, of the Constitution of the United States:

"The Congress shall have Power * * * to coin money, regulate the value thereof, and of foreign coin, and fix the standard of weights and measures";

and the act of Congress of November 1, 1893 (sec. 311, U. S. C., Annotated (ch. 8, 28, Stat. 4)), which is still in effect:

"SEC. 311. Policy of the United States as to bimetallism: It is hereby declared to be the policy of the United States to continue the use of both gold and silver as standard money, and to coin both gold and silver into money of equal intrinsic and exchange value, such equality to be secured through international agreement, or by such safeguards of legislation as will insure the maintenance of the parity in value of the coins of the two metals, and the equal power of every dollar at all times in the markets and in the payment of debts. And it is hereby further declared that the efforts of the Government should be steadily directed to the establishment of such a safe system of bimetallism as will maintain at all times the equal power of every dollar coined or issued by the United States, in the markets and in the payment of debts."

To facilitate and expedite the early application of this sound monetary policy and bring about the most equitable adjustment possible between the depreciated dollar and commodity prices, the Secretary of the Treasury is directed to permanently peg the price of pure gold at $56 per ounce and the price of pure silver at $3.50 per ounce by buying in unlimited quantities all gold and silver offered at these prices, and by selling in unlimited quantities all gold and silver on demand at the same prices, plus only a small handling charge to cover the actual expense incurred in such transactions.

EXPLANATION OF GOLD AND SILVER PRICES

(NOTE.—The above provision of this bill does not increase the value of gold but merely adjusts the price of gold to the depreciated value of the dollar, and restores the parity value of silver and gold at the ratio fixed by the Congress in 1837. Today $56 is equivalent to $20.67 prior to 1934, the price at which gold was pegged for 90 years (1844 to 1934); and $3.50 today is equivalent to $1.29 prior to 1934, the price at which silver was bought and sold in the United States until the demonetization of silver in 1873. By effectively pegging the price of both silver and gold at the ratio fixed by Congress, the parity value of the two metals will be maintained, and gold or silver money will be equally desirable, stable, and dependable, thereby precluding any possibility for operation of the so-called Gresham law which presupposes a preference by the people for one monetary metal over the other.)

To place an effective brake on the profligate and irresponsible spending of the American taxpayers' money, the right of redemption shall be restored to the American people, permitting them to redeem any United States currency in gold and/or silver coin at face value, on demand; and

To insure this right of redemption, all United States currency in circulation shall be backed by a monetary reserve in gold and/or silver of not less than 40 percent which, based on the experience of more than a century, is the universally recognized minimum reserve necessary to maintain the face value of currency in circulation and insure its ultimate redemption at face value, on demand.

Under this act, 8.57½ grains of pure gold or 137½ grains of pure silver shall constitute $1; and all coins from $1 upward shall have a silver or gold content equal in value to the face value of such coins, the silver coins to be minted in denominations of $1 and $2 and the gold coins to be minted in denominations of $20 and $50; and the Secretary of the Treasury and the Director of the Mint are directed to have minted a sufficient number of these coins to adequately meet demands for the redemption of paper currency.

For convenience in minting, minor silver coins in denominations of less than $1, such as dimes, quarters, and half-dollars, may continue to have a silver content less than their face value, but shall be full legal tender up to $100 and be redeemable in gold or silver coins of larger denomination at face value, on demand.

All silver coins now in circulation shall be recalled and redeemed by the Treasury at face value; and it shall be unlawful to export such silver coins or to reduce them by melting for their silver content.

This act may be cited as the "Sound Money Act of 1948," and provides for the early restoration of bimetallism which time and experience have proven to be the most perfect monetary system the world has ever known.

REA and the Eightieth Congress

EXTENSION OF REMARKS

OF

HON. H. CARL ANDERSEN

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. H. CARL ANDERSEN. Mr. Speaker, I wish to discuss the record of the Eightieth Congress, a Republican Congress, with respect to providing funds for the REA.

Since the inception of this program 13 years ago, Congress has made available a grand total of $1,875,428,288 for REA loans. The present Congress has, during the last 2 years, provided $800,000,000, or 42 percent of all the money which has been appropriated for this agency over the past 13 years. In my opinion, that is a record of which the Eightieth Congress has a right to be proud.

Congress has never failed to provide all and more of the funds required to implement this program. This is apparent from the annual budget messages submitted to Congress by the President. Each year the President's REA budget has shown a substantial unobligated balance for the previous fiscal year. These balances, under the terms of the REA Act, are carried forward and become available for obligation during the following fiscal year. The lowest unobligated balance, according to the President's annual budget messages, was for the fiscal year 1945 when there was a carry-over of $885,876. In other years, the balances have ranged from above $1,000,000 to as high as $13,763,348, which occurred at the end of the fiscal year 1943. REA officials advised me within the past few days that the unobligated balance in the REA loan fund as of June 30, 1948, will be approximately $100,000,000. Here again, Mr. Speaker, is irrefutable evidence that the Eightieth Congress has been more than liberal with this agency. Let me repeat here that this Republican-controlled Congress has provided $800,000,000 for REA loans, compared to $1,075,428,288 made available the previous 11 years by Congresses controlled by Democrats.

In spite of this generous record on the part of Congress, we find high-pressure propagandists endeavoring to promote the idea that Members of Congress are against the REA program if they vote against increases for the loan fund which are not requested by the President in the form of a budget estimate. We had such an instance during the present session when, on February 24, the urgent deficiency bill was under consideration, and a motion was offered to increase the REA loan fund by $300,000,000. On a roll call vote, the motion was defeated 181 to 151. Immediately Members of the House who voted against the motion were deluged with letters of protest from constituents challenging their loyalty to the REA program. If these complaints on the part of farmer constituents were activated from pressure centers in Washington or elsewhere, it is apparent that the complaining farmers were not told any of the following facts:

First. The President had not made a budget request for the item.

Second. There was, at the time, an unallocated balance of $73,000,000 available for allocation to REA cooperatives.

Third. The President had theretofore always submitted deficiency budget estimates whenever he deemed additional funds were needed for the REA program and Congress had always theretofore appropriated more money for the REA than could be used in the fiscal year for which

it was appropriated, so that always an unobligated balance had been carried forward for obligation in the succeeding fiscal year.

Subsequent facts bearing on this matter are:

First. The President, subsequently submitted a budget estimate—House Document 567—for $175,000,000 which was considered in connection with the first deficiency appropriation bill.

Second. After extended hearings and careful consideration, the appropriations committee of the House reported out an appropriation of $75,000,000, believing that was all which would be needed for the balance of the fiscal year 1948.

Third. At the time the deficiency bill was reported, the House had already provided $100,000,000 above the budget on the regular bill, so that the proposed deficiency appropriation of $75,000,000 plus the additional $100,000,000 provided in the regular Department of Agriculture bill equalled the full amount of the President's budget estimate. This latter was the result of my amendment in subcommittee.

Fourth. The House, subsequently, restored the full amount of the budget estimate by a record vote of 199 to 154, so that the full $175,000,000 was appropriated in the deficiency bill as well as the $100,000,000 in the regular bill.

Fifth. Subsequent events have demonstrated that the appropriations committee outguessed the House on this item, since the carry over from this fund into the fiscal year 1949 as presently estimated by the REA will be approximately $100,000,000.

It seems to me, Mr. Speaker, that some of the friends of the REA, whose sincerity I am not questioning, have on numerous occasions, in an excess of zeal, proposed increases for the REA which were not needed at the time. This does the REA cause more harm than good and often serves to put many sincere friends of the REA on the spot who wish to follow the well-recognized and generally approved procedure of not making appropriations in excess of the President's budget estimates unless very sound reasons for so doing have been advanced.

It is my earnest conviction, Mr. Speaker, that no criticism can properly be leveled at the Eightieth Congress by reason of its record in dealing with the REA. I was glad to be able to secure passage of my amendment which, in the regular appropriation bill for the fiscal year 1949 provided $100,000,000 more than was requested by the budget. My action was taken after Mr. Wickard, Administrator of REA, had testified before our subcommittee that the bottleneck of materials shortages was broken in December 1947 and January 1948. Those bottlenecks had prevented the progress of the program in 1946 and 1947.

Now, with ample money and ample materials available, the Congress is determined that this great work will be brought to an early conclusion. Anything I can do to aid this course will be done. My farm home is among the millions served by the REA, and all farmers in America should enjoy the same privilege as soon as it is humanly possible to arrange for them to do so.

Favorable Reactions

EXTENSION OF REMARKS
OF
HON. GEORGE B. SCHWABE
OF OKLAHOMA
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. SCHWABE of Oklahoma. Mr. Speaker, since July 1947 I have had the privilege of serving as a member of the Interior Subcommittee of the House Committee on Appropriations. This subcommittee consists of seven members under the leadership of BEN F. JENSEN, of Iowa. The ranking minority member of this committee is the affable MICHAEL J. KIRWAN, of Ohio. No committee could have worked more harmoniously than the members of this committee during this session of Congress. The committee traveled by automobile some 11,000 miles through 12 Western States, inspecting Bureau of Mines installations; Bureau of Reclamation constructions, consisting chiefly of hydroelectric power plants and distribution systems and irrigation programs; Bonneville Power Administration and Southwest Power Administration; activities of the Fish and Wildlife Bureau, Indian agencies, schools and hospitals; and administration of public lands, and so forth. In this 6 weeks as stated by Chairman JENSEN on the floor of the House of Representatives while the bill was being considered "we talked to thousands of people in and out of the Department in every walk of life. There was much complaint."

The following commendatory remarks were made by fellow Members of the House of Representatives at the time our bill was on the floor for consideration, as shown by the CONGRESSIONAL RECORD of May 27, 1948:

Mrs. BOLTON (Ohio). I once served on the Committee on Indian Affairs of the House, and I followed their affairs for a great many years before that. * * * I was so happy to know that the gentleman [Mr. SCHWABE] was chairman of the subcommittee.

Mr. H. CARL ANDERSEN (Minnesota). I think think the subcommittee has done a splendid job on this particular bill.

Mr. MURDOCK (Arizona). I recognize, although not being a member of the committee, how earnestly this subcommittee has worked. * * * I notice the earmarking of $200,000 for aerial pellet seeding to further soil conservation work, as indicated on page 7 of the report, which I want to express approval of.

Mr. GEARHART (California). I feel that I would be remiss in the performance of my duties as a Member of this body if I did not rise at this time to express my admiration and my very high respect for the subcommittee of the Committee on Appropriations, of which the gentleman who now occupies the floor is the distinguished chairman, for, indeed, there has occurred during his incumbency as chairman a most encouraging change in procedure and in result. The days of blind bag-grabbing appropriations are over. Because of the insistence upon evidence of the necessity as a justification for an appropriation, the fiscal affairs of the Republic are in better shape than they have been in years—and public confidence grows apace. * * * Though I have seldom received as much as I have asked for, I have never known a committee that was more earnest in its efforts to find the right answers to the very difficult problems with which it deals. I just cannot speak in too high praise or in words of greater respect concerning the gentleman and his fine committee for what I regard as an outstanding public service.

Mr. ANGELL (Oregon). I, too, want to commend the chairman and the members of this subcommittee for the excellent work they have done. They visited many of these projects in the West. I know they came through my district, the Columbia Basin area, and were most diligent in attempting to see for themselves, on the ground, the various problems with which we are faced. I am sure they have done an excellent job.

Mr. PHILLIPS (California). This is a good bill, and I think the subcommittee of which the gentleman from Iowa is the chairman has done a very good job on the bill. They deserve credit, and I think they deserve the support of the House in the passage of the bill.

Mr. DONDERO (Michigan). I want to add my word of approval of the work of the committee, especially what you did in refusing money for the building of transmission lines in the Southwest Power Authority. It was because of the action not only of this committee but your predecessor, and also when it was under the control of the Democrats, who refused to grant money for the building of transmission lines in direct competition with lines already established by private industry and serving the area, that I introduced legislation to compel the Federal Government not to go into the private power business but to sell power, either at the bus bar or at the dam, to private industry wherever that was possible, and, if that was not possible, then, and then only, should the Federal Government transmit the power to the interior and to the consumers. So I commend the committee on this action in that respect and approve of the comment the gentleman from California has already made.

Mr. PHILBIN (Massachusetts). I also should like to add my word of appreciation for the consideration and courtesy the committee exhibited to me and the other Members of Congress from New England in connection with the matter of funds for the rehabilitation and repair of the fish hatchery at Nashua, N. H. I commend the committee on the courtesy, patience, and zeal with which they have approached this work.

Mr. HILL (Colorado). If I may make another statement, I should say that our people in Colorado are more than happy to have had an opportunity to show you that project first-hand last summer after the Congress adjourned. All of us appreciate very deeply the fact that you inspected it and looked it over and know what the possibilities will be there to add greater production to that valley when this project is completed.

Mr. CUNNINGHAM (Iowa). I want to congratulate the gentleman and the members of his committee for the remarkable piece of work they have done in bringing out this bill. Personally, I want to thank the gentleman for all the people of the great State of Iowa for his constant effort to save money for the taxpayers, and at the same time bring out necessary projects.

Mr. BARRETT (Wyoming). I, too, want to congratulate the committee on this bill.

Mr. KIRWAN (Ohio). Mr. Chairman, I first want to congratulate the Subcommittee on Interior Appropriations and the majority members of the committee. They were very gracious and granted the minority members all the time they wanted to interrogate any witness who appeared before the committee. I am very appreciative of their courtesy. Generally speaking, I think this is a good bill.

Mr. GORE (Tennessee). The distinguished gentleman from Oklahoma [Mr. SCHWABE] has done, I believe, the most thorough job of investigating and studying the problems of the Indian Service that I have seen done in my 10 years in the Congress. The membership may not find themselves in full agreement with all the recommendations of the subcommittee in this regard, but I do

not think it will be challenged any place, from any source, that the distinguished gentleman from Oklahoma [Mr. SCHWABE] has done a very thorough and exhaustive job in conducting the hearings and the investigation into this subject. For that service to the Congress, he is to be congratulated and now has my congratulations.

Mr. BARTLETT (Alaska). In concluding, I want to thank the members of the subcommittee from the bottom of my heart—and I know every Alaskan would wish to join me in this—for the really magnificent contribution they have made in this bill aimed at removing the dread scourge of tuberculosis from Alaska.

Mr. CRAWFORD (Michigan). I, too, wish to compliment the committee for giving due consideration to the Central Valley project of California.

Mr. ALBERT (Oklahoma). I take this time first of all to commend my colleague, the gentleman from Oklahoma [Mr. SCHWABE] for his very able discussion of this bill insofar as it pertains to appropriations for the Bureau of Indian Affairs.

Mr. CASE (South Dakota). I do, however, want to take this opportunity to express my appreciation for the long, hard, arduous, and intelligent work the members of this subcommittee have given to the Interior Department appropriation bill this year. Certainly in the time I have been a Member of the House, there has never been as much time devoted to preparation of the Interior appropriation bill as has been here evidenced by the voluminous hearings on the details of the bill. I also wish to express my appreciation for the intelligent approach the committee has made to various matters with which it deals.

Mr. MORRIS (Oklahoma). The distinguished gentleman [Mr. SCHWABE] who is now speaking, knows that it is also my desire that these district offices be abolished inasmuch as we have discussed the matter, and I want to compliment the gentleman and the committee for having taken this forward step. In my opinion, it certainly will be beneficial to the Indian Service and it will be beneficial to the Nation as a whole.

Mr. Speaker, Mr. STIGLER, the Representative from the Second Congressional District of Oklahoma, is one of the best informed men in Congress on Indian affairs, particularly insofar as the problems and administration affect Oklahoma Indians. Representative STIGLER was not present at the time this bill was considered on the floor, but he appeared before our committee and made a lengthy statement before our committee heartily approving our program and his statement appears in the printed hearings before the committee in connection with this bill. Mr. STIGLER, as shown by the hearings, stated:

> I believe, and I know that it is, since I have been in Congress, the first time that we have been able to obtain a real first-hand knowledge about the operations of the Five Civilized Tribes for the benefit of Members of Congress, and it is one of the biggest agencies in the Indian Service.

Mr. Truman Is Right

EXTENSION OF REMARKS
OF
HON. JOHN D. DINGELL
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. DINGELL. Mr. Speaker, as a practical and an uncompromising foe of communism, I submit the following editorial published in the Detroit Free Press under date of May 15, 1948.

The line-up of sound thinkers ever increasing and opposed to the Mundt bill, which died in the Senate, includes in addition to President Truman such men as Bishop Haas, Father Walsh, Senator Taft, Republican Presidential nominee Dewey, and many others who fear the dangerous possibilities of such enactments.

MR. TRUMAN IS RIGHT

In declaring his opposition to a movement in Congress to outlaw the Communist Party in America, President Truman had his feet planted on solid ground.

The position which he took on this matter places him beside Senator TAFT and Governor Dewey, who have also made clear that they are opposed to such a measure. Only Harold Stassen favors the plan.

As Mr. Truman pointed out, there already are adequate laws on the books, both Federal and in most States, to handle treason or subversive activities which endanger the security of the Government.

To pick out the Reds and to outlaw them as a political body, would not stop them from engaging in nefarious activities any more than existing legislation does. It is a matter, not so much of new laws, as of continuing vigilance and the enforcement of measures which are now at our disposal.

There is danger, too, in eliminating by legislation any political movement, dangerous as it may be. In the first place, the result is questionable, particularly where it involves people like Communists who work best underground.

But even more important is the question of where such laws will stop. If America is not strong enough to prevail against communism, and must banish it, who can say what other minority group may not next be adjudged dangerous and treated in the same way. To infringe on the civil rights of any group, no matter how undesirable it may be, is only opening the door to similar treatment of any unpopular cause.

Keeping the Record Straight

EXTENSION OF REMARKS
OF
HON. GEORGE B. SCHWABE
OF OKLAHOMA
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. SCHWABE of Oklahoma. Mr. Speaker, much confusion seems to exist as to the purpose, status, and activities of the Southwestern Power Administration. It occurs to me that the public is entitled to know the facts. Therefore, I submit this information for the purpose of keeping the record straight.

In the first place, the Southwestern Power Administration was created by an Executive order of President Roosevelt. Congress has never authorized or approved this bureau, so far as enactment of any law creating the same is concerned. For this reason, the President's Bureau of the Budget, in requesting appropriations for the Southwestern Power Administration for the fiscal year commencing July 1, 1948, included items for salaries, operating expenses, and so forth, in the request of the Secretary of the Interior's office rather than having a separate budget request for the Southwestern Power Administration.

Apparently, according to its original inception and the inference that may possibly be drawn from the Executive order of the President setting up this administration, bureau, or agency of government, the New Dealers in power at that time had in mind the creation of various authorities, as they called them, to construct, own, control, and operate the electric power business of this country. The scheme was socialistic in the extreme. From the words of those who advocated and were to be in charge of the operation of the authorities that actually were brought into existence, the plan undoubtedly was to put the Government into business in competition with private enterprise and, eventually, to have the Federal Government own and operate the electric power business of this country.

The New Deal administration insisted upon and enacted into law certain projects in connection with the Flood Control Act to the effect that wherever at all feasible hydroelectric power units should be installed in flood-control dams and projects. The Bureau of Reclamation has installed many of these. This is another bureau operated under the direction of the Secretary of the Interior, and its operations cover large areas in many of our Western States where irrigation is necessary to the economy of the people of those States.

The Southwestern Power Administration envisioned a government within a government, or an empire of its own, as it were, that would control the power business of the Southwest with tie-ins that would extend to and connect with the TVA on the east and Bureau of Reclamation projects on the west, as well as with projects that it was hoped might be built in the Mississippi, Missouri, Arkansas, and other river valleys, and authorities created therefor.

Several of the largest hydroelectric power plants and dams in connection therewith have been built by the Corps of Army Engineers, and they are operated by the Army engineers. This is true of the Denison Dam on the Red River between Oklahoma and Texas. Some people labor under the misapprehension that, because the Southwestern Power Administration assumes the right and authority to sell the power generated at the Denison Dam the Southwestern Power Administration operates the hydroelectric generating plant at that dam, but such is not the case. It is operated by the Army engineers. The same is true of nearly all of the dams that have been constructed and are now in operation or in contemplation of operation in which power installations are included, except in the Western States where irrigation is an important feature, and in those cases frequently the Bureau of Reclamation operates such power plants. But even in some of the Western States the power plants are operated by the Army engineers, as in the case of the Bonneville Dam on the Columbia River. The other large dam on the Columbia River with its power plant, the Grand Coulee Dam, was built and is being operated by the Bureau of Reclamation. In each instance, however, the Bonneville Power Administration mar-

kets the power generated from these dams.

The alleged program of the Southwestern Power Administration was to tie several Government-constructed dams together, and 2 years ago they came before Congress and asked for an appropriation of $23,000,000. They wanted to build steam generating plants, as they said, to firm up the power; for they knew their hydroelectric plants could not be justified on the basis upon which the program apparently was originally sold to the Congress and to the public. The Congress, then a Democratic Congress, and a New Deal Congress, refused to allow any money or to appropriate any funds whatever for the construction of steam generating electric plants by the Southwestern Power Administration. All of us know that firm or dependable power is not to be had from the hydroelectric plants at dams on streams down in our section of the country, for the flow of those streams varies materially from one season of the year to another. About all these hydroelectric plants can be used for is to furnish peaking power, and that is not dependable power or firm power such as is necessary for industry, municipalities, and the Rural Electrification Administration, in their operations. Hence, the best sale that can be made of power generated at these hydroelectric plants is to private industries in the power business who have steam plants of their own, or to those municipalities which operate steam plants.

Three years ago, Congress appropriated $7,500,000 for the Southwestern Power Administration, with which to build some transmission lines; but denied it the authority to build steam generating plants That was for the 1947 fiscal year. In the 1948 fiscal year, Congress refused to appropriate any additional funds to the Southwestern Power Administration, for the reason that they had not yet expended the funds appropriated for the previous fiscal year.

In the 1949 fiscal year, commencing July 1, 1948, the Southwestern Power Administration asked for appropriations for new expenditures of $3,000,000. This was denied by the present Congress, without a dissenting vote; and only enough money for the Southwestern Power Administration to operate for 8 months was appropriated out of the Treasury, for the reason that it was thought that the operation and management of the Southwestern Power Administration should be investigated, and those in charge of these appropriations were not satisfied with the justification submitted by the Administrator. For example, the Administrator of the Southwestern Power Administration appeared before the Interior subcommittee of the House Appropriations Committee, attempting to justify a submission by the President's Bureau of the Budget for $55,000, $45,000 of which was for alleged operation and maintenance to operate completed facilities—and there are no completed facilities—"and $10,000 for administration costs." As part of the Administrator's statement upon which he expected the committee to approve his requested $55,000, he stated before the committee:

We have some pretty bad woodpeckers in Arkansas, and we have to maintain the lines as soon as they are turned over to us. It has been said the woodpeckers bore into the transmission-line poles a distance of about 2 feet, and when these holes are filled with concrete, those woodpeckers dig the concrete out.

How could anyone expect a sane Congress to appropriate $55,000 or any other sum based upon such a statement of the one in charge of the Southwestern Power Administration?

Many other statements of the Administrator before the Appropriations Committee are about as lacking in rational justification for appropriations. He stated at one time that all of the lines from Norfork down to the Denison Dam were contracted last year, and explained that this was so contracted prior to July 1, 1947, except the substation at Schulter, and at a later appearance before the committee, the committee understood that there had been no contracts let subsequent to July 1, 1947, and that there were ample funds from the previous appropriation of 1947 to complete the work that had been authorized and which we understood had been contracted. However, we were told later that that was not true, and some changes had to be made.

The Administrator further told the committee at the time he appeared before them on February 18, 1948, all of which appears in the printed hearings of the Interior Department Appropriations Subcommittee in connection with the appropriations for the Interior Department for 1949, that the rates charged by the Southwestern Power Administration for electricity are comparable to private industry's rates in the same area.

It is very close. Our rate to REA co-ops would run about 5 mills, and a lot of the companies are approaching that. * * * We would come very close together.

Some have the erroneous impression that the line that the Southwestern Power Administration is building connecting the Norfolk and Denison Dams is soon to be completed. The Administrator told our committee that they would do well to complete it within 3 years. This was his statement when he first appeared before the committee. In a later appearance, on May 14, 1948, the Administrator stated that there is very little of the line to be completed in 1949, and that only one or two segments near the end of that fiscal year are in contemplation of completion. That means that little, if any, of the line will be completed by the contractors by July 1, 1949. This is merely to keep the record straight.

It might also be of interest to the people to learn that the National Reclamation Association, of which Mr. Don McBride is secretary-manager, in its sixteenth annual convention at Phoenix, Ariz., October 29–31, 1947, adopted a resolution emphatically opposing the continuation, or appropriations for further activities, of the Southwestern Power Administration, in the following language:

Whereas the Southwestern Power Administration was created by an Executive order to meet emergencies which existed by virtue of the war and which no longer exist; and

Whereas the Seventy-ninth Congress, second session, appropriated $7,500,000 for the continuation of the said Southwestern Power Administration, and said appropriation is but the initial step in the expenditure of more than $200,000,000 to achieve a program outlined in a so-called "comprehensive plan" by the Southwestern Power Administration, which plan sets out the purposes for which said Southwestern Power Administration was created and sets up what is tantamount to a Federal Regional Valley Authority by Executive order without previous enabling legislation; and

Whereas the National Reclamation Association has taken action by resolution and otherwise in opposition to the creation of Federal valley authorities and such opposition is directed against such Federal agencies whether established by congressional act or by Executive order which would bring such agencies into being without previous sanction by Congress; and

Whereas this association deplores the effort to make permanent a creature of Government designed to meet a war emergency and thereby attempt to inculcate principles, procedures, and policies for the peacetime economy without the specific authorization of Congress; and

Whereas there are potential conservation and reclamation and flood-control projects in the Southwest, some of which are proposed by State and Federal agencies other than the War Department, the feasibility of which depends on varying amounts of power revenues, but if the potential market in the Southwest is supplied by Federal steam plants and Federal transmission systems, as proposed by the Southwest Power Administration, many of such projects will prove nonfeasible which would otherwise be feasible; and

Whereas in the considered opinion of the National Reclamation Association there is absolutely no need for extending the Southwestern Power Administration system to other public-power developments, either presently operated or proposed; these having already been interconnected, or are susceptible of interconnection with public systems without the unnecessary waste of Federal funds to provide power markets: Now, therefore, be it

Resolved, That the National Reclamation Association oppose the continuation of the Southwestern Power Administration and any further appropriations by the Congress for use of said Administration in construction, purchasing, or otherwise acquiring transmission systems and fuel-generating plants.

The late Senator Overton, of Louisiana, is reported in the CONGRESSIONAL RECORD of April 13, 1948, as having said on the floor of the Senate, that he was reading from the Dallas Morning News of April 6, and quoted these words:

Sturrock also charged Monday that the Department of the Interior is trying to keep secret a $3,180,000 appropriation it is seeking for the Southwestern Power Administration, a proposed Federal project which is bitterly opposed by most Texas water groups.

Senator Overton, following the reading of this excerpt from the newspaper, is reported as having said:

Mr. President, I think I may safely add that it does not have the support of a majority of the Senate of the United States.

A portion of Mr. Don McBride's testimony before the Interior Appropriations Subcommittee, April 12, 1948, in the printed hearings, follows:

This resolution provides that the association oppose the continuation of the Southwestern Power Administration for any further appropriations to finance its activities. A casual glance at the President's budget would indicate that no appropriations were requested for the construction of any portion of the program outlined a few years ago, amounting to a total of $20,000,000 for the construction of transmission lines and steam

plants in the territory of the Southwestern Power Administration. However, when the small print is read, it is found that on pages 456 and 457 of the budget there is requested $3,180,000, "for the administration, operation, and maintenance, and for construction of additional power facilities in the Southwest." For obvious reasons this item was taken from its proper place under the Southwestern Power Administration and placed under the item for the office of the Secretary.

* * * I was chairman of the Oklahoma Planning and Resources Board, which is responsible for the planning and development of the natural resources of the State of Oklahoma.

Mr. McBride was then asked if he could think of any good reason whatever why this administration should be continued and appropriations continued to be made for it in any form whatever. Mr. McBride answered:

There is no reason under the sun that I am aware of, and I think, as you said, that I have intimate knowledge not only of the territory in Oklahoma but in Arkansas. * * * The National Reclamation Association opposes any appropriation for the Southwestern Power Administration for the reasons that we believe it is tantamount to a Federal regional valley authority set up by Executive order without previously enabling legislation. * * * Furthermore, we believe that the Southwestern Power Administration was created during the war to serve a useful purpose and that its duty has been performed. * * * We believe that this is one place that the President's budget can be trimmed and, at the same time, the people of the territory of the Southwestern Power Administration in no way will be injured.

Mr. Speaker, these and many other facts could be produced to keep the record straight.

The Mundt Bill

EXTENSION OF REMARKS
OF
HON. EARL C. MICHENER
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 19, 1948

Mr. MICHENER. Mr. Speaker, the debate on this bill has continued for days. The Committee on Un-American Activities has led the fight for the bill. The gentleman from New York [Mr. MARCANTONIO] has spearheaded the opposition. Suffice it to say that each side has been adequately presented.

The first decision under our responsibility as legislators requires that we answer this question: Is communism throughout the world and in our own country such a threat and menace to our free institutions, our personal liberties, and our form of government, as to require the interposition of the legislative powers of the Congress?

No one has had the temerity to directly defend communism in this forum. This legislative proposal has been otherwise attacked. It is insisted that there are but few known Communists in the United States, and that to attempt by legislative fiat to hamper or control the activities of these Communists in our midst might interfere with our constitutional guaranties.

The gentleman from New York [Mr. MARCANTONIO] insists that there are in existence two well-known laws: The Voorhis Act, which provides for the registration of foreign agents, and the McCormack Act, which makes it a criminal offense for anyone to willfully advocate overthrow of the Government by force and violence. In addition, of course, there is the law against treason.

It is argued that there is no necessity for passing additional legislation inasmuch as the enforcement of present laws will adequately protect the country against communism. I cannot agree with my friend from New York in this particular. My conclusion is strengthened by the statement made by the Attorney General when he appeared at the hearings before the House Committee on Un-American Activities. In explaining the necessity for additional law, he said:

I lack the precise mandates which Congress should provide to give me the authority to move in against the subversive Communists.

The committee then made further inquiry as to the type of legislation the Attorney General felt he needed to make it possible for him to properly protect the Government against communism.

The committee's study and investigation found fruition in this Mundt bill which is now before us. I agree with the committee that the Constitution does not deny to the Congress the power to enact laws which will defend the Nation from those who would use liberties guaranteed by the Constitution to destroy it. Communism as an economic, social, and political theory is one thing; communism as a secret conspiracy, devoted to subverting the interests of the United States to that of a foreign dictatorship, is another. If communism in the United States operated in the open, without foreign direction and without attempting to set up a dictatorship subservient to a foreign power, legislation directed against Communists might not be justified or necessary. As we all know, this, however, is not the case.

Our country is today resisting Communist aggression abroad, and it naturally follows that if we have communism at home, the part of wisdom suggests that we proceed at once to put our own house in order. The Communist fifth column in this country is real and dangerous. It takes its direction from Moscow. It operates in secrecy and behind closed doors. Deception is one of its cardinal principles. In these circumstances it is not surprising that the American Communists are all upset. If this Mundt bill becomes a law, they will be forced to give their right names.

Ten years of investigation by the House Committee on Un-American Activities, the Department of Justice, and the Federal Bureau of Investigation have established these facts:

First. That the Communist movement in the United States is foreign controlled.

Second. That its ultimate objective with respect to the United States is to overthrow our free American institutions in favor of a Communist totalitarian dictatorship to be controlled from abroad.

Third. That its activities are carried on by secret and conspiratorial methods.

Fourth. That its activities, both because of the alarming march of Communist forces abroad and because of the scope and nature of Communist activities here in the United States, constitute an immediate and powerful threat to the security of the United States and to the American way of life.

It is easy to argue that additional law is not needed, yet the fact remains that existing law has proved ineffective. It is pretty hard to devise means of combating the tactics of communism, which have been evolved by shrewd men who spend their lives perfecting methods to circumvent the law and law-enforcement machinery of every country in which they operate.

The Mundt bill does not outlaw the Communist Party as such. It is aimed at exposure of Communist activities. It will take the wolves out of sheep's clothing. It will remove the false whiskers.

Section 4 of the bill provides:

CERTAIN PROHIBITED ACTS

SEC. 4. (a) It shall be unlawful for any person—

(1) To attempt in any manner to establish in the United States a totalitarian dictatorship the direction and control of which is to be vested in, or exercised by or under the domination or control of, any foreign government, foreign organization, or foreign individual;

(2) To perform or attempt to perform any act with intent to facilitate or aid in bringing about the establishment in the United States of such a totalitarian dictatorship;

(3) Actively to participate in the management, direction, or supervision of any movement to establish in the United States such a totalitarian dictatorship;

(4) Actively to participate in the management, direction, or supervision of any movement to facilitate or aid in bringing about the establishment in the United States of such a totalitarian dictatorship;

(5) To conspire to do anything made unlawful by this subsection.

I ask you, Does this section take away any of the rights, guaranties, or privileges to which those affected are entitled under the Constitution? The answer is, Of course not. Be it remembered that there has been more opposition to this section by Communists, fellow travelers, their comrades and organizations, than to any other provision in the bill. Be it also remembered that this section has reference only to an organization controlled by a foreign power.

The reading of the section should convince all patriots it is only a proper and necessary safeguard to our Republic.

The committee report states that—

A careful analysis of the strategy and tactics of communism in the United States discloses activities by reason of which the committee has concluded that legislation can and should be directed toward—

(1) Making unlawful all activity which has as its purpose setting up a totalitarian government in the United States under foreign control;

(2) In view of its foreign-directed character, requiring the Communist movement in the United States to operate in the open rather than underground;

(3) Cutting the threads which bind the international Communist conspiracy together by restricting travel of members of the American section of the world Communist movement; and

(4) Protecting the integrity of the Government itself by denying Government employment to members of the American section of the world Communist movement.

Mr. Speaker, is there an individual here, unless he be a Communist or a Communist sympathizer, who does not agree with these conclusions? If these facts are admitted, then it is high time that the Congress does something about it.

The other section of the bill which makes the Communist Party and its sympathizers squirm is the provision requiring the party and its front organizations to register with the Attorney General. This registration must include the names of officers, the sources and use of funds of all front organizations; also the names and addresses of all members of the Communist Party. It is also made unlawful for Communists to accept Federal employment without revealing their connections and it will be likewise unlawful for any Federal officer knowingly to appoint a Communist to a Government position. What is wrong about that?

In short, it will not be unlawful to entertain Communist views and free speech, as contemplated by the Constitution, will be preserved. If Communists are operating in the country, certainly they should be compelled to make their identities known and when their identities are known, then there should be a law against their subversive activities. That is all this bill contemplates.

I repeat that the Communist Party is not outlawed. Neither are Communist-front organizations, but both are required to advocate their philosophy in the open and not underground. If any American wants to run with the Communists, he should be willing to face the consequences. If he advocates a cause because of conviction, he should be willing to take his stand openly. The footlights of public inspection should be turned on so that all of us can see the act. The floodlights of legal exposure will be most helpful. As has been so aptly said, there should be no dark corners of conspiracy in the United States.

Executive orders issued by the President are advisable and necessary at times; however, the democratic way is to permit representatives of the people in Congress, after adequate public hearings and debate, to write laws rather than for the people to be controlled by Presidential proclamations issued without public hearings or public debate. At present, by virtue of a Presidential order, the Attorney General, after an ex parte investigation, issues a list of Communist-front organizations. It seems to me the better way is for the Attorney General to hold public hearings and permit these organizations to be heard before they are listed and published as subversive. This bill does just that thing, and more. If these organizations are not satisfied with the findings of the Attorney General, a right of review in the courts is provided. That is the American way, and do not forget that the facts must be established by a preponderance of the evidence and not merely by the presentation of any substantial evidence.

The Mundt bill has the endorsement of the American Legion, the Veterans of Foreign Wars, the Catholic War Veterans, the National Catholic Welfare Conference, and such patriotic organizations as the Daughters of the American Revolution, in addition to what I believe to be a vast majority of the American people.

Naturally all Communists are opposed to any legislation restricting their activities. This does not mean that all of those who oppose the Mundt bill are Communists. Some sincere, public-spirited, and thoroughly patriotic individuals and groups doubt the wisdom of passing it. They have been misinformed about the bill. Their views are entitled to every consideration but, in the end, it is the duty of the Congress to weigh all the evidence and then act without fear or favor in the interest of the United States of America.

Mr. Speaker, I say this because I have received a large number of telegrams, postcards, and letters from the city of Ann Arbor, Mich., opposing the Mundt bill. The signers of these telegrams are certainly not all Communists, but evidently believe that this bill is a step in the wrong direction. I have had no opposition to the Mundt bill from residents of the congressional district which I have the honor to represent here, excepting these messages from Ann Arbor. Because of these protests from this group, I have given unusual attention to this bill and the reasons for its proposal. For instance, the first protest telegram which I received reads, as follows:

ANN ARBOR, MICH.

Representative EARL C. MICHENER,
House of Representatives,
Washington, D. C.:

We urge strongly that you oppose the Mundt bill for control of subversive activities.

Any conspiracy to set up totalitarian government under foreign control is adequately punishable by present laws on treason.

Proposed new law is totalitarian in spirit and in complete disregard of Bill of Rights. It can easily lead to undemocratic suppression of political parties which oppose policies of the Government.

The threat of communism should be met by a constructive program which eliminates the causes of communism and not by forcing the Communist Party underground.

Lloyd Barenblatt, Vernon A. Blake, Prof. John L. Brumm, William Chase, Prof. Nathaniel Coburn, Prof. Cecil Craig, Prof. Stanley D. Dodge, Prof. Claude Eggertson, Jack M. Geist, B. Gershten, Dorothy Griffel, Martin Hoffman, Prof. Wilfred Kaplan, Rhea Kish, Prof. I. Leonard, Rev. Henry Lewis, Prof. Wesley Maurer, Mr. and Mrs. Bret Miller, Prof. Sumner B. Myers, Prof. T. Newcomb, Rev. Edward Redman, Prof. George Piranian, Prof. Maxwell Reade, Prof. F. Sanchez, Prof. John F. Shepard, Prof. Preston Slosson, Prof. M. B. Stout, Prof. Wm. C. Trow, Prof. L. G. Vander Velde, Prof. Leroy Waterman, Prof. R. L. Wilder, Prof. Gail Young.

Similar telegrams from Ann Arbor were received signed by the following:

Roy Akers, Alene Akers, Lynn Albers, Morton Applezweig, Kenneth J. Augustine, Prof. B. F. Baker, Phillip Bedein, W. M. Boothby, Everett Bovard, R. M. Burr, Haskell Coplin, Morton L. Curtis, Lee Danielson, A. L. Davis, Mr. and Mrs. David Dickinson, Prof. Charles Dolph, Prof. B. Dushnik, B. J. Eisenstadt, Mrs. D. S. Feder, Harold Feldman, Prof. William Frankena, Mrs. Ray Gilmore, Murray Glanzer, Roe Goodman, Evelyn Goodwin, Mrs. Max Handman, Richard Hamilton, R. P. Holston, Mrs. K. Hubbard, M. Jorison, Prof. A. Jobin, Glenn Kolb, Mr. and Mrs. D. Leonard, Harold Lester, Ernest and Juette Neal, Prof. H. J. McFarland, Frank H. McFerran, Wilbert McKeachie, Prof. N. Maier, Elizabeth MacLolm, Anita and Elliott Mischler, N. L. Mangouni, D. F. Mela, Prof. Arthur B. Moehlman, Doris and Elmer Moon, Prof. M. V. Morkovin, Mrs. Nettie Myers, Minerva and Zelma Myers, Mr. and Mrs. I. Nagler, Mr. and Mrs. Charles Orwick, Ted Pago, Catherine Peabody, Prof. M. Pargment, Prof. Anthony Pasquariello, Mrs. J. E. Pearse, James D. Prappas, Dempsey Prappas, Prof. G. Y. Rainich, Prof. E. H. Rotho, V. J. Rouhsolange, Prof. Hans Samelson, William Schaub, J. Schewchin, Harvey Schreier, Robert Silk, Mr. and Mrs. J. Sloss, W. L. Smith, A. R. Sorenson, R. A. Stoll, Prof. R. M. Thrall, Prof. P. Throop, Charlotte Timm, Elizabeth Wentworth, Arthur Wittig, Hervey Anderson, Barbara Cook, S. C. Charters, Prof. R. V. Churchill, Mr. and Mrs. Lewis Corbett, Mr. and Mrs. D. Falkoff, Mr. and Mrs. M. H. Guerra, Gerald Gurin, M. Gurin, Mr. and Mrs. R. E. Hall, William Y. Halstead, Nicholas Fouriezas, Prof. Louis Granich, Mr. and Mrs. Malcolm Kahan, John Kantner, Prof. George Kiss, W. McClellan, O. E. Milton, Prof. and Mrs. Freeman D. Miller, Mr. and Mrs. Henry Pantek, Prof. Dewitt Parker, D. Siegel, Dr. and Mrs. Leonard Tornheim, Prof. Fred G. Walcott, Mr. and Mrs. Earl S. Wicks, Myron Wilder, Prof. Arthur E. Wood, Associate Dean L. S. Woodburne, University of Michigan Chapter of Intercollegiate Zionist Federation of America, James Avery, E. L. Brigham, Mrs. Sylvia Delzell, Prof. Arthur L. Dunham, Prof. Roy Holmes, Mary Homer, Fred and Alice Mack, Dr. Edwin Moise, William Moppins, Dr. John D. Ainlie, Prof. J. Albaladejo, Mr. and Mrs. S. Albriten, John M. Altman, L. Beberfall, Catherine Benker, Joseph and Helen Crafton, Sidney and Freda Davidson, R. F. Defendini, Mrs. Myrtle Dickson, Mrs. Luella Duncan, Robert J. Eastman, Prof. William Egly, Herman and Doris Epstein, Prof. M. Greenhut, Prof. James B. Grifin, Prof. Therdore Heger, Mildred and Ellen Hinsdale, Prof. Edgar G. Johnston, Harold and Lois Levinson, Dr. W. M. Kincaid, Dr. Bruce Lockhart, Prof. George M. McEwen, Mr. and Mrs. K. McKean, Prof. Dean B. McLaughlin, Robert Macveety, Jr., Prof. and Mrs. A. H. Marckwardt, Prof. B. Meinecke, Malcolm E. Miller, Mrs. Nellie Nomanmus, G. and A. Rabson, Prof. K. Scharenberg, Mr. and Mrs. George Scott, Prof. Roy Sellars, Prof. M. Senstius, Arnold Shapiro, Prof. I. L. Sharfman, Prof. W. W. Sleator, Mrs. C. W. Spooner, D. L. Steele, R. C. Steele, R. and E. Stevens, Prof. Charles Stevenson, Daniel Suits, Mr. and Mrs. H. D. Swander, Robert Warner, Mr. and Mrs. Charles Whitman, Mr. and Mrs. H. Williams, Mr. and Mrs. Grover Wirick, Prof. R. C. Boys, Prof. and Mrs. Donald D. Brand.

I am personally acquainted with many of these people who sign as professors of the teaching staff of the University of Michigan. Their views are entitled to consideration and I regret that it is impossible for me to agree with them. I think they all call themselves liberals. Some of them are followers of Henry Wallace.

One of these professors addressed a letter to me on May 15 which reads:

WASHTENAW COUNTY
COMMITTEE FOR DEMOCRATIC RIGHTS,
Ann Arbor, Mich.

Hon. EARL C. MICHENER,
House Office Building,
Washington, D. C.

DEAR REPRESENTATIVE MICHENER: I suppose you have been wondering what has been happening here in Ann Arbor and what is the basis of the flood of telegrams and letters we have been sending you about the Mundt bill.

Last week Professor Brumm and I took the initiative in organizing a Washtenaw County Committee for Democratic Rights, whose main purpose is to oppose any threat to democratic rights such as the Mundt bill. We have contacted, by mail and phone, a large number of persons in the community, and as a result our committee now includes over 150 members, including such distinguished citizens as Dean Hayward Keniston, Prof. Preston Slosson, Prof. Arthur L. Dunham, and many others. They are the ones who have endorsed and signed the telegrams we have been sending you.

We do not know the outcome of the House debate on the bill, but we hope you are taking our opinions into account. It is indeed significant that the bill is being opposed, not only by outstanding liberals, but also by many conservatives. In fact, perhaps the main reason for the opposition is that the bill itself is regarded as far too radical and extreme.

There is one request which we would appreciate very much your fulfilling. If the bill passes the House, could you please send me a copy (if possible, several copies) of the final House version of the bill. We want to acquaint everyone here with the actual text. All opinions expressed thus far by the members of our committee have been based on the text of a committee form of the bill. It is the text itself which has caused the opposition, and not a propaganda campaign.

Sincerely,

WILFRED KAPLAN,
Cochairman.

Mr Speaker, this letter was most helpful to me in explaining why this flood of telegrams was received from Ann Arbor.

The Mundt bill as it passed the House was amended and improved, and I feel sure some of the objections of these Ann Arbor friends have been removed. The fact that the bill, after several days' debate, study, and amendment, passed the House by a vote of 319 for to 58 against, which is not a political, partisan vote, is pretty good evidence that the majority sentiment of the country found expression in the votes of the congressional Representatives in Congress.

Personally, I do not believe that this bill is unconstitutional. If I were so convinced, of course I would vote against it. It has been argued that because of the time element in this session, the Mundt bill cannot be considered by the Senate; that, therefore, its passage by the House will be but an idle gesture. To me this argument carries no weight. The House has a responsibility and, if the safety of the country requires this legislation, we should fearlessly meet the issue regardless of what the Senate or the President may do.

We have been warned that this law could not be enforced, and that the Communists would not respect it, especially with reference to registering. Indeed, every Member of Congress received a personal letter from William Z. Foster, chairman of the Communist Party, U. S. A., dated May 7, 1948, protesting against any legislation of this type, and advising the Congress:

The Communist Party will not register should the Mundt bill become law.

This is a threat and a promise. Mr. Foster set forth his reasons for opposing the law, and those reasons I have heretofore mentioned.

Well, if this bill is unconstitutional and impinges upon the constitutional rights, privileges, and liberties of our citizens, then it should not be the law. The Supreme Court will determine that question and I think the Congress will be pleased to give the Court the privilege of exercising its constitutional functions. If Mr. Foster is correct, then his views will be upheld. On the other hand, if he is wrong, the Court will by the same token uphold the law.

Socialized Medicine in Any Form Cannot Be Justified in This Country

EXTENSION OF REMARKS
OF

HON. GEORGE B. SCHWABE

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. SCHWABE of Oklahoma. Mr. Speaker, during the latter years of the New Deal administration, many forms of socialized medicine were suggested. Regardless of the form, or even if it be called compulsory health insurance, socialized medicine cannot be justified in a free America.

We are not ready, and I hope we never will be ready, to inaugurate or usher in a socialistic regime. We don't need socialization of medicine, socialization of housing, or socializaton of any profession or industry. Let us ever steer clear of the efforts of some to put the camel's nose under the tent.

A most interesting book has been issued by the Brookings Institution, of Washington, D. C., entitled "The Issue of Compulsory Health Insurance." The following article on this publication recently appeared in the Washington Star:

CONDITIONS DISTORTED IN HEALTH-INSURANCE FIGHT, BROOKINGS SAYS

The movement for compulsory health insurance has not only ignored the fact of good and improving conditions, as revealed by mortality rates, but has misused statistics to show evidence of need for medical care, a Brookings Institution report charged today.

The study, entitled "The Issue of Compulsory Health Insurance," conducted for the Subcommittee on Health of the Senate Labor and Public Welfare Committee, was made by Drs. George W. Bachman and Lewis Meriam.

It declared compulsory health insurance advocates have failed to take account of numerous factors affecting costs and practicability and quality of medical care that might be expected under a compulsory system.

"There are probably enough physicians available in the country as a whole to meet the needs of those who seek medical care, but not enough to meet all demands likely to be made under an insurance system," the report declared. "Likewise, there are not enough dentists to meet present yearly demands, and there is a great shortage of nurses. The construction of numerous hospitals would still further complicate the situation. Additional requirements imposed upon the present active medical personnel could only lead to deterioration of quality of medical care."

The health of America's white population equals that of small countries with the best records, the report said, and great strides have been made here in the health of Negroes.

"The use of statistics on draft rejections as evidence of a lack of medical care has provided a misleading picture of the health of the people," said the report, pointing out men were physically disqualified for the armed forces for causes in no way related to lack of medical care, such as being too short.

Each single rejection was entered statistically, the same man being counted a number of times, the report declared.

In the Brookings Institution report, there are a few pertinent sentences which I wish to quote. On page 37 the following interesting findings and conclusions appear:

Although in every income class some consumer units will spend more in a given year than they receive in income, the average unit with an income of roughly $2,000 or over will show savings.

On the average medical care is not a big item. In most income classes it amounts roughly to between 4 and 4.5 percent. Again, on the average it does not equal expenditures for automobile purchase and operation or alcoholic beverages, and it is about the same as expenditures for tobacco and recreation combined. In both 1935-36 and 1941, the available figures show for all income classes with total incomes of $1,500 a year or over that savings exceeded expenditures for medical care.

In the light of these facts, it seems necessary to conclude that on the average lack of medical care among consumers with total incomes of around $2,000 or over at 1941 price levels is due more to failure to give medical care a high priority than to lack of resources to pay for it. Curtailment of luxury items in food, clothing, and shelter and reduction in expenditures for alcoholic liquors, automobile ownership and operation, tobacco, and recreation would permit a material increase in medical care. Changes in State and national income-tax laws with respect to deductions for the cost of medical care would permit material increases in expenditures for medical care.

Some persons, possibly conversant with these income and expenditure figures, say that families with low income cannot pay for medical care without lowering their level of living. If the maintenance of the customary rate of saving is included as an item in the level of living, the statement is obviously true, but it seems to beg the question. Prudent persons save for the rainy day. Conditions that call for substantial expenditures for medical care are, according to their plans of financial management, to be met from savings if necessary. Thousands of individuals faced with demands for medical care meet them currently by curtailing their expenditures for nonessential or luxury items. True, they reduce their level of living, but their level of living depends on how much they have left after bills for essentials have been paid.

On page 48 of the Brookings Institution report, this statement appears:

One of the greatest dangers of socialization is the destruction of individual incen-

tives, and this danger is particularly great when dealing with persons of great creative ability.

Finally, I quote from page 51:

The introduction of compulsory insurance opens the way for governmental control of the medical profession.

Rural Electrification

EXTENSION OF REMARKS
OF
HON. CLIFFORD R. HOPE
OF KANSAS
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. HOPE. Mr. Speaker, rural electrification has proved to be the most popular of all programs for Government assistance to farmers. To one who, like myself, can remember a boyhood on the farm where the only illumination was coal oil lamps and lanterns, it is easy to see why this is so.

Electricity brings to the farm home many of the conveniences of the city, not only illumination, but such conveniences and necessities as refrigeration, electric stoves, electric washing machines, electric irons, and many others. To a large extent, it is taking the drudgery out of farm life.

But household use is only one of the manifold uses for electricity on the farm. Even more important, from the standpoint of efficient operation, are the great savings which are made through the use of electric machinery of various kinds—in the barn, the tool shed, and the farm lot. Even in those areas where electrification has long since taken place, new and more effective uses for electrification are being found all the time. It is said that already about 400 different uses for farm electricity have been reported.

The rural-electrification program is a program of self-help for farmers. It is based upon loans made by Government agencies to rural-electrification cooperatives organized by farmers themselves to bring electricity from a central power station to their farms. These cooperatives operate on a nonprofit basis so as to provide electric service at cost to their members. The directors of these cooperatives are local people, elected because of their interest in farm electrification. They serve without compensation.

REA loans are made on a business-like basis. They bear 2 percent interest and are payable over a maximum period of 35 years. They are sound and safe loans, but not loans that could ordinarily be made by commercial lending agencies. Not only are borrowers paying up the principal and interest on their loans as due but, in many cases, they are making payments on principal in advance of the due date. As of March 31, 1948, REA borrowers had paid $160,761,674 in principal and interest on their Government loans. This included $19,239,822 paid on principal in advance of the time it was due. Only $1,077,165 was more than 30 days overdue.

Government programs for rural electrification began in 1935. There has been steady progress since that time although naturally the war slowed matters up because of inability to secure labor and materials. Shortages of labor and materials are still slowing up construction, but even with these handicaps great progress is being made.

Congress has given full recognition to the need for greater progress in rural electrification. Appropriations have been increased and the Eightieth Congress, in its two sessions, has authorized loans amounting to $800,000,000 which is about 40 percent of the total authorizations since the program began in 1935. I am sure that Congress will continue to authorize loans as fast as the funds can be used effectively. I was very happy to have the privilege of voting for those increased amounts.

Naturally, Kansas people will be interested in what has been done in our States. The first REA loan in Kansas was approved in November 1936, and the first REA-financed line was put in operation on April 1, 1938, by the Brown-Atchison Electric Cooperative Association of Horton. According to a recent release from the Rural Electrification Administration, up to May 1948, total loans in the amount of $44,110,351 have been approved for Kansas and there were still on file applications totaling $12,140,000.

Nine of the thirty-five REA cooperatives in Kansas are located in the Fifth Congressional District. Loans in the amount of over $12,500,000 have been approved for these cooperatives and, as of May 1, there were pending applications covering $4,435,000 additional. Thus, more than a fourth of all of the loans approved in Kansas have been made to cooperatives in the Fifth District, and of the applications now pending for Kansas, more than a third in amount are from the Fifth District. This illustrates the great interest which farmers in the Fifth District are taking in rural electrification. The number of Fifth District consumers covered by the applications is 14,762, and of these 7,574 have been connected up to date.

There are difficult problems to be solved in connection with rural electrification in the Fifth District, particulary in the western part where farms are large and population is sparse. In addition, in some areas, there is a lack of adequate and cheap power sources. These obstacles, however, are gradually being overcome and I think the time is not far distant when REA cooperatives will be operating in every one of the 33 counties in the district. There is no matter before Congress in which I have personally taken a greater interest than rural electrification. I am tremendously interested in seeing that its facilities are expanded as rapidly as possible. While I realize there are many problems to be met and that the shortage of materials and labor is still slowing up construction, I do not want any farm home where electricity is desired to wait any longer than is absolutely necessary.

Let me take this occasion to say that I shall continue to do everything possible to expand rural electrification and will not be satisfied until the lights go on in every farm home in my district.

Inconvenience and Confusion Result From Rural Mail Routes Crossing State Lines

EXTENSION OF REMARKS
OF
HON. GEORGE B. SCHWABE
OF OKLAHOMA
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. SCHWABE of Oklahoma. Mr. Speaker, when Congress is not in session, I make it a point to visit as many communities of my district as possible. I have made it a practice to invite my constituents to discuss with me any problems they may have involving the Federal Government or any of its agencies. I have always tried to make it easy for my people to present their problems to me. After all, according to our American traditions, government, whether it be Federal, State, or local, is instituted and maintained to serve the people. In many foreign lands, it seems to be the plan that the state comes first, and the people are supposed to serve the state. This is statism, in whatever form it manifests itself.

When any Government agency is established in our country, it is the duty of those administering that agency to see to it that the service they render the people is the simplest and best service that can be rendered for the money. Many years ago, free rural delivery of mail was established for the purpose of delivering mail at the front gates of the people who lived along the route. Usually, the rural route emanated from the larger towns where the railroads brought the mail to, and took it from, such towns.

The system became very popular with the country folk, and is among the most worth-while services rendered by the Federal Government. However, as time went on changes and improvements suggested themselves. We should ever strive to improve the service. For example, my congressional district is bordered on the north by the State of Kansas and on the east by the States of Missouri and Arkansas. These three States were settled and developed before what was then known as Indian Territory, now the State of Oklahoma, became densely populated, or had any towns and railroads of consequence. Quite naturally the rural mail routes were established out of the towns and cities of Arkansas, Missouri, and Kansas along the Oklahoma borders, and the rural mail routes reached over into Oklahoma. Oklahoma has since become more densely populated. Her cities and towns have sprung up and developed until they are on a par with those of the adjoining States. But the rural mail

routes have not been changed. The Post Office Department has not kept pace with our development and increase of population.

Great inconvenience and confusion result from rural mail routes crossing State lines. In some instances hundreds of patrons live in Oklahoma on rural routes emanating from towns in neighboring States. The friends and relatives of the Oklahoma citizens know that they live in Oklahoma, and naturally are prone to address their mail to the post offices in Oklahoma nearest to which such Oklahoma citizens reside. Again, I say, inconvenience and confusion result.

In some instances the mail emanates from a town in the bordering State and is carried on a rural or star route to one or more towns within the borders of Oklahoma, extending many miles into Oklahoma, to people living along that route.

The only way to avoid this confusion is to let those rural mail routes originate in Oklahoma post offices. Not only friends are misled, but public officials are confused. The progress of business is impeded, advertisers fail to reach the people in their trade territories, and all are the losers.

I quote the following letter from an outstanding citizen, a member of the Craig County Excise Board, which illustrates some of the inconvenience and confusion which result from rural mail routes crossing State lines:

WELCH, OKLA., *June 17, 1948*

Hon. GEORGE B. SCHWABE,
Member of Congress,
House of Representatives,
Washington, D. C.

DEAR SIR: Reference to rural route 3, Chetopa, Kans., and the proposed change to Welch, Okla.

I have been a patron of rural route 3, Chetopa, Kans., for a number of years. My home is in north Craig County, Okla., yet we receive our mail on a Kansas delivery. May I quote to you a few of our difficulties concerning this matter. My daughter teaches school in Oklahoma and since Oklahoma does not hire Kansas teachers, she has been investigated a number of times with a Kansas address. All people who obtain Federal loans run into considerable delay and difficulty when they live in Oklahoma and receive their mail on a Kansas delivery. One more thing which we have trouble with most every day is the official documents which have to be signed Chetopa, Kans., Craig County, Okla. It seems to me that we could eliminate considerable trouble by changing this route to Welch, Okla.

Your support on this matter will certainly be appreciated.

Respectfully yours,

R. N. MIRES,
Member, Craig County Excise Board.

I have been working on this proposition for some time, and hope that it will challenge the attention of the Post Office Department and that, as a result of the efforts I am exerting, the Department will attempt to correct these awkward situations, to the end that the patrons of our rural free-delivery system who live near the State borders may enjoy the same service that citizens not so located now enjoy and appreciate so highly. This will make the homes of such people more attractive, more inviting, and will actually increase the value of their homesteads and their land.

It is a problem which should be solved without further delay.

Historical Review of Marshall Plan

EXTENSION OF REMARKS
OF

HON. FRED L. CRAWFORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. CRAWFORD. Mr. Speaker, 3 months ago on March 24, 1948, Women Investors Research Institute, Inc., of 224 Second Street SE., Washington, D. C., of which Cathrine Curtis is president, prepared—at the request of a group of Members of the Congress—a special study of the Marshall plan and its historical background. The accuracy of this study, institute special report No. 500, is indicated by congressional action in the last few months. For example, this study states that—if Congress enacted the Marshall plan into law—it would be necessary for us to enact certain implementing legislation if there was to be any hope that the so-called Marshall plan could work.

This study stated 3 months ago that the first piece of such implementing legislation would provide for lend-lease II in order to give military equipment to the Marshall plan countries. The Senate, after a few hours debate, passed Senate Resolution 239 on June 11—which admittedly grants the President power to lend-lease such military equipment as he believes necessary to these Marshall plan countries.

This institute study also stated that the second piece of such implementing legislation would be enactment of a peacetime Selective Service Act. That will have become law before this session of Congress adjourns.

This excellent and authoritative Marshall plan study which Women Investors Research Institute prepared for Congress lists four additional pieces of legislation that will be necessary to implement the Marshall plan. They are contained in the complete study, which follows:

ANALYSIS AND HISTORICAL REVIEW RELATIVE TO THE MARSHALL PLAN

Several weeks ago the institute was requested by a group of Members of Congress to analyze the so-called Marshall European recovery plan and to report:

1. The stated objectives of this type of plan
2. Whether such objectives—if achieved—would be generally beneficial to the United States and to the world.
3. The probability of achieving those objectives through such a plan.
4. What steps the Congress might consider to make such achievement possible, if analysis established the improbability of their achievement through the Marshall plan.

The report, which follows, is divided into two parts.

Part I reviews the stated objectives of the Marshall plan, analyzes the probability of achieving those objectives through such a plan, and offers some suggestions for congressional consideration.

Part II presents a brief historical review of the events which have contributed materially to the creation of the present European situation—with which the Marshall plan is supposed to cope—and additional events that have contributed to the present threat of world totalitarianism and world war III.

PART I. THE MARSHALL PLAN

The stated objectives of the Marshall plan—according to statements made by Secretary of State George C. Marshall before the Senate Foreign Relations and House Foreign Affairs Committees—are:

1. To halt the spread of communism in Europe.
2. To restore normal trade and commerce throughout the world.
3. To maintain true freedom of the individual.
4. To establish a durable peace.

Further, the "Findings and Declaration of Policy" of both the Senate and House foreign aid bills declare that:

"The restoration or maintenance in European countries of principles of individual liberty, free institutions, and genuine independence rests largely upon the establishment of sound economic (and political) conditions, stable international (economic and political) relationships, and the achievement by the countries of Europe of a healthy economy independent of extraordinary outside assistance. * * * Accordingly, it is (further) declared to be the policy of the people of the United States to sustain and strengthen principles of individual liberty, free institutions, and genuine independence in Europe * * *." (Words in parentheses are additions made in the House bill to the Senate bill.)

These objectives, if achieved, undoubtedly could be beneficial to the United States and to the entire world.

It must be recognized that, under the Marshall plan, the United States, with its private enterprise system of American industrial capitalism, is expected to furnish aid to any European country that can qualify under its broad requirements.

Who benefits?

It is presently understood that the countries which will benefit under this plan are Austria, Belgium, Denmark, Eire, France, Greece, Iceland, Italy, Luxemburg, The Netherlands, Norway, Portugal, Sweden, Switzerland, Turkey, and the United Kingdom

However, Secretary of State Marshall, former Under Secretary of State Acheson, William McC. Martin, Chairman of the Export-Import Bank, and other high administration officials have testified that no country—even Russia and her satellite countries—is barred from partaking of Marshall plan benefits. And all colonial possessions of participating countries also will be allowed to enjoy these benefits, according to Secretary Marshall's statements.

While this plan has generally been advanced as an economic aid plan, the House Foreign Affairs Committee frankly declared—in opening its Marshall plan hearings—that its objective in those hearings—and in Marshall plan action—is to establish "an over-all pattern for all foreign relief."

The Marshall plan proposes that this relief by the taxpayers of the United States shall not go from this Government to those individuals in foreign countries who actually need it—or who can make the best use of it—but to the administrations in charge of those governments. They, then, will distribute this relief to such citizens within their respective countries as they deem advisable and in a manner most beneficial to their own objectives.

What are those administrations? What are their probable objectives?

The three forces

Ex-Premier Leon Blum of France recently announced "There is a third force rising in

Europe"—thereby implying the previous existence of two other forces. These three forces are:

1. The largest minority—unorganized and not too well financed—is composed of those who believe in private enterprise, the right privately to own property, to make profits, and who believe in free institutions and individual liberty and who are strongly opposed to all forms of controlled economy.

2. The second largest minority—strongly organized and well-financed—is composed of Communists and Communist sympathizers.

3. The third, and smallest, minority—well organized and financed—is composed of various types of Socialists who believe in the planned economy of a corporate state—with its state control of enterprise, property, and individual activity.

Neither group has, within itself, sufficient strength—votes—to gain control of government through lawful means.

Both Communist and Socialist groups oppose any possibility of the private enterprise group attaining control of government. The Communists know, in that event, they will be driven from the country and all hope of seizing power will be lost. The Socialists realize that, if the private enterprise group attains power their dreams of the corporate state and planned economy will be, at least temporarily, ended.

The Socialists attain nominal control of government under such circumstances by entering into a bipartisan coalition arrangement with the Communists.

Under this arrangement the Communists form a coalition with the Socialists and, for a price, vote to enable the Socialists to take over nominal control of the government.

The price paid by the Socialists for this coalition support is to permit the Communists to take over certain key cabinet posts.

These posts usually are the ministries of the interior, defense, and foreign affairs.

The ministry of the interior, under the European system of government, has control of the police, the labor unions, and similar internal affairs.

The ministry of defense has control of the armed forces.

The ministry of foreign affairs is comparable to that of our Secretary of State.

The Communists are not always in a position to compel the Socialists to give them all three of these posts, but the minimum price for coalition support is either the Interior or Defense posts.

Once the Communists gain control of either, or all of these posts, they are in a position to press forward their campaign to turn the country into a Soviet satellite. They usually proceed slowly, using every propaganda devise to convince the citizenry that they are the true defenders of democracy and the common man.

They become the most outspoken proponents in the legislature and in the press of social legislation for the downtrodden, punitive legislation against profits and private enterprise, and speak loudly of equality for all. Their program is designed to win public support, to convince the people that they, the Communists, are true patriots.

The bipartisan trap

Invariably the Socialists in an attempt to hold their waning public popularity and to stem an apparent rising public popularity for Communist proposals, join with the Communists in a bipartisan activity. Their hope is that in so doing they can take public credit for such social and similar legislation as may be enacted.

Meanwhile, having gained control of either Interior or Defense posts the Communists begin their liquidation of the leaders of the private-enterprise opposition. This campaign starts with smearing the opposition leaders and ends with their physical liquidation.

While carrying forward these campaigns, the Communists are maneuvering a steady infiltration of their workers and adherents into key positions in the police, the tradeunions, and the armed forces.

If they have been able to gain control of the Ministry of Foreign Affairs, that permits them to maintain direct contact with Moscow and to direct the foreign affairs of the country for the benefit of Stalin.

Finally, when they believe they have gained sufficient strength, principally through a system of political blackmail and smear campaigns against both Socialists and private enterprisers—they create a government crisis—bring on chaos—take over control of the machinery of government—and turn the country into another Soviet satellite.

This program succeeded in Czechoslovakia.

It failed in France because French Communists overestimated their strength with the people. When the real test election came—they found that many Frenchmen—particularly farmers—had voted the Communist ticket as a protest against the French Socialist Government's policies, especially its price-control policy.

Communists and Socialists have common goal

Coups—similar to that which recently occurred in Czechoslovakia—are a constant threat in any country where a comparable Socialist-Communist bipartisan coalition government exists, for—as George Bernard Shaw so aptly remarked "socialisim is nothing but communism, with better English." Lenin stated that "socialism is termed by Marx as the first stage, or lower phase of communism" and Bukharin declared that "socialism is communism in course of construction. It is incomplete communism."

An analysis of the objectives of both socialism and communism reveals they have the common goal of complete state-controlled, planned economy. While the Socialist seeks to attain that goal through the safer route of legislative compromise and chicanery—the Communist drives toward it either by direct revolt or—if that is not immediately feasible—through conspiracy.

The latter approach was exposed by Max Eastman—translater of Leon Trotsky's History of the Russian Revolution, in a recent article, when, speaking of the situation in the United States, he wrote "The Communist movement is not a propaganda league * * * not an educational movement * * * it is a conspiracy to seize power. * * * They—Communists—are opposing communism themselves now because they find this the easiest way to get their members, accomplices, and dupes into key positions. * * * They are not conspiring to seize power now. * * * They know, as well as you do, the juvenile folly of that. They are planning to seize power in a national crisis."

Since the preponderant majority of the present administrations in control of the governments of the 16 western European countries are either Socialist or Socialist-Communist coalitions—it is difficult to understand how subsidizing those administrations can be expected to assist in achieving the stated objectives of that plan.

Aids Soviet trade

Further, the Marshall plan is not intended to end all trade between the 16 western European countries and the Soviet and its eastern satellites, according to Secretary Marshall, Mr. Acheson, Export-Import Bank Chairman Martin, and other high administration officials. They have stated—in committee testimony—that the economies of the 16 western European countries cannot be restored to a stable condition unless their trade with the eastern European countries is renewed.

This should not be a surprise. The complete severance of trade between these two sections of Europe would be comparable to a similar severance between the States east and west of the Mississippi in this country.

Therefore, it must be anticipated that at least some of the aid that flows to the 16 western European countries under the Marshall plan must pass through the iron curtain into Soviet satellite countries and to Russia.

It is true that the public has been led to believe—through carefully planned propaganda—that the Marshall plan is primarily designed to halt communism. However, the record reveals that this propaganda theme was advanced only after a State Department survey of public sentiment established that the plan could win wider public acceptance if it had an anti-Communist tinge.

This same propaganda campaign has created the general impression that the greater part of funds advanced to foreign countries under this plan will be loans that are to be repaid. Again, Secretary Marshall, Mr. Acheson, Export-Import Bank Chairman Martin, and other administration officials have admitted that not more that 20 percent of Marshall plan funds will go to these countries in the form of loans that we may hope to collect.

Marshall plan commitments

This propaganda campaign also has led the people generally to believe the Marshall plan will consist—for the most part—in shipping food to Europe needed to prevent people from starving. A break-down of the plan's proposed commitments shows that it is divided as follows:

Thirty percent in heavy equipment such as steel, trucks, tractors, building materials and equipment, rails, machine tools, dock-loading equipment, etc.; 40 percent in grains, foodstuffs, and similar items, and the remaining 30 percent in various consumer goods items, such as automobiles, washing machines, radios, sewing machines, electric ice boxes, and similar devices, home furnishings, household furniture, etc.

The vast majority of these items already are in short supply in this country. If—to this extraordinary drain on our production—we add the demands of a stepped-up national defense, the ultimate result must either be wild inflation and soaring prices or reenactment of price-control legislation.

It is believed that those who originated the Marshall plan recognized this possibility. President Truman has repeatedly asked Congress for such legislation. In addition, the State Department's working-group list for this program also reveals that the working group on domestic controls needed to implement ERP was head by Donald D. Kennedy, now of the State Department, but formerly price executive of the OPA.

What is implementation?

Proponents of the plan now admit that economic aid alone will not halt communism in or bring economic stability to Europe. Implementation will be needed. Implementation, in present-day diplomatic language, as was learned in the Palestine partition situation, means the use of troops.

The European countries involved already have notified us they cannot be expected to supply this implementation. They frankly state they now face a manpower shortage and cannot be expected to use much of the existing manpower pool for military purposes. They also state—if they are to achieve economic stability—they must use most of their available manpower for production.

They evidently expect to implement the Marshall plan with some form of lend-lease of military supplies and send the troops to handle those supplies. (See Reference to the London Economist in part II.)

In view of the foregoing, how can the Marshall plan achieve its stated objectives?

Certainly maintaining Socialist or Socialist-Communist coalition governments in Europe cannot be expected to halt the spread of communism or maintain true freedom of the individual there. And, since subsidizing such governments can only result in a continuation and extension of the planned-economy ideology in Europe, how can that restore normal trade conditions throughout the world or establish a durable peace?

It would appear that, if the Marshall plan should be enacted, it would result in the foregoing world situation. The United States then would face one of two alternatives:

As the lone free-enterprise country in a world of planned-economy countries, it must abandon its free-enterprise economy for some form of planned economy, or face economic isolation.

What other objective can enactment of the Marshall plan achieve?

Foundation for world government

It can lay the foundation for acceptance by this country of the International Trade Organization program, an important part of the United Nations world program.

The purpose of ITO is to establish and maintain a world planned economy—with allocation and control of production, prices, markets, and investments. It provides for an industrial rationing system—under which no new industry can be started by any member country without permission of the ITO Council.

Acceptance of this program is being carefully prepared by the State Department, under a plan that Department instituted in the fall of 1945. Discussions now have reached the final stage between representatives of this country and those of 50 foreign nations. The present schedule calls for submitting this program to Congress for approval and acceptance early next year.

In this connection, it should be noted that, when Marshall-plan proponents faced stiff opposition of the complete 4½-year commitment originally requested, they readily agreed to accept only a definite commitment until June 30, 1949.

Such a commitment would keep the planned-economy governments of a majority of those 50 foreign nations in existence until the ITO program is put before Congress.

Analysis of the ITO program establishes that—once it is accepted—it will practically banish free enterprise and individual liberty from world trade. A form of corporate state planned economy—similar to that which Bernard M. Baruch helped Mussolini establish in Italy in the early 1920's—will replace private enterprise and individual initiative.

Acceptance of the United Nations ITO program will also call for acceptance of certain related programs of the UN Economic and Social Council—such as a world FEPC.

Implementing legislation

Therefore—if Congress approves the Marshall plan—it would appear evident it must be prepared to approve—at an early date—implementing legislation calling for:

1. Lend-lease II to supply Marshall plan countries with needed military equipment.

2. Selective service—with an antisegregation clause—to supply the manpower to use that military equipment in Europe.

3. Mobilization of the National Guard and Organized Reserves to help train inductees for foreign service.

4. Price control to prevent wild inflation and soaring prices in the United States.

5. A declaration of war as a result of an incident caused by our efforts to implement the Marshall plan.

6. Acceptance of the ITO and related programs for a world planned economy.

Is it possible to achieve the stated objectives of the Marshall plan?

It is believed this can be done—under a private enterprise plan that will provide for the flow of needed assistance from free men in the United States to free men throughout the world. Such a plan would eliminate the dead hand of bureaucracy and its resultant waste. It would have to pay its own way through careful investment, efficiency, and sound management. It could not draw on the United States Treasury to make up deficits.

Private enterprise approach

Such a program might be divided into two general parts:

1. Permissive legislation, enabling the formation of a multibillion dollar investment trust.

The bonds of this investment would be offered to the public and—since such investment would fall within the classification of venture capital—they should offer inducements above those of ordinary investments—such as a tax exemption on earnings for a limited period.

Such permissive legislation should provide for specific exemptions from existing statutory controls—such as SEC registration—since the latter could cause untold delay and unnecessary expense in meeting filing requirements.

This would enable those who really wish to help Europe to do so without compelling all the taxpayers to foot the European-aid bill.

2. Assistance for the actual needy, such as that provided for by the American Relief Act by which Herbert Hoover aided the European needy following World War I.

This should provide for raising funds through voluntary contributions from all who wish to aid the starving of Europe again without making all taxpayers foot the bill. It should be administered by church groups experienced in this field rather than by a Government bureau.

With the acceptance of such a program, funds now allocated in the fiscal 1949 budget to foreign-aid accounts, could be transferred to the national defense account.

Our industrial capitalism—based on individual creativeness and productivity—has produced more benefits for mankind than any other economic system in history. In the short span of 170 years, it has made us the most powerful Nation in the world. It has given our people a higher standard of living than is found elsewhere in the world. Not only has it provided for our own needs—it has fed and clothed the needy of the world, and provided the manpower, matériel, and money needed to win two world wars.

As long as it survives—there will always be hope for individual liberty throughout the world. When it falls—all hope for the survival of individual liberty is lost.

Despite its present heavy burdens—it is confidently believed that—relieved of at least some of the restrictions now impeding its free operation—it can successfully assume the additional burden of restoring economic stability to those who believe in individual liberty.

It should not be compelled to bear the additional burden of underwriting the maintenance of economic systems that are designed to destroy it.

If economic stability is restored to the world through our free-enterprise system—rather than through another form of government control—it can be the one great bulwark for the preservation and perpetuation of free institutions and individual liberty.

Oil and Lumber Production and Export

EXTENSION OF REMARKS

OF

HON. RICHARD J. WELCH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. WELCH. Mr. Speaker, in the interest of conservation of our natural resources, two of the most important of which are oil and lumber, I invite attention to the following facts secured by me from the Department of Commerce, the Department of the Interior, and the Bureau of the Census showing the tremendous quantities of oil and lumber being used and exported by this country:

OIL DATA

	Barrels
Domestic oil consumption, 1947	1,988,970,000

Domestic consumption increased 65.3 percent in 1947 over 1938.

Oil used for generating electric power

	1946	1947
	Barrels	*Barrels*
California	10,219,658	15,999,491
Oregon	257,505	266,792
Washington	429,551	530,159
United States total	36,315,871	45,300,002

This shows an increase in the use of oil for generating electric power in 1947 over 1946 in California of 56.6 percent; in Oregon, 3.6 percent; in Washington, 23.4 percent; and in the United States of 24.7 percent.

Exports

	Barrels
Exports of oil, 1947	164,463,000

Under the European recovery program, the Economic Cooperation Administration proposes to furnish 34,894,000 barrels of irreplacable United States oil during the next year, an additional 158,410,000 barrels from "dollar" sources, 188,157,500 barrels from "nondollar" sources, and 13,870,000 barrels to be produced in participating countries; or a total of 395,331,500 barrels.

LUMBER DATA

Final governmental statistics on lumber production in the United States for 1946 and 1947 are not yet available. From the very latest information that is obtainable it is estimated that 1946 production amounted to some 36,000,000,000 board feet and 1947 production some 38,000,000,000 board feet. Production in California, Oregon, and Washington in 1947 was slightly more than in 1946 when these three States produced 12,431,000,000 board feet or more than 30 percent of the total for the entire United States.

	Board feet
California	2,681,000,000
Oregon	6,328,000,000
Washington	3,422,000,000
Three-State total	12,431,000,000

California total includes Nevada, which is so small the Bureau of the Census does not report it separately.

Exports

	Board feet
Exports of lumber in 1947----	1,153,701,000

Of this total export, 801,411,000 board feet was from the Pacific coast ports. This amounted to 69.5 percent of the total United States exports and 6.4 percent of production in California, Oregon, and Washington.

Under the European recovery plan the Economic Cooperation Administration expects to furnish some 238,150,000 board feet of lumber and lumber products to participating nations.

Republican Eightieth Congress Keeps Pledges; Reverses Ruinous New Deal Trend and Establishes Solid Foundations Upon Which Our Country Is Going Forward; Record of Accomplishments Is Unsurpassed

EXTENSION OF REMARKS
OF
HON. CHARLES A. HALLECK
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. HALLECK. Mr. Speaker, the Republican Eightieth Congress has lighted beacons for the American way of life—liberty, peace, security, prosperity, and happiness for all our people and all humanity.

When the Eightieth Congress convened January 3, 1947, by mandate of an aroused people, we were confronted by the disastrous results of 14 years of New Deal Democrat bad government.

Our country was on the brink of disaster, threatened as it was by economic disintegration of our free economy and revolutionary change in our free Government.

A radical-minded administration driving for ever-increasing control and authority over the lives of our citizens was rapidly chipping away our freedom and our liberties. Our efforts as a Nation for production and plenty, for happiness and security, were being destroyed.

The Republican Congress, with understanding, courage, and foresight, met the challenge to the preservation of the Republic and, reversing the ruinous New Deal policies, established solid foundations upon which our country is now going forward.

ACCOMPLISHMENTS OF REPUBLICAN CONGRESS

Here are major accomplishments of the Republican Congress:

Freed competitive enterprise: Liberated the people from 76,000 rules, regulations, directives, and orders, thereby releasing the energy and the capacity of the people with resulting all-time highs in employment, production, profits, and wages, and a record $200,000,000,000 annual national income.

Balanced Federal budget: The Federal Treasury for the first time in 16 years is using black ink instead of red and is no longer resorting to inflationary deficit spending. Fiscal 1948 ended with the biggest Treasury surplus in all history—$8,419,469,843, seven times the previous high established 21 years ago.

Cut national debt: Prudently shaved $7,000,000,000 off the public debt.

Pruned spendthrift budgets: Cut President Truman's padded budgets more than $6,000,000,000 and lopped off more billions in hold-over wartime appropriations in the greatest, most complex Government financial conversion from war to peace in all time.

Cut taxes: Reduced taxes $4,800,000,000, despite three Presidential vetoes, with 71 percent of the tax relief going to those with incomes under $5,000; 7,400,000 wage earners in the lowest brackets removed from the tax roll; married couples allowed to divide their income for tax purposes and special relief for persons over 65 and the blind.

Improved labor-management relations: Passed over Presidential veto the Taft-Hartley Labor-Management Act providing fair and just procedures for peaceful settlement of labor-management disputes; protecting the rights of workers to unionize and control their unions, to bargain collectively and to strike; restoring Constitutional rights of employers, and safeguarding all the people against widespread work and production stoppages that imperil the national welfare.

Exposed Communists: Battled for elimination of Communists, Fascists, and other subversives from the Federal Government; exposed Communists' infiltration in a minority of labor unions and in the Hollywood film industry; caused jailing of Communists for contempt of Congress; landed top Soviet Russia agents in jail and advanced legislation for public registration of alien-controlled Communists.

BILLIONS FOR OTHER COUNTRIES

Aided foreign nations: Appropriated $9,579,657,128—$2,377,573,900 in first session and $7,202,083,228 in second session including $1,000,000,000 for reconstruction loans—for relief to impoverished humanity in foreign countries, to help reestablish their national economies and to restrain Communists' aggression; created an Economic Cooperation Administration to administer foreign aid; kept all congressional commitments to United Nations.

Joined International Refugee Organization and gave it $71,073,900 to carry on.

Enacted a bill to admit 205,000 displaced persons in next 2 years and permit 15,000 refugees already in the United States to remain.

Strengthened National Defense: Rescued our disintegrating National military establishment by unifying the armed services; by forcing adoption of a "plan of action"; by making cash appropriations and contract authorizations totaling $24,128,110,346—$9,528,295,733 in first session, $14,599,814,613 in second session—with special emphasis upon air power; by adopting a temporary selective service act; by providing for development of better weapons including guided missiles and atomic bombs; by authorizing $178,000,000 for Merchant Marine expansion, and by revising Army justice in an effort to assure completely fair treatment under Army law for officers and enlisted men.

Cared for veterans: Passed 188 bills meeting needs of war veterans, including increased compensation for disabled veterans with and without dependents; increased compensation for dependent survivors of war dead; increased subsistence payments to World War II veterans in institutional training; increased allowances for student GI's; increased proportional pay for veterans in on-the-job training; cashing of GI terminal-leave bonds; higher pensions for Spanish-American War veterans; and aids for veterans' housing.

FOSTERED RECORD HOME BUILDING

Generated building boom: Took housing problem from the bungling New Deal administration; freed the building industry of stifling rules, regulations, and directives; stimulated construction through Government guaranties of building loans; had Government assume large part of responsibility for veterans' loans; and gave war veterans priority in home building and rental of new homes. In 1946, under New Deal regimentation and confusion, 437,800 dwelling units were completed; in 1947, under Republican free enterprise and sound Government aid, 835,100 units were completed; and, in 1948, a million dwelling units will be completed in the biggest building boom of all time.

Helped farmers: Adopted long-range agriculture program pledging price support for maximum production of food; provided twice as much money for rural electrification as any previous Congress; appropriated more than $500,000,000 for soil conservation; launched greatest rural road-building program in history; fostered stability of agriculture through a new, workable Crop Insurance Act; chartered Commodity Credit Corporation; and greatly expanded Government aid in campaigns against livestock foot-and-mouth disease and crop deterrents, such as weeds, insects, and other pests.

Forwarded reclamation, river and harbor improvements, flood control: Rescued the vitally needed, Republican-inaugurated reclamation program for the West from President Truman's disastrous money-freeze order of August 1946, and appropriated more money for reclamation—$389,804,000—than any previous Congress; likewise made record-breaking appropriations for river and harbor improvements — $285,500,000 — and flood control—$712,063,000—all being essential to expansion and protection of our national economy.

CARED FOR NEEDY, AGED, AND ILL

Expanded social security: Passed over Presidential veto a bill increasing payments by $5 per month for the needy aged and the blind, and increasing payments by $3 per month for each dependent child, thereby adding $184,000,000

annually to social security payments received by 3,500,000 needy dependent children, the aged and the blind; and exempting from social security insurance payments newspaper and magazine vendors and other independent contractors over whom no employer exercises direct control, thereby preventing an impairment of the old-age and survivors insurance trust fund built up by those who had paid taxes over the years.

Established a National Heart Institute within the United States Public Health Service to fight America's No. 1 killer, diseases of the heart and circulation; provided $500,000 for the research institute to combat these diseases, which affect 1 person in 16, cause 1 out of every 3 deaths, and result in a loss of 152,000,000 work days a year.

Provided $28,400,000 for the National Cancer Institute to study the disease of cancer and to disseminate knowledge on how to reduce its terrible toll in lives.

Provided a cost-of-living pay increase for postal and other Federal employees: Despite President Truman's opposition as expressed in a budget message to Congress, we gave 478,000 postal workers a pay increase of $450 a year each, and 840,000 Civil Service employees a boost of $330 each; increased some postal rates as a partial offset to the $600,000,000 cost of the pay rise.

Facilitated the making of equitable and non-discriminatory transportation rates: Passed over Presidential veto the Reed-Bulwinkle bill, exempting railroads from anti-trust suits for rate agreements, provided the rates are approved by the Interstate Commerce Commission as being in the public interest.

Improved United States Employment Service: Enacted over Presidential veto a bill transferring and improving the United States Employment Service from the Department of Labor to the Federal Security Agency for administration in coordination with unemployment benefits.

Created Government Reorganization Commission: Established a bi-partisan commission, headed by former President Herbert Hoover, which is preparing for submission to the next Congress a comprehensive plan for reorganization of the administrative branch of the Government in the interests of efficiency and economy—a major operation on the sprawling, tax-eating bureaucracy.

Acted to limit Presidents' terms: Submitted to the States for ratification a constitutional amendment limiting Presidents to two terms.

AIDED SMALL BUSINESSES

Authorized voluntary trade agreements: Empowered the President, upon advice of the Attorney General, to approve voluntary agreements among business firms to ration and channel commodities in short supply to the most essential purposes domestically and to meet foreign commitments.

Extended export controls: Temporarily extended and strengthened the President's authority to control exports in line with United States policy to favor cooperating nations and withhold sinews of war from noncooperating countries.

Aided small businesses: Created special committees of the Senate and House of Representatives which are seeing that small businesses, the backbone of American industry, get a fair break, especially in the awarding of Government contracts for national defense and aid to foreign nations.

Extended Reciprocal Trade Act with reasonable safeguards: Extended for 1 year the Reciprocal Trade Agreements Act, with amendments requiring the President to report to Congress and the people when, in secretly making a trade agreement with a foreign country, he exceeds recommendations made by the United States Tariff Commission pursuant to standards prescribed by Congress for protection of American industries and agriculture.

LEGISLATION BENEFITS ALL

The Republican Congress passed hundreds of other measures that are benefiting every segment of our population and creating wholesome conditions for prosperity and happiness; measures buttressing industries, agriculture, and mining; supplying long-needed banking legislation; strengthening the Federal Reserve banks' operation; reorganizing the Reconstruction Finance Corporation, and in other ways making for sound national progress.

Scores of investigations of charges of fraud, corruption, and weary incompetence by the tired, warring, quarreling, bolt-ridden Democratic administration were made. Scandalous situations were exposed, including:

Gambling in the grain and other commodity markets by persons in positions to know when the Government was buying for shipment abroad—gambling that helped raise the cost of living for all our people.

Irregularities in negotiation of war contracts.

Attempts by the administration high-ups, including the President, to pervert the nonpartisan, Republican-created vast reclamation program that is so vital to the West, into a political football.

And worst of all a stubborn resistance by administration officials to a purging of Communists, Pinkoes, and other subversives from the Government household, was revealed.

We reorganized the congressional legislative machinery; telescoped many committees into a few, and staffed them with specialists in their responsibilities.

We created a joint congressional committee which is keeping constant watch on all factors entering into the cost of living and making recommendations.

We sent our own committees across the country and thus gathered first-hand information, and we sent special committees to Europe, the Middle East, and the Far East for study and report on conditions that required action by Congress.

Fumbling and bungling by the New Dealers in our foreign relations, with their parade of Secretaries of State, have produced confusion in foreign policies that has delayed durable peace, and is having an expensive impact upon our domestic economy.

Many of the ills confronting the United States and the world, root causes for high prices, about $30,000,000,000 in aid given to foreign countries since the cessation of hostilities and rebuilding of our national defenses, stem from the betrayals at Quebec, Yalta, Tehran, and Potsdam.

The Republican Party had no part in making those blunders. Our leaders in Congress were not consulted when the tottering structure for peace was being built. On many of the foreign policies, the so-called bipartisan policy has been a myth, because our Republican leaders were not consulted.

Responsibility for the bankrupt diplomacy cannot be escaped by the Truman administration on the ground that it is the product of bipartisan policy.

It is obvious that an administration which harbors so many who see in the Russian way of doing things a better system than our own, could not be expected to follow a consistent and firm position in dealing with communism at home or abroad.

REPUBLICANISM AGAINST RADICALISM

Back in December 1945 the Republicans of the Senate and House of Representatives, united in issuing a statement of principles, policies, and objectives. The Declaration said:

> Today's major issue is between radicalism, regimentation, all-powerful bureaucracy, class exploitation, deficit spending, and machine politics, as against our belief in American freedom for the individual under just laws fairly administered for all, preservation of local home rule, efficiency and pay-as-you-go economy in government, and the protection of the American way of life against either Fascist or Communist trends.
>
> We believe that genuine social and economic progress can be achieved only on those American constitutional principles and it is our purpose to give our citizens this clean-cut choice.

In the election of November 1946 voters throughout the length and breadth of our land sent to Congress Senators and Representatives who were dedicated to those principles, policies, and objectives. The election resulted in a landslide victory for the Republican Party, and it has been confirmed by subsequent elections to fill vacancies in the Congress.

The people demanded and had a right to expect cooperation of President Truman in carrying out their will for an end to regimentation, all-powerful bureaucracy, radicalism, vote buying, business badgering, exploitation of group against group, spendthrift policies, and back-breaking taxes.

Shortly after the 1946 repudiation of his administration the President issued a written statement acknowledging the verdict of the people and pledging that cooperation, but he has not kept that pledge. Instead he has fought Congress, the policy-making department of our Government, every step of the way.

TRUMAN ASKS POLICE-STATE POWER

He has abused the weighty Presidential veto power by invoking it as a weapon of minorities to thwart the will of the people as expressed by overwhelming majorities in Congress.

Mr. Truman holds the unenviable record of having had more vetoes overridden by Congress—six of them—than

any President for a like period dating back to post-Civil War days.

Yielding to special interests and pressure groups, he has submitted to Congress recommendations for spending, over and above his all-time high annual budget, that would, if approved by Congress, add $20,000,000,000 to the Nation's tax bill, greatly expand the Washington bureaucracy, and wreck our national economy.

The evidence is abundant that President Truman failed utterly in planning for postwar conversion. To a special session of Congress in 1945 he submitted recommendations for a gigantic Government spending program to cushion his expected vast unemployment, collapse of commodity prices, and lessened purchasing power.

He failed to understand that all the people wanted was a signal from their Government to go ahead and get on with peacetime production. He geared his whole program to an anticipated depression. He was wrong then, and he has been wrong ever since. He was quick to blame others for firing the boilers of inflation, but negligent in using his powers to arrest rising prices.

To garble, twist, and belittle actions of the people's Congress, the President called the signals for 45,000 propagandists on the Federal pay roll. That gigantic political machine had a $75,000,000 campaign fund—all from the taxpayers' pockets.

The President branded Government price-fixing, rationing, and controls in peacetime as police state methods, and in the next breath asked Congress for power to fasten those very controls upon the people—shackles that would smother productive enterprise and the output of goods so urgently needed as a solvent for high prices.

He said it would be all right for Congress to vote him power to control the people, because, he said, that would be a constitutional procedure. Plainly, he does not recall that was the way other peoples lost their freedom.

Truly, eternal vigilance is still the price of liberty.

REPUBLICAN PARTY UPHOLDS CONSTITUTION

For our part, we Republicans reject the alien ideology that calls for an all-powerful central government controlling the lives of the people.

We have faith in our free people—faith and love and confidence in the dignity of man—an abiding faith that free men in our Republic have accomplished more, and will continue to accomplish more, for the happiness and contentment of humanity than has been or can be accomplished by men in any other kind of society.

In our Republic the constitutional course of Government is to provide for every citizen an opportunity to improve himself, to encourage him to do so for himself and his children; to keep the Government as his servant and not his master; to promote output of the things that make life pleasant, to lighten debt and taxes, to lay down rules of fair play, and to protect those whose own strength and resources are not sufficient to protect them.

LET'S LOOK AT THE RECORD

Now, let us look in more detail at the record of the Republican Congress. Let us see how we have given effect to American constitutional principles.

GOVERNMENT EXPENDITURES

This is what we Republicans pledged:

Economy in Government spending must be achieved. Extravagant Government spending now advocated by the administration in every field can only lead to ruin. Bureaucracy, with its thirst for power and self-perpetuation, must be drastically reduced. The number of Government employees must be cut to an efficient minimum.

We have kept that pledge.

President Truman holds the record as the biggest peace-time spender of all time.

Confronting the Republican Congress when it convened was the tremendous job of converting the Government's fiscal affairs from a war to a peacetime basis, the most stupendous financial operation that ever faced a Congress. To the hard-working Appropriations Committees of the House of Representatives and the Senate goes much of the credit for bringing a semblance of order out of chaos.

Details reached around the earth, billions of dollars were involved and major policies had to be determined in the conversion.

Most harassing of all in this gigantic operation were the continuous demands by the Truman administration for more and more spending and a bigger and bigger bureaucracy. These pleas were taken up by the 45,000 propagandists on the Federal pay roll, dipping into the $75,000,000 campaign fund taxed from the people.

The President pledged to cooperate with the Republican Congress, but instead he and his army of job holders, augmented by New Dealers outside the Government taking up the cry, fought economy every step of the way.

He submitted to Congress budget estimates calling for expenditures of $37,500,000,000 during the fiscal year ending June 30, 1948. He recommended in excess of another billion before the first session of the Congress adjourned.

He submitted to the second session of the Congress an all-time high, peacetime budget calling for expenditures of nearly $40,000,000,000 during fiscal year 1949 and then swelled that by several billions in supplemental recommendations.

On top of all this he submitted a series of recommendations for new ventures in Government spending that would, if approved by the Republican Congress, have added $20,000,000,000 to annual Federal expenditures, forced higher taxes, expanded bureaucracy and plunged the Nation into bankruptcy.

Compare these astronomical figures with the total Government expenditures in prewar years. Expenditures for fiscal 1933 totaled $5,143,000,000; for 1934 they were $7,100,000,000; and for 1939 the Government spent $9,027,000,000. The Republican Congress not only called a halt on the New Deal Democrat trend; we reversed the procession.

CUT TRUMAN'S PADDED BUDGETS

We cut the President's fiscal 1948 budget estimates $2,766,000,000; rescinded funds that otherwise would have been spent amounting to $442,500,000; made recoveries for the Treasury that the President did not recommend amounting to $911,700,000, and we made cuts that were effective in making savings in the operations of the previous fiscal year amounting to $359,740,568.

Thus the total savings to the Federal Treasury accomplished by the Republican Congress during its first session were approximately $4,500,000,000.

We continued the same program of prudently pruning the President's budget and supplemental recommendations during the second session providing for fiscal year 1949. From the regular departmental appropriation bills, deficiencies, supplementals, and so forth, the Republican Congress appropriated $2,741,481,291 less than the President requested.

And it should be noted that the Democrats in Congress, almost to a man and almost on every occasion, apparently desiring nothing so much as to see the Republican economy program fail, vigorously opposed cuts in appropriations advocated by the Republicans.

Notwithstanding this reckless and sometimes demagogic resistance, the Republican Congress saved better than $6,000,000,000 and this does not include the rejection of the President's $20,000,000,000 high-living, vote-luring political recommendations.

These savings were made by eliminating useless and unnecessary expenditures, not by destroying essential or necessary functions and operations of Government.

Failures of New Deal Democrat administrations, past and present, in foreign relations are reflected in higher Government expenditures for national defense and to provide aid for freedom-loving foreign countries. These in turn are major causes of high prices.

More than 80 percent of our national expenditures now goes toward prevention of wars, foreign aid, aid to our own veterans, and in liquidation of past wars. Hence, the urgency of having a Republican President who will cooperate with a Republican Congress, working together for efficiency and economy in Government.

Incompetence of the Truman administration is illustrated by the President's failure to present to the Congress the major budget requests at the opening of the Congress in January as the law requires.

Final budget estimates for Government corporations this year did not reach the Congress until April 6; for the Interior Department until May 10; for the Army and the Air Force until May 26; for independent offices, including the Veterans' Administration, the Atomic Energy Commission, and the Maritime Commission, until May 27, and for the Navy, until June 1.

Obviously this fumbling delay made it difficult to hold proper hearings and get the appropriation bills through the Congress before beginning of the 1949 fiscal year on July 1, 1948.

However, through tremendous effort the Congress did do a thorough and a

good job in handling Government expenditures.

TAXES

This is what the Republicans' preelection Statement of Principles, Policies, and Objectives said on taxation:

Taxes must be so imposed as to stimulate creative enterprise, not destroy it, and to afford the individual adequate purchasing power. Tax reforms and taxpaying must be simplified. There must be an incentive for business to expand production and employment for the individual to invest his savings in such expansion.

We have kept that pledge.

Three times President Truman vetoed tax-reduction bills passed by Congress, but the third time we passed it over his veto and our people today are receiving that tax relief.

Excessive taxes are a drag upon production. They stifle initiative. They are a major factor in the cost of living, because they enter into the cost of everything from a haircut to an automobile.

Taxes consume more than 25 cents out of every dollar that the housewife spends on groceries. For the American working men and women, the Republican Congress through tax reduction is providing more take-home pay, and by restoring sanity to the tax structure we are replenishing the wells of investment capital so there may be new plants, plant expansion, jobs and more production of the goods we need to adjust prices.

Under way is a complete overhauling of the entire tax code, which the New Deal administrations in their zeal to use taxation as a weapon for social and economic change have scrambled into confusing rules and regulations.

The United States Constitution is explicit in lodging the taxing power in Congress. The founding fathers never intended that one man—the President—shall decide how taxes shall be levied, though he may make recommendations.

Only one President before President Truman invaded the taxing power of Congress by abuse of the Presidential veto. President Franklin D. Roosevelt did it, and Congress swiftly overrode his veto as an affront to representative government.

TREASURY ESTIMATES UNDEPENDABLE

President Truman said the Federal Treasury could not stand a tax reduction and the Treasury Department backed him by grossly underestimating revenues. All through the battle over tax reduction, the Treasury Department grossly erred in its estimates. However, Congress relied upon its own judgment and the dependable estimates of its Joint Committee on Internal Revenue Taxation.

The Treasury Department predicted a deficit of $4,500,000,000 for the fiscal year ended June 30, 1947, and when that date arrived there was a surplus of $754,000,000. First estimates by the Treasury Department on probable revenue during the fiscal year ended June 30, 1948, were $5,946,000,000 below the final result, but in August 1947, a few days after the first two tax bills had been killed by vetoes, the Treasury Department began to make public estimates closer to the mark.

When the third and successful tax-reduction bill was passed by the Republican Congress, the Treasury surplus could not be concealed and fiscal year 1948 ended with a surplus of $8,419,469,843, seven times larger than the previous high established 21 years ago.

The people have a right to candor from public officials. In widely missing the mark in revenue estimates, the Treasury Department, as President Truman's agent, did so either deliberately to deceive the Congress and the people or through sheer incompetence. Either is inexcusable.

TAX CUT FAVORS SMALL WAGE EARNER

The Republican Congress gave its verdict on behalf of tax relief by overriding President Truman's third veto in the Senate 77 to 10 and in the House by a vote of 311 to 88.

Thwarted in his tax and tax policy, the President in campaign speeches has misrepresented the Tax Reduction Act, using the New Dealers' technique of misrepresentation in a demagogic effort to catch votes.

The cold fact is that 71 percent of the $4,800,000,000 in tax relief provided is going to persons with incomes of less than $5,000 a year. About 7,400,000 taxpayers in the lowest brackets no longer have to pay any Federal income tax. Percentage tax reductions range from 12.6 in the lower brackets down to 5 percent in the top brackets.

Husbands and wives are permitted to split their income for tax purposes, thereby lightening the family tax burden, and eliminating discrimination against citizens of many States. An additional $600 tax exemption is granted to taxpayers who are over 65 years of age and for the blind there is an additional $600 exemption. That is practical social-security legislation.

LABOR-MANAGEMENT RELATIONS

We Republicans, in our preelection Statement of Principles, Policies, and Objectives, said:

We reaffirm our belief in the right of labor to organize and bargain collectively with employers as one of the cornerstones of competitive enterprise. The processes of such bargaining must be protected and strengthened if we are to have real jobs and prosperity for all.

For that purpose we believe that Government decisions should not be substituted for free agreement, but governmental machinery to promote peaceful settlement of disputes should be improved.

Demands of either side must be kept within the bounds of reason and fairness and both sides must recognize the rights of the general public.

We have kept those pledges.

Those principles and policies are embodied in the Labor-Management Act passed by the Eightieth Congress. The new labor law is proving beneficial to labor, management, and the public.

Congress passed the act over President Truman's indefensible veto. Nearly four-fifths of all the Members of Congress joined in overriding the veto, whereas only a two-thirds majority was necessary to do so. In the final vote on the bill a majority of the participating Democrats joined the well-nigh unanimous Republican membership in support of the measure.

The House of Representatives overrode the President's veto 331 to 83, only 1 short of 4 to 1. The Senate vote was 68 to 25, or 6 more than a two-thirds majority of the 93 Senators who voted.

Voting in the House of Representatives to override the veto were 225 Republicans and 106 Democrats. Voting to sustain the veto were 11 Republicans, 71 Democrats, and 1 American-Laborite. In the Senate the division by parties was: Republicans for overriding the veto, 48; Democrats, 20. In favor of sustaining the veto were 3 Republicans and 22 Democrats.

For the story on how well the new labor law is operating, it seems well to cover the entire postwar period dating back to VJ-day, August 15, 1945, thereby obtaining a comparison before and after the new law became effective August 22, 1947. From the regular reports of the United States Bureau of Labor Statistics, it is evident the new law is doing the job of improving labor-management relations as intended by Congress, and as demanded by the people.

Since the Labor-Management Relations Act became effective strikes in manufacturing industries, bituminous coal mining and the private building industry, have decreased substantially. Work stoppages under the old law averaged 395 a month. They have been cut to an average of 201 under the new law. This represents a reduction in strikes of 49 percent.

The number of workers involved in new strikes each month from VJ-day until the new labor act was 337,000 each month. The average number of workers so involved since the act is 131,000. This is a reduction of 61 percent under the new law.

From VJ-day until the new act the average number of man-days of idleness caused by work stoppages was 7,213,000 per month. Under the new law this figure has been cut to 2,613,000 per month.

The record shows that under the new law wages have continued to rise, more leisure time has been made available through a shorter workweek and average hourly earnings also have increased.

The vital point is that labor is making these gains under the new law through peaceful, collective bargaining, whereas before the new labor act gains were more frequently made through costly strikes. Wage increases through peaceful negotiation are vastly more important to all concerned than wage increases obtained at the expense of lost wages and lost production. Thus, the new labor act is providing a better annual wage for workers and a more constant and increasing supply of things urgently needed as a solvent for high prices.

During 1946, the blackest year in work stoppages, workers lost 116,000,000 man-days, while at present the annual rate is running about a fourth as much. On the basis of higher wage rates, the savings to workers would be in excess of a billion dollars a year.

Under the new labor act's sound principles our country is building a rule of

reason for cooperation between employers and employees for their mutual benefit and for the good of all our people.

WORKERS' RIGHTS DEFINED

In the Appendix of the CONGRESSIONAL RECORD, page A3345, I analyzed the provisions of the new labor law in detail. I shall refer here only to its more important clauses.

It preserves in the same language that appears in the Wagner Act, the rights of workers to organize and to bargain collectively, and just as the old act did, it forbids employers to interfere with the employees, or to threaten or coerce them when they exercise these rights.

It forbids unions to beat up workers, or to threaten or coerce workers to force them into a union, or force them to choose one union when they wish to choose another.

It guarantees free speech to both employers and union, allowing them to talk to workers as long as they do not threaten workers or try to bribe them to join or not to join a union.

It forbids employers and unions, by agreement between themselves, to force workers to join the union and to pay dues to it unless the majority of the workers by secret ballot, have voted in favor of the agreement, and even then it forbids depriving a man of his job by denying union membership to him as long as he is willing to pay initiation fees and dues.

It forbids employers to check off union dues unless the worker has voluntarily authorized the employer to do so.

When employers and unions establish funds for the welfare of workers and their families, it requires them to do so under arrangements that will make certain that the money will be used for these purposes and not for other purposes of the union leaders.

It requires unions and employers, when labor contracts come to an end, to negotiate for 60 days before engaging in a strike or lock-out.

It forbids unions, by jurisdictional strikes and boycotts, to try to get control over employees who have not chosen the union as their bargaining agent, or who have chosen another union as their bargaining agent.

It requires unions, in order to be recognized as labor organizations under the Wagner Act, to tell their members how much money they take in, where they get it and what they spend it for, and to disclose what they pay their officers, how much they charge for dues, the grounds on which they suspend or expel members, and other matters that the members are entitled to know.

It exempts foremen and other supervisors from the provisions of the Wagner Act, requires the Board to regard them as employers, not as employees.

It forbids the Labor Board, which administers the Wagner Act, to compel skilled workers to bargain through an industrial union when they wish to bargain through a craft union.

It requires unions, in order to be recognized as labor organizations under the Wagner Act, to file affidavits of their officers saying the officers are not Communists or fellow travelers.

It forbids corporations to use stockholders' money for political purposes and forbids unions to use members' money for political purposes.

It makes unions subject to suits for damages, the same as corporations and other organizations, when they break their contracts or engage in unlawful activities.

It enables the President again to delay for a time strikes that imperil the public health or safety, as he did in the great coal strike early this year.

It makes the Conciliation Service an independent agency, directs it to try to prevent strikes—it cannot forbid strikes—and authorizes it to take a secret ballot of employees before a strike if the union is willing.

It requires unions, as well as employers, to bargain in good faith when employees choose the union as their bargaining agent.

It requires the Labor Board to use fair procedures and to render fair decisions whether the cases involve charges against employers or charges against unions.

It sets up a joint committee of Congress to study labor-management relations. If defects in the law appear, we will change the law. We will not stubbornly resist change as the New Dealers did for so long.

Now these are fair provisions. The law is a good law. The law will not prevent all strikes, but it has been proven to be fair and just, and with honest administration it will bring a greater measure of peace to the industrial scene than we have known for many years.

COMMUNISM

In our statement of principles we declared emphatically for "the protection of the American way of life against either Fascist or Communist trends."

We have kept that pledge.

The Republican Party has been relentlessly battling communism, fascism, and other alien "isms" through the years. Our united Republican Party is not the haven or refuge of these alien-minded forces that seek to destroy our Republic. Ours is not the party in which they have been successful borers.

Ten years ago the House of Representatives created a Special Committee on Un-American Activities. Seven years later it was made one of the standing committees of the House of Representatives. Throughout the New Deal era that committee has exposed Communists and other subversives in and out of the Government.

With the Republican Party in control of the Eightieth Congress we have continued to aid and encourage this committee. President Truman, while declaiming against Communists' aggression abroad, has given little more than lip-service to elimination of Communists from his own administration. This vital job has been bogged down by a confusion of committees and checkers in the executive branch.

Each time the Congress revealed groups of disloyal persons on the Federal pay roll, fumbling and bungling followed in the executive branch, with apparently no determined efforts by those in top authority to purge them from the Government household.

All subversive, un-American groups have been spotlighted by the House of Representatives committee without fear and without favor.

Agents of the Fascist countries, our enemies in the war, were exposed and dealt with swiftly. Since the war, when communism, the totalitarianism of the extreme left, has replaced nazism as the supreme threat to human freedom, the House of Representatives committee has redoubled its efforts to expose agents of that movement.

Gerhart Eisler, described as the No. 1 agent of the Communist International in the United States, was exposed by the committee, found in contempt of Congress, convicted in court of passport fraud, and sentenced to prison.

Activities of foreign-directed agents in our schools, colleges, industries, and civic life have been exposed by the congressional committee. Depredations of Communists in the Hollywood film industry were exposed and some of those Communists have been sentenced to prison for defying the constitutional authority of Congress to investigate subversive movements.

Advanced during the Republican Congress was comprehensive legislation to require registration of Communists under alien control so that they and their shabby propaganda may be exposed to the purifying antidote of Americanism. The Mundt-Nixon bill to effect those purposes was overwhelmingly passed by the House of Representatives—319 to 58—and is now being considered by the Senate.

As in so many other fields of government, cooperation between the President and Congress in eliminating Communists and other subversives from the Government is necessary if completely satisfactory results are to be obtained.

NATIONAL DEFENSE

On national defense, this is what we said in our Statement of Principles, Policies, and Objectives:

> We stand for a well-trained and fully equipped Army, Navy, and Air Force adequate to meet any emergency under future conditions of warfare. It must be supported by the most scientific research, a strong industrial system, and adequate reserves of trained men with the best weapons and equipment.

We have kept that pledge.

National defense was one of the major problems inherited by the Republican Congress from the tired hands of the incompetent Democratic administration. The armed services were in the throes of transition from the wartime basis to a peacetime establishment. There was much confusion in plans and purposes, no coordinated effective program, and the President oblivious to our disintegrating defenses.

We acted swiftly and thoroughly to correct that deplorable condition and to give our country an effective national defense establishment in these times of uneasy peace.

First, we passed a bill providing for unification of the armed services, with departments for Air, Ground, and Naval

Forces, each headed by a Secretary, and a Secretary of Defense over all, but under the President as Commander in Chief.

Not many months passed before we discovered that instead of getting unification the country was getting more triplification. We created a Joint Congressional Aviation Policy Committee to study the needs in air power.

That committee reported on March 1, 1948, that the armed services were in such conflict over missions to be performed by each that any appropriations by Congress for the armed forces would be unrealistic until the Joint Chiefs of Staff were agreed upon a unified plan of action. The President, in January 1948, submitted to Congress a budget for the armed forces, but our investigations revealed his recommendations had been based on very superficial study.

After the congressional committee made its report exposing the serious disintegration of our national defense because of President Truman's incompetence, there was a meeting of the top admirals and generals at Key West, Fla., with the Secretary of Defense. Simultaneously, Congress was rationalizing the Military Establishment budget, though it was not until June 1, 1948, that the President submitted his final estimate to Congress for the Navy.

For the national defense establishment to spend during fiscal year 1949, which began July 1, 1948, Congress appropriated $11,754,814,613, divided as follows: Military, $6,705,418,163; Navy, $3,800,396,450; to launch 70-group Air Force, $949,000,000; for stocking of strategic and critical materials, $300,000,000.

In addition, Congress gave the Air Force and Navy authority to make contracts in the 70-group Air Force program totaling $2,275,000,000; gave the Army contract authority up to $220,000,000; authorized contracts for strategic and critical materials up to $300,000,000, and gave the Navy construction contract authority up to $50,000,000. These make a total in contract authorizations of $2,845,000,000.

Thus, cash appropriations and contract authorizations made by Congress for the Military Establishment during fiscal 1949 totaled $14,599,814,613.

During the first session there was appropriated $8,751,295,733 in cash and there were contract authorizations amounting to $777,000,000, making $9,528,295,733 in cash and contract authorizations available for fiscal year 1948.

All of these cash appropriations and contract authorizations during the first and second sessions of the Republican Congress for the Military Establishment totaled $24,128,110,346.

CONGRESS ENACTS OVER-ALL PLAN

Throughout the battle for defense controversy raged over proposals for universal military training and selective service. Congress resolved these issues in line with the over-all plan of action and balanced defenses which was our paramount objective.

We passed a temporary Selective Service Act to provide the personnel necessary to the armed services. Under this act all men 18 through 25 must register, but only those 19 through 25 are subject to induction. Eighteen-year-old youths may obtain exemption from a later draft call by volunteering for 1 year's active service in the United States, six additional years in the Reserves.

There are other grounds for deferment from the draft in the act. Under the act the authorized strength of the Military Establishment was expanded to 2,166,882 officers and enlisted men—the Army to a maximum of 947,000 from the 548,000 strength at mid-June 1948; Navy and Marine Corps to 702,882 from 469,000; and Air Force to 517,000 from the June actual strength of 382,000.

Those in direct charge of the defense of the Nation have vigorously asserted the absolute need for these additional men in the armed services and they have also insisted they could not be obtained by voluntary enlistment.

Hence, the passage of the temporary Selective Service Act, but we Republicans confidently assert that with a Republican President cooperating with a Republican Congress in handling the foreign and domestic affairs of the Nation, the need for a long-continued peacetime draft will be eliminated.

However, the Republican Congress, intent as Republicans always are upon the Nation's security and unwilling to gamble with the national defense, has moved decisively and energetically to provide an adequate and efficient force properly equipped for the protection of our country.

WAR VETERANS

In our Republican Statement of Principles, Policies, and Objectives, we made this pledge:

> A grateful Nation demands that those who fought in its defense, their widows, and orphans must never be forgotten. The best medical care and rehabilitation, education, and training for all desiring it, and efficient assistance in securing homes, farms, businesses, and real jobs must be provided for the veteran.

We kept that pledge.

The Republican Congress, comprising many war veterans, recognizes its patriotic responsibility in seeing that the millions of men and women who served under the colors are treated fairly and generously as our grateful Nation demands.

This Congress enacted 188 laws directly benefiting war veterans and meeting a wide range of needs. Proper treatment of war veterans, the disabled, the widows, and the orphans is a sacred trust of the Republican Party that it has faithfully kept down through the years from its founding 92 years ago.

All of the laws enacted by the Republican Congress for the benefit of war veterans were passed after President Truman stated in a message to Congress on January 6, 1947, that "except for minor adjustments, I believe our program of benefits for the veterans is now complete." The Director of the Veterans' Administration has filed reports against scores of measures introduced into Congress affecting veterans. In these reports the Director has stated that the proposed legislation was not in accord with the President's program.

But notwithstanding the position taken by President Truman, as expressed in his message and as represented by the Director of the Veterans' Administration in his reports to Congress on veterans' bills, the Republican Congress found that the program for veterans' benefits was far from completed. We acted in the interest of the veterans.

Veterans are chief beneficiaries of the comprehensive legislation enacted by this Congress which has resulted in the biggest housing boom in the history of our Nation. War veterans are receiving priority in all construction financed in part by the Government.

CASHED TERMINAL-LEAVE BONDS

Passed by Congress was a measure authorizing financial assistance to disabled veterans in the construction of specially designed homes for veterans paralyzed from the waist down. Fifty percent of the construction costs will be borne by the Government.

Funds were provided by Congress to supply special-type automobiles for amputees in need of them.

We corrected an injustice to the enlisted men of the last war, when we passed a bill to cash immediately the GI's terminal-leave bonds. That we did over the protest of the President and the Secretary of the Treasury.

More than 9,000,000 of the terminal-leave bonds had been issued, and it was estimated that about 12,000,000 veterans would receive their pay in cash instead of bonds at a cost of $2,500,000,000. By redeeming the bonds we not only corrected an injustice to the veterans, we also cut the national debt and interest charges.

Among the measures passed by the Republican Congress was one raising the ceilings on wages and allowances payable to veterans in on-the-job training. It sets ceilings at $210 a month for a veteran without dependents; $270 for a veteran with one dependent, and $290 for a veteran with two or more dependents.

These replaced ceilings of $175 for a single veteran and $200 for a veteran with dependents. A proportional increase of the difference between the subsistence allowances for part-time trainees and the increased subsistence allowances for full-time trainees is provided for those attending school on a part-time basis and trainees in institutional on-the-farm training.

Another act increases compensation for dependent survivors of war dead. Increases range from $15 a month for a widow with no children to $21.40 for a widow with two children. Covered also by the increase are orphans and dependent parents.

A bill passed by this Congress provides additional compensation for a veteran who has dependents and is entitled to compensation at wartime schedules for service-connected disabilities rated at not less than 60 percent. The additional compensation ranges from $21 a month for a veteran with a wife only to $56 for a veteran with a wife and three children. A $17.50 provision also is made for each dependent parent.

AID COVERS WIDE RANGE

Among the measures enacted by the Republican Congress on behalf of the veterans were the following:

Established the Women's Army Corps (WAC's) in the Regular Army and authorized the enlistment and appointment of women in the Regular Navy and Marine Corps Reserves.

Extended until February 3, 1950, the time limit for applying for mustering-out pay from the armed services.

Provided medical care for reservists who are injured or contract diseases while engaged in military training.

Provided for a second 5-year renewal of level-premium term insurance for veterans.

Passed a bill to allow compensation for American citizens and military personnel for injuries sustained as a result of wartime internment.

Authorized medical care for Philippine veterans serving in the armed forces of the Commonwealth of the Philippines while such forces were in the armed services of the United States.

Increased from $1,500,000 to $3,000,000 the revolving fund for loans to World War II veterans engaged in vocational training.

Extended the time for bringing alien fiancées to the United States.

Provided for refund of income taxes paid for year in which servicemen died while in the service.

Increased amount of Federal aid to State or Territorial homes for support of disabled soldiers and sailors of the United States from $300 to $500 until June 30, 1951, and $300 a year thereafter.

Amended civil-service code to prevent discrimination against physically handicapped veterans in Government positions.

Exempted hospitalized servicemen from the Federal tax on admissions to baseball games, theaters, and other entertainments.

Authorized travel expenses for veterans receiving vocational rehabilitation under regulations of the Veterans' Administration.

Allowed presumption of service connection for chronic and tropical diseases in applying for disability benefits.

Authorized a subsistence allowance to World War II veterans of $1 a day for each day spent as prisoners of the Japanese. This would not affect claims for property loss and personal abuse sustained while in a prisoner-of-war status.

Allowed service credit for enlisted men of the Coast Guard who acted as policemen and guards at Ivigtut cryolite mine, Greenland, during 1940 and 1941.

Equalized retirement benefits among members of the Nurse Corps of the Army and Navy.

Authorized $1,000,000 annual appropriation to the Veterans' Administration for prosthetic-appliance research.

Preserved seniority rights of 10-point-preference eligibles in postal service transferring from position of letter carrier to clerk, or vice versa.

Authorized sale of permanent war housing to veterans for not more than construction cost.

Amended act of July 31, 1947, to provide further benefits for employees of the United States who are veterans of World War II and have lost opportunity for probational civil-service appointments by reason of service in the armed forces and who, due to service-connected disabilities, are unable to perform the duties of the positions for which examinations were taken.

Increased peacetime service-connected disability compensation rates from 75 to 80 percent of wartime rates.

GOVERNMENT CONTROLS, VETERANS' HOUSING

This is what we pledged:

Wartime limitations, restrictions, and controls must be removed. The instant a right or liberty can be returned to the people it shall be returned. Neither the war nor any other excuse shall be justification for fastening regimentation upon the American people.

We have kept that pledge.

The Republican Congress has reversed the trend toward a planned economy, where the Government determines what shall be produced and in what amounts, what the people can buy and when they can buy it.

We forced elimination of 76,000 Government rules, regulations, directives, and orders that were blocking our transition from a wartime controlled economy to a peacetime free economy.

With the elimination of the numerous Government restrictions and controls on our peoples, American production is now moving forward, output is at an all-time high and wages have reached their highest peak. This is the American way. Under it our people will be able to purchase the things they need and want at prices they can afford. They will enjoy the highest standard of living in all history. That is our objective. Free men will attain that objective.

We extended temporarily authority of the President to control exports and channel them according to our Nation's foreign policy of helping those countries that help us.

Consumer credit controls—regulation W—were eliminated after November 1, 1947. These controls were a barrier to normal buying and selling customs of a vast segment of the public and in effect gave a purchase priority for items in short supply to persons best able to make large down payments.

CONGRESS GENERATES BUILDING BOOM

Incompetence of the Truman administration is tragically revealed in its fumbling and bungling on the housing problem. When the Emergency Housing Act was under consideration in 1946, the Administration claimed it would mean construction of 1,200,000 dwelling units in 1946, and 1,500,000 in 1947.

The Truman administration's approach was to create overlapping housing agencies with a fanfare of trumpets and glowing promises. The bureaucrats were loath to release their withering grip on the building industry. They clung to their power to shove people around, but we freed the people and the result is the biggest building boom in our country's history.

During 1946, when the Truman administration had the power to control every inch of board and every nail, only 435,800 new permanent dwelling units were completed. In 1947, after the Republican Congress freed the people of Government rationing and other controls, 835,100 units were completed.

The Bureau of Labor Statistics reported that expenditures for new construction in June 1948, totaled $1,605,000,000. Compared with June 1947, the total was greater by $443,000,000 or 33 percent.

The Bureau reported that construction employment in June 1948, increased by 133,000 to reach 2,182,000—the highest level since November 1942. The number of workers was 225,000 more than June 1947, and 75,000 above the previous postwar peak of last September.

By the end of June, the Bureau reported, $7,700,000,000 had been spent for new construction in 1948, or 35 percent more than in the corresponding 6 months of 1947. More than half the increase went for home building.

That is construction, not Truman blueprints.

To generate the building boom, the Republican Congress has provided many financial aids for prospective home owners, especially the war veterans, by guaranteeing repayment of substantial parts of loans and by easing credit channels all along the line. Many billions in Government credit is going into home construction, chiefly for war veterans.

TOP PRIORITY FOR VETERANS

We provided that veterans shall have preference in the purchase or rental of all newly constructed sale or rental housing. This priority will remain in effect until April 1, 1949.

We continued rent control and brought effective administration to local communities where local authorities may deal with situations among their neighbors.

We extended for 2 years provisions of the National Housing Act so that the FHA may continue to insure home modernization and improvement loans.

Under our Housing for Veterans Act, approved July 1, 1948, financing of GI home mortgage loans is being facilitated by providing a secondary market for GI mortgage loans in the Federal National Mortgage Association. This legislation makes it possible for veterans to obtain 100 percent Government guaranteed or insured financing which is all eligible for purchase by the Government secondary market.

Further assistance is provided by this bill to the veterans' housing program by making veterans' housing cooperatives and nonprofit housing corporations eligible for Government insured financing up to 95 percent of the value of the project.

Emphasis is placed upon construction of homes within the ability of veterans generally to pay. For instance, the average sized veteran home mortgage guaranteed by the GI bill is $5,756, and over 1,000,000 veterans have secured mortgage loans aggregating more than $7,000,000,000.

According to findings of the Federal Bureau of Labor Statistics on construction costs for the second quarter of 1947—latest analysis available—some 58 percent of all new housing construction had a cost, excluding land, of less than $6,250 per dwelling unit.

We are licking the housing shortage in the American way. The American people see the proof in new construction all over the country.

AGRICULTURE, RECLAMATION, FLOOD CONTROL

Our Republican declaration of principles said:

We have pledged stability of farm prices during the reconversion and readjustment periods. We will carry out those pledges. We will support sound, permanent proposals to give farmers expanding markets and their fair share of the national income. We reaffirm our long-standing support of soil-and-water conservation. We shall support measures designed to protect better rural living.

We have kept those pledges.

Accomplishments of the Republican Congress for agriculture and thereby strengthening our whole national economy are unsurpassed by any previous Congress.

Instead of the collapse in commodity prices that President Truman forecast in a message to Congress in 1945, there has been and continues to be a tremendous world demand for food. The American farmers gave all-out production during the war.

The Republican Congress has kept faith with the farmers by continuing reasonable Government support of prices in return for maximum production of food. As a result of the actions of the Republican Congress, farmers now have confidence and assurance as they toil and sweat.

For the happiness and contentment of the farmers, and the protection of the consumers, the Republican Congress has contributed in many ways. Here, briefly, are our major accomplishments:

Enacted farm price support legislation geared to the present emergency demand for food exports and to the long-range welfare of both consumers and producers, with these highlights:

First. The basic commodities are supported at 90 percent of parity through June 30, 1950.

Second. The major nonbasic commodities are supported at 60 to 90 percent of parity through December 31, 1949, except that milk and its products, hogs, chickens, and eggs are supported at 90 percent of parity for that period.

Third. Beginning January 1, 1950, the provisions of the long-range price support program will go into effect. These include a general revision of the parity formula to take into consideration the varying costs of agricultural production, changes in the pattern of consumption and other factors.

"Parity" is a formula approved by Congress to equalize prices for what the farmer sells and prices of things he buys.

RURAL ELECTRIFICATION EXPANDED

Authorized $800,000,000 in loans for rural electrification, twice as much as any previous Congress and only $275,000,000 less than the total amount provided for REA work prior to the Eightieth Congress.

REA electricity was extended during fiscal year 1948 to 400,000 farm homes—more than twice as many as in any prewar year—and an even larger number of farm homes are scheduled to receive electricity during the 1949 fiscal year.

SOIL CONSERVATION EXTENDED

Appropriated more than $500,000,000 for soil conservation activities on American farms.

Authorized $262,500,000 for soil conservation payments for 1949.

We began extensive studies with a view to adoption of a long-range comprehensive governmental policy for restoration and conservation of the Nation's agricultural resources. Pending enactment of such a program, we extended the authority for AAA soil conservation payments through 1951.

RECORD ROAD-BUILDING PROGRAM

Launched the greatest rural road building program ever undertaken cooperatively by the Federal and State Governments.

Appropriated almost twice as much money for Federal participation in secondary road construction as was spent by the Federal Government for that purpose in the 10 years prior to 1948.

Compared with Federal expenditures for secondary roads in the 10 fiscal years 1938–47 totaling $112,000,000, the Republican Congress appropriated $74,000,000 for that purpose in fiscal 1948 and $128,000,000 for fiscal 1949. This will make possible a Federal-State secondary road program more than five times as great as in any single previous year.

Authorized $450,000,000 for Federal participation in road building during 1950 and the same amount for 1951. Funds are to be divided 45 percent for primary roads, 25 percent for city thoroughfares, and 30 percent for secondary rural roads.

In addition, the Republican Congress enacted an entirely new crop insurance act, providing a sound and businesslike program of insurance for a great many agricultural commodities; strengthened the farmers' marketing act; chartered the Commodity Credit Corporation; stabilized the sugar market in the interests of consumers and producers; rescued wool growers by extending the price support program, after the Secretary of Agriculture's April 15, 1947 order terminating the price-support program had plunged the wool producers into disaster; and the Republican Congress provided liberally for campaigns against the livestock foot-and-mouth disease, cattle grub, weeds, insects, and other pests.

GOP CONGRESS FOSTERED RECLAMATION

One of the most brazen attempts of the Truman administration to convert a sound, nonpartisan national program into a political football and vehicle for radical New Deal planners is its treatment of the reclamation program that is so vital to the West.

Panicky and at wit's end over the problems of conversion from war to peace, President Truman in August 1946, issued his infamous order freezing one-half of the money Congress had appropriated for the Reclamation Service's construction fund. Urgently needed irrigation and power projects were slowed down, contract negotiations were canceled, and the whole program was thrown out of gear.

The reclamation program had been furthered through the years by nonpartisan support. Party lines had been dropped as whole communities battled unitedly for water and power primarily essential to take care of the growth of the West.

When the Republican Congress convened we rescued the reclamation program, which, incidentally, was fathered by the Republican Party back in President Theodore Roosevelt's administration.

We investigated the Reclamation Service in the Department of the Interior and found scandalous conditions. In an effort to discredit the Republican Congress orders were given to spend appropriations faster than the prudent schedules provided by Congress, so that funds would be exhausted prematurely and thereby foment dissatisfaction among the people.

Evidence was obtained in support of charges that the Reclamation Service had misled Congress on the amount of unused funds in the construction program.

Much, very much, remains to be done before the reclamation program is reestablished in the interests of the people, but the Republican Congress has made progress in that purpose.

This Congress has appropriated more money for reclamation than any previous Congress—$389,804,000—and we intend that it shall be spent wisely.

We have provided more money for river and harbor improvement than any previous Congress—$285,500,000. For flood control we exceeded all previous congressional outlays in making $712,063,000 available. These are expenditures that come under the category of must, and the Republican Congress fully recognizes its responsibility in fostering reclamation, river and harbor improvement, and flood control.

FOREIGN AFFAIRS

On foreign affairs this is what our Republican Declaration, in part, said:

We support the United Nations Organization for international peace. * * * We support the indispensable inter-American system as a regional part of the international organization. * * * We will engage in essential international relief as a humanitarian obligation and to prevent chaos through misery. * * * We will seek to find common policies with the other great powers. * * * We consider that the maintenance of a strong, solvent, free America is the basis of our greatest contribution to world order.

We have kept those pledges.

In foreign affairs, the Republican Congress has complied with all its constitutional responsibilities. We have striven for an enduring world peace.

We have kept all congressional commitments to the United Nations, acted to strengthen solidarity of the Western Hemisphere, provided generously for relief and recovery of foreign nations wracked by the war, and insisted upon the American way in our dealings with all nations.

Our Federal Constitution divides responsibility and duties in foreign relations between the President and the Congress. In the President is lodged the prerogative of negotiating with foreign countries, and in the Congress, or the

Senate as the case may be, is vested the duty of approving, amending, or rejecting treaties that the President negotiates.

Implicit in the Constitution is teamwork, cooperation between the President and the Congress. The founding fathers never intended that foreign policy should be made by only one man—the President. The people reserved that right for themselves, acting through their representatives in the Congress and their President.

New Deal Democrat Presidents, past and present, have stretched their constitutional right to make agreements with foreign governments. They have caused situations repugnant to our Republic. In the creation of these tragic situations the Republican Congress has had no part.

When the Republican Congress convened in January 1947, the seeds for many of the ills that now confront our country and which have threatened lasting peace had already been planted. The Republican Party had no part in the planting.

Neither the Republican leaders in Congress nor the American people were consulted when the secret deals were made at Quebec, Yalta, Tehran, and Potsdam—deals designed to remap much of the world, deals to "freeze" the future of our war enemies, and deals that bypass Congress and the American people in the peacemaking.

OPPOSED APPEASEMENT OF RUSSIA

President Truman has consulted Republican congressional leaders on some foreign affairs policies, but on many vital matters he has not consulted them. When he has consulted our leaders they advised him to steer a consistent course in keeping with American traditions, to be reasonable and firm, and above all not to coddle and appease Soviet Russia.

Instead, the Truman administration's record in foreign affairs is a series of reversals, vacillation, fumbling, and bungling which cannot be escaped or tossed into the lap of the Republican Party as the results of a "bipartisan" foreign policy.

In recognizing its responsibility as the policy-making branch of the Government, the Republican Congress sent special committees abroad to gather firsthand information. Sadly lacking, it was found, was an over-all plan and global thinking on the ravages of communistic aggression. Through piecemeal doses, the Government had distributed more than $20,000,000,000 among foreign nations since the war's end in its customary loose methods.

VOTED $9,579,657,128 IN FOREIGN AID

During the first session of the Eightieth Congress, we appropriated $2,377,573,900 for foreign aid, including $400,000,000 for assistance to Greece and Turkey and for administration and relief in occupied countries.

During the second session, we appropriated $7,202,083,228 for those purposes, with $1,000,000,000 earmarked for reconstruction and rehabilitation loans.

Thus, the Republican Congress appropriated $9,579,657,123 in an effort to help foreign countries get well and preserve their independence against the threat of communism.

ORDERED EFFICIENCY IN FOREIGN AID

We established the Economic Cooperation Administration, with directions for administering the foreign aid in a business-like, efficient way to the end that there shall be happiness and security in the afflicted countries, redounding to our own national security, prosperity, and happiness.

The Republican Party is mindful of the importance of solidarity among the nations of the Western Hemisphere. To that end our Party was represented in the successful inter-American conference at Rio de Janeiro, Brazil, last year.

The Rio treaty was ratified on December 8, 1947, by the Senate. Under the treaty the American Republics are pledged to strengthen their friendship, to submit controversies between them to peaceful settlement, and to prevent aggression through effective reciprocal assistance.

We reestablished as a single Government corporation the Institute of Inter-American affairs and the Inter-American Educational Foundation, Inc. The Institute is directed to improve social and economic conditions by concrete programs in the fields of public health, sanitation, agriculture, and education.

Under agreement with the United Nations the Pacific Islands formerly held by Japan under League of Nations mandate were brought by the Senate into United States trusteeship, the islands to be known as the Territory of the Pacific Islands. They embrace the Marshalls, Carolines, and Marianas which our gallant troops captured during the war.

We joined the International Refugee Organization and gave it $71,073,900 for its humanitarian work. We passed a bill to admit 205,000 displaced persons into the United States and allow 15,000 war refugees already here to remain.

The Senate ratified treaties of peace with Italy, Rumania, Hungary, and Bulgaria.

AMERICA IS GOING FORWARD

The Republican Congress has delivered on its pledges to the people.

The united Republican Party, through its constructive, forward-looking program has accomplished much during less than 2 years of its control of the Eightieth Congress for the welfare of all the land.

This progress has been made despite obstruction every step of the way by an administration whose philosophy of government revolves around radicalism, regimentation, all-powerful bureaucracy, class exploitation, Government extravagance, stifling and destructive taxation, centralization of power and authority in Washington, coddling of Communists, and corrupt big city politics.

We Republicans in Congress know that the people stand with us in our fight for sound, forward-looking, good government. They are not going back to the sort of bad government of which they have had enough, much too much.

That is why they are going to elect a Republican President who will cooperate with a Republican Congress in carrying forward the cause of good government thus far so well advanced by the Eightieth Congress, a Republican Congress.

America is going forward!

America is going Republican!

Mike Mansfield Reports on Veterans' Legislation in the Eightieth Congress

EXTENSION OF REMARKS

OF

HON. MIKE MANSFIELD

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. MANSFIELD. Mr. Speaker, during the Eightieth Congress 31 bills have been passed for the benefit of veterans of both World Wars I and II. These bills have been signed by the President and are now public laws. The veterans of Montana will recall that 2 years ago I corrected and brought up to date the veterans' handbook, which I distributed to the best of my ability to the veterans living in my congressional district. As an addition to that handbook, I have compiled a list of veteran laws which have been passed by the Eightieth Congress and which I think forms a necessary supplement to the handbook for veterans which I sent out 2 years ago.

As a former enlisted man in the Army, Navy, and Marine Corps, I have been very much interested in veterans' legislation, and it has been my pleasure and privilege to support and vote for all good veterans' legislation. Since my own service in the armed forces it has been my belief that America owes a debt which can never be fully paid to the veterans who have preserved this Nation. It is my intention to continue to fight in behalf of all our veterans to improve the service of hospitalization, vocational and academic education, life insurance, disability determination, and pension payments. If the veterans of my district have any questions on this or any other kind of legislation, I wish they would feel free to call on me at any time.

The list of veteran bills which were passed by the Eightieth Congress is as follows:

Public Law 5: Repeals time limit (now extended administratively to January 1, 1948) for reinstatement of national service life insurance (level-premium term) on comparative health basis, to provide for automatic conversion to ordinary-life plan for total disability at end of term, and to provide for original application on any permanent plan.

Public Law 34: Extends for an additional 5-year period the privilege of renewing 5-year level-premium term United States Government life insurance for World War I veterans.

Public Law 82: To permit husband and wife to combine their armed services credit for homestead purposes.

Public Law 85: Authorizing $35,500,000 to complete temporary reuse housing for veterans.

Public Law 94: To extend for 1 year (until June 30, 1948) certain provisions of section 100 of the Servicemen's Readjustment Act, as amended, relating to authority of the Administrator of Veterans' Affairs to enter into leases for periods not exceeding 5 years.

Public Law 115: Authorizes an increase in appropriation for revolving fund from $1,500,000 to $3,000,000 for purpose of making advancements by the Veterans' Administration not to exceed $100 in any case to disabled veterans of World War II taking vocational training.

Public Law 126: Extending until January 1, 1948, the time during which alien fiancées of veterans may enter the United States without being subject to immigration quotas or visa regulations.

Public Law 161: To extend for another year the authority to purchase automobiles for World War II veterans who are leg amputees or have suffered the loss or the use of a leg.

Public Law 213: To permit the admission to the United States of racially inadmissable alien spouses of veterans.

Public Law 254: To provide for the cash payment of terminal-leave bonds any time after September 1, 1947.

Public Law 270: Provides increase of 20 percent in rates of service pension for veterans of the Spanish-American War and Civil War and their dependents.

Public Law 310: To restore the tax-exemption status of those members of the armed services removed from former American possessions during captivity by the Japanese.

Public Law 314: To authorize the acceptance by officers and enlisted men of the armed services of medals and decorations tendered them by cobelligerent and neutral nations of World War II.

Public Law 316: Permits recognition of officers and enlisted men retired from the military and naval forces of the United States as representatives of certain organizations in the presentation of claims to the Veterans' Administration.

Public Law 325: To make mandatory on Federal agencies the rulings of the Civil Service Commission on appeals by veterans for reinstatement.

Public Law 338. Increases the minimum monthly subsistence allowance payable to disabled World War II veterans who are taking vocational training and who have a service-connected disability, disabling to a degree of 30 percent or more, to the following sums: Without dependents, $115 (formerly $105); with one dependent, $135 (formerly $115); plus the following amounts for additional dependents: $20 (formerly $10) for one child, and $15 (formerly $7) for each additional child, and $15 (formerly $15) for a dependent parent.

Public Law 350: To provide cash in lieu of terminal leave for veterans.

Public Law 367: To refund income tax so paid by any member of the armed services who died on active duty for the year in which death occurred and for the years during which he was in the armed services.

Public Law 377: Includes by statute institutional on-farm training among types of full-time training afforded World War II veterans under title II of the Servicemen's Readjustment Act and to set up certain standards relative thereto.

Public Law 396: To extend veterans preference benefits (civil service) to widowed mothers of certain servicemen and ex-servicewomen.

Public Law 411: Increases subsistence allowances for World War II veterans pursuing full-time institutional training to $75 per month, if without a dependent, or $105 per month if he has one dependent, or $120 per month if he has more than one dependent.

Public Law 429: Amends the National Service Life Insurance Act to extend for 2 years the time within which eligible persons may apply for payment of automatic (gratuitous) insurance death benefits.

Public Law 512: Raises the ceilings on wages and subsistence allowances payable to veterans undergoing institutional or on-the-job training as follows: $250 monthly for veteran without dependent (formerly $175), $325 for veteran with one dependent (formerly $200), $350 for veteran with two or more dependents (formerly $200). Adds 2 years to the customary training period.

Public Law 702: Authorizes assistance to spinal-cord case World War II veterans in acquiring specially adapted housing which they require by reason of the nature of their service-connected disabilities.

Public Law 748: Establishes by statute a presumption of service connection for certain enumerated chronic and tropical diseases which are shown to exist within 1 year from discharge from active service, or within the incubation period of such tropical diseases.

Public Law 762: Grants pension to unremarried widows of Spanish-American War veterans, 60 years of age, who married veteran 10 years prior to his death.

Public Law 838: Authorizes additional period of 5 years for all level-premium term insurance on all policies issued prior to January 1, 1948.

Public Law 864: Creating second market for housing loans made under title III of Servicemen's Readjustment Act of 1944, as amended.

Public Law 868: Increases service-connected death rates of compensation for widows and dependents to: Widow, no child, $75; widow, one child, $100; with $15 for each additional child; no widow but one child, $58; no widow, two children $82; no widow three children $106; $20 for each additional child; $60 for a dependent mother or father (or both, $35 each); rates for peacetime veterans' widows and dependents set at 80 percent of above.

Public Law 876: Increases compensation rates for disability incurred in peacetime service to 80 percent of rates payable for similar disability incurred during wartime service.

Public Law 877: To increase compensation for veterans 60 percent or more disabled and who have dependents.

Address of Hon. Frances P. Bolton, of Ohio, Before the Republican National Convention at Philadelphia

EXTENSION OF REMARKS
OF
HON. FRANCES P. BOLTON
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mrs. BOLTON. Mr. Speaker, in accordance with permission extended me by unanimous consent of the House, I am inserting herewith the address I made before the Republican National Convention at Philadelphia on June 22, 1948:

Fellow delegates, all Republicans in this great hall and out across the country and every citizen within the frontiers of this wonderful America.

We Republicans meet here in the historic city of Philadelphia to nominate one man for the Presidency, the highest, most responsible elective office in the world, and one for the equally important office of Vice President. Witness our plight during the past 3 years. It would be impossible at this moment for us who have declared to all the world that it is in "God we trust"—not to ask that we be used by the creative and constructive forces of His being to bring wisdom to a place of leadership here in these United States, and so to all the anguished world. I am certain that it is the feeling of every man and woman in this convention hall that the results of our considerations may be such that it can be truly said in the language of the psalmist, "Here we will set up a standard to our God."

I am asked to direct my remarks especially to the women of the country. This I am particularly happy to do because yesterday, June 21, 1948, will stand as a milestone to all American women. It marks the nomination to the Senate of the United States of a charming, capable, experienced woman, with 8 years of magnificent service in the House of Representatives to her credit. Deeply respected by every Member of the House and Senate, and in all the departments of Government as a careful, fair, tolerant, and determined Member of the Congress, MARGARET CHASE SMITH brings to her Senate job an amazing preparation. Without financial backing, on the sheer strength of her hard work, her fine record, and her personality, MARGARET SMITH polled many more votes than her three opponents together, twice as many as her strongest opponent.

With quiet serenity she went into every city and village in Maine, letting the people see her, talk with her, question her that they might know her caliber, and judge her for themselves. Her overwhelming victory should give to every man and woman across the country a fresh assurance that once the people know, their judgment can be relied upon. With all our hearts we Republican women should be grateful to this woman, grateful for her hard work, for her comprehension of the people of this country, for her understanding of the methods and procedure of the Congress, and her position in the world of men.

For myself, I want to thank the people of Maine for the proof they have once again given the whole world that they will be true to the finest standards and the highest ideals that are America. All hail! Margaret, we women rejoice that your judgments will be a part of Senate consideration of the great problems of the future. You have been the finest type of Congresswoman. We know from your demonstrated abilities that you will carry the same quiet strength into what we in the House call the other body. This is the time when men and women must work shoulder to shoulder if the dreams in the hearts of all real Americans are to be brought into actuality. Thanks, Congresswoman, and good luck in the other body.

Is it not of peculiar significance that we gather here in the city that cradled a formula of liberty under law as yet unrivaled, at a moment when the people of America must reexamine, reappraise, reevaluate, and restore the virility of their liberty? Out of these days must come certainty that government in this representative Republic is to be wisely administered, to the end that it may once again rest in the hands of the people.

It has been said that "* * * power and liberty are like heat and moisture: where they are well mixed everything prospers; where they are single, they are destructive." It is the task of the Republican Party to see to it that the spirit be restirred, requickened, rededicated, and readjusted to the fundamentals of freedom. This task Republicans are eminently fitted to perform—not men alone, but men and women, side by side, shoulder to shoulder.

Power. Liberty. Freedom.

Power, yes. We have given the world a terrible power when we found the secret of the atom. But we have released also a far more miraculous power—that of the free human spirit. There is nothing that such a power under the great laws of the eternal universe cannot do. But it must be free.

There are no words in all our language that are more precious than liberty and freedom. Yet we have let our freedom and our liberty be jeopardized by permitting concentration of power in the executive branch of Government. This, our Government must put back in balance that freedom be once again assured. If you doubt this, go out across the world and see if you can find any who are free as we are free.

Go where the menace of communism casts its dark shadow over every hour of day and night—where fear is all that men know. Men? Yes. But women, too—women and little children, they are always the final sufferers, all of them looking across the seas to America for hope, for the assurance that America is still free—knowing that if freedom yet lives in some one spot on earth, it can reconquer the world. How their hearts must rejoice that our doors are being opened to some 200,000 of the homeless victims of tyranny by this Republican Congress.

The moment has come when we Republicans must provide the real leadership that will bring back sanity and balance to our economy, to our courts, to every area of our life, including the home, that center of our whole way of life. We who are women must assume our whole share of the burden. When have we ever refused, we who hold title to most of the land, who have control of the major holdings. But our economic powers are but a small part of our responsibilities, for it is woman who has the first responsibility for the family. It is woman who is the central force of the home, the potent influence upon the children in their earliest impressionable years. It is women who furnish the spiritual incentive for better living without which no nation can be secure.

As it is the women of America who have to make ends meet, who have to stay within budgets, it is the women of America who should rise up in November and give the country relief from the spending spree of these last long years.

This Republican Congress, in spite of the efforts of New Deal Presidents, has already moved to help increase the budget allowance of the housewife by reducing taxes. Seventy-one percent of the tax relief, nearly three-fourths, goes to people in the lower-income brackets where relief from tax burdens is most needed.

We Republican women, on farms and in cities, in factories and in every situation of our national life should shout aloud from the housetops that there is to be an end to the bureaucratic mismanagement and oppression that has choked us for so long. We should spread the good news that these tax reductions with the exemptions for the aged, those beyond the age of gainful occupation, and for the blind, are signposts on a new road, the road to permanent American recovery pointing with unerring accuracy to a better day.

If we, as women, are impatient with governmental policies that are wasteful, then we must use our strength, our influence, our vote to a good purpose. We who know the relief that comes after a good house cleaning, should apply the principle to our community living and to our national responsibility. We need a complete national house cleaning.

Written on the walls of the Chicago public library are these words: "Our Republic is an act of faith which generations still in darkness hid, signed in their night in witness of the dawn."

Our Republican Party is an organization built in faith to maintain and uphold the principles of our Republic.

We know of old that "Faith is the substance of things hoped for, the evidence of things not seen."

So in faith, we women of the Republican Party turn within to find the strength and courage to meet the growing needs of our organization and the country it serves, and we look beyond to the work our party and our Nation must do to uphold the principles once announced here in Philadelphia and projected further in the Bill of Rights. American liberty was born here, here let us do our best to preserve it.

As we consider America as she is today, hated and feared by other countries because of her demonstrated strength, the luxury of her life as compared with the poverty and hunger everywhere else in the world, we women know that she must be true to herself if she is to be light to those in darkness, hope to those who despair—whether these be within our own frontiers or out beyond the seas.

We women know even better than our men that the dream that brought our forefathers to these shores has not yet been made perfect. We long to see America a land where all men and all women, no matter what be their color, their method of worship of the Most High God, or their national background, shall have opportunity to work according to their need and education that will develop their utmost capacity. We know this will take many years and much consecrated effort: but we press forward toward the day when, because of our determinations here in this city of brotherly love, children will be born with sound bodies and keen minds into homes where happiness dwells. We who know the cost of life as no man ever can or will, know that these things will not be until war is resolved, until greed, envy, suspicion, fear give way to understanding and perfect peace comes to the world. We know that now is the turning point and that we have a vital work to do.

Because we know these things we must take up the burden of our knowledge. As American women and as Republicans we have a very vital part to play in these next months, and on into America's future. Resenting all the dark shadows of oppressive government interference with our freedom of choice, we must do our full share and more to remove every vestige of unbalance among the three separate correlated branches of government that protect us from the tyranny of any one of them.

Nor may we sit back complacently at this grave moment in man's history when the forces of unbelief are reaching out across the world. Rather must we face up squarely to this menace which is communism, fearlessly building the invisible defenses we know to be more powerful than any visible armor. That is every woman's part in this fateful hour, your part and my part.

Let me tell you my fellow delegates of this convention and all Republicans of this great representative Republic that the women of America do care, and they will show that they care when we elect a Republican President on November 2.

Women of America, here in this great convention hall, and out across the Nation: The hour of consecration is upon us. Our priceless heritage of freedom needs what only we can give. The clouds that have been gathering around the torch of our liberties will be dispelled with ease when once, with clear eyes and strong hearts, in conquering faith we go forward.

So, with a deep and abiding humility let us take hold upon our duty that we will continue in the tradition of the great Republican Party by giving our country leaders who will be strong in faith and understanding, unswerving in their determination to return this to the people, whose servant it must always be if liberty and freedom shall reign upon the earth. A government of, by, for the people.

Reports of the Proposed Libby Dam

EXTENSION OF REMARKS
OF
HON. MIKE MANSFIELD
OF MONTANA
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. MANSFIELD. Mr. Speaker, in view of the newspaper publicity given to the activities of the United States Corps of Engineers in carrying out investigations in western Montana, I have received many communications from Montanans, covering the proposal for a dam at the Libby site, 1½ miles below Jennings, Mont. I have written to Gen. R. C. Crawford, Acting Chief of Engineers, for information on this proposed project and I am including with my remarks his reply. I have already sent out reports on the proposed Paradise and Glacier View Dams and the arguments about the Libby Dam apply to them as well.

The following points, in connection with the Libby proposal, are pertinent and should be kept in mind.

First. The United States Corps of Engineers has neither the authority nor the funds for the construction of this project.

Second. Under specific authority granted by Congress, the United States Corps of Engineers has been given the authority to make detailed investigations in the entire Columbia River Basin.

Third. The Libby project is not being proposed for construction at this time.

Fourth. Public hearings have been held to consider the views of the people of Montana on this proposed project.

Fifth. A complete report covering the Libby project must be made to Congress.

Sixth. After the report has been made to Congress—and only then—will authorization for this and similar projects be considered.

Mr. Speaker, the reply of General Crawford to my letter follows:

WAR DEPARTMENT,
OFFICE OF THE CHIEF OF ENGINEERS,
Washington, D. C.

Hon. MIKE MANSFIELD,
House of Representatives,
Washington, D. C.

DEAR MR. MANSFIELD: Reference is made to your letter in which you ask for information on a proposal for a hydroelectric power and flood-control project on the Kootenai River concerning which, it is your understanding, a hearing has been scheduled for 7 July 1948 at Libby, Mont.

It appears that the proposal to which you refer is that for a dam on the Kootenai River at the Libby site, about 1.5 miles downstream from Jennings, Mont. As you may already know, at this time we do not have the necessary authority from Congress nor funds for the construction of a dam at the Libby site. Pursuant to specific authority from Congress, however, we now have under way a detailed investigation of the entire Columbia River Basin, including the Kootenai River. The necessary field studies and the preparation of reports in connection with that investigation are being accomplished under the supervision of Col. Theron D. Weaver, our division engineer of the North Pacific Division, with the study of that portion of the Columbia River Basin lying within Montana being carried out under the immediate direction of Col. Leland H. Hewitt, our district engineer at Seattle, Wash.

A project on the Kootenai River at the Libby site is included among a large number of prospective improvements for the development of the water resources of the Columbia River Basin that are being studied in connection with the current investigation of that river basin. At the present time, therefore, this project is not being proposed by the Corps of Engineers for construction but is rather one of the subjects of discussion at hearings being held in the area concerned in order that the views of interested persons

and organizations may be obtained and considered in formulating plans for the development of the Columbia River and its tributaries. As mentioned in your letter, Colonel Hewitt has scheduled a public hearing to be held in the Theater Building at Libby at 2 p. m. on July 7, 1948, to consider the Libby Dam proposal, as well as a proposal for a levee project to protect Bonners Ferry, Idaho. I am pleased to inclose for your further information a copy of the notice of that public hearing issued by Colonel Hewitt's office under date of June 24, 1948. The inclosed notice presents detailed information on the improvement at the Libby site which is now under consideration.

The views of interested persons and organizations relative to prospective improvements in the Columbia River Basin as expressed at public hearings and by other means will, of course, be carefully considered by the reporting officers and will exert a considerable influence in the formulation of the conclusions and recommendations of the Division and District Engineers when their report is submitted to this office. Since the investigation of the Columbia River Basin is still under way in the field, however, this office is not apprised at this time of the recommendations to be made by the reporting officers relative to the Libby Dam project and other prospective improvements in the Columbia River Basin now under consideration.

The Division and District Engineers' report on the Columbia River Basin investigation is scheduled to be completed and submitted to this office in the fall of this year. When that report is received, at which time you will be notified, it will be referred to the Board of Engineers for Rivers and Harbors for review as required by law. Upon completion of the Board's action on that report, the proposed report of the Chief of Engineers thereon will be furnished to the Governors of the affected States and to interested Federal agencies for their views and comments, and the written comments of the Governors and interested Federal agencies will accompany the complete report to Congress with the recommendations of the Chief of Engineers regarding improvements considered feasible and economically justified at that time. After the report has been transmitted to Congress, further action toward the construction of any projects that may be recommended therein will depend upon the authorization of those projects by Congress and the appropriation of the necessary funds for the work proposed.

Sincerely yours,

R. C. CRAWFORD,
Major General,
Acting Chief of Engineers.

The Federal Power Act

EXTENSION OF REMARKS
OF

HON. WILLIAM J. MILLER

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. MILLER of Connecticut. Mr. Speaker, on the 7th day of April 1947, I introduced two bills known as H. R. 2972 and H. R. 2973. These bills contained proposed amendments to parts 2 and 1 respectively of the Federal Power Act.

A subcommittee of the House Interstate and Foreign Commerce Committee, to whom the bills were referred, held extensive hearings on the proposed amendments during June 1947. More than a score of witnesses appeared in support of the bills. Witnesses came from all over the United States. The National Association of Railroad and Public Utility Commissioners appeared in support of the measures. The only opponents were members and employees of the Federal Power Commission and they were given 4 days in which to express their opposition. These hearings attracted Nationwide attention but did not bring out any known opposition.

During the hearings numerous changes were proposed in the language of the two bills. Based on a careful study of these hearings I have had a substitute bill prepared which I will introduce at the opening of the next session of Congress.

Due to the large number of bills referred to the House Committee on Interstate and Foreign Commerce it was impossible for the subcommittee to complete its study of this legislation in time to submit a report to the full committee or to the House.

A copy of the bill as it will be introduced next January follows. I have also prepared a description of the bill along with a summary of the hearing and other pertinent comment.

A bill to amend the Federal Power Act

PART I

Be it enacted, etc., That in connection with the administration of part I of the Federal Power Act it is hereby declared to be the policy of Congress to recognize the interests and rights of the States in determining the development of the watersheds and water resources within their borders and likewise their interests and rights in water utilization and control, and for that purpose to limit the authority and jurisdiction of the Federal Power Commission in the administration of part I of the Federal Power Act, as hereinafter provided. All of the provisions of part I of the Federal Power Act, as herein amended, shall be administered and enforced with a view to carrying out the above declaration of policy.

SEC. 1. Subsection (8) of section 3 of the Federal Power Act is hereby amended to read as follows:

"(8) 'navigable waters' means those parts of streams or other bodies of water over which Congress has jurisdiction under its authority to regulate commerce with foreign nations and among the several States, and which at the time of the inquiry are generally and commonly used for commerce of a substantial character consisting of the transportation of persons or property by boat in interstate or foreign commerce, or have a reasonable probability of being so used either in their natural condition or by navigation improvements recommended to Congress within the preceding 3 years by the Chief of Engineers and the Secretary of War after examination and survey pursuant to specific authorization by Congress provided that such recommendation has not theretofore been rejected or abandoned by Congress and that as of the time of inquiry the estimated annual commercial benefits to be derived therefrom exceed the estimated annual costs of said improvements sufficiently to make the improvement economically justifiable, or by navigation improvements which have been authorized by Congress within not more than 3 years prior to the date of inquiry or for which, if earlier authorized there are specific and currently effective appropriations for the purpose of furthering navigation in interstate or foreign commerce, including all falls, shallows, or rapids compelling land carriage."

SEC. 2. Subsection (g) of section 4 of the Federal Power Act is hereby amended to read as follows:

"(g) Upon its own motion to order an investigation of any occupancy of, or evidenced intention to occupy, for the purpose of developing electric power, public lands, reservations, or streams or other bodies of water over which Congress has jurisdiction under its authority to regulate commerce with foreign nations and among the several States by any person, corporation, State, or municipality and to issue such order within its jurisdiction under section 23 (b) of this act as it may find appropriate, expedient, and in the public interest to conserve and utilize the navigation and water-power resources of the region."

SEC. 3. Section 6 of the Federal Power Act is hereby amended to read as follows:

"SEC. 6. Licenses under this part shall be issued for a period of 50 years from the date of issuance thereof, except in the event application is made for a shorter period and the Commission agrees to such shorter period. Each such license shall be conditioned upon acceptance by the licensee of all terms and conditions of this act and such further conditions, if any, as the Commission shall prescribe in conformity with this act, which said terms and conditions and the acceptance thereof shall be expressed in said license. Licenses may be revoked only for the reasons and in the manner prescribed under the provisions of this act and may be altered or surrendered only upon mutual agreement between the licensee and the Commission after 30 days' public notice. Copies of all licenses issued under the provisions of this part and calling for the payment of annual charges shall be deposited with the General Accounting Office, in compliance with section 3743, Revised Statutes, as amended (U. S. C. title 41, sec. 20)."

SEC. 4. Subsection (i) of section 10 of the Federal Power Act is hereby amended to read as follows:

"(i) In issuing licenses in cases of (a) projects of not more than 2,000 horsepower installed capacity or (b) projects for more than 2,000 horsepower installed capacity or (c) projects for more than 2,000 horsepower installed capacity where applicable for license shall have been made by reason of the occupancy or proposed occupancy of public lands aggregating not more than 15 percent of the lands occupied or proposed to be occupied by the project, the Commission shall waive all conditions, provisions, and requirements of this part, except the provisions of subparagraph (c) of this section 10 and the license period of 50 years: *Provided,* That the provisions hereof shall not apply to annual charges for use of lands within Indian reservations."

SEC. 5. Subsection (a) of section 23 of the Federal Power Act is hereby amended to read as follows:

"(a) The provisions of this part shall not be construed as affecting any permit or valid existing right-of-way granted prior to June 10, 1920, pursuant to applicable State, Territorial or Federal laws, or as confirming or otherwise affecting any claim, or authority given prior to June 10, 1920, pursuant to such laws, or as being applicable to any dam, water conduit, reservoir, powerhouse, or other works incidental thereto, lawfully constructed under a permit, right-of-way, right to construct, or authority granted or existing prior to June 10, 1920, pursuant to such laws or as affecting the right to transfer, cancel, revoke, or terminate any permit or right-of-way, and every permit or right-of-way shall be valid and existing until canceled or terminated in appropriate proceedings for that purpose but any person, association, corporation, State, or municipality holding or possessing a permit, right-of-way, right to construct, or authority granted or existing prior to June 10, 1920, pursuant to such laws may apply for a license hereunder, and upon such application the Commission may issue to any such applicant a license in accordance with the provisions of

this part and in such case the provisions of this act shall apply to such applicant as a license hereunder: *Provided,* That when application is made for a license under this section for a project or projects already constructed the fair value of said project or projects determined as provided in this section, shall for the purposes of this part and of said license be deemed to be the amount to be allowed as the net investment of the applicant in such project or projects as of the date of such license, or as of the date of such determination, if license has not been issued. Such fair value shall be determined by the Commission after notice and opportunity for hearings."

SEC. 6. Subsection (b) of said section 23 of the Federal Power Act is amended to read as follows:

"(b) It shall be unlawful for any person, State, or municipality for the purpose of developing electric power to construct, operate, or maintain any dam, water conduit, reservoir, powerhouse, or other works, incidental thereto across, along, or in any of the navigable waters, as herein defined, or upon any part of the public lands or reservations of the United States, including the Territories, or utilize the surplus water or water power at any Government dam, except under and in accordance with the terms of a permit or valid existing right-of-way, or right to construct, granted or existing prior to June 10, 1920, pursuant to applicable State, Territorial, or Federal laws, or a license granted pursuant to this act: *Provided,* That no such license shall be required with respect to the repair, reconstruction, operation, or continued maintenance of any dam, water conduit, reservoir, powerhouse, or other works incidental thereto lawfully constructed under any permit, right-of-way, right to construct, or authority granted or existing prior to June 10, 1920, pursuant to applicable State, Territorial, or Federal laws. Any person, association, corporation, State, or municipality intending for like purpose to construct or maintain a dam or other project works across, along, over, or in any stream or part thereof, other than those defined herein as navigable waters, and over which Congress has jurisdiction under its authority to regulate commerce with foreign nations and among the several States shall before such construction, and in the case of a project heretofore constructed, may file declaration of such intention with the Commission, whereupon the Commission shall cause an immediate investigation of such proposed construction or previously constructed project to be made, and if upon investigation it shall find that the interests of interstate or foreign commerce would be affected by such proposed construction or the continued maintenance of such previously constructed project, such person, association, corporation, State, or municipality shall not construct, maintain, or operate such dam or other project works until it shall have applied for and shall have received a license hereinafter denominated a limited license, which the Commission shall issue upon application and which shall be for 50 years from the date of issuance thereof, except in the event application is made for a shorter period and the Commission agrees to such shorter period, shall not contain any condition or option permitting the United States to take over the project except by eminent domain, and shall contain only such conditions as are reasonably necessary or appropriate for the protection of the navigable capacity of navigable waters as herein defined, and to reimburse the United States for the cost of administering the act in relation to the project. If no public lands or reservations are affected, and unless the Commission in the case of a new project finds that said project is not appropriate for the protection of the navigable capacity of the navigable waters affected and for the improvement and utilization of water power, permission is hereby granted to construct and maintain or to maintain such dam or other project works in such streams upon compliance with State or Territorial laws: *Provided further,* That in those cases where the Commission finds that the interests of interstate or foreign commerce would be not affected by such proposed construction or the maintenance of such previously constructed project, the declarant, whether the owner of an existing project or proposing to construct a new project, may apply for, and upon such application the Commission shall issue such a limited license for such project upon the terms and conditions hereinbefore prescribed for such a license: *And provided further,* That unless the United States acquires the project for or in connection with a navigation improvement, such a limited license shall, upon the application of the original licensee or its assignee, be renewed for the same term and upon the same conditions as provided in the expiring license except insofar as a different term or different conditions may be appropriate under, or required by, then existing law or for the protection of then existing navigable capacity of navigable waters as herein defined.

No license shall be required with respect to the repair, reconstruction, operation, or continued maintenance of any dam, water conduit, reservoir, powerhouse, or other works incidental thereto lawfully constructed across, along, over, or in any stream or part thereof other than those defined herein as navigable waters, and over which Congress has jurisdiction under its authority to regulate commerce with foreign nations and among the several States under any permit, right-of-way, right to construct, or authority granted or existing prior to August 26, 1935, pursuant to applicable State, Territorial, or Federal laws: *Provided, further,* That any person, State, or municipality constructing, operating, or maintaining any dam, water conduit, reservoir, powerhouse, or other works incidental thereto, across, along, or in any navigable waters, as herein defined, or across, along, over, or in any stream or part thereof other than those defined herein as navigable waters, and over which Congress has jurisdiction under its authority to regulate commerce with foreign nations and among the several States shall conform to the lawful requirements of the Chief of Engineers and the Secretary of War, with respect to navigation or the effect of any such dam or other works on navigation: *Provided, further,* That insofar as the Commission in its administration of the act prior to this amendment has required the acceptance of licenses for projects or of licenses with conditions, which licenses or conditions are not authorized or required by the act as hereby amended, the Commission, upon application of a licensee, shall cancel such licenses and eliminate such conditions as would not have been authorized or required had these amendments to the act been in effect at the times when such licenses were issued; and upon cancellation of any such license as aforesaid, permission is hereby granted to maintain such project in compliance with State or Territorial laws.

SEC. 7. Nothing in this part shall be construed as in any way affirming, disaffirming, or otherwise affecting the compensable or noncompensable character of the water rights of any owner of property across, along, or in any navigable waters, as herein defined, or waters other than those defined herein as navigable and over which Congress has jurisdiction under its authority to regulate commerce with foreign nations and among the several States, in the event of the taking of such property by virtue of the authority of the United States.

PART II

Subsection (b) of section 201 of the Federal Power Act is hereby amended to read as follows:

"(b) The provisions of this part shall apply to the transmission of electric energy in interstate commerce and to the sale of electric energy at wholesale in interstate commerce, but shall not apply to any other sale of electric energy or deprive a State or State commission of its lawful authority now exercised over the exportation of hydroelectric energy which is transmitted across a State line. The Commission shall have jurisdiction over all facilities for such transmission or sale of electric energy, but shall not have jurisdiction, except as specifically provided in this part and the part next following, over facilities used for the generation of electric energy or over facilities used in local distribution, or only for the transmission or sale of electric energy in intrastate commerce, or over facilities of a person, whose facilities are located wholly within one State and who is engaged in local distribution, which facilities are used for the transmission or for the sale at wholesale within the State in which it is consumed of electric energy generated in another State, or over facilities for the transmission of electric energy consumed wholly by the transmitter."

SEC. 2. Subsection (c) of said section 201 is amended to read as follows:

"(c) For the purpose of this part, electric energy shall be held to be transmitted in interstate commerce if transmitted from a State and consumed at any point outside thereof; but only insofar as such transmission takes place within the United States: *Provided, however,* That the transmission of electric energy in interstate commerce shall not be deemed to include transmission by facilities of a person whose facilities are located wholly within one State and who is engaged in local distribution even though some of the facilities of such person are used for the transmission or for the sale at wholesale within the State in which it is consumed, of electric energy generated in another State: *Provided, further,* That transmission of electric energy in interstate commerce shall not be deemed to include transmission within a State of electric energy all of which (exclusive of energy received under the proviso next following) is generated in the same State which is sold to a person engaged in the transmission of electric energy from such State even though a part of the energy so sold is transmitted to another State unless the amount of electric energy so sold is more than the amount of electric energy customarily distributed locally in such State by means of facilities interconnected directly or indirectly between the point of delivery of such energy to such purchaser and the State line. *Provided further,* That transmission of electric energy from the lines of one person to those of another in pursuance of a contract or arrangement between such persons for emergency service, or in pursuance of a contract or arrangement for an exchange of electric energy, according to the terms of which settlement for any variation in delivery is made upon the basis of the cost of production or of purchase of such energy, or a division of the savings resulting from such exchange, or because of a slop-over of electric energy between connecting lines or systems, shall not be held to be transmission of electric energy in interstate commerce."

SEC. 3. Subsection (d) of said section 201 is amended to read as follows:

"(d) The term 'sale of electric energy at wholesale in interstate commerce' when used in this part means a sale of electric energy in the course of the transmission of such energy in interstate commerce as defined in subsection (c) hereof, to any person for resale."

SEC. 4. Subsection (e) of said section 201 is amended to read as follows:

"(e) The term 'public utility' when used in this part or in the part next following means any person who owns or operates facilities subject to the jurisdiction of the Commission under this part: *Provided,* That a person who ceases to be a public utility by reason either of cessation of ownership or

operation of facilities subject to the jurisdiction of the Commission, or any amendment of this act shall not thereafter be subject, by reason of such person formerly having been a public utility to any provision of this act or any rule, regulation, or order of the Commission except orders under section 205 (e) and section 206 (a) with respect to rates or refunds applicable while such person was a public utility."

SEC. 5. Subsection (f) of said section 201 is amended to read as follows:

"(f) No provision in this part shall apply to, or be deemed to include, the United States, a State of any political subdivision of a State, or any agency, authority, or instrumentality of any one or more of the foregoing, or any corporation which is wholly owned, directly or indirectly, by any one or more of the foregoing (hereinafter in this subsection (f) called a governmental agency) or any officer, agent, or employee of any of the foregoing acting as such in the course of his official duty, unless such provision makes specific reference thereto. Any person engaged in the transmission or sale of electric energy through facilities located wholly within one State and not otherwise subject to the jurisdiction of the Commission may make a temporary or permanent connection within the State in which such person conducts its operations with facilities owned and operated by a governmental agency, and such person shall not become subject to any provision of this act by reason of such connection, even though the electric energy received or delivered by such person through such connection has been or is to be transmitted across a State line by such governmental agency."

SEC. 6. Said section 201 is further amended by adding thereto the following subsections:

"(g) 'Emergency' as used in this section shall be deemed to mean failure or inadequacy of facilities for the generation or transmission of electric energy caused by break-down, weather conditions, acts of God, or other unforeseen occurrences, not reasonably within the power of the utility affected to prevent, resulting in the cutting off or curtailment of electric services, or rendering such utility unable to provide adequate services for its customers.

"(h) 'Emergency' shall be deemed to 'slop over' within the meaning of this section when it passes over the lines of one person to those of another in consequence of a sudden increase or decrease in load during the momentary period when such change causes the systems of the two utilities to be out of balance.

"(i) It is hereby declared to be in the public interest that the business of generating, transmitting, and selling electric energy, for ultimate public consumption, shall be subject to public regulation; and to the extent that such business is not subject to the jurisdiction of the Commission under this act the same is declared to be local in character, and shall be subject to regulation by State authority."

SEC. 7. In order to encourage the establishment of new interconnections and the strengthening and increased utilization of existing interconnections, section 202 of the Federal Power Act is amended by adding a new subsection (f) to read as follows:

"(f) Any person engaged in the transmission or sale of electric energy and not otherwise subject to the jurisdiction of the Commission may construct or utilize new interconnections, or utilize existing interconnections with any other person, whether or not subject to the jurisdiction of the Commission, and shall not by reason of the construction or use of such interconnections become subject to the jurisdiction of the Commission under any provision of the Federal Power Act if the two following conditions are satisfied: (1) The electric energy passing over the interconnection must not during any calendar year exceed in aggregate amount five (5) percent of the gross annual generation and purchase of kilowatt hours of electric energy of both persons thus interconnected; and (2) any contract or arrangement for the exchange, purchase or sale of electric energy passing over the interconnection must specifically provide for interruption of deliveries at any time in the discretion of the person supplying or receiving the energy. No person, engaged in the transmission or sale of electric energy and not otherwise subject to the jurisdiction of the Commission shall become subject to its jurisdiction by reason of receipt or transmission of electric energy, directly or indirectly, which passes over an interconnection between other persons under circumstances which as to them satisfied the conditions of exemption. This subsection is not intended to remove the business of generating, transmitting and selling of electric energy, for ultimate public consumption, from public regulation; to the extent that such business is removed from the jurisdiction of the Commission by this subsection, the same is declared to be local in character and shall be subject to regulation by State authority.

DESCRIPTION

This bill amends the jurisdictional provisions of part II of the Federal Power Act relating to interstate sales and transmission of electric energy and the hydroelectric licensing requirements of part I. It clarifies and delimits the authority of the Federal Power Commission (FPC). It is based in the main on H. R. 2972 and 2973 introduced in the House of Representatives on April 7, 1947, by Mr. MILLER of Connecticut and referred to the Committee on Interstate and Foreign Commerce.

Twenty-six witnesses testified on June 23, 24, and 26 in support of H. R. 2972 and 2973 at hearings before a subcommittee composed of Representatives HALL, chairman (New York), HESELTON (Massachusetts), MILLER (Connecticut), HARRIS (Arkansas), and SADOWSKI (Michigan). Representatives WOLVERTON (New Jersey), chairman of the Committee on Interstate and Foreign Commerce, and LEA (California) also sat during portions of the sessions. These witnesses included State officials, manufacturers, and public utility operating officials, including residents of the States of Connecticut, Georgia, Massachusetts, Michigan, Montana, New York, Pennsylvania, Virginia, and Wisconsin.

The bills were endorsed by the National Association of Railroad and Utility Commissioners (NARUC), both at the hearings and at the NARUC annual meeting held in Boston on July 14–17. The only opponents consisted of the members and employees of the Federal Power Commission, who were heard on July 2, 10, 11, and 21. No member of the public felt it necessary to appear in opposition.

GENERAL PURPOSE AND SCOPE OF THE BILL

The bill should result in the accomplishment of badly needed reforms in the administration of the Federal Power Act, which has been fraught with dissensions between the Federal Power Commission and the State commissions and the Federal Power Commission and the electric and manufacturing industries. It is imperative that Congress now review the legislation it passed in 1935, which has remained unreviewed and unchanged since 1935.

The general objective of this proposed legislation is to define more accurately the jurisdiction of the Federal Power Commission and to limit such jurisdiction to that field of regulation in which there can be no effective State regulation. It seeks to avoid duplication of Federal and State regulation over the same subject matter and interference by Federal regulation with State regulation.

The underlying purpose of the bill is to eliminate duplication of regulation. If a public utility is subject to State regulation no Federal regulation is necessary. Since in the administration of the Federal Power Act there have been examples of duplication of regulation, this bill is offered to eliminate such duplication. Utilities cannot be subject to two masters and operate efficiently in the public interest. The proponents of the 1935 amendments to the Federal Power Act recognized this and in supporting them before Congress unequivocably declared them to be complementary to, and not in substitution of, State laws. The technique of the FPC in administering the act has resulted in duplication of regulation. This offends the purpose of the law and the congressional wish.

In general, the objective of the amendments proposed by part I of the bill is to recognize the interests and rights of the States in the development of their watersheds and water resources and their interests and rights in water utilization and control.

The bill does not attempt to eliminate supervision by the Federal Government in the fields of flood control, reclamation, navigation, and other national purposes nor to restrict the authority of the Federal Power Commission over public lands, reservations of the United States, or Government dams, nor does it surrender to utility companies water rights in which the Nation has an interest.

Specifically, the bill proposes:

1. To limit the jurisdiction of the Federal Power Commission over navigable waters to those waters on which, at the time of the inquiry, actual transportation of persons or property takes place in interstate or foreign commerce, or could take place by then proposed congressional improvements which are practicable and economical.

2. To restore to the States the control of waters which are not useful in interstate commerce and in which the Federal Government has no real interest justifying Federal Power Commission interference.

3. To provide that no Federal Power Commission licenses are necessary for the continued maintenance of existing projects on navigable waters lawfully authorized prior to June 10, 1920, by either Federal, Territorial, or State authority, or prior to August 26, 1935, in the case of projects on nonnavigable waters.

4. To require licenses (limited to protecting the navigable capacity of "navigable waters") for projects on nonnavigable waters only if the interests of interstate or foreign commerce would be affected or if public lands or reservations are involved.

5. To authorize the Commission to issue limited licenses even though they may not be required and to cancel licenses for projects no longer requiring them.

6. To provide that the Commission waive all but certain conditions in cases of installed projects of less than 2,000 horsepower installed capacity. This will result in small manufacturing concerns not being required to take out a conventional standard Federal Power Commission license.

7. To require licenses to be for 50 years from date of issue rather than from 1920.

In general, the amendments proposed by part II of the bill amend the Federal Power Act so as to prevent the Federal Power Commission from exercising jurisdiction over intrastate electric utility companies subject to State regulation. The bill does not have as its objective the elimination of Federal Power Commission jurisdiction over companies having facilities which cross State lines. Nor does the bill propose to exempt any company from full and complete regulation by either State or Federal authority.

Specifically, the bill proposes to amend the Federal Power Act so that the Federal

Power Commission shall not have jurisdiction over a company because:

1. Such a company, which owns no facilities crossing a State boundary, receives on its system energy from outside the State in which it operates if it is engaged in local distribution within such State, and all such energy is consumed entirely within its State.

2. Such a company, which owns no facilities crossing a State boundary, transmits or sells energy consumed outside its State if such energy is sold or transmitted to a company engaged in local distribution and the principal purpose of such sale or transmission is not the transmission of such energy cutside the State.

3. Such a company transmits or sells energy generated or consumed outside its State if such transmission or sale is pursuant to a contract for emergency service or for the exchange of energy at cost, or such transmission or sale is because of a slop-over of energy.

4. Such a company was once engaged in the sale or transmission of energy in interstate commerce, but is no longer engaged in such sale or transmission.

5. Such a company buys from, sells to, or transmits to or from a governmental agency energy which may have been transmitted across a State line.

6. Such a company maintains, within limits, interstate interconnections primarily for the purpose of strengthening the Nation's defense and improving the Nation's peacetime economy.

Following is a typical set of situations which amendments proposed by part I of the bill seek to cure.

(a) The assertion by the Federal Power Commission of jurisdiction over every stream in the country: The extent to which the Federal Power Commission asserts jurisdiction over dams or projects in, along, or upon streams is well illustrated by an examination of the facts in any of several cases involving the necessity of companies taking out licenses for projects on streams which are not used or suitable for use in their present condition for the conduct of interstate commerce. For example, a river having been used for transportation in interstate commerce many years ago will remain a navigable river of the United States within the meaning and subject to the jurisdiction of the Federal Power Commission even though it is no longer used. This doctrine of "once navigable, always navigable" has been successfully maintained by the Federal Power Commission in cases brought against companies to require them to obtain a license from the Commission. In determining whether a river is navigable the Federal Power Commission is perfectly willing to apply standards of commerce in use more than a hundred years ago and to find that a river is navigable even though such standards of commerce are no longer used; for example, such things as the floating of logs, the navigation of streams by Indians and early settlers, the use of lateral floating ferries, the use of floating rafts, and such other methods of transportation no longer in modern use. Evidence of this kind was offered in the *New River case* and in the following cases: *In the Matter of Bellows Falls Hydro-Electric Corp. and Connecticut River Power Co., Federal Power Commission Docket IT-5584; Pennsylvania Water & Power Co.* v. *Federal Power Commission* (123 Fed. 2d, 155); *Wisconsin Public Service Corp.* v. *Federal Power Commission* (147 Fed. 2d, 743); *Georgia Power Co.* v. *Federal Power Commission* (152 2d, 908). The committee perhaps points out parenthetically that the objections to this type of evidence on which the Commission has based its jurisdiction does not come only from the particular company in question over which the Federal Power Commission is trying to assert its jurisdiction. For example, in the New River case, a large majority of the States of the Union appeared for the purpose of contending that the order involved constituted an unlawful invasion of the right of the State of Virginia to regulate the use, level, and flow of a nonnavigable stream in that State. Likewise, in the Wisconsin Public Service Corp. case, both the State of Wisconsin and its public service commission intervened in the proceeding before the Federal Power Commission for the purpose of contending that the Wisconsin River, at the point where the proposed dam was being reconstructed and for many miles above and below this point, was not "navigable waters" within the definition of that term as defined in the Federal Power Act.

Here is what Justice Roberts of the United States Supreme Court thought of the criterion used by the Federal Power Commission in determining whether a stream is navigable:

"If this test be adopted, then every creek in every State of the Union which has enough water, when conserved by dams and locks or channeled by wing dams and sluices, to float a boat drawing 2 feet of water may be pronounced navigable, because by the expenditure of some enormous sum such a project would be possible of execution. In other words, Congress can create navigability by determining to improve a nonnavigable stream.

"If this criterion be the correct one, it is not seen how any stream can be found not to be navigable nor is it seen why this Court and other Federal courts have been at pains for many years to apply the other tests mentioned when the simple solution of the problem in each case would have been to speculate as to whether, at 'reasonable' cost, the United States could render a most difficult and forbidding mountain torrent suitable for the least pretentious form of water traffic. In the light of the Court's opinion, if this test be applied to the New River, it must, of course, be admitted that by blasting out channels through reefs and shoals, by digging canals around falls and rapids, and possibly by dams and locks, the New River could be rendered fit for some sort of commercial use. What the expense would be no one knows. Obviously it would be enormous. Congress in the past has undertaken to render the river navigable and decades ago gave up the attempt. Still we are told that, at 'reasonable' cost, the thing can be done, and so the stream is navigable."

(b) Assertions by the Federal Power Commission that a project on a navigable river built pursuant to State authority prior to 1920, and built on a nonnavigable river pursuant to State authority prior to 1935, is illegal and must be licensed. In four cases brought by the Federal Power Commission against persons operating hydroelectric developments in navigable streams, as that term is now so loosely construed by the Commission, the Commission successfully contended that in passing the Federal Power Act Congress did not intend to exempt from the provisions of part I of the act the rightful occupation, prior to June 10, 1920, pursuant to State law of any navigable waters of the United States. *Wisconsin Public Service Corp.* v. *Federal Power Commission* (147 Fed. 2d 743; 325 U. S. 880); *Niagara Falls Co.* v. *Federal Power Commission* (137 Fed. 2d 737; 320 U. S. 792, 815); *Pennsylvania Water & Power Co.* v. *Federal Power Commission* (123 Fed. 2d 125; 315 U. S. 806). In the Matter of Bellows Falls Hydroelectric Corp. and Connecticut River Power Co., Federal Power Commission, Docket No. IT-5584.

The Commission, for example, has recently asserted jurisdiction over the Windsor Locks Canal Co., which owns and operates a dam and canal at Windsor Locks, Conn. The authority to erect this dam can be traced to May 1824, when the predecessor of the Windsor Locks Canal Co., the Connecticut River Co., received a charter from the General Assembly of the State of Connecticut which authorized it to lock the falls at Enfield, Conn., on the Connecticut River, and to construct a canal on either bank of the river near the falls and to construct a dam. From available records, this dam and canal was completed around 1830. In 1845, when a railroad line was constructed from Hartford to Springfield, Mass., the business of the Connecticut River Co. was seriously affected and about this time the company began to lease land and water to various manufacturing industries which were then being established in Windsor Locks. The business of the Company from that time to date has consisted principally of the sale or lease of water to these industries. However, despite the fact that the Windsor Locks Canal Co. has been operating under valid State authority for more than a century, the Federal Power Commission has claimed that it is doing so unlawfully because it is not doing so pursuant to a license from the Commission. It is the position of the Commission that the existence of any form of State authority does not obviate the requirement of a Federal license.

(c) The assertion by the Federal Power Commission that a manufacturer on a navigable river must take out the same kind of a license that a public utility would be required to take out: In June of 1946 the Federal Power Commission addressed letters to five manufacturing companies stating in effect that at Windsor Locks, Conn., they were unlawfully operating hydroelectric plants without Federal authority and demanded that they take out licenses from the Federal Power Commission.

Each of these companies lease or purchase water from the Windsor Locks Canal Co. Two of these companies are manufacturers of paper, one is a manufacturer of sweaters, underwear, and yarns, one is a manufacturer of chucks, and one is a manufacturer of casters and handling equipment. All of these companies use the water which they lease or purchase from the canal company for manufacturing processes and purposes. In addition, these companies use a portion of the water to turn mechanically certain machinery and also to generate a small amount of electric energy for lighting or power purposes in their plants. The amount of electricity is small and none of it is sold by any of these companies to anyone else. In fact, the total generating capacity of all of these companies from the water purchased is approximately 1,100 horsepower. Each of these companies is a small manufacturing concern of the family ownership type, some of whom have been in business at their present location for more than 100 years.

In general, a license means just this. It means that a manufacturer who has been operating his business lawfully for some years must file an elaborate application form with the Federal Power Commission, which incidentally is not adapted to a manufacturer, since to allocate account-wise for the receipts from the use of the water power appears to be an impossible task. Representatives of the Commission then may visit his plant, make an audit of his accounts, examine and analyze his books, cost records, engineering reports, and other records pertaining to his application for a license. If a license is granted it is granted subject to conditions established by the Commission. For example, some of these conditions require that his accounts be regulated by the Commission, principally through a requirement that reserves be maintained, according to the rules of the Commission, for depreciation, repairs, etc., and for the amortization of the cost of his investment. An annual charge is levied, and finally, at the end of the license period, the Federal Government can appropriate his project, whether it is located in the State of Connecticut or any other State, not by paying the fair value thereof but by paying what the Commission chooses to call his net investment in the

project, which is the original cost thereof less certain deductions. If this net investment is lower than the fair value of the project at the time of its acquisition by the Federal Government, this is just too bad for the licensee. Of course, all during the license period the licensee must battle with the usual reports and red tape which surround the administration of this particular Federal agency. For example, recently the staff of the Commission proposed rule 105 which would have required companies operating projects of more than 100-horsepower capacity to set aside all earnings above a fair return upon the net investment of the property, which earnings would have been used to reduce the original cost of the projects and thus reduce the net investment in them and thus reduce the amount the Government would pay to the owner when it recaptured these plants at the end of the license period. The Commission rejected the rule, but the mere fact of its promotion indicates the nature of the Commission's views. If the Commission can in 1970, which is the time most of the licenses granted by the Commission expire because of its policy of issuing them from 1920, obtain all these licensed projects the groundwork is beautifully laid for the nationalization of the power business; these properties can be picked up on bargain terms.

(d) The assertion of the Commission that any activity on a nonnavigable river affects navigable rivers: In most of the cases brought before the Federal Power Commission to require a license of a project on a nonnavigable stream the Commission has been willing to rely on evidence that actions on the nonnavigable tributary affect the main navigable river into which the tributary flowed, even though it could not be shown with any certainty that there was such an effect.

The following are specific cases which amendments proposed by part II of the bill seek to cure.

(a) The issuance to a utility of an order by the FPC which contradicts an order issued to it by the local commission: For example, *Jersey Central Power & Light Company case* (319 U. S. 61), wherein the Public Service Commission issued an order authorizing the company to issue securities and the Federal Power Commission issued an order forbidding the issuing of securities; Connecticut Power case wherein the Connecticut commission ordered one method of operation and the Federal Power Commission ordered another, the FPC withdrawing their order, only after insistence by the Connecticut commission.

(b) Keeping of duplicate sets of accounts: For example, some State commissions require accounting treatment on certain matters to be handled in one way, which is diametrically opposed to the system proposed by the uniform system of accounts promulgated by the Federal Power Commission.

(c) The supervision of two regulatory bodies: For example, the necessity of obtaining both State and Federal permission to effect an interconnection, disposition of property, purchase of securities, consolidations, etc.

(d) The subjection to Federal regulation of predominantly State companies: For example, the Connecticut Light & Power Co. case in which the Commission sought to impose its jurisdiction over the entire company because one-fifth of 1 percent of all the energy received and generated by the company throughout the State was transmitted out of the State. This despite the fact that this was a public service company of Connecticut, owning no lines crossing the Connecticut boundary, connected with no company at the boundary, doing no business other than Connecticut services, and whose purchases and sales of energy, receipts, and deliveries of power were all within Connecticut, and whose rates and fiscal accounting affairs were fully and effectively regulated by the State of Connecticut.

The United States Supreme Court said in this case that the Federal Power Commission under the law might assert this claim of jurisdiction, since when Congress passed the act it did not condition "the jurisdiction of the Commission upon any particular volume or proportion of interstate energy involved. * * * If it (Congress) thinks the Commission is overextending its attention to trivial situations it has ready means of control in its hands." It is apparent that the Federal Power Commission takes the attitude that the tail should wag the dog, and has wasted and continues to waste taxpayers' money by attention to trivia.

Although the Supreme Court in the Connecticut Light & Power case overruled the contentions of the Federal Power Commission as to the meaning of the Federal Power Act, the Commission still is unwilling to accept the opinion and to be guided by it in its subsequent administration of the act. It was 2 years, 2 months, and 2 days after the decision of the Supreme Court before the Federal Power Commission gave out its decision in which it in effect said that although it did have jurisdiction over the Connecticut company, it would dismiss the case brought by it against the company because of the company's expressed intention of discontinuing the use of certain facilities, the use of which the Commission had claimed subjected it to the jurisdiction of the FPC.

The Hartford Electric Light Co. case: In this case the Hartford Electric Light Co., completely regulated by the State commission, sold energy generated at the wall of its generating plant to a company which transmitted some of the energy to another State where it was consumed. Aside from facilities admittedly used only in local distribution within the State of Connecticut, the Hartford company owned no facilities whatsoever outside its generating plant. The Federal Power Act expressly excludes companies owning property used for the generation of electric energy. Based upon this exemption the light company challenged the jurisdiction of the FPC. The FPC paid no attention to this defense, holding that the facilities within the generating station between the generators and the wall of the station were facilities for transmission of electric energy and that the company's contracts and its books of account were facilities for sale of electric energy, and hence it had jurisdiction over the company.

Safe Harbor Corp. case: In this case the Commission stepped in to regulate the rates of the Safe Harbor Corp. on the grounds that the States had not taken any action to regulate the rates, although the Federal Power Act clearly states that the States should regulate such rates unless the Commissions of two States cannot agree. There was no evidence presented in this case that the Maryland commission and the Pennsylvania commission could not agree. Under the Commission's ruling in that case however, without any evidence from anybody or any claim from anybody that the States cannot agree, the Commission may step into a State and say, "The rates applicable to this power are claimed to be unreasonable. They have been in effect long enough so that the State commissions might have regulated them. We think they ought to be regulated; therefore, we will regulate them."

(e) Connecticut Valley Power Exchange: Here certain Connecticut companies and Massachusetts companies wished to interconnect with each other to exchange surplus power so that the lowest available increment cost could be used to supply the combined load. Any party to the exchange generating energy was credited with the increment cost. The part which received the energy was charged with the cost it would have incurred if it had generated such energy. The savings of the exchange were divided equally between the members. All arrangements were voluntary and subject to regulation by the Connecticut commission. However, to continue this arrangement would have subjected all the companies to the jurisdiction of the Federal Power Commission. There are many similar arrangements for exchanges throughout the country which could operate for the benefit of the consumer if it were not for their fear of assertion by FPC of its jurisdiction over such exchanges.

(f) Emergency exchanges: During the last war intrastate companies in one State wished to connect with intrastate companies in other States to relieve power shortages occasioned by peak-load demands. To interconnect and furnish service in such emergencies would have subjected such intrastate companies to the jurisdiction of the Federal Power Commission. Application was sought from the FPC for authority to prosecute this war effort without any of the companies becoming subject to the jurisdiction of the Commission. After months of delay in most cases such permission was grudgingly granted in technical orders.

(g) Involuntary exchanges of energy: In the Jersey Central case it appeared that one company in New Jersey was connected to a company in New York, which connection was maintained primarily to guard the New York company's distribution against breakdown. The connection was used only a few times a year and was maintained simply to avoid a delay of transmission in an emergency. Because the connection was actually maintained, at times energy involuntarily flowed across the connection as a result of the lines being maintained in balance. This energy is called "slop over" energy. It is not subject to sale. The Commission was willing to use the presence of this slop-over energy of these companies as one basis for a claim for jurisdiction over the Jersey Central Co., which was connected through another company to the particular Jersey company referred to.

(h) Rewriting of accounts: In the Connecticut Light & Power Co. case the Commission took the position that the company should rewrite its accounts for several years prior to the year in which the hearing had been held, even though it was admitted by it that at the time of the hearing, because of changes in connections, the company might no longer be a public utility and subject to FPC jurisdiction. Even though such accounts would be of no use once rewritten, and even though such rewriting would involve enormous expense, and even though such rewriting was not in accordance with the Connecticut commission's rules of accounting, the FPC took the position that as a punishment the rewriting should be ordered.

(i) Government connections: Energy is available at many Government projects which can be disposed of to the benefit of the taxpayers only if transmitted and sold by a public utility. Such connection may involve the utility in the toils of the Federal Power Commission. When a Government agency asks private industry to do something, such private industry should not by acceding subject itself to the jurisdiction of another agency.

NEED FOR LEGISLATION TO CLARIFY JURISDICTION

Your committee finds that the administration of the act has since 1935 been characterized by litigation and dissension between the Federal Power Commission and the electric industry. Your committee believes that the prime cause of this has been the attempt on the part of the Commission to so construe the act that it results in the Commission grasping jurisdiction over companies that are engaged in intrastate activities and completely subject in their operation to adequate State control and regulation. Such a

result was never intended by Congress either in 1920 or in 1935 when the act was first passed and last amended as can be seen by an examination of the legislative history of the act and the language of the act.

This bill deals with one of those situations in which there is concurrent Federal and State jurisdiction under our dual system of government and with respect to which the periphery of Federal jurisdiction occupies a substantial twilight zone. While Federal jurisdiction is supreme, the Congress, in dealing with such situations, has consistently avoided (1) interference with State authority which was not required by important Federal interests, and (2) unnecessarily pressing Federal authority to the utmost reach of its constitutional limits.

The Federal Power Commission recognizes that the question of what jurisdiction is to be given to the Federal Power Commission is purely a matter of congressional policy. A clarification of the jurisdiction of that agency will not result in the slightest diminution in the constitutional powers of the Federal Government insofar as other phases of governmental activity are concerned.

Extreme and forced construction has extended the Power Act far beyond the intent of Congress, and the bill will merely restore the balance between Federal and State control intended by Congress. After the establishment of a five-man Commission in 1930, effort has gradually been made greatly to extend the jurisdiction and power of the Commission by extreme and tenuous construction of the act. However, the balance between Federal and State control over water resources of the States which the Congress has embodied in the act was not seriously disturbed until the decision in *United States* v. *Appalachian Electric Power Co.* (311 U. S. 377). Although professing otherwise, the Court in that decision overturned the long-settled constitutional definition of navigable waters which had been consistently followed by the Supreme Court and the Congress and adopted a new definition under which practically all water resources of the States would be brought exclusively under Federal control.

The result of the foregoing has been wholly to destroy the balance established by Congress; and the pending bill will do nothing more than restore that balance in accordance with the plain congressional intent when the Federal Water Power Act was enacted.

In passing this bill, the Congress would merely be exercising a fraction of this policy-making power to which the Court refers in the Economy Light & Power case, that is, Congress in passing this bill would not abandon control over any waters, but would merely leave those not presently or prospectively useful in interstate commerce to State control, unless and until Congress should ever find it necessary to have Federal control.

Unless corrected, this imbalance will be further accentuated, for the Federal Power Commission is progressively asserting all-inclusive and exclusive jurisdiction over substantially all water resources of the States. The representatives of the Commission have frankly stated to this committee that the Commission asserts such jurisdiction over all streams which are technically navigable at law under the greatly expanded definition of the New River case and over all nonnavigable streams which may affect navigable waters into which they ultimately flow. Naturally, in response to inquiries from members of this committee, such representatives have not been able to identify any stream or category of streams over which the Commission does not claim jurisdiction (Tr., 987-9; 993-5). The Commission asserts jurisdiction over projects on nonnavigable streams even though their effect, if any, upon navigable waters is wholly beneficial. *Georgia Power Co.* v. *F. P. C.* (152 F. (2d) 908, 913). Manifestly, this goes far beyond the intention of Congress in 1920 and, more importantly, far beyond sound public policy.

THE INTENTION OF CONGRESS IN 1920

The history of the adoption of the present definition in 1920 demonstrates conclusively that Congress intended to give the Commission authority only with respect to waters in which the Federal Government has a legitimate interest in the development of navigation. At the time the Federal Water Power Act was adopted in 1920 Congress believed, and the court decisions held, that the authority of Congress with reference to waterways under the commerce clause was limited to the protection and development of navigation. This is abundantly evident both from the history of the congressional proceedings and the statements in the Commission's report on H. R. 2973. The debates from 1918 to 1920 are replete with statements that the only jurisdiction Congress had with respect to waters was limited to the development of navigation.

The following references will suffice for present purposes: Volume 56, CONGRESSIONAL RECORD, pages 9038, 9758; volume 59, CONGRESSIONAL RECORD, pages 1100, 1104, 7723. If any additional proof were needed that Congress intended to limit the power of the Federal Power Commission, it is found in the fact that in 1918 the House struck from the bill a definition of "navigable waters," which defined them as streams over which Congress had jurisdiction under the commerce clause, for fear that it might be construed too broadly (vol. 56, CONGRESSIONAL RECORD, p. 9761); every definition proposed thereafter, including the one finally adopted, contained restrictions designed to eliminate from navigable waters the upper nonnavigable portions of streams.

The amendments passed in 1935 did not change this congressional intention with respect to the amendments proposed to part I of the act.

It will be remembered that in 1935 the Federal Water Power Act was amended by the passage of Senate bill 2796, title I of which provided for the control and limitation of public utility holding companies operating in interstate commerce and title II of which provided for the regulation of the transmission and sale of electric energy in interstate commerce, for the amendment of the Federal Water Power Act and for other purposes.

In the Senate and House reports (No. 621 Senate and No. 1318 House) the bill was called and continually referred to as Public Utility Act of 1935. Title II of the bill is termed in the House report thereon "Amendments to Federal Water Power Act; Regulation of Interstate Electric Utility Companies." In both the Senate and House reports of the bill it is apparent that the problems involved were those pertaining to interstate public utilities.

Dealing specifically with title II of the bill the House report (p. 7) is as follows:

"Title II of the bill makes certain amendments to the present Federal Water Power Act and establishes for the first time regulation of electric utility companies transmitting energy in interstate commerce. The amendments to the Water Power Act appear at the beginning of the title. The present Water Power Act is made part I of the amended Federal Power Act. Two new parts are then added: Part II consisting of the substantive provisions for the regulation of interstate operating companies, and part III containing the general provisions applicable to both licenses under part I, and interstate utilities under part II."

It is obvious that when in 1935 Congress was considering Senate bill 2796 and its predecessor Senate bill 1725 it was considering a bill dealing with public utilities engaged in the sale or transmission in interstate commerce of electric energy. It was not considering a bill dealing with manufacturing companies who might generate hydroelectric energy for their own use. Nor as will be pointed out later was it considering a bill that concerned public utilities who might generate hydroelectric energy for sale within the State of generation.

Mr. DeVane, counsel for the Federal Power Commission, in making a statement to the Committee on Interstate Commerce of the United States Senate, Seventy-fourth Congress, first session, with respect to those portions of title II of the Federal Utility Act which amended certain sections of the Federal Water Power Act, spoke as follows:

"Title I of this bill relates exclusively to holding companies and both title II and title III relate to the operating companies in the electric field" (p. 224).

"These amendments are perhaps I might say self-explanatory; they are the result of the experience of the Federal Power Commission in the administration of the act" (p. 232).

"It is all one subject. They all relate to the electrical industry. It, title I of the bill, deals with the holding companies' side of the bill and the second title II deals with operating companies.

"Now in that connection we should like to say that among the operating companies are those companies that now have licenses from the Federal Power Commission under the Federal Water Power Act. There are certain amendments that should be made to that act. When you begin to deal with holding companies on the one side and with operating companies on the other, and you have as part of these operating companies licensees under the Federal Water Power Act, it appeared obvious that the time to take care of the necessary amendments to the Federal Water Power Act was the same time" (pp. 233-234).

"The proposed amendments to the present provisions of the Water Power Act are all minor and are designed to meet situations which have arisen in the course of its administration." (Memorandum appearing on p. 235.)

Similar statements made by Mr. DeVane may be found in the hearings before the Committee on Interstate and Foreign Commerce of the House of Representatives, Seventy-fourth Congress, first session, on H. R. 5423. (See pt. I of hearings before the Committee on Interstate and Foreign Commerce, pp. 449-496.)

Likewise, in the statement of Commissioner McNinch, Chairman of the Federal Power Commission, before the Committee on Interstate and Foreign Commerce of the House of Representatives, on page 383 appears the following:

"These amendments are suggested out of the experience of the Commission in its administration of the Federal Water Power Act and because of the character of these amendments, being as I have said primarily for the purpose of clarifying the act at various places, it is thought that you may not want any extended discussion of those particular amendments."

Likewise, your committee finds that the amendments to part II of the bill simply reiterate what the language and history of the 1935 amendments to the act manifest was the congressional limits on the jurisdiction of this Federal agency.

LEGISLATIVE HISTORY OF PUBLIC UTILITY ACT OF 1935

Certainly such duplication of regulation between State and Federal agencies was never intended by Congress when it passed the amendments to the Federal Power Act in 1935. The Federal Power Act in section 201 (a) declares a congressional policy concerning the business of transmitting and selling electric energy for ultimate distribution to the public and states that regulation of "that part of such business which consists of the transmission of electric energy in interstate commerce is necessary in the public interest,

such Federal regulation, however, to extend only to those matters which are not subject to regulation by the States."

The debates in Congress and the reports of the congressional committees likewise show that it was the intention of Congress simply to enact legislation which would merely fill the gap in the regulation of public utilities. Such legislation was simply to be complementary to State regulation without encroaching upon it or upon the sovereign powers of the State.

The original bill amending the Federal Power Act was drafted by the counsel and aides of the Federal Power Commission. In its support Commissioner Seavey of the Federal Power Commission said to the House committee, "The new title II of the act is designed to secure coordination on a regional scale of the Nation's power resources and to fill the gap in the present State regulation of electric utilities. It is conceived entirely as a supplement to, and not as a substitution for State regulation." (Hearings on H. R. 5423, House Committee on Interstate and Foreign Commerce, 74th Cong., 1st sess., 384.) Progress of the bill through various stages showed a constant purpose to protect rather than to supervise authority of the States. In reporting a revised bill to the Senate the Committee on Interstate Commerce said, "Subsection (a) * * * declares the policy of Congress to extend that regulation to those matters which cannot be regulated by the States and to assist the States in the exercise of their regulatory powers, but not to impair or diminish the powers of any State commission." (Senate Rept. No. 621, 74th Cong., 1st sess.) The report of the House Committee on Interstate and Foreign Commerce in presenting the amended bill called attention to the Attleboro case and expressed the purpose to give Federal jurisdiction to regulate rates of wholesale transactions, but not to give jurisdiction over local rates. It said:

"The bill takes no authority from State commissions and contains provisions authorizing the Federal Commission to aid the State commissions in their efforts to ascertain and fix reasonable charges. * * * The new parts are so drawn as to be a complement to and in no sense a usurpation of State regulatory authority and contain throughout directions to the Federal Power Commission to receive and consider the views of State commissions. Probably no bill in recent years has so recognized the responsibilities of State regulatory commissions as does title II of this bill."

* * * * *

"Subsection (b) (201) confers jurisdiction upon the Commission over the transmission of electric energy in interstate commerce and the sale of electric energy at wholesale in interstate commerce, but does not apply to any other sale of electric energy or deprive a State of any lawful authority now exercised over the exportation of hydroelectric energy transmitted out of the State. As in the Senate bill no jurisdiction is given over local distribution of electric energy, and the authority of States to fix local rates is not disturbed even in those cases where the energy is brought in from another State." (H. R. Rept. No. 1318, 74th Cong., 1st sess., 7, 8, 27.)

Senator Wheeler in the Senate committee report on the Senate substitute for S. 2796, spoke as follows:

"The revision has also removed every encroachment upon the authority of the State. The revised bill imposes Federal regulation only over those matters which cannot be effectively controlled by the State. The limitation on the Federal Power Commission's jurisdiction in this regard has been inserted in each section in an effort to prevent the expansion of Federal authority over State matters."

These restrictions on the jurisdiction of the Federal Power Commission to which the Senator referred were made more positive in the further House substitute bill which subsequently became law without substantial changes.

Notwithstanding that this was the intention on the part of Congress, as is clearly shown by the express language of the act and by the debates in the Senate and the House and committee reports, the Federal Power Commission has construed the Federal Power Act so as to give the Commission a great deal of jurisdiction overlapping that of the State commissions and to give it jurisdiction over many companies operating wholly in one State, doing an essentially local business and subject to complete State commission regulation.

SECTIONAL ANALYSIS OF THE BILL

Section 1: Section 1 amends section 3 (8) of the Federal Power Act. Section 3 of title I of the Federal Power Act, approved June 10, 1920, and last amended August 26, 1935, contains the definitions of the act. The one definition which the bill seeks to amend is the definition of "navigable waters" contained in subsection (8) of section 3 of the act. The definition of navigable waters has been amended in the following particulars:

(a) The present definition includes in "navigable waters" waters which either in their natural or improved condition and notwithstanding interruption in the navigable parts by falls, shallows, or rapids are used or are suitable for use for the transportation of persons or property in interstate commerce. The proposed amendment limits the present definition by: (1) requiring that the navigability of a stream be determined at the time of the inquiry as to its navigability and not at some period in the past or not at some indefinite period in the future; (2) requiring that the waters in question be generally and commonly used or have a reasonable probability of being so used rather than being waters which are used or could be made suitable for use; (3) requiring that their use in interstate commerce be of a substantial character by boat; (4) requiring that the use be of waters in their natural condition or in an improved condition which improvement is then proposed rather than in some improved condition which in the future might possibly be proposed or made; (5) requiring that any proposed improvements to make waters navigable cost an amount commensurate with the commercial benefits to be derived from the proposed improvements rather than having no economic yardstick for the cost of improvements; (6) eliminating from navigable waters those parts of streams which someone has recommended to Congress should be improved but which Congress has not in fact authorized for improvement; (7) requiring that congressional authorization for improvement of a stream be an authorization (not over 3 years old, or the appropriation for which is still extant) to improve the stream for the purpose of furthering navigation in interstate commerce on the stream before such stream can be considered navigable, rather than an authorized improvement which has no relation to navigation.

In the opinion of the committee these amendments result in a more reasonable definition of "navigable waters" than that contained in the present act, and one which will be adequate to prevent private encroachment on the actual needs of commercial navigation on the waters subject to the jurisdiction of Congress and yet at the same time one which will prevent the extension of Federal regulation over persons developing electric power along any stream when such regulation has no substantial relation to the regulation of navigation in interstate commerce. The regulation of the development of hydroelectric power is properly a matter subject to State jurisdiction, except in those cases where such development directly interferes with existing interstate commerce of a substantial character or potential interstate commerce which could be developed on the waters in question through an expenditure of funds which would be commensurate with the commercial benefits to be derived therefrom.

Section 2: This amends section 4 (g) of the present act by limiting the right of the Commission to issue orders "within its jurisdiction under section 23 (b) of this act." It is simply a formal amendment which makes the present section 4 (g) of the act dealing with the investigating authority of the Commission conform to the scope of the amendment proposed by section 6 of the bill.

Section 3: This section amends section 6 of the act to make sure that all licenses issued under the act are issued for a period of 50 years from their date of issuance except in those cases where the applicant and the Commission agree to a shorter period. During the hearings it became apparent that the Commission had adopted a policy of issuing licenses for a period of 50 years from June 10, 1920, the date of approval of the Federal Water Power Act, on all projects constructed prior to June 10, 1920.

In the language of the act there is nothing which would justify the policy of the Commission in issuing licenses for a period shorter than 50 years, and to insure uniform treatment of all licensees, this amendment is offered.

Section 4: This section amends section 10 (1) of the act to require that the Commission waive the conditions of a license (except conditions dealing with maintenance and liability for damage) in cases of projects of not more than 2,000 horsepower or projects occupying less than 15 percent of public lands. The amendment will relieve the Commission of the administrative burdens of dealing with small projects.

Section 5: This section amends subsection (a) of section 3 of the act in three particulars. Subsection (a) at present deals with the protection of existing rights, provides for permissive application for licenses under the act and deals with valuations of constructed objects. The proposed amendments to this subsection are concerned only with the provisions concerning the protection of existing rights.

The present subsection (a) of section 23 provides that the provisions of part I of the act shall not be construed as affecting any permit or valid existing right-of-way heretofore granted or as confirming or otherwise affecting any claim or authority heretofore given pursuant to law. The phrase heretofore granted is vague and is stricken out. Supposedly it means granted prior to June 10, 1920, the date of the approval of "The Federal Water Power Act," and so this subsection is amended to state specifically that the provisions of part I shall not affect any permit, valid existing right-of-way, right to construct, claim or authority granted or existing prior to June 10, 1920. The present subsection (a) protects any such rights "given pursuant to law." Here again the term is not only vague but ambiguous and so the act is specifically amended to make it clear that any rights granted or existing prior to June 10, 1920, pursuant to applicable State, Territorial, or Federal law will not be affected. Lastly this subsection is amended to make it clear that if pursuant to any State, Territorial, or Federal law, a person has prior to June 10, 1920, constructed any dam, water conduit, reservoir, powerhouse, or other works incidental thereto, the provisions of part I of the act are not applicable thereto.

Section 6: Section 6 amends subsection (b) of section 23 of the present act in the following particulars:

Since section 1 of the bill defines "navigable waters" reference to this fact is made

in this section by striking out in the fourth line after the words "navigable waters" the words "of the United States" and inserting "as herein defined." This amendment is purely formal. In the seventh line of subsection (b) in the phrase talking about the utilization of surplus water power at any Government dam the word "from" is substituted for the word "at" in front of the phrase "any Government dam." This change better expresses the intent of Congress, which was simply to require a license for a plant which was installed at or uses power at a Government dam. It is not believed that Congress intended to require a license for a plant lower down the stream from the Government dam, which plant happens to use water which is spilled over the Government dam.

The present subsection (b) of section 23 of the act does not prohibit the construction, operation, or maintenance of any project in accordance with the terms of a permit or valid existing right-of-way granted prior to June 10, 1920. Therefore, after the date in the ninth line there has been inserted the phrase "pursuant to applicable State, Territorial, or Federal laws," to make it clear that a State, Territorial, or Federal permit or right-of-way or right to construct protects one from the necessity of becoming licensed under the Federal Power Act. This is in conformity with a similar amendment to subsection (a) of section 23 contained in section 5 of the bill.

A proviso is inserted after the first sentence of the present subsection (b) of section 23 to make it clear that if any person constructed prior to June 10, 1920, pursuant to Federal, Territorial or State law any project, such person can, without license of the Federal Power Commission, continue to repair, reconstruct, operate or maintain such project. Section 5 of the bill similarly amended subsection (a) of section 23.

The present subsection (b) of section 23 requires anyone intending to construct a project on a nonnavigable tributary of a navigable stream to file a declaration with the Commission. If the Commission finds that the interests of interstate commerce would be affected by the project, it is unlawful to proceed without having secured a license from the Commission. The proposed amendment to this portion of the subsection provides that the type of license which the Commission shall issue in this case is a limited license, which shall be for 50 years from the date of the issuance thereof except in the event application is made for a shorter period and the Commission agrees to such a shorter period, and which shall contain only such conditions as are reasonably necessary or appropriate for the protection of the navigable capacity of navigable waters, as defined in the bill, and to reimburse the United States for costs of administering the act in relation to the proposed project. The only legitimate interest of the Federal Government in projects on nonnavigable waters is to see that such projects are not operated in such a way as to cause unreasonable interference with navigation on those navigable waters into which the nonnavigable waters flow. The committee does not feel that the United States can impose any regulations by way of license on those building projects on nonnavigable streams other than those regulations which are reasonably necessary and appropriate to prevent unreasonable interference of navigable waters elsewhere. The only license conditions which are necessary or appropriate to safeguard this limited interest of the United States are those embodied in the language proposed, see 1936 Opinions, Attorney General, 355. Certainly the United States, even though it constitutionally might have the power, should not make this limited interest the vehicle for depriving the states of control over and of tax revenue from such projects on nonnavigable streams, and for discouraging the development of such state resources by the States or their peoples in such ways as the States or their peoples may decide. The Commission is given the authority before granting such a limited license to determine that the new project is best adapted for the navigable capacity of any navigable waters affected and for the improvement and utilization of water power. Hence, the Commission is well able to insure the comprehensive development of the navigable streams affected.

In those cases where the Commission finds that the interests of interstate or foreign commerce would not be affected by any project on a nonnavigable water, the Commission may still issue a limited license if the project owner so seeks.

No license is required for the repair, reconstruction, operation, or continued maintenance of a project on a nonnavigable tributary constructed prior to August 26, 1935, under a Federal, Territorial, or State permit.

Next, this section would require any person to conform to the lawful requirements of the Chief of Engineers and the Secretary of War with respect to navigation. This will insure that all matters concerning navigation are referred to the Chief of Engineers of the War Department, which is expert in handling navigation matters.

Lastly, this section provides for the cancellation of licenses not required under the law as amended. Prior administration of the act has resulted in the imposition of licenses for which no license, or only a limited license, would be required under the present bill or if the present act had been construed according to the congressional intent. This situation should be corrected both as a matter of equity among the several States and their peoples and as a foundation for the establishment of the proper balance between Federal and State control over the water resources of the State which is envisioned and declared by this bill.

Section 7: Section 7 is a new section which is inserted to make it clear that the bill will not result in any additional cost to the Government in the event it has to condemn riparian properties. The bill does not affect the compensatory or noncompensatory character of water rights in the event that they are taken by eminent domain.

Part II

Section 1: Section 1, part II, of the bill amends subsection (b) of section 201 to make it clear that a purely local distributing company operating within a single State can purchase energy from an interstate company without becoming subject to Federal Power Commission regulation under the Federal Power Act. The Federal Power Commission would, of course, continue to have jurisdiction over the selling company and over the sale by it to the local distributing company, thus the principle of the Attleboro case is satisfied and nothing goes unregulated. The proposed amendment makes it clear that the Federal Power Commission would have no jurisdiction over such local distributing company. The committee believes this is in accordance with the original intention of Congress in passing the Federal Power Act. In addition it would make it possible for local distributing companies to interconnect their facilities with interstate companies thus enabling them to render better service at cheaper rates to the ultimate consumers. Local companies are reluctant to make these interconnections under existing interpretations of the Federal Power Act because of the onerous burdens of duplication of regulation. There is nothing in the amendments which would in any way change the present situation and all interstate utilities would continue to be subject to Federal regulation.

Section 2: The purpose of the amendments to subsection (c) of section 201, proposed by section 2 of the bill, is to avoid a claim of jurisdiction by the Federal Power Commission over a company operating in one State which sells energy to another company operating in the same State even though a small amount of the energy so purchased may be transmitted by the second company across a State line. The second company, since its operations extend across State lines, would, of course, continue subject to the jurisdiction of the Federal Power Commission.

The second amendment to subsection (c) of section 201 would permit a local distributing company to make an interconnection for emergency service or for the exchange of energy where settlement for any variation in delivery would be made on the basis of cost of production or of purchase of such energy. This amendment also provides that a "slop-over" of electric energy between connecting lines or systems shall not be held to be the transmission of electric enegy in interstate commerce.

Section 3: The proposed amendment to section 201 (d) contained in section 3 merely complements and further clarifies the amended provisions of section 201 (c).

Section 4: The proposed amendment to section 201 (e) contained in section 4 provides that a company which ceases to be a "public utility" as defined in the act by reason either of the cessation of ownership or operation of facilities subject to the jurisdiction of the Federal Power Commission or by any amendment to the act shall not thereafter be subject to the Federal Power Act or any rule or regulation or order of the Commission other than those dealing with rates, by reason of its having formerly been a public utility subject to the act.

Section 5: Under the proposed amendment to section 201 (f) contained in section 5 any person engaged in the transmission or sale of electric energy through facilities located wholly within one State and not otherwise subject to the jurisdiction of the Federal Power Commission may make a temporary or permanent connection within the State in which its operations are conducted with facilities owned and operated by a governmental agency and such person shall not become subject to the provisions of the act by reason of such connection even though the electric energy received or delivered by such person through such connections is to be or has been delivered across a State line by such governmental agency.

Section 6: Section 6 adds three new subsections to the present act. The phrase "emergency" and "slop-over" used in section 2 are defined as suggested by the Commission. Lastly a subsection is added to make clear that any transmission or sale of electric energy which is not subject to Federal regulation under the Federal Power Act shall be subject to regulation by State authority. This subsection is inserted to eliminate any claimed possibility of any transmission or sale of energy going unregulated.

Section 7: Section 7 is a new section to the act which has been inserted to facilitate interconnections made with a view to strengthening the national defense. Coordination of electric-power facilities during World War II, accomplished through the strengthening of existing connections and the establishment of new connections between utility systems, was a major factor in assuring an abundant supply of electric energy for war production and civilian requirements. In order that the country may at all times enjoy the full benefit of available electric resources and be prepared for any future emergency, the public interest requires that coordination of electric facilities should be continued and increased during peacetime. The Federal Power Commission, in a statement of November 22, 1947, recognizing the

importance of securing the maximum possible utilization of existing electric capacity on a coordinated basis regardless of ownership, has declared that there are important further opportunities for promoting the public interest through the establishment of new connections or the strengthening of existing connections. It is accordingly the purpose of this act to promote the maximum use of electric facilities in the public interest by providing limited exemptions from Commission jurisdiction in appropriate circumstances.

Report on Project Developments in Western Montana

EXTENSION OF REMARKS
OF
HON. MIKE MANSFIELD
OF MONTANA
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. MANSFIELD. Mr. Speaker, I am happy to include with my remarks a summary of appropriations approved by the Congress for specific reclamation, Rural Electrification Administration, and Indian projects in my district. The time covered by these appropriations is from the period during my service as Representative from the First District of Montana:

Reclamation projects

I. HUNGRY HORSE PROJECT

1946	$1,700,000
1947	867,210
1948	2,500,000
1949	14,611,650
Total	19,678,860

II. CANYON FERRY PROJECT

1946	$236,270
1947	106,205
1948	775,000
1949	2,950,000
Total	4,067,475

III. HELENA VALLEY PROJECT

1946	----------
1947	----------
1948	$29,000
1949	21,000
Total	50,000

IV. JEFFERSON RIVER PROJECT

1946	----------
1947	$25,945
1948	80,000
1949	82,500
Total	188,445

V. THREE FORKS PROJECT

1946	----------
1947	----------
1948	$151,000
1949	299,600
Total	450,600

VI. BITTERROOT PROJECT

1946	----------
1947	$89,238
1948	----------
1949	40,000
Total	129,238

VII. MISSOULA VALLEY PROJECT

1945–47 (completed)	$269,355

Rural electrification projects, 1943–48

I. RAVALLI COUNTY ELECTRIC COOPERATIVE, INC., CORVALLIS, MONT.

1943–46	$272,800
1946	----------
1947	73,000
1948	150,000
Total	495,800

II. VIGILANTE ELECTRIC COOPERATIVE, INC., TWIN BRIDGES AND DILLON, MONT.

1943–46	$960,000
1947	405,000
1948	100,000
Total	1,465,000

III. MISSOULA ELECTRIC COOPERATIVE, INC., MISSOULA, MONT.

1943–46	$505,000
1947	----------
1948	450,000
Total	955,000

IV. FLATHEAD ELECTRIC COOPERATIVE, INC., KALISPELL, MONT.

1943–46	$413,700
1947	----------
1948	635,000
Total	1,048,700

Indian Tuberculosis Hospital, Warm Springs, Mont.

1949	$750,000

Committee on Public Works Chairman Praises Cooperation of Members

EXTENSION OF REMARKS
OF
HON. GEORGE A. DONDERO
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. DONDERO. Mr. Speaker, under leave granted by the House to extend my remarks in the RECORD, I enclose a statement setting forth the spirit of cooperation of the members of the Committee on Public Works of which I am chairman and especially setting forth the helpfulness and cooperation of the chairmen of the subcommittees thereof.

The Committee on Public Works has made a fine record in the Eightieth Congress. We have contributed substantially to the Nation's welfare. We reported to the House three bills of major importance, which were accepted by the Congress. Our river and harbor and flood control omnibus bill was the first of its kind in 32 years (two titles in one bill), and it carried the lowest authorization in over 25 years.

Our stream-pollution bill will be the first of its kind since this matter was called to the attention of Congress in 1897—51 years ago. It will also be the first bill dealing with the stream-pollution problem to become law.

The passage of the 1948 highway bill assures reasonable betterment of our national highway system. The American people are automobile and good roads conscious. We have 37,500,000 registered cars which require adequate highways for efficient and economical operation. The highway bill is but one of the contributions our committee has made to our country's high standard of living.

In addition to the three important bills mentioned above, over 400 other bills were assigned to our committee for consideration. We held hearings, passed judgment on, and recommended many of these measures to the Eightieth Congress and they have become law.

This commendable record could not have been accomplished without the splendid cooperation, diligence, and attention to duty and general efficiency of the individual members of the committee. It is in appreciation of the contribution made by each of the members of the committee that I extend my sincere thanks, as chairman of the committee, for their courtesy, cooperation, and interest in the noteworthy program of public works we have completed.

I want to express my special thanks to Congressmen HOMER ANGELL, GEORGE BENDER, HARRY MCGREGOR, PAUL CUNNINGHAM, EARL WILSON, and KINGSLAND MACY, who have served as chairmen of the subcommittees during the session. On them rested much of the responsibility and to them goes much of the credit for perfecting the legislation which the committee offered to Congress.

Investigation of the Paroles of Four Federal Prisoners by the Federal Board of Parole

EXTENSION OF REMARKS
OF
HON. PORTER HARDY, JR.
OF VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. HARDY. Mr. Speaker, under leave to extend my remarks in the RECORD, I submit the following items in connection with the investigation of the paroles of four Federal prisoners by the Federal Board of Parole. The facts surrounding this investigation has been so distorted by the Chicago Tribune that I believe these items should be made a part of the RECORD.

The first item is a copy of the official transcript of a hearing on June 9, 1948, before the Parole Subcommittee of the Committee on Expenditures in the Executive Departments. The next two items are clippings from the Chicago Tribune on June 10 and June 13, 1948, which are clearly contrary to the facts in the case as shown by the official transcript of the record of the subcommittee hearings. The fourth item is a letter of June 15, 1948, from the Attorney General to Chairman HOFFMAN, setting forth additional facts and commenting on the foregoing items.

HEARINGS BEFORE THE COMMITTEE ON EXPENDITURES IN THE EXECUTIVE DEPARTMENTS, WEDNESDAY, JUNE 9, 1948, WASHINGTON, D. C.

The CHAIRMAN. Let the record show that Mr. Snyder and Mr. Hardy are also present, with this statement, that Attorney General

Clark is here; also Assistant Attorney General Peyton Ford, and Mr. Otto Kerner, district attorney, from Chicago.

We have been discussing the matter before the committee. Mr. BUSBEY was here and was requested by the chairman to put his request for further information in writing, that he made the statement he will do so and return himself. He has not yet returned.

I might say this, Mr. Clark, that when you were at a meeting of the committee you announced your willingness to let the committee have the names of witnesses who had been interviewed by the FBI; that since that time we have not received them—I do not know whether you have had a call or not—but be that as it may, Mr. BUSBEY now wants to check over that list so that he may ascertain whether it contains the names of some witnesses whom he thinks have relevant information and who have been interviewed by the FBI.

I understand from Mr. Kerner's statement the list is in Chicago and that he is willing when he returns—and Mr. BUSBEY said he was going to Chicago today—to let Mr. BUSBEY look over that list. Am I correct?

Mr. CLARK. On a confidential basis, with the understanding that none of the names on the list be copied down and made public——

The CHAIRMAN. Pardon me; what was that last statement?

Mr. CLARK. That none of the names on the list be copied down or be made public through him or through someone else to whom he may give the names; Mr. Kerner will be happy, in his presence, to let Mr. BUSBEY go over the list of names of each person interrogated by the FBI.

The CHAIRMAN. Is that satisfactory to everybody?

Mr. CLARK. That is a concession, Mr. Chairman, that I am making as Attorney General.

I would like for the record to show that the activities of Mr. BUSBEY in giving publicity and the unfounded charges in the so-called investigation has been most harmful to the Department and the grand jury investigation of this matter. And in the presence of Mr. Kerner, in charge of this investigation in Chicago, I want to say both for him and for myself that I do hope that the committee will take whatever action it can to try to put a stop to these continual charges that are made in the press in Chicago that are causing so much trouble and delay in the investigation, and eventually, perhaps, may cause us to be unable to——

(The statement of Mr. Clark was interrupted by the telephone, answered by the chairman, in which conversation with Mr. BUSBEY he stated:)

The CHAIRMAN. I just said to Mr. Clark and Mr. Kerner that before you left you said that if they would produce the list of witnesses so that you could read them that would be sufficient for the present.

Now, they have said, Mr. Clark has said that Mr. Kerner is going to Chicago and that you may see the list tomorrow.

Make it Friday? Then you can see them in Chicago Friday—you can contact Mr. Kerner's office in Chicago.

And with the understanding that you will not make a copy of the list or divulge the names. You do not know anything about that. You just want to see if there are certain names. All right. They say you may do that. Is that satisfactory to you? Would that be Saturday? You can talk to me Friday. All right. But he would like—

We have had Mr. Clark up here. We pulled him down from a meeting he was attending of the railroad situation. He is here and has been waiting a half hour.

I cannot get Mr. Clark and Mr. Hoover together at a committee meeting unless we can give them some notice. I want to put it all in one package. They can't bother to come Friday. All right, I will submit your letter to the full committee if you want to.

(End of telephone conversation.)

The CHAIRMAN. That is the situation, gentlemen.

Mr. CLARK. The trouble is in getting the list he wants from us or Mr. Hoover——

The CHAIRMAN. He said he wants Mr. Hoover up here with you.

Mr. CLARK. That is just a publicity stunt, and Mr. Hoover has a pretty tough job; and I have a pretty rough job myself. We have given you everything we can. In fact, we have gone further than the people who are in charge of the investigation think we should.

The CHAIRMAN. I think the committee and the subcommittee thinks this matter is very important and should receive consideration, but I do not believe the committee—I know the chairman does not think that all of the Federal business should be suspended and that the time of everybody in the service should be taken up with this one thing.

Mr. CLARK. We want to cooperate with you. We think it is important too, and that we should cooperate, but we cannot solve it with one of us pulling one way and the other the other way.

The CHAIRMAN. Thank you ever so much for coming.

Mr. HARDY. I think added to the request should be a request that Mr. BUSBEY furnish you or Mr. Kerner with the names that he has in this matter.

Mr. CLARK. I think that is most important if we are going to conduct the investigation, and after all if he has the names he should give them to the district attorney.

The CHAIRMAN. Of course, yesterday, in talking with Mr. BUSBEY with reference to another phase of this matter he asked us to authorize him to be sent to Chicago, but we simply asked him to tell me—give me the names of the witnesses he wanted to interview in the light of the testimony which he expected to develop. He declined to do so.

I want to call attention to the fact, as I understand grand jury procedure—and I know nothing about the Federal procedure—but in the State grand juries you have, and the Attorney General or his assistants can call all the witnesses they want to.

Mr. CLARK. Mr. BUSBEY'S asking for the names of the witnesses, or list of the names of witnesses which he says he wants to check is not going to solve it.

The CHAIRMAN. My answer to that is you still have full authority to call Mr. BUSBEY.

Mr. CLARK. Very well.

The CHAIRMAN. Is there any objection to this stenographic record being made public?

Mr. CLARK. I might add that I waited for half an hour for Mr. BUSBEY to show up; I left a very important conference on the railroad strike case which was coming up Friday in the courts of the District of Columbia in order to come here at Mr. BUSBEY'S request.

(Whereupon the proceeding was adjourned.)

[From the Chicago Daily Tribune of June 10, 1948]

CLARK QUIZZED ON PAROLES AT SECRET SESSION

(By James Doherty)

WASHINGTON, June 9.—Attorney General Clark, his first assistant, Peyton Ford, and United States Attorney Otto Kerner, Jr., of Chicago were witnesses today at a secret session of the House subcommittee investigating the paroles of four Chicago gangsters, and were reported to have given the Congressmen no information. Clark and J. Edgar Hoover, head of the Federal Bureau of Investigation, had been asked to appear before the committee in open session, but declined to do so.

Clark's appearance, while voluntary, was not made until after the departure for Chicago of Representative BUSBEY, Republican, Illinois, who said he wanted to ask Clark about the connection of some of Clark's friends with the paroles given the four Chicagoans, Paul Ricca, Louis Campagna, Charles Gioe, and Phil D'Andrea. BUSBEY said he wanted to ask Clark, too, why he refused to allow the FBI to tell Congress the result of its hunt for proof that "a large amount of cash was paid for the paroles."

ATTENDING FUNERAL

BUSBEY was assigned by Speaker MARTIN to attend the funeral tomorrow of Representative Owens in Chicago. He had objected to any arrangement whereby Clark and Hoover would send "deputies" to appear before the committee which, he said, has the legal right to question them about their official conduct.

Representative SNYDER, Republican, West Virginia, and Representative HARDY, Democrat, Virginia, had been delegated to ask Clark and Hoover to appear without being subpenaed. They reported that Clark was standing on his rights to refuse to testify before Congress, under the directive recently issued by President Truman.

HOFFMAN OBJECTS

As a favor to the congressional committee, HARDY and SNYDER reported, Clark would send his assistant, Ford, and Kerner, who is in charge of a grand jury in Chicago that has had the paroles of the gangsters under advisement for 7 months. Chairman HOFFMAN, Republican, Michigan, and BUSBEY held out for the top men themselves, Clark and Hoover.

After BUSBEY left the committee room this morning, Ford left and 10 minutes later returned with Clark. When the session ended a short while later, all who would do any talking agreed that Clark, Ford, and Kerner had contributed nothing to the committee.

[From the Chicago Sunday Tribune of June 13, 1948]

BUSBEY CHARGES CLARK IS GIVING HIM RUN-AROUND—DEMANDS WITNESS LIST IN PAROLE PROBE

(By James Doherty)

WASHINGTON, June 12.—Representative BUSBEY, Republican, Illinois, today charged that Attorney General Tom C. Clark is giving him the run-around on his request for information considered vital to the search for the payoff man in the investigation of the Federal paroles given four notorious Chicago members of the Capone gang. BUSBEY said he intends to find out why Clark fears to let the public know the facts about the release of the gangsters—a release he said was effected by friends of Clark and of President Truman.

The Congressman who represents the Third District on Chicago's southwest side, returned here to Washington from a funeral detail in his home city. He said he had been promised a look at a list of 275 names of witnesses interviewed by the Federal Bureau of Investigation which had been asked to act on reports that there was a huge cash payment—$500,000 or more according to estimates—made by the Capone gang for the release of Paul Ricca, Louis Campagna, Charles Gioe, and Phil D'Andrea.

BEING COMPILED

"I was told United States Attorney Otto Kerner Jr., at Chicago, would show me the list when I went there as a Member of the congressional detail at the funeral of Representative Tom Owens," BUSBEY said.

"Instead of showing it to me, I was advised it was being compiled." That's at least an illustration of the inefficiency or worse of the Department of Justice.

Before leaving Washington for the funeral, BUSBEY had asked that Clark and Director J.

Edgar Hoover of the FBI be subpenaed before the investigating committee of which Representative HOFFMAN, Republican, Michigan, is chairman. They had refused to appear, he was advised, unless the meeting was closed to the public, as the Government's chief law enforcement officer didn't want the newspapers to know what he had done in the parole matter.

"Clark appeared at an executive session of the committee as soon as he knew I had left it," Busbey stated. "However, he didn't tell my colleagues anything, I am informed.

"I do not want Clark at any executive session. I want him to appear at an open meeting and answer questions about what he knows concerning several of his friends whose names have been connected with the paroles. I want him to tell us what, if anything, Nash Adams, Howard Dailey, and Mae Belcher, all of his home city of Dallas, Tex., had to do with the dismissal of a Federal indictment against the four gangsters, an indictment that would have blocked their paroles."

OBTAINED $15,000

"Maury Hughes, an intimate of Clark, admitted to the congressional committee that he obtained $15,000 for helping the Chicago gangsters get paroled. That fact, alone, should be enough to bring Clark before us ready and willing to answer all questions.

"Instead, he takes refuge in a directive of President Truman which he thinks gives him permission to defy the power of Congress to compel testimony under oath from him or anyone else.

"I want to say right now that if Truman and Clark are successful at this time in suppressing vital data concerning the release of these four gangsters, they'll answer to the Government under a new President and a new Attorney General.

"Why is Clark afraid to let the world know what persons his agents interviewed concerning the paroles? The answer to that might be startling."

PUBLIC ENEMY NO. 1

"Why wasn't Nash Adams called before the Federal grand jury in Chicago? Mr. Kerner, the representative of the Department of Justice in Chicago, knows something we don't know about Maury Hughes' deal with a gangster shielded with the false name of Mike Ryan.

"I don't know why Murray Humphries, once called Public Enemy No. 1, was not questioned before the Federal grand jury.

"The list of persons interviewed in this search for evidence of corruption might be enlightening.

"As far as I am concerned, the offer to let me peek at a list in Chicago was a subterfuge. I want that list made public so the world will know who was and who was not questioned about this parole outrage."

JUNE 15, 1948.

Hon. CLARE E. HOFFMAN,
Chairman, Committee on Expenditures in the Executive Departments, House of Representatives, Washington, D. C.

MY DEAR MR. CHAIRMAN: This is in response to your letter of June 9, 1948, regarding the investigation conducted by your Subcommittee into the paroles granted by the Board of Parole to Phil D'Andrea, Charles Gioe, Louis Campagna and Paul D'Lucia. You enclose a copy of a letter of the same date written to you by Congressman FRED E. BUSBEY, a member of your subcommittee. Mr. BUSBEY asks that J. Edgar Hoover, Director of the Federal Bureau of Investigation and I be called before your subcommittee, bringing any and all subordinates familiar with the paroles, and all files pertaining to the investigation. Mr. BUSBEY also asks that you subpena seven persons named in his letter. You asked me to designate the date and time when it will be convenient to comply with Mr. BUSBEY's request.

Yesterday, I received a letter dated June 12th, from Mr. BUSBEY, in which he lists the same seven names of those mentioned in his letter to you, and suggests that these seven people be interviewed immediately by the FBI. I am advised that five of these persons have either been interviewed or had been included within the investigation prior to Mr. BUSBEY's request. The United States attorney, upon his return to Chicago last week, has now included the remaining two in the investigation. As soon as these reports are received by the United States attorney in Chicago, he will, of course, if the material justifies, immediately present it to the grand jury.

I have appeared twice previously before your Committee in this matter. My first appearance was at a public hearing on March 3, 1948, at which time I advised the Committee of everything I knew concerning this matter. Nothing has occurred since that time that would add anything to my testimony. Although the FBI has been carrying on a continuous inquiry since my appearance, no information has been brought to my attention which indicates any official corruption in the granting of these paroles.

My second appearance was on June 9, the same date as your letter. Mr. Peyton Ford, the Assistant to the Attorney General, telephoned me and advised that Mr. BUSBEY and yourself wished me to appear before your committee, which was then in session. Although I was then engaged in a conference in my office on an important matter, I immediately went to your committee's office, arriving a few minutes after 11 a. m. Mr. BUSBEY was not present and you advised me he was in the next room, but upon inquiry you found he had gone to his own office across the street. We waited, you will remember, along with the members of your subcommittee, for some 30 minutes. Mr. BUSBEY first advised you that he would come over, but later he said he had to leave the city. Meanwhile, although I was there at his request, he kept the members of the subcommittee, as well as Mr. Ford, Mr. Kerner, and myself, waiting all this time. On your last telephone call he told you he could not come over and he did not. After this last conversation with Mr. BUSBEY on the telephone you told me he wanted to see a list of persons questioned by the FBI, and that he wished to look at the list in Chicago on Friday of that week. I agreed to this provided that the list was kept entirely confidential, so as to protect our current investigation. I was advised later that Mr. BUSBEY called the United States attorney in Chicago on Thursday, when Mr. Kerner was en route to Chicago, and not on Friday, as we had agreed.

In spite of this situation the Chicago Tribune printed a story on Sunday, June 13, in which Mr. BUSBEY, who left the committee rooms after requesting that I appear, in effect, charged that I was giving him the "run around." The exact opposite is true. The article of June 13, a photostatic copy of which is enclosed, was written by James Doherty, Chicago Tribune reporter, who has been conducting a smear campaign against me, and who has been attempting to use the committee to further that sinister campaign. You heard the statement of the United States Attorney that the articles previously published by the Chicago Tribune had seriously handicapped the investigation conducted by the FBI and the Federal grand jury in Chicago, and this article is part of the same pattern.

You and the other members of your committee, including Mr. BUSBEY, and even this Chicago Tribune reporter, are aware of the fact that all power, authority, and duties with respect to the parole of Federal prisoners were transferred from the Attorney General and former Boards of Parole, to the Board of Parole by the act of Congress of May 13, 1930 (18 U. S. C. 723 (b)). It is unnecessary for me to say that I have never controlled or attempted to control the granting of paroles and I have no personal knowledge whatever, as you have been told, concerning the granting of the paroles under investigation by your committee. You have had the members of the Board of Parole before your subcommittee several times, both here and in Chicago. You also have had testimony of members of the Department of Justice who are familiar with the case and with your investigation. You are also familiar with the fact that this same matter is under investigation by a Federal grand jury in Chicago.

Although the continued appearance of distorted stories in the Chicago Tribune is most detrimental to our investigation, I want it distinctly understood that I am ready to answer, as I have always been, any questions relevant to any proper inquiry in this matter by your committee.

Sincerely,

TOM C. CLARK,
Attorney General.

Work of Committee on Public Works, Eighteth Congress

EXTENSION OF REMARKS
OF
HON. GEORGE A. DONDERO
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. DONDERO. Mr. Speaker, under leave to extend my remarks in the RECORD as granted by the House, I include a statement of the accomplishments of the Public Works Committee in the Eightieth Congress.

The Committee on Public Works was created under the provisions of the Legislative Reorganization Act of 1946 and is a consolidation of the former Committees on Rivers and Harbors, Flood Control, Public Buildings and Grounds, and Roads.

Under rule XI, House of Representatives, as amended by Public Law 601, Seventy-Ninth Congress, all proposed legislation, messages, petitions, memorials, and other matters relating to the subjects listed below are referred to the Committee on Public Works:

Flood control and improvement of rivers and harbors.

Public works for the benefit of navigation, including bridges and dams—other than international bridges and dams.

Water power.

Oil and other pollution of navigable waters.

Public buildings and occupied or improved grounds of the United States generally.

Measures relating to the purchase of sites and construction of post offices, customhouses, Federal courthouses, and Government buildings within the District of Columbia.

Measures relating to the Capitol Building and the Senate and House Office Buildings.

Measures relating to the construction, or reconstruction, maintenance, and care of the buildings and grounds of the

Botanic Gardens, the Library of Congress, and the Smithsonian Institution.

Public reservations and parks within the District of Columbia, including Rock Creek Park and the Zoological Park.

Measures relating to the construction or maintenance of roads and post roads.

Also, under House Resolution 403, Eightieth Congress, the Committee on Public Works has authority to investigate questionable trade practices, popularly termed "black market" operations.

SURVEYS AND REVIEWS

A new policy was established by the committee with respect to requests for review resolutions and preliminary examinations and surveys for river and harbor improvements and flood control.

An interval of 3 years must elapse after the submission of an unfavorable report by the Chief of Engineers before any resolution for a review may be considered, unless facts are presented which could not have been foreseen when the unfavorable report was submitted to Congress and which the committee deems sufficient to warrant earlier action.

Each request for the adoption of a committee resolution and each request for a preliminary examination and survey must be supported by a statement giving sufficient information to enable the committee to determine the question of desirability and need.

This policy has saved the taxpayers a substantial sum of money through the elimination of requests not sustained by the investigations made by the committee.

During the Eightieth Congress, the Committee on Public Works took action on a wide range of legislation, among the measures being the following which were enacted into law:

S. 64, granting the consent of Congress for the construction of a dam across Dan River, N. C.; approved May 16, 1947; Public Law No. 68.

House Joint Resolution 193, to grant authority for the erection of a permanent building for the American National Red Cross, District of Columbia Chapter; approved June 26, 1947; Public Law No. 156.

H. R. 310, authorizing the extension of service of the District of Columbia water system to Falls Church, Va., and other nearby systems; approved June 26, 1947; Public Law No. 118.

S. 418, to provide for water pollution control activities in the Public Health Service of the Federal Security Agency and in the Federal Works Agency; approved June 30, 1948; Public Law No. 845.

S. 723, to authorize the preparation of plans for additional office building for the use of the United States Senate; approved July 11, 1947; Public Law No. 169.

S. 980, amendment of the act relating to the United States Capitol grounds and regulations of the Capitol Police Board; approved July 11, 1947; Public Law No. 170.

S. 1305, to amend section 24 of the Federal Power Act so as to provide that the States may apply for reservation of portions of power sites released for entry, location, or selection to the States for highway purposes; approved May 28, 1948; Public Law No. 559.

S. 1306, to ratify action taken by various departments and agencies of the Federal Government in the construction and disposition of the San Jacinto-San Vicente aqueduct; approved April 15, 1948; Public Law No. 482.

H. R. 1412, to grant a reversionary interest in lands to the Arthur Alexander Post, No. 68, the American Legion, Belzoni, Miss.; approved June 21, 1947; Public Law No. 99.

S. 1545, to authorize a bridge and roads upon lands of the Colonial National Historical Park, Yorktown, Va.; approved May 12, 1948; Public Law No. 524.

H. R. 1610, to authorize the Cairo, Ill., Bridge Commission to issue refunding bonds; approved July 11, 1947; Public Law No. 174.

S. 1611, to extend the time for construction of a bridge across the Mississippi River at or near Sauk Rapids, Minn.; approved May 11, 1948; Public Law No. 520.

H. R. 1628, to transfer to the State of Illinois rights in land comprising the right-of-way of the Illinois and Michigan Canal; approved July 1, 1947; Public Law No. 152.

S. 1651, to amend the General Bridge Act of 1946 by extending the maximum period of amortization of toll bridge costs from 20 to 30 years; approved May 25, 1948; Public Law No. 550.

H. R. 1874, to amend the Federal Aid Highway Act of 1944 to extend the period during which funds are available for expenditure under the act; approved June 21, 1947; Public Law No. 100.

S. 516—H. R. 2086—to authorize the furnishing of steam to the property of the Daughters of the American Revolution at rates to be fixed by the Federal Works Agency; approved April 15, 1947; Public Law No. 33.

S. 2288, authorizing the sale of permanent war housing to veterans at cost; approved June 8, 1948; Public Law No. 689.

H. R. 3029, authorizing plans for a new Federal courthouse for the District of Columbia; approved May 29, 1947; Public Law No. 80. Personal investigation by members of the Committee on Public Works revealed the urgent need for an adequate structure to House the United States Court of Appeals for the District of Columbia and the District Court of the United States for the District of Columbia.

H. R. 3072, to authorize preparation of plans for an addition to the House Office Buildings; approved July 11, 1947; Public Law No. 176.

H. R. 3146, to amend the Flood Control Act of 1937 relative to surveys and reviews by the Department of Agriculture; approved January 19, 1948; Public Law No. 397. This act gives the Committee on Public Works the authority to authorize by resolution reviews of reports on watersheds submitted to Congress by the Secretary of Agriculture; similar authority exists for reviews of reports on rivers and harbor projects and flood-control projects submitted to Congress by the Corps of Engineers.

H. R. 3219, authorizing appointment by the Federal Works Agency of special policemen for duty upon Federal property; approved June 1, 1948; Public Law No. 566.

H. R. 3334, granting the consent of Congress to the construction of a dam in the Susquehanna River; approved July 30, 1947; Public Law No. 285.

H. R. 3402, to extend the maturity date of bonds to be issued to refund the acquisition cost of the bridge across the Missouri River at Rulo, Nebr.; approved June 19, 1948; Public Law No. 698.

H. R. 3506, to authorize the acquisition of a site for a new Federal building in Huntington, W. Va.; approved March 25, 1948; Public Law No. 455.

H. R. 3792, to authorize the appropriation of funds for emergency flood-control work; approved June 23, 1947; Public Law No. 102.

H. R. 3862, to authorize a grant of land to Montgomery County, Pa., for erecting an annex to the courthouse; approved August 4, 1947; Public Law No. 352.

H. R. 3875, granting the approval of Congress to an interstate compact relating to the reduction of pollution of waters of the New England States; approved July 31, 1947; Public Law No. 292.

H. R. 3915, to increase the membership of the Arkansas-Mississippi River Bridge Commission; approved June 19, 1948; Public Law No. 701.

H. R. 4068, authorizing the construction of a building for the General Accounting Office in the District of Columbia; approved May 18, 1948; Public Law No. 533. Investigation by the Committee on Public Works revealed that the work and records of the General Accounting Office are scattered in more than 20 buildings resulting in curtailment of efficiency and that this situation justifies early construction of an adequate and proper building.

H. R. 4111, authorizing the construction of flood-control works on the Little Sioux River, Iowa; approved August 4, 1947; Public Law No. 341.

H. R. 4115, to quiet title to certain land in Cheverly, Prince Georges County, Md.; approved February 18, 1948; Private Law No. 178.

H. R. 4140, granting the consent of Congress to a compact between Pennsylvania and New Jersey concerning the Delaware River Joint Toll Bridge Commission; approved August 4, 1947; Public Law No. 355.

H. R. 4836, authorizing the purchase of a new post office site at Omaha, Nebr.; approved March 25, 1948; Public Law No. 456.

H. R. 4967, providing for the acquisition of a site and the preparation of plans for a new postal building and for the remodeling of the existing post office building at Portland, Oreg.; approved March 25, 1948; Public Law No. 457.

H. R. 5543, granting the consent of Congress to Carolina Power & Light Co. to construct a dam in the Lumber River, N. C.; approved May 21, 1948; Public Law No. 546.

H. R. 5710, authorizing the transfer of temporary war housing to educational institutions, and the transfer of Slowe and Carver Halls to Howard University, Washington, D. C.; approved June 28, 1948; Public Law No. 796.

H. R. 5750, providing for the improvement of post-office facilities at Los Angeles, Calif.; approved June 29, 1948; Public Law No. 823.

H. R. 5888, the Federal-Aid Highway Act of 1948, providing authorization of $450,000,000 for each of the fiscal years 1950 and 1951 to aid the States in the construction of highways; approved June 29, 1948; Public Law No. 834.

H. R. 5963, authorizing the construction of a courthouse in the District of Columbia; approved May 14, 1948; Public Law No. 527.

H. R. 6188, to confer jurisdiction over the Fort Des Moines Veterans Village to the State of Iowa; approved June 24, 1948; Public Law No. 751.

H. R. 6228, authorizing the construction of shore protective works at Nome, Alaska; approved June 16, 1948; Public Law No. 649. S. 1025 passed in lieu.

H. R. 6419, authorization of certain river and harbor projects and flood control; title I, River and Harbor Act of 1948; title II, Flood Control Act of 1948; approved June 30, 1948; Public Law No. 858.

H. R. 6465, authorizing the Delaware River Joint Toll Bridge Commission to charge tolls over certain bridges crossing the Delaware River and to group the revenues from such toll bridges in the determination of the amount of tolls to be charged; approved July 1, 1948; Public Law No. 859.

Senate Joint Resolution 231, authorizing emergency housing funds for Vanport, Oreg.; approved June 11, 1948: Public Law No. 624.

It was the policy of the Committee on Public Works to limit authorizations for public works to those most urgently needed. This was accomplished by carefully screening all river and harbor and flood control matters and resulted in a substantial reduction in the number of reviews and the enactment of the lowest project authorization law in a quarter of a century. For the first time in more than 30 years both river and harbor and flood control projects were combined in one law.

Among the public buildings authorized, two major structures were authorized—a building to house the District Court of the United States for the District of Columbia and the United States Court of Appeals for the District of Columbia and a building for the General Accounting Office. The need for these buildings was thoroughly investigated by the Committee on Public Works. Present quarters for the Federal Courts in the District of Columbia are so inadequate as seriously to interfere with the proper administration of justice. Prompt action was taken because of this situation. Efficiency of the General Accounting Office is adversely affected by the fact that its work and records are now housed in more than 20 different buildings, many of them ill-suited to the needs of the General Accounting Office. Only one conclusion could be reached in this matter and that was the prompt authorization of a proper and adequate building.

The Committee on Public Works responded to all emergency situations brought about by floods. In 1947 funds were quickly authorized for emergency flood-control work and in 1948 the committee included in H. R. 6419 an authorization of $25,000,000 for emergency flood-control work so that the Corps of Engineers can promptly swing into action in the event of flood disaster. In addition, the committee approved a special authorization of $10,000,000, to be added to funds already available, for aid in the Vanport, Oreg., flood disaster.

More than 50 years ago, 1897, legislation for stream-pollution control was introduced in Congress, and throughout the ensuing years continuous effort has been made to secure the enactment of water-pollution-control legislation. In 1938 the Congress passed such a law, but it was vetoed by President Roosevelt. S. 418, substantially amended by the Committee on Public Works, has now been approved by the President, and a program of water-pollution-control work will be undertaken by the United States Public Health Service and the Federal Works Agency.

Six subcommittees function under the administration of the Committee on Public Works: Rivers and Harbors, Flood Control, Public Buildings and Grounds, Roads, Beach Erosion, and Subcommittee Investigating Questionable Trade Practices.

The last-mentioned subcommittee has been making a very thorough study and investigation of the vast network of gray-market operations in the United States and has succeeded in exposing racketeering transactions that have been a potent factor in unwarranted price boosts that have been passed on to the consumer. These investigations already have stopped price manipulations and thereby protected the public interest. Further accomplishments may be expected from the work of this subcommittee.

Subcommittee on Elections of the Committee on House Administration Returns Funds to Committee on House Administration

EXTENSION OF REMARKS
OF
HON. RALPH A. GAMBLE
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. GAMBLE. Mr. Speaker, under leave granted by the House, I insert in the CONGRESSIONAL RECORD a letter which I have written to the Honorable KARL M. LECOMPTE, chairman of the Committee on House Administration, inviting his attention to the fact that the Subcommittee on Elections of the Committee on House Administration of which I am chairman, had not expended a $5,000 appropriation made available by the House for use in connection with election contests and the sum has reverted intact to the House contingent fund:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., June 19, 1948.

The Honorable KARL M. LECOMPTE,
Chairman, Committee on
House Administration,
House of Representatives,
Washington, D. C.

DEAR MR. CHAIRMAN: As chairman of the Subcommittee on Elections of the Committee on House Administration having jurisdiction over election contests, you will recall that at the close of the first session of the Eightieth Congress, there were three active election contests and it was thought at that time that hearings might have to be held in the districts in question.

The Committee on House Administration authorized and the House approved House Resolution 339 appropriating for the use of the said subcommittee the sum of $5,000 to cover expenses which would probably be incurred by the committee in connection with said contests.

I am very glad to advise you that the subcommittee did not expend any part of the $5,000 and that the same reverts intact to the contingent fund of the House. This is another evidence of the efforts of the Republican members to effect savings and economy in Government.

Very sincerely yours,
RALPH A. GAMBLE.

Accomplishments of the Committee on Public Lands During the Eightieth Congress

EXTENSION OF REMARKS
OF
HON. RICHARD J. WELCH
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. WELCH. Mr. Speaker, during the Eightieth Congress the Committee on Public Lands, of which I am chairman, carefully considered and favorably reported to the House of Representatives 274 bills and resolutions at a minimum of cost to the Federal Government and at an amount far below that which is authorized by the Congressional Reorganization Act. The House passed 252 of these bills, 223 of which have become law. This is a record of which the members of the committee can be justly proud.

The name of the committee is a misnomer, because it is no longer limited to public lands legislation, but under the Congressional Reorganization Act is a consolidation of six former legislative committes of the House, viz, Territories, Indian Affairs, Irrigation and Reclamation, Public Lands, Insular Affairs, and Mines and Mining. Thus, it will be seen that the Committee on Public Lands has legislative jurisdiction involving nearly all of the Nation's natural resources, and it includes a wider range of legislation than almost any other committee in the House.

In the interest of expediency I appointed five subcommittees as follows: Public Lands, chairman, Congressman BARRETT, of Wyoming: Irrigation and

Reclamation, chairman, Congressman ROCKWELL, of Colorado; Territorial and Insular Possessions, chairman, Congressman CRAWFORD, of Michigan; Mines and Mining, chairman, Congressman LEMKE, of North Dakota; and Indian Affairs, chairman, Congressman D'EWART, of Montana.

The Congressional Reorganization Act authorized the appointment of four professional staff members in addition to six clerical staff members. The basic salary of each professional staff member could have been $8,000 annually. Except in special instances such professional staff members would be of no possible use to the committee unless they made field investigations, which would have cost an additional amount equivalent to their salaries. In the interest of economy the committee has given a temporary appointment only to one professional staff member and has not filled the full quota of clerks, with the resultant saving of much more than $100,000 during the Eightieth Congress.

It was decided that instead of employing a full staff, members of the committee would go into the field and make personal studies of the most important problems under the committee's jurisdiction. To carry out this program I requested, and the House authorized, $25,000 to be expended by the committee for field studies.

During the recess after the first session of the Eightieth Congress, 20 hearings were held by the full committee and the subcommittees in California, Colorado, Washington, Wyoming, Montana, Nevada, and Alaska. A further investigation was made under this authorization during the second session. Notwithstanding the allowance of $25,000, the committee has expended only $13,711.75 up to July 1, 1948, just slightly more than one-half of the amount authorized and appropriated for the payment of all costs, including stenographic transcripts of hearings and members' traveling expenses.

Report to the People of the Second Congressional District of Tennessee by Hon. John Jennings, Jr., of Tennessee

EXTENSION OF REMARKS

OF

HON. JOHN JENNINGS, JR.

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. JENNINGS. Mr. Speaker, under leave to extend my remarks in the RECORD, I submit the following report:

To the people of the Second Congressional District of Tennessee:

I take pleasure, as your Representative in Congress, in submitting to you my official action on many of the questions in which I believe you are most interested.

You elected me to Congress in a special election on December 30, 1939. The question of the greatest concern to the Republicans and to the entire people of this district at this time is:

Who can best serve you in the Congress? The interest of the people of this district in the selection of a Member of the Congress transcends any one man's ambition to go to Congress.

When I was elected and took my seat in January 1940, the Biggs machine of Polk County, and its satellites, the Cantrell machine in McMinn and the Brakebill machine in Monroe, by a long series of election-law violations, had abolished free elections and stolen virtually all county offices in Polk, McMinn, and Monroe Counties. These violations of the law continued until in 1946, when the more than 6,000 veterans who served in the last war returned to their homes, and in August 1946 overthrew the Cantrell machine in McMinn and the Brakebill machine in Monroe. In November 1946 the returned veterans and their relatives overthrew the Biggs machine in Polk County.

Immediately upon my election to Congress, and without compensation from any source, I joined hands with the brave men and women of these three counties in a continuous war on these bullies of the ballot box and thieves of elections. We could obtain no indictments in the State criminal courts against these despoilers of the ballot box who were denying to people of these counties the right to vote and have their votes counted as cast.

After 3 years of effort, I succeeded in inducing Francis Biddle, Attorney General of the United States, to obtain indictments against the violators of the Federal election laws in McMinn and Monroe Counties. Federal Judge Leslie Darr nullified the conviction obtained in the Federal court in Chattanooga by sentencing one violator, William C. Moses, who submitted to the charge of taking money from WPA workers for use in the election of December 30, 1939, to remain in the custody of the United States marshal for 1 hour and pay a fine of 1 cent. Under the law, Judge Darr could have fined Moses not more than $1,000, or imprisoned him for not more than 1 year, or both.

In the November 1940 election at the Claxton precinct in McMinn County, six armed Biggs-Cantrell thugs slugged a citizen who came to vote and by armed force drove voters from the polls, broke up the election, carried the ballot box 12 miles to Etowah and robbed 400 citizens of their right to vote. After 2 years of effort on my part these violators were indicted and convicted before Judge Darr and a jury in the Federal court at Chattanooga.

Judge Darr disregarded the law, and fined them 1 cent each, and did not collect even this disgracefully small sum.

Later, I obtained the indictment of William Rucker, chief of police in Etowah, for stealing votes in the November 1942 congressional election. He was tried before Federal Judge MacSwinford, from Kentucky, convicted, sentenced to 30 days in jail and fined $500.

I brought suit for Tom R. Watson, of Monroe County, against W. C. Brakebill, sheriff of Monroe County, who had long spearheaded election stealing in that county and forced him to resign the sheriff's office for bribery of voters in the August 1942 election.

By an ouster suit against the Democratic election commissioners in McMinn County, I forced their resignation.

In 1944, as a result of the fight we made against the Biggs machine in the Sixth Senatorial District the late James G. Crumbliss defeated the Biggs candidate for the State senate.

In August 1946, armed thugs, commissioned as deputy sheriffs, aided habitual election thieves of the Cantrell machine in McMinn County in seizing and carrying the ballot boxes in Athens to the county jail and the ballot boxes in Etowah to the Cantrell banking houses. A veteran who had lost an arm in Africa and one who had been wounded twice in action were assaulted and their lives threatened. In the battle of Athens, the thieves, including the sheriff, who was also one of the Democratic election commissioners, and a Democratic State senator, who was the Democratic candidate for sheriff, and both of whom were responsible for repeated election thefts were put to flight. Honest elections were restored in McMinn County, and the entire citizens ticket was elected.

In Monroe County, for the first time in years, the entire Republican county ticket was elected.

In Polk County, in November 1946, the anti-Biggs candidates for the legislature were elected.

In May of this year, the Biggs machine, which had issued poll-tax receipts to its members, refused to permit the Democrats and Republicans who composed the good government coalition anti-Biggs organization to pay their poll taxes. On my advice, these good citizens went by the hundreds to the office of the trustee and tendered the amount of their poll tax. When their money was refused, they then obtained a mandatory injunction and forced the trustee to accept payment for and to issue to them their poll tax receipts. They thus became qualified to vote in both the August and November elections of this year.

After the November election, 1942, I along with Dewey Cate, Republican election commissioner, Jack Dance, Bob Mynatt, Howard F. Jarvis, J. Rector Weaver, and Lloyd Cruze, investigator from the office of Attorney General Hal Clements, and Judge William C. Burton, then Assistant Attorney General, by more than 3 days and nights of tireless effort, demonstrated that the November election at the Skaggston Precinct, in Knox County, had been stolen from the Republican candidates. As a result of these investigations and the resulting prosecution, honest elections have been restored at that precinct.

While I was thus engaged in waging this winning fight for honest elections, the head and front of my opposition was accepting money from and defending some of these thieves.

I never defended an election thief in my life.

MY SUPPORT OF THE TVA

Ten days after I took my seat as a Member of the House of Representatives, in January 1940, the proposal to authorize an appropriation of $40,000,000 for the construction of Fort Loudoun Dam at Lenoir City and to appropriate $1,000,000 to commence work on it came before the House of Representatives. In talking to my good friend, the able and distinguished Representative FRANCIS CASE, Representative from South Dakota, about the measure, he said to me: "You should make the argument you have made to me on the floor of the House. I will see Representative Clifton Woodrum, of Virginia, and arrange for you to answer Representative DIRKSEN, of Illinois, who will offer an amendment to cut out the Lenoir City Dam project. Mr. CASE conferred with Representative Woodrum. He came back to me and said: "Woodrum has agreed to permit you to answer DIRKSEN. You go down and sit on the front seat, others will arise to speak, but Speaker Bankhead will recognize you. You are a new man and if you request it the Speaker will give you five additional minutes." I did as I was told. Speaker Bankhead recognized me and I made my first speech on the floor of the House of Representatives.

I had previously contacted Representative Oliver, of Maine, Representative Thorkelson, of Montana, Usher L. Burdick, of South Dakota, and William Lemke, of North Dakota, and learned that these gentlemen favored the proposal. In the argument of the matter, I obtained the votes of Representatives

FRANK KEEFE, of Wisconsin, and DICK WELCH, of California.

DIRKSEN's motion to strike out the authorization and appropriation for the Lenoir City Dam was defeated by three votes. My vote and the votes of these six other Republicans carried the measure.

I COME HOME TO HELP MY PEOPLE

I have been criticized by a few persons for coming back to this district from time to time. One month after I was elected to Congress, I returned to Lenoir City to a celebration, attended by more than 5,000 people, to rejoice over the fact that the Lenoir City Dam was to be built, and that we were to have not only that great structure for the production of electric power and for flood control, but that the century-old dream of the people of the Tennessee River Valley of a navigable river from Knoxville to the Gulf of Mexico was about to be realized. This celebration was attended by myself and by Senator MCKELLAR. In addressing the great audience which attended the celebration, Senator MCKELLAR generously gave me credit for being responsible for the victory in the House of Representatives, which gave to this section the great benefits flowing from the dam.

In 1941, when war threatened and when the little children of the country were gathering aluminum cooking utensils to aid in the war effort, I returned to this district and spent a day going through the great aluminum plant at Alcoa, in Blount County, to familiarize myself with the manufacture of aluminum. When I returned to Washington for the debate on the proposal pending before the House to authorize the appropriation of $62,000,000 for the construction of the Cherokee Dam, near Jefferson City, and the steam generating plant at Watts Bar, I was able to detail how aluminum is produced and to demonstrate the necessity for this appropriation. It carried by a majority of 45 votes.

When again during the war, it became necessary to further expand the production of aluminum, I supported the $40,000,000 appropriation for the construction of Douglas Dam. This measure passed the House unanimously.

By reason of the electric current available from the hydroelectric plants of the Aluminum Co. of America and the great system of flood control, navigation, and power-producing dams of the TVA, the Aluminum Co. of America increased its output of aluminum for war purposes 700 percent, and today thousands of American boys are alive who would have been killed in this world war but for the fact that the Aluminum Co. of America at its plant in Alcoa was able to turn out all of the aluminum needed for the production of war planes. The atomic plant at Oak Ridge was located in our midst because we had the TVA and its vast amount of electricity.

I saw in the great Blount County plant at Alcoa 13,000 men and women, boys and girls, making aluminum 50 times as fast as Hitler and Hirohito could make it. I saw these loyal, patriotic, skilled workers, many of whom had boys in the service, extend their mighty effort above every battlefield, above the seven seas, around the world.

The establishment by Congress of the TVA as the sole source of electric power obtainable by the 5,000,000 people who live within the 80,000 square-mile area in Tennessee and six other States creates a moral and legal duty on the part of the Federal Government to expand its power facilities to keep step with the normal development and power demand of these people. Especially is this true when to do so will not only increase the income of the people dependent on the TVA for power but will increase the income of the Federal Government from the sale of such power.

I favor the proposal to build a $54,000,000 steam generating power plant at New Johnsonville, Tenn. This plant when completed will produce 375,000 kilowatts of power.

The power which will be produced by this plant is absolutely essential to meet the ever-increasing demand for electric current due to the economic growth of our section of the country.

Our greatest defense against foreign aggression is an air power so strong that it can raise an umbrella of air power above this country and carry war to any nation that dares attack us.

You cannot build planes without aluminum. You cannot make aluminum without electric current.

The TVA was created in the interest of national defense, to develop the agricultural and industrial resources of the Tennessee Valley, to improve navigation on the Tennessee River, to control destructive waters of the Tennessee River, its tributaries and the Mississippi. This great development could not have been undertaken by private companies.

The Federal Government from time to time has spent billions of dollars along the eastern and western seacoasts of this country, on the Gulf of Mexico, on the Great Lakes, and on the rivers of our country to improve navigation and to prevent floods. The first extensive expenditure of money by the Federal Government for these purposes on the Tennessee River and its tributaries began with the establishment of the Tennessee Valley Authority.

Those who seek to stop the growth and halt the development of our people, are the enemies of our people. The people of this area have poured out their treasure like sand and their blood like water in the defense of this country.

Those who propose to deny our people the right to prosper and to grow might as well try to crowd a full grown eagle back into the shell from which it was hatched.

There is no more favored region in this land than eastern Tennessee. Our section is endowed with great natural resources. Our people are energetic, industrious, and they are the equal in intelligence, character, and patriotism of any other people in the land. To deprive them of their right to grow, to develop, to prosper, and to enjoy in their homes, schools, and churches the modern conveniences which can only be had by the use of electric current, would be a crime against the people of this section.

The Second Congressional District today has a population of 460,000.

In 1933, there were 219 manufacturing plants in the district. In 1946, there were 421, including the atomic energy plants at Oak Ridge, an increase, excluding Oak Ridge, of 118—39.2 percent.

In 1933, 20,694 persons were employed in manufacturing; in 1946, 58,252 persons were so employed.

In 1939, 35,404 persons were employed in trade and service; in 1946, 50,362 were so employed—an increase of 14,858—42.2 percent.

In 1939, retail sales were $79,657,000; in 1946, they were $189,732,000—an increase of $110,076,000—138.2 percent.

In 1940, the people of the district had a spendable income of $117,065,000; in 1946, they had a spendable income of $341,313,000—an increase of $24,238,000—191.6 percent.

In 1941, they had total bank deposits of $55,138,000; in 1946, they had bank deposits of $224,530,000—an increase of $169,392,000—307.2 percent.

TVA TAX REPLACEMENT

Immediately after I went to Congress, I joined hands with Senator MCKELLAR in an effort to authorize the TVA by act of Congress to refund, not only to the States, but also to the counties of each and every State affected, a just share of the income of the TVA from the sale of power, to take the place of the taxes which these States and counties had lost by reason of the Government having bought and withdrawn from taxation lands and power facilities within them, and on June 24, 1940, in the House of Representatives, I made a speech and voted in favor of giving to the counties of this district, tax replacements for the taxes that they had lost by reason of the Federal Government's purchase of property within their boundaries, and I now quote from my speech made on that occasion, which is a part of the permanent record of the Congress.

"Mr. Speaker, this bill does not make an appropriation out of the Federal Treasury for the relief of these counties in Tennessee or for any of the counties in other States where the Tennessee Valley Authority is operating which have lost taxes by virtue of the TVA purchases of reservoir lands and utility properties therein.

"This amendment simply provides that from the gross receipts from the sale of electricity made by the Tennessee Valley Authority and which is thereby withdrawn from taxation a certain amount in lieu of the taxes these States and counties have lost. The money this amendment proposes to pay to these States and counties is included within the wholesale rates at which the Tennessee Valley Authority sells this power."

In the year ending June 30, of this year, the TVA made payments in lieu of taxes to the States and counties in which this agency owns property, of $1,219,354. More than one-half of this sum—$609,677—was paid to the State of Tennessee and to counties of Tennessee in which the TVA owns property. Each and every county in the Second Congressional District received its share of this sum.

MY AID TO THE BURLEY TOBACCO GROWERS OF THE SECOND DISTRICT

Five thousand farmers in the Second Congressional District grow burley tobacco. Their yearly income from this crop is $3,000,000. When I went to Congress many of them had an allotment of only two-tenths of an acre, four-tenths of an acre and other allotments of less than 1 acre. I aided in the enactment of a law giving to each grower an allotment of not less than 1 acre. Yearly, it is necessary, in order to protect the burley growers and to continue profitable prices to obtain an appropriation, to see that the program is properly carried out, that the tobacco of the growers is properly graded, and that they are protected from imposition by the great tobacco companies.

The tobacco growers of this country receive $1,000,000,000 yearly for their crop. The Federal Government collects in taxes from the manufactured products more than $1,000,000,000.

On the last night the Congress was in session, I led the fight against an effort made by certain Congressmen to defeat a provision providing for the sale and export of tobacco during the next year in the amount of $110,000,000. I also defeated an effort that was being made to permit exports to foreign countries of American tobacco seed and tobacco plants. To do this would destroy the prosperity of the tobacco growers of our country.

THE GREAT SMOKY MOUNTAINS NATIONAL PARK

I assisted public-spirited citizens of Knox and Blount Counties in obtaining an appropriation of $110,000 to put in bridges on the road leading into Cades Cove, a section of unparalleled beauty, suitable for tourist camps and picnic grounds.

CROSSER AMENDMENT TO THE RAILWAY EMPLOYEES RETIREMENT AND PENSION ACT AND THE WOLVERTON AMENDMENT TO SAID ACT

During the Seventy-ninth Congress, I supported and helped to enact into law provi-

sions liberalizing the Railway Retirement and Pension Act. I did this at the request of the railroad brotherhoods and other railway organizations.

On July 8, the House passed a measure introduced by Representative WOLVERTON, one of the best friends to the railway employees of this country in Congress. This amendment to the Railroad Retirement Act increases the amount payable by the provisions of section 1, together with the provisions of section 3 of retirements, annuities, and pensions payable under the Railroad Retirement Act 20 percent. The act also makes certain that the funds from which these benefits are payable shall be kept solvent.

SCHOOL LUNCHES

On March 26, 1947, an amendment was offered to the appropriation bill, appropriating $6,000,000 to supplement the school-lunch program. This was opposed by my good friend, JOHN TABER, of New York. In my support of this measure, I stated on the floor of the House: "Mr. Chairman, I have profound respect for the good judgment and integrity of my good friend from New York, but I do not subscribe to the doctrine of being penny-wise and pound-foolish. If I economize, and I am for economy, I will never economize at the expense of a hungry child. * * * If we appropriate this $6,000,000 to supplement the lunch program, it will cost each and every person in this country the stupendous sum of four mills. If there is any Member of this House who feels that he or she cannot afford to invest four mills in the minds and bodies and souls and welfare of the school children of this country, while I am not a wealthy man, I will reimburse him or her the four mills that he or she is out as a result of the adoption of this amendment." The amendment carried.

In the closing days of this Congress, I voted in favor of an appropriation for the coming year of $75,000,000 to make the school-lunch program of this country a success. I also voted in favor of adequate appropriations to carry out the soil-conservation program in which our farmers are so vitally interested.

FEDERAL AID AND EDUCATION

Since I have been in Congress, I have supported Federal aid to education. We were unable to obtain it while the Democrats were in control of both branches of Congress, and we were unable to pass the measure after the Republicans came into power. The necessity of passing this measure has been demonstrated and it is gathering strength each year in Congress. When the new Congress convenes I shall continue my fight for the investment of money in the bodies, the minds and the souls of the children of this country.

THE UNIVERSITY OF TENNESSEE

I have supported all appropriations carrying out the great work of the University of Tennessee. It is the head of our educational system and I have been especially active in favor of veterans' housing at the University in connection with the veterans' program being carried out by the University.

I supported and helped to pass an appropriation of $35,000,000 for this purpose.

VETERANS' LEGISLATION

I have supported each and every measure passed by the Congress for the benefit of the veterans, their widows and dependents.

RELIEF FOR THE AGED

I have supported and voted in favor of all appropriations to supplement old-age assistance, aid to the blind and for increased aid for crippled and dependent children. I voted to increase assistance to needy old people $5 per month, without it being matched by the States, and also to increase monthly allotments by $3 to dependent children and to increase the monthly allotments to the blind.

TAX RELIEF

I voted in favor of and helped to pass over the President's veto the tax-reduction measure which removed more than 6,000,000 low-income-tax payers from Federal income-tax rolls. This measure will save the taxpayers of this country more than $4,000,000,000 during the coming fiscal year. There are millions of people in this country who believe that the power to tax is the power to destroy. The average person who earns money has a better idea what he or she ought to do with it than President Truman.

REDUCTION OF FEDERAL EXPENSES

There will never be an adequate reduction of Federal expenses until we have a Republican in the White House. The savings made by this Congress would have run into billions but for the necessity for foreign relief and national defense, which will amount to more than $16,000,000,000 this year.

FIGHTS COMMUNISM

I have supported every measure to suppress the illegal and dangerous activities of Communists. I voted to deport Harry Bridges, to carry on the fight against un-American activities, to purge the Government pay rolls of Communists, and favored the measure to drag the Communist Party and all Communist organizations out into the open. I voted to make it a felony for any man or set of men to conspire to set up a communistic dictatorship in this country, controlled by Russia, and to force the members of disloyal organizations to register and disclose the names of the members and their officers, the source of their money, and what they do with it.

MY VISITS TO THE DISTRICT

Certain irresponsible persons from time to time seek to create the impression that I have never really been in Washington as a Member of Congress. There is a complete record of each and every day on which the House of Representatives has been in session since I have been a Member of it, commencing with January 3, 1940, down to Sunday morning, June 30, 1948, at 6 a. m. It is a significant fact that the people of this district will not overlook, that no one of my critics has ever been able to put his finger upon a single occasion when I was absent from Congress when a measure affecting the welfare of this country or of interest to the people of this district was considered by the House. I have never been a pole sitter. I have been active all the days of my life. I do come back to the Second Congressional District whenever I can be of service to my people back at home. How else could a Member of Congress know what the people back home are thinking and what they desire at his hands on measures affecting their interests?

I came back to Tennessee and spent days and weeks in developing the facts and preparing the cases against the election thieves, in order to have them indicted, prosecuted, tried, convicted, and removed from public office. I shall do so again if they start stealing again.

When the Federal Government filed condemnation proceedings against the hundreds of Anderson and Roane County farmers who lived in the Oak Ridge area, and sent land appraisers from Ohio and Indiana down to Tennessee to appraise Tennessee lands, and sought to take these farm lands for less than half what they were worth, I again came home at my own expense, met with these home-owners who were being forced to give up their homes, and then I went back to Washington and had a congressional committtee appointed to investigate the mistreatment handed our people by the Federal Government. I came back to Tennessee at my own expense and personally, before this investigating committee, put on witnesses in an all-day hearing at Clinton and in another all-day hearing at Kingston, and as result of the facts developed at these hearings and the report made by the committee, these farmers were paid by the Government more than $400,000 more than the Government at first offered them for their homes. This was all done at my expense, without the cost of a penny to any one of the men and women I aided.

On other occasions, I have come back to Tennessee and talked with people who did not understand how to fully explain to me in a letter their needs and their problems and who were not financially able to come to the city of Washington.

During the war an aged father and mother who had only two sons, and who had lost one during the First World War, and the other during the second while in the Air Forces in this country, came to me for assistance. The grief of this heartbroken father and mother was dry-eyed; they had shed all their tears. They explained to me their problem, which involved not only the benefits due them by the Federal Government on account of the services and death of their son, but also the adjustment of his life insurance due him by a private life-insurance company. I saw that they obtained all that was coming to them. The little mother said to me, when the work was done, "How much do I owe you?" I said to her, as I have said to many others who thought perhaps they might owe me for some of my services, "God bless you, you don't owe me 1 cent. If you had $1,000,000 you could not pay me anything."

Not so many days ago, I came back to Tennessee to speak to the graduating class at Norma, in Scott County, and on my way to the train for Washington a man who had lost a foot and been otherwise severely injured in an accident, stopped me and said that he and a friend wished to talk to me about his injury. He was undertaking to make a settlement without employing an attorney. I fully investigated the law and the facts of his case, talked to the splendid lawyers who represented the agency from whom he was seeking to collect damages, and as a result of the conference and the able assistance of his friend, this man who had been crippled for life obtained a splendid settlement of more than $16,000.

On occasions like this I have repeatedly visited my people, and as long as I represent them in Congress I expect to keep in close touch with them.

I HAVE KEPT FAITH WITH THE PEOPLE

When I first announced for Congress in 1939, I promised the people in this district that I would do all in my power to advance the material, the educational, the moral, and the spiritual development of the great people of this magnificent district. This pledge, to the extent by my ability, I have kept. I am fully conscious of the tremendous and fateful problems that confront the people of this country and it is with a sense of responsibility and humility that I offer my services to my people. I come back again to what I first said, that is, Who can best serve the people of this district in the Congress? I take pride in stating to you that I do not have an enemy in the House of Representatives, among either Republican or Democratic colleagues. I know them all and have rendered services to the great majority of them. I know personally and have supported for the past 8 years Governor Thomas E. Dewey who will be the next President of the United States. I know the able men who have contributed to his success as the Governor of New York, and who have supported and assisted him in becoming the nominee of the Republican Party for the most powerful office on this earth. Republican victory in November is assured, and I profoundly believe that such a victory

will enable the American people to preserve our constitutional form of government and our system of free enterprise which is the envy and admiration of the world.

Under our system of constitutional government, the American people have enjoyed greater freedom than any other people have attained in all the 5,000 years of recorded history preceding the founding of this Republic.

Under our system of free enterprise, by free men and free women in a free country, the people of this land have made greater material progress, have achieved the highest standard of living, are better housed, better clothed, better fed, and have more of the good things of life than any other people on earth.

Our people are happy and prosperous, they face a future stored with unsurpassed opportunities and possibilities.

It is my belief that with the establishment of a firm and wise foreign policy, administered by competent men, a just and permanent peace will be established, and that the pathway of this country's progress, like the path of the just, will grow "brighter and brighter unto the perfect day."

The Way to Peace and Justice

EXTENSION OF REMARKS

OF

HON. ROBERT CROSSER

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. CROSSER. Mr. Speaker, early in life, human beings realize that, to be happy, they must be in harmony with the laws of creation, the laws of life. In his desire to preserve and continue his existence, almost the first effort of the individual is to develop the skill and ability to enable him to "make a living." For some time then, the individual engages almost exclusively in the business of caring for himself. This confining of his attention mainly to what he regards as the immediate needs of the so-called personal self delays the individual's awakening to more active consciousness of his being and of the unity of creation. When, however, the individual does begin to realize that persistence in his limited consciousness of being prevents him from experiencing the possible activities and joys of life, he then gradually arouses himself to a more complete realization of the true nature of life and of the oneness of all life. His duty to others then becomes clearer to him.

In the practical affairs of life, therefore, people begin to realize that they can enjoy harmonious existence only by helping to promote the welfare of their fellow beings, by conducting themselves in harmony with the universal law of action governing all. In other words, harmonious existence requires the individual to regard scrupulously the welfare of those whom he regards as other and separate persons.

This means, from the standpoint of human government, that there must prevail absolute justice in the control of the earth, which is the source of all material things used by mankind.

How, then, can we assure justice in the distribution of the wealth derived from the earth? The answer, in brief, should be as follows: "Discover the natural law and in harmony with it enact and administer the laws of human governments."

CONCEITED NOTIONS

The earth exists and is governed in accord with universal law which is altogether just. That law is not in any way dependent on the vain conceited notions of any human being, or group of human beings whose egotism craves the official power to direct the lives of all other people.

A proper understanding of the principles of political economy, and their correct application to the problems which distress the people, would soon bring about the reign of economic justice. The adjustment of men's conduct and actions, in harmony with the true laws of life, would thus be assured, and soon we would have the glorious rule of right with all of its joys.

Let us consider, then, the principles, which, if properly obeyed, will assure all men their rights, banish hate, and establish universal brotherhood.

HOW WEALTH IS PRODUCED

There are three factors engaged in the production of all goods. They are labor, capital, and what may be named as either natural resources, land or the earth. To assure, by law, to each of these factors its just share in what may be produced by the united action of the three factors, just named, must be the chief aim of true statesmanship.

Now, everything which people use or consume must be derived from the earth. Our first task, therefore, in our effort to find out what is the fair share of each of the three factors is to understand, first of all, what are men's rights in regard to the control of the land, called also natural resources or the earth.

First let us note that rightful ownership of anything whatsoever exists because the person claiming such ownership either has made what he claims to own or has given for it, something of equal value to someone who had rightfully acquired ownership of it.

ONE POWER CREATED ALL

One power is the sole cause of the existence of the earth's population. It is clear, too, that the power which produced the earth's inhabitants created also the earth itself. Certainly no human being ever created or could create a single particle of the earth. Reason requires us also to regard the one Power as the Father of the earth's inhabitants. If, however, the Creator is parent of the earth's beings, then we cannot reasonably believe that that power, the Father, would or could be unfair or unjust to any of His creatures. On the contrary, instead of being unfair, He has provided equal rights for all His creatures in the bounty which He has supplied.

NO ONE OWNS THE EARTH

What then, with due regard for justice to all, is the true nature of man's rights in the earth?

Surely no person could be given exclusive ownership of the earth, or any part of it, without injustice to all other beings. No; on the other hand, the natural resources, the land, is the common heritage of all mankind and must be used on the basis of equal rights to all and special privilege to none.

In order to illustrate the true nature of man's rights in the bounty called the earth, furnished by the Creator, let us suppose that we are at the beginning of history, when we find but one man on the earth. Whether you call that first man John or Adam, we may be sure that he will try to satisfy his desires with the least effort necessary. That is natural. He would, therefore, choose, for his use that part of the earth which, because of location or natural richness, will produce the largest amount of goods as the result of his labor. In other words, he would take the most productive part of the earth, and his labor would produce more from that part of the earth than it would secure from any other part of equal size.

After the first man, however, had taken possession of the best tract of land, the second man comes along and demands possession of the same tract of land.

WHEN REASON PREVAILS

The first man, of course, says that he will not give up possession because he, the first man, is the owner of the choice land. The second man then asks the first man for what reason the first man claims to be the owner, the exclusive owner, of the very best tract of land. The first man then answers: "It is mine because I saw it first." The second man then asks the first man: "Do you mean to say, because of the mere fact that the light was first reflected from this tract of land to your eyes instead of to my eyes that, therefore, you have the exclusive right and title to the best of all tracts of land?" The first man, being a reasonable person then answers: "Well, I must admit that the reason I gave you is not logical but, nevertheless, my right to this land is as good as yours." The second man also admits that to be true. In order, therefore, to assure justice to both men, it is agreed by them that whatever amount of goods may be produced from the first tract of land, more than from the next best tract of land, by the same amount and quality of labor, is clearly due to the natural advantage in the first tract of land, such as its better location, its chemical elements, or because of some other natural advantage possessed by the first tract of land.

BASIS FOR FAIR DECISION

In other words, the first tract of land has greater productive power because of its location, its natural richness, or because of some other quality given to it by the creative power. Certainly, then, the greater production from the first tract of ground is not due to either the mental effort or physical labor of any human being. Such being the case, both men are entitled to equal shares in what is produced from the first tract of land, more than what is produced by like effort from the second best tract.

It is agreed, therefore, that the first man will finish his year's work on tract No. 1, and that the second man, for the same length of time, will apply the same amount and quality of labor to the next best tract of land of like area. They

agree also that whatever is produced then from the first tract of land more than what is produced from the second tract, by the same amount and quality of labor by the second man, is due to the better advantages in tract No. 1, and therefore is to be divided between the two men at the end of the year.

PRINCIPLE ALWAYS THE SAME

This assures each person of the full value of his labor and also assures him of his fair share of what is altogether due to the better advantage afforded by nature in the first tract of land.

Now, whether the number of persons on the earth is 2 or 2,000,000,000, the principle just explained applies in the same way. Whatever part of production, from any part of the natural resources, called also land, is due to better natural advantage, such part of production surely belongs rightly to all the people in common, called society. Every person, of course, must be assured of possession of the land occupied by him, for the period of time for which he pays to society, or its government, the value of the amount by which the reasonably possible production from the land, occupied by him, exceeds the reasonably possible production, from a like area of the least productive land, occupied by any person.

WHAT BELONGS TO ALL OF US

The value per year, of this difference in productive power, is what is called economic rent. Whether it be industrial land, city land, or farm land the economic rent of such land is the value of what, by a certain amount and quality of labor, it will produce more than will be produced by the same amount of labor from a like area of the least productive land occupied by anyone.

Economic rent is the amount which is justly due to society, to all the people in common, for the right granted by society for the possession of natural resources. Economic rent is, therefore, the only proper source from which Government should collect the money necessary to pay its expenses.

Instead, however, of using this just method, the method which would reward men for their industry and enterprise, resulting in better and increased production, the expense of Government has been wrongly taken by taxation, from what, by their own efforts, people have produced. This method of securing revenue to pay the expense of Government has discouraged enterprise and retarded business.

EFFECT OF UNJUST TAXES

The cost of Government has been paid from taxes unjustly collected from values created in goods produced by labor and capital. It certainly should be clear to anyone that all taxes put upon goods are penalties which hold back production. Surely, everyone can see also that such taxes increase the price of goods. They, therefore, lessen sales, because the higher becomes the price of goods the fewer are the persons who can afford to buy them and, therefore, the smaller is the amount of goods that can be sold. The demand for goods lessens, as the price of the same rises. That means less profit for the seller and less wages for employees.

The injustice and harm which results from such unjust system of taxation may be seen on every side and continue during every minute of our lives. All things men produce are taxed. The owner is taxed—in effect, fined—on account of every improvement he may make on his house, barn, garage, fence, or any other of the changes made by him, which may improve the living conditions of himself, his family, and in fact, of the whole community.

FINED FOR DOING GOOD

Instead of being encouraged to make progress and to improve the standard of life, and instead of being commended for doing so, men are taxed—fined—punished because they improve conditions. Some governments even tax the householder on account of every pane of glass he puts in windows to allow the daylight to enter his house to brighten it. Practically all of the different kinds of goods needed by the people for their welfare are taxed many, many times—in fact taxes are collected on account of the sale of everything used or consumed by people during their entire lives.

Now all taxes on building improvements and on all goods which increase people's comfort and health, must surely, unavoidably lower the standards of living and retard the progress of civilization.

All taxes on things produced by labor and capital reduce the sales of such goods. This is so because the taxes included in their cost price, increase the sale price of such goods. That, of course, makes it harder for people to buy the goods. The wages paid workers are then less, because less goods are sold, and so, of course, fewer workers are needed to produce the smaller supply of goods manufactured. That results in unemployment for many people. The unemployed compete with each other in seeking the same jobs and offer to work for less than the regular wages in order to have a means of earning a living. Prosperity and progress are delayed, because governments, to pay expenses, take by taxation a big part of what is produced by labor and capital. Men are thereby punished for their industry and discouraged in their efforts to be enterprising.

Yes, every excise tax, sales tax, and every other like tax on the sale of goods, certainly, holds back business constantly.

Nevertheless, men are taxed more and more as they become more industrious and enterprising in the production of the comforts needed for a better general standard of living. Indefensible as is the taxing of men, as they become more industrious, more enterprising, and produce more goods—there results a yet greater evil. Because of the failure to collect government expenses, from the economic rent of natural resources, it is not expensive for the holders of the same to keep the resources out of use. This results in monopoly and deprives the people of the benefit of competition.

The failure to collect the expenses of government from the economic rent of natural resources, controlled by monopolists, causes the loss of vast amounts of revenue which would provide abundantly for the very best quality of government. Instead of doing this, however, people are taxed, punished, because they have been industrious in making useful goods and in improving property to make it more comfortable, more attractive, more sanitary, and better in every way for everybody.

HANDICAPPING "FREE ENTERPRISE"

Much has been said about the importance of free enterprise and individual initiative, and yet when people earnestly try to be industrious and enterprising, they are taxed—that is, fined—punished for their intelligent effort to be enterprising and for attempting to be industrious instead of lazy.

The true principle may be stated as follows: Justice requires that men be taxed according to the value of the privilege they enjoy at the hands of society, of government, and that they should not be taxed—fined—according to the effort they make to live decently and to be better citizens, and should not be punished by a fine—called taxes—because they use their understanding and ability to be enterprising.

FAIR AND SCIENTIFIC TAXES

The collection of the cost of government, from economic rent, is the fairest and the most scientific method of securing abundant revenue for the best quality of government. The value of land, and income derived from land, results from the presence and activity of society, of the community.

The market value of the land or natural resources exists because of the presence of population. In 1626 Manhattan Island, upon which New York City is located, was bought by a group of Hollanders from Indians for $24. On December 31, 1934, the official value of the land, exclusive of improvements, was $4,600,000,000. The land in and about the Cleveland Public Square originally had so little market value that it was used for pasture. Now the value of the land within a few hundred yards of the square is measured in millions of dollars. We could give an unlimited number of examples of like experiences involving great increases in the market value of land in all parts of the country. All of such increases in value are due to the same cause, namely, the increase in population. The increase in population results in the construction of more buildings, and the erection of new buildings requires much material and the employment of many workers. All this, of course, results in better business.

The improvement and increase in business raises the market value of the ground where such business is carried on. The presence of the greater population, the larger community, increases business, and the improved business increases the market value of the land. The value of the land was not created by the person who by chance may have had title to the land. Instead, the presence of the larger population, the larger community caused the increase in the value of the land.

COMMUNITY RIGHTS STRESSED

The yearly income paid to the owner of land was not in any sense earned by the owner but was due altogether to the presence of a greater number of people whose activity and enterprise helped to

improve business in general. Certainly, then, the community which has caused the increased income from the land is entitled to collect from that income the cost of the community government.

It will now be admitted, I am sure, that serious injustice and great wrong have been suffered by the people because of the unjust and the unwise methods of taxation commonly used by governments to secure money to pay their expenses.

We have shown that land values and the income or interest on the values created by the presence of a larger population, the larger community, have not been paid to society, to the people as a whole, whose presence, industry, and enterprise created the land values and the income or interest paid on them.

PRIVATE PERSONS PROFIT

No; on the contrary, the increased land values and the income on the same have been handed over to private persons who were neither the cause of nor the creators of the land values or the interest or income paid on same.

The community's loss of the income on these increased land values, handed over to privileged private persons, is bad enough and violates every principle of justice. To add insult to injury, however, after giving the economic rent to private persons, we next find that such governments, in order to pay their expenses, rob the people, legally, of course, of what they produce by their labors. If the family improves the home then it is taxed—fined. If people erect buildings and increase the value of the land in the neighborhood, they are taxed for putting up the buildings which improve the community.

LOW TAX ON IDLE LAND

On the other hand, the persons who hold their land idle—while it increases in value because of their neighbor's work, enterprise, improvements, and building—are not taxed, or are taxed but little on their increased land values. Taxes are put upon everything people make or buy from other makers to improve their standard of living, and improve community life. Business is retarded, the progress of civilization is slackened and halted because men are taxed—punished—for producing, to sell, things needed for the health, comfort, and refinement of the people in general.

There is a wrong, however, far greater even and much more harmful to the people than the loss of money caused by the failure to collect revenue from the land values created by the public; a wrong even greater than the taking by taxation, from the people, of a part of the value of what they produce by their labor to supply the needs of society and to make life more wholesome and pleasant.

OPENS THE WAY FOR MONOPOLIES

That evil consists of the monopolies, the power given to a few persons, as a result of the failure to collect from such persons the expenses of government from the values created, added to the land, by the presence and activity of the people, the community.

This failure to collect the cost of government from the income, created by the community's presence and activity, makes it possible and easy for the monopolists to hold out of use, or to use but inefficiently, the land or resources, in their possession. They can and do hold out of use, the land, the resources, because their refusal or failure to use them costs them little or nothing. While the land is held idle they are relieved of the necessity of exerting any effort. They need not use funds they may have, to carry on any business. The greatest wrong of all, however, consists of the fact that they can and do prevent other people from using the land.

WOULD SOLVE THE WAGE PROBLEM

Collecting the expenses of government, from economic rent, would make it impossible for anybody to monopolize the natural resources and to hold them for speculative purposes. The holders of land would be compelled, then, to make good use of the land or natural resources, in order to have the money to pay their taxes. Because the monopolizers would be compelled to use the natural resources, in order to have money to pay their taxes, they would need workers and there would thus be created a demand for labor. The owners of land, of natural resources, throughout the country, would be influenced and act in the same way and all industry, commerce, and agriculture would therefore flourish. Unwilling idleness would soon be unknown, and the so-called wage problem would settle itself. The wage problem would no longer exist because, if men were not paid fair wages and given good working conditions, they could go to fairminded employers who would be glad to hire them on just terms.

STRIKING EXAMPLE GIVEN

To illustrate what has just been said, let us suppose, for example, that all the known oil lands were located in Pennsylvania, Ohio, and West Virginia, and one or a few men were to have title to the full and unlimited ownership and control of the same, and could hold it out of use by paying trifling taxes amounting to not much more than the taxes on poor farm land, this is what would likely happen: The holders of such oil lands would use such part of the lands as might be required to supply kerosene—coal oil—to the people burning the same to make what was, at the time, a new kind of light. The oil landholders could then raise the price of coal oil as high as they might please, unless they should make the price so high as to cause people to stop using coal oil and to begin again to burn candles for light. Moreover, since the owners would be the only employers of expert oil workers, the monopolists could constantly reduce the wages paid the expert oil workers, unless they should reduce such wages to or below the level of unskilled workers' wages, and thus drive the oil workers to accept employment at work requiring no special skill.

GREAT RICHES NOT EARNED

We have here noted, and explained the injustice which was the sure result of permitting the private monopoly of oil lands. Like injustice would result from permitting the private monopoly of other natural resources such as iron-ore land, copper-ore land, zinc-ore land, lead-ore land, other kinds of ore land and land underlaid with coal, or land which, because of the presence of a large population, is valuable for factory or business purposes.

Private monopoly of natural resources, of any part of the earth, makes it possible for the few who are given such monopoly to accumulate great wealth, which they do not earn by either manual labor or mental effort. A far worse evil than the possession, by monopolists, of their unearned wealth, however, is the power which enables monopolists to keep others from using the land, the resources. Because monopolists are required to pay so little in taxes that they need not use the land to earn the taxes, the land remains idle without any risk to the holder, while it increases in value.

DEVELOP OR PERISH

The collection of the expenses of government from economic rent would put an end to the dog-in-the-manger monopoly control of the natural resources, and in no other way can monopoly be prevented. If even the larger part of the economic rent of land, of the natural resources, possessed by him, were collected from the owner to pay the expense of government, it would be necessary for him either to make good use of it himself or to allow someone else to use it. If he were to hold it without making good use of it, he could not afford to pay the tax, because he would be making no income with which to pay the taxes or rent. If he did not pay the taxes, someone else would do so and would have, then, the right to use the land. To make use of the land, however, it would be necessary for its new possessor to employ workmen and that would improve employment conditions, increase wages, and increase business in general.

COMPETITION NEVER TESTED

Whether or not the possessor may have properly used the land, the expenses of government should be collected, of course, from economic rent. The economic rent exists because of the presence and activity of society, that is, of all the people, and the failure of the holders of land to use it is no excuse for not paying what they owe to the people, to the community. Moreover, its proper use, as required by justice to all the people, would produce the money to pay the taxes, and would also provide fair compensation for the user.

By the champions of that kind of government, which is planned to be administered according to the personal discretion and direction of official agents, we have been told that competition has been tried and has failed. On the contrary, the fact is that, in modern times, there has been no opportunity for true competition. Competition in the fundamental sense has not had a real trial.

FEW COULD NOT ROB THE MANY

Control of the great bulk of natural resources is in the hands of a comparatively few persons. The possession and control, of the greater part of the valuable natural resources, commercial sites and industrial land, enables the holders of the same, however, to put into their pockets large profits created by the presence and activity of large populations.

After the monopolists have taken the unearned increment from what has been produced, the rank and file of the people are allowed to scramble with each other for a miserable existence out of what is left. Obedience to the principle, which I have discussed, would make it impossible for the few, even legally, to thus rob the many.

There has now been pointed the way to economic justice. When, in accordance with the principle just discussed, the reign of right will prevail, we shall cease to be harassed by industrial strife. The feeling of hatred and opposition will cease, and in their stead the spirit of cooperation and brotherhood will prevail.

THERE IS A PERFECT LAW

In the early part of these remarks I urged: "Discover the natural law and, in harmony with it, enact and administer the laws of human governments." Whether we call it the law of life, the law of nature, the law of creative power, there certainly exists perfect law and the adjustment of men's actions and conduct in harmony with that law will assure liberty and perfect happiness. Thomas Jefferson said: "The God who gave us life gave us liberty." We must understand, however, that human beings do not and cannot create justice. They can only discover, that is, become conscious of justice and its laws, established for the harmonious control of the universe. Men's actions and conduct and the laws of human governments should be brought into adjustment, into harmony with the law of creation.

SEE GRANDEUR OF CREATION

Often we hear the question: "Will there ever be adopted, by governments, as ruling law, the great principle, the fundamental and certain remedy, which I have just explained, for the brutal and cruel economic injustice which has caused such age-long suffering?"

For answer let me relate that many years ago, on a warm Sunday afternoon, in my room in a boarding house on Arch Street, Allegheny, in which city I was working for a few months prior to entering Cincinnati Law School, after graduating from Kenyon College, Gambier, Ohio, I had just finished an intense, thorough study of the subject which I have just discussed. I put down the book and lay on my back on my bed. In a few minutes, I arose and began writing the lines which were finished a little later and which indicated my feeling as to the question just stated. I quote the lines, as follows:

Poetic lore has often told
Of nature's blessings, manifold;
And humbler prose, perhaps in mirth,
Proclaims men equal on this earth.

If this be true, why do we see
The wretches men oft seem to be;
Why see the poor forsaken waif
Searching in vain for shelter safe?

One child, of God, first sees the light,
Surrounded by gold and linen white;
Another, nature's canopy sees,
The earth his cradle, e'en that not his.

With dirge and funeral rites they lay
The miser in his downy grave;
But yonder poor old tott'ring serf
Can hardly reach kind nature's berth.

How can we, suff'ring then, behold
God's blessings ruled by weight of gold,
His word construed by greedy wealth,
His off'rings filched with sneaking stealth?

Courage, then, ye men, yet strong,
Gird up your loins, go join the throng,
Battle for freedom, long sung by the muse,
Leave not a foeman, head no flag of truce.

And when the din of battle's o'er,
And selfish greed shall reign no more,
We'll hasten forth, proclaiming then,
Peace on earth, good will toward men.

These lines indicated my youthful confidence and enthusiasm for the great cause just discussed and after 50 years, the unwavering confidence of my youth is unhesitatingly confirmed by my more mature judgment. Right must and will triumph.

The unfettered operation of the principle which we have discussed would assure all men just compensation for their service and would give assurance of profitable employment at all times.

No longer then in fear of oppressors; no longer the victim of want or the fear of want, men's moral courage will be awakened and joyously will they obey their best impulses. In their spirit of freedom and with gladness, men will eagerly embrace the glorious principles of justice and they will earnestly strive to express the universal harmony of life. Then will disappear the meanness, the jealousy, the envy, and hatred which now blight the lives of men.

In the sublime cause of brotherhood, with songs of joy pealing from their hearts, with the spirit of justice shining from their eyes and in perfect unison will march the sons of men. Then will men be freemen and the grandeur of creation will be manifest throughout the land.

The Voice of America: An Adventure in International Understanding

EXTENSION OF REMARKS
OF
HON. KARL E. MUNDT
OF SOUTH DAKOTA
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. MUNDT. Mr. Speaker, I would like to avail myself of the opportunity, before the Congress adjourns, to express my personal satisfaction at the successful establishment of the permanent Voice of America program during the present session. As sponsor of the legislation authorizing the State Department to promote United States foreign policy by disseminating information abroad, I have taken a profound interest in this important work and look forward through the years to its increasing effectiveness.

It has been the bad luck, even the fate, of the Voice of America to draw down upon itself spasmodic torrents of criticism, that is domestic criticism, because of certain defects in its total output. The recent storm of protest over certain broadcasts about the American States sent to South America by the National Broadcasting Co. is certainly a case in point; and the details are so well known that there is no need to exhume them here. In my opinion, this unfortunate episode might have been sufficient to wipe out, or at least seriously curtail, the whole program a year or two ago when many people were not so convinced of the necessity of this operation as they are today.

But the interesting fact was that neither the House nor the Senate for a moment considered obliterating the Voice of America because of these scripts. The attitude of Congress—made amply clear during the hearings on the subject and demonstrated even more effectively by the passage of a $28,000,000 appropriation for the program—was simply this: How can we eliminate the possibility of further errors and make the Voice of America a better instrument of the Government? This in itself was proof that the Voice of America has progressed far beyond the pro-and-con stage. Congress and the public at large showed that they were solidly behind the program itself. The argument is now not an argument over principle but over ways and means to improve the product.

Consequently I do not believe there is any need for me to restate the case for the Voice of America, beyond recalling briefly the importance to this program of the visits which many Members of Congress paid to several European countries last summer. Our first-hand observations of Communist propaganda in action and the inadequacy of the United States information service convinced us more than anything else that America must marshal its forces in the great world battle of ideologists. The Committee to Investigate the United States Information Service in Europe, which was under the joint chairmanship of Senator SMITH of New Jersey and myself, summed up its findings in this key sentence: "The United States must take positive and aggressive steps to carry the true story of her ideals, motives, and objectives to a demoralized and groping Europe."

Through legislation passed by the Eightieth Congress—the so-called Smith-Mundt bill—the way for telling of this story has been opened. Staffs of the United States Information Service and the Voice of America are to be increased and some $6,000,000 will be spent on the expansion of relay facilities to strengthen the signal of America broadcasts to Europe and the Far East.

However, in looking toward the future let's not neglect the very real accomplishments of the Voice of America thus far. Indeed, it is about the demonstrated effectiveness of these radio broadcasts that I wish to talk for a few moments today. There is, of course, nothing in the field of international broadcasting that compares to the well-known Hooper ratings employed by our big domestic broadcasting outlets. But there are alternative methods for determining the existence of a large listening audience. Take letters, for example.

I wonder if it is generally known that the Voice of America, by official count,

has received more than 220,000 letters, the great majority of them from European listeners, since January 1946, and that this figure in all probability exceeds that of any other shortwave broadcasting operation in the world, including the BBC and Moscow radio. At one point the New York headquarters of the Voice was receiving letters at the rate of 20,000 to 25,000 a month, which definitely put it far out in front of the BBC's European service. It must be remembered that the Voice of America, unlike some of our domestic radio programs, is not able to offer listeners free refrigerators or vacuum cleaners. It offers only what the listener hears. At the same time it is expensive and even inconvenient to write to the United States from abroad. And yet people, literally thousands of people, are sufficiently interested to comment on the programs. I have had the opportunity of reading some of these letters, either in English or in translation, and I am sure that a few excerpts may interest the House.

I was particularly attracted to a letter from a Mr. Jandacek, who fled to western Germany from Prague after the Communist seizure of power in Czechoslovakia and who is now in this country. He writes:

The broadcasts of the Voice of America to Czechoslovakia are daily becoming more and more popular. Increasing numbers of people are listening. People listen as if they were hearing the Gospel. The tortured people of Czechoslovakia, deprived of true democracy, are awaiting every word of yours with impatience. All the political refugees from Czechoslovakia who listen daily to every word of yours, send their hearty and sincere thanks to you and ask you to continue this good work and to expose all the Communist measures for what they are.

There was another letter from a Czechoslovak listener which stresses the value of broadcasting information into the iron-curtain countries. This one came from an engineering student in Prague whose name I am withholding for fear of getting the young man into trouble with the Communist regime there. He says:

I have been listening to the broadcasts of the Voice of America and am very satisfied. You surprised me when you said in your publication of the Soviet-German dealings that Stalin toasted Hitler. It is a pity that we never hear of such things here, but, of course, the newspapers would not publish it and even less so our radio. If your information is based on reliable sources, then this certainly does not look like honest politics.

I will go on to Poland, the Balkans, and the Soviet Union shortly, but allow me first to tell you a little about the mail from western Europe. In this part of the continent, of course, both the regimes and the people are overwhelmingly friendly toward the United States and this friendship is clearly reflected in letters sent to the Voice of America. Germany has been the largest single producer of correspondence, accounting for practically half the mail received. Now there is an interesting point to be made about the German mail which reveals certain changes in German thinking about the United States.

At first the Germans seemed to be morbidly preoccupied with their own affairs and sent in a large number of requests for personal favors such as food and clothing. More recently, however, they have exhibited a much greater interest in the United States, and especially in its scientific and technical progress. For example, here is a typical request from a German listener today:

Would it be possible to broadcast information about the American automobile industry? About its development since 1933, its sales promotion, prices, the difference between European and American car designs.

It goes without saying that the Voice honors requests for information of this kind immediately and often sends the actual script to the listener. The Voice of America naturally broadcasts a great deal of news and analysis which might be described as primarily political in nature, but I was truly amazed in reading many of these letters to discover the extraordinary thirst in Europe for talks and features on scientific and industrial subjects. The explanation for this is, of course, quite obvious. Under the Nazi occupation, Europe was cut off from new technical developments and Europeans are now endeavoring to catch up.

For example, one of the most popular programs in Italy, judging by listener mail, is the University of the Air series. Now, personally, I found some of these scripts almost too technical for my taste, and yet the fact is that Italians are particularly fond of this sort of material. The subjects vary all the way from Frequency Modulation Broadcasting in the United States to Recent Advances in Diseases of the Heart and Blood Vessels. In each case a recognized expert is brought in to the Voice of America studios to record his talk. It then goes out by short wave, is picked up by the Italian radio system, and relayed by standard wave all over Italy. New York has had reports that Italians not only look forward eagerly to this program but that in one Italian village all the local citizens turn out around the only radio receiver in town to hear these broadcasts.

One Sicilian wrote in to the Voice to say:

Listen, please, can I have some books for to read. Please, I'll pay for the cost. God bless to you and all American people.

Still another Italian wrote:

Now that we hear your voice we feel bound to America by a feeling of brotherhood and love.

In France the most popular program is "A Vos Ordres," which means literally "At Your Service." This particular broadcast is relayed by the French national radio at a good listening time on what we would generally call a coast-to-coast hook-up. French radio officials have stated that A Vos Ordres is as popular as their best domestic program, which means that this Voice of America presentation has a steady audience of around 1,000,000 listeners. Here again, it should be pointed out, the French have demonstrated that they share with the Germans and Italians the desire to hear talks on scientific subjects. (I might insert parenthetically here that whereas the BBC is listened to in France for its English lessons by radio, the Voice of America is considered the best authority on technical matters.) Some time ago A Vos Ordres carried a series of talks on new treatments for tuberculosis, and the Voice received literally hundreds of requests for copies of the scripts. Another 700 listeners wrote in to New York for scripts of talks dealing with deafness. Now, it may be asked why people unable to hear wanted this material. I know that this question occurred to me, but I learned that the letters came from people who were partially deaf or from the relatives and friends of deaf people.

The mail from France and Italy totals roughly 65,000 letters, which is somewhat below the volume from Germany but quite a bit above the total correspondence received from eastern Europe or the Soviet Union. Nevertheless, there is a steady trickle of mail from countries like Poland, Rumania, and Hungary, indicating that some people at least are not too afraid to write. Stanislav Mikolajczyk, the Polish Peasant Party leader, said after his escape to this country:

The Voice of America is speaking quite plainly. The Polish people are turning more and more to it, and it keeps up their morale.

Perhaps I should note here that the Voice of America broadcasts to Poland and in particular its coverage of Mr. Mikolajczyk's newspaper articles circulated in the United States drew an official protest from the Polish Government. Later on the Polish representatives at the United Nations Conference on freedom of information held in Geneva accused the Voice of America of all sorts of chicanery in its Polish service. I do not take the official reasons for these protests too seriously, but I think they do show that the Communist Government in Poland is considerably worried by the effectiveness of the Voice of America among the Polish people.

My own inclination is to rely more upon the official Communist reactions to the Voice of America as indications of a a large listening audience in the iron curtain countries than upon the actual mail received. I have read a number of attacks on our short-wave broadcasts by Moscow, Bucharest, Budapest, Sofia, and Belgrade and I am surprised at their vehemence. To tell the truth, I was shown nearly 60 Communist broadcasts which belabored the Voice of America over the past 5 months. There was one in particular which struck me as fairly transparent Soviet propaganda and one which may amuse the House. It was a long commentary in the Moscow English service to North America arguing that the taxpayers of the United States had no idea of what the Voice of America was doing in their name. Allow me to quote a few sentences from this broadcast:

The Voice of America gives a thoroughly false picture of life in America in the field of economy. If the American man on the street could see how the Voice of America, which is subsidized from the national budget, is trying to picture his life to Europeans, he would be simply enraged. The Voice of America would like to convince Europeans that since inheritance taxes were introduced in the United States property is not concentrated in the hands of one small group in the population. But who doesn't

know that as a result of the Second World War, the biggest monopolies in the United States have become even wealthier and more powerful. Europeans, the Soviet people in particular, regard all this tripe as further indication of the domination of reaction in the United States.

But I think the most revealing Communist commentaries on the Voice of America are those which appear in the Soviet press or over the Soviet home radio service and which are exclusively designed for the Soviet public. In this connection, I have read Soviet newspaper articles or radio talks which attempt to refute almost point by point specific talks broadcast by the Voice of America to the U. S. S. R. Generally these Soviet replies to the Voice indicate an extraordinary sensitivity on the part of the regime to economic discussions; that is factual talks from New York on the way the American worker lives, the function of his trade-union, how many hours he has to work for a pair of shoes, a suit of clothes, and so on. Indeed, I sometimes think we could scream our heads off about Soviet tyranny or brutality and Moscow would ignore us. But let us mention ever so casually that an American worker drives to his job in a new car and the orders seem to go out at once from the Kremlin to brand the Voice of America as the tool of reactionary American capitalists.

There is plenty of evidence of this sensitivity on Moscow's part. For example, on June 4, the Moscow radio in a program for the Soviet home audience had this to say:

> The United States radio deliberately paints a rosy picture of the life of workers in the United States. The United States radio claims that the United States farmer belongs to one of the most prosperous groups of the population. The New York radio recently affirmed (although the fact is that no such statement has ever been made by the Voice of America) that 42 percent of all United States farms are in California (sic) and that over half of them have electric power at their disposal. There are, of course, farms in the United States which can avail themselves of all the benefits enumerated. They belong to big landowning capitalists. Their number, however, does not exceed one-third of the total number of farms.

This is just another demonstration that the Communist regime in Moscow realizes that our Voice of America broadcasts are having an effect upon the unhappy victims of godless communism in Russia.

The Voice of America was at a loss to explain where Moscow could have come across such a figure—it was never used in any broadcast—but the important element to note was Moscow's official disbelief in the extent of American rural electrification.

The Moscow News, an English language newspaper published in the Soviet Capital, which I used to read regularly while I was in Russia, reports that a team of Soviet correspondents held a mass interview with workers in the Lenin electrical machine-building plant in Moscow in regard to claims made by the Voice of America. The Soviet newspaper frankly acknowledged that many of the workers had heard the Voice of America and specifically a program devoted to a comparison of Soviet and American prices in terms of work published by the New York Times. The purpose of the Moscow news article, of course, was to prove that the workers had not believed what they heard. One worker said:

> That Voice of America is a good boomerang. What it does is to make us leery of that Voice.

One is forced to ask why this Soviet worker continues to listen.

It should also be said that Moscow devotes an inordinate amount of air time to undermining, or attempting to undermine the veracity of Voice of America broadcasts to the countries in the Soviet orbit. Here, for example, is Moscow broadcasting to Bulgaria:

> From time to time the Voice of America broadcasts in Bulgarian detailed surveys in which it attempts to slander the conditions under which workers are living in Bulgaria. At the same time, the Voice of America does not mince words in order to prove how well and happily the American workers and peasants live.

The Moscow broadcast then goes on to convince the Bulgarian worker that his own lot is just this side of paradise, or take Moscow broadcasting to Czechoslovakia:

> The voice of the American people is not the Voice of America broadcast from New York. The true Voice of America could recently be heard in the streets of New York which witnessed a May-day celebration never before seen in this city. More than 100,000 people, supported by the sympathies of 150,000 additional onlookers, paraded through the streets of New York under the banners and slogans expressing the will and the wishes of the American masses.

Needless to say, this was a highly exaggerated reference to the Communist May-day parade in New York. It was another attempt of the Russians to decrease the effectiveness of Voice of America broadcasts.

Unfortunately I cannot provide the House with excerpts from all or even most of these attacks on the Voice of America, which, I should add, are heartily joined in by the Communist regime in the Balkan countries. I am, however, reluctant to omit one reference to the Voice which, if accurate, would represent one of the most astounding feats of remote control in history.

I do not know if Members of the House are closely acquainted with the vicissitudes of Balkan politics, but the largest political party in Hungary used to be the small landholders, most of whom have now been absorbed by the Communists. The decision to join the Communists was made by the party leaders, although the rural faction of the party held out and decided to hold a meeting in Budapest. The report of the meeting was broadcast to Hungary by New York and 100 dissident party members did, in fact, assemble in the Hungarian Capital. "This meeting," protested the party president, a Communist collaborator, "was called by the Voice of America."

In bringing to you these clear evidences of Communist concern over the effectiveness of American broadcasts to the U. S. S. R. and to eastern Europe, I have perhaps underplayed other indications of listening. I might have mentioned the periodic reports received from foreigners who travel to distant points in the Soviet Union and who let our officials know about comments on the broadcasts by Soviet citizens.

I might also have given greater stress to the fact that Moscow is intentionally jamming our broadcasts, particularly those beamed on far-eastern Russia over our Manila relay station. This practice on the part of the U. S. S. R. has been officially protested, to no avail, by the State Department. Our Munich relay, I am happy to state, continues to throw a good to average signal into the Soviet Union, and engineering experts believe that additional relay facilities will assure that our programs will be heard in most parts of Russia.

Further, I have not touched at all the effectiveness of our broadcasts to Latin America and the Far East. Latin America, I should report is not only interested in our short-wave broadcasts but likes especially the music and dramatic-type programs recorded in New York and shipped down for local broadcasts. Several radio stations in China think enough of the Voice of America to pick up our broadcasts in the Chinese language and transmit them to the local audience. Thousands of letters from both Latin America and the Far East, of course, attest to the existence of a steady audience, in these two important areas. I have dwelt more on the European phase of the operation, however, in view of the fact that at the moment the United States is concentrating its efforts there in this so-called war of words.

In closing, Mr. Speaker, let me say that I would be the last to say the Voice of America operation is today operating with perfection. It is still a new American venture and for some time it is likely to be subject to growing pains, and it will require the constructive criticism and the helpful guidance of many Americans to enable it steadily to improve its quality and effectiveness. However, it has already demonstrated its great value. It is making friends for freedom and for America all over the world. So much has been heard in criticism of its mistakes that I concluded to make this talk to give emphasis to some of its successes.

If the National Broadcasting Co. and the Columbia Broadcasting System should decline and refuse to cooperate with the State Department on a workable basis whereby the State Department would specify the purpose and the content of the programs and the broadcasting companies would provide their best talent in helping to put the programs into the most acceptable form then, Mr. Speaker, I submit the State Department should develop its own talent and project its own programs because so useful a service to peace and freedom must not end. And sooner or later, I feel certain private radio companies will provide the helpful, talented, and useful cooperation this broadcasting program so richly deserves.

Properly staffed and financed and with adequately relay facilities, the Voice of America can become the greatest voice for democracy on the international air waves. The Eightieth Congress has sent

it off to a good start. Let us all cooperate in making the Voice of America a success in a venture which can have unprecedented results in terms of American security and world peace.

On the Dangers of Withdrawing From Politics

EXTENSION OF REMARKS
OF
HON. WAYNE MORSE
OF OREGON
IN THE SENATE OF THE UNITED STATES
Saturday, June 19 (legislative day of Tuesday, June 15), 1948

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a statement entitled "On the Dangers of Withdrawing From Politics," sent to me by Mrs. Julius Metzger, of Springfield, Mass.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

ON THE DANGERS OF WITHDRAWING FROM POLITICS

There is today a widespread and deeply permeating sense that our society, its leaders and ourselves, are repeatedly facing problems that cannot be solved. Bad temper, demands for loyalty, and threats of violence are taking the place of deliberation and agreement upon which our political order is built.

Partly in despair and horror at this breakdown in affairs, and partly by inattention and default, many individuals and groups have withdrawn from the active common efforts by which society pays attention to its common business. In the name of nonpartisanship and political neutrality the more intelligent organs of the community have ostracized themselves, have gone into political exile, or have accepted the status of proletarians, citizens who are in but are not of the political community. This is true of labor, of professionals, of teachers, of engineers and scientists, and of many businessmen. They look upon their Government as on a foreign power which at best they tolerate as a nuisance, or as at worst a corruption they cannot remedy.

The fact is that there are few things that a man ought to do that he can do without the help of his fellows. This has always been true but it is fatefully true today because a mechanical industrial society operating under clocks and bank balances has locked us together in a rapidly tightening system of collaboration. Our private wills and skills are caught in a social net so that a single shock in any particular part is felt throughout the system. A passing mood or thought in one individual may make or break the sense of security that we call human brotherhood.

In the past we have assumed that individual rights did not have collective implications, that cooperation, like charity, was a matter of temperament and good sportsmanship. In the joy of spontaneous teamwork and good feeling, we have dispensed with the effort that goes into those reasonable agreements openly arrived at, that are the essence of good laws.

We need to rediscover for ourselves that each and every man is a political animal, that his reason and his happiness depend upon his awareness of the political consequences of his every choice and act; that if he does not operate under open agreements openly arrived at, his life will be nasty, brutish, and short; that if he does not make public business his own personal business, a common and unmanageable evil will take the place of the common good, and that this evil will take the shape of a beast who thinks he is a god. The ordinary citizen's present belief that he is either above or below politics is not only the sign of the end of democracy, but of the end of reasonable human life.

When society in the past has reached this stage, it has frequently renewed and heightened its sense of political responsibility, and upon doing so, it has discovered that the insoluble problems have disappeared. In their places have appeared new and unthought of projects and with them new levels of common life and work. There have been new births of freedom under law.

In the words of Alexander Hamilton, which might have been written yesterday: "It has been frequently remarked that it seems to have been reserved to the people of this country, by their conduct and example, to decide the important question, whether societies of men are really capable or not of establishing good government from reflection and choice, or whether they are forever destined to depend for their constitutions on accident and force. If there be any truth in the remark, the crisis at which we are arrived may with propriety be regarded as the era in which that decision is to be made; and a wrong election of the part we shall act may, in this view, deserve to be considered as the general misfortune of mankind."

One of the implications of these sentences from Hamilton is that this country has a political responsibility for the whole world for all mankind. The invention of a federal republic as a model of government by reflection and choice, was in part a fulfillment of our responsibility. A necessary part of that government was our Bill of Rights. This Bill of Rights is now in danger from outside and inside our country. Perhaps the first duty of every citizen today is to reexamine this cornerstone to see whether we still believe in reflection and choice now for the whole world, or whether we will trust ourselves to the accidents of war and the dictates of force.

We have already allowed the external danger to curtail our freedom of choice in many vital issues. Communism is a threat because we no longer consider it an alternative for our choice. "Force is the only thing they understand." This is the meaning of the loyalty order, the investigations of the Un-American Activities Committee, and the Mundt bill. It might be well to submit our whole Bill of Rights, together with these measures for a review, deliberation, and decision by the people.

The clear and present danger at present seems to be the loss of our civil liberties and therefore, the subversion of our Government by our own acts. If we lose them by default, there will be little point in defending ourselves by force.

Such loss of our civil liberties at the moment is threatened by a final enactment of the Mundt bill which only a few days ago was passed by the House by an amazing majority. Thank heaven it has yet to be passed by the Senate and approved by the President before it becomes law. Two articles which recently appeared in a western Massachusetts newspaper set forth the dangers to our civil liberties much more clearly, succinctly, and incisively than any original words of mine could possibly do so. I quote:

"Restrictive legislation of such drastic character could be justified only by a clear and present danger. We are unable to see that the danger of communism in this country is present, and it appears no nearer than it has been for the past decade.

"The bill, therefore, seems to us a reflection of a phobia that would be ridiculous if it were not so serious. The particularly painful aspect of the House action is that it cannot be blithely discounted as an unimportant manifestation of political hysteria. Such a reaction is stupid. It will be the cause of more hysteria and irresponsibility since hysteria, like fear, grows malignant and dangerous by feeding on itself.

"If it becomes a law, it will certainly operate to intimidate anyone who disagrees with the Government on anything and cause every critic of the administration or of Congress to preface any criticism by a protest that the critic is not a Communist. In other words, it will tend to put all Government opposition on the defensive and give a potential advantage to every standpatter, chauvinist, reactionary, self-interested flag waver and patrioteer.

"The House of Representatives has approved a piece of legislation the like of which has never been seen under the American form of government with its guaranty of freedom to speak, freedom to worship, and freedom to vote. It would give to the Attorney General of the United States powers so broad that he could regulate and coerce the thought of millions of Americans.

"They—distracted by the problems of living in a period of soaring inflation—are hardly aware of what is at stake. It is high time that they understand the issue.

"In my opinion, that bill threatens the foundation of the house of freedom. It gives a grant of almost dictatorial power that could be used not merely to check the Communist conspiracy but to end all independence of thought in this country.

"The bill in section 4 provides that it shall be unlawful for any person 'to attempt in any manner to establish in the United States a totalitarian dictatorship, the direction and control of which is vested in, or exercised by or under the domination or control of any foreign government, foreign organization, or foreign individual.' It goes on with even more specific language and provides penalties including imprisonment up to 10 years.

"As Representative JOHN CARROLL, of Colorado, pointed out in the debate, this would include the Communist Party, and therefore the bill outlaws the party even though its sponsors say it does not do so. Harold Stassen said the same thing in his debate with Governor Dewey.

"Under the bill, Communist-front organizations must register with the Attorney General and publicly make known, in a variety of ways, the fact that they are Communist-front organizations. The bill sets up four tests to determine whether a 'front' is under the control of a Communist political organization.

"The fourth test is the position taken or advanced by it (the front) from time to time on matters of policy. If it fails to pass 'some or all' of the tests, then it is reasonable to conclude that it is a front organization and therefore subject to the law. This conclusion can be reached if the Attorney General decides that the front's views and policies are in general adopted and advanced because such views or policies are those of a Communist political organization, a Communist foreign government, or the world Communist movement.

"One of the 'methods commonly used' by Communist political organizations, the bill sets forth, is 'the inciting of economic, social and racial strife, and conflict.' It is not hard to see how the power granted to the Attorney General could be stretched to cover any organization or individual advocating social or economic change of any kind.

"Here, in my opinion, is the essence of the danger. The power granted the Attorney General would not have to be stretched very far to cover organizations proceeding in a wholly American way to advocate reforms that might not be popular with the majority or with powerful minorities. Judicial review is provided, but this remedy would come after an organization had been publicly branded as Communist."

The Draft

EXTENSION OF REMARKS
OF

HON. NORRIS COTTON

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Friday, June 18 (legislative day of Thursday, June 17), 1948

Mr. COTTON. Mr. Speaker, no more perplexing and disturbing problem has confronted the Eightieth Congress than the question of resorting to a peacetime draft to strengthen the armed forces of the United States. Each Member has had to face this question and satisfy his own conscience and his own sense of responsibility to his country in deciding his vote. The decision was a hard one to make not only because of the intense and bitter convictions for and against the measure on the part of those whom we here represent, but more because we are keenly conscious that our vote on this question involves a great principle of far-reaching consequence and affects the individual lives and liberties of many thousands of our fellow citizens.

The first question to be determined is whether this is a peace measure or a war measure. There are those who believe that the building up of our armed forces by compulsory draft of manpower will make this Nation a warlike and militaristic people and serve as a threat to other nations, thus making them more unfriendly and belligerent and that it will, in short, lead us down the road to war. If this belief is sound, obviously the measure should have been defeated. Let us examine the facts.

If history and the counsel of great Americans throughout the years of our national life has taught us anything, it has taught us that adequate preparedness leads to peace, not war. In 1780, General Washington said:

> There is nothing so likely to produce peace as to be well prepared to meet an enemy.

Grover Cleveland, in his first annual message, said:

> The nation that cannot resist aggression is constantly exposed to it.

Franklin D. Roosevelt, on the eve of World War II, said:

> We have learned the old, old lesson that probability of attack is mightily decreased by the assurance of an ever-ready defense.

Prior to our entrance into World War I, when all the world was aflame with conflict, we persisted in a policy of unpreparedness and strove by rigid neutrality to avoid war. We found ourselves inevitably drawn into the conflict and had not other western democracies borne the brunt of the battle until we could marshal and prepare our forces we would have fallen an easy victim to imperial Germany.

Subsequent to World War I, we embarked upon a program of disarmament and, even when the clouds of World War II were gathering, did little to prepare. We found ourselves again at war. An examination of the secret documents of Hitler's government discloses the fact that Nazi Germany struck because of the known weakness of England and France, and the known inability of America to render them immediate assistance. In United States Document No. 789PS, Hitler's statement at the beginning of the war is quoted:

> The decision to strike was always in me. * * * Now there is a relationship of forces which can never be more propitious. * * * Our opponents have disarmed themselves of their own accord.

Again we were saved because of the desperate defense of our allies who gave us time for last-minute preparation.

There are no friendly nations now strong enough to be our first line of defense in another emergency.

Is it true that an adequate national defense antagonizes other nations, weakens our efforts to secure world understanding, and hampers our diplomatic negotiations for peace?

Secretary of State Marshall on March 17 of this year said to a committee of Congress:

> Diplomatic action, without the backing of military strength in the present world, can lead only to appeasement. * * *

He was asked this question:

> In dealing on a diplomatic level with these nations, would it be of advantage for these nations to know that the temper of the American people has changed; that they are perfectly willing to prepare in time of peace to stand ready for instant action?

Secretary Marshall replied:

> I think the psychological effect is the great immediate importance of the action * * * it would make plain to the world that we are going to be strong in a military way and that we are determined to back up our course.

Former Secretary of State James F. Byrnes said:

> The United Nations can never preserve peace unless the great powers have the strength to maintain the peace, and if we are to fulfill our own obligations in this regard, and to insist upon the enforcement of law in the world, we must be willing to implement our foreign policy with whatever force is necessary to make it effective. * * * Moreover, military strength on our part is essential if we are going to convince the smaller nations that the United Nations is a capable and efficient machine for the preservation of peace, for they depend upon us entirely at this time.

Our leaders of the past have reached the same conclusion. When President Cleveland made the statement which I have already quoted, that the nation that cannot resist aggression is constantly exposed to it, he added:

> Its foreign policy is of necessity weak and its negotiations are conducted with disadvantage because it is not in condition to enforce the terms dictated by its sense of right and justice. * * *

Less directly, but no less pointedly, Franklin Roosevelt said in 1939:

> We have learned that God-fearing democracies of the world which observe the sanctity of treaties and good faith in their dealings with other nations cannot safely be indifferent to international lawlessness anywhere. Today we are all wiser and sadder.

The most striking example in all history on this point is the conference at Munich when a representative of a weak and poorly prepared England sat at the "peace" table with an aggressor nation armed to the teeth. We want no more of that kind of "peace in our time."

Military strength will not handicap our spokesmen at the council tables of the nations. It will strengthen them and make them more effective.

Is it true that compulsory military service will make us a warlike and militaristic Nation?

Concern has been expressed by many sincere and thoughtful citizens that a draft of manpower would be the first step toward making this Nation what they term militaristic. They regard compulsory military service as a departure from American tradition and assert that it is likely to cause us in the future to subordinate the civilian to the military in our national life.

A peacetime draft is not, in my opinion, contrary to the American theory. Even in colonial times, and in the early days of our Republic, every able-bodied citizen was subject to certain military duties. He had to report on "muster days" and be ready for service at all times. To be sure, we have not resorted to compulsory service unless we considered ourselves in immediate danger such as existed immediately before our entrance into World War II. Can anyone escape the conviction that similar danger exists today?

It should be borne in mind that the world has been so shrunken by the conquest of the air and the invention of new devices of destruction that we, as a Nation, having reached our national maturity, now find ourselves in the same situation that European nations have been in for many centuries; living constantly in the shadow of possible aggression from powerful neighbors. It is hard for us to realize the full implications of this situation or to learn to live with that danger constantly before us. Even if compulsory military service were a new departure in American policy it would be amply justified by the conditions under which we now exist.

However, Mr. Speaker, I agree that we should never permit this country to be dominated by the military. I am thoroughly in accord with those citizens who express apprehension in this respect and I believe that at the present time we are inclined to have too many men of military background in high posts of civilian authority. Compulsory military service, however, will not make this Nation militaristic; certainly not compulsory military service that only builds up the armed forces to that peacetime strength established by act of Congress. A nation is not made a militaristic nation by compulsory service or by military training of its young men. We could never become militaristic unless we followed the example of other nations and began with the little children. We would have to train them in the schools, teach them a distorted history, marshal them to music, and encourage them to dream of military glory.

The events of the last few weeks assure us that this cannot happen. Why? Because the church, the school, the fathers and mothers of this country are on guard to prevent it. The Congress is

on guard as demonstrated by the debate on this measure. Thank God that this is so. The letters that I have received from clergymen, from educators, and from parents pleading with me to vote against this measure are reassuring and, while I could not yield to their request and oppose a measure which I believe to be necessary for the peace and security of the Nation, I am nonetheless encouraged rather than disheartened by their attitude.

No other nation has cause to fear the military might of America. We have never in recent years sought the territory or the wealth of other countries. On the contrary, we have constantly poured out our resources to help them. We have always striven, and will continue to strive, for peace. We need not fear that the draft law will make us a military or aggressor nation.

The last question is whether this measure is necessary for our safety.

There is abroad in the land the notion that we no longer need soldiers for national defense. There has been so much newspaper, magazine, and radio talk about "push-button warfare" and "victory from the air" that many sincere people have gained the impression that we do not need to fill the ranks of our Army for national defense, but that any future attack to which we might be subjected would be a mere matter of planes, bombs, and rockets.

In the first place, a 70-group air force requires a numerous ground force and strong Army components to make it effective. Every air group is composed of many squadrons and each squadron has many planes. For every man who flies, 12 or 13 are required on the ground to keep the planes flying and for each plane, air borne troops, engineers, and supporting infantry are necessary.

Should we ever be attacked, the new weapons of warfare require a more trained and ready defense than has ever been known before. An attack would be preceded by fifth column activities within our own country. Enemies would be in our midst ready to sabotage our defense. When the attack came, great cities would be destroyed. We would have to face the effects of atomic bombs, radioactive materials, biological warfare, and crop-destroying chemicals. Chaos would result, with communications disrupted, millions of persons sick, wounded, and dying, civil disorder, and sabotage. The initial bombing attack would likely be followed by air-borne troops.

With these possibilities in mind, how can anyone say that it is not necessary to have trained disciplined forces, both in the regular units and in reserve, ready at all times to cope with the horrible conditions that would follow an attack? It seems clear to me that we must have such forces available and that we must further be in a position to strike quickly and effectively on the offensive should such an emergency arise.

So far as our Army itself is concerned, we have approximately 540,000 men, 300,000 of whom are serving in garrisons overseas. There are only two and one-half active, well-trained combat divisions in the entire American Army. I can see but one answer to the question of whether the draft law is necessary. Our minimum peacetime strength must be secured immediately and maintained continuously.

The peace and security of our Nation and all nations is the most vital issue of this generation. I believe that our only hope for future peace is to continue our efforts for international cooperation, both within and without the United Nations organization; to continue our program of help to other peace-loving nations; to maintain the strength and striking power of America; and to have all the world know it. During the Eightieth Congress I have supported consistently, to its full extent, the Marshall plan for European recovery. I voted for the 70-group air force and I voted for the draft.

I am convinced that selective service is necessary to maintain our forces.

I am convinced that they must be maintained for public safety.

I am convinced that to do so will promote peace rather than lead to war.

I am convinced that if we do not call upon young men for peacetime service now we are more likely to be compelled to call upon them for combat service soon.

I am deeply convinced of my duty as a Member of Congress, responsible for the safety of our country, to vote for the draft regardless of personal regrets or political consequences.

Ten Promises Made and Kept by the Eightieth Congress—A Republican Record of Achievement by Keeping Faith With Campaign Promises Which Were Made the People

EXTENSION OF REMARKS
OF
HON. KARL E. MUNDT
OF SOUTH DAKOTA
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. MUNDT. Mr. Speaker, under leave granted me by the House, I desire to insert in the RECORD at this point the transcript of a radio address which I gave over a network of South Dakota radio stations shortly before the South Dakota primaries on June 1:

Good friends of South Dakota, I have before me in the studio here today, as I am making this broadcast, a newspaper clipping from the Watertown Public Opinion of October 28, 1946. This clipping is a news item written by the Associated Press at that time and reporting a radio speech which I had given the night previous in connection with the 1946 congressional campaign. As reported in this Associated Press news story I devoted that radio speech to describing the 10 changes in government in Washington which we expected to bring about if a Republican Congress were elected in the 1946 election.

Well, a Republican Congress was elected in 1946 and took office early in January of 1947—the first Republican Congress to sit in Washington, incidentally, for 16 years.

This Republican Congress has now had control of the legislative branch of government in our Nation's Capital for 16 months. It might therefore be informative and interesting to devote this broadcast to a review of what this Republican Congress has done to correct some of the trends and conditions which had developed during the previous 16 years.

Let me say first of all that we have not accomplished as much in this Republican Congress as many of us wish had been the case. We have discovered that when all of the executive departments, the White House, the administrative agencies, and the appointive positions are in the hands of one political party it is a hard, slow, laborious process for the other major political party when it controls only the legislative branch of Government to make rapid headway and speedy progress in establishing the reform and changes which it has in mind. On the other hand, it is also true that in the past 16 months this Republican Congress has made more progress and achieved more results than we had any real right to hope for in so short a time and under such difficult circumstances. In fact, definite and substantial progress has now been made on each of the 10 major objectives which we Republicans placed before the American electorate as our goal in 1946.

Perhaps the best way us to discuss and analyze the record of the Republican Congress in this broadcast is to take up those 10 promises of 1946 as they appear in the Associated Press news story now before me and to examine them in detail one at a time.

The first pledge we Republicans made the voters in the campaign for control of Congress in 1946 reads as follows: "If we elect a Republican Congress in this election we shall take immediate steps to remove all Communists from the Federal pay roll and to curtail communistic activities throughout the United States."

Well, friends, on that pledge any impartial or objective scorekeeper must give this Republican Congress a 100-percent score. We have kept that promise with emphasis or, perhaps, I should say we are keeping it with emphasis since the job of driving Communists off the Federal pay roll and keeping them off is a continuing process. It is not something which can be done by a single action and then forgotten about since the Communists have a nasty, insidious habit of weaseling their way back into positions of authority even after you have purged a specific branch of Government of their presence and their influence. In all events, this Republican Congress has made a great record in this connection. We have set up the machinery and financed the employment of extra agents of the FBI so that each Federal official is now being investigated as to loyalty and by the first of July it is expected this screening process will be complete. A great number of Communists and fellow travelers have already been dismissed from the Federal pay roll or have resigned to escape detection. Each week brings new dismissals or resignations. Slowly but surely we are returning to the wise advice of the Father of Our Country when George Washington said—Place only Americans on guard.

In addition Congress is now in the process of approving legislation which it was my own responsibility and opportunity to write—the Communist control bill, which stirred up so much controversy among the left-wing radicals of America and which passed the House overwhelmingly shortly after the middle of May—the so-called Mundt-Nixon bill. This makes it a Federal offense for any Communist to accept Federal employment and it also makes it a Federal crime for any official of the Government to appoint a Communist to the Federal pay roll. It also denies passports to Communists.

Moreover this Republican Congress has written a number of amendments into legislation which prohibit the employment of anybody in any of the foreign missions now representing America abroad until and unless such personnel have been checked and

cleared by the FBI as to both loyalty and security risks.

Incidentally, South Dakota friends, the New Deal has established an all-time record in at least one aspect of bad government. The infiltration of Communists into Government during the Roosevelt regime of more than three terms was so bad and caused such alarming conditions that President Truman himself had to ask Congress for $25,000,000 to be used in purging the Federal pay rolls of the Communists who were appointed to important positions under the more than 12 years of New Dealism ending with the death of President Roosevelt. Never before in American history has a President had to ask Congress for an appropriation to weed out and eradicate disloyal employees appointed by his predecessor in office. This is especially significant since both President Truman and President Roosevelt are of the same political party; both supported the New Deal, so both must share responsibility for the disloyal and foreign-minded employees brought into power by appointment during their administration of American affairs. Never before has any administration so jeopardized our security by permitting big-city political bosses, left-wing agitators, and downright disloyal Communists to place their disloyal favorites on the Federal pay roll.

Thus it is clear that after 16 years of coddling the Communists or failing to face up to the danger which they present to our way of life, this Republican Congress has kept its pledge to the American people on that score.

The second pledge we gave the people in 1946 was to put an end to the era of extravagance and waste and to restore economy in Government in Washington. That promise has also been faithfully kept. With the exception of appropriations for our national defense, substantial deductions have been made in virtually every appropriations bill recommended by the President. Needless expenses have been eliminated entirely and routine expenditures have been scrutinized carefully and the waste and extravagance squeezed out of them. Your Government is today costing you hundreds of millions of dollars less each year due to the watchful economies of your Republican Congress. Part of these savings are being used to reduce the national debt—part of them are being called upon to finance America's program of waging a peace through aiding friendly foreign countries, and part of them are coming home to you right now in the form of reduced Federal income taxes.

YOUR TAXES ARE NOW LOWER

Some of you have received the initial benefits of these reduced taxes in your pay envelopes for May where the withholding tax has been eliminated or lowered—the rest of you will get the benefit of these reduced taxes when you pay the taxes on your income for the current year. In addition, your Republican Congress wrote legislation applying the split-income tax considerations to all States whereas up until this year it has applied only to a certain group of favorite States. As a result, South Dakotans will get substantial extra tax reductions because of this action by your Republican Congress.

Our third promise in 1946 was to "decontrol America." As you are all aware, that promise was promptly kept. The OPA was eliminated and many other Government regulations, restrictions, and restraints upon business and farming operations were eliminated. Today more Americans are enjoying better incomes and better living conditions than at any time in our national history. There are still problems to be solved in the matter of providing better and more adequate housing for veterans and others but houses and apartments are now being built at an all-time record of speed. Even so, the speed of production must be increased and additional steps are being taken to bring down the costs of these new homes so that young families can better afford to buy them at decreased prices and on easier payment terms.

The fourth Republican promise in 1946 was to stop government by decree and by edict and to restore government by laws enacted by the Representatives of the people. My friends, that promise has also been redeemed. No longer do bureaucrats and department chiefs send out mimeographed sheets telling individual Americans what they can or cannot do. Once again, a law is something which has been passed by your Congress or your legislature and not just something decided upon arbitrarily by a few bureaucrats hidden away in a secret office.

The fifth plank in the Republican platform of 1946 on which the congressional elections were held last time stated, "We must put an end to the economy of scarcity. We must give labor and capital an opportunity to work together for mutual profit and we must write tax laws permitting the individual to retain some of the advantages of his labor and good judgment." That promise has been kept. Slowly but surely we are switching from an economy of scarcity to an economy of plenty. You can again buy radios, washing machines, refrigerators, white shirts, automobile tires, and a long list of other necessities. Competition is beginning to produce lower prices in many lines of merchandise. Taxes have been substantially reduced. We have had fewer serious strikes. Jobs are available for all who want to work. By insisting that production controls and restrictive quotas must go, your Republican Congress has again started America on a production program which is providing most of the supplies which most of us need despite the necessity of sending overseas an unexpectedly large quantity of goods in our effort to win the peace and to help stabilize the world so that war will not again return to the world.

In the sixth place, we Republicans promised that a Republican Congress would insist that aid to nations overseas be used to promote peace and not to prepare for future wars. By insisting that exports of war supplies to Russia and other Communist countries be curtailed your Republican Congress has helped formulate a bipartisan foreign policy which is in conformity with that campaign promise.

REA AND SOIL CONSERVATION

Our seventh pledge to you of 2 years ago was that a Republican Congress would economize on nonessentials so as to have extra money available for rural electrification, for soil conservation, and for river development. Every farmer in South Dakota knows that promise has been kept by your Republican Congress. We increased this year by nearly $500,000,000 the money available for REA and we also increased substantially the money available this year for soil conservation. Our Missouri River development program is going forward as fast as engineering skills can advance it and this month we succeeded in getting money appropriated to actually begin the construction of the Oahe Dam just north of Pierre which gives South Dakota more actual river-construction work than is taking place in any other State of the Union.

Our eighth Republican promise for a Republican Congress 2 years ago was to remove from the Federal pay roll a million unnecessary Federal employees. Well, we have actually stopped the salaries and vacated the offices of nearly a million Federal employees. Unfortunately, the new foreign-aid programs and the revitalized national-defense program have required the recruitment of some additional Federal employees but the net result is still a big decrease in Federal employment over what it was when the Republican Congress came into power in January of 1947.

Promise number nine 2 years ago was to keep the FBI from being brought under the domination of the White House. At that time an effort was being made to remove J. Edgar Hoover as Director of the FBI. That effort was promptly stopped by the election of a Republican Congress so that promise was kept and America continues to have a Federal Bureau of Investigation of which every citizen can well be proud.

Finally, the tenth promise we made was to help develop a bipartisan foreign policy based on realism, honesty, and reciprocal relationships with Russia. And that promise has also been kept. Slowly but steadily America is developing a clear-cut consistent foreign policy. It is neither a Democratic nor a Republican foreign policy—it is the beginning of a great new American positive foreign policy and Republicans as well as Democrats are playing an important part in its development.

NOW WE NEED A REPUBLICAN PRESIDENT

As a Member of this Republican Congress and as your candidate for the Republican nomination for Senate in the June 1 primaries, I have enjoyed making this review of some of the activities of our current Congress. We have had many disappointments but we have had many successes. By electing both a Republican President and a Republican Congress next November, I feel confident we can move forward more rapidly in the directions which I have just discussed and that we can also move more effectively in the direction of winning this peace and making it permanent.

I pledge you my continued efforts to do the best I can for you, for South Dakota, and for a peaceful and prosperous world if I am elected as the junior Senator from South Dakota. This is KARL MUNDT concluding a political address in the interests of his Senatorial candidacy.

EIGHTIETH CONGRESS WAS BEST IN HISTORY FROM SOUTH DAKOTA STANDPOINT

Mr. Speaker, in addition to the foregoing radio report, I would also like to take this opportunity to call attention to the following excerpt from one of my regular news letters to South Dakota readers. In an issue of Your Washington and You, I called attention to the following facts under the paragraph heading, "Eighteth Congress good to South Dakota." It reads as follows:

EIGHTIETH CONGRESS GOOD TO SOUTH DAKOTA

Various factions and groups in different sections of the country will have varying ideas on the achievements and records of the Eightieth Congress depending upon their own special interest, personal, or political viewpoint. But insofar as South Dakota is concerned—regardless of section, faction, occupation, special interest, or political preference—none can successfully deny that the Eightieth Congress just concluded was probably by all odds the best Congress in American history from the South Dakota viewpoint.

Some might argue about what this column believes to be a fact—namely, that the tax reduction in personal income taxes means more to South Dakotans than to taxpayers in other States—because it extends the split-income privilege for the first time to South Dakotans, because South Dakota has a larger percentage of personal income taxpayers as contrasted with corporation taxpayers than most States. Some might even argue against another bit of evidence this column considers factual, namely, that the substantial increases in appropriations for REA and for soil conservation mean most to South Dakota because our programs in these two activities are moving forward faster today than elsewhere in this Republic.

However, on the following, few will even attempt to deny that the Eightieth Congress

was the world's best insofar as South Dakota is concerned. It provided funds for pushing forward the largest river development program in the world (Missouri River development) at a faster rate through utilization of more present construction facilities than are being employed in any other river basin anywhere in the world. Over $137,000,000 will become available for spending in the Missouri River Basin after next July 1—this amounts to about 17 percent of the total figure voted by Congress for reclamation flood control, and rivers and harbor development. Much of this money will be spent in South Dakota, virtually all of it will directly or indirectly benefit our State. Added to other projects of significance to South Dakota, the foregoing supplies tangible evidence to support the assertion that from the South Dakota viewpoint the Eightieth Congress was the best in American history. Certainly it treated South Dakota better than any other Congress and the results of its activities will continue throughout the future to pay dividends—big dividends—to South Dakota.

California's National Figure: An Appreciation of a Colleague

EXTENSION OF REMARKS
OF
HON. CHET HOLIFIELD
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. HOLIFIELD. Mr. Speaker, I have been intrigued of late by the appearance of a number of articles, columns, and editorials, all dealing with the general subject of women in politics. In practically all of these, regardless of the political coloration of the medium, my esteemed colleague and neighbor, Congresswoman HELEN GAHAGAN DOUGLAS, is prominently mentioned and generally highly complimented.

As those of us here in Congress know, Mr. Speaker, this is as it should be. Praise for the prodigious legislative efforts of the gentlewoman from California has never been lacking in this House. To see those efforts recognized by the press of the Nation is very gratifying to me, and, I am sure, to all of you.

Although all of us do not always agree on the various important matters that come before us and heated debate is often the order of the day, all of us can and do respect keen intelligence, mental and moral integrity, and honest efforts to legislate constructively for the benefit of all the people. All of these qualities, needless to say, are possessed by the gentlewoman from California [Mrs. DOUGLAS] in superlative degree.

We here, Mr. Speaker, are well aware of the amazing grasp of national and international affairs possessed by the gentlewoman from California. We have seen her go from the thick of battle over the atomic energy bill to take her place as an alternate delegate to the United Nations. We have seen her on one day fighting with the maximum of wit and energy for the passage of the Marshall plan and the next day presenting an income-tax plan which became the basis for the administration's tax proposals. And in all these varied endeavors, handling with consummate ease and familiarity a vast complex of intricate and highly technical information. This, I submit, is statesmanship of a high order.

And yet, above and beyond all this and obviously uppermost in the gentlewoman's mind at all times are the basic necessities of food and lodging for all our people. If I were to name the issues which immediately come to mind when the name of the gentlewoman from California [Mrs. DOUGLAS] is mentioned, I would unhesitatingly say, "Housing, rent control, and cost of living." For it is on these homely, down-to-earth issues that she has made her major fights and with which she is inevitably identified in the Nation's mind and heart.

And make no mistake, Mr. Speaker, she is so identified. As the columns of newsprint testify, as her voluminous mail bears witness, she is known from one end of the Nation to the other. She is truly California's national figure, and as such, Mr. Speaker, I salute her today.

Political Hysteria Versus the Cold Facts About Government Housing

EXTENSION OF REMARKS
OF
HON. JOHN PHILLIPS
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. PHILLIPS of California. Mr. Speaker, the factual material bearing upon governmental or political housing has been neglected. Members of Congress and the public generally have not been given figures that expose the false promises of removing slums and housing the poor. Public housing has largely lived and fattened on emotionalism and on assumptions that slums can be cleared and the poor housed better by socialism than by the practice of the genius and the inventive, creative, and productive capacity of a free society. In this connection, Mr. Joseph H. Deckman, chairman of the public housing committee of the Home Builders Association of metropolitan Washington has made a notable contribution:

POLITICAL HYSTERIA VERSUS THE COLD FACTS ABOUT GOVERNMENT HOUSING

(By Joseph H. Deckman, chairman, public housing committee, Home Builders Association of metropolitan Washington)

In the closing moments of the eightieth session, the Rules Committee of Congress turned down the T-E-W Government housing bill, that is to say, socializing of our economy. Advocates of government housing or housing by a political party in exchange for votes tried to avoid the issue of socialism by arguing that so and so favored the bill and surely you can't call them socialists. Neither did they prove that Government housing clears slums as claimed. On the contrary slums have increased in every country adopting government housing. Government housing decreases the rate always of building, creates more scarcity, and increases slums. That has been true the world over, government housing does not house the poor. If government promises to do so, it deceives and defrauds the poor. It does not house them. It houses the party workers and voters to keep itself in power. A free economy is the only one that clears the slums and houses the poor according to the Childrens' Welfare Federation, New York City, and other authorities here and abroad.

America will never go down the road of state socialism through the government ownership of the homes of the people if they are told the facts of what state socialism is. They must learn that the TEW bill just defeated employs the same fundamental procedures employed by Berlin, London, Paris, or Moscow.

The following questions and answers are set forth to demonstrate how government takes over houses, finances them, selects the favored tenants and compels taxpayers to pay the bill as all socialist states do. Complete reference information is given in order to verify the statement made.

1. Question. What is the total cost of housing one family in a public housing unit over a period of 45 years as provided for in the Taft-Ellender-Wagner bill?

Answer. The cost of housing one family for the required 45 year period would be $23,400.

Sources and remarks: Rufus S. Lusk, of the National Association of Home Builders, on March 28, 1947, made the following statements to the Senate Banking Committee:

"The tenant on the average—pays $12,700 into the building and maintenance of that house. * * *

"It runs $23.63 (a month). That leaves a difference which has to be made up somewhere. It may come in the form of a subsidy, in the form of exemptions on taxes and so forth, but there is this difference $10,700, which must be made up in some form by other than the tenant."

"The cost of a completed dwelling on the average is $7,500. * * *

"That money is borrowed by the local public housing authority and of course it has to be repaid.

"The interest over the 45-year period on the loan that is borrowed by the local housing authority to build the house is $5,500 * * *

"The Government guarantees that, and pays it by means of a subsidy which it pays to the local housing authority. * * *

"Now, during the life of this house, it has to be taken care of, heated and repaired and painted, and for that the cost is $9,000, according to the figures of the Housing Authority. * * *

"Then, in addition there is paid into the house by the Housing Authority a figure known as payment in lieu of taxes. They make a contribution. In no case does it equal full taxes. * * *

"Gentlemen, those are the correct costs coming to $23,400, and all we have to pay them with is the tenant's rent of $12,700. The rest is put up by the taxpayers. * * *

"In addition the Federal Government loses in income taxes over the period of the life of this house approximately $2,100. * * *

"The bonds are issued by the local housing authority, the interest on those bonds is not subject to income tax, and assuming the holders of those bonds were in the 40 percent bracket, the Federal Government will fail to collect $2,100 approximately, more or less, than it would collect if those bonds were on privately owned structures."

Senator C. DOUGLASS BUCK, Republican, of Delaware, interrupted Mr. Lusk's testimony to say:

"The Government loses the income tax on these tax exempt bonds and the money which they put in there to subsidize these homes. Is that about the picture?"

Mr. Lusk replied: "Yes, sir." (Hearings on housing before Senate Banking Committee (March–April 1947), pp. 415 et seq.)

2. Question. What is the cost of subsidy payments under the public-housing program?

Answer. The cost would be approximately $5 per week for 500,000 families.

Sources and remarks: Senator TAFT told the Senate Banking Committee that:

"What we are currently subsidizing is the rental of 500,000 families, if this goes through. We are doing that every year, that is, currently subsidizing. * * *

"What it comes to, approximately, as I figure it, is that the subsidy will amount to approximately $5 a week for 500,000 families. It is subsidized housing." (Hearings on housing, March–April 1947, p. 479–480.)

3. Question. Is it true that if once started the program would have to continue for the full 45 years specified in the bill?

Answer. Yes. The commitment is for the full 45 years.

Sources and remarks: Senator TAFT told the Senate Banking Committee:

"I do not see anything particularly complicated about it, except the one feature that in assuming this program you are assuming it for 45 years. * * *

"You are committed for 45 years to go on subsidizing 500,000 families for rental, as you can see, if we adopt the policy at all. It is a policy that we will have to continue for 45 years." (Hearings on housing, March–April 1947, p. 481.)

4. Question. Would the program probably include 3,000,000 families before it is over?

Answer. Yes.

Sources and remarks: Senator TAFT, replying to a statement made by Senator ROBERTSON (Va.) at the hearings on housing before the Senate Banking Committee said:

"I think that you are probably right in saying that before you got through, if you do not improve conditions, if you do not reduce costs, if you do not improve income conditions, you probably will have to take care of as many as 3,000,000 families before you get through." (Hearings on housing, March–April 1947, pp. 493 and 494.)

5. Question. Would the annual Federal subsidy on a housing project amount to the interest and amortization on the loan?

Answer. Yes.

6. Question. Would money collected for rent pay only for maintenance and operation of the project?

Answer. Yes.

Sources and remarks: Senator TAFT told the Senate Banking Committee:

"The maximum amount that the Government contracts to pay as subsidy on the project is enough to pay the interest and amortization on the cost of that project. And what is charged for rent is the cost of maintenance of the project and operation of the project." (Hearings on Housing, March–April 1947, p. 499.)

7. Question. Could private enterprise build more economically than the Government?

Answer. It is conceded even by those supporting a public-housing program that private enterprise could possibly build more economically than the Government.

Sources and remarks: Senator FULBRIGHT told the Senate Banking Committee:

"It has been said everything else being equal, the public organization cannot build these houses as cheaply as the others." (Hearings on Housing, March–April 1947, p. 484.)

Also, Senator TAFT told the Senate Banking Committee:

"I agree that generally the Government is not as economical as private enterprise probably." (Hearings on Housing, March–April 1947, p. 484.)

8. Question. Are public-housing rents higher than private if allowance is made for the subsidy?

Answer. Probably yes.

Sources and remarks: Senator TAFT told the Senate Banking Committee:

"If you subsidize private housing to the same extent that you subsidize public housing, they could get their rent somewhat lower than public housing.

"I think that is probably true." (Hearings on Housing, March–April 1947, p. 484.)

9. Question. What is the cost for the public housing projects of the Taft-Ellender-Wagner bill?

Answer. The cost is approximately $160,000,000 a year for 45 years, or $7,200,000,000.

Sources and remarks: Senator TAFT told the Senate Banking Committee:

"The total cost of everything, if the total cost were used there to the maximum, which is unlikely, it would be $160,000,000 a year."

10. Question. What is the percentage of housing in America today that is not in need of major repairs?

Answer. Ninety percent.

Sources and remarks: The Bureau of Census Report on Housing, series P–70 No. 1, dated October 29, 1947, contained the following:

"In 1947, about 37,500,000, or 90 percent of the ordinary dwelling units were in good condition or in need of minor repairs, with 93 percent, 89 percent, and 81 percent for urban, rural-nonfarm, and rural-farm, respectively."

The census report continued:

"In urban areas, about 20,500,000, or 84 percent of the units had both a private bath and private flush toilet."

11. Question. How many housing units in the United States are owner-occupied?

Answer. Approximately 55 percent of all housing units in the United States were owner-occupied in 1947.

Sources and remarks: The Bureau of Census Report, series P–70 No. 1, dated October 29, 1947, contained the following:

"Homes occupied by their owners now represent 55 percent of all occupied dwelling units in the United States. * * * Two-thirds of the 41,700,000 dwelling units in the United States have a private bath and a private flush toilet; and 9 out of every 10 have electric lighting."

12. Question. How long have we now had public housing?

Answer. Approximately 10 years.

13. Question. What has been the cost of slum clearance and for the building of permanent low-rent housing?

Answer. Approximately $800,000,000.

14. Question. How many Government-owned housing units have been constructed so far?

Answer. About 155,000 units.

Sources and remarks: Congressman RALPH W. GWINN, Republican, of New York, extended his remarks into the CONGRESSIONAL RECORD of March 31, 1948, by inserting an article. There's an American Way to Clear the City's Slums and House the Needy, by Joseph H. Deckman, which gave the following:

"After approximately 10 years of the public housing experiment in America * * * it is a fact that eight hundred millions of dollars have been spent for clearing slums and building permanenut low-rent housing while * * * 155,000 Government-housing units have been constructed with this money and the slums have been practically untouched."

15. Question. Assuming it is the goal of the public-housing program to house the lower third, what would be the ultimate cost to meet the goal?

Answer. The cost would be about $225,000,000,000.

Sources and remarks: Representative RALPH W. GWINN, Republican, of New York, extending his remarks in the CONGRESSIONAL RECORD on March 31, 1948, inserted an article There's An American Way to Clear the City's Slums and House the Needy by Joseph H. Deckman, which contained the following:

"Based on the cost set forth in T-E-W bill, and figuring the number of housing units at one-third of the Nation's units of 37,500,000 in 1947 (or a conservative figure of 12,000,000,000 units), it is found by dividing 12,000,000 by 500,000 that we must multiply the cost of the T-E-W bill by 24; $7,200,000,000 by 24 equals $172,800,000,000.

"One hundred and seventy-two billion eight hundred million dollars then becomes the cost to the Federal Government for the first 45 years to house the lower third. To this cost must be added the cost to the local taxpayer for local tax exemptions or local grants to the public housing authorities. This figure at the local level can be conservatively estimated from past experience at well over $50,000,000,000 for a 45-year period.

"To arrive at the total cost to the taxpayer to house the lower third of the population it can be safely stated that the cost will reach approximately $225,000,000,000 at the end of the first 45 years of such a program."

16. Question. Do the appropriation provisions of the Taft-Ellender-Wagner bill depart from traditional legislative practice?

Answer. Yes. By passing the Taft-Ellender-Wagner bill, Congress will have, in fact, appropriated the entire sum necessary for a 45-year public housing program. This bypasses annual congressional budget and expenditure controls.

Sources and remarks: Representative JAMIE L. WHITTEN, Democrat, of Mississippi, in a speech before Congress on July 12, 1946, made the following remarks:

"Under the law providing for such housing projects * * * the National Housing Authority can make a contract binding the Appropriations Committee and the Congress to appropriate annually for the next 60 (now 45) years up to $28,000,000 to pay a share of the rent for tenants of these projects."

17. Question. What is the average rent paid by all tenants in public housing, including subsidized and full economic rent?

Answer. In 1946 the average rent paid by all tenants in public housing was $28.33 per month.

Sources and remarks: The Joint Committee on Housing Report (H. Doc. 629), entitled "Housing In America," on page 105 states the following:

"At the end of 1946 the projects that had been in operation for 6 years showed an increase in average rents from $19.31, including utilities, in the first year to $28.33 in 1946, an increase of 46 percent."

18. Question. What is the rental breakdown of the Nation's rental housing?

Answer. See "Sources and remarks," below

Sources and remarks: The Bureau of Census Reports, series P–70, No. 1, dated October 29, 1947, contained the following:

"Of the estimated fifteen and one-third million tenant-occupied nonfarm dwelling units, four and one-sixth million rented for $40 a month or more and the same number rented for less than $20 a month. All of these figures are based on results of a survey which was conducted in April 1947 by the Bureau of the Census."

19. Question. How many rental units rent for more than $50 per month?

Answer. Approximately 1,900,000 rental units rent for more than $50 per month.

Sources and remarks: The Bureau of Census Report, series P–70, No. 1 (October 29, 1947), on page 2 states the following:

"Monthly rents of $50 or more were reported for 1,900,000 of the 15,300,000 reporting units, or approximately 1 in every 8 units."

The Home Builders Monthly (February 1948), page 7, writes as follows:

"Not over 13 percent of the rental housing is renting for more than $50 per month and approximately 50 percent is renting from $20 to $40 per month. Just under 25 percent of the rental units are renting for over $40 a month and the same quantity is renting for less than $20 per month." (These figures based on Bureau of Census Report "Current Population and Housing Report," October 29, 1947.)

20. Question. What is meant by "median family rent"?

Answer. The median family rent is that figure which equally divides the total number of families paying above and below that figure.

21. Question. What is the median rent for all taxpaying private housing?

Answer. In 1947, the median rent was $29.33 per month.

Sources and remarks: The Bureau of Census Report, series P–70, No. 1, page 2, reported the following:

"The median rent for tenant-occupied dwelling units in 1947 was about $29.33 in the total of the urban and rural-non-farm areas; $31.65 in urban areas, and $18.62 in rural nonfarm. Approximately 4,100,000 of the tenant-occupied urban and rural-nonfarm dwelling units had rents of less than $20 per month. Monthly rents of $50 or more were reported for 1,900,000 of the 15,300,000 reporting units, or approximately 1 in every 8 units."

22. Question. Can private enterprise supply the need for low-rent housing?

Answer. Yes. As of October 29, 1947, there were eleven and one-sixth million rental units out of a total of fifteen and one-third million units renting for less than $40 per month, which is enough to approximately house the lower third of the population.

Sources and remarks: The Bureau of Census Reports, Series P–70, No. 1, dated October 29, 1947, contained the following:

"Of the estimated fifteen and one-third million tenant-occupied nonfarm dwelling units, four and one-sixth million rented for $40 a month or more and the same number rented for less than $20 a month."

23. Question. How many public-housing units similar to those planned in the Taft-Ellender-Wagner bill now exist?

Answer. As of 1945, there were 155,000 public units.

Sources and remarks: On November 28, 1945, Philip M. Klutznick, Commissioner, Federal Public Housing Authority, told the Senate Banking Committee:

"FPHA presently has under its jurisdiction a program consisting of some 877,000 dwelling units of all descriptions. * * * It is important to understand that the overwhelming percentage of this housing was created and dedicated to war use. Of the total of 877,000 dwelling units, 722,000 are characterized as war-housing units, and the remainder, 155,000, as low-rent units. The FPHA has a continuing responsibility for managing and disposing of the war housing."

24. Question. Do old houses necessarily cause slums?

Answer. No. It is the state of repairs of the building and the type of housekeeping which cause slums. Georgetown has many old homes and yet is not a slum.

Sources and remarks: Representative RALPH W. GWINN, Republican, of New York, inserted in the CONGRESSIONAL RECORD under date of July 17, 1947, an article A Solution to the Slum Clearance Problem Without the Use of Federal Aid. The author of the article, Joseph H. Deckman, of the National Home and Property Owners Foundation, wrote the following:

"Any solution to the problem of slum clearance should only be confronted after consideration of the basic fact that old houses do not cause slums. Slovenly housekeeping and buildings not kept in proper repair are the real causes of slums. * * *

"The problem of slum clearance is reduced largely to the proposition of promulgating and enforcing proper building codes and sanitary laws at the local municipal level. * * *

"Public opinion * * * dictates that housing codes are essential to define minimum standard housing and make it illegal to rent substandard dwelling accommodations. By this method good used housing at low rents will be provided for the low-income groups, and this much-publicized problem will be cured."

25. Question. Is there a housing shortage in the country today?

Answer. Apparently not, if people were free to move according to their needs. Rent control prevents adjustments of space to the individual and family needs.

Sources and remarks: The Home Builders Monthly (February 1948), page 5, writes as follows:

"America * * * now has more good, safe and sanitary housing than ever before. * * *

"The total housing available in the United States in 1947 was 41,700,000 units. Of this total 37,500,000 units are not in need of major repairs. This means, by allowing four persons per unit, that 166,800,000 people can be housed in America today. * * * Based on a population of approximately 145,000,000 it can be said that there is enough adequate housing for all. * * * Any difficulty in obtaining housing accommodations is due to a maldistribution of the population and not a shortage of housing."

These questions and answers show how public housing is not intended to house the needy. It has not and will not clear slums. Neither is it low rent or low cost in character. Billions provided in a long-range housing bill will not produce any more housing immediately or later. It produces less. Public housing is a clever socialist device to shift ownership from private hands to the Government. Modern technique is not to shoot and force, but to buy with money and favors and taxes so that the transfer is bloodless, even painless.

They Planned It That Way

EXTENSION OF REMARKS

OF

HON. JOHN DAVIS LODGE

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. LODGE. Mr. Speaker, under leave granted to extend my remarks in the RECORD, I include the following editorial from the Bridgeport Telegram:

THEY PLANNED IT THAT WAY

Shortly after the disastrous floods in Oregon, a prominent "liberal" Member of Congress took to the air and loudly proclaimed that this proved the need for more Government planning. "The Government should take entire control of these rivers."

With all due respect to the gentleman in question, what it proved was nothing of the kind. The disaster at Vanport and the deaths that occurred there were not the result of lack of Government planning. Exactly to the contrary. They resulted from Government planning.

The Government put the people in that flood area in the first place, the Government assured them that they were safe there, and the Government bureaus which commit idiocies like this were merely giving another exhibition of their incompetence.

The true history of Vanport which was wiped out when the dike broke, is one of Government planning. The area where this village was set up was once a swamp, periodically overrun by the Columbia River. During the war, the Portland subsidiary of the Federal Public Housing Administration set up a war village in Vanport. The houses were built by the Government (in the usual style of wall board and tar paper) and were leased to war workers in Portland and the nearby area.

True to the snooping proclivities of Federal bureaucracy, the planners not only set up this village where no village ought to have been built in the first place, but retained the right to make periodical inspections of every apartment to see that the housekeeping was good. Presumably, if the wife of one of these war workers was not a good housekeeper, according to the standards adopted by the snoopers, her lease could be canceled.

To this village of federally owned, federally operated shacks for war workers, disaster came after reassurance given to everybody by the same authority that they were perfectly safe. Only a few days before the bursting of the dike, hand bills were distributed to the residents of Vanport advising them that "engineers" had inspected the dikes and reported no immediate danger. Residents were told not to worry, because if there was any danger, they would be given ample warning.

A few days later the dikes burst, and the houses were swept away like so much cardboard.

This does not show a need for more Federal management. It is a perfect illustration of the stupidity of most attempts on the part of the paternalistic government in Washington to plan the lives of people living thousands of miles away. Ordinary common sense, knowledge of local conditions, and use of good local brains had prevented the people of Oregon from building on that dangerous marshy area. It took the Federal planners to put a village there, and it took the same idiots to assure the villagers they were safe when they were, in fact, in terrible danger.

What we need is not more Federal meddling with rivers. We need more men in Congress who do not make fools of themselves over the radio.

Legislative Record of the Committee on Armed Services, Eightieth Congress

EXTENSION OF REMARKS

OF

HON. WALTER G. ANDREWS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. ANDREWS of New York. Mr. Speaker, on July 26, 1947, I reported to you and to the House of Representatives a summation of the work of the Committee on Armed Services during the first session of the Eightieth Congress. It was pointed out in that report that this new Committee on Armed Services owed its origin to the Legislative Reorganization Act of 1946, enacted August 2, 1946, and, therefore, that the committee began its life in the Eightieth Congress without any of the traditions, established procedures, and continuity of personnel which are necessary to the successful operation of any organization.

Nevertheless, I believe it was clearly shown in my previous report that the Committee on Armed Services has performed well from the start, and since the report of last July, subsequent events have proved beyond question that this new Committee on Armed Services has justified the merger of the two former Naval and Military Affairs Committees and that it will remain one of the great committees of the Congress.

The previous report covered the period of the first session between January 6 and July 26, 1947. Since then the Congress

has been in session from November 17 through December 19, 1947, and from January 3 through June 19, 1948. I will not attempt to resurvey the material contained in the previous report, but I think that the Congress will be interested in the progress made during the special and second sessions since the first report was rendered.

During the month-long special session last year, the full Committee on Armed Services met three times, and 17 subcommittee meetings were also held during that period. Also during that short session the ground work was laid for a number of very important developments, in an investigative way, which were to transpire in the second session of the Congress beginning in January. As a result of the ground work thus laid, the committee began the second session with unusually productive application to the legislative work at hand.

A total of 114 subcommittee meetings were held throughout the second session, during a session of 99 legislative days. There was therefore an average of well over one subcommittee meeting for each legislative day of the second session. Moreover, there were 32 full committee meetings during the second session in addition to the subcommittee meetings just mentioned. This averaged well over one full committee meeting during each week of the second session of this Congress.

Meetings in the first session—excluding the special session—totaled 168 subcommittee sessions, and 23 full committee meetings. Thus, there was an overall total, for the entire Congress, of 299 subcommittee meetings and 58 full committee meetings, or 357 separate meetings, in all, in the Eightieth Congress.

I consider this an exceptional record of work. With subcommittee meetings averaging more than one each legislative day, and full committee meetings considerably more than one a week throughout the session, it is apparent that the membership of the Committee on Armed Services has worked diligently on the important legislative problems concerning national defense which have arisen during the Eightieth Congress.

A total of 232 bills were referred to the committee during the second session. By adding these to the 424 bills referred to the committee during the first session, we have the over-all total of 656 bills referred to the committee, or an average of 1 of every 11 or 12 bills introduced in the entire House of Representatives during the Eightieth Congress. The committee acted on well over 25 percent of these bills, considering 85 of the bills during the second session, 94 during the first session, for a total of 179 bills considered by the committee during the entire Congress. Of the 179 bills considered by the committee, 22 were tabled by various subcommittees or by the full committee, whereas 157 were reported to the House.

It is significant that of the 157 bills reported to the House, all but 6, or 151, were passed by the House of Representatives. Each of these bills was considered, first in subcommittee, next by the full committee, before the bills reached the House; the committee reports to the House of Representatives were detailed and complete, and the subcommittee chairmen who handled the bills in the committee, as well as the membership of the subcommittees concerned, were so well advised as to the particulars of their various bills that the House membership rarely found serious objections to the proposed legislation.

As a matter of further interest, of the 151 bills passed by the House of Representatives which came from this committee during this Congress, 135 passed the Senate, and of these 128 have been enacted into law. Thus, of the total of approximately 900 Public Laws passed by the entire Congress during the past 2 years, the Committee on Armed Services of the House has initiated 14 percent, or about one of every seven laws passed.

I may say that not all of the committee's work is represented by the legislative record just mentioned. In addition to the heavy legislative load, four important investigations were undertaken and completed during the course of the Congress, each of which dealt directly with very important, basic considerations affecting the national defense. The first of these investigations was conducted in San Francisco, Calif., in September of 1947, and the subcommittee returned with a report which contained a large number of recommendations which went to the very heart of the unification of the services, some of the most important of which have since been implemented by the services. This investigation was under the chairmanship of Hon. JACK Z. ANDERSON, chairman of the Procurement Subcommittee.

Next was an investigation of the synthetic rubber industry of the United States which had as its purpose the determination of the need of maintaining an adequate synthetic-rubber industry for the Nation for use in the event of a national emergency. This investigation was conducted in November and December of 1947, under the chairmanship of Hon. PAUL W. SHAFER, chairman of the Organization and Mobilization Subcommittee. The result of this subcommittee investigation was the Rubber Act of 1948 which assures the Nation an adequate source of domestically produced rubber until 1950. At that time plans for disposal of present Government-owned plants will be submitted to the Congress for its approval. The basic importance of this legislation is beyond overemphasis, for the assurance of an adequate rubber supply in the event of another war would be of incalculable significance to the Nation and to the success of the armed forces.

Next, was an investigation which extended from December 1, 1947, until February 2, 1948, and consisted of a detailed study of all pertinent laws and proceedings governing disability retirement of officers and enlisted men in the armed forces. This investigation was headed by Hon. CHARLES H. ELSTON, chairman of the legal subcommittee. Over 2,500 questionnaires were sent to Army and Navy officers in the grades of colonel and of captain and above over the entire Nation during the course of this inquiry. Numerous recommendations were made which will unquestionably be reflected in legislation which will be forthcoming in the next Congress.

The remaining investigation conducted by the committee during this Congress was under the chairmanship of Hon. DEWEY SHORT and had as its purpose the determination of the adequacy of the present and future petroleum supply of the armed forces. This investigation began in January 1948 and continued until late March 1948. Almost 50 witnesses from the Government and from the oil industry over the Nation appeared before this special subcommittee. Its report of investigation contained a large number of basic recommendations in regard to governmental action required to meet the armed forces' petroleum situation today. This report has received wide acclaim as one of the most thorough, logical, and vigorous studies yet made of petroleum by any committee of the Congress, and at the time of the submission of this summary to you, approximately 4,000 copies of the report have been distributed at the request of individuals throughout the Nation. Its influence will be wide, and it will surely basically affect governmental action in this field for some time to come.

From the statistics submitted above, it will be recalled that this committee initiated approximately one of every six laws enacted during the Eightieth Congress. It should be emphasized here that the large proportion of this legislation is not of minor nature; much is of very far-reaching importance to the Nation. To point this up, I will mention briefly some of the major pieces of legislation which emerged from the committee and which became law. In doing this I will purposefully omit a discussion of such bills as the universal training bill which was not enacted, although all of such bills required fully as much committee time and effort before the bills were reported to the House of Representatives as did the bills which later became law.

There was, for example, the Selective Service Act of 1948 which provides a means by which to raise the strength of the armed forces to the minimum essential to the national defense. The scope and complexity of this law needs no emphasis. Suffice it to say that the law requires the registration of all male citizens between 18 and 26 years of age, with induction of those between 19 and 26 who are not deferred or exempted in the law. This legislation is of tremendous basic importance to the adequacy of our national defense, and few bills have been considered by the Congress in recent years of such great significance to the Nation at large.

And then there was H. R. 1367, which became Public Law 63, which authorizes the Navy to construct experimental submarines. Much of the significance of this legislation pertains to the incorporation into American submarine design the knowledge gained during the war of submarine operations and the improvements and useful innovations found in captured submarines. The importance of this legislation is not immediate; nevertheless, some few years hence it may well have untold significance when the authorized experimentation has been completed.

H. R. 2744, now Public Law 810, is another major bill which this committee initiated and followed through to enactment. It provides a new, improved system for the elimination of inefficient officers of the Regular Army as well as for the retirement of Regular Army officers and enlisted men. Moreover, it provides for the first time for the retirement of officers and enlisted men of the Reserve components of all the services, thus offering substantial inducements to Reserves to perform continued Reserve service over the years. This legislation will have a major effect upon the readiness of the Nation's Reserves in the event of another war emergency. From this standpoint alone, and aside from the effect of the law upon the efficiency of the Regular Army, this is one of the most important bills considered by the last Congress.

H. R. 3227, now Public Law 460, is another bill markedly affecting the efficiency of the Reserve components, for it provides for the first time in our history inactive-duty training pay for Army and Air Force Reservists on the same basis as received heretofore by Navy and Marine Corps Reserves and members of the National Guard. This law, in addition to the retirement law mentioned previously, plays a direct part in the mobilization-day readiness of the Nation by tending to maintain active, vigorous Reserve components.

There was also H. R. 3215 which created the Army-Navy Medical Service Corps. This law gives permanent service status to the various professional groups allied to the duties of the Medical Corps. Also, H. R. 1943, now Public Law 36, establishes for the first time a permanent corps for the nurses of the Army and Navy. Both of these laws conform to the spirit and intent of the Unification Act and contain within their provisions standards which apply equally to all the armed forces.

The committee also initiated H. R. 1845, now Public Law 153, which gives Federal employees who are members of the Reserve components military leave so that they may participate in peacetime reserve training for limited periods without personal loss. This major bill is another move in the direction of maintaining a vigorous, efficient, immediately available reserve force to augment the standing forces. And certainly I should not fail to mention H. R. 2575, which was enacted as a part of the selective-service law, which legislation amends the Articles of War and extensively revises the Army system of military justice. This legislation will have far-reaching effects on the entire military establishment; certain elements of it are assuredly to affect the reorganization of the naval justice system which will also be considered in the next Congress.

Also, there was H. R. 6049, now Public Law 690, which authorized the stoppage of work on certain combat vessels. The effect of this law is to authorize the Navy to undertake the construction of a 65,000 ton aircraft carrier. I do not believe that it is necessary to discuss this legislation in any detail. Certainly its strategic importance is enormous, and in the event of another sudden national emergency the results of the passage of Public Law 319 in the Eightieth Congress may be one of the great sources of strength to which the Nation can turn.

Insofar as the efficiency of the armed forces is concerned, I must also refer to H. R. 3830, now Public Law 381, which reconstructed the promotion and elimination systems of all of the armed forces. This legislation, tremendously complex, far reaching in its implications to the morale and efficiency of the armed forces, was enacted after very extensive hearings. Since it introduces promotion by selection into the Army, as contrasted to promotion by seniority, and accomplishes many other refinements and improvements, the committee expects that it will have a very healthful influence on our military leadership in future years.

Legislation concerning the Medical Corps of the armed forces was previously mentioned, and note should also be taken of H. R. 3851, now Public Law 365, which grants medical officers supplemental income of $100 a month in order to provide additional inducements to physicians and surgeons to undertake military and naval service as a career. The complexity of this legislation is apparent, and the committee pushed this major bill vigorously with the purpose in mind of insuring at all times that members of the armed forces will be provided adequate medical care.

Of extensive public interest was H. R. 4017, now Public Law 254, which permitted the cashing of terminal-leave bonds by members of the armed forces who served in the last war. I believe the mention of this legislation is sufficient unto itself; it attracted national interest and was of great value to vast numbers of veterans of the last war. I also invite attention to H. R. 5805, now Public Law 539, which extended the time for application for mustering-out pay. This was also a bill of great importance to many veterans of the last war.

From the information already provided, it would appear that the committee had done enough for the reserves of the armed forces through the enactment of H. R. 3227, the reserve provisions of the selective-service law, the giving of military leave to Federal employees, and the providing of a retirement system for Reserves, but I should also like to invite attention to Public Law 678, which authorizes medical care for Reservists, under certain conditions, who are injured in military training. All of this legislation combined is, I believe without question, the most vigorous approach to the question of maintaining the vitality of the Reserve components that has been witnessed in any previous Congress, and I feel strongly that the membership of the committee is to be greatly commended therefor.

There were two bills pertaining to the Military and Naval Academies to which I would also like to invite attention. One of these, H. R. 1377, now Public Law 96, increased the pay of cadets and midshipmen to bring them more in line with modern conditions, their previous pay having been derived from statutes enacted 20 or more years ago. This modest pay increase is having a stimulating morale effect at the Academies, which, as you know, have been the traditional sources for the wartime military and naval leadership of the Nation. Furthermore, Public Law 816 reconstituted the Congressional Boards of Visitors to the Military and Naval Academies in such fashion as to insure continuity to these Boards for the first time in history, thereby insuring that these inspection groups will perform excellent advisory control over the Academies in the years ahead. These two laws are of basic importance to the Academies, as were several other lesser bills, which cannot be adequately discussed in this brief summary.

This résumé would be quite incomplete without mention of Public Law 625, which authorizes the admission of women into the Regular Army, Navy, Air Force, and Marine Corps for the first time in history. Here again I believe that extended discussion is unnecessary, since this legislation was of great national interest and its provisions are widely known. But the complexity of such a law and the extreme care and great amount of time required for its development are matters to which I call attention as evidence of the tremendous application of this committee during this Congress. There were also Public Law 653 and Public Law 626, the so-called Army and Navy public works laws, which provide for the construction of naval and military facilities within and outside the continental United States, including such items as guided missiles testing ranges, construction in Alaska, and similar undertakings of great importance to the national-defense program. Both of these laws were extensively debated in the House of Representatives and will have great effect in the future on the readiness of the regular forces in the event of an emergency.

One other measure, Public Law 883, initiated by the committee, is of special significance to the Nation insofar as its industrial potential is concerned. This law augments our national industrial reserve program by permitting certain Government-constructed war plants to be placed in stand-by condition and maintained by the Federal Works Agency, in order that these production facilities may be immediately available for war production should an emergency arise. This law in particular protects the integrity of plants important to the national security which Government disposal agencies cannot lease or sell subject to a national-security clause. The law will also permit an increase in the Government reserve of machine tools, the shortage of which was a critical bottleneck at the beginning of World War II.

Finally, I think I should mention Public Law 820, the so-called revolving-fund law, which insures an adequate supply of cotton purchased in this country for Japanese mills in order to reinvigorate the Japanese economy, thereby releasing insofar as possible the dependence of that country upon the United States for its successful functioning. It is anticipated that this legislation will have a marked effect upon the health of the Japanese economy and should aid greatly in the release of this country

from its heavy burden in supporting the economy of Japan.

I emphasize that these laws are the high lights only of the major undertakings of the committee during this Congress. There are many other important laws which the committee initiated and which I cannot touch upon within this limited space. Some of these were discussed in my previous report of last July on the first-session activities of the committee, and I am confident that the reading of that report in conjunction with this one will make clearly evident that the Armed Services Committee has functioned well as an efficient legislative organization of the House of Representatives.

It is important to realize that most of the credit for this successful record of the committee is attributable to the outstanding work and constant attention to detail of the subcommittee chairmen who carried through the entire legislative process the bills with which they were charged in subcommittee. I should like to identify the subcommittee chairmen, each of whom deserves the commendation of the entire Congress. For myself, I wish to thank each of them for the magnificent cooperation they have evidenced toward me personally throughout this Congress.

Hon. DEWEY SHORT, Subcommittee No. 1: Personnel.

Hon. HARRY L. TOWE, Subcommittee No. 2: Education and training.

Hon. PAUL SHAFER, Subcommittee No. 3: Organization and mobilization.

Hon. WILLIAM E. HESS, Subcommittee No. 4: Heavy munitions.

Hon. CHARLES R. CLASON, Subcommittee No. 5: Air matériel.

Hon. JACK Z. ANDERSON, Subcommittee No. 6: Procurement and supply.

Hon. LEROY JOHNSON, California, Subcommittee No. 7: Retirement; scientific research and development.

Hon. GEORGE J. BATES, Subcommittee No. 8: Posts and stations.

Hon. MARGARET CHASE SMITH, Subcommittee No. 9: Hospitalization, health.

Hon. WILLIAM W. BLACKNEY, Subcommittee No. 10: Pay and administration.

Hon. CHARLES H. ELSTON, Subcommittee No. 11: Legal.

And I cannot complete this report without again mentioning to what extent the wise counsel and minority leadership of Hon. CARL VINSON contributed to the successful operation of the committee. I am deeply grateful to him, as is, I know, the entire committee. The country is fortunate indeed to have so able a statesman and so devoted a public servant as CARL VINSON as a member of the great Committee on Armed Services. Here I would like to repeat what was stated in the previous report in this regard:

> Mr. VINSON'S sound advice and wholehearted cooperation contributed immeasurably to the accomplishments of the committee. His service in connection with this new, untried undertaking, has been an example of selflessness, loyalty to the national need, and unstinted sharing of personal talent rarely demonstrated in public life. The committee has been benefited greatly by his association and counsel.

Finally, as a parting word, I would like to reiterate my conviction that fundamentally the committee has exceeded all expectations because in all of its deliberations and official actions in regard to legislation, in regard to committee employees, in regard to its activities on the floor, partisanship, political or otherwise, has never entered. So long as this condition prevails, Mr. Speaker, you will continue to have a truly great committee serving the House of Representatives. Under the able leadership of the next chairman, whomever he may be from among the present committee membership, I know that the committee will proceed forward as well as or better than it has in the Eightieth Congress.

Below I am including in this report a tabulation of the laws considered by the committee during the past 2 years:

Acts handled by Armed Services Committee

Bill No.—	Condensed title	Subcommittee	Date approved	Law No.—
H. R. 774	Authorize the disposition of condemned ordnance.	6	Feb. 27, 1948	Public Law 421.
H. R. 1275	Payment of claims for medical treatment of persons in naval service.	9	May 4, 1948	Public Law 511.
H. R. 1341, S. 229	Postgraduate school at Monterey, Calif.	8	July 31, 1947	Public Law 302.
H. R. 1343, S. 231	Easement at Camp Gillespie, Calif.	11	Apr. 15, 1947	Public Law 32.
H. R. 1358	Operation of naval plantations.	8	July 1, 1947	Public Law 149.
H. R. 1359	Increase of officers in the Civil Engineer Corps of the Navy.	1	May 16, 1947	Public Law 62.
H. R. 1362	Permit certain naval personnel to count active service for promotion purposes.	10	June 30, 1947	Public Law 134.
H. R. 1363	Allowances paid on basis of purported marriages.	10	May 15, 1947	Public Law 55
H. R. 1365	Establish a Chief of Chaplains in the Navy.	3	-----do-----	Public Law 56.
H. R. 1366	Facilitate procurement of supplies and services by Army and Navy Departments.	6	Feb. 19, 1948	Public Law 413.
H. R. 1367	Authorize construction of experimental submarines.	4	May 16, 1947	Public Law 63.
H. R. 1368	Include civilians of United States naval government of Guam in benefits of Public Law 490.	11	-----do-----	Public Law 64.
H. R. 1369	Amend act reorganizing Navy Department.	3	May 15, 1947	Public Law 57.
H. R. 1370, S. 235	Easement to city of Los Angeles, Calif.	11	Mar. 7, 1947	Public Law 11.
H. R. 1371	Secretary of Navy appoint for supply duty Marine Corps line officers.	3	July 1, 1947	Public Law 150.
H. R. 1375	Provide for clothing allowance of enlisted men of Marine Corps.	10	-----do-----	Public Law 158.
H. R. 1376	Authorize transportation of dependents and household effects of Navy, Marine Corps, and Coast Guard to oversea bases.	10	-----do-----	Public Law 151.
H. R. 1377, S. 321	Increase pay of cadets and midshipmen.	10	June 20, 1947	Public Law 96.
H. R. 1379	Establish United States naval postgraduate school.	8	July 31, 1947	Public Law 303.
H. R. 1381	Acceptance of decorations, orders, medals.	12	May 15, 1947	Public Law 58.
H. R. 1394, S. 220	Easement to American Telephone & Telegraph Co.	11	Mar. 21, 1947	Public Law 18.
H. R. 1395, S. 234	Easement to Central of Georgia Railway Co.	11	Mar. 7, 1947	Public Law 13.
H. R. 1396, S. 221	Easement to Virginia Electric & Power Co.	11	Mar. 21, 1947	Public Law 19.
H. R. 1544	Lapel buttons for widows, parents.	12	Aug. 1, 1947	Public Law 306.
H. R. 1562	Increase Federal aid for disabled servicemen.	12	May 18, 1948	Public Law 531.
H. R. 1605	Define "time of appointment" of Army officers.	1	May 15, 1947	Public Law 61.
H. R. 1621	World Jamboree of Boy Scouts in France.	12	Apr. 14, 1947	Public Law 31.
H. R. 1806, S. 276	Payment and mileage settlement for military personnel.	10	Mar. 26, 1947	Public Law 21.
H. R. 1807	Easement to county of Pittsburg, Okla.	11	June 30, 1947	Public Law 135.
H. R. 1845	Equalize military leave and reemployment for Federal employees who are members of Enlisted or Officer Reserve Corps, National Guard, Naval Reserve.	11	July 1, 1947	Public Law 153.
H. R. 1943	Establishment of permanent Nurse Corps in Army and Navy.	9	Apr. 16, 1947	Public Law 36.
H. R. 2247, S. 875	Maj. Gen. Laurence S. Kuter to Interim Council of the Provisional International Civil Aviation Organization.	12	Apr. 18, 1947	Private Law 3.
H. R. 2248	Easement to Louisiana Power & Light Co.	11	July 1, 1947	Private Law 44.
H. R. 2276	Payment of expenses of Army personnel at Olympic games.	12	-----do-----	Public Law 159.
H. R. 2314	Lump-sum payment to survivors under Naval Aviation Cadet Act of 1942.	10	July 25, 1947	Public Law 236.
H. R 2339	Amend act authorizing designation Army mail clerks and assistant mail clerks.	3	June 30, 1947	Public Law 136.
H. R. 2359	Construction of water-filtration plant at West Point.	8	June 12, 1948	Public Law 627.
H. R. 2636, S. 929	Regulations for Soldiers' Home at Washington, D. C.	12	Jan. 27, 1948	Public Law 401.
H. R. 2744	Reserve officers retirement bill.	7	June 29, 1948	Public Law 810.
H. R. 3049	Relating to exportation of certain commodities (H. R. 3647 passed in lieu).	3	July 15, 1947	Public Law 188.
H. R. 3053	Easement to Territory of Hawaii.	11	July 22, 1947	Public Law 212.
H. R. 3055	Supply utilities and related services to welfare activities.	12	July 30, 1947	Public Law 284.

Acts handled by Armed Services Committee—Continued

Bill No.—	Condensed title	Sub-committee	Date approved	Law No.—
H. R. 3056	Easement to Macon, Ga., and Bibb County, Ga.	11	July 22, 1947	Public Law 207.
H. R. 3124	Marine Band at Cleveland, Ohio.	12	June 30, 1947	Public Law 141.
H. R. 3127	Loan or gift of ordnance to State homes.	4	July 31, 1947	Public Law 304.
H. R. 3191	Extend benefits of Missing Persons' Act.	11	July 24, 1947	Public Law 241.
H. R. 3215	Revise Medical Departments of Army and Navy	9	Aug. 4, 1947	Public Law 337.
H. R. 3227 S. 1174	Inactive duty training pay for Organized Reserve Corps.	2	Mar. 25, 1948	Public Law 460.
H. R. 3251	Authorize naval retiring boards to consider certain cases.	7	July 11, 1947	Public Law 178.
H. R. 3252	Easement to city of Long Beach, Calif.	11	July 22, 1947	Public Law 208.
H. R. 3303 S. 1218	Stimulate volunteer enlistments in the regular services.	1	June 28, 1947	Public Law 128.
H. R. 3315 S. 1215	Conversion of certain naval vessels.	4	July 26, 1947	Public Law 319.
H. R. 3394	Provide for evacuation and return of remains of persons buried outside United States.	12	Aug. 5, 1947	Public Law 368.
H. R. 3471 S. 1198	Authorize leases of real or personal property by War and Navy Departments.	3	do	Public Law 364.
H. R. 3484	Transfer Remount Service from War to Agriculture Department.	12	Apr. 21, 1948	Public Law 494.
H. R. 3501	Equal treatment in granting of leave and single lump-sum payment for accrued leave.	10	Aug. 4, 1947	Public Law 350.
H. R. 3629	Transfer to Panama Canal certain property	12	July 1, 1947	Public Law 160.
H. R. 3735	Santa Rosa Island, Fla	11	July 2, 1948	Public Law 885.
H. R. 3830	Promotion and elimination of officers of Army, Navy, Air Forces, and Marine Corps.	1	Aug. 7, 1947	Public Law 381.
H. R. 3851 S. 1661	Provide additional inducements to physicians and surgeons.	10	Aug. 5, 1947	Public Law 365.
H. R. 3883	Transfer of vessel *Hygiene* to Territory of Alaska.	11	June 19, 1948	Public Law 700.
H. R. 4017	Permit cashing of terminal-leave bonds.	10	July 26, 1947	Public Law 254.
H. R. 4032	Delegation to Secretary of Navy of certain discretionary powers of the President.	11	June 17, 1948	Public Law 668.
H. R. 4090	Equalize retirement benefits of Army and Navy nurses.	7	May 7, 1948	Public Law 517.
H. R. 4247 S. 1633	Marine Band at convention in New York.	12	July 30, 1947	Public Law 275.
H. R. 4308	Acceptance of decorations, orders by officers and enlisted men.	12	Aug 1, 1947	Public Law 314.
H. R. 4490	Authorize Secretary of Navy to provide salvage facilities.	4	May 4, 1948	Public Law 513.
H. R. 4505 S. 1796	Restoration of *Constellation*	12	Mar. 13, 1948	Public Law 442.
H. R. 5035	Marine Band to Grand Army of the Republic in encampment.	12	May 18, 1948	Public Law 532.
H. R. 5036	Marine Band to Marine Corps League at Milwaukee, Wis.	12	June 24, 1948	Public Law 763.
H. R. 5298	C. A. P	3	May 26, 1948	Public Law 557.
H. R. 5314	Rubber Act of 1948	3	Mar. 31, 1948	Public Law 469.
H. R. 5344	Preventing retroactive checkage of retired pay in cases of certain enlisted men and officers.	10	June 19, 1948	Public Law 709.
H. R. 564 S. 2233	Easement to East Bay Municipal Utility District, California	11	May 25, 1948	Public Law 551.
H. R. 5758	Permitting certain relatives of deceased veterans to receive benefits of armed forces leave bonds.	10	June 19, 1948	Public Law 710.
H. R. 5805	Extend time for application for mustering-out pay.	10	May 19, 1948	Public Law 539.
H. R. 5836 S. 2291	Fort Myers Airfield, Fla	11	June 3, 1948	Private Law 339.
H. R. 5870	Increase allowances for escorts of repatriated war dead.	10	do	Public Law 599.
H. R. 5882	Donation of surplus property for educational purposes.	6	July 2, 1948	Lublic Law 889.
H. R. 5983	To remove present restriction on appointments to Navy Medical Service Corps.	9	June 19, 1948	Public Law 716.
H. R. 6039	Permanent appointment of Spaatz and Bradley.	12	June 26, 1948	Public Law 791.
H. R. 6633	Exchange of land between United States and San Diego, Calif.	11	July 2, 1948	Public Law 891.
H. R. 6698	Filipinos to the Naval Academy.	2	June 24, 1948	Public Law 752.
H. R. 6707	Amending Officer Personnel Act of 1947.	1	June 28, 1948	Public Law 804.
H. J. Res. 90	Correct error in Public Law 720, 79th Cong., relating to composition of Naval Reserve.	2	May 15, 1947	Public Law 50.
H. J. Res. 92	DFC to Rear Adm. Charles E. Rosendahl, USN.	12	June 30, 1947	Private Law 35.
H. J. Res. 96	Posthumous award to Lt. Gen. RoyS. Geiger, USMC.	12	do	Private Law 36.
H. J. Res. 116	Correct technical errors in Public Law 729, 79th Cong., law authorizing increase in number of appointments to Naval Academy by Secretary of the Navy.	11	May 16, 1947	Public Law 71.
H. J. Res. 167	Recognize uncompensated services rendered under Selective Training and Service Act of 1940.	10	June 30, 1947	Public Law 133.
H. J. Res. 118	Strengthen common defense by maintaining an adequate domestic rubber-producing industry.	3	Mar. 29, 1947	Public Law 24.
S. J. Res. 207	Commemoration of sesquicentennial anniversary of Navy.	(1)	Apr. 26, 1948	Public Law 498.
S. 153	Replica of Dade Monument for State of Florida.	12	June 17, 1948	Public Law 663.
S. 239 H. R. 3657	Board of Visitors to Naval and Military Academies.	2	June 29, 1948	Public Law 816.
S. 295	Relative to detailing of Army personnel as students.	1	June 19, 1948	Public Law 670.
S. 703	Authorize carrying of Civil War battle streamers with regimental colors.	12	Mar. 9, 1948	Public Law 437.
S. 918	Establishment of Office of Selective Service Records to liquidate present Selective Service System.	12	Mar. 31, 1947	Public Law 26.
S. 1195	Repeal laws relating to length of tours of duty at certain foreign stations.	12	Mar. 8, 1948	Public Law 436.
S. 1214	To facilitate administrative procedures under Naval Officers Training Act.	1	June 19, 1948	Public Law 675.
S. 1252	Making certain changes in organization of Navy Department.	3	Mar. 5, 1948	Public Law 432.
S. 1470	Medical care for reservists injured in military training.	9	June 19, 1948	Public Law 678.
S. 1520	Reimbursement to Post Office Department by Navy for shortages.	10	June 17, 1948	Public Law 664.
S. 1525	Furnishing transportation for certain Government and other personnel.	3	May 28, 1948	Public Law 560.
S. 1528	Acceptance and use of gifts for hospitals under service jurisdiction by respective Secretaries.	12	Mar. 11, 1948	Public Law 439.
S. 1551	Sale to Anthony P. Miller of land adjacent to Anchorage housing project at Middleton, R. I.	11	June 16, 1948	Private Law 353.
S. 1571	Increase membership of National Advisory Committee for Aeronautics.	12	May 25, 1948	Public Law 549.
S. 1581	Additional time granted to Newark, N. J., for paying installments on Newark Air Base.	11	Apr. 15, 1948	Public Law 483.
S. 1641	To make women a permanent part of the regular services.	3	June 12, 1948	Public Law 625.
S. 1673	Promotion of James Y. Parker as major, AUS.	12	Feb. 27, 1948	Public Law 184.
S. 1675 H. R. 6341	Navy public works bill	8	June 16, 1948	Public Law 653.
S. 1676 H. R. 6342	Authorization to Secretaries of Army and Air Force to construct at military installations.	8	June 12, 1948	Public Law 626.
S. 1723	Academy instruction to persons from American Republics also to Canadians.	12	June 1, 1948	Public Law 564.
S. 1783 H. R. 4496	Retention in service of disabled Army personnel.	1	June 19, 1948	Public Law 680.
S. 1790	Longevity credit for service under 18 years of age.	10	do	Public Law 681.
S. 1794 H. R. 4508	Authorization to construct reflecting pool at United States Naval Hospital, Houston, Tex.	12	Apr. 9, 1948	Public Law 479.
S. 1795	Repealing certain regulations governing inquiries in connection with disbursements in Army.	10	June 19, 1948	Public Law 683.
S. 1799	Amend the act of June 3, 1916, to make it applicable to Canal Zone, Guam, American Samoa, Virgin Islands.	11	Apr. 15, 1948	Public Law 484.

Acts handled by Armed Services Committee—Continued

Bill No.—	Condensed title	Sub-committee	Date approved	Law No.—	Bill No.—	Condensed title	Sub-committee	Date approved	Law No.—
S. 1802	Award Medal of Honor to unknown American.	2	Mar. 9, 1948	Public Law 438.	S. 2553 H. R. 6300	Mystic River Bridge Authority, Chelsea, Mass.	11	June 16, 1948	Public Law 658.
S. 1961	Extend exemption of Naval or Coast Guard vessels of special construction requirements.	11	Mar. 5, 1948	Public Law 433.	S. 2554 H. R. 6098	Industrial reserve bill	3	July 2, 1948	Public Law 883.
S. 2077 H. R. 5181	Exchange certain property with city of Kearney, Nebr.	11	June 1, 1948	Public Law 565.	S. 2592 H. R. 6438	Return of certain lands to Puerto Rico.	11	June 19, 1948	Public Law 693.
S. 2251 H. R. 5706	Recreational park at Great Lakes Naval Hospital, Great Lakes, Ill.	12	June 19, 1948	Public Law 688.	S. 2593 H. R. 6377	Easement at Pungo, Va.	11	June 16, 1948	Public Law 659.
S. 2376	Revolving fund bill	6	June 29, 1948	Public Law 820.	S. 2655 H. R. 6401	Selective Service Act of 1948	(1)	June 24, 1948	Public Law 759.
S. 2400 H. R. 6049	Stoppage of work on certain combatant vessels.	4	June 19, 1948	Public Law 690.	S. 2770 H. R. 6751	Rank of Assistant Chief of Engineer Corps.	12	June 25, 1948	Public Law 777.

[1] Full committee.

John Hollis Bankhead 2d

MEMORIAL ADDRESS

OF

HON. HUGH BUTLER

OF NEBRASKA

IN THE SENATE OF THE UNITED STATES

Wednesday, April 12 (legislative day of Monday, March 29), 1948

On the life, character, and public service of Hon. JOHN HOLLIS BANKHEAD 2D, late a Senator from the State of Alabama

Mr. BUTLER. Mr. President, it is with real and sincere sorrow that I recall the departure from this life of my true friend and colleague, a great statesman, JOHN HOLLIS BANKHEAD 2D, while serving his third term in the United States Senate as a Senator from Alabama. Since 1931 Senator BANKHEAD had been a familiar figure in the Senate Chambers, and the loss of his friendship, advice, studied opinion, and fine example has been felt by all of his senate colleagues, irrespective of party.

It happens that I had the good fortune to serve on two committees with Senator BANKHEAD—the Committee on Agriculture and Forestry and on Irrigation and Reclamation. In the course of that service I came to know him well and to appreciate his fine qualities of heart and mind. All his years of service here never caused him to lose his roots in his native Alabama soil. His heart was always with the average man of Alabama, the man who needed help, particularly the farmer. The laws he sponsored for the benefit of the farm tenant and the farmer generally are ample proof of that. With the passing of Senator BANKHEAD, the American farmer lost a true friend, for his welfare was always uppermost in his thoughts and actions.

For a period, he was chairman of the Committee on Irrigation and Reclamation. Although Alabama is not a reclamation State, those of us from the West who had a more direct interest in reclamation questions never had reason to complain of any lack of sympathy or helpfulness in dealing with these problems. As chairman of that committee, Senator BANKHEAD gave unstintingly of his time and counsel in helping us meet those problems of such direct and vital interest to our Western States.

Alabama, the South, and the Nation as a whole, can well remember Senator JOHN HOLLIS BANKHEAD with pride; for at all times he represented the best in Southern culture, a gentleman in every sense of the word, a man whose life was unselfishly devoted to one purpose—the welfare of the people of the United States.

Statement of Robert E. Freer, Chairman Federal Trade Commission

EXTENSION OF REMARKS

OF

HON. JOSEPH P. O'HARA

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. O'HARA. Mr. Speaker, the National Federation of Small Business, Inc., which I understand has the largest individual membership of any business organization in this Nation, and as the record will show, has been most vigorous in its activities in an all-out program of antitrust law enforcement, in following out this program has requested me to insert in the RECORD the statement of Mr. Robert E. Freer, Chairman of the Federal Trade Commission, before the subcommittee of the Senate Committee on Interstate and Foreign Commerce on June 2, 1948.

In the committee hearings both before the Senate and the House on the Reed-Bulwinkle bill, which I strenuously opposed, it will be found that the National Federation of Small Business, Inc., was in the forefront supporting my position. I have no grievance with the American railroads, and I opposed the bill because I believe it would set a dangerous precedent for the railroads to be exempt from the provisions of the antitrust laws. If free enterprise of this Nation is to remain an important part of our Nation's economy what we need today, more than ever, is stricter and more vigorous enforcement of antitrust laws.

Recently I introduced H. R. 3871, to remove the present quasijudicial functions from the Federal Trade Commission. Under this bill the Commission would file a complaint in the court, and the court would determine the facts. The purpose of my bill was in no way to injure the Federal Trade Commission, but on the other hand, to assist the Commission to proceed in the American way.

While I may not necessarily agree with all of the views expressed by Commissioner Freer, I hereby insert his statement, as follows:

STATEMENT OF ROBERT E. FREER, CHAIRMAN, FEDERAL TRADE COMMISSION, TO A SUBCOMMITTEE OF THE SENATE COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE, ON SENATE RESOLUTION 241, EIGHTIETH CONGRESS, SECOND SESSION, JUNE 2, 1948

Mr. Chairman and members of the committee, it is difficult to comment on Senate Resolution 241 for a number of reasons. No one can quarrel with the language of the resolution authorizing an inquiry by the committee into business practices and the impact upon consumers and businessmen of the decision of the Supreme Court in the Cement case and of other recent decisions of a similar nature. As a matter of fact, the Commission welcomes an opportunity to report to Congress on this subject. Section 6 of the Federal Trade Commission Act directs the Commission to make investigations into business practices for the Congress and to report recommendations for legislation on similar matters. I do have some hesitation about the provisions of section 2 of the resolution because it suggests the need of legislation to legalize practices which were found to be illegal by the Commission and the courts in these cases.

The Commission has made numerous investigations of basing point and similar practices over a period of years, and I have with me copies of several reports to the Congress and to the President, showing the extent of the studies which were made and conclusions which were reached. These reports involve not only basing point practices in the cement industry but in other industries as well. I would also direct your attention to the proceedings of the Temporary National Economic Committee which required several years of time and the expenditure of several millions of dollars. A great deal of attention was directed to the basing point problem in its various aspects by the Temporary National Economic Committee which had among its members representatives not only of the departments and agencies concerned with industrial problems but also Democrats and Republicans from the House and Senate. You may recall that the Temporary National Economic Committee recommended legislation to Congress which would declare the basing point system to be unlawful regardless of whether it was supported by combination and conspiracy.

The suggestion inherent in the resolution that legislation may be needed to legalize what was condemned by the Commission in the Cement case is a serious one and it goes to the very roots of the antitrust laws. I think it should be made plain from the outset that legislation which would approve any practice prohibited by the Commission's order in the Cement case would be legislation to permit combination and conspiracy to fix and maintain prices or systematic price discrimination practiced for the purpose or with the effect of eliminating competition. The committee should not approach this problem with any idea that the practices prohibited in the Cement order can be made lawful without nullifying the Sherman Act and the antimonopoly provisions of the Federal Trade Commission and Clayton Acts. Thus, the fundamental issue presented by the resolution is not whether legislation should be considered to protect any particular business group, but whether the antitrust laws should be retained as a basic principle of our legal and economic structure. I venture to suggest that no inquiry can be made by this committee or by any other agency of the Government into every phase of antitrust law enforcement and the social and economic value of such laws, with $15,000 or by March 15, 1949.

The Commission is entirely willing to cooperate with this committee in examining the theories involved in the Cement case or the applicability of such theories to any other industry, but it should be made plain at the outset that the cement case does not have the radical and revolutionary effect that has been attributed to it in certain quarters. The decision of the Commission was to the effect that the cement industry had been engaged in a combination and conspiracy to fix and maintain prices and that systematic use of the basing point method of pricing in that industry had the effect of eliminating competition. This decision was affirmed by the Supreme Court of the United States and I do not feel it appropriate at this point to seek to justify or defend it. I do commend to your careful scrutiny, however, the very detailed findings of fact by the Commission showing the methods by which the basing point system of uniform delivered prices in that industry was maintained. Certainly, it is unwarranted to assume that the effect of this decision is to outlaw all delivered prices or to require only free on board mill prices. The Cement case is simply a reaffirmation of a principle which is a fundamental one in the law and economics of this country that collusion and combination and conspiracy to fix and maintain prices is contrary to the American system of free enterprise. The Federal Trade Commission has always stood for preservation of the competitive system and has been directed by Congress to prevent unfair practices which interfere with the competitive system. The fundamental approach in the Antitrust Acts generally, and in the Federal Trade Commission Act particularly, is that competition is not only the life of the trade but also the primary force which will insure equal opportunity of business enterprise and the natural regulation of prices in the arena of the free market. The Commission has no desire to suggest how prices should be quoted in any industry or to advise or participate in any decisions of business management.

The difficulty with suggesting an amendment to the existing law which would permit practices prohibited by the Commission's order in the Cement case is that any such legislation would necessarily be a direct contradiction of the fundamental principles of the antitrust laws. I say this because there is nothing in the Commission's order in the Cement case which prohibits conduct on the part of any seller of cement which is not a part of a combination or understanding to eliminate competition, or which is not practiced systematically by the industry for the purpose or with the effect of eliminating competition in price between sellers. The Commission does not wish to be in a position of defending its decision in the Cement case but it certainly is interested in advising Congress of its position that the antitrust laws, ineffective as they may be, are good insurance against disappearance of our system of free enterprise.

I am sympathetic with complaints from individual industries and individual industrialists that competition often is a ruinous process, that often it is harsh and brutal, and that at times it results in inequities. No one can deny that this is so. Members of the committee have no doubt received communications from individual businessmen indicating that immediate ruin faces them as a result of the Cement decision. Such arguments were made to the Supreme Court and similar fears have been expressed to the Commission. It is our view that some of those fears are the result of misapprehension of the decision, some of them may forecast temporary dislocations due to shortages or to local inequities that may exist for a time following use of competitive prices on cement, and some of them may be attempts deliberately to misrepresent the situation. Really honest competition in any industry which has been subject to monopoly control over any extended period of time may actually force some producers out of business by removing the umbrella of monopoly control from the heads of high-cost, obsolete, or badly located plants. There is no question but that competition has this effect.

If you gentlemen are persuaded by evidence of some of the realities of competition that it is undesirable, and that business should be permitted systematically to restrain competition, to keep in operation badly located or inefficient producers, then you must face the issue squarely and provide at the same time some means of protecting the public from selfish excesses that must necessarily attend the right of any group of businessmen to control an industry and to meet together and act for their personal and private benefit. Even the most ardent foes of competition as a regulatory force admit that if it is systematically restrained and eliminated there must be some responsibility to the public which can only be borne by the Government.

If we are to legalize combinations in restraint of trade or systematic price discriminations for the purpose of eliminating competition, the Government must be accorded a voice in the regulation of such combinations and collusive arrangements to protect the public interest. Frankly, my 30 years of experience in legal matters involving the Government and business, which included representation of railroads, express companies, and other corporations as well as more than 20 years in the Interstate Commerce Commission and the Federal Trade Commission, convinces me that it is undesirable to substitute for our present antimonopoly laws, under which Government's duty is only to keep competition free and fair, a system of regulation of business under which it becomes the Government's duty to see that industrial prices and practices are kept "reasonable" in the public interest.

There is nothing in our history of public utility regulation, either by State or Federal Government, which would lead me to suppose that any such regulation would be advisable in such industries as steel, cement, and the like. Some of you gentlemen on the committee have been in business. You have engaged directly in the struggle to manufacture and sell a product. I feel sure that your experience in business has been such that you recognize the dangers which would flow from permitting trade groups to get together to fix prices and marketing practices. There is always in any industry the marginal fringe of high-cost producers. This may be due to bad management, obsolete plant equipment, bad location to raw materials, or bad location to the market. The temptation in any of the formula pricing systems or price fixing combinations is to hold an umbrella over the marginal producer and to fix prices at a level which will be high enough to enable the marginal high-cost producer to operate at a profit. If Congress so relaxes the antitrust laws as to permit such conduct, it cannot long escape the establishment of some agency to pass upon such situations. This has become necessary in those fields of commerce which have been removed in part from the antitrust laws—railroads, utilities, and the like. The process of determining what is a fair rate for a utility or a fair value on the property of a railroad or a power company for rate-making purposes has been known to require from 5 to 10 years of litigation before administrative agencies and courts up to and including the Supreme Court of the United States, so that when a final decision is reached it has only historical significance and is wholly inapplicable to contemporary conditions. One classic example of this situation is an order of the Illinois Commerce Commission made on August 16, 1923, setting rates to be charged by the Illinois Bell Telephone Co. in the city of Chicago. The matter was in the Supreme Court of the United States at least three times, and a final decision was reached in 1934 when the Supreme Court after 11 years finally rejected the telephone company's contentions that the rates established by the Commission were confiscatory (*Lindheimer* v. *Illinois Bell Telephone Company*, ((1934) 292 U. S. 151; 54 S. Ct. 658)). This case, like so many others involving the question of whether the prices or rates fixed by a regulated monopoly are fair or reasonable, required the most meticulous, voluminous, and protracted court examination of the properties, practices, accounting factors, and prospects of the company so that in the last analysis the regulatory powers of the public utility commission were practically ineffective.

You are all familiar with the length of time which it took to reach a final decision in the Cement case, involving as it did several scores of producers and practices engaged in over a period of years. I venture to say that if the Commission had been required to examine the books of accounts of the industry to determine whether the prices charged for cement in any one period was reasonable, the case would have dragged on beyond the normal life expectancy of the youngest of the eminent counsel who participated in its trial.

I have a further reason for a dislike of modification of the antitrust laws which would require regulation by the Government We are all of us human beings and subject to the fallibilities of the species, including the likelihood of mistaken judgment. This applies equally to businessmen who would seek to regulate their affairs by agreement and understanding and to Government officials who would supervise such agreements. If a monopolist makes a mistake in business judgment or if a regulatory agency having control of an industry makes such a mistake, the consequences might be disastrous to the Nation as a whole. On the other hand, a mistake in judgment on the part of a wholesale grocer, a steel fabricator, a paint manufacturer, or any other individual concern in a multiple unit industry under free competition, will usually result only in the failure of the one making the mistake.

Furthermore, vigorous price competition plays a part in our economy which could not be played by any organized group in business or by any Government agency. If any Federal commission were to find unreasonable a price for cement, for instance, which had been fixed by the industry on the basis

of a profit on the marginal producers' cost of doing business and to order that price reduced to a level which reflected the low-cost producer's cost of doing business plus a reasonable profit, with the necessary effect of driving out of business all the high-cost operators, I have no doubt that such an order would be declared by the courts to be confiscatory and, therefore, unconstitutional.

I am sure that this committee would not wish to see any Government agency empowered directly to order a man out of a particular business because of his inefficiency or bad location. Free competition may do this, but I, for one, would not wish to have the responsibility either of saying that a price was reasonable which kept the high-cost cement producers in business and penalized the public by depriving them of the benefits of lower prices which could profitably be charged by low-cost producers; or of saying to the high-cost producers "You must go out of the cement business."

At the present time the Federal Trade Commission has 562 employees. Messengers, clerks, stenographers, and administrative employees engaged in keeping records and other "housekeeping" activities constitute slightly more than half of the total. This leaves somewhere in the neighborhood of 260 attorneys, accountants, investigators, and other persons dealing directly with business practices, including the five Commissioners, The Standard Industrial Classification Manual, prepared by the Technical Committee on Industrial Classification of the Bureau of the Budget in 1941, lists 1,530 different industries in the United States and contains 43 pages of fine print listing manufactured products from abacuses to zwieback (machine made). The sixth edition of the Directory of Commodities and Services of the Office of Price Administration (1945) lists 245 pages of commodities and services, a total number of approximately 10,000. If Congress should adopt any modification of the antitrust laws which requires a test of reasonableness of price-fixing devices or discriminations in price which cannot be justified by cost differences, it would no doubt empower some agency of the Government to inquire into the reasonableness of such practices and of the prices so fixed. If Congress were to impose such a duty on the Commission, for example, there would be approximately 40 commodities and services and 6 different industries for every one of the present Federal Trade Commission staff not engaged strictly in administrative and clerical work. Of course, the Commission has, at the present time, only about 90 professional people engaged wholly or substantially in antimonopoly matters, so that to divide up the responsibility for industries and commodities between these men would result in an even more ridiculous situation.

I do not think that the task of regulating the reasonableness of monopolistic practices and of curbing unreasonable excesses through orders to cease and desist or court action would be any less complicated task than confronted the Office of Price Administration during the war, and the committee is aware of the many thousands who were employed on that work.

The necessary implication of the resolution under consideration is that the Cement decision and other recent Court decisions upholding antimonopoly orders of the Commission require legislation to modify the antitrust laws and interpret them. This can only mean that the fundamental principles of the antitrust laws are being questioned since there is nothing in the Cement decision nor in the other Supreme Court decisions, which is not based squarely on the fundamental principle of the law that price-fixing combinations or discriminations which injure competition are unlawful and against the public interest. Congress cannot, in my opinion, frame any legislation which would legalize the practices prohibited in those cases and at the same time preserve the antitrust laws as insurance of the continuance of our free-enterprise system.

It is interesting to note that in all of the totalitarian governments in modern history freedom of economic enterprise has been systematically restrained and business has been run either by a few large aggregations of private capital supported by the government or by the government itself. In any case, freedom of enterprise and the right of the individual to take his chance in competition and either to go broke or to run a corner shop into a big business simply does not exist. England is the only example I can recall of a free country which has permitted wide latitude in industrial combinations, many of them operating either under loose supervision of the Government or in cooperation with the Government. I understand from press reports that there is now pending in Parliament a proposal to establish an administrative agency patterned after the Federal Trade Commission with similar powers to prevent price fixing and other restraints of trade and commerce.

In conclusion, I would like to reiterate the position that the Commission does not oppose any inquiry into the operation of the antitrust laws as manifested in the Cement decision or any of the other recent actions of the Commission or of the Department of Justice, but it must be recognized from the start that in legalizing any of the practices found to be illegal in those cases, the mainspring of the free competitive system must be impaired. I also wish to express my firm conviction that legislation to relax the antitrust laws must necessarily provide some substitute check on the part of the Government to protect the public, and that such regulatory check is likely to prove far more onerous than any localized discomforts which may result from the judicially sanctioned breaking up of price-fixing combinations designed to protect inefficient or badly located producers from the rigors of competition.

Agricultural Record of Hon. Burr P. Harrison, of Virginia

EXTENSION OF REMARKS

OF

HON. JOHN W. FLANNAGAN, JR.

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. FLANNAGAN. Mr. Speaker, the new Representative from the Seventh District of Virginia, the Honorable BURR P. HARRISON, has, during his short service, demonstrated time and again that he is a true friend of the farmers and understands their problems. Coming, as he does, from the Great Valley of Virginia, one of the agricultural garden spots of America, much, of course, was expected from him by the American farmers. He has more than measured up to every expectation. His father before him, long a distinguished Member of this House, was a great lover of the soil and the tillers thereof and was noted for his loyalty and devotion to American agriculture. The present Congressman HARRISON, therefore, did not have to acquire an agricultural interest after coming to Congress. It was born in him. It is a part of his very nature. And his interest is not confined to any particular phase of agriculture, but extends to all phases. What was said of his activities in behalf of the poultry industry in an editorial appearing in the Virginia Poultryman, which I shall later insert in my remarks, can with equal truth be said by the cattle, sheep, and hog farmers, by the tobacco farmers, by the wheat and corn farmers, by the fruit and vegetable growers, and so forth, because he has rendered the same faithful effective service to all segments of agriculture. He has also rendered the same faithful and effective service in connection with the activities to improve our soil and bring electricity back to the farm. No one in Congress, to my knowledge, has been a more devoted friend to Soil Conservation and Rural Electrification.

I was happy to see the Virginia Poultryman, the official publication of the Virginia State Poultry Federation, come out in its June 1948 issue, in a strong editorial commending the splendid record of Congressman HARRISON. It goes to show that farmers recognize worth and are appreciative. The editorial follows:

A FRIEND INDEED

The session of Congress which closed with a turbulent all-night session on the morning of June 20 considered some of the most far-reaching legislation of our times. As these important measures were debated on the floor of the House, BURR P. HARRISON, Representative from the Seventh Virginia District, was always alert to help with the poultryman's problems. Besides his active interest in legislation affecting the poultry industry, he was conducting a behind-the-scenes investigation into the legality of certain United States Department of Agriculture administrative interpretations in connection with their voluntary poultry-grading program.

Poultrymen will remember that Congressman HARRISON, whose home is in Winchester, has always been prompt to voice the poultryman's viewpoint on measures affecting the poultry industry. They remember his able work in their behalf in the attempt to have some of the abundant supply of storage poultry shipped abroad. This brought about a change in policies advocated by top Government officials, which, we believe, tended to curb the soaring spiral of feed prices. He was even more active in the fight against the "poultryless Thursdays" edict, which disrupted the normal flow of poultry from the farm to market last fall, causing untold hardship and loss to the poultry producers. His efforts, combined with those of other legislators and the leaders of the industry, culminated in the rescinding of the ban.

It is comforting to know that poultrymen have such a friend in Washington. He has cooperated closely with the elected officers of your federation, and he has proved that he is ready, willing, and able to explain the poultryman's side of the picture to his fellow Congressmen. He is a friend indeed.

Uncle Joe: Good Fellow

EXTENSION OF REMARKS

OF

HON. JOHN DAVIS LODGE

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. LODGE. Mr. Speaker, under leave granted to extend my remarks in the

RECORD, I include the following telegram from the Bridgeport Telegram:

UNCLE JOE: GOOD FELLOW

President Truman's remarks about Uncle Joe Stalin at Eugene, Oreg., need some explanation. The President said that he liked "Old Joe," that he was really a very good fellow, but he couldn't always keep his promises because the Russian Politbureau would not let him. "He is a prisoner of the Politbureau," the President said.

The President may have been merely joking, or he may have been trying to offer a rather flimsy excuse for the fact that he and his predecessor in office had been so frequently swindled by Joe Stalin. We say "he" and President Roosevelt were swindled, but it would be more accurate to say that the rest of us suffered the swindle. As our representatives the two Presidents gambled the family estate and their shirts on the good faith of a man who doesn't know the meaning of good faith, and naturally lost what they were gambling. They made the mistake, we paid the debt.

At Yalta, at Tehran, F. D. R. was the innocent sucker in good Old Joe's flimflam game, but at Potsdam Harry Truman contributed his full share. Between the two of them they practically gave away the war. It was Roosevelt who sold the Poles down the river into slavery and made Manchuria and the Balkans Russian territory, but it was Truman who bottled up our forces in Berlin, so that we have to pass through Russian military lines, by the courtesy of Russian commanders, to feed our own troops.

But it seems that it's all right because Joe Stalin is really a good fellow—only the boys won't let him do what he wants to do. Since the Politbureau is composed exclusively of men of Stalin's choice and since any man in it who opened his mouth against the leader's wishes would be promptly liquidated, it's a pretty flimsy excuse for having made such a bungle out of our foreign relations.

At any rate, if there's another conference, let's send somebody who doesn't like Uncle Joe.

General Chennault on American Military Policy in China During World War II

EXTENSION OF REMARKS

OF

HON. WALTER H. JUDD

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. JUDD. Mr. Speaker, there are few subjects about which American public opinion is more confused than China. Part of the confusion is unavoidable because so little is known by Americans generally about China's history, traditions, economic, and social background; and as a result there is so little understanding of the enormous difficulties involved in modernizing so old and fixed a cultural pattern, even if there were no complications.

Unfortunately there have been complications that would have overwhelmed a people with less vigor and toughness—such as foreign controls by outside nations for a hundred years, struggle with Japan for 30 years, including 8 years of all-out war and invasion, Communist infiltration and rebellion, endless blunders, or worse, by the nation China regarded as her best friend—the United States, plus a constant barrage of misrepresentation and propaganda to discredit China's leadership. One prolific source of such misinformation has been those American military and civilian officials who failed in China, but who are not willing to admit frankly their own miscalculations and mistakes, and instead seek to justify themselves by placing all the blame on the Chinese.

When a few American generals are unsuccessful in dealing with Chinese leaders, but many others, including Generals Wedemeyer, Hurley, and Chennault, are remarkably successful in dealing with those same leaders, it must be clear to all that in the cases of failure the fault is not all with the Chinese. Any sensible person will give more credence to the reports and views of those who succeeded, than of those who failed and quite understandably are deeply hurt inside.

One of the most tragic American figures in the last war was Gen. Joseph W. Stilwell. He was a magnificent combat soldier, a good field commander. But it was his misfortune to be given a job which required more political and diplomatic skill than strictly military. His main task was to get all sorts of people of various nationalities and tongues, civilian and military, to work together in a common effort in a whole theater. He was a Patton and the job required an Eisenhower. That is no reflection on him personally. It is no disgrace that a race horse cannot do a draft horse's work, or vice versa.

The inevitable result of Stilwell's being placed in the wrong kind of a job for his particular talents, was disastrous frustration and failure for all concerned. The recent publication of some of his own papers reveals far more vividly than any other source could, how much earlier he should have been transferred to another type of command, for his sake as well as everybody else's.

One of the American officers best fitted to work in China, as proved by his extraordinary accomplishments there, was Maj. Gen. Claire L. Chennault. He has recently rendered another great service to his country by filling in a lot of the blank pages in the sorry history of our war activities in the China theater. He speaks as he fights—vigorously, but considering his closeness to the situation he has reported with remarkable objectivity the blunderings at top levels in Asia and in Washington. Complete catastrophe was prevented only by the courage and tenacity and heroism of thousands of Americans and Chinese all down the line who paid in blood for their superiors' mistakes in brains.

A careful reading of the accompanying articles by General Chennault as told to Clyde Farnsworth and printed in the Scripps-Howard newspapers will clear away a lot of the fog and confusion about some of the troubles in China, and their causes:

[From the New York World-Telegram of March 22, 1948]

CHENNAULT, THE FLYING TIGER, SPEAKS

(When Maj. Gen. Claire L. Chennault organized and inspired the famed Flying Tigers to help repel the Japs, the United States still was shipping scrap iron to Japan. Now 58 and retired, the general has written the inside story of our policy toward China. He believes that unless we send arms to help the National Government defeat the Communists, we cannot escape war with Russia. He tells why, beginning today in the World-Telegram.)

(By. Maj. Gen. Claire L. Chennault, as told to Clyde Farnsworth)

Six hundred million people—the population of China and the United States—are today the direct heirs of a decade of American policy blundering in China.

Barring an eleventh-hour miracle of American understanding, intelligent sympathy and active aid, coupled with a last-ditch miracle of Chinese courage and endurance, the pay-off will be the choice between two disastrous alternatives:

The disaster of a third world war, or

The greater disaster of a surrender to global despotism.

In either event free people the world over would stand as heirs to a tragic legacy of American ineptitude. The colossal irony of it would be that we Americans would have blundered our way either to war in defense of our interests and liberties or into an abject surrender of them.

ARTICLES TO NAME NAMES

In these articles I intend to reveal some of the details of this American blundering. I intend to tell who was responsible for it, and why.

I am going to give names and dates and places. Some of the material which I shall reveal has up to now been secret. Much of it lies buried in Army, State Department, and White House records.

Some of the reading will not be pleasant. It is not easy for us as a Nation to admit that we have behaved in an unconscionable way toward a nation of friendly people who have trusted us.

It is not easy to admit we have gone back on our promises to an ally.

It is not easy to confess that we bartered away China's land in order to get Russia to enter the war against Japan, and that we did this without China's consent.

VALUABLE LANDS LOST

It is not pleasant to reveal that we have done nothing to compensate China for giving up her most valuable lands to the Communists.

I went to China in 1932, and have spent almost all of my time there since. I organized and led the Flying Tigers. I knew, and, when war came, served with all of the senior American commanders in the Far East. As commanding general of the Fourteenth Air Force I was fully familiar with the shabby American policy on China. I saw it in operation during the war. Until I left China recently I was a witness to the disastrous results of that policy.

In the dark days at Chungking I watched Generalissimo Chiang Kai-shek hold his beleaguered, poverty-stricken troops together and rally his ragged troops again and again to resist the savage thrusts of the Japanese Army.

The Generalissimo's battle was a most inspiring example of courage and leadership against overpowering odds.

STABBED IN BACK

I am ashamed to say that in the midst of his great effort, he was repeatedly stabbed in the back by some of his American allies.

I was present, for example, when the late Gen. Joseph W. Stilwell, then the American commander in China, castigated Chiang Kai-shek before President Roosevelt and Prime Minister Churchill. I shall relate this occurrence, and others.

Altogether, American policy toward China, and the activities of some American officials in China, do not make a pretty picture. But it is vitally important that the American people know the background of American blundering in China. They may pay for it with the blood of their sons.

GOVERNMENT CRITICIZED

It is not my intention or wish to absolve the Central Government of its own sins of omission or commission in relations with the United States. The Chinese Government has been arraigned many times and on many charges by its American critics. There is nothing I could add, but what I have to say may help put that criticism in proper perspective.

In one limited sense the failure of American-Chinese relations, and I regard the present situation as proof of that failure, stems principally from the natural difficulty of reconciling two disparate cultures, each with its own deeply ingrained and sometimes mutually incompatible superiorities and deficiencies.

Beyond that understandable limitation, however, there has been inexcusable failures by the executors of American policy that could have arisen only from carelessness, prejudice, short-sightedness, bad judgment, and, I am ashamed to add, a certain inclination for mischief making.

In these reminiscences I hope to reconstruct part of the skeleton of American relations with China during the last 10 years. By dragging even part of that skeleton from the closet I hope to help other Americans to understand the background of our troubled approaches to friendship and collaboration with the Chinese National Government.

One basic question must be answered: How is it possible that the United States, having defended the traditional principle of the open door in China at the cost of war with Japan, should have countenanced and even abetted the substitution of Russian Communist influence for Japan's shattered imperialism in China?

RUSSIA TAKES OVER

Part of the answer lies in the historical fact that we didn't actually choose to defend the open door in China until assaults by Japan were directed against us at Pearl Harbor. That was 4 years after Japan set out to conquer China and 10 years after she grabbed Manchuria.

That grimly simple chronology should teach Americans that aggression can never be cheaply compromised.

Seeking the rest of the answer to our casual attitude toward Russian Communist influence in China we shall have to explore certain aspects of the recent relations of Americans with the recognized Government of China on the one hand and with Chinese Communist puppets on the other.

MAY BE TOO LATE

This is properly a historian's task. But history in our time has become so fluid that we cannot afford to wait for it to cool before learning its substance. It may be too late if we must wait for the researchers of another generation to piece together that sad record.

Our decade of blundering in China started in 1937 after Japan started the conquest of China which at the very outset was inimical to the vital interests of the United States and the peace of the world. We did nothing, or next to nothing.

The 1931 story of Japan in Manchuria finds a parallel today in Russia's sponsorship of Chinese Communists. This needs no further proof than the fact that these puppets were armed with weapons taken from the Japanese Kwantung Army by Russian troops who invaded China's northeast under an American invitation delivered at Yalta.

The 1937 story of Japan in China may soon be paralleled also—not by Russian invasion in the Japanese pattern, but through puppet forces of Oriental Communists. The design is the same or even more grandiose in its strategical implications than was Japan's ill-fated coprosperity sphere.

[From the New York World-Telegram of March 23, 1948]

CHENNAULT SAYS UNITED STATES AIDED COMMIES IN CHIANG ATTACK

SHANGHAI, March 23.—China's desperate plight today is traceable to American encouragement of Chinese Communists and discouragement of the Chinese National Government.

These policies came to flower in the middle years of our 4-year wartime alliance with the central government of China and bloomed for a long time thereafter—too long, I believe.

Our encouragement of an armed rebellion against recognized government had an equally strange counterpart in a campaign of faultfinding against that government. The complaints started somewhere on the wrong side of helpful criticism and ranged downward to outright vilification.

POLICY SUITS FELLOW TRAVELERS

These two sides of our policy were plainly in accord with the wishes of Communist fellow travelers, if not actually the result of their maneuvers in wartime Chungking and elsewhere.

How far our policy was directly subverted by fellow travelers I am not prepared to say. Since I am more concerned here with results than motives, that question strikes me as academic at any rate. The fact remains that saboteurs of American-Chinese collaboration could scarcely have hoped for greater success if American officials who fulfilled that hope actually were fellow travelers.

I do not charge that the responsible American officials deliberately played the Communist game in Chungking, but I do charge they played into Communist hands, and in so doing soured our partnership with Generalissimo Chiang Kai-shek's government at a critical stage of our war with Japan. They came close to souring it forever.

This is the only construction I can put on the wartime and postwar tendency of American policy now happily though recently disavowed by both President Truman and Secretary of State George C. Marshall.

CRISIS IN 1944 CITED

The interplay for back patting for Communists and back biting for the Central Government coincided with and helped precipitate a military and political crisis in free China in 1944. Had it not been for Generalissimo Chiang's ouster of General Stilwell, then American theater commander, it would almost certainly have brought final ruin to the joint Chinese-American effort.

We shall consider in turn both aspects of American policy in effect at the time—first the spectacle of official American antipathy toward a wartime ally, and second our public love affair with the Chinese Reds.

Until General Stilwell was replaced by Lt. Gen. A. C. Wedemeyer in the fall of 1944, American staff dealings with the Chinese Government were almost continually pitched on a low level of overbearing pressures and threats. This was only a symptom of the low estimate which General Stilwell and his staff placed upon a Chinese leadership that had resisted Japan for 4 years before Pearl Harbor.

APPROACH GROTESQUE

The similarity between our military and diplomatic relations with China at the time was apparent. Such identity between them might have been expected since our military approach was so grotesque.

The American leadership seemed incapable of dealing with the Chinese on the basis of mutual understanding, helpfulness and respect. Most eminent sign offered by General Stilwell and his staff of their faith in the Chinese was their frequently expressed opinion that a Chinese soldier, properly trained, armed, and supplied, would fight. As a gross understatement of Chinese potentialities it amounted almost to slander.

RECITALS INDISCREET

As if by calculated design, official American estimates of the Chinese Central Government and its armed forces became common conversational stock wherever Americans gathered in Chungking. While American servicemen were ostensibly admonished to refrain from a discussion of the Chinese Government it appeared to be approved practice among American officers in Chungking to recite all the Government's real or fancied shortcomings on the slightest cue.

These recitals would have exceeded ordinary discretion even if they had represented the truth. That they did not emphasize the enormity of the indiscretions.

Frequent contacts between American military personnel and American war correspondents, while largely off the record, gave great currency to this mass-produced criticism of the Chinese.

I had my air headquarters in Kunming but made frequent visits to the Chungking headquarters. On each occasion I heard echoes of this campaign. It couldn't be called a whispering campaign, it was much too loud.

General Stilwell granted almost no interviews to American correspondents in Chungking but his uncomplimentary opinions were always available to them off the record. I have one example from a correspondent who arrived in Chungking in the fall of 1943. He asked General Stilwell in an off-the-record interview what the Chinese needed most for prosecution of the war.

ONE HUNDRED SELECTED HEADS

To this General Stilwell replied: "Cutting off of 100 selected heads."

General Stilwells low estimate of Generalissimo Chiang was freely expressed. I was a witness to a historical example of this.

In the spring of 1943 I was present at a meeting of the Combined Chiefs of Staff conducted by President Franklin D. Roosevelt in Washington. Prime Minister Winston Churchill was also present. Mr. Roosevelt asked General Stilwell for a summary of the situation in China.

General Stilwell rose and belabored Generalissimo Chiang at length. He accused the Generalissimo of being undependable, ungrateful, dishonest, and untruthful. President Roosevelt interrupted the tirade to ask: "Chennault, what do you think about this?"

CHIANG DEFENDED

I told them that in all my years in China the Generalissimo had never broken his word to me in any manner, that I considered him a great man, the only leader capable of holding China together. A full account of both General Stilwell's and my remarks on that occasion should appear in White House records.

[From the New York World-Telegram of March 24, 1948]

CHENNAULT SAYS UNITED STATES DEMANDS PUT CHINA ON BRINK OF COMMUNISM

If American policy had attained its manifest objectives in China during the war with Japan, China would be Communist today.

I don't mean to say that this was the conscious aim in China, but I sincerely believe this would have been the result.

American policy, as applied during the first 3 years of our wartime military alliance with China, consisted principally of increasing demands upon the Chinese Central Government which at their peak in 1944 would have entailed virtual abdication of Generalissimo Chiang Kai-shek.

At the same time the executors of our war policy had been carrying on a "public love affair" with China's rebellious and autonomous Communists, hoping to arm them with

American weapons and bring them into Nationalist China. They were planning to use the Communists in battle against the Japanese at a time when Chinese Nationalist commanders, never short of manpower, were begging for American arms and ammunition.

The strain in American-Chinese relations at the time turned Chungking dinner tables into a strange propaganda front, where Americans extolled Chinese Communists and berated the Chinese Central Government.

"PRIVATE FOREIGN POLICY"

It was a common witticism in Chungking at the time that the American headquarters staff was developing "a private foreign policy with John Davies (a State Department aid assigned to Gen. Joseph W. Stilwell), as Secretary of State."

(EDITOR'S NOTE: Mr. Davies is now a member of the long-range planning committee of the State Department, a job to which he was assigned by Secretary of State George C. Marshall. He is in charge of China matters.)

At the root of our mistakes in China was the refusal of the dinner-table clique to take the Communists' own word that world revolution was and would continue to be the Communist objective in China.

Social life in China's drab and battered wartime capital consisted mostly of dinners and cocktail parties. American officers and officials turned them into forums of propaganda for the Chinese Reds and unbridled criticism of the Central Government. Among these groups it became an easy conversational axiom that the Chinese Communists were not really Communists but just agrarian reformers.

FORCED RECALL

My subordinates were told by members of the headquarters staff that this loose talk had General Stilwell's sanction. I believe that this was indeed the case. But if it were not, General Stilwell's failure to curb such behavior was a fault of almost equal gravity.

This was the state of affairs in September, 1944, before Generalissimo Chiang Kai-shek, refusing the latest and most extreme American demands, forced General Stilwell's recall. For nearly 3 years, General Stilwell had persistently pressed for full control of Chinese armies under an exclusively American corps of officers down to colonel.

For some time, the Communists had maintained a mission in Chungking as a front for a thin pretense of collaboration with the Central Government against Japan. Actually, this mission was little more than an espionage post and propaganda center.

The principal function of the Red outpost in Chungking seemed to be press contact work. It was an ironical, though unpublished footnote to journalistic attacks on the dictatorial Central Government that much material for them originated with the Communist mission in Chungking.

MISSION TO YENAN

To that bizarre arrangement, the American theater staff eventually added another—an American military mission to Yenan, the capital of Communist China. The justification that was offered for our Yenan mission was that it supplied military intelligence in a theater notably lacking in such facilities.

But the Yenan mission was more than a source of intelligence. It served as a convenient bridgehead to the Reds for our military dealings, and an excuse as well as a means for occasional trips there by American correspondents and such State Department personnel as were partners with our theater staff in promoting friendship with the Communists.

If the American mission to Yenan was a source of valuable intelligence, there was a sad lack of security on such information. An officer told me that he had learned on a visit to the Chungking press hostel that Yenan Communists liked General Stilwell well enough to desire his leadership for their armies.

If this report was true, the failure of security on such a delicate matter was nearly as surprising as the information itself.

[From the New York World-Telegram of March 25, 1948]

CHENNAULT SAYS STILWELL USED UNITED STATES AID AS CLUB

Gen. Joseph W. Stilwell, the principal executor of United States wartime policy in China, wielded his control of American lend-lease supplies like a club throughout his 3 years of dealing with the Chinese Central Government.

With lend-lease as a kind of scepter he sought to rule China—and failed.

Friendly dignity and frankness were lacking from General Stilwell's conduct of our partnership with China. He was in almost constant disagreement with Generalissimo Chiang Kai-shek and seemed to regard him and other Chinese leaders not as colleagues but as obstacles to be overcome. Threats were his usual form of persuasion.

General Stilwell and his staff alternated between pressure for broadened authority in China and criticism of Washington's "softness" on occasions when he was not given a free hand from there.

Official records should show his requests to Washington for authority to cut off supplies as leverage against the Chinese Government. Such moves of his were common knowledge in China.

From what I know of the circumstances of his recall in 1944 it is my belief that his final threat was that all aid to China would be halted unless he was granted free control of China's war potential—or more.

TERMS GUARDED

Terms of that historic ultimatum have been closely guarded by both Chinese and American Governments for different reasons, but I have no doubt what their effect would have been: Replacement of Generalissimo Chiang by Generalissimo Stilwell.

That was the goal which beckoned General Stilwell and conditioned his behavior throughout his tour of duty as commander for the Chinese-Burma-India theater and chief of staff for Generalissimo Chiang. Openly or covertly it therefore dominated American relations with the Chinese from the day General Stilwell walked out of Burma in 1942—with a proposal to put the Chinese armies under American officers—until the dramatic show-down of September 1944 which forced his recall from Chungking.

There was little in General Stilwell's performance up to that time to recommend him for the grandiose role he sought. Chinese military reverses which precipitated that climactic demand were as much or more the product of his own shortcomings and shortsightedness as they were of the central governments.

ASSET PERILED

Apart from all other considerations, General Stilwell's last demand on the Generalissimo, had it been granted, would have ushered in, I believe, the darkest failure of American policy in China. It could have brought disintegration of a nation whose friendship and strength, however often we have misjudged it, was and is our greatest asset in the Eastern Hemisphere.

I know the Chinese people well enough to be sure that neither General Stilwell nor any foreigner could ever rule them except through force and with the help of puppets of their own race.

Moreover, as Gen. Albert C. Wedemeyer was soon to demonstrate as General Stilwell's successor, there was a decent and effective way of dealing with the Chinese Government which had never been tried by General Stilwell.

SUBTLE EFFECT

I could not avoid the suspicion, during the recent months of American insistence upon reforms as a prerequisite for assistance to China in her fight against communism, that Washington had reverted to the spirit of General Stilwell's discredited way.

Could it be that we have again made virtual abdication by the central government the price of our help? It is obvious that long after General Stilwell's recall and even after his death his faulty estimates of the central government have had a subtle and prejudicial effect on our postwar China policy.

I have the feeling that General Stilwell's failure in China was never officially recognized by Washington for what it was: The misfortune of a man to be assigned to a task beyond his talents and foreign to his nature, as I propose to show in these memoirs.

Lest this appear as recrimination against a man no longer able to defend himself I should explain that long before General Stilwell's death I observed the courtesy of laying such a critique before him. It drew no response that I know of.

Even so I would not have embarked upon a public telling of this story if I weren't sure that it would serve the healthy purpose of setting straight the record of one of the most misunderstood chapters of World War II—a chapter of presently vital importance to any proper understanding of our relations with China.

[From the New York World-Telegram of March 26, 1948]

THREAT TO CHIANG OVER AIR POWER CHARGED TO STILWELL

In 1944, at the lowest ebb of the Chinese-American wartime alliance, Gen. Joseph W. Stilwell, American commander in the China-Burma-India theater, considered withdrawal of the United States Fourteenth Air Force from China.

Whether he ever made a formal proposal to that effect to the War Department or whether it got no further than one of General Stilwell's final threats to the Chungking government, I am not prepared to say. Only theater files or the testimony of persons involved in General Stilwell's final negotiations before his recall in 1944 could reveal this matter in its full light.

To me, it was a notable example of General Stilwell's chronic blindness to the possible effect of steps taken to enlarge his authority in China. Considering the deterioration of China then in progress, such action or even the threat of it, if the threat became public knowledge, would produce complete chaos.

The Fourteenth Air Force was at that time the only effective military force that commanded public confidence in China.

However drastic this measure might appear, it seems to have been considered earnestly enough for it to come to the attention of Chinese authorities. My first knowledge of it came from confidential inquiries to me from Chinese who wished to know if the plan would be carried out. Theater headquarters had given me no information on the subject.

Looking back, I recall that the Fourteenth Air Force allocations of air-borne tonnage over the Burma hump had been drastically cut, together with reduction in deliveries to Chinese agencies. I am left to infer that these reductions were General Stilwell's alternative to actual withdrawal of the Air Force as means of pressure on Chungking.

In the autumn of 1943, 1 year before General Stilwell finally was recalled, there developed between the theater commander and Generalissimo Chaing a frictional crisis almost as serious as that which later forced General Stilwell out of China.

As it was, it nearly precipitated a request for his removal.

I witnessed part of the aftermath in which General Stilwell assured the generalissimo through Mme. Chiang he would abide by the generalissimo's wishes and instructions in the future. This assurance was given in what appeared to be a carry-over from an earlier conversion.

I was leaving this meeting when Mme. Kung, sister of Mme. Chiang, took me to one side and said, to my mystification: "General Stilwell has promised to obey the generalissimo."

SWEEPING PLEDGE

To this day, I do not understand the origins of this odd pledge, but it is certain that even if General Stilwell had wanted the best relations with the generalissimo, he could not, as American theater commander commit himself to such a sweeping promise.

I assume therefore the promise was made with no intention that it should be kept. As a fulfillment of that promise, it should be noted that the bitterest of all their disputes over the Burma campaign began immediately after the Cairo conference in November.

In my own experience with the Central Government, I have found friendly candor to be the only prerequisite to a satisfactory solution of mutual problems, and I never found it necessary to conceal the truth, however, disagreeable, from the generalissimo. It was my practice to tell him facts exactly as I saw them, and if the situation called for corrective measures, they were forthcoming.

NO KOWTOWING

It goes without saying that critical reports had to be rendered in a way that accorded due respect to the standing of the generalissimo as China's most decisive single personality, yet without kowtowing. In other words, friendly and effective liaison required only the same respectful and self-respecting behavior due to any chief of State whose friendship and help is valued.

General Stilwell impaired Chinese-American relations throughout his China tour of duty but probably achieved the peak of vituperation in a Chungking press conference following his recall.

General Stilwell's remarks were, of course, off the record, but one found its way into print. I have not kept a copy of Newsweek Magazine in which it appeared but, as I recall, Gen. Stilwell's parting estimate of Generalissimo Chiang was "that onery little ———."

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[From the New York World-Telegram of March 27, 1948]

CHENNAULT DESCRIBES HIS 3-YEAR QUARREL WITH STILWELL

My 3-year quarrel with Gen. Joseph W. Stilwell was not so much a collision of personalities as a collision of methods. His quarrel with the Chinese Central Government was both.

I am aware that General Stilwell, on advice of his staff, believed I had set the Chinese against him. This is not surprising. It is no easier to tell a superior officer that he is disliked for himself alone than it is for him to believe it.

Yet I'm sure that General Stilwell's manner and methods with the Chinese leaders were the principal factors in his failure and miscarriage of the Chinese-American war partnership from 1942–44.

From the outset General Stilwell took little pains to conceal his dislike for me as well as for the Chinese leaders with whom he dealt, and it was not easy for me to act as a friend toward him.

ADVICE REJECTED

I had had a longer and more intimate practical acquaintance with the war in China than any other American, yet my opinion was not once solicited by General Stilwell on any major problem in the conduct of our military relations with China. When I tendered advice it was usually—and contemptuously—rejected.

Although I was the senior air officer and concurrently Generalissimo Chiang Kai-shek's chief of staff for air, I was never called on to make a presentation at American theater headquarters of our air situation until General Stilwell had been replaced in 1944 by Gen. Albert C. Wedemeyer.

MUTUAL TRIUMPH

I am not ashamed of the fact that I often differed with General Stilwell in the field of policy, but I faithfully executed every order he ever gave me. I do not contend I was always right and General Stilwell always wrong. Errors were made under my command but I believe they were largely mistakes of procedure rather than of conceptual judgment.

It was a mutual triumph of our discretion in this matter that kept our differences from an open break. As matters turned out, General Stilwell's failure pivoted entirely on his relations with the Chinese and his erroneous strategical choices in the prosecution of the war.

Long before his recall from China General Stilwell forbade me as commander of the Fourteenth Air Force, with headquarters in Kunming, to grant press conferences. Chungking theater headquarters held that only the theater commander could meet correspondents on that basis—this although the Fourteenth Air Force for most of the war was the only American combatant complement in China and hence was of interest to the American public.

The theater's order on this, coupled with the insistence of war correspondents, forced me to the ridiculous alternative of granting press interviews en masse instead of press conferences. The only difference was that the correspondents' stories referred to "an interview" instead of a "press conference." That hair-splitting seemed to satisfy all concerned, including theater headquarters.

VICTIM OF RUMORS

Toward the end of my duty as Air Force commander in 1945 it became apparent that, even though General Stilwell had been gone from China for most of a year, the weight of his judgment lay heavily against me in Washington. For the duration of my command I was the target of malicious rumors and gossip freely circulated by responsible officers, and I fear, fully credited in high quarters without reference to the true facts.

I was accused ultimately of not having cooperated with General Stilwell. Yet it had been the Fourteenth Air Force which General Stilwell at times considered a dangerous nuisance which had saved the American effort in China from total and perhaps irretrievable collapse, as I shall show in these memoirs.

With aerial victory achieved in China in 1945, but yet well ahead of any logistical justification, Washington established a superior air headquarters in Chungking. Not ostensibly, but in its practical application this move was a reflection on me.

I had come to China in 1937 because I was invited to assist in the formation of a Chinese air force. I had remained in China because I wished to help defeat Japan—4 years before Pearl Harbor. I had returned to active service in the United States Army after Pearl Harbor. In July 1945 my war usefulness to the United States and China was over and so I retired once more from the United States Army.

I did so with some disappointment in my heart, but also with the firm conviction that Joseph Stilwell was a fine field commander, one of the best divisional commanders the United States ever produced.

[From the New York World-Telegram of March 29, 1948]

CHENNAULT SAYS UNITED STATES FUMBLED IN CHINA—AIR HERO OF ORIENT ASSERTS FRIENDLY AID COULD HAVE PUT NATION ON HER FEET

With wise and friendly American help, China might have been set upon the path toward postwar strength, stability, and self-improvement even while we fought beside her in the war with Japan.

Instead, opportunity slipped through careless or fumbling fingers, and half of Asia, the world's strategical center of gravity, eventually became the arena for a naked contest for position and influence which we have been losing to Russia ever since we defeated Japan.

In 1942 and even later, circumstances in China were propitious for a long-term investment by the United States in world peace and progress. The investment would have been small and, in any event, no more than we ought to have made even without promise of such high returns.

Apart from material aid, the investment called for was simply imaginative development of honorable relations with an allied nation whose inclination toward us had long been clearly evidenced.

While this would have been the easier and more profitable course, it required some breadth and depth of vision to see it and follow it. And the custodians of our China policy were blind.

REFORMS NEEDED

While helping China to fight, we could have used our good offices to promote governmental self-improvement instead of trying to tear her government apart, to induce needed reforms in China's armed forces instead of trying to take command of them, to foster peaceful conversion of Chinese Communists instead of strengthening their demands and inflating their ambitions.

In every case, we lost the way, abandoning the first alternative in favor of the second. Or when we tried the first we nullified our efforts by resorting at the same time to the second.

From the inception of Japan's attack in 1937, China became increasingly dependent upon the United States for aid. From Pearl Harbor in 1941 and onward her hopes for survival were pinned exclusively to American help and her military fate was identified with ours. In that circumstance lay our greatest opportunity.

Although great strides had been taken by the young Chinese Republic before the Japanese launched their conquest, there remained within the Kuomintang a resistant and unconverted core of reaction against western ideas and ideals of government and public welfare.

Our influence in China, correctly applied, would have minimized the strength of the Kuomintang reactionaries and conversely enhanced the stature of parts of the more liberal elements. Indicated procedures were essentially simple.

There was a natural tendency of the Central Government to entrust its relations with Americans to men who spoke our language, literally and figuratively. This brought to the fore Chinese who had been educated abroad and were generally progressive, predisposed to modernization and liberalization of Chinese culture. We had but to employ that ready-made advantage in our relations with the Chinese.

MUTUAL TRUST NEEDED

But it was a prerequisite that our dealings be on a basis of equality and mutual trust. Americans could gain no influence if they treated their Chinese opposite numbers with suspicion or condescension.

Americans charged with our military diplomacy could have chosen the high road to

a beneficial and enduring American influence on China through its liberals and progressives from Generalissimo Chiang Kai-shek on down.

Instead they took the low road of suspicion and condescension. At times, our official attitude, as expressed by the theater commander, was scarcely short of contempt and open hostility—not only toward the liberal elements but toward the whole Chungking government.

If, through our encouragement, progressives had been enabled to show that they were the ones who could deliver the goods in relations with the United States, they might then have gained predominance throughout the Kuomintang.

Thus the Central Government and China would have been strengthened and it is possible, though not at all certain, that the Chinese Communist following could have been drawn away from their Marxist leaders and the nation united before Russia got around to using China's Reds as cat's-paws in her postwar expansion.

MIGHT HAVE BEEN

At any rate, such a strengthening of China by strengthening her government—would have discouraged any major exploitation of Chinese Communists.

Most of this reasoning falls into the category of "what might have been." Yet it shows, I believe, a poverty of imagination in application of our wartime policy of aiding China.

[From the New York World-Telegram of March 30, 1948]

CHENNAULT HITS LACK OF PLANS IN BURMA—AIR HERO ACCUSES STILWELL OF USING JUNGLE CAMPAIGN FOR PERSONAL VINDICATION

In a strict sense, the China-Burma-India command, principal agency of our wartime alliance with China, never did any military planning for China under Gen. Joseph W. Stilwell.

I am certain that theater files for General Stilwell's tour of duty there will disclose no military plans except for the trans-Burma offensive or such air plans as the theater received from me as commander of the Fourteenth Air Force. If there were others, they were withheld from my headquarters.

If there was, indeed, even an approach to planning it was necessarily of highly theoretical nature because theater headquarters lacked the military intelligence necessary for adequate planning. Planning worthy of the name is inconceivable without trustworthy intelligence.

INTELLIGENCE FAULTY

Theater headquarters never placed any reliance on Chinese intelligence, which was both inaccurate and generally too late to be tactical value. Yet, on the other hand, it never attempted to organize its own intelligence facilities and at one stage actually forbade me to do so for the Fourteenth Air Force.

It was characteristic that the theater's staff should have insisted, as it did, that the Changteh offensive was "only a rice raid" despite the fact the theater had no observers on the spot and contrary to the testimony of my own air-ground liaison officers, two of whom went through the siege of Changteh with the Chinese troops. They called it a limited offensive.

To sustain air operations, I had to press the theater for authority to set up my own system which was the sole effective American intelligence agency in China at the time of General Stilwell's recall.

NO PREPARATIONS

Months after Changteh, when Chungking got a new G–2, he recognized the necessity of an intelligence net, and my Air Force observers who had worked at Changteh became its nucleus. Gen. William J. Donovan's Office of Strategic Services later offered personnel and equipment to reinforce our new agency, but the commitment was never fulfilled for one reason or another, including, I understand, General Stilwell's opposition.

Not only was there no theater planning for China—there were no preparations for planning. The Burma campaign appeared to be considered an end in itself. General Stilwell was to all intents satisfied to let China shift for herself.

He actually opposed a substantial air effort within China on the grounds that it was likely to provoke the Japanese. I have been at a loss to understand why he was so concerned over Japanese reaction in China and so careless of it in Burma.

I was always outspoken in favor of a maximum expansion of the Hump operation for the benefit first of a small but effective Air Force and second, strengthening of Chinese ground forces. I believe that offensive tactics were the only way to keep the Japanese off balance until Chinese armies were reasonably strengthened. For months, the air arm was our only supportable offensive weapon in China.

BURMA WAS OBJECTIVE

For the duration of the Chinese-American partnership, the essential military problem was logistical; how to bring our joint potential to bear on the enemy in the most advantageous place. Toward solution of that basic problem, General Stilwell contributed little or nothing.

For him, and therefore for the entire American effort in this theater, the controlling objective had become at the outset in 1942 General Stilwell's determination to fight his way back into Burma where he had sustained defeat in command of a Chinese expeditionary force.

General Stilwell may have felt sincerely at times that a Burma offensive opening a landline to China was a solution of China's logistical impasse, but I believe then, and believe now, his judgment was prejudiced by the prospect of personal vindication he found in the prospect of fighting back through Burma.

Even a casual analysis should have shown that owing principally to the terrain and distances involved, a landline through Burma would produce only a dribble of truck-borne supplies to the southwestern China terminus while a problem of almost equal magnitude remained in the matter of intra-China distribution. Toward effective solution of the latter problem, the theater command under General Stilwell made no contribution whatever.

Certainly the few thousand tons of truck-borne cargo which the Burma Road actually delivered to China could not be counted fair return for the enormous investment in time, lives, and material which went into that 3-year preoccupation of General Stilwell's.

LITTLE TONNAGE

In final proof, the actual road tonnage was inconsequential when one subtracted the weight of the trucks themselves, and it was not practical to maintain a one-way parade of trucks. Certainly, China needed vehicles, but her logistical resources could support no more than 12,000 to 15,000 vehicles until a port was opened, after which, of course, trucks could have been imported by sea.

But General Stilwell had produced neither a program of trucks for China nor an adequate plan for two-way trucking operations through Burma after China had all the vehicles she needed. It was an ironical footnote that one of the first and largest increments of vehicles over the Burma Road was 5,000 Dodges assigned by the United States Foreign Economic Administration in face of the opposition of both General Stilwell and the War Department.

At the war's end in 1945, China was at the saturation point on vehicles, and theater headquarters under Lt. Gen A. C. Wedemeyer, General Stilwell's successor, had already rejected as impractical the two-way truck operations which General Stilwell and his staff had entertained from the beginning.

Thus, the only substantial long-term justification for the Burma operation was the parallel pipe line which, for a few months, delivered fuel to southwest China.

[From the New York World-Telegram of March 31, 1948]

BURMA CAMPAIGN TOO EARTHBOUND—CHENNAULT SAYS STILWELL BLIND TO IMPORTANCE OF AIR SUPPLY LINES

The logistical nearsightedness of the China-Burma India theater command was evident in the way the trans-Burma pipe line was taken on as an objective in a campaign to open a land line into China.

The facts of the matter make it seem presumptuous for Gen. Joseph W. Stilwell's apologists to contend that the pipe line, if nothing else, justified his single-minded devotion to the Burma campaign.

The pipe-line project actually was conceived by China Defense Supplies, Inc., a Chinese supply agency established in the United States some months before Pearl Harbor, and was once spurned by General Stilwell.

In the summer of 1941, Shell Oil Co. engineers prepared designs for a portable pipe line to parallel the old Burma Road before the Japanese occupied Burma. The designs were presented to the Army Engineers in Washington, who did put them to use—but not then in Burma. The Japanese were in full control there by June 1942.

No consideration was given to a pipe-line project by the theater staff until the end of 1942 when China Defense Supplies and lend-lease representatives reminded Maj. Gen. Thomas G. Hearn, commander of General Stilwell's forward echelon in Chungking, that such a project existed. They suggested it be worked into plans for the Burma campaign then being shaped by General Stilwell. They drew up formal recommendations.

"I WANT BULLETS"

When the plan was laid before General Stilwell he disapproved it.

General Stilwell's quoted reaction was:

"I don't want any goddam pipe line—all I want is bullets, just bullets."

The pipe line, I believe, was eventually incorporated in the Burma plans at the insistence of Lt. Gen. Brehon B. Somervell, chief of supply in Washington. It was an important project. Without it the Burma Road would have been worth less to China than an increase of the Air Transport Command's hump operations by a single group of transports.

The theater's first priority, it always seemed to me, should have been maximum expansion of air transport facilities across the hump. Even after both the road and the pipe line went into operation a great majority of our tonnage continued to be received by air.

But General Stilwell regarded the Hump airline as competition for his Burma Road project, until midway in his operations the air lift of supplies became a considerable factor in his road's very success. The pipe line, as well as other phases of that campaign, including the Chinese offensive westward across the Salween River, would have collapsed without air-borne supply, including pipe for the pipe line.

It was notable that the new land line, the Ledo Road, which followed General Stilwell's progress through North Burma, was inadequate for supplying his offensive even though the ostensible justification of that land line lay in the tonnages it could carry to China.

NO RECOGNITION

At the beginning of 1942, American air lift over the Hump received stepchild's handling from the CBI theater staff. There was no clear recognition in responsible quarters of the full potentialities for air lift into China.

To China defense supplies officials seeking more tonnage by air in 1942, Maj. Gen. Clayton L. Bissell, speaking for General Stilwell, estimated that it would require 25 major airfields and 300 aircraft to deliver 5,000 tons monthly to the Kunming area. At the end of the war in 1945 the monthly Hump tonnage exceeded 71,000, with 722 planes, according to officials records.

But General Bissell's conservatism was not without foundation in his own experience and that of Gen. Earl L. Naiden before him as theater administrator of Hump operations before the Air Transport Command took over in 1942.

Hump hauling by the China National Aviation Corp. had substantially exceeded that of United States Army aircraft in that year. General Stilwell had acceded to reduction of United States Army transport planes from 100 to 25, ordered by Air Force headquarters on the ground that the hump route was impractical. And when hump operations were transferred to Air Transport Command, it was over the theater's sharp opposition.

For a few months after transfer of hump control, deliveries of 1,200 to 2,500 tons monthly were the rule, until the summer of 1943—and General Stilwell did not seem dissatisfied.

EFFORTS LIMITED

But I was. The hump tonnage conditioned all of my efforts to turn the China Air Task Force and its successor, the Fourteenth Air Force, into an efficient weapon, I was driven to believe that General Stilwell didn't want an air effort in China beyond the pinpricks possible with a few hundred tons of bombs, ammunition, fuel, and replacement parts each month.

My effort to achieve even a minimum level of airpower in China involved me in a three-cornered exchange with Generals Stilwell and Bissell in January 1943. At that time, when supply for the China Air Task Force was running about 750 tons monthly for fuel and oil, General Stilwell cut deliveries in half.

A study showed the China Air Task Force would have to abandon not only the offensive, but also air defense everywhere in China except Kunming, which was the China Air Task Force headquarters and the main Hump terminus. At the same time relatively large hump tonnages were being laid down at Yunnanyi, west of Kunming and well within range of Japanese planes in Burma and Indochina.

When I notified General Bissell that the reduction would allow defense of Kunming alone, he responded that I must maintain defense of Yunnanyi. I could only reply that I knew of no way to fly airplanes without fuel.

Then I flew to Chungking to make a personal explanation to General Stilwell. He gave me a verbal order to discontinue dedefense of Yunnanyi. I asked him to put this in writing. He did not. Instead, he reversed the order the next morning and restored the tonnage cut.

[From the New York World-Telegram of April 1, 1948]

STILWELL ACCUSED OF IGNORING CHINA'S TRANSPORT PROBLEM

While Gen. Joseph W. Stilwell looked for the balm of personal vindication or panacea for China's logistical ills in his North Burma campaign, his Chungking headquarters utterly neglected the problem of internal transport in China.

There existed within China a situation that would have nullified Burma Road tonnages even if they had fulfilled their vastly overdrawn promise. Failure or refusal to do anything about it was characteristic of the theater command's 3-year preoccupation with opening a land line through Burma into China.

While the theater monopolized itself with driving a road through Burma it did nothing to improve overland transportation within China—either to facilitate distribution of mounting airborne supplies over the Hump or to prepare for the truckborne tonnages it had enthusiastically forecast.

SUPPORT IMPOSSIBLE

Thus, when the fury of the Japanese offensive broke on east China in 1944 the Chinese armies could not have been supported with overland supply if the theater had been disposed to do so.

How easily the theater had been satisfied in the way of intra-China highway transport was evidenced by the fact that it was practically nonexistent in 1942 and that a single civilian, L. K. Taylor, was engaged by Service of Supply near the end of the year to solve that problem.

Mr. Taylor, almost without assistance, was called upon to deal with as serious a logistical task as there was in the world and he was foredoomed to virtual failure.

SURVEY MADE

During 1943 some slight progress was made, but it was the result of efforts outside the theater staff. China Defense Supplies, Inc., and Lend-Lease representatives helped Mr. Taylor get spare parts for trucks operated by Chinese agencies which did most of the little hauling that went over China's nearly impassable roads.

Two civilian employees for China Defense supplies made the first survey of the highway situation for Mr. Taylor. This finally became the basic theater guide.

When a defense supplies representative delivered the study the chief of transportation for the China-India-Burma theater expressed kindly appreciation but added, without having looked at the report, he would like to know whether the intra-China transport problem was primarily one of rail or highway.

The state of intra-China transport was so alarming in January 1944 that I flew to New Delhi, India, rear echelon headquarters of the China-Burma-India theater, and requested that the Air Service Command be given that responsibility. I didn't want control myself, but I knew no other way to induce appointment by Service of Supply of officers qualified for that enormous job.

NO SOLUTION FOUND

As a result Col. Maurice Sheahan was sent to China in February. Considering that he, too, was denied an adequate staff and was handicapped by shortage of supplies, Colonel Sheahan accomplished much. Yet, when General Stilwell was recalled from China late in 1944, a few months before the opening of the Burma Road, nothing like a solution had been found.

Colonel Sheahan, an expert on transport, served as chief of transportation for the China sector of Service of Supply. He increased the capacity of the main line of communications from Yunnan Province to east China air bases from approximately 2,500 tons to more than 6,000 tons monthly despite obstacles put in his way by the theater staff.

From the end of 1943 General Stilwell was repeatedly advised that the Chinese were incapable of adequate transport without material assistance. It became imperative either to carry new trucks into China by air or to use air transport eastward from Yunnan Province.

SUPPLIES NEEDED

Yet in mid-1944, when General Stilwell conceded that the Fourteenth Air Force must be given supplies to oppose the Japanese offensive then under way in east China, he placed transport responsibility on the Chinese Government and would listen to no contrary advice.

The theater's logistical failure within China was of a piece with its estimates of the capacity of the Burma Road. Logistical evaluation of that major project was superficial from the outset.

When the road was given full dress deliberation Colonel Sheahan, who had attended the first Quebec conference in 1943, told me he had estimated there for the information of President Franklin D. Roosevelt and Prime Minister Winston Churchill that the road would never exceed 32,000 tons a month. As it turned out this figure was too high.

However, the same conference produced an even higher official estimate for the Burma Road. It was arrived at simply by striking a balance between Colonel Sheahan's ostensibly conservative estimate of 25,000 to 32,000 tons and an off-hand figure of 100,000 offered by someone else.

PRIORITY GRANTED

General Stilwell's interest in greater Hump tonnage did not develop until after the spring of 1943, when the combined chiefs of staff at Washington granted my air force a priority on Hump tonnage up to 4,700 tons a month.

Then it became evident that his own tonnages for a Salween operation could be taken only after the Fourteenth Air Force had been supplied to the 4,700-ton level and he adopted a somewhat different attitude toward Hump operations.

[From the New York World-Telegram of April 2, 1948]

STILWELL ACCUSED OF PRESSURE ON CHIANG IN SALWEEN DRIVE

It was at the Washington meeting in May of 1943 that I first learned of the strange disagreement among Gen. Joseph W. Stilwell, the British, and the Chinese on strategy of the Burma campaign.

I had flown back from China as American air commander in China to render what counsel I might for this meeting of the combined chiefs of staff—the same meeting in which General Stilwell made the attack upon Generalissimo Chiang Kai-shek already described in these memoirs.

The Chinese position, as made known then in the Generalissimo's absence was, in General Chennault's complete favor of a Burma campaign, but Chinese insisted it could not be undertaken without a British landing in South Burma.

The British agreed that a Burma campaign would be risky without such a landing but contended they lacked resources for that landing. General Stilwell insisted upon a limited Chinese-American-British offensive, even without a British landing.

These views were never reconciled, and the Burma campaign, which became the principal controlling factor of the allied effort in the China-Burma-India theater, represented a forced compromise of them.

FORCED COMPROMISE

In the end Chinese participation, in the lack of British amphibious operations against lower Burma, was gained by duress.

In April 1944, just 1 month ahead of the Salween offensive—the China side of the Burma offensive already under way from India—theater headquarters decided that because the Generalissimo "refused to fight, in spite of all our efforts," the April tonnage allocated to Chinese agencies would be diverted to the Fourteenth Air Force. Evidently this was the final pressure to force the Chinese across the Salween.

PRESSURE BROUGHT

In February 1943, General Stilwell had brought tremendous pressure to bear on

the Generalissimo to precipitate that offensive.

This, despite the fact that neither the Ramgarh division (Chinese-trained at Ramgarh, India) nor the Salween forces themselves were ready for battle then, and airborne tonnage across the Hump amounted to only 2,000 tons or so with which to sustain the Salween forces.

The impoverished condition of the Salween forces as to arms, and even clothing, was common knowledge in 1943 when General Stilwell first wished to put them in battle. It was but little improved at the time of the actual offensive in 1944. That these men were able to cross the Salween and the towering Kaolikung Mountain Range was a tribute to the courage and tenacity of the common Chinese soldier.

CHIANG HELD JUSTIFIED

The Generalissimo, it is true, had given his word that the Salween forces would join in the battle for upper Burma, but that commitment was tied up with a promise of a concerted seaborne offensive against lower Burma. The Generalissimo's position was that, if there was no landing in southern Burma to disrupt the Japanese rear and sever their lines of communication, the Burma campaign was a poor investment for his own slim military resources.

In this, I believe, the Generalissimo was thoroughly justified, and I have never accepted the accusations of bad faith which were leveled at him as a result of that reluctance. British abandonment of a seaborne operation, it seems to me, freed the Generalissimo of his part of the three-way commitment.

That line of Chinese reasoning was apparent in the May meeting in Washington and had been put forward in February when the Generalissimo declined the Salween offensive on the logistical basis then existing. I understand the same Chinese argument was made in and following the Cairo meeting of November 1943, when President Roosevelt, Prime Minister Churchill, and Generalissimo Chiang reached an ostensible agreement on Burma strategy.

SITUATION SUMMARIZED

It was thus my impression that the Generalissimo never wavered in what I believe was sound strategical thinking until ultimate pressure was applied in the form of a threat to cut off all supplies to China unless a Chinese expeditionary force crossed the Salween.

It is desirable at this point to summarize the military situation of China during 1942 and 1943.

The Chinese Nationalists held the Chinese hinterland, including the southwest where China borders on Burma and considerable areas of north, central, and southern China, with the principal exception of the coastal fringes and the Yangtse Valley as far inland as Ichang, above Hankow.

China was cut off from all outside supply except that carried by air from India across the mountainous northern extreme of Japanese-held Burma—the so-called Hump.

NEAR STALEMATE

The situation was in a near stalemate which was only slightly affected by three important measures:

1. Training of Chinese troops which had retreated from Burma, or were carried by air to India, was started at Ramgarh, India. These troops, together with Merrill's Marauders, started a drive through upper Burma under General Stilwell in October 1943.

2. In southwest China the so-called Y-force was organized to train and supply a Chinese expeditionary force which was to cross the Salween River westward into Burma in concert with the eastward push and a British landing in lower Burma.

3. The Allied Chiefs of Staff at Washington in May 1943, reversed General Stilwell and accorded priority to aviation supplies across the Hump to sustain the Fourteenth Air Force on a restricted but nevertheless effective basis.

The resources of the CBI theater were bent toward fulfillment of the first two measures, but the third was almost consistently set aside by General Stilwell, and American airmen in China fought on a supply shoestring.

[From the New York World-Telegram of April 3, 1948]

SALWEEN SUPPLY COLLAPSE CUT CHINA'S HUMP CARGOES

American supply planning for China's Salween campaign, precipitated in 1944 by Gen. Joseph W. Stilwell's pressure, was a dismal failure.

The record of that effort would seem to vindicate Generalissimo Chiang Kai-shek's reluctance to participate to that added extent in the Burma campaign when the British had already canceled an amphibious operation against lower Burma.

Whereas in the winter of 1942–43, General Stilwell had estimated a Salween expeditionary force could fight on its share of 2,000 airborne tons a month, he estimated in the Washington Strategy Conference a few months later that a Salween force would require a 10,000-ton stock pile.

In the final reckoning even that figure was shown to have been ultra-conservative.

DIVERTED FROM HUMP

Although the American Y-force had been in existence more than a year before the Chinese crossed the Salween River in May 1944 that organization had achieved no effective supply plan.

About 2 weeks before the expeditionary force was actually committed to battle, plans for an overland supply along the Salween River barrier to Burma were abandoned in favor of air supply. This necessitated an even greater diversion of aircraft from the Hump operation, with the result that China sustained a monthly loss of more than a thousand tons of Hump cargo.

Collapse of the Salween supply plans was brought to my attention in February 1944 when a representative of Gen. Dorn, Y-force commander, consulted me as to feasibility of laying down Hump supplies by air close to the Salween front.

He explained the Y-force lacked highway transport to move supplies west from Yunnanyi where they had been accumulated. He added that the Y-force plan also had called for about 70,000 pack animals to move supplies from truckheads into the zone of battle but that less than 3,000 animals had been obtained.

DIVERTED ALCOHOL

Apart from the lack of trucks, supply also was complicated by lack of any proper fueling preparations for the few trucks that were available. Thus, it became necessary to airlift 500 to 1,000 tons of alcohol monthly from Kunming to Yunnanyi—Chinese-made alcohol which the trucks burned in lieu of better fuel.

It is worth noting that the sudden diversion of fuel westward from the Kunming area practically halted the already inadequate truck movements east on the line of communications for the southeast China air bases. That occurred when the Japanese offensive through east China was developing.

COSTLY BREAK-DOWN

Despite all protests, priority of the Y-force on truck-fuel supply continued to curtail supply movement eastward, which in turn drastically reduced air operations in the face of the Japanese offensive and forced Fourteenth Air Force bombers to withdraw to rear bases when the battle for Hengyang was at its peak.

Since pack animals were not forthcoming, the only way to get food, guns, and ammunition to the Chinese in the mountains and valleys across the Salween was by air drop. It is apparent to me that this expensive break-down resulted from a misconception among Ground Force officers as to Chinese hoarding of trucks and pack animals.

General Dorn, the Y-force commander, clung to the idea such resources were being deliberately withheld by the Chinese. He even accused the Chinese of hiding trucks for postwar use, though it is difficult to conceive how a truck kept inactive through the war would have been much use afterwards.

CHINESE HOARDING

This is quite apart from the fact that careful inquiries failed to uncover any hidden trucks and failed likewise to upset the contention of Yunnan provincial authorities that to provide even half the 70,000 pack animals would cripple farming in that Province to the point of famine.

During the war, critics of the Chinese carried tales of hoarding to ridiculous extremes. When southeast China was being lost in 1944 as the price of American concentration on Burma, the cry of hoarding was raised against the garrison at Kweilin when it produced a miserable total of 2,200 light artillery shells.

The worst that could truthfully be said of the Kweilin garrison was that its hoard was too small, for Kweilin went under the Japanese offensive.

[From the New York World-Telegram of April 5, 1948]

UNITED STATES ROBBED CHINA OF AID IN WAR

The bulk of the United States wartime assistance to China was expended on a border operation in Burma, while the situation within China deteriorated into near disaster.

I don't have any statistics showing the allocation of American effort during the period of the Burma campaign, but I would estimate that about 90 percent of the resources of the China-Burma-India theater were devoted to it.

From the outset, Gen. Joseph W. Stilwell and the theater staff virtually ignored the potentialities and need for expansion of airborne Hump tonnage, except as related to the Burma campaign.

Priority given the Burma operation was clearly evidenced by diversion to the Ledo Road construction of eight aviation engineer regiments. These had been sent to India to improve airfields serving air transport across the sub-Himalayan ranges of upper Burma.

NEAR UTTER COLLAPSE

Our strategy—that is to say, General Stilwell's strategy—restricted the military effort in China to a holding operation—and in 1944 not even that. Instead of making an offensive contribution to victory over Japan, China herself skidded close to utter collapse. This occurred in 1944, when a Japanese offensive lopped off east China and immeasurably reduced the possibility of opening a Chinese port in coordination with American forces in the Pacific.

The Burma campaign restored a long and arduous truck route of questionable value and laid a pipe line into southwest China as its most substantial direct contribution. It also permitted a southward shift of the Hump air route from the extreme altitudes required up to that time.

Probably it would never have been possible to airlift more than 30,000 tons monthly into China if northern Burma had not been cleared by General Stilwell's campaign.

But without that campaign all our resources—not merely a fraction—could have been invested in China itself.

LOST BY SLIGHT MARGIN

We would not then have lost east China on the very eve of Japan's defeat. Lest this should appear too much like second guessing, I should add that this was my concept of desirable strategy, even while our strategy was

being formulated. Further, I believe we might have held east China, even with the investment of the bulk of our resources in Burma.

The margin by which we lost east China was so slight that it is conceivable a few hundred tons of supply, delivered in the right places and at the right time, could have saved the situation.

I am forced to accept one or two difficult alternatives in my estimate of General Stilwell's planning: Either he considered the Burma landline a fair bargain in exchange for east China, with its string of forward airbases. Or he lacked the simple foresight to strengthen China internally, while at the same time fighting for northern Burma.

Our simplest military objective in China was to sustain the Central Government, whose resistance, since 1937, had tied up more than a million Japanese soldiers, so that its collaboration might be insured when it became necessary to put an American expeditionary force ashore on the Asiatic mainland.

WARNINGS IGNORED

No sound estimate of the situation within China had ever been made by theater headquarters before the Japanese offensive developed early in 1944. Even then repeated warnings and recommendations made by my headquarters were consistently ignored or underrated.

Theater relations for collaboration with the Chinese command were inadequate and strained. Concrete American aid to the armies defending free China was nonexistent except for support by a small air force whose very effectiveness was continually hampered in a competition for Hump tonnages.

In February 1944, I warned General Stilwell of what then appeared to be a threatening offensive by the Japanese. The enemy's air movements were the first detectable sign of the approaching offensive.

PLEAS FOR SUPPORT

I pleaded for Hump airlift during March to support attacks on enemy shipping as well as to maintain the strength of the east China airbases.

I repeated my pleading in March and my warning in April—this time in more concrete form, because the enemy's offensive intentions were by then clearly apparent. But to these early warnings General Stilwell's best reply was that we should do the best with what we had, which was precious little.

[From the New York World-Telegram of April 6, 1948]

TROOPS ON JUNKET AS JAPS CUT CHINA

General Stilwell refused him priority on critically needed Hump supplies, Major General Chennault reveals in the fourteenth article of his series on United States military and diplomatic mistakes in the Far East.

In 1944 the Japs drove a continental corridor through China from the north to the south, a line of communications to connect Manchuria with the conquered territories in southeast Asia, Indochina, Siam, the Malays and Burma.

It nearly liquidated China's national existence and the sum of 3 years of American investment in a wartime partnership with China.

No effective plans had been made to meet that offensive and the only forces to oppose it were the small Fourteenth Air Force, the fledgling Chinese Air Force and the Chinese armies that never received a ton of American help until it was too late.

In February, 1944, when I first warned Gen. Joseph W. Stilwell of the enemy's threat, I asked for 8,000 tons of fuel, ammunition, and other supplies for Chinese and American planes during March. I received a little more than half of that request.

PROTESTED IN APRIL

In April, just before the offensive started, I protested that such deliveries forbade accumulation of reserves and would virtually halt our increasingly profitable attacks on Japanese shipping, Japanese airdromes and lines of communication.

A total of 46,900 tons of enemy merchant shipping and two gunboats had been sunk, and 16,700 tons probably sunk, by the Fourteenth Air Force in January. There was every prospect of increasing that monthly destruction to at least 150,000 tons. Radar-equipped B-24's were being prepared for sweeps of the China seas as far as the Philippines.

Tonnage restrictions, I pointed out, precluded reserves necessary for support of Chinese ground forces in the path of the impending offensive. I emphasized that the enemy drive would threaten the security of all free China, including the B-29 bases then being completed near Chengtu in Szechwan Province. Air defense of the Superfortress bases had been delegated to the 14th Air Force, of which I was commander.

PRIORITY DENIED

General Stilwell's first response was that the combined chiefs of staff would not accord me priority on Hump supplies so long as the Japanese expedition out of Burma persisted in its threat to Imphal and the India-side Hump bases in the Brahmaputra Valley. The fact was that General Stilwell's Burma campaign was drawing heavily on Hump tonnages.

General Stilwell told me that air activity in China would simply have to be cut down.

The record will show that I predicted, with fair accuracy, the nature of the Japanese offensive which broke in April in the Yellow River Valley of Honan province, and the following month in Hunan province below the Yangtze.

Whereas my request for March tonnage, 8,000 tons, had been reduced almost by half, and my April request was cut almost as severely. I proposed, first, a restoration of the April cut, a minimum of 8,000 tons for May, and an increase to 10,000 tons monthly thereafter.

As an alternative to such allotments, I suggested temporary allocation of fuel then being stock-piled for B-29s near Chengtu and, if a future emergency should demand it, a diversion of prospective B-29s to tactical attacks within China in place of strategical attack on China's borders.

WARNED STILWELL

I told General Stilwell that unless action were taken along one of the recommended lines, it would appear necessary to inform Generalissimo Chiang Kai-shek that he could no longer depend on effective air support for his armies, and at the same time advise Washington that the security of all China was jeopardized.

General Stilwell's reply was still that the India-side crisis forbade improvement of Hump supply to China, and the Generalissimo should not expect the Fourteenth Air Force to do the impossible. But there came an odd sequel to this exchange of messages, one of the strangest orders I ever received as senior American air officer in China.

That order made it the primary mission of the Fourteenth Air Force to defend the Chengtu area, even at the expense of abandoning strikes against enemy shipping and support of Chinese ground forces, which were then facing their greatest trial.

It came in the form of a letter from Gen. George E. Stratemeyer, commanding the India-Burma sector of American air forces in the China-Burma-India theater, but the letter stated that General Stilwell concurred.

ACCOMPANIED BY EXCUSE

Ostensible justification for such a directive was that I had raised doubt as to our capacity to defend the B-29 bases, when actually I had raised a question of the security of all China. There had never been any question of our ability to provide local defense for the Chengtu bases.

My general orders had designated as the primary mission of the Fourteenth Air Force, the defense of the China-side hump terminals and support of Chinese ground forces. This I was forced to point out to General Stilwell, asking that he not tie my hands with a contradictory order.

I assured him that air defense of the Chengtu area was child's play by comparison with the tasks of helping stem Japan's offensive, then developing in Honan, and preparing support for the Chinese expeditionary force which soon would cross the Salween River, headed for Burma, after the Japs had stepped off in north China.

POINTED COINCIDENCE

That military coincidence deserves emphasis: The Salween expeditionary force, the best troops in China, poor as they were, was precipitated, under General Stilwell's pressure, into a campaign beyond China's borders, even after the Japs had started to cut off east China.

While the crisis burst into flames in China, General Stilwell and Stratemeyer fiddled over local air defense of the Chengtu area a question that did not exist. General Stilwell dismissed the matter finally with a suggestion I had been crying wolf.

From Burma he radioed sarcastically that he was relieved to learn there was no problem of air defense at Chengtu. That seemed to satisfy him, for he reserved action on the China crisis until months later, by which time east China was doomed.

[From the New York World-Telegram of April 7, 1948]

AMERICAN WAR AID TO CHINA WAS TOO LITTLE AND TOO LATE—MOST OF UNITED STATES SUPPLIES WERE SPENT IN BURMA UNTIL GOING GOT ROUGH

Americans entrusted with military supply to China in the war with Japan spent most of it on reopening Burma and when the going got rough in China in 1944 their help was too little and too late.

One Japanese objective in 1944, eventually achieved, was an inland line of communication reaching from Manchuria through China to southeast Asia. The Japanese record of that success is also an American record of warnings unheeded and requests denied.

By May the Chinese military situation had worsened so much that there was no chance of checking the Japanese offensive without dipping into fuel flown across the Hump to supply prospective B-29 operations from bases near Chengtu—and possibly at the same time using superfortresses for strikes on Hankow, seat of the Japanese offensive south of the Yangtze River.

EMERGENCY AT HAND

Under a directive of the Joint Chiefs of Staff, Gen. Joseph W. Stilwell, the theater commander, held authority to make emergency use of the XX Bomber Command as well as other available theater resources. In mid-May I messaged General Stilwell that an emergency was at hand.

I proposed he establish a deadline for declaration of an emergency to permit such forward planning as might still be possible. To this he responded with a hint that the prospect of such help would cause the Chinese to lie down on the job. Until the crisis became "unmistakable," as he put it, he would declare no emergency.

That message was dated just 1 day before the Japanese stepped up on their offensive south of the Yangtze in Hunan Province, May 25, 1944.

NOTHING TO DO

There was nothing I could do except keep the Fourteenth Air Force and the Chinese-American composite wing attacking with all

they had while at the same time reiterating warnings that disaster was impending and pleas for tonnages necessary to keep even that small air arm in operation. My warnings and pleas produced no concrete results until mid-June, by which time the theater could not fail to see for itself that disaster was at hand.

In the latter part of April and first half of May Honan Province, above the Yangtze, had been overrun as a prelude to an offensive in Hunan below the Yangtze. On June 5 Changsha, the capital of Hunan, was brought under attack, doomed to fall 2 weeks later.

There never was a chance of halting the Japanese in Honan, but the contrary was true in Hunan. There we had strong air units backing up Chinese armies which needed only a minimum of rearming and supply to give a good account of themselves. This was especially true of troops commanded by Gen. Hsueh Yuen, in position from Changsha southward to Hengyang.

TWO THOUSAND TONS A MONTH

I believe that 2,000 tons a month of additional Air Force supply in April and May might have saved the situation south of the Yangtze. That would have been little more than the tonnage lost at the same time through last resort to air supply for the Salween-Burma campaign.

Troops used by the Japanese in Hunan were for the most part brought up the Yangtze and staged southward out of the Hankow area. Hankow was their principal base and the Yangtze their line of supply, both highly vulnerable from the air. Aerial attacks would have reduced the enemy power at the outset, thrown the offensive off stride, cushioned its impact for benefit of the underarmed Chinese.

The manner in which Gen. Hsueh Yueh's troops defended Hengyang for 47 days supports this belief. Yet the theater had written off Hengyang even before the first assault and indeed viewed the east China fighting throughout with easy defeatism.

STILWELL LEAVES BURMA

As the Japanese moved artillery into place against Changsha on June 5 General Stilwell left Burma, where he had been spending months to open the Burma Road, to give the situation in China his attention. He avoided a conference with me at Kunming and flew on to Changking where he conferred with Generalissimo Chiang Kai-shek.

In Chunking General Stilwell agreed finally to increase the Fourteenth Air Force tonnage to levels I had recommended and he told me of this decision on a brief Kunming stop-over en route back to Burma. The brevity of his visit forbade consideration of what was then a problem equal to that of getting tonnages into China—their movement eastward to our air bases over a line of communication that had long been neglected.

[From the New York World-Telegram of April 8, 1948]

B-29's Bombed Hankow 6 Months Too Late

When Gen. Joseph W. Stilwell, commander of the China-Burma-India theater, finally acknowledged China's military crisis of 1944 he wavered between helping save American air bases in east China and withholding supplies from Chinese defenders as a means of humiliating the Chinese Government. He lost on both counts.

When in June of 1944 he finally acceded to my requests for increased Air Force supply, I outlined the need for a B-29 attack upon Hankow, main base of Japanese offensive then raging in Hunan Province. I urged that it be run as soon as possible, even as the first mission of the superfortresses which were scheduled to take up long-range bombing from their forward bases in west China.

In that conference in Kunming on June 6 General Stilwell half indicated agreement with that proposal. My idea was that the Fourteenth Air Force would follow up the superfort's attack with everything we could throw in concerted effort to smash the Japanese base and help the Chinese Armies organize effective defense in Hunan.

DIRECT ACTION URGED

When I proposed direct action to obtain the B-29 mission General Stilwell said he would handle the matter from his Burma headquarters.

He did apply to Washington, as I understand, but his request failed to show that the result sought could be obtained no other way. So B-29's did not bomb Hankow until 6 months later, after the Japanese had opened a continental corridor through east China. That mission, while successful, was a plain case of locking the barn door after the horse had been stolen.

However, General Stilwell did declare on June 8 that an emergency existed in China. By that time it had become necessary to mobilize practically all resources of supply and transport. But owing to long neglect of China's internal transport, the weight of this eleventh-hour effort was dissipated.

BOMBERS WITHDRAWN

Failure of the eastward line of communications necessitated withdrawal of the few medium bombers we had in east China and limited fighter operations to air-base defense at the very height of the battle for Hengyang, June 23 to August 8, when air support was most needed and conceivably might have saved that strategic center.

In the first days of the siege of Hengyang I proposed contributing 1,000 tons of Fourteenth Air Force tonnage for delivery of light automatic weapons and certain other infantry armament to Gen. Hsueh Yueh, who I was sure would fight if given a little help. The theater carefully weighed this suggestion.

General Stilwell then recognized the need for drastic action but his idea was to take command of the Chinese armies. Accordingly Chungking theater headquarters declined my suggestion.

Somewhat cryptically the theater messaged that General Stilwell was working on a "proposition" that would humiliate the Chinese Government and that he was unwilling to help Chinese ground forces in the east until his "proposition" jelled.

LOOSE TALK STARTED

Responsible theater staff officers at Chungking meanwhile started loose talk to the effect that the Fourteenth Air Force was committed to defending east China without help from the Chinese and that the crisis at hand was proof of such ill-conceived commitment.

That small talk utterly ignored the record of my early warnings and requests. It cropped up as a sequel to another of the theater's conversational indiscretions—dinner table talk at Chungking as to Chinese plans for evacuation of the wartime capital.

NO TIME

In the latter part of July when Hengyang was still resisting bravely I requested assignment of troop-carrier planes to meet repeated requests for airdrops of ammunition and medical supplies to the Chinese defenders. Replying to that request, General Stilwell summarized much of his past attitude toward China and her plight. He said that inasmuch as such airdrops would only lead to further demands, which would not be answered, he would not supply the planes.

In late July the theater's attitude, officially expressed, was that east China was lost. Ignoring the fact that the theater had given no material help to Chinese armies in the east and had neglected surface transport even of air force supplies, the theater reasoned in one classic message that "the old threat, entreaty, expostulation, and bluff treatment" again was called for, but there was no time even for that.

The theater was then belatedly hoping to double the capacity of surface transport to east China to 6,000 tons monthly by September, which might have been enough to halt the Japanese if it had been done earlier. But the problem had lain unsolved too long. East China was lost.

Anti-Fascists Face Prison Terms

EXTENSION OF REMARKS

OF

HON. LEO ISACSON

OF NEW YORK

IN THE HOUSE OF REPRFSENTATIVES

Saturday, June 19, 1948

Mr. ISACSON. Mr. Speaker, 11 fine, resolute Americans are now facing the prospect of prison terms because they are anti-Fascist to the core and refused to waver from this patriotic resolve even in the face of victimization by a committee of this Congress.

These 11 Americans, Mr. Speaker, are members of the executive board of the Joint Anti-Fascist Refugee Committee, an organization which alone for years has assumed the compassionate task of supplying food and clothing and medical care to thousands of Spanish exiles who fought Francisco Franco in the first Fascist aggression on the soil of Europe.

These 11 anti-Fascists stanchly refused to betray to the Committee on Un-American Activities of this House the names of the Spanish recipients of the generosity and compassion of the people of America, nor would they surrender to the smear mills which derive their information from the House Committee on Un-American Activities the names of these warm-hearted American contributors to whom the lives of anti-Facsists in a world threatened anew by fascism are still precious.

This unyielding defense of anti-Fascists in America and abroad from the prying purposes of the House Committee on Un-American Activities—and, yes, from the spies and menacing agents of Franco in America—has been adjudged "contempt of Congress" by the courts of the District of Columbia.

Mr. Speaker, this charge was nothing but a shabby legal fiction when it was first instituted. It is now, in the afterlight of the whole affair, a cruel and truly un-American legal spite against a handful of loyal, high-principled American men and women. The basic American sense of fair play should long since have intervened against the intention of the House Committee on Un-American Activities to pillory thousands of decent, earnest Americans for daring to be generous to the victims of the first wave of the world Fascist attack that culminated in World War II.

Mr. Speaker, I should like the Record of this Congress to show the kind of Americans this Congress has sought to brand as un-American, the stanch people from many walks of American life

who have without question been railroaded to the prison gates for having the courage to defy an attempt to subject thousands of their fellow Americans to vilification, terrorism, and imprisonment for the "crime" of being charitable to the victims of fascism.

These are the Americans who are being punished with fines and jail sentences for their loyal Americanism and unyielding antifascism:

Howard Fast, one of our Nation's most widely read novelists, whose brilliant career as an author has been almost exclusively devoted to illuminating the lives and actions of men such as George Washington, Thomas Paine, Governor Altgeld, and other builders of the American democratic tradition.

Dr. Edward Barsky, noted New York physician and surgeon, who went to Spain at the time of the civil war to employ his science in healing for the anti-Fascist fighters of democratic Spain who fell before the Falangist assaults of Franco. For the last decade he has devoted his whole energies without recompense to the humane task of bringing comfort and healing to the exiled anti-Fascist victims of the Spanish civil war.

Dr. Lyman R. Bradley, noted educator, author, and professor at New York University, who has devoted his time and energy freely to raising money for the Spanish Republican exiles.

Marjorie Chodorov, housewife, and long active in the fight against fascism.

Harry M. Justiz, attorney and leader of American Committee for Yugoslav Relief.

Dr. Jacob Auslander, prominent physician, who was awarded the Selective Service Medal and civilian war citations by Congress, President Roosevelt, and President Truman for his outstanding volunteer work during the war. He is renowned for his work in general medicine, psychiatry, and cancer. He is a member of the New York County Medical Society, American Medical Association, and Physicians Forum.

Ruth Leider, distinguished attorney, who specializes in immigration law.

James Lustig, an officer of the United Electrical, Radio and Machine Workers of America, CIO. He received a Red Cross citation for his outstanding work during the war.

Manuel Magana, merchant. He was an organizer of the Committee for Democratic Spain and has been president of a patriotic, fraternal organization for Spanish-Americans since 1942.

Dr. Louis Miller, outstanding heart specialist.

Charlotte Stern, education director of the Hotel and Club Employees Union, A. F. of L. She was formerly a school teacher and economic researcher.

Mr. Speaker, the Supreme Court has thus far refused to review the convictions of these people by the lower courts.

Thus they stand deprived of the ultimate recourse of American justice and now face jail for maintaining the courage of their anti-Fascist convictions. This decision of the Supreme Court is a serious lapse, a perilous withholding of the right of review in a case on which the whole structure of American civil liberties depends.

However, no lapse of any tribunal of man can dim the eternal luster of the sacred human concept that has motivated these people:

Greater love hath no man than this, that he lay down his life for his friend.

Liberal Funds for Reclamation

EXTENSION OF REMARKS

OF

HON. HENRY C. DWORSHAK

OF IDAHO

IN THE SENATE OF THE UNITED STATES

Saturday, June 19 (legislative day of Tuesday, June 15), 1948

Mr. DWORSHAK. Mr. President, there have been many unfounded charges that the Eightieth Congress has not acted favorably on appropriation bills to provide funds for reclamation development. This is not true, because in both sessions of this Congress, the Bureau of Reclamation received more liberal treatment than at any time in its history. I ask permission to insert a most informative article on this subject written by Harry J. Brown, Washington correspondent of the Salt Lake Tribune, which was published recently in that paper.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

IDAHO SENATOR LAUDS GOP AID FOR WEST

(By Harry J. Brown)

WASHINGTON.—Senator HENRY DWORSHAK, the first Idahoan ever to attain membership on the Senate Appropriations Committee, is highly elated over the progress by the Eightieth Congress, Republican in both branches, in fulfilling its promises made to the West in the campaign of 1946; he is equally proud of the part he played in getting for reclamation construction larger appropriations than ever before had been made by any Congress, including all those of the 16-year New-Deal era.

This achievement, he points out, was accomplished notwithstanding the scandal and maladministration shown up in the Bureau of Reclamation and the Interior Department—all of which, he says, will be corrected when the Republicans come into full power after the November election.

On moving over from the House to the Senate, DWORSHAK was the only newly elected Senator to be assigned to the Appropriations Committee 2 years ago, after serving 4 years on the House Appropriations Committee. He was on interior, agriculture, labor and Federal security, and Government corporations, and chairman of the subcommittee handling appropriations for the District of Columbia. Appropriations being one of the two most important committees of the Senate, and the busiest, the young Idaho Senator found little time for rest or recreation during his 2 years of Senate service.

On his subcommittees he proved a tower of strength in supporting justified appropriations for the development of the West and its resources. Much of his time not devoted to work on appropriation bills was spent on the Public Lands Committee, whose subcommittee on mines and mining he heads. This committee deals exclusively with legislation affecting the West.

OBTAINS PROJECTS

It is a matter of deep gratification to the Senator that in at least two instances he was able to obtain funds for projects in his State in face of the fact that the President and the Budget had refused to recommend appropriations for either. In the case of the Palisades project on the upper Snake River, he points with some pride to the fact that he obtained authorization of appropriations amounting to $2,000,000, which will be ample to get that project started once the preliminary surveys and negotiations have been completed.

President Harry S. Truman and the Budget had refused to recommend funds for this or any other new project, but as a member of the Appropriations Committee, Senator DWORSHAK was able to override Presidential opposition. He looks upon this as a doubly satisfying accomplishment in light of the fact that President Truman, when in Blackfoot early in June, had, according to the Associated Press, told the people of Blackfoot that "he had sent Congress a message outlining the need for water in this section, but that there has not been much response."

STATEMENT UNTRUE

That statement by the President, says the Senator, is wholly unjustified and untrue, because the President instructed the Budget to ask for no funds for the Palisades project, and Congress—the Republican Congress—voted $2,000,000, notwithstanding the President's objection. The truth, as the Senator points out, was the direct reverse of what the President had publicly stated.

The same situation was true with respect to an appropriation of $500,000 which the Senator obtained, in the absence of a Budget request, to relocate highways and complete preparations for construction of the Lucky Peak Dam, for which another $90,000 was carried in the flood-control bill.

In light of the rule of Congress that appropriations must be supported by budget estimates, Senator DWORSHAK achieved something unusual in getting these two appropriations for his State in the absence of Presidential or budgetary recommendations. The same flood-control bills carry $300,000 to complete planning for the Snake River flood-control dams below Lewiston.

CITES RECORD

In reply to President Truman's oft-repeated charge that the Republican Congress is hostile to reclamation, and that only from a Democratic Congress and a Democratic President can the West get the funds to which it is entitled, Senator DWORSHAK cites the records of the Appropriations Committee and of the Treasury which show that up to the time the Republicans took control of Congress 2 years ago the largest annual appropriation for reclamation had been $117,000,000.

Last year the first session of the Republican Congress voted and made available for reclamation $233,000,000, and the session recently closed approved a reclamation program for the fiscal year 1949, which opened July 1, totaling $275,000,000. The actual cash appropriated in June was $245,000,000, together with contract authorizations amounting to $3,600,000, and the reappropriation of an unexpended balance now estimated at $26,000,000.

President Truman to the contrary, Senator DWORSHAK says the Democrats have never approached the liberal appropriations made for reclamation by the Republican Eightieth Congress. In face of the figures, he says, the President's attempt to mislead the people of the West falls to the ground. The facts and Government records do not sustain the President in his political appeal for western support on the reclamation issue.

Hon. John H. Bankhead

MEMORIAL ADDRESS
OF
HON. MILLARD E. TYDINGS
OF MARYLAND
IN THE SENATE OF THE UNITED STATES
Wednesday, April 21 (legislative day of Monday, March 29), 1948

On the life, character, and public service of Hon. JOHN H. BANKHEAD, late a Senator from the State of Alabama

Mr. TYDINGS. Mr. President, Senator JOHN H. BANKHEAD made a very large place for himself in the contemporary history of the United States. For a number of years he was the outstanding leader in Congress in the formulation of agricultural policies. Particularly during the war the vision and statesmanship of Senator BANKHEAD played a large part in providing our own country and our allies with the essential food needed to win the war. Many measures of far-reaching import were sponsored by him and carry his name. In all matters affecting the Nation's security, its economic improvement, and particularly those designed more quickly to win the war, the influence of Senator BANKHEAD was very pronounced, and quite often his position was decisive in molding legislative sentiment.

He devoted himself exclusively to the public service from the very moment he became a Member of the Senate. He was tireless as a worker, well informed, and farseeing in all matters with which he associated himself. Extremely popular with his colleagues of both parties, he had the skill to array his facts in such fashion as to win a large measure of support to the positions he took on public questions.

The farmers of the Nation, for whom he labored so long and well, know of his great reputation and signal efforts in their behalf. He has added luster to a great family name already rich in the development of the history of the United States. His passing left a great void in the Senate and his memory will long be green in the thoughts of those with whom he was associated.

My Report to the People

EXTENSION OF REMARKS
OF
HON. LEO ISACSON
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. ISACSON. Mr. Speaker, as the second session of the Eightieth Congress reaches adjournment, I desire to include in the Appendix of the RECORD the following report to the people of my district on the work of this Congress and my actions as the representative in Congress from the Twenty-fourth Congressional District, the Bronx, N. Y.:

MY REPORT TO THE PEOPLE

On February 17, 1948, you—the people of the Twenty-fourth Congressional District, Bronx—elected me your Congressman by an overwhelming vote. I said then that the only way in which I could show my appreciation and gratitude to you was by giving you the most conscientious representation of which I was capable.

I have no political bosses to report to.

So I report to you—the people of my district—the people who elected me.

I want you to know how I voted, what bills I introduced, and how I fought for the things in which we both believe—peace among nations, prosperity and security in our country, the elimination of anti-Semitism and Jim Crow, establishment of the Jewish state of Israel.

1. I PLEDGED TO FIGHT FOR THE JEWISH STATE OF ISRAEL AND FOR LIFTING THE ARMS EMBARGO

This is how I fought

On March 5, 1948, I introduced House Joint Resolution 343 to implement the UN Palestine decision, to lift the arms embargo against Palestine and to build world peace.

On March 22, 1948, I called for a congressional investigation of the substitution of a foreign policy dictated by the oil monopolists for that previously declared before the United Nations.

On March 24, 1948, I exposed the oil pipeline diplomats who hold the almighty dollar more sacred than the blood and sacrifices of the Jewish people fighting for a homeland.

On April 14, 1948, I introduced House Resolution 533, calling upon our Government to recognize and support the newly formed Jewish state. A month later President Truman did recognize Israel. But that recognition was an empty gesture because the embargo was not lifted and partition was not implemented. Israel remained at the mercy of the Arabs and their oil-smeared instigators.

On March 30, 1948, I demanded that no Marshall plan money be used to purchase Middle East oil or to exploit the concessions of the oil cartelists in Arab lands. The purpose of this amendment was to prevent nearly $4,000,000,000, or about 25 percent, of Marshall plan funds for the next 4 years from being usurped by the Arabian-American oil combine, which has openly plotted the downfall of Israel.

On June 4, 1948, I spoke out to deny $1,200,000,000 of ERP funds to Great Britain, who armed the Arabs against Israel with the help of a previous loan from the United States. I charged that the ERP money would also be used to arm King Abdullah, of Transjordan.

I am the only Congressman from the Bronx who voted against giving this money to England.

I stated to the House at the time of the debate on these proposals:

"The grave is not the destiny of Israel.

"The manner in which we can most effectively tell this to the British is by denying them the use of American dollars to be used to kill the Jews."

2. I PLEDGED TO FIGHT FOR PEACE AND A STRONG UNITED NATIONS

This is how I fought

On March 22, 1948, I introduced the Wallace peace plan as a substitute for the Truman-Marshall-Vandenberg military intervention plan. The Wallace plan would administer nonmilitary aid to the stricken countries of the world through the United Nations, with the only qualifications being hunger and need.

I introduced H. R. 6780 to take the profits out of war by Government ownership of the principal munitions industries. "Why not draft the profits of the wealthy," I asked the Republican-Democratic coalition, "before we draft the lives of our youth?"

Neither Truman nor VANDENBERG answered that question, which every father, mother, and son in our Nation demands to have answered.

I know that I spoke the fervent hopes of the fathers and mothers, sisters and sweethearts of our community when I declared during the draft debate:

"The people of America do not want another war.

"The people of America want peace.

"They want a permanent peace—a dignified peace—achieved through world cooperation in the United Nations."

I am the only Congressman from the Bronx to vote against the peacetime draft.

3. I PLEDGED TO FIGHT AGAINST ANTI-SEMITISM AND JIM CROW

This is how I fought

I have steadfastly fought against all measures legalizing discrimination against any group of Americans because of race, creed, color, or national origin.

I fought to amend the draft law and other military measures to prohibit segregation in our Air Forces and other armed services.

I fought for an FEPC clause in every Government contract.

I fought the plot of southern reactionaries to bypass the Supreme Court by using Federal funds to set up segregated schools in the South.

I fought against your tax money and mine going to any State or institution which denies opportunity to any person or group for reasons of race, color, creed, or national origin.

I introduced legislation to extend the provisions of the wage-hour law to cover the people of Puerto Rico and the Virgin Islands, as well as groups excluded from it in the United States.

I defended the people of Puerto Rico from vicious attack on the House floor and I support to the fullest the aims of the Puerto Rican people for full independence.

And, finally, I have exposed the "gentlemen's agreement" by which both old political parties talk civil rights in their party platforms but sabotage any and all legislation guaranteeing these rights to Negroes and other minorities.

4. I PLEDGED TO HALT INFLATION AND REDUCE PRICES

This is how I fought

I have battled against inflation at every step.

I introduced a bill to restore price control and demanded that prices be rolled back to safeguard the American standard of living.

5. I PLEDGED TO FIGHT FOR STRONG RENT CONTROL

This is how I fought

On March 16, 1948, I demanded legislation to extend effective rent control and to keep local boards from having the power to raise rents. My fight was successful, but unscrupulous landlords and real-estate lobbies are already seeking to sabotage this victory.

6. I PLEDGED TO FIGHT TAFT-HARTLEY, TO FREE LABOR, AND RAISE WAGES

This is how I fought

I introduced a bill calling for the establishment of the $1 minimum hourly wage for the whole United States and its Territories.

I introduced a bill to repeal the Taft-Hartley law, freeing American labor to organize and bargain collectively to raise the American standard of living and combat inflation.

I fought for a $1,000 annual increase for all Federal and postal workers, whose incomes, through congressional neglect, have become hopelessly inadequate for a decent existence in this period of unchecked inflation.

And, finally, I rose on the House floor to defend the great name of the late Sidney Hillman, beloved of millions of men and women of organized labor, when his memory was slurred by a notorious enemy of labor in Congress.

7. I PLEDGED TO FIGHT AGAINST THOUGHT CONTROL AND FOR CIVIL RIGHTS

This is how I fought

I testified for a full hour before the Senate Judiciary Committee and battled on the

House floor to help defeat the infamous Mundt bill, which would have established thought control in America by threatening jail sentences and fines for persons or groups fighting for peace, civil rights, and an end to discrimination and Jim Crow in America.

I have fought attempts to impose thought control on Government employees through so-called loyalty provisions which deny them the right to join unions of their own choosing or to associate with groups which seek to extend democracy in America by fighting poll taxes, lynching, and Jim Crow.

On March 9, 1948, I fought against further appropriations for the House Committee on Un-American Activities, which persecutes men and women of science and progress in our country while it gives aid and comfort to race hatred, religious persecutors, and the lunatic fringe of American Fascists. This committee was responsible for the Mundt bill, its only piece of legislation offered in 10 whole years of using millions of dollars of public funds to hound and persecute loyal Americans.

I am the only Bronx Congressman who voted against this appropriation.

8. I PLEDGED TO FIGHT FOR HOUSING AND TO WIPE OUT SLUMS

This is how I fought

On March 1, my first day in Congress, my first official act was to sign Discharge Petition No. 6, to free the Taft-Ellender-Wagner bill from suppression in the House Banking and Currency Committee.

When this bill finally came before the House it had been so completely butchered in obedience to the demands of the real-estate lobby that not even its original sponsors supported it.

I fought for a housing bill which would build a million and a half low-priced public housing units each year for 10 years, with preference for veterans now living in squalid huts and cramped spare rooms.

I fought for a housing bill which would eliminate the slums of America, the verminous, tumble-down fire-traps out of which real-estate operators and landlords make their greatest margin of profit at the expense of the poorest people in our country.

I will continue to fight to house America decently, to give the men who won the war for us homes at prices and rents they can afford to pay, to bring up the children of today and tomorrow in surroundings of sunlight and health and security from disease, exposure, and squalor.

9. I PLEDGED TO FIGHT FOR FREE PUBLIC HEALTH AND TO EXPAND SOCIAL SECURITY

This is how I fought

I challenged the record of this Congress in ignoring the problem of the health of America, letting die unheeded the great and forward-looking measure of New York's beloved Senator WAGNER to insure the health of future generations in our country.

I have done my utmost.

You who supported my candidacy on the new party ticket of Henry Wallace did so because you were outraged by the Truman betrayal of the Jewish people of Palestine with the connivance of the Republican majority in Congress.

You backed me as the Wallace candidate because you prayed for peace and the Republicans and Democrats and their stooges are driving, without reason, toward war.

You correctly placed the blame on both the Democratic and Republican parties for the wild inflation which has stolen the savings of millions of people and has placed a decent American standard of living far out of reach of the wages and incomes of all but a small percentage of well-to-do people.

You rejected the do-nothing lip service of the old political parties and their representatives in government to America's constitutional guaranties against racial and religious discrimination, segregation, lynching, deprivation of the right to vote and the denial of equal opportunity to millions of American Negroes and members of other minority groups.

You demanded full civil rights for all Americans. The Republican and Democratic parties and their representatives from the North as well as the South have not only withheld those rights from the people but they have abridged and destroyed constitutional guaranties of free America.

You resented the plotting of the Republicans and Democrats to force the Taft-Hartley law on American labor to prevent the wage earners of our Nation from organizing and bargaining to combat the profit-mad corporations and big-business interests.

You opposed soaring rents, the housing of veterans and their wives and babies in tin huts and rat-infested shack villages, the refusal to enact a public-health program and to expand social security. All these and many other conditions perpetrated and enabled by the present administration and the Eightieth Congress are deliberate misdeeds of the two old political parties; and you who suffer because of these conditions know full well who is to blame.

Furthermore, you were increasingly alarmed at the determination of the old parties, which are ruled by greed and wealth, to silence the voice of protest of the American people by suppression of civil liberties and the intimidation and victimization of those who dare to speak out against the plunder of the American people by the moneyed interests of the country.

For these reasons you elected me to carry on your fight in Congress.

For these reasons I went to Congress determined to fight without compromise for a program of human betterment, peace, and security for the American people.

For these reasons I battled ceaselessly against skyrocketing prices, greedy landlords, the real-estate plotters who mulct the veteran by preventing the construction of anything other than high-priced homes and high-rental apartments.

For these reasons I exposed and fought the oil-smeared war profiteers who have openly sabotaged world peace by sacrificing the Jewish people of Palestine to marauding Arab legions, British-armed, British-led, and backed with loans and bribes from the oil cartelists and the Truman bipartisan policymakers.

I have fought to keep my pledges.

I have fought to give you the kind of representation to which you are so richly entitled.

With your renewed support in November, I pledge to continue this fight in the next Congress for peace, security, health, housing, freedom of labor and political opinion, full opportunity for all and a rich, abundant future for our children and our children's children regardless of race, creed, color, or station in life.

A Summary of Housing Legislation Acted Upon by the House Banking and Currency Committee During the Eightieth Congress

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EXTENSION OF REMARKS

OF

HON. JOHN C. KUNKEL

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. KUNKEL. Mr. Speaker, despite the current criticism of the House Banking and Currency Committee on the score of inaction on housing legislation, an examination of the record shows that the committee has been active, prompt, and effective. Furthermore, in practically every instance the bills reported were designed to give maximum opportunity to our returning veterans. Every bill reported, save one, was approved by the House of Representatives. In the great majority of cases the bills became law.

The best measure of effectiveness is an analysis of results. In 1946 and 1947 the building program was hamstrung and delayed by controls, regimentation, and bureaucratic mismanagement. In the year 1946 only 437,800 nonfarm residential dwelling units were completed. Public Law 129, from the Banking and Currency Committee, removed these controls as of June 30, 1947. In 1947 completions of nonfarm residential dwelling units increased to 835,100. This was nearly double 1946 completions. It was the second largest number in any 1 year in our history. During the first 5 months of 1948 356,000 nonfarm residential dwelling units have been started. This is an increase of 28 percent over the near record year of 1947. In all probability, 1948 should exceed the old record year of 1925. The final total completions should top the million mark, if the present rate continues. Unofficial estimates indicate that June totals will exceed those of May by from forty to sixty million dollars and will exceed the figures of June 1947 by from $200,000,000 to $250,000,000.

There are three other facts to which I urge your attention:

First. Cumulative number of GI home loans as of May 25, 1948, 1,212,696; cumulative total of GI home loans as of may 25, 1948, $6,961,935,926.

Second. Every effort has been made to increase the building of rental units.

Third. The GI and his housing problem has been the committee's primary concern.

A summary of the bills reported and the subsequent action taken in the Congress in respect to them follows:

HOUSING BILLS PASSED FIRST SESSION, EIGHTIETH CONGRESS

Public Law 129, H. R. 3203, Housing and Rent Act of 1947: Provided for the continuation of rent control in defense rental areas until March 1, 1948. The act removed the remaining governmental controls on the construction industry except that the Housing Expediter was given authority to require a permit as a condition for the construction of any building or facilities to be used for amusement or recreational purposes. Manufacturers of prefabricated housing accommodations were given assistance in the form of FHA guaranty of loans made through usual banking sources, up to 90 percent of the amount which the National Housing Administrator estimates to be the necessary current cost of manufacturing such houses.

Public Law 120, S. 1230: Extended the provisions of title I of the National Housing Act, as amended, for an additional 2 years with respect to the authority of the Federal Housing Administration to insure home modernization and improvement loans. The proceeds of these insured loans aid the property owner in such work as repairing the foundation of his home, replacing his worn out furnace or heating system, improving the lighting or plumbing system, building a new barn, service building, and many similar repairs or improvements.

Public Law 301, S. 1361: Provides for the completion of low-rent and slum-clearance

public-housing projects where municipalities pay the difference between actual cost of construction and statutory or allocated cost of construction. Thus, 100 projects for which Federal funds had previously been allocated could be completed and provide additional housing for the communities concerned. The bill also contains a provision relating to eviction of occupants of public-housing projects.

Public Law 85, H. R. 2780 superseded by S. 854: Provides an additional $35,500,000 to further carry out the program of providing temporary housing for veterans in municipalities and at educational institutions. These additional funds will supply housing accommodations in projects which had been suspended in 1946 and early 1947 due to lack of funds and rising construction and labor costs. The housing provided by this measure was urgently needed for veterans and their families attending educational institutions, and to help relieve temporarily the housing shortage for veterans and their families in municipalities.

Public Law 372, H. R. 2800: Liberalizes the provisions of the Home Owners Loan Act of 1933 with respect to certain loans made by Federal savings and loan associations. It provides that such associations may invest their funds in loans insured under title I of the National Housing Act, home loans guaranteed or insured under the GI bill, and other loans for property alterations and repair.

Public Law 311, H. R. 3448: Increased the maturity of mortgages acceptable as collateral security for advances by Federal home-loan banks to member institutions, from 20 to 25 years, thus aiding the financing of 25-year GI mortgages.

Public Law 366, H. R. 4395: Increased FHA title VI authorization by $200,000,000 and gave the President the power to further increase the authorized amount by an additional $200,000,000 should the need arise. The bill makes available FHA title VI insurance in financing the purchase of Government-owned permanent war housing.

Public Law 394, H. R. 4675: Authorizing an additional $750,000,000 for title VI, FHA insurance.

HOUSING BILLS PASSED SECOND SESSION

Public Law 468, approved March 31, 1948: Continued until April 30, 1948, authority for insurance of home mortgages under title VI of FHA. Additional insurance authority was provided in the amount of $400,000,000.

Public Law 864, S. 2790: Provides for a Government secondary market for GI home loans guaranteed by the Veterans' Administration in the Federal National Mortgage Association, a subsidiary of the RFC, whose mortgage purchase authority was increased over $600,000,000 for this purpose. This GI secondary market facility will greatly aid in the financing of veterans' housing while at the same time insuring the veteran of a house meeting the construction standards and inspections established by the FHA. It will also facilitate the combination FHA-GI home financing by making GI secondary loans eligible for purchase by this secondary market. The act provides for an incontestability clause in GI home-loan guaranties, which is similar to the existing FHA insurance incontestability clause, and this should result in a wider private secondary market for GI loans.

Further assistance is provided the veterans' housing program by making veterans' housing cooperatives and nonprofit housing cooperations eligible or title II FHA financing up to 95 percent of the value of the project, with emphasis placed on low cost, economically sound, readily financeable housing within the average veteran's income.

HOUSING BILLS PASSED HOUSE BUT NOT ACTED UPON BY SENATE, FIRST SESSION

H. R. 3492 (passed the House on June 18, 1947): This bill provided for the disposal of Government-owned permanent war housing, of which there were approximately 164,000 units. The bill would establish a high veterans' priority in the purchase of these units on an individual or veteran cooperative basis. Provision would be made to make such property eligible for FHA insurance of mortgage up to 90 percent of the appraised value and with a maturity of up to 25 years. In the sale of these housing units to veterans the appraised value was to be such that it did not reflect the inflated values of present-day transactions.

SECOND SESSION

H. R. 5854 (passed House March 23, 1948, not acted upon by Senate): This bill would extend title VI insurance for 1 year, make available an additional $2,000,000,000 in mortgage insurance, $1,000,000,000 to be used for rental units, facilitated the mass production of housing with special provisions pertaining to on-site construction of projects consisting of more than 25 one- and two-unit dwellings, provided for a method of interim financing of the purchase of prefabricated houses, and also provided for FHA insurance for the purchase of FHA insurance of mortgages upon the disposition of the Government-owned Greenbelt towns.

H. R. 6959 (passed the House by an overwhelming vote of 318 to 90 on June 18, 1948): In an effort to secure Senate action on two housing measures previously passed by the House—H. R. 5854 and H. R. 3492—the subject matter of these bills, namely, extension of title VI insurance to March 31, 1949, with an increased authorization, and disposal of Government-owned permanent war housing, was included in H. R. 6959. In addition, the bill provides for a $35,000,000 increase in the insurance authority for mortgages insured under title I of the National Housing Act, as amended, an increase in the limitation on title I, class 3 loans from $3,000 to $4,500, and an occupancy priority to veterans with respect to housing made available through this assistance. The bill would expand the secondary market operation carried out by the Federal National Mortgage Association through increasing the amount of funds available for such purpose and through making eligible for purchase loans insured under section 505 (a) of the Servicemen's Readjustment Act of 1944. Certain restrictions would be placed about this operation to assure that a sound secondary market would be provided without leaving the secondary market subject to the abuse of being used as a primary source of funds for building loans.

In order to encourage the production of additional rental housing accommodations the bill would amend the Internal Revenue Code to permit the taking of accelerated depreciation up to 50 percent over a 5-year period on rental housing accommodations, the construction of which is begun in the next 2 years. Such accelerated depreciation would only be permitted, however, if the Federal Housing Commissioner issued a certificate authorizing such accelerated depreciation. The Federal Housing Commissioner is only authorized to issue such a certificate if the rental housing accommodations are or will be located in an area in which he finds there is a shortage and if the dwelling units will be rented at such levels as will in his judgment tend to relieve such shortage. The Internal Revenue Code would be further amended to remove the excise tax (7 percent) on the sale of trailer coaches of the housing type sold prior to July 1, 1950.

Another title of the bill would provide an incontestability clause with respect to GI guaranteed or insured home loans similar to the incontestability clause with respect to FHA insured loans. This should improve the attractiveness of GI home loan paper in the private secondary investment markets.

The bill would also set up a system of yield insurance on equity investment in rental housing for a family of moderate income. As in the case of FHA mortgage insurance, this yield insurance program would be set up to be self-supporting on the basis of the insurance premium charged therefor.

As may be noted from the above provisions, the bill was designed to encourage private enterprise in the production of all housing accommodations that could be built with the available supplies of materials and labor. Particular emphasis is placed upon rental housing accommodations in order that veterans in particular might have a choice between renting or buying housing for their needed housing accommodations.

Hon. Carter Glass

MEMORIAL ADDRESS
OF
HON. MILLARD E. TYDINGS
OF MARYLAND
IN THE SENATE OF THE UNITED STATES
Wednesday, April 21 (legislative day of Monday, March 29), 1948

On the life, character, and public service of Hon. CARTER GLASS, late a Senator from the State of Virginia

Mr. TYDINGS. Mr. President, Senator CARTER GLASS, of Virginia, was one of the most eminent statesmen of his day and time. He served the Government in many high positions. In every position of service his fine character, intellectual integrity, far-seeing statesmanship, and wise counsel were outstanding.

It is difficult to add to the luster of a State so rich in the history of our country as is Virginia. Yet Senator GLASS, by his many contributions to the progress of our Nation, gave to Virginia an added greatness. He loved his country and realized its great power and influence for good in world affairs. No narrow horizons limited his vision. He saw with uncanny accuracy the likely unfolding of world events and threw his great vision and statesmanship into the struggle to bring his own countrymen and men and women everywhere a chance for peace and prosperity on a world-wide scale.

His convictions were founded upon deep thought. Compromises were not a part of his nature. He began and ended his great career with the same basic philosophy of government. The illustrious son of a noble State, beloved by millions of his countrymen, he wrote a chapter of personal accomplishment in his Nation's history which will endure for all time.

Record of Committee on Interstate and Foreign Commerce During Eightieth Congress

EXTENSION OF REMARKS
OF
HON. CHARLES A. WOLVERTON
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. WOLVERTON. Mr. Speaker, the Committee on Interstate and Foreign Commerce made an impressive record

during the Eightieth Congress in the consideration of legislation coming within the committee's jurisdiction.

I have filed today a report of the committee—House Report No. 1197—which presents this record in detail. I should like, however, to summarize for the RECORD some of the salient points in this report.

Of 338 bills and resolutions referred to the committee, 77 were favorably reported. Of these, 45 have become public law, 2 were vetoed, 17 passed the House but not the Senate, and 13 remain on the House Calendar.

The committee conducted 60 hearings for 174 days, involving 622 hours of sitting, on 98 bills and 6 investigations. Forty-seven hearings have been printed representing 10,947 pages, with 7 hearings yet to be printed.

The committee initiated the practice of hearing members of the House on bills which they had sponsored, involving 18 hearings for 102 Members on 129 bills.

The committee held 10 executive sessions to hear the various agencies, administering legislation under committee jurisdiction, describe their organization, functions, and problems.

In addition the committee held 95 executive sessions for consideration of pending legislation.

Pursuant to the general responsibility under the Legislative Reorganization Act for active surveillance of the subjects and agencies falling within the committee's jurisdiction, the committee issued 10 special reports in the fields of transportation, air, petroleum, and commerce.

While this record is impressive, the committee nevertheless is continuing after the adjournment of Congress, to conduct examinations itself and through its staff into a number of fields, with special attention being given to a fuel investigation looking toward establishment of a national fuel policy, the present situation of our transportation media from a national defense viewpoint, the national transportation inquiry, and administrative procedures of various agencies.

I am listing below a brief summary of the 77 bills and resolutions which were reported favorably by the committee, divided by the 12 fields of jurisdiction conferred under the Legislative Reorganization Act:

INTERSTATE AND FOREIGN COMMERCE GENERALLY

H. R. 599 (Public Law 183, approved July 11, 1947): Declaring Kenduskeag Stream, Penobscot County, Maine, to be a nonnavigable waterway.

H. R. 1778 (Public Law 15, approved March 10, 1947): Amending the Federal Firearms Act to make purely clerical clarifications of the Federal Firearms Act.

S. 682 (Public Law 258, approved July 30, 1947): Regulating interstate transportation of black bass and other game fish by amending the Black Bass Act of May 20, 1926, so as to include all game fish.

H. R. 4043 (Public Law 375, approved August 6, 1947): Changes in the order of priorities of payments out of the German special deposit account, and transfer of funds from the alien property trust fund (World War I) so as to place American claims arising out of World War I ahead of German claims, and to make available for distribution to American claimants German assets seized during World War I and still held in the alien property trust fund.

Senate Joint Resolution 138 (Public Law 370, approved Aug. 5, 1947): Providing means for the return to the government of Italy and its nationals of those Italian properties now vested by the Office of Alien Property; and authorizing the transfer or return to Italy by the United States of certain ships.

Senate Concurrent Resolution 14: Representation of American small-business men on policy-making bodies created by executive appointment.

H. R. 4044 (Public Law 896, approved July 3, 1948): Amending the Trading With the Enemy Act; creating a commission to make inquiry and report with respect to war claims; and providing relief for internees in certain cases.

This bill had several purposes:

Title I prohibits the return to the former owners of any property of Germany, Japan, or the nationals of either country, vested in the United States after December 17, 1941, pursuant to the provisions of the Trading With the Enemy Act, as amended, and provides for covering into the general fund of the Treasury the net proceeds remaining upon the completion of the liquidation of such property. Section 2 of this title would suspend all payments, under section 34 of the Trading With the Enemy Act, of debts of the former owners of vested enemy property until 6 months after the War Claims Commission, established pursuant to title II, has filed its report and such report has been received by Congress.

Title II establishes a War Claims Commission with a life limited to 1 year which is to submit to the Congress by March 31, 1948, a comprehensive report presenting all pertinent facts and making recommendations with respect to the adjudication and payment of war claims and the payment of debts of former owners of vested enemy property.

Title III provides a measure of emergency relief for those American citizens, who in the national interest as determined by our Government, remained in the Philippines and other Territories and possessions of the United States in the face of impending Japanese aggression, and who as internees during the war suffered at the hands of the Japanese.

H. R. 366: Requesting the Secretary of Congress to furnish information concerning sales of supplies to foreign countries.

H. R. 6116 (Public Law 874, approved July 1, 1947): Amending the Trading With the Enemy Act to extend the time for filing suits and claims pursuant to the Trading With the Enemy Act until April 30, 1949.

H. R. 3855 (Public Law 191, approved July 15, 1947): Providing for the appointment of one additional Assistant Secretary of Commerce.

H. R. 4102: National Science Foundation Act of 1947. Companion bill S. 5. Pocket vetoed August 6, 1947.

H. R. 5960: Amending section 32 (A) (2) of the Trading With the Enemy Act to clarify provisions contained in subdivisions (C) and (D) of paragraph 2 of section 32 (a) of the act with respect to claims for the return of vested property by United States women citizen claimants who married citizens of Germany, Japan, Bulgaria, Hungary, or Rumania, and thus eliminate the present disqualification of such claimants which results from the interpretation of section 32 in a recent decision of the Office of Alien Property.

H. R. 3734: Fur Products Labeling Act to require mandatory invoicing of furs and labeling of fur products moving in interstate or foreign commerce to show the true English name of the animal; its country of origin; the fact that the garment contains used fur if such is the case; the fact that the fur is dyed if such is the case, and the fact that the fur product is composed of bits and pieces instead of whole skins if such is the case and further require that when furs or fur products are advertised in such commerce these vital facts be truthfully stated.

H. R. 6007: To create an independent agency of the Government to be known as the National Science Foundation, and to grant to that agency appropriate authority to be used for the following purposes: (1) To develop and encourage the pursuit of a national policy for the promotion of basic research and education in the sciences; (2) to initiate and support basic scientific research through contracts or other arrangements, and to appraise the impact of research upon industrial development and upon the general welfare; (3) to initiate and support (after consultation with the Secretary of Defense) scientific research in connection with matters relating to the national defense through contracts and other arrangements; (4) to grant scholarships and graduate fellowships in the sciences; (5) to foster the interchange of scientific information among scientists in the United States and foreign countries; and (6) to correlate its research programs with those of individuals and public and private research groups.

H. R. 3871: Amending the act creating the Federal Trade Commission, by providing that whenever the Commission has reason to believe that the law is being violated, it shall file a complaint in the United States district court which would then decide whether the law had been violated on the basis of evidence presented by the Commission and the defendant and issue a permanent injunction.

H. R. 2045 (Public Law 16, approved March 10, 1947): Certification of streptomycin under Federal Food, Drug, and Cosmetic Act.

H. R. 4071 (Public Law 749, approved June 24, 1948): Amendments to sections 301 (k) and 304 (a) of Federal Food, Drug, and Cosmetic Act authorize the seizure of foods, drugs, devices, and cosmetics which become adulterated or misbranded while held for sale (whether or not the first sale) after interstate shipments.

House Report 1733: Export licensing procedures. This report reviews the Department of Commerce procedures in issuing export licenses; the position of exporters and changes recommended.

INTERSTATE AND FOREIGN TRANSPORTATION

H. R. 2123 (Public Law 79, approved May 27, 1947): Amendment to Locomotive Inspection Act of February 17, 1911, as amended to conform to the present personnel policies of the Government.

H. R. 2298 (Public Law 478, approved April 9, 1947): Modification of railroad financial structures by providing a procedure whereby railroads not in bankruptcy or receivership may, under certain specified circumstances, with the approval of the Interstate Commerce Commission, alter or modify their obligations (i. e., bonds, debentures, or other evidences of indebtedness; or mortgages, indentures, or other like instruments under which obligations have been issued or by which obligations are secured) with the assent of the holders of 75 percent of such obligations.

H. R. 3730 (Public Law 583, approved June 3, 1948): Amending section 20 (12) of the Interstate Commerce Act with respect to recourse by an initial or delivering carrier against the carrier on whose line loss of, or damage or injury to, property is sustained, on account of expense incurred in defending actions at law.

H. R. 6078 (Public Law 633, approved June 12, 1948): Amending section 303 (e) of the Interstate Commerce Act, as amended, to clarify part III of the Interstate Commerce Act, with respect to the application of its provisions to foreign cruise travel by water, originating and terminating at ports in different States. The amendment will authorize the Interstate Commerce Commission, by

appropriate action, to exempt such water transportation from regulation upon a finding that regulation is not necessary to carry out the national transportation policy declared in the Interstate Commerce Act.

H. R. 2331 (Pocket Veto, July 30, 1947): Amending section 20A of the Interstate Commerce Act to include sleeping-car companies within the definition of "carrier" for purposes relating to issuance of railroad securities, etc. Permits dealings in securities by one railroad carrier with another carrier, corporation, etc., having an officer or director holding a substantial interest in both if the dealings are with the highest bidder as determined by prescribed competitive bidding regulations.

H. R. 3152: Extending certain powers of the President under title III of the Second War Powers Act for the purpose of allocating the use of transportation equipment and facilities by rail carriers to and including June 30, 1948.

H. R. 2759: Amending the Interstate Commerce Act regarding statute of limitations for recovery of undercharges and overcharges by or against common carriers by motor vehicle, common carriers by water, and freight forwarders.

H. R. 6318. (Public Law 765, approved June 24, 1948): Amending section 3 of the Standard Time Act of March 19, 1918 to permit the Union Pacific Railroad to use Pocatello, Idaho, as the point at which, for operating purposes, it changes from mountain time to Pacific time, and to conduct its operations west of Pocatello on Pacific time.

H. R. 6696: Authorizes the Interstate Commerce Commission to investigate and examine the construction and condition of railroad express and baggage cars used in service in which they are accompanied by an express messenger or train baggageman, to determine whether they meet adequate standards of safety and sanitation and to order the alteration or maintenance of such cars to conform to such adequate standards.

H. R. 6136: United States Travel Bureau. This bill amends legislation so as to remove the administration of these activities and functions from the National Park Service by providing that they shall be administered by the Secretary of the Interior through a separate unit of the Department, to be designated as the "United States Travel Bureau."

H. R. 221 (Companion bill S. 110 became Public Law 662. Veto overrode June 17, 1948): Amending the Interstate Commerce Act, with respect to certain agreements between carriers providing: (1) common carriers (including freight forwarders) subject to the Interstate Commerce Act are authorized to apply to the Interstate Commerce Commission for approval of agreements between such carriers; (2) the Commission is authorized to approve such agreements (except certain types of agreements the approval of which is prohibited) when the Commission finds that, by reason of furtherance of the national transportation policy declared in the Interstate Commerce Act there should be relief from the antitrust laws with respect to the making and carrying out of such agreements; and (3) antitrust law relief is granted (but no relief is granted from any prohibition, duty, or obligation under the Interstate Commerce Act) with respect to the making and carrying out, subject to terms and conditions prescribed by the Commission, of agreements so approved by the Commission.

H. R. 3692: Amending section 411 (c) of the Interstate Commerce Act, to permit common ownership, lease, control, or holding of stock of freight forwarders if authorized by the Interstate Commerce Commission.

H. R. 5623: Amending the Interstate Commerce Act, as amended in regard to (1) filing of copies of agreements by carriers; (2) extension of credit by express companies; (3) holding of public hearings; (4) issuance of securities by street-railway companies; (5) serving notices on carrier agents; and (6) requiring of special reports from carriers.

S. 2192 (Public Law 756, approved June 24, 1948): Authorizing the issuance of free passes to time inspectors of railroads.

House Report 1272: Transportation in Alaska. This report reviews the development of Alaskan transportation and the need for additional facilities of all types.

House Report 1612: Public aid to air transportation. This report is concerned with the extent of public aids—air-mail payments, airports and airways, and other aids to navigation. It includes estimates of total public aid to air transportation and to carriers other than air.

REGULATION OF INTERSTATE AND FOREIGN COMMUNICATIONS

Senate Joint Resolution 102 (Public Law 48, approved May 13, 1947): Permits United States common communications carriers to render free communications services to official participants in the world telecommunications conferences in the United States in 1947.

S. 816 (Public Law 193, approved July 16, 1947): Repealing the Post Roads Act of 1866, as amended, which provided for a mandatory special rate in the handling of domestic telegrams sent by Government departments and officials. This bill did not arbitrarily prohibit a lower rate for domestic Government telegrams; it merely gave to the regulatory agency, the Federal Communications Commission, the same authority with respect to fixing charges, classifications, and priorities on such Government telegrams that it had with respect to all commercial messages.

H. R. 2336: Amending the Communications Act of 1934 to permit, subject to certain conditions, use of Coast Guard radio stations for reception and transmission of commercial messages.

Under the jurisdiction conferred by the Legislative Reorganization Act, detailed examination of the administration by the Federal Communications Commission of the statutes entrusted to it was made and is continuing. To complete such examination the committee requested additional authority from the House in House Resolution 165 (March 31, 1947), which authority has not yet been granted.

CIVIL AERONAUTICS

H. R. 2758 (Public Law 59, approved May 15, 1947): Amending the act to provide for administration of the Washington National Airport, approved June 29, 1940.

This bill conferred upon the administrator, or his duly authorized representatives, the power to arrest persons.

H. R. 2109 (Public Law 346, approved August 4, 1947): Amending section 1003 of the Civil Aeronautics Act to permit air carriers and surface carriers to establish through service without at the same time establishing joint rates.

H. R. 3587 (Public Law 287, approved July 30, 1947): Establishing a National Aviation Council to carry on the functions heretofore performed by the Air Coordinating Committee, an important agency which existed for a year as a result of a voluntary agreement between the various agencies concerned and later was given recognition by Executive Order 9781, September 19, 1946.

S. 2081 (Public Law 486, approved April 17, 1948): Extending the provisions of the Federal Airport Act to the Virgin Islands. When the Federal Airport Act of May 13, 1946, was enacted the Virgin Islands were overlooked. The Federal Airport Act applies to the United States, Alaska, Hawaii, and Puerto Rico.

H. R. 3510 (Public Law 561, approved May 28, 1948): Authorizing the construction, protection, operation, and maintenance of a public airport in the Territory of Alaska.

H. R. 6407 (Public Law 647, approved June 16, 1948): Providing authority for certain Federal agencies to acquire, construct, establish, operate, administer, and maintain airport properties and air-navigation facilities in foreign territory wherever necessary or desirable, to provide for and foster the safe operation of United States-flag air carriers engaged in foreign air transportation.

S. 2454 (Public Law 692, approved June 19, 1948): Recording of title to, interests in, and encumbrances upon certain aircraft to facilitate the purchase of new aircraft by permitting greater use of secured financing.

S. 2455 (Public Law 656, approved June 16, 1948): Amending the Civil Aeronautics Act of 1938 so as to provide relief from potential unjust and discriminatory liability on persons who are owners of aircraft for security purposes only, or who are the lessors of aircraft.

S. 3 (Public Law 815, approved June 29, 1948): Authorizing a training program for air-traffic-control-tower operators, both civilian and governmental.

H. R. 4169: Amending section 401 of the Civil Aeronautics Act to permit the granting of authority for temporary emergency service of air carriers.

H. R. 4427: Authority for the performance of certain aeronautical activities of the Department of Commerce.

H. R. 4435 (Public Law 872, approved July 1, 1948): Amending the Civil Aeronautics Act of 1938 to redefine certain powers of the Administrator of Civil Aeronautics in regard to air-navigation facilities, delegation of powers by the Civil Aeronautics Board to the Administrator, and rights of the Administrator to (1) accept any gifts or donations of money or other real or personal property or services; (2) to acquire by purchase, condemnation, lease, or otherwise, real property or interests therein, including, in certain cases, easements through or other interests in airspace; and (3) to dispose of real or personal property acquired by the Administrator in the discharge of his duties by sale, lease, or otherwise.

H. R. 6860 (Public Law 840, approved June 29, 1948): Amending the Federal Airport Act to specifically authorize appropriations to be made to the Administrator of Civil Aeronautics for reimbursement to municipalities of the cost of rehabilitation and repair to airports substantially damaged by a Federal agency.

H. R. 3509: Authorizing construction of a class IV airport for the city of Fairbanks, Alaska, and a public highway or bridge from the city of Fairbanks to the location of the airport.

House Report 885: Aids to air navigation and landing. This report reviews the controversy concerning overland and air navigation aids and makes recommendations for resolving it in the interests of commerce and the national defense.

House Report 1065: Safety in air navigation. This report discusses the nature of the air safety problem, the present safety record, causes of air accidents, possibilities of increasing air safety, and makes recommendations in the interests of commerce and the national defense.

House Report 1437: United States air carriers' foreign and overseas operations. This report is the result of an investigation of the operations of the American-flag air carriers abroad with particular reference to airport, navigational, and other facilities open for their use and the conditions under which they may be used.

WEATHER BUREAU

S. 640 (Public Law 192, approved July 16, 1947): Sale of Weather Bureau property at East Lansing, Mich., to Michigan State College).

H. R. 4426 (Public Law 573, approved June 2, 1948): To provide basic authority for the Weather Bureau to purchase certain supplies and make contribution of the United States share of the cost of the office of the secretariat of the International Meteorological Committee.

S. 2456 (Public Law 657, approved June 16, 1948): Authorizing the Chief of the Weather Bureau to make a full study of the internal structure of thunderstorms and other atmospheric disturbances with particular attention to the degree of turbulence within such storms and to the development, maintenance, and magnitude of up drafts and down drafts, in an effort to establish methods by which characteristics of particular storms may be forecast, and by which such characteristics may be determined on visual observation from outside the immediate storm area.

H. R. 4112: Acceptance and use of private funds for support of the national weather service.

INTERSTATE OIL COMPACTS, PETROLEUM AND NATURAL GAS

H. R. 2956: Amending the Natural Gas Act, approved June 21, 1938, as amended, to provide generally for the exercise of the right of eminent domain by natural-gas companies with respect to necessary right-of-way in connection with the construction and operation of natural-gas pipe lines.

H. R. 4051: Amending the Natural Gas Act, approved June 21, 1938, as amended, (1) to clearly define the limits of the jurisdiction of the Federal Power Commission with respect to the transportation of natural gas in interstate commerce, with respect to the sale of natural gas in interstate commerce for resale, with respect to natural-gas companies, and with respect to related matters; (2) to prescribe certain statutory standards to apply for purposes of the fixing of rates for sales of natural gas with respect to which the Commission has jurisdiction.

In addition, the bill contained provisions (1) imposing a duty on natural-gas companies to furnish and supply reasonable service to distributing companies and (2) giving the Interstate Commerce Commission jurisdiction of common carriers engaged in the transportation of natural gas by pipe line solely for others for hire and not engaged in the selling of natural gas.

The amendments made by the bill specifically excluded from the Commission's jurisdiction the properties, facilities of, and sales made by distributors, as well as production or gathering, production or gathering facilities, and sales occurring prior to interstate transportation in trunk transmission facilities.

House Joint Resolution 211: Consenting to extension of an interstate oil compact to conserve oil and gas. (Companion bill S. J. Res. 122 became Public Law 184, approved July 12, 1947.)

House Joint Resolution 323: Prohibiting temporarily the exportation of kerosene, gas oil, and distillate fuel oil, or residual fuel oil from east and Gulf coast ports in the United States to foreign destinations for a period of 30 days from its enactment. Its sole objective was to divert to domestic use critically needed fuel oils so that American homes, industries, churches, hospitals, schools, transportation systems, and other users of heating oil will be insured against shortages during the balance of the heating season.

H. R. 5475: Synthetic liquid fuel plants. The extent to which the demand for liquid fuels has grown in our economy and the risk of being cut off, in case of emergency, from our foreign sources of supply make it necessary to supplement supplies of petroleum and petroleum products produced in the United States and imported from foreign countries.

This bill sought to accomplish this objective in a number of ways: (1) By making available loans on liberal terms, with maturities not to exceed 30 years, to qualified persons who propose to construct one or more commercial-sized plants for the production of synthetic liquid fuels or intermediate gaseous products from coal, oil shale, or other substances, except natural gas; (2) to the extent that private industry fails to undertake the construction of a limited number of commercial-sized synthetic liquid fuels plants (except from natural gas) by the Reconstruction Finance Corporation under contracts with private industry; (3) by providing operating subsidies for producers of synthetic liquid fuels (except from natural gas, which does not require subsidization) in order to enable them to make up any losses incurred in marketing their products in competition with natural petroleum products which at present are produced at a cost lower than synthetic liquid fuels; (4) by providing financial assistance to private industry to accelerate research and development of processes for the production of synthetic liquid fuels; and (5) by providing that the regular lending authority of the Reconstruction Finance Corporation shall be available for loans to persons who desire to undertake the construction of synthetic liquid fuel plants.

House Report 1270: A preliminary report on the fuel investigation discussing current shortages, the over-all petroleum situation, the need for a study, suggestions as to its scope, and recommendations for the creation of a Joint Committee on Fuel Policy.

House Report 1321: A progress report discussing the action taken by the petroleum industry and various governmental agencies as a result of committee recommendations.

House Report 1438: Petroleum and the European recovery program. This report directs attention to the world-wide petroleum demand and supply situation; the petroleum requirements of the European recovery program; the reliance placed upon the Middle East as a source of crude supply; and the world-wide expansion of production, processing, and transportation facilities simultaneously required to furnish petroleum products needed.

House Report 2342: Petroleum prices and profits. This report, based on petroleum company replies to a committee questionnaire, discusses the industry position with respect to current prices and profits.

The committee's investigation of the fuel situation was implemented further by the specific directions of House Resolution 595 of June 18, 1948.

INTERSTATE TRANSMISSION OF POWER

H. R. 1777: Amending section 1 of the Federal Power Act with respect to the terms of office of members of the Federal Power Commission.

RAILROAD LABOR, RETIREMENT AND UNEMPLOYMENT

H. R. 3632 (Public Law 378, approved August 6, 1947): Extending the time within which applications may be made to the Railroad Retirement Board for certain refunds from the unemployment trust fund to correct an injustice to the railroad employees of 10 States in which they, prior to the enactment of the Railroad Unemployment Insurance Act, made contributions to the State unemployment insurance funds of their respective States.

H. R. 6766 (Public Law 744, approved June 23, 1948): Amending the Railroad Retirement Act of 1937, as amended, and the Railroad Unemployment Insurance Act, as amended, to accomplish two basic purposes: First, by the provisions of section 1, together with the provisions of section 3, all retirement annuities and pensions payable under the Railroad Retirement Act were increased by 20 percent. Secondly, by the provisions of section 2 of the bill, there was restored to the railroad retirement system a feature which was in the act prior to the 1946 amendments, and which, in effect, is a guaranty that every employee who contributes to the system will obtain in benefits, either to himself or to survivors or a designated beneficiary, an amount at least equal to the contribution he makes plus an allowance in lieu of interest.

The amendments to the Unemployment Insurance Act substitute, for the present flat 3-percent contribution rate, a sliding scale under which the tax rate is automatically adjusted in accordance with the amount of reserves in the railroad unemployment insurance account as of the close of business of September 30 of each year. So long as the reserve is $450,000,000 or more, the rate would be one-half percent; the rate then increases one-half percent for each $50,000,000 by which the reserve is less than that amount, again reaching a 3-percent rate if the reserve should fall below $250,000,000.

H. R. 3150: Amending the Railroad Unemployment Insurance Act relating to benefits for sickness and maternity, and substituting for the present 3-percent contribution rate, now applicable to employers subject to the act, a graduated rate of contribution ranging from one-half percent to 3 percent, the rate applicable during any given year to be dependent upon the balance to the credit of the railroad unemployment insurance account at the end of September of the preceding year.

PUBLIC HEALTH AND QUARANTINE

H. R. 5889 (Public Law 713, approved June 19, 1948): Extending the provisions of title VI of the Public Health Service Act to the Virgin Islands, so as to make the Virgin Islands eligible for grants under those provisions for the construction of hospitals.

H. R. 4114 (Public Law 781, approved June 23, 1948): Authorizing certain expenditures from appropriations for the Public Health Service which have heretofore been authorized annually in the appropriations for the Public Health Service.

S. 2215 (Public Law 655, approved June 16, 1948): Amending the Public Health Service Act to provide for a National Heart Institute for the purpose of improving the health of the people of the United States through the conduct of researches, investigations, experiments, and demonstrations relating to the cause, prevention, and methods of diagnosis and treatment of diseases of the heart and circulation; assisting and fostering such researches and other activities by public and private agencies, and promoting the coordination of all such researches and activities and the useful application of their results; providing training in matters relating to heart diseases, including refresher courses for physicians; and developing, and assisting the States and other agencies in the use of, the most effective methods of prevention, diagnosis, and treatment of heart diseases.

H. R. 1447 (Public Law 818, approved June 29, 1948): To prohibit the transportation to the United States, or any Territory or District thereof, of any wild animal or bird under inhumane or unhealthful conditions.

H. R. 4816 (Public Law 830, approved June 28, 1948): Amending section 624 of the Public Health Service Act with respect to construction of hospitals to set a minimum of $250,000 on the annual construction allotment for any State.

H. R. 6339 (Public Law 723, approved June 19, 1948): To amend the hospital survey and construction provisions of the Public Health Service Act so as to restore to eligibility to participate in Federal grants for hospital construction a State which has ceased to be eligible for such grants because of its failure to enact, prior to July 1, 1948, legislation requiring compliance with standards of maintenance and operation by hospitals receiving such grants.

H. R. 3934: Amending the Public Health Service Act with respect to venereal-disease rapid-treatment centers to make part of the Public Health Service Act the authority of the Service to operate, and make grants to the States and localities for the operation of, venereal-disease rapid-treatment centers.

H. R. 6726 (Public Law 755, approved June 24, 1948): Amending the Public Health Service Act to provide for a National Institute of Dental Research to improve the dental health of the people of the United States through the conduct of researches, investigations, experiments, and studies relating to the cause, diagnosis, and treatment of dental diseases and conditions; to assist and foster such researches and other activities by public and private agencies; to provide training in matters relating to dental diseases and conditions; and to promote the coordination of all such researches and activities and the useful application of their results, with a view to the development and prompt widespread use of the most effective methods of prevention, diagnosis, and treatment of dental diseases and conditions.

H. R. 6728: To amend the Public Health Service Act so as to extend medical benefits provided for under that act, not only to employed seamen but also to any person who (A) has been so employed for at least 60 days of substantially continuous service, (B) applies for treatment under the act within 6 months of the last day of such service, and (C) has not changed his occupation.

H. R. 6868: Amending the Public Health Service Act to extend to widows of deceased Coast Guard personnel who died while on active duty during the period from November 1, 1941, to January 1, 1946, the same medical benefits which are extended under section 326 (b) of the Public Health Service Act to dependent members of Coast Guard families.

H. R. 5807: Amending the Hospital Survey and Construction Act to permit Federal aid in the building of hospitals whose sponsors, believing that such aid would be forthcoming under the hospital survey and construction provisions of the Public Health Service Act, began construction before the administrative machinery to handle their applications for assistance could be established by their States.

H. R. 3924: Amendments to Public Health Service Act in regard to matters of personnel and administration. (Companion bill, S. 1424, became Public Law 425, approved February 28, 1948.)

H. R. 6732: Amending the Public Health Service Act to give broad administrative authority to the Surgeon General of the Public Health Service, with the approval of the Administrator of the Federal Security Agency, to establish within the framework of the Public Health Service institutes whose work will be aimed primarily at the important diseases affecting our population. Upon the establishment of such institutes the Surgeon General would be authorized to conduct research and training activities substantially similar to those currently administered by the Service in the fields of cancer and mental health. Within this institute the necessary research activities could be carried on, not only on poliomyelitis but also upon spastic paralysis, cerebral palsies, arthritis, and other diseases affecting the neuro-muscular and skeletal systems.

H. R. 5644: Local Public Health Services Act of 1948 to assist States and local subdivisions in the establishment and maintenance of full-time local health units equipped and staffed to provide basic public-health services.

INLAND WATERWAYS

H. R. 5318: Provides for the disposition of the facilities and rights of the Inland Waterways Corporation at the earliest possible date consistent with the conservation of its assets, provided for dissolution of the Corporation not later than July 1, 1953, and granted to the Secretary of Commerce necessary powers in connection with the winding up of the affairs of the Corporation.

BUREAU OF STANDARDS

The resolution reported by the committee in this matter was referred to it as a result of its jurisdiction over the Bureau of Standards.

House Resolution 522: Directing the Secretary of Commerce to transmit to the House of Representatives a certain letter with respect to Dr. Edward U. Condon.

The Conservation of Our Nebraska Soil

EXTENSION OF REMARKS

OF

HON. HUGH BUTLER

OF NEBRASKA

IN THE SENATE OF THE UNITED STATES

Saturday, June 19 (legislative day of Tuesday, June 15), 1948

Mr. BUTLER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article prepared by me entitled "The Conservation of Our Nebraska Soil."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

Napoleon is generally credited with having been the first to point out that an army moves on its stomach. He meant, of course, that an army cannot fight properly unless it is fed properly. Once he had said that, everyone realized how true it was.

Today, we can expand that idea by saying that a nation lives on its soil. Destruction of our soil means destruction of our Nation. That, too, is now realized by everyone. Strangely, that realization did not come until very, very recently. We can indeed bless God that it did not come too late. Our treatment of the soil in our own State is a case in point, and the movement to save the soil of Nebraska makes a fascinating story.

Our Nebraska has been greatly favored by nature. Our soils have developed, mainly under a protective cover of grass. Through the ages the decaying grass roots have imparted a dark color and mellow texture to the soil. The level to gently rolling plains, the grass cover and loamy nature of the virgin soils all tended to minimize the damaging effect of rain and running water.

In spite of these favorable natural conditions, the soils have not always been able to stand up under the use man has made of them. Tremendous soil losses have occurred in most parts of the State, and it is imperative to prevent further damage. Good farmers everywhere have always tried to conserve their wealth-producing physical assets, although they sometimes have lacked the necessary technical knowledge to do the job properly. The early settlers learned quickly the extent of damage that would take place in the Sand Hill county when the grass cover was abused. They also learned quickly that the best way to preserve such lands was to maintain a good grass cover continuously. Other parts of the State did not, however, receive this same care. About 6,500,000 acres of land in the State are severely eroded. They have lost 6 inches or more of the topsoil layer. Another 15,000,000 acres are seriously eroded, having lost 3 to 5 inches of their topsoil. More than 6,000,000 additional acres are moderately eroded, that is, with 1 to 3 inches of topsoil washed off.

The rate at which the soils of Nebraska are moving from the fields to lower slopes, stream channels, reservoirs, and other places of deposit is alarming. It is estimated that 682,000,000 tons of soil are moved by erosion in a single year in the State. To haul this amount of material back to its source would require 17,000,000 freight cars of 40-ton capacity each. This material would cover 815 average size (427 acres) of Nebraska farms with a layer 1 foot deep. When this soil material left its original site it not only reduced the productive capacity of the field from which it came; it also damaged crops and highways where it was eventually deposited, and it blocked irrigation and drainage canals, choked stream channels, contaminated the waters, and reduced the capacity of reservoirs. Damage from erosion is not confined to the farm that is eroded. Its effect may be felt many miles downstream.

This damage to Nebraska lands can be stopped, and steps have already been taken to begin stopping it. The application of the right combination of conservation practices to the land and the use of the land for the purpose for which it is best adapted will do that job.

Plenty of people have seen this need, and plenty of important soil-conservation work has been done, by individual farmers on an individual basis, for some years. I believe I can say that interest and support for such ideas was at least as widespread in Nebraska as anywhere else in the Nation. A broader program with public backing was needed, however. On the Federal level, legislation along those lines was passed in 1935, setting up the Soil Conservation Service. In Nebraska, our State legislature in May 1937 passed a soil-conservation districts law. Nebraska was among the first States to enact such a law. Now every State and Territorial possession has enacted soil-conservation district legislation.

This law provides a democratic basis for people in a prescribed area to create their own organization for achieving proper land use and conservation of their soil and water resources. Soil-conservation districts come into existence only in response to a petition from the people on the land. Public hearings regarding the necessity for organization are held, and finally landowners and operators within the boundaries of the proposed district are given an opportunity to vote for or against the organization of a soil-conservation district. A 75-percent majority voting for the organization is necessary before a district can be organized. The districts when organized are administered by a governing body of five locally-selected supervisors.

These supervisors, serving without pay, are performing a most useful service to the agriculture of the State. Their unselfish devotion to their duties and their enthusiastic administration of district resources is largely responsible for the fine progress Nebraska is making in conserving soil and water.

The supervisors of each district develop a district program setting forth the district's conservation problems and objectives. They also develop a district work plan, showing what the district's activities will be and the policies under which those activities will be carried out. These documents are guides to all Federal, State, and local agencies and groups cooperating with the district. Following is a table that shows the number of districts organized each year as of January 1, 1939, to May 1, 1948, together with the number of acres and number of farms included in those districts:

Date	Number of soil conservation districts	Acres	Number of farms
Jan. 1, 1939	2	147,964	717
Jan. 1, 1940	10	718,402	3,389
Jan. 1, 1941	20	2,317,721	7,744
Jan. 1, 1942	32	5,826,000	17,411
Jan. 1, 1943	35	9,742,000	39,876
Jan. 1, 1944	43	15,376,000	62,160
Jan. 1, 1945	50	20,739,335	83,702
Jan. 1, 1946	61	25,464,932	105,916
Jan. 1, 1947	75	33,738,426	107,969
Jan. 1, 1948	82	41,035,417	108,949
May 1, 1948	83	43,942,297	109,699

To date, 16,000 Nebraska farms have received benefits from the conservation treat-

ment given them. Through soil conservation, which includes all steps required to keep land permanently productive, these 16,000 farms have been given permanent protection and their productive capacity raised to a higher level.

More than 98 percent of the farms in our State are now included within such soil conservation districts. Farmers in the balance of the State are taking steps to organize so that by this winter it is expected that every farm in the State will be in a district. No other agricultural movement has had such wide acceptance in 11 years. To Dr. G. E. Condra and the State soil conservation committee go much of the credit for helping and encouraging Nebraska farmers to make such progress in organization. The other members of the State committee, Dean W. W. Burr, H. G. Gould, State extension director, and E. G. Jones, State conservationist of the Soil Conservation Service, an advisory member, also deserve their full share of our appreciation.

Many different methods must be used to maintain and improve the land. Some 48 different conservation practices are used in Nebraska. The characteristics of the land, together with the climatic environment, largely determine the crops that can be grown best. These same land characteristics also must be considered in determining the best conservation treatment to be applied in a particular area. The practices must also fit into the type of farming followed by each individual farmer. The farmer and conservation technician working together must develop the best plan to be followed.

Some of the most important conservation practices and the acreage planned and applied are given below:

Practice	Acres planned for to date	Acres on which established, to date
1. Contour planting	1,238,902	831,618
2. Crop-residue management	1,663,841	1,221,856
3. Range properly stocked	1,749,416	1,378,431
4. Seeding range and pasture	334,414	136,134
5. Terracing	597,856	134,704
6. Farm drainage	73,756	37,267
7. Leveling irrigated land	130,359	54,754
8. Improved methods of irrigation	241,001	152,163
9. Irrigation distribution systems	279,969	174,607
10. Stubble mulch tillage	275,177	115,658

The progress made to date in establishing conservation treatment on Nebraska farms is a high tribute to the spirit of close cooperation between the Extension Service and the Soil Conservation Service. These two agencies have worked together in Nebraska. The assistance they have given farmers through soil-conservation districts has been effective. The number of farmers who have filed requests for assistance in planning and applying conservation on their farms proves it is profitable.

Flood control is another important aspect of soil conservation. Practices necessary to conserve the soil also permit the maximum infiltration of rainfall into the soil, with a consequent reduction in water run-off. Conservation treatment on a watershed basis also must provide for the orderly disposal of excess run-off, stream-bank stabilization, detention reservoirs, large gully-control structures, road-bank stabilization, and diversions. Many of the needed conservation practices for flood control are being, and will be, applied by farmers on their own land to protect their own soil and increase productivity. The complete job of flood control, however, will require assistance from the Federal Government for the installation of control measures primarily for public benefit.

Recent studies show that conservation farming in Nebraska increases yields 15 to 25 percent. This increase in production from the 2,112,000 acres now farmed the conservation way represents more than $10,000,000 added income annually to these farmers. The actual dollar return increase per acre to conservation farmers averages $4.81 and varies from $1.55 in the western part of the State to $5.83 per acre in the east. On irrigated land benefits from conservation farming are even greater than on nonirrigated land. The even distribution of water made possible by land leveling, use of the right amount of water for the particular crop grown, and the disposal of excess water, plus the adoption of good soil-management practices, such as rotations, cover crops, and fertilization, increased gross-income returns in 1945 $28.90 per acre in the Scottsbluff area. To date, about 174,000 acres of irrigated land within the State have been given conservation treatment, and the owners are profiting by it.

Experience in Nebraska over the past 10 years has proven conclusively that soil-conservation districts are an effective instrumentality for carrying out the soil-conservation program needed in the State. Soil-conservation districts have proved to be a most effective mechanism for carrying out a program of conservation through the local district supervisors. Through this system, the resources of all agencies, Federal, State, and local, are focused on the specific conservation problems of each individual farm and ranch. Since the district program is administered by locally selected supervisors, it is thoroughly democratic and adapted to the needs of local areas. At the same time, the participation of Federal and State agencies lends an element of continuity and coordination, as well as providing a sound technical basis.

In the closing hours of the session of Congress just finished, a proposal was submitted to us, as part of the so-called long-range farm program, for an extensive administrative revision of both the Department of Agriculture and the local agencies and committees dealing with our agricultural and conservation programs. This proposal, in my judgment, would have disrupted the smooth-running machinery we already have in operation. It created other dangers to our present progressive program for conserving our soil. The measure was presented in such a way that there was hardly any opportunity for adequate debate. Nevertheless, I protested vigorously on the floor of the Senate. I am happy to say that this proposed change was not accepted, and we shall therefore continue for at least another year on the same basis.

In short, the framework for getting the conservation job done has been provided and is to be continued along the same lines as at present for some time. The real task of actually getting conservation on the land rests on the shoulders of the land owners and operators. By taking advantage of the services provided by the soil-conservation districts, these owners and operators can protect every acre of land in Nebraska.

Costs and Scarcity of Sugar in the Domestic Market

EXTENSION OF REMARKS

OF

HON. STYLES BRIDGES

OF NEW HAMPSHIRE

IN THE SENATE OF THE UNITED STATES

Saturday, June 19 (legislative day of Tuesday, June 15), 1948

Mr. BRIDGES. Mr. President, I ask unanimous consent to insert in the Appendix of the CONGRESSIONAL RECORD a statement I have made with reference to the manipulation by the Department of Agriculture of the United States Government of the supply and price of sugar, a commodity vitally important to the American consumer.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Immediate steps should be taken by the Department of Agriculture to allow sugar to become plentiful in the stores of the United States at reasonable prices.

The world supply of sugar this year will approximate prewar quantities. The Cuban crop, which is the largest single source of world sugar, is of record-making proportions, only slightly less than the tremendous crop of last year. Because the war has destroyed the dollar markets of sugar, the sugar producers of the world are faced with the possibility of storing large quantities of sugar at the year's end.

If the economic law of supply and demand were allowed to operate with freedom in the world markets, there would be a marked decrease in the price of sugar from the present war-inflated levels.

The fact is, however, that sugar prices are going up in the world markets and the price of sugar is being marked upwards on the store shelves of the United States. Moreover, American housewives again are complaining of shortages of sugar in the stores.

The only cause for any rise in the price of sugar at this time is found in the unreasonable, bureaucratic action of the officials of the sugar branch of the Department of Agriculture in Washington.

The price of sugar which the American wage earners must pay is going up because the Department of Agriculture officials have cut the quotas for sugar imports from Cuba by 800,000 tons since the first of the year. They have cut the Cuban quota at a time when Cuba is worried about a surplus.

The world price of sugar is on the increase again because the Commodity Credit Corporation of the Department of Agriculture is purchasing Cuban sugar at a price above prevailing world prices. Since the sugar bought by the Commodity Credit Corporation in Cuba is used in programs of relief feeding in the occupied areas and nations in the European recovery program, the action of the Department of Agriculture is adding to the direct costs of foreign-aid programs. In one negotiation for 1,000,000 tons of sugar made this past winter, it is probable that the action of the Department of Agriculture cost the American taxpayer $10,000,000 in added sugar costs for foreign-aid shipments.

In simple fairness to the American consumer and to the American taxpayer, the present policies of the sugar branch of the Department of Agriculture should be reversed immediately. Sugar is a commodity, the price of which is controlled completely by the United States Government. It makes no sense to use these controls, which were intended by Congress to benefit the American consumer, to increase the cost of living in the United States. It is one more example of the abuse of controls by the administration.

The record of the activities of the sugar branch of the Department of Agriculture during recent months indicates a policy of price manipulation that is clearly antagonistic to the interests of the American people. Agriculture officials have acted repeatedly since last fall to bolster sugar prices in a falling market. Let me review the record.

WORLD PRICES

During the war years, sugar was in great demand. For 6 years, the United States purchased the entire sugar crop in an effort to assure enough sugar for the minimum

needs of the war effort. At the end of 1947, however, the demand for sugar had fallen considerably. The Cuban crop was not purchased in 1948 and Cuba was faced with a crop of more than 6,000,000 tons, for which there exist normal sales markets for less than 4,000,000 tons.

Because of a foreseeable world surplus the price of sugar began to decline for futures and cash sales toward the end of 1947. The Commodity Credit Corporation then owned more than 400,000 tons of 1947-stock sugar which was surplus to the normal need existing until the beginning of the 1948 crop harvest in February. To prevent a drop in price that would result from the sale of this surplus stock to commercial buyers the corporation sold the lot to the Army for use in the occupied areas of Germany and Japan.

This transfer of surplus sugar to the Army was questioned in the Senate Committee on Appropriations during hearings held at the special session of the Congress last fall. At that time it was stated that the Army had immediate need of the 1947 stocks and could not wait until the 1948 harvest. Actually 125,000 tons of the 1947 lot were not moved by the Army until after March 1948, when the new crop of sugar was readily available. The transfer of the 1947 sugar to the Army was made at prices above the then existing world price. The removal of the surplus into Army hands halted the downward trend of sugar prices and prevented the lower prices which might have benefited the American consumer had there been no Government interference.

In February of 1948 the Department of Agriculture again moved to prevent a decrease in the world price of sugar. On February 3, 1948, when the world price of sugar was 3.65 cents per pound and falling lower, a representative of the Department of Agriculture closed a deal with the Cuban Government for the purchase of 1,000,000 tons of sugar at 4 cents per pound. The deal was made within a week of the announcement that 3.5 cents per pound was the top United States offer. Since, for all practicable purposes, the profitable sale of Cuban sugar can be made today only for United States dollars, there is no doubt that Cuba would have sold its surplus sugar at the United States price. In paying at least one-half cent per pound more than necessary the sugar was purchased out of foreign-aid funds at a cost of $10,000,000 more than was necessary.

DOMESTIC PRICES

The amount of sugar that enters the United States for domestic consumption is controlled by quotas which were legislated in 1937 and renewed in the Sugar Act of 1948. The quotas are fixed for all countries except Cuba. The Cuban quota, established in January, is open to renegotiation. In January of this year the Cuban quota for United States sugar imports was established at 3,239,429 tons. From January 1 until March 1 the price for refined sugar at New York dropped from 8.40 cents per pound to 7.75 cents per pound. To prevent further decreases in price the quota was cut back to 2,943,509 tons on March 11.

In the next 2 months, however, the price took a further drop to 7.5 cents per pound. Therefore a further reduction of quota was made on June 10 to 2,450,309 tons. Since that quota revision the price had begun to climb back again as shortages in sugar have been noticed in the stores of the Nation.

Few commodities affect the American consumer as directly as does sugar. There is hardly a home in the Nation where sugar is not set on the table at every meal. It is used in almost every type of prepared food. Moreover it has widespread industrial uses in the United States. The cost of sugar has a direct bearing upon the cost of living. The average consumption of sugar per person in the United States totals slightly more than 100 pounds per year, according to quota figures.

There is no excuse for any shortage of sugar today in American markets. There is no excuse for continuing sugar prices at wartime inflation levels. Sugar is a valuable food for Americans and for the hungry people of the world, to whom America is extending dollar aid. The Department of Agriculture should call an immediate halt to its present senseless manipulations in the sugar markets and begin an honest effort to work for the American consumer and taxpayer, who is paying the price of Government intervention.

Veterans' Benefits

EXTENSION OF REMARKS
OF

HON. WALTER B. HUBER

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. HUBER. Mr. Speaker, under leave to extend my remarks, there is presented for insertion in the CONGRESSIONAL RECORD the following summary of available benefits and services for veterans and their dependents.

During the years I have served as a member of the Committee on Veterans' Affairs I have had thousands of inquiries on these and related subjects, and I have found that, although the Veterans' Administration and the various veterans' organizations all cooperate splendidly in disseminating necessary information, many of our ex-servicemen of all wars and their dependents are not aware of the numerous rights and privileges to which they are entitled.

Therefore, with the assistance of the Veterans' Administration, I have compiled the following summary which I hope and believe will be of immense value to veterans, their relatives, and others interested in the welfare of those who have patriotically served in the armed forces of the United States:

Governmental benefits and services available for veterans and their dependents

Type of benefit	Basis of eligibility	Nature of benefit	Administering agency
Compensation for disability, service-connected.	Disabilities resulting from injury or disease incurred in or aggravated by active service. Discharge under conditions other than dishonorable.	$13.80 to $138 a month, depending on degrees of disability. Spanish-American War, World Wars I and II. $11.04 to $110.40 peacetime service. Additional benefits for helplessness, blindness, loss of limbs, etc. Additional amounts are payable to wartime veterans 60 percent or more disabled for wife, children, or dependent parents.	Veterans' Administration regional office having jurisdiction over place of residence. Veterans' Administration, Washington 25, D. C., when veteran's service was prior to July 16, 1903.
Compensation for death due to service.	Death while in active service as result of an injury or disease incurred in line of duty. Death after discharge caused by service-connected disability. Discharge under conditions other than dishonorable.	Widow receives $75 per month with additional amounts for minor children. Dependent mother or father $60 per month; dependent mother and father, each $35 per month. (Above rates for Spanish-American War, World Wars I and II. Lower rates for peacetime service.)	Veterans' Administration Branch Office having jurisdiction over veteran's place of residence at time of his death. Veterans' Administration, Washington 25 D. C., when veteran's service was prior to July 16, 1903.
Pension for disability not service-connected.	90 days' active service during Spanish-American War, World War I or II, or, if less, discharged for disability in line of duty. Discharge under conditions other than dishonorable.	$60 per month for permanent total disability. Increased to $72 after continuous receipt for 10 years, or age 65. Income limitations. Service pension is payable in varying amounts for disability or age from $17.28 to $90 monthly with additional amounts for aid and attendance to veterans of Indian Wars, Civil War, and Spanish-American War.	Veterans' Administration regional office having jurisdiction over place of residence.
Pension for death not due to service.	90 days' service or discharge for disability in line of duty during World War I or II. Discharge under conditions other than dishonorable. No other service-connection requirement for World War I veterans. World War II veterans must also have had at time of death service-connected disability for which pension would be payable if 10 percent or more in degree.	Widow will receive $42 per month with additional amount for each minor child. Income limitations. No benefit for parents. Service pension is payable in varying amounts from $36 to $60 monthly to widows of veterans of Indian wars, Civil War, and Spanish-American War (with additional amounts for minor children).	Veterans' Administration branch office having jurisdiction over veteran's place of residence at time of his death.
Burial allowance—Federal (also provided by some States).	Service during a period of war, or discharge for disability incurred in line of duty, or in receipt of pension for service-connected disability. Discharge under conditions other than dishonorable.	Maximum allowance of $150 for cost of burial and funeral expenses and transportation of the body.	Do.
Burial flags	Service during a period of war, or a complete enlistment, or discharged for disability incurred in line of duty. Discharge under conditions other than dishonorable.	American flag to drape casket and to be presented to next of kin after burial.	Veterans' Administration or county seat post office.
Hospital care (provided by Veterans' Administration).	Service during a period of war, or a service-connected disability due to war or peacetime service, or line of duty disability discharge from peacetime service with discharge under conditions other than dishonorable.	Complete hospital care in a Veterans' Administration hospital, or certain other Government hospitals, including transportation. Care elsewhere may be authorized by VA for service-connected disabilities. Prosthetic appliances supplied under certain conditions.	Nearest Veterans' Administration field station. (Authorization for admission should be secured before patient goes to hospital.) Veteran's physician can arrange by telephone in emergencies.

Governmental benefits and services available for veterans and their dependents—Continued

Type of benefit	Basis of eligibility	Nature of benefit	Administering agency
Housing	Service-connected disability due to war or peacetime service entitling to compensation for permanent and total disability due to spinal-cord disease or injury with paralysis of legs and lower part of body.	Payment by Administrator of Veterans' Affairs up to 50 percent of cost not exceeding $10,000 of a suitably equipped housing unit and necessary land therefor.	Veterans' Administration, Washington 25, D. C.
Domiciliary care—Federal (also provided by some State soldiers' homes).	Service during period of war or service-connected disability due to peacetime service, or line of duty disability discharge from peacetime service with discharge under conditions other than dishonorable. Must be so disabled as to be unable to earn a living and without adequate means of support.	Full care, including medical treatment in Veterans' Administration home.	Nearest Veterans' Administration field station.
Medical treatment and prosthetic appliances.	Service-connected disabilities requiring out-patient care or prosthetic appliances. Prior authorization required.	Out-patient treatment by designated physician including necessary medication. Prosthetic appliances provided through Veterans' Administration.	Do.
National service life insurance.	Active service after Oct. 7, 1940. Application may be made within 120 days after entrance into active service without further physical examination. If active service was between Oct. 8, 1940, and Sept. 2, 1945, insurance may be granted after release from service upon application in writing, payment of premiums and evidence of good health satisfactory to the Administrator of Veterans' Affairs. Lapsed insurance may be reinstated without physical examination on or before July 31, 1948, or within 3 months after lapse if applicant is in as good health on date of application and tender of necessary premiums as on date of lapse. Term policies are renewable for an additional 5 years at premium rate applicable at time of renewal.	Death benefits payable in one sum (policies maturing on or after Aug. 1, 1946), or under monthly plan, as selected. Waiver of premiums during continuous total disability (commencing before insured's sixtieth birthday) which continues six or more consecutive months. For an additional premium, total disability income of $5 per month per $1,000 of insurance under certain conditions.	Veterans' Administration branch office having jurisdiction of area in which insured resides.
Readjustment allowance (unemployment allowance under Servicemen's Readjustment Act of 1944, as amended).[1]	Active service between Sept. 17, 1940, and July 25, 1947. Must have had 90 days' service, or, if less, discharge for disability incurred in service in line of duty. Discharge under conditions other than dishonorable. Week of unemployment must occur not later than July 25, 1949, or 2 years after discharge, whichever is the later. No readjustment allowance payable for any week commencing after July 25, 1952.	Compensation $20 per week, less any wages received in excess of $3. Eight weeks' benefits for each month of first 90 days' service plus 4 weeks per month thereafter, between Sept. 17, 1940, and July 25, 1947. Maximum number of weeks, 52. Self-employed veteran entitled to difference between net earnings and $100 per month.	Veterans' Administration through State unemployment compensation agency.
Unemployment compensation—State.	Veteran must have accrued credits prior to entering service. No service requirements.	Credits generally preserved and available after discharge. Varies according to State laws.	State unemployment compensation agency.
Loan guaranty (provided by Servicemen's Readjustment Act of 1944, as amended).[1]	Active service between Sept. 16, 1940, and July 25, 1947. Discharge under conditions other than dishonorable. Service must have been for 90 days or more; if less, discharge for service-incurred disability required. Loan must be made before July 26, 1957.	Administrator of Veterans' Affairs may guarantee up to 50 percent of a loan for purchase or construction of homes, farms, or business property, or farm or business equipment. Maximum guaranty, $4,000 real-estate loans; $2,000 non-real-estate loans.	Veterans' Administration regional office having jurisdiction over place of residence.
Education and training (provided by Servicemen's Readjustment Act of 1944, as amended).[1]	Active service between Sept. 16, 1940, and July 25, 1947. Discharge under conditions other than dishonorable. Service must have been for 90 days or more; if less, discharge for service-incurred disability required. Course must be initiated not later than July 25, 1951, or 4 years after date of discharge, whichever is the later. No education or training beyond July 25, 1956.	Education or training for period of 1 year plus time in active service after Sept. 15, 1940, and prior to July 26, 1947. Total period not to exceed 4 years. Monthly subsistence allowance $65, if without dependent, $90 with dependents. In full-time institutional training, monthly subsistence allowance $75 a month without dependents, $105 with 1 dependent, $120 with more than 1 dependent. In part-time institutional training, including institutional on-farm training, proportionate share of above increased rates. Lesser sums may be paid if veteran is attending course on part-time basis or is receiving compensation for productive labor. Subsistence allowance plus such compensation received may not exceed $210 per month for a veteran without a dependent or $270 per month for veteran with 1 dependent, or $290 for a veteran with 2 or more dependents. Tuition and certain other expenses up to a limited amount (ordinarily $500 per year) also paid.	Do.
Federal vocational rehabilitation (in schools, colleges, or industry).	Active service between Sept. 16, 1940, and July 25, 1947. Discharge under conditions other than dishonorable. Compensable service-connected disability and need of vocational rehabilitation to overcome handicap of such disability. No training beyond July 25, 1956.	Vocational training or school expenses paid. Subsistence allowance $65 monthly if without dependent, $90 monthly with dependent or dependents. Minimum monthly payment of allowance, plus any compensation or other benefits: (*a*) Service-connected disability rated less than 30 percent, $105 if without dependent, $115 if with dependent, plus for additional dependents $10 for 1 child and $7 additional for each additional child, $15 for a dependent parent; (*b*) service-connected disability rated 30 percent or more, $115 if without dependent, $135 if with dependent, plus for additional dependents $20 for 1 child and $15 additional for each additional child, $15 for a dependent parent.	Do.
State vocational rehabilitation.	Need for training to overcome vocational handicap due to disability.	Tuition, books, tools for training, treatment, appliances, maintenance under varying circumstances, by State-Federal funds.	State Vocational Rehabilitation division—State capital city.
Reemployment	Service after May 1, 1940. Discharge under honorable conditions. Apply for reemployment within 90 days after discharge.	Entitled to reemployment if prescribed conditions are met.	Division of Veterans' Reemployment Rights, Department of Labor (contact local public employment office for information).
Employment	Service during a war period. Discharge under conditions other than dishonorable.	Vocational guidance and placement by veterans' employment representatives.	Local public employment office.
Civil service preference—Federal (also provided by some States).[2]	Active service in time of war or service-connected disability. Separation under honorable conditions. (Preference of peacetime nondisabled veterans acquired prior to June 28, 1944, protected.)	Extra credit points and preference allowed under certain conditions.	U. S. Civil Service Commission regional office. (Information at local post office.)
Burial in national cemeteries.	Last service must have terminated honorably	Burial in national cemetery. Under certain circumstances may also include wife, husband, widow, widower, or children.	Superintendent of nearest national cemetery.
Headstone or grave marker	do	Uniform type of headstone or grave marker furnished free, delivered to nearest railroad station.	Quartermaster General, U. S. Army, Washington 25, D. C.

[1] Special provisions as to period of eligibility are applicable to cases of a first period of enlistment or reenlistment contracted within 1 year after the date of the enactment of the Armed Forces Voluntary Recruitment Act of 1945 (sec. 11, Public Law 190, 79th Cong., approved Oct. 6, 1945) where such enlistment extends beyond July 25, 1947.
[2] Wives, widows, and widowed mothers entitled to preference under certain conditions.

What of Our German Policy?

EXTENSION OF REMARKS
OF

HON. JOHN H. FOLGER
OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. FOLGER. Mr. Speaker, I should like to call to the attention of the House a problem which closely ties in with the whole question of European recovery.

In the past few months we have been virtually snowed under with voluminous reports relating to this problem. Undoubtedly it is a vital matter not only because present conditions in Europe will eventually affect our own prosperity but also because a durable peace will depend upon sound economic conditions in Europe.

The terrible devastation inflicted upon the victims of German and Japanese aggression is incalculable in terms of loss of life. They are not alone to be measured in terms of the spiritual demoralization of those who managed to survive. But, nevertheless, there are available some cold statistics which can give us some sort of a picture of the tremendous damage done by the Germans in their mad bid for world domination.

Aside from the millions of people slaughtered by the German war machine, vast amounts of agricultural and industrial resources in the victimized countries have been destroyed, including factories, machinery, railroads, and so on. The claims of Allied nations reflect these material damages, which partially destroyed their productivity, and prevent the rebuilding of their economies.

For instance, the Greeks claim damages up to approximately $11,000,000,000; the Dutch about $2,000,000,000; the French about $97,000,000,000; the Russians more than $130,000,000,000, and other countries in staggering amounts. British authorities estimate that almost one out of every three houses in the United Kingdom was destroyed by the German Air Force, and that by 1943 nearly 3,000 ships of her merchant fleet were sunk. It is estimated that Belgium has claims up to as much as $5,000,000,000. This shows the extent of devastation in Europe today, and, by the same token, indicates the tremendous job ahead of rebuilding these war-torn countries.

The United States which, comparatively, escaped the physical onslaught of the Germans, and as a matter of fact increased its productive capacity, is in a strategic position to help Europe get back on her feet. Undoubtedly Secretary Marshall had this in mind when he made his now famous speech at Harvard.

But it seems to me that a vital consideration in the whole question of rehabilitating Europe has either been overlooked or deliberately bypassed. I am referring, of course, to the responsibility that Germany must share in this crisis. It is a responsibility based not only on the fact that the Germans were the chief perpetrators of destruction, but that in spite of Allied bombings, Germany still maintains an industrial potential surpassing those of her neighbors. This has been officially proven by the United States Bombing Survey, which brought out the fact that the effect of Allied bombings did not seriously impair Germany's huge industrial resources.

It is true that these bombings were quite effective. It is true that they helped to weaken her capacity to wage war, but as a whole, German industry survived. It is estimated that at least 75 percent of Germany's industrial production capacity is intact. This is even true in the heavily bombed steel and machine industries, while the chemical and dye industries—I. G. Farben, if you please—are relatively untouched. These facts were submitted in testimony before the Senate Subcommittee on Military Affairs in 1945–46 by responsible American officials in the American military zone.

It was recognized by the Big Three when they met at Potsdam. For when they discussed the question of Germany's ability to repair the source of the damages she had inflicted on her victims, agreements were made which clearly show that Germany was, and still is, in the position to make such compensations. Part 4 of the Potsdam agreement deals with reparations from Germany and states:

> In accordance with the Crimea decision, that Germany be compelled to compensate to the greatest possible extent, for the loss and suffering that she has caused to the United Nations and for which the German people cannot escape responsibility, the following agreement on reparations was reached.

Following this statement, the Allies allocated, percentagewise, the reparations which would be drawn from Germany to help rehabilitate her victims. In other words, Mr. Speaker, the reparations agreement was, and is, a very important factor in the rehabilitation of Europe. If this agreement is fully and promptly carried out, then we shall have solved an important part of the problem which we face today, namely, the reconstruction of Europe.

This seems perfectly clear to me. Yet, there are some people who are pretending to want to help European recovery, but are willing to scrap the reparations agreement which is a basic factor in that recovery. Mr. Hoover, in particular, has expressed his complete disagreement with the reparations program and has urged that Germany's export trade must take priority. In other words, Mr. Hoover is actually stating that Germany's recovery takes priority over her victims.

Senator BRIDGES a few weeks ago, went so far as to call upon General Clay to stop all reparations.

I am afraid that it would be quite difficult to justify such proposals to the vast majority of our people. For how can anyone justify the position that we take over the full burden of helping Europe recover, thus relieving the Germans of any responsibility?

This, Mr. Speaker, is assuming a burden that we should not bear, and it is my intention today to show that, while we can help Europe from our own resources, Europe can receive significant assistance through reparations from Germany.

Let us examine for a moment what the Allies accomplished in terms of reparations after World War I. Originally, the Germans were obliged to pay in money, the sum of $56,500,000,000. By May 10, 1921, this was scaled down to $33,000,000,000. It was soon decided, however, that instead of paying all in cash, Germany would pay from current production as well. Thus, while the Allies thought they had at last solved the question of reparation payments, actually, they had sown the seeds for World War II and, at the same time, deprived Germany's victims of their future economic and ultimately political independence. For what had happened was quite obvious.

Instead of taking German equipment to help rehabilitate her victims, the Allies actually began to supply Germany with more equipment in order to enable her to produce the necessary reparations in finished products.

Thus, Germany proceeded to convert war plants for reparations purposes which might have otherwise been destroyed. Secondly, the countries who should have received German capital equipment became more and more dependent upon German materials, machines, spare parts, and so forth. In other words, we had actually strengthened Germany's economic position in Europe. But, then, Germany argued for foreign loans in order to finance her production for reparations. She received such loans, both public and private, but the Allies became poorer and weaker, economically and militarily. Germany was, therefore, richer by the cash and even more important by the greatly increased industrial war potential.

According to figures provided by German and Nazi sources, Germany paid 10,000,000,000 marks in reparations under the Dawes and Young plans, while, at the same time, her public and private foreign loans amounted to 28,000,000,000 marks. The Royal Institute of International Affairs of London stated that Germany borrowed from abroad three times as much as she paid in reparations.

In other words, Mr. Speaker, Germany found that even in defeat she could make a good bargain. Incidentally, I would like to state that of the sums of money lent to Germany in the years from 1924 to 1930, just over half came from the United States alone. Not only in cash did Germany succeed in pulling a "fast one," but also, as I have just mentioned, in terms of her industries. Now, where did this money go? It went into the great German steel trusts, the notorious German potash trust, the Siemens electrical combine, I. G. Farben, and so forth. More than $800,000,000 of these moneys were used to secure an enormous advance in Germany's electrification which, of course, was controlled by the great German electrical trusts.

In 1923, for instance, the total generation of electrical current in Germany amounted to 20,000,000,000 kilowatt-hours; but in 1929, mind you, it had risen to 30,000,000,000, and by 1939, the eve of the war, it had risen to the gigantic total

of 55,000,000,000. Why did Germany need this vast amount of electrical current?

At a conference of German chemical industrialists in Munich in December 1928, this question was answered by Prof. J. Hess, who told his colleagues that the program of German electrification meant "a saving of raw and auxiliary materials." Here, Mr. Speaker, was the beginning of Hitler's "economic autocratic program." It preceded Hitler, and naturally so, because Germany had been preparing for World War II from the very day of the armistice in 1919.

Yes, the American dollar played a very great role in Germany—so great, that Germany, by the time of Hitler's accession to power, had become the foremost industrial nation in Europe. This can be seen from the fact that during the very years of so-called German "helplessness," namely, 1920 to 1933, the cartelization of German industry had reached proportions hitherto unknown in the modern industrial world, and heavy industry, of course, was in the forefront of this development. Official records show, for instance, that between 1933 and 1936, Germany spent most of her income on the development of capital equipment or heavy industry. In 3 years, after Hitler seized power, Germany's new investment in heavy industry was increased almost 500 percent, while it increased only 100 percent in the consumer-goods industry.

Another fact: In 1932 Germany produced approximately 4,000,000 tons of steel for domestic needs. By 1943 she was producing the staggering total of 23,000,000 tons. This is the history, in brief, of the way the Allies handled the reparation problem after World War I, and how Germany's victims were "compensated" for their losses. It was nothing short of a tragic farce—a farce for which the world had to pay in blood, sweat, and tears. Is it any wonder, therefore, that Germany became a dominant power in Europe, so that by 1936, with less than 10 percent of the area and 20 percent of the population in Europe, Germany accounted for one-half, and in some cases much more than one-half, of the total European production of heavy industries?

Is it any wonder, therefore, that Germany controlled the economies of her neighbors, and it is precisely on this fact that certain people now shout the half-truth that European prosperity depends upon the recovery of a strong, industrialized Germany? The real truth is that Germany has used her industrial might to depress the economies of her neighbors. Ultimately her stranglehold on the economic destinies of her victims was transformed into political suzerainty.

Yes, Mr. Speaker, this was the practical method which enabled the Germans to spread the legend that European prosperity depended upon Germany's economic strength. But this is precisely the kind of dependence which cannot breed prosperity or security and will never contribute to a sound recovery in Europe.

I believe it was the basic aim of the Big Three when they met in Potsdam to create strong economies in the various nations victimized by the German aggression. This can be partially achieved by our assistance, but there is no moral or economic justification for permitting Germany to get away with it again.

Edwin A. Pauley, who was the President's representative on reparations, has made this perfectly clear. I have read his recent comments on the present situation and I would urge each of you to read his statements entitled "We Are Repeating the Blunders of 1918." I should like to quote briefly what he has to say:

> This article is a warning to America. It is a warning of grave peril. The peril that the victorious Allies are going to help Germany arm for World War III, just as they helped her to arm for World War II. This is happening right now. In 1918, we won a war. * * * So—with Uncle Sam lending the money and never getting it back—Germany was able to develop the great steel, chemical, aircraft, and other plants which equipped the hordes of Hitler for conquest. We saw the error—too late. But we vowed we would not make that same mistake again. This time, we said, we would disarm and deindustrialize Germany so she could not again become an aggressor. * * * We proposed to our Allies that we take away from Germany all of the industrial plants and equipment beyond what Germany needed to maintain living standards not in excess of those of the nations she had ravished. We proposed, also, that these plants and equipment be transferred to the countries which Germany had devastated in order that they might be aided in rebuilding their lives.
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> To these proposals Russia, Britain, and France agreed.

So, the Allies agreed to such reparations. In order to calculate the amount of reparations, they also agreed to fix the level of Germany's peacetime industry. This was finally accomplished in March 1946. The level of industry was based on the agreement that Germany should not be permitted to produce more than 5,800,000 tons of steel annually, with a total steel capacity of 7,500,000 tons. This was an equitable arrangement in view of the fact, as I have mentioned, that Germany only required 4,000,000 tons for domestic use in 1932, as was clearly revealed in the exhaustive analysis made by our Foreign Economic Administration in which all the major United States agencies colloborated. But very early in the game, voices were raised against the arrangement on reparations.

For one thing, John Foster Dulles, making a report to the Federal Council of Churches, stated:

> Reparations should not be an instrument of vengeance—as if rooting out of German life the material sinews of her aggressions could be called an act of vengeance. I say, that when the future peace and security of mankind depend to a great extent on eliminating Germany's war potential, talk of so-called vengeance is preposterous.
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> Furthermore, realistic people are not thinking in terms of vengeance—they think in terms of security and with security, the economic well-being of all peoples. The Russians, too, began to sidetrack the true purposes of the Potsdam Agreement on reparations. At the Moscow Conference, Foreign Minister Molotov proposed that the capacity of Germany's steel production be raised from 7,500,000 tons to 12,000,000 tons annually. This was the seeking a means of reparations. Incidentally, not so long ago, the Russians insisted that Germany's steel production be limited to 3,500,000 tons a year and on December 21, 1945, the commander of the Russian zone, Marshal Sokolovsky, declared in Berlin that to "leave Germany an annual capacity of 9,000,000 tons of steel, will mean war in a few years."

First of all, with regard to the whole question of reparations, we should bear in mind the need for strengthening our security controls against the resurgence of a strong Germany. That is what Mr. Pauley had in mind. The United States Foreign Economic Administration, too, was very clear on this point.

We must remember the fact that the problems of reparations is not only a key to the rehabilitation of Europe, but is one of the most vital issues affecting the treatment of Germany and is a major source of friction among the Allies at the present time.

Though the Russians now propose to increase Germany's steel capacity, the British and ourselves are not far behind. As a matter of fact, in the new level of industry plan for Germany, August 1947, we have announced our intention to permit the Germans to produce 10,700,000 tons of steel per year. In view of current developments, this figure may be tentative. But even if we assume that this figure is permanent, when are the Allies going to receive the 9,000,000 surplus steel capacity? Especially when it is known that the existing steel capacity in the western zone alone is approximately 20,000,000 tons. Incidentally, if Germany, in the long run, will be permitted to retain the full steel capacity, then she will be able to produce more steel than any single nation in Europe and yet she was supposed to have lost the war.

Moreover, in order to maintain the huge steel capacity of 10,700,000 tons of steel, other industries also have been increased. For instance, in the machine-tool industry, the original Big Four plan permitted the production of about 74,000,000 reichsmarks in all of Germany. But the new plan states that the western zones alone will increase this figure to 170,000,000 reichsmarks or about 129 percent.

In electric power, the new plan halts further removals for reparations to Germany's victims and, instead, calls for a substantial increase in electrical power equipment. Likewise in the chemical industry the level will be approximately that of 1936 which is about 42 percent more than was provided in the Big Four plan. In other words, the tremendous increase in German steel capacity is accompanied by the boosting of the capacities of other industries far above the original plan of March 1946.

What does this mean in terms of reparations? Even a superficial reading of the new plan will show that this fundamental objective has been practically vitiated. For example, only 3 percent of the mechanical and engineering industries will be removed for reparation as against 60 percent of the original plan. In some instances, such as the cement industry, there will be no reparations for Germany's victims whatsoever.

But, Mr. Speaker, the new level of industry plan as regards reparations merely formalizes a situation which has existed practically since VE-day. Agreements

were made in April 1946 with our Allies to allocate German reparations. An Inter-Allied Reparations Agency was set up in Brussels at the end of 1945, but in spite of its stirring appeals to the Council of Foreign Ministers, there has been a virtual embargo of reparation deliveries to the victims of German aggression.

As of February 1947, only 6 complete plants were delivered to Germany's victims out of about 1,600 originally earmarked for reparations. These deliveries were increased to a little more than 30 plants by August 1947. By December 1947, 197 plants were allocated. Incidentally, in dollar values as of January 1948, 18 claimant nations received the trifling total of only $63,000,000 worth of reparations. This violation of our commitments has been so gross that we and the British were finally forced to declare in October 1947 that 682 plants would be dismantled for reparations which is about 50 percent less than originally contemplated. But even the New York Times of October 17, 1947, revealed that of these 682 plants, 302 are strictly war plants. Furthermore, the 682 plants which are now earmarked for reparations is less than 1 percent of all German plants in the western zones. This is confirmed by the statement of Sir Brian Robertson who declared, on October 16, 1947, that—

> The number of plants in the British zone is of the order of 50,000 and we are taking 496 of them. Admittedly, some of the 50,000 plants are small plants—so are some of the 496.

Why even the Germans cynically admit that the new reparations program has not touched the heart of Germany's industrial war potential. As reported by the New York Times on November 16, 1947, Ernest Matthiensen, former director of the stock exchange department of Germany's notorious Dresdner Bank, revealed that when first reports of the bizonal dismantling program leaked out, the stock market fell. But when the list of factories to be dismantled was finally announced, Herr Matthiensen declared:

> We saw that it only affected a small portion of German industries. It was what you might call an agreeable disappointment. The market recovered quickly.

Yet the Germans are continually whining about reparations, and even the Senator from New Hampshire has joined in.

As early as 1946, the former chief of the bizonal committee, Dr. Rudolph Mueller, an executive of the infamous Rohm and Haas cartel, outlined his plan for the rebuilding of a strong Germany. He declared that, unless there was immediate cessation of total or partial dismantling of plants, with the exception of such as exclusively serve "armament" purposes, reconstruction in Germany would be impossible. This has been echoed by all Germans.

Dr. Kurt Schumacher, the new champion of the German democratic forces and head of the Social Democratic Party, who pretends to be a liberal German, has even gone so far as to state that he could not ask the German workers to carry out Allied directives on reparations. In more blunt terms, I state that the Germans have never had any intentions to do so, but rather have, through every possible way, sabotaged the fulfillment of the program.

As I have stated, the Inter-Allied Reparations Agency has made countless appeals to the Council of Foreign Ministers on this vital program. For the most part, the press has not reported what they have had to say. For instance, on July 11, 1947, they issued a press release which said, among other things:

> On the other hand, the western zones of Germany contain a surplus of industrial equipment which is immediately available, since, in any case, their industrial capacity cannot be maintained at the same level as it was at the end of the war.
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> Whatever the level at which German industry will be finally fixed, a number of plants will still be available for transfer. Since many German plants are at present lying idle and cannot, in any case, be used by Germany for a long while to come because of lack of fuel and manpower, their transfer will not appreciably add to the German problem or to the difficulty of feeding the German nation.
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> The value of this form of reparation to the countries which receive it has often been a subject of discussion. But the intense competition among the member governments of the Inter-Allied Reparations Agency for this industrial equipment clearly indicates the importance which the European nations attach to it. Even the most highly industrialized countries of Europe are endeavoring to obtain a maximum of such equipment.
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> The truth is that much of Germany's idle plants consists of precisely the kinds of equipment most needed now by the devastated countries. It represents also many items which cannot now be obtained from other sources, regardless of monetary credits. Even American industry, at this time, is hardly in a position to supply all the industrial equipment needed to revive the European economy, if our own needs are considered just a little.
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> German reparation can, therefore, be a powerful contribution by Europe herself toward her own reconstruction and is closely linked to any program which may be drawn up by the Conference meeting in Paris on July 12.

In other words, as early as July 1947, the Inter-Allied Reparations Agency recognized the importance of reparations in any plan for the rehabilitation of Europe.

Even General Clay, in a press conference on November 1, 1947, referring to the winning of the Germans against the new program of reparations which is so inconsequential, stated:

> It is my own belief that a considerable quantity of this plant that is to go into reparations can, in effect, be placed in production elsewhere quicker than in Germany and if that is true, would provide an increase in European production which is so essential for the economic recovery of all of Europe.

He further made this admission which did not appear in the leading newspapers in the United States:

> It was not contemplated at any time that the German people would be happy over reparations from capital equipment, but the fact remains that under all considerations involved, including aid, probably no other conquered nation has been treated with greater consideration.

Strangely Germany seems to be a favored child. Why?

The fallacy of a policy which would leave so much surplus productive capacity in Germany has been recently confirmed by Kenneth C. Royall, Secretary of the Army, who said:

> If General Clay is right, and I have no reason to doubt it, these plants will be of no value to Germany within 5 years.

The attacks against the Allied program on German reparations have been so unprincipled that an American member of the Inter-Allied Reparations Agency, Mr. Albert Z. Carr, has felt it to be his duty to speak out in a recent article published in the New York Times, December 7, 1947. He took up every argument posed by those who would scuttle the program and showed by facts and figures that reparations was not only essential to the real recovery of western Europe, which is supposed to be the guiding principle of the Marshall plan, but is indeed a vital prerequisite for the strengthening of our own security against a resurgent Germany. As regards the Marshall plan for European recovery, Mr. Carr states:

> Under the Marshall plan western Europe must help herself as well as receive help from America. To help herself she must increase her own production, and daily it is becoming clearer that one way in which western Europe can increase her production is to redistribute Germany's surplus industrial plant in the British, American, and French occupation zones * * *.
>
> The future of Europe's economy may turn on whether or not the present schedule of reparations in plant and machinery is adequate and whether the deliveries are made on time. If the payment is adequate and not too long delayed, reparations may turn out to be a most important element in the recovery of Europe.

No American who is sincerely concerned about our national interests and our security can afford to disregard Mr. Carr's observations that—and I quote him again—

> The German industrial economy is still, by all odds, potentially the mightiest in Europe.

This is a fact which is sometimes glossed over in order to portray Germany as being a mass of rubble. There seems to be a commitment that Germany shall control the manner and degree of recovery in all Europe.

This was the line that was first used by the Germany Firsters in their efforts to prevent the implementation of Allied decisions on reparations and other vital phases of the German problem. They said, in effect, do not worry about the poor Germans, they are so weak economically that our real problem is not the danger of their rebirth but rather how we can give them some measure of sustenance. Today this line has been discarded and now the Germany Firsters freely admit that Germany's industrial war potential is mighty and that, therefore, it should be used for the rehabilitation of Europe. Indeed it should be used, but not in Germany, but rather should this surplus capital equipment be distributed among her victims.

These facts are well worth noting, especially when we observe a concerted campaign being launched in this country against German reparations deliveries. Even the New York Times has joined

in on the fallacious grounds that the United States has already paid out billions to western Europe which have more than paid for the 682 plants now destined for reparations. But the New York Times of June 8, 1947, shows that American aid to Britain, France, Belgium, and Holland, the most important countries of western Europe, totals approximately $6,800,000,000 since VE-day.

With the addition of loans to these countries since that date, the total amount is in the neighborhood of $7,100,000,000. But the New York Times neglected to point out that about 40 percent of these funds are not gifts or charity donations, but rather businesslike loans based on stipulated terms of interest and time payments in dollars. Thus about $2,850,000,000 was given to these countries in the form of gifts, grants, and so forth.

If we compare this amount with the total reparations claims of France, Belgium, and Holland alone, amounting to $100,000,000,000, only a trifle—3 percent—has been satisfied by our grants. Furthermore the New York Times neglects to tell its readers that the greater portion of these grants and gifts have been in the form of foodstuffs and other commodities used for immediate consumption and does not represent productive capital. Therefore, in spite of our generous help thus far, we have not actually tackled the basic problems of reconstruction confronting Europe at the present time. And the solicitude exhibited by the New York Times about the American taxpayer shouldering the burden of supporting the Germans is also specious. For if the American taxpayer is now obligated to see that every German is well housed, well fed, and well clothed, it is precisely the result of a policy which deprives Germany's victims of surplus capital reparations and retards recovery in the whole of Europe. When the Times states that the 682 plants should not be removed because "the United States has more than paid for them," it unwittingly admits to the American taxpayer that he is paying the bill for the damages inflicted upon our allies by the Germans, and neglected to require of Germany any aid in the rehabilitation of other European countries.

This, Mr. Speaker, is the policy which we are following today. We are paying German reparations and even these payments do not tackle the heart of the problem, because they do not increase the productive capital of Europe, but, on the contrary, intensify the economic crisis in Europe by forcing Germany's victims to come to us for hard cash in order to buy the products of German production, receiving little or nothing for their own reconstruction.

This is economic and political insanity, for we are telling our taxpayers that they are obliged to finance Germany's heavy industries instead of making the Germans compensate her neighbors for the damages they inflicted. In effect, we are telling Germany's victims that they must forego economic recovery or remain under German economic domination.

The insanity of this program is shown in the case of coal, where, in spite of our solemn promises to ship substantial amounts of coal to Germany's victims, less than 15 percent of the coal produced in the Ruhr is presently exported. What are the consequences? It has forced Germany's neighbors to come to us and pay $22 a ton in hard cash for coal which must be shipped over thousands of miles of water to its ultimate destination. Is it any wonder, therefore, that the fuel situation in our own country is tight and that there is a dollar famine in Europe?

So long as we carry out a policy which deprives Germany's victims of surplus capital goods and factories, which are their just due, then our plans for the recovery of Europe will be built on quicksands. But if reparations in capital goods and raw materials, especially coal, were promptly handed over to Germany's victims, if the occupying powers made a determined effort to unearth the billions of dollars worth of Germany's external assets and allocate them to Germany's neighbors as was originally agreed upon, Europe would have a concrete basis upon which to plan its reconstruction

But for 2 years the victims of German aggression have waited for reparations, and for the promised shipments of substantial quantities of coal from Germany. The failure to deliver has upset their plans for reconstruction which contemplated the utilization of Germany's surplus productive capacity.

Does it make any sense to Germany's victims when they hear voices in this country protesting our commitments on reparations? Can they reconcile this special solicitude for the Germans with our high moral aims toward European recovery? I do not believe so. I am against reparations from current industrial production for the reasons outlined in the earlier part of my speech. But I fully support the reparations claims of Germany's victims based on the Potsdam agreement—that is to say, in capital equipment, raw materials, such as coal, timber, potash, and so forth. The failure to deliver reparations has been excused by some on the pretext that economic unification of Germany must precede the implementation of the program. Does this mean that the rest of Europe must wallow in economic misery and political unrest until Germany is rebuilt? It is not sufficient that Germany's victims receive food and clothing. It is far more important, in the long run, that they have an industrial base upon which they can determine their own economic future—independent of Germany.

This is the feeling of most of the Allies and has been expressed by the Inter-Allied Reparations Agency. The Reparations Agency has expressed concern lest the German authorities, now vested with great power over the German economy, succeed in gaining American support for their contention, namely, that they could not be held responsible for the economic consequences in Germany if the reparations program were executed. Therefore, the Germans, as I pointed out, are doing everything in their power, including sabotage, to block the dismantling of plants.

Three years ago the violation of our sacred obligations to our wartime allies would have been unthinkable. But now it seems to be the fashion to berate Germany's victims and curry the favor of the Germans. I believe, however, that if we are to preserve our reservoir of good will in Europe, we must continue our leadership in peace, and should not be remiss to other Europeans.

Europe has been ravaged by the Germans time and again, and I frankly state that any nation which shows a special solicitude for the Germans at the expense of her victims will not be able to maintain the good will of the latter. Furthermore, they will look with suspicion on any plans we propose for the rehabilitation, for they will say—and rightly so—"Why have you not included in such a plan the prompt, the full delivery of reparations from Germany which we have every right to claim as due to us in partial replacement for what the Germans destroyed?" I believe the victims of German aggression are troubled, and afraid of German power.

The present trend in our policy toward Germany can only play into the hands of those who question our true motives toward the recovery of Europe. They will point to the present barrage in the press against German reparations as another proof that American policy toward European recovery is a facade behind which the German powerhouse will be reinvigorated at the expense of her victims.

I feel very strongly on this whole problem because the present stalemate on reparations endangers the whole structure of European and world security and deprives our allies of the necessary resources to rehabilitate their war-torn economies.

Germany's victims have not forgotten, however, that the United States did have a policy which expressly stated that German reparations could and should play a major role in the recovery of Europe. It was summed up by our State Department on December 12, 1945, in the following words:

> It is in the interests of the United States to abide strictly by the terms of the Berlin declaration, which imposes a severe reparation obligation on Germany in order to—
>
> (a) Weaken effectively the economic base from which war industry could be derived until a peaceful democratic government is firmly established in Germany;
>
> (b) Provide material assistance to United Nations countries which have suffered from Nazi aggression and which now face tasks of rehabilitation and reconstruction from the damage of war;
>
> (c) Insure that, in the recovery from economic chaos left by war in Europe, the aggressor nation, Germany, shall not reconstitute a peacetime standard of living at an earlier date than the countries ravaged by German arms.

I firmly believe that these principles should remain our guide in the treatment of Germany and in helping Europe recover. They clearly implied that the United States was determined to reverse the economic trends of the past 25 years which have placed Germany in the key role of economic and political arbiter of Europe's destinies. Why we since have rejected this sound policy and substituted a program which will maintain Germany's stranglehold over Europe is beyond my comprehension.

In this connection I am happy to note that Secretary Marshall has also entered the fight. His letter and memorandum of February 11, 1948, to Senator ARTHUR H. VANDENBERG should be read by every Member of this House and should be publicized throughout the land for it proves that not only do we have a moral and political obligation, but that, economically, reparations is a cornerstone for the European recovery program.

Of course, when it is noted that the total residual value of reparations, as estimated by Secretary Marshall, will be in the neighborhood of $250,000,000, I cannot feel too enthusiastic especially when I know that the damages claimed by the member nations of the Inter-Allied Reparations Agency amounted to somewhere in the neighborhood of 300 billions of dollars. In spite of the howlings of the Germany Firsters even the present reparations program is a mere fraction of the losses suffered by our wartime allies. Nevertheless, I fully support the principles of reparations as outlined by the Secretary of State, because in the long run it will test our sincerity with the nations of western Europe. I know that if the United States does not come through on this vital issue the forces which oppose ERP will grow in numbers and in strength. Such a course, in the long run, means political and even economic isolation for the United States.

In view of these facts I cannot believe that any fair-minded American can sit back and permit a handful of pro-Germans in this country to subvert our foreign policy on behalf of German interests.

I have raised this question of reparations before the Senate because in our foreign policy we must be as realistic as we are determined, and if we aim to be realistic and, hence, effective, then our Government must take the lead in breaking up the ice jam and carry out, both in letter and spirit, without delay, the reparations program as agreed to. I feel that if we take that initiative, great progress will be made, not only in assisting European recovery, but in the solution of the German problem.

Public Law 810, Eightieth Congress, Provides Retirement Benefits to Officers and Enlisted Personnel of the Reserves of Our Armed Forces

EXTENSION OF REMARKS
OF

HON. JAMES E. VAN ZANDT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. VAN ZANDT. Mr. Speaker, an entirely new departure in retirement legislation is provided in title III of Public Law 810, Eightieth Congress, which establishes for the first time in history a comprehensive system of retirement benefits for Reserve personnel based solely upon years of service. This radical innovation is symbolic of the widespread and growing recognition which is now being given to the Reserve components as an essential element of our military strength and one which is absolutely vital to the future security of the United States.

Any thinking man or woman in this country who has ever served in our military or naval forces, or who is at all familiar with the problems with which the services are confronted in wartime, knows only too well how dependent we are and always have been upon the civilian soldier and sailor in time of emergency. High ranking officers of the armed services admit this freely and one general officer has gone on record quite frankly to the effect that the only wars we have ever won without the help of the Reserves were a few Indian wars.

Today, more than ever before, the military strength of the United States lies in its civilian components. A democracy like ours cannot afford the tremendous drain upon its financial resources which would result if we attempted to maintain a standing Regular Army, Navy, and Air Force adequate to meet our needs in wartime. Our only alternative then is to support a small, efficient, compact Regular Military Establishment, consisting of highly trained and competent professional officers and enlisted men, which will serve as a core or nucleus for expansion of our armed forces in wartime. This nucleus must be supplemented in time of emergency by the civilian components, and as we all know, the numbers of wartime personnel who will be furnished from these sources will far exceed those provided by the Regular Establishments. This has been true in the past and will be equally true of the future.

In previous wars the United States has enjoyed a great defensive advantage inherent in its geographical location, protected as it has been by two great ocean barriers. In addition to the protection furnished by our location, we were able to count upon potential allies overseas who could bear the initial brunt of an enemy's assault and hold his forces off until we had had a year or two to prepare ourselves for hostilities. Now time and distance no longer have their former meaning from a defensive standpoint and those friendly nations upon whom we were wont to rely in the past may never again be able to gain time for us. Indeed, it is widely believed by military experts that any future war will come with a suddenness and swiftness such as we have never known before, and that in all likelihood the initial targets of a hostile power will be within our own shores.

Because of these considerations it is imperative that we build up today a strong dynamic reserve of trained and professionally competent officers and men who will be qualified to take the field or fill their billets aboard ship or in the air when the day of mobilization arrives. We can no longer count upon a margin of safety in time. No longer will we have a year or two for indoctrination training, maneuvers and training camps. We must be ready to go to war, if war comes, on the day hostilities begin.

Bearing all of these things in mind, it should be very apparent to anyone why it is necessary today, more than ever before, to maintain our Reserve forces constantly at a peak of training and efficiency. An added factor of great importance which makes this so vital in the modern age is the great increase in technological development which requires that our forces be manned with specialists possessing diverse scientific and technical skills. An ordinary seaman may be trained, perhaps, within a period of a few weeks, but it takes months and years to train radar technicians, communications personnel, aviation mechanics, and all the many other technical personnel upon whom the success of military operations must depend.

In order to insure that our civilian components will be in a state of readiness when the call to arms is sounded, whenever and however unexpectedly that time may come, we must take steps to set up a program for the training and indoctrination of the civilian soldier and sailor far surpassing anything we have done in the past.

We all know, however, that a Reserve officer or enlisted man who applies himself steadily and faithfully to a program of peacetime training must do so at considerable personal sacrifice. He must give up his evenings at home with his family to attend drills, or shut himself off from social activities while he devotes himself to correspondence courses. He must forego his summer vacation if he attends camps or cruises. Those who have done these things in the past have done so solely from motives of patriotism.

The type and extent of Reserve service which will be required in the future demands that a further incentive be offered if we are to build our civilian components to the strengths which must now be provided. However strong the patriotic motives of our men and women may be, some additional inducement must be held out to them which will compensate them for these personal sacrifices.

The retirement legislation which has recently passed the House and Senate provides this incentive. It establishes a system of retirement benefits, payable upon reaching age 60, for those Reserve personnel who have performed 20 or more years of satisfactory Federal service. Generally speaking, "satisfactory Federal service" means service in a federally recognized civilian component, such as the National Guard, Organized Reserves, Organized Naval and Marine Corps Reserves, and the Volunteer Naval or Marine Corps Reserves. Satisfactory Federal service includes both inactive-duty service and active-duty service either as a member of the Regular Establishment or as a Reserve officer or enlisted man.

To be eligible for these benefits an individual must participate actively in the peacetime training program. Standards will be established by the Secretaries of the Army, Navy, and Air Force which must be met if an individual is to retain his status as a member of a Reserve component and if he is to qualify for promotion. Moreover, a point system is established which provides credits for drills and camps attended, correspondence courses and other training activities.

In order that any given year of service may be deemed to be a year of satisfactory Federal service, a man must earn

50 points during that year. Otherwise it may not be counted toward the total requirement of 20 years. Points will be credited in the following manner:

First. One point for each day of active duty.

Second. One point for each drill attended or each period of equivalent instruction.

Third. Fifteen points for every year of membership in a Reserve component.

"Active duty" includes periods of extended active duty as well as annual camps and cruises. "Equivalent instruction" includes attendance at prescribed lectures and training periods, as well as satisfactory completion of equivalent portions of correspondence courses.

The computation of point credits in the manner described above applies to service performed subsequent to the enactment of this law. The question arises, then, as to what credit will be given for previous service.

Subject to certain exceptions which are specified in the bill, each year of service as a member of a Reserve component prior to the enactment of this legislation will be deemed to be a year of satisfactory Federal service, and thus may be counted toward the 20-year requirement.

The computation of retirement pay will be made in the following manner:

First. One day's credit will be given for each day of active duty performed during a person's entire period of service.

Second. One day's credit will be given for each point received for attendance at drills, for work done on correspondence courses, or for membership in a Reserve component. However, there is a limit to the number of days' credit which will be given, for retirement pay purposes, for inactive-duty training during any one year. Thus, not more than 60 days' credit will be allowed for any year for points earned in the foregoing manner during that year.

Third. Fifty days' credit will be given for every year of inactive-duty service in a Reserve component prior to the enactment of this legislation.

The total number of days' credit received over a man's entire period of service will be divided by 360 to obtain the number of years which may be credited for pay purposes. The number of years thus obtained, including any fraction of a year, will then be multiplied by 2½ percent of the active-duty base and longevity pay which the individual would receive if he were on active duty, at the time he is granted such pay, in the highest temporary or permanent rank which he satisfactorily held during his entire period of service.

As an example of the manner in which this bill will operate, let us take the case of an officer or enlisted man who has served on active duty for 2 years during World War II: He has not joined a Reserve component since his discharge. Can he ever qualify for retirement benefits?

If he becomes a member of a Reserve component now or at some future time, he will be entitled to count his 2 years of active duty toward the 20-year requirement for eligibility. But before he can qualify, he must complete a total of 18 additional years of satisfactory Federal service. To do this, he must earn 50 points during each year. If he is a member of an Organized Reserve unit and attends 48 drills he will receive 48 points for drills alone; if he attends 2 weeks of camp, he will receive 15 additional points. In addition to the total of 63 points thus obtained, he will receive a blanket credit of 15 points by virtue of his membership in a Reserve organization. This will give him a total of 78 points which will be well above the required minimum of 50. If he earns 78 points every year for 18 years in the manner described above, he will have no difficulty in becoming eligible.

The computation of this man's retirement pay is very simple. Having attended 2 weeks' camp every year for 18 years, or 15 days per year, he will receive a total of 270 days' credit for active duty. We assumed that he attended 48 drills per year. This means, then, that he will have received 48 points for drills, plus 15 points for membership in the Reserve, or a total of 63 points each year for training other than active duty. As has been indicated above, however, not more than 60 points earned in this manner may be credited for pay purposes. In other words, he will receive 60 days' credit per year for 18 years, or 1,080 days. The sum of 270 days and 1,080 days is 1,350 days. This will be the number of days credit which he receives for all service performed in the future. But, we must not overlook the fact that he will also obtain 720 days' credit for his active duty during wartime. Altogether, then, he will have earned a total credit of 2,070 days. Dividing this by 360, we obtain the number of years' credit to which he will be entitled for retirement-pay purposes, or 5¾ years. Multiplying this figure by 2½ percent of the active-duty base and longevity pay of the highest temporary or permanent grade which he attains during his entire period of service, we can determine the retirement pay which he will receive upon reaching the age of 60.

Now, let us take the case of an officer or enlisted man who has served on active duty for 5 years during the war but who is unable, because of business considerations, to devote the time required for a membership in the Organized Reserve. For his 5 years of active duty he will receive 1,800 days' credit for retirement-pay purposes. Assuming that he attends drills or prescribed lectures only once a month every year for the next 15 years, he will receive 12 points of credit for these activities each year. In addition, he will receive the 15 points blanket credit for membership in a Reserve component. This will give him a total of 27 points. But before any year can count as a satisfactory year for the purposes of eligibility he must earn an additional 23 points, making a total of at least 50 points for the year. This he can do by voluntary attendance at drills, by attending camps, or by pursuing correspondence courses at home. Let us suppose that he cannot afford the time to attend camp every year. For those years in which he is able to do so he will be able to add another 15 points, leaving a balance of only 8 to be acquired. But even if he cannot go to camp he can still earn the extra 23 points by correspondence courses. Regulations will be issued providing for appropriate credit for correspondence work. These regulations will take into account the length of time which the Department considers necessary to complete a particular course. It is expected that credits for correspondence courses will be allowed on a basis roughly equivalent to drill periods. Thus, in view of the fact that drills will be of 2 hours' duration, it is probably that 5 points credit will be given for a correspondence course requiring 10 hours. Accordingly, if a man must earn 8 additional credits by this means he will probably have to complete correspondence courses requiring approximately 16 hours. Similarly, he will probably have to complete courses requiring 46 hours if he needs an additional 23 points.

The officer or man who has had 5 years of active duty service in the past and who earns 50 points per year for the next 15 years will receive retirement pay computed as follows:

Fifty days' credit will be given each year, or a total of 750 days' credit for the 15 years. Adding this to his credit of 1,800 days for previous active duty, we obtain a grand total of 2,550 days. Divide this by 360, and we obtain a figure slightly over 7 years. This must be multiplied by 2½ percent of the active duty base and longevity pay of the highest temporary or permanent rank in which he satisfactorily serves during his entire 20 years of service.

The system of retirement benefits which this legislation provides should go a long way toward strengthening our civilian components. It will provide a modest compensation to those who are willing to sacrifice their leisure hours in order to make a substantial contribution to our national defense. At the same time, it will not place an unreasonable burden upon the taxpayers of the country, because the benefits granted will be in direct proportion to the actual contribution made by those who qualify.

Statement by Hon. Arthur V. Watkins, of Utah, on Appropriations for the Bureau of Reclamation

EXTENSION OF REMARKS
OF
HON. STYLES BRIDGES
OF NEW HAMPSHIRE
IN THE SENATE OF THE UNITED STATES

Saturday, June 19 (legislative day of Tuesday, June 15), 1948

Mr. BRIDGES. Mr. President, I ask unanimous consent to have inserted in the Appendix of the CONGRESSIONAL RECORD a statement by my colleague, Senator ARTHUR V. WATKINS, of Utah, with reference to appropriations for the Bureau of Reclamation.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

While President Truman was lambasting Congress for depriving the West of needed

funds for reclamation and power development on his "nonpolitical" tour of the country, Congress in the closing days of the session in June was hard at work completing legislation which will give the West the largest reclamation and power program in its history. To answer the President's unfounded charges, those interested might find helpful the following chart which is beyond dispute. This chart, which gives the total budget requests, including supplemental and deficiency requests—the total appropriations and the expenditures for each of the last 10 fiscal years—undeniably points out that the program is larger and the sums greater than in any year of the New Deal administration.

Bureau of Reclamation

Fiscal year	Budget estimates	Appropriations	Expenditures
1939	$45,229,600	$44,544,600	$79,320,428
1940	80,071,600	76,984,600	96,365,934
1941	80,454,600	73,194,600	85,596,484
1942	100,769,631	101,361,631	91,438,942
1943	96,328,650	89,727,270	69,287,440
1944	41,161,400	38,275,500	54,587,242
1945	30,108,200	24,155,200	50,376,076
1946	146,838,700	117,365,050	64,362,688
1947	168,849,755	116,346,843	134,289,536
1948	196,407,400	143,185,038	[1]191,500,000
1949	284,902,650	245,566,139	

[1]Estimated.

NOTES.—(1) Power revenues prior to 1948 excluded. (2) Expenditures include permanent appropriations; other 2 columns do not. (3) Emergency funds (WPA) included in "Expenditure" figures up until fiscal year 1946.

The labors of the Congress may not have met the approval of President Truman but his lieutenants in the Senate voted unanimously with the Republicans in support of both the 1948 and 1949 appropriation bills. The minority members of the Senate Appropriations Committee did not vote against the majority's report on either bill nor did they offer any substantive amendments on the floor. In both sessions of the Eightieth Congress, voice votes were all that was needed to pass the appropriation bills for the Interior Department which included appropriations for the Bureau of Reclamation.

Senator JOSEPH C. O'MAHONEY, minority member of the Senate Appropriations Committee, who has been so critical of Republican policy towards reclamation, expressed the Democrats' approval of the way Republican leadership had handled the 1949 bill by saying on the floor of Congress:

"I think I should add, Mr. President, that the Senator from Nebraska, Senator KENNETH S. WHERRY, Republican, * * * has done a very successful service in increasing the appropriation for reclamation in the West. * * * I wish it clearly understood that as one of the Senators who has been delighted to cooperate with the junior Senator from Nebraska, I very much appreciate what he has done."

The Evils of Bipartisanism

EXTENSION OF REMARKS

OF

HON. LEO ISACSON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. ISACSON. Mr. Speaker, since the death of President Roosevelt an unholy alliance has been formed by Republicans and Democrats in our Government. This alliance is dominated by the rich, the privileged classes, those who foster race hatred, the military men, the big corporations and monopolies, the landlords, and the machine politicians.

The two old parties, calling this new alliance of theirs "bipartisan," are seeking to fool the American people into bowing to one-party misrule instead of America's traditional two-party system.

The Republicans and Democrats would like the American people to believe that the future welfare of our country is threatened by some foreign "ism."

In reality the "ism" which threatens us most is bipartisanism—the bipartisan coalition of the Republicans and Democrats against the people.

Bipartisanism has fattened the rich and soaked the poor.

The Republicans and Democrats have forced a bipartisan peacetime draft on the young men of America and their families and sweethearts.

Bipartisanism has robbed the pay envelope of every American family by forcing high prices and keeping wages low; by forcing high rents and refusing to provide decent housing; by enslaving labor with the Taft-Hartley law to prohibit the people from organizing and bargaining collectively for a better existence.

This same Republican-Democrat coalition has betrayed the Jews of Palestine and destroyed the hopes of the sick and starving victims of Hitler anti-Semitism all over Europe for a homeland in Israel.

They betrayed Palestine for the greed and profit of a huge oil trust formed by Standard Oil and Texaco, appeasing the hateful Arab Grand Mufti.

Obedient to the oil profiteers, Truman and the Republicans scuttled the United Nations partition plan.

They inflicted an arms embargo against the people of Israel, at the same time giving loan after loan to Great Britain to arm the Arabs, sacrificing Jewish lives for the benefit of oil imperialism.

Republicans and Democrats are jointly responsible for the removal of price controls.

They ruined rent control, allowing rent increases through loopholes in the law.

They refused to permit a public housing program at low rents which would rescue our GI veterans and their families and others from tin-can shacks and slum conditions and give them decent homes.

The Republican-Democrat coalition has made racial discrimination the law of the land by establishing segregation in our armed forces and in other branches of Government and by fostering racial and religious discrimination in employment, in education, and in housing.

They have brought our country to the brink of war solely because war making is hugely profitable for the great munitions interests, the oil companies, and vast monopolies such as General Motors, General Electric, and du Pont.

This is the unsavory and criminal record of the Republicans and Democrats in control of our National Government since the death of President Roosevelt.

This is why the new party of Henry Wallace has sprung to life, composed of people of America who are determined to wipe out one-party misrule in America, determined to destroy bipartisanism and all the evils it has inflicted on the American people, and once and for all to rip away the death grip of the big corporations and Wall Street profiteers from the throat of the American people.

Last February the new party of Henry Wallace scored its first significant victory of 1948. The new party scored that victory right here in the Twenty-fourth Congressional District of the Bronx, under the emblem of the American Labor Party.

Last February 17 the aroused people of the Twenty-fourth Congressional District rejected bipartisanism in an unprecedented overturn of both Democratic and Republican Parties, giving more than 55 percent of their votes to myself as the candidate for Congress of the American Labor Party, the party of Henry Wallace.

Overnight the importance of this event became Nation-wide. The success of the people of the Twenty-fourth Congressional District of the Bronx in ridding our community of bipartisanism and its evils, the rejection of Republican-Democratic domination, misrepresentation, and neglect has been a beacon of hope and encouragement to supporters of the new party all over our country.

The people of the Twenty-fourth Congressional District dealt Bronx bipartisanism a deadly blow last February.

Now the Republicans and Democratic forces of bipartisanism are trying desperately, by pooling their forces publicly for the first time, to smash the will of the people of the Twenty-fourth Congressional District.

In this congressional campaign we see the Democratic and Republican machine politicians of the Bronx at last forced out into the open with their unholy alliance against the interests of the common people of our district. While Republican and Democratic Presidential candidates oppose each other at the heads of their tickets, a single candidate representing both these old parties now appears slated to try to oust the Wallace Congressman.

This turn of events offers a great opportunity to the people of the Twenty-fourth Congressional District and the Bronx at large. It permits them, for the first time, to study the records of the two old parties, in the Bronx as well as nationally, as a single record which it really is—the record of a long existing political alliance masquerading as two parties.

The action of the people of the twenty-fourth district last February, giving an overwhelming majority to the party of Henry Wallace and snowing under the Democratic and Republican machines as well as the ineffectual Liberal Party has forced all three of these groups now to admit that they really represent one and the same policy, opposing the interests and the will of the people.

Bronx bipartisanism has picked up a new stooge, making even more evil the smell of political double and triple dealing.

This foul odor is nothing new to the people of the Bronx. But now there should be less difficulty in cleansing our borough of this stench.

The fact is now publicly acknowledged that the Democrats and Republicans in our borough of the Bronx have always worked together hand in glove.

The people of the Bronx have suffered greatly because of this double dealing by the supposed two-party system in the Bronx.

In the past the people were forced to suffer in silence. They had no means of knowing about this double dealing and no political instrument with which to fight it. But the American Labor Party has stepped in, bringing with it in 1948 the candidacy of Henry Wallace. The American Labor Party is determined to put an end to Flynn-Knewitz finagling in Bronx politics.

The bipartisanism of Democratic Boss Ed Flynn and Republican Boss John Knewitz—the double dealing of Republican and Democratic machines in the Bronx—has made of our borough the most neglected and the most backward section of New York City.

The streets are the bumpiest and most broken and torn-up of any in the city.

The people in dozens of sections are forced to live in the poorest, most tumbledown firetraps and shacks that survive in all New York. And for these indecent, tumble-down flats and shacks, the landlords collect rents which are unheard of by any standard of comparison.

Furthermore, the landlords, collecting the highest rents in history from the poorest people in our city, are protected by the Flynn-Knewitz machines from even making repairs and improvements essential to the health, safety, and comfort of the tenants.

Let us take a stroll through the Flynn-Knewitz bipartisan domain, keeping our eyes, ears, and noses open as we pass the uncollected garbage, the open dumps and foul creeks which these so-called leaders should have cleaned up years ago.

Count the old-law fire-trap tenements, and shabby, rat-infested frame dwellings; the rusted, unsafe fire escapes, the ancient schools.

Count the overcrowded blocks, the groups of children playing in peril of their lives in busy streets for lack of playgrounds; note the absence and lack of hospitals and health centers.

Take note of all these things and add up the score against bipartisanism in the Bronx. Is any other borough of our city so neglected by its political leaders and officeholders?

Why should our community of the Bronx be the most neglected of the city's neighborhoods? Why should our children have the worst schools, the fewest playgrounds, the poorest health in the city? Why should our streets be the worst repaired, our garbage the least removed, our dumps the foulest, our tenements the most dangerous and unhealthy, our youth the most neglected and the most exposed to juvenile delinquency?

These are the questions Bosses Flynn and Knewitz and their stooges and public officeholders must be forced to answer.

The record of criminal neglect and mistreatment visited on the people of the Bronx is the Flynn-Knewitz record, the record of a shabby, patronage-trading bipartisanism of Democrats and Republicans which has now at last been forced to expose its hand out in the open by the people of the Twenty-fourth Congressional District and their victory of last February under the banner of the new party of Henry Wallace.

The people of the Bronx will no longer stand for the bipartisan policy of neglect, abuse, and misrepresentation by Bosses Flynn and Knewitz and their Democratic and Republican machines.

The people of the Twenty-fourth District have shown the way to be rid of Flynn-Knewitz double dealing. They demonstrated their resentment and disgust against machine politics last February, burying Flynn and Knewitz and their stooges under a vengeful landslide of votes.

Flynn and Knewitz are now desperate, so desperate that they have been forced out into the open with their sly-dealing coalition and their little "liberal" helper.

The people have them on the run.

Let us keep them on the run until they have been kicked out of Bronx politics forever and replaced by a new party run by the people themselves for the good of the people, and not to enrich the pockets of scheming, thieving politicians.

Eightieth Congress Enacted 186 Public Laws Relating to Veterans and Their Dependents and the Veterans' Administration

EXTENSION OF REMARKS

OF

HON. JAMES E. VAN ZANDT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. VAN ZANDT. Mr. Speaker, during the Eightieth Congress a total of 900 bills was enacted into law. Of this number 186 laws or over 20 percent of the total bills enacted related to the veterans and their dependents and the Veterans' Administration.

Of the 186 public laws enacted by the Eightieth Congress, approximately 150 of them provide direct benefits to veterans and their dependents. The remainder relate to the Veterans' Administration and include appropriation measures for that particular agency.

The 186 bills of interest to veterans enacted into law are of direct benefit to millions of veterans and their dependents. These laws are far-reaching and were enacted despite the statement by President Truman on January 6, 1947, in his address to the Eightieth Congress on the state of the Union, when he said, in part—"Except for minor adjustments, I believe that our program of benefits for veterans is now complete."

In order that the provisions of these 186 public laws may be readily understood I wish, at this time, to give a short résumé of each of them:

N. B.—Public laws designated with an (*) represents housing legislation of interest to veterans.

Public Law 5: Amends certain provisions of section 602, National Service Life Insurance Act of 1940, as amended, re issuance in permanent plans and reinstatement on a comparative health basis. No cost estimated. February 21, 1947.

Public Law 20: Urgent Deficiency Appropriation Act of 1947: Veterans' Administration, administration, medical, hospital, and domiciliary services, $165,000,000; military and naval insurance $1,000,000; vocational revolving fund $200,000. March 22, 1947.

Public Law 25: Appropriation: increased pay costs—Veterans' Administration $48,272,500. March 29, 1947.

Public Law 26: Establishes office of selective-service records. March 31, 1947.

Public Law 34: Renews expiring 5-year level premium term policies for another 5-year period. No cost estimated. April 15, 1947.

Public Law 36: "Army-Navy Nurses Act of 1947." Establishes permanent Army and Navy Nurse Corps, and Women's Medical Specialist Corps in the Army. April 16, 1947.

Public Law 40: Extension of farm labor supply program re compliance with title V, "Readjustment Allowances for former members of the Armed Forces who are unemployed," under the Servicemen's Readjustment Act of 1944, as amended. April 28, 1947.

Public Law 46: First Deficiency Appropriation Act, 1947: Veterans' Administration, administration, medical, hospital, and domiciliary services $142,258,000; printing and binding $5,000,000; pensions $241,665,000; readjustment benefits $873,836,000; military and naval insurance $3,125,500; national service life insurance $535,710,000; vocation rehabilitation revolving fund $300,000. May 1, 1947.

Public Law 50: Corrects Public Law 720, Seventy-ninth Congress, to clarify enlistment dates re eligibility of Filipinos for Naval Reserve. May 15, 1947.

Public Law 55: Amends pay readjustment act re validity of certain marriages. May 15, 1947.

Public Law 64: Includes civilian employees United States Naval Government at Guam under Missing Persons Act. May 16, 1947.

Public Law 71: Corrects technical errors in Public Law 729, Seventy-ninth Congress, an act "To provide for the training of officers for the naval service, and for other purposes." May 16, 1947.

Public Law 72: Limits time within which General Accounting Office shall make final settlement of accounts of disbursing officers. May 19, 1947

Public Law 76: Second Deficiency Appropriation Act, 1947. Education facilities for veterans; Office of Selective Service Records; section 400: Provision re appropriation not to be used to pay increased pay cost as result of reallocation. May 26, 1947.

Public Law 82: Amends Public Law 434, Seventy-eighth Congress, re credit for military and naval service in connection with homestead entries. May 31, 1947.

Public Law 83: Authorizes Administrator of Veterans' Affairs to grant easements in and rights-of-way over lands belonging to the United States under his supervision and control. No additional cost involved. May 31, 1947.

Public Law 85*: Amends Lanham Act to increase amount available for veterans' housing with restrictions on use. May 31, 1947.

Public Law 91: Authorization for Administrator of Veterans' Affairs to continue and establish Veterans' Administration offices in the Philippines. No additional cost involved. June 14, 1947.

Public Law 94: Extend for 1 year authority of Administrator of Veterans' Affairs to enter into leases for periods not exceeding 5 years. No additional cost estimated. June 14, 1947.

Public Law 96: Amends Pay Readjustment Act of 1942 to increase pay of cadets and midshipmen at service academies. June 20, 1947.

Public Law 115. Vocational rehabilitation revolving fund, Public Law 16, Seventy-eighth Congress, as amended—$3,000,000 authorized in lieu of $1,500,000. June 25, 1947.

Public Law 122: Second Urgent Deficiency Appropriation Act, 1947. Veterans' Administration, administration, medical, hospital,

and domiciliary services; $28,400,000. June 27, 1947.

Public Law 126: Extends to December 31, 1947, act to facilitate admission into the United States alien fiancées or fiancés of members of armed forces of United States. June 28, 1947.

Public Law 128: To stimulate volunteer enlistments in the Regular Establishment of the United States. Adds subsection providing no mustering-out pay be paid those enlisting on or after July 1, 1947. June 28, 1947.

Public Law 129: Re maximum rents on housing accommodations; repeals certain provisions of Public Law 388, Seventy-ninth Congress; rent control. June 30, 1947.

Public Law 132: Amends Reconstruction Finance Corporation Act extending certain lending powers and functions. Repeals section 2 of Public Law 656, Seventy-ninth Congress, which authorized RFC to purchase loans guaranteed under Servicemen's Readjustment Act. June 30, 1947.

Public Law 148: Preserve historic graveyards in abandoned military posts. July 1, 1947.

Public Law 151: Re transportation of dependents and household effects of servicemen. July 1, 1947.

Public Law 153: Amends existing laws re military leave of certain employees of United States or of District of Columbia so as to equalize rights to leave of absence and reemployment for such employees who are members of Enlisted or Officers Reserve Corps, National Guard, or Naval Reserve. July 1, 1947.

Public Law 154: Provides seniority benefits for members of police and fire departments of District of Columbia who are veterans of World War II. July 1, 1947.

Public Law 157: Authorizes memorial in District of Columbia to Marine Corps dead. July 1, 1947.

Public Law 158: Provides clothing allowance for enlisted men of the Army, Marine Corps, and Marine Corps Reserve. July 1, 1947.

Public Law 161: Emergency Appropriation Act, 1948. Authorizes disbursement during July 1947, one-twelfth of appropriation included in H. R. 3839, Eightieth Congress, to be deducted when enacted; appropriation for automobiles under Public Law 663, Seventy-ninth Congress, available until June 30, 1948. July 3, 1947.

Public Law 162: Establishment of Commission on Organization of Executive Branch of Government. July 7, 1947.

Public Law 163: District of Columbia Teachers' Salary Act of 1947. Military and naval experience to be accredited, without affecting longevity increases to which such persons otherwise entitled (sec. 6). July 7, 1947.

Public Law 165: Labor-Federal Security Appropriation Act, 1948. Contains appropriation for United States Employment Service. July 8, 1947.

Public Law 171: Establishes procedure for facilitating payment of certain Government checks. July 11, 1947.

Public Law 175: Authorizes establishment of a band in Metropolitan Police force. Section 2 provides that any retired officer of United States Army, Navy, Marine Corps, or Coast Guard may be appointed to position of director of such band notwithstanding limitations of existing law. July 11, 1947.

Public Law 178: Amends Public Law 188, Seventy-seventh Congress, as amended, to authorize naval retiring boards to consider cases of certain officers. July 11, 1947.

Public Law 195: District of Columbia Income and Franchise Tax Act of 1947. Veterans' benefits exempt. July 16, 1947.

Public Law 196: Temporary appropriation for fiscal year 1948 for payment of salaries. July 17, 1947.

Public Law 205: Credit active military or naval service in determining eligibility for and amount of benefits from policemen and firemen's relief fund, District of Columbia. July 21, 1947.

Public Law 213: Amends Public, No. 271, Seventy-ninth Congress, to provide that alien spouse shall not be considered inadmissible because of race if married before 30 days after enactment of act. July 22, 1947.

Public Law 216: Incorporates AMVETS, American Veterans of World War II. July 23, 1947.

Public Law 219: Establishes permanent commissioned personnel strength of the Coast Guard. July 23, 1947.

Public Law 236: Amends Naval Aviation Cadet Act of 1942, as amended, to authorize lump-sum payments to survivors without administration of estates. July 25, 1947.

Public Law 237: District of Columbia Appropriation Act, 1948. Includes appropriation for service to veterans. July 25, 1947.

Public Law 239: Ending date of war for titles II, III, and V, Public, No. 346, Seventy-eighth Congress; Public, No. 16, Seventy-eighth Congress; Public, No. 359, Seventy-seventh Congress; and title IV, Public, No. 861, Seventy-seventh Congress, and other statutes. July 25, 1947.

Public Law 241: Extends Missing Persons Act (Public, No. 490, 77th Cong.) to certain members of Philippine Commonwealth forces. War Department. July 25, 1947.

Public Law 242: Provides central authority for standardizing geographic names for purpose of eliminating duplication in standardizing such names among Federal departments. July 25, 1947.

Public Law 247*: Interior Department Appropriation Act, 1948. Provision re effecting settlement of war veterans on public land reclamation projects and employment of veterans. July 25, 1947.

Public Law 252: Amends District of Columbia Unemployment Compensation Act re contribution rates after termination of military service. July 26, 1947.

Public Law 253: National Security Act of 1947. Provides for Secretary of Defense, for a National Military Establishment, for coordination thereof with other departments, and so forth. July 26, 1947.

Public Law 254: Amends Armed Forces Leave Act of 1946 to provide that bonds shall be redeemable after September 1, 1947—settlement in cash—extends time for applying to September 1, 1948. July 26, 1947.

Public Law 256*: Supplemental Government Corporations Appropriation Act, 1948. Appropriation of $35,500,000 for veterans' housing. July 29, 1947.

Public Law 263: Amends Civil Service Retirement Act to provide for return of amount deducted from pay for service less than 10 years. July 30, 1947.

Public Law 266: Department of Agriculture Appropriation Act, 1948. Contains appropriation for Farmers' Home Administration for loans under Bankhead-Jones Farm Tenant Act. July 30, 1947.

Public Law 267: Military Appropriation Act, 1948. July 30, 1947.

Public Law 268*: The Government Corporations Appropriation Act, 1948. Appropriates $4,000,000 to Federal Public Housing Authority for payment of annual contributions to public housing agencies, prohibits use of this appropriation for housing unless tenant is a citizen of United States, such prohibition not to apply to families of servicemen or veterans. July 30, 1947.

Public Law 269: Independent Offices Appropriation Act, 1948: Veterans' Administration—administration, medical, hospital and domiciliary services, $898,040,780; printing and binding, $7,000,000; penalty mail costs, $3,900,000; damage claims, $26,500; administrative facilities, $3,100,000; pensions, $2,171,915,000; readjustment benefits, $3,719,860,000; military and naval insurance, $11,150,000; operation of canteens, $965,000; National Service Life Insurance, $62,217,000; soldiers and sailors civil relief, $833,000; veterans miscellaneous benefits, $85,449,800; total, $6,964,457,080. July 30, 1947.

Public Law 270: 20 percent increase Spanish-American War and Civil War service pensions. Estimated cost first year, $23,938,600. July 30, 1947.

Public Law 271: Supplemental Appropriation Act, 1948. Contains appropriation of $5,000,000 for automobiles or other conveyances for disabled veterans. July 30, 1947.

Public Law 288: Clarksburg, W. Va., site for Veterans' Administration hospital. No cost estimated. July 30, 1947.

Public Law 299: Second Supplemental Appropriation Act, 1948. Contains appropriation for investigation of Federal employees loyalty. July 31, 1947.

Public Law 304: Provides for loan or gift of obsolete ordnance to State homes for former members of armed forces. July 31, 1947.

Public Law 306: Provides lapel buttons for widows, parents, and next of kin of members of armed forces of the United States who died in World War II. August 1, 1947.

Public Law 310: Amends section 251, Internal Revenue Code, to provide tax relief to prisoners of war and internees confined in places not within a possession of the United States. August 1, 1947.

Public Law 314: Amends Public Law 671, Seventy-seventh Congress as amended, to authorize acceptance of decorations from cobelligerent or neutral nations or other American republics by former members of armed forces holding offices of profit or trust under the United States. August 1, 1947.

Public Law 316: Amends section 200, Public Law 844, Seventy-fourth Congress, to permit retired officers and enlisted men to be recognized representatives of recognized veterans' organizations in presentation of claims to Veterans' Administration. No additional cost involved. August 1, 1947.

Public Law 324: Amends section 410 (a), Public Law 601, Seventy-ninth Congress, title IV, Federal Tort Claims Act. August 1, 1947.

Public Law 325: Amends section 14, Veterans' Preference Act, Public Law 359, Seventy-eighth Congress directing agency to take action Civil Service Commission recommends. August 4, 1947.

Public Law 327: Plans for memorial in Grant Park, Chicago, Ill., for Marine Corps. August 4, 1947.

Public Law 330: Excludes certain interns, student nurses, and other student employees of Federal hospitals from Classification Act. August 4, 1947.

Public Law 337: Revises Medical Department of Army and Navy. Army-Navy Medical Services Corps Act of 1947. August 4, 1947.

Public Law 338: Amends paragraph 3, part VII, VR 1 (a), as amended, Public Law 16, Seventy-eighth Congress, to increase minimum allowance payable for rehabilitation in certain service-connected cases. Estimated cost, $7,704,000 for fiscal year 1948. August 4, 1947.

Public Law 342: Provides for utilization of surplus War Department-owned military real property as national cemeteries when feasible. August 4, 1947.

Public Law 349: To enable Osage Indians who served in World War II to obtain loans under Public Law 346, Seventy-eighth Congress, as amended. No additional cost estimated. August 4, 1947.

Public Law 350: Amends Armed Forces Leave Act to extend to personnel discharged after August 31, 1946, compensation for unused or accrued leave. August 4, 1947.

Public Law 365: Army-Navy-Public Health Service Medical Officer Procurement Act of 1947. August 5, 1947.

Public Law 366: Amends National Housing Act to authorize the insuring under title VI thereof of mortgages on surplus permanent

war housing disposed of by the Government. August 5, 1947.

Public Law 367: Relates to abatement of income tax for members of armed forces dying in service. August 5, 1947.

Public Law 368: Amends Public Law 383, Seventy-ninth Congress re shipment of remains of World War II dead to homeland, burial of unknown dead in military cemeteries overseas, etc. August 5, 1947.

Public Law 372*: Amends Home Owners' Loan Act to permit lending associations to invest funds in loans insured under title I, National Housing Act, or loans guaranteed or insured as provided in Servicemen's Readjustment Act. August 6, 1947.

Public Law 377: Amends Public Law 346, Seventy-eighth Congress, as amended, to include institutional on-farm training as full-time training course. No estimate of cost. August 6, 1947.

Public Law 381: Officer Personnel Act of 1947. August 7, 1947.

Public Law 384: Terminates certain tax provisions before end of World War II. Amends Internal Revenue Code extending period to December 31, 1948, re income-tax exclusion of $1,500 of service pay (as to officers) and all service pay (enlisted personnel). August 8, 1947.

Public Law 394*: Amends National Housing Act, as amended, to increase authorization of insured mortgages under title VI. December 27, 1947.

Public Law 396: Amends Veterans' Preference Act of 1944, as amended (Public Law 359, 78th Cong.), to extend preference benefits, under certain conditions, to mothers of deceased and totally disabled ex-servicemen and ex-servicewomen. January 19, 1948.

Public Law 398: Provides 20 percent increase in rates of pension to Indian war veterans and their dependents. January 19, 1948.

Public Law 398: For fiscal year 1948, would affect 790 veterans and 2,200 dependents at estimated cost of $342,000.

Public Law 402: United States Information and Educational Exchange Act of 1948. Section 601 contains provision that commissions created hereunder shall have no authority over program created by Public Law 584, Seventy-ninth Congress, and section 1007 precludes modification or repeal of Veterans' Preference Act of 1944. January 27, 1948.

Public Law 411: Estimated additional cost for P. 346 cases $17,343,000 per month for veterans in full-time courses in schools, colleges, and universities. Additional cost of $1,040,000 per month for each additional group of 10,000 enrollees. No estimate on P. 16 cases. No estimate of administrative cost. February 14, 1948.

Public Law 421: Amends act of May 22, 1896, as amended, which authorizes gift or loan of condemned or obsolete war material to veterans' organizations, museums, etc., by Secretaries of the Army and the Navy, to include Secretary of Treasury. February 27, 1948.

Public Law 422*: Continues for temporary period certain provisions of the Housing and Rent Act of 1947 (Public Law 129, 80th Cong.), the provision assuring preference or priority to veterans of World War II being extended from March 1, 1948, to April 1, 1948. February 27, 1948.

Public Law 426: Amends Civil Service Retirement Act of May 29, 1930, as amended, liberalizing benefits thereunder. One of the provisions requires a minimum of 5 years civilian service for an annuity, exclusive of military service. Sections 5 and 9 include periods of honorable military service in calculating amount of annuity and in determining eligibility for retirement. February 28, 1948.

Public Law 429: Amends section 602 (d) (5) of the National Service Life Insurance Act of 1940, as amended, to extend for 2 years (from 5 to 7) the time within which eligible persons may apply for gratuitous insurance benefits. Substantial cost but no estimate possible. March 3, 1948.

Public Law No. 436: Repeals that portion of Public Law 292, Sixty-third Congress (38 Stat. 1078) relating to length of tours of duty of officers and enlisted men of the Army at certain foreign stations. March 8, 1948.

Public Law 438: Authorizes the President to award Medal of Honor to unknown American who died while serving overseas in World War II and who will be buried in Memorial Amphitheater, Arlington Cemetery, as authorized by Public Law 429, Seventy-ninth Congress. March 9, 1948.

Public Law 439: Authorizes Secretaries of the Army, Navy, Air Force, and Treasury to accept and use gifts, devises, and bequests for schools, hospitals, libraries, cemeteries, and other institutions under their respective jurisdictions. March 11, 1948.

Public Law 450: Extends period of validity of Public Law 471, Seventy-ninth Congress, to facilitate admission into the United States of alien fiancées or fiancés of members of armed forces of the United States to December 31, 1948. March 24, 1948.

Public Law 452: Provides for selection of superintendents of national cemeteries from meritorious and trustworthy honorably discharged veterans who have been disabled in line of duty for active field service. March 24, 1948.

Public Law 458: To ratify the administrative promotions of employees on military furlough from the field postal service in certain cases. March 25, 1948.

Public Law 460: Provides for inactive duty training pay for Organized Reserve Corps, and provides uniform standards for inactive duty training pay for all Reserve components of the armed forces. March 25, 1948.

Public Law 463: Klamath Welfare Act. Provides that $500 from capital reserve fund of the Klamath Indians shall be credited to each tribal member to be used for certain purposes, and in addition $200 shall be paid, without restriction, to each tribal member who is an honorably discharged veteran. March 29, 1948.

Public Law 464*: Housing and Rent Act of 1948. Amends the Housing and Rent Act of 1947, as amended, to extend certain provisions thereof and to provide for termination of controls on maximum rents in areas and on housing accommodations where conditions justifying such controls no longer exist. The provision assuring preference or priority to veterans of World War II was extended from April 1, 1948, to April 1, 1949. March 30, 1948.

Public Law 468*: Amends the National Housing Act, as amended, to provide for a temporary extension of the National Housing Act. Provides a 1-month temporary extension of title VI (mortgage insurance) and provides additional insurance authorization for this interim period. March 31, 1948.

Public Law 473: Provides basic authority for certain administrative expenditures for the Veterans' Administration. No cost involved. April 3, 1948.

Public Law 474: Amends Public Law 91, Eightieth Congress, to extend authority of the Administrator of Veterans' Affairs to establish and continue offices in the Republic of the Philippines to June 30, 1950. No additional cost involved. April 3, 1948.

Public Law 484: Amends act of June 3, 1916, as amended, relating to illegal wearing of United States service uniforms, to make such act applicable to the Canal Zone, Guam, American Samoa, and the Virgin Islands. April 15, 1948.

Public Law 487: Amends District of Columbia Traffic Act, 1925, as amended, relating to learners' permits. Provides that enlisted men of Army, Navy, Marine Corps, and Coast Guard shall be issued, without charge, a permit to operate Government-owned vehicles under certain conditions. April 20, 1948.

Public Law 494: Transfers Remount Service from Department of the Army to the Department of Agriculture. Section 2 provides for detail of military personnel to Department of Agriculture until June 30, 1949. Notwithstanding limitations of existing law, retired officer personnel, if employed by Department of Agriculture for purposes of this act, may receive in addition to their retired pay, civilian salary to the extent that the total from both sources does not exceed the pay and allowances received in the permanent grade last held prior to retirement. April 21, 1948.

Public Law 511: Authorizes Secretary of the Navy to promulgate regulations for reimbursement of persons in naval service for emergency hospitalization or medical treatment from civilian sources if not available from a Federal source. May 4, 1948.

Public Law 512: Amends Public Law 346, Seventy-eighth Congress, as amended, to provide additional subsistence allowance for part-time institutional trainees, including institutional on-farm or other combination course trainees under certain conditions; increases ceilings on earnings under Public Law 346, Seventy-eighth Congress, as amended, from $175 to $210 per month for a veteran without a dependent, from $200 to $270 for a veteran with one dependent, and $290 per month for a veteran with two or more dependents; eliminates all overtime pay in computing trainees' earnings; and also amends Public Law 16, Seventy-eighth Congress, as amended, to provide additional subsistence allowance for institutional on-farm trainees under certain conditions. For fiscal year 1949. Minimum estimated cost $98,742,972. May 4, 1948.

Public Law 517: Equalizes retirement benefits among members of the Nurse Corps of the Army and the Navy, and provides that their retirement pay will be based upon the pay scale for all other officers in the services. May 7, 1948.

Public Law 519: First Deficiency Appropriation Act, 1948. Veterans' Administration, administration, medical, hospital, and domiciliary services, $3,000,000. May 10, 1948.

Public Law 526: Establishes eligibility for burial in national cemeteries of veterans of the United States, United States citizens who are veterans of allied countries, and certain members of families of veterans. May 14, 1948.

Public Law 531: Increases amount of Federal aid to State or Territorial homes for support of disabled soldiers and sailors of the United States from $300 to $500 until June 30, 1951, and $300 per annum thereafter. Estimated annual additional cost, $849,500. May 18, 1948.

Public Law 535: Amends act of July 23, 1947 (Public Law 219, 80th Cong.), to provide that the assistant commandant and engineer in chief of the United States Coast Guard shall retire with the retired pay of a rear admiral of the upper half. May 19, 1948.

Public Law 539: Extends to February 3, 1950, the time for making application for benefits under the Mustering-Out Payment Act of 1944, as amended, by those discharged before effective date of act. May 19, 1948.

Public Law 567: Adds section 324A to Nationality Act of 1940, as amended (54 Stat. 1137; 8 U. S. C. 907), re naturalization of noncitizens with service in military or naval forces of the United States. June 1, 1948.

Public Law 577: Provides for acquisition of hospital at Camp White, Medford, Oreg., and Schick General Hospital, Clinton, Iowa, for use as domiciliary facilities by the Veterans' Administration. Estimated cost not made. June 3, 1948.

Public Law 587: Coast and Geodetic Survey Commissioned Officers' Act of 1946. June 3, 1948.

Public Law 591: Allows service credit for certain enlisted men of the Coast Guard who acted as policemen and guards at Ivigtut Cryolite Mine, Greenland, during 1940 and 1941. June 3, 1948.

Public Law 592: Amends section 16, Public Law 219, Eightieth Congress, to provide for continuance of application of act of July 24, 1941, to Coast Guard until number of permanent appointments of officers on active list of Coast Guard is equal to 95 percent of number authorized by law. June 3, 1948.

Public Law 596*: Amends Public Law 434, Seventy-eighth Congress, which allows credit for World War II military or naval service in connection with homestead entries by adding a section defining the term "homestead" to include land hereafter disposed of under the act of May 26, 1934 (Public Law 260, 73d Cong.). June 3, 1948.

Public Law 599: Amends Public Law 383, Seventy-ninth Congress, as amended, to provide increased allowances for escorts of repatriated war dead. June 3, 1948.

Public Law 623: Provides for payment of salaries covering periods of separation to employees improperly removed or suspended without pay from the Federal service, including persons within the purview of the Veterans' Preference Act, establishes procedure to be followed in such instances of removal or suspension. June 10, 1948.

Public Law 625: Women's Armed Services Integration Act of 1948. June 12, 1948.

Public Law 640: Title I, Treasury Department Appropriation Act, 1949, relating to restriction on purchase of typewriters, excepts therefrom purchase for veterans under public laws administered by the Veterans' Administration. June 14, 1948.

Public Law 646: The Supplemental Federal Security Agency Appropriation Act, 1949, provides that effective July 1, 1948, the United States Employment Service, including its functions under Title IV of the Servicemen's Readjustment Act, is transferred from the Department of Labor to the Federal Security Agency. June 16, 1948.

Public Law 655: National Heart Act, to amend the Public Health Service Act to support research and training in diseases of the heart and circulation. Section 4 creates a National Advisory Heart Council consisting of, among others, the Chief Medical Officer of the Veterans' Administration or his representative. June 16, 1948.

Public Law 660: Amends Public Law 432, Seventy-sixth Congress, as amended, to authorize commutation of travel expense on a mileage basis in lieu of payment of actual necessary expenses of travel in connection with vocational rehabilitation under Part VII, Veterans' Regulation 1 (a), as amended (Public Law 16, 78th Cong). No cost estimate. June 16, 1948.

Public Law 661: Amends section 100, Public Law 346, Seventy-eighth Congress, as amended, continuing until June 30, 1949, authority of the Administration of the Veterans' Administration to enter into 5-year leases. No cost estimate. June 16, 1948.

Public Law 670: Provides for the detail of personnel of the Army of the United States as students at technical, professional, and other educational institutions. June 19, 1948.

Public Law 672: Amends Section 35, Chapter II, of act of June 19, 1934, as amended, "An act to regulate the business of life insurance in the District of Columbia," to broaden the field for investment of domestic life-insurance companies, additional outlets for investment being in notes, bonds, or loans secured by mortgage or deed of trust insured under the provisions of the National Housing Act, as amended, or guaranteed or insured pursuant to the provisions of Title III of the Servicemen's Readjustment Act of 1944, as amended. June 19, 1948.

Public Law 675: Amends Public Law 729, Seventy-ninth Congress, providing for training of officers for the naval service. June 19, 1948.

Public Law 678: Amends Public Law 677, Seventy-fourth Congress, re care and treatment of members of National Guard, Organized Reserves, Reserve Officers' Training Corps, and Citizens' Military Training Camps who are injured or contract diseases while engaged in training to define "in time of peace." June 19, 1948.

Public Law 680: Provides for retention in service for treatment of certain disabled Army and Air Force personnel. June 19, 1948.

Public Law 681: Amends section 2, Public Law 309, Seventy-ninth Congress, which credits certain military and naval service performed before reaching 18 years of age for purpose of computing longevity pay, to make act effective from June 1, 1942. June 19, 1948.

Public Law 682. Transfers certain land of Veterans' Administration at Camp Phillips, Kans., to the Department of the Army. No cost estimate. June 19, 1948.

Public Law 688. Authorizes Secretary of Navy to permit the Army and Navy Union, United States of America, Department of Illinois, to construct a recreational park on the grounds of the United States Naval Hospital, Great Lakes, Ill., for the convenience and pleasure of the patients of that hospital. June 19, 1948.

Public Law 689*: Amends Lanham Act so as to permit sale of certain permanent war housing thereunder to veterans at a purchase price not in excess of cost of construction. June 19, 1948.

Public Law 702*: Authorizes financial assistance to certain disabled veterans in acquiring specially adapted housing which they require by reason of the nature of their service-connected disabilities. Maximum estimated cost $24,000,000, subject to factors which would reduce cost but not estimated. June 19, 1948.

Public Law 704: Authorizes Secretary of the Interior to acquire certain land to enlarge Gettysburg National Cemetery. Section 2 provides that such land shall be reserved for burial of World War I and II veterans, and such other persons as may be entitled to interment in national cemeteries. June 19, 1948.

Public Law 706: Amends Internal Revenue Code so as to exempt hospitalized servicemen and veterans from the admissions tax when admitted free. June 19, 1948.

Public Law 707: Amends Civil Service Retirement Act of May 29, 1930, as amended, so as to provide that any Member of Congress who leaves his office to enter the armed forces shall be deemed to have continued as a Member for such period of military service. June 19, 1948.

Public Law 709: To prevent retroactive checkage of retirement pay in cases of certain enlisted men and warrant officers appointed or advanced to commissioned rank or grade under act of July 24, 1941. June 19, 1948.

Public Law 710: Amends Armed Forces Leave Act of 1946, as amended, to permit certain payments to be made to surviving brothers and sisters, nieces, and nephews of deceased members and former members of the armed forces. June 19, 1948.

Public Law 716: Amends section 202 of Army-Navy Medical Service Corps Act of 1947 to remove present restriction on appointments to the Navy Medical Service Corps. June 19, 1948.

Public Law 720: Amends title I, Bankhead-Jones Farm Tenant Act, to increase interest rate on title I loans, to provide for redemption of nondelinquent insured mortgages, and to authorize advances for preservation and protection of insured loan security. June 19, 1948.

Public Law 722: Establishment of internships in the Department of Medicine and Surgery, Veterans' Administration. Estimated cost, $440,000. June 19, 1948.

Public Law 724: District of Columbia Appropriation Act, 1949. Includes appropriation for service to veterans. June 19, 1948.

Public Law 726: Transfers portion of Veterans' Administration Center, Los Angeles, to State of California for use of the University of California as a research and medical center. No cost estimate. June 19, 1948.

Public Law 729: Authorizes $1,000,000 annual appropriation to Veterans' Administration for prosthetic appliance research. Potential cost, $1,000,000 annually. June 19, 1948.

Public Law 739: To preserve seniority rights of 10-point preference eligibles in postal service transferring from position of letter carrier to clerk, or vice versa. June 22, 1948.

Public Law 741: Amends section 19, Veterans' Preference Act of 1944, as amended, to provide that any recommendation on appeal of a preference eligible, employee or former employee, by the Civil Service Commission shall be complied with by the Federal agency involved. June 22, 1948.

Public Law 748: Amends Veterans Regulation No. 1 (a), parts I and II, as amended, to enact into law regulatory list of chronic constitutional diseases granted service connection if manifest to 10-percent degree within 1 year from discharge, and add certain diseases to list. No estimate of cost. June 24, 1948.

Public Law 753: Department of the Navy Appropriation Act, 1949. June 24, 1948.

Public Law 755: National Dental Research Act, to amend the Public Health Service Act to provide for, foster, and aid in coordinating research relating to dental diseases and conditions. Section 4 creates a National Advisory Dental Research Council, consisting of, among others, the chief medical officer of the Veterans' Administration or his representative. June 24, 1948.

Public Law 759: Selective Service Act of 1948. June 24, 1948.

Public Law 762: Provides service pensions, under certain conditions, for widows of veterans of the Spanish-American War, including the Boxer Rebellion and the Philippine Insurrection, who married the veteran after the statutory delimiting marriage date, January 1, 1938. Cost not estimated but comparatively small. June 24, 1948.

Public Law 766: Military Functions Appropriation Act, 1949. June 24, 1948.

Public Law 775: To provide for the administration of military justice within the United States Air Force. June 25, 1948.

Public Law 782: Civil Functions Appropriation Act, 1949. June 25, 1948.

Public Law 785: Second Deficiency Appropriation Act, 1948. Veterans' Administration, soldiers' and sailors' civil relief, $245,000; automobiles and other conveyances for disabled veterans, to be derived by transfer from the appropriation "Administration, medical, hospital, and domiciliary services," $1,500,000. June 25, 1948.

Public Law 791: To authorize the permanent appointment in the Regular Army of one officer in the grade of general, and to authorize the permanent appointment in the Regular Air Force of one officer in the grade of general. June 26, 1948.

Public Law 796*: Amends Lanham Act (Public Law 849, 76th Cong.) to provide for transfer of certain temporary housing to educational institutions, with preference to students who are veterans of World War II or servicemen. June 28, 1948.

Public Law 797: Authorizes conveyance of Veterans' Administration land in Arkansas to Washington County, Ark. No cost estimate. June 28, 1948.

Public Law 802: Amends act of July 31, 1946 (Public Law 577, 79th Cong.) to provide further benefits for certain employees of

United States who are veterans of World War II and lost opportunity for probational civil-service appointments by reason of service in the armed forces, and who, due to service-connected disabilities, are unable to perform the duties of the positions for which examinations were taken. June 28, 1948.

Public Law 803: Authorizes conveyance of land at Veterans' Administration Center, Mountain Home, Tenn., to city of Johnson City, Tenn. No cost estimate. June 28, 1948.

Public Law 804: Amends Officer Personnel Act of 1947 (Public, 381, 80th Cong.) to exempt from compulsory retirement for age Regular Army or Air Force officers appointed in the grade of General of the Army pursuant to Public Law 333, Seventy-ninth Congress, and to permit restoration of such officers to the active duty list upon request; also extends the time before which certain officers now serving in the grade of Admiral in the Navy and General in the Air Force and Army must be reduced in rank. June 28, 1948.

Public Law 810: "Army and Air Force Vitalization and Retirement Equalization Act of 1948." June 29, 1948.

Public Law 831: Authorizes Administrator of Veterans' Affairs to convey to city of Cheyenne, Wyo., for public-park and golf-course purposes, certain land within boundaries of Veterans' Administration center at Cheyenne. No cost estimate. June 29, 1948.

Public Law 838: Amends subsection 601 (f) of the National Service Life Insurance Act of 1940, as amended (Public, 801, 76th Cong.), to authorize renewal of certain level premium term NSLI issued prior to January 1, 1948, for a second 5-year period. Additional cost but not estimated. June 29, 1948.

Public Law 841: Interior Department Appropriation Act, 1949. June 29, 1948.

Public Law 850: Provides that in case of employees separated from field service of Post Office Department to transfer under war-service regulations to private industry or another agency of the Federal Government, the terms of service immediately preceding such transfer, as well as time spent in military service, shall be credited. June 30, 1948.

Public Law 860: "The Government Corporations Appropriation Act, 1949." June 30, 1948.

Public Law 862: The Supplemental Independent Offices Appropriation Act, 1949. Restriction on expenditures to bar avocational or recreational courses under title II of Servicemen's Readjustment Act of 1944, as amended; excepts aviation courses under certain conditions. Veterans' Administration, administration, medical, hospital and domiciliary services, $936,755,000; printing and binding, $3,148,000; tort claims, $15,000; pensions, $1,898,000,000; readjustment benefits, $1,979,027,000; military and naval insurance, $5,096,000; hospital and domiciliary facilities, $202,000,000; national service life insurance, $49,320,000; soldiers' and sailors' civil relief, $65,000; veterans' miscellaneous benefits, $51,883,000; total appropriation for Veterans' Administration, $5,125,309,000. June 30, 1948.

Public Law 864*: Provides in Federal National Mortgage Association, a subsidiary of the Reconstruction Finance Corporation, a secondary market for loans guaranteed under section 501, 502, or 505 (a) of the Servicemen's Readjustment Act of 1944, as amended (Public 346, 78th Cong.) under certain conditions; amends the Servicemen's Readjustment Act to establish the incontestability of evidence of guaranty or insurance issued by the Administrator; and amends the National Housing Act to permit FHA loan insurance with respect to World War II veterans' cooperative housing projects in an amount not to exceed 95 percent of the assessed valuation. July 1, 1948.

Public Law 865: To assist by grants-in-aid the Republic of the Philippines in providing medical care and treatment for certain veterans who are in need of hospitalization for service-connected disabilities who served in the armed forces of the Commonwealth of the Philippines while such forces were in the service of the armed forces of the United States. Hospital construction limited to $22,500,000. Hospital expenses limited to $3,285,000 annually for period of 5 years. July 1, 1948.

Public Law 868. Amends paragraph IV, part I; subparagraph (c), paragraph I, part II; and paragraph III, part II, Veterans Regulation 1(a), as amended, to increase death compensation rates to widows, children, and dependent parents in service-connected wartime and peacetime death cases. Estimated cost $59,367,000 for first year. July 1, 1948.

Public Law 871: Provides for the procurement and supply of Government headstones or markers for unmarked graves of members of the armed forces dying in the service or after honorable discharge therefrom; requires the Secretaries of the three services to compile lists of the names of all members who were missing in action and to provide for the inscribing of each name on the wall of a chapel, or other appropriate memorial. July 1, 1948.

Public Law 876: Amends paragraph II, part II, Veterans Regulation 1 (a), as amended, to increase peacetime service-connected disability compensation rates from 75 to 80 percent of wartime rates. Estimated cost $1,611,000 for first year. July 2, 1948.

Public Law 877: Grants additional compensation on account of dependents in wartime and peacetime service-connected disability cases where disability is 60 percent or more in degree. Estimated cost $45,585,400 for first year. July 2, 1948.

Public Law 888: Amends Veterans' Preference Act of 1944 (Public Law 359, 78th Cong.) to clarify the intent of Public Law 396, Eightieth Congress, which extended preference provisions under certain conditions, to widowed mothers. July 2, 1948.

Public Law 896: War Claims Act of 1948, section 6 provides for the adjudication and payment of claims of former members of the armed forces, held as prisoners of war by an enemy subsequent to December 7, 1941, based upon failure to furnish the quantity and quality of food required by the Geneva Convention. July 3, 1948.

Public Law 900: Postal Rate Revision and Federal Employees Salary Act of 1948, title III provides an increase for Federal employees of $330 per annum, except as to certain statutory salaries. July 3, 1948.

Address of Hon. Styles Bridges, of New Hampshire, at the Freedom Rally, New York, April 11, 1948

EXTENSION OF REMARKS

OF

HON. STYLES BRIDGES

OF NEW HAMPSHIRE

IN THE SENATE OF THE UNITED STATES

Saturday, June 19 (legislative day of Tuesday, June 15), 1948

Mr. BRIDGES. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a copy of an address I delivered in New York, April 11, 1948, at the annual Freedom Rally. My address deals with the international situation. Present at the Freedom Rally were Americans whose ancestral roots are in scores of countries in other parts of the world, Americans who have seen their ancestral lands swept under the totalitarian tides of recent years.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Just about 3 years ago, in the spring of 1945, I had the honor to be the guest of this same Coordinating Committee of American-Polish Associations which is again the moving spirit of this Freedom Rally. It was just 2 months after the signing of the Yalta agreement and 1 month before the San Francisco Conference. We were then energetically engaged in warning the makers of American foreign policy that Yalta held the seeds of a great tragedy for the world. Our warnings were not heeded.

The world has already paid a heavy price for the mistakes of some of our leaders. The cost is still rising. Today, in spite of all the blood and treasure sacrificed on the world's battlefields, there is no peace.

It is almost 3 years since the war ended. Sometimes peace seems farther away than it did at the darkest moments of the war. Much of Europe is still in a state of devastation. Economic life has not recovered. Fighting continues to rage in the Holy Land, China, Greece, and India.

From the border nations of western Europe the Communists now control much of the earth eastward to our own Territory of Alaska. Whole nations, almost whole continents, have become engulfed by a Red tide of tyranny which holds in subjection the greatest number of people ever brought under single control in all recorded history. Two fundamental ideas of life, one geared to human freedom and the other to state despotism, face each other throughout the world. Everywhere there is dissension and threats of hostility. Everywhere there is fear in the hearts of men.

How has the world been reduced to this tragic state of affairs? In the late war many nations banded together to crush the march of tyranny begun by Hitler and his Nazi hordes. What was the spirit which lifted our hearts and made us stout enough to face that titantic struggle without flinching? We know it was the spirit embodied in the "four freedoms," in the Atlantic Charter and in the hope that when the smoke of battle cleared nations could unite in a world organization capable of assuring peace, justice, and prosperity.

Chief among the sentiments which inspired us was freedom of worship, freedom of speech, freedom from fear and want. We sought no selfish gains, territorial or other, out of the war. We rejected the idea of territorial changes without the freely expressed wishes of the people concerned. We promised to respect the right of all peoples to freely choose their own form of government. Sovereign rights and self-government were to be restored to those who had been forcibly deprived of them. We agreed to work toward free access to trade and raw materials which is necessary to world prosperity. We looked toward the organization of a peace in which nations would abandon the use of force and which would afford to all the means of dwelling in safety within their own boundaries.

It was for these goals that America entered upon the gigantic program of lend-lease without which the war might not have been won. It was in support of these goals that America finally dedicated her manpower and all her resources to the gage of battle. Russia did not join in many of these hopes and promises, to be sure, but she welcomed the powerful aid the free world gave her on these grounds.

Then, in the early dawn of victory and when the guns finally fell silent on a shattered world, came that series of tragic conferences and events which turned the victory of a hard-won war into a peace filled with

disaster. The great sacrifices on the battlefields for the ideals we had proclaimed were bartered away over the conference tables of Tehran, Yalta, and Potsdam. We had rejected the German surrender until it could be made to all the chief allies together. We stayed the victorious march of General Patton's and General Bradley's armies to permit the Red army to be the first to enter Berlin and Prague.

At Tehran, against the wishes of our British ally, we made fatal concessions to the Soviet Union. Before the war was over we had sacrificed two of our allies, Poland and Yugoslavia. The legitimate Government of Poland was not represented at the San Francisco Conference, although 20 divisions of her brave army fought on our side throughout the war. Even while the San Francisco Conference debated, the Soviets captured 16 leaders of the gallant Polish underground army which had fought the Nazis for 5 years and had assisted the Red army in the final rout of the Nazis. We saw war-exhausted men of Poland marched off to Soviet concentration camps.

In Yugoslavia, the hero and warrior, Gen. Draja Mihailovich, was also sacrificed by his western allies. His government and his people were turned over to the Communist agent Tito who is today actively conspiring against the freedom and peace of his neighbors.

So intent were our leaders on the war and so eager were they to promote Soviet good will that they closed their eyes to the rape of the smaller Baltic Republics of Lithuania, Latvia, and Estonia.

At Yalta we not only confirmed the Tehran betrayals but assigned half of Europe and the industrial heart of China—Manchuria—to the tender mercies of a government which knows no tenderness and mocks at mercy. The strategic Kuril Islands were consigned to Russia, and China and Korea were opened to Soviet domination and exploitation.

Agreed upon at Yalta and written into the Charter at San Francisco was the veto power which has since been used by the Soviets to block attempts to bring peace to a war-torn world. I said at the time that the veto power would make the United Nations unable to fulfill its great mission to organize peace, and this has now come to pass.

Then, in hammering out the peace compacts with minor enemy nations, we surrendered to Moscow total dominion over Bulgaria, Rumania, and Hungary. America agreed to a reparations scheme for Italy which siphons off economic aid to that unfortunate people as fast as we can pump it in. We created a focus of war infection in Trieste. We left Italy exposed to the depredations of a Communist fifth column supported by the armed forces of her aggressive neighbor, the Tito dictatorship. At this very moment the Communist fifth column seeks to grind Italian freedom under the heel of a Togliatti dictatorship.

At Potsdam we agreed to a system of reparations and to a future economic life for Germany which retards German recovery and the recovery of all of western Europe. As a result, the United States is today subsidizing the Germans on the barest living standard in order to prevent them from supporting themselves. The whole outlook for European recovery is being sacrificed to this nonsensical policy.

It seems incredible that nations which made such sacrifices to crush Nazi tyranny could be so blind as to permit another tyranny to rise out of the ashes of Nazi defeat.

I am sure it was not planned that way. You and I know that the American people despise oppression. We know that Americans historically are the champions of freedom and justice. But by unwise and secret diplomacy, we have found our high ideals being traded away.

Looking back on these developments it is possible to see in part at least how we blundered down this tragic road. We allowed the Soviet armies to take the military honors at Berlin and Prague for perfectly good reasons. We wanted to recognize the measure of Russian sacrifices and suffering in the war. We wanted to continue the solidarity of the United Nations in the finishing of the war and in building the peace. We entered upon the fateful conferences at Tehran and Yalta for these ends and in a sincere effort to understand Russian fears for her postwar security. Our leaders sought her good will, but in our eagerness to win her trust they paid her a price which left almost totally bankrupt the ideals for which we fought the war. When we finally rubbed the secrecy of those conferences from our eyes, the brutal fact confronted us that we had bribed the masters of the Kremlin by conceding them chunks of territory and the freedoms of innocent populations.

How did the Soviets respond to the trust we placed in her? How did she deal with the concessions we made?

She used her entry into Berlin and Prague as a political device to impress the smaller nations with her power. She looked upon war-torn Europe as a fertile field for Communist expansion. She determined to make herself strong by sapping the strength of Europe and enslaving the free manhood of the west. She used Tehran, Yalta, and Potsdam not alone for her own peace and security, but to dominate her smaller and weaker neighbors. She turned trust into license and concession into grab. She used every postwar problem and conference to undermine her neighbors, and to spread confusion and strife as weapons to force totalitarian communism on the free areas of the world. The pattern has now become familiar. It seeks to overthrow every free nation by infiltration of Communist fifth columns, by vicious propaganda, terrorism, domination, and then purges.

We must recognize communism for what it is—a vast international conspiracy with tentacles in every country in the world, our own included. Whatever it may be in theory, it is in practice a great engine of power, operated by desperate, ruthless, unscrupulous men who have no respect for human liberties or for human life. They are men who will not hesitate to plunge mankind into another blood bath if we leave them any chance of winning world domination.

The grave error of our wartime leaders was their surrender of principle to expediency. They sometimes laid aside the principles of peace they proclaimed when they called the country to the colors. They failed to realize that that weight of American technology and production was in itself enough to tip the scales to victory without further offerings to Russia. Also, our leaders failed to trust us. Their deals were in secret. I believe that if the American people had been taken into confidence by their leaders, 140,000,000 people in eastern Europe and millions more in northern China would never have been delivered into Soviet enslavement.

On May 23, 1944, when it became apparent that our valorous allies, Poland and Yugoslavia, were being abandoned to a totalitarian fate, I addressed the Senate and said:

"Certainly the American people have not gone into this struggle for the purpose of turning over Europe to the control of any nation or group of nations, much less to substitute the terrors of one dictatorship for another. We have no desire to be a party to the establishment of any postwar organization which is to be dominated by one, two, three, or four nations."

Our wartime leaders undoubtedly meant well. Yet our late President and three Secretaries of State—Hull, Stettinius, and Byrnes—failed to understand that the Soviet Union was busy not only waging a military war against Germany but also a diplomatic war against their allies. But our leaders refused to heed those who did understand this crucial key to the course of events.

A full cycle has taken place from that fateful day in December 1939, when Russia moved on Finland over American protest to the present moment when the immensely stronger weight of the Soviets is again pressing upon Finland, as it is everywhere else in Europe.

American public opinion is at last awake to the fateful commitments to Soviet Russia and to their harsh consequences. And we are acting characteristically to the ominous turn of events. Let me give you a brief summary of changing public opinion as I see it.

During the war years we had placed our trust in the Soviets as an ally. We opened lend-lease to them and supplied them liberally with our war production and all other materials necessary to sustain them. We shared our technical skill and secrets with them. We cooperated wholeheartedly with them in devising the military strategy against the Nazis.

When the war ended we joined with them in UNRRA for the relief of the destitute. They received far more out of UNRRA than they ever put in and America paid some 75 percent of the cost. We included them in all international plans for postwar relief and reconstruction. Although we were disappointed when they remained cold to plans for peace and recovery, we still believed they would think the better of it and eventually would participate.

But as Russia became more demanding, more aggressive toward her neighboring small countries; as she turned concessions and events to her self-interest alone, and as she blocked so many sincere efforts to peace and recovery, American opinion became somewhat bewildered and confused. We remained patient, however, and redoubled our efforts to understand Soviet ways.

As the Soviets continued and as case after case revealed her aggressive conduct, American opinion turned to irritation and protest. We made strong representations, I remember, in the Petkov and similar cases. And when diplomatic notes failed to move the masters of the Kremlin America began to face the tragic reality that, in spite of our protests, the freedom of over 140,000,000 Europeans was ruthlessly being crushed by Moscow and her dominated satellite governments. But even then we could hardly believe that the Soviet leaders were so foolhardy to continue their aggressive conduct. We simply could not believe the Soviets would follow in Nazi footsteps after the terrible lesson of what Nazi oppression had cost the Germans and Europe.

It took the reestablishment of the Cominform, the threats to Greece and Turkey, and above all the seizure of Czechoslovakia, and the death of the Czech patriot, Jan Masaryk, to convince some American leaders of the real meaning of Soviet behavior.

Thereupon American opinion shifted another notch. We continued our simple economic aid to Greece, Turkey, China, and the 16 nations who met at Paris. But we took the further step of encouraging the free nations to work together for their safety and security. We began to show a firm determination to help them remain free. We took a firmer stand in direct resistance to Soviet actions in the United Nations and other international councils. And finally we turned once again to our own rearmament with a program that should give notice to the world that America is at last aroused.

What is it we seek? Certainly we wish to recapture the moral leadership which was bartered away by secret commitments and unprincipled appeasement. Here we are returning to the firm, positive ground which made America a haven for the oppressed and a champion of freedom throughout our history. We want the four freedoms and the Atlantic Charter to be the beacon lights on the road we seek to travel. We demand an end to secrecy. We insist upon faith and in-

tegrity instead of half truths and broken pledges.

We must insist with all our force that a free world be allowed to heal its wounds in peace, and that the people of every country be permitted to order their own lives freely and in peace. We have already moved to permit Germany to support herself and contribute her share to the economic recovery of Europe. We propose to stay in Germany as long as needed for this purpose. We ask that Trieste be returned to Italy rather than leave it as a no-man's land of constant friction. We have quickly passed the foreign aid bills to strengthen free peoples and hasten their recovery.

This is but the beginning of what we hope will become a general resettlement of postwar problems looking toward peace, equity, justice, and security for all nations. We hope the Soviets will join in this healing operation. The world needs the great contributions the Russian people can make to world peace and progress. We shall deeply regret any disposition the Soviet leaders may have to turn the clock back farther to renewed strife and misery.

In my address to the Senate about 2 weeks ago, I outlined some 17 steps which our country should take to safeguard its future and to enable it to contribute toward world peace and stability. This program implements the following first principles:

America must be financially sound and economically strong.

Our Army, Navy, and Air Force must be reinvigorated with manpower and matériel to meet any eventuality.

Our industrial potential must be geared to the defense needs of the Nation.

Our scientific secrets must be safeguarded and scientific progress pushed vigorously.

Our military leaders should at once coordinate their efforts and draw up a strategic plan to meet any contingency.

Those who would confuse our counsels and subvert our efforts must be removed from Government positions.

We should deal with all countries, particularly with the Soviets, on a reciprocity basis so that good relations with all become a two-way street.

We must encourage and support those who resist aggression. We must not strengthen those who strive to undermine the United States and other free countries.

We should support and strengthen the United Nations until it is capable of dealing justly and effectively with aggression.

In this hall this afternoon there are Americans whose ancestral roots are in Albania, Austria, Belgium, Bulgaria, China, Czechoslovakia, Holland, Estonia, Finland, France, Greece, Italy, Ireland, Korea, Latvia, Lithuania, Poland, Rumania, and Spain. This is in the true spirit of America for we have welcomed to our shores men and women who sought an opportunity to work out their own destinies in peace.

Think of it—in this hall there are people of almost a score of nationalities free to worship as they please, to speak and write as they wish, and free to move about this great country as they will in the full knowledge that our Government and our Constitution will protect their liberties, freedom, and security.

Our spirit stems from the very foundations on which the United States began. The spirit of Washington, Jefferson, and Lincoln in our memories is greatly enriched by the kindred spirits of Kosciusko, Pulaski, Garibaldi, Mazzini, Kossuth, Sun Yat-sen, and many others of the old world—east and west—who joined in common search and struggle for liberty, freedom, and truth.

All of the people in this hall know of the great statue which can be seen from Battery Park in lower Manhattan. It is the Statue of Liberty, the gift of France to America, holding high the torch of freedom. It symbolizes what America means to all of us. The same lamp of liberty burned in the spirit and hearts of our forebears, yours and mine. Let us unite in the determination to spread its shining light throughout the world.

Eightieth Congress Has Provided for a National Institute of Dental Research

EXTENSION OF REMARKS
OF
HON. CHARLES A. WOLVERTON
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. WOLVERTON. Mr. Speaker, the field of public health is one of the many important fields which are the legislative responsibility of the House Committee on Interstate and Foreign Commerce.

The record of this committee, of which I am chairman, during the Eightieth Congress is one of which I am extremely proud. I should like to review the record insofar as it relates to public health, and especially as to legislation in the dental field.

Of 46 bills relating to public health referred to the committee, 14 have been reported, and 12 have become the law of the land. This means that important legislation was passed in practically all aspects of health, for the total number of bills represents many duplicate and similar bills on the same subject.

Probably none of these new laws is of more significance than H. R. 6726 which creates a National Institute of Dental Research.

The Institute is created for the purpose of improving the dental health of the people of the United States through the conduct of research, investigation, experiments and studies relating to the cause, diagnosis, and treatment of dental diseases and conditions; of assisting and fostering research by public and private agencies; and of providing training in matters relating to dental diseases and conditions.

The backlog of dental need is vast. It far exceeds the man-hours of dental skill that conceivably can be devoted to it. Only by finding new and improved techniques of prevention and treatment through research, can we hope within the near future to bring a reasonable measure of dental health to this Nation.

In the field of dental caries, research contributing to its prevention is still meager. Dental caries is the destroyer of most of the teeth that are lost by persons until they reach their middle thirties. About 90 percent of our children are affected by caries before they enter school, and most of them by the age of 18 have lost one or more of their permanent teeth. Thereafter pyorrhea, a disease of the supporting structure around the teeth, takes over as the chief enemy of dental health.

Crooked teeth, misshapen jaws, and other disfigurements within the definition of malocclusion, are found in all age groups and in between 25 and 40 percent of the population.

While some knowledge has been gained of the value of fluorine as a preventive of caries in children's teeth, we yet do not know why this reduces decay, nor the cause of dental caries. In the field of periodontal disease and malocclusion we yet have no idea of preventatives.

The study of all of these fields calls for the combined efforts of many scientific specialists. It requires adequately financed dental research. Research today is carried on only limitedly. There is also lack of facilities, and we have no research center comparable to our medical centers. Dental schools also need expanding research facilities, as well as personnel trained in research.

This bill, H. R. 6726, is designed to lay a sound legislative basis for a dental research program. It follows attentive consideration by the committee of the half-dozen bills relating to dental research which were before the committee. It has the full support of the American Dental Association, the Surgeon General of the United States, and of all who appeared before the committee.

The establishment of a National Institute of Dental Research, coupled with the training program provided in this legislation, constitutes a clear demonstration that dental research is on a sound basis. It should encourage qualified candidates to prepare themselves for research.

The establishment of the Dental Institute in the Public Health Service places it in the field of applied and basic research in dental diseases in the same position occupied by the Cancer and Mental Health Institutes, and the newly created Heart Institute, in the fields of cancer, mental health, and heart research. The legislation creating all of these agencies was likewise the work of our committee. The Dental Institute will not only provide a focal point of research, but is also empowered to make grants-in-aid to public and private institutions for projects that show promise of contributing to the knowledge of dental diseases and conditions.

As chairman of the committee having jurisdiction of the subject matter, I am exceedingly proud of the work of the committee in its consideration and favorable endorsement of this legislation. I have been gratified that it has secured the approval of the Congress and of the President, and has been enacted into law. It is one more worth-while contribution which the committee has made in the field of health toward the betterment of the people of the United States.

John Hollis Bankhead 2d

MEMORIAL ADDRESS
OF
HON. ARTHUR CAPPER
OF KANSAS
IN THE SENATE OF THE UNITED STATES
Wednesday, April 21 (legislative day of Monday, March 29), 1948

On the life, character, and public service of HON. JOHN HOLLIS BANKHEAD 2D, late a Senator from the State of Alabama

Mr. CAPPER. Mr. President, a number of years ago I was talking with a

Member of the House of Representatives, and the conversation got around to the Bankheads of Alabama. As I remember it, Representative William B. Bankhead at that time was Speaker of the House; his brother, Senator JOHN H. BANKHEAD, had been serving on the Senate Committee on Agriculture with myself since his first election to the Senate in 1930.

"In Alabama," this Alabama Congressman informed me, "the name of Bankhead is synonymous with personal and political integrity."

That must have been 14 or 15 years ago, but the tribute has stuck in my mind ever since. I really don't know that higher praise could be accorded any man; to have it as a family attribute is something of which I think any Alabaman can be proud, indeed.

Also, that is the way I myself always regarded Senator JOHN H. BANKHEAD 2D, after association with him on the Agriculture Committee and in the Senate. JOHN BANKHEAD was a man of ability, of character, with qualities of leadership and loyalty and tenacity of purpose that made him outstanding in any field in which he engaged his activities. His work for agriculture in the Senate, particularly for Southern agriculture, fairly entitled him to the esteem in which he was held by farmers and farm leaders, in and out of Congress, in and outside of farm organizations.

I was proud and happy to call him a friend, and always shall remember him as a friend, and also as a loyal and distinguished American; one of the highest types that we have in American public life. If any words of mine could add to his stature or his place in history of his day and generation, I would add those words. But such additional words would not add anything to his standing. I can only say that I am glad, indeed, to pay this feeble tribute to the memory of JOHN H. BANKHEAD 2D, a leader with vision; a man of integrity; a statesman who served his State and Nation well and with honor. May we have more like him in the days to come.

John Hollis Bankhead 2d

MEMORIAL ADDRESS

OF

HON. ALLEN J. ELLENDER

OF LOUISIANA

IN THE SENATE OF THE UNITED STATES

Wednesday, April 21 (legislative day of Monday, March 29), 1948

On the life, character, and public service of Hon. JOHN HOLLIS BANKHEAD 2D, late a Senator from the State of Alabama

Mr. ELLENDER. Mr. President, we pay tribute to a noble gentleman from Alabama, the late Senator JOHN HOLLIS BANKHEAD. Words cannot adequately describe the course, loyalty, and unselfishness he manifested in defending the welfare of his fellow men. The Congress has been privileged and honored to have had within its ranks one or more members of Alabama's leading family, the Bankhead family, for three generations. The brilliant career of JOHN H. BANKHEAD has extended to 60 years the period of courageous service this family has performed to the State of Alabama and the Nation.

It has been said that JOHN H. BANKHEAD was Alabama's greatest statesman, and there is ample evidence to support that statement. The zeal with which he served his community, State, and the Nation places him among the foremost statesmen of his generation. Keenly aware of the many difficulties the farmer faces in producing food and clothing for America, the illustrious Senator devoted years of tireless effort toward removing these burdens. Although unquestionably an authority on the subject of cotton, he also possessed a thorough, comprehensive knowledge and understanding of all phases of agriculture and agriculture research.

Senator BANKHEAD was truly a valiant champion of the American farmer. Not alone by fearless words, but by a long list of statutes which bear his name, he has carried the farmers' torch before the Congress. He achieved an unchallenged position as a foremost leader for American agriculture in Congress. A short while before his death, he was honored by the farmers of Alabama as being one of the greatest men who had ever served the farmers of that State. He was also a distinguished scholar and alumnus of the University of Alabama.

During his 16 years of service in the Senate, Senator BANKHEAD was a member of the Appropriations, Banking and Currency, and Agricultural and Forestry Committees. His contributions to these committees and his faithfulness to their tasks won for him the respect and devotion of all those who served with him. His friends are legion. The true value of his public services to the State of Alabama and the farmers of the Nation cannot be estimated.

One of several outstanding Federal statutes initiated by Senator BANKHEAD is the Bankhead Cotton Control Act of 1934. This measure provided the means by which the cotton industry would be placed on a sound commercial basis, prevented unfair competition and practices in putting cotton into the channels of interstate and foreign commerce, and provided funds for paying additional benefits under the AAA.

Presenting this bill to the Senate, Mr. BANKHEAD clearly stated his position with reference to agriculture in these words:

I desire to say that, as a member of the Senate Committee on Agriculture, I have stood with an open willingness to promote any agricultural program for the benefit of agriculture in any section of America that may be agreed upon by those who represent the producers in such agricultural section. My heart is with them. My judgment is with them. * * * Let me say that this bill has not come to Congress from any theorist of any kind. This is a practical program which has developed out of the necessities of our situation. Let me say that the demand for the passage of this bill comes up from the very cotton rows of the South.

Another statute bearing the name of Mr. BANKHEAD is the Bankhead-Jones Farm Tenancy Act of 1937, which established the Farmer's Home Corporation primarily for the purpose of encouraging and promoting the ownership of farm homes and making the possession of these homes more secure. In describing the plight of the tenant farmers who were to be benefited by this measure, Senator BANKHEAD said:

Here is the underdog so far as any measures the present Congress has passed are concerned, except possibly those coming under the relief bills. Here is the poorest group of people. At least, to whom loans have been authorized by our Government. There are local communities which have served without compensation in order to help their fellowmen in the counties. Whatever I can do to contribute to that end, I shall certainly do to bring about an economical and a cheap administration of this program for the poor farmers of this country.

No one has any thought that we can provide Federal credit for every tenant farmer in the country who desires to own a home, because I daresay that more than half of the farm tenants, regardless of their intellectual standards, have a longing for homes of their own, for themselves and for their families. I shall not digress at this time to go into the subject of home ownership, its desirability, and its value. Those things are well known to every man intelligent enough to serve in the Congress of the United States.

Little more need be said about Senator BANKHEAD'S contribution to the farmers of America. His own words as well as his deeds illustrate the true stature of this stalwart champion of the farmer.

A Debauched Currency Is Responsible for High Prices and World Chaos

EXTENSION OF REMARKS

OF

HON. ZALES N. ECTON

OF MONTANA

IN THE SENATE OF THE UNITED STATES

Saturday, June 19 (legislative day of Tuesday, June 15), 1948

Mr. ECTON. Mr. President, I want to take this opportunity to call to the attention of my colleagues a statement made in the House of Representatives today by the Honorable JOHN SANBORN, of Idaho, in support of H. R. 7012 and S. 2895.

This statement tells you some facts about money in language anybody can understand, and should be convincing evidence that until we adopt a sound monetary system along the lines provided in H. R. 7012 and S. 2895, all of our present frenzied efforts for world peace and economic stability are just so much sound and fury signifying nothing.

The Marxist system of "managed economy and managed currency" initiated by the New Deal 14 years ago has so debauched our currency that the dollar and all fixed-dollar-value securities have lost 63 percent of their value since 1933, and continue to lose 1 percent of their value

monthly. One of the proudest boasts of the New Dealers is that they protected the people's savings by enacting a law to guarantee bank deposits, yet under this system of currency debauchery they have not only filched 63 percent of the American people's savings but have destroyed 63 percent of the value of their life insurance, pensions, and other fixed-dollar value securities. This represents a greater loss to the American people in 14 years than was suffered through bank failures in the preceding 140 years.

I ask unanimous consent to have printed in the Appendix of the RECORD the statement referred to.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

WHY PRICES ARE HIGH

Demagogues are blaming business and the farmer for high prices, but a glance at the figures below should convince any fair minded person that the unsound monetary and fiscal policies of the New Deal administration are entirely to blame. Based on the purchasing power of the dollar many prices are actually lower than they have ever been. High prices do not reflect greater values but cheaper dollars, and naturally it takes more of these cheap dollars to defray living costs.

The purchasing power of $1 today is equivalent to 37 cents prior to 1934.

It requires $2.71 to buy what could be bought for $1 prior to 1934.

A $10 daily wage today is equivalent to $3.70 prior to 1934.

Your $100 per month pension is equivalent to $37 prior to 1934.

Your $10,000 life insurance policy is equivalent to $3,700 prior to 1934. And the only thing that will prevent the purchasing power of the dollar from falling still lower is to adopt a sound monetary system as suggested in H. R. 7012 and S. 2895.

WHY WE HAVE A HOUSING PROBLEM

With an unstable and constantly depreciating dollar, no one knows what material and labor costs will be six short months from today. Consequently many builders are frightened at the prospect and reluctant to take chances which might ruin them. Free competitive enterprise will supply us with all the homes we need if we will adopt a sound, stable, dependable dollar. With sound money, there is no need for subsidies or socialistic housing projects which, in the last analysis, robs Peter to pay Paul, and eventually hurts most those they pretend to help.

WHY WORLD WAR III THREATENS

It is this unsound monetary system which prevents European recovery and is driving us headlong into world war III. For all wars are economic. All depressions are the result of unsound monetary and fiscal policies. Government, and not industry, is to blame for booms and busts.

Sound money is the most vitally important subject before the American people, and if we continue to ignore it, we are not fit to represent our constituents in the Congress. Fathers and mothers who fail to read Congressman SANBORN'S statement or, having read it, neglect to do anything about it, should stop complaining about high prices, high taxes, and the imminent danger of their sons being sent to fight another foreign war. It is no good blaming somebody else, for we people in the U. S. A. are personally responsible for the kind of government we get. It is time that we abandon expediency and the isms and ideologies of the old world, and support and defend the Constitution of the United States.

Representative Knutson Takes Care of Tax Relief for Wealthy

EXTENSION OF REMARKS
OF
HON. MICHAEL J. KIRWAN
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. KIRWAN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by Drew Pearson from the Washington Post:

WASHINGTON MERRY-GO-ROUND

REPRESENTATIVE KNUTSON TAKES CARE OF TAX RELIEF FOR WEALTHY

(By Drew Pearson)

WASHINGTON, June 14.—The declining years of the du Ponts, the Rockefellers, the Morgans and the Astors will be made considerably brighter by several loopholes tucked away in the new "technical" tax bill which Congressman HAROLD KNUTSON, Minnesota Republican, is obligingly reporting out of the Ways and Means Committee.

He has carefully called this a "technical tax-revision" bill which gives the general impression that it merely rounds off a few rough edges of the tax law. The edges it rounds off, however, cut down the estate and gift taxes so as to benefit the wealthiest families in the United States.

Most people don't realize that the earlier tax bill, passed over President Truman's veto, carried a little-noticed provision reducing estate and gift taxes by a rough average of 30 percent. By reason of estate-tax exemption of $60,000, this relief goes only to the Nation's wealthiest families.

This, however, has merely whetted the appetites of the tax-lawyer lobbyists. They are now out to get more for their wealthy clients, and their good friend, Congressman KNUTSON, has generously fixed up another bill—H. R. 6712—by which anyone with a good tax lawyer could pass on to his family the nice little bonanza of between $1,000,000 and $2,000,000 without any death or gift taxes whatsoever.

This would reduce gift and inheritance taxes. And while reducing gift and inheritance taxes for the wealthy, millions of low-income taxpayers continue to pay eight to ten times as much in income taxes as before the war.

NOTE.—The two tax lobbyists who sneaked this across with their willing friend, KNUTSON, were Roswell Magill, the Wall Street tax lawyer, and William Sutherland, tax expert of the American Bar Association.

A Long-Range Farm Program

EXTENSION OF REMARKS
OF
HON. JOHN A. BLATNIK
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. BLATNIK. Mr. Speaker, I have always been in agreement with the agrarian philosophy of Thomas Jefferson, author of the Declaration of Independence and father of the Democratic Party, who believed that a thriving agriculture based on individually owned and operated farm units was one of the cornerstones of a successful democracy, and a bulwark against selfish corporate power which, if left unchecked, will trample upon the rights of the people. I am also in accord with the Jeffersonian concept which holds that a stable, prosperous and expanding agriculture is essential to a sound and prosperous national economy—that when all goes well for agriculture, then all goes well for the Nation. For this reason I have been a strong supporter of the Roosevelt farm program, and have advocated that this program be expanded and improved to promote the interests of the American farmer, and to solve the major problems which confront him.

GOP FAILS THE FARMER

When I first arrived in Washington as a freshman Congressman, I was confident that the Eightieth Congress would enact into law some constructive farm legislation. I was encouraged by the many speeches delivered from the floor of the House by Republican orators, who talked long and loud about a new long-range farm program which they were going to formulate. But my optimism was short-lived. In spite of all this GOP "I'm a friend of the farmer" oratory, it soon became obvious that the Republican leadership was not interested in working out a genuine program for the farmer. Now the second session is ended, and this mythical long-range farm program has never materialized.

The record of the Eightieth Congress on farm legislation is one of miserable failure and broken campaign promises. It proves that all this Republican talk about helping the farmer was only Republican double talk. Let us look at the record. While the Republican leaders were talking about the welfare of the farmer last year, the GOP hatchetmen in the House Appropriations Committee were swinging the economy ax on the budget of the Department of Agriculture. They cut REA appropriations by $25,000,000; funds for the AAA and soil conservation were reduced by $36,000,000; the farm-tenant purchase program had its appropriation reduced from $35,000,000 to $15,000,000, and crop-insurance funds were reduced by 55 percent. During the second session the GOP continued its false economy policy by cutting the Department of Agriculture budget by $58,000,000, which will result in the further curtailment of crop insurance, farm-tenant purchase and other farm programs. REA funds, which were sharply reduced during the first session, were restored this year only because of strong pressure from farm representatives during an election year.

In other words, the Republican majority did not have the courage to repeal the Roosevelt farm program outright—they knew that the farmers would not stand for that. What they did not dare to do openly, they attempted to do indirectly and under cover. So they merely cut the heart out of the farm program by reducing appropriations to the point where the Department of Agriculture cannot function properly. This

is legislation by appropriation of the worst kind.

The farmer received another set-back when the Republican Congress adopted the Reed-Bulwinkle bill, which exempts the railroads from the antitrust laws for rate-making purposes. In practice, this new law will enable two banking houses—J. P. Morgan and Kuhn-Loeb companies—to dictate all freight rates. It means higher freight rates on the goods the farmer buys and sells—a sell-out for the farmer in favor of the rail lobby.

The Republican majority is also directly responsible for the recent attacks upon farm-marketing and consumer cooperatives. Under Republican leadership, the House Small Business Committee held hearings and recommended a special tax on cooperatives and the House Ways and Means Committee also held hearings on this question. Had it not been for the strong public reaction against this proposal, the evidence shows that the GOP was prepared to use the Federal taxing power to curb and destroy these cooperative organizations which protect the interests of the farmer against the food trusts by making direct marketing possible without exploitation and enormous middlemen profits.

In short, the Republican policy toward agriculture during the entire life of the Eightieth Congress was negative and destructive. They did immeasurable harm to the existing agriculture programs by cutting the agriculture budget. They opened the door for higher freight rates on farm produce, and threatened the life of the farm-cooperative movement. The only constructive action taken during both sessions was passage of the measure to extend farm-price supports at present parity levels for another year, after which a new parity formula, lower on some commodities, will go into effect.

A COMPREHENSIVE FARM PROGRAM NEEDED

It is most fortunate for the farmer and nonfarmer alike that previous Congresses had the wisdom to formulate a permanent, long-range Federal farm program. This program was built up step by step and act by act under the brilliant leadership of Franklin Roosevelt, and today stands in striking contrast to the do-nothing policies of the Republican Party. I have always looked with favor on this program, and I have opposed the GOP efforts to sabotage, weaken, and undermine it.

At the same time, I recognize that the Roosevelt farm program is not perfect. It represents only a step in the right direction, and there is much left to be done. I am convinced that we should take the present farm program as the pattern, and then broaden, strengthen, and expand it to provide permanent prosperity to the farmer, and farm security for all people who till the soil.

Planning and constructive effort to refine and improve existing farm programs is a major responsibility of government, made so by the important place of the farm industry in our economy. In the past farm problems have not received as much attention as they deserve because few people have a clear conception of the role that agriculture plays in our total economy. Agriculture is important and basic not only because it is the source of food for the total population, but also because it furnishes many raw materials for manufacturing industries—cotton, and so forth. Our society is interdependent economically, and if the Nation's farm industry suffers from stagnation, then all phases of our economic life disintegrate.

Relatively few people realize the size of the agriculture industry. It consists of approximately 6,000,000 farm units averaging 190 acres each, and represents an investment in land, buildings, and equipment of over $100,000,000,000. Against this total investment is a total debt of $8,500,000,000. There are 30,500,000 people living on American farms, with about 10,000,000 adults being gainfully employed in this occupation. The fortunes of one out of every four persons in the United States are directly linked to farm income.

Surely an industry which supports over 30,000,000 people and which involves a capital investment of $100,000,000,000 deserves the most serious consideration by our people and our Government. Surely an industry which feeds the Nation, and furnishes raw materials for our industries, deserves more than passing thought from our Government planners and National Legislature.

A PROGRAM FOR AGRICULTURE

For the purpose of analysis and discussion, the problems of the farmer can be divided into the following five major phases: First, price parity and the problems resulting from unfavorable price-cost relationships for major farm products; second, the problem of maintaining soil fertility; third, the problem of securing credit; fourth, the problem of tenancy and home and farm ownership; and fifth, the problem of social security and welfare of the farm population.

These five great farm problems are interrelated, and any sound, well-founded farm program will be one which furnishes some solution to each of them. I will discuss each problem in turn and suggest some positive proposals to furnish solutions.

First. Parity prices and the unfavorable price-cost relationship: The main problem of agriculture is found in the unfavorable price-cost relationship for major farm products which exists almost always except during periods of war and postwar food shortages, and which results in a low level of farm income. It is an economic truth that farm income tends to fluctuate with the business cycle. For example, total farm income in 1919 was at $17,000,000,000, but in 1929 it was down to $11,000,000,000, and by 1932 it had fallen to $5,000,000,000. Today, during this period of inflation and heavy foreign demand for American food, farm income stands at about $28,000,000,000. In other words, the farmer is prosperous one year when farm income is high, but since such prosperity nearly always coincides with high prices of the goods and equipment he must buy, his net income is not raised enough during the good years to take care of him during the bad years. Since farm prices tend to fall more rapidly than prices of the goods the farmer must buy, in past years when the market dropped the farmer often mortgaged and lost his farm, and rural living standards fell far below those in the rest of the country. The farm foreclosures, the bankruptcies, the 30-cent corn and 40-cent wheat of the Hoover administration represented the low point in the farmer's fortunes, but they were the end product of 10 years of farm depression following the First World War.

It seems to me that the solution to this problem of fluctuating farm income requires a double-barreled approach. One requirement is to take action to stabilize farm prices at a level necessary to guarantee a decent standard of living for our farm population. Another approach is to increase the consumption of farm products by placing a floor under national food consumption.

Under Roosevelt's leadership, America made a major effort to stabilize farm prices by enactment of the AAA program of 1938. The purpose of this program was to achieve parity—i. e., give the farmer a price representing the same purchasing power as he enjoyed during the base period 1909–14—by means of (1) limiting production through acreage allotments, (2) setting marketing quotas for basic crops, and (3) allowing the Commodity Credit Corporation to support prices by making loans to farmers up to 90 percent of the parity price of the crop and to hold farm surpluses off the market until prices were more favorable under the ever normal granary program.

It is generally agreed that the triple-A program was moderately successful. Total farm income was raised from a low of $5,000,000,000 in 1932 to $9,000,000,000 in 1940. In spite of this success I am not suggesting that the present AAA program is perfect or that it represents a permanent panacea. Although the program is basically sound, there is a need for revision.

A. Modernizing the parity formula: For example, there is an immediate change needed in the parity formula to establish a more equitable relationship between prices received today by the farmer and prices paid. The old base period of 1909–14 is outmoded, due to technological change. The proposal made by the National Grange—eighty-first national convention, 1947—to modernize the parity formula by, first, determining the average percent of the national income received by agriculture during the most recent 10-year period; and, second, applying this percentage to the national income figure determined by the Council of Economic Advisers as necessary in maintaining maximum employment and thus determining what the parity figure should be is a sound one, and deserves consideration. This suggestion would anchor farm prices to the national income, and guarantee to the farmer his just share of this income.

I regret to say that the so-called agricultural price stabilization bill adopted by Congress on the last day of the session—June 19, 1948—does not provide a modernized parity formula. It provides a new formula to take effect in 1950, but not an equitable one. It is unfair to the farmer in that it actually reduces parity

prices on a flexible basis, and then reduces support prices on the new parity levels. In my opinion, it is a step backward in providing security and protection to the farmers, and it is my hope that the Eighty-first Congress amends the law to provide a genuine modern parity formula reflecting present economic conditions.

B. Curbing monopoly: Returning to the question of price-cost relationship, it is obvious that a permanent solution to the problem requires some vigorous action in the field of monopoly. Today farmers are handicapped by having to sell their products in a highly competitive market, while doing most of their buying in a market dominated by the great monopoly combinations. This is the reason that in time of recession farm prices fall immediately, while industrial prices remain rigid. The monopolistic farm implement, automobile and tractor industries are able to maintain prices on a high level by curtailing production and firing the workers who are the farmers' customers. Thus the farmer has in the past, along with the wage earners, borne the brunt of business depression. Legislation to tighten up our antitrust laws and more funds for trust-busting purposes would therefore benefit the farmer by restricting monopoly pricing by industry.

C. Encouraging cooperative farm marketing and purchasing associations: Experience has proven that American farmers can obtain better prices for their products through the medium of farmer-controlled marketing cooperatives. These cooperative organizations help the farmer find better markets for his products at more satisfactory prices, and eliminate the heavy middleman profits of the grain and dairy trusts. Likewise, the farmer can purchase farm machinery and other equipment through cooperative purchasing associations to great advantage. In my opinion, the Federal Government should continue to encourage farmer cooperatives in every possible way, including the provision of adequate loan authorizations.

D. Controlling speculative trading: During recent years, speculators in grain and other farm commodities have manipulated prices of farm products by heavy speculative transactions on the exchanges. These speculators are social parasites who contribute nothing to production, and merely profit at the expense of farm prosperity and human misery. It seems to me that it is time that Congress should examine very carefully the function of the commodity exchange and should enact legislation to provide greater control over speculative trading in farm commodities and the artificial manipulation of farm prices.

E. Establishing a floor under food consumption: A second approach to the task of stabilizing farm prices would be to work from the point of view of increasing consumption of food. In the past agricultural economists have talked of overproduction in agriculture, and have proposed that production be curtailed in the same way that manufacturing industries restrict production and lay off workers in time of depression. Actually, this idea of agricultural overproduction is a myth—there has never been overproduction of either food or consumers goods in our economy. What has been called overproduction is now realized to be "under consumption," caused by lack of purchasing power in the hands of those whose wants have gone unsatisfied.

The obvious answer to this question of overproduction of food is to increase the consumption of farm products. I have been happy to discover that the United States Department of Agriculture has begun to think along these lines, and has been devoting some time and effort to work out a legislative plan to establish an ever normal diet to place a floor under national food consumption. According to press reports the plan would operate in the following manner: First, the Department of Agriculture would determine the quantity and cost of an adequate and nourishing diet for the average family. Second, the Department would specify what proportion of the personal or family income should be spent for food. Then a permanent system of food stamps would be established, and those persons whose incomes fell below the amount necessary to buy the normal diet could apply for free food stamps from the Government to supplement their income. These food stamps would be accepted by the stores as money, and would be redeemed from local banks by the Government.

By establishing a floor under food consumption in this manner, the farmer would have a steady market for all his products here in this country, and consumer demands would remain constant. This plan would make it possible to set definite agricultural production goals, which would be subject only to the uncertainties of the weather, and would supplement the AAA program for price maintenance. It would eliminate once and for all the uneconomic practice of destroying or dumping farm surpluses which has been the subject of much deserved criticism. It would pay off in terms of higher living standards and better health for the whole population.

Second. Maintenance of soil fertility: Soil conservation is a major problem and necessity for our country—a nation that has lost its top soil has lost the basis of its economy. During recent years our farmers have been menaced by a serious increase in soil erosion which is destroying the fertility of our land. According to Government figures, soil erosion has already ruined 50,000,000 acres of farm land in the United States, and has badly damaged another 50,000,000 acres. Today the scientists of the Department of Agriculture are predicting a new dust bowl in the marginal wheat lands of the Southwest which will, unless prevented, ruin additional millions of acres of land.

Soil erosion is largely the result of overplanting, single-cropping, use of marginal land, and the failure to use scientific methods of plowing and terracing. Methods have been devised for controlling erosion, but it is difficult to accomplish much through individual action. The bad practices of a neighbor may destroy a farmer's soil in spite of his own practices. Therefore, it is the responsibility of Government to take the lead in the fight against erosion and for maintaining soil fertility.

It is to the credit of the Roosevelt administration that it recognized the need for a soil-conservation program and acted to establish such a program. Farm researchers in the Department of Agriculture have developed the scientific techniques to impede erosion, such as crop rotation, contour plowing, damming and terracing, spring development, trashy fallow, and the planting of cover crops, alfalfa, and clover. The Soil Conservation Act of 1936 was adopted, which provides Federal benefits to farmers who cooperate in crop rotation, applying of fertilizer, and other conservation practices. As a result, tremendous advances have been made in the preservation of the Nation's most important natural resource—the soil.

Under enabling legislation, soil-conservation districts have been established in many areas under the administration of the farmers themselves, and demonstration farms have been set up with the aid and advice of technicians from the Soil Conservation Service.

However, there is still a need to expand the soil-conservation program. In my opinion, legislation should be passed along the following lines: First, the educational services of the Soil Conservation Service should be broadened, and Congress should accept the responsibilities of financing a more comprehensive program by providing more adequate appropriations for agricultural research and soil conservation; second, certain phases of conservation should be made compulsory such as the elimination of overcropping of marginal lands, since the abuses of absentee owners and the refusal of a few farmers to cooperate can impede the program and conceivably create a new dust bowl; third, a broad Federal program of flood control which avoids the mistakes of the so-called "Pick" plan and is designed instead on a regional basis should be set up immediately. Under such a regional plan as is envisaged in the Missouri Valley Authority the 1947 floods throughout the Midwest which destroyed over a billion dollars of property could have been avoided. A Columbia Valley Authority might have prevented much of the damage this year in Oregon and Washington and could certainly have dealt with the situation on a regional basis.

Third. The need for farm credit: The problem of obtaining credit at reasonable interest rates has always been an important one to the farmer. Short-term credit to purchase seed, fertilizer, farm machinery, and so forth, has been difficult to obtain from commercial banks and farmers in the past have been charged exorbitant rates of interest. This problem is especially pressing for low-income farmers and tenants. Long-term credit facilities are needed by the farmer, especially during depression periods, to provide debt relief and the refinancing of farm mortgages.

The farm-credit policies of the Roosevelt administration represented an intelligent approach to the whole farm

credit problem. The Farm Credit Administration of 1933 which provided low-interest production and marketing credit to farmers through local credit associations was invaluable. The Farm Security Administration, set up in 1937, was one of the most valuable New Deal agencies to the low-income farmer. In addition to providing short-term marketing and production credit, it assisted tenants to buy farms, gave extensive guidance to sharecroppers and low-income farmers in scientific farming, set up cooperatives for purchase of machinery, and developed a broad social welfare program for farmers. In another field, it set up clean and well-run camps for the migratory agricultural workers in the industrialized farm areas. The Farm Security Administration was the first of the New Deal farm programs to fall under the economy ax.

During the depths of the depression, the Roosevelt Administration also bailed out the farmer and the banks by entering the farm mortgage field. The Federal Land Banks and associated Farm Loan Cooperative Associations were empowered to grant long-term loans to refinance existing mortgages, thus reducing interest rates from the excessively high predepression levels.

The credit policies of the New Deal farm program are in most cases commendable and have proved their worth, and I favor the extension of these facilities by additional loan authorizations. I also believe, in view of reduced interest rates on all classes of credit, that the Government should explore the possibility of refinancing at lower rates of interest existing mortgage indebtedness of farmers. Furthermore, the maximum possible control over all credit systems should be placed in the hands of the farmers themselves, and an independent bipartisan board should be established to administer all the cooperative credit agencies.

Fourth. Farm tenancy and home ownership: One of the dreams of every farmer is to own his own farm, and it is proper for Government to encourage the development of the individual-owned and operated farm unit. Farm ownership makes for greater independence of the individual, and better farming in our economy—the man who owns his own farm will take more pride in his work and better care of his property.

In spite of this universal desire for farm ownership, farm tenancy has been increasing in this country since 1880. At that time nearly 75 percent of the Nation's farmers owned their farms, but in 1935 only 58 percent were owners, with many of these farms heavily mortgaged. Due to depression and heavy debt, more and more farms have passed into the hands of bankers and the great life insurance companies as a result of foreclosures.

The Roosevelt administration made *efforts to halt* this rising tide of farm tenancy, climaxed by the passage of the Farm Security Administration Act of 1937. This act provided for the first time a Federal program to aid worthy tenant farmers to purchase their own farms.

The farm-tenant purchase program did not go out of existence when the Farm Security Administration was killed, but the Republican-controlled Eightieth Congress has made every effort to destroy it. During the first session funds for tenant farm purchases were reduced from $35,000,000 to $15,000,000, and this cut was upheld during the second session although some additional funds were made available for the following fiscal year. I strongly favor the expansion of the farm-tenant purchase program, and hope that the Eighty-first Congress will appropriate adequate funds to make it effective.

Fifth. Farm security and rural welfare: The depression of 1929 focused national attention to the fact that the farm industry includes several million persons who live under conditions of poverty and far below the health and decency level. These less fortunate people are the sharecroppers of the South, migratory farm laborers, part-time farmers and tillers of submarginal land. According to Government reports, there were approximately 1,700,000 farm families, representing 8,000,000 persons, who were existing in 1935 on an annual family income of less than $500 per year. This means that about one-third of the farm families of the Nation were then living on a standard so low as to make them slum families. I might add that there were 2,500,000 rural families dependent upon some form of relief during that same year. Today, this condition of rural poverty is not so prevalent due to unusual farm prosperity, but all reports indicate that millions still live under substandard conditions and that rural poverty is certain to increase with another economic recession.

It is important, therefore, that the Government formulate a program to meet the problems of the underprivileged farmer—the forgotten one-third of our farm population. As has been pointed out, the Federal Government made a good start toward rural betterment when the Farm Security Administration was established in 1937. In addition to providing production and credit and farm purchase loans to tenant farmers, this agency carried out a broad welfare program. It gave guidance to sharecroppers and submarginal farmers in improved farm methods, established medical care cooperatives, conducted home management courses for the housewife, established labor camps for migrant farm labor, and generally interested itself in the welfare of the low-income farmer.

It was unfortunate that the Farm Security Administration became the target of so much ill-considered abuse and was thus destined to die under the economy ax. In my opinion, this agency should be reestablished and adequate funds provided for it to develop a broad program of rural betterment. In connection with such a program I favor:

First. Extension of the REA program to provide electricity to every farm family in the Nation. Today some 52 percent of farm homes have electricity, and our goal should be 100 percent.

Second. A broad educational program for low-income farmers to improve methods and introduce scientific farm practices.

Third. A Federal resettlement program to furnish good land to farm families now tilling submarginal acreages.

Fourth. Health insurance and improved hospital facilities for rural families and cooperative rural health and sanitation programs.

Fifth. Extension of old age and retirement benefits of the Social Security Act to farmers and farm laborers.

Sixth. Improvement of leasing arrangements between tenants and landowners.

Seventh. Enactment of the Taft-Ellender-Wagner Housing bill, which includes funds for the construction of several million new farm homes and provisions for elimination of substandard rural housing.

FULL EMPLOYMENT AND AN ECONOMY OF ABUNDANCE

The legislative program which I have outlined relates directly to the farmer and his problems. However, it is well to remember that the prosperity of the farmer is directly linked to the prosperity of the rest of the population. It is true that some of my Republican friends try to tell us that the interests of the farmer and the worker are contradictory—that they belong to two antagonistic groups. But this argument is fallacious.

Such fallacious and vicious arguments are used to divide the farmer and the wage-earner—groups which should unite and cooperate in achieving common political and economic goals advantageous to both. It has been shown that there is a direct correlation between farm income and industrial wages. High farm income means more jobs for the workers and therefore higher wages, and high wages mean more customers for the farmer and therefore higher farm income. When wages fall, farm income falls also.

The following demonstrates this relationship between farm income and the wages of workers in industry. In 1929 factory pay rolls totaled $11,000,000,000, and at this same time total farm income also equalled $11,000,000,000. But when factory pay rolls dropped to $5,000,000,000 in 1932, farm income followed suit by falling to $5,000,000,000. To carry this parallel still further, when factory pay-rolls rose to $10,000,000,000 in 1937, farm income rose to $9,000,000,000. In 1945 farm income was up to $24,500,000,000, and total factory pay rolls were over $20,000,000,000. Today, both farm income and factory pay rolls are well above the $20,000,000,000-mark.

Thus we see that the prosperity of the worker and the farmer are interdependent. Likewise, the prosperity of the small businessman is dependent on that of the worker and farmer. Only when workers receive high wages can they buy the products of the farm and factory. Only when the farmer is prosperous is he able to purchase the products of industry. There can be no conflict of interest between the farmer, the worker and the small businessman—they depend on each other for prosperity. The only real conflict of economic interest is the antago-

nism between the people and the monopoly interests and Wall Street bankers. The monopolists exploit the farmer by charging exorbitant prices for farm machinery, the food trust depresses prices paid to the farmer for his produce, and the railroads highjack him by raising freight rates. The monopolist and his chain-store confederates create unfair competition for the small-business man, and try to place the blame on farmer cooperatives. The National Association of Manufacturers presses for vicious antilabor legislation, and seeks to destroy the wage gains made by organized labor. Thus the farmer, worker, and small-business men are of necessity natural allies against the monopoly enemy and their economic aspirations and hopes for security are bound together.

Although the farmer requires special farm legislation to meet his particular problems, he is also interested in the same things that the wage earner and the small businessmen desire. He has a vital stake in the formulation of a broad program of full employment and full prosperity for America. His welfare is directly dependent on national prosperity. He is therefore interested in any and all legislation that benefits the majority of the population. He is interested in the extension of social security, more adequate old-age pensions, housing and health legislation, the encouragement of small business, the St. Lawrence seaway and the Missouri Valley Authority. He has a long tradition of opposition to the eastern banking interests who control railroad rates and to the monopolists who produce farm machinery and control the commodity exchanges, and has long supported antitrust legislation. In short the farmer benefits from and will support all legislation to promote the good life in America and to lead toward the establishment of lasting peace throughout the world.

Statements and Letters in Reference to S. 1652

EXTENSION OF REMARKS
OF
HON. STYLES BRIDGES
OF NEW HAMPSHIRE
IN THE SENATE OF THE UNITED STATES

Saturday, June 19 (legislative day of Tuesday, June 15), 1948

Mr. BRIDGES. Mr. President, I ask consent to insert in the Appendix of the CONGRESSIONAL RECORD certain statements and letters with reference to S. 1652, a bill introduced by myself and several colleagues and which is designed to aid in stabilizing the economy in America and friendly nations in the world.

There being no objection, the statements and letters were ordered to be printed in the RECORD, as follows:

At this point I want to introduce in the CONGRESSIONAL RECORD a letter that I received from a great American and public servant, a man whom all veterans and fellow citizens honor, James F. O'Neil, the present commander of the American Legion. Jimmie O'Neil introduced a resolution at the New Hampshire Department of the Legion last year endorsing our bill. The resolution was passed unanimously, and it made New Hampshire one of the first departments of the Legion and of other veterans' organizations in the United States to endorse it:

The Honorable STYLES BRIDGES,
Chairman, Appropriations Committee,
United States Senate,
Washington, D. C.

DEAR SENATOR BRIDGES: I wish to compliment you on your statesmanship, especially your economic statesmanship in formulating an "American doctrine" to build mutual prosperity between our communities in America and the communities in friendly countries that are trying to hold the line against communism. I should like to see this new peace plan of yours called the "Bridges Doctrine for Expanding Prosperity and Peace." I believe it is possible that your doctrine may go far to assure prosperity and peace for the United States and for the United Nations by integrating the economy of other countries with ours.

By utilizing the manpower and the skills of the veterans, you put your finger on what I believe is the spearhead to prosperity and Americanism against depression and communism. In their stand on Americanism, 20,000,000 living American veterans can't be wrong. From what I know of veterans, I can say that we have one more good fight left in us, and this is it. As you gentlemen in Congress have challenged us, I believe we can meet the challenge in peace with as much vigor and determination as we have met the challenge in war.

With pardonable pride in our own State, I also like your New Hampshire plan. In our compact State we can assure an ever expanding economy through expansion of small industry and modernization of agriculture, and through the large world port of Boston, adjacent to us, we have an ideal State to serve as a pilot operation and economic pattern for the other 47 States and friendly nations.

I believe I can speak for many of the Legionaires in our State, and I am confident that with the Legion program for community economic development, the Legion posts of our State will cooperate with civic pride to participate in your plan for economic development. Furthermore, as all veterans alike have served their neighbors and our Nation, I am confident that the Legionaires in our State will invite the cooperation of the members of other veterans' organizations to meet this new challenge to champion Americanism against communism through your economic-development plan.

The Army and the Navy were charged with being prepared to defend Pearl Harbor but obviously their lack of coordination paid its toll. I, for one, wish to prevent a Pearl Harbor in veterans' affairs. To that end I am confident that the Legion will cooperate with other veterans' organizations in our communities and in our States to help unify our people for the best interest of all.

I am impressed by the number of Legionnaires in the Congress who are cosponsoring with you your veterans RFC bill, which appears to be a good basis to afford veterans economic opportunities and housing and to complete an over-all veterans' program for the benefit of the veterans and of the Nation.

With my best wishes for your success in your plan to fight communism with prosperity, I am,

Sincerely,

JAMES F. O'NEIL.

Last year, in Cleveland, at the national encampment of the Veterans of Foreign Wars of the United States, I was invited to speak on our Veterans Economic Development Corporation Act, which had already been endorsed by that outstanding organization. At that encampment, the delegates elected their present commander in chief, a famous soldier, a scholar, and a great leader of men—Ray H. Brannaman. I take great pleasure in introducing in the CONGRESSIONAL RECORD a letter from him which I highly prize:

VETERANS OF FOREIGN WARS
OF THE UNITED STATES,
Washington, D. C., May 25, 1948.

Hon. STYLES BRIDGES,
Washington, D. C.

DEAR SENATOR BRIDGES: We wish to thank you and compliment you for having introduced in your behalf and that of 30 other Senators, S. 1652, the Veterans Economic Development Corporation Act. In our opinion, this bill will provide strong support for your plan to win the peace at home and abroad.

We are also gratified to learn that you have prepared a New Hampshire plan of projects which can be implemented under the provisions of S. 1652. Such State plans will aid the people of many communities, including veterans, by bringing new industries to the communities, expanding present businesses, modernizing agriculture, and by creating new industrial uses for agricultural products and other raw materials.

Representatives of friendly nations are interested in developing programs similar to your New Hampshire plan to enable their people to prosper and to hold the line against communism and war. It is not an overstatement to say that if applied here at home and abroad, such a plan would help win a bloodless victory.

Your championship in Congress of small business in the United States and the establishment of veterans in businesses and profitable careers has our strong support. The bill that you are sponsoring in the Senate, S. 1652, entitled "The Veterans Economic Development Corporation Act," will enable millions of veterans to catch up with the economic parade at home and abroad. This bill will interest the taxpayers particularly as no appropriation of taxpayers' money is contemplated. In addition, it is estimated that it will reduce taxes as it will save our taxpayers a billion dollars a year in the present cost of government.

The bipartisan support of this bill and its early passage is indicated by the companion bills introduced in the House by Representative ESTES KEFAUVER, of Tennessee, a champion of small business; Representative EDITH ROGERS, of Massachusetts, chairman of the important Veterans' Committee; Representative JESSE WOLCOTT, of Michigan, an authority on finance and chairman of the Banking and Currency Committee; the past chairman, Congressman SPENCE, of Kentucky; by Congressmen KEARNEY, of New York, and VAN ZANDT, of Pennsylvania, both former commanders in chief of the Veterans of Foreign Wars. The unusual support of this bill in the Senate is shown in the cosponsorship of S. 1652 by Senator BARKLEY, of Kentucky; Senator BUTLER, of Nebraska, chairman of the Committee on Interior and Insular Affairs; Senator REVERCOMB, of West Virginia, chairman of the Senate Public Works Committee, and 30 other distinguished Senators besides yourself.

As the veterans' economic development corporation bill is not limited to veterans, your New Hampshire plan will help to implement this program in an orderly manner, marking a new milestone in the illustrious history of New Hampshire and of the Nation.

Sincerely,

RAY H. BRANNAMAN,
Commander in Chief, Veterans of Foreign Wars of the United States.

VETERANS OF FOREIGN WARS
OF THE UNITED STATES,
DEPARTMENT OF NEW HAMPSHIRE,
Concord, N. H.

The Honorable STYLES BRIDGES,
United States Senate,
Washington, D. C.

MY DEAR SENATOR BRIDGES: On behalf of the members of the Department of New

Hampshire, Veterans of Foreign Wars, I want to thank you for preparing for action in the next Congress, the bipartisan bill entitled "The Veterans Economic Development Corporation Act," now popularly known as the little man's RFC, which was sponsored by you and 20 other distinguished Senators. The bill, termed by veterans organizations as one of the most important pieces of veterans' legislation ever to be introduced, will immediately help us to break the bottlenecks in housing, prepare stream-pollution programs, make our State the ideal playground of the Nation, assist in developing our small industries, modernize agriculture, and promote domestic and foreign trade. Your bill will enable veterans, as well as others, to prosper and become more secure by helping to further develop the economy of New Hampshire, New England, and of the Nation as a whole.

While our veterans were away from home in the war years, most of them dreamed of the day they could assume their rightful place in the community, the State, and the Nation. We feel that it is not only our privilege but is now our duty to help win the peace as we helped to win our wars. As the result of the stimulation that we have received by your introduction and promotion of the veterans RFC bill, as a means of implementing your New Hampshire plan, we feel that with the cooperation you have given us in the Congress, together with the development work in the communities under the New Hampshire plan, we can realize many of the objectives sought by forward thinking citizens of our State.

I feel the development of the New Hampshire plan, under your bill, is a partnership and you can certainly count upon our support in this plan which will benefit all the people throughout our great State of New Hampshire.

Incidentally, I am grateful to you for the representation in Washington that you have afforded our veterans in New Hampshire in their individual and collective problems and I appreciate your continued support.

Sincerely yours,

RAYMOND H. CHASE,
Department Commander.

When our "Little Man's RFC" bill was introduced concurrently in the Senate and the House, one of our cosponsors who is a national authority on finance, Chairman JESSE P. WOLCOTT of the important House Banking and Currency Committee, wrote an illuminating opinion on our bill. I quote excerpts from Chairman WOLCOTT's interesting statements, as follows:

"MEMORANDUM

"To: Senator STYLES BRIDGES, Chairman, Senate Committee on Appropriations.

"From: Representative JESSE P. WOLCOTT.

"Subject: The proposed act to establish 'The Veterans' Economic Development Corporation' to enable our veterans to recoup their economic losses, without increasing the cost of government.

"At home and abroad the Veterans Corporation, popularly called The Little Man's RFC, would create economic opportunities for veterans and others through broad lending powers along the lines of the present RFC. But in addition, the Veterans Corporation would afford skilled technical advisory service to self-liquidating projects that will employ veterans and to qualified veterans themselves. It would be a move toward matching veterans' skills against the unused production capacities of the Nation and our untapped abundant national resources to meet the phenomenal demand for American goods and services throughout the world.

"Although the proposed Veterans Corporation is charged specifically with solving veterans' short-range and long-range economic problems, at the same time it is designed to produce an economic profit to the Nation. It is estimated that it will reduce the cost of veterans' affairs by $1,000,000,000 per year by creating gainful employment; also, it may make it possible to save taxpayers other billions of dollars in direct expense. The Veterans Corporation is so designed that it should operate without cost to the taxpayers, as the spread between the rate of interest the Treasury pays the public for the bonds, and the interest rates charged on loans made by the Veterans Corporation will more than cover administration, losses from loans, and operating costs. The present RFC reports that, under similar conditions, it has returned more than $500,000,000 profit to the Treasury. It is estimated that with the wider distribution of loans made by the Veterans Corporation and with its skilled technical advisory and research services to protect the Government against loss, the Veterans Corporation should return a still greater profit to the Treasury than the present RFC.

"For the first time in American history, we have a specific foreign policy. Consequently, it is possible for the State Department, with the help of the Senate, to put teeth in our new foreign policy. We believe that the Veterans' Corporation provides the most immediate approach to this objective and in support of what Senator VANDENBERG, the chairman of the Senate Foreign Relations Committee, says, this approach will help peace-living countries rather than peace-loving countries to bring lasting peace to the world. At a time when we no longer have a powerful army to reinforce our foreign policy, it is significant that 20,000,000 living American veterans, who with their families represent 60 percent of the people of the United States, constitute a potential new moral and economic force in the world. More than 13,000,000 of these living veterans are veterans of foreign wars. Our veterans were selected from the cream of 140,000,000 people for their physical, mental, and educational superiority and are now the finest essence of our people. Many of them are experienced and capable and, if properly utilized, are a source of a new domestic economic power. They are also a source of vast new power to reinforce our foreign relations, as many experienced veterans are eager to go as business and technical missionaries to countries that we have helped to liberate, including Korea, China, India, the Philippines, Iraq, Iran, Arabia, Italy, France, Turkey, and Greece. Our veterans are, potentially, the greatest army of good-will missionaries in all human history. Under the provisions of this legislation our veterans could help to tip the scales now between war and peace.

"The passage of this act is immediately necessary and urgent as no other Government or private agency can perform the functions to meet the emergency.

"The Veterans' Corporation would strengthen the hand of the Congress for several reasons:

"(a) It appeals to the taxpayers as it will save an estimated $1,000,000,000 per year in veterans' unemployment compensation and obviate the abuses of the 52-20 club.

"(b) Banking approves of the Veterans Corporation because, like the present RFC, it will make only loans that do not compete with private banks. It will help to balance the Federal budget. The American Bankers Association in their Journal of January 15 said: 'During a term of office in which economy and tax reduction will offer no new plums for veterans, the proposed "Veterans' RFC" (sponsored by Chairman Wolcott of the House Banking and Currency Committee and several Senators) will provide something which Members of Congress can loudly endorse. The Veterans Corporation should cost the taxpayers nothing, as all projects and enterprises will be self-liquidating and will show a profit to the Nation. It will utilize all existing facilities of Government without duplication and simplify veterans' affairs.' (The veteran had nine agencies of Government to give him the run-around after World War I, and now after World War II has 29 agencies of Government to confuse him.)

"(c) A good cross-section of labor leaders—in fact, all we have contacted—favor this bill. They recognize that it means the halfway mark in permanent full employment because veterans would otherwise compose half the unemployed labor force during depressions. It would prevent the inevitable conflict between the veterans' organizations and organized labor by opening new opportunities for fuller employment where both will profit.

"(d) The veterans' organizations are supporting this bill because it will enable veterans to recoup their losses in economic opportunities in competition with those who remained at home and it will provide self-supporting careers for disabled veterans. For example, veterans' organizations are urging the enactment of this legislation as it will immediately help to break the bottlenecks in veterans' housing and provide careers for veterans. The veterans' organizations also like the features that will enable capable veterans to trade abroad, to return as technical and business experts to help modernize many of the very countries they helped to liberate such a short time ago. They believe, also, that the program provided by the Veterans Corporation will be a powerful factor in strengthening our ties with other countries in the United Nations, thus helping to prevent war.

"This legislation will also enable us to plan ahead for the 2,700,000 now in training. Domestically, the Veterans' Corporation should spread the base of our economy, which has already suffered by the alarming loss of many small industries and businesses which, heretofore, have given America its phenomenal economic strength. Unless we act quickly, there is the recognized danger that our economy will become top-heavy, as big business must feed largely on small business. We believe, furthermore, that this legislation will be insurance against a recession; in fact, the best insurance now in sight.

"A statement, prepared by the experts of the Department of Commerce over the signature of Undersecretary Alfred Schindler, to Senator WAYNE MORSE of Oregon, concerning the Veterans' Corporation said: 'It is a well recognized fundamental of business economics that expanded commercial activity creates employment, and your bill, designed to incorporate the existing reservoir of young veterans in such expansion, offers the most intriguing possibilities of any piece of current legislation which has come to my attention. America, in the years ahead, needs alert young men in business and the men released by the armed forces are the natural source of this necessary manpower potential. It seems to me that your bill strikes a new and intelligent chord. Government support in a business-expansion program of the type you visualize is simply common sense.'

"The Commerce Department tells us that we now have hundreds of thousands of captured enemy trade secrets, patents and secret processes, many of which are immediately commercially profitable and suited to this program. The Interior Department tells us that millions of acres of good land are ready to be opened. There is a vast new opportunity in the further mechanization of agriculture and in industrial uses of agricultural products that they themselves can manufacture—establishing a better balanced economy.

"General Bradley said to Col. Richmond Harris: 'We must have an agency such as this Veterans RFC, as the Veterans' Administration, with its two hundred hospitals and enormous load, has all that it can handle with hospitalization, pensions, claims and insurance. We cannot handle the creation of employment opportunities for veterans; yet

we receive thousands of letters blaming us for veterans' being obliged to work at substandard wages or not finding a job at all.

"In sponsoring this bill, we propose to nominate for appointment to the Board of Directors and to the Advisory Council of the Veterans' Corporation (with the advice and consent of the Senate) outstanding leaders, such as Herbert Hoover, who can direct and counsel this important agency to serve its new high purpose for the Nation. The Board of Directors would establish standards for loans. Under it, a staff of the best technical experts would have two primary responsibilities: to enforce the standards, both before and after the establishment of the projects or enterprises; and, to provide technical service to the organizations or individuals to protect the Government against loss by protecting the organizations or individuals against failure.

"After other American wars, new frontiers were developed with the help of veterans. From the days of the Cumberland Road, which George Washington and other veterans helped to build and which speeded the development of our rich Midwest after the Revolutionary War, veterans have engineered and worked to stimulate our Nation's growth. Veterans helped to open the plains beyond St. Louis after the War of 1812. After the War Between the States, veterans helped to engineer and build our railroads to the west coast and to develop the valleys along the Pacific seaboard. The Federal Government helped develop the frontiers. Now vast new frontiers—the greatest frontiers in all American history—are ripe for development: the new technological frontier at home and the vast new frontier where we can help modernize other friendly countries, (quoting the bill) 'thereby cultivating those countries to become increasingly our friends and customers,' thus preventing war and strengthening the United Nations. There is also Alaska, the most strategic world area in this atomic age of over-the-pole flying. Our study of Veterans' Opportunities in the Development of Alaska, that was made by Colonel Harris at President Roosevelt's direction, reveals that the Veterans' Corporation now offers us a great opportunity to guide the rapid development of that vast rich Territory through veterans and others who are loyal to our form of government. This program will offer protection against communism to us in that strategic Territory.

"Secretary of Commerce Harriman states: 'Without expanding world trade, our own economy must shrink.' The program provided by the Veterans Corporation should make possible the peaceful, mutually profitable penetration of many foreign countries by American experts and capable veterans who are interested in setting up projects and business enterprises or developing natural resources. This will strengthen our foreign policy as it will demonstrate how on-the-scene democratic business can succeed in economic democracy. This would be particularly significant in those areas where our system of democracy must compete for survival with totalitarian and despotic systems. In this connection, it is important again to note that there should be little or no concern about the loyalties of the men selected and approved for such penetration. The War and Navy Departments already have their complete case histories, and our veterans have been screened as to their loyalties to our American form of government. Furthermore, this overseas-economic-development program would be accomplished without the drain on our Treasury that additional foreign loans would impose.

"The experts in the State Department are giving us their hearty cooperation in making plans for the modernization of certain countries where the Veterans Corporation legislation will meet the emergency, as it is acknowledged that this Veterans Corporation bill has prospects of earlier enactment than any other legislation for accomplishing those objectives of economic development on the ground level in other countries.

"This legislation will undoubtedly stimulate an ever-expanding economy in industry, agriculture, unused natural resources and overseas trade sufficient to assure full employment in the United States for the decades covered by the term of this legislation."

THE NEW HAMPSHIRE PLAN FOR VETERANS

Mr. President, increasing the prosperity and security of every individual in the communities of my State is a subject of my interest. To help each person—the veteran and the nonveteran—to benefit from the wealth of new economic opportunities that are waiting to be developed under our traditional private-enterprise system, the system that has made us the greatest Nation in all human history, I designed the New Hampshire plan. As many other States are now modeling their plans along the lines of our plan, and as they have asked my help and detailed information in doing this, I shall describe the New Hampshire plan at some length here today.

In addition to helping our people develop careers, businesses, and professions, the New Hampshire plan affords opportunity for teamwork among our small businessmen, our veterans, our farmers, our community fathers, and our legislators. The veterans tell me that they look upon our State plan as a means to help them assume a new leadership in the economic development of the community, the State, and the Nation.

To implement the New Hampshire plan and the other State plans, I introduced in the Senate last July on my behalf and on behalf of 20 other Senators, S. 1652, "The Veterans' Economic Development Corporation Act," which has become popularly known throughout the country as the "little man's RFC." Companion bills were introduced concurrently in the House of Representative by chairmen of important committees and other distinguished Representatives. This bill, described by veterans' organizations as one of the most important pieces of veterans' legislation ever to be introduced, has one of the most auspicious beginnings of any proposed legislation in recent years.

Since the time we introduced the bill in this Eightieth Congress for the consideration of the veterans' organizations, small business organizations and others concerned with opportunities for the little fellow in our communities, we have been gratified by the support and enthusiasm our bill has received. With the encouragement of important organizations and many notable individuals, we are now preparing a final draft of the bill for action in the next Congress.

When I introduced this bill, I said that our country was seeking procedures for a full and wise return to a peacetime economy. Today I want to add that we are also seeking cooperation with other peace-loving nations of the world to establish a sure way to lasting world peace. This bill was introduced and is now being developed in direct connection with that twofold task.

PROSPERITY AND PEACE OR COMMUNISM AND WAR

There is another objective in our sponsoring this "Little Man's RFC." The Russian strategy of world Communist imperialism and conquest is based upon the expectancy that the economy of the United States will fail under inevitable recessions or depressions. The Communists know that with another depression on our hands, the economy of the United States could not support a large army, the largest navy and the largest air force in the world. Nor could we continue to make gifts of billions of our dollars to other democratic countries now trying to hold the line against communism, as we are already at the bottom of the dollar barrel.

It is the opinion of those of us who sponsor this legislation that the surest way to stop communism in this country is to increase prosperity for all our people by spreading the base of our economy and, especially, to strengthen the economic position of the little business man, the farmer, the merchant, the professional person and particularly our veterans.

Moreover, in developing increased trade with other countries under the provisions of this bill, "thereby cultivating those countries to become increasingly our friends and customers," we have the best argument in favor of Americanism and economic democracy against Communist imperialism and war. As you know, when a Russian citizen does business in a foreign country, that means the objectives of the Russian Government and Communist imperialism are being injected into the internal affairs of that country. But under the provisions of our "Little Man's RFC," an American citizen who engages in an enterprise or trade in other countries will be there to bring profit to the people of that country through full commercial intercourse and not to promote imperialism and aggression.

George Washington, Thomas Jefferson, Benjamin Franklin, and our other founding fathers were solid businessmen. The grass roots of our unique American economy have been given strength by such men. Today, more than ever, we need men of their caliber. I can think of no greater new source of ability, resourcefulness and new leadership than our veterans, who were selected as the finest specimens of American manhood and womanhood. Through this bill and the New Hampshire State plan, we hope to enable our veterans to take the leadership in making all our people more prosperous and in reducing the threat of communism and war.

Since the early days of the Republic, when the "Granite State" was the first of the Thirteen Original States to establish a government wholly independent of Great Britain, our people have demonstrated leadership and resourcefulness at home and abroad. Once again history has repeated itself, and the eyes of the country are upon the progressive action that we have initiated in devising the New Hampshire plan. Through their traditional initiative and resourcefulness, our new body of veterans and our people are now destined for still greater progress as they lead the way toward the enrichment of all our people.

THE NEW HAMPSHIRE PLAN (A SCHEMATIC OUTLINE)

This State plan is designed to develop, under the provisions of the "little man's RFC," the resources of the State to promote the prosperity, welfare, and health of all its people. Career opportunities for veterans as well as continued full employment for others would be fostered through the development of needed new businesses, the modernized productivity of agriculture, the utilization of unused natural resources, and the implementation of needed self-liquidating public projects.

The "little man's RFC," with authority to extend credit totaling $5,000,000,000, will direct its loans toward supplementing the loans of banks and other existing private lending agencies, and the capital needed will derive from existing public money. No appropriations from Congress will be necessary, as only profitable self-liquidating projects will be considered.

Planning activities would be on a State, county, regional, or community level. The State planning board, with the assistance of a know-how committee composed of technical experts, would plan for the physical development of the State, cooperating with other State agencies in the preparation of programs. It would also assist regional and county committees (which would plan for

county and regional projects) and community planning boards, giving technical advice and assisting in the coordination of State, county, and community plans. It would further extend technical assistance to individuals, new businesses, and projects.

Since the veterans' economic development program is essentially a grass-roots program—designed to serve small business and industry and agriculture in the community—emphasis on planning would be on a community level. Thus, while the State planning board and know-how committee would engage in planning on a State-wide basis, their primary function would be to serve the interests of the communities and to bring to bear the cooperation of the Federal Government on local projects whenever advisable and necessary.

Because of this emphasis on local planning, the following outline on State and community planning will list specific opportunities for development and expansion under the section on community planning.

Foreign aid

Ambassadors, ministers, and technical experts of friendly nations seeking our help under the Economic Cooperation Administration and other forms of aid have shown great interest in applying this State plan to their own countries. In their opinion, the plan will speed modernization of their economy and enable the people in their communities to become increasingly self-sufficient. This economic development plan will increase two-way trade between the people in the communities of the United States and of other countries for the increasing profit and security of all the people.

It is the belief of American authorities that the application of this plan in the communities of friendly countries will help provide a firmer foundation upon which our financial aid at Government level to these countries will rest. Further, the State plan may be put into effect abroad without cost to the American taxpayers, as no appropriations of public money are required.

Community planning

1. Local planning board established, representing industry, finance, business, labor, sciences, the professions, veterans, religious groups, agriculture.

2. Planning board sets up a know-how committee.

3. Planning board outlines program of activity, receiving assistance in organizing and formulating programs from State planning commission or State know-how committee.

(a) Inventory to determine present and future economic needs, including preparation of town and agricultural maps on the following:

(1) Population distribution and trends.
(2) Property tax surveys.
(3) Land use.
(4) Zoning ordinances.
(5) Traffic studies.
(6) Recreational facility requirements.
(7) Health and welfare survey.
(8) Community center redevelopments.
(9) Highway maintenance.
(10) Fire protection.
(11) Water supply.
(12) Housing.
(13) School system.
(14) Farming, acreages, crop production, livestock.
(15) Utility services.
(16) Transportation service—airport, etc.

(b) Uses facilities of Federal, State, and regional agencies for fact-finding and making projective studies.

4. Opportunities for development and expansion.

(a) Local industries.

(1) Needed expansion of existing industries.

(2) Needed new industries: (a) Research for new products; (b) use of captured enemy patents and new processes; (c) use of natural resources; (d) new industrial uses for agricultural products.

(3) Processing plants for local products.
(4) Assembling plants for local markets.
(5) Service industries.
(6) Retail trade.

(b) Land use.

(1) Land conservation: (a) Irrigation—surface and underground water resources; (b) reforestation; (c) erosion control; (d) soil treatment; (e) fertilizers.

(2) Water-power development: (a) Utilities; (b) industrial uses; (c) agricultural purposes; (d) home.

(3) Agricultural practices: (a) New methods of farming and livestock improvement; (b) new farm enterprises and better use of land resources.

(c) Commerce.

(1) Sales development—new market centers in growing communities.

(2) Farm cooperatives.

(3) Export development opportunities.

(4) Shipping: (a) Assembly, processing and warehousing facilities; (b) harbor improvements, feeder lines.

(5) Air transport.
(6) Trucking.
(7) Freight.

(d) Mining.

(1) Geological surveys.

(2) Development of mineral resources.

(3) New uses for mineral products.

(e) Tourist and recreational areas.

(1) Beaches and artificial ponds and lakes.

(2) Wood trails and roads, camping areas.

(3) Sports, fish and game stocking.

(4) Restoration of historical areas, scenic improvement.

(5) Hotels, cabins, and restaurants.
(6) Stream and pond pollution control.
(7) Handicrafts.

(f) Public service (self-liquidating).

(1) Utilities and power development.

(2) Transportation of passengers: (a) Bus; (b) streetcar; (c) train; (d) air travel; (e) boat.

(g) Public health and welfare (self-liquidating).

(1) Medical clinics.
(2) Fire prevention.

(3) Sanitation: (a) Stream pollution abatement; (b) sewage disposal; (c) garbage disposal.

(4) Hospitals (improvement and/or expansion).

(h) Public works and public improvements (self-liquidating).

(1) Housing: (a) Multiple low-rental units; (b) prefabricated and industrial housing.

(2) Toll bridges.
(3) Parking areas and buildings.
(4) Municipal projects.

(i) Education (self-liquidating).

(1) Colleges, professional and trade schools (improvement and/or expansion).

(2) Housing to accommodate veteran students.

(3) Community recreation centers.
(4) Vocational and social guidance.

(5) Rural school program, consolidation and transportation.

State and regional planning

1. State planning board established, representing industry, finance, business, labor, sciences, the professions, veterans, religious groups:

(a) Supplements and implements work of existing State planning agencies.

(b) Cooperates with and serves community planning boards.

2. Planning board sets up a State know-how committee composed of technical experts in various fields.

(a) Know-how committee gives technical advice to planning board, to community know-how committees, to county or regional committees, to individuals, to new businesses and projects.

3. Planning board outlines program of activity, receiving assistance in organizing and formulating programs from State know-how committee or State planning commission.

(a) Takes inventory to determine present and future economic needs of State and geographical area, preparing State, regional, and county maps and statistical studies.

(1) Uses facilities of Federal, State, and regional departments and agencies for fact-finding and making projective studies.

4. Planning board relates county, community and intrastate regional plans to one another, thereby eliminating overlapping, confusion and unprofitable enterprises and projects.

5. Planning board cooperates with other States on regional projects in same geographic area, such as power developments, land conservation, etc.

(Specific opportunities for development and expansion outlined in detail in section on community planning.)

Hon. E. Wallace Chadwick

EXTENSION OF REMARKS
OF
HON. ELLSWORTH B. FOOTE
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. FOOTE. Mr. Speaker, one of the advantages of being a Member of Congress is that one comes in contact with great men. Such a man is E. WALLACE CHADWICK, who has represented the Seventh District of the great State of Pennsylvania during the present Congress, and who I regret to learn will not return to the Eighty-first Congress.

It was my privilege to serve with him on the Judiciary Committee. He is a man learned in the law. His observations concerning matters before the committee demonstrated that he had a keen, analytical mind and was possessed of rare judgment. He always had the interest of his country uppermost in his thoughts and was not swayed by political considerations when dealing with the vital issues of the day. He is the personification of conscientiousness.

The country needs men of his caliber serving in the Congress in these crucial days.

Truth Is the Best Weapon Against False Propaganda

EXTENSION OF REMARKS
OF
HON. HAROLD C. HAGEN
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES

Friday, June 18 (legislative day of Thursday, June 17), 1948

Mr. HAGEN. Mr. Speaker, when a Member of Congress is attacked by the printed or spoken word without the same avenues of reply Congress has wisely provided for use of the CONGRESSIONAL RECORD and the United States mails for an opportunity to refute and clarify false words and wild charges made.

It has been well said that truth and facts as officially recorded are the best weapon for false charges and statements concerning the voting records of Members of Congress by irresponsible and reckless persons who have no regard for truth and honesty.

Because of false statements made by a certain well-known Hallock, Minn., publisher, Clifford Bouvette, in his weekly newspaper, the Kittson County Enterprise, my farmer friends in that area have insisted that I prepare an article giving the true facts of my voting record on REA appropriations and circulate it in Kittson, and perhaps also nearby counties. I have acceded to their wishes.

Editorials of a false nature concerning my voting record in Congress also have been prepared and printed in the Lake Bronson (Minn.) Budget by its editor and publisher, Victor L. Johnson.

I have sent communications ot both editors asking for space in their newspapers to correct the false information given to their subscribers relative to my voting record. No reply has been received from Clifford Bouvette in response to my telegram of June 16, nor was any response received from Victor L. Johnson in reply to my air mail letter of June 17. Therefore it is necessary to publish my record in the CONGRESSIONAL RECORD and make copies of my remarks available to the subscribers of these two publications and other citizens of Kittson County and nearby counties, so they can know the truth as to the position taken by their public servant, which in this case, happens to be myself, Representative HAROLD C. HAGEN of the Ninth District of Minnesota.

The copy of my telegram to Mr. Bouvette follows:

My attention just called to your issue of February 18, 1948 and subsequent remarks that I have voted against REA and AAA appropriations. Your statements are grossly in error and you falsify the true record as I have never voted against REA or AAA appropriations during my terms in Congress. I ask that you give me space in your next week's issue to answer your false statements and present the factual true record of my votes relative to REA and AAA legislation. Kindly air mail your reply.

The copy of my air mail letters to Mr. Johnson follows:

My attention has just been called to your issue of May 27 in which you state that "HAGEN is on record as against the triple A and REA." Your statements are grossly in error and you falsify the true record as I have never voted against REA or AAA appropriations or programs during my term in Congress. I ask that you give me space in your next week's issue to answer your false statements and present the factual true record of my votes relative to REA and AAA legislation. Kindly air mail your reply.

At a later date, I wrote to Mr. Bouvette as follows:

CROOKSTON, MINN.

Mr. C. W. BOUVETTE,
Publisher, Kittson County Enterprise, Hallock, Minn.

DEAR MR. BOUVETTE: In the Enterprise for February 18, 1948, published by you, on page 1, column 1, is this statement evidently written by you personally:

"It may interest county farmers to know that Congressman HAGEN voted against REA appropriations."

On page 6 of the same issue of your paper are these statements:

"Congressman HAGEN voted against the measure REA when last considered by Congress and now of course his promise to vote for it is hard to swallow.

"When Congress last considered this bill, it was included in President Truman's budget to Congress and provided for the entire and customary appropriation. It was men like Congressman HAGEN and others, who voted against our farmers denying the President's request for REA funds and so seriously cutting them down that thousands of miles of REA lines, the Nation over, could not be built."

You then correctly explain that REA funds are a loan and not a gift. Then you add:

"Why should a Congressman vote against a thing like that on the one hand, and then contend that he is honestly representing the farmers? HAGEN also voted against the triple A appropriation."

For the present I shall pass over the false charge on triple A, and will merely advise that the official records show that I voted for AAA funds and increased AAA funds in every instance.

Furthermore, in your issue of June 4, as part of an editorial, you made another false statement, as follows: "Likewise, Congressman HAGEN * * * voted in opposition to the farmers rural electric bill." I presume you mean the REA program.

As to the false, defamatory and libelous statements regarding my votes on REA, my friends have strongly suggested that I make legal demand under the laws of the State of Minnesota and any Federal laws that may be pertinent that you immediately retract and correct said false, libelous and defamatory statements in your next issue, printing same with the same prominence and headline that you used in the original libelous story. This demand I could make under the provisions of law.

It seems inconceivable that you committed this libel innocently. Even a casual inquiry of any official records would have shown you that your statements about me were false.

However, it is more important to me to bring the true facts to the people of Kittson County rather than to gain any monetary compensation because of proven libel.

Therefore I bring to your attention the true and accurate official facts concerning my voting record relative to REA.

So you see, Mr. Bouvette, that every vote I have cast since entering Congress in 1943 has been for more money for REA, for all AAA programs, and for every progressive farm measure.

I request that you publish this letter and the attached pertinent facts concerning my voting record in the next or an early issue of your publication. This you assured me you would do when I saw you personally at the Kittson County Fairgrounds on the afternoon of Thursday, July 1.

Sincerely yours,

HAROLD C. HAGEN,
United States Representative in Congress, Ninth District of Minnesota.

To further complete the report relative to my REA voting record, I herewith insert an article which I have recently prepared as a speech and later revised for insertion in the CONGRESSIONAL RECORD. It follows:

EVERY FARM HOME IS ENTITLED TO LOW-COST ELECTRICITY

Mr. Speaker, since I first came to Congress in 1943, it has been my pleasure to know that the lights have been turned on in more than 11,000 farm homes in my congressional district as a result of appropriations to the Rural Electrification Administration, for which I consistently voted.

The 15 counties of my congressional district have had the lion's share of these funds allocated to Minnesota. For instance, in the fiscal year ending July 1, 1948, Minnesota's share of the $225,000,000 in loan funds Congress made available to REA for the period amounted to $14,100,000. My district, one of nine in Minnesota, got over one-fourth of Minnesota's total allocation of $3,561,000. These recent funds, for which I voted and which I helped local REA cooperatives to secure, after the funds had been provided by Congress, will build 5,092 additional miles of lines, serving 4,640 additional consumers in my district this year and next.

From the time I entered Congress in January 1943, up to the end of the session of Congress in 1948, I had supported REA legislation and funds which had allocated to my district many thousands of miles of REA lines to service many more thousands of farm families. The appropriations for the Ninth Minnesota Congressional District, for this purpose during the past 6 years I have served in Congress have totaled many millions of dollars. This has helped increase the standard of living of my constituents.

I stated then, and repeat it now, that I was not satisfied to stop at that point. There are still many farm homes and small businesses in small inland communities without electric power. I will continue to fight, as long as I am a Member of Congress, for the further extension of REA. The program as presently set up provides a strong framework upon which we must build even greater rural prosperity.

But there is still much more to be done in order that Minnesota's Ninth District may have electricity and be able to produce more farm products with less manpower and at less cost.

That I am prepared, able, and willing to lead this campaign and effort in Congress for additional REA funds can be shown best by reprinting herewith the words of a newspaperman of my district. H. Z. Mitchell of Bemidji. He wrote an editorial for his newspaper, the Daily Pioneer, which in part was as follows:

In every case, Congressman HAROLD C. HAGEN has vigorously supported REA, since he first became Congressman on January 6, 1943.

Mr. HAGEN'S first membership was in the Seventy-eighth Congress which sat from January 6, 1943, to December 19, 1944. The only recorded REA vote was reported on June 23, 1943, on page 6361 of volume 89 of the CONGRESSIONAL RECORD.

This was on H. R. 2481 appropriating money for the Department of Agriculture for 1944. The roll call was on a motion to raise the appropriation for REA during that war year from twenty million to thirty million, and this page shows that HAGEN voted in favor of the amendment for this $10,000,000 increase. His "aye" vote is shown in the official record.

The Seventy-ninth Congress met in 1945 and 1946 and there were no record votes on REA during that time, but Representative HAGEN by voice vote supported all REA appropriations and efforts to increase them.

The Eightieth Congress met January 3, 1947, and recessed June 19, 1948.

On July 18, 1947, the House considered H. R. 3601, the Department of Agriculture appropriation bill for 1948.

The House that day voted on a motion by Representative RANKIN that the bill be recommitted with instructions to the managers on the part of the House to recede and concur in Senate amendment No. 53 to increase the appropriation for rural electrification loans from $225,000,000 to $250,000,000.

On page 9302 of the CONGRESSIONAL RECORD for July 18, 1947, the roll call on this motion is printed. HAGEN voted to increase the funds for REA as shown on this page of the official record.

On February 24, 1948, during House debate on H. R. 5525, making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1948, Representative JOHN RANKIN, of Mississippi, moved that the bill be recommitted to the committee with instruction to include the following amendment: "Rural electrification: For loans in accordance with the provisions of the Rural Electrification Act of 1936, as amended, $300,000,000."

Representative HAGEN voted for the motion to provide $300,000,000 additional funds for REA expansion. This fact may be read on page 66 of the Rural Electrification publication for April 1948.

On April 1, 1948, a motion was made providing that the REA appropriation be raised from $300,000,000 to $400,000,000 for 1949.

The reason for increasing the amount of money which could be loaned to REA co-ops was that during the war construction of many electric lines was not possible, and there is a tremendous backlog of work to be done and more money was needed. The increase passed the House by a vote of 199 to 154. HAGEN voted for the increase as shown on page 3995 of the CONGRESSIONAL RECORD for April 1, 1948.

Never has HAGEN failed the farmers of his district and the Nation in supporting moves to increase the electrification of farms. The official votes as described above are the only votes ever taken on this vital subject while he has been Congressman and his REA votes are 100 percent for the farmers of his district, State, and Nation.

The above statement is what a prominent daily newspaper editor thinks of my REA record.

EIGHTIETH CONGRESS BEST FRIEND OF REA

Pleased though I am with the REA results in the Seventy-eighth and Seventy-ninth Congress, what we were able to do in the Eightieth Congress, Republican controlled, sets some new records.

Before this year is over, the sums for Minnesota will be greatly increased from the four-hundred-million appropriation we have made for the fiscal year, which started July 1, 1948. That appropriation, which I supported, is one hundred million above the President's request. In addition, we appropriated $5,450,000 for REA administrative expenses.

Why did we provide for more than the Democratic administration requested?

It is because Congress is sold on the value of this program and wants REA to be able to place orders for material which it believes will be more abundant than the administration anticipates. REA appropriations are not down the drain. They are actually loans which these locally owned and managed cooperatives pay back to the United States Treasury. The record of their repayment is good.

Last year, Congress let REA keep $325,000,000 it had left over from the previous year unspent because it was not able to find materials to spend it on. In addition, we provided it with $225,000,000 more, a total of $550,000,000. A little later, as materials became more abundant, we provided it with an additional deficiency appropriation of $175,000,000, making a grand total of $725,000,000, which was all it had asked. As already pointed out, for next year we gave it more than the President asked. My voting record will show that in all of these cases I supported the amounts finally granted.

While we have doubtless provided it with more money than it will be able to spend or perhaps allocate in full, to the local cooperatives, it is my feeling that unless the money is available to REA, orders cannot even be placed for future delivery of materials now in short supply.

This action will not provide electricity for every farmer as soon as he wants it, or for all those who have long been subscribers. I wish it could. The job is too big for that. Much will depend upon the decisions of the management of the respective cooperatives and upon their ability and diligence in finding materials and labor. Since all local plans must be approved by the Washington REA headquarters, much depends on the plans submitted to it by the local co-ops. Congress can only provide the money for the loans. The rest is up to the REA. Where the lines are built and when is not the business of Congress but of these locally owned and managed business enterprises.

PLENTY OF MONEY BUT SHORT ON MATERIALS; AND WHY

One thing which has disturbed me recently is propaganda put out by some parties to the effect that consumers wanting electricity and signed up for it do not have it because Congress has not provided the money. The foregoing facts are a complete refutation of this falsehood. The real fact of the matter is that it has been a shortage of materials and not of money that has slowed down this worthy program. And why has there been a shortage of materials? During the war such a shortage was quite understandable. But, why a shortage now?

On March 23, 1948, Members of Congress were advised by the Assistant Secretary of Commerce, that our total exports of electrical machinery and apparatus, July 1, 1946, through June 30, 1947, totaled $454,698,000. Much of this, of course, was given away by our Government under our so-called foreign policy and reciprocal trade program, under which we have undertaken to subsidize the world and buy friends everywhere. The administration has even exported many millions of dollars' worth of electrical equipment to Russia.

Congress has, time and again, demanded that these exports of electrical machinery and apparatus be halted. Congress has demanded that the administration stop the export of war materials, steel, oil, farm machinery, and many other things to Russia and to Soviet-dominated countries. Nothing in short supply can be exported without a license granted by the Secretary of Commerce, appointed by the President. But, these exports continue, and the President says they should.

The Department of Commerce has prepared two sheets of tables, each measuring 16 by 23 inches, listing 95 foreign countries and the dollar values and items of electrical equipment furnished each country in recent months.

Scarce wire, generators, magnetos, batteries, boxes, insulation, metal conduits, transformers, sockets, fuses, lighting fixtures and parts of all kinds, have gone to these 95 foreign countries, including such places as Ethiopia, the Belgian Congo, Afghanistan, Ceylon, Mozambique, Kuwait, Cameroons, Curacao, Surinam, the Fiji Islands, and a lot of other places most people cannot even find with an atlas, in addition to all the nations we have recently been fighting, to neutrals, and anyone else wanting something we have, for free, or with loans we provide which will never be repaid.

Some of my constituents will have to wait a little while until the boys in the State Department and Commerce Department run a power line out to a few more Eskimo igloos or to cannibal thatched huts, in the wilds of the Congo. Of course, if the people here at home get impatient, they can change a few faces in the executive department when the opportunity arises in November. And they probably will. In the meantime, they can look with satisfaction upon the record of Congress in meeting the needs of our own people for electricity, so far as the authority of Congress has permitted.

In conclusion, let me repeat that the present Congress, a Republican Congress, is the stanchest supporter of REA of any in our history. This is attested by the fact that it has voted more money for REA than any previous Congress, in fact, more than the previous four Congresses. In 2 years the present Republican Congress has voted eight hundred million which is 42 percent of all funds voted in the 15 years of REA's history. Here are the figures since the beginning:

REA funds voted by Congress

Fiscal year:	*Amount*
1935–36	$13,928,288
1937	46,500,000
1938	30,000,000
1939	140,000,000
1940	40,000,000
1941	100,000,000
1942	100,000,000
1943	10,000,000
1944	20,000,000
1945	25,000,000
1946	300,000,000
1947	250,000,000
1948	400,000,000
1949	400,000,000
Total	1,875,428,288

Go to the Polls on Primary Day, August 3—Cost of Government Last Year, $1,155 Per Family, More Than Cost of Food

EXTENSION OF REMARKS
OF
HON. MAX SCHWABE
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. SCHWABE of Missouri. Mr. Speaker, about one-third of the time of each producing citizen is spent to support the horde of Government employees. With 14,500,000 persons on the Federal pay roll in one form or another and increasing at the rate of 600 per day, it behooves all who want to reduce this colossal bureaucracy to go to the polls on primary day in Missouri, August 3, and vote for candidates pledged to say "No" to the various pressure groups. All good Republicans and Democrats should enter the primary of their choice and vote for the candidate who has dedicated his efforts toward saving free enterprise and keeping men free. It cannot be done unless the spending spree is checked and drastically curtailed.

Last year all government in America cost the taxpayers $54,000,000,000. Federal spending has reached such astronomical proportions as to be virtually meaningless to most persons. But stop and consider that we spent more for government than for food. Our food bill last year was $47,000,000,000. Federal expenditures last year amounted to $1,155 per family, as compared with $121 in 1929. The tremendous cost of government amounted to more than all the income of all the people living west of the Mississippi River. In 1929 just two-thirds of the income of one Western State, California, was sufficient to finance the entire Federal Government.

With so much at stake I hope that every qualified voter will go to the polls and participate in the nomination of candidates. Remember, it is the primary that selects the men we elect to office. Let no man or woman able but unwilling to take the time to go to the polls and vote in the primary election complain that we have inferior men in office or that government costs too much. Such people have no right to complain even should we lose our Republic.

Construction of the Upper Harbor in Minneapolis

EXTENSION OF REMARKS
OF
HON. WALTER H. JUDD
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. JUDD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following testimony before the Subcommittee on Appropriations for Army Civil Functions:

EXTENSION OF THE MISSISSIPPI 9-FOOT CHANNEL ABOVE ST. ANTHONY FALLS, MINNEAPOLIS, MINN.

STATEMENT OF HON. WALTER H. JUDD, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF MINNESOTA

Mr. CASE. We have the pleasure this afternoon of having with us three of our colleagues from Minnesota and some witnesses. They have certain projects which are proposed by the Corps of Engineers in the State of Minnesota.

Dr. Judd, do you wish to start off with a statement?

Mr. JUDD. Yes; I would like to make a short statement.

Mr. CASE. We will be very happy to hear you.

Mr. JUDD. Mr. Chairman, this project is known as extension of the Mississippi River 9-foot channel above St. Anthony Falls. The city of Minneapolis was built around these falls.

It is a project that was authorized in 1937 by the Seventy-fifth Congress.

Later the plan of cooperation with the city of Minneapolis was revised and the project was reauthorized in the Rivers and Harbors Act of 1945 with a tacit understanding that construction was not to begin until the war was over.

I want to say frankly that last year and the year before I urged my own city not to press for appropriations for the project because, important and necessary as I believe it to be, I thought that the very most important thing for our whole country's welfare was to cut down our national expenditures to the bone, balance our budget, start substantial payments on our national debt, and give some tax relief from wartime rates.

Besides, labor and materials were in very short supply, and very expensive. So it seemed to me advisable that the construction of all new projects be suspended during this emergency, and I personally voted against all increases for such purposes in the appropriations bills.

Nevertheless, a lot of increases were voted by the Congress for projects in other areas that I believe were less necessary and valuable than this. Then the President comes along with his new budget and asks us for a marked increase for next year for such projects all over the country.

Mr. Chairman, if there is to be any new construction of this sort, this St. Anthony Falls project can qualify as among the top dozen in the country, from the standpoint of need, usefulness, and economic soundness. I feel, therefore, that we should present the essential facts about it and ask for appropriations to get it started.

First, the need. The reason this project is necessary is because of the way in which nature has constructed the Mississippi River in the city of Minneapolis.

The river flows through half of the city of Minneapolis with low-level banks. Then it goes over two main falls with a total drop of 75 feet, and flows through the rest of the city in a narrow gorge about 100 feet deep.

We have put over $150,000,000 into building a 9-foot channel to the foot of the falls, and it comes to a dead stop there where it is not possible to build adequate docks or storage. It is like building a railroad into a city without any terminal. There are only two ways by which we could build a terminal. One would be to cut away the banks. That has been done as far as is possible or safe, because the University of Minnesota is on one bank, and a group of big hospitals is on the other bank. The only other way is to build dams with locks up through the falls to the area lying above the falls, where we have 3 miles of smooth water with low banks on each side of the river—a total of 6 miles of frontage for harbor development that the engineers tell us will make one of the finest internal harbors in the whole world.

The land along those banks was originally occupied mostly by sawmills. The property is no longer used for that purpose. It has deteriorated and can be bought cheaply, making an ideal area for development.

Obviously the project would be valuable for the city of Minneapolis, but I think equally important for the whole Northwest, and for the whole Mississippi River development and traffic.

We have built a great navigation project running from New Orleans to Minneapolis, and yet there is no terminal for the third largest city on the whole river. There is no way to load and unload cargo or to build storage for coal and oil stocks which we have to build up in the summer. I have just recently returned from Minneapolis, and there is a tremendous oil shortage up there now with the temperature 45 degrees below zero last Thursday just north of Minneapolis.

Last fall the Army engineers cooperated with us and with their icebreaker we kept the river open a month longer than usual. Otherwise we would have been completely up against it for fuel already, and the winter only two-thirds gone. If this extremely cold weather continues, I don't know how our people are going to make it.

Farmers who had stored fuel oil for their farm machinery for planting crops in the spring are having to use these supplies now in order to keep themselves and the neighbors warm. With the tremendous demand which is being made for our agricultural products for ourselves and the rest of the world, this becomes of critical importance. You cannot run modern agriculture without gasoline and oil.

When the project was originally proposed 20 years or so ago the engineers thought that we might ultimately develop a maximum tonnage of 1,700,000 tons per year. The average tonnage for the last 4 or 5 years is between 4,000,000 tons and 5,000,000 tons.

Mr. CASE. That is up to what point?

Mr. JUDD. The whole north half of the river above the junction of the Missouri River and the Mississippi.

Mr. CASE. Do you have that much tonnage that actually reaches that point below the falls?

Mr. JUDD. No; we do not. Mr. Strong can give you these figures. My point is that we simply cannot bring up the much larger quantities we find we now need to store for the long winters when the river is frozen and the traffic is stopped, unless we get a harbor where we can build docks to load and unload, and adequate storage facilities for the fuel oil, coal, grain, and other products.

Mr. CASE. Are you familiar with the engineering details of the proposed project?

Mr. JUDD. Yes; I am reasonably familiar with them.

Mr. CASE. How many lifts would be required?

Mr. JUDD. Two major lifts.

Mr. CASE. What is the depth of the channel at St. Anthony Falls?

Mr. JUDD. The 9-foot channel goes right up to the bottom of the falls.

This document that I have here, House Document 449 of the Seventy-eighth Congress, covers the details of the dams, the locks, the bridges that have to be altered, and so forth.

Mr. CASE. Do you know the total cost of the project?

Mr. JUDD. Yes; the total estimated cost is about $16,300,000. Of that $1,100,000 is to be contributed by the city of Minneapolis

to provide for the alteration of the railroad bridges. The city also agreed it would (1) make the necessary alterations to highway bridges and publicly owned utility structures, (2) furnish free of cost to the United States Government all necessary funds, easements, and rights-of-way, and (3) furnish free of cost all spoil disposal areas necessary for new work and subsequent maintenance.

Mr. CASE. Has the city taken steps toward doing that?

Mr. JUDD. Yes; it has. We have on hand $1,100,000 which was required as an outright grant from the city to the Government for the project.

In addition it was estimated that $650,000 would be required for the city to alter the public utilities and the highway bridges, and actually we have almost twice that much. We have almost two and a quarter million dollars in the bank waiting to begin work.

Mr. CASE. Is that sufficient to do this work?

Mr. JUDD. Yes; more than sufficient. The city raised it by issuing bonds at the rate of $300,000 a year. It has taken longer to get construction started than we expected, and the original $1,750,000 we planned has been raised to almost $2,250,000.

Mr. CASE. Do you know at what stage the plans for this project are?

Mr. JUDD. I understand that they are about one-third completed.

There is in the budget $176,000 for continuation of the planning.

We would like to secure about $4,000,000, which is the amount that could be used profitably and efficiently in this first year. It has to be done in stages. The engineers have to dredge the channel and to complete the lower dam and lock before they can begin the upper one.

We would like an appropriation of between $2,000,000 and $3,000,000, and put with that the city's contribution. That would make about $4,000,000, which is all we could profitably use this year.

Mr. TIBBOTT. And you think you could complete all of the planning and start the project?

Mr. JUDD. Yes; because the planning that is already completed is for the lower lock, the first stage of the construction.

Mr. CASE. Is the channel actually a 9-foot channel all the way up to St. Anthony Falls at the present time?

Mr. JUDD. It is. I will ask Mr. A. D. Strong, secretary of the Upper Mississippi Waterway Association, to answer in detail.

Mr. STRONG. They have been bringing up an average of nearly 5,000,000 tons a year to the Northern Pacific bridge.

Mr. CASE. The reason I ask that is because we do have another project on which there is a budget estimate for additional funds for development of the river between the Missouri River and Minneapolis, Minn., and the suggestion that the estimate provides for rectification of damages to levee districts as determined, guide and guard wall extensions, channel excavation and alinement, and I am just wondering if the channel really is built up to that point.

Mr. JUDD. It is already in operation.

Mr. CASE. I mean to the extent that you are warranted now in going ahead with getting Congress to appropriate $16,000,000 to get this work done.

Mr. JUDD. Yes; it was ready several years ago for this extension of the channel. May I also refer that to Mr. Strong, who knows more about it than almost anyone else. He has been working for years on development of the whole upper Mississippi.

Mr. Chairman, I have here three letters which I would like to place in the record, one from Edwin A. Hendricks, chairman of the committee on commerce, markets, and harbors of the city of Minneapolis; one from the Jaycees, the Minneapolis Junior Chamber of Commerce; and one from Mr. Emmett Salisbury, president of the Minneapolis Chamber of Commerce.

Mr. CASE. Without objection, they may be placed in the record at this point.

(The letters referred to are as follows:)

CITY OF MINNEAPOLIS,
OFFICE OF CITY CLERK,
January 26, 1948.

Hon. ALBERT J. ENGEL,
Chairman, Civil Functions Subcommittee of the Committee on Appropriations, House of Representatives, Washington, D. C.

DEAR CONGRESSMAN ENGEL: We urge immediate action of Congress to provide funds for the extension of the 9-foot channel from the Falls of St. Anthony to approximately the northern limits of the city of Minneapolis.

Your honorable body has approved this project with the understanding that the city is required to furnish funds sufficient to defray its share of the expense therof, amounting to $1,100,000 cash, plus the expense necessary to relocate all public facilities. The city now has this amount immediately available.

For 30 years the city of Minneapolis has been actively engaged in attempting to secure this greatly needed improvement of the river; it has made many appearances before committees of Congress, and engineers of the United States Army.

The completion of this improvement will greatly stimulate industry in the Northwest; it will greatly facilitate the river transportation of commodities to that section of the country, particularly solid and liquid fuels.

When this harbor is completed, it will increase the present facilities for harbor purposes in the city of Minneapolis from one-half mile in an inferior location to nine additional miles of ideal river frontage.

Mr. A. D. Strong, of Minneapolis, is appearing before your committee in the interests of the city of Minneapolis and the Northwest and will present this communication for your consideration.

We hope and trust that you will give Mr. Strong and this letter careful attention and consideration.

Very truly yours,
EDWIN A. HENDRICKS,
Chairman, Committee on Commerce, Markets, and Harbors.

MINNEAPOLIS JUNIOR CHAMBER OF COMMERCE,
316 Frontenac Building, Minneapolis 2, Minn.

This is to certify that at a special meeting of the board of directors of the Minneapolis Junior Chamber of Commerce held on the 22d day of January 1948, the following resolution was adopted:

Whereas the Congress of the United States after study through the United States Army Engineers Corps has already approved the extension of the 9-foot channel in the Mississippi River above St. Anthony Falls to the northernmost limit of Minneapolis, Minn.; and

Whereas this project is recognized as being a necessary factor in the industrial development of the entire upper Midwest: Now, therefore, be it

Resolved, That the Minneapolis Junior Chamber of Commerce strongly urges that Congress appropriate funds to complete as quickly as possible the aforementioned project.

In witness whereof, I, Philip B. Harris, president of the Minneapolis Junior Chamber of Commerce, have hereunto set my hand and affixed the seal of said organization this 22d day of January 1948.

[SEAL] PHILIP B. HARRIS,
President.

MINNEAPOLIS CHAMBER OF COMMERCE,
Minneapolis 2, Minn., January 23, 1948.

Hon. ALBERT J. ENGEL,
Chairman, Civil Works Subcommittee, House of Representatives, Washington, D. C.

DEAR CONGRESSMAN ENGEL: I am pleased to write this letter relative to Mr. A. D. Strong, secretary of the Upper Mississippi Waterway Association, who plans to appear before your subcommittee in connection with hearings on appropriations for the upper harbor on the Mississippi River in Minneapolis.

In this connection, it is my pleasure to advise you that the board of directors of the Minneapolis Chamber of Commerce advocates the starting of construction on the upper harbor at the earliest possible date and that a special committee of the board has been empowered to exert every effort in behalf of the achievement of such an objective.

Mr. Strong is a member of the Minneapolis Chamber of Commerce, and being intimately informed on problems relative to the upper Mississippi waterway is, I feel, an excellent representative of our point of view. I bespeak your interest in the presentation which he will make and will sincerely appreciate any courtesies which you may be able to extend to him in connection with the current hearings.

Sincerely,
EMMETT SALISBURY, *President.*

The House Committee did not include an appropriation for this or any other new project in its bill for the fiscal year 1949. But it was agreed informally that if the Senate added this item and other new projects to the bill, the House would go along. The Senate, largely due to the efforts of Senator JOSEPH BALL, did include an appropriation of $1,000,000 for the first year's work on St. Anthony Falls project and the House accepted it. So after years of effort, the long-needed upper harbor development at Minneapolis is now assured.

1948 Sugar Distribution and Prices

EXTENSION OF REMARKS
OF
HON. ROY O. WOODRUFF
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. WOODRUFF. Mr. Speaker, recent complaints against the Sugar Act of 1948 and operations under it seem to be based upon a lack of information with respect to the facts regarding the relative levels of prices of sugar and other commodities and the provisions of the Sugar Act itself. On behalf of the sugar-beet producers of my district and in fairness to the entire sugar industry, I should like to set forth the facts and refer to some of the pertinent provisions of the law.

The wholesale price of refined sugar at the end of price control in 1947 was $8.40 per hundredweight and continued unchanged until early January 1948. The original determination of the 1948 consumption requirements made on January 2 was 7,800,000 tons. This greatly exceeded the rate of distribution during the months that followed and the wholesale price of refined sugar declined to $7.50 per hundredweight. In an effort to bring the determination in line with

actual distribution, the original determination, pursuant to the provisions of the Sugar Act of 1948, was reduced first on February 26 to 7,500,000 tons and again on May 25, to 7,000,000 tons. As a result of these adjustments, stating sugar requirements more nearly in line with the rate of actual distribution, confidence in the market was restored and distribution increased. As distribution increased, the price of raw sugar strengthened and during the last days of June the announced price of wholesale refined sugar recovered 25 cents per hundredweight of its previous losses. The present announced price of $7.75 per hundredweight is to be compared with $8.40 when sugar was under price control.

Sugar was the first commodity to be brought under price control at the beginning of the war and was the last commodity to be released from control after the war was over. Consequently, sugar prices did not soar as did other prices during the early war and postwar periods. Moreover, when wartime controls were removed, sugar prices did not increase, whereas prices of nearly every other commodity bounded sharply upward when released from wartime restrictions. As a result of these conditions, sugar is now one of the cheapest commodities in the market. As compared with prewar levels, sugar is nearly 35 percent cheaper than the prices for other commodities produced by farmers. It is about 25 percent cheaper than prices for the commodities farmers buy, and is about 25 percent cheaper than all foods at retail. Against this picture of relatively low sugar prices, the consuming public has more than twice as much money to buy sugar with now as it did in the prewar period.

Raw sugar prices had declined approximately 17 percent by May 1948. Refined sugar prices had declined by 8 percent in the same period. Even taking into account the recently announced recovery in these prices, they still represent a decline of 8 percent for raw sugar and 6 percent for refined sugar below the level of a year ago. Retail prices have failed to reflect the declines in wholesale prices and therefore, there is no justification for any increase in the retail price of sugar as a result of the recent partial recovery in prices of raw and wholesale refined sugar.

While sugar prices have been falling, other prices and grower costs have been rising. While this drop in sugar prices has been occurring, prices for all farm products have gone up about 5 percent; prices for commodities bought by farmers have gone up nearly 9 percent; and retail food prices have increased from 5 to 15 percent. The price of beverages has gone up 13 percent in the year, and the price of cereals and bakery products has increased 10 percent. In line with the upward trend of everything else, wage earners have received increases approximately in line with these price rises, with the result that they have been able to maintain their high purchasing power.

These declines in sugar prices have occurred despite the mandate of Congress in the Sugar Act of 1948 that quotas shall be maintained so as to establish and keep sugar prices at fair and reasonable levels as between producers and consumers. Perhaps the best standard to judge the general fairness and equitableness of sugar prices between the interests of producers and consumers, as spelled out in the act itself, is the relationship between sugar prices and living costs in the first 10 months of 1947, when sugar was still under price control. If this relationship had been maintained, the wholesale price of refined sugar now would be nearly 9 cents per pound. In other words, the present market levels are more than a cent a pound below levels indicated by the Sugar Act.

At the same time that the producers of sugar have been hard pressed by increases in costs and reductions in the price for their product, those who distribute sugar have enjoyed a greater margin. The distributor's spread or margin, as indicated by most recently available official figures, shows an increase of approximately 16 percent in the past year, and is nearly two and one-half times what it was in the prewar period.

The effect of lower sugar prices and higher production costs is liquidation in the domestic sugar-producing industry. Sugar beet acreage for the United States as a whole shows a decrease of 14 percent from last year. In Ohio, Nebraska, and Colorado the decrease is over 30 percent. In Michigan sugar beet acreage has dropped 36 percent from the 10-year average. In the sugarcane areas, where adjustments cannot be made so quickly, growers are faced with serious losses.

The facts show that the only valid criticism that can be made against the administration of the Sugar Act is that prices are not being maintained at levels which will meet the standards of the act and which will maintain the domestic sugar-producing industry at the levels contemplated by the law.

The above facts are taken from the following comparative table of statistics compiled from Government publications:

Comparison of price trends for sugar and other products

		1941	June 1947	May 1948	Percentage change	
					1941 to May 1948	June 1947 to May 1948
Raw sugar	Cents per pound	3.378	6.185	5.141	+52.2	−16.9
Refined sugar	do	4.922	8.035	7.399	+50.3	−7.9
Retail sugar	do	5.722	9.729	9.340	+63.2	−3.8
Refiners' margin	do	1.544	1.850	2.258	+46.2	+22.1
Distributors' spread	do	.800	1.694	1.941	+142.6	+14.6
Farm prices	1910–14 equals 100	124	271	289	+133.1	+6.6
Food grains	do	97	253	261	+169.1	+3.2
Meat animals	do	146	338	361	+147.3	+6.8
Prices farmers pay	do	131	243	265	+102.3	+9.1
Cost of living	1935–39 equals 100	105.2	157.1	170.5	+62.1	+8.5
Retail food prices	do	105.5	190.5	210.9	+99.9	+10.7
Cereals and baking products	do	97.9	154.6	171.1	+74.8	+10.7
Dairy products	do	112.0	171.5	204.8	+82.8	+19.4
Meats	do	107.5	216.9	244.2	+127.2	+12.6
Sugar	do	106.4	179.7	173.0	+62.6	−3.7
House furnishings	do	107.3	182.6	193.6	+80.4	+6.0
Factory pay rolls	1939 equals 100	167.5	319.6	348.9	+108.3	+9.2
Weekly earnings	Dollars	29.58	49.33	51.56	+74.3	+4.5

Sugar prices and price margins

[Cents per pound]

	Duty-paid price for raw sugar	Wholesale price for refined [1]	United States retail sugar prices	Refiners' margin [2]	Distributors' spread	Total margin between raw and retail
1947						
April	6.185	8.085	9.710	1.900	1.625	3.525
May	6.185	8.085	9.710	1.900	1.625	3.525
June	6.185	8.085	9.729	1.900	1.644	3.544
July	6.185	8.085	9.706	1.900	1.621	3.521
August	6.301	8.211	9.709	1.910	1.498	3.408
September	6.320	8.232	9.780	1.912	1.548	3.460
October	6.320	8.232	9.813	1.912	1.581	3.493
November	6.320	8.232	9.891	1.912	1.659	3.571
December	6.320	8.232	9.917	1.912	1.685	3.597
1948						
January	5.651	8.051	9.900	2.400	1.849	4.249
February	5.503	7.637	9.550	2.134	1.913	4.047
March	5.418	7.546	9.420	2.128	1.874	4.002
April	5.353	7.537	9.370	2.184	1.833	4.017
May	5.141	7.399	9.340	2.258	1.941	4.199
June	5.350	-------	-------	-------	-------	------

[1] Net cash including excise tax.
[2] Includes excise tax.

Red Lake-Clearwater River Project Now Under Way But Still Needs Support

EXTENSION OF REMARKS
OF
HON. HAROLD C. HAGEN
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 16, 1948

Mr. HAGEN. Mr. Speaker, final authorization of the Red Lake-Clearwater flood-control project marks the end of a 40-year effort by many persons in northwestern Minnesota. This project means much to the future of the Red Lake-Clearwater River area.

For many years, attempts were made in Congress to get authorization for funds to begin the Red Lake-Clearwater project.

However, it was not until the Eightieth Congress when funds were actually appropriated to initiate the first phase of the project.

Because of my own personal efforts and the splendid cooperation of Senators JOSEPH H. BALL and EDWARD J. THYE, of Minnesota, and others, we were able to get an initial appropriation of $400,000 in 1947 to start the project. In leading up to this successful step in the long fight to get congressional approval of this project, I have had splendid support from dozens of local officials and citizens. All of them have contributed with their efforts in various ways toward the success which has been gained.

I could name many but I hesitate to do so because I might overlook some who added and contributed sometime during the 40-year fight in behalf of this project. However, I do want to mention my predecessor in Congress, the Honorable R. T. Buckler, who contributed of his time and effort in behalf of the project during the 8 years that he served in the United States Congress. During that time, as his secretary, I had the pleasure and great opportunity to cooperate with him in the efforts we made to get authorization for the project.

A celebration to dedicate the project is scheduled to be held on Friday and Saturday, July 9 and 10, 1948. At that time, many outstanding officials of Minnesota and North Dakota and elsewhere will be present in various functions of a 2-day program, starting at Grand Forks, N. Dak., on July 9. The high lights of this program are as follows: Flight in a C–47 Army airplane over the Red Lake-Clearwater River area by local, State, and national officials; a banquet to be held at Grand Forks, Friday evening, July 9; Saturday, July 10, a motor caravan, starting at Grand Forks, with stops at Crookston and Red Lake Falls, en route to Thief River Falls, where an official luncheon will be held at the Trinity Lutheran Church. The program on that occasion will be as follows: The invocation will be given by Rev. G. S. Thompson, pastor of the Trinity Lutheran Church. Following the luncheon, the guests are to be introduced. Short talks will be made by Mr. E. V. Willard, Deputy Commissioner of Conservation, State of Minnesota; Mr. Chester S. Wilson, commissioner of conservation, State of Minnesota; Hon. Harold C. Hagen, United States Representative in Congress from the Ninth District of Minnesota; and Hon. JOSEPH H. BALL, United States Senator from Minnesota. Mr. L. W. Rulien, Pennington County attorney, will be chairman of the program.

After the luncheon, the group will go out to the site of the ceremony to dedicate the project. This will be at the River Valley Store, near Highlanding, about 20 miles east and slightly south of Thief River Falls. The program on that occasion will be held under the auspices of the Red Lake River Development Association, with District Judge Paul A. Lundgren, president of the association, presiding. The scheduled program will be as follows: The invocation will be by Rev. Halvard Lee of Trail, Minn., followed by introduction of the Army Engineers present. Colonel W. K. Wilson, Jr., of the St. Paul District Office of the Corps of Engineers, will then present the project to the State of Minnesota, followed by dedication remarks of Gov. Luther W. Youngdahl, of Minnesota.

This will be followed by responses from Peter Graves, secretary, Red Lake Indian Agency, Redby, Minn.; Ole O. Melby, president, Red Lake Drainage & Conservancy District, Oklee, Minn.; Hon. HAROLD C. HAGEN, United States Representative in Congress from the Ninth District of Minnesota, and Hon. MILTON R. YOUNG, United States Senator from North Dakota.

Visiting guests will then be introduced, and several musical selections will be rendered by the Eagles Quartette of Thief River Falls.

Hon. EDWARD J. THYE, United States Senator from Minnesota, will then give the main address of the afternoon, followed by music provided by the Red Lake Falls Municipal Band and a war dance by the Red Lake Indians.

In a colorful ceremony, Congressman HAGEN will be adopted into the Red Lake Tribe of the Chippewa Indians with Judge Paul Beaulieu presiding.

The final music for the celebration will be by the Thief River Falls Municipal Band.

Farmers of the Red Lake-Clearwater River area will be interested in the series of events and actions during the past year which resulted in the second appropriation received from Congress of $1,000,000 in June 1948. This amount was included in H. R. 5524.

In this connection, I want to pay special tribute to Senator BALL for his splendid cooperation and help in connection with getting appropriations for the project.

The following are statements, letters, communications, and newspaper articles which will give a running story of some of the activities in support of this appropriation:

STATEMENT OF HAROLD C. HAGEN, UNITED STATES REPRESENTATIVE IN CONGRESS, NINTH CONGRESSIONAL DISTRICT OF MINNESOTA, BEFORE THE CIVIL FUNCTIONS SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS OF UNITED STATES HOUSE OF REPRESENTATIVES, EIGHTIETH CONGRESS, JANUARY 21, 1948

I have received a great number of letters from farmers and townspeople in the Red Lake-Clearwater River area, in which they express genuine gratitude for the appropriation approved last year toward the deepening, widening, and straightening of the river channels and the construction of whatever work is necessary to adequately control the flow of water throughout the seasons and thus prevent serious flood damage.

Floods have made life miserable for the farmers in the area adjacent to the two rivers for more than 40 years, and in spite of the fact that they were reduced to almost poverty by their misfortunes, they did not at any time give up hope that the Federal Government would some day do something about it. They have been doggedly sticking it out—working toward the day when the completion of the flood-control project would make their farms the envy of the Northwest. With your help and that of the United States Congress, that day is near at hand.

The completion of this project will accomplish many things:

1. It will halt the destruction of crops during a time when the world is crying for more food.

2. It will open up many thousands of acres of new and good land for crop production.

3. It will create a channel deep enough to provide a flow of water the year around, and alleviate the bad effects of dry years.

4. It will insure an adequate supply of water to the towns and cities on the banks of the two rivers.

The cities of Thief River Falls, St. Ralaire, Red Lake Falls, Crookston, and East Grand Forks, Minn., are totally, and Grand Forks, N. Dak., is partially dependent on these rivers for their water supply. When these rivers have been dry, the towns and cities were subjected to serious fire hazards, and problems of sanitation menaced the health of the whole area.

5. It will assist in preventing pollution.

The United States Bureau of Agricultural Economics has stated in a report that from 1919 to 1939 the farmers in the flood area sustained a loss of more than $3,384,000, and that the average annual loss is in excess of a quarter of a million dollars a year.

The approval by this committee of the amount stipulated in the budget—$1,200,000—will enable the War Department to continue work on this project so that it will, in a year or so, be completed. This is not an expenditure, gentlemen. It is an investment which will pay off handsomely in years to come, and will bolster our national economy at a time when increased food production is the key to many of our national problems.

I respectfully urge the members of this committee to recommend the appropriation of the amount requested in the budget, $1,200,000 for this project.

JANUARY 31, 1948.

Mr. PAUL LUNDGREN,
Attorney at Law,
Thief River Falls, Minn.

DEAR PAUL: Late this morning, I appeared before the Subcommittee on Civil Functions of the House Committee on Appropriations relative to the Red Lake-Clearwater River project. I pleaded for the approval of the $1,200,000 requested by the Budget Bureau for additional work on this project.

For your information, though I presume you already have these details, the total estimated cost of the project is $2,736,200. Previously appropriated for planning and initial construction work is approximately $509,800, of which $400,000 was for the initial construction job for which contracts have been let.

If the $1,200,000 now requested is granted, there will be a further necessary appropriation of more than $2,000,000.

I have every belief that the Committee will approve of the amount which we are asking for; but if they should cut it down any, it might be well to consider the advisability of sending down a delegation to appear before the Senate Committee. However, if they do cut it just slightly, it might be just as well to let it go through, because I am satisfied we will get the rest of the necessary appropriation next year.

As I concluded my oral testimony, I received permission to file a written statement which will be included in the hearings.

I think there is a very friendly feeling toward this project on the part of the committee members.

As soon as we get any information relative to the committee's action, I will let you know.

With all good wishes,
Very cordially yours,
HAROLD C. HAGEN,
United States Representative in Congress.

FEBRUARY 25, 1948.

Senator WILLIAM DAHLQUIST,
Thief River Falls, Minn.

DEAR BILL: The Subcommittee on Civil Functions of the House Appropriations Committee has approved the amount of $900,000 for the Red Lake-Clearwater River project. Mention of this is found on page 11 of

the report which has just now become available.

There is a balance, of course, left over from the last year's appropriation of $39,000. This totals $939,000.

This should give us an opportunity to get another big portion of the project under way perhaps later this year. Our hope, of course, is to get sufficient funds next year to complete the project and I am satisfied this can and will be done.

It occurred to me that an effort might be made in the Senate to get the amount increased to what the Budget Bureau recommended—$1,200,000. On the other hand, the House committee treated us very nicely and it might be the better part of wisdom to just work with the Senators from Minnesota so that this amount of $900,000 will not be cut in the Senate. What do you think about it?

At any rate, I strongly suggest that you contact the Minnesota Senators concerning the project.

With all good wishes.

Cordially yours,

HAROLD C. HAGEN,
Member of Congress.

CLEARBROOK, MINN., *February 28, 1948.*

Hon. HAROLD C. HAGEN,
Congressman, Ninth District,
Washington, D. C.

MY DEAR HAROLD: Thanks for copy of the message you sent to Senator Dahlquist, in regard to the action of the House subcommittee in voting $900,000 for the Red Lake and Clearwater River project.

It is almost too good to believe, HAROLD. Thank God, and the work you and others have done to put this worth-while project over the top.

Such "bread" cast upon present waters will bring abundant future returns to you and others interested.

Personally I agree with you; let good enough alone for the present. Next year will give us the balance.

Colonel Wilson has announced that they will be ready to let the contract on the Clearwater River by July 1, 1948.

Very sincerely,

ALBERT ANDERSON.

MARCH 1, 1948.

Mr. EDDIE ARVESON,
Trail, Minn.

DEAR FRIEND: You will be interested in the enclosed copy of H. R. 5524 and the committee Report No. 1420, in which you will find provisions for an appropriation of $900,000 in new funds for the Red Lake-Clearwater River project.

Reference to this project can be found on page 11 of the report.

All of this is most gratifying to you and to me because of our keen interest in this project for many years past.

With all good wishes.

Cordially yours,

HAROLD C. HAGEN,
Member of Congress.

A similar letter, dated March 1, 1948, was also sent to Carsten Mead, Red Lake Falls, Minn., a member of the Tri-State Waters Association. Mr. Mead has also been very active in the support of the Red Lake-Clearwater River project.

WAR DEPARTMENT,
CORPS OF ENGINEERS,
DISTRICT ENGINEER, ST. PAUL DISTRICT,
St. Paul Minn., March 4, 1948.

Hon. HAROLD C. HAGEN,
House of Representatives,
Washington, D. C.

DEAR MR. HAGEN: Reference is made to the Red Lake and Clearwater Rivers, Minn., flood-control project which was authorized by the Flood Control Act approved December 22, 1944, and for which construction funds were first made available by the last Congress.

I am pleased to advise you that a contract covering approximately one-third of the excavation which will be required for the improvement of the Red Lake River has been awarded to the Al Johnson Construction Co. of Minneapolis, Minn., who is at the present time moving in his plant and equipment preparatory to starting work.

The above amount of work is all that can be accomplished with the construction funds made available to date. However, this office is in a position to award contracts for additional work on the project within a comparatively short time after Congress has made additional money available for the project.

Sincerely yours,

W. K. WILSON, Jr.,
Colonel, Corps of Engineers,
District Engineer.

The following article appeared in the Thief River Falls Times for May 27, 1948:

WORK NOW WELL STARTED ON RED LAKE RIVER JOB—DRAGLINE HAS WORKED ITS WAY 1,000 FEET DOWN RIVER DURING PAST 2 WEEKS

Work in progress the past 2 weeks on the channel improvement project in Red Lake River, starting from a point 3 miles up the river from River Valley, has resulted in the channel being deepened for a distance of about 1,000 feet down the river, and is now proceeding at the rate of about 100 feet per day, L. J. Oberg, resident engineer on the project, said Wednesday night.

Slightly more than 6 feet of dirt was removed from the bed of the river this week by a drag-line operation, and the material thus removed is being depcsited on the river bank, to be leveled off later.

The contract is being executed by the Al Johnson Construction Co. of Minneapolis, which has a crew of eight men working with the dragline. The machine is being used at present one 10-hour shift a day.

WASHINGTON, D. C., *June 12, 1948.*

Senator WILLIAM DAHLQUIST,
Thief River Falls, Minn.:

House passed conference report today containing one million for Red Lake-Clearwater River project. Kindly advise others interested.

HAROLD C. HAGEN,
Member of Congress.

That my work as Congressman and my efforts in support of the Red Lake-Clearwater River project are appreciated by others besides those at home is shown by the following letters:

BETHANY LUTHERAN CHURCH,
Seattle, Wash., May 18, 1944.

Congressman HAROLD HAGEN,
Washington, D. C.

MY DEAR CONGRESSMAN: I have noted with much satisfaction that you have filed for reelection on the Republican ticket. Since you did this previous to any action pro or con by our Ninth District Convention, you merit our full confidence.

I have also followed your record as first-term Congressman from our district. On the basis of this record there is no question in my mind but that you have served our people exceptionally well and that your place and influence in Congress is already well established.

Especially do I want to commend you for your sincere and effective efforts in Congress for our Red Lake River project. You deserve much credit for the progress already made. We want you to see this project through in the near future.

If there is anything that I can do to assist you in your campaign for reelection I will be glad to respond. With my best wishes, I am,

Most sincerely yours,

E. L. TUNGSETH, *Pastor.*

WASHINGTON, D. C., *June 12, 1948.*

Hon. HAROLD C. HAGEN,
Representative in Congress,
Ninth District in Minnesota,
House of Representatives,
Washington, D. C.

DEAR FRIEND HAROLD: It is with genuine pleasure that I accept, for Mrs. Fredrickson and myself, your very cordial invitation to attend the dedication ceremony for the Red Lake-Clearwater River project to be held on Friday and Saturday, July 9 and 10. I shall take great personal satisfaction in being present at this important event.

May I say to you, HAROLD, as I have often stated to others, that if it had not been for your assiduous efforts and able leadership, first in obtaining the authorization and later in securing the appropriation of funds, this multiple-purpose improvement upon which actual construction is now about to begin would not yet have been brought to a fruition. In so saying I am not unmindful of, nor do I minimize, the work of others over a period of more than a generation in seeking the same end result. I merely want to emphasize that every accomplishment is in a large measure due to a major contributing factor, and in the Red Lake-Clearwater River project you have been that major factor.

I congratulate the people of the Ninth District and others who will be the beneficiaries of this improvement upon having such an efficient public servant, and wish you every success in your future endeavors to represent the district, State, and Nation.

Sincerely yours,

FRED FREDRICKSON,
Washington Representative, Greater North Dakota Association and North Dakota State Water Conservation Commission.

UNITED STATES SENATE,
COMMITTEE ON APPROPRIATIONS,
June 14, 1948.

Hon. HAROLD C. HAGEN,
House Office Building,
Washington, D. C.

DEAR HAROLD: I will be more than happy to accept your kind invitation to attend the dedication ceremonies for the Red Lake-Clearwater River project.

I know something of the tremendous amount of work that you did in getting this project and would like to inform the people of your district, as best I can, about your very effective work on this.

With kindest personal regards,

Sincerely yours,

MILTON R. YOUNG,
United States Senator.

While the project is well under way, there will be many more minor details that will come up from time to time—more money will be needed, and if I return to Congress, and I hope to be reelected, I will be in a position to take care of them.

That the newspapers of the Red Lake-Clearwater River area appreciate my efforts is indicated by the following editorial from the East Grand Forks Record for August 8, 1947:

Congratulations and a vote of thanks are due to the officers of the Red Lake River Development Association and to Congressman HAROLD HAGEN, who have worked so long and so hard on the Red Lake-Clearwater Basin

project. The first appropriation of $400,000, to be spent on channel clearance, virtually assured that the funds will be forthcoming to complete the remainder of the project, since this first grant indicates that Congress recognizes the need for flood control and water conservation in the basin. The most encouraging thing is that the work will start before another drought is upon us, so that we have reasonable assurance of a steady water supply even if next year or the year after matches the hot, dry summers of 1934 or 1936.

Farmers in the Red Lake-Clearwater River area will be interested in the following factual data compiled by the United States Corps of Engineers relative to the Red Lake-Clearwater River improvement project:

RED LAKE AND CLEARWATER RIVERS PROJECT BEING CONSTRUCTED UNDER DIRECTION OF CORPS OF ENGINEERS (ST. PAUL DISTRICT)

Site: Improvement on the Red Lake River extends from a point 4.7 miles downstream from High Landing (154.3 miles above the mouth) to the outlet of Lower Red Lake, a distance along the improved channel of 34.2 miles.

Improvement on the Clearwater River extends from a point 5 miles upstream from Plummer (41.5 miles above the mouth) to a point just above the mouth of Ruffy Brook (mile 79.1) a distance of 37.5 miles along the Clearwater River.

Drainage area: At lower end of project, Red Lake River, 2,300 square miles; Clearwater, 464 square miles; at upper end of project, Red Lake River, 1,951 square miles; Clearwater, 204 square miles.

Channel: Bottom width, Red Lake River, 41 to 49 feet in portion under contract, 76 to 85 feet for remainder; Clearwater, varies from 31 to 49 feet.

Design channel capacity: lower end, Red Lake River, 1,520 second-feet; Clearwater, 1,510 second-feet; upper end, Red Lake River, 1,000 second-feet; Clearwater, 850 second-feet.

Improvement of structure at outlet of Lower Red Lake: Control gates: Three hand-operated 16-foot lift gates, one (existing) stop-log bay. Discharge capacity: 1,000 second-feet when lake is at normal elevation.

Costs: Total Federal cost, Red Lake River, approximately $2,200,000; total Federal cost, Clearwater River, approximately, $1,700,000; total non-Federal cost, approximately, $190,000.

Authority: Flood Control Act of December 22, 1944.

Resident engineer for construction: Mr. Lawrence J. Oberg, engineer.

Contractor for stage I: Al Johnson Construction Co., Minneapolis, Minn.; estimated contractor's earnings, $307,900; stage I consists of approximately 12 miles of channel excavation on the Red Lake River from the lower end of the project at mile 154.3 near High Landing to mile 165.9 above the mouth.

As indicated above, the total Federal cost of the Red Lake-Clearwater River project is $3,900,000, plus the total non-Federal cost—local sponsors and civil units—of approximately $190,000. Since the Federal Government has so far appropriated $1,400,000, there is an additional amount of $2,500,000 still to be appropriated to complete the project. As the United States Congressman from the *Ninth District*, I will do everything I possibly can and, judging by my previous success, I feel certain that we can secure this appropriation during the next Congress.

Government Programs Aid Alaska First Division

EXTENSION OF REMARKS
OF

HON. E. L. BARTLETT

DELEGATE FROM ALASKA
IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. BARTLETT. Mr. Speaker, I am taking this means of informing the people of the First Division of Alaska about some of the Government activities which will be carried on in that region during this fiscal year because of favorable action during the session of the Eightieth Congress which recently adjourned. Likewise, I shall call attention to legislation which will be generally of benefit to all Alaska, including the First Division.

We are very hopeful that because of the representations made before the House Appropriations Committee the Coast Guard district in Alaska will soon be reestablished. It is altogether likely that a First Division location will be selected. The Coast Guard has given assurances that a survey will be made during the summer. It will be remembered that the Coast Guard had a separate district in Ketchikan that functioned to the best interests of all concerned and, I submit, with greater efficiency than is possible under the present arrangement under which Alaska is merely an appendage of another district.

Surveys are to be started during the summer season in connection with the plan to hard-surface the Haines Cut-off. Forty-one thousand dollars was appropriated for this purpose. Here I desire to reiterate the prediction I so often have made and which promises to be an actuality before long—the highway leading from Haines to the Alaskan Highway, thus connecting southeastern Alaska with the main highway system of the Territory, is a traffic artery which from now on will always be of first-rate importance in Alaskan transportation.

In the field of navigation improvements, work will be continued on the dredging of Wrangell Narrows. In the civil-functions bill there was an appropriation of $1,038,400 for this purpose.

Work is proceeding on the 200-bed sanatorium at Mount Edgecumbe and a deficiency appropriation of $716,000 was made for this project to meet higher building costs.

At Ketchikan, the Alaskan communications system intends to replace the present inadequate transmitter building. Some housing for ACS personnel will be built and improvements in utilities are planned.

And at Juneau, also, the ACS will be actively engaged this year in furthering the modernization program. Housing and utilities construction are planned for Juneau.

Elsewhere in southeastern Alaska the Alaskan communications system will be busily engaged.

For example, Skagway will benefit by reason of this construction program. I am informed the plan is to build a repeater station and a powerhouse there. Skagway is the key point for the Juneau-Skagway-Whitehorse telephone circuit. A start will be made there also on buildings to house family units and utilities.

At Lena Point an operating structure will be put up. There will be living quarters and a powerhouse in connection with the new arterial connection extending from southeastern Alaska to Canada, interior Alaska, and the United States. As part of this arterial service, the ACS plans living quarters for operators, and a powerhouse, between Juneau and Haines.

At Sitka, also, the ACS has a building program scheduled. A powerhouse is to be built there to service communications equipment.

Southeastern Alaska will share in increased forest highway funds which were appropriated for Alaska in an amount exceeding $200,000 in the regular 1949 appropriation bill for the Department of Agriculture. An additional direct appropriation of $400,000 and $450,000 in contract authorization was made in the second deficiency bill for 1948, bringing the total to $1,150,000 for rehabilitation, reconstruction, construction, and maintenance of highways in Alaska's national forests. At the time this statement was prepared the administrative agencies had not made allotments as to specific highways.

The Forest Service received in the Agriculture Department appropriation bill $50,000 to be used for research.

The Geological Survey has several projects outlined for southeastern Alaska. They are:

First. Geological mapping and study of mineral possibilities on northern Chichagof Island. An area of 4,000 square miles will be covered this summer.

Second. Continuation of the study of the mineralized area adjacent to Juneau.

Third. Completion of the survey of limestone resources on Hecta Island and adjacent parts of Prince of Wales Island covering an area of about 100 square miles.

Fourth. Topographic mapping parties will be working in the vicinity of Craig on the west side of Prince of Wales Island and in the vicinity of Eastern Passage, east of Wrangell; field work in mapping is planned for the Juneau vicinity and the northwest part of Chichagof Island in the general vicinity of Pelican.

Fifth. Stream water investigations are planned for Auke Creek, Peterson Creek, Gold Creek, Sheep Creek, and Dorothy Creek, all near Juneau; Cascade Creek at Thomas Bay near Petersburg; Medvetcha River—Sawmill Creek—near Sitka; Purple Lake Outlet near Metlakatla; Perseverance Creek and Manzanita Creek on East Behm Canal; Winstanley Creek on East Behm Canal; Fish Creek at Thorne Arm; Swan Lake Outlet at Carroll Inlet, and Mahoney Creek at George Inlet, all these being in the southern part of the Division.

Sixth. Reconnaissance of streams of Southeastern Alaska to determine pro-

gram of subsequent water resource surveys.

Federal cooperation in the operation of the Ketchikan Fishing Laboratory was assured when the necessary money was voted by Congress.

Mention should be made of the passage by Congress and approval by the President of my bill which permits the leasing of 80-acre tracts in Tongass National Forest. This greatly enlarges the acreage which can be leased, and extends the leasing period. This legislation, it is hoped, will assist particularly in development of tourist facilities.

And finally, although surely not last on the list in order of proper priority, is the decision of the Bureau of Mines, Department of the Interior, to establish the $250,000 Alaska station at Juneau, or at nearby Douglas.

Here are listed some of the programs of general application:

First. Assessment work on mining claims has been suspended between the period of July 1, 1948, and July 1, 1949.

Second. An energetic health program for Alaska was approved by Congress with an appropriation of $1,115,000 being made for protection, treatment and control of diseases in the Territory. A tuberculosis unit was authorized by this Congress and cash and contract funds were appropriated. This will be an institution of 400 beds, the largest in Alaska. It will be built at or near Anchorage. Experts say this hospital, together with others now operating or soon to be in operation, will go a long way toward curbing the menace of tuberculosis in the Territory.

Third. The Alaska game law enforcement appropriation was increased to $225,000.

Fourth. A bill was passed by the Congress and approved by the President enabling the Territorial legislature to institute when it so desires a general property tax freed from the previous Organic Act restriction which required all property be taxed according to its actual value; obviously it was not possible to determine the actual value of all mining claims. Under the new law mining claims may be taxed at the price paid to the Government or at a flat rate to be fixed by the legislature. The new law also permits but does not compel municipalities to tax at the rate of 3 and not 2 percent and allows the legislature to enact a uniform and general property tax at a rate of 2 percent instead of 1 percent.

Fifth. Another of my bills which is now law permits veterans of World War II to apply their military service up to 2 years for residence and cultivation requirements in settling on homesites and headquarters sites. This benefit was already in effect insofar as homesteads and 5-acre tracts were concerned.

Sixth. Title to the Army vessel *Hygiene* has been transferred to the Territory of Alaska. The ship will now be permanently available to the Territorial department of health as a floating medical and health center.

Seventh. One of my bills which passed Congress on the closing days of the session has general application to all the States and Territories. It places a minimum floor of $100,000 on the amount which will go to any Territory or any State under the hospitalization construction law already in effect. By means of this law Alaska will receive $100,000 instead of $41,400.

Eighth. Government aid in shipping has been continued until March 1, 1949.

Ninth. The necessity for making export declarations for shipment of goods between continental United States and Alaska and vice versa has been eliminated.

Tenth. Another of my bills which is now law authorizes the Secretary of the Interior to issue unrestricted deeds to tracts of land within Alaska townsites to natives of Indian, Aleut or Eskimo blood. Once the deeds are issued the land can be sold or otherwise disposed of by the native owners and is made subject to municipal taxation.

Eleventh. Funds in the amount of $200,000 have been made available to the Fish and Wildlife Service for the operation of an exploratory vessel.

Twelfth. For continuation of agriculture research program, Congress made available $185,940 in cash plus $300,000 in contract authority for construction of buildings and utilities.

Thirteenth. The Interior Department bill contained $250,000 for establishment of a Bureau of Mines experiment station.

Résumé of Work of Senate Judiciary Committee, Eightieth Congress, First and Second Sessions

EXTENSION OF REMARKS
OF
HON. ALEXANDER WILEY
OF WISCONSIN
IN THE SENATE OF THE UNITED STATES
Saturday, June 19, 1948

Mr. WILEY. Mr. President, I believe that my colleagues and constituents, as well as many others, would be interested in a brief résumé of the work of the Senate Judiciary Committee in the two sessions of the Eightieth Congress, in particular concerning the impact of the legislative reorganization law upon our committee's jurisdiction and activities. I therefore ask unanimous consent that there be printed in the Appendix of the RECORD, to be published shortly after the recess of Congress, a summary on this subject which I am now having prepared by the staff, in addition to an over-all review which I have made of the record of the Eightieth Congress.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

REPORT OF THE SENATE COMMITTEE ON THE JUDICIARY, EIGHTIETH CONGRESS, FIRST AND SECOND SESSIONS

ORGANIZATION OF THE JUDICIARY COMMITTEE

(*A*) *Historical development of the Judiciary Committee*

The Senate Committee on the Judiciary was first designated a standing committee by the Senate resolution of December 10, 1816, which required that the committee be appointed at the commencement of each session of Congress. This requirement was later changed by Senate rule XXVI, adopted January 11, 1884, to provide that the standing committees be appointed at the commencement of each Congress rather than at each session (CONGRESSIONAL RECORD, 15: 307 and 367). The functions which have been the concern of this standing committee for more than 130 years are now among those which under Public Law 607, Seventy-ninth Congress, have been given to a new committee with a far more extensive jurisdiction.

(*B*) *Jurisdiction of the Judiciary Committee*

Under the Legislative Reorganization Act of 1946, all proposed legislation, messages, petitions, memorials, and other matters relating to the following 18 subject groupings are referred to the new Committee on the Judiciary:

1. Judicial proceedings, civil and criminal, generally.
2. Constitutional amendments.
3. Federal courts and judges.
4. Local courts in the Territories and possessions.
5. Revision and codification of the statutes of the United States.
6. National penitentiaries.
7. Protection of trade and commerce against unlawful restraints and monopolies.
8. Holidays and celebrations.
9. Bankruptcy, mutiny, espionage, and counterfeiting.
10. State and Territorial boundary lines.
11. Meetings of Congress, attendance of Members and their acceptance of incompatible offices.
12. Civil liberties.
13. Patents, copyrights, and trade-marks.
14. Patent Office.
15. Immigration and naturalization.
16. Apportionment of representatives.
17. Measures relating to claims against the United States.
18. Interstate compacts generally.

Committee membership is limited by the Legislative Reorganization Act to 13 Senators. Furthermore, under this act each of these Senators is limited to membership on two standing committees with the exception that Senators of the majority party, who are members of the Committee on the District of Columbia or of the Committee on Expenditures in the Executive Departments, may serve on three standing committees (sec. 102 (o) (4)). These limitations concentrate a high degree of responsibility on the committees and their members.

Prior to the amendments to Senate rule XXV the subject matters listed in the 18 groupings above were referred largely to the following standing committees:

(a) Committee on Claims, consisting of 13 Senators.

(b) Committee on Immigration, consisting of 14 Senators.

(c) Committee on the Judiciary, consisting of 18 Senators.

(d) Committee on Patents, consisting of 8 Senators.

The combined membership of these committees (53 members) and their staffs when compared with the present committee membership of 13 makes apparent the need for a high degree of efficiency and organization if there is to be thorough consideration of legislative matters.

(*C*) *Internal organization of the Judiciary Committee*

1. Membership of the Judiciary Committee: ALEXANDER WILEY, Wisconsin, chairman; WILLIAM LANGER, North Dakota; HOMER FERGUSON, Michigan; CHAPMAN REVERCOMB, West Virginia; E. H. MOORE, Oklahoma; FORREST C. DONNELL, Missouri; JOHN SHERMAN COOPER, Kentucky; PAT MCCARRAN, Nevada; HARLEY

M. KILGORE, West Virginia; JAMES O. EASTLAND, Mississippi; WARREN G. MAGNUSON, Washington; J. WILLIAM FULBRIGHT, Arkansas; J. HOWARD MCGRATH, Rhode Island.

2. Standing subcommittees of the Judiciary Committee: Patents, Trade-Marks, and Copyrights, Mr. WILEY, chairman; Mr. MCGRATH. Immigration and Naturalization, Mr. REVERCOMB, chairman; Mr. MCCARRAN. Federal Charters, Holidays, and Celebrations, Mr. DONNELL, chairman; Mr. KILGORE. Constitutional Amendments, Mr. REVERCOMB, chairman; Mr. MCCARRAN. Improvements in Judicial Machinery, Mr. FERGUSON, chairman; Mr. MCCARRAN. National Penitentiaries, Mr. LANGER, chairman; Mr. DONNELL, Mr. MCGRATH.

(D) Procedures of the Judiciary Committee

1. Procedures under section 133 of the Legislative Reorganization Act of 1946: Each standing committee is required by the Reorganization Act to fix regular meeting days for the transaction of business and to keep a complete record of all committee action, including record votes on all questions on which record votes are demanded.

Measures and recommendations shall be reported only by a majority of the committee actually present. It then becomes the duty of the chairman to report promptly to the Senate and take steps necessary to bring the matter to a vote.

2. Judiciary Committee Rules of Procedure: The statutory requirements are supplemented by the rules of the committee, the more pertinent of which are the following:

Rule 1: Five members of the committee shall constitute a quorum for the transaction of such business as may be considered at any regular or special meeting of the committee, subject, however, to the provisions of section 133 (d) of the Legislative Reorganization Act of 1946. No member of the committee shall for the purpose of determining the existence of a quorum of the committee be deemed to be present unless he be personally present.

Rule 4: No vote cast in the committee, or any subcommittee thereof, by proxy shall be counted.

Rule 6: The committee shall, so far as practicable, require all witnesses appearing before it to file in advance written statements of their proposed testimony at least 24 hours before hearing, and to limit their oral presentations to brief summaries of their argument. The committee staff shall prepare digests of such statements for the use of committee members.

Rule 7: All hearings conducted by the committee or its subcommittees shall be open to the public except (1) executive sessions for marking up bills, or (2) for voting, or (3) where the committee by a majority vote orders an executive session.

Rule 15: Whenever there shall be referred to the committee a bill providing for the payment of a claim against the United States based on either tort or contract, the committee may report to the Senate an original resolution referring such claim to the Court of Claims pursuant to the provisions of 28 United States Code 257: *Provided*, That two or more such claims may be made the subject of a single resolution.

(E) Program of the Judiciary Committee

(A) Scope of judiciary activities at close of the second session, Eightieth Congress:

(1) Percentage of legislation referred to the Judiciary Committee:

(a) Of the total number of House bills and resolutions sent to the Senate, the percentage referred to the Senate Committee on the Judiciary was approximately 42 percent.

(b) Of the total number of Senate bills and resolutions introduced, the percentage referred to the Committee on the Judiciary was approximately 30 percent.

(c) Of the total number of Senate and House bills and resolutions received by the Senate, the percentage referred to the Committee on the Judiciary was approximately 33 percent.

(d) Number of bills and resolutions received, 1,518.

(e) Number of bills and resolutions reported favorably, 612.

(f) Number of bills and resolutions indefinitely postponed by action of the full committee, 297.

(g) Number of bills and resolutions acted upon, 909.

(h) Number of bills and resolutions becoming law (private and public), 454.

(2) Reports requested on legislation: Number of reports requested from Government departments and agencies on legislation referred to the committee, 1,640.

(B) Hearings and executive sessions of the Judiciary Committee:

(1) Number of hearing sessions conducted on legislation, 138.

(2) Approximate number of witnesses (all hearings), 1,012.

(3) Number of executive meetings of the full committee on legislation and nominations, 68.

(4) Number of executive meetings of subcommittees on legislation, 153.

(5) Number of meetings held by conferees, 28.

(C) Reports of the Judiciary Committee:

(1) Bills and resolutions reported by the committee, 612.

(a) Number of printed reports on bills and resolutions, 610.

(2) Number of documents, hearings, etc., printed for the use of the committee, 17.

(D) Nominations referred to the Judiciary Committee:

(1) Number of nominations referred to the committee, 140.

(2) Reports of the Judiciary Committee on nominations: Number of nominations reported favorably, 108; number of nominations reported unfavorably, none; number of nominations withdrawn, 1; number of nominations pending at the close of first session, 2; number of nominations pending at the close of second session, 27.

(3) Hearings of the Judiciary Committee on nominations: Number of recorded hearings on nominations, 94. (The figures do not include routine unrecorded hearings.)

EXAMPLES OF COMMITTEE WORK

The committee conducted extensive and comprehensive hearings on the issues involved on portal-to-portal under the Fair Labor Standards Act, and reported out the bill which subsequently became Public Law 49 (see in the following for summer assignment of work on overtime-on-overtime). Eleven days of hearings were held, totaling 828 pages of testimony. Considering the legal problems involved, and the complexity of the testimony, this was one of the big jobs of the Eightieth Congress.

The committee undertook the consideration of some of the largest claims bills ever considered by any Congress of the United States. Noticeable examples of these are the following:

(a) S. 1260, a bill to provide for the settlement and payment to certain motor carriers of claims against the United States for damages resulting from Federal possession, control, and operation in time of war of the carriers' transportation systems and properties; to provide for just compensation to such carriers for the use of such transportation systems and properties during such possession, control, and operation; and for other purposes. At one stage of the consideration of this bill it was estimated that the amount involved was over $30,000,000. Hearings were held on 5 days, and the bill as amended, which set up a commission to consider the claims, was ultimately passed.

(b) H. R. 4044, a bill to amend the Trading with the Enemy Act, as amended; to create a commission to make an inquiry and report with respect to war claims; and to provide for relief for internees in certain cases. Four days of hearings were held on this legislation which involved the claims (against Japanese seized assets of 6,000 internees and 27,000 prisoners of war. The bill was enacted into law and the commission will be set up in the near future.

(c) Legislation enabling the Japanese evacuees in World War II to prosecute their claims against the Federal Government.

The committee considered S. 1567 (companion bill H. R. 1639), a bill to provide the venue in actions brought in United States district courts or in State courts against interstate commerce carriers by railroad for damages for wrongful death or personal injuries. Hearings on this legislation were conducted for 5 days, consisting of 299 printed pages.

A subcommittee of the full committee gave complete study and consideration to the three lynching bills (S. 42, S. 1352, and S. 1465), holding public hearings on 6 days, consisting of 198 printed pages. Approximately one-half dozen executive sessions of the full committee were held to redraft the antilynching legislation which was ultimately reported favorably to the Senate floor. In many of its aspects, this new lynching bill is entirely novel and it is quite certain that it will be given serious consideration by later Congresses.

In the second session of the Eightieth Congress the committee undertook the Herculean task of full and complete consideration of the so-called tidelands legislation, being Senate Joint Resolution 14 and S. 1988, dealing with titles to lands and resources in and beneath navigable waters. It is believed that the extent of the hearings on this legislation exceeds those of any committee of either House for some years, with the possible exception of Appropriations. Full-length hearings were held on 19 days, and the ultimate printed hearings comprise two sections of 1,703 and 335 pages, respectively. This bill was reported favorably by the committee to the Senate floor and the amount of committee labors which were expended in the preparation and conduct of these hearings were prodigious.

It was with pleasure and interest that the committee considered Senate Joint Resolution 91, and the companion resolution, Senate Joint Resolution 200, being resolutions proposing an amendment to the Constitution of the United States relating to the election of the President, and the Vice President. Hearings were held for 2 days, and the resolution was reported favorably to the Senate floor. This legislation is especially interesting in that it will provoke comment and discussion for many years amongst political observers and political scientists, and will undoubtedly be reintroduced in future Congresses. It is interesting to note that cognizance of this legislation was taken in party platforms of one of the political conventions.

The committee was pleased to consider in this Congress, Senate Joint Resolution 76, and somewhat similar legislation in the form of Senate Joint Resolution 67, the former being a bill to propose an amendment, to the Constitution of the United States relative to equal rights for men and women. After hearings, and proper discussion before the full committee on April 29, 1948, this measure was reported favorably, with slight amendments, to the Senate floor. Undoubtedly, this legislation will become some day a landmark in the entire enfranchisement of women in our political structure.

Perhaps the most important and purely judicial legislation of the Eightieth Congress was the enactment into law of H. R. 3214, a bill to revise, codify, and enact into law title 28 of the United States Code entitled "Judicial Code and Judiciary." After extensive hearings for 5 days, and numerous executive sessions of the subcommittee, the bill was reported favorably to the Senate floor and ul-

timately passed both branches of Congress and was signed by the President. The hearings consisted of some 600 to 800 typewritten pages. The bill itself consisted of approximately 200 printed pages and the report consisted of 16 printed pages. Undoubtedly, this action of the committee will be a landmark in the legal profession for many years to come.

Related to the above legislation was the consideration by the Committee of H. R. 3190, a bill to revise, codify, and enact into positive law, title 18 of the United States Code, entitled "Crimes and Criminal Procedure." This bill, with the previous one, is the culmination of many years of arduous labor by the Committee on the Revision of the Laws and certain publishing houses, such as the West and Thompson companies. The final fruition of their many years of labor was accomplished toward the end of the second session of the Eightieth Congress, and this committee was happy to be a part in this very important codification work.

One of the most important assignments which, unfortunately, the committee was forced to consider in the closing minutes of the second session was H. R. 5852, a bill to protect the United States against Un-American and subversive activities (the so-called Mundt-Nixon bill). Hearings on this bill were in progress for 4 days and, in addition, 4 other executive sessions were held. The testimony ran to approximately 1,000 typewritten pages, and the mail received by the committee was estimated to run in the neighborhood of 40,000 pieces, including letters, telegrams, and post cards. Because of the exigencies of the time element, it was impossible for the committee to make a final consideration on this most important though controversial legislation. A new draft of the bill, however, was prepared by the committee and there seems to be a likelihood that it will be given consideration at a later date.

No example of the committee work would be complete without proper reference to the arduous work load contained in the ordinary nominations. By its jurisdiction, the United States Senate Committee on the Judiciary is charged with scrutiny of nominations to the Federal judiciary for United States attorneys and United States marshals. On each of these nominations it is imperative that the committee conduct or supervise a complete examination and investigation of the nominee's background from many points of view. This includes such elements as the character of the nominee; his professional reputation; his training; his ability to carry out the duties of his office; and with special emphasis, his complete and unabridged loyalty to his Government.

In the case of judges, hearings are always held, for it is the opinion of the committee that the judiciary of the country must remain inviolate, and that ample opportunity must be given for proponents and opponents to come forward and have their say on that particular nomination. Although it is true that the majority of the hearings on the judicial nominees are of the pro forma classification and do not entail a large burden on the Senate members and committee staff, nevertheless, there is a sufficient number of sometimes voluminous hearings. Without mentioning names, two examples are called to our attention. On one of these examples hearings were held on 13 days, consisting of some 1,684 typewritten pages. On the second illustration, hearings were held on 7 days, consisting of 826 typewritten pages. Before closing, there should be mentioned one other committee chore in relation to this committee. This concerns the problem relating to reports on those few occasions when reports on nominations are made in written form to the Senate. It is possible, and has happened, that the staff of the committee must prepare, not only a majority, but a minority report, for submission to the Senate.

In reporting out a number of so-called corporate charter bills, the committee initiated certain over-all principles which it is hoped will effect a standardization of congressional policy relating to Federal charters.

No example of committee work would be complete without some mention of the tremendous amount of time and energy consumed by the mail, including telegrams, telephone calls, and the personal interviews. No statistics on these burdens are available, but generally it can be said that the committee mail requires one-half day's work upon the part of the dictator and a full day's work upon the part of the transcriber. The telephone calls, ranging from simple inquiries on the status of bills to complex legal problems, consume three outgoing lines and the time of two on the clerical staff. Personal callers require not only proper, courteous attention but valuable time from other committee duties.

On July 26, 1947, the Senate passed Senate Resolution 137, which directed the Senate Committee on the Judiciary, or any duly authorized subcommittee thereof, to make a full and complete investigation of our entire immigration system. Pursuant to Senate Resolution 137, a special subcommittee of the Senate Committee on the Judiciary was appointed, a staff activated, and a program of study and investigation inaugurated.

The initial phase of this investigation was concerned with the problem of displaced persons in Europe. As an approach to the study of this problem, subcommittee members and staff members made a personal inspection tour of various displaced-persons camps in Europe, and also assembled information with reference to the situation in the United States, insofar as the same is pertinent to the reception of displaced persons into this country. Interviews were held with, and testimony taken from, officials of military government, immigration and consular services, Preparatory Commission of the International Refugee Organization, and from personnel and residents in displaced-persons camps and centers. A report representing the findings and recommendations of the subcommittee was prepared and submitted to the Senate on March 2, 1948, together with a proposed bill for admission of displaced persons into the United States. The bill, as finally passed by Congress and approved by the President, June 25, 1948, is now Public Law 774.

In conjunction with the general investigation of our immigration system, the staff of the subcommittee has assembled considerable background material, consisting of a résumé of our immigration laws and regulations, a history and development of our immigration policy, suggested changes in our immigration laws, and extensive statistical data, and is now working on an analysis of the organization and procedures of the Immigration and Naturalization Service and the Visa Division of the Department of State.

Hearings are now being conducted with representatives of various private organizations for the purpose of securing information and suggestions pertaining to all phases of our immigration system, including the administration of our immigration and deportation laws and practices thereunder and recommendations for changes in the present laws. It is estimated that 50 such organizations will have been heard upon the conclusion of the hearings. On July 15, 1948, hearings with representatives from the Visa Division, United States Department of State, are scheduled to begin, and starting July 20, 1948, representatives from the United States Immigration and Naturalization Service will be heard, with a view toward obtaining the thoughts and ideas of these agencies with respect to possible changes and improvements in our present immigration and naturalization laws and regulations.

Some field investigations will probably be made by the staff during the course of the next 2 or 3 months. The information secured on these trips will materially aid the subcommittee in presenting its recommendations to the Senate in its general immigration report.

A study is being made of possible procedures to be employed in the handling of the 15,000 cases which will be referred to the subcommittee under the provisions of section 4 (a) of the displaced-persons law (Public Law 774) and of the several thousand cases to be referred to the subcommittee under the provisions of H. R. 3566 (Public Law 863).

Other activities of the subcommittee during the Eightieth Congress include the following: Assistance in the drafting of proposed immigration bills, both private and general, and the handling of a large number of referral items from senatorial offices.

The following is a statistical listing of some of the more important measures considered and acted upon by the committee:

(1) Immigration

S. 518: Present law provides for loss of citizenship by a naturalized citizen if he resides in a foreign state for a specified time and for the loss of nationality of certain United States nationals unless such persons acquire permanent residence in the United States prior to reaching 23 years of age. This measure would have extended the time so that the above classes of persons, whose returns were presumably delayed by World War II, could have retained their former status. June 24, 1947, reported, Senate Report 352.

S. 1463: Puts steamship lines on a parity with air lines so far as elimination of unnecessary duplication of information on manifests (passenger lists) is concerned. July 16, 1947, reported, Senate Report 596. July 23, 1947, passed Senate. July 25, 1947, House Judiciary Committee discharged and bill passed House. July 30, 1947, approved, Public Law 274.

S. 2242: Authorizes during the two fiscal years following the passage of this act the admission into the United States of certain European displaced persons for permanent residence, and for other purposes. Immigration visas not to exceed 202,000 may be issued without regard to quota limitation to the displaced persons found eligible. March 2, 1948, reported, Senate Report 950. June 2, 1948, passed Senate. May 4, 1948, H. R. 6396, similar bill, reported by House Judiciary Committee, House Report 1854. June 11, 1948, S. 2242 passed House, amended. June 12, 1948, Senate asked for a conference and House agreed to a conference. June 18, 1948, House agreed to conference report, House Report 2410. June 19, 1948, Senate agreed to conference report. June 25, 1948, approved. Public Law 774.

S. 2349: Provides for issuance of reentry permits to aliens legally admitted to the United States between July 1, 1924, and July 5, 1932, as treaty merchants and who have been continually resident therein since admission. May 17, 1948, reported, Senate Report 1326. May 11, 1948, H. R. 5922, similar bill reported in House, House Report 1934. May 18, 1948, H. R. 5922, passed House. May 19, 1948, H. R. 5922 placed on Senate Calendar. May 24, 1948, H. R. 5922 passed Senate in lieu of S. 2349. June 3, 1948, approved, Public Law 600.

S. 2432: Requires that all aliens resident in the United States notify the Commissioner of Immigration twice yearly concerning their current place of residence. May 3, 1948, reported, Senate Report 1229. May 10, 1048, passed Senate. June 4, 1948, reported, House report 2202.

H. R. 236: Amends the Nationality Act of 1940 so as to permit naturalization proceedings to be had at places other than in the office of the clerk or in open court in the case of sick or physically disabled individuals. March 10, 1947, reported, House Report 110. March 17, 1947, passed House. May 20, 1947,

reported, Senate Report 188. May 22, 1947, passed Senate. May 31, 1948, approved, Public Law 81.

H. R. 1878: Amends the immigration laws to deny admission to the United States of persons who may be coming here for the purpose of engaging in activities which will endanger the public safety of the United States. January 29, 1948, reported, House Report 1286. February 3, 1948, passed House. April 30, 1948, reported, amended, Senate Report 1199. May 10, 1948, passed Senate, amended. May 18, 1948, House agreed to Senate amendments. May 25, 1948, approved, Public Law 552.

H. R. 3149: Expedites the admission to the United States of alien spouses and alien minor children of citizen members of the United States armed forces. May 28, 1947, reported, House Report 478. June 16, 1947, passed House. July 11, 1947, reported, Senate Report 501. July 16, 1947, passed Senate. July 22, 1947, approved, Public Law 213.

H. R. 3566: Enlarges the class of deportable aliens eligible for suspension of deportation in the discretion of the Attorney General; requires affirmative congressional action before cancellation of deportation. June 25, 1947, reported, House Report 647. July 7, 1947, passed House. April 30, 1948, reported, amended, Senate Report 1204. May 10, 1948, passed Senate, amended. May 14, 1948, House asked for a conference. May 17, 1948, Senate agreed to a conference. June 18, 1948, House and Senate agreed to conference report, House Report 2369. July 1, 1948, approved, Public Law 863.

H. R. 4838: Extends the period of validity until December 31, 1948, midnight, of the act to facilitate the admission into the United States of the alien fiancées and fiancés of members of the armed forces of the United States. January 22, 1948, reported, House Report 1253. February 3, 1948, passed House. February 25, 1948, reported, amended, Senate Report 919. March 8, 1948, passed Senate, amended. March 17, 1948, House agreed to Senate amendments. March 24, 1948, approved, Public Law 450.

H. R. 5137: Permits alien husbands of American citizens, where the marriage occurred before January 1, 1948, to enter the United States nonquota. March 18, 1948, reported, House Report 1574. April 6, 1948, passed House. April 30, 1948, reported, Senate Report 1206. May 10, 1948, passed Senate. May 19, 1948, approved, Public Law, 538.

H. R. 5193: Grants certain privileges in the naturalization process to aliens who served honorably in the United States armed forces during World War I or during a period beginning September 1, 1939, and ending December 31, 1946. February 19, 1948, reported, House Report 1408. March 1, 1948, passed House. April 30, 1948, reported, amended, Senate Report 1207. May 10, 1948, passed Senate, amended. May 18, 1948, House agreed to Senate amendments. June 1, 1948, approved, Public Law 567.

H. R. 5310: Extends to persons racially indigenous to Siam the same naturalization and immigration privileges presently granted to persons of the Chinese and East Indian races. February 27, 1948, reported, House Report 1432. March 15, 1948, passed House. May 17, 1948, reported, Senate Report 1341.

(2) *Patents and copyrights*

S. 1707: Carries into effect certain parts of the peace treaties, relating to patents, with Italy, Bulgaria, Hungary, and Rumania. July 24, 1947, reported, Senate Report 728. July 26, 1947, H. R. 4070 (H. Rept. 1030) substituted and passed Senate. August 6, 1947, approved, Public Law 380.

H. R. 3958: Extended the priority rights and time for filing applications for patents and for payment of patent fees. July 1, 1947, reported, House Report 757. July 7, 1947, passed House. July 11, 1947, reported, Senate Report 502. July 16, 1947, passed Senate. July 23, 1947, approved, Public Law 220.

H. R. 4931: Increased subscription price for yearly Copyright Catalog and fees for registration, renewal, certification, and additional copies of copyrights. February 9, 1948, reported, House Report 1366. March 1, 1948, passed House. April 6, 1948, reported, Senate Report 1057. April 12, 1948, passed Senate. April 27, 1948, approved, Public Law 501.

(3) *Judiciary*

S. 18: Would establish uniform qualifications for Federal jurors throughout the United States instead of requiring jurors to have same qualifications as jurors in which the court is sitting. Would permit women to sit on all Federal juries. June 20, 1948, reported, Senate Report 314.

S. 19: Increases compensation and allowances paid to Federal jurors and gives presiding judge authority to exercise discretion in increasing payments. June 7, 1948, reported, Senate Report 1510. June 8, 1948, H. R. 945, companion bill, passed House. June 12, 1948, H. R. 945 substituted for S. 19 and passed Senate. June 25, 1948, approved, Public Law 779.

S. 20: Would permit only one appeal from a judgment of conviction in a criminal case except where a ground not previously considered warrants consideration. June 7, 1948, reported, Senate Report 1526. June 10, 1948, passed Senate. June 11, 1948, referred to House Judiciary Committee.

S. 21: Would establish new procedures for hearing petitions for habeas corpus in accordance with provisions of S. 20, above. June 7, 1948, reported, Senate Report 1527. June 10, 1948, passed Senate. June 11, 1948, referred to House Judiciary Committee.

S. 26: Subjects persons charged with custody and control of Federal prisoners to fines and imprisonment for negligently allowing prisoners to escape. January 15, 1947, reported, Senate Report 3. January 27, 1947, passed Senate. March 20, 1947, reported, House Report 174. June 16, 1947, passed House. June 21, 1947, approved, Public Law 97.

S. 534: Gives the Attorney General further authority to grant to Federal prisoners additional time off for good behavior for work performed in prison maintenance and voluntary participation in scientific, experimental projects. April 21, 1947, reported, Senate Report 108. March 18, 1947, H. R. 1999, House companion, reported, House Report 164. May 6, 1947, S. 534 passed Senate. May 12, 1947, S. 534 passed House in lieu of H. R. 1999. May 16, 1947, approved, Public Law 67.

S. 560: Prohibits the operation of any gambling ship if it is on the high seas or is an American vessel or otherwise under or within the jurisdiction of the United States. April 29, 1947, reported, Senate Report 147. May 6, 1947, passed Senate. April 8, 1948, reported, House Report 1700. April 20, 1948, passed House. April 27, 1948, approved, Public Law 500.

S. 826: Would clarify section 60 (a) of the Bankruptcy Act, which is the section dealing with the liens held by secured creditors when no notice, either actual or constructive, is given. This bill deals with the "pocket lien" and "relation back" doctrines recently announced by certain court decisions. June 7, 1948, reported, Senate Report 1514. June 10, 1948, passed Senate, June 11, 1948, referred to House Judiciary Committee.

S. 850: Would provide for the care and custody of insane persons charged with or convicted of offenses against the United States. June 7, 1948, reported, Senate Report 1511. June 10, 1948, passed Senate. June 11, 1948, referred to House Judiciary Committee.

S. 1052: Would increase the salaries of the supreme court and circuit judges of the Territory of Hawaii so as to conform with salary increases granted for comparable judicial positions in the continental United States. April 12, 1948, reported, Senate Report 1116. April 26, 1948, passed Senate. June 2, 1948, reported, House Report 2155.

S. 1476: Would require the designation by the senior circuit judge of another judge to sit in the place of any judge against whom an affidavit of personal bias and prejudice has been filed. May 18, 1948, reported, Senate Report 1347. May 24, 1948, passed Senate. May 25, 1948, referred to House Judiciary Committee.

Senate Joint Resolution 69: To prepare a revised edition of the Annotated Constitution of the United States of America as published in 1938 as Senate Document 232 of the Seventy-fourth Congress. February 28, 1947, reported, Senate Report 41. March 3, 1947, passed Senate. June 12, 1947, reported, House Report 577. June 12, 1947, passed House. June 17, 1947, approved, Public Law 95.

Senate Joint Resolution 123: More than 500 war and emergency statutes were thoroughly examined by means of extensive inquiries, conferences, hearings, and deliberations. After completion of the study more than 170 of the war and emergency statutes were recommended for repeal with the view to returning the machinery and operations of the Government from a war and emergency status to a permanent peacetime basis. June 23, 1947, reported, Senate Report 339. June 24, 1947, passed Senate. July 7, 1947, reported, amended, House Report 799. July 17, 1947, passed House, amended. July 19, 1947, Senate agreed to House amendments. July 25, 1947, approved, Public Law 239.

H. R. 238: Prior to the enactment of this law the exercise of admiralty jurisdiction was extended by the United States courts to only those cases where injury was done to persons or property by a vessel on navigable waters. Under the law as enacted the jurisdiction of the admiralty courts, for example, would cover a claim for damages or injuries where a bridge or pier, or any person or property situated thereon is injured by a vessel. March 8, 1948, reported, House Report 1523. March 15, 1948, passed House. June 11, 1948, reported, Senate Report 1593. June 12, 1948, passed Senate. June 19, 1948, approved, Public Law 695.

H. R. 1565: Enacted into positive law, and codified, the various provisions of law contained in title 1 of the United States Code on January 3, 1947, entitled "General Provisions"; which includes general rules of construction of laws, formalities of enactment, and repeal of acts and resolutions of the Congress, and such matters of general application. This is one of a series of bills, the broad objective of which is to enact the entire Federal Code into positive law, and codify it, the practical result being that thereby the law will be more easily found and understood and thereby minimizing the possibility for error or misunderstanding of the law. April 14, 1947, reported, House Report 251. May 12, 1947, passed House. July 21, 1947, reported, Senate Report 658. July 23, 1947, passed Senate. July 30, 1947, approved. Public Law 278.

H. R. 1566: Enacted into positive law, and codified, the various provisions of law contained in title 4 of the United States Code on January 2, 1947, entitled "Flag and Seal, Seat of the Government and the States." As indicated by the title this bill includes the provisions relating to the form and use of the flag, the custody, use, and form of the seal, location of public offices at, and removal of same from, the permanent seat of government, and certain laws relating to the States. This is one of a series of bills, the broad objective of which is to enact the entire Federal code into positive law, and codify it, the practical result being that thereby the law will be more easily found and understood and thereby minimizing the possibility for error or misunderstanding of the law. April 14, 1947, reported, House Report 252. May 12, 1947, passed House. July 21, 1947, re-

ported, Senate Report 659. July 23, 1947, passed Senate. July 30, 1947, approved, Public Law 279.

H. R. 1567: Enacted into positive law, and codified, the various provisions of law contained in title 6 of the United States Code on January 2, 1947, entitled "Official and Penal Bonds," which includes approval of, liability on, custody of, and many other details relating to official and penalty bonds. This is one of a series of bills, the broad objective of which is to enact the entire Federal code into positive law, and codify it, the practical result being that thereby the law will be more easily found and understood and thereby minimizing the possibility for error or misunderstanding of the law. April 14, 1947, reported, House Report 253. May 12, 1947, passed House. July 21, 1947, reported, Senate Report 660. July 23, 1947, passed Senate. July 30, 1947, approved, Public Law 280.

H. R. 1810: Repealed the provision of the Bankruptcy Act which prohibited part-time referees in bankruptcy from practicing law. Under this act lawyers who are part-time referees are permitted to represent clients who have no interest in cases before them as referees in other legal matters before departments and agencies of the Government. June 30, 1947, reported, House Report 747, July 7, 1947, passed House. July 24, 1947, reported, Senate Report 733. July 26, 1947, passed Senate. August 5, 1947, pocket vetoed.

H. R. 2083: Enacted into positive law, and codified, the various provisions of law contained in title 17 of the United States Code entitled "Copyrights" and dealing with the entire field of copyright law. This is one of a series of bills, the broad objective of which is to enact the entire Federal code into positive law, and codify it, the practical result being that thereby the law will be more easily found and understood and thereby minimizing the possibility for error or misunderstanding of the law. April 14, 1947, reported, House Report 254. May 12, 1947, passed House. July 21, 1947, reported, Senate Report 663. July 23, 1947, passed Senate. July 30, 1947, approved, Public Law 281.

H. R. 2084: Enacted into positive law, and codified, the various provisions of law contained in title 9 of the United States Code on January 2, 1947, entitled "Arbitration," and regulating the proceedings prior to, incident to, and subsequent to, arbitration including validity of agreements to arbitrate and arbitration procedure. This is one of a series of bills, the broad objective of which is to enact the entire Federal code into positive law, and codify it, the practical result being that thereby the law will be more easily found and understood and thereby minimizing the possibility for error or misunderstanding of the law. April 14, 1947, reported, House Report 225. May 12, 1947, passed House. July 21, 1947, reported, Senate Report 664. July 23, 1947, passed Senate. July 30, 1947, approved, Public Law 282.

H. R. 2746: Provides basic statutory authority for appropriations for salaries of secretaries of United States circuit and district judges. May 9, 1947, reported, House Report 340. June 16, 1947, passed House. July 14, 1947, reported, July 14, 1947, Senate Report 521. July 17, 1947, passed Senate. July 23, 1947, approved, Public Law 218.

H. R. 2766: Provides for the transfer of authority of probation officers over individuals who are on probation and who have moved from the jurisdiction of the district court where placed on probation to the jurisdiction of another district court. May 11, 1948, reported, House Report 1923. May 18, 1948, passed House. June 8, 1948, reported, Senate Report 1544. June 12, 1948, passed Senate. June 25, 1948, approved, Public Law 780.

H. R. 3190: Enacted into positive law, and codified, the various provisions of law contained in title 18 of the United States Code on April 15, 1947, entitled "Crimes and Criminal Procedure." This bill defines and fixes the punishment for all crimes against the Government. This is one of the major bills of a series, the broad objective of which is to enact the entire Federal code into positive law, and codify it, the practical result being that thereby the law will be more easily found and understood and thereby minimizing the possibility for error or misunderstanding of the law. April 24, 1947, reported, House Report 304. May 12, 1947, passed House. June 14, 1948, reported, amended, Senate Report 1620. June 18, 1948, passed Senate, amended, and House agreed to Senate amendments. June 25, 1948, approved, Public Law 772.

H. R. 3214: Enacted into positive law, and codified the various provisions of law contained in title 28 of the United States Code, entitled "Judicial Code and Judiciary," which includes organization of courts; duties of United States attorneys, marshals, court officers, and other employees; jurisdiction and venue and procedure before courts. This is one of the most important of a series of bills, the broad objective of which is to enact the entire Federal code into positive law, and codify it, the practical result being that thereby the law will be more easily found and understood and thereby minimizing the possibility for error or misunderstanding of the law. April 25, 1947, reported, House Report 308. July 7, 1947, passed House. June 9, 1948, reported, amended, Senate Report 1559. June 15, 1948, passed Senate, amended. June 16, 1948, House agreed to Senate amendments. June 25, 1948, approved, Public Law 773.

H. R. 3769: Will permit certain retired officers and enlisted men of various branches of the armed services to accept part-time employment as referees in bankruptcy. This was deemed advisable because certain of the less populous areas of the country would not justify the employment of full-time referees, and some very capable men in the class of retired officers and enlisted men could accept such positions, if permitted by law, with benefit both to themselves in the form of additional income and to the administration of such offices under the Bankruptcy Act by reason of their particular competency and ability. June 12, 1947, reported, House Report 585. June 16, 1947, passed House. June 19, 1947, reported amended, Senate Report 295. June 23, 1947, passed Senate amended. June 24, 1947, House agreed to Senate amendments. June 30, 1947, approved, Public Law 143.

H. R. 3778: Provides a way by which any Member of the House of Representatives could establish by record evidence of the fact that he took the oath of office and so became a Member. July 24, 1947, reported, House Report 1064. January 19, 1948, passed House. February 3, 1948, reported, Senate Report 871. February 9, 1948, passed Senate. February 18, 1948, approved, Public Law 412.

H. R. 4326: Extended to March 1, 1949, the time within which petitions may be filed under the farmer-debtor provisions of the Bankruptcy Act, being the so-called Frazier-Lemke Act. The basic provisions of said act remained in force prior to the passage of this act, but until this act was passed no new petitions could be filed. July 24, 1947, reported, House Report 1063. July 25, 1947, passed House. April 6, 1948, reported amended, Senate Report 1056. April 12, 1948, passed Senate amended. April 15, 1948, House agreed to Senate amendments. April 21, 1948, approved, Public Law 495.

H. R. 6412: Enacted into positive law, and codified, the various provisions of law contained in title 3 of the United States Code entitled "The President," which includes all phases of the law dealing with the election and duties of the President. This is one of a series of bills, the broad objective of which is to enact the entire Federal Code into positive law, and codify it, the practical result being that thereby the law will be more easily found and understood and thereby minimizing the possibility for error or misunderstanding of the law. May 10, 1948, reported, House Report 1898. May 18, 1948, passed House. June 14, 1948, reported, Senate Report 1623. June 18, 1948, passed Senate. June 25, 1948, approved, Public Law 771.

(4) Interstate compacts

Senate Joint Resolution 122: Congress consented to extending for a period of 4 years from September 1, 1947, an interstate compact, entered into by certain oil- and gas-producing States, for the purpose of conserving oil and gas. June 16, 1947, reported, Senate Report 265. June 16, 1947, passed Senate. June 17, 1948, House Interstate and Foreign Commerce Committee discharged (no report). July 7, 1947, passed House. July 12, 1947, approved, Public Law 184.

Senate Joint Resolution 191: Requesting the consent of Congress to an interstate compact on regional education entered into by the Southern States for the purpose of providing jointly owned educational institutions in the professional, technological, scientific, and literary fields. April 13, 1948, reported, Senate Report 1126. May 6, 1948, House companion resolution, House Joint Resolution 334 (H. Rept. 1569), was substituted on Senate floor for Senate Joint Resolution 191. May 13, 1948, House Joint Resolution 334 recommitted to committee, yeas, 38; nays, 37.

Senate Joint Resolution 206: Congress consented to an interstate boundary compact by and between the States of Michigan, Minnesota, and Wisconsin. April 12, 1948, reported, Senate Report 1127. April 26, 1948, passed Senate, June 17, 1948, reported, House Report 2388, June 18, 1948, passed House June 30, 1948, approved, Public Law 844.

(5) Constitutional amendments

House Joint Resolution 27: No person shall be elected to the office of President more than twice and no person who has held the office of President or acted as President for more than 2 years to which some other person was elected President shall be elected to the office of President more than once. This proposal does not affect any person who was holding the office when it was proposed by Congress and would not prevent anyone from continuing to serve the remainder of his term as President or acting as President at the time this amendment becomes effective. February 5, 1947, reported, House Report 17. February 6, 1947, passed House. February 21, 1947, reported, Senate Report 34. March 12, 1947, passed Senate. March 24, 1947, filed with Secretary of State for ratification by three-fourths of several States.

Senate Joint Resolution 76: Equality of rights shall not be denied by the United States or any state on account of sex. April 30, 1948, reported, Senate Report 1208.

Senate Joint Resolution 200: Would provide that in the election of the President and Vice President, each candidate would receive exactly the same proportion of the electoral votes of a State as he received of its popular vote. The unit vote would be abolished and the plurality candidate, instead of receiving the whole vote of a State, would receive only such proportion of its electoral vote as he received of its popular vote. The candidate receiving the highest aggregate number of electoral votes would be elected. May 3, 1948, reported, Senate Report 1230.

(6) Miscellaneous

S. 29: Would authorize the Attorney General to settle claims not in excess of $1,000 for damage to or loss of personal property deposited by alien enemies or United States citizens of Japanese ancestry on or after December 7, 1941. June 7, 1948, reported, Senate Report 1531. June 12, 1948, passed Senate. June 14, 1948, referred to House Judiciary Committee.

S. 1260: Establish a Motor Carrier Claims Commission for hearing and determining claims of 103 motor freight lines for use, losses, and damages sustained on account of the seizure, use, and operation of their properties by the Government during World War II. May 26, 1948, reported, Senate Report 1414. June 1, 1948, passed Senate. June 3, 1948, reported, House Report 2182. June 18, 1948, passed House. July 2, 1948, approved, Public Law 880.

S. 1988: Would confirm and establish the titles of the States to lands and resources in and beneath navigable waters within State boundaries and provide for the use and control of said lands and resources. June 10, 1948, reported, Senate Report 1592.

S. 2764: Would permit the President to designate organizations to become successors in interest to deceased persons who while alive were victims of political, racial, or religious persecution by an enemy country of the United States in World War II and whose property was vested by the Alien Property Custodian. The organizations designated would distribute the properties among groups of persecuted survivors to which the former owner belonged. June 14, 1948, reported, Senate Report 1619. June 18, 1948, passed Senate.

S. 2860: Would provide for the better assurance of the protection of persons within the several States from lynching and mob violence. June 14, 1048, reported, Senate Report 1625.

Senate Joint Resolution 217: Requested the President to issue a proclamation designating Memorial Day, 1948, as a day for a Nation-wide prayer for peace. May 19, 1948, reported, Senate Report 1360. May 24, 1948, passed Senate. May 25, 1948, companion resolution, House Joint Resolution 406, reported by House Judiciary Committee, House Report 2026, but Senate Joint Resolution 217 passed House in lieu of House Joint Resolution 406. May 28, 1948, approved, Public Law 558.

H. R. 2157: Portal to Portal Act—Relieved employers from certain liabilities and punishments under the Fair Labor Standards Act of 1938, as amended, the Walsh-Healy Act, and the Bacon-Davis Act. February 25, 1947, reported, House Report 71. February 28, 1947, passed House. March 10, 1947, reported amended, Senate Report 48. March 10, 1947, reported amended, Senate Report 48. March 21, 1947, passed Senate amended. March 21, 1947, Senate asked for a conference. March 25, 1947, House agreed to a conference. May 1, 1947, House agreed to conference report, House Report 326. May 1, 1947, Senate agreed to conference report. May 14, 1947, approved, Public Law 49.

H. R. 3999: Authorizes the adjudication of claims of persons of Japanese ancestry against the United States for losses arising out of their forced evacuation from the west coast, Alaska, and Hawaii during World War II. June 27, 1947, reported, House Report 732. July 23, 1947, passed House, June 16, 1948, reported amended, Senate Report 1740. June 18, 1948, passed Senate amended. June 19, 1948, House agreed to Senate amendments. July 2, 1948, approved, Public Law 866.

H. R. 4044: Establishes three-man Commission to survey, classify, and report on types of claims against enemy assets held by the United States. Also directed to adjudicate and authorize payment of claims for detention benefits to civilian citizens of the United States interned on American sovereign soil, and to military personnel for violation of Geneva Convention while prisoners of war. Further authorizes Federal Security Administrator to pay specified additional compensation to employees of civilian contractors captured by the Japanese. July 17, 1947, reported, House Report 976. January 26, 1948, passed House. June 16, 1948, reported amended, Senate Report 1742. June 18, 1948, passed Senate amended. June 19, 1948, House asked for a conference. Senate agreed to a conference. Senate and House agreed to the conference report, House Report 2439. July 3 approved, Public Law 896.

H. R. 6116: Extends from August 8, 1948, to April 30, 1949, the time for filing title claims to vested alien property by friendly foreign nationals. April 30, 1948, reported, House Report 1843. May 18, 1948, passed House. June 7, 1948, reported amended, Senate Report 1532. June 18, 1948, passed Senate amended. June 19, 1948, House agreed to Senate amendments. July 1, 1948, approved, Public Law 874.

(7) *Other jurisdictions of committee*

The foregoing indicate the general scope of the activities of the committee during the first and second sessions of the Eightieth Congress. In addition to the foregoing, the committee had measures referred to it relating to the following categories:

1. Protection of trade and commerce against unlawful restraints and monopolies.
2. Holidays and celebrations.
3. Civil liberties.
4. Apportionment of Representatives.

PROPOSED RECESS ACTIVITIES

1. A comprehensive survey of proposed patent, copyright, and trade-mark legislation.

2. Preparation and publication (in committee-print form) of a guide to immigration and the displaced-persons statute.

3. Compilation of a directory of all Federal judges including names, locations, vacancies, etc. It is also intended to publish this in the form of a committee print.

4. Comprehensive survey of the dispersion of wealth in the United States. It is hoped that this will constitute an important economic beacon to the country and to the committee in its study of antitrust and related matters.

5. Preparation of a symposium on legal problems faced by the committee and by the American legal profession. It is intended that the symposium should consist of the finest activities that have been published recently or will soon be published in the American Bar Association Journal and in similar highly esteemed legal periodicals.

6. Research leading to the ultimate printing of a memorandum on proceedings involving perjury committed before congressional committees which will complement a similar completed study in proceedings involving contempt of Congress and its committees.

7. Extensive hearings and study of S. 2728, a bill to define and limit the jurisdiction of the courts, to regulate actions arising under certain laws of the United States, and for other purposes (overtime on overtime).

8. Survey of certain problems incident to the court of claims. A special subcommittee for this purpose has been constituted and extensive hearings are anticipated. The scope of the survey will involve such considerations as the following:

(a) is the Court of Claims functioning efficiently and expeditiously;

(b) should the Court of Claims be continued;

(c) if it should be continued is there legislation that would improve its operations;

(d) is there a better method or jurisdiction that could handle the matters now within the cognizance of the Court of Claims, and

(e) is the Court of Claims overstaffed or understaffed?

9. A study designed to formulate rules for the reference of certain claims to the United States district courts. It is the intention that a two-man subcommittee will be designated and authorized to hold necessary hearings to accomplish this purpose. This committee would also inquire into the reasons for any unwarranted delay in handling claims referred to the Court of Claims.

10. A comprehensive view by the committee staff of the entire problem of handling claims with carefully drafted recommendations to the chairman for improvement in the Eighty-first Congress.

11. A survey of committee powers and jurisdiction with a view to the effect of the Legislative Reorganization Act of 1946.

12. Scouting and digest of committee bills of general application which warrant reintroduction in the Eighty-first Congress. Especial emphasis will be placed in those bills relating to improvements in the judicial machinery.

13. An extensive study of the entire field of immigration and naturalization with the view toward statutory improvement and renovation in the Eighty-first Congress. It is intended that hearings will be held, almost without interruption, on the many facets of this large vexing problem.

14. A review, classification, and clerical processing of all the private bills not enacted into law. For example, private claims which died in committee without action because of incomplete data or lack of departmental reports will almost invariably be reintroduced. The files must be systematized so that the department reports of the Eightieth Congress might be forwarded to the comparative dockets of the Eighty-first Congress for the convenience of the claimant and in the interest of simplicity and nonduplication.

Government Programs Aid Alaska Second Division

EXTENSION OF REMARKS
OF

HON. E. L. BARTLETT

DELEGATE FROM ALASKA

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. BARTLETT. Mr. Speaker, it is impossible at this time to determine with any final degree of accuracy how all the money appropriated by Congress for expenditure in Alaska will be allocated. However, it is possible to estimate roughly what will be done in the several sections of the Territory, and I thought it would be of interest to people in the Second Judicial Division to learn what programs are planned for that region. I should like also to make available for their benefit a summary of the general program for Alaska.

Since communications are of great importance in this area of magnificent distances, everyone there will be glad, I am sure, to learn that the Alaska Communication System is going ahead with its rehabilitation and construction program.

At Cape Nome, approximately 17 miles from Nome, the ACS plans to build a receiver station to house communication equipment. Some utilities and housing will also be constructed there.

The Congress made an appropriation of $14,600,000 to the Department of the Navy for continuation of exploratory work in Naval Petroleum Reserve No. 4. This money will continue to be available until 1951.

The Geological Survey will continue mapping and geological studies in the areas adjacent to the petroleum reserve, and also will continue the program of studying permafrost conditions.

The Congress authorized construction of four tuberculosis-control stations in

Alaska. Each one will be built at a cost of $100,000, and each will have 20 beds.

Kotzebue has been selected as the site for one of these control stations.

Barrow has been designated as the place where the other Second Division control station will be erected.

The Congress authorized construction of a seawall at Nome to protect Federal and other property against damaging storms. It is anticipated that an appropriation for actual construction will be made by the next Congress.

Here are listed some of the programs of general application:

First. Assessment work on mining claims has been suspended between the period of July 1, 1948, and July 1, 1949.

Second. A health program for Alaska was approved by Congress, with an appropriation of $1,115,000 being made for protection, treatment, and control of diseases in the Territory. A tuberculosis unit was authorized by this Congress, and cash and contract funds were appropriated. This will be an institution of 400 beds, the largest in Alaska. It will be built at or near Anchorage. Experts say this hospital, together with others now operating, or soon to be in operation, will go a long way toward curbing the menace of tuberculosis in the Territory.

Third. The Alaska game-law enforcement appropriation was increased to $225,000.

Fourth. A bill was passed by the Congress and approved by the President enabling the Territorial legislature to institute when it so desires a general property tax freed from the previous Organic Act restriction which required all property be taxed according to its actual value; obviously, it was not possible to determine the actual value of all mining claims. Under the new law mining claims may be taxed at the price paid to the Government or at a flat rate to be fixed by the legislature. The new law also permits but does not compel municipalities to tax at the rate of 3 instead of 2 percent and allows the legislature to enact a uniform and general property tax at a rate of 2 percent instead of 1 percent.

Fifth. Another of my bills which is now law permits veterans of World War II to apply their military service up to 2 years for residence and cultivation requirements in settling on home sites and headquarters sites. This benefit was already in effect insofar as homesteads and 5-acre tracts were concerned.

Sixth. Title to the Army vessel *Hygiene* has been transferred to the Territory of Alaska. The ship will now be permanently available to the Territorial department of health as a floating medical and health center.

Seventh. One of my bills which passed Congress on the closing days of the session has general application to all the States and Territories. It places a minimum floor of $100,000 on the amount which will go to any Territory or any State under the hospitalization-construction law already in effect. By means of this law Alaska will receive $100,000 instead of $41,400.

Eighth. Government aid in shipping has been continued until March 1, 1949.

Ninth. The necessity for making export declarations for shipment of goods between continental United States and Alaska and vice versa has been eliminated.

Tenth. Another of my bills which is now law authorizes the Secretary of the Interior to issue unrestricted deeds to tracts of land within Alaska town sites to natives of Indian, Aleut or Eskimo blood. Once the deeds are issued the land can be sold or otherwise disposed of by the native owners and is made subject to municipal taxation.

Eleventh. Funds in the amount of $200,000 have been made available to the Fish and Wildlife Service for the operation of an exploratory vessel.

Twelfth. For continuation of agriculture research program, Congress made available $185,940 in cash plus $300,000 in contract authority for construction of buildings and utilities.

Thirteenth. The Interior Department bill contained $250,000 for establishment of a Bureau of Mines experiment station.

Red Lake Band of Indians of Minnesota to Receive $50 per Capita Payment

EXTENSION OF REMARKS
OF
HON. HAROLD C. HAGEN
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. HAGEN. Mr. Speaker, for the second time during the Eightieth Congress, I am glad to report to the membership of the Red Lake Band of Chippewa Indians that each enrolled member will receive a payment of $50 from their own tribal funds sometime this fall.

Late in 1947, a payment of $50 also was distributed, following approval by Congress of the legislation I had introduced early last year.

Several members of the Red Lake Indian group wrote me during the past spring asking that this payment be made. It was pointed out that the money would be needed to buy food and clothing this fall before cold weather set in.

Among those who recently expressed support for the per capita payment legislation were the following:

Peter Graves, venerable and able Secretary-treasurer of the Red Lake Indian Council, Redby; Paul H. Beaulieu, long a leader on the reservation at Red Lake; Dan Raincloud, Ponemah; and Louis F. Stately, Redby.

In support of my bill, H. R. 5355, Mr. Graves submitted a copy of the resolution adopted by the General Council of the Red Lake Band of Chippewa Indians at a meeting held on January 25, 1948 at Red Lake, Minn.

The resolution follows:

Whereas the Red Lake Band of Chippewa Indians are experiencing hard times on account of high prices of commodities such as food and clothing and even the Indians who are getting relief from the county and State are being hard pressed by the abnormal high prices of food; and

Whereas it is urgent that Congress provide by act to distribute to the Red Lake band some of their tribal funds deposited in the Treasury of the United States: Now, therefore, be it hereby

Resolved, That the honorable commissioner of Indian affairs, the Secretary of the Interior and the Congress of the United States are requested by this council on behalf of the Red Lake band of Chippewa Indians that a per capita payment of $50 be made to each member of the Red Lake band of Chippewa Indians from the proceeds of the sale of timber and lumber on the Red Lake Indian reservation or from any tribal funds deposited to their credit in the Treasury of the United States; be it further

Resolved, That the Honorable HAROLD C. HAGEN, Member of Congress, is hereby requested by the council to introduce in the House of Representatives a bill to authorize a per capita distribution of $50 to the Red Lake band of Chippewa Indians.

Unanimously requested.

We, the undersigned, do hereby certify this to be an exact copy of resolution No. 1, in council proceedings dated January 25, 1948.

BAZIL LAWRENCE,
Chairman.
PETER GRAVES,
Secretary.
RED LAKE, MINN., *January 30, 1948.*

Chiefs who are members of the general council are: August King, John J. Spears, Charles Jordan, William Sumner, Ben Ricebird, Bazil Lawrence, Spencer Whitefeather.

The officers are: Bazil Lawrence, chairman; Peter Graves, secretary-treasurer.

Many other members of the tribe as well as white citizens and officials of nearby areas previously have expressed, their approval of the legislation.

It was a great pleasure for me to get this approved by the United States House of Representatives and later by the United States Senate and then the President.

Senator JOSEPH H. BALL took charge of the measure in the Senate and by alert action late in the session was able to get approval in the Senate. He did a great job and tribal members have expressed their appreciation for his splendid work and for his friendly and sympathetic attitude and efforts in aiding to solve Indian problems in general. Senator EDWARD THYE also fully cooperated.

Tribal members will be interested in reading the CONGRESSIONAL RECORD official report on the passage of the bill in the House on June 18. It follows:

PAYMENT OF $50 EACH TO MEMBERS OF RED LAKE BAND OF CHIPPEWA INDIANS

Mr. HAGEN. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 5355) authorizing a per capita payment of $50 each to the members of the Red Lake Band of Chippewa Indians from the proceeds of the sale of timber and lumber on the Red Lake Reservation.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota [Mr. HAGEN]?

There being no objection, the Clerk read the bill, as follows:

"*Be it enacted, etc.*, That the Secretary of the Interior be, and he is hereby, authorized to withdraw as much as may be necessary from the fund on deposit in the Treasury of the United States arising from the proceeds of the sale of timber and lumber within the

Red Lake Reservation in Minnesota, according to the provisions of the act of May 18, 1916 (39 Stat. L. 137), to the credit of the Red Lake Indians in Minnesota, and to make therefrom a per capita payment or distribution of $50 to each of the members of the Red Lake Band of Chippewa Indians of the State of Minnesota, living at the date of the passage of this act, immediately payable upon the passage of this act, under such rules and regulations as the said Secretary may prescribe: *Provided*, That the money paid to the Indians as authorized herein shall not be subject to any lien or claim of attorneys or other parties: *Provided further*, That before any payment is made hereunder, the Red Lake Band of Chippewa Indians in Minnesota shall, in such manner as may be prescribed by the Secretary of the Interior, ratify the provisions of this act and accept same."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The favorable report of the House Committee on Public Lands, before which I appeared at hearings on the proposal, will be of interest also.

It follows:

The Committee on Public Lands, to whom was referred the bill (H. R. 5355) authorizing a per capita payment of $50 each to the members of the Red Lake Band of Chippewa Indians from the proceeds of the sale of timber and lumber on the Red Lake Reservation, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

This bill, if enacted, will authorize a per capita payment of $50 each to members of the Red Lake Band of Chippewa Indians. These payments will be derived from a capital fund in which are placed proceeds from the sale of timber and lumber on the Red Lake Reservation.

In April 1948, approximately $1,000,000 was on deposit in this fund. The $50 payment to each member of the band will mean an expenditure of approximately $130,000. Since the lumber and timber proceeds increase the fund by about $100,000 each year and due to the fact that the lumber mills are operating a large portion of this expenditure will be regained during the coming year from funds derived from the sale of tribal timber.

Similar legislation was passed last year to meet the winter hardships suffered by the Indians in this area. Higher prices and the need for winter clothing and other necessary provisions to carry the Indians through the coming winter severities justify the enactment of this legislation.

Information available to the committee indicates that there is no objection to the enactment of this bill on the part of the Department of the Interior and the Committee on Public Lands is unanimous in its recommendation for passage.

Social Security

EXTENSION OF REMARKS
OF

HON. HUBERT S. ELLIS

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. ELLIS. Mr. Speaker, the earlier the problem of financing old-age assistance is recognized and acted upon the easier it will be to solve. The cost of retirement is high, both for individuals and for nations. But the more time we have, the more care we can exercise in selecting the most efficient type of old-age security and the most intelligent social engineering practices.

First, I want to discuss the old-age assistance program, particularly as it affects West Virginia. This session of Congress changed the matching formula to provide that the Federal Government contribute three-quarters of the first $20 and 50 percent of amounts in excess of $20 up to a maximum Federal contribution of $30. If West Virginia would fully utilize the Federal contribution by matching funds, it would provide $50 monthly payments for recipients.

The bill appropriating $185,000,000 which permits the Federal Government to make larger contributions to the States for old-age assistance was vetoed by President Truman. However, I am pleased to remind you that this Congress overrode the veto overwhelmingly.

For the years 1946 and 1947 the average payment per recipient under old-age assistance was $35.31. The payments made in West Virginia were only $19.57. West Virginia's average was the seventh lowest. The aid to dependent children on an average payment per family for 1946 and 1947 was approximately $62.23. The payment in West Virginia was $38.58. This payment was the eighth lowest of any State in the country. The average payment per recipient under aid to the blind in 1946 and 1947 was $36.67, and the payment made by West Virginia was $21.90. This payment was the fifth lowest in the United States.

There is room for material improvement in these payments in most all of the States by increasing the States' matching funds.

To give an idea of old-age assistance payments in the country, they range from Colorado and California, respectively paying $60.55 and $57.06 average to recipients, down to West Virginia $20.29, Kentucky $16.50, Mississippi $15.77, average to each recipient.

Now, we will discuss the old-age and survivors insurance program.

It is to be noted that old-age and survivors insurance is paid as a matter of contractual right by virtue of pay roll taxes collected, whereas old-age assistance is paid by contribution from the Federal Treasury and the Treasury of the respective States.

The current high cost of living has brought increasing demands for larger benefit payments under the old-age and survivors insurance program. The problem of increasing these benefits is complicated by many factors, however, and can only be understood by a knowledge of some of the basic features of this particular program as distinguished from other programs operating under our social security system.

The Social Security Act consists of eight distinct programs but the Federal Government operates only the old-age and survivors insurance. The other seven programs are operated by the States with the Federal Government cooperating and contributing funds.

Stated simply, here is how the old-age and survivors insurance works. Every pay day workers in covered jobs pay 1 percent of their wages—not counting wages over $3,000 a year—as a premium on their old-age and survivors insurance. The employer pays an equal sum and the employer sends both taxes to the Government. Legislation enacted in August of 1947 provided that the tax remain frozen at 1 percent each through 1949, increase 1½ percent each in 1950, and to 2 percent each, or a total of 4 percent, in 1952. These contributions to the fund out of which the benefits are paid are solely dependent upon the extent to which the worker receives wages from covered employment and are not related to the worker's age, or to the size of his family, which will be entitled to benefits at his death. This contributory plan of pay-roll taxes was adopted in 1937 although the original schedule of pay-roll taxes has been revised by Congress on several occasions.

The benefits paid out of this fund are computed on a formula and these benefits extend not only to the employee but to his wife and children as well. Under the present program the insured employee draws monthly payments upon retiring at 65, and a wife draws half the amount of the husband's benefit. The employee benefit, called the "primary" benefit, or "monthly retirement benefit," is based on his average monthly wage up to $250. This benefit is computed by taking 40 percent of the first $50 of his average monthly wage and adding 10 percent of the next $200. Then 1 percent of this total is added for each year in which the employee was paid $200 or more a month on a covered job. Benefits cannot, of course, be estimated definitely until a worker retires, but here is an illustration of what a man with a wife and one child would receive upon the man's retirement at 65 after earning an average wage of $200 a month for 10 years:

40 percent of the first $50 of average monthly wage ($200)	$20.00
10 percent of the balance ($150)	15.00
The basic benefit	35.00
Add 1 percent for each year insured (10 percent)	3.50
The monthly benefit	38.50
Wife's benefit if she is over 65 (one-half monthly benefit)	19.25
Child's benefit until 18	19.25
Total	77.00

In addition to these benefits are survivor's benefits which are paid in the event of the death of the employee.

No actuarial figuring is necessary to show that the cost of benefits under the old-age and survivors insurance fund will eventually be many times as large as it is today. This is true because the proportion of people over 65 will be greater in future years than today, and because a rapidly increasing number of them will be eligible for retirement benefits. Exactly, however, what the future costs to this program will be cannot be more than roughly estimated because of the uncertainty of these and other factors such as the proportion of men and women in covered employment who will reach the age of retiement, the number of persons with fully insured status, the proportion of persons eligible for benefits who will

not retire but will elect to work rather than to retire, and so forth. These are but a few of the problems which must be considered before raising the benefit formula under old-age and survivors insurance. We recognize that benefits should be increased, but at the same time it should be clearly understood that to raise these benefit payments arbitrarily without regard to the impact on future costs to the system would be the first step to complete destruction of this social-security program.

During the Eightieth Congress the Ways and Means Committee, of which I am a member, introduced a social-security bill (H. R. 6777) which would extend the coverage under old-age and survivors insurance to approximately 3,500,000 persons not now covered.

Increasing the tax in 1950 from a total of 2 percent to 3 percent, and to 4 percent in 1952, will assuredly afford material increases in all payments. Thus the system is being made available to more people and provisions are being made for more substantial payments.

It is the objective of all of us to expand and improve the program just as rapidly as possible. However, it is the sacred duty of the Congress to provide absolute security and see that the tax money collected through the years is administered in a manner that will assure ample payments can be made when the time for retirement arrives.

Government Programs Aid Alaska Third Division

EXTENSION OF REMARKS

OF

HON. E. L. BARTLETT

DELEGATE FROM ALASKA

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. BARTLETT. Mr. Speaker, great things are in store for Alaska this year as the result of action taken during the session of Congress so recently concluded. I know of no more appropriate form than this to acquaint the people of the Third Judicial Division of Alaska with some of the projects which are contemplated which will concern them directly, and other undertakings and laws which although of general application will, I am sure, be of real interest to that section of the Territory which is growing faster than any other.

For the sake of clarity and brevity I list in the following some of the good things in store:

First. Construction of the long-sought Turnagain Arm Road, joining Anchorage with the Kenai Peninsula. The Congress appropriated $11,370,000 for this project.

Second. The international airport at Anchorage to be built at a cost of $8,000,000. The airport will be maintained by the Civil Aeronautics Administration. Only one other civilian airport in the United States was built and is being maintained by the CAA—the National Airport at Washington, D. C.

Third. Building of a 400-bed tuberculosis sanatorium in or near Anchorage will be commenced in the reasonably near future. Congress authorized this great institution at a cost of $6,000,000.

Fourth. The Alaska Railroad received $17,000,000 in cash and $12,000,000 in contract authority for its great rehabilitation and reconstruction program.

Fifth. An additional $1,000,000 was made available to continue building the Kenai-Lake-Homer road.

Sixth. The sum of $140,000 was appropriated for further work on the Anchorage-Potter Highway.

Seventh. Two hundred thousand dollars was appropriated for farm roads and the farmers of the Third Division will, of course, receive their share.

Eighth. There is an item of $750,000 for hard-surfacing the first 27 miles of the Glenn Highway. Eventually 183 miles of the road are to be so surfaced. Looking toward this, an appropriation of $183,000 was made for necessary surveys.

Ninth. One million five hundred thousand dollars for reconstruction of the Tok Cut-off.

Tenth. Permanent transmitter building and family housing and utilities for the Alaska Communication System at Adak.

Eleventh. A start on required family housing and utilities for the ACS at Anchorage.

Twelfth. Similar installations at Fort Randall, which is located at Cold Bay.

Thirteenth. Like installations at Northway.

Fourteenth. ACS construction of housing and utilities at Naknek.

Fifteenth. Construction of a receiver-station building and powerhouse for the ACS at Kodiak.

Sixteenth. Development of Whittier port facilities by the Army so that the average monthly capacity, exclusive of petroleum products, will be increased to 40,000 tons. On the construction list are a fire station, third ship berth, warehouse, railroad spur and warehouse, salt-water fire system.

Seventeenth. Extensive construction at Fort Richardson and Elmendorf Field.

Eighteenth. Construction by Army engineers at Adak of telephone exchange, improved radio communications facilities, barracks, family housing, and utilities.

Nineteenth. Construction by the Navy at Adak of ship repair facilities, cold storage buildings, storehouses, a permanent naval radio transmitting and receiving station.

Twentieth. Construction by Navy at Kodiak of naval air mobile ground-control approach unit—a radar "talk-down" system for landing aircraft—plus a naval radio station.

Twenty-first. Increased forest highway funds for Chugach National Forest—a total of $1,150,000 will be available in cash and contract authorization for rehabilitation, reconstruction, construction, and maintenance for forest highways in Tongass and Chugach National Forests.

Twenty-second. Geological survey:

(a) Investigation of coal resources in Homer area on Kenai Peninsula—40-square-mile study.

(b) Investigation of gold lode district in Willow Creek mining district north of Matanuska Valley.

(c) Geological mapping and appraisal of petroleum possibilities in Katalla-Yakataga area on the Gulf of Alaska and later completion of survey of petroleum possibilities of the Iniskin-Chinitna district near the base of the Alaska Peninsula, and initiation of appraisal of petroleum possibilities in the Alaska Peninsula-Cook Inlet region.

(d) Volcano investigations in Alaska Peninsula-Aleutian Island region—expansion of small volcano and earthquake observatory at Adak military base—mapping of Pavlof Volcano.

(e) Geologic mapping of Unalaska Island.

(f) Topographic mapping around Yakataga, Kenai Peninsula near Homer, along general route of Glenn Highway from near Palmer to Copper River.

(g) Operation of gaging stations at Power Creek near Cordova; Kenai Lake outlet at Cooper Landing; Trail River, Grant Lake outlet and Ptarmigan Creek, all at or near Lawing; Russian River at Lower Russian Lake; Ship Creek and South Fork of Campbell Creek near Anchorage; Eklutna Lake outlet near Eklutna; Little Susitna River near Palmer; and Cottonwood Creek near Wasilla.

(h) Start of ground water investigations in the Matanuska Valley and Anchorage regions and possible other localities in the third division.

(i) Stream surveys Little Susitna River and chain of lakes near Wasilla; Willow Creek; Lost Creek near Seward; Power Creek near Cordova; Grant Lake and creek near Lawing and Ptarmigan Lake and creek near Lawing; Lost Lake and creek near Cooper Landing and Ship Creek near Anchorage.

Twenty-third. Postmaster General given permission to contract for delivery of mail by boat from Seward to Aleutians via Unalaska in amount of $250,000, an increase over present allowance of $125,000.

Twenty-fourth. Construction of a 20-bed tuberculosis control station to be constructed at Kanakanak.

Here are listed some of the programs of general application:

First. Assessment work on mining claims has been suspended between the period of July 1, 1948, and July 1, 1949.

Second. An energetic health program for Alaska was approved by Congress with an appropriation of $1,115,000 being made for protection, treatment, and control of diseases in the Territory.

Third. The Alaska game law enforcement appropriation was increased to $225,000.

Fourth. A bill was passed by the Congress and approved by the President enabling the Territorial legislature to institute when it so desires a general property tax freed from the previous

organic act restriction which required all property be taxed according to its actual value; obviously, it was not possible to determine the actual value of all mining claims. Under the new law mining claims may be taxed at the price paid to the Government or at a flat rate to be fixed by the legislature. The new law also permits but does not compel municipalities to tax at the rate of 3 and not 2 percent and allows the legislature to enact a uniform and general property tax at a rate of 2 percent instead of 1 percent.

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Eleventh. Funds in the amount of $200,000 have been made available to the Fish and Wildlife Service for the operation of an exploratory vessel.

Twelfth. For continuation of agriculture research program, Congress made available $185,940 in cash plus $300,000 in contract authority for construction of buildings and utilities.

Thirteenth. The Interior Department bill contained $250,000 for establishment of a Bureau of Mines experiment station.

Truman Condemns Democrats in Both Houses of Congress for Their Votes

EXTENSION OF REMARKS
OF
HON. DANIEL A. REED
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. REED of New York. Mr. Speaker, President Truman has vigorously condemned the Congress for overriding his veto of House Joint Resolution 296, a bill to maintain the status quo in respect of certain employment taxes and social-security benefits pending action by Congress on extended social-security coverage.

The voting record shows that House Joint Resolution 296 could not have been overridden had it not been for the large vote of the Democrats in both branches of the Congress.

Thus the President has seen fit to criticize not only the Republicans but the Democrats for supporting this salutary and highly essential legislation.

I insert the official voting record of the Republicans and the Democrats with reference to the passage of House Joint Resolution 296, and also the record vote of both the Republicans and Democrats on overriding the veto of President Truman:

HOUSE JOINT RESOLUTION 296

Passed House February 27, 1948, by vote of 274 to 53:

	Yes	*No*
Republicans	197	4
Democrats	77	48
American-Labor	---	1
Total	274	53

Passed Senate, amended, June 4, 1948, by vote of 74 to 6:

	Yes	*No*
Republicans	39	2
Democrats	35	4
Total	74	6

Passed House over veto June 14, 1948, by vote of 298 to 75:

	Yes	*No*
Republicans	209	5
Democrats	89	69
American-Labor	---	1
Total	298	75

Passed Senate over veto June 14, 1948, by vote of 65 to 12:

	Yes	*No*
Republicans	37	2
Democrats	28	10
Total	65	12

With reference to H. R. 5052, an act to exclude certain vendors of newspapers or magazines from certain provisions of the Social Security Act and Internal Revenue Code, the President again criticizes the Congress for overriding his veto. Here again the vote to override the veto of H. R. 5052 had the overwhelming support of the Democrats in both branches of Congress.

Here is the voting record in the House of Representatives and in the United States Senate on the passage of H. R. 5052; also the vote in both branches of Congress on overriding the President's veto:

H. R. 5052

Passed House March 4, 1948, by voice vote.

Passed Senate March 23, 1948, by voice vote.

Passed House over veto April 14, 1948, by vote of 307 to 28.

	Yes	*No*
Republicans	206	2
Democrats	101	24
American-Labor	0	2
Total	307	28

Passed Senate over veto April 20, 1948, by vote of 77 to 7.

	Yes	*No*
Republicans	48	0
Democrats	29	7
Total	77	7

The voting record speaks for itself.

Veterans' Affairs

EXTENSION OF REMARKS
OF
HON. HUBERT S. ELLIS
OF WEST VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. ELLIS. Mr. Speaker, during the Eightieth Congress 498 bills and resolutions were referred to the House Committee on Veterans' Affairs for consideration. The full committee held 106 meetings and the subcommittee 56 hearings. A total of 56 bills, 1 House joint resolution, 1 House concurrent resolution, and 2 Senate bills were reported favorably to the House. Of this number 36 are now public law, 6 additional passed the House, and 1 was vetoed.

It is to be noted that a great number of bills directly benefiting the veteran were considered by committees other than the Veterans' Affairs Committee. Numerous appropriation bills were passed, totaling approximately $14,000,000,000 for the Veterans' Administration.

While a great number of important measures affecting the veterans were passed by the Congress, time and space does not permit the tabulation of all of them.

Most of the bills tabulated here are those of major importance, specifically pertaining to veterans and a few others, which I think would be of interest.

This Congress, comprising war veterans, recognizes its patriotic responsibility in seeing that the millions of men and women who served in the armed forces are treated fairly and generously as our grateful Nation demands.

This Congress enacted 188 laws directly benefiting war veterans and meeting a wide range of needs. Proper treatment of war veterans, the disabled, the widows, and the orphans is a sacred trust of the Congress that it has faithfully kept.

All of the laws enacted by this Congress for the benefit of war veterans were passed after President Truman stated in a message to Congress on January 6, 1947, that, "except for minor adjustments, I believe our program of benefits for the veterans is now complete." The Director of the Veterans' Administration has filed reports against scores of measures introduced into Congress affecting veterans. In these reports, the Director has stated that the proposed legislation was not in accord with the President's program.

But notwithstanding the position taken by President Truman, as expressed in his message and as represented by the Director of the Veterans' Administration in his reports to Congress on veterans' bills, the leadership of this Congress

found that the program for veterans' benefits was far from completed. We acted in the interest of the veterans.

Veterans are chief beneficiaries of the comprehensive legislation enacted by this Congress which has resulted in the biggest housing boom in the history of our Nation. War veterans are receiving priority in all construction financed in part by the Government.

On February 23, 1948, I introduced a bill, H. R. 5497, which provided for material increases in compensation and pension rates to veterans of World Wars I and II, and to their dependents. This bill was not considered by the committee. Public Law No. 868, approved July 1, 1948, in a great many respects is similar to my bill.

This tabulation is motivated in part by the fact that 2 years ago my position on veterans' legislation was grossly misrepresented by persons seeking political advantage. This record speaks for itself:

Public Law 277; Seventy-eighth Congress; Soldiers' Ballot Act provided ways and means to permit soldiers to vote a full ballot from any place in the world. Passed House February 1944. ELLIS voted "Yes."

Public Law 346: Seventy-eighth Congress (G. I. bill of rights); passed the House May 18, 1944: Provides Federal aid for the readjustment in civilian life of veterans of World War II. ELLIS voted "Yes."

Public Law 494: Seventy-eighth Congress; passed House November 27, 1944: Provided mustering-out pay for veterans of World War II. ELLIS voted "Yes."

Public Law 268; Seventy-ninth Congress; passed House July 18, 1945: Authorized Government guaranteed loans to veterans for purchasing or constructing homes, farms, and business property. ELLIS voted "Yes."

H. R. 4761; Seventy-ninth Congress, Housing Stabilization Act to expedite low-cost housing (veterans' housing). Passed House March 7, 1946. ELLIS voted "Yes."

Public Law 336; Seventy-ninth Congress; passed House March 26, 1946: Providing additional appropriation for veterans housing and related expenses. ELLIS voted "Yes" in committee and in the House.

Public Law 474; Seventy-ninth Congress; passed House April 15, 1946: Provided for an increase in pay for personnel of the armed services. ELLIS voted "Yes."

Public Law 704; Seventy-ninth Congress; passed House June 11, 1946: Provided terminal-leave pay for enlisted personnel of the armed forces. ELLIS voted "Yes."

Public Law 697; Seventy-ninth Congress; passed House July 26, 1946: Provided needed additional facilities other than housing to educational institutions furnishing courses for veterans of World War II. ELLIS voted "Yes."

Public Law 679; Seventy-ninth Congress; passed House August 1, 1946: Authorized Veterans' Administration to reimburse State and local agencies for expenses incurred in rendering services in connection with the Administration of certain training programs for veterans. ELLIS voted "Yes."

Public Law 270; Eightieth Congress; passed House June 30, 1947: Increased pensions for Spanish-American War and Civil War veterans and their dependents by 20 percent. ELLIS voted "Yes."

Public Law 254; Eightieth Congress; passed House July 7, 1947: Provided for cashing of terminal-leave bonds. ELLIS voted "Yes."

Public Law 411; Eightieth Congress; passed House February 3, 1948: Provided increased subsistence allowance to veterans pursuing certain courses under the GI bill. ELLIS voted "Yes."

Public Law 512; Eightieth Congress; passed House May 4, 1948: Provided additional subsistence allowance and raised ceilings on wages and allowances of certain veterans. ELLIS voted "Yes."

Public Law 796; Eightieth Congress; passed House June 3, 1948: Authorized transfer without consideration of temporary housing for veterans to educational institutions. ELLIS voted "Yes."

Public Law 284; Eightieth Congress; passed House July 21, 1948: Exempted from taxation, compensation of servicemen up to $1,500. ELLIS voted "Yes."

Public Law 324; Eightieth Congress; approved April 15, 1947: Extend for an additional 5-year period the privilege of renewing 5-year term United States Government life insurance for World War I veterans. ELLIS voted "Yes."

Public Law 876; Eightieth Congress; approved July 2, 1948: Increases compensation rates for disability incurred in peacetime service to 80 percent of rates payable for similar disabilities incurred during wartime service. ELLIS voted "Yes."

Public Law 5; Eightieth Congress; approved February 21, 1947: Improved conditions for veterans to acquire and adjust life insurance. ELLIS voted "Yes."

H. R. 1; passed House March 27, 1947; Eightieth Congress: A bill to reduce income taxes. ELLIS voted "Yes." NOTE.—H. R. 1 was vetoed by President Truman and Congress failed to override veto. ELLIS voted "Yes" to override veto.

Public Law 377; Eightieth Congress; approved August 6, 1947: Includes by statute institutional on-farm training among types of full-time training afforded World War II veterans. ELLIS voted "Yes."

Public Law 115; Eightieth Congress; approved June 25, 1947: Authorized an increase for revolving fund from $1,500,000 to $3,000,000 for purpose of making advancements to disabled veterans of World War II taking vocational training. ELLIS voted "Yes."

Public Law 338; Eightieth Congress; approved August 4, 1947: Increases the minimum monthly subsistence allowance payable to disabled World War II veterans who are taking vocational training and who have service-connected disabilities. ELLIS voted "Yes."

H. R. 3950; passed House July 8, 1947; Eightieth Congress; a bill to reduce income taxes. ELLIS voted "Yes." NOTE.—H. R. 3950 provided for income-tax reduction of $4,800,000,000; 7,400,000 low-income taxpayers were dropped from tax roll; 72 percent of reduction went to persons with incomes under $5,000. This bill was vetoed by President Truman, but veto was overridden by Congress and taxes were reduced. ELLIS voted "Yes" to override veto.

Public Law 288; Eightieth Congress; approved July 30, 1947: Authorizes the acquisition of land at Clarksburg, W. Va., for veterans hospital. ELLIS voted "Yes."

Public Law 868; Eightieth Congress; approved July 1, 1948: Increases service-connected death rates of compensation for widows and dependents. ELLIS voted "Yes."

Public Law 748; Eightieth Congress; approved June 24, 1948: Establishes by statute a presumption of service connected for certain enumerated chronic and tropical diseases which are shown to exist within 1 year from discharge. ELLIS voted "Yes."

Public Law 398; Eightieth Congress; approved July 19, 1948: Provides for increase of 20 percent in rate of pension for veterans of Indian wars and their dependents. ELLIS voted "Yes."

Public Law 429; Eightieth Congress; approved March 3, 1948: Amends the National Service Life Insurance Act to extend for 2 years the time within which eligible persons may apply for payment of automatic (gratuitous) insurance service benefits. ELLIS voted "Yes."

Public Law 702; Eightieth Congress; approved June 19, 1948: Authorizing assistance to World War II veterans in acquiring especially adapted housing which they require by reason of the nature of their service-connected disabilities. ELLIS voted "Yes."

Public Law 762; Eightieth Congress; approved June 24, 1948: Grants pensions to unremarried widows of Spanish-American War Veterans. ELLIS voted "Yes."

Public Law 877; Eightieth Congress; approved July 2, 1948: To increase compensation of veterans 60 percent or more disabled and who have dependents. ELLIS voted "Yes."

Public Law 729; Eightieth Congress; approved June 19, 1948: Authorizes $1,000,000 annually to Veterans' Administration for prosthetic research. ELLIS voted "Yes."

Public Law 864; Eightieth Congress; approved July 1, 1948: Creating secondary market for housing loans made under the GI bill to facilitate home building. ELLIS voted "Yes."

H. R. 3814; passed House January 19, 1948; Eightieth Congress: Now pending in Senate, authorizes $5,000,000 appropriation for establishment of a hospital for Negro veterans at the birthplace of Booker T. Washington. ELLIS voted "Yes."

H. R. 6439; passed House June 16, 1948; Eightieth Congress: Now pending in Senate, directs Veterans' Administrator to make complete investigation of so-called West Virginia plan for the construction of low-cost housing. ELLIS voted "Yes."

Public Law 900; Eightieth Congress; July 3, 1948: Provided for an increase of $460 per annum for postal employees and $330 per annum for other Federal workers. ELLIS voted "Yes."

The New Committee on Armed Services

EXTENSION OF REMARKS
OF

HON. WALTER G. ANDREWS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. ANDREWS of New York. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article prepared for publication in the Army and Navy Journal, in which article I set forth what, in my opinion, are the main considerations which make the new Committee on Armed Services a better legislative vehicle than the two former Committees on Military and Naval Affairs:

On August 2, 1946, the President signed the Legislative Reorganization Act of 1946. This date marks the birth of the new Committee on Armed Services of the Senate and House of Representatives. It also marks the demise of the historic, long-established Committees on Military and Navail Affairs of the two Houses of Congress.

This date has some significance. I invite attention to the fact that the merger of the old Committees on Military and Naval Affairs into the new Armed Services Committee took place almost a year before the National Securty Act of 1947 (the Unification Act) became law. It was, then, the first important move toward statutory unification of the services.

The Military Affairs and Naval Affairs Committees had long and distinguished histories. Created in 1822, they legislated for the armed forces for 124 years. But there had always been a fundamental weakness in their operation. The Naval Affairs Committee had always concerned itself exclusively with matters pertaining to naval and Marine Corps affairs. The Military Affairs Committee had always confined itself exclusively to Army and Air Force affairs. There was no official

liaison between the two. So, by 1946, they had become the very symbol, the epitome, within the Congress itself, of the uncorrelated, the intensely competitive, the individualistic approach to service problems that existed before unification.

That this situation existed in the Congress itself was, in some regards, even more damaging than the absence of central control over the services in a single department of the Government. It is fully understandable that Members of Congress themselves, after many years of service on one of the two service committees, became one-branch-of-the-service conscious. Years of close association with the legislative needs of one particular branch made this unavoidable. Quite naturally, a competitive situation arose within the Congress—aided and abetted by the services, of course—in the handling of the legislation of the armed forces.

When the two old Committees on Military and Naval Affairs were merged, it became quickly evident that a broad, over-all outlook on service matters could be insured only through the creation of subcommittees charged with all Army, Navy, Air Force, and Marine Corps matters in a particular subject field, such as personnel, procurement, pay, retirement, education, and training. Twelve such subcommittees were therefore created. Members were appointed thereto even before the Eightieth Congress had convened. The basic concept was functional—not service—organization; no longer was there to be any congressional subcommittee or committee charged exclusively with the legislative problems of one service. Each of the new subcommittees was charged with all service legislative matters within certain subject fields.

The benefits of this new organization became quickly apparent after the Eightieth Congress convened. For the first time in the history of the Congress, members from the old Naval Affairs Committee found themselves working with Army procurement matters. Members from the old Military Affairs Committee were now confronted by Navy procurement matters. Both were now working in full concert on Air Force procurement and Marine Corps procurement matters. So it went. It was a new approach, and it was applied to questions of pay, retirement, promotion, ROTC, and the civilian components, the Medical Departments, the service Academies, and so on.

It was a stimulating experience, those first several months, watching and participating in the broadening outlook this new system produced. Almost at once former Naval Affairs Committee members became aware that different standards of pay, promotion, retirement, etc., applied to the Army than to the Navy, and former Military Affairs members became conversant with the details of the legislative authority which had been long in effect for Navy personnel but not for Army personnel.

A whole variety of discrepancies and inequities between the services came suddenly into bold relief. They were the natural result of 124 years of separate legislating by the old committees. It was discovered that Navy personnel had certain retirement rights of great value which the Army had been denied. It was found that certain property disposal limitations had been imposed upon the Navy but not upon the Army. Variations of great importance in the service promotion systems were suddenly high lighted within the committee itself—all these things for the first time in the history of Congress. Marked differences in methods of training the Reserves, of operating ROTC programs, of administering the Military and Naval Academies showed up before these busy, functionally organized subcommittees. And results began to flow therefrom, long before the Unification Act was passed.

In fact, months before the unification law the committee, through its subcommittees, began to require the Army to comment on Navy legislation pending before the committee. Navy views were sought on Army legislation. The same procedure was followed in respect to Air Force legislation. So legislative unification—or, at least, unified control over service legislative problems—had become commonplace long before the Congress completed the unification law which attracted so much later attention.

There was, for example, the new procurement law reported to the House of Representatives by the House Committee on Armed Service months before the Department of Defense was created. It brought all service procurement into one law, correcting a large variety of discrepancies which had long damaged interservice relationships as well as confounded private citizens who attempted to supply service procurement needs. It happened again in the drafting of the Officer Personnel Act of 1947. A new promotion system for all the services was thereby established. Here again, all the services' problems were aired and debated before former naval affairs and former military affairs members serving on the same subcommittee. Scores of basic differences between the services were eliminated before the bill was completed. Some had been the source of great bitterness between the Army and Navy for years. A middle ground on the points at issue was sometimes sought and attained. And some long-standing benefits were withdrawn from the Army that had never been available to the Navy. Some benefits were withdrawn from the Navy that had never been available to the Army. And care was taken to insure that the new benefits conferred by the law were granted equally to all the services. Serious discrepancies in rank were ironed out; the rate of promotion was equalized insofar as possible; conditions of entrance into the services were made more uniform.

This emphasis on uniform standards applicable to all the services extended, before unification, even into the differing school systems of the services. A series of sessions was held by one subcommittee with the services very early in 1947. Detailed explanations were obtained in regard to all service schools, from the most basic through the most advanced. Extensive questioning followed naturally, in the new committee, as to the feasibility of combining into joint schools the training of cooks, truck repairmen, certain radiomen, and so on, months before unification became an accomplished fact.

Also antedating unification was the Army-Navy Medical Service Corps bill, giving permanent service status to the various professional groups allied to medicine within the services. There was also the Army-Navy Nurse Corps bill. And many others.

In many important respects, these novel developments within the new Committee on Armed Services set the pattern for things to come in the subsequently created Department of Defense. It gave the services an object lesson, so to speak, as to the manner in which the Congress desired unification to work in the future. It helped a great deal. The services soon began to iron out their basic differences in legislation before bills came to the Congress in preference to airing the differences publicly before the committee. This was indeed a departure from the time-honored practice of "dog eat dog" in the Congress, each service striving to out-do the other in obtaining legislative benefits. The effect of this was to bring the services closer together within the executive branch. A clearer, and therefore more sympathetic, comprehension by one service of the needs of the other became necessary in order to move service legislation through the Congress.

It was generally understood by as early as March 1947 that the new Committee on Armed Services would refuse to deal with legislation on a one-service basis. Bills before the committee prompted by only one of the three services would elicit testimony, upon committee request, from all of the services in order to insure that the legislation would not be objectionable or discriminatory to the other branches. A few of these experiences were highly educative. We soon noted an improved presentation of bills by the departments, a readiness to give and take among the services, a much greater awareness of one another's difficulties and needs.

And over the months that followed, this tendency steadily developed, until the practice is now firmly established for the committee and the departments to deal on a unified basis with service legislative matters. This is truly unification in action. Actually, in my opinion, unification has worked better in the legislative sphere than anywhere else in Washington. The reason is simple. The Committee on Armed Services have compelled it.

The new staff of the committee has been significant in these developments. These men were selected by the committee membership on a merit basis alone, without regard to political affiliations. Each of them served in World War II. One served in the Navy; two in the Army; two in the Marine Corps; one in the Air Force. They are young and vigorous. They are civilians to the core, but their recent, practical experience in varying capacities with the services has brought military and naval realism and understanding into their important activities with the committee.

Before the reorganization of the Congress which authorized congressional committees to employ such assistants, committee work was done on a hit-and-miss basis, oftentimes by special short-term employees hired for specific tasks, oftentimes by persons selected on a political basis. Even though there was a surprising number of capable men affiliated with the old committees under this haphazard system, nevertheless the system provided no continuity, no means by which committee staff members could grow into their assignments and become, in truth, experts in their respective fields.

The result was unavoidable. In the old Military Affairs Committee, much of the committee work had to be done by a Regular Army officer. A similar situation developed in the old Naval Affairs Committee. To the layman, this may not appear to be unsound. But in practice, it results in congressional reliance upon the departments, sometimes to the detriment of sound, unbiased consideration of legislation. These officers, I know personally, were outstanding men. They were eminently qualified and prodigious workers. Without them the committees simply could not have functioned properly under the old committee system. But their activities unavoidably thrust the departments too far—far too far, actually—into the mainsprings of the legislative work of the committees. It made the committees' efforts to find a suitable middle ground between service need and national need even more difficult, if possible, then it is under the best of conditions. It brought War and Navy Department attitudes within, not to, the committees.

This situation is now infinitely improved. The staff members of the committee hold career appointments. They are independent of political and departmental influences. They work exclusively for the committee and are therefore situated in such manner that the committee has available at all times impartial, independent, informed advisers on the great basic issues constantly arising in legislative form. Legislative analyses, briefs of important measures, pointed searching questions of Service witnesses have now become the rule on all bills before the committee. The committee now has, for the first time, a group of nonpartisan men to whom it can turn for its information on legislation—not to the departments. And the committee has persons immediately available, in its career staff, to assist in connection with debates on the floor of the House of Representatives. Thus, it has become possible for the committee to divorce itself from departmental

influences from within, keeping them beyond the perimeter of the committee itself, as sound legislation requires.

I do not mean to infer any untoward activities by the departments in connection with these matters. Such activities were as necessary as they were unavoidable in the past. But I do emphasize that it is virtually impossible for military and naval personnel to function independently of the official attitudes of their respective military and naval chieftains, and I therefore attach great importance to the professional staff process.

As to the progress made under the new system, I can point only to the record of the Eightieth Congress—the only Congress in which the new Armed Services Committee has functioned. But the record is surprising. One of every seven laws passed by the entire Congress emerged from the Armed Services Committees. And each was considered carefully; it was not a shotgun process of acting on bills in a helter-skelter manner.

The laws passed were significant in scope as well as in number. They included the draft bill, affecting the entire Nation; the promotion bill, affecting all officers in the Army, Navy, Air Force, and Marine Corps; the procurement bill, covering all procurement of all the services; the military justice bill, reconstructing the Army court-martial system; the WAC-WAVE bill, placing women into the Regular service for the first time in history; the retirement bill, reworking Army retirement and providing, for the first time, for Reserve retirement as well; the Army-Navy Nurse Corps bill, establishing for the first time a permanent corps for the nurses of the Army and Navy; the inactive duty training pay bill, providing for inactive duty training pay for Army and Air Forces reservists; the bill authorizing the construction of a 65,000-ton aircraft carrier by the Navy; a 70-air-group authorization (which failed of passage in the Senate); a universal training bill (which failed of passage in the House of Representatives); increase in pay of midshipmen and cadets and reconstruction of the boards of visitors to the Military and Naval Academies; public-works bills for the Army and Navy, authorizing world-wide construction projects such as testing ranges for guided missiles, housing in Alaska, and similar undertakings of great importance to the national defense program. There are many more. I cite these only as examples of the scope of the work of the committee in its first Congress. Actually, 128 laws were passed, of the eight-hundred-odd passed by the entire Congress. The committee held over 350 separate meetings throughout the Congress, an average of more than one for each legislative day of the Congress.

In addition to this legislative work, four investigations were completed by subcommittees during this Congress. One covered the petroleum requirements of the armed forces. Its report, based on over 2 months of testimony from some 50 witnesses from Government and industry, has been widely publicized as the most comprehensive and thorough study of the subject yet made by a congressional committee. Over 4,000 copies of the report have already been distributed upon request.

An investigation was made of synthetic-rubber facilities available in the Nation to determine what should be done with them as a national reserve for use in the event of another emergency. This study produced the Rubber Act of 1948, a bill vitally important to the national security, for rubber was perhaps the most critical item in the Nation when World War II began. Then, there was an investigation of disability retirements of officers and enlisted men in the services. Numerous legislative recommendations ensued which will result in corrective legislation in the Eighty-first Congress. Some 2,500 questionnaires were sent throughout the Nation during the course of this investigation, addressed to retired officers of the Army and Navy in grades of colonel and captain and above.

There was also an investigation of service facilities in the San Francisco, Calif., area. The ensuing report went to the very heart of unification, recommending a large number of actions, some of which have already been implemented by the services since the report was rendered.

All this augurs well for the future. The committee is efficient; it applies itself industriously to the task at hand; the committee members have had years of experience in dealing with service problems, and service rivalry on the congressional level has been eliminated. Members of the committee staff have performed in a highly satisfactory manner, and with each passing month will become increasingly valuable as acknowledged experts in their various legislative fields.

So much has been accomplished during the Eightieth Congress that I cannot see how the tempo of requests for service legislation can or should be maintained. However, I have no fear that the committee will function in a vacuum. Committee responsibility does not cease with the enactment of legislative measures. Equal importance must be given to the manner in which those enactments are administered by the respective service departments. Continuing research, studies, observations, and investigations are vital parts of the committee function and must be pursued. So, while much has been accomplished the field for constructive endeavor remains fertile. And effective unification, efficient service administration, and sound, well-considered legislation will continue to be the end product.

Government Programs Aid Alaska Fourth Division

EXTENSION OF REMARKS

OF

HON. E. L. BARTLETT

DELEGATE FROM ALASKA

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. BARTLETT. Mr. Speaker, I thought this would be an appropriate means to inform the people of the Fourth Division of Alaska about some of the programs that are going ahead there during this fiscal year as the result of legislation passed by the Eightieth Congress. Without attempting to give a detailed account of all the various projects that soon will be started, I do wish to call attention to some of the more significant.

One of the last acts of the Congress before adjournment last month was to approve a deficiency bill appropriating $5,000,000 for the construction of a great new airport which will be located near Fairbanks. I am informed that bids will soon be called for so that construction of the airport may start with the least possible delay. It will be built and maintained by the Civil Aeronautics Administration.

At the University of Alaska will be located a geophysical institute where Federal Government agencies and private institutions will have opportunity to do basic research under the advantageous conditions found there. The Congress appropriated $975,000 for the geophysical institute plant. This will be the first scientific institution in the United States so located that investigations will be made on the spot relating to the Arctic and sub-Arctic. Construction of the Coast and Geodetic Survey observatory and auxiliary buildings will be undertaken, adding to the opportunities for scientific research.

At this moment the Department of National Defense has not made firm allocations for specific projects from funds granted by the second session of the Eightieth Congress. But it can be stated that many millions of dollars will be spent at Ladd Field and at Eielson Field. Among the projects listed for favorable consideration is construction of housing and other utilities at Eielson Field and at Ladd Field. It is also intended to erect a fire station and a school at Ladd Field.

At Big Delta there will be considerable building for the Alaska Communication System station.

And at Bethel an ACS transmitter building and powerhouse are slated for construction.

This year will mark the start of the first real road program in Alaska's history. The sum of $2,250,000 has been allocated for hard surfacing the first 70 miles south of Fairbanks of the 365-mile Richardson Highway. Additionally, $347,000 has been set aside for surveys.

The dream of interior pioneers for a highway connection between Fairbanks and Wiseman will soon be realized. The Congress made available $300,000—plus $5,100 for surveying—for constructing the first 44 miles of this road out from Livengood.

The Fairbanks-Chena Hot Springs Road will be a reality before long. The ARC now has $105,000 for road surveys on this project.

For surveying from Big Delta to Boundary, a distance of 203 miles, there has been an allocation of $203,000.

The Fourth Division will share in the $200,000 appropriation for farm roads.

The Geological Survey has a big program ahead. It will continue to investigate the coal fields in the Nenana River area. It will conduct geological mapping and mineral resources appraisals in the Kuskokwim region adjacent to Nyac. An area of about 3,000 square miles will be covered. The Geological Survey will continue its permafrost program in the vicinity of Fairbanks and the Nenana River. Likewise, there will be geological mapping in the Tanacross area and in the vicinity of Big Delta. The Geological Survey will operate a gaging station on the Chena River and will make a groundwater investigation around Fairbanks.

At least one of the newly authorized tuberculosis control stations will be in the Fourth Division. The station already approved will be located at Bethel and will be built at a cost of $100,000. It will contain 20 beds.

A special appropriation was made to the Bureau of Reclamation for the first time to conduct power surveys in Alaska. It has been announced that some of this work will be carried on in the Fourth Division.

From the strictly legislative standpoint, it might be mentioned that the Fourth Division is now somewhat larger than previously, because of the transfer

of land near the Canadian border in accordance with the provisions of a bill introduced by me. Also another of my bills conveyed to the city of Fairbanks from the United States Government a lot which was desired by Fairbanks municipal authorities for school purposes.

Money expended in one section of the Fourth Division will naturally benefit directly or indirectly all other sections. And that is true of Alaska as a whole. This Congress appropriated over $200,000,000 for Alaska in the fiscal year ahead.

Here are listed some of the programs of general application:

First. Assessment work on mining claims has been suspended between the period of July 1, 1948, and July 1, 1949.

Second. An energetic health program for Alaska was approved by Congress with an appropriation of $1,115,000 being made for protection, treatment, and control of diseases in the Territory. A tuberculosis unit was authorized by this Congress, and cash and contract funds were appropriated. This will be an institution of 400 beds, the largest in Alaska. It will be built at or near Anchorage. Experts say this hospital, together with others now operating or soon to be in operation will go a long way toward curbing the menace of tuberculosis in the Territory.

Third. The Alaska game-law enforcement appropriation was increased to $225,000.

Fourth. A bill was passed by the Congress and approved by the President enabling the Territorial legislature to institute, when it so desires, a general property tax freed from the previous organic act restriction which required all property be taxed according to its actual value; obviously it was not possible to determine the actual value of all mining claims. Under the law, mining claims may be taxed at the price paid to the Government or at a flat rate to be fixed by the legislature. The new law also permits but does not compel municipalities to tax at the rate of 3 and not 2 percent and allows the legislature to enact a uniform and general property tax at a rate of 2 percent instead of 1 percent.

Fifth. Another of my bills which is now law permits veterans of World War II to apply their military service up to 2 years for residence and cultivation requirements in settling on homesites and headquarters sites. This benefit was already in effect insofar as homesteads and 5-acres tracts were concerned.

Sixth. Title to the Army vessel *Hygiene* has been transferred to the Territory of Alaska. The ship will now be permanently available to the Territorial Department of Health as a floating medical and health center.

Seventh. One of my bills which passed Congress on the closing days of the session has general application to all the States and Territories. It places a minimum floor of $100,000 on the amount which will go to any Territory or any State under the hospitalization construction law already in effect. By means of this law Alaska will receive $100,000 instead of $41,400.

Eighth. Government aid in shipping has been continued until March 1, 1949.

Ninth. The necessity for making export declarations for shipment of goods between continental United States and Alaska and vice versa has been eliminated.

Tenth. Another of my bills which is now law authorizes the Secretary of the Interior to issue unrestricted deeds to tracts of land within Alaska townsites to natives of Indian, Aleut, or Eskimo blood. Once the deeds are issued the land can be sold or otherwise disposed of by the native owners, and is made subject to municipal taxation.

Eleventh. Funds in the amount of $200,000 have been made available to the Fish and Wildlife Service for the operation of an exploratory vessel.

Twelfth. For continuation of agriculture research program, Congress made available $185,940 in cash plus $300,000 in contract authority for construction of buildings and utilities.

Thirteenth. The Interior Department bill contained $250,000 for establishment of a Bureau of Mines experiment station.

The Eighteth Congress Approved the Largest Peacetime Appropriations for National Defense in the History of the Nation

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EXTENSION OF REMARKS
OF

HON. JAMES E. VAN ZANDT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. VAN ZANDT. Mr. Speaker, the Eightieth Congress, despite its determination to economize, wisely decided that our armed services should not be hampered in providing an adequate national defense. As a result, over $15,000,000,000 was appropriated during the second session of the Eightieth Congress to meet the needs of the Army, Navy, and Air Corps.

The Army received over $7,000,000,000, the Navy, nearly $5,000,000,000, and the Air Force, over $3,000,000,000. The total appropriations of over $15,000,000,000 represent the largest peacetime appropriations in the history of the Nation. The attitude of the Eightieth Congress in approving this large sum is indicative of the fact that while economy in Government is necessary, it should not be achieved at the expense of our national defense.

It is interesting to observe that the appropriation for the Army amounting to $7,318,607,163 represents cash of $5,798,607,163, while food for occupied Germany is listed at $1,300,000,000. Of the total Army appropriations, the sum of $220,000,000 is for contract authority.

The Navy Department received over $4,375,000,000 to be expended as follows: Naval Appropriations Act, over $3,500,000,000 in cash; cash for aircraft procurement, $315,000,000; cash under public works appropriations, $51,000,000; contract authority for aircraft procurement, nearly $600,000,000; with an additional $50,000,000 for contract authority for public works.

The Eightieth Congress, in approving the 70-group Air Force, authorized the negotiation of contracts for over $1,500,000,000, and at the same time provided cash appropriations of over $1,500,000,000 for a total appropriation of $3,191,911,000.

The following is a résumé of national-defense legislation enacted during the second session of the Eightieth Congress:

Bill No.	Short title	Public Law No.
H. R. 774	Authorized the disposition of condemned ordnance.	421
H. R. 1275	Payment of claims for medical treatment of persons in naval service.	511
H. R. 1341, S. 229.	Postgraduate school at Monterey, Calif.	302
H. R. 1343, S. 231.	Easement at Camp Gillespie, Calif.	32
H. R. 1358	Operation of naval plantations.	149
H. R. 1359	Increase of officers in the Civil Engineer Corps of the Navy.	62
H. R. 1362	Permit certain naval personnel to count active service for promotion purposes.	134
H. R. 1363	Allowance paid on basis of purported marriages.	55
H. R. 1365	Establish a Chief of Chaplains in the Navy.	56
H. R. 1366	Facilitate procurement of supplies and services by Army and Navy Departments.	413
H. R. 1367	Authorize construction of experimental submarines.	63
H. R. 1368	Include civilians of United States naval government of Guam in benefits of Public Law 490.	64
H. R. 1369	Amend act reorganizing Navy Department.	87
H. R. 1370, S. 325.	Easement to city of Los Angeles, Calif.	11
H. R. 1371	Secretary of Navy appoint for supply duty Marine Corps line officers.	150
H. R. 1375	Provide for clothing allowance of enlisted men of Marine Corps.	158
H. R. 1376	Authorize transportation of dependents and household effects of Navy, Marine Corps, and Coast Guard to overseas bases.	151
H. R. 1377, S. 321.	Increase pay of cadets and midshipmen.	96
H. R. 1379	Establish United States Naval Postgraduate School.	303
H. R. 1381	Acceptance of decorations, orders, medals.	58
H. R. 1394, S. 220.	Easement to American Telephone & Telegraph Co.	18
H. R. 1544	Lapel buttons for widows, parents.	306
H. R. 1562	Increase Federal aid for disabled servicemen.	531
H. R. 1606	Define "time of appointment" of Army officers.	61
H. R. 1621	World Jamboree of Boy Scouts in France.	31
H. R. 1806, S. 276.	Payment and mileage settlement for military personnel.	21
H. R. 1807	Easement to county of Pittsburgh, Okla.	135
H. R. 1845	Equalize military leave and reemployment for Federal employees who are members of the Enlisted or Officer Reserve Corps, National Guard, or Naval Reserve.	153
H. R. 1943	Establishment of permanent Nurse Corps in Army and Navy.	36
H. R. 2247, S. 875.	Maj. Gen. Lawrence S. Kuter to the Interim Council of the Provisional International Civil Aviation Organization.	3
H. R. 2248	Easement to Louisiana Power & Light Co.	44
H. R. 2276	Payment of expenses of Army personnel at Olympic games.	159
H. R. 2314	Lump-sum payment to survivors under Naval Aviation Cadet Act of 1942.	236
H. R. 2339	Amend act authorizing designation of Army mail clerks and assistant mail clerks.	136

Bill No.	Short title	Public Law No.
H. R. 2359	Construction of water-filtration plant at West Point.	627
H. R. 2636, S. 929.	Regulations for Soldiers' Home at Washington.	401
H. R. 3049	Relating to exportation of certain commodities.	188
H. R. 3053	Easement to Territory of Hawaii.	212
H. R. 3055	Supply utilities and related services to welfare activities.	284
H. R. 3056	Easement to Macon, Ga., and Bibb County, Ga.	207
H. R. 3124	Marine Band at Cleveland, Ohio.	141
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Report on the War of Ideas in Europe and Asia

EXTENSION OF REMARKS

OF

HON. WALTER H. JUDD

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. JUDD. Mr. Speaker, when I returned from study trips last fall to 22 countries in Europe and 3 in Asia in connection with the work of the Committee on Foreign Affairs, I made an oral report to the committee on November 14, 1947, during its hearings on the Emergency Foreign Assistance Act. Because of numerous requests for the report and because the observations and recommendations made then are, I believe, just as pertinent and sound today, I include the report from the hearings of the committee:

STATEMENT OF HON. WALTER H. JUDD, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF MINNESOTA

Mr. JUDD. Mr. Chairman, I want to join my colleagues in expressing appreciation for the great privilege, as a member of this committee, of going on study trips this fall, to Europe and to Asia, and for the chance to visit the front lines in the midst of the social, economic, and political war which Russia and her stooge governments and parties in various parts of the world have declared on us and on everything we believe in and stand for.

The outcome of this warfare is still in doubt. Their totalitarian philosophy, and even more totalitarian practices, have made a great deal more progress, in my judgment, than we are inclined to think.

The Soviet's war for men's minds and hearts and for control of their lives, goes on 24 hours a day. Most Americans assumed that when the Japanese and the Germans surrendered, the war was over, just like the final whisle in a football game, and there was nothing to do but to go home. This never was that kind of war.

SUCCESS OF SOVIET PROPAGANDA IN EUROPE

During our trips to Europe and the Far East, all of us I am sure noted many illustrations of the success they have had with their propaganda—for example, the cleverness with which in both Europe and Asia the Communists have attacked us at the one point where they could more successfully turn many people against us than at any other, namely, by playing on their fear of Germany and of Japan. The only way to turn against us the Poles and Czechs and French, who historically have been so well disposed toward us, is to persuade them that we are building up Germany, giving priority to her, the aggressor, over those nations which were her victims. The propaganda, which the Soviets carry out day and night, reiterates skillfully that we are preparing Germany to become again a great military state, to be our buffer, or even ally, in the war against Russia which we are alleged to be preparing. The fact that we know the charges are wholly untrue should not blind us to the fact that they are making headway. They hammer away at it constantly, and we found Frenchmen, Poles, and Czechs, even Norwegians, Danes, and Dutch, who all their lives have been among America's best friends, profoundly disturbed, wondering whether we really are building up Germany and giving her preference as an enemy over those nations which have been and still are our allies. If the propaganda succeeds, the people in those countries who have suffered so from German aggression will go with Russia, not with us.

The same thing in Asia. The propaganda goes on that General MacArthur is building up Japan as an ally or a buffer against Russia, giving her priority over China. It has a very devastating effect in China; because the one thing which, more than any other, could turn the Chinese against us would be if they came to believe we are making a deal to build up Japan as a military power or giving her preference over them, after all that Japan did to hurt them and us, and all China did to help us.

MISINTERPRETATIONS OF MARSHALL PLAN

Then there is the propaganda that our so-called Marshall plan is for selfish and sinister motives; that we are exporting to Europe only to ward off a depression in the United States; that we are doing it to capture European markets for American capitalists and then these capitalists will put everybody in shackles in Europe as they assert has been done in America. If they knew how hard it is to get the support of big business for such a program as this, I do not think they could get away with the story that it is just a capitalistic trick. When they claim that capitalists went to war to eliminate Japan and Germany and their competition in the world markets, and that now the same capitalists are working to restore Japanese and Germany industry, it does not make sense. But they are utterly cynical in their propaganda. The main thing is not whether it is true, but whether they can make people believe it is true—until they can get into power.

It was interesting in some of the countries whose economies were just about to fall to pieces, to find their greatest worry was not about what is happening to them right now, but about the terrible depression which they are told is about to hit the United States. Some of them do not have enough to carry them through the end of this year without help from us, yet they seem less critical of their system which has brought them to such disaster, than of ours which is certainly better off than theirs but which they are sure is just about to collapse. Why? Because Karl Marx, somewhere over on page so and so, said that after a great war there always comes a great depression in the capitalistic system,

and therefore a depression just must take place here.

It was difficult to persuade them that our American economy would be far better off if we did not export anything at all to them in the next 3 or 4 years, even supposing they were able to pay for it; that if they and we do not want us to have a depression, then we certainly ought not to adopt the Marshall plan or this interim aid bill; and that the surest way to get a real depression in America is to overexpand our productive capacity on farms and in factories in order to export to them and build up their production till they won't need our supplies, leaving us with overexpanded productive capacity, then unemployment and then depression.

If they want help under the Marshall plan, then they and we have to take the risk of such a depression here in 4 or 5 years. If they so greatly fear a depression in America, then they should not ask us to grant their requests under the Marshall plan.

AMERICAN ACTIONS TOO GOOD TO BE TRUE

They want us to help them now, thereby increasing the danger of an American depression; yet at the same time they half believe the Communist propaganda that we are helping them in order to stall off a depression, and to make them semicolonies of the United States.

Those on our subcommittee have heard me put to the members of almost every cabinet group we met, this proposition: "If we do not help Europe, we are called selfish isolationists; if we do offer to help, then we are selfish imperialists. But we must either help or not help. So whatever we do or do not do, whether we give or do not give, it is interpreted as indicating we have selfish and sinister motives. Just what can we do to convince you we do not have any such evil designs on Europe?"

A member of the Norwegian Cabinet, when we were talking about this, said the basic reason most people in Europe do not understand us is because they have not lived in America, as he said he had for 6 years. He said they have no concept of the basic generosity, almost sentimentality, of the American people; that seldom have they ever known any European country to do anything except on the basis of what it intends to get in return. "Therefore," he said, "they think your help is too good to be true; it just cannot be that a country would consider pouring out $20,000,000,000 in goods and money unless there is in the scheme somewhere an opportunity for it to make great gain in money, territory, or power."

When people tend to feel there just must be some dark ulterior motive somewhere, and the Communists are telling them 24 hours a day that there is such a motive and that it is to establish United States control over Europe, then you can be sure that the propaganda makes great headway, especially when we ourselves do so feeble a job of telling them the truth.

CHANGE IN COMMUNIST PARTY LINE

I think the recent Warsaw declaration of the Communist Parties of Europe, when they established the so-called Cominform, may indicate a basic change in the party line. The Communists have run up against the hard fact that in some places there is a force which gives promise of being stronger than theirs, and that force is nationalism. They can get a lot of Frenchmen to go the Communist way as long as they think it is an economic philosophy, but when they discover it puts Russia ahead of France, then many of the French followers are likely to put France first, and many of the supporters of communism in Italy prove to be first Italians. Witness the recent swing back in some countries from international communism to nationalism.

Therefore, under the Warsaw declaration, the Communists switch from emphasis on internationalism to a frank appeal to nationalism. Where previously the line has been that first loyalty of all Communists everywhere must be to the workers of the world, this new manifesto indicates that from now on adopting communism is to be portrayed as the way to promote the interests not of a class, as heretofore, but of individual nations. Frenchmen must join to save France from American capitalism. The Poles, even while utterly enslaved by the Russian puppets, are told communism will serve their Polish nationalism.

The Communist strategists see that the nationalistic feelings of the people of a country have turned them toward us as a means of getting help to save their country. The Communists now frankly try to capture that nationalism for themselves, utilize it instead of opposing it. They are smart; they reverse themselves overnight when they think it is to their advantage.

THREE STAGES IN COMMUNIST TACTICS

The technique in Europe and America by which they try to take over a country, or an organization, is the same as I saw it in China way back in the twenties. You may be interested in the way the Chinese describe it. They say the Communist procedure or technique has three stages, three "heads," described by three terms in which the Chinese word "t'ou," meaning "head," appears.

The first stage is called "k'ou t'ou," which has become the English word "kowtow." It means to bow the head, even to the ground. This is the stage of cooperation, infiltration, working for a united front, or for a coalition. They profess to be interested solely in working for the downtrodden, the peasant, the minorities. They harp on all the injustices or discriminations or imperfections that can be found in the existing society. They find out what each group desires most and adopt that as their slogan—for the time being.

In Paris they shout "Join the Communists and we will see that your wages are higher and your food prices lower." Then they go out to the farmers and say "Join us; we will see that your grain prices are higher." If anyone notices the contradiction, he is an evil capitalist.

That is the stage of "k'ou t'ou," trying to get people to come along or coopera.e with them on the basis of extravagant promises. Teheran, Yalta, and Potsdam were in this stage on the international front.

The second stage is called "yao t'ou," which means to wag the head back and forth, as in declining or refusing. It is the stage of stalling, delay, noncooperation, almost but not quite to the point of rupture. It prevents any progress in getting a settlement; it buys time in which they work feverishly to improve their position. Anyone who has tried to work with Communists, whether in a labor union, or a political group, or a veterans' organization, recognizes this stage.

We went through it at London, Paris, Moscow, for months at a time. The Korean Joint Commission was stalled along thus for 5 months. No proposal by others quite satisfies them. There must be further study, speeches, conferences, delays. By weakening or wearing out their associates, they maneuver things to a place where they can stage a coup or get control of election machinery so a rigged election gives them dominance.

When they move into complete control, as in Bulgaria a few months ago, and in Rumania last week, then the third stage begins, called "sha t'ou," or cut off the head. They promptly cut off the heads, politically if not actually, of their former associates in the coalition. Witness Petkov and Maniu as the most recent examples.

Those three terms were the best and most succinct description I had heard of the skillful techniques by which the Communists everywhere proceed through pretended cooperation into a coalition where they systematically bring about deterioration until an organization or nation is weakened, the people confused and desperate, so they can seize power. Then they move swiftly to the ruthless destruction of all opposition.

So this war of ideas is critical because, if we don't win it in western Europe and Asia now, before they reach the third stage, then we will have a military war, and under most difficult circumstances.

HOW STRENGTHEN AMERICAN "VOICE"

To win the war of ideas will require a far larger concept of the real task, a much bigger program, in my opinion, than has been generally realized. It must be a program both of action and of words.

When we were talking with the prime minister of one country about the American information program and how we could improve it, he said: "If there are also coal and wheat, then the information program is invaluable; but if our people do not have coal and wheat, then the information program alone won't do the job." That is certainly true. But it is also true that no matter how good our deeds, the words are also necessary.

May I in passing suggest two or three improvements necessary in the information program, if it is to succeed. First of all, it must be run by people who really believe in the United States of America, people who are as enthusiastic about our basic system of freedoms and have the same sort of zeal for and devotion to the basic political and economic concepts on which this Nation was founded and grew healthy and strong, as the adherents of communism and nazism have for those systems.

Then we have got to have people handling the program who are professionally top-notch, people who can do a bang-up job, just as good a job of selling our basic ideas of freedom and democracy as others do of selling soap.

We must study and build our program, not only on what we have to tell, but on what those people want to hear. For example, in Bulgaria people said, "Why do you spend 15 minutes of your Voice of America program giving us American jazz? Our people do not understand or want to hear American jazz. They don't listen."

I thought of the Norwegians and the Swedes up in my district in Minnesota. How many hours the local radio stations play the polkas and the schottisches of the old country, which they naturally love to hear. Why do we not give the people in other countries more of the kind of programs and books and films and press releases and lectures that they understand and want? That is the way to get them to listen or see or read our material, and have confidence in it. Then they will hear what we say when we have most important ideas to present to them. The British are doing a better job professionally than we, in plenty of places.

It has been suggested that we change the name of our radio program from the Voice of America to the Voice of Freedom or the Voice of Liberty, and I approve. It should be such a program that people in other countries will want to listen to it not because it is from America, but because it mobilizes the spirit of all who love and will fight for freedom. Let them feel that they are participating in this crusade even through listening.

It is our ideas that we want to sell, not ourselves; and not just indoctrination in some American customs and habits in which they are not particularly interested.

Then, again, in our attempt to avoid any possible criticism that we are giving too favorable and not a balanced picture, we have leaned over backward too far. If anybody in the United States, no matter how insignificant or unimportant, makes a statement criticizing our Government or our policies,

that is always given prominence, even though it may not represent the opinion of 1 percent of the people.

I see no need to do that sort of thing, and certainly no advantage. We should not attempt to give a false picture—we do not need to. And we should not attempt to conceal anything that is true about America. But we ought to get our picture into proper balance with stress on the great advantages of life under such a government as ours, despite the admitted weaknesses.

For example, Ivory Soap is not sold on the basis of advertising that it is 0.56 percent impure, although that fact is not in the least denied or concealed. It is sold by emphasizing that it is 99.44 percent pure. Likewise, we can properly, with perfect truthfulness and with far more effectiveness, call attention to the good without in the least concealing the bad.

AMERICAN HELP TURNED THE TIDE

Mr. Chairman, it has been our help, since last March, which I think has turned the tide against communism in Greece and France and Italy. When we talked to the Italian Cabinet it happened to be the second day after an all-night, or practically all-night, session, at which three motions of nonconfidence in the Government had come to a final vote. The Government of Italy had hung in the balance. It was a crucial moment. Just before the vote the announcement was made of America's relinquishment of her claim to a share of the Italian Navy. The delegates, all but the Communists, rose and cheered. De Gasperi and his Cabinet won.

We congratulated them on the victory and were told: "It was not a victory for us; it was a victory for America." It was what America had done during the preceding months in support of free peoples in Europe which had won. It had given them hope, they had rallied their courage and had saved the Italian Government from going down.

We have turned the tide toward freedom. Now it is incumbent upon us, it is imperative for us to accelerate that tide, to carry through to full success. It is useless to give to any of these countries less than enough to enable them to resist the threat of their independence. In fact, it is worse than useless, because after we built them up, then somebody else would take them over and use what we gave them against us.

It is likely to be useless also if we do not give enough to win on all fronts, on all the boundaries of that great land mass which is controlled by a handful of individuals in Russia forcing their will upon all their own people and on their neighbors.

ASIA VITAL TO EUROPEAN RECOVERY

And that brings me to the question of Asia. I think we have got to win in Asia, too, or we will ultimately lose in Europe. I cannot myself vote to put some $20,000,000,000 into holding the line on one front and then ignore another front equally vital to our future.

Asia is vital to the program in Europe, because it will be all but impossible for England, Holland, France, and several other European countries to get back on their feet, despite the assistance of the Marshall plan, unless they are able to return to something like the prewar pattern of trade that they had with Asia. And the key to the situation in Asia is China. If China is taken over by Communists, how long can India, Malayasia, the East Indies, even the Philippines, resist the pressures?

JAPAN'S FUTURE

In Japan it is perfectly clear that the great problem today is not to get the Japanese to want to build a democratic nation. Plenty of them have caught the idea and are making unbelievable progress. The problem in Japan is how to get her economy on a sound basis and her security assured, so that the United States can withdraw her subsidies and her soldiers as soon as possible.

There simply is no way we can ever get Japan on a self-supporting basis until she can have access to the raw materials and the markets of Asia, and particularly of China and Manchuria. How can she do that when China is being systematically plunged deeper and deeper into chaos and economic disorganization, or if China is taken over by the Communists and an iron curtain comes down there as around eastern Europe?

We disarmed Japan. We wrote into her constitution that she shall never go to war again and hence shall have no army. If China is controlled by the Communist armies how will Japan be defended when American troops are withdrawn? She too will have no way of keeping out of the Soviet fold where all her technical abilities will be turned against us.

An American doctor on General MacArthur's staff told me that it has recently become difficult to get Japanese doctors to work with the occupation forces. I was astonished. I said, "Do you mean to tell me that even scientific men, and humanitarians, are hesitant to work with you in a program to build up public health in Japan? Why is that?"

He said, "Because our failure to have a firm policy with respect to the spread of Communist control on the continent of Asia, such as we have with respect to the spread of Communist power in Europe, is leading the Japanese people to believe that we are likely to walk out on them as we have on China, leaving them to the mercy of Russian, Chinese, and Korean, as well as Japanese Communists, who will take over, seize those who worked with the Americans, brand them as quislings and cut off their heads."

The Japanese know we fought rather than accept their splitting of China. Then they see us failing to support against Russia the Chinese Government we supported against them. They can only conclude that we are so politically immature we are likely to leave them too to be taken over by the Communists whom they see sweeping over Manchuria and north Korea and China.

General MacArthur's extraordinary success in Japan will stand or fall on what happens in China. Unless we are willing to abandon Japan, and all our promises and our labors there, we must either help China stop communism, as we are helping Greece, or we must pour American dollars and American soldiers into Japan endlessly. Take your choice.

KOREA'S PLIGHT

Look at Korea for a moment. I spent some time talking to one of the Korean leaders who for 40 years never ceased to fight against Japan for Korea's freedom. The Koreans are greatly discouraged and disillusioned about us. We came in and promised elections and a democratically chosen government, but we have not been able to carry out our promises—largely because we hoped, and still hope, for an agreement with Russia that will reunite north and south Korea. We have spent all these months trying to solve on the international level the problems we created for Korea by splitting her with Russia. In a sense the Koreans have been used as pawns in our struggle with Russia and have lost much of their confidence in us.

The Koreans told me frankly—several of them—that they are economically worse off today under us than they were under the Japanese, which was a rather startling statement, but I do not think it can be refuted. They prefer us, if there is hope they will get their freedom. But not if we are just a transition stage from control by the Japanese to control by Russia.

I said to this Korean leader, "What should we do now to be most helpful to you? Should we delay elections still further in order to try to get a United Nations committee to come in and supervise an election for all of Korea, or for south Korea? Or should we go ahead at once on our own to set up the provisional government we promised?"

He said, "It does not make much difference what you do or do not do now. There is no way you can get an independent Korea that will be secure and self-supporting until you solve the Communist problem in Manchuria."

I asked various other questions, to all of which he replied in substance, "There is no way you can solve the problem so that we can be independent and secure until you help China remove the Communist menace in Manchuria."

CHINA KEY TO ASIA

The program to which we are committed, of working for the independence of certain nations in Europe and Asia, is likely to fail, in my judgment, unless we make progress quickly on the internal situation in China. What is the situation there and how did it get that way?

The first explanation, and the easiest, of the confusion and disorder in China is the fact that the Chinese went through 8 years of war. That would be enough, I think, to cause considerable trouble in almost any country. Georgia did not look very good after a year of Sherman. China had 8 years of defeats and invasion and occupation, with disruption of her communications and destruction of her economy, along with all of the break-down, the moral break-down as well as the economic and social break-down, that go with so long and exhausting a war. The miracle is that she was able to stay in the war at all under such difficulties.

COMMUNIST PLAN TO DESTROY CHINESE GOVERNMENT

But there are additional causes besides those due to the Japanese war. The first is that the Chinese Communists have had a systematic plan all these years to destroy the Government of China. I would like to read to you a directive that was issued to his followers by Mao Tseh-tung, the Communist leader, in October 1937, just a month after he had entered into a solemn coalition with Chiang Kai-shek, following Japan's attack in July 1937. The Communists had reached the end of their rope. They were down to a few thousand men isolated in five or six counties. Japan's attack saved them. They pledged themselves to abandon their activities and fight loyally with Chiang against Japan—but their real purposes were contained in the secret directive.

I have read it to hundreds of audiences during the last 6 years or so, but almost nobody took it seriously. Now it reads like a book of prophecy:

"The Sino-Japanese War affords our party an excellent opportunity for expansion. Our fixed policy should be 70 percent expansion, 20 percent dealing with the Kuomintang, and 10 percent resisting Japan."

That is precisely the policy that they followed, 10 percent of their efforts devoted to resisting Japan, just enough to get the acclaim of the world as being Chinese patriots, while they devoted 90 percent of their efforts to expanding their forces and their territory and to harassing the Central Government of China, with the object of knocking that Government out as soon as they could.

Then Mao continued in the directive:

"There are three stages in carrying out this fixed policy:

"The first is a compromising stage—"

That would be the "k'ou t'ou"—

"in which self-sacrifice should be made to show our outward obedience to the Central Government and adherence to the Three People's Principles—"

The basic principles of the Kuomintang laid down by Sun Yat-sen—

"but in reality this will serve as camouflage for the existence and development of our party.

"The second is a contending stage—"

That is the "yao-t'ou"—

"in which 2 or 3 years should be spent in laying the foundation of our party's political

and military powers, and developing these until we can match and break the Kuomintang, and eliminate the influence of the latter north of the Yellow River."

That has almost been achieved. It may be an accomplished fact shortly, if we continue to delay help to our hard-pressed ally.

"While we are waiting for an unusual turn of events, we should give the Japanese invader certain concessions."

Which, of course, they did, after it was clear "Mother Russia" was safe, and when it worked to the disadvantage of the Chinese Government.

For example, Japan made her last all-out drive on China in the summer of 1944. It began right after Japan made some sort of agreement with Russia in February, as I recall. It is an agreement whose full details we have not been able to ferret out, but among other things the Russians granted Japan fishing concessions in Russian waters for 5 years, as against 1 year previously, thereby giving Japan assurance of her major protein food supply for the next 5 years. Apparently assurances were also given to the Japanese that they would not have anything to fear from the Russians in Manchuria, because immediately after the agreement, the Japanese began to pull their crack Kwantung army, their best divisions, out of Manchuria where they had been all during the war, and moved them south through Communist-controlled territory, in an effort to knock out the Chiang Kai-shek government in southern and southwestern China. Trainload after trainload of Japanese troops and supplies went through the Communist-controlled territory for weeks, and not a train was reported wrecked. Evidently "certain concessions" were given to the Japanese.

Contrast that with the fact that, when the Central Government, after the surrender of Japan and under instructions from MacArthur, the supreme commander, tried to move its trains north through that same territory, up to Peiping and Manchuria to take the Japanese surrender and disarm the troops, the Government trains were wrecked and the rails were torn up by the Communists for mile after mile after mile. No "concessions" were given to the Chinese Government by the Communists.

Then Mao Tseh-tung further said in this directive:

"The third is an offensive stage, in which our forces should penetrate deeply into central China, sever the communications of the Central Government troops in various sectors, isolate and disperse them until we are ready for the counter-offensive and wrest the leadership from the hands of the Kuomintang."

That is, ready to destroy the Government of China. The Communists are entering this third stage—the "sha-t'ou" stage. In the last few weeks, they have moved south across the Yellow River, down into central China, to "sever the communications of the Central Government troops in various sectors and isolate and disperse them."

That was and is the plan, known since 1937. The incredible thing is that some of our leaders insisted on ignoring it, as some ignored Mein Kampf and others ignored the Communist manifestos. Instead of listening to the Chinese, we told them. We thought we knew better than they; and as a result, China, which would have been the greatest bulwark of peace and security in Asia, is in danger of itself being dragged behind the iron curtain and having its resources and manpower used on the other side against us.

I was in China 3 years ago and when I came home I reported to you in the Congress that there was in China widespread and inevitable deterioration—of all sorts.

ACCELERATING INTERNAL DETERIORATION

Today the deterioration is quite understandably still worse, except that the health of the people, and the nutrition, at least in the large cities I visited, is better now than it was then, largely because of the food shipped in through UNRRA, and because fortunately there have been no widespread droughts or very extensive floods in the last 2 years. They have had fair crops in most places, and, if the Communists would allow them to distribute commodities through the country, there would be little or no starvation in China now.

The economic situation is deteriorating alarmingly. But when you consider what China has had to endure, it is not surprising that things have at last gotten out of control. China has had progressive inflation for 10 years, due to blockade, inability to export, expansion of currency to pay war expenditures, etc. It is remarkable that they were able to hold it down as well as they did for 8 years. I dislike to think what the United States economy would be like if we had suffered the last 10 years as China has, if we had had such loads placed upon our economy on top of all the destruction, first from the Japanese, and now still worse, from the Communists.

Here again the Communists have proven themselves brilliant as usual. The one commodity in China that ties the economy together more than anything else is cotton textiles, because cotton cloth is the one thing that all Chinese have to use. It is the industry where labor is best organized and best infiltrated with Communists.

The Communist guerrillas waited this year until the cotton harvests were in, and then, within the last month or so, they suddenly cut almost every artery of transportation—railway, highway, or waterway—whereby the cotton could move from the fields to the great cotton textile mills in Tientsin, Tsingtao, and Shanghai. If cotton from America or elsewhere does not reach China within the next few weeks, those textile mills may have to close down and hundreds of thousands of men and women will be thrown out of work. There will be well-organized riots against the Government and that could start a chain of disorders precipitating the fall of the Government.

The political deterioration and the moral deterioration are serious. The break in morale of Chinese people, especially at higher levels, is even more serious. They are discouraged as I have never seen them before. Many among the educated classes suffering terribly from depreciated incomes are approaching the desired state of despair where they are tempted to resign themselves to communism, thinking nothing could be worse than their present conditions.

PROPAGANDA TO DISCREDIT CHINA

In addition to the carefully planned and executed attempts to destroy the government in China, there has been an equally skillfully executed plan to destroy the government of China abroad—that is, to discredit it by a systematic, organized propaganda campaign, in the United States and elsewhere.

It, too, began in March 1944, just after Russia made the agreement with Japan which freed the Japanese troops to move from Manchuria down into China. Apparently, Moscow, already confident of victory over Hitler, and having diverted Japan's strength from Russia to China, sent out the word to start the campaign of vilification of China, for it began all over the United States, just as if one man had pulled a switch and all the lights went on at once.

The propaganda, as you know, was largely led by about 20 or 30 writers and lecturers and commentators in America, and by some men who became Far East advisers to our State Department or experts on the staffs of organizations supposedly dedicated to enlightening the American public on Asiatic affairs or foreign policy. There were some of the group in what has become widely known as the Red cell in the State Department—the far eastern office. It has been openly said that some of these experts, both in and out of the Government, are members of the Communist Party, although I have no personal knowledge of that. But certainly they have consistently followed the party line with respect to the Chinese Communists. One of them openly boasted that, while they had not succeeded in all they wanted, at least they had gotten rid of Grew, Hurley, and Hornbeck, who were the three in the State Department who knew the facts about the Communists' wiles and who tried to carry out Roosevelt's policy of supporting the Central Government of China.

The propaganda began in this country in 1944 with the usual character assassination, especially with smears against the Generalissimo. You probably have forgotten them by now, but they did great damage—such things as alleged family troubles, moral charges, and so forth, all of which were completely untrue, but which helped to start the undermining of confidence by the American people in the leadership of China.

For almost 4 years the propaganda has gone on relentlessly. The emphasis is constantly upon the weaknesses of the Chinese Government, and nobody can deny some exist. The impression is given that there have been and are no strengths in the Chinese Government, whereas the facts prove the latter far outweigh the former—although China cannot recover without help any more than England, France, or Italy can.

CHARGE THAT CHINA IS UNDEMOCRATIC

Charges are made, just to mention a few of the commonest ones, that the Chinese Government is undemocratic. That, of course, is true, according to our standards. But according to China's standards, her present Government is unquestionably the nearest to democracy she has had in hundreds, if not thousands, of years. And it continues to move in the direction of the democracy to which it is pledged, just as the Communists are pledged to ultimate dictatorship.

The convention to establish a constitution was called to meet in Nanking November 12, 1937. But Japan plunged China into war in July 1937. That delay certainly cannot be blamed on the Government.

When the war was over and the long-delayed constitutional convention was called, the two parties which had clamored loudest for a constitution, refused to participate—the Communists and the Democratic League.

The Democratic League originally was a coalition of so-called liberal groups. Eventually the genuine liberals had to withdraw, just as the true liberals withdrew from the American Labor Party in New York when they discovered that it was largely being used by the Communist members, as a cloak, as a screen for their own activities.

Just so, the true liberal elements in China, the non-Communist elements, including the Young China Party and the Social Democratic Party withdrew from the Democratic League. I talked to the leaders of both those liberal parties. Both are today participating in the Chinese Government. But the left wing remained in the Democratic League, and, while pretending that it is a liberal party, continues to obstruct all efforts to establish China's new democratic constitution.

When General Marshall went out to China, the Communists posed as "democrats," dragged out negotiations, stalled for time, worked feverishly to expand their power and then when they had succeeded during the "truce" in expanding the territory under their control from 60 to about 300 counties out of some 2,000 in China, they took off the mask, blasted General Marshall mercilessly, until he himself wrote:

"The course which the Communist Party has pursued in recent months indicated an unwillingness to make a fair compromise. It has been impossible even to get them to sit down at a conference table."

It is possible to get agreement in almost any controversy, no matter how great divergence there is at first, if both sides really want an agreement. But, if, for any reason, one side does not want an agreement, then there is no way to get an agreement. We have learned that the hard way with respect to Communists; at Moscow, Paris, Lake Success.

The Chinese had learned it in 1927; unfortunately, we refused to learn it until 1947—20 years late.

FAILURE OF MARSHALL MISSION

Of course, Secretary Marshall's mission was doomed before he started, as plenty of persons who knew China and who had dealt with Communists, in China or elsewhere, advised. But the thing that made certain his failure to get the Government of China and the Communists together was a sentence in the public statement the President issued on December 15, 1945, announcing the purposes and conditions of Marshall's mission. I have not been able to find out who wrote this sentence, who phrased it as it is, but it is the hooker which made it impossible for him to succeed. I read from the last paragraph, which begins:

"As China moves toward peace and unity along the lines described above."

Those lines were, first, establishment of a coalition government; and, second, disarming or integrating the Communist forces into the government armies, the Communists themselves to become a political party instead of an armed rebellion.

"As China moves toward peace and unity along the lines described above, the United States would be prepared to assist the national government in every reasonable way to rehabilitate the country"—

And so forth. Of course, it sounded innocent enough. Americans who don't understand Communist jargon approved; the left wingers, who do understand it, cheered. Why shouldn't they? There was no chance for General Marshall to get unity after that one sentence was published, because it told the Communists of China exactly what they needed to know in order to encourage them to resist unity. It told them that if China achieved peace and unity, then the United States would support the Government of China; which meant that if it did not get peace and unity, then we would not support that Government. So that all the Communists had to do to cut off American aid to that Government, and thereby destroy it, was to see to it that China did not get "peace and unity."

Never was a great soldier sent on a mission that was more hopeless than that on which General Marshall was sent. The cards were all stacked against him before he left—in my judgment, by people here at home.

If the President's statement had said: "As China moves toward better government, wider civil rights, greater democracy, more efficiency, less corruption," and so forth, "the United States would be prepared to assist—" that would have been a legitimate set of conditions and within the power of the Chinese Government to fulfill. But instead we laid upon that government conditions which we placed in the hands of its opposition.

The only way to get unity with Communists anywhere is to surrender to them. We had no right, wittingly or unwittingly, to lay down such conditions.

The answer to the charge that the Chinese Government is not democratic, is to say that of course it is not democratic yet; but it is trying to keep China free, and if it stays free, it can and will become a more democratic government. The pressures toward democracy in China are so great that no free and independent Chinese Government could resist them, even if it would, provided that that government is not in a war for survival. Any Chinese Government that is independent will inevitably move toward greater freedom and democracy and wider civil rights. But a government which is under the Chinese Communist Party, subservient to Russia, will be no more free and can no more move in the direction of greater civil rights and democracy, than can the one in Poland. The only hope of getting democracy in China is by helping it defeat the Communists.

I do not know when if ever before in history, some 30 or 40 persons in and out of a government, have been able to lose a great victory so almost completely as this handful of Communists, fellow-travelers, and misguided liberals in America has succeeded in doing with respect to the victory over Japan which 4,000,000 brave Americans won at such a cost in blood and sacrifice. I do not like to make so strong a statement, but I do not see how anyone can look at the facts and come to any other conclusion.

CHARGE THAT INEFFICIENT

The charge of inefficiency has been constantly leveled at the Chinese Government, as if that were an adequate reason for withdrawing American support from an ally. Well, the Chinese Government, a young government struggling against almost insuperable obstacles after 4,000 years of absolute monarchy, had not become an efficient government before this war, and the war inevitably reduced its efficiency as with every other refugee government of an invaded country. Then the war ended suddenly. The Chinese Government had to try to set up a dozen provincial governments and move back hundreds of miles and take over all at once. Some of those provincial and local governments were exceedingly bad.

May I inquire of you gentlemen who come from States in the South how efficient were the governments that the North sent down into the South after the Civil War. Do you think those that came into Mississippi and Alabama, in the carpet-bagger days, were 70 percent efficient, even after 10 years? The same sort of thing took place in China, I am sorry to say.

I would even ask General Marshall if the army that he commanded was 70 percent efficient in the use of its funds. Most of the GI's with whom I have talked thought that at least 50 percent of the money used by our armed forces was wasted.

I make no attempt to whitewash inefficiency anywhere. I merely say that we ought to look at inefficiency in China in terms of the over-all picture, and with a sense of perspective, and in terms of what the alternatives are.

REMARKABLE ACCOMPLISHMENTS

On the other hand, the stories of inefficiency which are always well publicized can be matched with records of great accomplishment which are seldom mentioned. The Chinese went into Manchuria, and despite opposition from the Communists, and Russian blocking of the major port, got many industries going in a remarkably short time. The Communists had torn up the railroad south of Changchun, and the best experts that we had in China said that the Chinese could not rebuild it in 6 months. They completed it in 4½ months. The first train was to run over it on China's national holiday, October 10, a month ago. Just the week before, the Communists tore up 70 miles of new railroad, turned the track upside down, ignited the ties with kerosene, so that the ties got burning along the whole 70-mile strip. The heat twisted the rails so they are useless. The railroad is gone. But the Chinese had built it in a month and a half less than the Americans said it would require.

Today, Nanking is again a boom town. I had not been there for some years, but reconstruction and new construction there under this allegedly rotten, incompetent government are greater than I saw in any European city except perhaps Warsaw.

One of our military advisers to the Chinese Government told me that they could never ask for more wholehearted and effective cooperation anywhere than they have received from the Ministry of National Defense. Together they worked out a unification program. They streamlined the organizational set-up of the Chinese Army, Navy, and Air Force, from the ministry on down, and it is a better set-up than we were able to get here in our armed forces unification bill, because we had to save the faces of some of our present officials and officers.

Under this reorganization, the Chinese have reduced the civilian employees of the Ministry of National Defense from 80,000 to 20,000. I wish there were some way we could get some of those "inefficient" officials of the Chinese Government to come over and help us get half as big a cut in desk personnel in the Pentagon Building.

I wish we would take the restrictions off our military advisory commission in China so that it would be permitted to help the Chinese streamline and get efficient organization in lower echelons, too, those that do the fighting.

The Chinese Government in all areas that it controls has resumed the establishment of health centers that the war interrupted. I visited some and was struck by the number of Chinese women volunteers, under government sponsorship, who are working their hearts out trying to get better health for their people, better maternity and child-care centers.

I am able to say confidently that at least in the upper one-fourth or one-third of the Chinese Government there is as high a percentage, if not higher, of very able men and women, working at greater personal sacrifice and under far greater difficulties in their efforts to improve their Government and serve their country well, as there is in Washington or any other government that I have visited.

The salaries of top officials today are about $30 or $40 a month. Most of those men are exceedingly high grade and well trained. Some have other resources which they are using up in order to keep going. What about officials who don't have private resources?

CHARGE THAT CORRUPT

That brings me to the next charge—that the Chinese Government is corrupt. Of course, there are corrupt people in it. I will admit that there are corrupt people in the Republican Party, and I do not think members of the Democratic Party will claim that there are no corrupt persons or machines in that party. But that does not mean that the parties as such are corrupt. Just so in China. Graft is a centuries-old problem. It was not created by the present Government; it is what that Government has been struggling with, and with remarkable success until the war began 10 years ago, since which time the Government has had its hands full trying to keep China an independent country.

Corruption has been in China for thousands of years and will be there a long time after we have passed on. But no one can deny that the present Government is far better, even under the strains of war and inflation, than were the war-lord governments it replaced, and the war-lord governments were better than the Manchus they followed. Corruption, like most things, is relative. We haven't too good a record ourselves. The important thing is the direction in which things are moving over the decades.

Furthermore the Chinese as an old and mellow people seldom have absolute standards. If the Government cannot pay adequate salaries and the only way a man can feed his children is by what we call graft, bribes, and so forth, they say, "But there was nothing else he could do."

You may ask, "Why does not the Government pay its officials and civil servants more?" Because, until it can win the war and get the economy going so its military expenditures can be cut down and its revenues increased, it can pay higher wages only by printing more paper money. But that would lead only to still greater inflation. The value of the money would go further down and at the end of the month they would not have any more purchasing power than they had before.

The Chinese are up against the problem of terrible inflation, and they cannot solve it without help from us, any more than Greece or France can without help. You can be sure the Chinese do not like the situation. But just what can they do? I wonder what we would do under the same circumstances.

General Lucas, who is the head of our military mission in China, told me that he was ashamed last winter when he saw how the high Chinese officials with whom he dealt were sacrificing their own comforts in order to provide coal at some twenty-odd dollars a ton to keep every American officer and his family comfortable in Nanking. When he went over to see the Minister of War, General Pai Chung-hsi, he found his house unheated.

I repeat, that among the Chinese at the top there is a higher percentage of men of great ability working at almost impossible tasks with greater sacrifice and less reward than I know of among comparable officials here in my own Government. Most of us here are pretty comfortable.

I talked to the mayor of Peiping, a man who years ago was a student in this country. He studied philosophy at Beloit College. He got his master's degree in political science at the University of Chicago. He went back to China to teach and inspire young men with his ideas on building the new China. They asked him to go into politics, to start applying the needed reforms, and he became Governor of Shantung Province. He was not a war lord; he was a college professor. Yet for 7½ years after Japan struck, the man was out in the mountains, trying to hold his provincial government and his poorly equipped and half fed troops and his people together against the Japanese invader. He hid out in little boats on the river and canals when the Japanese almost caught him on the land. For 7½ years they hunted him, while he struck back at them to wear them down. His wife and children were captured by the Japanese, who sent messages saying that if he did not surrender they would kill his family, or that if he attacked Tsinan, the capital, they would put his wife and family in the front line; yet for 7½ years he held on, underfed, underclothed, cold, yet fighting on for his country, and for ours. He said to me, "It hurts me when your papers say that our Government is all corrupt."

Let me sum this up by saying that the real test is the record. There is plenty of corruption in China, but no party or government that is wholly corrupt and unworthy of support could ever have accomplished what the Kuomintang Party has. How many political parties in history can surpass or even equal its record?

It overthrew the Manchu dynasty after 267 years of despotic control.

It succeeded in eliminating all but one or two of the war-lord governments. It would have had them out, too, if Japan had not attacked.

It united China under a Chinese Government for the first time in almost 300 years.

It succeeded in getting China free from more than a century of imperialistic domination by foreign powers.

It inspired and guided, between the years of 1932 and 1937—the only 5 years of peace it has had—a program of reconstruction and development, of democratization and modernization, of improvement in education, communication, transportation, and public health that cannot be surpassed by any large nation in history in a comparable period of time.

It saw the nature of totalitarianism of the Japanese Fascist type long before we did, and fought against it for 8 years—alone for 4½ years, long before we had sense enough to recognize its nature and to know that the Chinese were fighting on our side, too.

It saw the nature of totalitarianism of the Communist type 20 years before we did and has resisted it alone, not just since March 1947 when our Government finally woke up but since 1927. It is still resisting still practically alone.

Show me another party with a better overall record of actual accomplishment. Unfortunately, we were skillfully told only its weaknesses—and they are there; we were not told of the enormous strengths in China, and believe me, they are there too.

STRENGTHS AS WELL AS WEAKNESSES

We Americans ought never to forget this one fact, which outweighs every other consideration—namely that when our fleet lay at the bottom of the sea and Japan had carried out in 6 months the single greatest conquest in the history of warfare, only one thing prevented her from completing and organizing her new empire and turning all her efforts against us. It was this—the keystone was missing. Old, so-called backward corrupt undemocratic, inefficient China refused to yield. Chiang could have had peace on very generous terms and saved his people most of the suffering and the economic dislocation and the Communist civil war. Instead, he chose to buy for us the precious months and years in which we could rebuild our fleet and capture the islands, one by one, and build the atomic bomb and ultimately bring our superior air power and the bombs to bear upon Japan and give her the final blow.

That is the fact that takes precedence over every other in the picture. China held the line. Does that count for nothing with us?

There are strengths in China, including moral strengths, and let nobody ignore or underestimate them. The Nation is now terribly weak from the suffering and exhaustion through which she has gone. Have we no sense of obligation or responsibility to help her in the peace as she helped us in the war—and with help that really will help?

CONFUSION IN AMERICAN POLICY

For us not to help China, because her Government is portrayed as unworthy of support, is not only being victims of distorted propaganda; it is ignoring our own history and our own interests. A great American out in the Far East said to me, "For the first time in the history of our relations with Asia, we have endangered the paramount interests of the United States by confusing them with an internal purification problem in China. It may prove to be the greatest single blunder in the history of the United States."

That is the best description I have heard of our policy—"confusing the paramount interests of the United States with an internal purification problem in China."

Let me review a little of our history on this point. In 1899, when the other nations were dividing China up into spheres of influence, the United States announced the "open-door" policy through John Hay, Secretary of State. We insisted on support of the Government of China against all efforts of the British, the French, the Japanese, the Russians, and the Germans to divide her up. Why did we support the Government of China? Because it was democratic? Or liberal? Or efficient? Or free from graft? No; it was the old Manchu government, one of the rottenest governments in history. We supported it because we saw that the most important thing was not that the government be democratic, but that it be a sovereign Chinese Government. Under a Chinese Government desired changes would be at least possible; under foreign governments, they would not be possible. We kept first things first.

FIRST THINGS FIRST

In 1922 the Washington Conference was held at a time when there was another attempt to divide up China, this time spearheaded by the Japanese. We did not then make the present mistake of failing to support the Government of China against outside powers, even though the Government of China that we pledged in the Nine-Power Treaty to support was completely undemocratic, inefficient, and corrupt; it was the war-lord government. We supported it because we saw clearly that the all-important consideration was that the Government in China be Chinese and not subject to any foreign power.

Come down to 1941. In the note which Cordell Hull handed to the Japanese envoy on November 26, 1941, certain conditions were laid down for a return to normal relations between Japan and the United States. The one condition which the Japanese would not accept and which led directly to the war with us was as follows:

"The Government of the United States and the Government of Japan will not support—militarily, politically, economically—any government or regime in China other than the National Government of the Republic of China with capital temporarily in Chungking."

That was the very same government we now say is unworthy of our support. Was it democratic then? No; not as much so as now? Was it efficient? No. Did it have wholly honest administration? Certainly not. Yet we went to war with Japan rather than have China, or even just Manchuria, come under the complete control of an expanding foreign power. We did not make the present mistake of confusing our paramount interests with the problem of purifying the Chinese Government. We had sense enough to remember that the key thing was to have a government dominated by Chinese and not by a foreign power. We kept first things first.

And in August 1945, as part of the bargain at Yalta, we got the Russians to sign an agreement with China, in which they, too, promised to support the Central Government of China. May I read from that treaty signed August 1945:

"In accordance with the spirit of the above treaty, and for the implementation of its general ideas and policies, the Soviet Government is ready to render China moral support and assistance with military equipment and other material resources, this support and assistance to be given fully to the National Government as the Central Government of China."

As a result of Russia signing that agreement the Communists knew that their hopes were shattered. There was nothing Mao-Tseh-tung could do but come to terms. He got into a plane and went to Chungking to work on a political, rather than military, settlement. He assumed, of course, that after we had supported the Chinese Government, no matter how bad it was, for almost 100 years as our basic policy in Asia, and after we had forced Japan to support it and had persuaded the Russians to support it, we, too, would continue to support it.

TRAGIC REVERSAL OF UNITED STATES POLICY

Up to that point we had kept first things first in Asia. If we had continued to do so there would not have been any civil war in China. Or, at least, it couldn't have been of any magnitude. China could and would have

resumed her march toward better government and the reforms we say we want.

But instead we made one of the most amazing reversals of history. Instead of supporting our ally, the Government of China, we chose the very moment of the success of our own policy, to abandon the policy; and to withhold our support from China unless the Chinese Government first achieved "peace and unity" with the Communists.

We adopted the Communist line that to support Chiang would lead to civil war, when in reality it was the only way to prevent civil war.

When we announced that all Mao had to do to block American aid to Chiang was to block peace and unity, naturally he went back to Yenan to block peace and unity. Like Gromyko and Molotov at other conferences, he stalled along the negotiations under General Marshall until he had gained control of much of north China and Manchuria. Russia helped enormously, in violation of her treaty, but I can hardly blame Russia for not helping the Government of China as it had promised when we ourselves intervened against that Government in favor of the Communists by halting shipment of lend-lease ammunition we had promised to China, and military airplanes, and a loan already authorized and earmarked.

Victory was in our hands in Asia, and we threw it away. The anti-Kuomintang and pro-Communist propagandists, and Russia, won. America and the Chinese lost.

PRO-COMMUNIST PROPAGANDA

Earlier I said that the Communist plan had two objectives, to destroy the Government of China at home by economic, social, and military measures, and second, to discredit it abroad. As a matter of fact, there was a third part to the strategy, namely, to sell the Chinese Communists as the great heroes and patriots and liberals of China, whom we should support.

AGRARIAN REFORMERS?

We were told endlessly that the Communists were just agrarian reformers, trying to get land for the poor peasants of China. Of course, the picture was painted to suggest there was great landlordism in China with huge estates, as in Poland, Rumania, and other European countries. That was a false picture, but few Americans knew enough about China to recognize the deception.

Actually, there is less landlordism in China than in the United States. Sixty-one percent of Chinese farmers own all their own land, whereas only 58 percent of American farmers own all their land. Landlordism as ordinarily understood has not been the major problem in China. The major problem is not wider distribution but better utilization of land.

The Communists call a landlord anybody with more than 3 acres of land, and set up a cry to take it away from him without recompense. Their primary purpose in China, as in Poland, is to bribe the people to come with them and get something for nothing. It is a smart plan, although completely immoral.

I was told that if an election had taken place in north Korea last year the Koreans would have voted overwhelmingly for the Communists, because they had taken the land of every person who had more than 3 acres and distributed it to the landless. But I was told further that if a free election were held now, not one-half of one percent of the people in north Korea would vote Communist, because after the harvest this year, the Communists came to the farmers and said, "We have the problem of defending ourselves against the American aggressors in south Korea, so in return for our giving you this land last year, you will voluntarily contribute to us 80 percent of your crops—plus your son for our army."

In south Korea I think 25 or 30 percent might vote for communism—they haven't yet had their noses rubbed in it. I was told from all sources that in north Korea, not more than half a percent are pro-Communist now. But it is too late to repent now. Once the Communists are in control, the citizen has no recourse.

LIBERAL DEMOCRATS?

They have carried on the propaganda that they have democracy and point to the so-called "people's courts" as a proof. That too is a cheap and cruel fraud. Their people's courts are precisely like that ancient one in Jerusalem when the crowd was organized to cry "Release Barabbas. Crucify Christ." A handful of trained persons in a crowd can easily direct its decisions, especially if the people know which decision their rulers want, and that it would be unpatriotic to disagree. Such "courts" never yet led to justice. They are window dressing.

A lot has been made of the discipline and enthusiasm of the Communists, and it is true they have both to a very high degree. As I said here 3 years ago, they are almost monastic in their devotion to their cause. But that does not mean that it is a good cause or that we should support it. The Nazis had that devotion and enthusiasm. The average Nazi soldier behaved about as well in Europe, individually, as did the average American GI. They had stricter discipline on the whole. But their cause was still bad.

No one can say that the Japanese did not have almost unbelievable devotion to their Emperor and their cause, but the fact that they had devotion, discipline, and enthusiasm does not prove that it was a good cause.

NO FREEDOMS

The net result of a careful reexamination, from many reliable sources, of conditions in Chinese Communist areas is, first, that there are no freedoms whatsoever—no freedom of speech, no freedom of press, no freedom of assembly, no freedom of movement, no freedom of religion. No propaganda or camouflage can make that out as democracy.

Oh, yes, they say that you may have a meeting of your church group, if you desire. When do you want to have it? If at 11 o'clock, then you can expect to have a patriotic meeting called at 11 o'clock, frequently in the church. If it is down the street, everyone has to go to it or be tried for disloyalty. So you have freedom of religion on paper, but you cannot actually carry out the exercise of it.

SUBSERVIENT TO RUSSIA

Second, there is no question but that the Communist Party in China is subservient to Russia, and has always been, just the same as the Communist Party in Poland or Yugoslavia is, and as the Communist Party in the United States is. The latest indication of that, of course, is the way in which the Chinese Communists are following the Moscow line on the Marshall plan. The No. 1 enemy now in their propaganda is General Marshall. He is blasted every day as arch imperialist, capitalist reactionary, enemy of the common people, etc. Zhdanov announced the Soviet determination to defeat the Marshall plan. So General Marshall to the Chinese Communists becomes No. 1 Fascist and enemy; Chiang Kia-shek is now down to second; and Chen Li-fu has slipped clear to third.

After the way General Marshall leaned over backward and, in my opinion, even discriminated against the Central Government, in order to make sure nobody could say that he was favoring the Government against the Communists, it is instructive to observe how they reward his fairness and his faith in them—the same way they rewarded Petkov in Bulgaria for his faith.

They are now almost to the "sha t'ou" stage with respect to China. They think victory is almost in the bag, and they don't need to carry on pretenses much longer.

Perhaps one thing will wake Americans up more than all our arguments these many years, and that is Mr. Vishinsky's speeches.

ANTI-AMERICAN

If you will read his attacks on us and change just a few words, you will think you are reading the Chinese Communists', or their American apologists' attacks on the Government of China. Vishinsky accuses us Americans and our Government of all the same crimes and evil designs the Central Government of China has been accused of. When we know that those attacks against us are not accurate, perhaps more Americans may begin to have some suspicions regarding the accuracy of similar attacks against China. I only hope that we will wake up before it is too late.

Mr. Chairman, I think I am more aware of the defects of the Chinese Government and its personnel than most people in America can possibly be. I am aware of some defects in the American Government and its personnel, too. I also know that the first objective of an intelligent nation's foreign policy must always be its own security, and that an internal purification problem in China, important as it may be, must never be allowed to deflect us from those policies which are essential to the security of this country.

OUR ALTERNATIVES

Let us approach it this way: If we cannot decide what is best in China, because we think neither side is good, then, like a physician confronted with only bad alternatives, let us decide what is worst. What is the worst thing that could happen in China? There can be no question about that. The worst thing that could happen in China, from the standpoint of our own interests, those of the Chinese people, and of world peace, is for China to come under the Communists and become another puppet of Russia. Therefore, that is the thing that at all costs we must, if possible, prevent. If we cannot be wholeheartedly for either side, then we must at least be against that which is most dangerous. Insofar as we do not help the Central Government, we are helping that which is infinitely worse.

We must get first things first, and the first thing is not a better Chinese Government, but an independent Chinese Government. Such a government can become better and will become better. It can and will become more democratic and efficient and honest, and will widen civil rights; whereas a Communist puppet government cannot become any more democratic or liberal in China than it can in Yugoslavia.

So my position is that we must quickly take a strong stand, not against Russia, not against the Communists as such, but for that which has been our basic policy for 100 years and from which, unfortunately, we have recently departed. We must return to our historic policy of standing for "the sovereignty, the independence, the territorial, and administrative integrity of China." That phrase from the Nine Power Pact is still the best statement of the real requirements.

Why should we have fought 4 years against Japan to defend that policy and now abandon it? The first thing we must make secure is not democracy, or competence, or honesty, or even peace in China; but the independence of China. That cannot be maintained if it comes under the Communists.

SUMMARY

In summary, our failure to give vigorous support and assistance to our weakened ally, China, in the postwar period, encouraged and assisted the Communist-armed minority in its attempt to destroy the government of China. The disruption of the Nation's communications and of its economy, and the warfare which requires more than three-fourths of the nation's budget to be for military purposes are causing a break-down of

economic processes, of government machinery, and of the nation's morale to the point where the government may soon be in danger of collapse.

Such a collapse would have the gravest consequences for the United States:

1. It would bring the enormous resources and manpower of China under the control of a ruthlessly efficient and totalitarian Communist government subservient to the Soviet Union.

2. It would drastically reduce in Asia the prestige and influence of China's supposed allies, the western democracies, especially the United States, it would greatly accelerate the already rapid spread of Soviet influence in Korea, southeast Asia, India, and the Philippines. It would give new life to the Communist movement in Japan and dishearten the democratic forces there.

3. It would make impossible the restoration for Japan and Korea of their prewar pattern of trade with China which is absolutely essential if they are ever to become self-sustaining and secure without receiving hundreds of millions of American dollars every year and being defended for an indefinite period by American soldiers.

4. It would make it difficult, if not impossible, for certain European countries, especially England, France, and Holland, to restore their prewar pattern of trade with Asia, thereby endangering the success of the Marshall plan in Europe.

5. It would give Russia satellites and security all along her Asiatic front, enable her to take bolder and more aggressive action against us in Europe, relieve her of the necessity of fighting on two fronts in the event of a war, and thereby enormously increase the danger of such a war. Furthermore, it would greatly increase the difficulty of our winning it, if it came, or even of surviving it.

CONCLUSIONS

The disastrous effects of all these factors on our own economy and our security are obvious. These conclusions seem to me inescapable:

1. It is much sounder and involves much less risk to build on the existing Government in China than to have a collapse with completely incalculable risks, or to have a Communist victory. Our choice is not between the present Government in China and something better; it is between the present Government in China and something infinitely worse.

2. Immediate economic or financial measures can help China greatly in the present period of strain, but they cannot solve the situation until the military drain on China's money, resources, efforts, and morale can be reduced, and until the communications destroyed by the Communists can be restored. These objectives can be accomplished only by defeating and disarming the Communists south of the Great Wall and at least holding present positions in Manchuria, if it should prove to be already too late—tragically for China and for ourselves—to overcome the Communists in Manchuria at this time.

3. The Communists in China cannot be defeated without United States help, any more than they can be in Greece. Therefore, United States help to be successful must be military as well as moral and economic. By military I mean surplus munitions—at little or no cost to us; and an expanded program of training and advising Chinese forces at all levels.

By moral I mean a forthright statement of our support of the Chinese Government in its struggle against the attempts of the Communists to destroy it, similar to the support we are giving Greece, France, Italy, and others, even though some of those governments, too, do not meet with our full approval.

By economic I mean providing, under adequate safeguards, American grants, loans, and personnel to help the Chinese Government balance its international payments, stabilize its currency and develop specific sound reconstruction projects of great importance to the Nation's economy. Without such help it cannot improve local government and make possible better living conditions for the people, regain their confidence and full support, and thus overcome the Communist propaganda by actually doing for the people what the Communists promise.

We are not justified in doing anything unless we do enough to enable China to resist the threat to her national existence.

The amount of new money required to accomplish the above objectives is very small as compared to similar requirements in Europe.

4. Once the military situation is stabilized and the military expenditures reduced, more real recovery can be achieved in China for far less cost to us than in Europe. In fact, China could then recover, although more slowly, without any further grants at all from us, because her economy is basically sound, the country is practically self-sufficient in food, fuel, fibers, and essential raw materials, and the people have enormous industry and vitality.

5. Given peace, no independent Chinese government could resist, even if it desired to, the internal pressures toward greater democracy, more competence and efficiency, and broader civil rights. The strides toward better government would again be as spectacular as they were during the period from 1932 to 1937. It should never be forgotten that it was the success, not the failure, of the Chinese Government in giving increasingly better government, that led to Japan's attack in 1937.

6. The risks to the United States in vigorously helping the Chinese Government and people resist the ruthless attempts to subjugate them are far less than the risks in not helping. The risks in delay are far greater than the risks of such action. It must be taken at once.

The Long-Range Agricultural Program

EXTENSION OF REMARKS
OF
HON. SCOTT W. LUCAS
OF ILLINOIS
IN THE SENATE OF THE UNITED STATES
Saturday, June 19, 1948

Mr. LUCAS. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a letter directed to me by Mr. Charles B. Shuman, president of the Illinois Agricultural Association.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

ILLINOIS AGRICULTURAL ASSOCIATION,
Chicago, Ill., July 9, 1948.

Hon. SCOTT W. LUCAS,
Senate Office Building,
Washington, D. C.

DEAR SENATOR LUCAS: On behalf of the Illinois Agricultural Association, I want to express our appreciation for your very active and effective support of the long-range agricultural program which was enacted at the close of the recent session of Congress.

While this legislation is not all that we hoped for, yet I am sure that it will prove to be the first step toward a constructive program for agriculture. Your position as a member of the subcommittee of the Committee on Agriculture, which wrote the bill, together with your leadership on the floor of the Senate placed you in a key position with respect to this and other agricultural legislation.

I can assure you that the farmers of Illinois appreciate your aggressive leadership which resulted in the enactment of this long-range agricultural legislation.

I personally appreciate the consideration shown me by the Committee on Agriculture, of which you are a member, on the several occasions that I have testified before this committee.

Very truly yours,

CHARLES B. SHUMAN,
President.

Broadcast by Upton Close

EXTENSION OF REMARKS
OF
HON. RICHARD B. WIGGLESWORTH
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. WIGGLESWORTH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following broadcast made by Upton Close, made over the National Broadcasting Co. network on Sunday morning, December 7, 1941, shortly before the United States fleet was struck at Pearl Harbor:

Again from a British source comes the rumor that Japanese Premier-Dictator Tojo is going to make a declaration in Tokyo Monday (that's tomorrow), which will definitely say whether it is to be war or peace in the Pacific. The implication is that it may be peace rather than war.

Now, frankly, this repeated rumor annoys dyed-in-the-wool newsmen. If Premier Tojo is going to make a speech tomorrow why does not the news come from Tokyo or the Japanese official news agency instead of Britain? Why is it being said to America in this roundabout way? Does Britain or some element in Britain's foreign office have a tentative deal on with Japan—which, of course, cannot go through without American acceptance—and are these feelers intended to get us to give a favorable ear to Tojo when he talks tomorrow? Or is there possibly a negotiation going on with impetus from the Japanese, rather than the British side? And are the Japanese behind these prophetic feelers coming to us Americans via the British news agencies? Or is Japan planning a surprise war move tomorrow or the next day and making use of certain British news vendors to pull the wool over America and Britain while Japan completes her last plans, say a landing on the Gulf of Siam or the oil coast of Borneo or even, as the Australians seem to think, a landing on the coast of Australia.

We might even include in this category the jittery anticipation of the people of Manila that the Japanese would open the war with a bombing of the civilians of that crowded city, although no military experts could imagine a general staff so stupid as to throw away its initial advantage of surprise just to cremate a few thousands of civilians not even engaged in war work and not even belonging to the power with which the war was to be fought. No, whatever Tojo may plan to spring tomorrow, it will be something of more practical military value than the bombing of Manila if it is anything warlike at all. And while we are waiting to see, we can do nothing more valuable than to examine over and over again the basic facts of the Japanese-American clash. Here they are again.

First, Japan's side. What Japan wants is dominance now of the West Pacific and China

with the privilege of sitting on the side lines to extend her world power while European and American powers—we, who call ourselves the white nation—mutually exterminate one another. What General Tojo, nicknamed the "Razor," craves more than anything else is for Europe and America to get into a war of the continents which will last 20 or 30 years.

Japan's methods for getting what she wants are constant, well demonstrated, and there are not likely to be surprises there. She keeps feeling out, feeling out, militarily, and meanwhile talking, talking, diplomatically, but sidestepping the crush. Of course, were war once opened, she would fight to the end and then rise from the ashes and fight again. Japanese are like that.

Now what are the constants on our side? First, eternal opposition to Japan's empire building, or anyone else's for that matter, in the Pacific. We shall remain constant on that, no matter how many temptations come to us heralded by rumors via London. Second, constant on our side is the superior power both military and economic to crush Japan at any time the show-down comes, although we may have to give a lot of our time and money for the job unless some less well defined jobs in politically more remote parts of the world go in order to do it. And then we have a third factor on our side. Should I call it the inconstant constant? It is the personal element. Our Commander in Chief's mind in the matter. Just where and at what point will he use sufficient force in blocking Japan's outfeelers to make the picture war?

Now, aside from these constants, everything else—belligerent speeches or suave notes—are just straws in the wind. They show which way the wind is blowing. Or maybe we should rather call them straws on the camel's back. Perhaps in history a camel's back has been broken by a last straw. More likely, the camel suddenly shudders or bucks and pitches the load off.

The lesson that Soviet Russia and we can never be true allies—Soviet Russia and America—but only companions of the same road, and, under the present regime in Russia only playing parts in a three-cornered duel, two fighters who happen to be striking at the same opponents—that picture was all there in the arrival of the Russian Ambassador, Mr. Litvinov, and his gracious lady, Mrs. Litvinov, at Treasure Island yesterday. It was the Ambassador's show. He is a very genial and big human being, the biggest I ever knew in Soviet Russia, and everyone admires his gray-haired English wife. But this morning it is my show and my comment—and this is the way the Soviet Ambassador's arrival looked to this observer: There were, of course, the Russian worshipers pushing their way down to kiss the hem of anything not American. And some of them were in workers' clothes and some of them wore mink.

And there were the Russian war-relief people, hoping to have their cause mentioned on the air—a queer intermixture of humanitarian impulse and political purpose. And there were the cynical American newspapermen, who, failing to get any political statement out of the clever Ambassador, said to us radiomen in radio parlance: "Take him away."

And there was the Ambassador himself, as near a cosmopolitan as provincial Russia has ever produced. A man of cosmopolitan Jewish ancestry, married to a fine woman from England. He had on a blue working shirt, with no tie, and a heavy overcoat of coarse blue stuff. It was very hot in the crowded inner office of Pan-American Airways, and I invited the Ambassador to take off his topcoat, and he said, "Oh, but I will soon be going." But what he meant was that an Ambassador couldn't look more coarsely dressed than the newspapermen who interviewed him. And there were the Ambassador's words—very clever, very shrewd in their evasion—a bucket with no bottom; a piano with no sounding board; utterly hollow on Russian-American relations; showing in every word how little there is in common between these two nations, America and Russia; their cause, what they stand for, and what they will do to each other when this war is over.

The Ambassador had nothing to say about the possibility that America would fight Japan but we could deduce that that would be taken by the Soviet Government as a situation to be played for any advantages to be found in it—to be played by the Kremlin—not as a tragedy in which the heart of Russia would bleed as would the rest of the heart of humanity, but for what its political advantage might be worth to the Kremlin in its present crisis. And when he was asked what part Russia could play in the future of this great Pacific basin should blood mania poison it during the last half of the twentieth century as it has already poisoned the Atlantic during the first half—when he was asked that, the Russian Ambassador was silent because he was lost.

There was Madame Litvinov, whom I had last seen with a cheap market basket on her arm, with a house dress on, getting out of a Rolls-Royce which belonged to the Kremlin where they were Commissars—getting out of a Rolls-Royce going about the market place in Moscow in 1928 in search of stale eggs and a wisp of greens for a salad. Yesterday there was Madame Litvinov asking me to ask her no questions please about living conditions in Russia, either then or now, because then Russia had revolution and now it has war. And I thought that in this simple request of hers was the whole story.

And it seemed to me that crowded around listening, but not comprehending, were the Russian worshipers who perhaps now would have war, and if that is soon to arrive, then would have revolution. Then there was the American mother with two little American children—keen, alert, well-dressed. For some reason they had come down to be spectators of this scene. Looking out through the window emblazoned in lights as the great flying bird rested on its belly on the blue lagoon, the little 5-year-old boy said to his mother (and this was overheard by another spectator)—"Mama, Mama, what are they coming for?" and his mother looked down, a little startled, and said, "Well, I guess it's what they call for good will." The little boy looked up wide-eyed and said, "But, Mama, I thought we didn't like the Russians." And then the little girl, the boy's sister, looked down at him with all the sophistication of her sex and her 6 years and said, "But, silly, we do now." Well, there is always the lighter touch—we had it here.

The division manager of the United Airlines, Mr. Reber, who supplied the special plane for the Ambassador and his greeters from the Russian Embassy—which plane by the way arrived safely in Washington this morning at 9:41, eastern standard time—this Mr. Reber, who is a young man from Seattle and just missed being one of my students back in the days when I was a college professor there—well, Manager Reber remembered that on his Seattle route he had a very beautiful stewardess who was once a Russian countess, and Mr. Reber, thinking that Russians would like Russians, offered the Ambassador of the Proletarians the service of the Russian countess-stewardess on the special flight to Washington. The Ambassador reached the absolute heights of diplomacy in the manner in which he declined when he said, "When in Rome, I do as the Romans do, and when flying in America, I would like an American stewardess." And so he flew across the continent last night and his stewardess was Miss Flora Fish. And Mr. Reber had to do something Russian for Ambassador Litvinov and his party, so he put a can of our best Pacific-coast caviar made of salmon eggs from the Columbia River, red salmon eggs, in the larder of Miss Fish on the airplane of the Ambassador flying to Washington.

Just a few words—to finish—about the marvelous flights that have been inaugurated across the Atlantic by the Pan-American Airways—the new air line that now takes our fliers who are carrying flying boats across the route—and it is said that because we now have an air line some 20 percent of losses in airplanes now being delivered across that route to Egypt are going to be saved. It shows the difference between fliers flying on their own, and flyers flying according to schedule in an established air line.

American Legion Post of Maryland Building Its Own Home

EXTENSION OF REMARKS

OF

HON. J. GLENN BEALL

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. BEALL. Mr. Speaker, on January 24, 1945, it was my privilege to direct attention of the Congress to a project of the Bethesda-Chevy Chase Post, No. 105, The American Legion, Department of Maryland, for the erection of its own home in my district. Since that time progress has been such that the post expects to be occupying the new building a year from now. In that connection, under leave to extend my remarks, I am incorporating in the CONGRESSIONAL RECORD the following self-explanatory letter and resolutions, together with the poem, March of Freedom, by James Patrick McGovern, a member of the post, which is to be inscribed on a wall panel in the permanent home of this outstanding unit of a great war veterans' organization:

THE AMERICAN LEGION,
BETHESDA-CHEVY CHASE POST, NO. 105,
Bethesda, Md., May 6, 1948.

Hon. JAMES PATRICK MCGOVERN,
Munsey Building,
Washington, D. C.

DEAR COMRADE MCGOVERN: I want to personally convey to you my own and the heartfelt thanks of the entire membership of our Bethesda-Chevy Chase Post, No. 105, of The American Legion, for your gracious and generous proposal to make us a gift of a suitable replica of your wonderful poem, March of Freedom, to install in our new clubhouse when erected.

Your proposal was accepted unanimously by the executive committee of the post, and received as well the unanimous approval and acceptance of the post at its regular meeting on April 27, 1948. I have been directed to forward to you a copy of the resolution which was adopted at that meeting, and it is my great pleasure to enclose the same herewith.

You have indeed been most kind, and the boys who have worked so hard to erect a permanent building for our post are extremely grateful to you. I am happy to report that the order has already been given for the drawing of plans and specifications for our new building, and when these have been completed the day will not be far off when actual construction will commence. We hope by this time next year to be occupying our new building.

Again, our sincere thanks and appreciation, and every good wish for your continued good health and prosperity.

Very sincerely yours,

TOM ELWARD,
Commander.

EXCERPT FROM MINUTES OF REGULAR MEETING OF THE BETHESDA-CHEVY CHASE POST, NO. 105, THE AMERICAN LEGION, DEPARTMENT OF MARYLAND, INC., APRIL 27, 1948

At the regular meeting of Bethesda-Chevy Chase Post, No. 105, The American Legion, Department of Maryland, Inc., held at the Chevy Chase Recreation Center, Norwood Drive, Chevy Chase, Md., on the 27th day of April 1948, the following resolutions were unanimously adopted:

"Whereas our esteemed comrade, James Patrick McGovern, has graciously offered to provide, at his own expense, a suitable replica of his celebrated poem, March of Freedom, as a gift to this post; and

"Whereas Comrade McGovern has further most generously offered to make provision by codicil to his last will and testament for a magnificent bequest to this post of $1,000, provided the said replica of his poem aforesaid is permanently installed in the new clubhouse to be erected by this post in Bethesda, Md., in the near future; and

"Whereas the executive committee of this post has unanimously recommended the acceptance of the proposal: Now, therefore, be it

"Resolved, That the Bethesda-Chevy Chase Post, No. 105, The American Legion, Department of Maryland, Inc., hereby accepts with genuine heartfelt thanks and appreciation, the gracious and generous proposal of Comrade James Patrick McGovern, and directs that when the said replica of his poem, March of Freedom, is received by the post, and when the new clubhouse building has been erected, that the said replica be permanently installed therein as a lasting tribute to his characteristic generosity and as a literary contribution to his fellow comrades and to all mankind; and be it further

"Resolved, That a copy of these resolutions be spread upon the minutes of this post, and a copy thereof be forwarded to Comrade James Patrick McGovern."

The foregoing is a true and correct excerpt from the minutes of Bethesda-Chevy Chase Post, No. 105, The American Legion, Department of Maryland, Inc., at its regular meeting of April 27, 1948.

TOM ELWARD,
Commander.
GAR CHAMBERLIN,
Adjutant.

MARCH OF FREEDOM

(By James Patrick McGovern, of Bethesda-Chevy Chase Post, No. 105, The American Legion, Department of Maryland)

Our valor now makes live each yesterday
Of bitter struggle wreathed with heroes' deeds,
Since first our fathers blazed their dauntless way
Through virgin tracts and sowed their hearths' new seeds.
Our homes then grew in beauty, love, and peace
Within the fortress of our fruitful land,
Which promised that our State would never cease
As long as justice ruled the heart and hand.
But freedom is an ever restless sea;
It must be always wooed and won again.
To change is life, to strive is destiny;
The rust was never deep for sword and pen.
Our future thus must give our past its due
Of victory again, of peace more true.

Hon. Walter G. Andrews

EXTENSION OF REMARKS
OF
HON. RICHARD B. WIGGLESWORTH
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. WIGGLESWORTH. Mr. Speaker, I deeply regret that our good friend and able colleague, Hon. WALTER GRESHAM ANDREWS, of New York, has determined to retire from the Congress.

For 18 years he has served the Nation as a Member of this body with ability and courage.

His first love has always been the military service. That service has always found in him one ready to understand its difficulties and to contribute everything in his power to its best interests.

Entering World War I, with a background as a varsity end and back at Princeton and as a private in the First New York Cavalry on the Mexican border, he emerged at the end of the war as a major in the One Hundred and Seventh Infantry, Twenty-seventh Division, with an outstanding war record.

He had been wounded in action. He had been awarded the Distinguished Service Cross for gallantry in action. He had received a letter of congratulation from his division commander, Maj. Gen. John F. O'Ryan, stating that in the general's opinion "no company officer in the division had a better record than yours for skill and determined leadership in battle."

Elected to the Seventy-second Congress, he was promptly assigned to the House Committee on Military Affairs, rising to the position of its ranking minority member, and playing a most important role in that capacity during the course of World War II.

He has always fought for his convictions, even when standing almost alone among his committee colleagues. Those present at the time will recall the part which he played in the extension of the Selective Service Act just prior to Pearl Harbor, a measure carried on the floor of the House by a margin of one vote.

His gift for organization manifested itself in connection with the formation of the new House Committee on Armed Services, after the termination of World War II. Appointed chairman of the new committee, it fell to his lot to combine the House Committee on Military Affairs with the House Committee on Naval Affairs and, by appropriate subcommittees and staff, to assume jurisdiction over the Army, the Navy, and the Air Forces of the Nation. His work in this connection was so effective as to command the commendation of all concerned.

The new committee will continue to function in the national interest. Its first chairman will be greatly missed.

As Arthur Krock recently expressed it in the New York Times, there will be many who will regret that he is voluntarily ending a notable career in the interest of domestic and world security.

Summary of Agricultural Act of 1948 and a Comparison of Its Provisions With Current Price-Support Programs

EXTENSION OF REMARKS
OF
HON. CLIFFORD R. HOPE
OF KANSAS
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. HOPE. Mr. Speaker, since the adjournment of Congress I have received many requests from Members of the House for information regarding the Agricultural Act of 1948, Public Law No. 897, Eightieth Congress. In compliance with these requests the following summary and explanation of the measure is submitted:

SUMMARY OF AGRICULTURAL ACT OF 1948 AND A COMPARISON OF ITS PROVISIONS WITH CURRENT PRICE-SUPPORT PROGRAMS

I. PRELIMINARY STATEMENT

The Agricultural Act of 1948 is in effect a combination of H. R. 6248 as it passed the House, and the price-support and parity provisions of S. 2318 as it passed the Senate. In general, the Agricultural Act of 1948 provides two separate price-support programs for agricultural commodities. One program is to be in effect during 1949. The other program which is to come into effect in 1950 revises the parity formula and establishes a permanent program for supporting the prices of agricultural commodities. The act consists of three titles.

Title I provides price support for agricultural commodities throughout 1949. The level of price support for the basic and certain specified nonbasic commodities is substantially the same level of price support now accorded such commodities. Price support authorized for other commodities is on a flexible basis and on somewhat reduced levels.

Titles II and III provide for a revision of the parity formula and for permanent price support beginning with the year 1950. The level of price support for the basic commodities is mandatory and, with the exception of tobacco, ranges from 60 percent to 90 percent of the parity price depending upon the level of supply. Tobacco is to be supported at 90 percent of parity. For the nonbasic commodities (commodities other than basic), except potatoes and wool, price support is permissive rather than mandatory. The level of such support is discretionary with the Secretary of Agriculture and may range from 0 to 90 percent of the parity or comparable price. Certain limitations are placed upon the authority of the Secretary to give price support to perishable commodities. Potatoes and wool are the only nonbasic agricultural commodities which are given mandatory price support and the level of such support ranges from 60 percent to 90 percent of parity.

II. CURRENT PRICE-SUPPORT PROGRAMS IN EFFECT UNDER EXISTING LAW

Under existing law, price-support programs fall generally into four categories:

1. Basic commodities: The basic commodities (corn, cotton, peanuts, rice, tobacco, and wheat) are required to be supported through the 1948 crop by loans at the following rates (corn produced by cooperators outside the commercial corn-producing area would be required to be supported at 75 percent of the level at which corn is supported for cooperators in the commercial corn producing area): To cooperators (those who do not exceed farm

acreage allotments), 90 percent of parity (cotton at 92½-percent parity); to noncooperators, 54 percent of parity and only on so much of the commodity as would be subject to penalty under the Agricultural Adjustment Act of 1938 if marketed. After the 1948 crop, if the Agricultural Act of 1948 had not been enacted, price support for the basic commodities would have reverted to the Agricultural Adjustment Act of 1938 which specifically directed loans to be made on wheat, cotton, corn, and peanuts with the rates ranging from 50 percent of parity to 75 percent of parity to cooperators (with correspondingly lower rates to noncooperators) and authorized loans to be made on other commodities at rates fixed by the Secretary of Agriculture subject to the approval of the Commodity Credit Corporation and the President.

2. Steagall commodities: The Steagall commodities, those commodities with respect to which the Department of Agriculture, by public announcement, requested expanded production during the war (hogs, eggs, chickens, turkeys, milk and butterfat, dry peas of certain varieties, dry edible beans of certain varieties, soybeans for oil, flaxseed for oil, peanuts for oil, American-Egyptian cotton, potatoes, and sweetpotatoes) are required to be supported through December 31, 1948, at not less than 90 percent of the parity or comparable price.

3. Wool: Wool, under existing legislation, is required to be supported through December 31, 1948, at the 1946 support price.

4. Other commodities: With respect to other agricultural commodities, it is declared to be the policy of Congress that the lending and purchase operations of the Department of Agriculture shall be carried out so as to bring the price and income of the producers of such commodities to a fair parity relationship with the basic commodities and the Steagall commodities, to the extent that funds are available for such operations. In the absence of further legislation, this declaration of policy would have terminated on December 31, 1948.

III. PRICE SUPPORT AUTHORIZED UNDER THE AGRICULTURAL ACT OF 1948

A. Price support for 1949

The Agricultural Act of 1948 provides for price support for agricultural commodities in 1949. It continues, in substance, the same general classification of commodities for price-support purposes as are contained in existing law, namely, basic commodities, Steagall commodities, wool, and other commodities.

For 1949, the following levels of support are provided for the different classes of commodities:

1. Basic commodities: The basic commodities—corn, cotton, peanuts, rice, tobacco (in computing the parity price of Maryland tobacco during this period, the base period is changed from August 1919–July 1929 to August 1936–July 1941; as of June 15, 1948, this would increase the parity of Maryland tobacco from 38 cents per pound to 49 cents per pound), and wheat—are given mandatory price support through loans, purchases, or other operations at the following rates if producers have not disapproved marketing quotas: To cooperators (those who do not exceed farm-acreage allotments), 90 percent of parity; to noncooperators, 54 percent of parity, and only on so much of the commodities as would be subject to penalty under the Agricultural Adjustment Act of 1938 if marketed.

2. Steagall commodities: (a) Irish potatoes harvested before January 1, 1949, milk and butterfat, hogs, chickens, and eggs marketed before January 1, 1950, are given mandatory price support at 90 percent of the parity or comparable price; (b) other Steagall commodities: Dry peas (certain varieties), dry beans (certain varieties), soybeans for oil, flaxseed for oil, peanuts for oil, American-Egyptian cotton, potatoes, sweet potatoes, and turkeys are given mandatory price support at not less than 60 percent of the parity or comparable price and not more than the level of the parity or comparable price at which such commodities were supported in 1948, which in most instances was 90 percent of the parity or comparable price.

3. Wool: Wool is given mandatory price support until June 30, 1950, at the 1946 support price level.

4. Other commodities: Price support is authorized for other agricultural commodities at the discretion of the Secretary. Such price-support programs as may be in effect with respect to such commodities shall be carried out so as to bring the price and income of the producers of such commodities to a fair parity relationship with the basic commodities and the Steagall commodities. Such price support is dependent on the availability of funds for such operations.

B. Price support for 1950 and subsequent years

The permanent price-support programs authorized under the Agricultural Act of 1948 which are to take effect in 1950 are applicable generally to two principal classes of commodities; namely, basic commodities and nonbasic commodities.

1. Basic commodities (cotton, corn (corn produced by cooperators outside the commercial corn-producing area would be required to be supported at 75 percent of the level at which corn is supported for cooperators in the commercial corn-producing area), peanuts, rice, tobacco, and wheat): Price support is directed to be made available to cooperators (those who do not exceed farm-acreage allotments when in effect) through loans, purchases, direct payments, or other operations on corn, cotton, peanuts, rice, and wheat, at minimum levels ranging from 60 to 90 percent of parity, depending on the relation between the total supply of the commodity for the year and the normal supply. This schedule of minimum-price support ranges from 60 percent of parity when the total supply is more than 130 percent of the normal supply up to 90 percent of parity when the total supply is less than 70 percent of the normal supply. Whenever acreage allotments or marketing quotas are in effect, the minimum support price provided in the schedule is automatically increased by 20 percent, except that the support level may not exceed 90 percent of parity. The levels of price support specified for the basic commodities are the minimum levels which must be accorded producers if marketing quotas have not been disapproved. The Secretary of Agriculture is given discretionary authority to support the prices of these commodities at levels as high as 90 percent of parity.

Tobacco is required to be supported at 90 percent of parity in any year in which marketing quotas are in effect.

The support levels referred to above for the basic commodities are applicable only to cooperators. Price support and the level thereof to noncooperators is discretionary with the Secretary of Agriculture.

In the event that quotas are disapproved by more than one-third of the affected producers voting in a referendum, the support level authorized is 50 percent of parity.

2. Nonbasic commodities (commodities other than basic commodities): Except for wool, Irish potatoes, and perishables, price support is authorized, at the discretion of the Secretary of Agriculture, for nonbasic commodities at levels ranging from 0 to 90 percent of parity. In providing price support for nonbasic commodities, the Secretary is required to take into consideration the following broad legislative standards:

(a) The supply of the commodity in relation to the demand therefor.

(b) The price levels at which other commodities are being supported.

(c) The availability of funds.

(d) The perishability of the commodity.

(e) Its importance to agriculture and the national economy.

(f) The ability to dispose of stocks acquired through a price-support operation.

(g) The need for offsetting temporary losses of export markets.

(h) The ability and willingness of producers to keep supplies in line with demand.

3. Special provisions applicable to specific nonbasic agricultural commodities.

(a) Wool: The Secretary of Agriculture is directed to support the price of wool at such level not less than 60 percent and not more than 90 percent of parity as he may consider necessary to encourage an annual production of 360,000,000 pounds of shorn wool. (Current production of shorn wool is substantially below 360,000,000 pounds, therefore, the support level of wool for a number of years will be at 90 percent of parity.)

(b) Irish potatoes: The Secretary of Agriculture is directed to support the price of Irish potatoes at not less than 60 percent and not more than 90 percent of parity.

4. Perishable nonbasic commodities: With certain exceptions, price support is prohibited with respect to any nonbasic agricultural commodity (except Irish potatoes) which is so perishable in nature as not to be reasonably storable without excessive loss or excessive cost. An exception is made to permit price support to be given to any perishable nonbasic commodity by operations undertaken with respect to a storable commodity processed from such perishable nonbasic agricultural commodity. A further exception is made to permit the Secretary of Agriculture to support the price of any such perishable nonbasic agricultural commodity through other means available such as those provided by section 32 of Public Law No. 320, Seventy-fourth Congress, as amended, and by funds appropriated for agricultural price support which are sufficient to cover any loss which may be incurred.

5. Incentive price support: In the event that the Secretary of Agriculture, after a public hearing, finds support-price levels higher than 90 percent of parity to be necessary in order to increase or maintain the production of any agricultural commodity in the interest of national security, he is authorized to put higher price supports into effect.

IV. METHODS OF CARRYING OUT PRICE-SUPPORT PROGRAMS

In carrying out price-support programs the Secretary of Agriculture is authorized after January 1, 1950, in addition to loans, purchases, and other operations, to make direct payments as a means of price support. Prior to that time price support is authorized to be carried out through loans, purchases, and methods other than by direct payments to farmers.

Loans under the price-support program are required to be "nonrecourse" that is, the producer shall not be personally liable for any deficiency arising from the sale of the commodity. However, it is provided that this shall not be construed to prevent the Department from requiring producers to assume liability for deficiencies in the grade, quality, or quantity of commodities stored on the farm or delivered by them, for failure properly to care for and preserve commodities, or for failure or refusal to deliver commodities in accordance with the program. A comparable provision now exists with respect to commodities supported under the Agricultural Adjustment Act of 1938, as amended.

V. CONTROLS AUTHORIZED BY THE AGRICULTURAL ACT OF 1948 (MARKETING QUOTAS, ACREAGE ALLOTMENTS, PRODUCTION GOALS, AND MARKETING PRACTICES)

1. Basic commodities: Marketing quotas and acreage allotments are authorized under certain conditions under the Agricultural

Adjustment Act of 1938. The Agricultural Act of 1948 changes the conditions under which marketing quotas may be proclaimed for corn, wheat, cotton, and rice. Marketing quotas for any such commodity may be proclaimed when it is estimated that the total supply for the marketing year in question will exceed the normal supply by more than 20 percent (8 percent in the case of cotton) or when the average farm price for three successive months of the preceding marketing year has been 66 percent of parity or less, provided the total supply of the commodity for the year is not less than the normal supply.

The time for proclaiming quotas in the case of corn and wheat has been changed from a short time prior to the harvest of the crop on which quotas are to be imposed to sometime prior to the planting of the crop. Likewise, under the new act the referendum to determine whether farmers approve quotas is to be held prior to the planting of the crop. The date by which the Secretary is required to proclaim marketing quotas for cotton and rice is the same as under the 1938 act. In each case, the date is prior to the planting of the crop.

Prior legislation which is not changed by this act requires marketing quotas to be proclaimed for peanuts each year.

In the case of tobacco, no change is made in the basic provisions for proclaiming quotas, but a proviso is added which makes these provisions largely ineffective. Under the proviso, the Secretary is required to proclaim a national marketing quota for each marketing year for each kind of tobacco for which a national marketing quota was proclaimed for the immediately preceding marketing year. The proviso also requires the Secretary to proclaim a national marketing quota for Virginia sun-cured tobacco for each marketing year for which a quota is proclaimed for fire-cured tobacco. Thus, once the Secretary has proclaimed quotas for any kind of tobacco for any marketing year after the act becomes effective, he is required to proclaim a national marketing quota for that kind of tobacco for each succeeding marketing year without regard to the price or supply situation.

In determining national acreage allotments for corn and wheat and the national baleage allotment for cotton, the Secretary is required to give consideration to imports of the commodity involved. No such change is made in the tobacco, rice, and peanut provisions.

All marketing quotas are to take effect unless opposed by more than one-third of the farmers voting in a referendum.

2. Nonbasic commodities: In providing price support for nonbasic agricultural commodities the Secretary of Agriculture is authorized to require compliance by producers with acreage allotments, production goals, and marketing practices prescribed by the Secretary as a condition of eligibility for price support.

VI. LIMITATIONS UPON THE AUTHORITY OF THE COMMODITY CREDIT CORPORATION TO SELL AGRICULTURAL COMMODITIES OWNED BY IT

In order to prevent sales of farm commodities by the Commodity Credit Corporation in a manner which would impair price-support operations under the permanent price-support program, certain limitations are imposed upon the price at which the Commodity Credit Corporation may sell farm commodities acquired or held by it. These limitations, generally comparable to those now in effect, provide that the Commodity Credit Corporation shall not sell any farm commodity owned or controlled by it at less than (1) a price determined on a pricing basis for its stocks of such commodity on hand, which makes due allowance for grade, type, quality, location, and other factors and which are reasonably calculated to reimburse it for costs incurred by it with respect to such stocks; (2) a price halfway between the support price, if any, and the parity price of such commodity; or (3) a price equivalent to 90 percent of the parity price of such commodity, whichever price is the lowest. Certain sales are excepted from this directive which permits sales to prevent loss or waste through spoilage, sales for other than primary uses, and sales for other specified purposes.

VII. CHANGES IN THE PARITY FORMULA

One of the most significant and major changes made by the Agricultural Act of 1948 is the change in the parity formula. In substance, the new formula would retain the 1910–14 relationship between the prices of agricultural commodities and the prices of things that farmers buy in determining parity for agricultural prices generally, but would use the last preceding 10-year period in determining the parity relationship among the agricultural commodities themselves. The parity price for any agricultural commodity under the new formula is to be determined by dividing the average price received by farmers for that commodity during the preceding 10 calendar years (or during the 10 marketing seasons beginning within this period) by the index of prices received by farmers for all commodities during the same period to determine an adjusted base price. This adjusted base price is then multiplied by the current index of prices paid by farmers, including interest and taxes to obtain the current parity price.

In addition to the change in the parity formula, transitional parity prices are provided for commodities whose parity prices, as calculated under the Agricultural Adjustment Act of 1938, are higher than the parity prices as calculated above. The transitional parity price of a commodity at any date shall be its parity price as calculated under the Agricultural Adjustment Act of 1938, less 5 percent of the parity price so determined, multiplied by the number of full calendar years which have elapsed after January 1, 1949. This means that as of January 1, 1950, when title II of the Agricultural Act of 1948 goes into effect, the transitional parity price, where applicable, will be 95 percent of the parity price as formerly calculated.

The Secretary of Agriculture is also authorized, after a public hearing, to put into effect for particular commodities other methods of computing parity if their parity prices as provided for above appear to be seriously out of line with the parity prices of other agricultural commodities.

The definition of parity income is also revised, but it has no substantive effect, since no operating provisions of the bill are based on parity income.

VIII. CHANGES IN THE METHOD OF CALCULATING SUPPLY

The terms carry-over, normal supply, and total supply are used in connection with marketing quotas, acreage allotments, and the levels of price support. The definitions of carry-over and total supply in the Agricultural Adjustment Act of 1938 have been changed by the Agricultural Act of 1948, the principal effect of which is to include imports, and, in the case of cotton, to exclude foreign-held stocks produced in the United States.

The definition of "normal supply" with respect to cotton, corn, wheat, rice, and peanuts in the 1938 act has also been changed by the 1948 act. Normal supply of these commodities is to be determined by estimating domestic consumption and exports for specified years and by adding thereto an allowance for carry-over. Such carry-over allowance is the same as under the 1938 act except that cotton has been reduced from 40 percent to 30 percent. In the case of peanuts to which the term is made applicable for the first time, the percentage carry-over is 15. In addition, the Secretary of Agriculture is given discretionary authority to make adjustments in normal supply for current trends in consumption and for unusual conditions.

IX. CONTROL OF IMPORTS

Section 22 of the Agricultural Adjustment Act authorizes the imposition of import fees and quotas on articles imported into the United States whenever the importation of such articles interferes with certain agricultural programs undertaken by the Department of Agriculture. The Agricultural Act of 1948 amended this section to include price support among such programs to prevent imports from materially interfering with price-support programs.

X. SECTION 32 FUNDS

Title III of the act of 1948 provides that beginning with the fiscal year 1950, funds appropriated under section 32 of the act of August 24, 1935, for use in encouraging exportation of agricultural commodities and increasing (by means of diversion programs) domestic consumption of agricultural commodities and reestablishing farmers' purchasing power, may, to the extent not utilized, be accumulated up to $300,000,000.

XI. SOIL CONSERVATION

Section 4 of the Agricultural Act of 1948 extends until December 31, 1950, the period during which the Secretary of Agriculture is authorized to carry out Federal programs relating to soil conservation under sections 7 to 17, inclusive, of the Soil Conservation and Domestic Allotment Act.

APPENDIX

Table 1 illustrates the relationships between parity as defined in the Agricultural Act of 1948 and parity prices calculated under the present formula for major agricultural commodities. The table also illustrates the transitional parity-price provision by assuming that the bill went into effect on January 1, 1948.

TABLE 1.—*Prices received by farmers, parity prices and parity prices according to provisions of the Agricultural Act of 1948, assuming the act went into effect Jan. 1, 1948, United States, Mar. 15, 1948*

Commodity	Unit	Average price received by farmers, January 1938 to December 1947 [1]	1938–47 prices adjusted to 1910–14 levels [2]	Parity prices, Mar. 15		
				1948 act formula [3]	Transitional [4]	Present formula
		(1)	(2)	(3)	(4)	(5)
Field crops:						
Wheat	Bushel	$1.22	$0.726	$1.79	$2.07	$2.18
Corn	do	.953	.567	1.40	1.51	1.59
Oats	do	.550	.327	.808	.937	.986
Barley	do	.808	.481	1.19	1.45	1.53
Rice	do	1.44	.857	2.12		2.01
Rye	do	.973	.579	1.43	1.69	1.78
Grain sorghums	Hundredweight	1.56	.930	2.30	2.84	2.99
Flaxseed	Bushel	2.78	1.65	4.08		4.17
Dry field peas	Hundredweight	3.75	2.23	5.51		5.16
Beans, dry, edible	do	5.56	3.31	8.18		8.32

Footnotes at end of table.

TABLE 1.—*Prices received by farmers, parity prices and parity prices according to provisions of the Agricultural Act of 1948, assuming the act went into effect Jan. 1, 1948, United States, Mar. 15, 1948*—Continued

Commodity	Unit	Average price received by farmers, January 1938 to December 1947 [1] (1)	1938–47 prices adjusted to 1910–14 levels [2] (2)	Parity prices, Mar. 15		
				1948 act formula [3] (3)	Transitional [4] (4)	Present formula (5)
Field crops—Continued						
Soybeans	Bushel	$1.66	$0.988	$2.44	----------	$2.37
Peanuts	Pound	.062	.037	.091	$.113	.119
Cotton	do	.1808	.1076	.2658	.2910	.3063
Cottonseed	Ton	44.60	26.50	65.50	----------	55.70
Potatoes	Bushel	1.08	.643	1.59	1.75	1.84
Sweetpotatoes	do	1.54	.917	2.26	----------	2.17
Fruits:						
Apples	do	1.81	1.08	2.67	----------	2.37
Grapefruit	Box	.752	.448	1.11	1.95	2.05
Lemons	do	1.56	.929	2.29	3.14	3.31
Oranges	do	1.55	.923	2.28	3.57	3.76
Livestock and products:						
Hogs	Hundredweight	12.50	7.44	18.40	----------	18.00
Beef cattle	do	10.90	6.49	16.00	----------	13.40
Veal calves	do	12.30	7.32	18.10	----------	16.70
Sheep	do	5.71	3.40	8.40	10.60	11.20
Lambs	do	11.90	7.08	17.50	----------	14.50
Butterfat	Pound	.444	.264	[5].652	----------	[5].650
Milk, wholesale	Hundredweight	2.81	1.67	[5]4.12	----------	[5]3.95
Chickens	Pound	.204	.121	.299	----------	.282
Turkeys	do	.245	.146	.361	----------	.356
Eggs	Dozen	.312	.186	[5].459	.504	[5].531
Wool	Pound	.350	.208	.514	----------	.452

[1] Exceptions: Potatoes, oranges, grapefruit, and lemons which are weighted season averages for the 10 marketing seasons beginning in the period 1938–47.
[2] Column (1) divided by 1938–47 average of the index of prices received by farmers (168).
[3] Prices in column 2 multiplied by the index of prices paid, interest, and taxes for March 1948 (247).
[4] Assuming that the Agricultural Act of 1948 went into effect Jan. 1, 1948, transitional parity prices would be 95 percent of the present parity in those cases where that is higher than parity prices according to the formula in the 1948 act.
[5] Not adjusted for seasonal variation.

Prepared by Bureau of Agricultural Economics for Senate Committee on Agriculture and Forestry and does not represent official determinations of the Department of Agriculture.

Table 2 shows the support levels by commodities expressed as a percentage of parity (for 1950 and subsequent years, parity is revised).

TABLE 2.—*Support levels for 1948, 1949, 1950, and subsequent years*

Commodity	1948 (percent of parity)	1949 (percent of parity)	1950 and subsequent years (percent of parity)
Cotton	[1] [2] 92½	[2] [3] 90	[4] [5] 60–90
Corn	[1] [2] 90	[2] [3] 90	[4] [5] 60–90
Wheat	[1] [2] 90	[2] [3] 90	[4] [5] 60–90
Tobacco	[1] [2] 90	[2] [3] 90	[5] 90
Rice	[1] [2] 90	[2] [3] 90	[4] [5] 60–90
Peanuts	[1] [2] 90	[2] [3] 90	[4] [5] 60–90
Hogs	90	90	0–90
Eggs	90	90	0–90
Chickens	90	90	0–90
Milk and butterfat	90	90	0–90
Turkeys	90	60–90	0–90
Soybeans for oil	90	60–90	0–90
Peanuts for oil	90	60–90	0–90
Dry beans (certain varieties)	90	60–90	0–90
Dry peas (certain varieties)	90	60–90	0–90
Potatoes (Irish)	90	[6] 60–90	60–90
Sweetpotatoes	90	60–90	0–90
Flaxseed for oil	(7)	(8)	0–90
Wool	(9)	(10)	60–90
Other commodities	(11)	(11)	0–90

[1] Applicable through marketing season for 1948 crops.
[2] If producers have not disapproved marketing quotas.
[3] Applicable through marketing season to June 30, 1950.
[4] Depending on level of supply.
[5] 50 percent of parity if producers have disapproved marketing quotas.
[6] Harvested before Jan. 1, 1949, but not marketed until after that date 90 percent of parity.
[7] $6 per bushel; reflects about 134 percent of June 15, 1948, parity.
[8] 60 to 1948 support level.
[9] 42.3 cents per pound; reflects about 92 percent of the June 15, 1948, parity.
[10] Same as 1948; applicable through marketing season to June 30, 1950.
[11] Discretionary with Secretary.

Thou Shalt Not—Or FEPC

EXTENSION OF REMARKS
OF

HON. RICHARD B. RUSSELL

OF GEORGIA

IN THE SENATE OF THE UNITED STATES

Saturday, June 19 (legislative day of Tuesday, June 15), 1948

Mr. RUSSELL. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a strong argument pointing out the fallacies of the misnamed fair employment practices law from the pen of Dr. Edward Rumely.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

THOU SHALT NOT—OR FEPC

"Whoever shall worship any other God than the Lord," begins the 1650 preamble to the Connecticut penal code, "shall surely be put to death." The heavy hand of organized society did not stop at mere worship; the manner of worship, the ritual, was also the concern of the law, and believers who preferred unauthorized rituals were pilloried, exiled, and threatened with death.

For 300 years, then, compulsory virtue has been an integral of American polity. Despite our democratic protestations, we deny the right of error, once the truth has been legalized, and are quick to put the rod of the law to those who persist in pursuing what has been officially declared a fallacy; like polygamy (which is a most common practice), or free trade (there is no other kind), or gambling (which is freedom of choice). Our Judeo-Christian conscience is strong for statute sin.

Right now our lawmakers are tinkering with a plan to curb the human impulse to choose one's associates. The raging passion of righteousness is directed at employers who close their pay rolls to persons of particular creeds, races, or ancestry. Accordingly, a law is advocated to compel such employers to subscribe to the brotherhood of man, unprejudiced. To see that they so do, there shall be set up an inquisitorial tribunal to be known as the Fair Employment Practices Commission.

If this latest experiment in enforced morality is put into operation, it will not only fail in its purpose (as has every other such law) but will spawn practices more reprehensible than the one it is aimed to correct, and will give society another push down the steep hill of collectivism.

Generally speaking, American law has not been too intrusive in the realm of human associations. In the South, to be sure, whites are not permitted to commingle with Negroes, and in all the States when, how, and with whom we may live in conjugal bliss is covered by code. Seeing how social welfare is coming to the fore these days, the possibility of legalized human breeding must not be put aside, nor should we forget that security could cause suspension of the meetings of the Caliopean Literary Society. But, on the whole, companionship is one human habit American law does not yet intrude upon too much.

In the matter of business associates, however, this abstention is weakening. That is because of the growing notion that private capital is a reprehensible institution, one that bears watching, curbing, and chastisement. Since the owner of capital came by it dishonestly, the notion runs, the society from which he got it has a moral, if not legal, claim to it, and therefore is justified in designating his collaborators. Freedom of choice must be curtailed. And yet, when you think of it you see that as a practical matter, the free exercise of judgment in the selection of associates is essential to both the owner of capital and society. When a capital owner employs a helper he is entrusting capital to his care; the lowliest member of the crew has it within his power to do harm to these accumulations, and even bankruptcy can be traced to the incompetence or dishonesty of lieutenants. The success of a business depends on sound judgment in the selection of subordinates. Its failure does not benefit society. If the employer is held accountable by the market place, refusing him its custom when he is inefficient, the market place ought not to interfere with the conduct of his business. Enterprise can serve only when it is free.

Congeniality is an important element in selection; it is as important as competence. A complement of workers of similar backgrounds and habits will be more productive than one characterized by divergencies. In time, of course, association will liquidate the particularisms of Chinese, Spaniards, Masons, Jews, and Catholics, but until the edges of strangeness wear off the team cannot cooperate to best advantage. Then, again, the nature of the work may necessitate selection of workers on the basis of religion, race, or ancestry. You could hardly expect the publisher of Catholic books to employ Protestants, a kosher butcher to employ one unsympathetic to the ritual, a Chinese laundryman to employ one with whom communication is difficult.

It is when the choice is influenced by dislike of racial or religious groups that the charge of sinfulness is made. It is a wrong against society, if not against God, to refuse employment to Jews as Jews, to Catholics as

Catholics. Why? True, prejudice is an irrationality, perhaps a form of insanity. But if all irrationality were banned by law, would there be anybody to enforce it? Can ignorance or emotionalism be abolished by decree? He who hates his fellow man harbors a canker in his heart, and if the cankerous condition gives him pleasure, that is his affair. At any rate, society has no power to make him over, no mandate to try it.

The charge is made, however, that in venting his spleen against given groups the employer deprives them of their right to earn a livelihood. That is silly. If he employs a Jew instead of a Frenchman, the latter may be hurt; but if the selection is reversed, the Jew is hurt; there being but one job, one or the other must suffer unemployment. If he has need of both workers and refuses to hire one of them because of his prejudice, then he hurts himself, which is his privilege. The right to earn a livelihood is impaired by the lack of jobs, not by prejudice, and the current FEPC enthusiasm is not directed at the economic problem of unemployment. It is a venture in compulsory ethics only.

The incongruity of this FEPC business is shown when we follow through on principle. If the law—which is presumed to be an impartial agency of society—may compel a man to employ one he does not favor, it may also compel a man to labor for an undesirable employer. So, a white lawyer would be justified in refusing the case of a Negro client, and an Andy Cohen could be hailed into court for refusing to play ball for a John McGraw. If a writer should refuse to sell his manuscript to a publisher because of the latter's faith, and the manuscript should prove to be a gold-mine, why should not the publisher look to the law for damages? When labor is scarce, or when a particular laborer possesses unique skill, it would be quite proper (if the FEPC law is proper) for the rejected employer to howl "discrimination."

What may we reasonably expect to follow from the enactment of an FEPC law? Prejudice where there is none, more intense prejudice where it already exists, and, of course, a tendency toward evasion. A man who now hires without regard to race or creed would be inclined, under the law, to take these facts into consideration; for the subsequent discharge of an employee for any reason might cause him to be hauled up as a discriminator; if the investigating committee should qualify the discharged employee the possibility of a backpay fine could be added to the unpleasantness of forced association with the unwanted person. Firms which do not now consider the applicant's race or religion, as well as those which do, would have to guard against the wrath of the FEPC by employing some of those usually considered discriminated against, and these would always carry the stigma of "necessary evil." They would be so singled out not only by the employers but also by their fellow-workers, with consequent unpleasantness. Since the proposed law also presumes to protect the employee from discrimination in the matter of advancement, there would always be the suspicion that the one advanced did not actually deserve preference, that he was a sop to the law. Prejudice would thus be accentuated.

Legal efforts to compel comformance with a prescribed code of behavior always bring about practices more reprehensible than the evil singled out for correction. Our experience with the prohibition amendment vividly emphasized that fact. People drank more, not less, because of this attempt at compulsory abstinence, and the evils of the saloon were as nothing compared to those of bootlegging, hijacking, and the speakeasy. So with the antidiscrimination law. Detective agencies would be employed to supply information about the race, religion, and ancestry of applicants, for the employer is prohibited by this law from asking such questions. If an employee resigns of his own accord the charge of discrimination would be automatically voided; therefore, nasty means of forcing resignations would be resorted to. Reference would be so worded as to tip off prospective employers and make rejections of the applicant within the law. Nor is it impossible that union leaders would, at a price, lend themselves to discriminatory practices by refusing, on the ground of incompetence, to certify certain undesirables for employment. The law puts people on their guard and spurs the imagination.

Some of the situations FEPC would be confronted with, and the incongruities that would ensue from its efforts to handle them, are worth considering.

Would the FEPC "qualify" an atheist for the faculty of a Catholic university? Would it undertake to advise advancement of a white professor at a Negro institution? How would it handle discrimination in the manning of hospital staffs? Or of editorial staffs? Or its own staffs? If the next step in the advancement of a worker is a managerial post FEPC would be in a position to influence the policies of a business, and how would it meet the objection of the owners on these grounds?

One law now condones, even demands, discrimination. Under practices following from the Wagner Labor Relations Act, an employer is compelled to give preference to a labor union member, which is definitely discriminatory. Suppose, in compliance with this law, an employer "discriminates" in favor of a Jew who is a member of the union and against a Catholic who is not and who cannot gain admission into the union. Suppose the latter brings his case to the FEPC. This agency for nondiscrimination is put into contention with the discriminatory one. Which will prevail? Will the FEPC have power to compel the union to enlarge its membership by including the Catholic? It is an all-Jewish, closed-book union.

During times of widespread unemployment the problem of the FEPC would be most poignant. Many of those dropped from the pay rolls would undoubtedly bring up the charge of discrimination. The crowded calendar of the FEPC (like every bureau, it would always be undermanned) would compel resort to peremptory rules of placement, but since under the circumstances most of the complainants would remain unemployed, the charge of discrimination would be leveled at the FEPC itself. (Even at its inception, the proposed FEPC would be discriminatory, in that firms employing less than 50, as well as nonprofit organizations, are exempted from the provisions of the law. Why?)

These confusions and contradictions are inherent in the proposed law because it attemps to deal with the ethical consequences of an economic problem which it cannot solve. If the problem of unemployment were solved, the problem of prejudice would be academic. But more important than the prejudice problem is the power which would be thrust on the FEPC by its peculiar functions. For fear of reprisals or to avoid investigations, employers would turn to this agency for help at the nonmanagerial level at any rate. Thus, the FEPC could in time become the national employment agency, and in effect the workers would achieve civil-service ranking. The power thus acquired by the FEPC would not be unlike that exercised by labor administrations under fascism. The unions would be superseded, private employment agencies would go out of business, personnel departments would be of no use.

The political potential of the FEPC must not be overlooked. The temptation to buy votes with a record of antidiscrimation placements could not be put aside by the regime, while the opposition would make the charge, even if it were not true, for the purpose of winning the suffrage of those who were discriminated against; our political campaigns would be impregnated with the stench of racial and religious antagonisms. Furthermore, while the proposed law does not contemplate discrimination on the grounds of sex, age, or the fraternity one belongs to, what would prevent pressure groups from demanding that the scope of the FEPC be extended? The over-40 workers could in justice claim discrimination, while unemployed women linotypers might ask for redress on the same grounds. Since power is all a bureaucrat lives for, would not the FEPC be tempted to either encourage or foster such pressure groups?

It is said that Communists and fellow travelers are promoting this latest piece of moralistic legislation. They should be, if they are not, because the friction and the confusion ensuing from its enactment would be just the thing for the advancement of American communism. Moreover, the power over industry that would gravitate toward the FEPC would make it a useful instrument to get hold of. Its chairman would be a commissar in fact.

Rural Electrification

EXTENSION OF REMARKS
OF
HON. C. WAYLAND BROOKS
OF ILLINOIS
IN THE SENATE OF THE UNITED STATES

Saturday, June 19 (legislative day of Tuesday, June 15), 1948

Mr. BROOKS. Mr. President, I ask unanimous consent that there be printed in the Appendix of the RECORD a statement I have prepared on rural electrification.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Mr. President, the Eightieth Congress has made greater appropriations for the Rural Electrification Administration to extend and improve rural service to American farms than any Congress in history.

I am particularly proud of the accomplishments of the Eightieth Congress, both in the first and second sessions, with respect to the appropriations for the Department of Agriculture, including the REA, because I was charged with the responsibility of sponsoring the measures in the Senate in connection with my position as chairman of the Subcommittee on Agriculture of the Senate Appropriations Committee.

Not only as a Member of the United States Senate, but also as the owner and operator of a farm in La Salle County, Ill., I deemed it a pleasure and a privilege to be of service to the farmers of our Nation in this connection.

In 13 years of its existence, REA has done a magnificent job and we of the Eightieth Congress are gratified in our ability to implement this very valuable program.

With the funds which we have authorized, including $400,000,000 to extend and improve rural electric service for the fiscal year 1949, REA systems will be able to materially increase the number of electrified farms on

REA lines over and above the approximate 2,000,000 farms and rural establishments which were receiving such service as of January 1, 1948.

The new appropriations for REA loans will enable the financing of more than 34,000 miles of line and other electrical facilities to serve more than 100,000 customers.

The new appropriation is a boon particularly to the farmers of Illinois where approximately 51,000 farms are still without electric service. According to information from the REA, at the present time 74.9 percent of all farms in Illinois are electrified, and it is my sincere hope that this percentage will be materially and substantially increased in the immediate future.

The $400,000,000 appropriation for REA is $100,000,000 more than was recommended by the President and $175,000,000 more than was voted for the same activity a year ago.

The recommendations of my subcommittee definitely refute the allegation by spokesmen for the New Deal administration that the Republican-controlled Congress attempted to impede REA developments for the sake of economy in Federal expenditures.

Republican Senators and Congressmen in weeks past received letters from REA customers and potential customers back home enclosing samples of a mimeographed form letter emanating from New Deal sources carrying these false allegations.

I reiterate that all REA customers and prospective customers should know that the REA now has on hand or has authority to borrow, more funds for expansion of its system than has already been spent since the agency was originally established. When REA Administrator Claude R. Wickard, testified before my subcommittee, as charman, I questioned him relative to these letters, but Mr. Wickard personally declared that his office had made no such statements.

Mr. Wickard, in denying that he or his department, had ever made such a statement, declared that the allegations were wholly incorrect and untrue. I assure the farmers of Illinois and of the entire Nation that I desire to see that all farm people have the advantages and comforts which can be obtained through electrification. It is an insidious and vicious thing, however, for anyone to say that rural electrification has been hampered by economies effected by the Republican blocs in the House and Senate.

As a matter of fact, many extensions of service have been delayed because the Truman administration has allowed strategic supplies and equipment, such as copper wire, transformers, distributors, etc., to be shipped abroad, even to the Russian Government, to the detriment of and discrimination against our own American farmers.

To further implement my position in this matter, I insert herewith in the RECORD the text of an article which I prepared for the magazine Rural Electrification, which is published by the National Rural Electric Cooperative Association:

"AMERICAN PRODUCTION FOR WHOM?—OUR FARMERS NEED ELECTRIC PRODUCTS EXPORTED TO RUSSIA AND SATELLITES

"(By C. WAYLAND BROOKS,[1] United States Senator, Illinois, chairman, Senate Appropriations Subcommittee on Agriculture)

"During 13 years, REA-financed power systems have brought comfort, convenience and the other contributions of electricity to over 2,000,000 rural families. But another 2,000,000 families who have just as much right to twentieth century living are still waiting for power lines to reach their homes, to modernize their barns and farmyards.

"The Rural Electrification Administration has done a magnificent job during these 13 years. The farmers of America who have banded together for the purpose of using the lending and advisory opportunities offered by REA to electrify their own homes and businesses have made an equally brilliant record in the annals of modern America. Congress has amply recognized the importance these contributions to agriculture and to our Nation by REA and that agency's farmer-borrowers. Money and more loan funds have been made available to continue the electrification of our farm homes and rural establishments.

"MATERIALS MUST BE AVAILABLE

"But more than REA loans and the aggressive pioneer spirit of self-help and ingenuity are required in building rural electric distribution lines. Materials — transformers, conductors, poles—must be available on the American market for sale to American business, such as rural electric cooperatives, if the electrification of rural America is to be completed in a reasonable period of time. And the electric power to keep the lights burning and the motors turning on our farms must be generated if rural electrification is to have any real meaning.

"It is not America's farmers, REA, nor the Congress which has fallen down in this period of shortage of construction materials for building and energizing rural power lines. Many things have contributed to the current shortage of materials. The long-restrained demand of American business and the American home was released after World War II, and this demand has kept the supply channels almost dry as industrial and consumer products have been gobbled up as fast as they reached the wholesale or retail markets.

"Even so, it is not necessary that American families go without modern conveniences and the modern necessity of electricity if the output of American industry is offered first to American people. This has not been the case. While our farmers have been asked to feed the world their very productive ability has been held down and their living has been relegated to that of the people of a second-rate nation because electric power lines have not been extended to their doors. And some of the very materials, machinery, apparatus, and appliances which could change all this have been diverted to foreign markets.

"But that is not all. An examination of our export statistics during the past 3 years shows that 10 percent of the electrical equipment and materials which have been exported—and nearly a billion dollars' worth has been shipped abroad in those 3 years—has gone to Soviet Russia and her satellite nations of Yugoslavia, Poland, Rumania, Bulgaria, Albania, Hungary, and Czechoslovakia.

"We are engaged in a defense program, requiring additional amounts of electric generating capacity in America. We are forced to devote money, materials, and manpower to this defense program because of the aggressive international policies of these very Communistic countries, to whom we send materials and equipment needed here in America.

"MEMORY OF JAP SCRAP FRESH

"Surely the memory of our shipments of scrap-iron to Japan—for use in making the shell and shrapnel which later killed thousands of America's young men—has not been forgotten. The follies of the 1930's should not be repeated again in the 1940's. Mankind will never make the progress all men of good will hope for if the lessons of the past are so blithely forgotten so soon.

"The facts which make this situation painfully true can be examined by anyone interested in reading statistics compiled by the Department of Commerce. Here are just a few of them.

"Exports of certain items of electrical machinery and apparatus, and copper wire, needed by rural electric systems and their consumers during the past 2 years were valued as follows:

	1946	1947	January to April 1948
Generators and sets	$59,525,000	$69,377,000	$21,156,000
Transmitting and distributing apparatus	15,142,000	32,063,000	13,206,000
Transforming and converting apparatus	9,828,000	20,810,000	7,765,000
Electric refrigerators [1]	11,640,000	39,629,000	15,700,000
Household appliances	12,180,000	35,154,000	11,357,000
Radio apparatus	54,467,000	113,724,000	30,648,000
Telephone apparatus	10,632,000	25,559,000	10,815,000
Copper wire, assorted [2]	18,198,000	31,312,000	16,342,000

[1] 102,798 household refrigerators in 1946, and 273,624 in 1947.

[2] Includes bare, rubber-covered, weatherproof and other insulated copper wire in the following amounts: 1946, 70,731,000 pounds; 1947, 74,477,000 pounds.

"A total of $51,005,000 worth of electrical machinery and apparatus was exported by the United States during the last three months of 1945, $299,000,000 in 1946, $562,930,000 in 1947 and $187,982,000 in the first four months of 1948. Millions of pounds of wire and nearly 1,000,000 transforming and converting units shipped abroad during that period were critically needed in the United States. The Congress provided for a moratorium on import duties on copper last year largely because the National Rural Electric Cooperative Association and other organizations showed the need for it in the shortage of copper wire and other copper products. To bring the subject even closer to the hearth of our homes, consider the extreme shortage of household refrigerators in 1946, when we allowed 102,798 of them to be exported.

"Another interesting fact revealed by Department of Commerce statistics is the distribution of electrical products shipped abroad in the past few years. This is part of what the records show concerning the value of exports shipped to foreign nations:

	1946	1947
Sweden	$3,641,000	$13,090,000
Norway	999,000	2,774,000
United Kingdom	2,367,000	7,583,000
Netherlands	2,449,000	3,953,000
France	3,458,000	8,511,000
Italy	329,000	1,268,000
Greece	1,517,000	2,376,000
Turkey	1,785,000	3,962,000
China	14,128,000	18,306,000
Germany	85,000	65,000
Switzerland	1,129,000	4,897,000
Iran		1,470,000
U. S. S. R. (Russia)	44,056,000	19,992,000
Yugoslavia	856,000	1,694,000
Czechoslovakia	456,000	1,333,000
Poland and Danzig	968,000	4,627,000
Rumania	1,000	12,000
Bulgaria	1,000	97,000

"Furthermore, during the first four months, January through April, of this year we exported electrical machinery and apparatus valued at $3,992,000 to Russia.

"GIVING ADVANTAGE AWAY

"If our main productive advantage over Russia is in manpower and industrialization, we seem to be giving the second of these advantages away with a remarkable generosity. It is to be hoped that we are not, in the long run, giving our American heritage away at the same time. The export of electrical equipment and apparatus valued at $89,560,000 to Russia and seven of her dominated satellites is as dangerous as it is unfair to the 2,000,000 farm and rural families who have waited so long for the comforts and advantages of central station electric service.

[1] Senator BROOKS is a veteran of World War I, was elected to the Senate to fill out a term in 1940 and reelected in 1942. He resides in Chicago, and owns a farm in La Salle County."

"If there was ever a time for hard-headed and prudent foreign and domestic policies, it is today. Agricultural production is irrevocably tied into our foreign policy, and electricity is the latest and greatest stimulus to increased farm production. The practice of giving foreign countries the materials vitally needed to relieve the critical bottleneck in rural electrification in America, despite the protests of Congress, particularly to those countries whose expansion and agitation threaten free peoples everywhere, should cease immediately.

"It is in the power of the American people to insist that the new Congress elected in 1948 and the next President of the United States be cooperative in meeting this pressing problem of the American farmers who have waited so long for electric service. Complete coordination between the legislative and executive branches of our national Government to achieve this objective is imperative."

I also insert a statement made by Mr. Clyde T. Ellis, executive manager of the National Rural Electric Cooperative Association, before the Senate Appropriations Subcommittee on Agriculture on April 28, 1948, as follows:

"Senator BROOKS. Mr. Ellis, we are ready to hear from you.

"Mr. ELLIS. Mr. Chairman and members of the committee, my name is Clyde T. Ellis. I am executive manager of the National Rural Electric Cooperative Association, Inc., which is the national service organization of the rural-electric systems of the country. Seven hundred and sixty-six of the rural-electric systems are members of the national association, representing a consumer membership of 1,525,691 farm families in 42 States and Alaska.

"Mr. Chairman, I want to say to you, on behalf of all our people that we were very sorry you could not get out to address our last meeting of the members in Chicago. We told the more than 3,000 of the people who were present that we were more than grateful to you and to your committee for putting the $25,000,000 in the bill last year after the House had taken it out. I believe your judgment has been well sustained by the facts the past year."

Following is the text of a letter received from Mr. Ellis under date of June 17, 1948:

"This gives me the opportunity to say to you, Senator, as Congress is about to adjourn, that we the rural-electric systems of the country have enjoyed working with you through this office during the past year. We appreciated the splendid hearing which you, as chairman of the Agriculture Subcommittee, gave to our president, Mr. Craddock, to each of our 10 members of the legislative committee representing all sections of the country, and to me. We appreciate the largest REA loan authorization in the program's history which has just been approved by the Congress as recommended by your committee.

"With kindest personal regards, I am,

"Sincerely,

"CLYDE T. ELLIS,
"Executive Manager."

Arab Fascist Propagandists Rebuked by Judge

EXTENSION OF REMARKS
OF
HON. ARTHUR G. KLEIN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Saturday, June 19, 1948

Mr. KLEIN. Mr. Speaker, I have referred before to the inexcusable propaganda and political activities of a number of Arab front organizations and agitators, whose purpose it is to prevent the successful execution of our country's policies in the Middle East.

Among these organizations are the so-called League for Peace with Justice in Palestine, the Institute for Arab-American Affairs, the Arab Office, the Committee for Justice and Peace in the Holy Land, and a variety of affiliated groups.

The activities of several of these organizations have recently been subjected to searching scrutiny, during 23 days of sworn testimony in a New York magistrate's court.

This action started as a result of the unparalleled audacity of the pro-Arab group in filing a criminal-libel complaint against Rev. Dr. Henry A. Atkinson, chairman of the Nonsectarian Anti-Nazi League—which had distributed to delegates to the United Nations Assembly and to the press, a carefully documented brochure entitled "Pan-Arab Propaganda: Its Pro-Fascist and Pro-Nazi Aspects in America."

This brochure was a detailed, documentary memorandum showing how key figures in the present pro-Arab agitation had once been intimately associated with Hitler's German-American Bund, and how others—backed up by unlimited funds—are engaged in deliberately and systematically stirring up anti-Jewish hatreds and other forms of bigotry, here in America, as a device toward achieving their selfish ends.

Believing—like others before them—that manifold millions of dollars might be able to hide or suppress the truth, some of these pro-Arab agents caused their attorney, Hallam M. Richardson, to go into court to prevent the continued distribution of the Nonsectarian Anti-Nazi League's publications.

As a result of a hearing marked by a striking wealth of detail, and the most sensational admissions wrung from the pro-Arabs themselves, Judge H. Bushel, in New York magistrate's court, handed down an opinion on May 26 which (1) excoriates the pro-Arab attorney, both for his evil associates and for his attempt to exploit the court's processes for propaganda purposes; (2) upholds all of the sensational findings of the Nonsectarian Anti-Nazi League, as accurate and even "conservative and restrained," and (3) holds for further investigation the financial records of the pan-Arab propagandists.

Here are some of the things which counsel for the Nonsectarian Anti-Nazi League brought out during these hearings:

The head of an allegedly "American" organization engaged in pro-Arab propaganda, Benjamin Freedman, was disclosed as sending cables wishing "vision, courage and strength" to that arch war criminal, the Grand Mufti of Jerusalem, who was Hitler's right-hand ally in Middle Eastern affairs throughout the war. Thus the misnamed League for Peace with Justice in Palestine was publicly branded as an American agency of the Mufti and his Arab higher committee. * * *

An unnaturalized Englishman, a former official of the British foreign office, now living and doing profitable business in our midst, as head of a multi-million-dollar corporation, was disclosed as one of the three men who were the real founders of this pan-Arab propaganda machine. This man is named Capt. Charles Percy Passman.

Cables and letters from Freedman, relative to huge shipments of war supplies, and the projected construction of a Thompson submachine gun factory to aid the Moslems in Pakistan, with the clear purpose of preventing any American embargo from being effective, were presented in court by officials of the Western Union Co. and other cable agencies. * * *

The most conspicuous Arab publicist in the United States, H. I. Katibah, was revealed as the author of the lead article on a pro-Hitler propaganda monthly published in Boston, Mass., in 1933. * * *

The lawyer, Hallam M. Richardson, who has represented these powerful Arab interests in approximately a score of cases, was revealed as a former associate of the unspeakably vile Christian Front agitator, Joseph McWilliams, who was indicted for sedition during the war and whose un-American activities earned him the lavish praise of Hitler's agents. (Among Richardson's clients have been McWilliams, Freedman, Katibah, the League for Peace With Justice in Palestine, and Ahmad Hussein, head of the ultranationalist Young Egypt Party.)

The pan-Arab propagandists are afraid to submit their financial accounts to public scrutiny in court, probably for the reason that they fear self-incrimination under the the Federal Foreign Agents Registration Act. * * *

Mr. Loy Henderson, Director of the State Department's Office of Near Eastern and African Affairs, was revealed as the addressee of at least 17 person-to-person phone calls from Freedman. The telephone company's original records of these calls were actually introduced in court over the strenuous objection of Mr. Henderson's friends. * * *

Freedman and Katibah were exposed as the real authors of diplomatic memoranda submitted to the State Department by the official Washington legations of the Arab countries. * * *

The chief propagandist, Freedman, was revealed as a regular visitor at the Washington office of the Arab-American Oil Co.

It was shown that in addition to using paid advertising in the daily press, these agitators were not above having their literature reprinted in such un-American, hate-spreading publications as those of Gerald Winrod and Leon de Aryan, who were indicted for sedition during the war, or in the bulletin of the National Economic Council, whose head, Merwin K. Hart, has long been an object of scrutiny as the leading pro-Franco apologist on this side of the Atlantic. So close was the liaison between Freedman and Hart that Freedman has recently been made a director of Hart's organization.

The tie-up between these agitators and propagandists and the official legations of the Arabs was so intimate that the mailing lists of the League for Peace With Justice in Palestine and the Arab Higher Committee were actually combined into one master list, so that persons contacting Freedman's League were also put on the propaganda mailing list of the Higher Committee, headed by the Grand Mufti. Persons on this list were then mailed such publications as the infamous Black Paper on the Jewish Agency and Zionist Terrorism in Palestine, and the Grand Mufti's so-called Arab Charter for Palestine, which was at one time inserted in the CONGRESSIONAL RECORD by a Member of the House.

Mr. Speaker, I believe that the startling and far-reaching disclosures brought

forth in this trial mark an important turning point in the whole history of the Palestine question.

The Nonsectarian Anti-Nazi League has shown that the most powerful, the best known, the most apparently respectable apologists for the Arab cause in America are, in fact, tied up—financially, politically, economically, and personally—with foreign agents sent here by the Arab states to undo and subvert the official policies of our own country. Among these agitators are to be found not only the spokesman of the Mufti and diplomatic representatives of ostensibly friendly Arab powers but also prominent Englishmen, and, in addition, notorious agitators with a record of pro-Hitler activity extending back 15 years.

Mr. Speaker, the record of the hearing in Richardson's complaint against Reverend Atkinson covers 2,000 pages and includes 300 documents of the greatest historical and diplomatic importance.

Prof. James H. Sheldon, administrative chairman of the Nonsectarian Anti-Nazi League, has assured me that his organization is making this entire record available to the Department of Justice.

If ever there was a clear call for the Justice Department to act, and act vigorously under the Foreign Agents Registration Act, now is the time. I am sure that the author of that act, Congressman JOHN W. MCCORMACK, of Massachusetts, would agree with me in this estimate.

The audacity of these agitators is unlimited. At this very moment, some of the same propagandists whose dark deeds have just been exposed, have created for themselves a new mask of concealment, under the name "American Middle East Relief, Inc." How typical is this of the enemies of freedom. The bigot or the dictator tries always to cloak himself in a mantle of false patriotism, fake religion, or simulated humanitarianism.

So, following the well-worn path, after the subversive contacts of their Arab Office had been exposed, and after this court action had laid bare the schemes of pro-Nazis in the Institute for Arab-American Affairs, and when the evil plottings of Freedman and the League for Peace with Justice in Palestine had been dragged out into the light of day—then the next move of these Arab agitators was to try to appeal to our feelings of mercy, in the guise of a relief organization.

American Middle East Relief, Inc., has an elaborate and expensive office in the Empire State Building, in New York. The size of its office is all out of proportion to the few thousand dollars of so-called relief which it has disbursed to the Arabs and their allies—with no thought, of course, to ministering to the unfortunate Israelis and their needs.

The Non-Sectarian Anti-Nazi League is about to make public an exposé of this new Arab front—or should I say, this new front for British and oil interests. The league has discovered that among the eight incorporators of this new so-called "relief" organization, two were original members of the prewar Arab National League, the organization affiliated with Hitler's German-American Bund. Another in the head of the violently nationalist Syrian Lebanese Federation of the Eastern States. Three are officers of the discredited Institute for Arab-American Affairs—one, indeed, is listed as the treasurer of the institute.

Finally, when one goes to the officers of this "relief" organization, the literature one gets has nothing to do with the amelioration of human suffering—but consists instead, of documents attacking the United Nations' policy of establishing an independent state of Palestine.

Here then, is the new problem ahead of us: To fight anti-Palestine propaganda concealed in the cloak of false humanitarianism, and to fight misled liberal pacifism fronting for pro-Fascist and pro-oil interests—as in the case of the so-called Committee for Freedom and Justice in the Holy Land, whose lobbyists have now made their headquarters here in the very shadow of the Capitol.

We imprisoned Hitler's agents when they came here to spread division and hate among us. We prosecuted Communists when they concealed their foreign connections. We deported from our shores an undesirable and motley multitude of German, Japanese, Russian, and other agitators. Why should these men like Freedman and Passman, who have hidden their real background, go unpunished when they come into our midst to sell the propaganda wares of that notorious ally of our enemies, the Grand Mufti, and his Fascist legions?

I include below the text of Judge Bushel's outstanding opinion—and, with the judge, I say "Well done" to the splendid organization which succeeded in exposing these rascals, and had the courage to stand its ground when viciously attacked:

OPINION BY JUDGE HYMAN BUSHEL, IN THE COMPLAINT OF HALLAM M. RICHARDSON AGAINST REV. DR. HENRY A. ATKINSON, CHAIRMAN OF THE ADVISORY BOARD OF THE NONSECTARIAN ANTI-NAZI LEAGUE

I have heard the testimony and I am ready to make a decision.

Complainant charges that the defendant Dr. Henry A. Atkinson, who is well known and widely respected as an executive of an organization working to promote peace through interfaith, interchurch, international, and interracial understanding and good will, wantonly and willfully published with others a 20-page printed pamphlet entitled "Memorandum for the Assembly of the United Nations," in violation of penal law, section 1340. From the rambling specifications of the complaint, which, in its vehement and vitriolic language, makes the publication complained of seem conservative and restrained, there emerges the charge that the pamphlet alleged to have been published by the defendant tends to reflect upon the professional standing, good sense, fairness, and patriotism of the complainant. The complainant has submitted a marked copy of the pamphlet herein and the passages relied upon by him in support of his complaint are marked off. The only reference to the complainant in those marked passages is on page 11, which states:

"The political ideology of the Freedman-Passman-Katibah group may be judged from their selection of Hallam M. Richardson as legal counsel in the affairs of the League for Peace with Justice in Palestine. Richardson has long been known in the halls of pro-Fascist propagandists. He served as attorney for Paul Castorina, editor of the Black Shirt and convicted head of the prewar American Union of Fascists. He was also associated as counsel and otherwise with Joseph McWilliams, head of the notorious Christian Mobilizers, who was indicted for wartime conspiracy to commit sedition. Richardson, of course, collaborated closely in preparing the texts of Freedman's advertisements. Casual visitors to the Institute of Arab-American Affairs are sometimes offered, along with the pan-Arab literature, copies of a brief written by Richardson on behalf of another of his propagandist clients."

As to the entire pamphlet, I am convinced from the evidence that its publication by the Non-Sectarian Anti-Nazi League, Inc., was prompted by a sincere desire to champion human rights, to combat racial and religious discrimination and prejudice, and foster respect for our country's constitutional guaranties.

Penal section 1342 reads, "A publication having the tendency or effect mentioned in section 1340 is to be deemed malicious if no justification or excuse therefore is shown. The publication is justified when the matter charged as libelous is true and was published with good motives for justifiable ends."

There is no doubt in my mind that the statements in the publication were honestly made in the belief of their truth and upon reasonable ground for that belief. The remarks therein consist of fair comment upon the conduct of the complainant in respect to public affairs or upon a thing which the proprietor thereof offers or explains to the public.

The assertions regarding Richardson referred to on page 11 of said pamphlet have been proven to be true by testimony of the complainant and his own witnesses. Thus, the remarks in the publication concerning the complainant having been proven to be true, it is in my opinion that the publication was justified, that it was published with good motives and for justifiable ends.

Richardson has often times said throughout this proceeding, as he said today, that he has a perfect right to represent anyone he chooses. I agree with Mr. Richardson but when Mr. Richardson starts to associate with a crackpot like Freedman, who is just an international meddler and propagandist, he becomes his companion and collaborator, and at this time I want to say that the last exhibit which Mr. Richardson identified I am taking under consideration for further action.

Now, when he talks about representing McWilliams, of course he has the right to represent McWilliams, but when he becomes an associate of McWilliams, the notorious hatemonger, he has very little to complain of or about.

There appeared in evidence that he represented William Gerald Bishop. I am going to ask Mr. Goldstein to please read the opinion by Mr. Justice Knox, which the complainant on several occasions called an impudent dictum. Let us see what the "impudent dictum" is. (Text of Judge Knox's opinion follows:)

"UNITED STATES DISTRICT COURT, SOUTHERN DISTRICT OF NEW YORK

"IN THE MATTER OF THE APPLICATION OF WILLIAM GERALD BISHOP, PETITIONER, AGAINST THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK, RESPONDENT

"Memorandum opinion

"In my opinion, petitioner's application for a writ of coram nobis is without the

slightest vestige of merit. For this reason, it will be denied.

"In connection therewith, I have to say that I am strongly tempted to direct that Hallam M. Richardson and Emanuels Tretta, attorneys of this court, who have certified to the good faith of petitioner in making application for the writ show cause, why they, each of them, should not be disciplined as and for a contempt of this court. I have carefully examined the record of the hearing that was held in this court on August 29, 1946, on petitioner's application for a writ of habeas corpus, and there is nothing contained therein which supports or justifies the allegations contained in the petition for a writ of coram nobis. Furthermore, such allegations are without credible support from any other source.

"Nevertheless, the above-named attorneys deliberately and consciously have certified to their belief in the good faith of their client in making unwarranted and indeed scurrilous charges against various private persons and public officials including a judge of this court. To my mind, the conduct of these attorneys in this proceeding has been nothing less than reprehensible. For what they have done, they deserve, and by order to be entered herein, will have the severe censure of this court.

"For the moment at least, these attorneys will be permitted to escape disciplinary proceedings by reason of the fact that if they were now required to respond to an order to show cause why they should not be punished, they would probably seek refuge within the depth of their own gullibility in placing reliance upon the averments of their client. However, these attorneys are now solemnly admonished that any repetition of the conduct they have here exhibited will subject them to the institution of disciplinary proceedings.

"The papers on petitioner's application for a writ of coram nobis will be stricken from the files of this court for the reason that they are scurrilous, a sham, and frivolous. They will physically be sealed by the clerk, and shall be opened for inspection on the order of this court.

"JOHN C. KNOX,
"United States District Judge.

"MARCH 10, 1947."

And this is the opinion which the complainant had the audacity to call an impudent dictum. I believe Judge Knox was too kind to them. If I were in his place, I probably would have acted in another way.

The complainant has ventured into a forum of controversial opinions using certain weapons. When those same weapons which he himself chose in carrying on his ideological forays are turned against him, he complains most bitterly. Persons engaged in propaganda and who consort with individuals of the type mentioned must expect that they will be on the receiving as well as on the giving end of it. Anybody who makes charges and hangs out with the kind of people that Richardson hung out with, ought to be able to take it and not—to use the language of the street—"holler cop," and cry libel, in order to stifle justifiable criticism and the publication of the truth—in a manner which has long been recognized as a reprehensible camouflage.

In this democracy where free speech is the keystone of our way of life, a court should not impose criminal penalties on those who serve the public interest in exposing its enemies; but rather, such citizens should be commended and encouraged for their vital interest in the public weal. I say this: I congratulate openly Dr. Atkinson and anyone connected with him, for exposing all these rascals.

Complaint is dismissed.

Summary of Major Legislation of the House Banking and Currency Committee in the Eightieth Congress

EXTENSION OF REMARKS
OF

HON. JESSE P. WOLCOTT

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. WOLCOTT. Mr. Speaker, in the Eightieth Congress the House Banking and Currency Committee dealt with many phases of legislation relating to the economic well-being of the Nation. Affirmative action by the committee was taken on 45 such bills, and a majority of these were enacted into law.

Legislation in the field of banking and finance dealt with such important institutions as the Federal Reserve banks, Federal savings and loan organizations, Federal credit unions, and the Federal Deposit Insurance Corporation.

Legislation related to Government corporations included comprehensive revision and rechartering of the Reconstruction Finance Corporation, the Export-Import Bank, and the Commodity Credit Corporation. Expanded authority was given to the RFC to make disaster loans to alleviate the suffering from the flood destruction in the Pacific Northwest. Provision was made for continuation of the domestic tin-smelting industry so vital to our national defense.

Housing legislation was a major activity of the committee. Ten of the bills enacted into law dealt with various phases of housing. These bills were designed to attack the housing problem on many fronts and to stimulate the production of housing accommodations in the traditional American manner through private enterprise. Almost twice as many new permanent dwelling units were completed in nonfarm areas in 1947 as has been completed in 1946—1947, 835,100 units; 1946, 437,800 units. The first 5 months of 1948, with starts of 356,000 units, showed an increase of 28 percent over starts of 278,000 units in the same period of 1947. It would be reasonable to expect that over a million new permanent dwelling units will be added to the housing supply of the country this year, a building record never before achieved in the United States or any other country. As will be later noted in comment on individual bills, certain phases of this legislation were specifically designed to assist and provide priorities for veterans in their housing needs.

Legislation for stabilizing the domestic economy included provision for temporary continuation of rent controls with more authority in the hands of local boards in appraising the needs of their own communities. The Anti-Inflation Act emphasized an approach to this war-created problem on the basis of voluntary action and agreements. In the extension of the Second Decontrol Act there was further elimination of governmental controls over certain items then remaining in the list of materials and facilities covered by the provisions of that act.

The following tabulation presents a brief digest of the principal legislation of the committee which has been enacted into law:

BANKING AND FINANCE

FEDERAL RESERVE BANKS

(Public Law 41. Approved April 28, 1947)

Federal Reserve banks were authorized to purchase and sell Government securities direct from the Treasury to permit the Treasury to obtain funds quickly to meet temporary situations or contingencies. This enables the Treasury to operate on a smaller cash reserve and results in a substantial saving of interest.

FEDERAL SAVINGS AND LOAN INSTITUTIONS

(Public Law 895, approved July 3, 1948)

This act permits any Federal savings and loan institution to convert into a comparable State association incorporated under the laws of the State, district or Territory in which the principal office of such association is located. Authority existed for a State institution to convert to a federally chartered association but prior to this act no authority existed for a Federal association to convert to a State institution.

FEDERAL DEPOSIT INSURANCE CORPORATION

(Public Law 363, approved August 5, 1947)

This act authorizes the FDIC to retire its capital stock by payment to the Treasury retaining a capital surplus of $1,000,000,000. Retirement of this stock will return approximately $290,000,000 to the Treasury of the United States. The borrowing power of the Corporation is increased to $3,000,000,000 to provide adequately for continuation of bank-deposit insurance.

CONSUMER CREDIT

(Public Law 386, approved August 8, 1947)

Consumer credit controls (Regulation W) were eliminated after November 1, 1947. These controls were working as a barrier to the normal buying habits of a vast segment of the public and in effect gave a purchase priority for items in short supply to the purchaser best able to pay.

FEDERAL CREDIT UNIONS

(Public Law 813, approved June 29, 1948)

This act transfers the administration of the Federal Credit Union Act from the Federal Deposit Insurance Corporation to the Federal Security Agency and establishes in that Agency a Bureau of Federal Credit Unions under the supervision of a director appointed by the Federal Security Administrator. The Federal Deposit Insurance Corporation, relieved of this responsibility, can devote its full attention to the important objectives of the Corporation.

GOVERNMENT CORPORATIONS

RECONSTRUCTION FINANCE CORPORATION

(Public Law 132, approved June 30, 1947;
Public Law 548, approved May 25, 1948;
Public Law 824, approved June 29, 1948;
Public Law 825, approved June 29, 1948)

The first two above listed acts brought together in one brief, concise law substantially all of the provisions of law relating to the RFC. Provisions of law which had become obsolete were repealed, those powers designed especially for the war effort were eliminated and over-all lending authority of the Corporation was reduced from over $18,000,000,000 to $2,000,000,000 ($1,500,000,000 in the 1948 act but restored to $2,000,000,000 by subsequent legislation). Under this authority, the Corporation is effectively carrying out its normal peacetime loan and investment program which embraces the mak-

ing of noncompetitive direct business loans including participation in such loans, public-agency loans, catastrophe loans, and provision of a secondary market for FHA insured or veteran GI guaranteed home loans. The lending authority of the Corporation was extended through June 30, 1954.

Public Law 825 increased the limitation on lending authority of the Corporation in the making of disaster loans by $15,000,000 to a total of $40,000,000 to meet the emergency arising from the severe floods in the Pacific Northwest in the spring of 1948.

Public Law 824 extended to June 30, 1951 the powers of the RFC to buy and sell tin and tin ore, and to develop and operate the Government-owned tin smelter at Texas City, Tex. This is the only tin smelter in the Western Hemisphere and occupies a position of strategic importance to national defense as well as providing a substantial source of supply for industrial needs.

COMMODITY CREDIT CORPORATION

(Public Law 806, approved June 29, 1948)

This act provides a Federal Charter for the Commodity Credit Corporation making it a permanent organization within the Department of Agriculture, to be managed by a board of five directors not more than three of whom shall be within the Department of Agriculture. The Commodity Credit Corporation is the lending institution created for the purpose of financing and aiding in marketing of agricultural products. It carries out the program for the support of farm prices.

EXPORT-IMPORT BANK

(Public Law 89, approved June 9, 1947)

To secure a more effective exchange of commodities between the United States, its Territories and insular possessions, and foreign countries, the Export-Import Bank was reincorporated as an agency of the Government, given broader financial powers and operation was extended through June 30, 1953.

HOUSING

VETERANS' TEMPORARY REUSE HOUSING PROGRAM

(Public Law 85, approved May 31, 1947)

Congress authorized expenditure of $35,500,000 additional for housing construction for distressed families of servicemen and veterans. The housing program for veterans' families in educational centers had been deplorably slow and provision was made in this act to speed up and complete construction for student veterans and their dependents.

REMOVAL OF CONSTRUCTION CONTROLS

(Title I, Public Law 129, approved June 30, 1947)

The residue of wartime controls over building, and the similar controls over building materials and all construction under the provision of Public Law 388, Seventy-ninth Congress, were repealed in an effort to overcome the delay, maldistribution, production dislocation, and confusion resulting therefrom. During the period of such controls, as evidenced by the number of home completions during 1946 (437,800), it was apparent that the controls instead of stimulating home production were actually a deterrent.

With the repeal of these controls, residential building immediately began to increase and the tempo of this increase is still being continued with the result that American home building is now in the enviable position of surpassing any previous year's production.

This act provided for veterans' preference in the purchase or rental of all newly constructed sale or rental housing and this preference will remain in effect until April 1, 1949.

In addition to removing controls and providing veterans' preferences, title VI of the National Housing Act was extended to March 31, 1948.

HOME OWNERS LOAN ACT

(Public Law 372, approved August 6, 1947)

This act liberalized the provisions of the Home Owners Loan Act of 1933 with respect to certain loans made by Federal savings and loan associations. It provides that such associations may invest their funds in loans insured under title I of the National Housing Act, home loans guaranteed or insured under the GI bill, and other loans for property alterations and repair.

FEDERAL HOME-LOAN BANKS

(Public Law 311, approved August 1, 1947)

Additional assistance in the home-financing field was given by this act, which increased the maturity of mortgages, acceptable as collateral security for advances by Federal home-loan banks to member institutions, from 20 to 25 years. In view of the fact that many of the FHA insured mortgages and GI-insured or guaranteed home loans are for 25 years, they were ineligible for use as collateral for Federal home-loan bank advances.

TITLE VI—FHA MORTGAGE INSURANCE

(Public Law 366, approved August 5, 1947)

Public Law 366 increased FHA title VI authorization by $200,000,000 and gave the President the power to further increase the authorized amount by an additional $200,000,000 should the need arise. It also contained a provision which made available FHA title VI insurance in financing the purchase of Government-owned permanent war housing.

(Public Law 394, approved December 27, 1947)

Increased title VI, FHA mortgage-insurance authorization an additional $750,000,000 from the previous maximum of $4,200,000,000. This increase in title VI authorization was granted to keep pace with the momentum of building construction.

(Public Law 468, approved March 31, 1948)

This act continued title VI FHA insurance from March 31, 1948, to April 30, 1948, increased the mortgage-insurance authorization an additional $400,000,000 to $5,350,000,000, and changed the appraisal base from one of current cost to value in the case of 1–4 family dwelling units. The act further stated the policy that title VI shall be employed to assist in maintaining a high volume of new residential construction without supporting unnecessary or artificial costs.

TITLE I—FHA MORTGAGE INSURANCE

(Public Law 120, approved June 26, 1947)

Public Law 120 of the Eightieth Congress extended the provisions of title I of the National Housing Act, as amended, for an additional 2 years with respect to the authority of the Federal Housing Administration to insure home modernization and improvement loans. To date the title I program has assisted approximately 6,000,000 home owners to improve or repair their property. Operations under this program are comprised of character loans, generally unsecured, which have a relatively short maturity.

The proceeds of these insured loans aid the property owner in such work as repairing the foundation of his home, replacing his worn-out furnace or heating system, improving the lighting or plumbing system, building a new barn, service building, and many similar repairs or improvements. Many small-business men dealing in lumber, plumbing and heating supplies, paint and wallpaper, roofing, and hardware, and those engaged in the fabrication and installation of these materials benefit from this program.

LOW-COST HOUSING AND SLUM CLEARANCE

(Public Law 301, approved July 31, 1947)

During the war emergency, construction was deferred on many low-rent-housing and slum-clearance projects which Federal Public Housing Authority had contracted to extend financial aid. In many cases, increased construction costs have made it difficult if not impossible for the local housing authorities to reactivate these projects within the cost limitations of the United States Housing Act of 1937, as amended. The FPHA, under date of April 16, 1947, submitted a list of such urban projects comprising 100 developments containing 16,386 units located in 71 cities in 27 States.

By virtue of the provisions of Public Law 301, these municipalities with which the FPHA had previously entered into a contract have the opportunity of going ahead with the project by simply absorbing the excess cost above the cost limitations in the act. Thus, these 100 projects for which Federal funds had previously been allocated could be completed and provide additional housing for the communities concerned.

HOUSING FOR VETERANS

(Public Law 864, approved July 1, 1948)

In order to facilitate the financing of GI home mortgage loans this act provides for a secondary market for GI mortgage loans in the Federal National Mortgage Association. Safeguards in the legislation insure that those mortgages purchased by this Government secondary market meet the construction standards of comparable FHA insured housing, and certain other eligibility requirements for the purchase of such mortgages are provided the principal of which is that the mortgage must have been guaranteed or insured after April 30, 1948. This Government secondary mortgage market may also purchase FHA mortgages insured under sections 203 and 603 of the National Housing Act. The purchasing power of the Federal National Mortgage Association was increased threefold for these purposes. Of particular interest to veterans is the provision added by this law making combination FHA insured and GI guaranteed loans eligible for purchase in the Government secondary market. Under section 203 of the National Housing Act a veteran can secure a FHA insured mortgage loan up to 80 percent (90 percent in the case of small properties) of the value of the property. Under the GI bill the veteran in addition can secure a section 505 (a) fully guaranteed loan up to 20 percent of the value of the property. The veteran can thus obtain 100 percent Government guaranteed or insured financing which is all eligible for purchase by the Government secondary market. Such financing should stimulate the production of homes for veterans and in addition the veteran will receive the benefit of the sound construction standards and construction inspection service established by the FHA. Veterans will obtain more and better homes.

Removal of an impediment in the financing of GI home mortgage loans is accomplished by an amendment to the GI bill which provides that any evidence of guaranty or insurance issued by the Veterans' Administration shall be conclusive evidence of the eligibility of the loan for guaranty or insurance except for fraud and material misrepresentation on the part of the original lender. This provision, which is similar to the present FHA incontestability clause, will result in a wider private secondary market for GI loans.

Further assistance is provided the veterans' housing program by making veterans' housing cooperatives and nonprofit housing corporations eligible for title II FHA financing up to 95 percent of the value of the project. Emphasis is placed on low-cost, economically sound, readily financable housing for veterans with a minimum down payment. The mortgage limitation of not in excess of $1,350 per room (of construction attributable to dwelling use) effectively limits construction under this section to moderately priced construction. For instance on a 5-room unit the mortgage limitation would be $6,750. This is higher than the average-size veteran home mortgage of $5,756 guaranteed under the GI bill and under which over 1,000,000 veterans

have secured mortgage loans totaling in the aggregate over $7,000,000,000. According to the most recent survey of the Bureau of Labor Statistics, which covers construction costs for the second quarter of 1947, some 58 percent of all new housing construction had a cost (excluding land) of less than $6,250 per dwelling unit.

STABILIZATION OF DOMESTIC ECONOMY

RENT CONTROL

(Public Law 129, approved June 30, 1947; Public Law 422, approved February 27, 1948; Pubic Law 464, approved March 30, 1948)

These acts continued Federal rent control until April 1, 1949. Provision was made for local advisory boards to make recommendations to the Housing Expediter as to decontrol of any area or area adjustments of rents. The local boards consist of not less than five members who are citizens of the area and who are representative of the affected interest in the area. An appropriately substantial recommendation of a local board, if not carried out by the Housing Expediter can be referred to the Emergency Court of Appeals. Tenants are protected through limitations placed upon causes for eviction. Veterans of World War II and their families are accorded a 30-day preference in the rental of newly constructed housing accommodations.

ANTI-INFLATION ACT

(Public Law 395, approved December 30, 1947)

The purposes of this act are to aid in curbing inflationary tendencies, to promote the orderly and equitable distribution of goods and facilities, and to aid in preventing maldistribution of goods and facilities which basically affect the cost of living or industrial production. To achieve these purposes, members of industry are permitted to enter into voluntary agreements which, when approved by the Attorney General, are exempted from the antitrust laws.

SECOND DECONTROL ACT

(Public Law 427, approved February 28, 1948; Public Law 606, approved June 4, 1948)

A reduced list of materials and facilities in short supply at home and abroad were continued under control to promote production in the United States and to assist export of products required for production in foreign countries of critical materials urgently needed in the United States.

BILLS WHICH ONLY PASSED HOUSE

In addition to the above bills which were enacted into law, the committee reported out and the House passed several other measures upon which no action was taken by the Senate. Important among these were the following:

FEDERAL HOME LOAN BANKS AND FEDERAL SAVINGS AND LOAN INSURANCE CORPORATION

(H. R. 2799, passed House June 2, 1947)

This bill provides for the retirement of the capital stock held by the Government in the Federal home-loan banks and the Federal Savings and Loan Insurance Corporation. Over a period of time this action would return $225,000,000 to the Treasury of the United States. The bill also provides for a reduction in the premium rate charged institutions insured by the Federal Savings and Loan Insurance Corporation.

DISPOSAL OF WAR HOUSING

(H. R. 3492, passed House June 18, 1947)

Under the terms of this bill, veterans or veteran cooperatives would be given a high priority in the acquisition of the approximately 166,000 units of Government-owned permanent war housing constructed under the Lanham Act and supplementary acts. Sales would be made on the basis of a reasonable value on a long-term economically sound basis rather than at the present high market cost of housing accommodations. It would provide some of the most reasonably priced housing that veterans could acquire. At an average price of only slightly over $3,000 per unit, sale of these units would return approximately $500,000,000 to the United States Treasury. Insurance authority of FHA was broadened to include these projects. Some of the provisions of this bill were later incorporated in regulations issued by the Housing and Home Finance Agency.

EXTENSION OF FHA INSURANCE UNDER TITLE VI

(H. R. 5854, passed House March 23, 1948)

This bill provided for extension to March 31, 1949, of FHA title VI insurance authority and authorized an increase in such authority of $2,000,000,000. Half of this increased insurance authority was reserved for rental housing construction in multiple family units. Mass production of housing was to be encouraged through insurance of mortgages (including advances on such mortgages during construction) on large-scale projects providing for not less than 25 families in single- and two-family dwellings.

COMMEMORATIVE COIN FOR SPANISH WAR VETERANS

(H. J. Res. 333, passed House April 20, 1948)

Under the terms of this resolution there would be authorized the coinage of 50-cent pieces in commemoration of the fiftieth anniversary of the termination of the war with Spain. The net profit on the sale of these coins at a premium would inure to the benefit of the United Spanish War Veterans organization to be used by the organization in the celebration this year of the fiftieth anniversary of the Spanish War.

BANK CONVERSION BILL

(H. R. 6570, passed House June 15, 1948)

The provisions of this bill would allow national banks to convert or merge into or consolidate with State banks without the national bank first being required, as under existing law, to liquidate prior to the transfer. Such liquidation in some cases resulted in a tax liability not imposed by existing law when the conversion process was reversed, namely, from a State to the national banking system. In other words it provided an equitable two-way conversion street between the national and State banking systems. Adequate protection was set up for depositors and shareholders.

HOUSING ACT OF 1948

(H. R. 6959, passed House June 18, 1948)

As the Senate had not acted on two housing measures previously passed by the House (see H. R. 3492 and H. R. 5854 above) the subject matter of these bills was included in this comprehensive housing bill. In addition the bill provided for a $35,000,000 increase in the insurance authority for mortgages insured under title I of the National Housing Act, as amended, an increase in the limitation on title I, class 3 loans from $3,000 to $4,500, and an occupancy priority to veterans with respect to housing made available through this assistance. The bill expanded the secondary market operation carried out by the Federal National Mortgage Association through increasing the amount of funds available for such purpose and through making eligible for purchase, loans insured under section 505 (a) of the Servicemen's Readjustment Act of 1944. Certain restrictions were placed about this operation to assure that a sound secondary market would be provided without leaving the secondary market subject to the abuse of being used as a primary source of funds for building loans. (In modified form this provision was subsequently incorporated in S. 2790, which became Public Law 864.)

In order to encourage the production of additional rental housing accommodations the bill would amend the Internal Revenue Code to permit the taking of accelerated depreciation up to 50 percent over a 5-year period on rental housing accommodations, the construction of which is begun in the next 2 years. Such accelerated depreciation would only be permitted, however, if the Federal Housing Commissioner issued a certificate authorizing such accelerated depreciation. The Federal Housing Commissioner was only authorized to issue such a certificate if the rental housing accommodations are or would be located in an area in which he found there is a shortage and if the dwelling units would be rented at such levels as in his judgment tend to relieve such shortage. The Internal Revenue Code would be further amended to remove the excise tax (7 percent) on the sale of trailer coaches of the housing type sold prior to July 1, 1950.

Another title of the bill would provide an incontestability clause with respect to GI guaranteed or insured home loans similar to the incontestability clause with respect to FHA insured loans. This was provided to improve the attractiveness of GI home loan paper in the private secondary investment markets. (Subsequently incorporated in Public Law 864.)

The bill would also set up a system of yield insurance on equity investment in rental housing for a family of moderate income. As in the case of FHA mortgage insurance, this yield insurance program would be set up to be self-supporting on the basis of the insurance premium charged therefor.

As may be noted from the above provisions, the bill was designed to encourage private enterprise in the production of all housing accommodations that could be built with the available supplies of materials and labor. Particular emphasis was placed upon rental housing accommodations in order that veterans in particular might have a choice between renting or buying housing for their needed housing accommodations.

BILLS VETOED

Two of the bills reported by the committee and passed by the House and Senate were vetoed by the President. These related to commemorative coins to be issued in connection with the celebration of the one hundredth anniversary of the admission of Wisconsin into the Union as a State (H. R. 1180), and in connection with the celebration of the one hundredth anniversary of the organization of Minnesota as a Territory of the United States (S. 1304). Issuance of these coins would have been authorized in modest amounts and distribution of the coins would have been effected only by duly authorized representatives of these States. Net proceeds from the sale of these commemorative coins, over their value as coins, would have been used only to defray in part the cost of these State commemorative celebrations.

H. R. 1180 received a pocket veto July 31, 1947 and S. 1304 was vetoed May 4, 1948. The veto of these bills contrasts with the action taken by the President on August 7, 1946, when he signed the Booker T. Washington commemorative coin bill (Public Law 610), and the Iowa commemorative coin bill (Public Law 612).

Jimmy Morrison Gives His Views

EXTENSION OF REMARKS

OF

HON. JAMES H. MORRISON

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. MORRISON. Mr. Speaker, I have had many requests from my constituents to give a record of my accomplishments as Congressman from the Sixth District of Louisiana. I believe I can best do that

by giving you the following data and inserting letters which speak for themselves.

GRATEFUL TO VOTERS

I have been reelected three successive times, each time by a larger and more overwhelming vote. It is not my intention to boast or brag of my record, but rather to point out and show you how I have worked unceasingly in an effort to make you one of the best Congressmen you ever had.

HELPED ALL FARMERS

Naturally, representing a district with a large farming population, I devoted a tremendous amount of time and effort to aiding the farmers. When I successfully kept the ceiling price off the strawberry growers for almost one complete season it meant over a million dollars more to these growers. Then when I was successful in removing the OPA ceiling price in another season the farmers benefited by thousands and thousands of dollars additionally.

My aid to the cotton, rice, sugarcane, vegetable, sweet and Irish potato growers is well known. I cooperated with the hard-pressed dairy farmers in securing a Federal subsidy for them.

The conservative Cincinnati, Kansas City, and New York Packer, the largest and best produce paper in the world, carried the following editorial in the April 13, 1946, edition:

It would appear that berry growers, in general, owe a debt of gratitude to Louisiana's Congressman, JIMMY MORRISON, for the way in which he fought decontrol of berry pricing. We might point out that this is not a political plug.

The following is from a front-page story of the New York Packer:

STRAWBERRY PRICE-CONTROL EXEMPTION—FORMAL ANNOUNCEMENT EXPECTED EARLY NEXT WEEK—USDA AND OPA AGREE—CREDIT MORRISON—EXEMPTION WOULD APPLY TO ALL AREAS—REGARDED AS EXPERIMENT IN FOOD CONTROLS

WASHINGTON, D. C., April 5.—Score a bull's eye for JIMMY MORRISON, Congressman from the famed Louisiana strawberry area, who has just successfully convinced Government officials that exemption of price control over strawberries deserves a trial. This is good news, which equals only the excellence of the Louisiana strawberry, as far as producers from that and other late-producing States are concerned, was revealed here in official circles following a joint session between USDA and OPA officials of the Office of Economic Stabilization. Formal announcement is looked for not later than next Tuesday, probably effective Wednesday. Official action by OPA only waits on receipt of instructions to suspend ceilings of OES.

Another article from the front page of the same paper a week later:

BERRY PRICE DECONTROL IN EFFECT NOW—DECISION FINALLY ANNOUNCED AFTER CONSIDERABLE JOCKEYING AROUND TOOK PLACE—MIDNIGHT, APRIL 11, APPLIES TO ALL BERRIES EXCEPT CRANBERRIES—MORRISON TOOK ACTIVE PART

WASHINGTON, D. C., April 12.—After being whipsawed by reversed decisions from Chester Bowles at the Office of Economic Stabilization and pinned down at almost every turn by delaying Government red tape, Congressman JIMMY MORRISON, representing the largest strawberry-growing area in the world, was able to force through a final decision to decontrol strawberries and all other berry prices with the exception of cranberries, effective midnight Thursday, April 11.

This whole week has been one of touch and go as far as berry decontrol was concerned after a unanimous decision on Thursday, April 4, between OPA, USDA, and OES to grant an indefinite suspension of ceiling prices on all berries, fresh and processed.

The following letters give you an idea of my efforts regarding farm aid:

FOREST FARMERS ASSOCIATION COOPERATIVE,
Valdosta, Ga.

Hon. JAMES H. MORRISON,
Member of Congress,
Washington, D. C.

DEAR CONGRESSMAN MORRISON: Not only the Forest Farmers Association and its friends, but also the entire Nation so dependent on our forests for both peacetime and wartime essentials, are deeply and lastingly indebted to you for your magnificent contribution to the effort to secure the $300,000 appropriation for forestry research centers in the South.

If in the future there should ever happen to be an opportunity whereby we can express our gratitude to you in any service we can render we should deem it a privilege to have you command us.

Sending every good wish, I am,
Very sincerely yours,
C. P. KELLY,
President.

WASHINGTON PARISH CANNING CO.,
Franklinton, La.

Hon. JAMES H. MORRISON,
Congressman, House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN MORRISON: I wish to express our appreciation for your efforts in securing approval from the War Food Administration in issuing to the Washington Parish Canning Co. an additional 25,000 cases of No. 2½ cans to be used in the completion of the sweetpotato-canning program for Washington Parish, La.

If this allotment had not been granted the Washington Parish Canning Co., over one-half of the sweetpotato crop would have been a loss to the farmers of this vicinity. You have not only favored the Washington Parish Canning Co. by your efforts, but also Washington Parish and its entire agricultural interests.

Yours very truly,
NICK A. SHRMETTA,
Manager.

WASHINGTON PARISH CANNING CO.,
Franklinton, La.

Representative JIMMIE H. MORRISON,
Washington, D. C.

DEAR SIR: We have your telegram advising us that the Department of Agriculture has granted us an additional 150,000 cases of cans for sweetpotatoes and we certainly appreciate your efforts in helping us get this quota.

Yours very truly,
LOUIS JOHNSON.

LOUISIANA DEPARTMENT OF AGRICULTURE AND IMMIGRATION,
Baton Rouge.

Hon. J. H. MORRISON,
Member of Congress,
Washington, D. C.

DEAR JIMMY: Copy of your letter to the strawberry growers of Louisiana received. You certainly did a good job on having the ceiling removed on our berry crop and I appreciate what you say in reference to giving you our cooperation on this job.

Copy of New York Packer received and read with much interest.

With every good wish, I am,
Sincerely yours,
HARRY D. WILSON,
Commissioner.

PONCHATOULA UNION COOPERATIVE ASSOCIATION, INC.,
Ponchatoula, La.

Representative JAMES H. MORRISON,
Member of Congress,
Washington, D. C.

DEAR CONGRESSMAN MORRISON: We wish to extend our appreciation for your good work in behalf of the Louisiana farmers in your efforts in removing the ceiling price on fall cucumbers and in having it increased on fall beans.

With kindest regards, we are,
Very truly yours,
R. O. POCHE,
Assistant Secretary-Treasurer.

AMERICAN SUGAR CANE LEAGUE OF THE U. S. A., INC.,
New Orleans, La.

The Honorable JAMES HOBSON MORRISON,
House of Representatives,
Washington, D. C.

MY DEAR CONGRESSMAN MORRISON: It affords me considerable pleasure to comply with a request of the executive committee of the American Sugar Cane League made in the form of a motion at its regular monthly meeting held in New Orleans, La., on Wednesday, July 30, 1947.

The motion in question was to thank you for your efforts in behalf of the Louisiana sugar industry leading to adoption of the 1948 Sugar Act. I want to assure you that the executive committee collectively and individually appreciate your effective contribution and feel very grateful.

Very sincerely,
MARCEL J. VOORHIES,
General Manager.

CORA-TEXAS MANUFACTURING CO.,
White Castle, La.

JIMMY H. MORRISON,
Washington, D. C.

DEAR MORRISON: I have your letter regarding raise in sirup prices, and I wish to thank you for the vivid interest that you have shown in one of Louisiana's important industries.

We owe you a lot of gratitude, and I fully realize that your efforts have brought good results.

Thanking you, and with kindest regards and best wishes,

Yours sincerely,
LEON KESSLER.

LOUISIANA SUGAR PRODUCERS CLUB,
New Orleans, La.

Hon. JAMES H. MORRISON,
House Office Building,
Washington, D. C.

DEAR CONGRESSMAN MORRISON: The Louisiana Sugar Producers Club (western division) at its regular monthly meeting in New Iberia, La., on Friday, August 1, 1947, took cognizance of your effective efforts in bringing about passage of the 1948 Sugar Act. The group felt that the passage of this act was a paramount interest to the Louisiana sugar industry in that it provides a reasonable quota for domestic cane sugar and sets the stage for a period of stability which should prove of great benefit to the industry.

We want to express to you our thanks, appreciation, and gratitude.

Yours very truly,
J. PAULIN DUHE,
President.

AMERICAN SUGAR CANE LEAGUE OF THE U. S. A., INC.,
New Orleans, La

Hon. JAMES H. MORRISON,
House Office Building,
Washington, D. C.

DEAR CONGRESSMAN MORRISON: This is to acknowledge your effective efforts in assisting the Louisiana sugar industry to secure relief

from conditions that were bearing the Louisiana black-strap molasses price.

For myself and for the American Sugar Cane League, representing the Louisiana sugar industry, I wish to thank you sincerely.

Yours very truly,

J. J. SHAFFER, Jr.,
President.

LOUISIANA FARM BUREAU FEDERATION, INC.,
Baton Rouge, La.

Congressman JAMES H. MORRISON,
House Office Building,
Washington, D. C.

DEAR CONGRESSMAN MORRISON: We greatly appreciate your interest and efforts toward assisting the Louisiana Irish Potato Growers Association with its recent problem.

We also appreciate your prompt response with promise of your cooperation to our request for your support of the agricultural research bill; the OPA order covering farm equipment; and your consideration of the Louisiana farmers in your action on the floor of the House.

With best wishes,

Yours very truly,

J. F. PERCY,
President.

NATIONAL COTTON COUNCIL OF AMERICA,
Memphis, Tenn.

Hon. JAMES H. MORRISON,
Member of Congress,
House Office Building,
Washington, D. C.

DEAR MR. MORRISON: This is just a note to express our very great appreciation for the fine contribution which you made in the recent fight on the floor of the House to secure important increases in the Agricultural Appropriation bill. The fact that you were able to obtain the substantial increase for the new agricultural-research program and also secure the restoration of $40,000,000 of section 32 funds in the face of the overwhelming odds opposing you, represents an outstanding accomplishment for all of American agriculture.

Also, the very large vote for the restoration of the other major items in the Agricultural Appropriation bill, even though it was not quite sufficient for passage of the amendments, certainly puts us in a very fine position to press hard for the approval of these items in the Senate.

The people of the Cotton Belt and all other agricultural areas of this country are deeply indebted to you for your splendid efforts in their behalf.

Sincerely,

WILLIAM RHEA BLAKE,
Executive Vice President.

HELPED CHURCHES

I have at all times cooperated with churches of various denominations, both Protestant and Catholic. I have helped secure surplus buildings for chapels for many churches. I was happy to cooperate in securing a building permit for the new St. Gerad Majella Church in Baton Rouge. The hospitals have had my all-out aid.

The following letters are self-explanatory of my efforts to aid all churches and religious groups:

LOUISIANA BAPTIST FOUNDATION.

Hon. JAMES H. MORRISON,
House Office Building,
Washington, D. C.

DEAR MR. MORRISON: We greatly appreciate your prompt assistance in securing early ruling from the Commissioner of Internal Revenue. The Commissioner passed on our request on the 10th of April and we had been warned that it took 6 to 8 weeks to secure a ruling. Without your assistance we would have been handicapped in our work.

We greatly appreciate your courtesy and your cooperation.

Sincerely yours,

W. E. B. LOCKRIDGE,
Treasurer.

Also another letter from Mr. Lockridge, Baton Rouge General Hospital:

MR. JAMES H. MORRISON,
Congress of the United States,
Washington, D. C.

DEAR MR. MORRISON: I greatly appreciate your work on behalf of the hospital, in securing prompt attention to our application for priorities. We appreciate your assistance in this matter several times before, and I assure you that you are making a definite contribution to the public health of this community.

Yours truly,

W. E. B. LOCKRIDGE,
Treasurer.

ST. GERTRUDE CONVENT,
Ramsey, La.

Hon. JAMES H. MORRISON,
Washington, D. C.

HONORABLE AND DEAR SIR: Illness prevented us from acknowledging sooner your great kindness to us, but we shall now hasten to assure you that we shall always remember your timely assistance in helping us out of this really difficult situation.

We shall surely not forget to have a fervent momento at prayer for you, and with a sincere "God bless you" to you and yours, we are,

Gratefully yours,

BENEDICTINE NUNS,
Sister STANISLAUS, OSB.

ST. GERARD MAJELLA CHURCH,
Baton Rouge, La.

Hon. JAMES H. MORRISON,
Washington, D. C.

DEAR MR. MORRISON: It is with great pleasure that the parish of St. Gerard Majella extends you an invitation to attend as honor guest the laying of the cornerstone of their new building.

We intend this as a very special invitation because of the efforts you made to get us a priority without which this ceremony could not take place.

We hope that you will be with us on this day so that we might express our thanks to you personally.

Yours sincerely and thankfully,

PAUL J. BANDRY, C. S. S. R.

FIRST BAPTIST CHURCH,
Baton Rouge, La.

Congressman JIMMY MORRISON,
Washington, D. C.

DEAR CONGRESSMAN: Please let me express my personal appreciation of the splendid assistance you have given us in connection with our efforts to obtain Government chapels to be used in the mission and extension work of our church. You may be assured that the buildings awarded us will be put to the very best possible use, and will enable us to do much more for research work than would otherwise be possible.

With very best wishes, I am,

Sincerely,

J. NORRIS PALMER.

BOGALUSA, LA.

Hon. JAMES H. MORRISON,
Washington, D. C.

DEAR MR. MORRISON: Work is again going along nicely on the new addition to our church here in Bogalusa.

I want to take this opportunity to thank you personally for the effort and work you did for us.

I and my many friends and fellow worshipers appreciate the part you played in this matter.

With kindest regards and best wishes, I am,

Yours very truly,

M. S BAER, Jr.

EAST BATON ROUGE METHODIST CHURCH,
Baton Rouge, La.

Hon. JAMES H. MORRISON,
House Office Building,
Washington, D. C.

DEAR MR. MORRISON: I am in receipt of your letter of March 24 this morning and naturally received your wire yesterday afternoon advising me of your success in our securing one of the Army chapels.

JIMMY, it goes without saying that we greatly appreciate the effort you have put forth in our behalf and board members want me to express to you their appreciation, and we know as long as we have representation such as you in Washington things of this nature can be made a reality.

I would like to say that your wire came at a very opportune time to build up our pastor's enthusiasm and ambitions to go forward with this little church as it has been a grind through the months for him and his father passed away the day before your wire was received and naturally, when this information was given him, it really did help, which I know will make you feel mighty good to have this information.

I have not had occasion to talk to our friend, Jesse Webb, as he has been out of his office. Again thanking you for your efforts, I remain,

Yours very truly,

F. A. NEAL, *Treasurer.*

MILLIONS FOR LOUISIANA FROM UNITED STATES

In the last session of Congress more than $26,000,000 was awarded Louisiana by the Federal Government for our roads and more than $20,000,000 additional in old-age pensions, school lunch funds, and welfare assistance. I supported this legislation.

AIDED COMMUNITIES

Many communities requested my aid for surplus fire trucks and equipment. They got results from my efforts.

VETERANS' HOUSING

The much-needed veterans' housing at L. S. U., at Baton Rouge, and at Southeastern Louisiana College, at Hamomnd, are a concrete example of my efforts in behalf of all veterans.

While I have devoted much time and effort to the farmers, I have also devoted endless efforts to Baton Rouge and other cities in my district. My efforts in aiding Henry Kaiser to open the $26,000,000 aluminum plant in Baton Rouge is an oustanding example of my congressional work. I am happy to have brought new pay rolls to Louisiana. I have aided the Gaylord Paper Mill at Bogalusa on many occasions. The following is a letter from Henry Kaiser:

PERMANENTE METALS CORP.

Hon. JAMES H. MORRISON,
Washington, D. C.

MY DEAR MR. MORRISON: I have just been informed that the Baton Rouge alumina plant is now actually producing the entire alumina requirements for our aluminum plants in the Northwest.

When I received this message it immediately recalled to me your great determination and untiring efforts to develop peacetime utilization of the war plants in Louisiana.

I know you will share our sense of constructive accomplishment in the successful reconversion of the Baton Rouge plant and its contribution to employment and productive capacity of both your State and the Nation.

Sincerely,

HENRY J. KAISER.

Here are two letters from the Gaylord Container Corp.:

GAYLORD CONTAINER CORP.,
Bogalusa, La.

Hon. JAMES H. MORRISON,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN MORRISON: Yesterday we made final arrangements with the War Assets Administration, National Aircraft Components Sales Center, Cleveland, Ohio, for the purchase of a Fairchild K-17 aerial camera. The same is to be shipped to us sometime within the next 30 days.

We were able to locate the camera and I think successfully conclude the transaction due to your very fine efforts on our behalf. We assure you that we appreciate the assistance you have given us in securing this very essential piece of equipment for use in our forestry department.

Kindest personal regards.

Yours truly,

P. M. GARRISON,
Chief Forester.

GAYLORD CONTAINER CORP.,
Bogalusa, La.

Hon. JAMES H. MORRISON,
Member of Congress,
House Office Building,
Washington, D. C.

DEAR MR. MORRISON: The news about the improved mail service was indeed welcome to all the business people of Bogalusa, and your efforts are deserving of our unhesitating thanks.

Kindest personal regards.

Very sincerely yours,

VERTRESS YOUNG.

HELPED WITH REA

Extension of mail routes, rural electrification and other needed improvements received my sincere attention and the results speak for themselves.

PEARL RIVER, LA.

Hon JAMES H. MORRISON,
Congress of the United States,
House of Representatives,
Washington, D. C.

DEAR MR. MORRISON: You can hardly imagine my great appreciation and thanks for the assistance you gave me when you made it possible to have electricity extended out to my neighborhood in Pearl River. The power company went to work immediately and have already completed stringing up the wires.

My neighbors and I will always remember this good work on your part. We all feel as if we are very much in debt to you for this. All the people in Pearl River know that you were responsible for making it possible to get electricity for the neighorhood.

I have already wired my house and am now using the electric light. My neighbors are wiring their houses as quickly as they can have it done. The electric lights make all the difference in the world when you have not had them before. Now my house seems more cheerful and cozy, and now I can get the electrical applicances which I have longed for to make housework more easy.

All of Pearl River is talking about the quick results obtained through your efforts. They will not forget. They know that you are working all out for their benefit in all matters in Congress.

Again I wish to thank you for what you did for me and my neighbors. This is the quickest service with 100 percent results on anything I have ever received in my life.

Best wishes to you and your continued good work for the people.

Very sincerely yours,

MELVIN J. BRENNAN.

FRANKLINTON, LA.

Congressman JIMMY MORRISON:

You hit a home run for REA. Thanks.

J. CAGLE.

BATON ROUGE, LA.

Congressman JAMES H. MORRISON:

Desire to express unbounded appreciation for your efforts in following up this REA application.

ELLIS B. THOMPSON,
Dixie Electric Membership Corp.

Note this telegram was in connection with $224,000 awarded this REA membership.

FIRST STATE BANK & TRUST CO.,
Bogalusa, La.

Hon. JAMES H. MORRISON,
Member of Congress,
House of Representatives,
Washington, D. C.

DEAR JIMMIE: We have just received information that the new southbound-mail schedule from Bogalusa to New Orleans will come into effect on Monday, February 24. We wrote you asking your assistance in this connection in December 1946 and want to thank you very much for the assistance that you gave in connection with the securing of this additional mail service.

Cordially yours,

W. M. BABINGTON,
Executive Vice President.

FOLSOM, LA.

Hon. JAMES H. MORRISON,
Congress of the United States,
House Office Building,
Washington, D. C.

DEAR JIMMIE: We want to express our sincere appreciation for your assistance in having the mail route extended to give us service.

With best personal regards and all good wishes, we remain,

Sincerely yours,

Nemo P. Laconte, Carlie H. Kuhn, Martin Thomas, Phillip Kuhn, Albert J. Thompson, Alvin J. Thompson, Willis Fairburn, Houston Kuhn, Louis Thompson, Willis Sterenb, Lester S. Seelig.

FROST, LA.

Hon. JAMES H. MORRISON,
Member, House of Representatives,
Washington, D. C.

DEAR JIMMY: Some time ago we requested your assistance in getting an extension in the mail route from Frost. I now wish to advise that this extension has been granted and the citizens of the community are being served daily.

We wish to offer you our deepest appreciation and thanks and want to congratulate you for your promptness in securing this route.

With kindest personal regards, I remain,

Yours sincerely,

BOSA MILLER.

BUSH, LA.

Hon. JAMES H. MORRISON.

DEAR CONGRESSMAN JIMMIE MORRISON: I am writing you thanking you for the service you rendered in helping us to get our mail. It started down our way yesterday.

I am speaking the voice of all the patrons benefited and truly do we appreciate what you did for us.

Again thanking you and wishing you continued success in your work,

Very sincerely,

GEORGE SHARPE.

PEARL RIVER, LA.

DEAR MR. MORRISON: I am writing to tell you that we have our mail route. It started September 2, 1947, the one you helped us get. Just wanted to say many thanks for all you did.

You can rest assured we won't forget you on election day.

Very truly yours,

JACK CRAWFORD.

HAMMOND, LA.

Hon. JAMES H. MORRISON,
Congress of the United States,
House of Representatives,
Washington, D. C.

DEAR JIMMIE: We can't express to you in words our appreciation for your assistance in having the mail route extended in our community. It is one of the best improvements our community has ever had.

If we can be of help to you in any way, we'll be more than glad to assist you.

Sincerely,

Mr. JULIUS SMILEY.
Miss ROSIEPHINE SMILEY.

GONZALES, LA.

Mr. JAMES H. MORRISON,
Washington, D. C.

DEAR MR. MORRISON: I want to thank you for helping us get the rural-mail extension through from the Gonzales post office.

The delivery began on April 16, and we all know it was through your efforts we got it, and deeply appreciate it.

If there's any way that I may help you, please do not hesitate to call on me, for I am at your service.

Again I say thank you.

Sincerely,

Mrs. ALLEN DYER.

AMITE, LA.

Hon. JAMES H. MORRISON,
Member of Congress,
House of Representatives,
Washington, D. C.

MY DEAR MR. MORRISON: I'm taking this opportunity in behalf of all those concerned in this community as well as myself for your untiring effort and interest shown by you in helping us to secure our extended mail route. Your efforts were greatly appreciated and will always be remembered.

Thanking you again.

Sincerely yours,

SAM DIVINCENTI.

$1,159,600 FOR PEARL RIVER PROJECT

Flood-control legislation for Louisiana received my full active support. Despite demands for reduction of appropriations, I was happy to cooperate in securing $1,159,600 for the Pearl River project. This means much to Washington and St. Tammany Parishes.

AIDED THOUSANDS OF VETERANS

Thousands of veterans have called on me for help. They received my wholehearted assistance. I have taken a few of the letters from my veteran files, and they tell the story of my efforts in behalf of our deserving veterans:

REGULAR VETERANS' ASSOCIATION,
Washington, D. C.

Hon. JAMES H. MORRISON,
House Office Building,
Washington, D. C.

DEAR CONGRESSMAN MORRISON: The National Council of Administration of the Regular Veterans' Association, at its last meeting held at national headquarters on

June 15, 1947, instructed me, on behalf of the Regular Veterans' Association, to commend you on the fine showing which you have made toward all veterans and members of the armed forces.

Congressman MORRISON, I, too, want to commend you for the splendid work you have done while at the Nation's Capitol. If all Members of the Eightieth Congress were farsighted like yourself, we Americans would have no fear of the Communistic elements in America and no fear for the welfare of our service personnel and veterans.

Your constituents in Louisiana are likewise to be congratulated for sending such outstanding representatives as Hon. A. LEONARD ALLEN and yourself to the Congress. I hope that I will have the pleasure of presenting the National Council of Administration in a body to you at a future date.

Keep up the old American spirit.

Sincerely yours in comradeship,

W. M. FLOYD, D. S. C.,
National Commander.

DISABLED AMERICAN VETERANS,
Washington, D. C.

MY DEAR COLONEL: Responding to your recent inquiry, please be informed that, insofar as I can ascertain, Congressman JAMES H. MORRISON, has always been very sympathetic with and eager to support any pending legislation designed to be helpful to war disabled veterans. He has also manifested a great deal of interest, personally, in advising and assisting individual disabled veterans who have had difficulties relative to the technical establishment as to their equitable claims for service connection and compensation for their war-incurred disabilities, and has thus enabled many of them to prove their just claims for various benefits intended for them under the laws enacted by our Congress or by any State government.

I trust that this furnishes you with the information desired.

Very cordially yours,

MILLARD W. RICE.

Congressman J. H. MORRISON,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN MORRISON: Several days ago I wrote and asked you to send me a copy of the bill H. R. 3439 which you had introduced in the present Congress.

Through your promptness in replying and sending same to me it was possible to bring the bill up for discussion on the floor of the State convention of the Department of Connecticut, Disabled American Veterans.

To say the least the bill met with wholehearted approval and a unanimous resolution endorsing it was adopted, a copy of which will be forwarded to you in the near future.

I want to thank you for your kindness in this matter and to assure you that the veterans here in Connecticut certainly appreciate the efforts you are expending in their behalf even though you are not from our State.

The inequity which you are endeavoring to rectify by the legislation which you have presented is a major one. I certainly hope that the bill is enacted into law as in view of present economic conditions the amounts specified in it can, by no stretch of the imagination, be termed excessive.

Again let me thank you for your cooperation.

Sincerely yours,

RUSSELL E. SULLIVAN,
First Junior Vice Commander, Department of Connecticut, Disabled American Veterans.

THE AMERICAN LEGION,
VINCENT R. COSTELLO POST,
NO. 15, INC.,
Washington, D. C.

Hon. JAMES H. MORRISON,
House Office Building,
Washington, D. C.

MY DEAR CONGRESSMAN: I assume that you have read in the Stars and Stripes an account of your excellent efforts in the fight to eliminate all veterans from taking a pauper's oath in order to get into a veterans' hospital. It is needless for me to remark at this time that your work and service is deeply appreciated by all veterans' organizations.

As you know, we have been very busy in trying to bring about improvement in the operation of veterans' hospitals. We also appreciate your cooperation in this work. We feel deeply obligated to you due to the fact that you so willingly offered your office and your entire staff in aiding us to bring about an investigation of all veterans' hospitals.

I shall endeavor to contact the Legion Post in your State in order to acquaint them with your unselfish work in our behalf here in Washington.

I have talked to numerous officials who were high in their praise for your activities in bringing about the investigation of faulty airplane engines and defective workmanship. You should feel proud to know that your efforts in this connection undoubtedly saved thousands of American boys from tragic deaths and also rendered a distinct service to this Nation in saving millions of dollars to our Government.

Your very truly,

J. H. LIEB,
Service Officer.

AMERICAN VETERANS OF WORLD WAR II.
Hon. JAMES H. MORRISON,
House of Representatives,
Washington, D. C.

MY DEAR CONGRESSMAN: As commander of the Jack Kofoed, Jr., Post, No. 4, of AMVETS, of Miami, Fla., I've had the opportunity to go to Washington, on numerous occasions regarding veterans' legislation, and while there, I took the liberty of watching your interest in veterans' affairs, and noted your outstanding work for veterans of World War II. Due to my reporting said findings to the AMVETS here in Florida, they have asked me, in the name of the post, to issue you a certificate of merit for your unselfish devotion toward World War II veterans' activities.

Sincerely yours,

SAMUEL KAPLAN,
Commander.

AMERICAN VETERANS
OF WORLD WAR II,
Washington, D. C.

Hon. JAMES H. MORRISON,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN MORRISON: This is to express the warm feeling of appreciation that hundreds of members of the AMVETS hold for you because of the interest you took in their welfare during its inception and the many, many times you have given assistance to the families of veterans and their dependents when help was urgently needed. In numerous instances you have rendered most effective assistance in obtaining settlement of problems and claims long ignored or denied.

The assistance you rendered the AMVETS during their organization period, and the many contacts you have helped them build on Capitol Hill, will always be remembered. We know the veterans will be ever grateful for the hundreds of personal favors you have done for them individually and for their organizations.

Your leadership in all matters pertaining to the rehabilitation and welfare of the veterans of our Nation is particularly noteworthy, and we feel certain that we express the sentiment of all veterans throughout the United States in commending your splendid support of all constructive veterans' legislation.

I feel sure that every veterans' organization knows that the veterans have a hardworking, sincere, and real friend in JIMMY MORRISON. As a Congressman, you have proved by acts and deeds that you are worthy of the supreme trust of all veterans.

Sincerely yours,

ALBERT C. GEREMIA,
National Executive Secretary.

AMERICAN VETERANS OF WORLD WAR II.
Congressman JAMES H. MORRISON,
House Office Building,
Washington, D. C.

DEAR CONGRESSMAN MORRISON: This is to let you know how much the AMVETS organization appreciate your splendid cooperation and the many favors that you have done for our organization.

It is certainly refreshing to know that the veterans of World War II have a sincere friend on Capitol Hill, as you have demonstrated by your many acts of kindness and cooperation. Frankly, we feel that your work in behalf of our organization and other veterans' organizations has been outstanding.

Due to the fact that you were one of the first Congressmen to take an interest and assist our organization at its very inception, I feel sure that the AMVETS will always have unending gratitude for this encouragement and aid at a time when we needed it the most.

Please feel free to call on our organization at any time if we can be of any assistance to you.

Very truly yours,

J. H. LIEB,
National Legislative Director.

P. S.—From all reports in Louisiana, you are certainly gaining a world of friends among the veterans down there.

REGULAR VETERANS ASSOCIATION,
Washington, D. C.

Hon. JAMES H. MORRISON,
Old House Office Building,
Washington, D. C.

DEAR CONGRESSMAN MORRISON: I am in receipt of your recent correspondence with bill H. R. 3514 enclosed. You can rest assured that the RVA will support this legislation and you are to be commended for all you have done for the members of the armed forces and Americans alike. If we had more MORRISONS in Congress, we know that we would get more sound legislation than we have in the past.

Sincerely yours,

W. M. FLOYD, D. S. C.,
National Commander.

DISTRICT OF COLUMBIA DEPARTMENT,
DISABLED AMERICAN VETERANS,
Washington, D. C.

Hon. JAMES H. MORRISON,
House of Representatives,
Washington, D. C.

MY DEAR MR. MORRISON: I know of no Congressman who has done more for the veterans than you. You have supported all legislation in behalf of needy and disabled

veterans. I heartily endorse you for the high office which you seek, and I feel sure that the veterans have in you a real and sincere friend.

With best wishes,
Sincerely,

ELPHEGE DESGRES,
Senior Vice Commander.

THE AMERICAN LEGION,
NATIONAL CATHEDRAL POST, No. 10,
Washington, D. C.

The Honorable JAMES MORRISON,
Member of Congress from the State of Louisiana,
House Office Building,
Washington, D. C.

MY DEAR CONGRESSMAN MORRISON: As commander of National Cathedral Post, No. 10, of the American Legion, department of the District of Columbia, I wish to take this opportunity to thank you personally for the many favors that you have done for the members of the American Legion during the past several years.

Your office has always been open and available to all veterans regardless of their station in life, and you have contributed much to the welfare and happiness of the thousands of veterans who have individually called upon you for help. You have appeared before Army, Navy, and Veterans' Administration boards in behalf of the needy and disabled former servicemen on occasions too numerous to set out in this letter, and as a result of your unselfish and diligent efforts in their behalf you have established yourself as one of the most outstanding friends of the veterans on Capitol Hill.

You are one man in Congress who established himself as one of the best friends a veteran ever had.

As you are aware, we of the District of Columbia had no Congressman to represent the citizens of the District, and we therefore are grateful indeed to you for the efforts that you have expended in behalf of those veterans of the District of Columbia who have approached you for assistance.

Again my many thanks and best wishes.

Very truly yours,

STANLEY H. FISCHER,
Commander.

WAR AMPUTEES CAR COMMITTEE,
WALTER REED GENERAL HOSPITAL,
FOREST GLEN SECTION,
Washington, D. C.

Hon. JAMES H. MORRISON,
House Office Building,
Washington, D. C.

DEAR CONGRESSMAN MORRISON: Let me express to you the gratitude of the many amputees of America for your successful efforts in securing action on legislation to provide us with necessary cars for our mobility. The pleasing satisfaction which you must enjoy from the efforts you have exerted to help disabled veterans, must give you a great satisfaction for the laborious task which you have performed.

All the amputees join with me in heartily thanking you on being among the first Congressmen to present our side of the case. Your zeal and services in the cause of the veterans will always be remembered. Your record proves that you have always worked and voted for all constructive veterans legislation. The amputees join with me in sending you every good wish with sentiments of great esteem.

Wishing you a full measure of success, I am,

Yours very truly,

FRANK W. MONICO,
Chairman.

LACOMBE, LA.

Hon. JAMES H. MORRISON,
House of Representatives,
Washington, D. C.

DEAR JIMMY: It is with the greatest of pleasure I am afforded this opportunity to write this letter and thank you for the tremendous service you have rendered in connection with my veteran problem in Washington.

Let me say that I was agreeably surprised, in fact, even amazed, at the type of service and help you afforded me in this connection. I say this because it has been my experience that there are two types of people in politics—those who give promises and delay, and I am afraid, often too rarely, the type who see that their constituents are properly represented and get immediate action. From my personal experience I can truthfully and sincerely testify that JIMMY MORRISON, Congressman of the Sixth District of Louisiana, is definitely the action type.

Again let me thank you and your most capable staff for the many courtesies and assistance afforded me.

Sincerely,

H. A. MCENERY,
Major, Retired, AUS.

Note, McEnery is a grandson of the Governor of Louisiana who served Louisiana many years ago.

VETERANS' ADMINISTRATION,
Shreveport, La.

Hon. JAMES H. MORRISON,
House of Representatives,
Washington, D. C.

DEAR MR. MORRISON: I have just received your reply of May 14, 1948, to my recent correspondence regarding the Flanders bill.

It is refreshing and gratifying to note the very definite stand you have taken in the support of this bill. May I assure you that your favorable attitude is appreciated by every member of this organization, whose attention has been invited to your early and encouraging response.

Thank you for your expression of interest in this matter.

Very truly yours,

E. A. SPERIKY,
Regional Manager.

STATE OF LOUISIANA,
DEPARTMENT OF VETERANS' AFFAIRS.

Hon. JAMES H. MORRISON,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN MORRISON: Please allow me to commend you and your entire office personnel on the excellent service rendered in locating the above-named former Navy serviceman.

It is grand work of this type that seems to lessen our tasks. The splendid cooperation you are rendering us is deeply appreciated.

Once again allow me to thank you and with kindest personal regards and best wishes, I am,

Very truly yours,

WILLIAM G. ROBINSON, Sr.,
Parish Service Officer, Parish of East Baton Rouge, La.

HAMMOND MOTORS, INC.,
Ponchatoula, La.

Hon. JAMES H. MORRISON,
Hammond, La.

DEAR MR. MORRISON: You will never know how much I appreciate your assistance in helping me get back on the "GI claim for farmers" claiming self-readjustment allowances

I knew that you wouldn't let us farmers of America down. You have fought for us and you are still fighting.

Thanks to a wonderful man who has the spunk and courage to carry on forever.

With best wishes,
Sincerely yours,

VERNON H. BARDWELL.

BATON ROUGE, LA.

Hon. JAMES H. MORRISON,
United States Congress,
Washington, D. C.

DEAR MR. MORRISON: I would like to thank you for the keen interest and prompt attention which you have so recently rendered in aiding me to secure payment from the Veterans' Administration.

Yesterday I received your letter with the enclosed copy of your correspondence with General Guerre. In the afternoon mail I received a check for the total amount due me.

Words alone cannot express my thanks to you for your invaluable aid in a situation which was of greatest concern to me.

Your efforts in this matter were reassuring to me and I wish to assure you that your cooperation will not be forgotten by me.

Sincerely,

WARREN L. BROWN.

Hon. JAMES H. MORRISON,
House of Representatives,
Washington, D. C.

DEAR SIR: I wish to express my sincere gratitude for the kind interest you showed in my behalf.

Sincerely yours,

FRANK L. KEMP.

UNIVERSITY, LA.

Hon. JAMES H. MORRISON,
House Office Building:

My son has received his VA check. Your assistance is appreciated. Regards.

MRS. DEWITT T. METHVIN.

DENHAM SPRINGS, LA.

Hon. JAMES H. MORRISON,
Washington, D. C.

DEAR MR. MORRISON: Please accept my many thanks to you for your kind interest you have shown me and my son in regards to his wife and baby getting over here. We deeply appreciate your efforts. Please let me thank you again. I am,

Yours truly,

W. E. COURTNEY.

GREENSBURG, LA.

Hon. JAMES H. MORRISON,
Hammond, La.

DEAR CONGRESSMAN MORRISON: This letter is to thank you for your help in securing the family allotment due my mother and father, Mr. and Mrs. Isaac Young. We have received a check in the amount of $235 to cover the entire sum.

If ever I can be of any assistance to you in any way, don't fail to call on me.

Very truly yours,

WILLIAM M. YOUNG.

INDEPENDENCE, LA.

Hon. JAMES H. MORRISON,
Washington, D. C.

DEAR MR. MORRISON: Several days ago Mr. Charles Sinagra wrote to you about my checks due me on GI farm training program, and about 4 days later I received all of my checks.

I want to take this opportunity to thank you very much for your effort in my behalf.

If there is anything I can do for you at any time, call on me.

Yours truly,

JOHN J. MAGLIOLO.

CANGELOSI & HAYES,
Baton Rouge, La.

Hon. JAMES MORRISON,
Representative, Sixth Louisiana District,
House Office Building,
Washington, D. C.

DEAR JIMMY: Thank you very much for your wire of March 25, 1947, in the above matter. The medical reports of Leon Chisholm have been received, and they and we are grateful to you for your assistance.

With best wishes,

Very truly yours,

THEO F. CANGELOSI.

NEW ORLEANS, LA.

Hon. JIMMY MORRISON,
House of Representatives:

WAA claim paid in full. Thanks to you. You have my wholehearted admiration for manner in which you negotiated settlement. Would like to thank you personally next time you are in Baton Rouge.

A. W. MCFARLAND, M. D.

Note, Dr. McFarland is a veteran and a brother-in-law of Russell Long.

UNITED STATES MARINE CORPS.

Congressman JAMES H. MORRISON,
House of Representatives,
Washington, D. C.

DEAR SIR: Please accept my sincere appreciation for your great help in my securing housing. I received a permanent house shortly after your second letter, moved in, and like it fine. I assure you that I won't forget your kindness in the future, neither will my extra large family of four brothers and two sisters, all married.

Wishing you continued success and again thanking you for your help, I am,

Very truly yours,

BILLY DAY, Sr.

UNIVERSITY VETERANS COOPERATIVE, INC.,
Baton Rouge, La.

Hon. JAMES H. MORRISON,
House Office Building,
Washington, D. C.

DEAR MR. MORRISON: In answer to your letter of April 14, 1947, offering further assistance. We more than appreciate the aid that you have already rendered our organization. We take this opportunity to express our thanks.

One of the stores is already in operation, and the other is expected to commence operation at the first of next week. We have received full cooperation from the university officials, and we thank you for the part that you played in this.

Of course, our stores aren't the finest, in fact they are little wooden shacks, but they fulfill the needs of the veterans' families living on or near the campus. We plan in the future to expand and have large Quonset huts, but from the information that I have at hand these are impossible to acquire at gratis. We have no cash registers on hand and are having to suffice with adding machines. Yet our business grows every day. This only convinces me that the average family appreciates this service and doesn't view this from a mercenary viewpoint.

I felt that since you had rendered us such valuable service, you would be interested in our progress.

Expressing our sincere appreciation again, I remain,

Sincerely yours,

WESLEY D. GLASSELL.

Hon. JAMES H. MORRISON.
Member of Congress, Hammond, La.

DEAR MR. MORRISON: I wish to take this opportunity to express my thanks for your recent efforts in my behalf.

It is such prompt and efficient service as this that is making the name "JIMMY MORRISON" a national byword.

Best wishes for your continued success.

Sincerely,

NOAH P. GUEDRY.

BATON ROUGE, LA.

Hon. JAMES H. MORRISON,
Louisiana Congressman,
Washington, D. C.

DEAR SIR: I take pleasure in expressing my sincere appreciation for your interest and efforts, in taking prompt action upon my request for help in getting my overdue subsistence pay from the Veterans' Administration.

It is services of this quality that I feel we, the people of Louisiana, need. I probably would never have called upon you for help, if so many of my friends had not advised me to contact you; so many veterans as well as "just plain old Louisianians" have been helped by you, that I just couldn't but hear about you.

Mr. MORRISON, you had a fine record behind you. When looking back on your past record, I can only predict success for you and the people of Louisiana under your administration.

Yours truly,

NATHAN A. CORMIE.

BATON ROUGE, LA.

Congressman JIMMIE H. MORRISON,
Member of Congress:

Many thanks for your splendid work and cooperation on Harding Field project.

ARMSTRONG AMERICAN VETERANS OF WORLD WAR II.

COMPANY B,
THIRTY-SEVENTH INFANTRY,
SCHOOL TROOPS INFANTRY SCHOOL,
Fort Benning, Ga., April 22, 1947.

DEAR MR. MORRISON: I am sorry it has been impossible for me to express my appreciation earlier due to transfers and comparatively busy hours. However, I have enjoyed every minute to the fullest extent since my reenlistment March 29, 1947.

Your assistance has brought back a bright future to my family and me and we sincerely hope to do our part for you in time to come.

My wife and I enjoyed a short visit with relatives and friends at home where I asked every individual to think of you and what you have done. I was assured you would be wholly remembered.

I am now assigned to the Infantry School here and working in plans and training (S–3).

Thanking you time and again we shall never forget, there is a future for everyone and we are willing to help you in every way possible.

With best wishes, I am,

Your friend,

ELDON E. MILLER, RA 14023124.

AMERICAN WOMEN'S
VOLUNTARY SERVICE,
Baton Rouge, La., February 20, 1946.

Hon. JAMES MORRISON,
Member of Congress,
Washington, D. C.

DEAR SIR: At a meeting yesterday afternoon the American Women's Voluntary Services disbanded their activities, believing that we had served our purpose in helping the boys in military service.

We wish to take this opportunity to thank you for your wonderful cooperation relative to the housing problem in Harding Field and for your efforts in behalf of the GI Joes at LSU.

Very truly yours,

MARJORIE P. MARY,
Chairman.

SOUTHWESTERN LOUISIANA INSTITUTE,
Lafayette, La., April 1, 1946.

Hon JAMES H. MORRISON,
Member of Congress,
Washington, D. C.

DEAR MR. MORRISON: This is to acknowledge your letter of March 29, to which was attached one from Commissioner Philip M. Klutznick relative to veterans' emergency housing for Southwestern.

We deeply appreciate your splendid cooperation.

Sincerely,

JOEL L. FLETCHER,
President.

THE AMERICAN LEGION,
STANLEY MARTIN POST, NO. 69,
Lafayette, La., February 15, 1946.

Congressman J. MORRISON,
Sixth Congressional District, House of Representatives, Washington, D. C.

DEAR CONGRESSMAN: I thank you for your efforts directed toward aiding the veterans of Southwestern in obtaining housing facilities so that they can attend college.

Your work will receive due recognition at the February meeting of Stanley Martin Post, No. 69, of the American Legion.

Trusting that you will continue the fight, I am,

Sincerely,

R. L. BROWNE,
Commander.

LOUISIANA STATE UNIVERSITY,
AGRICULTURAL AND MECHANICAL COLLEGE,
Baton Rouge, La., May 15, 1946.

Hon. JAMES H. MORRISON,
House of Representatives,
Washington, D. C.

DEAR MR. MORRISON: Thank you very much for your telegram of May 1, 1946, informing us that the National Federal Housing Authority had allocated 419 temporary family housing units to Louisiana State University. We sincerely appreciate the support you have given us in securing housing units and in other matters also.

With kindest personal regards and best wishes, I am,

Sincerely yours,

W. B. HATCHER,
President.

LOUISIANA STATE UNIVERSITY,
AGRICULTURAL AND MECHANICAL COLLEGE,
Baton Rouge, La., November 25, 1946.

Hon. JAMES H. MORRISON,
House Office Building,
Washington, D. C.

DEAR MR. MORRISON: In the absence of President Hatcher, who is ill, I wish to express our appreciation for the telegram informing us that the FWA had approved project 16V–10.

Assuring you that we are very grateful for your assistance in this matter, I am,

Sincerely yours,

FRED C. FREY,
Dean of the University.

HARDING FIELD AIRPORT,
Baton Rouge, La., February 19, 1947.

Hon. JAMES H. MORRISON,
Congress of the United States,
House Office Building,
Washington, D. C.

DEAR MR. MORRISON: This happens to be an excellent opportunity for me to thank you for the fine cooperation you have given us about Harding Field, and my personal best

wishes and aid will certainly be given you in the coming election.

Sincerely,

JOHN M. HILL,
Airport Manager.

AMERICAN LEGION,
DEPARTMENT OF LOUISIANA,
April 14, 1947.

Hon. JAMES H. MORRISON,
Sixth District, Louisiana,
House of Representatives,
Washington, D. C.

DEAR MR. MORRISON: I deeply appreciate your letters of April 10 and the 11th and contents noted.

I do believe that this action is going to bring some results and I'll be happy to follow through. If it doesn't I'll so advise you as to my advice and suggestions as to further procedure.

Please accept my thanks for your keen interest in the welfare of the patients at the Carville Hospital.

With best wishes, I remain,

Sincerely yours,

VICTOR H. KENNEDY,
Department Vice Commander.

LOUISIANA STATE UNIVERSITY,
COLLEGE OF ARTS AND SCIENCES,
University, La., May 10, 1947.

Hon. JAMES H. MORRISON,
House of Representatives,
Washington, D. C.

DEAR MR. MORRISON: I wish to thank you very much for your prompt action in the matter of the check of my son Capt. Sidney F. Smith. I received the check from New York yesterday.

After waiting for a year to get action from the Veterans' Administration it is really amazing how promptly you secured action for us. It is thoroughly appreciated by both myself and my wife.

With kindest personal regards and best wishes, I am,

Very sincerely yours,

MARION B. SMITH.

HEADQUARTERS, NATIONAL AUXILIARY,
UNITED SPANISH WAR VETERANS,
Pontiac, Ill., March 11, 1944.

Hon. JAMES H. MORRISON,
House Office Building,
Washington, D. C.

HONORABLE SIR: Your unanimous approval of H. R. 2350 is appreciated by every member of the National Auxiliary, United Spanish War Veterans.

Personally and as the national legislative representative of the membership of your district in the State of Louisiana, may I say thank you.

Most sincerely,

IRMA HILL VOGEL,
Chairman, National Legislative Committee.

LOUISIANA STATE UNIVERSITY,
AGRICULTURAL AND MECHANICAL COLLEGE,
Baton Rouge, La., August 19, 1946.

Miss FLORENCE H. COOLEY,
Secretary to Congressman James H. Morrison, House of Representatives, Washington, D. C.

DEAR MISS COOLEY: In the absence of President Hatcher, I wish to thank you for your letter of August 13 and your telegram of August 16 with respect to the triple-A priority for this institution. I passed the information contained in both messages on to the Comptroller, who gave the matter his prompt attention.

Assuring you that we appreciate everything your office has done for us regarding this problem, I am,

Sincerely yours,

FRED C. FREY,
Dean of the University.

LOUISIANA STATE UNIVERSITY,
July 8, 1944.

Hon. JAMES H. MORRISON,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN: Many thanks for your very nice letter of June 27. The doctors tell me I should be able to be up and walking around in a few weeks, and I can only hope that they are correct.

I want to thank you for your fine cooperation with me as president of Louisiana State University during the short time I was in your district. Your fine cooperative spirit will always be appreciated.

Sincerely yours,

C. B. HODGES,
President Emeritus.

BATON ROUGE, LA.

DEAR JIMMIE: Thanks for your memorandum with copy of letter to Mr. Lindsay C. Warren. I should have written you yesterday when I received the Notice of Claim Settlement from the Claims Division of the United States Navy.

I must hand it to you, old fellow, you certainly got results in this matter. The efficiency of your office is even better than some of the flattering remarks I heard previous to my request. This matter was very important to me and I believe, without your help, it would have taken months to get a settlement.

Many thanks. With highest personal regards, I remain,

Sincerely yours,

WILLIAM WARREN MUNSON.

STATE OF LOUISIANA,
DEPARTMENT OF VETERANS' AFFAIRS,
May 27, 1947.

Hon. JAMES H. MORRISON,
House of Representatives,
Washington, D. C.

DEAR MR. MORRISON: With reference to your correspondence of May 24, 1947, please be advised that I regret the oversight on my part of not enclosing the home address of the veterans whose causes I have brought to your attention. In our future correspondence I will be only too happy to forward you the addresses.

Also please be advised that it is a pleasure to work in harmony with you in the interest of our veterans. Your excellent work has enabled me to clarify hundreds of cases for veterans in my parish and for veterans over the entire State of Louisiana and elsewhere.

Assuring you that your continued cooperation in matters of this kind will be very much appreciated and with kindest personal regards and best wishes for your continued success in everything, I am,

Sincerely yours,

W. G. ROBINSON,
Assistant Parish Service Officer, Parish of East Baton Rouge, La.

I shall in the future as I have in the past, cooperate with all public officials of my district and State regardless of their political ties or affiliations. I shall continue to render aid to all you people regardless of your walk or station in life. No request or task has been too small nor none too large to receive my complete cooperation and attention.

SUPPORTED FARM LEGISLATION

I have supported all farm legislation before Congress including:

First. Support price for cotton and potatoes.

Second. Subsidy for dairy farmers.

Third. Parity payments for farmers.

Fourth. Soil-conservation legislation.

Fifth. Forestry rehabilitation.

Sixth. Low interest rates to farmers.

Seventh. More liberal farm loans.

Eighth. Farm Security Administration.

Ninth. Low interest rates for farmers.

Tenth. Rural electrification.

Eleventh. Tung-oil development.

Twelfth. Better farmers' marketing facilities.

Thirteenth. Farm-to-market roads.

Fourteenth. Establishment of rural telephone service.

FREE SCHOOL LUNCHES

Without the aid of the Federal Government there would be no free school-lunch program in Louisiana. The Federal Government has poured millions into our State for this school-lunch program. I am happy to have aided in this program. I shall continue my efforts.

The following letters are in regard to this legislation:

EAST BATON ROUGE PARISH
SCHOOL BOARD,
Baton Rouge, La., February 23, 1946.

Hon. JIMMIE H. MORRISON,
United States Congressman,
House of Representatives,
Washington, D. C.

DEAR MR. MORRISON: Your telegram in which you advised that you voted for and supported the school-lunch program has been received. We appreciate your interest and support in all problems pertaining to public education.

With best wishes, and kindest personal regards, I am,

Yours sincerely,

CLARK L. BARROW,
Superintendent.

STATE OF LOUISIANA,
DEPARTMENT OF EDUCATION,
Baton Rouge, La.

Hon. JAMES H. MORRISON,
Member of Congress,
House Office Building,
Washington, D. C.

DEAR MR. MORRISON: Thanks for your letter of April 4, with reference to the $4,000,000 food production war training deficiency item.

I deeply appreciate your efforts in our behalf.

With kindest regards, I am,

Sincerely yours,

S. M. JACKSON,
State Supervisor of Vocational Agriculture.

LOUISIANA PARENT-TEACHER ASSOCIATION,
New Orleans, La.

Hon. JAMES H. MORRISON,
House of Representatives,
Washington, D. C.

MY DEAR MR. MORRISON: Congratulations on passing the school-lunch bill, and many thanks for your letter, your support, and your telegram.

Most sincerely yours,

Mrs. A. L. CULPEPPER,
State Chairman, School Lunch Project.

IBERVILLE PARISH SCHOOL BOARD,
Plaquemine, La., March 13, 1947.

Hon. JIMMY MORRISON,
Member of Congress,
House of Representatives,
Washington, D. C.

DEAR MR. MORRISON: I wish to take this opportunity to express my personal appreciation of the fine efforts you are making in behalf of better compensation for the school personnel of the State of Louisiana and the Nation. I feel that leaders like you, with the interest you have, can accomplish very much if you receive the backing of the people back

home and I want you to know that I am 100 percent back of your efforts to increase State and Federal aid to education.

Please accept my best wishes.

Sincerely yours,

L. P. TERREBONNE,
Superintendent.

ST. TAMMANY PARISH, LA.,
February 10, 1947.

Hon. JAMES H. MORRISON,
House Office Building,
Washington, D. C.

DEAR CONGRESSMAN: We note that you have just introduced a bill to raise $15,000,000 in order to carry the Government's participation in the school-lunch program through the present fiscal year. Naturally, we are proud that it is the Congressman from our district who was the first to recognize the serious implications in the termination of the Federal aid after this month. We have viewed with much concern the effects such termination would have. Much has been accomplished by the school-lunch program. Competent observers state that the children who partake of the wholesome, well-balanced school lunches are more alert, both mentally and physically, that they are better able to learn and that their condition is generally speaking much improved. Should the Government terminate its aid, there could only be one of two results. Quality of the lunches would have to be lowered or prices would have to be raised. Either is bad. To lower the quality and quantity of the food would tend to undo all the good accomplished thus far. To raise the price would mean that many children again would have as their lunch, brought from home, a cold biscuit and a slab of sidemeat. You know what that sort of diet has done for the rural South.

We are all residents of Folsom and its immediate vicinity and, as parents, we are very much interested in the welfare of all school children. It is for this reason we urge you to leave no means unused to have your measure enacted into law. If you feel we should write any committee chairman or other Members of the Congress, please let us know. Meanwhile, we are pulling for the passage of your bill and wish you success.

Respectfully yours,

W. Price Magee, Sam H. Smith, Edward Rogers, R. J. Munch, Russell Blackwell, Geo. Wallace, Thomas M. Armitage, C. B. Laroix, C. Wascom, Holan Blackwell, Venton Blackwell, Evert Stevens, R. L. Peterson, Mollie Pittman, F. J. Patecek, Hayden Lovinghouse, Ed Jenkins, G. E. Wascom, William P. Dyers, Alfred S. Pittman, Jacob E. Greene, Dallas M. Magee, D. A. Core, James Pittman, Elmer Sandifer, Mrs. Luther Johnson, Alfred C. Core, Robert Core, Frank Willie, Adrian Rogers, Alvin Thompson, Floyd Rogers, James C. Pittman, Frank Thomas, Alvin O. Morgan, Dewey McKee, James D. Addison, Belva C. Dyess, Ross Jenkins.

STATE OF LOUISIANA,
DEPARTMENT OF EDUCATION,
Baton Rouge.

Hon. JAMES H. MORRISON,
Member of Congress,
House Office Building,
Washington, D. C.

DEAR MR. MORRISON: I deeply appreciated your telegram yesterday, stating that you would make an effort to have the supplemental appropriation for food production war training reported favorably.

Thanks for your cooperation, and with kindest regards, I am

Sincerely yours,

S. M. JACKSON,
State Supervisor of Vocational Agriculture.

LOUISIANA STATE UNIVERSITY,
AGRICULTURAL AND MECHANICAL COLLEGE,
Baton Rouge, La., May 30, 1947.

Hon. JAMES H. MORRISON,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN: Thank you very much for sending me a copy of your testimony before the Committee on Education and Labor in support of H. R. 2525.

I agree with you thoroughly and hope that this bill is favorably acted upon. I have had experience with Federal funds and Federal legislation for about 30 years now and the proviso "without Federal control or supervision" is a very wise one.

Thank you very much for this form.

Sincerely yours,

J. G. LEE, Jr.,
Dean, College of Agriculture.

TIDELANDS

I have repeatedly fought and voted against the Federal Government taking away States' rights in our tidelands and water bottoms. These are great potential oil fields and I shall continue to fight for State ownership and against any Federal control or ownership.

POSTAL AND FEDERAL WAGE INCREASE

As a member of the Civil Service and Postal Committee I aided in securing a Federal salary pay raise for Federal workers and a pay raise for postal employees. In the city of Baton Rouge this means more than $90,000 annually, just in Baton Rouge itself.

PLAQUEMINE, LA., *June 24, 1948.*

Hon. JAMES H. MORRISON,
House of Representatives,
Washington, D. C.

MY DEAR MR. MORRISON: May I express my utmost gratitude in your support of the salary legislation passed by Congress for all members of Branch No. 2661, National Association of Letter Carriers.

Very truly yours,

HENRY J. DUPUY, Jr.,
Secretary, Branch No. 2661, NALC.

LOUISIANA RURAL LETTER
CARRIERS ASSOCIATION,
Gonzales, La., April 19, 1948.

Hon. JAMES H. MORRISON,
Washington, D. C.

MY DEAR CONGRESSMAN MORRISON: In behalf of the rural letter carriers of the southeast district of Louisiana I wish to thank you for the splendid work done by you for us in Washington. Senate bill 203 providing a 1-cent increase was added to our pay check of the 15th. It was badly needed and came in handy as you know the expense of keeping a car on the road every day. Our pay raise bill which you worked so hard for as the papers stated seems a certainty and will certainly be a help also. The southeast district includes the First, Second, and Sixth Congressional Districts. We are having a meeting in Hammond May 30. As secretary for the district for the past 7 years I will offer a resolution that we send you a letter of thanks also at our Alexandria State convention in July.

Again thanking you, I am,

Yours truly,

L. J. BERTEAU,
Secretary.

NATIONAL ASSOCIATION OF
POSTAL SUPERVISORS,
New Orleans, La., April 17, 1948.

Hon. JAMES H. MORRISON,
House of Representatives,
Washington, D. C.

DEAR SIR: This will acknowledge your letter April 13, 1948, reporting H. R. 5667 being reported out by the Post Office and Civil Service Committee.

Please accept the thanks of the officers and members of this organization for your personal efforts in behalf of obtaining some salary adjustment for postal workers. We realize that you have labored mightily in our behalf and we are very appreciative of that.

Trusting that you will continue to lend your efforts and influence to our cause, I am,

Sincerely yours,

LEONARD R. MADDEN,
Secretary.

BATON ROUGE, LA., *April 15, 1948.*

Hon. JAMES H. MORRISON.

DEAR SIR: Your support for the postal employees' salary raise is very highly appreciated.

Sincerely,

MRS. BUFORD P. HEBERT,
Secretary and Treasurer of Supervisors Organization.

NEW ORLEANS, LA., *April 22, 1948.*

Hon. JAMES H. MORRISON,
Sixth District, Louisiana,
Washington, D. C.

MY DEAR CONGRESSMAN: Thank you sincerely for your letter of April 13. I appreciate your splendid effort and know all postal employees feel as I do.

Sincerely,

RAYMOND L. OUSTALET.

NATIONAL FEDERATION OF
POST OFFICE CLERKS,
Washington, D. C.

Hon. JAMES H. MORRISON,
House Office Building,
Washington, D. C.

MY DEAR CONGRESSMAN MORRISON: On behalf of the National Federation of Post Office Clerks, we desire to express our sincere appreciation for the action of the House Committee on Post Office and Civil Service in reporting favorably H. R. 3872 on Friday, June 20, 1947.

Our knowledge of your personal contribution to this desirable action causes us to offer the observation that the postal employees of your district have a real friend in the Congress. If we can at any time in the future be of possible service to you, we would appreciate the opportunity to be helpful.

Sincerely yours,

LEO E. GEORGE,
President.
E. C. HALLBECK,
Legislative Representative.

LOUISIANA STATE FEDERATION,
POST OFFICE CLERKS,
Shreveport, La., May 20, 1946.

Hon. JAMES H. MORRISON,
Sixth District, Louisiana,
Washington, D. C.

DEAR SIR: The Louisiana State Federation of Post Office Clerks and its many members wish you to know that we appreciate your help in making into law the recent salary-increase legislation for postal workers.

With kindest personal regards to you, I am,

WALTER HUMPFREY,
Secretary-Treasurer.

NATIONAL FEDERATION OF
POST OFFICE CLERKS,
Washington, D. C.

Hon. JAMES H. MORRISON,
House Office Building,
Washington, D. C.

DEAR MR. MORRISON: The Postal Salary Act which was signed by the President on July 6, 1945, is an important advance toward adjustment of pay and working conditions of a group of faithful and deserving Govern-

ment employees to modern standards and conditions.

Its enactment was possible only because it was reasonable and meritorious and because it had the support of fair-minded Members of Congress.

May I not express to you the appreciation of myself and fellow officers and of the membership of the National Federation of Post Office Clerks throughout the country for your friendly interest in it and your consistent support for it through the Congress.

Very sincerely yours,

LEO E. GEORGE,
President.

NATIONAL RURAL LETTER CARRIERS ASSOCIATION.

Hon. JAMES H. MORRISON,
Member of the House Civil Service and Post Office Committee,
Washington, D. C.

DEAR CONGRESSMAN MORRISON: On behalf of the rural mail carriers of the Nation, permit me to express our thanks and appreciation for securing for us a salary increase of $450 annually, which was passed in the closing hours of the recent session.

We are grateful to you for your sympathetic understanding of the financial plight of all postal employees and thank you, not only for the recent increase in our salaries, but for all of the beneficial legislation that was passed, through your efforts, during this past session of Congress.

We, the rural carriers of the Nation, are grateful and thank you sincerely.

Very respectfully yours,

GLENN W. FOLKERS,
National Secretary.

OLD-AGE PENSIONS

The Federal Government contributes millions to old-age pensions in Louisiana. As much as $30 per person is given by the Federal Government to be matched with State funds.

AUTHOR OF OLD-AGE PENSION BILL

I have the privilege of being the author of numerous old-age pension and welfare assistance bills providing for $65 old-age pension for persons 60 years or over.

GENERAL WELFARE FEDERATION OF AMERICA,
Washington, D. C.

Hon. JAMES H. MORRISON,
House Office Building,
Washington, D. C.

DEAR MR. MORRISON: We desire to thank you for your continued interest in the problems of the aged and the aid rendered their cause during the entire period you have been in Congress. We have always found you ready and willing to extend every aid possible in our efforts to secure the passage of a measure to guarantee to all in our great Nation security against privation and want in the sunset of life.

Assuring you of our gratitude for being one of the early signers of the steering committee resolution on behalf of this measure as well as one of the early signers on the discharge petition for a floor hearing and vote upon it, we remain,

Very sincerely yours,

ARTHUR L. JOHNSON,
Executive and Legislative Secretary.

NO REQUEST TOO LARGE—NONE TOO SMALL

As your Congressman I have always taken the position that I represented all the people of the Sixth District regardless of their political affiliations. Each time you requested aid I did my best. Every letter that has been written to me as your Congressman has been answered promptly and has been given careful attention.

The following miscellaneous letters give you an idea of my work:

LOUISIANA ASSOCIATION OF INSURANCE AGENTS, INC.,
Baton Rouge, La., March 3, 1948.

Hon. JAMES H. MORRISON,
Member of Congress,
House Office Building,
Washington, D. C.

DEAR MR. MORRISON: On behalf of the insurance agents of Louisiana and in particular of those agents, members of the Louisiana Association of Insurance Agents, I wish to express sincere thanks and appreciation to you for your aid to us in your support of House Joint Resolution 296.

With very best wishes, I am,

Sincerely yours,

ALLEN L. SMITH, *Manager.*

Bogalusa, La., March 4, 1948.

Hon. JAMES H. MORRISON,
Member of Congress,
Washington, D. C.

DEAR CONGRESSMAN MORRISON: Thank you so much for your help in connection with my railroad retirement claim. I am certain that your active assistance in the matter was largely responsible for the favorable action, and I deeply appreciate same.

Yours very truly,

ANDREW ALFORD.

BATON ROUGE, LA., *May 17, 1948.*

JAMES H. MORRISON,
Hammond, La.

DEAR SIR: I wish to take this means to express my thanks for your extended effort in helping to obtain my retirement pay.

I received my check this past week and was very well satisfied.

Sincerely,

JOHN B. OLIPHANT.

FRANKLINTON, LA., *May 6, 1948.*

Hon. JAMES H. MORRISON,
House of Representatives,
Washington, D. C.

DEAR MR. MORRISON: I wish to thank you for your prompt and effective action concerning my case. It means much to the little man to have a capable and conscientious Representative who can wade through the maze of present-day red tape and effect just action such as you have accomplished in my behalf.

HOUSTON BUTLER HUGHES.

BATON ROUGE, LA., *April 17, 1948.*

Mr. JAMES H. MORRISON,
House of Representatives,
Washington, D. C.

DEAR SIR: I wish to express my appreciation for the thoughtfulness and consideration that you displayed in notifying me and my fellow workers of the recent action of your committee on H. R. 5667. We are, indeed, grateful for your assistance in securing legislation in our behalf and have a brighter outlook with the knowledge that we have your support. However, we were all particularly impressed by the personal touch that you added by notifying us individually by air-mail letters of the committee action, and I wish to take this opportunity to thank you for doing so.

Respectfully,

O. J. MICAUD, Jr.

STANDARD OIL CO.,
New York, N. Y., June 11, 1945.

Hon. JAMES MORRISON,
House of Representatives,
Washington, D. C.

DEAR REPRESENTATIVE MORRISON: Please permit me to add my thanks for your cordial message of congratulations to the men and women of the Standard Oil Co. of New Jersey at Baton Rouge on the production of the billionth gallon of high-octane aviation gasoline recently. I am sure it will be an inspiration to all of us.

Very truly yours,

EUGENE HOLMAN.

BATON ROUGE, LA., *February 20, 1947.*

Hon. JAMES H. MORRISON,
Representative in Congress,
House Office Building,
Washington, D. C.

DEAR JIMMY: I am writing you in further reference to Jimmy Lockwood. He has received his bond and asked me to write you and express his thanks and appreciation for helping him in this matter.

With kind personal regards, I remain,

Sincerely yours,

JESSE L. WEBB,
Assessor, East Baton Rouge Parish.

AMITE, LA., *March 1, 1947.*

Hon. JAMES H. MORRISON,
House Office Building,
Washington, D. C.

DEAR JIM: Every meritorious request for your assistance, made by any constituent, has received the most diligent assistance. Certainly, your office is managed, both by you and your staff, in an expeditious and efficient manner.

With best wishes, I remain,

Cordially,

ELLIS H. BOSTICK, Jr.

BATON ROUGE, LA., *February 27, 1947.*

Hon. JAMES H. MORRISON,
House Office Building,
Washington, D. C.

DEAR JIMMY: This will acknowledge, with appreciation, your letter of February 21, together with material on pension laws for sheriffs and deputies from the Library of Congress.

Thanking you for your assistance, I am,

Sincerely,

DAVID M. ELLISON.

JOINT EMERGENCY COMMITTEE FOR THE SOUTHERN PINE INDUSTRY,
New Orleans, La., March 8, 1946.

Congressman JAMES H. MORRISON,
House Office Building,
Washington, D. C.

DEAR CONGRESSMAN MORRISON: This committee, representing the entire southern pine industry, desires to express to you its appreciation for the interest you have shown in the problems of the southern pine industry, and particularly for your efforts with Government agencies to bring about relief to our industry through amended Directive 94, issued February 13.

Our industry, which produces one of the key materials for the reconversion's contruction program, is anxious to do its full part in this great responsibility. Its ability to render maximum service to the Nation depends, to a large extent, upon the realism with which our problems are handled by agencies of the Government.

We therefore hope you will continue to show the high degree of interest you have manifested in the seriousness of our problems and that our industry may continue to have the benefit of your careful thought and attention.

Yours very truly,

C. C. SHEPPARD,
Chairman.
H. C. BERCKES,
Secretary.

BOGALUSA, LA., *April 14, 1947.*

Hon. JAMES H. MORRISON,
House of Representatives,
Washington, D. C.

DEAR JIMMY: Thank you for sending us copies of correspondence with W. L. Schillings, 101 Huron Avenue, Bogalusa, La. We deeply appreciate the services rendered by you, and in order to be fair in these matters we always try to call your good services to the attention of our clients.

Wishing you every success, we are,

Very truly yours,

RICHARDSON & RICHARDSON,
By JIM W. RICHARDSON.

Note, even my opponent's law firm agrees that I have made a good Congressman.

SOUTHEASTERN LOUISIANA COLLEGE,
Hammond, La., November 19, 1947.

Mrs. FLORENCE H. COOLEY,
Secretary, Congressman James H. Morrison,
Washington, D. C.

DEAR MRS. COOLEY: I wish to take this means of personally thanking you and Congressman MORRISON and your staff for the splendid cooperation you gave us in finally getting the transfer of the Hammond Airport property to Southeastern Louisiana College. I was officially notified by telegram on Saturday, November 15, by the War Assets Administration that the application for the property with 100-percent discount had been approved.

The acquisition of this property will greatly facilitate the expansion and building of our department of agriculture.

Again allow me to thank you for the faculty, student body, and citizenry of southeast Louisiana.

Yours very truly,

G. J. TINSLEY,
President.

STATE OF LOUISIANA,
SECRETARY OF STATE,
Baton Rouge.

Hon. JAMES H. MORRISON,
Member of Congress,
Washington, D. C.

DEAR JIMMY: Thanks very much for your telegram advising me that the House had passed the insurance legislation in which I was interested.

Your cooperation and support in this matter are deeply appreciated.

With kindest personal regards, I am,

Sincerely yours,

WADE O. MARTIN, Jr.,
Secretary of State and Insurance Commissioner.

LOUISIANA DEPARTMENT
OF CONSERVATION,
DIVISION OF FORESTRY,
New Orleans, La.

Hon. JAMES H. MORRISON,
House of Representatives,
Washington, D. C.

DEAR SIR: A copy of your letter addressed to the governor's office, regarding the agricultural appropriation bill, has been forwarded to me.

May I take this opportunity to express the appreciation of the forestry governing board, the landowners, large and small, and the division of forestry for your cooperation and assistance in obtaining the passage of this measure.

With kindest regards, I am,

Very truly yours,

MASSEY H. ANDERSON,
State Forester, Division of Forestry.

STATE OF LOUISIANA,
DEPARTMENT OF VETERANS' AFFAIRS,
Jennings, La., April 2, 1947.

Hon. JAMES H. MORRISON,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN MORRISON: I have just received your letter of March 31 in regard to Roy W. Johnson (ASN 1,036,428), deceased veteran of World War I.

The certified copy of his discharge obtained from the clerk of court in Tangipahoa Parish is sufficient for our purposes.

Again I would like to thank you for the many times you have given me much needed assistance in the interests of Louisiana veterans and I assure you they are deeply appreciative.

Kindest regards.

Sincerely yours,

ALLEN G. SIBLEY,
Parish Service Officer.

BOGALUSA CITY SCHOOLS,
Bogalusa, La., March 11, 1947.

Hon. JAMES H. MORRISON,
House Office Building,
Washington D. C.:

It is gratifying to know that we, in the Sixth Congressional District have a representative in Congress who is so willing and eager to help constituents in matters of such great importance. I have, of course, repeated to you on many occasions my appreciation, as superintendent of schools, for the untiring work you are performing in behalf of school teachers, school children, and education as a whole. You must certainly know that such services will not be forgotten.

With kindest personal regards, I am,

Yours sincerely,

M. J. ISRAEL,
Superintendent.

BATON ROUGE, LA.

Hon. JAMES H. MORRISON,
House Office Building:

Thanks for your message about transfer of property to school for spastics; appreciate greatly your help in this manner.

SPENCER PHILLIPS,
Superintendent, Louisiana State School for Deaf.

BATON ROUGE, LA., *May 15, 1947.*

Hon. JAMES H. MORRISON,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN: I was indeed very much pleased to learn from you in your letter of April 5, 1947, that a third-class medical relief station had been established in Baton Rouge. This has been a matter in which I have been most interested and your efforts were greatly appreciated.

Attached is a sample "Notice to All Masters," which I prepared and distributed to river tow boat masters, operating in and around Baton Rouge.

On behalf of the river tow boat personnel to whom I have spoken, I wish to thank you for the assistance you gave in having this medical relief station established in Baton Rouge.

I, personally, wish to thank you and if I can be of some service to you in the future, please call on me and I will use what is in my power to return your kind service.

Yours very truly,

A. L. MCMURRAY.

FEBRUARY 25, 1947.

Hon. JAMES H. MORRISON,
Washington, D. C.

DEAR JIMMY: Your readiness to use your office to help your constituents is gaining you quite a favorable comment from all sections. A Mr. Hinson from Mt. Hermon said the people had three true friends: God Almighty, REA, and JIMMY MORRISON.

Your friend,

R. L. BOLTON.

Congressman JAMES H. MORRISON,
Washington, D. C.

DEAR JIMMY: I've had occasion several times to write you for one thing or another, and recently contacted you about a truck that was badly needed in our ward. This letter is not to ask for anything, but merely to thank you for your cooperation and assistance in the truck deal.

The truck has been delivered and it should be at work in a few days on the roads of our ward and all the people of the ward will be benefited.

I hope the time will come when I can show you how grateful I am personally and also how grateful the people of the Fifth Ward of Washington Parish are. Of course you've got a lot of friends up there anyhow, and it couldn't be too much different no matter how hard I try to show our appreciation.

Thanking you again, and with best wishes, I am,

Sincerely yours,

CECIL RESTER.

STATE OF LOUISIANA,
SECRETARY OF STATE,
Baton Rouge, La.

Hon. JAMES H. MORRISON,
Member of Congress,
Washington, D. C.

DEAR JIMMIE: Since the final passage of the insurance legislation by Congress, I wish to express my sincere thanks and appreciation for the interest that you took in this matter.

It is my sincere belief that this legislation will go a long way toward solving a difficult problem.

With kindest personal regards, I am,

Very truly yours,

WADE O. MARTIN, Jr.,
Secretary of State and Insurance Commissioner.

PLAQUEMINE, LA., *January 19, 1948.*

Mr. JAMES H. MORRISON,
Hammond, La.

DEAR SIR: I wish to extend to you my hearty appreciation. You have helped my neighbors and me in time of need and we are grateful. I will do everything in my power to help you win success in your political campaign.

Yours truly,

CLETUS F. O'NEIL.

I have always felt it a great honor to represent the great Sixth District of the State of Louisiana. You people have been good to me and I likewise have tried to reciprocate.

The following extracts are taken from letters, testimonials, sent to me by you people of the Sixth District:

LOUISIANA MOTOR TRANSPORTATION
ASSOCIATION,
Baton Rouge, La., December 20, 1945.

Hon. JAMES MORRISON,
Hammond, La.

DEAR JIMMY: The honors and recognition that go with public office today are much smaller than they were many years ago. The responsibility and the criticism, on the other hand, are much greater.

As spokesman for this group, I want to take this opportunity of expressing to you our sincere appreciation for the statesmanlike manner in which you have represented

the State in which we all have a common interest.

With our assurance that you may expect our continued support and cooperation, I am, with the best of the season's greetings,

Yours very truly,

BEN H. GRAYSON,
General Manager.

LOUISIANA FARM BUREAU
FEDERATION, INC.,
Baton Rouge, La., November 1, 1944.

Congressman JAMES H. MORRISON,
House Office Building,
Washington, D. C.

DEAR CONGRESSMAN: We wish to take this opportunity to thank you for your successful efforts in helping secure increased ceiling prices on rough rice.

We know the rice farmers appreciate the fight you have made in their behalf. We will surely let them know of the active part you have played.

Assuring you of our appreciation of your untiring efforts and with best wishes.

Yours very truly,

J. F. PERCY,
Executive Secretary.

Hon. JAMES H. MORRISON,
House of Representatives,
Washington, D. C.

DEAR JIMMY: Only the burden of paper that this contract thrust upon us has prevented us sooner expressing to you our gratitude for the wonderful assistance and support you gave us in the contest for this commission. Our associates join in thanking you.

It has become our most earnest intention by conscientious and energetic application to this important task to justify the confidence in us that you so kindly expressed on our behalf.

A small opportunity to reciprocate your generosity would provide us an unexpected pleasure.

Cordially yours,

WILLIAM R. BURK,
Associated Architects and Engineers.

STATE OF LOUISIANA,
DEPARTMENT OF COMMERCE AND INDUSTRY,
Baton Rouge, April 5, 1946.

Hon. JAMES H. MORRISON,
House Office Building,
Washington, D. C.

MY DEAR MR. MORRISON: I want to take this opportunity to thank you for your kind expressions contained in your letter of April 2.

We in this department are watching with keen interest the negotiations of the Kaiser interests in acquiring the now idle aluminum plant here in Baton Rouge and want to assure you that we want to render any services that we can to you or the Kaiser interests in expediting this matter in order to open this plant, thereby helping the reconversion program as well as our State's further economy.

Again thanking you, and with sincere good wishes, I remain,

Respectfully,

W. HARRY JOHNSON,
Executive Director.

BATON ROUGE, LA.

Hon. JAMES H. MORRISON,
Member of Congress,
Washington, D. C.

DEAR CONGRESSMAN MORRISON: Thank you very much for your letter of recent date.

I want to thank you on behalf of our folks very sincerely for your fine support of our farm program in Louisiana.

With very best wishes and kind personal regards, I am,

Sincerely yours,

J. G. LEE, Jr.,
Secretary, Louisiana Farm Council of the College of Agriculture, Louisiana State University and A & M College.

BUSH, LA., *February 19, 1948.*

Hon. JAMES H. MORRISON,
Hammond, La.

DEAR MR. MORRISON: Words cannot express how much we appreciate you by raising the allotment check for our son. We received it this past week.

Anytime you need help please feel free to call on us. If you want to contact us we live 10 miles from Covington on the Folsom Bush road.

With kindest regards, we remain,

Mr. and Mrs. ELLIS MCLAIN.
Mrs. ETHEL MCLAIN.

P. S.—We mailed this to Hammond because we thought you would be there until after the twenty-fourth.

PRESCOTT MURPHY AGENCY,
MORTGAGE LOAN DEPARTMENT,
Baton Rouge, La., May 24, 1948.

Hon. JAMES H. MORRISON,
House Office Building,
Washington, D. C.

DEAR JIMMIE: It is due to similar action which you have taken on behalf of the people of Louisiana and especially the Sixth District that has gained you the reputation as being the best man we have in Washington.

Sincerely yours,

M. G. HEARD.

BATON ROUGE, LA.

Hon. JAMES H. "JIMMY" MORRISON,
House Office Building,
Washington, D. C.

DEAR JIMMY: The people of the Sixth Congressional District are certainly fortunate to have a Congressman that is on the ball at all times as you are, and one that can so ably represent us in the Congress of the United States.

Many, many thanks to you for your kindness and please remember me as your friend always, I am,

Sincerely,

GEO. W. BURT, Jr.

DEAR JIMMY: Your spontaneous hospitality was a real burst of Louisiana sunshine. Your office radiates welcome. You are a genuine man of the people. You are one of the hardest working public men in the world.

All who know you in Louisiana will echo these sentiments—and that goes for a lot of those who oppose you politically.

I want to thank you again for the interesting lunch and the warm reception, the more appreciated in view of all the other things you had to do.

With best wishes,

Sincerely,

STUART BRADLEY.

Legislative Record of the Second Session, Eightieth Congress

EXTENSION OF REMARKS

OF

HON. ALBEN W. BARKLEY

OF KENTUCKY

IN THE SENATE OF THE UNITED STATES

Saturday, June 19 (legislative day of Tuesday, June 15), 1948

Mr. BARKLEY. Mr. President, it is customary to insert in the CONGRESSIONAL RECORD in the closing days of Congress a brief summary of the activities of that session. Accordingly, I request that the following digest be inserted in the CONGRESSIONAL RECORD as a part of my remarks.

Last July 26 I had occasion to insert a summary of the activities of the first session of this Congress.

At that time I reported that, "The real yardstick of the achievements of this Congress is not entirely that of the things done, but of what things it has left undone."

I regret to report that nearly 1 year later, it is still necessary, in the interest of truth and accuracy, for me to repeat that statement.

For despite the real accomplishments in the field of foreign affairs, where many Republicans have ignored partisan politics in order to support the administration's efforts to lead the world toward a revived prosperity and a lasting peace, the things left undone, particularly in the domestic field, are still a large, even preponderent part of the record of this Congress.

Particularly significant, in my mind, is the failure of those who guided the activities of the Republican majority with an exceedingly firm hand, to enact any major legislation to curb the dangerous inflationary spiral which threatens us with another disastrous cycle of boom and bust, or to enact any major legislation in the fields of housing, health, education, or social security, or to take any constructive steps to help small business and to plug up loopholes in existing antimonopoly laws.

Let us first consider the activities of the Congress in the field of foreign relations and on matters which directly affect our relationship with other nations.

The final record on these issues is a much better one than might have been expected with a Congress controlled by a party which had a long tradition of isolationism and which ignored the requests of the President on so many vital matters.

Despite some delays in appropriations, Congress showed wisdom in its action on interim aid to nations too weak to await the enactment of the European recovery program.

Further, the Congress moved efficiently in its careful study and final enactment of the European recovery program to implement the so-called Marshall plan.

But after this statesmanlike activity, the Congress almost reverted to the position of Indian giver on this commitment to aid Europe to rebuild its wartorn economy.

At first it appeared merely that a willful little group of unreconstructed isolationists in the Republican majority of the House were behind the move to reduce appropriations for the European recovery program to the point of ineffectiveness.

But as the struggle dragged on, it became apparent that more was at stake. Here was a desperate, cold-blooded bid by the part of isolationists to seek control of their party and to repudiate the European recovery program.

The struggle between the two factions of the Republicans raged until the eleventh hour of the Congress with unabated bitterness. Still it raged, until finally, in

the small hours of the morning of Sunday, June 20, the Republican isolationists retreated, and the bulk of the European recovery program funds were restored in conference.

We had kept our promise, but the rest of the world had real cause for doubts as to how long we would go on keeping our promises.

Yet while the Congress pledged America to aid world economic recovery and the revival of the world trade it also passed merely a 1-year extension of the Reciprocal Trade Agreements Act, and attached such crippling amendments that our world-trade program has been seriously handicapped, and in a sense the Republican Party has committed itself to start a backward march to the economic isolationism of the Hawley-Smoot tariff.

In areas, directly affecting our foreign relations, such as atomic energy and national defense, the record was far from perfect. The efforts of a large and powerful faction of the Republican Party to avoid a vote on temporary selective service and the failure to enact universal training did nothing to bolster America's stock overseas.

Nor did the partisan opposition of the majority to the confirmation of the members of the Atomic Energy Commission tend to reassure the rest of the world that we would continue to act wisely in our handling of this tremendous new source of destructive power and constructive power.

All in all, the Republican votes on foreign affairs left the picture of a party bitterly and perhaps irrevocably divided between internationalism and isolationism.

THE FOREIGN-AID PROGRAM

Despite the tug-of-war between isolationists and internationalists in the Republican Party, the Eightieth Congress finally rose above partisan political considerations to enact an unprecedented foreign-aid program; but not before it had given many anxious moments to the Nation and to the world. Unfortunately for our prestige abroad the indecision on funds to carry out our European recovery program commitments furnished a basis for propaganda against us and caused some of our friends to feel that perhaps we did not mean what we had promised.

Fortunately the clear thinking of the best brains in both parties brought the ERP safely through on a bipartisan basis that confounded the efforts of the isolationists.

The basis of the Marshall plan—recovery, not relief, through American-European cooperation—was discussed carefully by the administration before the proposal was made public.

World War II had left many European nations in ruin. Factories had been destroyed, railroad lines and highways had been blown up, rich farm land had been turned into battlefields. The industrial plants of these nations had either been destroyed or had become hopelessly obsolescent.

Europe faced a herculean task of economic recovery. The Continent made important strides during the first year and a half after VE-day; however, the bitter winter of 1946–47 and the subsequent drought left its mark and European nations needed help to restore their economy and thus bolster their political stability against the westward march of Communist totalitarianism.

The questions before the administration were: What kind of help should America give Europe? How much help can America give Europe without harm to our own people? Should the United States extend the European nations direct relief?

Should this country let European nations rely solely on commercial bank loans? Should a recovery program be adopted? Or should the United States ignore Europe's plight?

The administration realized that Europe must not be abandoned, for history has demonstrated that a peaceful, productive Europe is necessary to the peace of the world.

That was the situation when Secretary of State Marshall placed the administration's realistic foreign policy before the world for the first time in an address June 5, 1947, at Harvard University.

Careful studies indicated that a cooperative, self-help recovery program was the best approach to Europe's economic problems.

The American Nation and the world quickly saw the hope for world peace embodied in the Marshall plan.

All of Europe wanted to join in this great endeavor. But Russia cracked the whip over its satellite nations. The Russians would not allow their puppet states to participate in this democratic program. Some of the nations behind the iron curtain sought to participate in the program but were forced to withdraw as a result of Russian pressure.

Sixteen western European nations met in Paris in July 1947 to draw up a cooperative recovery program. They organized the Committee of European Economic Cooperation.

For 2 months the nations studied their economic problems. The needs of all 16 countries were carefully considered.

Then in September 1947 the Committee of European Economic Cooperation sent a report to the United States outlining a program to make Europe self-supporting by 1952.

The European nations agreed to do four things:

First. Each nation would step up industrial production as fast as possible.

Second. Each country would stabilize its currency.

Third. The 16 nations promised to reduce trade barriers throughout Europe. Thus aiding the free flow of trade.

Fourth. Exports would be increased to make up the trading deficit of the European nations with America.

After careful study by both the representatives of the European nations and the State Department the 16 countries asked for $17,000,000,000 from the United States for the period from April 1, 1948, to June 30, 1952. Of this, $6,800,000,000 would be needed in the first 15 months of the program.

The European countries wanted the money for food, fuel, raw materials, and capital equipment to put their economy on its feet.

Meanwhile, more than 200 Congressmen went to Europe in the summer and fall of 1947 to investigate the economic plight of the Continent.

The Senators and Representatives talked to high government officials and the common people alike; they visited factories and farm. They saw war-devastated cities and they examined reconstruction work already under way.

Most of the Congressmen who visited Europe agreed that the Continent needed help.

The House Select Committee on Foreign Aid was named to make a detailed study of Europe. In November 1947 the Congressmen set down six basic elements of a foreign-aid program:

First. The European countries must make vigorous efforts to increase production of food and materials to meet essential domestic needs as well as those of cooperating nations.

Second. The European nations must stimulate trade with all Europe and with other nations.

Third. Other countries besides the United States that are in a position to help Europe should do so.

Fourth. Private initiative should be encouraged to take on activities assumed by European governments during the postwar crisis.

Fifth. The European countries should adopt fiscal, financial, and monetary programs to stop inflation, stabilize exchanges, and generally restore confidence in their currencies.

Sixth. Full publicity should be given to the United States aid by the European countries which received it.

In its considerations the Congress had the advantage of the excellent studies made by three citizens' committees representing all aspects of American life. The groups were appointed by President Truman.

The Resources Committee, headed by Secretary of the Interior Krug, studied foreign aid in relation to America's natural resources. The committee reported in October that the United States had sufficient resources to undertake the foreign-aid program developed by the 16 European nations at their Paris meetings. But the committee warned that this country could not underwrite the European economy indefinitely.

Steel and petroleum represented the biggest problems because of shortages of these items in this country.

The second committee appointed was the Council of Economic Advisers. It also reported in October. The council said that the foreign-aid program contemplated by the 16 European nations was within the productive capacity of the United States.

The council, under the chairmanship of Edwin G. Nourse, warned that some commodities might be in short supply in this country if the foreign-aid plans were adopted. The group decided that export controls, allocations of some commodities for domestic use, efficient transportation, and distribution of goods and the curbing of speculation and hoarding would be necessary.

The third group also reported in October. It was made up of prominent

citizens, under the chairmanship of Secretary of Commerce Harriman.

The Harriman committee concluded that the foreign-aid program was within the over-all limits of the American economy.

Americans had agreed that the European recovery program was necessary. They also agreed that America could afford to help Europe.

But the Europeans' economic crisis was worsening every day. And in October 1947 President Truman realized that Europe needed not only a long-range program but also stop-gap funds to see the Continent through the winter of 1947–48.

Therefore, President Truman summoned Congress to meet in special session, beginning November 17. The purposes of the session were twofold: One, to provide interim aid for France, Italy, and Austria; two, to enact a domestic antiinflation program and thus maintain the economic strength of this country and preserve its ability to aid the world without doing irreparable injury to our own economic life.

The administration asked for emergency aid for the three countries to see them through the winter. A total of $597,000,000 was requested to help the countries until March 31, 1948. By then it was hoped the long-range European program could be under way.

President Truman declared in his message to Congress on November 17 that Austria, France, and Italy must be helped if their peoples are to survive the coming winter, and if their political and economic systems are not to disintegrate. Exceedingly bad weather has brought on crop failures and fuel shortages, and has caused intense suffering. The food and fuel stocks of these countries are now near the vanishing point. Their peoples are in a dangerously weakened condition, due to years of short rations. Additional medical supplies and facilities are urgently necessary.

Both the Senate and the House agreed with the President that these countries needed help immediately. The Senate Foreign Relations Committee and the House Foreign Affairs Committee held extensive hearings.

The Senate committee reported its bill first. After 5 days of floor debate the Senate passed its interim aid measure on December 1 by the overwhelming vote of 83 to 6.

The House committee reported its measure December 2. The principal difference between the two bills was the inclusion of China as a recipient of aid in the House measure. The Senate had said nothing about China. The House committee authorized only $590,000,000 for the four countries. Of this amount, China would receive $60,000,000.

The House passed its emergency relief bill December 11. Differences between the House and Senate measures were soon ironed out with the legislation going to President Truman, December 17. The authorization law set aid figures at $597,000,000 including help for China.

Next, the Appropriations Committees considered the amount of money that should be spent for foreign aid. Congress finally agreed December 19 to allot $522,000,000 to France, Italy, and Austria and $18,000,000 for China.

The emergency aid program passed Congress in substantially the form recommended by President Truman, except for the cuts in appropriations. But this was not important except as a warning of what was to come.

Then as Congress was completing action on interim aid the President sent his detailed European recovery program to the House and Senate. This was the plan outlined by the President December 19:

First. Congress should authorize $17,000,000,000 in aid to the 16 European countries and western Germany for the period from April 1, 1948, to June 30, 1952. The appropriation for the first 15 months should be $6,800,000,000.

Second. These funds would be used for rehabilitation, not relief. The money would start Europe on its way to genuine recovery.

Third. Agreements should be made between America and the European nations to insure the aid would be used for genuine recovery and not be used for mere relief or as a dole.

Fourth. American aid should be made available partly in grants and partly in loans, depending on the financial conditions.

Fifth. A new agency, the Economic Cooperation Administration, would be established to run the European recovery program. A special American representative to be appointed in Europe to coordinate the program.

In his State of the Union message January 7, 1948, the President reiterated the administration's belief in the necessity of the European recovery program. The President said:

> I urge the Congress to act promptly on this vital measure of our foreign policy—on this decisive contribution to world peace.

Both the House and Senate quickly began work on the legislation to start the wheels of European reconstruction moving.

Weeks of hearings were held in both Houses. The committee sessions were in the democratic tradition. All sides of the question were heard. All citizens and organizations, whether internationalist or isolationist, were given an opportunity to speak.

The Senate Foreign Relations Committee reported its bill, the Economic Cooperation Act, late in February. The measure embodied all the fundamentals laid down by President Truman. This was a program for recovery, not relief. The European countries would make every effort to help themselves. America would not step in and run European governments. The United States and Europe were cooperating.

In March the Senate devoted long hours of serious and thoughtful debate to the Marshall plan and every sentence of the foreign-aid measure was explored carefully.

Some isolationists protested that America should not undertake the European recovery program, but the majority of Republicans joined with the Democrats when the Senate voted 68 to 17 for the Marshall plan March 13.

Two other foreign-aid programs were recommended by President Truman in 1948. In February he called for $275,000,000 additional aid for Greece and Turkey and $570,000,000 for China. Both of these programs were in the same cooperative spirit as the European recovery program. The United States would help Greece and Turkey and China if these countries did their utmost to help themselves. These, too, were programs of reconstruction rather than pure relief.

The Senate followed President Truman's recommendations and passed measures authorizing aid to them.

The House Foreign Affairs Committee completed its exhaustive hearings on foreign aid shortly after the Senate passed its European recovery program bill.

And President Truman continued to push for passage of the foreign-aid measures. The Communist coup in Czechoslovakia and the approaching Italian elections prompted the President's special message to Congress March 17. President Truman called for an adequate American defense program coupled with the European recovery program.

The President warned: "Time is now of critical importance."

The House combined the President's three foreign-aid programs in one bill that was passed by a vote of 329 to 74, March 31. Minor differences between the House and Senate bills were ironed out easily, and Congress sent to the President a foreign-aid program more than 2 weeks before the critical Italian elections of April 18.

The results of congressional approval of the administration's plan for helping the war-torn world were immediate. The Italian people turned back the Communists in their important national elections. Democracy was bolstered in France. The tired, careworn faces of the European peoples saw genuine rays of hope.

But the thoughtful program worked out by the best brains of both political parties—a program which Communist Russia fought unceasingly—was sabotaged by isolationists.

Two months after Congress had authorized the Economic Cooperation Administration, the program received a serious setback.

The House Appropriations Committee voted to cut the first-year appropriation of $5,300,000,000 for the program by more than 25 percent.

And the House approved this action June 3 when it passed the Appropriation Committee's bill by a voice vote. Friends of the European Recovery Program both here and abroad were dismayed by this reversal of an earlier vote and by the alarming rebirth of isolationism which such action indicated to Americans and to the world.

In one blow all the hard-won gains were wiped out. An isolationist bloc of die-hard Republicans had seriously weakened our greatest bid for winning a lasting peace.

The Senate realized the importance of President Truman's foreign policy and the hope that it held for world peace.

Democratic Senators joined with Republicans to vote nearly the full amount of funds authorized for the foreign-aid program.

But then the House and Senate versions of money for foreign aid had to go to conference. Long hours were spent by the conferees in trying to work out a sensible, adequate appropriation.

The final appropriation represented a victory for America's bipartisan foreign policy. Both the House and Senate voted finally to appropriate more than $5,000,000,000 for the European Recovery Program during its first year. This amount was substantially what President Truman had requested.

Despite this turn of events the irresponsible action of the House attempting to cut foreign aid funds by 27 percent still was remembered throughout the world.

World peace still hung precariously as a result of the House action. The starving peoples of Europe wondered whether the ERP would be continued or whether Republican isolationists might triumph in some future attack on it.

ATOMIC ENERGY COMMISSION

When the Atomic Energy Commission was established in 1946, Congress decided the atom should be kept out of politics. Congress acted wisely in voting that the problems of atomic science must be handled with extreme care. They believed that the atom always must be considered in a bipartisan atmosphere. Especially in this field where leadership is the greatest insurance of our own peace and security. Politics has no place in a subject wherein the very existence of the Nation and the world is at stake.

But in 1948 partisan politics did enter into the realm of atomic energy.

President Truman nominated the present Chairman and the four members of the Atomic Energy Commission for terms of from 1 to 5 years as provided by the laws voted by the Congress. The Chairman is David E. Lilienthal. The other members are Robert F. Bacher, Sumner T. Pike, Lewis L. Strauss, and William W. Waymack.

The legislation setting up the Atomic Energy Commission provided that the Chairman and the four members of the Commission should be named for initial terms of 1 year. Subsequent appointments would be made for terms of from 1 to 5 years to assure continuity in the Commission's policies. Thus the framers of the law had hoped to avoid partisan politics in these appointments. But it was too much to expect that this admirable provision would survive the vicissitudes of a political year.

The five members of the Atomic Energy Commission served well during their initial terms of office. Atomic-energy research made heartening progress and our leadership in science was not seriously challenged. The atomic-research program, concerning problems of peace as well as war, is on a firm footing.

However, the Joint Committee on Atomic Energy voted to amend the atomic energy legislation to provide 2-year terms for all members of the Commission. And this only after a bitter controversy drew caustic criticism of the Republican leadership for injecting partisan politics into the problem of the Nation's safety.

During the last hours of the Eightieth Congress the Senate voted to reappoint the Atomic Energy Commissioners for 2-year terms in accordance with the Republican partisan amendments to the Atomic Energy Act.

Thus the vital Atomic Energy Commission was turned into a political plum by the Republican-controlled Congress which was more interested in politics than in the security of America.

During the second session of the Eightieth Congress the Republican leadership made another attempt to turn the Atomic Energy Commission into a partisan agency.

Republican leaders in the Senate sponsored a bill that would require loyalty investigations to be made by the FBI of the five members of the Atomic Energy Commission. The reports of these investigations would be turned over to the Senate under the measure. Then, presumably, the Republicans could turn and twist these reports for political use.

It should be remembered that the present members of the Atomic Energy Commission have demonstrated their loyalty to the United States by more than a year of great service to the country. Great strides have been made in atomic research under the guidance of these men.

The Congress acted wisely in refusing to enact this loyalty investigation measure into law. This is no time for witch hunts in the Atomic Energy Commission.

RECIPROCAL TRADE AGREEMENTS ACT

The Eightieth Congress dealt a serious blow to our foreign policy, however, by its action on the Reciprocal Trade Agreements Act.

President Truman declared in a special message to Congress March 1:

> The Reciprocal Trade Agreements Act is a tested and practical means, which had wide bipartisan support, for achieving the benefits of expanding world commerce for the United States and other countries. It is a continuing evidence of the determination of the United States to contribute its full share to the reconstruction of a sound and growing world economy as the basis for enduring peace. As such, I strongly recommend that the act be extended for an additional 3 years.

The first Reciprocal Trade Agreements Act was passed by Congress in 1934. The legislation has been extended four times since then and has been the keystone not only of our economic policy but of our foreign policy as well.

In brief, the act authorizes the President to make agreements with other nations for the reciprocal reduction of tariffs and other hindrances to international trade.

For 14 years the act has worked well. The Congress has extended it each time after thorough study of the effect of the legislation both on the United States and foreign countries.

Trade agreements have been concluded between the United States and 29 nations. These agreements stimulated world commerce by reducing international trade barriers.

Domestic producers always have been protected. Extensive public hearings have been held before negotiations have been started.

Before any trade agreement was concluded the Departments of State, Treasury, Agriculture, Commerce, and Labor, the National Military Establishment and the United States Tariff Commission carefully studied the proposals. Each agreement has provided that the United States could withdraw from it or change it if unforeseen developments threaten to hurt domestic producers.

Extension of the Reciprocal Trade Agreements Act without crippling amendments would help the United States to carry out the charter of the International Trade Organization, recently drawn up at Habana. The ITO encourages the conduct of trade between nations on fair and liberal principles. The ITO also provides that all member nations stand ready to negotiate for the reduction of tariffs and other trade barriers on a reciprocal and mutually advantageous basis.

In order to participate in the ITO effectively the United States should have continued the Reciprocal Trade Agreements Act in substantially the same form in which it has worked so successfully in the past 14 years.

The reciprocal-trade program should have been authorized for another 3 years. At the end of that time Congress could review again the entire program.

The Republican Party has recognized the importance of the reciprocal-trade agreements. The 1944 Republican Party platform stated:

> The Republican Party pledges that it will join with others in leadership in every cooperative effort to remove unnecessary and destructive barriers to international trade.

Business, led by the United States Chamber of Commerce, has supported the reciprocal trade program. Labor and agriculture also have found the reciprocal trade program to be sound legislation.

The House Ways and Means Committee considered extension of the reciprocal trade program at hearings early in May. Many Congressmen and citizens' organizations criticized the committee for hearing testimony in secret, executive sessions.

The measure reported by the committee substantially changed the reciprocal trade program. The bill passed the House May 26 by a vote of 234 to 149. The principal provisions of the House legislation were:

First. The program would be extended only a year instead of 3 years as proposed by President Truman.

Second. The Tariff Commission, at present only a fact-finding body, would recommend trade agreements after holding hearings.

Third. If the President does not follow the findings of the Tariff Commision, Congress can veto any tariff decisions made by the President.

Many Republicans joined Democrats in protesting against these revisions of the reciprocal trade program. Secretary of State Marshall said the measure passed by the House was worse than no reciprocal trade program at all.

Many critics of the House measure pointed to the successful operation of the reciprocal trade program for the 14 years as ample proof of the soundness of the previous legislation.

Other critics of the House measure thought that it would hamper American trade with other countries so much as to bring back the days of the Smoot-Hawley high-tariff restrictions. In fact one provision of the House version provided that, under some circumstances, a tariff 50 percent higher than under the disastrous Smoot-Hawley Act could be levied.

The Senate Finance Committee held a week of hearings on reciprocal trade. The committee is to be commended for keeping its sessions open to the public. Many witnesses were heard.

The measure reported by the Finance Committee was not as restrictive as the bill that passed the House. But the Senate legislation was still far from the sound tariff proposals made by President Truman.

The Senate passed the committee's bill June 14 by a vote of 70 to 18. Efforts by the Democratic minority to extend the Trade Agreements Act, without change, for 3 years, 2 years, and 1 year were defeated by narrow margins.

The Senate bill did not give Congress a veto power over reciprocal-trade agreements made by the President.

However, the Senate measure provided that the Tariff Commission must make extended studies of the effect of proposed tariff agreements on American industries.

The President may not make reciprocal-trade agreements until he has received the Tariff Commission's reports.

The legislation also provides that if the President makes agreements beyond the Commission's recommendations, he will have to explain his actions to Congress within 30 days.

The amended Reciprocal Trade Agreements Act was extended only until June 30, 1949, instead of for 3 years as requested by the President.

The House agreed to the Senate version of the bill June 16.

The measure that was sent to the White House can easily turn back American tariff policy toward the protectionist, logrolling days of Smoot and Hawley.

THE UNITED NATIONS

The United Nations has been supported strongly by President Truman and the Democratic administration. The President repeatedly has called for strengthening the United Nations. The President pledged and gave the United Nations America's wholehearted support.

However, President Truman recognized that the United Nations was not working perfectly.

During the Eightieth Congress many proposals were heard concerning the United Nations. Some persons wanted to scrap the United Nations and to return the United States to isolationism. Others wanted to form a new world organization without Russia. Still others wanted to continue to work for peace through the present United Nations organization.

After careful consideration of the question, President Truman and his advisers decided the true course to peace was through the existing machinery. The Democratic administration decided wisely that the United States should work earnestly to improve and expand the United Nations.

With this end in view, the Democratic administration and the Republican Senate concurred in a resolution urging America to develop a strengthened United Nations.

The Senate passed this resolution June 11. There was little opposition. This was what the Senate asked the United States to do:

First. The United States should work to eliminate the veto power in the Security Council except in a very few instances of matters of high policy.

Second. The United States should encourage regional defense agreements as provided in the United Nations Charter.

Third. The United States should continue to make every effort to preserve the peace through the United Nations.

Congress failed to enact legislation providing a $65,000,000 loan to the United Nations. This money would have been used to help in the construction of United Nations headquarters in New York.

The Senate passed the bill authorizing the loan. The House Foreign Affairs Committee reported the measure to the House.

But House Republican leaders were not able to find time to consider the bill in the closing days of the Eightieth Congress.

This legislation should have been passed by the Eightieth Congress. As a result of congressional inaction, some member nations of the United Nations are talking of moving its headquarters to Europe.

DISPLACED PERSONS

Since the end of World War II President Truman has called for the admission of displaced persons to the United States.

His most recent plea was in his state of the Union message January 7. The President said:

> Many thousands of displaced persons, still living in camps overseas, should be allowed entry into the United States. I again urge the Congress to pass suitable legislation at once so that this Nation may do its share in caring for homeless and suffering refugees of all faiths. I believe that the admission of these persons will add to the strength and energy of this Nation.

After long months of argument and delay the Senate passed a bill early in June to admit 200,000 displaced persons.

The Senate bill had many hampering restrictions. The measure provided that half of the DP's must be farmers and that half must come from Latvia, Lithuania, and Estonia. It also said that American citizens or organizations must underwrite the DP's who came here to prevent them from becoming public charges.

A few days after the Senate acted the House also passed displaced persons legislation. The House measure was a much better bill. It provided that DP's be admitted regardless of occupation, race, or creed. It would have charged the DP's against future immigration quotas.

In the final hours of the Eightieth Congress a compromise displaced persons bill was approved by the House and the Senate. The measure was a great disappointment to those who wanted adequate legislation to help the unfortunate refugees of war in Europe. Even though inadequate, it was supported by the Democratic minority as being better than nothing.

The displaced persons bill contained clauses that seriously discriminated against Jews and Catholics in Europe.

Some said that this legislation will do more to prevent displaced persons from entering the United States than to encourage them to come to America.

The Eightieth Congress cannot point with pride to its record on displaced persons.

THE DEFENSE PROGRAM

President Truman urged the second session of the Eightieth Congress to enact an adequate defense program. The President made his recommendations January 7 in his state of the Union message and March 17 in a special message on defense and the European recovery program.

The President's program was in three parts:

First. Adequate funds must be appropriated for the Army, Navy, and Air Force.

Second. A peacetime selective service law must be enacted.

Third. Universal training legislation should be passed by Congress.

The Eightieth Congress followed President Truman's recommendations on funds for defense and on selective service. But the Congress failed to enact a universal training law. Nothing was done on this important phase of our effort to remain strong and so preserve the peace.

Both House and Senate Appropriations Committee held long hearings on the President's budget requests for the armed services. The measures reported by the committees followed the President's recommendations.

The appropriations bills for the Army, Navy, and Air Force passed both the House and Senate by almost unanimous votes.

In addition to the regular appropriations for the Department of Defense, Congress also voted money to increase the size of the Air Force from its present 55 groups to 70 groups.

Funds voted for the defense program totaled $13,000,000,000. Although this figure is high for peacetime, the Congress agreed with the President that an adequate Army, Navy, and Air Force are needed to insure peace during this unsettled postwar period.

Following a thorough study of the tense international atmosphere, President Truman recommended limited peacetime selective-service legislation in his special message to Congress March 17.

The President stated:

> I recommend the temporary reenactment of selective-service legislation in order to maintain our armed forces at their authorized strength.
>
> Our armed forces lack the necessary men to maintain their authorized strength. They have been unable to maintain their authorized strength through voluntary enlistments, even though such strength has been reduced to the very minimum necessary to meet our obligations abroad and is

far below the minimum which should always be available in the continental United States.

The Senate Armed Services Committee began hearings on the draft question on the same day that the President addressed Congress. The House Armed Services Committee opened its hearings soon after.

The peacetime selective-service legislation was debated first in the Senate. Few objections to the draft were raised on the Senate floor. Some minor amendments were adopted, but the bill that was sent to the House was substantially what the President requested.

These were the main provisions of the draft bill passed by the Senate:

First. Strength of the armed services is increased from the present 1,446,000 men to 1,795,000. The Organized Reserve strength is increased from 1,066,000 to 1,520,000.

Second. Men from 19 to 26 years are subject to 2 years' service in the armed services. This duty will be followed by training of 2 to 5 years in the Organized Reserve.

Third. Exemptions will be granted for most World War II veterans and members of the Organized Reserves. Ministers, ministerial students, and conscientious objectors are exempted.

Fourth. Deferments will be granted to high-school students; college students following courses in medicine and science; and married men and persons in occupations essential to the national health, safety, or interest.

Fifth. Men who are drafted will have reemployment and seniority rights as during World War II.

But the draft bill ran into a GOP bottleneck in the House Rules Committee. House leaders refused to let the measure go quickly to the floor for debate.

When the Senate passed its draft bill, the House Armed Services Committee already had reported a measure similar to the Senate legislation. The differences between the two bills could have been resolved easily by amendment during the floor debate or in a conference between Senators and Representatives.

However, the House leaders, through the Rules Committee, decided to stall.

The Rules Committee is charged with sending legislation to the House floor in an orderly fashion. But in this instance, the Rules Committee put obstacle after obstacle in the path of the selective-service legislation.

House leaders ordered the Rules Committee to hold additional hearings on the selective-service bill. Opponents of the draft among House Members were rounded up to testify.

The House Rules Committee held intermittent hearings for several weeks on the selective-service bill. The committee's chairman introduced a substitute for the draft that would have attempted to recruit adequate armed forces through an expensive enlistment bonus. The President correctly described this so-called bribe-for-patriotism scheme of the committee's chairman as asinine.

It must be remembered that these delaying tactics were adopted by House Republican leaders after the House Armed Services Committee had voted to report a draft bill.

If the House leaders had followed the democratic procedures for representative government laid down by the founding fathers, the Rules Committee could have scheduled the bill for floor debate early in May.

But the House leaders wanted to kill or hamstring the draft at all costs. The House leaders paid no regard to the security of the United States.

After weeks of delay showed that the majority of House Members would not toy with the national safety, the House leaders finally allowed the selective-service legislation to get to the House floor in the last days of the session.

But the obstructionists in the House had not given up. Nearly 50 amendments were introduced by the opponents of draft legislation.

The House leaders decided that if the United States was going to have a peacetime draft it was to be ineffective.

Opponents of the draft legislation admitted freely that they would use every delaying tactic possible to prevent Congress from enacting a peacetime selective-service law.

The most crippling amendment was adopted early in the House debate. This change in the Senate legislation would limit the draft period to 1 year instead of 2, as recommended by the President and the Senate.

The chiefs of the armed forces had told congressional committees time after time that 2 years was the minimum limit on draft legislation. The defense chiefs know that it would take at least 2 years for the Army, Navy, and Air Force to train men adequately.

The House dealt another severe blow to the draft legislation when it adopted an amendment delaying induction of men through selective service until November or December.

President Truman put politics aside and placed the welfare of the country uppermost in his mind when he recommended selective service as a necessary part of America's defense program. The President called for a draft bill to strengthen the security of the United States.

House leaders apparently opposed a draft bill in hopes that the failure of Congress to enact a selective-service measure would enhance Republican chances at the polls in November.

When the selective-service legislation was sent back to conference in the last days of the session the outlook was dim for enactment of an adequate defense program.

But the Senate conferees should be commended for fighting for a sound draft bill. The result of the compromise embodied most of the necessary provisions of the original Senate bill.

The major difference between the original Senate bill and the compromise measure was the length of service. This was cut from 24 to 21 months.

But the other provisions of the bill provided for a good, although far from an excellent, draft law. The size of the armed forces will be increased along the lines recommended by President Truman. And the armed forces will have fairly adequate funds to modernize its equipment and carry on necessary research.

However, the bill passed by the House stands as a grim reminder to Americans that a large number of Republican leaders still are more concerned with politics than with the national security.

Universal training legislation was not enacted into law.

President Truman first called for universal training in September 1945. The late President Roosevelt had recognized UMT legislation as vital in his state of the Union message in aJnuary 1945.

President Truman has repeated his UMT requests many times. He recommended UMT in his 1946, 1947, and 1948 state of the Union messages. He called for UMT once again in his special message to Congress March 17, 1948.

Last March the President told Congress:

> Universal training is the only feasible means by which the civilian components of our armed forces can be built up to the strength required if we are to be prepared for emergencies. Our ability to mobilize large numbers of trained men in time of emergency could forestall future conflict and, together with other measures of national policy, could restore stability to the world.

UMT was endorsed strongly by the House Select Committee on Postwar Military Policy in a report in July 1945. UMT also was recommended by the President's Advisory Commission on Universal Military Training in a report in May 1947.

The House Armed Services Committee held long hearings on UMT a year ago. The committee reported UMT legislation July 26, 1947, the day before the first session of the Eightieth Congress adjourned and too late for action at the first session.

The measure backed by the House committee would have authorized 6 months of training for men between 18 and 20 years. Following this basic work the men would have served an additional period in the organized Reserve.

The UMT bill went from the Armed Services Committee to the Rules Committee for clearance for floor action. Nearly all legislation is routed through the Rules Committee in the House. The group is charged with maintaining an orderly flow of bills to the House floor.

Again, however, the Rules Committee failed to act. The Rules Committee held no hearings on the measure, and the House was not given an opportunity to debate UMT on the floor.

In the Senate Armed Services Committee much time was devoted to discussion of universal military training. All sides of the question were weighed. And the Senate committee decided to abandon universal military training in favor of voluntary enlistments by 18-year-olds. Youths who entered the Army for a year on turning 18 then would be exempt from peacetime selective service when they reached 20. But when the committee's bill got to the Senate floor it was decided to strike this provision from the measure, possibly because this was an election year.

It is regrettable that the Congress failed to write UMT legislation, for UMT is necessary to a balanced defense program.

DOMESTIC ISSUES

In the field of domestic activities the Republican majority failed both to enact necessary legislation proposed by the President and to adopt the program of legislation which the majority had promised to vote into law.

The Republican Congress failed to make its promised fantastic reductions in expenditures.

It passed an unwise tax reduction law at the wrong time—a tax reduction law which gave a few dollars to low-income families and which gave thousands of dollars to upper-bracket taxpayers.

It took no effective action to curb inflation, which is the most important problem on the domestic front.

In the fields of housing, health, education, it is appropriate to repeat the refrain which described the action of the first session of the Congress on these vital problems: Nothing was done.

There were many promises in these vital areas, but there was no performance.

HIGH PRICES

Inflation is the most important domestic problem facing the American people. But the Congress failed to act effectively to curb the inflationary spiral. Prices continue to climb higher and higher each month. Many commodities are out of reach of a large segment of the American people because of the dangerously advancing price spiral.

The most recent figures available from the Bureau of Labor Statistics show:

First. The consumers' price index for April 1948 was at an all-time high at 169.3 percent of the 1935–39 average. The index was 8.4 percent higher than a year ago, 27 percent higher than June 1946, and 71.7 percent above the August 1939 level.

Second. The retail food price index for April 1948, was at 207.9 percent of the 1935–39 average. This compares with a figure of 188 percent in April 1947, 145.6 in June 1946, and 93.5 in August 1939.

Few Americans have to be told that the price of meat, butter, vegetables, shoes, clothing, furniture is too high.

President Truman has issued repeated warnings concerning the dangers of inflation. Ever since price controls were removed in 1946, the President has urged Congress to watch the domestic economy carefully and to be ready to act to curb inflation.

In the fall of 1947 the President believed inflation had progressed to a point where serious injury was being done to the economy. The dangers of inflation coupled with the need for interim aid to Europe prompted the President to call a special session of Congress beginning November 17.

President Truman told the special session of Congress concerning inflation:

> Today, inflation stands as an ominous threat to the prosperity we have achieved. We can no longer treat inflation—with spiraling prices and living costs—as some vague condition we may encounter in the future. We already have an alarming degree of inflation. And even more alarming, it is getting worse.
>
> The harsh effects of price inflation are clear. They are felt by wage earners, farmers, and businessmen. Wage earners are finding that bigger checks this year buy less than smaller pay checks bought last year. Despite generalities about high farm prices, the income of many farm families cannot keep up with rising costs of the things they buy. Small-business men are being squeezed by rising costs. Even those who are well off are asking, "How long can it last? When is the break coming?"

The President repeated his warnings in his state of the Union message and Economic Report to Congress in January.

To deal with inflation the President proposed a 10-point program. This was the way he summarized it in his November speech:

> In summary, the immediate anti-inflation program that I recommend calls for the following legislative action:
>
> 1. To restore consumer-credit controls and to restrain the creation of inflationary bank credit.
>
> 2. To authorize the regulation of speculative trading on the commodity exchanges.
>
> 3. To extend and strengthen export controls.
>
> 4. To extend authority to allocate transportation facilities and equipment.
>
> 5. To authorize measures which will induce the marketing of livestock and poultry at weights and grades that represent the most efficient ultilization of grain.
>
> 6. To enable the Department of Agriculture to expand its program of encouraging conservation practices in this country, and to authorize measures designed to increase the production of foods in foreign countries.
>
> 7. To authorize allocation and inventory control of scarce commodities which basically affect the cost of living or industrial production.
>
> 8. To extend and strengthen rent control.
>
> 9. To authorize consumer rationing on products in short supply which basically affect the cost of living.
>
> 10. To authorize price ceilings on products in short supply which basically affect the cost of living or industrial production, and to authorize such wage ceilings as are essential to maintain the necessary price ceilings.

To really understand the magnitude of the congressional failure, it is important to examine carefully congressional action on this realistic anti-inflation program. Let us consider each proposal separately:

First. Restoration of consumer and banking credit controls: Consumer credit controls were imposed originally in 1941 as a brake on wartime spending. They were continued until the first session of the Eightieth Congress when the House and Senate agreed to end them November 1, 1947.

In general the credit-control legislation provided that persons must make down payments of at least one-third and complete payments on goods within 12 or 18 months. The law worked well as a restraint on inflation.

Last December the Senate responded to the President's proposal by passing a measure setting up credit controls until March 15, 1949.

However, the House failed to act on the measure. The House Banking and Currency Committee voted against sending the bill to the House floor.

Last November about $11,000,000,000 in consumer credit was outstanding in the United States. Today more than $13,000,000,000 is outstanding. And nothing has been done.

Bank credit controls were considered by the Senate Banking and Currency Committee and the Joint Committee on the Economic Report. Lengthy hearings were held.

But neither committee recommended any legislation. In fact, formal reports on bank-credit-control legislation were never issued by the committees. Nothing was done.

Second. Regulation of trading on the commodity exchanges: Committees in both the House and Senate investigated speculation on the commodity exchanges. Many days were devoted to long and sometimes bitter hearings. And the spectacle of candidates seeking to make a political carnival by using the Congress as a sounding board for charges was presented to the country.

But no legislation concerning speculation was ever recommended by a committee of the Eightieth Congress. Also, none of the investigation committees ever issued formal reports on its hearings. In simple language: Nothing has been done.

Third. Extend and strengthen export controls: Congress followed President Truman's recommendations for continued export controls. In the anti-inflation bill passed December 19, 1947, Congress extended existing export controls. But they were not strengthened as requested by the President.

With shortages of many basic materials still continuing here and with high prices throughout the world, it is essential that the Government keep a careful check on goods exported and prices charged for the goods.

Fourth. Extension of authority to allocate transportation facilities and equipment: Congress agreed to President Truman's recommendation when it extended transportation regulations through February 1949.

These laws needed to be continued because of the shortage of equipment and facilities.

Fifth. Efficient use of grain through sound livestock and poultry marketing practices: The President recognized the world grain shortage. He wanted to encourage marketing of livestock and poultry at medium weights and grades so that farmers would use less grain for feeding. In this way more grain would be made available for shipment to Europe and other countries in need of bread.

However, the Eightieth Congress took no action on this request. Again—nothing was done.

Sixth. Encouragement of conservation practices in this country and of better farming methods in foreign countries: The American farmers made a remarkable record in World War II. They produced enough food not only to feed the American people better than ever before, but they produced food for our armed forces in the field and even more food to aid in feeding our allies.

But the necessities of wartime farming resulted in a relaxation of many soil-conservation practices. President Truman believed that America must expand its soil-conservation program as soon as possible to prevent future dust bowls. No more could we risk a return to the dust storms of the depression days of 1929–30.

The President also wanted America to demonstrate its modern farming techniques in other countries and thus spur greater agricultural production. In this way world food production could be increased more rapidly, and the strain taken off our own economic and agricultural resources.

Nothing was done by the Eightieth Congress on the soil-conservation proposal. But it did give the administration authority to aid foreign farmers.

Seventh. Allocation and inventory controls: Shortages have been the rule in the American postwar economy. Steel is scarce. Lumber is in short supply. Grain supplies are at low levels.

The President realized that the law of supply and demand eventually will resolve the problems created by shortages. But the President also realized that the law of supply and demand takes time.

So President Truman recommended controls on important goods to relieve current shortages in basic industries. Allocation and inventory controls could assure enough lumber and steel for the housing industry, steel for important defense projects and grain for bread rather than for livestock. Congress did not act. Nothing was done.

Eighth. Extend and strengthen rent control: The President urged better rent controls in order to protect the millions of tenants in this country. The President saw that the present legislation, with such loopholes as the provision for gunpoint voluntary rent increases, must be improved greatly to give the tenants sound protection. Literally millions of families had been victimized under the weak provisions of the mock rent-control law passed by the first session of the Eightieth Congress.

In the second session, after almost 3 months of hearings and debate, the Congress enacted a measure extending rent control another year to March 31, 1949.

Congress did not follow President Truman's request to strengthen rent control in either act. The final bill included provisions for "voluntary rent increases," gave more power to local boards, and decontrolled the use of building materials for amusement facilities.

President Truman signed the bill because he said it was "better than no rent control at all." He added:

> The bill does not carry out all the recommendations I have made to the Congress for stronger rent-control legislation and will not give tenants all the protection they should have during the present housing shortage.

And while this mock control bill was *being passed*, the Republican leadership continued to ignore the President's request for an investigation of the real-estate lobby.

Ninth. Selective rationing: High prices are rationing goods for too many American families. High meat prices make meat, which should be a staple, a luxury in many families. Men must forego needed clothing because of high prices.

Obviously, such rationing by price is not the American way of doing things. President Truman suggested a democratic way to distribute scarce goods. He recommended selective rationing.

This was what the President wanted to do:

When supplies of, say, pork chops got short, the President could impose rationing. If shoes became scarce, they could be rationed.

The President did not ask for over-all rationing such as was necessary in wartime. The President did ask for authority to stop run-away inflation on goods basically affecting the cost of living.

The Senate Banking and Currency Committee held hearings for several weeks in January and February on the President's anti-inflation program.

Workers, bankers, businessmen, housewives, students, veterans—persons from all walks of American life were heard. The witnesses agreed that inflation was here, that it was bad for the American economy to let prices run wild, and that something should be done about high prices.

But the committee failed to recommend any legislation following the hearings. In addition, the committee did not issue a formal report on the hearings.

A subcommittee of the Senate Banking and Currency Committee considered a plan to give the President stand-by meat-rationing authority. But this proposal was defeated by a 3-to-2 vote of the subcommittee.

The House Banking and Currency Committee did not hold any hearings whatsoever on anti-inflation legislation.

The Congress did enact one anti-inflation measure. This was the bill passed December 19, 1947, the closing day of the special session.

The principal provision of this Republican-sponsored measure called on the President to negotiate voluntary agreements with industry to hold prices in line.

When this measure was passed, the leaders in Congress explained that they wanted to see what effect it would have on high prices before considering mandatory allocation, rationing, or price ceilings.

The President has attempted to negotiate voluntary agreements with several industries, including bakers, brewers, and steel makers.

But so far only one industry has signed a voluntary anti-inflation agreement—that being the freight-car building group. Obviously few of America's working men and women are concerned about the mounting cost of freight cars.

Recently, the Joint Committee on the Economic Report issued its analysis of the problems of inflation. The high lights of the report were:

First. Price, wage, and allocation controls in time of peace were opposed.

Second. Government spending was called one of the principal reasons for the present inflation.

Third. No public works projects should be undertaken at present.

Fourth. Corporate taxes should not be increased.

Fifth. Excise taxes directly affecting the cost of living should be removed.

Sixth. Reclamation and drainage projects should be completed to provide more farm land.

Seventh. More study should be given to credit controls.

Eighth. Fertilizer production should be increased.

Ninth. Victory gardens should be planted.

Tenth. Grain should be conserved.

Eleventh. Housewives should shop more intelligently, use substitutes for high-priced foods and cooperate in food-saving measures.

Twelfth. Production should be increased.

Thirteenth. Thrift should be encouraged.

That was the record of action—and inaction—of the Eightieth Congress on the important inflation problems. This record can be summed up in three words: Nothing was done.

TAXES

President Truman opposed over-all tax reduction, pointing out that the prudent, businesslike thing was to reduce the national debt during the present era of Democratic prosperity. But Congress voted to cut income taxes and total revenue by about $5,000,000,000. The Republican leadership refused to consider that increased demands were to be made on the Treasury of the United States and went ahead with this unwise plan. It would seem that political considerations and not the national welfare were paramount.

The President recommended the following tax program to Congress in his state of the Union message January 7:

> I recommend * * * that, effective January 1, 1948, a cost-of-living tax credit be extended to our people consisting of a credit of $40 for each individual taxpayer and an additional credit of $40 for each dependent. Thus the income tax of a man with a wife and two children would be reduced $160. The credit would be extended to all taxpayers, but it would be particularly helpful to those in the low-income group.
>
> It is estimated that such a tax credit would reduce the Federal revenue by $3,200,000,000. This reduction should be made up by increasing the tax on corporate profits in an amount that will produce this sum—with appropriate adjustments for small corporations.
>
> This is the proper method of tax relief at this time. It gives relief to those who need it most without cutting the total tax revenue of the Government.
>
> When the present danger of inflation has passed we should consider tax reduction based upon a revision of our entire tax structure.

But Congress passed its own tax-reduction bill over the President's veto. In these critical times the Government's income was reduced by at least $5,000,000,000.

The passage of this tax bill will prevent the Federal Government from making large payments on the national debt. The measure also endangers a balanced budget. With Government expenses continuing high because of the European recovery program and the defense program, the tax cut may even mean deficit financing.

Even the strongest supporters of the Republican tax bill now concede that it may be necessary to increase taxes very soon because of high but necessary Government expenditures.

The proponents of the tax reduction measure have defended it on the grounds that most of its benefits went to the lower-income groups.

But a comparison of tax cuts under the President's and the Republican's plans shows:

A man with a wife and two children, whether he earned $3,000 or $25,000 a year, would get an additional $160 spending money under the President's plans. But the Republican measure worked this way:

A man with a wife and two children who made $3,000 a year got a tax reduction of only $90 a year under the Republican bill.

A family of four with an income of $4,000 a year got merely a $114-annual-tax-reduction under the Republican bill.

But a family of four with an annual income of $25,000 got $3,045 more take-home pay under the Republican bill.

And a man with a wife and two children who had an income of $50,000 a year received $7,533 more take-home pay under the Republican measure.

Thus it is evident that the President's measure would have given real help to the common man, but that the Republican tax-reduction bill gave the real relief to persons in the higher brackets, the privileged few.

In his message vetoing the tax bill on April 2 the President said:

> It is bad policy to reduce taxes in a manner which would encourage inflation and bring greater hardship, not relief, to our people. It is bad policy to endanger the soundness of our national finances at a time when our responsibilities are great in an unsettled world.
>
> I am confident that the men and women of our country prefer the maintenance of our national strength to a reduction in taxes under the present circumstances.

Later the Senate was told of a broadside request by the Republican National Committee asking that a substantial portion of the tax reduction be contributed to the party treasury. This apparently was a bill for services rendered.

HOUSING AND RENT CONTROL

President Truman repeatedly has urged Congress to pass housing legislation. Since the end of World War II the President has recognized the increased need for Federal aid and encouragement to solve the housing shortage. But the Republican leaders of the Eightieth Congress bowed to the lash of the real-estate lobby and did nothing.

The President set forth his latest housing recommendations in a special message to Congress on February 23 in which he proposed:

> I recommend that the Congress enact at the present session legislation directed toward five objectives.
>
> 1. To continue and strengthen rent control.
>
> 2. To stimulate a higher volume of home building on a sustained basis, with special emphasis on rental housing, and with proper safeguards against possible inflationary effects.
>
> 3. To reduce building costs.
>
> 4. To assist communities in providing low-rent housing for families in the lowest income groups.
>
> 5. To aid cities in rebuilding and modernizing run-down areas.

Congress continued rent control, with a weak weaseling bill, through March 31, 1949. The President signed the bill as the lesser of two evils, declaring it was "better than no rent control at all."

The other parts of the President's housing program are embodied in the Taft-Ellender-Wagner bill.

This measure was reported by the Senate Banking and Currency Committee in April 1947. But the bill did not pass the Senate until almost a year later.

The Joint Committee on Housing studied the housing problem for more than 6 months and concluded that the T-E-W bill would go a long way toward easing the shortage of homes.

But continued opposition of one group delayed the housing legislation month after month. That group was the real-estate lobby. The National Association of Real Estate Boards charged that the housing bill was socialistic and communistic.

And what are the details of this legislation that is so roundly condemned?

Most of the provisions of the bill aid, rather than harm, the real-estate interests. Then why does the real-estate lobby continue to fight the legislation?

One section of the housing bill provided that 100,000 units shall be built annually for 5 years with Government funds. This was the public-housing section.

This public housing would be financed by the Federal Government but managed by local governments. The units would be rented by persons with low incomes—those who cannot afford to buy or rent houses and apartments built by private industry.

Private industry will be busy for 10 to 15 years trying to meet the demand for housing from middle and high income groups. Private industry has never been interested in building or able to build the kind of low-rent housing President Truman has proposed.

This public housing proposed by the T-E-W bill would aid the groups hardest hit by the housing shortage. The proposal would not harm the building industry. Construction of houses and apartments for low-income groups has never been undertaken by private industry because profits from such work are little or nothing.

The other sections of the housing bill would aid the real-estate interests. Some of these proposals are:

First. The Housing and Home Finance Agency would study means of lowering production costs of housing.

Second. Efforts would be made to overcome the shortage of building materials.

Third. Mortgage insurance programs of the Federal Housing Administration would be extended.

Fourth. Financial aids would be extended and broadened for manufacturers of housing and for large-scale site construction of lower-cost housing.

Fifth. A program of yield insurance would be encouraged to guarantee return to builders of apartment houses.

Sixth. A long-range farm housing program would be started.

Seventh. A Federal-city slum clearance program would be developed.

When this sound legislation was sent to the House in April, the House Banking and Currency Committee held long hearings to review all the housing arguments. Finally, in the closing days of the session progressive Democrats managed to persuade a few Republicans to vote, 14 to 13, to include the T-E-W provision passed by the Senate in the bill reported out by this House Committee.

But the House leadership was still opposed to the public-housing features of the bill.

The House Republican leaders ordered the Rules Committee to drag out a decision on whether to bring the bill up on the floor for a vote.

Then after these delaying tactics the Republican leaders ordered the Rules Committee to kill the housing bill. The committee obeyed by voting 6 to 2 to table the measure June 16.

Once again the House leaders refused to let democracy take its course through full and open floor debate of a bill that already had been approved by the proper committee.

The Rules Committee, set up to schedule legislation for floor debate, has been turned into a policy-making body by the GOP leaders.

After the committee voted to table the bill, the chairman of the Banking and Currency Committee introduced a new housing bill containing all the provisions to help the real-estate interests but omitting the public-housing section that would aid the people who most need help.

The House Republican leadership had succeeded in burying adequate, effective housing legislation.

The Congress did pass one so-called housing bill. It contained one worthwhile provision for Federal insurance of loans for nonprofit veterans' housing cooperatives.

It also gave substantial help to private building financing agencies by permitting the Government to buy mortgages guaranteed by the Veterans' Administration and the Federal Housing Administration from banks and other financial groups which have lent money to veterans buying homes. Net effect of this is to help banks get rid of mortgages on high-priced homes sold to veterans at present exorbitant prices. This was a boon to the real-estate lobby.

Even Republicans have admitted that this bill is a sham.

It sends something smaller than a midget to do a man's job.

Insofar as constructive, adequate legislation to solve the housing problem, the action of the Congress can be summed up in these words: Nothing was done.

NATIONAL HEALTH PROGRAM

A national health program, with national medical insurance as its cornerstone, has been part of President Truman's legislative program since 1946 but

the Republican Congress saw no need to protect or improve the Nation's health.

The President has recognized that millions of Americans are denied medical care each year because they cannot afford it. The President believed Americans should pay for their medical care in the same way in which they provide for their old age—through an insurance plan.

President Truman made his latest plea for a medical program in his state of the Union message January 7. The President said:

The greatest gap in our social-security structure is the lack of adequate provision for the Nation's health. We are rightly proud of the high standards of medical care we know how to provide in the United States. The fact is, however, that most of our people cannot afford to pay for the care they need.

I have often and strongly urged that this condition demands a national health program. The heart of the program must be a national system of payment for medical care based on well-tried insurance principles. This great Nation cannot afford to allow its citizens to suffer needlessly from the lack of proper medical care.

Our ultimate aim must be a comprehensive insurance system to protect all our people equally against insecurity and ill-health.

A few committee hearings were held on the health-insurance program during the Eightieth Congress. But the Congress adjourned without taking any action on the President's recommendations.

When the Republicans in Congress did talk about a health program, they discussed a measure sponsored by the chairman of the Senate Republican Policy Committee.

This Republican legislation would have given some aid only to the very poor persons who were in need of help. The Republican bill was a dole for the unfortunate.

Under the Republican measure, the average working man would not be able to be provided adequate medical care by a Federal-insurance program.

The Republican leadership in both Houses refused to consider even their own pitifully inadequate bill to put a few Americans on a medical dole.

The Republican leadership refused to consider the realistic medical insurance program advanced by President Truman. The Republicans called the President's insurance program socialistic.

It should be pointed out that the 1944 Republican Party platform said:

We pledge our support * * * of these * * * programs relating to health and the stimulation by Federal aid of State plans to make medical and hospital service available to those in need.

But—nothing was done.

FEDERAL AID TO EDUCATION

The American education system is in the midst of a crisis. The shortage of teachers continues. Many school buildings are inadequate. States are unable to raise sufficient funds to educate their children. Yet the Eightieth Congress did nothing to correct the situation.

President Truman has been concerned with the threat of inadequate education to the fundamentals of democracy. He has warned Americans many times that they must improve their school systems.

The President said in his state of the Union message January 7:

Another fundamental aim of our democracy is to provide an adequate education for every person.

Our educational systems face a financial crisis. It is deplorable that in a Nation as rich as ours there are millions of children who do not have adequate schoolhouses or enough teachers for a good elementary or secondary education. If there are educational inadequacies in any State, the whole Nation suffers. The Federal Government has a responsibility for providing financial aid to meet this crisis.

The President recognized that the Republican inflation had contributed much to bad school conditions.

More money is being spent for schools today than 7 years ago. But school conditions are worse today than they were 7 years ago.

Funds spent on schools have increased by 66 percent in the past 7 years. But, at the same time school expenses have increased 86 percent, due to inflation.

The inequalities in school systems are shocking, due to the difference in taxable wealth in various parts of the country. In many areas schools are supported through almost confiscatory taxes. Yet these areas still are unable to build adequate school systems because of their low incomes.

A comprehensive survey of American schools by the National Education Association showed that Federal aid to education was the only answer to the school problem in the United States. The NEA heartily endorses Federal aid.

The President recommended help for American education along the lines of the Federal aid to education bill passed by the Senate early in April.

This measure authorized the expenditure of $300,000,000 in Federal funds to bolster the schools in every State.

The States would be allowed to distribute the Federal funds in the same way that State and local money is allocated.

In no way would the legislation have interfered with schools administered by the States and the cities. The sole purpose of the bill was to equalize and improve American education.

The Senate acted wisely in approving the measure and sending it to the House.

However, the House Education and Labor Committee held no hearings on the measure.

As a result, the House failed to act on the Federal aid to education legislation.

As the House refused to act on the Federal aid to education bill, President Truman made another plea for its enactment in a speech in Los Angeles. He said:

I appointed a Commission to make a survey of the educational situation in this country. That Commission made a formidable report and pointed out exactly what the condition in the schools in this country is—what the conditions are today. And I made a recommendation to the Congress that the Federal Government make a contribution to the support of the schools of the Nation. No action—no action. It is the most disgraceful thing in this country that the teachers in this country are not adequately paid.

There are conditions in nearly all the public schools in the country where the teacher has so many pupils under her care that she doesn't even have time to learn their names. Something must be done about that.

The bill has passed the Senate. It wouldn't take 10 minutes for it to pass the House if they weren't roosting on it over there. They should stay in session until they pass the bill for the assistance of education in this country.

Despite these moving pleas, despite the action of the Senate, despite the urgency, the Eightieth Congress failed to act. Nothing was done.

SOCIAL SECURITY

The social-security laws are one of the major accomplishments of the Democratic administration. The laws are providing an excellent way for millions of Americans to assure themselves of an income during old age.

But it has been apparent almost since the social-security legislation became effective in 1935 that more workers must be brought under the laws.

Household workers should be covered. Farm laborers should be included. The self-employed should be given the benefits of social security.

In addition, existing benefits should be increased because of the high cost of living. But the Republican Party did nothing to aid the American people achieve real security.

On several occasions President Truman has urged Congress to broaden the Social Security Act. The President said in a special message to Congress in May:

I urge, therefore, that the Congress take early action on the following recommendations:

1. More adequate benefits under old-age and survivors insurance.
2. Extended coverage for old-age and survivors insurance.
3. Extended coverage for unemployment insurance.
4. Insurance against loss of earnings due to illness or disability.
5. Improved public assistance for the needy.

But instead of signing bills extending social security the President has been forced to veto legislation curbing social security.

President Truman vetoed two bills concerning social security. The Congress passed both over his veto.

The one measure bars newsboys from participation in the social-security program.

The other denies social-security benefits to 750,000 salesmen. A rider designed to sugar-coat the action was attached to this bill to increase payments to dependent children by $3 a month and to the aged and blind by $5 a month.

The President could not sign these bills because they restricted rather than extended social security.

The House passed a social-security bill that Republican leaders said was an answer to the President's demands.

But the House measure was shamefully inadequate. The bill would extend social-security benefits to city and State employees and to persons working for nonprofit organizations.

However, these workers would not be allowed to come under social security unless their employers agreed to the coverage. But while these people needed this

economic protection it was a paltry gesture.

The House bill totally ignored the millions of household workers, farm laborers and self-employed persons who make up the largest classes not now covered by social security.

Rather, the House bill offered social-security benefits only to a few relatively small groups of workers.

But even this meager bill failed to be enacted by the Congress. The Senate Finance Committee said it could not find time in the closing days of the session to consider social-security legislation—to think about the welfare of the people.

It is important to note the 1944 Republican Party platform that stated:

We pledge our support of * * * extension of the existing old-age insurance and unemployment insurance systems to all employees not already covered.

And in contravention of its party pledge and failing to consider the needs of the people the Republican Party in control of the Eightieth Congress did nothing.

THE LABOR DEPARTMENT

The Democratic Administration has sought to improve the condition of labor in the United States. Both President Roosevelt and President Truman tried to strengthen the Labor Department in their attempts to aid the workingman.

But in 1947 the Republican Congress started to dismantle the Labor Department.

The Republican Congress took the United States Conciliation Service out of the Labor Department and set it up as a separate agency. This has cost taxpayers many, many additional dollars.

The Republican Congress slashed Labor Department funds for general operation, staff and research in fiscal 1948 by 25 percent.

The Republican Congress slashed grants to States for operation of free employment offices by 18 percent in fiscal 1948.

Funds for the United States Employment Service in fiscal 1948 were cut in half by the Republican Congress.

Funds for the Bureau of Labor Statistics in fiscal 1948 were slashed by 40 percent.

The Bureau of Labor Statistics is recognized by labor and management alike as the Nation's only reliable authority on the cost of living. But evidently the Republican Congress did not want to see the way the Republican inflation was running wild in America.

As a result of slashes in BLS funds the consumers' price index had to cut its surveys, which formerly included 73 large and small cities, to 34 large cities. Wholesale-price studies were crippled. Funds to report on industry, wages, and production were cut in half.

President Truman said of the Republican program to make the Labor Department ineffective:

They're not satisfied to take the brake off prices. They tore the speedometer out of the car so that they couldn't see how fast it was going.

President Truman declared in his budget message submitted to Congress January 12, 1948:

The reduced appropriations to the Department of Labor in the fiscal year 1948 have impaired its capacity to perform some of its statutory functions. I am recommending increases in the Department's total appropriation for the fiscal year 1949 sufficient to enable it to carry out efficiently its statistical and labor information services to the general public and to the labor mediation and regulatory agencies, and also to carry out adequately its functions in connection with the administration of the State employment offices.

But the Republican Congress continued to whittle away at the Labor Department in 1948.

President Truman asked that the United States Employment Service and the Bureau of Employment Security be made permanent agencies of the Labor Department. At present the USES is temporarily under the jurisdiction of the Labor Department. The Bureau of Employment Security is part of the Federal Security Agency

The Congress turned down the President's proposals on the pretense that no changes in the executive department should be made until the Hoover Commission on the Reorganization of the Executive Department reports in 1949.

However, a few days later Congress legislated through an appropriation bill the transfer of the United States Employment Service from the Labor Department to the Federal Security Agency. President Truman's veto of this bill was overridden.

The Republican House cut BLS funds again in 1948. Another 40-percent reduction was ordered. Over-all Labor Department funds were slashed by 25 percent.

But at last the Republican leaders in the Senate realized that not even business could stand these cuts in BLS funds. Seventy-five percent of the persons or organizations using BLS figures represent big business.

The BLS has become the national authority on the cost of living. The recent General Motors wage agreement, keyed to the BLS cost of living index, is a good example of the confidence America has placed in the agency.

The Senate succeeded in restoring many of the cuts made by the House in the fiscal 1949 budget for the Labor Department.

But the Labor Department remains crippled from the disastrous 1947 fund cuts that forced the Department to fire 3,000 of its 7,000 employees. The Department is now the smallest in Washington.

All of these actions should be remembered in the light of the Republican Party platform of 1944 which said:

The Department of Labor has been emasculated by the New Deal. Labor bureaus, agencies, and committees are scattered far and wide, in Washington and throughout the country, and have no semblance of systematic or responsible organization. All governmental labor activities must be placed under the direct authority and responsibility of the Secretary of Labor.

THE MINIMUM WAGE

The Fair Labor Standards Act of 1938 was among the most important legislation enacted by Congress in recent years.

The measure set the workweek at 40 hours. It also established a minimum wage of 40 cents an hour.

In 1938, a 40-cent minimum wage was adequate. But in 1948 a 40-cent minimum is far from adequate. The cost of living has increased by almost 70 percent since 1939. Today it takes about 75 cents to buy what 40 cents did in 1938. But the Congress did nothing in this important field. With the economic facts before him, President Truman called for a 75-cent minimum wage time after time in the past 2 years.

The President said in his State of the Union message January 7:

Another basic element of a strong economic system is the well-being of wage earners.

We have learned that the well-being of workers depends on high production and consequent high employment. We have learned equally well that the welfare of industry and agriculture depends on high incomes for our workers.

The Government has wisely chosen to set a floor under wages. But our 40-cent minimum wage is inadequate and obsolete. I recommend lifting the minimum wage to 75 cents an hour.

The House Education and Labor Committee held hearings on minimum wages and other aspects of the Wage-Hour Act for almost a month last fall. Witness after witness told of the need for increasing the minimum wage. Most persons agreed that 75 cents an hour would be a sensible 1948 minimum wage. However, the House committee failed to act on the problem of a higher minimum wage. No formal report was ever issued on the hearings.

The Senate Labor and Public Welfare Committee held hearings in April and May on the Wage-Hour Act. The Republican wage-hour bill before the committee was sponsored by Senator BALL. The bill provided that the minimum wage should be increased—but only to 60 cents an hour. In addition, the measure would set up industry committees that could determine whether the minimum wage might be lowered to 50 cents or raised to 70 cents in certain areas.

The effect of the Republican minimum-wage bill was to hold back benefits to workers in the South in other areas where labor is paid less than in the concentrated industrial sections of the country.

However, the Senate committee did not report a minimum-wage bill. So Congress adjourned without taking any action on the important question of minimum wages.

Do the Republican leaders think that $16 a week is adequate pay at today's prices?

As in other important fields affecting the welfare of the people—nothing was done.

FARM PROGRAM

Since 1933 the Democratic administration has realized that a prosperous farm economy was necessary to a prosperous America. For the past 15 years

the Democratic administration has worked constantly to improve farming and farm living in this country. Republicans in the Congress have done little more than "me-too" administration policies.

Democratic administrations encouraged soil conservation. Crops were insured. Farm prices were supported. Electricity was made available to thousands upon thousands of farms. Loans were made to permit persons to buy farms and to let farmers improve their homes and land. And Democratic support of farm cooperatives have improved the farmers' economic situation.

All these things are part of the great record of Democratic aid to the farmer.

Most persons have agreed that the present farm programs are good ones. But President Truman has insisted that there was room for improvement in the American farm program. He has insisted that we go forward to an even better over-all farm program.

Accordingly, before the end of World War II, experts in the Agriculture Department were at work developing a postwar farm program.

More than a year ago the President and the Secretary of Agriculture outlined a peacetime farm plan.

The important principle of the program was: American agriculture should be keyed to a policy of abundance. Abundant production would aid everyone: the farmer, the worker, the businessman, the consumer.

The President has listed the details of the Democratic farm program many times in recent months. He sent this four-point agricultural plan to Congress in May:

> First, the Congress should enact legislation providing on a permanent basis for a system of flexible price supports for agricultural commodities:
>
> Second, I urge that the Congress give full support to the continuance and expansion of our program of soil conservation.
>
> Third, I recommend that the Congress continue and strengthen programs to assure adequate consumption of agricultural products.
>
> Fourth, we need to consider other means for assisting farmers to meet their special problems. For example, we must support and protect farm cooperatives. We must continue to work toward a sound system of crop insurance.

The President's program would modernize the agricultural plans that have grown through the years. Many aspects of the farm program need modernizing. For instance, the present parity formula is based on 1909–14 farm prices and expenses. Since then the tractor and other machinery have become commonplace on most farms. Their impact on farm prices and expenses should be considered.

Both House and Senate Agriculture Committees spent many days considering a modern farm program. Last fall members of the committees toured the country and talked to farmers in the fields. *Page after page* of committee testimony showed the need for a 1948, not a 1914 or a 1933, farm program.

But floor action on a new farm program was delayed for weeks. Finally the House acted June 12. But its farm bill was disappointing.

The measure passed by the House merely extended present farm legislation until June 30, 1950. The present laws are good, but new, modern ones would have been better.

The House action was significant in view of the 1944 Republican Party platform that condemned the Democratic farm program. The platform called it confused, unreliable, impractical. Thus they voted "me too" on the Democratic program, now that the wisdom of such a plan was proved. Unfortunately they did not vote for continued progress.

When President Truman announced in May that he was going to send his formal request for a modernized farm program to Congress in a few days, the Senate Agriculture and Forestry Committee got busy.

The committee reported its long-range farm program May 17, less than a week after the President sent his special message on farm problems to Congress.

The President had succeeded in prodding the Senate committeee into action. And the Senate committee's bill was almost a carbon copy of the sensible farm program proposed by the President.

The Senate Agriculture and Forestry Committee reported a realistic, modern farm bill early in the second session of Congress. Some of the high lights of the measure were:

First. Abundant production would be assured.

Second. Agricultural income would be maintained on a flexible parity base.

Third. Marketing procedures would be improved.

Fourth. Production quotas, marketing agreements, and crop loans would be worked out.

Fifth. Conservation practices would be encouraged.

Sixth. Farm cooperatives would be strengthened.

These provisions indicated that the Senate committee had closely followed President Truman's recommendations.

The Senate passed this farm program that followed most of President Truman's suggestions. But the House refused to go along with the Senate in enacting a realistic farm program.

The result was that the farm legislation finally passed by Congress merely extended existing laws until June 30, 1950, and postponed a long-range farm program until that date.

The Eightieth Congress ignored the 1948 needs of the American farmer.

The Senate failed to ratify the International Wheat Agreement. This harms both the American farmer and America's role in world affairs.

The agreement was drawn up at a conference in March in Washington under the auspices of the United Nations. Under its terms, it had to be ratified by July 1, 1948.

In general, the agreement provided for ceiling prices at which wheat may be sold on the international market. The agreement also set out a quota system under which countries in need of grain would be reasonably assured of supplies.

The agreement would have helped the farmer by stabilizing and guaranteeing international trade in wheat for several years to come.

The ratification of the agreement by the United States would have been further evidence of America's intention to participate actively in the United Nations and in world affairs.

The Senate neglected its duties to the American farmer and to world peace by refusing to consider the International Wheat Agreement.

RECLAMATION

The Democratic Party has worked unceasingly to develop the West through reclamation projects. But the Eightieth Congress blinded itself to the necessity of furthering the program.

President Truman said in his state of the Union message January 7:

> We must expand our reclamation program to bring millions of acres of arid land into production and to improve water supplies for additional millions of acres. This will provide new opportunities for veterans and others, particularly in the West, and aid in providing a rising living standard for a growing population.

Fairly adequate Department of Interior funds were voted during the second session of Congress. It was encouraging to see that drastic attempts at slashing appropriations for reclamation work were not made as they were in the first session of the Eightieth Congress.

However, the Congress made repeated attempts to restrict the reclamation legislation. It voted into an appropriation bill a provision which would have the effect of firing two reclamation officials who were following the law and the 160-acre reclamation limitation rather than circumvent the law, as some persons wanted them to do.

Further, the Eightieth Congress did nothing to increase materially the scope of reclamation projects. It merely voted to continue existing work.

RIVER DEVELOPMENT

The Tennessee Valley Authority is known throughout the world as one of the great accomplishments of the Roosevelt years. The TVA developed an unprosperous region of the United States into one of the finest areas in the country within only a few years.

Both President Roosevelt and President Truman have urged that the TVA formula be applied to such other river basins as the Columbia and the Missouri.

President Truman said in his state of the Union message January 7:

> We should achieve the wise use of resources through the integrated development of our great river basins. We can learn much from our Tennessee Valley experience. We should no longer delay in applying the lessons of that vast undertaking to our other great river basins.

Hearings were held during the Eightieth Congress on the TVA and the application of similar programs to other river basins. But Congress took no action looking toward the development of other rivers.

In fact, the House voted to prohibit the TVA from building a steam-generating plant to increase the output of electricity in the area. The Senate restored the funds for the plant, but in its final action, the Eightieth Congress gave TVA a distinct set-back when it voted to eliminate the steam-generating plant from the agency's 1949 appropriations.

This action by the conference committee on the TVA legislation was a victory for the power lobby. The project was opposed by these lobbyists simply because it was a public-power project.

The United States needs more power to run its plants, to light its homes. The power shortage is acute in America.

But the Eightieth Congress refused to give one section of America more electrical energy, and voted against the South and against public power.

THE ST. LAWRENCE SEAWAY

The United States has needed the St. Lawrence seaway for many years both from the standpoint of national defense and from the standpoint of world commerce. Business, labor, and agriculture would be benefited greatly throughout the Midwest if the seaway were constructed. But the Eightieth Congress refused to pass this important legislation.

President Truman supported the St. Lawrence project. He said in his state of the Union message January 7:

> The St. Lawrence waterway and power project is needed for both transportation and industry. As an important step in advance planning the Congress should now authorize this project in order that international treaty provisions and other arrangements can be worked out.

The Senate Foreign Relations Committee reported a St. Lawrence seaway bill in 1947.

The Senate spent long hours debating the measure in February 1948. But the project was defeated when it came to a vote.

BUSINESS MONOPOLY

Throughout its history the Democratic Party has defended the common man against the vested interests of big business. But the Eightieth Congress consistently sought to aid the big business interests.

President Truman continued the fight for free competition when he declared in his state of the Union message January 7:

> Growth and vitality in our economy depend on vigorous private enterprise. * * * Competition is seriously limited today in many industries by the concentration of economic power and other elements of monopoly. The appropriation of sufficient funds to permit proper enforcement of the present antitrust laws is essential. Beyond that we should go on to strengthen our legislation to protect competition.

However, the Eightieth Congress took no action to curb monopolies.

Congress failed to act on the O'Mahoney-Kefauver bill to plug the loopholes in the antitrust legislation. The measure would make it illegal for one company to purchase the assets of another where such a deal would lessen competition or create a monopoly.

The Senate Judiciary Committee took no action on this measure. The House Judiciary Committee reported the bill. But the House Rules Committee refused to clear it for floor debate.

The House Interstate and Foreign Commerce Committee reported a measure that would seriously damage the necessary functions of the Federal Trade Commission.

The measure, the O'Hara bill, would strip the Commission of its power to issue cease and desist orders. The FTC would have to go to the Federal Courts to stop unfair trade practices.

The measure would destroy the Commission's essential functions in the field of enforcement of antitrust legislation.

It is fortunate for the American people that this legislation was never passed by Congress.

The Senate appropriated $50,000 to a special committee to investigate the Federal Trade Commission.

It is interesting that this committee was set up after the Supreme Court outlawed the basing point system used by so many businesses to keep prices uniform and high. The Federal Trade Commission has been opposing these basing point techniques.

Apparently the Republicans plan to investigate the Federal Trade Commission for opposing price-fixing.

RAILROAD RATE FIXING

Antitrust legislation has been enacted by Congress to protect the people from the encroachments of dangerous monopolies. And no industry should be given special treatment and be exempt from antitrust laws.

But the Eightieth Congress acted against the people when it passed the Reed-Bulwinkle bill which would exempt railroads from antitrust laws. The measure would allow railroads to agree on rates among themselves. It would allow the railroads to increase rates without due regard for the public.

President Truman vetoed this legislation. He said:

> By sanctioning rate control by groups of carriers, this legislation would represent a departure from the present transportation policy of regulated competition.
>
> This, I believe, would be a serious mistake, with far-reaching effects on our economy.

The President opposed this legislation because it would weaken antitrust legislation. It would give special privileges to a huge American industry. It would allow the railroads to set exorbitant rates, to discriminate against certain sections of the country in fixing rates.

Democrats both in the Senate and the House explained the dangers of the Reed-Bulwinkle bill during floor debate on the Presidential vetoes.

But special interests won out in this fight just as they have triumphed in so many others during the Eightieth Congress.

Both the Senate and the House voted to override the President's veto. The Senate acted June 16 and the House June 17.

Thus the Congress further weakened antitrust legislation that needs strengthening, not tearing down.

MOORE-RIZLEY NATURAL-GAS BILL

Since 1938 the Federal Power Commission has had jurisdiction over natural-gas rates. The Commission has attempted to set rates that would be fair both to the consumers and to the owners of natural-gas fields and pipe lines.

But attempts were made during the Eightieth Congress to restrict the authority of the FPC. The proponents of the legislation regarding FPC authority wanted to let natural-gas producers charge more for their product. The Moore-Rizley bill, which attempted to increase rates in this way, was passed by the Republican-controlled House last year.

However, the Senate Interstate and Foreign Commerce Committee, with the active help of the Democratic members, acted wisely this year in refusing to report the Moore-Rizley measure.

When the committee killed the bill, it acted in the interests of the people who use natural gas rather than in the interests of natural-gas lobbyists.

It is encouraging to find this isolated example of Republican concern for the plain people of the country.

THE CIVIL-RIGHTS PROGRAM

Early in 1947 President Truman appointed a commission of 15 Americans to study the problems of civil rights in the United States.

The commission spent several months surveying and discussing the problems of civil rights. Last November the commission made its recommendations on civil rights to the President.

President Truman used the civil-rights report as a basis for his special message to Congress, February 2. He said:

> The protection of civil rights is the duty of every government which derives its powers from the consent of the people. This is equally true of local, State, and national governments. There is much that the States can and should do at this time to extend their protection of civil rights. Wherever the law enforcement measures of State and local governments are inadequate to discharge this primary function of government, these measures should be strengthened and improved.
>
> The Federal Government has a clear duty to see that constitutional guaranties of individual liberties and of equal protection under the laws are not denied or abridged anywhere in our Union. * * *
>
> I recommend, therefore, that the Congress enact legislation at this session directed toward the following specific objectives:
>
> 1. Establishing a permanent Commission on Civil Rights, a Joint Congressional Committee on Civil Rights and a Civil Rights Division in the Department of Justice.
>
> 2. Strengthening existing civil-rights statutes.
>
> 3. Providing Federal protection against lynching.
>
> 4. Protecting more adequately the right to vote.
>
> 5. Establishing a Fair Employment Practices Commission to prevent unfair discrimination in employment.
>
> 6. Prohibiting discrimination in interstate transportation facilities.
>
> 7. Providing home-rule and suffrage in Presidential elections for the residents of the District of Columbia.

8. Providing statehood for Hawaii and Alaska and a greater measure of self-government for our island possessions.

9. Equalizing the opportunities for residents of the United States to become naturalized citizens.

10. Settling the evacuation claims of Japanese-Americans.

The record of the Eightieth Congress on civil-rights legislation is a complete blank. The Congress failed to enact any of the President's 10 recommendations.

STATEHOOD FOR HAWAII AND ALASKA

President Truman urged that Hawaii and Alaska be admitted as States, but no action was taken by the Congress.

The President said in his state of the Union message January 7:

We should also consider our obligation to assure the fullest possible measure of civil rights to the people of the Territories and possessions. I believe that the time has come for Alaska and Hawaii to be admitted to the Union as States.

The 1944 Republican Party platform stated:

Hawaii, which shares the Nation's obligations equally with the several States, is entitled to the fullest measure of home rule looking toward statehood; and to equality with the several States in the rights of her citizens and in the application of all our national laws. * * *

Alaska is entitled to the fullest measure of home rule looking toward statehood.

The House passed a bill opening up the way for statehood for Hawaii. But the Senate failed to act on the measure.

Although hearings were held on the question of Alaskan statehood, neither House took any action on the problem. Nothing was done.

THE BUDGET

The Republican Party platform of 1944 declared:

We shall eliminate from the budget all wasteful and unnecessary expenditures and exercise the most rigid economy.

Last February the Republicans promised to cut the Federal budget for the 1949 fiscal year by $2,500,000,000.

But instead they started to appropriate more, not less.

The Work of the Senate Committee on Appropriations and the Savings Resulting From the Economy Program of the Eightieth Congress, Second Session

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EXTENSION OF REMARKS

OF

HON. STYLES BRIDGES

OF NEW HAMPSHIRE

IN THE SENATE OF THE UNITED STATES

Saturday, June 19 (legislative day of Tuesday, June 15), 1948

Mr. BRIDGES. Mr. President, I ask unanimous consent to have printed in the Appendix of the CONGRESSIONAL RECORD a statement on the work of the Senate Committee on Appropriations and the savings resulting from the economy program of the second session of the Eightieth Congress.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF HON. STYLES BRIDGES, REPUBLICAN, OF NEW HAMPSHIRE, CHAIRMAN, SENATE COMMITTEE ON APPROPRIATIONS, RELATIVE TO WORK OF HIS COMMITTEE AND TO SAVINGS RESULTING FROM THE ECONOMY PROGRAM OF THE EIGHTIETH CONGRESS, SECOND SESSION

As the second session of the Eightieth Congress comes to a close, I want to make a brief accounting as chairman of the Senate Appropriations Committee of its accomplishments. Despite the many pressures to spend, the Congress, by and large, has made a good fiscal record, and this at a time when the public and the national interest dictated heavy appropriations for foreign aid and national defense.

The pressures that the Congress resisted were brought by many of the bureaucratic agencies of the Government itself, some subtly and others blatantly. Other groups and special interests outside the Government, organized powerfully, pulled every trick in the bag to get appropriations for pet projects, and, fortunately for the people, as well as to the great credit of Congress, many of them failed.

Almost every witness who came looking for something avowed loudly his interest in economy in the Federal Government. They were all for economy, but for the next fellow's project, not theirs. In fact, their pleas ran so true to pattern that they became known to the committee and staff as "economy—but men."

A fundamental change must take place in the public's attitude toward the Federal Treasury before spending can be curtailed as drastically as it should be. People must realize that they as taxpayers must foot the bill for every demand for service or construction that they as citizens make upon their Federal Government.

The economy issue in reality lies with the people. We of the economy-minded group can only see to it that they get their dollar's worth, that they are not bilked for more than a reasonable cost for what they want, and, insofar as possible, that the pay rolls are not deliberately loaded. Beyond that we cannot go. If the majority of the people want something, it is our job to see that they get it. The democratic process demands it. But we long for the day when the American people, giving more than lip service to economy, shall raise their voices at every appropriation hearing in protest against unnecessary spending.

SUMMARY OF APPROPRIATIONS ACTION

During this session the Congress passed 15 regular appropriations measures dealing with the customary appropriations made every year, and also passed 6 additional appropriations measures dealing with supplemental, deficiency, emergency, or similar types of appropriating legislation.

For the 15 regular appropriations measures involving budget estimates of $25,477,477,126, the Congress appropriated $23,684,799,395, accomplishing a saving of $1,792,677,311.

In the six supplemental and deficiency appropriations laws, involving budget estimates of $9,947,768,097, the Congress appropriated $8,998,964,536, accomplishing a saving of $948,803,561.

Together, all appropriations during the present session totaled $32,683,763,931, a saving of $2,741,481,292 under the budget estimates of $35,425,245,223.

I attach herewith a complete tabulation of each bill passed by the Appropriations Committees during the present session. This includes the budget estimates, House and Senate action, and final appropriations.

CONTRACT AUTHORIZATIONS—THE OTHER SIDE OF THE FISCAL PICTURE

Contract authorizations are defined as "statutory authorizations under which contracts may be entered into or other obligations incurred in advance of appropriations for the payment of indebtedness arising under such contracts or other obligations." In short, this fiscal device permits advance planning for its needs on the part of the Federal Government, and it establishes a limit beyond which the executive departments and agencies may not go in the letting of contracts for which future appropriations must be made.

A tabulation setting forth the record of the Congress during the second session of the Eightieth Congress is attached. At first glance, these figures would indicate that Congress was more generous than the President's budget estimates on a simple comparison of estimates against actual appropriations granted. Such is not the case, however, when the difference is analyzed.

Of the $946,417,199 of increased contract authorizations, $822,000,000 is for vital aircraft procurement to enable this Nation to meet any possible threat from the air by ruthless aggressors. This additional sum was almost unanimously voted by the Congress despite the reluctance of the administration to recognize the immediate necessity for the creation and continuing support of a 70-group air force as a minimum peacetime security essential. Thus, once again, as in the months immediately preceding the last war, the Congress insisted upon an augmented and more adequate program of national defense.

At the time that I presented the national defense supplemental appropriation bill for action by the Senate I stated:

"By our action upon this bill, we shall help to determine what weapons this country will have at its disposal in the period 1951–53. We are warned that it is in that period that Russia may have erased the great military advantage which we now hold by virtue of our exclusive possession of the atomic bomb.

"The question before us is, at that future date, when our monopoly of atomic weapons may be reduced to preponderance or even to equality, what physical guaranty of this country's security is to exist in its place? In one sense, the action which we take is conclusive and irrevocable, because if the Congress should determine not to provide the means for commencing now the procurement of weapons and the training of units for a possible crisis in 1952, we shall have determined beyond recall that weapons and units which take 4 years to produce and train shall not be ready at that future date. In another sense, our action is not conclusive and irrevocable, because if we do now appropriate funds adequate for the so-called 70-group air force program, we shall still retain the power to review subsequent appropriations for this program. If, by some happy, unexpected turn of international affairs, the tensions which now hold the world in the grip of fear should be relaxed, this program could be abandoned or reduced and further drains upon our resources eliminated." (CONGRESSIONAL RECORD, p. 5396. The entire text of this speech appears on pp. 5396 ff. of the May 6, 1948, RECORD.)

Of the balance of the contract authorizations voted, the largest single increase is for the National Military Establishment, amounting to $160,000,000, and directly related to the national defense needs of the country. Reductions in other bills account

for the final net increase over all in contract authorizations as compared with budget estimates.

In the light of the circumstances described above, it is contended that Congress succeed in making a proper determination of the limits beyond which the Federal Government could not be committed for future appropriations in payment of contract authorizations.

OBSTACLES TO ECONOMY

I personally, as chairman of the Senate Committee on Appropriations, and many others, sincerely wish that the budget reductions might have been considerably larger. However, before any judgment is passed, it will be wise to recall some of the obstacles that stood in the path of greater economy.

Foremost among these are those commitments of the Government which we felt obligated to honor. The interest on the national debt of $5,250,000,000; the necessity for augmenting our armed services for which $11,400,000,000 was appropriated; the cost of foreign aid, amounting to over $6,000,000,000; our veterans' assistance programs, aggregating another $5,000,000,000—these are appropriations from which only a small per cent of reduction could be struck from the budget estimates.

PREVIOUS COMMITMENTS HAMPER CUTS

There are other categories of spending which are more or less obligatory. One of these is in the field of contract authorizations by which previous sessions of the Congress have authorized the lettering of contracts which must be paid in this present Congress. We have no choice in this matter.

Then there are these measures which, through laws enacted by previous Congresses, morally commit the present Congress to appropriate funds in payment of promised subsidies, for grants-in-aid, and for programs in which the Federal Government matches State funds.

For example, in just one bill, the supplemental Federal security appropriations measure, of the total budget estimates of $993,708,460, public assistance grants amounted to $797,000,000 or 80 percent; public employment and unemployment compensation grants amounted to $145,650,000 or another 14.6 percent; maternal and child welfare grants amounted to $22,000,000 or another 2.2 percent, and mental health grants amounted to $11,401,000 or another 1.1 percent. Thus, roughly $976,000,000 of the $993,000,000 budget estimate—or 98 percent—represents grants to States for various purposes. Unless the basic laws are altered, the Congress cannot make large-scale reductions in these items without impinging on commitments of previous Congresses. This also applies to a greater or lesser degree to most of the appropriations measures and is thus an important consideration in determining reductions in appropriations.

DEFICIENCIES IN THE APPROPRIATIONS PROCESS

Again this year, as was true last year, the Appropriations Committees have been plagued by a vast number of deficiency and supplemental appropriations measures. The total number of such items considered by the Senate Committee on Appropriations came to 586. And just as I did last year, I feel it my duty to call to the attention of the Senate the flagrant misuse of this device by the executive agencies in order to receive additional funds for which adequate amounts had been appropriated previously. The use of deficiency appropriation requests in time or matter of emergency is justifiable and proper. The misuse and abuse of this method, as is being practiced yearly by Government agencies, is both an affront to the Congress and a constant danger to the Nation's financial balance. It is next to impossible for the Congress to prepare a legislative budget which can have any final validity if from the beginning of the session until the end, the very last day of the last week, as has happened this year, we are confronted with new and revised appropriation requests.

This last-minute jam of supplemental and deficiency appropriations has complicated work of this Congress immeasurably. I cite the situation because it has interrupted the work of the Senate Appropriations Committee whose problems have been increased unnecessarily by the irresponsible budgetary practices of many of the departments and agencies of the executive branch.

Year after year they indict their own administrative management with frantic requests for supplemental and deficiency appropriations. Is our Federal budget process a loose-leaf binder to which new pages of spending can be capriciously added at will? Why go through the sham of a budget at all if departments and agencies can spend the people's money without heed to budget limitations because they know they can put in for supplementals and deficiencies when they have exceeded their limits?

Instead of a budget message from the President which constitutes a firm financial program for the anticipated needs of the fiscal year that lies ahead, the Congress is faced with the necessity of considering a series of new requests including many items that were not presented in the original budget document.

Taken together, those supplemental requests constitute disjointed after thoughts on the part of the agencies. To be specific, even while we were holding the final session of our hearings on the final appropriations measure before our committee, the Bureau of the Budget was working overtime preparing deficiency messages and forwarding them to our committee for consideration. And I do not doubt that the agencies have in the Bureau of the Budget a great many other petitions for additional funds which the Bureau of the Budget has not yet had an opportunity to pass on to the Congress.

This is hand-to-mouth budgeting and bad management. It assumes that every day is budget day. It shows a complete lack of administrative planning and absence of an integrated budget program. It defeats economy and makes a farce of serious and sincere efforts to work for it.

LONG-RANGE FINANCIAL PERSPECTIVE NEEDED

Nor is there any good reason why the exact amount of money that will be required in terms of appropriations cannot be determined by the Government when it is enacting the basic legislation authorizing these expenditures.

This will probably necessitate the creation of a governmental device comparable to the legislative councils that now exist in many progressive States. The Government would be considerably aided by studies and analyses of all legislation, both existing and proposed, that involves appropriations of public funds. When bills are offered there is a crying need to know their fiscal implications.

Much of the legislation presently on the books has never been fully analyzed. No one has the slightest conception of the interrelationship and effect of similar or possibly conflicting pieces of legislation. No one has the remotest idea as to the ultimate costs of long-term legislation.

Barring the possibility of establishing such a council, it is my suggestion that every committee of the Congress could help the situation greatly by making an estimate of the immediate and over-all fiscal impact of each bill that is reported. Both the Congress and the people want to see where we are heading financially.

INFLATED BUDGET REQUESTS

Frequently agencies of the Government, realizing that their appropriations may be sharply reduced, present grotesquely inflated requests. For example, the individual units of the armed forces, in making their estimates for new military construction, compiled a total construction request of about $2,000,000,000. In all fairness, it must be said that the services themselves recognized the ridiculous nature of this claim and very sharply curtailed their request before sending it to the Bureau of the Budget.

AGENCIES FAIL IN ATTEMPTS TO DETERMINE NEEDS

Still another difficulty in reducing appropriations to rock-bottom figures is the inability on the part of the agencies and the Bureau of the Budget to determine their actual needs.

Federal agencies frequently exhibit an apparent disregard for even the most ordinary attempts at economy. Consider just one field—housing. The Governor General of Panama came before the Senate Appropriations Committee recently and asked for funds for experimental houses for Americans in Panama. They would cost up to $25,000 a family unit. Other testimony revealed that quarters for housing Army families in Alaska exceed even that amount, in some cases reportedly running as high as $74,000 per family unit. Multiple-unit housing projects for the Atomic Energy Commission at Oak Ridge, Tenn., run over $16,000 per family unit. With due regard to geographical difficulties, it does not seem desirable nor necessary that the Federal Government should squander funds at excessively inflationary levels to provide housing for Government personnel, particularly when thousands of veterans are still searching frantically for adequate housing.

Even the Office of the Housing Expediter has a housing problem. They testified recently that the Public Buildings Administration forces them to move at least one of their offices every month, and in one instance forced them out of one office and then 6 months later pushed them back into exactly the same office space. This one move cost several thousand dollars.

OUR EXPANDING PAY ROLL

One of the largest factors in the over-all cost of government is the compensation of employees, i. e., labor. It would normally be expected following the expansion attendant upon a great conflict such as World War II that the Federal pay roll would show a consistent decline. Before the war we had fewer than a million Federal employees, but during the war the total rose to more than 3,700,000.

As of the latest date available, there were over 2,000,000 Federal employees. More recently, under one pretext or another, the Federal pay roll has been increased every month in spite of the efforts of the Congress to call a halt to a further increase in Federal employment. Through a series of manufactured emergencies and the pretense of greater responsibilities the executive branch has sought to justify an increase rather than a decrease in the total number of Federal workers. For example, in the month of April a substantial number of new employees was hired for new jobs, and this new recruitment was not confined to one or two agencies which could point to special seasonal needs but occurred in a large number of the agencies.

Recently the House Committee on Post Office and Civil Service issued a statement exposing the Federal agencies for attempting to soak up unused 1948 appropriation grants by loading the pay rolls. This same committee determined that Federal employees engaged in the specialized field of personnel work had increased in 7 years from 6,721 to

24,288, an almost fourfold increase, although total employment in Government service has only doubled.

Some time ago I was informed that a Federal job seeker would have to go to over 175 offices to file his application for a position in the larger Government agencies and bureaus here in Washington. Perhaps that explains why in one small agency alone there are 113 different steps in personnel placement although not a single one of these involves the actual hiring and firing of an employee.

It is, indeed, shocking to learn that the greatest government on the face of the earth cannot manage its personnel more efficiently. This is a continuing problem for the Senate Committee on Appropriations because every unnecessary employee constitutes a burdensome and unwarranted drain on the taxpayers of this Nation and means the expenditure of funds for unproductive work. In a government of this size it is not possible to detect and to eliminate every trace of nepotism and pay-roll padding, but so long as I am chairman of the Senate Committee on Appropriations it shall be my endeavor to restrict the granting of funds to provide for only the soundest kind of personnel management in the Government's service of the people.

UNIFICATION VERSUS ECONOMY

When the armed services were before the first session of the current, or Eightieth Congress, urging the need for unification, one of the strongest arguments in favor of such a radical departure from the traditional independence of the several armed services was the notion that great economy would result. Congress heeded this plea, but the promises made so freely last year have yet to be redeemed. Instead of less, we are asked to appropriate more for a unified National Military Establishment, and all indications are that future sessions of the Congress will be called upon to make even greater appropriations for security purposes. In my judgment the armed services generally are very remiss for not having made even a slight start in the direction of achieving any of the economies they so loudly promised when the subject of unification was in the pending legislation stage. Indeed, it is to be questioned whether the Department of National Defense is not merely to date a costly superstructure imposed upon the previous departments with no real unification yet discernible.

I personally, and I believe the Congress, expect definite savings as a result of unification. Evidence of these savings should begin to be apparent this year. Next year's budget for the armed services should indicate substantial progress in the direction of real and lasting economy.

UNUSUAL AND COSTLY INTERPRETATIONS OF THE LAW

Sometimes an unusual or unlooked-for interpretation of a law involves widespread unnecessary expenditures. This is particularly true of certain training activities of the Servicemen's Readjustment Act which, while justified on occupational training grounds are not justified on the basis of hobbies or leisure-time activities. These activities, which are now under scrutiny by the Bureau of the Budget, involving avocational and recreational purposes, are costing the Government more than $200,000,000 a year.

The methods by which Federal funds can and are squandered seem as endless as they are unique. Perhaps the photographs taken by the Farm Security Administration are the prize of the lot. These inane pictures—*150,000 of* them, costing the Government $750,000—were displayed on this floor recently and contained such intriguing titles as "Men Picking Their Teeth" and "Jack Dwyer Taking Off His Coat in a Saloon." I have in my files another agricultural masterpiece, a booklet which discusses the sex of a watermelon. Still another gives the fascinating details on fleas in North America.

APPROPRIATIONS LOG-JAM

Again this year we have been faced with the necessity of passing a large amount of appropriations legislation without sufficient time to examine many of these measures with the thoroughness desired. This deplorable situation is not attributable to any individual or group of individuals; rather it is occasioned by the intricacies of the legislative system; the immensely increased size of the Government in recent years; the refusal of many of the agencies to limit their budget estimates to their actual needs; our emergence as a great world power, with all its implications; our pressing problems of postwar readjustment at home.

All of these have combined to place a tremendous load on the Appropriations Committees. Because of these factors, hearings are necessarily longer and more thorough, yet many of the actual hearings of the Senate Appropriations Committee are crowded into the final weeks of the normal session. I regard it as highly essential that some method be evolved by which the Senate Appropriations Committee be enabled to distribute its hearings more equally during the course of the session.

ECONOMY ACHIEVEMENT OUTSTANDING

Considering all these circumstances, I view the economy achievement of the present session as remarkable, indeed. The urgent necessity for increased spending in certain fields, such as for our armed forces, was all too apparent. Demands for new Government assistance have increased alarmingly. Strong, militant pressure groups have had their effects. This Congress, perhaps more than any previous peacetime Congress, has been beset on every side in new ways to spend the people's dollar. In view of the present inflationary trends, this was undeniably harmful to our economy.

It was not without justification that the Joint Committee on the Economic Report said last January:

"Our people and our Government, both executive and legislative, may well be criticized for trying to carry on at the same time so many huge programs as those represented in our expansion of business transactions, our expansion of residential housing, our support of veterans' education and rehabilitation, our Government public-works program, our huge Military Establishment, and our economic support of free peoples throughout the entire world. Liberal credit policies on the part of private and public agencies alike, and the maintenance of low interest rates have encouraged the expansion of these programs. We do not intend to criticize these programs or question their desirability. We merely point out that the attempt to carry them all on at once, with very little restraint in the field of consumer spending and liberal credit policies, is the basic reason for inflation, which otherwise could hardly coincide with a large Government surplus."

Fortunately we have been blessed with another year of unprecedentedly large revenues from which to pay our expenditures, which are still outrunning our appropriations. Because of this we have been able to reduce both the debt and taxation. The hour may not be too distant when these revenues will be sharply reduced. Should that hour arrive, our Federal structure will be forced to recognize new demands for public expenditures. It must not find our fiscal condition weakened through wasteful and extravagant spending. For this reason, while I applaud the accomplishments of those who wish to economize, I exhort them to continue these efforts with renewed vigor in the future.

Contract authorization

Bill No.	Title	Estimate	Passed House	Passed Senate	Conference—public law
H. R. 5883	Agriculture		$400,000	$400,000	[1] $400,000
H. R. 5524	Army—Civil Functions				
H. R. 6430	District of Columbia	$3,330,000	5,839,000	7,122,000	7,122,000
H. R. 6481	Government Corporations	5,000,000			
H. R. 5214	Independent Offices	39,075,000	38,976,500	39,851,500	39,851,500
H. R. 6829	Supplemental Independent Offices.	503,142,000	518,000,000	518,000,000	518,000,000
H. R. 6705	Interior	52,564,000	29,944,290	52,455,500	50,547,500
H. R. 5728	Labor-Federal Security	101,380,750	112,445,750	102,445,750	112,445,750
H. R. 6355	Supplemental Federal Security		2,720,000	2,000,000	2,300,000
H. R. 6500	Legislative				
H. R. 6771	National Military Establishment	60,000,000	50,000,000	210,000,000	220,000,000
H. R. 6772	Navy				
H. R. 5607	State, Justice, Commerce, and Judiciary.	26,400,000	72,792,000	77,400,000	76,400,000
H. R. 5770	Treasury-Post Office				
H. R. 6758	Supplemental Treasury-Post Office.				
Total regular bills.		790,891,750	831,117,540	1,009,674,750	1,027,066,750
	DEFICIENCY AND SUPPLEMENTAL ACTS				
H. R. 5525	Urgent Deficiency, 1948	965,000	918,700	918,700	918,700
H. R. 6055	First Deficiency, 1948	166,046,000	159,806,000	159,806,000	[2] 159,806,000
H. R. 6226	Supplemental National Defense, 1948.	1,453,000,000	2,275,000,000	2,275,000,000	2,275,000,000
H. R. 6801	Foreign Aid				
H. R. 6935	Second Deficiency, 1948	534,788,000	402,825,000	434,316,499	429,316,499
H. J. Res. 355	Foreign Aid, Welfare of Indians and Tax Refunds.				
Grand total, 2d sess.		2,945,690,750	3,669,667,240	3,879,715,949	3,892,107,949

[1] In addition was loan authorization to REA $400,000,000, an estimated loan authorization to Commodity Credit Corporation of $1,160,000,000, and authorization for crop programs under Production and Marketing Administration, $262,500,000 (also note that funds for the National School Lunch Act, while estimated under direct appropriation, was authorized from permanent appropriation of sec. 32 funds in the amount of $75,000,000).

[2] In addition was loan authorization to REA of $175,000,000.

Official tabulation of congressional action on appropriations measures, 2d sess., 80th Cong.

Bill No.	Title	Budget estimates	Date	Reported to House	Date	Passed by House	Date	Reported to Senate	Date	Passed by Senate	No.	Public law	Increase (+), reduction (−), from budget estimate
			1948		*1948*		*1948*		*1948*				
H. R. 5883	Agriculture	$636,412,090.00	Mar. 16	$543,283,453.00	Mar. 18	$545,533,453.00	May 12	$580,270,278.00	May 25	$580,400,278.00	712	$577,546,953.00	−$58,865,137.00
H. R. 5524	Army—Civil Functions	737,804,300.00	Feb. 24	606,558,766.00	Feb. 26	606,558,766.00	Apr. 23	708,586,666.00	May 19	708,586,666.00	782	641,575,666.00	−96,228,634.00
H. R. 6430	District of Columbia	101,897,283.00	May 4	101,164,983.00	May 5	101,164,983.00	June 2	99,567,983.00	June 3	99,567,983.00	724	99,729,483.00	−2,167,800.00
H. R. 6481	Government Corporations	49,644,100.00	May 7	37,979,061.00	May 11	37,979,061.00	June 12	42,062,061.00	June 15	43,422,061.00	860	38,479,061.00	−11,165,039.00
H. R. 5214	Independent Offices	1,047,606,864.00	Jan. 30	991,583,551.00	Feb. 4	991,518,551.00	Mar. 12	967,705,551.00	Mar. 15	967,705,551.00	491	967,442,551.00	−80,164,313.00
H. R. 6829	Supplemental Independent Offices	6,299,809,000.00	June 8	5,795,048,931.00	June 9	5,795,048,931.00	June 17	5,854,783,851.00	June 18	5,855,308,851.00	862	5,819,659,851.00	−480,149,149.00
H. R. 6705	Interior	474,773,835.00	May 26	375,677,591.00	May 27	375,692,591.00	June 12	422,179,098.00	June 14	422,179,098.00	841	407,836,974.00	−66,936,861.00
H. R. 5728	Labor-Federal Security	951,539,169.00	Mar. 5	905,405,250.00	Mar. 8	905,405,250.00	Apr. 23	890,751,440.00	Apr. 26	890,751,440.00	639	890,139,000.00	−41,400,169.00
H. R. 6355	Supplemental Federal Security	993,708,460.00	Apr. 27	969,050,000.00	Apr. 29	969,050,000.00	June 2	983,227,319.00	June 2	983,227,319.00	646	975,914,700.00	−17,793,760.00
H. R. 6500	Legislative	61,379,520.00	May 11	55,859,690.00	May 13	55,859,690.00	June 2	56,362,726.00	June 3	56,362,726.00	641	56,140,401.00	−5,239,119.00
H. R. 6771	Military	7,216,592,000.00	June 2	6,447,689,000.00	June 2	6,447,689,000.00	June 17	6,777,426,052.00	June 17	6,853,426,052.00	766	6,705,418,163.00	−511,173,837.00
H. R. 6772	Navy	3,936,738,700.00	June 2	3,686,733,250.00	June 3	3,686,733,250.00	June 14	3,812,170,250.00	June 15	3,812,170,250.00	753	3,749,059,250.00	−187,679,450.00
H. R. 5607	State, Justice, Commerce, and Judiciary	589,417,230.00	Feb. 27	503,420,263.00	Mar. 5	503,590,263.00	Apr. 23	516,029,937.00	Apr. 26	516,029,937.00	597	511,129,662.00	−78,287,568.00
H. R. 5770	Treasury-Post Office	2,044,949,200.00	Mar. 9	1,981,722,350.00	Mar. 11	1,981,722,350.00	May 24	2,010,601,200.00	May 28	2,010,601,200.00	640	1,996,313,425.00	−48,635,775.00
H. R. 6758	Supplemental Treasury-Post Office	355,205,375.00	June 1	248,414,255.00	June 1	248,414,255.00	June 12	248,414,255.00	June 12	249,414,255.00	727	248,414,255.00	−106,791,120.00
Total		25,477,477,126.00		23,249,590,394.00		23,251,960,394.00		23,970,138,667.00		24,048,153,667.00		23,684,799,395.00	−1,792,677,731.00
	DEFICIENCY AND SUPPLEMENTAL ACTS												
H. R. 5525	Urgent Deficiency, 1948	131,546,901.67	Feb. 24	131,015,385.67	Feb. 24	131,015,385.67	Feb. 27	137,339,385.67	Feb. 27	137,489,385.67	430	136,368,385.67	+4,821,484.00
H. R. 6055	First Deficiency, 1948	1,002,150,316.84	Mar. 30	346,678,152.33	Apr. 1	338,378,152.33	Apr. 23	780,179,479.84	Apr. 26	780,179,479.84	519	777,986,045.84	−224,164,271.00
H. R. 6226	Supplemental National Defense, 1948	964,100,000.00	Apr. 14	923,100,000.00	Apr. 15	923,100,000.00	Apr. 30	958,200,000.00	May 6	958,200,000.00	547	949,000,000.00	−15,100,000.00
H. R. 6801	Foreign Aid	6,533,710,228.00	June 3	5,980,710,228.00	June 4	5,980,710,228.00	June 14	6,125,710,228.00	June 15	6,125,710,228.00	793	6,030,710,228.00	−503,000,000.00
H. R. 6935	Second Deficiency, 1948	761,135,650.28	June 15	485,196,951.34	June 16	485,204,240.42	June 18	605,299,130.36	June 19	605,792,130.36	785	549,774,876.36	−211,360,773.92
H. J. Res. 355	Foreign Aid, Welfare of Indians, and Tax Refunds	555,125,000.00	Mar. 22	555,125,000.00	Mar. 22	555,125,000.00	Mar. 25	555,125,000.00	Mar. 29	555,125,000.00	470	555,125,000.00	0
Total		9,947,768,096.79		8,421,825,717.34		8,413,533,006.42		9,161,763,223.87		9,162,496,223.87		8,998,964,535.87	−948,803,560.92
Grand total		35,425,245,222.79		31,671,416,111.34		31,665,493,400.42		33,131,901,890.87		33,210,649,890.87		32,683,763,930.87	−2,741,481,291.92

Review of Legislation Relating to Health

EXTENSION OF REMARKS
OF

HON. CHARLES A. WOLVERTON
OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. WOLVERTON. Mr. Speaker, among the many important fields of legislative jurisdiction assigned to the House Committee on Interstate and Foreign Commerce is that of public health.

This committee, of which I am chairman, has an outstanding record during the Eightieth Congress of consideration of significant legislative measures relating to various public health activities.

All of the 46 bills which were introduced and referred to the committee prior to the closing day of the session have been given careful consideration by the committee, and the best of the suggestions contained in these bills have been incorporated into the legislation reported favorably to the House by the committee.

Of the above total, 14 bills were favorably reported by the committee and 12 of these have already become public law. It is clear that there has been enacted into law a substantial amount of the legislation referred to the committee during this Congress. This, in my opinion, is a commendable record.

I should like briefly to review some of the more important measures.

The bill, amending the Public Health Service Act to provide for a National Heart Institute, as introduced by me, was approved June 16 and became Public Law 655.

This act amends the Public Health Service Act for the purpose of improving the health of the people of the United States through the conduct of researches, investigations, experiments, and demonstrations relating to the cause, prevention, and methods of diagnosis and treatment of diseases of the heart and circulation; assisting and fostering such researches and other activities by public and private agencies, and promoting the coordination of all such researches and activities and the useful application of their results; providing training in matters relating to heart diseases, including refresher courses for physicians; and developing, and assisting the States and other agencies in the use of, the most effective methods of prevention, diagnosis, and treatment of heart diseases. In carrying out this objective the amendment provided for the establishment in the Public Health Service of a National Heart Institute and made appropriate amendments to various provisions of existing law.

As to the need for study and research in this field, there is no question. Heart disease long since has become the number one cause of death. An institute in the field of heart research comparable to the cancer, mental health, and dental institutes has been vitally needed to provide us with the trained doctors and technicians for engaging in this research and in using the knowledge thus gained in striving to solve the problem of heart disease mortality.

Legislation in this field was supported by the American Heart Association, the National Research Council, the American Medical Association, and many others qualified in the field.

It is another great stride in the advances being made in the care and prevention of human suffering through legislation resulting from the action of the House Committee on Interstate and Foreign Commerce in previous Congresses, such as the National Cancer Institute and the Institute of Mental Health.

Another bill along the same lines as that creating the National Heart Institute was H. R. 6732, which, owing to the pressure of business in the closing days of the Congress, was not taken up, and remains on the House Calendar.

This bill provided the creation within the Public Health Service of additional institutes whose work will be aimed, primarily, at important diseases affecting our population. This bill was introduced following hearings on a number of other bills relating to poliomyelitis, cerebral palsy, spastic paralysis, and other diseases affecting the neuro-muscular and skeletal systems. The various proposals in these other bills for extensive research in different fields were combined in H. R. 6732 to provide a framework for conducting research and training activities similar to that being administered by the Public Health Service in the fields of cancer, mental health, and heart disease. It is to be hoped that action on legislation along these lines will not long be deferred.

H. R. 3934, a bill to amend the Public Health Service Act with respect to venereal-disease rapid-treatment centers, also has not yet become public law. This bill was passed by the House June 8 and reported favorably by the Senate June 10.

The primary purpose of this bill was to make part of the Public Health Service the authority of the Service to operate, and make grants to the States and localities for the operation of, venereal-disease rapid-treatment centers. This authority is now given the Public Health Service by language in the annual appropriation bills. It is hoped and expected that legislation along this line will soon be forthcoming.

There can be no question of the need for further expansion of the 1938 legislation sponsored by this committee in this field to meet the shocking prevalence of these diseases.

Several bills were reported by the committee, some becoming law, amending and modifying the provisions of the Hospital Survey and Construction Act which was sponsored by the committee in 1946.

These were:

H. R. 4816, amending the hospital survey and construction provisions of the Public Health Service Act (title VI of that act) to set a minimum of $250,000 on the annual construction allotment for any State. At present that act provides that any State with an approved plan for construction of hospitals and public-health centers is entitled to an annual allotment out of which Federal assistance is payable to public and other nonprofit agencies for construction of hospital facilities. The amount of this allotment is determined by a formula written into the law based on population and per capita income. This formula limits the allotments of a few States to amounts altogether insufficient to undertake any adequate hospital-construction program. This legislation was passed to correct this situation.

H. R. 6339, approved June 19, became Public Law 723.

The purpose of the act was to amend the hospital survey and construction provisions of the Public Health Service Act so as to restore to eligibility to participate in Federal grants for hospital construction a State which has ceased to be eligible for such grants because of its failure to enact, prior to July 1, 1948, legislation requiring compliance with standards of maintenance and operation by hospitals receiving such grants. Under present law, States which have not enacted such legislation by July 1, 1948, are permanently barred from thereafter participating in the benefits of the hospital-construction program. The bill restores such a State to eligibility upon enactment of such legislation.

H. R. 5889, extending the provisions of title VI of the Public Health Service Act to the Virgin Islands, was approved June 19, and became Public Law 713.

The bill amends the hospital survey and construction provisions of the Public Health Service Act—title VI of the act, as amended by the Hospital Survey and Construction Act, volume 60, Statutes at Large, page 1040—so as to make the Virgin Islands eligible for grants under those provisions for the construction of hospitals, the same as other Territories and possessions of the United States.

H. R. 5807, amending the Hospital Survey and Construction Act was passed by the House on June 16 and awaits action in the Senate.

The purpose of the bill is to permit Federal aid in the building of hospitals whose sponsors, believing that such aid would be forthcoming under the hospital survey and construction provisions of the Public Health Service Act, began construction before the administrative machinery to handle their applications for assistance could be established by their States.

Just as in the passage of the original legislation of 1946, the committee is of opinion that all appropriate aid should be given for the establishment of adequate hospitals in communities throughout the land for the assistance of our people and for the use of the medical profession in providing the utmost help in aiding and preventing human suffering.

Other bills reported by the committee and becoming law related to improved organization of the Public Health Service the better to administer its responsibilities and to render assistance to the medical profession.

This is a record, indeed, of which I am extremely proud. Some of these measures have not yet become law and, as chairman of the committee, I shall push vigorously their enactment. Continued study also is being given by the committee of other fields where initial or amending legislation seems appropriate as the committee is fully conscious of its continuing responsibility to provide legislation that will promote the health and welfare of our citizens, and thereby supplement the fine service to humanity being rendered by the medical profession throughout the Nation.

Summary of Major Legislation, Eightieth Congress

EXTENSION OF REMARKS
OF
HON. ROBERT A. TAFT
OF OHIO
IN THE SENATE OF THE UNITED STATES

Saturday, June 19 (legislative day of Tuesday, June 15), 1948

Mr. TAFT. Mr. President, I ask unanimous consent to have the right to insert in the RECORD a summary of the accomplishments of the Eightieth Congress.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

SUMMARY OF MAJOR LEGISLATION, EIGHTIETH CONGRESS (JANUARY 3, 1947, TO JUNE 20, 1948)

In its first session, Congress considered a total of 7,970 measures introduced in House and Senate and enacted into law 395 public bills and 131 private bills. The President vetoed 32 measures, 17 public and 15 private acts of Congress. Of the 17 public acts vetoed, 6 were regular vetoes of which Congress sustained 5 and overrode 1. The remaining 11 were "pocket" vetoes, which could not be acted upon by Congress because of the close of the session. The full list of public laws enacted in the first session appears in the issue of the CONGRESSIONAL RECORD DAILY DIGEST for December 29, 1947.

In its second session, Congress considered 3,871 measures introduced in House and Senate and enacted into law 505 public bills and 327 private bills. The President vetoed 43 measures, 14 public and 29 private acts of Congress. Of the 14 public acts vetoed, 9 were regular vetoes of which Congress sustained 4 and overrode 5. The remaining 5 were "pocket" vetoes, which could not be acted upon by Congress because of the close of the session. The full list of public laws enacted in the second session appears in the issue of the CONGRESSIONAL RECORD DAILY DIGEST for July 20, 1948.

The Eightieth Congress as a whole received 56,428 Presidential nominations and confirmed 54,796 of them.

Major legislation is reported below:

AGRICULTURE

Agricultural Act of 1948

(Public Law 897. Approved July 3, 1948)

Interim price supports continue through the calendar year 1949 to secure the largest possible farm production and to sustain farm income. Provision is made for a long-range price-support program beginning January 1, 1950, including general revision of the parity formula. Interim price support at 90 percent parity is given to cooperating producers of cotton, wheat, corn, tobacco, rice, and peanuts and to noncooperating producers at 60 percent of parity. Price support for other commodities whose expanded production is required by the Secretary of Agriculture is set at not less than 60 percent of parity; milk and milk products, hogs, chickens, eggs, and Irish potatoes harvested prior to January 1, 1949, are supported at 90 percent of parity. The wool price-support program is continued through June 30, 1050. The Department of Agriculture is directed to operate its lending and purchasing program to bring the price and income of producers of other agricultural commodities to a fair parity relationship with commodities specifically enumerated in the act. The President is authorized to restrict importation of foreign agricultural commodities if such imports interfere with the price-support program.

Bankhead-Jones Farm Tenant Act Amendment

(Public Law 720. Approved June 19, 1948)

Title I of the act is amended to increase the interest rate on insured loans by one-half of 1 percent in order to activate the program by making such loans more acceptable to private lenders who had been reluctant to accept prior low-interest rates. Provision is made for redemption of nondelinquent insured mortgages and for advances to protect insured loan security.

Commodity Credit Corporation Act

(Public Law 806. Approved June 29, 1948)

The Commodity Credit Corporation is reincorporated under Federal charter to continue the comprehensive farm price-support program and the program of purchasing agricultural commodities for farm price support as well as for foreign aid. Capital stock of $100,000,000 is authorized.

Farm Labor Supply Camps Act

(Public Law 298. Approved July 31, 1947)

To aid localities to continue farm labor supply camps and facilities in the areas in which they are needed Congress authorized the Secretary of Agriculture to dispose of such camps and required purchasers to operate and maintain them for the purpose of housing persons engaged in agricutural labor.

Farmer-Debtor Relief Act

(Public Law 495. Approved April 21, 1948)

Congress extends until March 1, 1949, the period in which petitions may be filed providing for farmer-debtor relief by scaling down secured debts and extension of same by agreement. Failing agreement, the farmer is given an absolute stay with right of retention of the mortgaged property during the stay period, and permission to repurchase the property at an appraised value.

Federal Crop Insurance Act

(Public Law 320. Approved August 1, 1947)

A sounder approach to the stabilization of rural economy is assured by placing the crop insurance program on a county basis and extending such insurance only to countries in which income from insured crops is of primary importance. The Federal Government is thus enabled to study closely the operation of the program and extend coverage in accordance with experience and future needs. Insurance for the 1948 crop would be made through associations and cooperatives operating within local-insurance areas.

Foreign Farm Labor

(Public Law 893. Approved July 3, 1948)

The Secretary of Agriculture is authorized to recruit foreign agricultural workers within the Western Hemisphere and Puerto Rico for farm employment in the United States until June 30, 1949. The Government is permitted to advance transportation and subsistence costs, providing employers reimburse these costs.

Government-Owned Alcohol Plants

(Public Law 890. Approved July 2, 1948)

As a means of handling agricultural surpluses and of supplementing supplies of alcohol, this measure provides for the transfer of three Government-owned alcohol plants to the Department of Agriculture, thereby preventing loss of these research and production facilities to our national industrial potential.

Livestock Disease Control

(Public Law 8. Approved February 28, 1947)

In order to protect livestock and related industries of the United States the Secretary of Agriculture is authorized to cooperate with Mexico in eradicating foot-and-mouth disease or rinderpest in Mexican cattle so as to prevent the disease from increasing and spreading across United States borders to western meat-producing States.

Livestock Disease Control

(Public Law 496. Approved April 24, 1948)

In a further effort to prevent the spread of foot-and-mouth disease to United States cattle, the Secretary of Agriculture is authorized to establish research laboratories within or without the United States for the study of animal diseases.

Marketing Agreements Act

(Public Law 305. Approved August 1, 1947)

This act provides more flexibility in the financing and administration of marketing agreements and provides for a continuity of operation not authorized in prior laws. Minimum standards for quality and maturity of commodities were not continuously administered. The present law remedies this by providing that the Secretary of Agriculture shall maintain quality and maturity standards above or below parity and continue operations in the public interest.

Meat Inspection Service

(Public Law 610. Approved June 5, 1948)

This act provides that the Federal Government, rather than plant owners, pay costs of meat-inspection services, except payments for overtime.

Oils and Fats Production Census

(Public Law 243. Approved July 25, 1947)

To aid in stabilizing the fats and oils production trades Congress authorizes the Bureau of the Census to collect and publish monthly statistics on the quantities and kinds of oil and fat products processors have on hand or in transit to consuming establishments. The prior lack of current statistics such as are provided for the benefit of other industries hampered production and marketing of these basic commodities.

APPROPRIATIONS

All appropriations were carefully scrutinized to insure effective continuation of sound projects and to eliminate those which had doubtful value to efficient operation of the Government. Many reductions were effected by coordinating overlapping and duplicating programs thus making such programs more efficient by simplifying administration and centralizing operations. Without curtailing funds for the essential activities of Government, economy and a better balance has been achieved between service rendered and the cost of such service. Following is an official table prepared by the Senate Committee on Appropriations showing the appropriation measures, together with the increase or decrease between the amount requested and the amount appropriated:

Summary of budget estimate, appropriations enacted, and savings effected by the Eightieth Congress [1]

FIRST SESSION

Public Law		Budget estimate [2]	Law [2]	Actual increase (+) or decrease (−) [2]
	PT. I. REGULAR APPROPRIATIONS			
266	Agriculture	$802,360,608	$613,046,826	−$189,313,782
296	Army-civil functions	619,727,100	502,123,912	−117,603,188
237	District of Columbia	95,793,160	95,504,737	−288,423
268	Government corporations	50,137,500	35,040,000	−15,097,500
269	Independent offices	8,500,497,759	8,188,822,927	−311,674,832
247	Interior	295,463,060	194,587,859	−100,875,201
165	Labor, Federal Security	1,771,614,039	1,674,158,631	−97,455,408
197	Legislative	76,153,077	55,294,435	−20,858,642
267	Military	5,716,791,500	5,482,529,633	−234,261,867
202	Navy	3,513,000,300	3,268,766,100	−244,234,200
166	State, Justice, Commerce, and Judiciary	698,788,588	551,175,932	−147,612,656
147	Treasury, Post Office	4,099,123,500	3,216,509,450	−882,614,050
	Total, regular appropriations	26,239,450,191	23,877,560,442	−2,361,889,749
	PT. II. SUPPLEMENTAL APPROPRIATIONS			
161	Emergency appropriation	5,750,000	6,180,000	+430,000
271	First supplemental	1,925,683,823	1,658,802,197	−266,881,626
256	Supplemental Government corporations	35,500,000	35,500,000	
299	Second supplemental	242,285,460	106,695,100	−135,590,360
	Total, supplemental appropriations	2,209,219,283	1,807,177,297	−402,041,986
	PT. III. DEFICIENCY APPROPRIATIONS			
22	H. J. Res. 154	9,000,000	9,000,000	
25	H. J. Res 159	243,714,587	243,255,607	−458,980
46	First deficiency, 1947	3,082,332,589	2,835,161,509	−247,171,080
76	Second deficiency, 1947	224,528,415	192,438,859	−32,089,556
20	Urgent deficiency, 1947	179,319,100	179,645,668	+326,568
122	Second urgent deficiency, 1947	61,778,758	72,236,258	+10,457,500
	Total, deficiency appropriations	3,800,673,449	3,531,737,901	−268,935,548
	Total, first session	32,249,342,923	29,216,475,640	[3]−3,032,867,283

SECOND SESSION

	PT. I. REGULAR APPROPRIATIONS			
712	Agriculture	$636,412,090	$577,546,953	−$58,865,137
782	Army-civil functions	737,804,300	641,575,666	−96,228,634
724	District of Columbia	101,897,283	99,729,483	−2,167,800
860	Government corporations	49,644,100	38,479,061	−11,165,039
491	Independent offices	1,047,606,864	967,442,551	−80,164,313
862	Supplemental independent offices [4]	6,299,809,000	5,819,659,851	−480,149,149
841	Interior	474,773,835	407,836,974	−66,936,861
639	Labor-Federal Security	931,539,169	890,139,000	−41,400,169
646	Supplemental Federal Security [4]	993,708,460	975,914,700	−17,793,760
641	Legislative	61,379,520	56,140,401	−5,239,119
766	Military	7,216,592,000	6,705,418,163	−511,173,837
753	Navy	3,936,738,700	3,749,059,250	−187,679,450
597	State, Justice, Commerce, and Judiciary	589,417,230	511,129,662	−78,287,568
640	Treasury, Post Office	2,044,949,200	1,996,313,425	−48,635,775
727	Supplemental Treasury, Post Office [4]	355,205,375	248,414,255	−106,791,120
	Total, regular appropriations	25,477,477,126	23,684,799,395	−1,792,677,731
	PT. II. SUPPLEMENTAL APPROPRIATIONS			
547	Supplemental national defense, 1948	964,100,000	949,000,000	−15,100,000
793	Foreign aid	6,533,710,228	6,030,710,228	−503,000,000
	Total, supplemental appropriations	7,497,810,228	6,979,710,228	−518,100,000
	PT. III. DEFICIENCY APPROPRIATIONS			
430	Urgent deficiency, 1948	131,546,901	136,368,385	+4,821,484
519	First deficiency, 1948	1,002,150,316	777,986,045	−224,164,271
785	Second deficiency, 1948	761,135,650	549,774,876	−211,360,773
470	Foreign aid, welfare of Indians, and tax refunds	555,125,000	555,125,000	
	Total deficiency appropriations	2,449,957,867	2,019,254,306	−430,703,560
	Total, second session	35,425,245,222	32,683,763,930	−2,741,481,292

[1] "Permanent appropriations" are not included in these tables. These involve income and expenditure transactions of a special nature within the knowledge and control of the executive departments. They are spread over the fiscal year and the exact sums cannot be known until reported from time to time. For example, included in "permanent appropriations" are the funds for "refunding internal-revenue collections." Refunds on individual taxes will result this year from discrepancies on withholding taxes and from refunds in connection with tax reduction. The amount of individual incomes in 1948 will determine the amount of tax refunds. In addition, Congress this year placed "refunding internal-revenue collections" on an indefinite basis rather than on a specific direct appropriation.

[2] All columns do not add up to totals owing to elimination of fractional parts of a dollar.

[3] To the savings of $3,032,867,283 in the regular and deficiency appropriations of the first session, there may be added $4,017,332,946 of rescissions of authorized and contemplated expenditures canceled by congressional action, making a total of $7,050,200,229.

[4] The "supplemental" appropriations included here were not sent from the Bureau of the Budget in the usual form of supplemental bills. The "regular" appropriation bills were split into sections by the Congress in order to facilitate handling. The second section of each of these three bills was designated "supplemental" to distinguish it from the first section.

AVIATION

Aid to Transoceanic Aircraft

(Public Law 738. Approved June 22, 1948)

To provide search and rescue, communication, and air navigation facilities and meteorological services for aircraft, the Coast Guard is authorized to maintain floating ocean stations in regularly traversed areas.

Alaskan Airports

(Public Law 562. Approved May 28, 1948)

The Administrator of Civil Aeronautics is directed to construct and maintain two public airports in Alaska adequate for the needs of the air commerce of the United States servicing the Territory and foreign countries by way of Alaska.

Congressional Aviation Policy Board

(Public Law 287. Approved July 30, 1947)

Congress established a temporary Congressional Aviation Policy Board to survey and report on development of a national aviation policy adequate to meet the needs of national defense, interstate and foreign commerce, and the postal service; and to provide for formulation and clarification of national policies affecting aviation. The Board submitted its findings in Senate Report 949, "National Aviation Policy," March 1, 1948.

Federal Airport Act Amendment

(Public Law 486. Approved April 17, 1948)

As a defense measure, the Federal Airport Act is extended to include the Virgin Islands in a system of aid to public airports.

Federal Airport Act Amendment

(Public Law 840. Approved June 29, 1948)

The Administrator of Civil Aeronautics is authorized to reimburse municipalities for rehabilitation and repair of public airports damaged by Federal agencies as such rehabilitation and repair progresses or at the termination of the work. This enables municipalities unable to defray current expenses to proceed with repairs.

Increasing Membership of Advisory Defense Group

(Public Law 549. Approved May 25, 1948)

In recognition of the increasing importance of science to national defense measures, the appointment of two additional members to the National Advisory Committee for Aeronautics from the ranks of science is herein authorized.

International Aviation Facilities Act

(Public Law 647. Approved June 16, 1948)

To protect and support United States-flag air carriers, this act authorizes, among other things, the Civil Aeronautics Administrator and the Chief of the Weather Bureau to construct and maintain airport properties in foreign countries wherever necessary. Many countries in which United States planes operate are unable financially or technically to provide necessary facilities.

Surplus Airport Act

(Public Law 289. Approved July 30, 1947)

Under this act, Congress permits transfer of surplus airports and airport facilities without cost to any State, municipality, or tax-supported institution when used for the benefit of the public without discrimination. Harbor or port terminals including necessary equipment should first be offered for sale or leased to States or political subdivisions thereof. The Federal Government reserves the use of airports and facilities in case of national emergency.

Training of Air-Traffic Control-Tower Operators

(Public Law 815. Approved June 29, 1948)

The Civil Aeronautics Administrator is authorized to conduct a training program for

air-traffic control-tower operators, both civilian and governmental, in which State and local subdivisions would cooperate with Federal agencies.

BUSINESS AND INDUSTRY

Business Census

(Public Law 671. Approved June 19, 1948)

In order to aid business and labor, the Bureau of the Census is directed to collect and publish statistical data periodically relating to manufacturers, mineral industries, distributive trades, and other businesses beginning with 1949. Such censuses would indicate location of markets, the places where consumers are buying, labor supply, source of raw materials, consumer needs, location of new plants, wholesale and retail establishments, and other information essential to the operation of the free-enterprise system.

Export-Import Bank Act

(Public Law 89. Approved June 9, 1947)

To secure a more effective exchange of commodities between the United States, its Territories and insular possessions, and foreign countries, the Export-Import Bank is reincorporated as an agency of the Government, given broader powers of financial operation, and its operation extended through June 30, 1953.

Federal Deposit Insurance Corporation

(Public Law 363. Approved August 5, 1947)

This act authorizes the FDIC to retire its capital stock by payment to the Treasury, retaining a capital surplus of $1,000,000,000, and the borrowing power of the Corporation is increased to $3,000,000,000 to provide adequately for continuation of bank-deposit insurance.

Federal Reserve Banks

(Public Law 41. Approved April 28, 1947)

Federal Reserve banks are authorized to purchase and sell Government securities direct from the Treasury to permit the Treasury to obtain funds quickly to meet temporary situations or contingencies. This enables the Treasury to operate on a smaller cash reserve and results in a substantial saving of interest.

Interstate Commerce Act Amendment

(Public Law 662. Passed over the President's veto June 17, 1948)

In order to maintain a national transportation policy adequate to meet commercial and national defense requirements, to provide efficient public service, and to eliminate unfair or destructive competitive practices among carriers, the Interstate Commerce Commission is authorized to approve carrier agreements when the agreements conform to national transportation policy. Such agreements when approved may be put into force without liability under antitrust laws.

Reconstruction Finance Corporation

(Public Law 548. Approved May 25, 1948)

Lending powers of the RFC are extended through June 30, 1954, with succession of the Corporation continued through June 30, 1956. Capital stock authorization is set at $100,000,000, and the total amount of loans, investments, purchases, and commitments made subsequent to June 30, 1947, is limited to $1,500,000,000. RFC organization and powers are further amended. The Veterans' Housing Act of 1948 (Public Law 864) provided a $500,000,000 additional authorization for veterans' housing.

Stabilization Act of 1947

(Public Law 395. Approved December 30, 1947)

For the purpose of stabilizing the economy of the United States, the President is authorized to continue export controls, to allocate transportation facilities, to encourage the greater production and conservation of food and agricultural commodities, to approve the making of voluntary agreements in industry, business, and agriculture, and to regulate speculative trading on the commodity exchanges.

State Conversion of Federal Savings and Loan Associations

(Public Law 895. Approved July 8, 1948)

This act enables any Federal savings and loan association to convert itself into a State-chartered institution under specified conditions if 51 percent of the members or shareholders so desire. Federal insurance of accounts may be continued after conversion.

Temporary Free Importation of Lead

(Public Law 725. Approved June 19, 1948)

Import duties on various crude forms of lead are suspended until June 30, 1949.

CONSERVATION AND FLOOD CONTROL

Disaster Relief

(Public Law 825. Approved June 29, 1948)

The amount available for disaster loans by the Reconstruction Finance Corporation is increased from $25,000,000 to $40,000,000. This necessity arose mainly because of the widespread and acute housing shortage caused by floods in the Northwest section of the country.

Emergency Flood and Power Fund

(Public Law 790. Approved June 26, 1948)

In order to assure continuous operation of irrigation and power systems maintained by the Bureau of Reclamation an emergency fund is authorized for the Commissioner of Reclamation for use in such emergencies as hydroelectric-power-system failure and canal-bank or dam breaks resulting from unusual flood or weather conditions.

Emergency Flood Control Act

(Public Law 102. Approved June 23, 1947)

The sum of $15,000,000 was authorized to be immediately expended by the Secretary of War, supervised by the Chief of Engineers, for emergency repair, restoration, and strengthening of levees and other flood-control works threatened or destroyed by recent floods.

Flood Control Act Amendment

(Public Law 397. Approved January 19, 1948)

This act directs the Secretary of Agriculture to make surveys and reports on watersheds where the Secretary of War is authorized to make official investigations of streams.

Forest Pest Control Act

(Public Law 110. Approved June 25, 1947)

To preserve forest resources of the United States, enhance forest growth, and protect forests from the ravages of pests and diseases, the Secretary of Agriculture is authorized, directly or in cooperation with States, Territories, individuals, or organizations, to conduct surveys on all forest lands, appraise infestations, and determine measures to remedy such infestations. Not only will this program retard forest losses and aid in flood control, but lumber industries and employment of persons in lumber and allied industries will be made more secure.

Interstate Oil Compact Act

(Public Law 184. Approved July 12, 1947)

This act enables oil-producing States to extend conservation policies with regard to oil and gas and by joint agreement to secure enactment of legislation preventing wasteful and destructive practices in production methods. The compact includes an interstate commission to foster these objects.

New England Water Pollution Compact

(Public Law 292. Approved July 31, 1947)

Congress approved extension of the authority for the New England States to enter into an agreement to reduce pollution of interstate streams, ponds, lakes, and tidal waters.

Pacific Marine Fisheries Compact

(Public Law 232. Approved July 24, 1947)

Consent and approval of Congress was granted to the fisheries agreement entered into by the States of California, Oregon, and Washington to promote better utilization and conservation of their Pacific fisheries resources by an interstate commission and other measures.

River and Harbor and Flood Control Acts of 1948

(Public Law 858. Approved June 30, 1948)

In order to improve river channels and harbors and to alleviate the menace of floods, this act authorizes $30,444,000 for rivers and harbors projects, $62,000,000 for flood-control projects, and $37,000,000 for related projects, a total of $129,444,000.

Synthetic Liquid Fuels

(Public Law 443. Approved March 15, 1948)

This act authorizes an increase in the appropriation for research and for operation of synthetic fuels demonstration plants from $30,000,000 to $60,000,000 in order to discover methods of conserving oil reserves for peacetime economy and national defense.

GOVERNMENT COMMODITY AND OTHER CONTROLS

First Decontrol Act

(Public Law 29. Approved March 31, 1947)

Congress discontinued as of March 31, 1947, broad war powers granted to the President in the Second War Powers Act to control motor and water carriers, requisition property, assign priorities, and waive navigation and inspection laws. Portions of the act were continued through June 30, 1947, to permit allocations to be completed on articles committed for foreign consumption prior to March 24, 1947.

Second Decontrol Act Extension

(Public Law 606. Approved June 4, 1948)

Under the Second Decontrol Act (Public Law 188, 80th Cong., 1st sess.) a reduced list of materials and facilities in short supply at home and abroad were continued under control to promote production in the United States and to assist export of products required for production in foreign countries of critical material urgently needed in the United States. By this act controls are continued until June 30, 1949, on tin and tin products, antimony, fats and oils, rice, nitrogen fertilizer, nitrogenous compounds, and pig tin. Authority to grant export priorities and use of rail transportation equipment and facilities are extended.

Sugar Act

(Public Law 388. Approved August 8, 1947)

This act of Congress is designed to meet postwar adjustment problems in the production and distribution of sugar and to stabilize the sugar producing, refining, and importing industries by placing producers on a tonnage rather than a percentage basis. The United States market is divided among the several domestic sugar-producing areas. Allocations to certain foreign producing areas are made in accord with their historic relation to the domestic market to stabilize their economy and for the best interests of the United States.

Sugar Control Act

(Public Law 30. Approved March 31, 1947)

Sugar, remaining in scarce supply, was continued under moderate controls until October 31, 1947, in order to insure proper distribution. Inventory controls were authorized, except for household users, until March 31, 1948. Allocation and pricing powers were placed under the Secretary of Agriculture

who was directed to watch the sugar situation and to remove all controls when he determines that supplies are adequate.

Termination of Certain War Emergency Acts

(Public Law 239. Approved July 25, 1947)

This act of Congress ended a large number of war emergency measures rendered unnecessary by the termination of hostilities. Many of these measures related to authorizations for use of wartime appropriations.

GOVERNMENT ORGANIZATION AND GOVERNMENT EMPLOYEES

(See also Labor)

Air Parcel Post Service

(Public Law 819. Approved June 29, 1948)

The law creates a new air parcel-post service for mailable matter weighing from 8 ounces to 70 pounds.

Armed Services Procurement Act of 1947

(Public Law 413. Approved February 19, 1948)

The armed services are directed to return to peacetime purchasing procedures through the advertising bid method in placing contracts for a majority of supplies and services.

Civil Service Retirement Act Amendment

(Public Law 426. Approved February 28, 1948)

Civil service retirement benefits are liberalized in this act by increasing annuities of retired personnel on the roll as of April 1, 1948, by 25 percent or $300 per annum, whichever is smaller, and the beneficiary may elect to provide benefits for a surviving spouse of one-half of the annuity but not to exceed $600 per annum. Employees not yet retired will receive future pension increases ranging from 2 to 25 percent. Employees at least 55 years old and retired after 30 years of service receive larger pensions than in the former law. Benefits are provided for widows and children under 18 of deceased Federal employees. No limit is placed on the number of years which may be counted toward retirement.

Commission on Organization of the Executive Branch of the Government

(Public Law 162. Approved July 7, 1947)

In order to secure more efficient service in the transaction of public business by Government bureaus, agencies, and boards, a 12-member bipartisan commission is created to study organization and methods of operation. The Commission is composed of six members from private life and two each from the Senate, House of Representatives, and the executive branch of the Government and will report its recommendations to Congress for action within 10 days after the Eighty-first Congress is convened and organized.

Federal Bureau of Investigation Retirement Act

(Public Law 168. Approved July 11, 1947)

In consideration of the rigorous and dangerous duties performed this act provides greatly liberalized retirement privileges for agents, inspectors, Assistant Directors and the Director of the Federal Bureau of Investigation who have reached the age of 50 years with 20 years of service.

Federal Investigatory Personnel Retirement

(Public Law 879. Approved July 2, 1948)

Retirement annuities are liberalized for Federal agents whose duties of criminal investigation and apprehension involve hazards at age 50 after 20 years' service in that position.

Government Employees' Annuities

(Public Law 263. Approved July 30, 1947)

Employees separated from Government service with less than 10 years of service are permitted to withdraw the full amount of money previously deducted from their salaries for retirement purposes with interest at 4 percent.

Mileage Allowance for United States Marshals and Deputies

(Public Law 673. Approved June 19, 1948)

A 7-cents-per-mile allowance for United States marshals and deputies for travel on official business is granted.

Payments for Improper Removal From Government Service

(Public Law 623. Approved June 10, 1948)

In the interests of strengthening the civil service, this act provides that persons unjustly discharged from Federal employment shall, after appeal and reinstatement, receive pay for time lost through no fault of their own.

Postal Rate Revision and Federal Employees' Salary Act

(Public Law 900. Approved July 3, 1948)

The annual rate of pay of postal employees is increased by $450 and that of Federal, legislative, and judicial employees by $330. The hourly rate of pay of certain postal employees is increased by 25 cents and that of all other Government employees by 20 cents. Certain postal rates are revised upward, effective January 1, 1949.

Puerto Rico Organic Act

(Public Law 362. Approved August 5, 1947)

This act expands the powers of self-government of the people of Puerto Rico by authorizing them to elect their own Governor who is empowered to appoint the heads of all executive departments, except the auditor and members of the supreme court who will continue to be appointed by the President of the United States.

Seniority Rights of Disabled Veterans in Postal Service

(Public Law 739. Approved June 22, 1948)

Veterans in the postal service having 10-point disability preference may transfer without loss of seniority.

War Claims Act of 1948

(Public Law 896. Approved July 3, 1948)

A War Claims Commission is established to have jurisdiction over war claims and report to Congress. Return of property to Germany, Japan, or its nationals, vested in the United States after December 17, 1941, is prohibited; proceeds from liquidation of such property shall be used to pay war claims. A measure of emergency relief is given to American citizens who, in the national interest as determined by our Government, remained in the Philippines, Guam, Wake, Midway, or any Territories or possessions of the United States who were interned and suffered at the hands of the Japanese.

HOUSING

Disabled Veterans Housing

(Public Law 702. Approved June 19, 1948)

Veterans requiring regular, frequent, or periodical use of a wheel chair because of service-connected disability may receive assistance in acquiring housing suitable to their needs. The Administrator of Veterans' Affairs is authorized to pay 50 percent or not to exceed $10,000 of the cost of the housing and the necessary land.

Federal Home Loan Bank Mortgages

(Public Law 311. Approved August 1, 1947)

Congress broadened existing law by authorizing Federal home loan banks to accept mortgages having a 25-year maturity (former law 20 years) as mortgage collateral.

Housing and Rent Act of 1947

(Public Law 129. Approved June 30, 1947)

In order to spur the building of immediately needed housing, Congress removed Government controls on construction and extended rent controls until March 1, 1948. To insure tenants against undue increases in rent after March 1, 1948, provision was made for negotiated rent increases not to exceed 15 percent in return for protection to tenants in their occupancy by a lease to run to December 1948.

Housing and Rent Act of 1948

(Public Law 464. Approved March 30, 1948)

Rent controls are extended in this act to April 1, 1949, with provision for voluntary leases through 1949 carrying increases of up to 15 percent. The Court of Emergency Appeals is directed to issue orders approving or disapproving decontrol recommendations of local rent boards in case the Housing Expediter does not adopt these recommendations.

Low-Cost Housing and Slum Clearance

(Public Law 301. Approved July 31, 1947)

To enable local housing authorities to reactivate prewar projects for low-cost housing and slum clearance. Congress released such authorities from provisions of prior law which restricted building costs to low prewar levels.

Mortgage Insurance Act

(Public Law 366. Approved August 5, 1947)

In order to further relieve the housing shortage, Congress authorized the Federal Housing Administrator, under title VI of the National Housing Act, to increase mortgage insurance for private home building by $200,000,000. In addition $750,000,000 in mortgage insurance was made available to veterans to purchase permanent housing, including housing built by the Government during the national defense and war period.

National Housing Act Amendment of 1947

(Public Law 394. Approved December 27, 1947)

Congress authorized the Federal Housing Administrator to further increase insurance of mortgages on new residential construction under title VI of the National Housing Act by $750,000,000, bringing the total authorization to $4,950,000,000.

National Housing Act Amendment of 1948

(Public Law 468. Approved March 31, 1948)

The emergency home mortgage insurance program is extended for a temporary period pending study of a long-range program and an additional $400,000,000 mortgage insurance authorization under title VI of the National Housing Act is provided.

Veterans Housing Act of 1947

(Public Law 85. Approved May 31, 1947)

Congress authorized expenditure of $35,500,000 additional for housing construction for distressed families of servicemen and veterans. The housing program for veterans' families in educational centers had been deplorably slow and provision was made in this act to speed up and complete construction for student veterans and their dependents.

Veterans' Housing Act of 1948

(Public Law 864. Approved July 1, 1948)

To aid veterans by encouraging banks to make housing loans, a new market for the sale and purchase of mortgages under the Servicemen's Readjustment Act is authorized by amendment of the National Housing Act. Banks are permitted to sell such mortgages to a subsidiary of Reconstruction Finance Corporation, the Federal National Mortgage Association, which is authorized to have outstanding obligations for mortgage operations of 40 times the amount of its capital ($20,000,000) and surplus ($1,000,000). Incontestability of veterans' loans under the Servicemen's Readjustment Act is established. Special 95 percent loans are authorized on nonprofit cooperative housing

corporations whose membership consists primarily of veterans of World War II.

Veterans Permanent War-Housing Sales

(Public Law 689. Approved June 19, 1948)

In this act of Congress veterans purchasing Federal permanent war housing of not more than four-family dwelling units on an individual dwelling-house basis for their own occupancy are to pay a price not exceeding the cost of such property to the Government or the long-term market value, whichever is less.

INTERNATIONAL RELATIONS AND FOREIGN TRADE

Assistance to Devastated Countries

(Public Law 84. Approved May 31, 1947)

Congress authorized expenditure of $350,000,000 to send essential supplies to war-devastated countries. Such supplies were limited to medicine, food, clothing, fuel, fertilizer, pesticides, and seeds. A substantial portion of this fund was earmarked for the care and feeding of children.

Caribbean Commission Membership

(Public Law 431. Approved March 4, 1948)

Congress authorizes cooperation with Great Britain, France, and the Netherlands in the Caribbean Commission to promote scientific, technological, and economic development in the Caribbean area and to facilitate the use of resources and concerted treatment of mutual problems.

Displaced Persons

(Public Law 774. Approved June 25, 1948)

In this act Congress seeks to relieve the problem of displaced persons and induce other nations to accept a relative share of such persons by authorizing admission to the United States of a maximum of 220,000 during the fiscal years 1949 and 1950 without regard to annual quota limitations for these years. Not less than 40 percent of those admitted shall be persons whose place of origin has been de facto annexed by a foreign power. Special preference is given to persons engaged in agriculture; 3,000 orphans and 15,000 displaced persons now resident in the United States are to be admitted without regard to any quotas, and 2,000 recent refugees from Czechoslovakia are to be admitted under quota and certain zone limitations.

Foreign Aid Act of 1947

(Public Law 389. Approved December 17, 1947)

Immediate aid urgently needed through the winter by the peoples of Austria, China, France, and Italy is provided in this act to alleviate conditions of hunger and cold and prevent serious economic retrogression. Adequate provision is made to protect our domestic economy with respect to commodities in short supply and, by specific agreement, each country would undertake to make efficient use of all commodities received and to encourage maximum domestic production and distribution of locally produced commodities. An appropriation of $597,000,000 is authorized.

Foreign-Assistance Act of 1948

(Public Law 472. Approved April 3, 1948)

By this act, Congress provides assistance in the reconstruction and recovery of Europe and other foreign areas in the interest of world peace and stability. Expenditures of $6,098,000,000 are authorized the first year and additional appropriations through June 30, 1952, as Congress may provide subject to annual review. Of the original appropriation $5,300,000,000 is for the European recovery program, $463,000,000 for China, $275,000,000 for Greece and Turkey, and $60,000,000 for the International Children's Emergency Fund. There is established an Economic Cooperation Administration headed by an independent Administrator. A Joint Committee on Foreign Economic Cooperation is created in the Congress to check on administration of the law.

Greco-Turkish Aid Act

(Public Law 75. Approved May 22, 1947)

Congress authorized a $400,000,000 loan to Greece and Turkey, providing therein for cooperation with the United Nations.

Institute of Inter-American Affairs

(Public Law 369. Approved Aug. 5, 1947)

Congress reestablishes the Institute of American Affairs and the Inter-American Educational Foundation, Inc., as a single Government corporation. The Institute is organized to assist in strengthening the community of American nations and to improve social and economic conditions by concrete programs in the fields of public health, sanitation, agriculture, and education.

International Food Agreements

(Executives A and C, 80th Cong., 2d sess.)

Protocols extending for 1 year the inter-American coffee and the international sugar agreements were ratified April 28, 1948.

International Refugee Organization Act

(Public Law 146. Approved July 1, 1947)

Membership by the United States in this organization to aid in the resettlement and reestablishment of persons displaced by the war was authorized by Congress with reservations providing (1) no person could be resettled in the United States, its Territories, or possessions without prior authorization by Congress; and (2) immigration laws were not superseded, suspended, or abrogated by this act.

International Telecommunication Convention

(Executive B, 80th Cong., 2d sess.)

The International Telecommunication Convention with accompanying instruments, including radio regulations designed to modernize international rules with respect to radio, was ratified June 2, 1948.

Interparliamentary Union Participation

(Public Law 409. Approved February 6, 1948)

This act increases the appropriation for membership by the United States in the Interparliamentary Union for the promotion of international arbitration.

Merchant Ship Sales Act Amendment of 1948

(Public Law 423. Approved February 27, 1948)

Authority of the Maritime Commission to sell, charter, and operate Government-owned vessels is extended to March 1, 1949, to insure continuance of shipping facilities for domestic purposes as well as the foreign rehabilitation program. (See Public Law 127, June 28, 1947, for prior authority.)

Pacific Islands Trusteeship

(Public Law 204. Approved July 18, 1947)

Congress approved the agreement between the United States and the United Nations for United States trusteeship of the Pacific Islands formerly held by Japan under mandate of the League of Nations. The islands under trusteeship are to be known as the Territory of the Pacific Islands.

South Pacific Commission Membership

(Public Law 403. Approved January 28, 1948)

This act provides for membership in the South Pacific Commission to enable governments administering non-self-governing territories in the South Pacific to more effectively cooperate in promoting economic and social advancement of the peoples in those areas.

Trade Agreements Extension Act of 1948

(Public Law 792. Approved June 26, 1948)

Authority to enter into reciprocal trade agreements is extended to June 30, 1949. The Tariff Commission is required to make findings of and report the maximum or minimum limits of duties necessary to prevent injury to domestic producers. If the President exceeds the limits set by the Tariff Commission in future agreements, he must submit a report to Congress outlining reasons for his action.

Treaties of Peace With Italy, Rumania, Bulgaria, and Hungary

(Executives F, G, H, and I)

On June 5 the Congress ratified the treaties of peace with Italy, Rumania, Bulgaria, and Hungary which had been negotiated and signed at Paris on February 10, 1947, by the nations formerly at war with these countries. The subjects covered by the treaties include guaranty of human rights, limitation of armaments in the ex-enemy states, fixing of reparations, treatment of former Italian colonies, and economic and commercial policies to be followed by those states. These treaties were represented to be the best which could be achieved by general agreement and their ratification was urged as a preliminary step for final settlement with Germany and Japan.

United Nations Relief and Rehabilitation Administration Liquidation

(Public Law 164. Approved July 8, 1947)

Authorized appropriation of $2,370,000 from unobligated funds formerly appropriated for UNRRA to pay expenses of Government agencies in liquidating the activities of this organization whose work terminated on June 30, 1947.

United Nations Site Act

(Public Law 7. Approved February 26, 1947)

Contributions to be used exclusively for the acquisition of a permanent site in New York City for headquarters of the United Nations were allowed as deductions from income, estate, and gift taxes. Pursuant to this authorization a six-block long area on the East River was presented to the United Nations, thus terminating the long and disturbing controversy regarding a permanent home for the United Nations.

United States Informational and Educational Exchange Act of 1948

(Public Law 402. Approved January 27, 1948)

This act provides for promotion of mutual understanding between the United States and other nations by reciprocal interchange of students, teachers, and leaders in specialized fields and by dissemination of information about the United States, its people, and policies, through the press, radio, motion pictures, and other information media.

World Health Organization Membership

(Public Law 643. Approved June 14, 1948)

Provision is made for United States membership in the World Health Organization to deal with health problems created by war and for research in all aspects of international health.

LABOR

(See also Agriculture; Business and Industry; Government Organization and Government Employees; Housing; Soldiers and Veterans)

Arbitration in Maritime Disputes

(Public Law 282. Approved July 30, 1947)

Title 9 of the United States Code concerning settlement of maritime disputes by arbitration is codified and enacted into positive law.

International Labor Organization

(Public Law 843. Approved June 30, 1948)

The United States herein accepts the instrument of amendment revising the International Labor Organization Constitution to enable that organization to function in the

postwar world as one of the specialized agencies of the United Nations. Annual contributions of not exceeding $1,091,739 are authorized as the United States share of expenses of the organization.

Labor-Management Relations Act

(Public Law 101. Passed over veto, June 23, 1947)

This act recognizes the mutual rights and responsibility of employers, employees, and labor organizations in labor-management relations by providing for protection of individual employees in their relations with labor organizations, for protection in collective bargaining, for enforcement of labor contracts, for minimizing strikes and labor disputes, and by insuring fair labor practices on the part of employers and employees in the interests of uninterrupted production, the smooth flow of commerce, and the public health, safety, and welfare. Among other things, the law provides:

1. Unions may be sued for breach of contract and for damages inflicted by jurisdictional strikes and boycotts.
2. The closed shop is forbidden.
3. The union shop is permitted if a majority of employees vote to favor it.
4. New contracts may provide for union-dues deductions from pay envelopes of employees only upon voluntary consent of union workers.
5. Unions are forbidden to spend money or make contributions in political campaigns for Federal offices.
6. Welfare funds may be established only for specific purposes and only if the employer participates in their administration.
7. Unions become subject to charges of unfair labor practices for failure to bargain collectively, for coercion of employees, and other practices.
8. Unions are required to file financial statements.
9. Government may secure 80-day injunctions against strikes endangering national health and safety.
10. Neither unions nor employers may terminate a contract without a 60-day notice. Strikes and lock-outs are barred within this period.
11. The National Labor Relations Board is increased to five members and the review of cases is placed directly in the membership of the Board rather than as formerly in a review section; procedure is reorganized; and the Board is empowered to investigate, hold hearings, and carry out provisions of the act.
12. A new Federal Mediation and Conciliation Service is established as an agency, separate from the Department of Labor, to carry out provisions of the act with regard to peaceful settlement of labor disputes.
13. A Joint Committee on Labor-Management Relations is established in Congress to study the field of labor relations and the operation of the Labor-Management Relations Act.

Longshoremen's and Harbor Workers' Compensation Act Amendments

(Public Law 757. Approved June 24, 1948)

Maximum and minimum rates of disability compensation are increased, death benefits are liberalized and the ceiling on aggregate total compensation payable is raised.

Portal-to-Portal Pay Limitation Act

(Public Law 49. Approved May 14, 1947)

This act bans suits by employees against employers for time or overtime used in arriving at the actual place of performance of their principal work or payment for activities which are preliminary or postliminary to their principal work. In cases in which contracts, written or unwritten, or custom includes payment for such activities such payment is not forbidden. The act provides for the compromise of past claims and for the future determination of wage claims based on employee activities preliminary to the regular work day.

Postal Employees Pay Act

(Public Law 265. Approved July 30, 1947)

This act of Congress gives supervisory employees in the postal service compensatory time for work in excess of 8 hours per day.

Postal Service Substitute Personnel Act

(Public Law 35. Approved April 15, 1947)

In order to correct inequities arising from conflicting legislation, substitute personnel in the postal service upon appointment to permanent status are allowed credit in that appointment on a calendar basis rather than on a basis of hours of service as in prior law; promotion of substitute personnel is also placed upon a calendar basis which in effect increases the rates of pay, insuring more adequate wage levels in this classification of postal employees.

Railroad Retirement and Unemployment Insurance Benefits

(Public Law 744. Approved June 23, 1948)

Retirement annuities and pensions under the Railroad Retirement Act are increased by 20 percent. The act guarantees that every employee-contributor or his designated beneficiaries or survivors will receive the amount of contributions plus interest. A sliding tax scale based on the amount in the reserve fund is substituted for the flat unemployment insurance contribution rate. Such contributions are reduced from 3 percent to one-half percent as long as the fund remains above $450,000,000 and contributions increase one-half percent for every $50,000,000 the fund falls below the limit.

Railway Postal Clerks' Compensation

(Public Law 740. Approved June 22, 1948)

Railway postal clerks temporarily displaced from their positions and temporarily assigned to other positions retain their seniority status and same salary rate for work actually performed until restored to their regular positions.

Railway Postal Clerks' Travel Allowance

(Public Law 687. Approved June 19, 1948)

The maximum travel allowance for regular and substitute railway postal clerks is increased from $4 to $6 per day.

Rural Mail Carrier Maintenance Increase

(Public Law 467. Approved March 31, 1948)

Rural Mail Carriers' maintenance is increased from 6 to 7 cents per mile to offset mounting overhead costs to the carriers in transporting rural delivery mail and parcels.

Seniority Act for Rural Mail Carriers

(Public Law 530. Approved May 18, 1948)

This law establishes the seniority rights of rural letter carriers in their respective local post offices in regard to route assignments, transfers, and promotions.

Service Credit for Postal Employees

(Public Law 674. Approved June 19, 1948)

Service credit is authorized for postal employees who transfer to other positions within the Department in order to determine eligibility for promotion. The act also provides that employees serving in a dual capacity will suffer no reduction in compensation for that reason.

Temporary Custodial Postal Employees Promotion

(Public Law 684. Approved June 19, 1948)

As a measure of relief to the lowest paid class of Government employees this law provides for automatic promotions of temporary employees in the custodial service of the Post Office Department.

NATIONAL SECURITY

Aids to Maritime and Air Navigation

(Public Law 786. Approved June 26, 1948)

This measure authorizes the Coast Guard to establish and operate aids to maritime and air navigation, including long-range aids to navigation, at armed-forces bases and other appropriate places.

Arming American Vessels

(Public Law 817. Approved June 29, 1948)

Effective July 1, 1948, the President in time of war or national emergency is authorized to arm American vessels as defined by the Neutrality Act of 1939 whenever any foreign government or agency threatens United States citizens, liberties, properties, or interests.

Army and Air Force Public Works Bill

(Public Law 626. Approved June 12, 1948)

To provide housing for military personnel, this measure authorizes $207,930,350 for public works programs in the continental United States and overseas, including permanent housing facilities and military installations of the Army and Air Force.

Army-Navy Nurses Act

(Public Law 36. Approved April 16, 1947)

A permanent Nurse Corps is set up in the Army and Navy with a total authorized strength of 6 to every 1,000 of the personnel of the Army and Navy. A Women's Medical Specialist Corps is established in the Army Medical Department consisting of dietitian, physical therapist, and occupational therapist sections. All laws relating to nurses in the armed forces are coordinated and rewritten in this act to simplify administration and to expedite the permanent establishment of the Nurse Corps.

Atomic Energy Commission

(Public Law 898. Approved July 3, 1948)

In order to assure continuity of the atomic energy program the terms of service of members of the present commission are extended to June 30, 1950.

Cadet and Midshipmen Pay Increase Act

(Public Law 96. Approved June 20, 1947)

The pay of cadets and midshipmen at the service academies was increased from $780 to $936 per annum.

Civil Air Patrol

(Public Law 557. Approved May 26, 1948)

The Civil Air Patrol is established as a volunteer civilian auxiliary to the United States Air Force. Surplus and obsolete equipment is authorized to be made available to the patrol service.

Coast and Geodetic Survey, Commissioned Officers' Act of 1948

(Public Law 587. Approved June 3, 1948)

The Coast and Geodetic Survey is placed on a common basis with other commissioned services by revising the system of distribution, promotion, and retirement of commissioned officers.

Coast Guard Personnel Act

(Public Law 219. Approved July 23, 1947)

To improve the administration of the Coast Guard and enable the service to make permanent plans for its duties in maintaining national security a permanent commissioned personnel strength is established with ranks distributed in the same percentages as prescribed by statute for the Navy.

Copper Import Tax Suspension

(Public Law 42. Approved April 29, 1947)

Copper for industrial and defense uses remaining in short supply, the Congress suspends certain import taxes on that commodity until March 31, 1949, to encourage increased importation for use of the vital cop-

per industry in manufacture of materials and products essential to commerce and national security.

Exclusion of Certain Aliens

(Public Law 552. Approved May 25, 1948)

The Attorney General is permitted to deny admission to aliens coming to the United States for purposes which would endanger the public safety.

Foreign Tours of Duty

(Public Law 436. Approved March 8, 1948)

This act repeals provisions of law which limited the tour of duty of officers and enlisted personnel of the Army and Air Force in certain foreign-duty stations to 2 years.

Military Justice

(Public Law 775. Approved June 25, 1948)

A system of military justice and administration is provided for the United States Air Force, similar to that of the Army and Navy.

National Industrial Reserve Act of 1948

(Public Law 883. Approved July 2, 1948)

Having as its purpose a comprehensive program to preserve an essential nucleus of industrial plants and equipment ready for use in emergencies, this act provides that excess industrial plants not disposed of under a national-security clause are to be transferred to the Federal Works Agency for disposal or for maintenance in stand-by condition at the direction of the Secretary of Defense. There is established a National Industrial Reserve Review Committee of civilians experienced in industry to review property disposal and retention activities and to make recommendations for future action.

National Security Act

(Public Law 253. Approved July 26, 1947)

Unification of the armed services is provided by Congress to bring to the military departments in peacetime a large measure of the unity and effectiveness existing in war. Under the law a single Cabinet member, Secretary of Defense, heads three separate operating departments: Army, Navy, and Air Forces. Other sections establish a Central Intelligence Agency and provide for integration of the armed forces under civilian control and for coordination with all other departments of the Government in an efficient and adequate system for national security.

Naval Postgraduate School Act

(Public Laws 302, 303. Approved July 31, 1947)

Congress authorized establishment of the Naval Postgraduate School to be located at Monterey, Calif., for advanced instruction and training of commissioned officers of the Regular Navy and Marine Corps and the Reserve components thereof.

Naval Public Works

(Public Law 653. Approved June 16, 1948)

Congress herein authorizes the Navy to proceed to construction of air stations, yards, and docks, research laboratories, target areas, radio stations, housing, and other necessary facilities in the continental United States and Alaska, Guam, Saipan, Hawaii, Canal Zone, Puerto Rico, Newfoundland, and Greenland. Expenditures of $209,689,500 are authorized.

Naval Vessels Conversion Act

(Public Law 319. Approved August 1, 1947)

In order to insure improvement of naval vessels by incorporating the latest technical and scientific developments, Congress removes the limitation on the amount which could be expended on each vessel to install modern and up-to-date equipment.

Navy Medical Corps Appointments

(Public Law 716. Approved June 19, 1948)

Present restrictions on appointment to the Navy Medical Corps are removed to permit commissioning of desirable and qualified civilians to the corps and thereby alleviate the present shortage of personnel.

Officer Personnel Act

(Public Law 381. Approved August 7, 1947)

Congress provides a comprehensive and permanent promotion system for the armed services in harmony with the needs and structure of the modern Army and Navy. Necessary improvements are made in the present Navy system of promotion by selection, and the Army system of promotion by seniority is changed to a system by selection. Uniformity in the promotion systems of the two services is thus advanced.

Rubber Stock Piling

(Public Law 24. Approved March 29, 1947)

In the interest of national defense Congress was authorized to study and report upon the most effective method of creating an adequate supply of natural and synthetic rubber. Stock piling and rotation of rubber reserves together with certain controls were authorized until such time as permanent legislation would be enacted and provision made for continuing manufacture and sale of synthetic rubber. (See Rubber Act of 1948, Public Law 469).

Rubber Act of 1948

(Public Law 469. Approved March 31, 1948)

Maintenance and development of the chemical rubber industry is provided to assure a sufficient productive capacity for national defense and to provide adequately for essential civilian needs. The President is authorized to exercise allocation, specification, and inventory controls over natural and synthetic rubber. The domestic rubber industry is strengthened by providing for Government purchases of rubber and leasing of Government facilities.

Selective Service Act of 1948

(Public Law 759. Approved June 24, 1948)

To maintain the national security and to increase the strength of the armed forces, this act authorizes the induction into the armed forces of men ages 19 through 25 for 21 months of training. Men 18 years of age may volunteer for 1 year's service in lieu of compulsory service. The aggregate authorized strength of the armed services is raised to 2,005,882. Regulations concerning enlistments, deferments, exemptions, and reemployment rights are specified. A Selective Service System is created to administer the provisions of the act. A mandatory order system for the procurement of materials for the armed forces is established. The Articles of War are revised and martial law and military justice is improved. This act expires after 2 years.

Seventh-Group Air Force

(Public Law 547. Approved May 21, 1948)

In order to strengthen and modernize our air power this act authorizes a part of a supplemental national defense bill, $1,687,000,000 in contract commitments for the construction and procurement of aircraft sufficient to equip a 70-group air force and appropriates $608,100,000, including $250,000,000 to liquidate previous contract authority.

Submarine Experimental Construction Act

(Public Law 63. Approved May 16, 1947)

A sum not to exceed $30,000,000 is authorized by Congress for construction of experimental submarines for national defense.

Surplus Property to Training Components

(Public Law 829. Approved June 29, 1948)

The Surplus Property Act is amended to permit disposal to States of surplus property, which the State Governor and Secretaries of War, Navy, and Air Force deem suitable and needed for training civilian components of the armed forces, without consideration except for costs incidental to transfer.

Tin Production Act Extension

(Public Law 824. Approved June 29, 1948)

Authority of the Reconstruction Finance Corporation to aid the domestic tin-smelting industry is further extended to June 30, 1951, in order to provide tin supplies adequate to meet military, naval, and industrial requirements. In 1947 Congress provided for study and investigation of the advisability of maintaining a permanent domestic tin-smelting industry and for investigating the availability of tin supplies. The Reconstruction Finance Corporation was authorized to finance research in tin smelting and processing and to buy, sell, and transport tin and tin ore for the immediate needs of the Nation's armed services and industries. (Public Law 125, June 28, 1947).

Training Military Personnel in Civilian Schools

(Public Law 670. Approved June 19, 1948)

This act permits the Secretaries of the Army and Air Force to detail a fixed percentage of military and air personnel, including Reservists, as students in educational institutions, industrial plants, or hospitals.

War and Navy Professional Personnel Act

(Public Law 313. Approved August 1, 1947)

The War and Navy Departments are authorized to create additional professional and scientific positions with salaries from $10,000 to $15,000 per annum for such work. The 30 positions in the War Department and 15 in the Navy Department so authorized are to be included in the classified service.

Women's Armed Services Integration Act

(Public Law 625. Approved June 12, 1948)

Commissioning and enlisting of women in the Regular and Reserve components of the Army, Navy, Marine Corps, and Air Force is authorized. Limits are fixed on a maximum number of officers and enlisted personnel which may be integrated within the first 2 years after date of enactment.

Voluntary Enlistment Act

(Public Law 128. Approved June 28, 1947)

In order to establish a career service in the Regular Army for enlisted men, minimum age for enlistment is lowered to 17 with parental consent, with terms of enlistment service made more flexible and attractive.

PRESIDENT

Presidential Succession Act

(Public Law 199. Approved July 18, 1947)

This act provides that in case of removal, resignation, death, inability, or disqualification of both President and Vice President, succession should next go to the Speaker of the House of Representatives, and in cases in which the Speaker of the House could not qualify succession would devolve (1) upon the President pro tempore of the Senate and (2) upon the Cabinet, beginning with the Secretary of State.

Presidential Term Amendment

(Proposed XXII amendment to the Constitution)[1]

The Congress passed House Joint Resolution 27 on March 24 proposing an amendment

[1] As of July 15, 1947, 21 States have ratified this amendment to the Constitution out of 36 States required to make the amendment effective.

to the Constitution limiting the tenure of the President to two terms, and a Vice President succeeding to office for more than 2 years of the unexpired term would be limited to one additional elective term.

ROADS AND HIGHWAYS

Federal-Aid Highway Act Extension

(Public Law 100. Approved June 21, 1947)

This amendment to the Federal-Aid Highway Act changes the existing 1-year limitation on use of highway funds to 2 years to provide time to States and local areas for further building and repair of urgently needed roads.

Federal-Aid Highway Act of 1948

(Public Law 834. Approved June 29, 1948)

Annual appropriations are authorized for fiscal years ending June 30, 1950 and 1951, in the following sums: $450,000,000 for construction of projects on Federal-aid primary, secondary, and urban systems; $20,000,000 for forest highways; $17,500,000 for forest development roads and trails; $10,000,000 for roads and trails in national parks; $10,000,000 for parkways; and $6,000,000 for Indian reservation roads and bridges. The Commissioner of Public Roads is directed to cooperate with State highway departments in a study on the status of the national system of interstate highways and to invite cooperation of appropriate officials regarding improved highways for national defense.

SOCIAL SECURITY AND PUBLIC WELFARE

(See also Government Organization and Government Employees)

Claims of Japanese Evacuees

(Public Law 886. Approved July 2, 1948)

In the interest of equity and social justice, persons of Japanese ancestry who suffered loss because of forced evacuation during the war from the west coast, Alaska, and Hawaii are permitted to have claims for such losses adjudicated by the Attorney General.

Disposal of Certain Surplus Housing

(Public Law 796. Approved June 28, 1948)

In order to prevent removal of student veterans' temporary housing units from college campuses, this measure relinquishes Federal rights in such housing to educational institutions that, with local governmental consent, submit an appropriate request within 120 days after June 28, 1948. Veterans are to be given preference in filling vacancies in such housing transferred.

Disposition of Materials on Public Lands

(Public Law 291. Approved July 31, 1947)

Congress authorizes the Secretary of the Interior to dispose of materials on public lands such as gravel, clay, sand, stone, and timber to States and political subdivisions or to persons or organizations not reselling for profit, provided removal thereof is not detrimental to public interest or prohibited by prior law.

Federal Aid to Schools

(Public Law 317. Approved August 1, 1947)

Schools overburdened with war-incurred enrollments were extended Federal aid not to exceed $5,000,000 until June 30, 1948, to assist in transition from war to peacetime conditions.

Federal Aid to Schools

(Public Law 839. Approved June 29, 1948)

Federal aid is continued to local school agencies for the operation and maintenance of school facilities requiring assistance because of overburdened school enrollment caused by war activities or reactivation of defense projects. Expenditure of $6,000,000 is authorized.

Federal Employment of Handicapped Persons

(Public Law 617. Approved June 10, 1948)

In order to protect handicapped persons who are qualified to perform duties in Federal employment, safeguards are set up to prevent discrimination against them in the classified civil service.

Government Utilities Supply

(Public Law 284. Approved July 30, 1947)

Congress authorizes the War and Navy Departments to sell electrical power, steam, compressed air, water, sewage- and garbage-disposal service, gas, ice and mechanical refrigeration utilities and services to welfare activities and private persons in the immediate vicinity of naval or military establishments in cases in which such utilities are not otherwise available.

Hospital Construction

(Public Law 723. Approved June 19, 1948)

This measure permits States that have not enacted legislation on hospital standards by July 1, 1948, to become eligible for Federal hospital construction funds whenever they enact such measures after that date.

National Dental Research Act

(Public Law 755. Approved June 24, 1948)

The United States Public Health Service, through a National Institute of Dental Research, is authorized to operate a dental disease program comparable to the present cancer program. Research and training in the field of dental diseases are authorized, and a National Advisory Dental Research Council is established.

National Heart Institute

(Public Law 655. Approved June 16, 1948)

The United States Public Health Service, through a National Heart Institute, is authorized to operate a heart disease program comparable to the present cancer program. The act directs that research and training in the field of heart diseases shall be undertaken, and a National Advisory Heart Council is established.

Nurseries and Nursery Schools

(Public Law 711. Approved June 19, 1948)

This act continues until June 30, 1949, the provisions of the 1947 act authorizing the Board of Public Welfare of the District of Columbia to continue operation of nurseries and nursery schools for children of working parents. (See Public Law 123, June 27, 1947, for prior authority.)

Old-Age Assistance Payments Exemption

(Public Law 131. Approved June 30, 1947)

To aid the aged, States were authorized to disregard until July 1, 1949, income earned from agricultural labor and nursing service in making old-age assistance payments.

Public Park and Recreational Areas

(Public Law 616. Approved June 10, 1948)

The Surplus Property Act of 1944 is amended to enable the War Assets Administration to transfer to State and local governmental agencies surplus Government real estate suitable for public parks or recreational areas, or as historical monuments. Transfers for use as public parks are to be made on a basis of 50 percent of fair value and those made for historical monuments shall be without monetary consideration.

Seizure of Foods and Drugs

(Public Law 749. Approved June 24, 1948)

Authority recently denied by court decision is restored to the Food and Drug Administration to seize and condemn food and drug products that become adulterated or misbranded while being held for sale. By court decision only the goods in a first sale within a State would be subject to seizure.

Social Security Act Extension

(Public Law 642. Passed over veto June 14, 1948)

This act of Congress increases benefits for the aged, needy, blind, and for dependent children. The status quo is maintained with respect to social-security-coverage regulations for employment and unemployment taxes, and social-security benefits pending later decision by Congress on extension of coverage to persons who have heretofore been excluded by Government regulations. (See Public Law 379, August 6, 1947, for prior authority.)

Surplus Property for Educational Purposes

(Public Law 889. Approved July 2, 1948)

This act authorizes the Secretaries of the Army, Navy, and Air Force to donate surplus property to the United States Commissioner of Education for allocation to educational institutions.

Surplus Property for Flood Damage

(Public Law 233. Approved July 25, 1947)

Congress authorizes the President, acting through the Federal Works Administrator, to employ any articles declared to be surplus under the Surplus Property Act of 1944 to alleviate damage, hardship, and suffering caused by flood or other catastrophe. The Federal Works Administrator is further authorized to act through any Government agency or State or local governments to carry out the provisions of this act.

Teachers' Salaries—District of Columbia

(Public Law 163. Approved July 7, 1947)

A minimum salary of $2,500 per annum is provided for teachers in the District of Columbia; classification and assignment methods are liberalized and provision for automatic promotions and annual increases in salary are included.

Water Pollution Control Act

(Public Law 845. Approved June 30, 1948)

A comprehensive system of cooperation between the Federal Government and States in controlling water pollution is initiated. The Surgeon General of the Public Health Service is directed to develop a control plan in cooperation with Federal, State, and interstate agencies, municipalities, and industres. Loans may be made to States, municipalities, and interstate agencies for treatment works, limited to one-third of the cost or $250,000, whichever is smaller; and the law authorizes not to exceed $22,500,000 annually for 5 years for such loans. Grants are provided for investigations, preliminary surveys, and for engineering and planning.

SOLDIERS AND VETERANS

Admissions Tax

(Public Law 706. Approved June 19, 1948)

This measure exempts hospitalized veterans and servicemen who are admitted free to entertainments, educational, and other recreational functions from payment of the admissions tax, except when on leave or furlough.

Alien Fiancées or Fiancés of Members of the Armed Forces

(Public Law 450. Approved March 24, 1948)

This act extends to December 31, 1948, prior authority to admit alien fiancées or fiancés of present and former servicemen for a period of 3 months for purpose of marriage within that period.

Army and Air Force Vitalization and Retirement Equalization Act

(Public Law 810. Approved June 28, 1948)

In order to eliminate inefficient and substandard officers from the Regular Army and Air Force and to secure a more vitalized corps, the Secretaries of the Army and Air Force are authorized to examine all officer personnel records, first by a selection board, then a board of inquiry, and finally a board of review. Officers who are found to be subject to removal from the active list if eligible for voluntary retirement shall receive full retirement benefits and if ineligible shall be honorably discharged with compensation based on a formula permitting payment of

an amount based on length of service, but in any event not more than 1 year's base and longevity pay. Voluntary retirement based on years of service is provided for officers, warrant officers, and enlisted men in the Regular Army and Air Force; Reserve components for the first time are extended certain retirement benefits at the age of 60 if qualified under the provisions of the act.

Beneficiaries of Aviation Officers

(Public Law 236. Approved July 25, 1947)

Additional beneficiaries were made eligible for lump-sum aviation bonuses in the event of the death of aviation officers entitled to such bonuses. By listing the beneficiaries in succession this act provides for a more equitable distribution of estates of deceased aviation officers who have no designated beneficiaries.

Benefits for Disabled Veterans in Postal Service

(Public Law 802. Approved June 28, 1948)

This measure permits a disabled veteran who no longer qualifies for a postal position for which he was once on a civil-service register to request that his name be put on a similar register for which he qualifies without loss of seniority.

Chronic and Tropical Diseases

(Public Law 748. Approved June 24, 1948)

This act establishes for veterans a presumption of service connection in cases of chronic and tropical diseases developing after separation from service.

Compensation for Survivors of Deceased War Veterans

(Public Law 868. Approved July 1, 1948)

In recognition of high living costs, increased compensation is payable to surviving widows, children, and dependent parents of veterans whose death results from wartime service. New rates are $75 for a widow with no child; $100 for widow and one child, with $15 additional for each child; for surviving orphans, $58 for one child, $82 for two children, and $106 for three children, with $20 for each additional child; and $35 for each parent. Survivors of active-duty service personnel who die during peacetime are entitled to 80 percent of the war rates.

Credit for Under-Age Service

(Public Law 681. Approved June 19, 1948)

This act makes permanent the temporary provision of law which authorizes credit for longevity pay for service in the Army, Navy, Air Force, Coast Guard, Coast and Geodetic Survey, and Public Health Service, or in any Reserve component thereof, when such service has been rendered prior to 18 years of age.

Dependents' Transportation

(Public Law 151. Approved July 1, 1947)

This act amends existing law so as to authorize transportation of dependents and household effects of personnel of the Navy, Marine Corps, and Coast Guard to unrestricted domestic posts and to overseas bases.

Disability Compensation

(Public Law 876. Approved July 2, 1948)

This act provides an increase in compensation for peacetime service-connected disability from 75 to 80 percent of the rate authorized for war-incurred disability.

Disabled Veterans' Dependents Allowance Increases

(Public Law 877. Approved July 2, 1948)

Veterans of World War II, World War I, and the Spanish-American War with total disability under wartime rates are given increased dependents allowance ranging from $21 for a wife but no child to $56 for a wife and three or more children. Peacetime total disability rates are similarly increased ranging from $16.80 to $44.80. Veterans 60 percent or more disabled are given increases based on an amount having the same ratio to the amount specified in the appropriate wartime or peacetime schedule as the degree of disability bears to the total disability.

Disabled Veterans' Subsistence Allowance Increase

(Public Law 338. Approved August 4, 1947)

Payments to disabled veterans with service-connected disability of 30 percent or more, taking vocational rehabilitation courses, were fixed at $115 monthly, if single, $135 with one dependent, $20 per month for one child and $15 additional for each additional child; and $15 per month for a dependent parent.

Federal Aid to Institutional Homes for Disabled Veterans

(Public Law 531. Approved May 18, 1948)

This act increases from $300 to $500 per annum the amount of Federal aid to support soldiers and veterans domiciled or hospitalized in State and Territorial homes. This increase extends through June 30, 1951.

Federal Employees' Military Leave Act

(Public Law 153. Approved July 1, 1947)

In order to extend privileges to Federal workers equal to those extended to workers outside Government service with respect to military leave, Federal employees who are members of the Enlisted or Officers' Reserve Corps, the National Guard, or the Naval Reserve are placed in the same status as private employees to receive pay and allowances while on military leave as well as full protection in their employment.

Government Life Insurance Death Benefits

(Public Law 429. Approved March 3, 1948)

This act of Congress extends for an additional 2 years the time in which eligible persons may apply for insurance benefits after the death of a veteran in order to provide such benefits to those who have been unable to apply or were unaware of their rights.

Government Life Insurance Reinstatement Act

(Public Law 5. Approved February 21, 1947)

The National Service Life Insurance Act is amended to permit service personnel to apply for permanent or term insurance on enlistment. Removal of restrictions liberalizes reinstatement of lapsed insurance; and term insurance held by totally disabled personnel who fail to apply for conversion is automatically converted to the ordinary life plan.

Government Life Insurance Renewal Act of 1947

(Public Law 34. Approved April 15, 1947)

To enable veterans to provide a longer period of insurance protection, 5-year level-premium-term insurance policies expiring at the end of any 5-year period were made renewable for a second, third, fourth, or fifth 5-year period at the premium rate for the attained age without medical examination.

Government Life Insurance Renewal Act of 1948

(Public Law 838. Approved June 29, 1948)

Renewal for an additional 5 years of any national service life insurance 5-year level premium-term policy issued prior to January 1, 1948, is provided without medical examination and at the premium rate for the attained age.

Homestead Entries Act of 1947

(Public Law 82. Approved May 31, 1947)

This act liberalizes the former homestead entry law by allowing up to 2 years' credit on service in the armed forces from September 16, 1940, and in addition both husband and wife having veteran status are permitted to count their services jointly in credit against homestead entries.

Homestead Entries Act of 1948

(Public Law 596. Approved June 3, 1948)

Veterans may credit military service toward 3-year residence requirements of the act of 1984 allowing citizens to purchase up to 5 acres of land, without waiving their rights under the general homestead law and the Veterans' Preference Act of 1944.

Inactive Training Pay for the Organized Reserve Corps

(Public Law 460. Approved March 25, 1948)

Uniform standards for inactive-duty training are provided for all reserve components of the armed forces. Inactive-duty training pay is authorized in order to facilitate the procurement, training, and readiness for mobilization of the members of reserve components.

Institutional On-Farm Training Act

(Public Law 377. Approved August 6, 1947)

Veterans desiring to take agricultural courses while working their own farms or employed on farms may receive educational allowances of $65 per month for single veterans and $90 per month for married veterans with additional allowances for dependents. Courses are to be given by accredited institutions with 200 hours per year (at least 8 hours per month) attendance, and supervised work experience on the farm or other agricultural establishment is required.

Medical Assistance to Philippine Veterans

(Public Law 865. Approved July 1, 1948)

Grants-in-aid are made to the Republic of the Philippines to provide medical care for Philippine veterans in the service of the United States armed forces during World War II. The act provides $22,500,000 for hospital construction and $3,285,000 annually for 5 years for hospitalization expenses.

Mustering-Out Benefits Applications

(Public Law 539. Approved May 19, 1948)

The time for filing claims for payment under the Mustering-Out Payment Act of 1944 is extended to February 3, 1950.

Naturalization of Alien Veterans

(Public Law 567. Approved June 1, 1948)

This measure enables aliens who served honorably in the United States armed forces during World War I or during a period beginning September 1, 1939, and ending December 31, 1946, to become naturalized citizens and exempts them from certain processes required of nonservice people.

Payment under Armed Forces Leave Act

(Public Law 710. Approved June 19, 1948)

Provides payment of terminal-leave bonds uncashed by veterans before death to surviving brothers, sisters, nieces, nephews, as well as other authorized surviving relatives.

Pension Increase for Civil War and Spanish-American War Veterans

(Public Law 270. Approved July 30, 1947)

Veterans and their dependents of the Civil War and Spanish-American War received a 20 percent monthly pension increase.

Pension Increase for Veterans of Indian Wars

(Public Law 398. Approved January 19, 1948)

Veterans of Indian wars and widows and children of such veterans receive a 20 percent increase to aid in meeting increased living costs.

Positions for Disabled Veterans

(Public Law 452. Approved March 24, 1948)

Selection of superintendents of national cemeteries shall be made from veterans honorably separated from the service and disabled in line of duty for active field service.

Prisoners of War and Internees Tax Exemption Act

(Public Law 310. Approved August 1, 1947)

Interned service men and women and civilian personnel who were citizens of the United States and who were removed by the Japanese from United States possessions to confinement outside such possessions were

given tax-exempt status for the period of their internment.

Prosthetic Appliance Development

(Public Law 729. Approved June 19, 1948)

An annual appropriation of $1,000,000 is authorized to be expended by the Veterans' Administration for prosthetic research including prosthetic, orthopedic, and sensory devices.

Retention of Certain Disabled Service Personnel

(Public Law 680. Approved June 19, 1948)

Certain disabled Army and Air Force hospitalized personnel may be retained beyond the statutory termination date of their commissions in order to complete their treatment.

Terminal and Cash Payment Act

(Public Law 350. Approved August 4, 1947)

Congress provided that in lieu of terminal leave, cash payments would be made on base pay plus longevity and that reenlisted personnel may take a cash payment for accrued leave or transfer accrued leave to the new enlistment.

Terminal-Leave Bond Payment Act

(Public Law 254. Approved July 26, 1947)

Congress authorized cash settlement of bonds issued to veterans for terminal-leave pay at any time after September 1, 1947, together with interest computed to the end of the month in which payment is made.

Travel Allowances for Vocational Rehabilitation

(Public Law 660. Approved June 16, 1948)

Authorizes travel and lodging allowances for veterans and necessary attendants, other than Veterans' Administration employees, for travel to or from a Veterans' Administration facility or other place in connection with vocational rehabilitation or for the purpose of examination, treatment, or care.

Veterans' Preference Act Amendment

(Public Law 396. Approved January 19, 1948)

In this law Congress extends veterans' preference in Federal Government employment to widowed mothers of deceased ex-servicemen who lost their lives while on active duty in the armed forces and to widowed mothers of veterans who have a total and permanent service-connected disability.

Veterans' Preference Appeals

(Public Law 741. Approved June 22, 1948)

Civil Service Commission recommendations on appeals under the Veterans' Preference Act are made binding upon executive agencies.

Veterans' Subsistence Allowance

(Public Law 411. Approved February 14, 1948)

Subsistence allowances for veterans pursuing full-time institutional training are increased to $75 per month for veterans without dependents, to $105 per month for veterans with one dependent, and to $120 per month for veterans with more than one dependent.

Veterans' Subsistence Allowance

(Public Law 512. Approved May 4, 1948)

Additional subsistence allowances for part-time institutional trainees are granted under certain conditions. The act raises monthly ceilings on combined subsistence allowance and earnings of veterans to $210 for veterans without dependents, $270 for veterans with one dependent, and $290 for veterans with two or more dependents. Overtime pay in computing trainees' earnings is eliminated.

Vocational Rehabilitation Loans

(Public Law 115. Approved June 25, 1947)

To encourage returning veterans to take up vocational rehabilitation courses, a revolving fund of $3,000,000 was authorized to extend temporary loans to veterans who might not otherwise be able to enter upon such courses.

TAXATION

Excise Tax Act

(Public Law 17. Approved March 11, 1947)

Excise taxes are continued by Congress on certain luxuries including jewelry, furs, toilet preparations, and distilled spirits.

Revenue Act of 1948

(Public Law 471. Passed over Presidential veto April 2, 1948)

To lighten the burden imposed by wartime tax rates and to stimulate capital investment, individual income taxes are reduced from 12.6 percent in low income brackets to 5 percent in higher brackets, retroactive to January 1, 1948. Personal and dependency exemptions are increased from $500 to $600. An additional $600 allowance is made to taxpayers over 65 and to blind taxpayers. The community-property principle is made applicable to incomes of husbands and wives and to estate and gift tax payments.

Wartime Tax Adjustment Act

(Public Law 384. Approved August 8, 1947)

This act provides for wartime depletion exemptions on certain minerals and terminates tax deductions on charitable contributions or gifts to be used outside the United States or its Territories. The $1,500 tax exemption in the armed services for officers and full tax exemption for personnel under the rank of officer was continued until December 31, 1948.

My View of the Housing Need

EXTENSION OF REMARKS

OF

HON. JOHN R. MURDOCK

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. MURDOCK. Mr. Speaker, 3 years have elapsed since the end of the shooting war, and what have we done for veterans? No doubt campaign speakers all over the country and members of both major parties will have a lot to say about what was done for veterans by the Seventy-eighth and Seventy-ninth Democratically controlled Congresses, and by the Eightieth Republican-controlled Congress. I am happy to note that a good many acts benefiting veterans have been passed by the last three Congresses, and I am glad to say that I had a small part in each. However, I am not so hilariously jubilant about the net result as to have very much to say about it, for I cannot refrain from thinking about what has not been done, and our failures and omissions distress me greatly.

When I see so many veterans trying to establish homes to start families, as well as setting up new businesses, and when I see their handicaps and their frustration, it makes my heart ache, and that, too, when I am able to see only a very small fraction of the distressing picture. It may be that I am judging all veterans by the few who are related to me by blood, but even so, I do not think the picture I have is a distorted one. I think millions of veterans are in the same uncomfortable or distressed condition of the few who are closely related to me.

Perhaps I get an exaggerated picture when I view the situation in certain Arizona cities like Phoenix, Tucson, Yuma, and such places where a great influx of out-of-State veterans have tried to establish themselves since the war. Possibly the major portion of the country is not so short of housing as these places with which I am best acquainted, and yet there are other places like Los Angeles, San Diego, Seattle, and San Francisco, that are even more crowded and where the housing situation is even more distressing. I feel that it is one of the greatest of shames that this Government has permitted for so long such crowding and poor housing for the men who so recently served in uniform. What are we going to do about it?

Both political party platforms contain promises of housing for veterans. While the two parties differ regarding public housing and the extent and manner of slum clearance, they seem to agree upon housing for veterans. There seems to be no disagreement in regard to having private capital and private enterprise share a large part of the work of furnishing veterans their homes. That is the way I think it should be. Let us carry out our party platform in at least this one detail. I am not asking the Government to furnish each veteran a residence, but I do think that the Government is under obligation to encourage home ownership among veterans and to aid veterans in acquiring homes, just as much as it is to furnish them the other benefits which the GI bill of rights provides.

I favored the GI bill, with its educational provisions and its loan provisions for setting up in business or procuring a home, and I helped as best I could with such legislation. At that same time, I introduced and sponsored legislation in an attempt to furnish thousands of family-sized farms to veterans on good irrigated land with water rights and did what I could to enable a man who wanted to own a piece of land for a home to be able to do so. I did succeed in the Seventy-ninth Congress in getting some legislation enacted toward that end, but it is so proportionately small—perhaps a few hundred in Arizona, instead of thousands hoped for—that I am ashamed to say much about it. Therefore, we come to another proposal for privately owned homes for veterans which I hope will come very much nearer fulfillment than were my hopes of 3 or 4 years ago regarding veterans' homes on the land.

What could be more desirable as an accomplishment for one who has helped to defend his country than to enable him to have a piece of property which will serve as a home? Ever since there have been armies, it has been said that a soldier will fight more courageously and stubbornly for his "hearth and home" than he will for his boarding house. All recognize the truth of that comparison. Obviously, if a "hearth and home" is a better inducement for courageous fighting than is a boarding house, the same would be equally true that a "hearth and home" would be a better reward for having fought successfully and well than would any kind of a boarding house.

All thinking people know that one of the best inducements of loyalty and good

citizenship is home ownership. The more nearly our citizens have a place they can call home, which under Anglo-Saxon principle of the law is "a man's castle," the safer the country will be from the wild winds of radicalism. It would pay the Government in more ways than one to encourage home ownership in general, and especially home ownership among veterans who are starting out in life, rearing a family, and who want to own homes. Of course, I know that not all veterans want to own homes—not even all married veterans—no more than all veterans would like to have a piece of land in private ownership. But there is an instinct in most of us to own a home, and that is the instinct which is today being frustrated and thwarted by economic conditions which the Government ought to remedy.

This next special or regular session of Congress should enact legislation that will go further than anything now on the statute books to give the worthy veteran an opportunity of home ownership. Today building is so expensive that most veterans cannot afford either to build or buy a home. A recent enactment purports to facilitate veterans' cooperatives in furnishing themselves homes. I would go further and have the law restore certain controls upon building materials and give veterans preference in attaining such material, and I would have the veterans given more preference than the ordinary builder or citizen in the guaranty of mortgages to induce extension of credits by private lending agencies.

It must not be presumed, because I am saying nothing here about slum clearance or public housing, that I am entirely overlooking that part of the housing problem, but first things come first, and I feel that the most pressing housing problem today is that of homes for veterans.

Red River of the North Project Authorized; $1,000,000 Is First Appropriation

EXTENSION OF REMARKS

OF

HON. HAROLD C. HAGEN

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 18 (legislative day of Thursday, June 17), 1948

Mr. HAGEN. Mr. Speaker, on June 30, 1948, the President signed a flood-control and public works measure, H. R. 6419, which is of vital importance to the Ninth Congressional District of Minnesota.

The bill gave final approval and authorization of the comprehensive plan for flood control and other purposes in the Red River of the North drainage basin, North Dakota and Minnesota, as set forth in the report of the Chief of Engineers dated May 24, 1948.

Then later, the passage of the Second Deficiency Appropriation Act, 1948, made $1,000,000 immediately available for a start on one or more of the eight authorized projects in the whole plan.

Final authorization of the Red River project, and the first appropriation for it by the United States Congress marks an important step of a long-time effort by many persons in northwestern Minnesota and northeastern North Dakota to launch these projects which mean so much to the future of the Red River Valley.

Army engineers submitted a report to the Secretary of the Army outlining the work to be done on the Red River project which will greatly lessen the danger of floods; permit water to be fed into the Red River at low-water stages for maintaining city water supplies and the movement of sewage, and to otherwise regulate water in the Red River to improve that fertile territory. The Army engineer report is signed by Lt. Gen. R. A. Wheeler, Chief of Engineers.

In the Ninth Congressional District, the engineers report describes the proposed improvements in some detail in the following paragraphs:

Main stem and Bois de Sioux River: Channel realinement and clearing between mile 0.9 and mile 7.8 above mouth of Bois de Sioux River, channel enlargement in lower 0.9 mile of Bois de Sioux and upper 6.1 miles of Red River. The improved channel will carry most floods safely within banks and will reduce stages and damage of larger and less frequent floods. Estimated Federal cost $419,700; estimated cost to local interests $44,600.

Main stem at Fargo-Moorhead: Channel clearing for a distance of 24 miles downstream from the upper end of the cities; channel enlargement and deepening for a distance of 4.9 miles downstream from the city bridges; levee 1,800 feet long at Moorhead; levee and floodwall about 1 mile long at Fargo. Levees will provide freeboard of 2.5 feet above the maximum flood of record (1897), and, in unleveled areas, the improved channel will carry most floods safely within banks and will reduce stages and damage of larger and less frequent floods. Estimated Federal cost $1,263,100; estimated cost to local interests, $666,900.

Main stem at Grand Forks—East Grand Forks: Channel clearing for a distance of 46 miles through the two cities, the upper 5.8 miles of the cleared channel to be deepened by excavation; a levee 6,700 feet long in the southern part of Grand Forks; and a levee and flood wall 9,600 feet long in East Grand Forks; below the mouth of Red Lake River. The levee would provide a freeboard of 3 feet above the maximum flood of record, and, in unleveed areas, the improved channel will carry most floods safely within banks and will reduce stages and damage of larger and less frequent floods. Estimated Federal cost $1,921,000; estimated cost to local interests $476,100.

Otter Tail River Basin, Minn.: Channel enlargement and realinement from the upper end of Lake Breckenridge to the vicinity of Sec. 33-Twp 132N-R45W, a dam and reservoir about 6 miles southwest of Fergus Falls having a capacity of about 14,100 acre-feet. The reservoir will be operated to reduce flood flows in the lower Otter Tail River, and to increase low-water flows in coordination with Baldhill and Red Lake Reservoirs for the benefit of water supply and stream sanitation in the Red River of the North. The improved channel will carry most floods safely within banks and will reduce stages and damage of larger and less frequent floods. Estimated Federal cost $1,233,800; estimated cost to local interests $36,400.

Wild Rice and Marsh Rivers, Minn.: Channel enlargement and straightening in Wild Rice River extending downstream from the present connection between Wild Rice and Marsh Rivers to about 2 miles below the mouth of South Branch. Enlargement of Marsh River Ditch and channel clearing and realinement in Marsh River downstream from the ditch to about 3 miles below Anthony. Flood flows of Wild Rice River will continue to be diverted through the Marsh River. The improved channel will carry most floods safely within banks and will reduce stages and damage of larger and less frequent floods. Estimated Federal cost $550,400; estimated cost to local interests $116,200.

Sand Hill River Basin, Minn.: Channel enlargement in Sand Hill State ditch and upper end of natural river channel from 6 miles east of Beltrami to 11 miles west of Beltrami, enlargement and straightening of old channel of Sand Hill River from 3 miles east of Beltrami to the Sand Hill State ditch. The improved channel will carry most floods safely within banks and will reduce stages and damage of larger and less frequent floods. Estimated Federal cost $646,700; estimated cost to local interests $76,500.

Possible improvements on other tributary streams as requested by local interests have been considered, but no improvements other than those listed above have been found to be practicable and economically justified. Presently authorized improvements on Sheyenne River, Red Lake and Clearwater Rivers, Park River (N. Dak.), Pembina and Tongue Rivers have not been affected by the report. Improvements of Roseau River which does not affect the main stem of Red River within the United States will be considered in a separate report now being prepared.

Mr. Speaker, the report by the Army engineers was not received in time to be sent to the Budget Bureau and transferred to the House Committee on Appropriations for consideration in the civil functions War Department appropriations bill.

Therefore it was necessary to get consideration in the Senate which held hearings on the project early in June. Senator JOSEPH H. BALL, of Minnesota, did splendid work in getting consideration for the Red River of the North project in the Senate and, through his influence and fine direction, with the aid and cooperation of Senator MILTON YOUNG, of North Dakota, and Senator ED THYE, of Minnesota, was able to get it approved by the Senate Public Works Committee and authorized by the Senate.

Citizens of the Ninth District of Minnesota will be interested in knowing some of the efforts made by myself in connection with this matter.

The following is a copy of a letter I wrote to Congressman GEORGE A. DONDERO, chairman of the House Committee on Public Works, in asking his cooperation in getting the project authorized by his committee. I also saw him and then contacted, personally, each member of his committee. My letter of June 15, 1948, to him follows:

JUNE 15, 1948.

HON. GEORGE A. DONDERO,
Chairman, House Committee on Public Works,
House Office Building,
Washington, D. C.

DEAR GEORGE: This is a plea. A plea to you to retain the Red River of the North Drainage Basin project in your bill, H. R.

6419, as passed by the Senate Saturday. The item is found on page 14 of the Senate-approved measure.

It perhaps is best to begin this letter to refer to Senator MALONE'S statement in referring to the bill on the Senate floor last Saturday. It reads, in part, as follows: "The pending bill merely covers emergencies, that is, cases where life and property are endangered, and which call for a relatively small authorization, covering a specific unit which could be constructed by itself, becoming a part of the main unit if the whole project were later authorized."

The damage this spring, alone, to farm land, cities, and villages in Minnesota and North Dakota amounted to over $10,000,000. More than 2,000,000 acres of land were under water. The ultimate cost to the Federal Government of this whole project would be less than $10,000,000. The benefits to be derived are many times this amount. The emergency nature of this proposal warrants authorization of the project and some of the funds at this time.

The Senate committee report points up the fact that the Army determined the benefit-cost ratio to be 1.88. Prior to this year's disastrous floods the estimated total cost figure to the Federal Government is $9,928,000; whereas the estimated damages this spring alone was $10,000,000.

I earnestly solicit your favorable consideration of this matter and hope you will go along with the Senate in retaining the project in the bill.

With kindest personal regards.

Very sincerely yours,

HAROLD C. HAGEN,
Member of Congress.

P. S.—The entire area was recently designated as a disaster area by the President because of the serious damage done by the severe floods this year.

Senator JOSEPH H. BALL asked me to give him some information that I thought was desirable to assist him in his efforts before the Senate Committee on Appropriations in order to get some funds for the project. My letter to him of June 16, relative to the matter, follows:

JUNE 16, 1948.

The Honorable JOSEPH H. BALL,
United States Senator,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: This is an emergency request, and because of the legislative situation, it is necessary for the Senate to handle it.

The legislation, H. R. 6419, approved in conference by the Committee on Public Works yesterday, included (p. 14) the Red River of the North project and an authorization in the sum of $2,000,000 for the partial accomplishment of that plan. As you know, this plan for flood control and other purposes in the Red River of the north drainage basin, includes areas of North Dakota, South Dakota and Minnesota.

Because of the fact that H. R. 6419 had not been finally approved by the full Senate and House prior to the House passage today of the second deficiency appropriation bill, H. R. 6935 (Rept. 2348), it is necessary that the Senate Appropriations Committee be requested to insert the item of $2,000,000 in the second deficiency appropriation bill.

I know of your great interest, and that of Senator THYE, of Minnesota, and Senator YOUNG, of North Dakota, and also that of Senator LANGER, in the Red River of the North project. I know you realize the emergency situation which has arisen because of the very serious floods which have occurred during the last 2 years, 1947 and 1948. I know you are aware of the fact that there were some 15 deaths by drowning in the flood area this year, and that the property damage was conservatively estimated as over $10,000,000. The floods of the past two seasons were the most severe since 1897. Army engineers and other authorities are fearful that these floods will now reoccur each year because of present conditions, unless the Red River of the North project is undertaken and completed.

It is most desirable to appropriate the $2,000,000 for the initial phase of this comprehensive project so that these very serious and disastrous floods will not continue to occur in this great, fertile valley, known as the bread basket of the world, and without question one of the most productive areas in the world.

Incidentally, the floods in the Red River area were by far the most severe of any in the United States this year, excepting those on the northwest Pacific coast. The entire area has been designated as a disaster area by President Truman, because of the great amount of damage suffered.

It is most imperative in this emergency that funds be provided to inaugurate this project. If the Senate will insert the amount requested, I have every hope that the House will agree to a part, if not all, of the amount requested.

Appreciating your splendid efforts in this matter, I am, with kindest wishes,

Sincerely yours,

HAROLD C. HAGEN,
Member of Congress.

Senator BALL secured approval of the Senate Appropriation Committee for $2,000,000 for a start on the Red River of the North project. This amount was included in the second deficiency bill, which was passed by the Senate in the closing days of the session.

Because of time, and since the project has not yet been authorized when the House committee had previously considered and the House had passed the second deficiency bill, no appropriation has been made for the project in the House bill.

It was then up to me to get the House members of the conference committee, which met with the Senate Conference Committee, in ironing out and compromising the differences in second deficiency bill passed by the House and the Senate.

I, personally and individually, talked to every member, both Republican and Democrat, of the conference committee on the House side in support of funds for the Red River of the North project. They then agreed on $1,000,000 as the initial appropriation for the project. This was finally approved by both the Senate and the House; and the measure was sent to the President for approval.

Tremendous interest has been shown in the over-all Red River of the North project. A general meeting of representatives of all interested communities has been called for Grand Forks, N. Dak., for Friday, July 9, 1948, to advise with Corps of United States Army Engineers relative to initial stages of Red River flood-control projects.

The general call for the meeting was issued by a long-time friend and supporter of the Red River flood-control projects, Dr. H. L. Walster, chairman of the Tri-State Waters Commission, and dean of the State college station of the North Dakota State College at Fargo, N. Dak. His letter announcing the meeting is as follows:

TRI-STATE WATERS COMMISSION,
STATE COLLEGE STATION,
Fargo, N. Dak.

HON. HAROLD C. HAGEN,
Crookston, Minn.

DEAR SIR: In regard to meeting at Grand Forks, N. Dak., Council Room, City Hall, 3 p. m., Friday, July 9, to advise with Corps of United States Army Engineers relative to initial stages of Red River flood-control projects.

You are aware of the fact that the Congress recently authorized further flood-control projects on streams of the Red River of the North Basin in the amount of $9,400,000. In the last few days of the session an appropriation of $1,000,000 was made to the Corps of Engineers to begin work in 1949.

In order to determine the order in which the several units should be forwarded through the necessary additional planning and construction the Corps of Engineers have indicated that a basin-wide meeting of local interests will be helpful. As chairman of the Tri-State Waters Commission I have initiated this call. Invitations have been extended to the governors, Senators, and Congressmen of the area. Those to whom this notice is sent are urged to make a special effort to bring with them officers of municipalities (townships, villages, cities, and counties) from the areas to be affected by the projects.

Enclosed herewith is a brief statement of the proposed improvements as authorized, including estimated Federal costs, and estimated costs to local interests.

This meeting will also be considered an officially called meeting of the Tri-State Waters Commission.

Yours very truly,

H. L. WALSTER,
Chairman, Tri-State Waters Commission.

Mr. Speaker, this over-all Red River of the North flood-control project will be of benefit to every farmer, to every person, in northwestern Minnesota and northeastern North Dakota. To have funds to start work on the project is important to every individual in the area. It is a great satisfaction to me to have taken part in securing a million dollars to start work, even though approximately nine million or more in Federal funds will be needed to finish the work.

The Senate Committee on Public Works said in its report: "The committee is convinced that flood control and water conservation in the Red River drainage basin are desirable for the economic welfare of the citizens of the area." The committee knows that to complete this project will be a progressive step forward for the benefit of all people, in all parts of our land, because the result will be increased production in the Red River Valley.

I want to continue to fight for additional appropriations for the completion of this project. I assure the people of the Ninth Congressional District of Minnesota that, given the opportunity, I will continue to do my best toward completion of the over-all Red River of the North flood-control project. The cooperation of our present Minnesota Senators, and many civic-minded individuals residing in the district, has been of immeasurable help. That kind of cooperation in the future will see all parts of the project completed.

National Financial Policy

EXTENSION OF REMARKS
OF

HON. PORTER HARDY, JR.

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 26, 1948

Mr. HARDY. Mr. Speaker, on July 13 I had the privilege of discussing the financial policy of our Government with the Norfolk Rotary Club. I submit my remarks for inclusion in the RECORD:

Most Rotarians are businessmen. Most of you come face to face daily with problems in management, in finance, in meeting competition, in providing the best possible service to your customers, in protecting and enlarging the investment of your stockholders in your businesses. You know that the extent to which you satisfactorily meet these problems is reflected in the stability and the growth of your organizations. The amount of the return which you receive and your investors receive reflects the amount of contribution which you make and the degree of intelligence and ability which you put into your activity.

Although the entire economy of our Nation is founded upon the principle of free enterprise which is guaranteed by our Constitution, that philosophy was not new to our founding fathers. Rights of private ownership and rights to own and accumulate wealth are as old as recorded history.

As the foundation of our economic life, the principle of free enterprise is equally applicable to every American citizen. Many Americans of humble origin have reached the pinnacles of achievement and success because under our Constitution they have been permitted to enjoy the fruits of their efforts and industriousness. Besides the fact that his individual attainments are measured by his own inclinations, his intelligence, and his ability, each American citizen is a stockholder in the biggest business organization in the world, the United States Government.

The magnitude of our Government is staggering. It is difficult for the human mind to even think in terms of billions and hundreds of billions of dollars. Nowhere is there an inventory of the physical assets of the Federal Government, but that business in which we are all stockholders today owes more than $250,000,000,000.

I want to talk to you about that business of ours and particularly about its financial policy. I don't think we stockholders give enough of our individual thought to this matter. We leave too much of our own responsibilities to our proxies. We profess to be too busy with personal matters close at hand; but if we would stop and think, we would quickly realize that our personal fortunes, our individual accumulations of wealth and security, our entire economic well-being, is inextricably tied up and interwoven with governmental financial and economic stability.

I have already reminded you that our Government has a debt of more than $250,000,000,000. Consider this in terms of prewar finance. The interest alone on this amount is more than the total tax revenues of the Federal Government for any single year between 1921 and 1936.

I suppose that most of us can look back a few years in our own personal histories and recall the strain that we individually went through because of heavy debt hanging over us and because of the heavy carrying charges on that debt. One of our first objectives was to get out from under and eliminate the interest charges. We didn't stop working when we took in enough to pay our expenses. We didn't reduce our income and put off payments on principal, simply because our creditors were not forcing us. We cut expenses however we could. We built up our income to the maximum. We paid our obligations as rapidly as practicable and we made provisions for contingencies. That was good business sense. It is my conviction that the principles of good-business conduct applicable to private enterprise are also applicable to governmental operations.

During the Eightieth Congress, three separate bills to reduce income taxes were considered. The first bill introduced in January 1947 was H. R. 1, the Knutson tax-reduction bill. Like any other citizen, I, too, am highly tax-conscious and I know that the American taxpayer needs relief from his heavy wartime burden. However, common sense and sound fiscal policy require a balanced budget and provision for orderly debt liquidation.

In keeping with provisions of the Reorganization Act, the Congress made an attempt in the direction or reducing expenditures, even though that attempt was haphazard and indiscriminate. Before the tax bill was brought up for consideration by the committee a resolution was submitted proposing to cut the President's budget estimates by $6,000,000,000. This resolution was passed by the House, even though its proponents admitted that they had no basis for knowing whether such a figure was proper. It was admittedly based solely on general information and wishful thinking. No detailed study had been made. No determination had been worked out to indicate where the cuts could be made intelligently or whether the achievement of such a reduction—if in fact possible—would cause a default on governmental commitments or cripple essential services.

The Senators didn't think it would be possible to reduce the budget to that extent, but like the House, the Senate, too, picked a figure out of the air. It was four and one-half billions. Although the two Houses never reached agreement on budget reduction, they both passed H. R. 1, which would have cut $7,000,000,000 off income-tax revenues. It was vetoed by the President and did not become law.

The budget consideration which took place in 1947 related to the 1948 fiscal year, the year which has just ended. It is interesting now to look back and see how closely we came to the $6,000,000,000 savings and what Federal economies were achieved. It is difficult even now to determine accurately what the figures are, but at the most it appears that the original budget estimates were reduced by not more than one and a half billions. Early indications were that considerable economies would be effected, but the "meat-ax" technique at first employed on appropriation bills was ineffectual because of inadequate consideration and indiscriminate application. Many of the appropriations had to be restored later in deficiency measures, and meanwhile considerable loss of efficiency in governmental administration had been caused.

Almost immediately after H. R. 1 failed of enactment, Mr. KNUTSON dropped in another bill. This was an identical bill except that it postponed the date for tax reduction to become effective. Like the former measure, it, too, was vetoed by the President, and again his veto was sustained.

During consideration of H. R. 1 and its subsequent counterpart, numerous efforts were made to have included in the legislation the so-called community-property provisions. At that time it was argued that this subject should be treated in separate legislation or should be combined with other needed revisions to the general tax code.

I am sure you are familiar with this community-property matter. Under the laws of several States it is permissible to divide the income of a man equally between himself and his wife. This has worked greatly to the advantage of people in States where such laws existed and has been grossly inequitable to the rest of the Nation. Such a discriminatory situation should never have been permitted to arise and certainly after its existence became apparent it should have been promptly remedied.

When Mr. KNUTSON, in the early part of this year, prepared his third tax bill, he astutely included the community-property provisions. This was a detour off the main track and was obviously designed to entice wavering Representatives who were being pressured from that angle. Perhaps against their better judgment some legislators were introduced to support the entire measure just in order to get the community-property adjustments. Although this is no minor matter to the individual taxpayer affected, it was a relatively minor part of this total tax bill. To favor the tax bill purely for the purpose of getting advantages of this provision, in my judgment, would have constituted failure to keep the main objective in view. Of course the tax liability of citizens of every State should be on an equitable basis, but desirable as the community-property provisions are, they should not have provided an excuse for passage of legislation which was otherwise unsound.

The income-tax reduction bill as passed will reduce governmental revenue by more than $5,000,000,000. As I see it, such a reduction is unwise and dangerous. In view of the many uncertainties we face, it might place our financial structure in a precarious condition.

We have had a balanced Federal budget for the past 2 years. H. R. 1, as originally introduced, would have been effective on January 1, 1947, in the midst of the 1947 fiscal year. If H. R. 1 had been enacted, it would have caused some deficit at the end of the fiscal year on July 1, 1947.

Now let us come a little closer up to date. Only recently the Secretary of the Treasury announced that when the 1948 fiscal year closed on last June 30, we had a surplus of approximately $8,000,000,000. On the face of it, this would seem to indicate that tax reduction in the high figures is possible without jeopardizing our financial stability. But let us scrutinize that situation a little. Already the Congress has obligated $3,000,000,000 of that surplus. This was through a dubiously agile accounting maneuver attached to the bill for foreign assistance. Three billion dollars of the funds appropriated for foreign aid and spent during 1949 will be chargeable to the 1948 fiscal year. In addition to this, some of the Federal agencies were authorized to make contracts for the expenditure of funds not yet appropriated, and so the $8,000,000,000 surplus is a mirage. Much of it is already obligated and a pitifully small amount will be available for debt reduction.

Now let us look at the prospects for the 1949 fiscal year, which has just begun. The President's original budget estimates for the fiscal year 1949 compared with his estimates of Treasury receipts indicated a surplus of approximately $4,800,000,000. This, of course, was predicated on continuation of the present levels of employment, production, and earnings. It was also predicated on a continuation of the income-tax rates applicable prior to passage of the tax-reduction bill. Even on the basis of the then apparent demands upon our Treasury, it is clear that the tax-cut measure would have more than offset any contemplated surplus and caused our Federal Government to operate at a deficit during the 1949 year.

I know that all of the people need a reduction in their tax burdens. But simple arithmetic makes it difficult to justify a $5,000,000,000 reduction in Federal revenues

under these circumstances. Proponents of the measure argued that we would still have $3,000,000,000 for debt reduction at the end of the current year by charging that amount of our 1949 expenditures against our 1948 receipts. But no juggling of figures can change the facts.

Recent developments, both domestic and foreign, have made our future financial picture even more obscure. We have passed legislation making inadequate increases in the salaries of our civil servants. Veterans' benefits have been expanded. The Senate approved a $300,000,000 annual charge on the Treasury for aid-to-education, and also a public housing bill, which incidentally has now been sanctioned by the Republican Party. This will call for other large expenditures.

On top of all of this, and what is perhaps more disturbing, the international situation is increasing in complexity and in its sinister aspects. Because of this we have passed the Selective Service Act. We have provided for strengthening of our Army, our Navy (this was omitted from Pilot article) and our Air Force. We propose to have a 70-group Air Force that will be the most effective in the world and have authorized the making of contracts for planes and services and agreed to appropriate funds when required.

Although some of the measures we have taken have slowed up the march of communism into western Europe, we are even now threatened with a choice of moving out of Berlin, surrendering our sector to the Communists, or engaging in open hostilities. None of us can foresee what the consequences may be. We have inherited the role of world leadership, and freedom-loving people throughout the earth are looking to us to show the way for maintenance of a permanent and just peace. We have sponsored the United Nations and the world has placed its hopes on this federation of governments for the preservation of world order on a basis of justice and reason. Its impotence has been manifest since its inception and its future will depend, not only on American resources, but on our wise and intelligent leadership. We cannot shirk the responsibility imposed upon us during this period of world crisis. Our responsibility is primarily to ourselves, and secondarily to the other nations of the world. We know not what measures may be necessary for us to maintain our sovereignty and our democratic philosophy.

Although, currently, our individual tax obligations are somewhat less than those of the past several years, it is entirely within the realm of possibility that early in the Eighty-first Congress it may be necessary to again increase taxes. I hope this may not be the case, but I am convinced that every right-thinking American will insist upon maintaining a sound governmental fiscal policy. Any other course would so weaken our economic structure that every freedom which has been our heritage and which we have cherished through the years will be endangered.

As we review the advancements of science which have occurred in our lifetime, as we witness the misery and suffering which have followed in the wake of the last war, and realize that even now men in the Holy Land are engaging in mortal conflict, as we compare the relative degree of prosperity enjoyed in our own United States with the plight of the rest of the world, we ought to give thanks and gird ourselves against any contingency. This is no time for smugness or complacency or for the pursuit of selfish aggrandizement. The rehabilitation of the world and the fate of civilization may well depend upon how we conduct our own economic affairs.

You men of business and of the professions know that reductions in expenditures, reductions in debt, and reductions in revenues must be accomplished either in that order or simultaneously. I have pointed to the fact that in spite of all the talk about reducing expenditures the economies affected were infinitesimal. No provision has been made for orderly debt retirement, but tax revenues have been cut by $5,000,000,000. It has been said that support for all appropriations bills and all tax-reduction measures will assure a legislator of a long tenure in office. I would cast no aspersions on Members of the Eightieth Congress nor attribute to any of them political motivations in connection with taxes or appropriations. However, many wary eyes must necessarily have occasionally cast furtive glances toward the November elections.

The entire fabric of our American way of life, whether political, economic, or social, is so interrelated that the weakening of one must inevitably affect the other. Our free-enterprise system, together with all of the rights which we have enjoyed under our Constitution, depends in large measure on the maintenance of a sound and stable governmental fiscal policy. The level of taxes which we impose upon ourselves must be determined with that end in view. I know you share with me the conviction that such a policy is essential to our individual and collective security, safety, and well-being.

How Bad Is the Record, Mr. President?

EXTENSION OF REMARKS

OF

HON. DANIEL A. REED

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, July 26, 1948

Mr. REED of New York. Mr. Speaker, the record made for the veterans by the Eightieth Republican Congress so bitterly condemned by President Truman speaks for itself.

If this record is so bad why did not the President veto the bills carrying the following benefits? I insert them as published in the Washington Daily News of July 26, 1948:

VETS' WIDOWS, ORPHANS, DEPENDENTS GET NEW BENEFITS STARTING SEPTEMBER 1

(By Douglas Larsen)

Veterans' widows, orphans, and dependents will get most of the benefits of the veteran legislation passed in the closing days of the Eightieth Congress.

Starting September 1, Veterans' Administration checks to dependent widows, orphans, and parents of veterans killed during the war will be increased according to this table:

	Old	New
Widow:		
No child	$60.00	$75
1 child	78.00	100
2 children	93.00	115
3 children	109.20	130
4 children	124.80	145
5 children	140.40	160
No widow:		
1 child	30.00	58
2 children	45.60	82
3 children	57.60	106
4 children	69.60	126
5 children	81.60	146
Dependent mother or father	54.00	60
Dependent mother and father, each	30.00	35

These increased rates will be made automatically by VA. No application is necessary and no additional forms need to be filled out.

BRAND-NEW BENEFIT

Another new law provides payments for the dependents of certain disabled veterans. This is a brand-new benefit which the veterans organizations led by the Disabled American Veterans have been trying to get passed for a long time. It applies to all veterans with a 60 percent or more service-connected disability who have dependents. Following is the scale for veterans with 100 percent disability:

Wife, no child	$21.00
Wife, 1 child	35.00
Wife, 2 children	45.50
Wife, 3 or more children	56.00
No wife, 1 child	14.00
No wife, 2 children	24.50
No wife, 3 or more children	35.00
Mother or father, either or both dependent upon veteran, each	17.50

Other veterans with not less than 60-percent disability will receive the same percentage of these dependency payments as they are at present receiving in disability compensation. The VA will supply application blanks for these new benefits which will start September 1.

Earlier in the Eightieth Congress two bills were passed which directly affect a great number of veterans. They raised the payments to vets going to school and those taking on-the-job training more than 15 percent. These increases have been in effect for several months.

INSURANCE EXTENDED

Another law which affects a large number of veterans extends the life of GI term insurance for 5 years. Without this act all veterans would have had to convert their term policies into one of the six available permanent forms of life insurance. Those veterans who take advantage of this extension, however, will have their premiums increased slightly up to the premium rate applicable for their age at the time of the renewal. The VA will handle this automatically for the men who have term policies in force and who want to keep them up.

Here is a list of most of the other laws passed by the Eightieth Congress which directly affect veterans:

FOR CERTAIN DISABLED VETERANS

The Government will now provide up to 50 percent of the cost of specially constructed homes for veterans who are paralyzed below the waist.

The deadline for amputees applying for new cars was extended to June 30, 1949.

The payments to veterans who incurred disabilities in peacetime were increased to 80 percent of the wartime rate.

VA's fund out of which advances are given to disabled veterans who start job training was increased to $3,000,000.

VA was given $1,000,000 for research to develop new prosthetic devices.

FOR OPERATION OF VA

A system of internships is now provided for the Department of Medicine and Surgery. The construction of hospitals and the continued operation of offices was provided for the Philippine Islands for the use of Philippine veterans.

MISCELLANEOUS

A service-connected disability was automatically established for certain tropical diseases which are shown to exist 1 year from discharge.

Lenders were permitted to find a secondary market for housing loans given to veterans.

FOR OTHER THAN WORLD WAR I AND WORLD WAR II VETERANS

Pensions to dependents and veterans of the Spanish-American War, Indian wars, and Civil War were increased 20 percent.

Gangsters Return to Prison

EXTENSION OF REMARKS
OF

HON. CLARE E. HOFFMAN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, July 26, 1948

Mr. HOFFMAN. Mr. Speaker, President Truman has had much to say about the Eightieth Congress. He first characterized it as the worst ever. Then he amended that statement by saying it was the second worst.

The trouble with Mr. Truman is that he forgets that much of the program which he has been advocating was repudiated by the people at the 1946 election. and that this Congress is working, not under his orders, but under the orders given them at that time.

He has done what he could to sabotage the program endorsed by the people in 1946. He knows that he has been a failure in many respects, that his foreign policy has brought us to the verge of world war III, given us living costs which are completely out of the reach of many, and bankrupted us nationally so that today a dollar will purchase no more than did 30 cents in years gone by. In addition to messing up our domestic and foreign affairs, those under his control have been guilty of some most reprehensible conduct. Let me cite just one example.

The Parole Board appointed by the Attorney General, who was appointed by Mr. Truman, granted paroles to five gangsters, former members of the Capone mob of Chicago, after they had been sentenced to prison for 10 years, having been convicted of an attempt to extort more than a million dollars from the motion-picture industry. This same outfit had extorted something like a million dollars from members of various unions.

Nevertheless, the Parole Board, without any legitimate reason, let these gangsters out of jail within a few days after they became eligible for parole.

When complaint was made to a congressional committee, of which I happen to be chairman, I appointed a subcommittee which held hearings, made a report to the full committee, alleging that the paroles were improvidently granted and should be revoked. That report was adopted by the full committee without objection.

As a result of the hearings of the subcommittee, the paroles were revoked last week. Two of the ex-convicts are back in jail and no doubt, shortly, the others will be.

These paroles were obtained, in large part, through the efforts and influence of one Paul Dillon, a personal friend of President Truman, and of Maury Hughes, a personal, long-time friend of United States Attorney General Tom Clark, who appointed the members of the Parole Board.

It took not a little time to lay bare the facts, to give them publicity, and to force the hands of the Parole Board. A congressional committee did that job and, quite naturally, the fact that activities of the friends of the administration, and at least one friend of the President, having a part in the release of these convicts, were given publicity, did not endear the committee or the Congress to the President.

It may well be that the failure of Congress to act as a rubber stamp for the President, its independence, and its insistence that the people's money be spent with some degree of reason, influenced the President in his attacks on Congress.

All in all, the Eightieth Congress has done a worth-while job and if, in November, the people will endorse its actions, no doubt we will be on the road back to peace and prosperity.

Newspaper comment on one phase of the return of the parolees to prison is exemplified by the following article from the Chicago Tribune of July 25, 1948:

CAMPAGNA, GIOE BACK IN PRISON; NEW PROBE ON—"PAY-OFF MAN" HUNTED IN PAROLE SCANDAL

(By James Doherty)

How and why four notoricus Capone gangsters were given Federal paroles still was considered an unsolved problem yesterday by a congressional committee as two of the gangsters were put back into cells at the Atlanta, Ga., prison. Representative CLARE E. HOFFMAN, Republican, of Michigan, and Representative FRED E. BUSBEY, Republican, of Illinois, said the reimprisonment of Louis Campagna and Charles Gioe as parole violators stressed the failure of authorities to find the "pay-off man."

Gioe, who was seized in his Chicago apartment at daybreak Friday, was checked into the prison shortly after midnight. Campagna, who evaded arrest at his Michigan estate to gain a habeas corpus hearing in Chicago, was back in a cell at lunchtime yesterday.

MANY THINGS UNEXPLAINED

The two Congressmen who led the fight to put the gangsters back in the penitentiary and get details of the "million-dollar paroles" said the story is only half told. HOFFMAN, chairman of the House Committee on Expenditures, a subcommittee of which has been delving into the paroles for the last 11 months, and BUSBEY, who represents a Chicago district, said they wanted to know:

1. Why no parole violation warrant was issued for Phil D'Andrea, who, with Paul Ricca, gang boss, went to prison with Campagna and Gioe in 1944 and was paroled with them last August 13.

2. Why a parole violation warrant was issued for John Rosselli, west coast agent of the Capone gang convicted with the four Chicagoans on a charge of extorting more than a million dollars from motion-picture producers, and paroled with them.

SEEK FINANCIAL SOURCES

3. Who financed the paroles which came only after unidentified persons had paid $128,000 to settle income-tax liens of $670,000 against Campagna and Ricca, and after a million-dollar mail-fraud indictment against all the gangsters was dismissed.

4. Who used the name of Mike Ryan in hiring Maury Hughes, close friend of United States Attorney General Tom C. Clark, to have the indictment dismissed as a preliminary step toward their paroles.

5. What arrangement was made for a "vote delivery" as part payment for the release of the Chicago gangsters.

6. What Government officials had advance knowledge of parole negotiations.

7. What explanation was made to high Government officials concerning the release of the gangsters who belonged to a Nation-wide gang and had powerful political friends here and in other cities?

WONDER WHO INTERCEDED

The Congressmen said the paroles were a gross miscarriage of justice. HOFFMAN said he would like to know who counseled the three members of the Federal Parole Board regarding release of the four men.

Here is some history that bears on the case:

Al Capone, Brooklyn gunman, found a profitable field in Chicago when prohibition came in 1920. He started as a bodyguard for Big Jim Colosimo, a powerful first-ward politician, brothel keeper, and cafe owner, who was killed a few years later.

CAPONE BRANCHES OUT

Capone soon opened a dive of his own, the notorious Four Deuces at 2222 Wabash Avenue. Then, in collaboration with Johnnie Torrio, Capone started a bootleg gang.

Beer, booze, gambling, vice, and other crimes made the gangsters rich, but one by one they went to prison for income-tax cheating. Capone, the murderous boss, went to prison in 1931, convicted by Dwight H. Green, now Governor of Illinois, and George E. Q. Johnson, later a Federal judge.

Repeal, in 1934, ended the flow of gold to the Capone pirates who, after Capone went to jail, took orders from Frank (the enforcer) Nitti. Nitti, in turn, was succeeded by Ricca, one of those involved in the parole scandal and who is still at liberty pending a court hearing September 20.

TURN TO KIDNAPINGS

The Capone gang took a few flyers in kidnaping important persons when the liquor racket ended. Next they found it was easier and more profitable to take over unions. Many union officials were killed or cowed into submission.

George Browne was a small-time union official who "managed" the stage hands union. After Browne met Willie Bioff, a pander who had worked for Phil D'Andrea, the pair "shook down" Chicago motion-picture theater owners for sizable sums on threats of strikes.

Nitti, who had set himself up as emperor of the underworld, soon learned of the theater extortions. Browne and Bioff were commanded into the presence of Nitti.

"From now on you bring me half of what you get," Nitti reportedly told them.

SEATS BROWNE AS CHIEF

Nitti soon decided to make Browne president of the International Alliance of Theatrical and Stage Employees. He let it be known that it would be unhealthy to elect anybody but Browne.

Browne was elected in 1934 and there followed a continuous flow of gold to Chicago headquarters. Bioff was designated as Browne's special representative in New York City. John Rosselli, whose parole is up for revocation, was designated to act for the gang at Hollywood. Nick Circella, alias Dean, collected cash in Chicago from the film theater industry.

Nitti's demands for more cash were so compelling that Browne, Bioff, and Circella kept "biting" the film industry harder and oftener. Strikes were called, then settled for larger sums. Soon the extortionists had the motion-picture executives doctoring their books to hide the blackmail.

Joseph Schenck, chairman of Twentieth Century-Fox, was sentenced to prison for his efforts to cover up huge payments to Bioff.

Next, Nitti demanded and received two-thirds of all the money he knew that Browne, Bioff, and Circella collected.

DEMANDS CAUSE BLOW-UP

The blow-up came when the picture magnates were told to dig up $2,000,000 for Nitti, Ricca, Campagna, and the other Chicago gangsters. Twentieth Century-Fox, Loew's, Inc., Paramount, and Warner Bros. were

assessed $550,000 for the immediate needs of Browne and Bioff.

One of the picture makers, whose name is still a secret, finally asked the Federal Government to intervene. After a few years' delay, in which there was a ruling that the antitrust laws did not apply to labor unions, the Government indicted the extortioners in New York City.

Browne, Bioff, and Circella were convicted and received heavy sentences. Then Browne and Bioff, to save themselves, became Government witnesses.

Nitti killed himself the day he was indicted, March 19, 1943. That made Ricca the head man. But he, too, was indicted and eventually went to jail. Tony Accardo made frequent illegal visits to Ricca to get his orders.

RESISTED EXTRADITION

The Chicago mobsters resisted extradition to New York. They used all the money, political, and union power at their command to avoid trial. On December 22, 1943, they were found guilty of conspiracy to extort more than a million from the film people.

A second indictment charging them with stealing more than a million from the union—money raised by assessing members 2 percent of their pay over a long period—remained on the court docket.

Attorney Boris Kostelantez, who had presented all the evidence, urged the court to impose maximum sentences.

ASK COURT TO GO EASY

Their own lawyers told the court that Ricca, Campagna, Gioe, and D'Andrea were of such bad repute that no parole board would ever consider shortening their sentences. They asked the court to go easy.

Judge John Bright, who died early this year, said he knew of no better way to safeguard unions from future marauders than to impose heavy sentences.

"Ten years in prison," Judge Bright said in the cases of Ricca, Campagna, Gioe, D'Andrea, Rosselli, and Francis Maritote, alias Frank Diamond, brother-in-law of Capone and the one man of the gang who didn't get out on parole. They were locked up on December 30, 1943, but did not get to the Atlanta penitentiary until April 7, 1944, due to appeals.

SENTENCES UPHELD

The United States circuit court of appeals affirmed the sentences and the United States Supreme Court refused a review. Their only hope of getting out in less than 10 years, except for time off for good behavior, was in the President or the Federal Parole Board.

Meanwhile, the Treasury Department began figuring how much Ricca and his pals owed in income taxes on the shakedowns. Prosecutors said they were able to account for $1,800,000 collected by Browne and Bioff, $1,200,000 of which went to the Nitti-Ricca combination.

Liens, which, with interest, amounted to $670,000, were pending against Ricca and Campagna when negotiations were underway for paroles for the mobsters in the spring of 1946. The Government later waived the usual requirement that a person receiving parole make restitution to his victim but it was not probable that a parole board would dare free convicts who owed such a sum to the Government as payment of tax on the proceeds of crime. So a settlement of the Government's claims was made for $128,000. Lawyers had persuaded the Treasury Department to take less than the $670,000. The Government marked the bill paid when on November 1, 1946, Attorney Eugene Bernstein, of Chicago's twenty-fourth ward Democratic organization, gave checks for that amount to the collector at Chicago.

INDICTMENT IN WAY

The gangsters could not apply for parole until they had served one-third of their sentences. The board said their eligibility date was July 7, 1947. But the mail fraud indictment was still on the court docket in New York City. The indictment was based on the mulcting of 46,000 union members.

This indictment was secretly dismissed on May 7, 1947, by permission of Attorney General Clark, on motion of the Government, and with the name of no attorney for the convicts being on record. Later it was admitted that Attorney Maury Hughes, of Dallas, Tex., who grew up with Clark, received $15,000 for his part in having the indictment dismissed. He said the "pay-off gent" was a Chicago Italian who used the name of Mike Ryan.

No notice was given the public that the Government contemplated granting the paroles. But the Chicago Tribune exposed the release and told how it was effected. The Chicago Crime Commission, Police Commissioner Prendergast, and numerous other officials and agencies protested. The paroles were termed a scandal, an outrage and a national disgrace. Demand was made that the paroles be canceled.

FINDS CLARK EVASIVE

Representative BUSBEY wrote to Clark, and asked if he had advance knowledge that the men were to be set free, and if he approved the paroles. BUSBEY said Clark was evasive.

The Attorney General ignored his own part in making the paroles possible by authorizing the dismissal of the mail fraud indictment, BUSBEY added, and then sought to avoid responsibility by saying the parole board "is an autonomous body."

BUSBEY contends the parole board does not have autonomy. President Truman and Clark, by their refusal to cooperate with Congress have convinced HOFFMAN and BUSBEY that they have not got the answer yet to their original question, "Who is responsible?"

The fact that Attorney Paul Dillon, of St. Louis, described as a welcome visitor at the White House, appeared before the parole board in behalf of the gangsters should have caused President Truman to order an open investigation, the Congressmen contend.

The Hoffman committee held numerous hearings. It decided that the paroles should be revoked.

Last Wednesday the committee held a hearing in Chicago but subpenas for Peter Fosco, Ned Bakes, and Tony D'Andrea to appear as witnesses were unserved. The United States marshal's office reported they were out of town. Fosco is a Democratic committeeman in the first ward and a representative of the hod carriers' union. Bakes is a lieutenant of Fosco. Tony D'Andrea, a brother of Phil, is president of the Construction and General Workers District Council of Chicago.

BUSBEY said these three might have the answer to the question about whether a vote delivery figured in the parole negotiations.

"We'll have them in Washington, soon," HOFFMAN said, "for testimony before the congressional committee."

Nomination of Harold E. Stassen for President

EXTENSION OF REMARKS

OF

HON. WALTER H. JUDD

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 26, 1948

Mr. JUDD. Mr. Speaker, under leave to extend my remarks, I include my speech at the Republican Convention in Philadelphia June 24, 1948, placing in nomination for the Presidency of the United States the name of Harold E. Stassen, of Minnesota:

Mr. Chairman, fellow Americans, fellow Republicans, this is no ordinary political convention. The Republican Party, more surely than at any convention since the one which nominated Abraham Lincoln in 1860, can save this Nation—and a free world.

Whether it will or not depends on whether we here nominate as our candidate for the Presidency that man who is best qualified to lead us and the country in the next 4 years, and who is surest to win in November.

This 1948 election is not in the bag.

We must look beyond the walls of this convention hall. It takes a majority of only 1,094 delegates to nominate—here in this convention. But it takes a majority of over 60,000,000 voters to elect next November.

Those American voters are the final judges of our handiwork. Make no mistake about it—they are reserving their decision. They will await the full evidence. And their judgment will control.

Ever since our convening, headlines have screamed of deals, trades, manipulations. Let us recognize soberly that this is not an atmosphere which breeds victory with the people. They will not be bound by any deals or commitments here. They do not yield their independence to anyone.

I am proud to have the high privilege of placing in nomination before you the name of a man who has taken his case frankly to the people and won it with the people—has won their overwhelming support wherever, in primary elections or polls, all the people, independents as well as Republicans, have had opportunity to express their preference.

Careful analyses of all recent popular polls of public opinion reveal that this man would win next fall at least 5,000,000 more votes than his strongest rival for the Republican nomination. Furthermore, his leadership of the ticket would assure the election of a Republican Senate and House and would greatly aid Republican success in every State, county, and township in the land.

America must have a President of vision and forthrightness, integrity and courage, statesmanship and stature, one who can act before trouble starts instead of struggling painfully to straighten out a mess after it has happened.

A President of great physical and mental vigor, seasoned by wide experience in many fields.

Our candidate would be such a President.

The most important of any man's qualifications is his character, his personal integrity. Through a good many years of rather close association with this man, I have never known him to make a decision except on the basis of what he thought was right. He is a man of deep religious convictions. He knows that this is a moral universe in which it is not possible to get good by doing evil, or to get justice by aiding injustice.

He understands America, its basic philosophy, its institutions, its people, and has faith in them.

He understands every problem of American agriculture. He was born and brought up on the Minnesota farm which his father and mother still live on and operate.

He understands American labor. He worked his way through college at jobs ranging from night work in a bakery to pullman-car conductor. As Governor of Minnesota he transformed our State from one of the two worst spots in the country for violence and bloodshed in labor strife, to the best spot with not a day lost by strikes in any Minnesota war industry from Pearl Harbor to VJ-day.

Labor opposed him vigorously in his first campaign. But it soon discovered that while he was not prolabor, he was not anti-

labor. He was what a chief executive ought to be—firm, but fair, impartial, and dependable. Labor wisely realized that was in its own best interests and supported him in the next two elections.

He understands American business and our philosophy of enterprise and initiative.

He understands the American form of government and our political system from the precinct and township up. He has proved himself a superb administrator.

He would apply to our Federal Government the same principles of sound administration which he instituted so successfully in Minnesota.

He knows how to cooperate with the legislative branch of government. Teamwork to him means two horses pulling together equally—not one horse riding the other.

He understands the world in which we live and America's place in it.

He knows war first hand. He participated in it. For 30 months he lived with America's young men in fierce battle and in lonely isolation. He understands their needs and problems as no other candidate can.

He understands the grave problems of trying to make and maintain a just and enduring peace. He knows all our domestic gains will go by the board if we bungle into another war.

He was called back from naval service to be one of our delegates to the United Nations Conference at San Francisco and was rated there by hard-boiled newspapermen as one of the two most outstanding statesmen at the conference—not just from the United States, but from all the world.

He understands and has faith in the American people. He knows that clever evasion of fundamental issues and straddling to gain votes rather than to solve problems, undermine the very foundation of the Republic—the faith of the people in the integrity of their Government.

Each of the other Republican candidates has some of the essential qualifications I have discussed. No other has them all.

For months he has gone up and down our country speaking plainly to the people themselves—defining clearly and frankly a program for the future of America. He has reached them directly as no other person in our time. He has done more to revitalize and invigorate the Republican Party throughout the whole country than any other person in our generation.

And the people—who may not be able to control nominations but do decide elections—have cast more votes for him in primaries than for any other candidate. He is a master campaigner. He has the capacity to inspire enthusiasm and loyalty. The polls show that he will be by far the strongest Republican against the present occupant of the White House or against any other candidate the Democrats may nominate.

That brings us to the heart of the matter. The real job of this convention is to choose the man who is surest to get elected, who will win most votes—not just from Republican delegates in this convention, but from all the people next fall.

No political party has 31,000,000 voters which is what we must have to win. There are 15,000,000 independents who vote for a man and not for a party. The man who can get the majority of those 15,000,000 independents is the man who will be elected. The candidate whom I nominate is their acknowledged favorite.

He will get all the regular Republican votes that any other Republican will get.

In addition he will get more farmer votes than any other Republican.

He will get more labor votes than any other Republican.

He will get more veteran votes than any other Republican.

He will get more votes from women than any other Republican.

He will get more votes from the 6,000,000 young men and women who this year are casting their first Presidential ballot and have not yet decided to which political party they will give adherence. If our party is to live and grow, we must win America's youth for the Republicans this year.

He will get more independent votes than any other Republican. These are the votes that will decide the election. I speak for those Republicans who are tired of winning in June and then losing in November. Let us not underestimate once again the power of the machine entrenched in Washington for 16 years. It has millions on the pay roll. It can easily engineer about next October a threat of war or negotiations promising peace in our time, a la Mr. Chamberlain. Millions of our people, in fear or in hope, can be persuaded not to change horses at such a time, unless we nominate here the strongest candidate the party has. It is suicidal to imagine this campaign will be a walk away, that we can win with anyone.

It is an extraordinary fact that the supporters of almost every other candidate want our man to be their Vice President. Why? So that his strong appeal and vigorous campaigning can elect their man President.

Fellow Republicans, that is not good enough. We cannot ignore the first choice of the people now and expect them to support us in November.

And it is not enough just to win the Presidency. We must name the candidate who can help most to win the House and Senate. In 1946 our candidate saw the vital importance to our country of electing a Republican Congress. On his own initiative he worked tirelessly in many pivotal States and crucial congressional districts, especially city districts, where the shift of only a few thousand votes decides the election.

We hold those pivotal States and districts today by a very narrow thread. Eighteen Republican Senators will contend for election in States which are subject to doubt next November. Loss of any 4 of the 18 would result in control of the Senate by the opposition. Those campaigns need the help of our strongest possible national leader.

We have just fought a terrible war to win the chance to build again a strong America in a decent, orderly world; to defend and strengthen those great principles by which alone free men can live and govern themselves.

Our candidate understands and lives by those principles as well as any person I have ever known. On the night before he left the governorship of Minnesota for active service in the Navy he was presented with a memorial plaque by men and women representing 45 State-wide organizations.

His spontaneous statement in accepting the plaque tells far more about him than any words of mine can.

He said, "You have been kind in your reference to my overcoming obstacles. Let me respond that I have had the basic advantage of having a truly great father and mother, a childhood home of fundamental religious convictions, a good education in an atmosphere of academic freedom, a beloved partner at my side whose contribution words cannot describe, and residence in a country in which freedom and liberty and opportunity have real meaning. Measured alongside these advantages, nothing is worthy of being called an obstacle or a handicap."

Those simple words reveal an American truly big enough for the great task to which we must call him.

In this hour of crisis only the Republican Party can save this Nation and lead it, under God, into a new birth of freedom. But to do that, it must have new young leadership—strong, constructive, forward-looking, sound leadership—that can win not only in 1948, but in 1952.

Before you cast your ballot, I beg you to hear again the voices of the people back home. As they sit beside their radios listening thoughtfully, who is it that they want us to select to lead them in these troubled times? Do you hear their voices—the voices of the people?

Whom do they want?

The Republican Party cannot save the Nation unless it gets elected by those people. It will not be elected by them unless its candidate is the man they want—the man who will win their votes.

We cannot afford not to nominate that man.

Fellow Republicans, the greatest service our party can render to the Nation in this solemn hour is to select as our candidate for the Presidency of the United States the man whose name I now have the honor to place in nomination—my distinguished fellow-Minnesotan—statesman, leader, fighter, believer in men—the man America needs and wants—Harold E. Stassen.

Hon. James Forrestal

EXTENSION OF REMARKS

OF

HON. MARGARET CHASE SMITH

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Monday, July 26, 1948

Mrs. SMITH of Maine. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Portland (Maine) Press-Herald of July 21, 1948:

OUGHT TO KEEP HIM

When—it is hardly necessary to put in an "if"—Governor Dewey is elected President next fall, he will have about 10 weeks in which to select his Cabinet. It is a foregone conclusion, of course, that the Snyders and the Clarks, and practically all the rest of the present Cabinet will go out of office with Mr. Truman. There are reasons why Secretary of State George C. Marshall might well be retained; but it is known that he is disinclined to serve, and is, in fact, eager to relinquish the wearing job which his sense of duty led him to accept.

Perhaps there is reason for keeping Postmaster General Donaldson; as a long-time resident of Washington in the Post Office Department he had no particular political affiliations. Besides, he is a career man who has come up from the ranks, and has impressed those who know him as a man of ability, a great improvement over the type of politicians who traditionally have inherited the office, generally the campaign managers, or chairmen of the National Committee of the party in power.

What Mr. Dewey will do about Mr. Donaldson remains to be seen. But there is one man in the Truman Cabinet who richly deserves to be retained. That is James Forrestal, Secretary of Defense. He has won the confidence of the country for his alert, vigorous administration of this new and exceedingly important office—an office that, in the present state of affairs, has become more important than ever. Mr. Forrestal has had to work under difficulties; he has had to spend a large part of his time coordinating the three presumably coequal branches of defense—Army, Navy, and Air Force—which have tried hard to go their own way, and have not scrupled to go over the Secretary's head whenever they chose, either to the Congress or to the President.

This presently will be straightened out, and the Secretary of Defense will be recognized as the big boss of all three departments under him. Given this kind of set-up, Mr. Forrestal's great ability would be able to do something besides harmonizing conflicting ideas and plans.

When he was called to the helm, he was hailed by men of both parties as a "natural" for the job. He is even more a natural now, with the experience he has had. His selection as Secretary of Defense in the Dewey Cabinet—if he could be prevailed upon to continue—would meet with hearty approval in Congress and out. And it should meet with hearty approval. Mr. Forrestal's work has merited it.

One Great Speech

EXTENSION OF REMARKS
OF
HON. ROY O. WOODRUFF
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Monday, July 26, 1948

Mr. WOODRUFF. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following press release by Hon. Samuel B. Pettengill, former Representative from Indiana:

ONE GREAT SPEECH

In the combination of circus and revival meeting which is a political convention, one expects the honeyed fishhooks of a Mrs. Luce and the "bosses, boodle, buncombe, and blarney" of a keynoter Governor Green. All parties use them. They help to let off steam. And after 15 years of permanent crisis, the GOP was in need of a binge.

It would have been tragic, however, if the Republican convention had not heard one truly great speech. It did. Former President Hoover rose to the height of this great argument. He alone sketched the wide horizons where men are fleeing from freedom to be slaves. Only in Switzerland, Scandinavia, Denmark, Ireland, Canada, and the United States are men and women living in a relatively free society. Elsewhere, the dark eclipse of autocratic government covers the globe.

Mr. Hoover made the best speech of his long career. In it was wisdom and strength and love of country. It had something of the dignity of Washington's Farewell Address, and the lift to the souls of men of Lincoln's words at Gettysburg.

There was no name-calling here. Nothing sordid or shallow or cheap. Mr. Hoover was not playing politics. He was pleading for his country and "the last best hope of earth." He paid his tribute to those patriotic Democrats elected in 1946, as well as to the Republicans. It was, he said, an election where "the people showed the first turn from collectivism made by an important nation in recent years."

As was said of a great English statesman, "In his fidelity to principles he put to shame the brittle loyalties of party."

"You are here," Mr. Hoover said, "to feed the reviving fires of spiritual fervor which once made the word American a stirring description of a man who lived and died for human liberty, who knew no private interest, no personal ambition, no popular acclaim, no advantage of pride or place, which overshadows the burning love for the freedom of man. * * * If you produce nothing but improvised platitudes, you will give no hope. If you produce no leadership here, no virile fighter for the right, you will have done nothing of historic significance. If you follow the counsel of those who believe that politics is only a game to be played for personal advantage, you are wasting your time and effort. If you will calculate what will please this or that little segment of our population, and satisfy this or that pressure group or sectional interest, you will be betraying your opportunity, and tragically missing the call of your time."

Such words go beyond politicians into the homes of men. They go where churches are, and where children are, and the hopes of fathers and mothers. Peasants in far-off lands may stand straighter because of words like these. In their echo, a review of Mr. Hoover's human errors is as inappropriate as a discussion of the faults of a wounded soldier on the battlefield.

This was the speech of a patriot. In the tremendous applause which greeted it, the Republican Party honored itself. Millions of other Americans must have joined in. "Even the ranks of Tuscany could scarce forbear a cheer."

SAMUEL B. PETTENGILL.

Not Always What They Seem

EXTENSION OF REMARKS
OF
HON. CLARE E. HOFFMAN
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Monday, July 26, 1948

Mr. HOFFMAN. Mr. Speaker, many organizations come to Congress with proposals calling for grants of Federal money and authorization of power; the money to be expended and the power to be exercised by the joint action of the States and the Federal Government.

Practically all have desirable objectives and all tend to give Federal bureaucrats a greater measure of authority over local functions than have heretofore been exercised.

One such proposal urgently pressed upon the Eightieth Congress was that designed to extend Federal aid to education. Every intelligent person realizes the necessity for, and is in favor of, an educational system which will make each of our people familiar with our system of government, what it has accomplished for us, and cognizant of the advantages which, rightly administered, that system has given to our people.

Intelligent people also know that ignorance and ignorant people are a menace to their neighbors and to the government under which they live, if it be one such as we have.

However, proposals are not always what they seem. We all oppose sin, but some of the measures designed to lessen sin do not have that effect.

There is in the minds of loyal thinking citizens a question of the advisability of changing our constitutional system by depriving local communities and States of the powers retained by them when the Constitution was adopted.

The old Constitution, much as it has been ridiculed and disparaged, greatly as it has been misused and maladministered, is still the guide which gives to the common man the most of everything desired by him.

Most people are familiar with the arguments for Federal aid to education.

From the Sturgis Journal of July 19, published at Sturgis, St. Joseph County, Mich., a typical American city of some 10,000 people, comes the following editorial which should cause each of us to give consideration to both sides of this question of extending Federal aid not only to education but to many other activities for which it is sought.

The editorial reads as follows:

FEDERAL AID TO EDUCATION, AND WHAT IT MEANS TO UNITED STATES

For several years a well-organized lobby in Washington has been trying to inveigle Congress into appropriating huge sums of money for what is known as Federal aid to education.

Few people realize the true intent of this lobby. Its real purpose is not to aid education, but to control it.

The right of State and local control of education was considered so basic that the founding fathers of this Nation did not consider it necessary to guarantee that right in the Constitution.

Today that right is in danger of being usurped by money-hungry office seekers attempting to capitalize on political promises which are impossible to keep.

Whenever Federal aid is accepted by States and localities freedom is lost. Federal bureaucrats infiltrate the local scene bringing their standards, regimentation, and waste.

There is already too much uniformity in United States education. Why should a farm boy of Michigan study the same subjects as a student in New York City? Their problems and their lives will be different, and they must be equipped with different educational tools.

If States accept Federal grants-in-aid, the freedom of setting standards for teachers and classroom work, for example will be torn away from the ordinary citizen, and will be concentrated in Washington, where it probably would remain forever. Once ensconced in the Federal stronghold, freedom would perish through the blood-sucking of Federal control, which would expand and grow stronger as freedom faded and died.

Many citizens and students of government are asking themselves today: Just how far can the Federal Government go in taking over the activities of the States?

Representative RALPH W. GWINN of New York recently told the House of Representatives that education is strictly within the province of the State and locality. If local self-government surrenders this responsibility it is doomed, GWINN said.

GWINN, who is a native of Noblesville, Ind., a graduate of DePauw University and now a lawyer residing in Bronxville, N. Y., says that States are learning that Federal aid is no aid at all. The Indiana Legislature has passed a resolution which says: "We have taken a good look at Federal dollars and find that they all lose weight on their journey to Washington and back home again."

This is because bureaucrats and dead-timber Federal sinecurists lap up most of the gravy on the infamous Federal gravy train. More office seekers are trying to hitch a ride on the gravy train through what they call Federal "aid" to education.

Representative GWINN calls attention to the fact that no State legislature or group of private citizens has asked Congress for Federal school aid. The wail for more taxpayers' dollars has screeched from the throats of three pressure groups and lobbies in Washington.

The first group is the education lobby constantly present in the Capital seeking centralization of all powers. The second group is a collection of innocent idealists who believe they can legislate goodness into spirit and personality as well as material affairs. The third bloc is made up of active and fanatic planners whose jobs are often made se-

cure only by spending the taxpayers' hard-earned cash.

The largest registered lobbyist for Federal aid is the National Education Association. It has a membership of 386,643 paying dues for the year ending May 31, 1947, of $1,138,100. Their headquarters and personnel are greater than the Republican and Democratic Party headquarters combined.

Representative GWINN emphasizes that these groups are more interested in securing control of local education than they are in securing Federal aid for it. He says:

"Imagine what will happen when a million school teachers, tens of thousands of janitors and assistants, all educational personnel, have become the direct beneficiaries of appropriations which might get by such organized pressure politics. Will they not quite generally support the candidates for Congress who make the biggest promises? Each succeeding election our central Government will become more nearly controlled by employees and beneficiaries from appropriations. It is the vicious circle of statism. Add to the present 2,000,000 Federal employees a million Government-controlled or influenced teachers and public school personnel and you have attained the socialized state, which you will probably have to keep indefinitely."

If we are to maintain local individuality and cultural independence we must guard ourselves against the ominous yoke of Federal control.

Federal aid to education will encroach upon our freedoms. It will not benefit our schools. The "school" money received by the States will amount to less than the "school" taxes siphoned from it. Pressure groups are making big and foolish promises in order to gain control of United States education. The public must not be fooled.

Nicholas Murray Butler, the last president of Columbia University, once said:

"There is not enough money in the United States, even if every Federal dollar of it were expended on education, to produce through Federal authority, or through what is naively called cooperation between the Federal Government and the several States, educational results that would be at all comparable to those that have been already reached under the free and natural system that has grown up among us.

"Unless the school is both the work and pride of the community it serves, it is nothing. A school system that grows naturally in response to the needs and ambitions of a hundred thousand different communities will be a better school system than any which can be imposed upon those localities by the aid of grants of public money from the Public Treasury, accompanied by Federal regulations, Federal inspections, Federal reports, and Federal uniformities."—R. E. H.

President Truman's Acceptance Speech

EXTENSION OF REMARKS
OF
HON. WILLIAM T. BYRNE
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, July 26, 1948

Mr. BYRNE of New York. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following letter from a recent issue of the New York Times:

PRESIDENT'S SPEECH PRAISED—IT DEMONSTRATES, WRITER DECLARES, A CONCERN FOR THE COMMON PEOPLE

To the EDITOR OF THE NEW YORK TIMES:

To one American listening at 2 o'clock the other morning to the acceptance speech of President Truman, the impression received was that of hard-hitting words of honesty and sense spoken at last, after a great deal of mere old-fashioned oratory in both conventions, and, in the Republican convention many snide insinuations.

President Truman presented the Eightieth Congress in its true colors. If the Republican platform means anything at all, it will be proved—or disproved—by the special session he has called with a feeling of deep responsibility to the people of this country and a desire to see whether those who believe themselves so admirably fitted to legislate for us for 4 more years really mean it.

Suddenly the little man at whom everybody has been sneering stepped forward easily—almost jauntily—as a first-rate fighting man who had always meant what he said and tried his utmost to work for the benefit of the common people of the United States, for the farmer, the laboring man, and the man of small business. The President spoke like a President, and one listener who had been very lukewarm toward him of late felt as many Americans must have felt who appreciate what we call "straight shooting."

What the Eightieth Congress has refused to do for price control, for housing, for the welfare of the ordinary American citizen, for health and for civil rights, Mr. Truman has labored to do with all that was in him. If his personality lacked somewhat in force and magnetism, and if powerful lobbies were too much for him, that does not affect the record.

The cost to the public of the latest Republican Congress has indeed been high; and all the campaign promises in the world will not expunge its record. Let us have a new kind of Congress of actively forward-looking men and women who can easily accomplish for the country the reforms Mr. Truman tried to carry on. Let us not slide backward again. And let us give recognition to a President honest and courageous with the best interests of the wage-earners of America at heart.

WILLIAM ROSE BENET.

CAPE ANN, MASS., *July 16, 1948.*

Democratic Inflation

EXTENSION OF REMARKS
OF
HON. ELLSWORTH B. BUCK
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, July 26, 1948

Mr. BUCK. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial by Raymond Moley, from the Chicago Journal of Commerce of July 21, 1948:

DEMOCRATIC INFLATION

(By Raymond Moley)

In the special session of Congress, inflation will be the toughest problem for the Republicans to meet. They cannot meet it by passing legislation. They cannot pass the anti-inflation legislation that President Truman wants without repudiating their own stand in July 1946, and in December 1947. And even if they passed Truman price controls, they could not provide relief before election. Their own remedies set forth in the Republican platform are good ones. But they cannot be applied until a Republican gets into the White House.

The best the Republicans can do is to try an educational campaign outside Congress and reveal to the voters the fact that the Truman administration is the real maker of inflation and that as long as it is in power there can be no relief.

Price controls in peacetime cannot be effective. The real ways to control inflation are matters of long-term policy. They include the reduction of Government costs, the stimulation of production, stable currency, reduction of the debt, and more efficient spending of what is collected in taxes. It is easy to see that these attacks on inflation cannot be effectively applied until the Republicans gain complete control of both legislative and executive branches of government.

This is true because the Truman administration has deliberately followed policies which have for 2 years increased the volume and danger of inflation.

The administration of the old price controls, before they died 2 years ago, encouraged a gigantic system of black markets. When Congress—and remember, it was a Democratic Congress—2 years ago presented the President with a price-control bill, he chose to let controls die on July 1 and reinstated a worse plan on July 21. This worked so badly that the Seventy-ninth Congress scrapped the whole system of controls less than 3 months later. The administration has, through its policies, encouraged wage increases in successive waves. But most of all, it has encouraged the rise in agricultural prices so that no means could be found now to repair the damage.

From September 1947 to the end of the year, the Truman administration promoted one of the greatest grain price booms in history. It did it by issuing scare statements about dire world shortages ahead, which, of course, had the effect of encouraging speculators and needy buyers to rush into the market. It did it by a gross underestimate of the grain crop abroad—a mistake which it had to acknowledge early in February of this year. It did it by predicting a meat famine in the spring of this year—a famine which did not materialize. It did it by crying out about the use of grain by distilleries, saying that grain is in short supply.

Before May of this year, the Department of Agriculture underestimated the supply of hogs. Despite the prospects of a bumper corn crop, the Department continues to anticipate higher meat prices for as long as a year. And yet, with a fine grain crop, poultry will be much more plentiful this fall, hogs will be of higher weight and more high-quality beef will be available.

All these are only a few of the facts which might be assembled by Republicans in answer to the charge that they are the prime makers of inflation.

Centennial Anniversary of Settlement of Frankenlust Township, Bay County, Mich.

EXTENSION OF REMARKS
OF
HON. ROY O. WOODRUFF
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Monday, July 26, 1948

Mr. WOODRUFF. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address delivered by me on the occasion of the centennial anniversary of the settlement of Frankenlust Township, Bay County, Mich.:

Fellow Americans, this happy occasion is, for me, far more than the remembrance of an historic event in the development of this fine American community. It is far more than a celebration marking 100 years of steady progress through hard work, thrift, and spiritual leadership. For all who know intimately the story of these 100 years, this

observance marks a truly symbolic milestone in the history of all that we know as the American way of life—the way of freedom, the way of individual responsibility, the way of law, and good will among men.

It was no accident of history that the new settlements in this region 100 years ago were led by men and women of singularly sturdy character and steady purpose. The beacon light of freedom and liberty under law had shone ever brighter from the shores of the American continent for some 200 years, and those in Europe who caught the sacred glow from afar would not rest until they had embraced for themselves and their loved ones the stimulating and exhilarating air of the New World.

Looking back over the trials and perplexities and vexations of this wonderful century, we know for a certainty—perhaps as we have never known before—that those who saw the promise of America in 1848 were inspired by a Divine guidance. For where is the land so blessed with abundance, so rich in moral strength and so firmly committed to the responsibilities of liberty under law? We are, indeed, fortunate people, and we do well on such occasions to acknowledge publicly and with all humility the beneficent Providence which has guided us to this bright hour.

It is hard for us to visualize this fortunate area a hundred years ago when the Reverend G. F. Sievers and his intrepid band of pioneers left Saginaw to lay the foundations for the new community of Frankenlust. One group ventured boldly through the woods in the direction of Bay City. The other portaged down the Saginaw River on a great scow of logs. The two groups did not meet that day, because the party on the scow found it impossible to navigate through the reeds and wild rice encountered in Squaconning Creek. But the next morning, July 5, the two bands of explorers and settlers came together on Stone Island, whence they took off together to the site of Frankenlust, where they determined to establish in the wilderness the new civilization of freedom—the civilization we honor today by rededicating ourselves to those fundamental virtues and attitudes which are the bedrock of American character and well-being.

Hardly had the community been established when the plague of typhoid fever struck. Most of the pioneers were stricken. Unable to build their frontier shelters in season because of this vicious disease, many still were without roofs over their heads when the frost came. It was, indeed, a testing time. But out of it came a community with a new zeal to make a success of the colony. Despite every obstacle a church building of logs was built the first year. It was 24 by 28 feet. The next year more settlers came. Eight years later the old log church was replaced by a larger and more commodious frame building. Before a decade had passed the colony was permanently established and had sent out new bands of pioneers and missionaries to other areas in the vicinity.

We recall this history not because it was unusual in America a century ago but because it affords us a keener appreciation of the great heritage which is ours. Sometimes we are inclined to be unmindful of the full significance of our privileges and opportunities as freemen in a Christian land. The doors of opportunity toward which our children strive with such confidence and spirit have been many centuries—not just 100 years—in the making. The doors of opportunity which beckon America today were first mere visions in a pagan world. From the vision the substance was wrought generation after generation by grueling work, by patience, by fortitude, by determination, and by a spirit in men and women which did not know defeat.

True, the last century has brought us many things. In less than three generations we have moved from the first railroad through the age of steam and the age of electricity to television, jet propulsion, and atomic energy. But all of these things of substance are in the end only the flowers of freedom—the fruits of our rich moral heritage.

History tells us—and we see the evidence on every hand—that great institutions are but the lengthened shadows of great men. Nowhere has this axiom of history been more dramatically illustrated than in the mighty America which sprang over the years from a hundred or a thousand communities such as Frankenlust. Our great automobile industry began in many sheds and many barns. Our great packing industry began in many farm wood-lots. Our great printing industry began in a thousand dark and dank basements. Our great schools and colleges began in log cabins reared in the wilderness, and our great churches and places of worship began in the wilderness in cabins of logs.

But behind every beginning was an individual fired by a vision to build constructively for his fellowmen—an ingrained determination to leave a better world than he found—a devotion to the concept that human destiny moves not through great strutting plans and projects, but through the persistent development of character, and the application of virtue, in every human cell which makes up our civilization.

These are the great lights thrown up by your own century of progress in this community. These are the reasons we speak of the great American dream. No other land ever has held a like symbolic term so completely embodying the aspirations of its people. To all the world it became the land of hope to the downtrodden and the wretched in other lands.

The American dream has never been defined in precise terms, because it has never been depicted in all its grandeur and all its service to human progress. Every nation and every people have contributed to its robust splendor. Every age and people from every clime have embraced its promise, and have been nurtured by its hope. Yet when we stop to analyze the vision and bring it into the measure of our daily life, we express it again in terms of the spirit—in trim and orderly farms, in tranquil homes, in pleasant schools, and inspiring churches. Such are the incentives of our American way of life.

We see the golden thread of this great harmony of spirit in the very opening phrases of our American Constitution, and I quote: "* * * In order to form a more perfect union, establish justice, insure domestic tranquillity * * *."

Here are the great spiritual urges behind the American dream—a yearning of the people to be free to work together in peace and harmony—a more perfect union. A yearning to establish justice to all. A yearning to insure domestic tranquillity which is ever the seedbed of all progress and all development through all the ages of history.

Today in America we see a great rededication to the fundamentals of our constitutional order. We find a strong revival of old-fashioned American determination to do for one's self. All the world understands clearly that once men forsake the disciplines and the duties and the responsibilities of self-government, they start down those foggy paths which lead ultimately to the black tyranny of the police state.

Not only in America but everywhere in the world where freedom prevails, the forces of reconstruction and regeneration are at work. But where men and women are the mere pawns of government, humanity gropes in darkness, hunger, and despair.

The choice before us today is the same as it was a hundred years ago when the great pioneers of Frankenlust planted their banners of freedom in the wilderness. They courageously and heroically dedicated themselves to the cause of freedom and responsible self-government.

Ours is the duty to rededicate ourselves to their great cause. They builded well. Ours is the great responsibility to see that the work which they have advanced this far shall never be abandoned in this land of ours. The constitutional restoration which now surges through every avenue of American life is but the echoing of 10,000 Frankenlusts launched in this great land of a century ago.

Ours is the duty today to appraise their work in the spirit of devotion and determination in which it was done, and to pledge ourselves anew that the book of progress and enlightenment and human welfare which they began, now is ours, in which to write a new chapter for this day and this time.

As we return to our daily tasks with renewed inspiration from this memorable occasion, let us keep in mind that deathless passage from the farewell address of George Washington in 1796. That great document in American history came to our people only 52 years before the founding of this very community. We know from the history which we have heard recited here today that the words of George Washington were living words among those who blazed the woods to Frankenlust. Let us pause then to hear President Washington's admonition to hold fast to the faith that is in us. Here are General Washington's words as he set them down:

"Of all the dispositions and habits which lead to political prosperity, religion and morality are indispensable supports. In vain would that man claim the tribute of patriotism who would labor to subvert these great pillars of human happiness, these firmest props of the duties of men and citizens. The mere politician, equally with the pious man, ought to respect and cherish them. A volume could not trace all their connections with private and public felicity. Let it simply be asked where is the security for property, for reputation, for life, if the sense of religious obligation desert the oaths which are the instruments of investigation in the courts of justice? And let us with caution indulge the supposition that morality can be maintained without religion. Whatever may be conceded to the influence of refined education on minds of peculiar structure, reason and experience both forbid us to expect that national morality can prevail in exclusion of religious principle."

Here again is the golden thread of the great American dream, for we see today that the men and women who established this community a century ago were fired by that fundamental human inspiration which George Washington had called the bedrock of our national felicity.

The sacred flame of freedom on this continent has lighted the world for three centuries.

Today it is the beacon toward which all mankind turns for hope.

Let us hold it high with the same zeal and the same devotion and the same bright confidence in the future which inspired the first little band at Frankenlust when they reared their humble church of logs.

If we in our time and with our resources do as well as they did in their time, the world will move on to a better day.

They greeted the future with confidence and with hope, because of the faith that was in them.

We who have enjoyed this great heritage cannot fail to carry forward the flaming torch they passed to us.

No; this community will not fail in that mission.

America will not fail in that mission.

We are the custodians of 300 years of human freedom under law.

As we say so often in our great patriotic song: "Long may our land be bright with freedom's holy light."

Dividends on National Service Life Insurance Policies

EXTENSION OF REMARKS
OF
HON. EDITH NOURSE ROGERS
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Monday, July 26, 1948

Mrs. ROGERS of Massachusetts. Mr. Speaker, dividends are now due and payable on national service life-insurance policies. In that connection I wish to insert at this point correspondence which I have had with the Veterans' Administration on this subject:

HOUSE OF REPRESENTATIVES,
COMMITTEE ON VETERANS' AFFAIRS,
Washington, D. C., June 15, 1948.

Maj. Gen. CARL R. GRAY, Jr.,
Administrator of Veterans' Affairs,
Veterans' Administration,
Washington, D. C.

MY DEAR GENERAL GRAY: I have learned with interest that the Supreme Court has decided the Zazove case in a manner which is satisfactory to the Veterans' Administration.

I hope that this action will result in the Veterans' Administration giving promptest attention to the determination of dividends and payment to those eligible under the National Service Life Insurance Act. There is absolutely no excuse now for not paying these dividends. In that regard, I would like to be advised at your earliest convenience of what steps the Veterans' Administration is taking to see that these dividends are paid, and how soon we may expect that payments will be going forward to the veterans who hold these policies.

With kindest personal regards, I am,

Very sincerely yours,
EDITH NOURSE ROGERS,
Chairman, Committee on Veterans' Affairs.

VETERANS' ADMINISTRATION,
Washington, D. C., June 18, 1948.

Hon. EDITH NOURSE ROGERS,
Chairman, Committee on Veterans' Affairs, House of Representatives,
Washington, D. C.

MY DEAR MRS. ROGERS: Since the Administrator is at present absent from the city I am making reply to your letter of June 13, 1948, addressed to him, concerning the effect of the decision on the Zazove case, and to your personal request for a statement as to the probable number of policies of national service life insurance on which an initial dividend will be payable, and the method of determining the eligibility of a policy to receive dividends.

In the declaration of the first dividend on national service life insurance, the amount payable on each policy will be based on the number of months the insurance was in force, as well as upon age at issue, plan, and amount of insurance. In general it is presently planned to include policies in force for three or more months, regardless of whether they have subsequently lapsed or have matured. Insurance issued on disabled lives pursuant to the special provisions of the law and on which the premiums are credited to the national service life insurance appropriation will not participate. It is estimated that dividends will be payable on about 20,000,000 policies issued on the lives of approximately 16,500,000 individuals.

As has already been explained to you the payment of this dividend involves a tremendous amount of detail work. The very volume of the operation is unparalleled by any other one of similar character. Before the multitudinous individual calculations may be undertaken each of the 20,000,000 accounts must be audited and brought up to date as to those items basic to the determination of the amount payable on each policy. This will involve considerable administrative expense, which must be covered by congressional appropriation. Even if the required funds were immediately available, it probably would be approximately 12 months before the actual dispatch of dividend checks could be commenced. In this connection may I point out to you that the Veterans' Administration considerably more than a year ago initiated action to obtain funds to audit the premium accounts, which as above explained is a requisite preliminary to the payment of dividends, but thus far no moneys for this purpose have been available, though it is understood that an appropriation bill presently before the Congress contains some funds for such an operation but in an amount much reduced from that determined by the Veterans' Administration as required to complete the task.

While much preparatory planning work has been done, actual operations will be dependent upon the availability of funds and qualified personnel, but I assure you that every endeavor will be made to accomplish the payment of dividends at the earliest practicable date.

Sincerely yours,
O. W. CLARK,
Executive Assistant Administrator.

JUNE 28, 1948.

Gen. CARL R. GRAY, Jr.,
Administrator of Veterans' Affairs,
Veterans' Administration,
Washington, D. C.

MY DEAR GENERAL GRAY: Reference is made to the letter of June 18, 1948, from Mr. O. W. Clark, Executive Assistant Administrator.

In the third paragraph of Mr. Clark's letter, it is stated that an appropriation is pending for the expenses of the insurance audit. The implication is given that the amount is so reduced as to make this program unworkable or at least hamper its operation, and there is a slight indication that Congress might be in some degree responsible for this reduction in funds.

I want the record to be perfectly clear. The Veterans' Administration requested of the Budget Bureau $7,264,234 for the purpose of making an insurance premium card audit. The Bureau of the Budget recommended to the Congress the sum of $2,851,000 (House Document 681). The Appropriations Committee of the House allowed this full amount of $2,851,000 and the Senate Committee did not change it one cent. The bill is now at the White House awaiting signature. Thus the records show that Congress gave every cent for this insurance audit that the Bureau of the Budget thought was necessary.

I am informed that if all the people are employed in the Insurance Section which are authorized by the 1949 budget, there will be an approximate excess of 500 who can be assigned to this insurance premium record card audit. The $2,851,000 will provide approximately 1,000 additional employees, making a total of 1,500 available for what is expected to be a 9-month operation. This it seems to me is entirely adequate to meet the needs of the insurance audit. The Bureau of the Budget obviously believes this is sufficient.

I have been advised that the Veterans' Administration does not plan to start issuance of dividend checks until January 1950. If this is true, it is a most distressing condition and one that will be most disappointing to the veterans who are entitled to this dividend.

As soon as the formula has been determined for the payment of these dividends I would like to be advised of its details.

As you know, this committee has been greatly interested in the issuance of national service life insurance policies. It is encouraging to me to know that present plans of the Insurance Section call for the issuance of policies, on converted insurance, prior to January 1, 1949. It is my understanding that the term insurance policyholders will receive a policy as their insurance is renewed or extended. I hope that this program will be carried forward as promptly as possible.

Very sincerely yours,
EDITH NOURSE ROGERS,
Chairman, Committee on Veterans' Affairs.

Rent Control

EXTENSION OF REMARKS
OF
HON. RALPH W. GWINN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, July 26, 1948

Mr. GWINN of New York. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement by John W. Scoville:

RENT CONTROL

(By John W. Scoville, nationally known consulting economist)

The control of rents by the Federal Government was introduced as a war measure. In certain cities there was great influx of people to work in the war plants and it was felt necessary, to promote the war effort, for the Federal Government to control rents. Whether this control was good or bad, I do not know. But the war ended about 2 years ago and we still have the Federal Government controlling rents.

This control of rents by the Federal Government is a tyrannical usurpation of power. The powers of Congress are listed in the United States Constitution, but the Constitution gives Congress no power whatever to control rents. Congressmen who vote for rent control are lawbreakers—they defy the supreme law of the land, which is the United States Constitution. It seems to me that when Congress usurps power and passes laws not authorized by the United States Constitution, the citizens are under no obligation to obey such laws. Of course, the tyrants have possession of the courts, the police, and the jails, but if the landlords all rebelled there would not be enough jails to hold them all.

It is not for Congressmen to decide whether rent-control laws are beneficial or injurious. The fact that Congress has no constitutional authority to pass such legislation is reason enough why all Federal rent-control laws should be repealed.

What are the reasons, 2 years after the war, for not allowing landlords and tenants to draw up voluntary lease agreements? Some say we must have rent control because there is a housing shortage. If the Government fixed the price of sirloin steak at 5 cents a pound, there would be an enormous shortage of sirloin. The amount of sirloin that consumers would buy at that price would be enormously greater than the amount that the cattlemen would supply. If the Government raised the price of sirloin to 40 cents a pound, the shortage would be less, the number of buyers would decrease, and more meat would come on the market. If the Government fixed the price of sirloin at $1 a pound, the shortage of sirloin would be still less. In fact, at this price there might not be enough buyers to take the meat which was offered. Whenever the price of an article is arbitrarily lowered the demand for the article increases and the

supply decreases. In other words, arbitrarily low prices cause shortages.

The Government has kept the price of shelter low. When an article is cheap people use more of it. Rent control causes the housing shortage. If rents were allowed to rise to their natural level, some people living in apartments would move into a single room, some living in houses would move into apartments, families would double up. In many instances, two families would live in houses where now there is one family. Sole occupants of apartments would find someone to live with them to share the rent. Some people, on account of the higher rents, would leave the city.

If rents were allowed to rise to their natural level, we would soon find that there was no housing shortage. Landlords would be hanging out vacancy signs. The housing shortage is no reason for having rent control, because it is the rent control that causes the housing shortage.

The cost of living since 1939 has risen about 60 percent, while the cost of shelter has risen about 10 percent. If the cost of shelter had risen since 1939 by as high a percentage as the cost of food and clothing, tenants would be paying about $3,000,000,000 a year more for rent. Landlords are subsidizing tenants to the tune of about $3,000,000,000 a year.

Some may say that rents should be controlled because tenants cannot afford to pay higher rents. That is a queer argument to bring up when wages and employment are at an all-time high. It is doubtful if rent control accomplishes anything in holding down the cost of living. The money which the tenant saves on account of low rent he can use to bid up the prices of food, clothing, and other things. If rents were higher it is almost certain that the price of food and clothing would be lower. There is no proof, I believe, that rent control has accomplished anything in keeping down the cost of living.

But let us suppose that there are many tenants who do not have enough income to live on and who have to be subsidized. Why should the landlords be called on to support the semipaupers? Do the shoe manufacturers furnish shoes at half price to those who cannot afford to buy shoes? Do the meat packers furnish meat at half price to those who cannot afford to buy meat? The rule should be that those who cannot support themselves are given relief by all people who pay taxes. It is certainly a doctrine that it is the function of landlords to relieve the indigent to the tune of several billion dollars a year.

Some may say we should have a rent control because if we did not have it tenants would be evicted and have no place in which to live. Of course, there is nothing to this argument because if one tenant is evicted some other tenant moves in. Hence, there is no addition to the number of people who have to sleep in the parks.

If rent controls were eliminated there would be a reshuffling of the cards; many families would double up, persons living in houses would move into smaller quarters, and in the course of a few months the demand for housing and the supply would be equalized, and there would no longer be a housing shortage.

Landlords seem to have no friends. When wages go up the papers refer to the increase as labor's gains, but a rise in rents appears in the headlines as a gouge. In a depression landlords have a hard time, there are many vacancies, rents are low, and it is difficult to collect rents. In a big depression thousands of landlords lose their properties. Landlords should be allowed in boom times to recover some of the losses and lean earnings that come in years of depression. It is not very fair to compel the landlord to put up with losses and small earnings in periods of depression and then, by rent-control laws, prevent him from making extra money in boom years.

We have many laws now for taking property away from those who have it and distributing it among those whose lack of industry, or ability, or fortune finds them without much property. We have many laws for the redistribution of wealth. Rent-control laws seek to redistribute wealth, to take the property from landlords and give it over to tenants. Of course this is a clumsy method for redistributing wealth, because many landlords are poor and many tenants are rich. Furthermore, I do not think it is good public policy to make laws to take property from those who produced it and hand it over to those who did not produce it.

If the Government took all of the dividends paid to stockholders and all of the interest paid to owners of bonds, then the value of the stocks and the value of the bonds would be zero and the confiscation of this property would be complete. If the Government took half of the stock dividends and half of the bond interest, then the Government would confiscate half of the value of this property, for the value of any property is the income which it produces. If the Government, through rent-control laws, takes from the landlords one-third of the rent which he would otherwise receive, then the Government has confiscated a third of his property. This high-handed confiscation of the property of landlords is specifically forbidden by the United States Constitution. The Constitution says: "No person shall be deprived of life, liberty, or property without due process of law; nor shall private property be taken for public use without just compensation."

If Congress thinks that there is public reason why tenants should be subsidized, I can see no reason why this subsidy should be paid by taking over part of the property of landlords. Remember that when the Federal Government compels you to accept arbitrarily low rents then the Government has confiscated a part of your property. Furthermore, a person should not be subsidized by the Government because he happens to be a tenant. Being a tenant is no proof of destitution and many people who own their homes are poorer than many of the tenants.

Landlords make a mistake when they accept rent control in principle but ask that the rents allowed by the Government shall be raised. Landlords should ask for the repeal of all rent-control legislation because any control of rent by government is an infringement of property rights and one of the main functions of government is to protect property rights which are very valuable human rights. When a government passes a rent-control law, the government, instead of protecting property rights, itself engages in theft and confiscation. No honest government will pass laws which allow tenants to steal from landlords.

Class legislation is universally condemned. It is not decent for government to give special privileges to one class and to impose penalties on another class. Rent-control laws are class legislation of the most vicious kind. All people should be equal before the law. This is supposed to be a free country. If we are really free we should be able to do business with each other without the intervention of the Government. As a matter of fact, we are losing our liberties and the Federal Government is interfering with business transactions in every conceivable way. While we are sending billions of dollars to Europe to fight communism, we are passing innumerable laws to turn the United States into a socialistic or communistic nation.

Rent-control laws tend to restrict the construction of new houses. Many people are unwilling to invest money in houses when they fear that the rentals will be controlled by the Federal Government. And, of course, the State control of rent is just as bad as the Federal control of rent.

In many cases the rent-control laws have acted against the interests of tenants. Many would-be tenants, on account of rent control, have been compelled to buy houses at exorbitant prices.

Many landlords who, for one reason or another, were charging low rents before the war, are now compelled to continue these low rentals. Rent control is discriminatory. Why should landlords be compelled to furnish their services at a low cost when wage earners, manufacturers, and merchants are, in general, allowed to charge what the traffic will bear?

Those who favor rent-control laws are Communists or Socialists at heart who believe that citizens should not be free, but should be controlled by government. Rent control is such a wicked and unsavory mess that it should be opposed by every citizen who believes we should have economic freedom, who is opposed to socialism and communism, and who still believes we should follow the Constitution of the United States.

As a result of Federal rent control it is practically impossible for a person living in Detroit to find a place which he can rent. In the Detroit News of December 9 there were 11 inches of advertising devoted to flats, houses, and apartments for rent and 327 inches devoted to houses and flats for sale. There are about 30 houses offered for sale to 1 that is available to rent. While there is a ceiling on rent, there is no ceiling on the selling price of houses. The landlords, in order to escape from the rent controls, offer their property for sale. The home seeker who would like to rent rather than buy finds there are practically no dwelling units available for rent. When the price of meat was controlled it was difficult to get meat. When rentals are controlled it is difficult to find a place to rent. In both instances price control results in scarcities.

In 1940, according to the Bureau of the Census, tenant-occupied dwelling units decreased from 55 percent in 1940 to 46 percent in 1947. Many householders who would prefer to rent are compelled to buy and to buy at very high prices. Weekly earnings of industrial workers are about double what they were before the war. Many landlords caught in the net of Federal rent control offer their properties for sale rather than for rent. High incomes and low rentals enable many people to purchase more space than they need.

From 1940 to 1947 in Detroit the number of dwelling units occupied by one person only increased from 27,815 to 47,043; the number of dwelling units occupied by 2 persons only in the same period increased from 139,459 to 203,499. But the number of dwelling units occupied by 6 or more persons has decreased from 99,318 to 87,292. The number of dwelling units with two or more rooms per person has increased from 159,535 to 256,665, while the number of dwelling units with 1½ or more persons per room has decreased from 24,512 to 22,073.

At the depth of the depression in Detroit a real estate man tells me that rents dropped about 50 percent and about 30 percent of rental properties were vacant. These figures show how people economize in the matter of shelter when confronted with a situation which makes this necessary.

If rent controls were eliminated we would have an increase in rents which would cause people to be less extravagant in buying living space, which in turn would eliminate the housing shortage. It is a curious situation, because there was a housing shortage we adopted rent control and the rent control will make the housing shortage permanent until the controls are lifted.

In July 1946 I surveyed a number of people in Detroit concerning the matter of rent control. We found that about 54 percent of the landlords and about 19 percent of the renters were opposed to governmental rent control.

Of those who own their own homes, 37 percent were opposed to rent control. In this report we said:

"Rent control causes a housing shortage, and then to cure the housing shortage, Congress passes a law to have houses built by the Federal Government. Instead of dealing with the fundamental trouble, Congress seeks to cure one difficulty by introducing another. The Federal Government has no more right or authority to build houses than it has to build automobiles, clothing, or any other scarce article. * * *

"Since landlords constitute less than 10 percent of the population they have little political power and that, I suppose, is the reason why the politicians, both State and National, are willing to confiscate some of the property of the landlords."

I suppose some will say that the elimination of rent controls would tend to promote inflation. I believe this conclusion is incorrect. If rents increased, the landlords would have more money to spend for goods, but the tenants would have a smaller amount to spend for goods. Hence there would be no increase in the total demand for commodities. Inflation is an oversupply of money which results in a decline in the value of the dollar. Inflation can be cured by reducing the money supply. To attempt to prevent inflation by price fixing is simply to attack one of the symptoms of inflation and not the thing itself.

Once again I say that landlords constitute less than 10 percent of our population. That is why those politicians who are guided more by popular clamor than by justice, are willing to vote for rent controls and for the partial confiscation of the property of the landlords.

But we wonder how long this Republic can be prosperous and strong if the laws are based on special privilege rather than on equal justice to all.

Capitol Watchtower

EXTENSION OF REMARKS
OF
HON. ROY O. WOODRUFF
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Monday, July 26, 1948

Mr. WOODRUFF. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by Tom L. Munger:

CAPITOL WATCHTOWER

(By Tom L. Munger)

WASHINGTON.—There is a story here about a nationally syndicated news commentator who gets his material by going into a corner and interviewing himself. Takes notes, too, it is said. Evidently this was the method used by Senator Dear ALBEN BARKLEY to line up the material for his keynote speech at the Democratic National Convention.

The keynote speech, of course, is old stuff now. But it is worthy of rehearsal just prior to the special session of Congress for a variety of reasons. Chief among them is the fact that necessarily it laid the foundation of the Democratic campaign. Customarily in all parties this is so.

Thus BARKLEY'S speech committed the Democratic Party, or what is left of it, to a campaign based upon a twofold attack on the record of the Eightieth Congress. As already it has been demonstrated by subsequent Democratic propaganda, the next 3 months will be devoted to criticisms of Republican congressional domestic, economic, and international political policy.

The electorate will be told, again and again and again, that Republicans are responsible for price inflation, and furthermore that Republicans have sought to funnel the resultant bloated profits into the pockets of economic royalists. The electorate will be told, also, that Republicans have reverted to isolationism and have sought to sabotage the Marshall plan as implemented by the Economic Cooperation Administration.

Unfortunately for the Democrats, even a cursory review of the facts reveals that Republicans can be held responsible for inflation only insofar as they have gone all out in supporting the Democratic foreign policy—a policy which wiser Republican heads have recognized all along as bipartisan in name only.

Parenthetically it should be remarked here that congressional Republicans, and the southern Democratic coalitionists, would have done better 4 years ago to come out in the open with their ideas anent America-first rather than America-last in dealing with the suicidal nations abroad.

Then we might have had a foreign policy modified to a real and well-timed toughness which would have stopped Russian expansionism in its tracks. But as it happened, the toughness of which Democrats prate has been tragically reminiscent of the old time Chinese warfare, which consisted of marching and countermarching, threatening gestures, and of trying to scare the enemy with firecrackers and the display of horrific falsefaces.

Even now, if France should come up with a cabinet infiltrated by Communists, a la Czechoslovakia, should we not tell them "the Commies are out or else no ECA hand-outs"? Why carry out a contract proved fraudulent? What law of God or man compels this Nation to help another that makes even a gesture toward entering the camp of our self-declared enemies? Just what does helping the Europeans to help themselves mean, anyway?

It all comes back to the cynicism and dishonesty of the politically senile Democratic Party, hitherto bound by threads of self-interest so rotten that now it has come apart at the seams. Because of the corrupt Democratic leadership, the wishful misrepresentations of Senator BARKLEY continue to be important in view of the actual record of the Eightieth Congress and Republican plans for further legislative action.

In his keynote speech BARKLEY told the American people that Republicans in Congress killed the reciprocal trade policy, public housing, price controls, and crippled social security, western land reclamation and public hydroelectric power. He claimed Democratic credit for Federal deposit insurance and creation of the Federal Reserve Bank System. There were other claims and accusations, but these stuck out most prominently.

As a matter of fact, these claims and accusations were utterly false. It is hard to conceive that a United States Senator of BARKLEY'S long service could have believed what he said. Manifestly the more intelligent of his listeners did not. BARKLEY has been well characterized as the champion graveyard whistler of American history.

The Eightieth Congress extended the Reciprocal Trade Act, but provided adequate safeguards for the American people, just as it did in connection with extension of foreign aid through the ECA. Under the present housing policy more housing units are being built faster than ever before in the Nation's history.

Price controls were killed by President Truman under his war powers authority. Republicans wanted to remove them gradually to lessen the impact upon the Nation's price economy. The Eightieth Congress stopped the Democratic administration's abuse of its powers to regulate social security—an abuse so outrageous as to constitute indirectly an attempt to buy votes with public funds. The next regular session of Congress will revise the Social Security Act to grant maximum benefits to the greatest number possible.

In spite of BARKLEY'S effort to scare western voters back into the Democratic fold by saying that Republicans in Congress crippled reclamation and public hydroelectric power, they are likely to go strongly Republican next November because they know that the Eightieth Congress voted the largest reclamation and power-dam appropriations in history.

The CONGRESSIONAL RECORD shows that Representative ROY O. WOODRUFF, of Michigan, was the first man, subsequent to the bank closings of 1933, to advocate in Congress passage of legislation establishing Federal deposit insurance. Another "Michigander," Clarence J. McLeod, then a Member of Congress, introduced the first FDIC bill.

When the Democratic majority in the House pigeonholed the bill Senator ARTHUR H. VANDENBERG won its passage in the upper House, in spite of a threat by Franklin Delano Roosevelt to veto the measure. It passed the House when southern Democrats finally saw its merits. Roosevelt did not dare veto the measure which now guarantees Americans the fruits of their labor.

The CONGRESSIONAL RECORD shows that the Federal Reserve bank system originated in the mind of conservative Senator Thomas Bailey Aldrich, of Rhode Island, whom Democrats called an economic royalist. His bill to control the boom-and-bust economic cycle failed because of bitter Democratic opposition and the dissidence of a few Republicans who failed to envision the importance of the measure. The next Congress was controlled by Democrats, who adopted Aldrich's plan in all its essentials.

Examples of this kind are sufficiently numerous in the CONGRESSIONAL RECORD over the past three or four decades to warrant the risk of a generalization. By and large, Republican liberalism has been of the sound variety which would help the people to help themselves better their lot in a free society. Democratic liberalism, over the last 16 years at least, has been of the variety calculated only to help the people reelect Democratic officeholders. That is why the Democratic Party is going into eclipse.

Yugoslavia

EXTENSION OF REMARKS
OF
HON. JOHN W. McCORMACK
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Monday, July 26, 1948

Mr. McCORMACK. Mr. Speaker, under leave to extend my remarks, I include a short historical statement entitled "Strange Occurrences in Yugoslavia," written in April 1947 by James Patrick McGovern, a member of the bar of the District of Columbia and a former captain in the American Expeditionary Forces of the First World War. Captain McGovern has been in Yugoslavia, is familiar with the background of which he writes, and, in my judgment, his reactions are worthy of widespread public interest.

The statement follows:

STRANGE OCCURRENCES IN YUGOSLAVIA

(By James Patrick McGovern)

American soldiers, who chanced to find themselves hard pressed in Yugoslavia during the war, are shocked by news that has been coming out of that country. Some of

our aviators had pleasant contacts with General Mihailovich. They have furnished interesting information concerning assistance he gave them at times when they were in urgent need of it to escape from the common enemy—the forces of Hitler. It is not unnatural that they squirmed upon hearing that the general had been killed by his own countrymen. Later, they learned that a number of their fellow American aviators had also been killed in Yugoslavia—shot down, it might seem, as something of a sporting event. In any event, that was the way authorities of the Tito regime saw fit to treat members of the American liberating troops who stood in the way of Yugoslavia becoming a German province. Considerable information regarding the trial and conviction of Archbishop Stepinac in that country has recently come to the United States and is arousing general interest.

Mihailovich can probably be put in a very interesting category of persons who, within the meaning of international law, carry on what is often termed private warfare. The conference at the Hague in 1907 was called a peace conference. It did concern itself with the framing of well-conceived projects for the settlement of international controversies by peaceful methods. But it also undertook to formulate a law-making treaty prescribing rules for the conduct of warfare on land. The general purpose of that treaty, commonly referred to as Convention Number IV, was to mitigate the horrors of war. The outstanding subjects with which it is concerned are the conduct of hostilities by armed forces against each other; the treatment of prisoners of war, and the rights of noncombatants. At the outset of the treaty are some provisions relating to the qualifications of belligerents. Those who desire to fight must carry arms openly. In other words, they must become parts of a military unit; they must obtain commissions, or enlist, or be inducted into service. Persons who, on their own responsibility, commit hostile acts against enemy forces, may be severely and summarily dealt with by such forces. International law recognizes the right of armies to protect themselves against the activities of such persons, as it likewise recognizes the right of military forces to protect themselves against the activities of brave men who are called upon to act as spies.

Civilians who engage in acts of hostility against enemy forces are sometimes called snipers. The activities of some such persons, when carried on from ambuscade, may at times be odious and cowardly. But in World War II private warfare was conducted by courageous men and women whose clandestine operations did not involve any element of moral delinquency or violation of law. The so-called underground, as it operated in Norway, Denmark, and France, furnished an interesting and somewhat unique illustration of this kind of private warfare. Activities of members of the underground were, of course, not violative of international law, which is a law for the conduct of nations and not of individuals.

As has been observed, General Mihailovich and his followers can probably be said to have been in a special category of persons engaged in private warfare. The Government of Yugoslavia surrendered to the Germans. There could, therefore, be no Yugoslavian Army having a standing as a belligerent force under international law. But General Mihailovich would not submit to the German Armies. He probably organized no underground movement; but, on his own responsibility and at the risk of becoming the victim of severe retaliatory measures, he openly defied the enemy, and that at a time when the German Armies were at their best. It took courage and patriotism of a high order on the part of the general and his adherents to engage in that kind of private warfare. It is difficult to imagine that the intrepid organizer of such a desperate movement could be one who deserved death for having given aid to the enemies of his country.

Tito may have followed Mihailovich in a somewhat similar venture. But why did the Allies desert Mihailovich and pick Tito as the man with whom they would deal? Has the selection proved to be a wise and just one? It may be worthy of note right here that Tito is a sort of nickname. He now signs himself Josip Broz-Tito.

The Kingdom of Serbia was on the side of the so-called Allied and Associated Powers in the First World War and was treated in a friendly and generous manner in the peace arrangements formulated at Paris in 1919. Serbia was the nucleus of the Kingdom of Yugoslavia, which came into existence through the peace settlements of 1919. Serbia had been accepted into the family of nations through recognition by European powers in 1878 at the Congress of Berlin. The recognition given in the Treaty of Berlin, concluded that year, has been described as a conditional one—as one which imposed some restrictions on Serbia. The treaty contained stipulations to safeguard religious liberty in that country. Perhaps these provisions were recalled by Archbishop Stepinac when he delivered his final address to the People's Court which tried him at Zagreb. A translation of that address was printed in the CONGRESSIONAL RECORD of February 28, 1947, under unanimous consent obtained by Senator J. HOWARD MCGRATH, of Rhode Island, formerly Solicitor General of the United States. Senator MCGRATH commended it to the attention of his fellow countrymen as a statement of the terrible religious persecution to which he (Archbishop Stepinac) and the Christian churches are being subjected by the puppet rulers of Yugoslavia. Said the archbishop:

"As to myself and as to the verdict, I seek no mercy. My conscience is clear."

He gave the following warning in the course of that address:

"You have made a fatal mistake in murdering priests. The people shall not forgive you for that. Such is your freedom."

Speech of Hon. John W. McCormack, of Massachusetts

EXTENSION OF REMARKS
OF
HON. MICHAEL J. KIRWAN
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Monday, July 26, 1948

Mr. KIRWAN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following transcript of a speech by the Honorable JOHN W. MCCORMACK, of Massachusetts, Democratic whip of the House of Representatives, on Friday, July 2, 1948, over the National Broadcasting Co.:

The campaign this fall will be waged on the record of the Eightieth Congress, which is controlled by the Republican Party. President Truman has properly made this the issue. It is the major issue before the voters. This gives the voters an excellent opportunity to compare the records of both major parties.

In past campaigns the Democratic Party has had to go back to the terrible conditions and the "poor deal" administration of former President Hoover for such a comparison. This will not be so in this campaign. We can compare the Democratic achievements of the past years with the do-nothing action of the Republican Eightieth Congress.

We have a clear case to present to the citizens of the constructive and courageous leadership on the part of the Democratic Party, and of the failures of the Republican Party as evidenced by its record.

The record clearly shows that the Eightieth Republican-controlled Congress has defied the wishes of, and acted contrary to, the best interests of the people in this country.

In a speech on the floor of the House of Representatives a few weeks ago, I charged this Republican-controlled Eightieth Congress with being a Congress that was "against the people."

Its record supports that charge.

There are many other failures on the part of this Republican-controlled Congress which I could call to your attention, but time will not permit all the details.

There are two matters of great importance to you which I would like to discuss tonight: housing and the high cost of living.

What is the record of the Republican Party on legislation relating to these important problems?

You have all read and heard of the Wagner-Ellender-Taft housing bill. You are all aware of the bad housing situation that exists throughout the country. Next to the high cost of living, it is our No. 1 domestic problem. The passage of this meritorious bill designed to build homes and living quarters is of vital importance to all sections of the country. Yet, when this bill, which had passed the Senate, came over to the House of Representatives, the Republican leadership prevented it being considered by the Members of the House. Against the opposition of the Republican leadership this bill was reported favorably out of committee, because 10 Democrats, together with only 4 Republicans, forced the bill out by a 14 to 13 vote. This bill contained the public housing features and slum clearance, and the low-cost housing provisions. But, the Republican-controlled Rules Committee refused to allow this bill to come up in the House of Representatives for a vote.

In the closing days of the session of Congress, the Republican leaders changed the votes of three Republican Members and then voted out a meaningless bill.

The Democrats fought for a good housing bill—not a housing bill for the benefit of the real-estate lobby.

The Republican Party passed a deceitful bill in the closing days of the Congress. From a smoke-filled room in Philadelphia they received orders from their platform committee not to adjourn the Congress without passing some kind of a bill which had the word "housing" in its title.

When this deceitful bill got to the Senate, one of its most prominent Members, Senator TOBEY, of New Hampshire, chairman of the Senate Committee on Banking and Currency, vigorously denounced what the Republicans had done in the House of Representatives.

Listen to what Senator TOBEY, a Republican, had to say about this bill. I quote Senator TOBEY from the CONGRESSIONAL RECORD:

"This Wolcott bill is a fake. It is a fraud. It is a hollow shell. It is a flimflam on the veterans. These men put it over by depriving the people's representatives in the House of any opportunity to vote on slum clearance and public housing. The machinations of a group of men in the real estate lobby pushed the Wolcott bill through the House."

Senator TOBEY also termed the Wolcott bill "a tax-depreciation steal. It is a monstrosity. It is a miscarriage of justice."

Senator TOBEY summed up his statement by saying, and mark you, his final words, "Shame on those who perpetrated it."

The persons who perpetrated this bill were the Republican Party in the House, and the real estate lobby. What more severe condemnation could any measure ever receive than that given to the Wolcott bill by Senator Tobey, a Republican, not a Democrat.

Although pledged in 1944 to extend the coverage of additional employees under the social security law, the Republican Party has excluded about 1,000,000 persons throughout the country. These citizens had been covered by social security for years. This means that such employees and their dependents cannot now receive the benefits of our great social-security program.

The Republican Party refused to increase the minimum-wage law from the present 40 cents an hour to a minimum of 75 cents an hour, or even to increase such small wages at all. In 1947 they promised to increase this minimum wage to 60 cents an hour. The Republicans failed to keep this promise. I do not have to argue with you in these days about the conditions of families where the bread winner only earns for a 40-hour week the amount of only 40 cents an hour. President Truman recommended an increase to 75 cents per hour. The Republicans opposed him. The Republican Party has not even increased the minimum wage from its present level of 40 cents per hour. On the contrary, they have even reduced appropriations so that proper investigations could not be adequately made to see how widespread are the violations of this meritorious law.

The action of the Republicans on the extension of the reciprocal trade agreements law, for all practical purposes destroys the effectiveness of this great democratic measure which is so important to the export trade of our country. It is very important in connection with the exchange of international trade, and as a means toward establishing sound governments in the world, and particularly, as an instrument toward permanent peace. The Republican Party has emasculated this law. A Democratic President and Congress next year will save it from the attack of the Republican Party.

I would like to discuss with you now the records of the Democratic and the Republican Parties on the No. 1 problem facing you and this country today. It is the problem of inflation—the high cost of living.

Every husband and wife—every father and mother—every person in our country knows that there has been a sharp increase in the cost of living during the past 2 years. It is a source of concern to all of us.

Everyone knows that as a result of this increase, the dollar you have today buys 40 percent less than it did two and more years ago under the Democratic administrations.

The responsibility for this ruthless increase in your cost of living rests upon the Republican Party.

For almost five war years the cost of living under Democratic administrations was held in line.

Of course, the people were dissatisfied with controls. So was I. But as a public official I knew if price controls were removed the only result would be a sharp increase in your cost of living. The Republican Members of Congress knew that too. But election day in 1946 was only a few months away. To satisfy powerful business interests the Republicans unanimously voted for legislation that could not effectively protect the people against inflation and high prices. The result, price controls were discarded. This took place on July 1, 1946.

You will remember that prominent Republican Members of Congress boasted at that time that the Republicans had wrecked price control.

Yes; the Republicans had to consider votes in November of 1946.

You well know what happened.

The Republicans, to get votes, promised the people that within 60 days after price controls were removed, meat, food, everything would be plentiful—and you also will well remember—at prices lower than under price control.

The people believed the Republicans in 1946.

But time passes.

It is now 2 years later.

Have the Republicans kept their solemn promises given to you in 1946?

Are prices lower now?

Have prices been lower during the past 2 years than they were during the 5 years before June 30, 1946?

What is your answer to these proper questions? What will be your answer next November?

The Republicans have been in control of the Congress since January 6, 1947. Almost 2 years. In that period they have ignored President Truman's recommendations for legislation to stop soaring prices. They have refused to do anything to stop the terrible increase in your living costs. You and your family have suffered.

It was in 1944 that the Republicans pledged themselves to remove all price controls. In 1946 they promised you plenty of meat, food, and other necessities of life at lower prices. I repeat, at lower prices.

In their 1948 platform adopted only a few days ago, the Republican Party admits that present prices are cruelly high. Of course, everyone knows prices are cruelly high. Even the Republican Party now admits it. Yet, corporate profits have increased tremendously since price controls were removed. In 1947 corporate profits were over $17,000,000,000 net. This was an all time high, and six billions more than in 1946. It is predicted that corporate profits will be higher this year than ever before.

The Republican Party is responsible for the cruelly high prices you are now paying. In 1946 you believed their promises. You now know they deceived you. You were not to blame then for being fooled because you accepted them at their word.

You now know those solemn promises have not been kept. You, the public, have paid the terrible price of $50,000,000,000 during the past 2 years for their broken promises. That is the amount of money you would have saved during the past 2 years if price controls over foods in short supply had existed.

Further, the skyrocketing prices of the past 2 years have continued with the Republican-controlled Congress refusing to do anything at all for the suffering consumer. It was not your fault for believing the promises of the Republican Party in 1946.

But it will be your fault in 1948 if you permit the Republican Party to deceive you again.

On the proven record which I have recited to you, I charge, first, the Republican Party is responsible for the present cruelly high cost of living; second, the Republican Party has failed, in fact, has refused, to do anything about this important problem during the past 2 years.

You also know that nothing will be done for you during the remainder of this year by the Republican-controlled Congress. It refused to consider the recommendations of President Truman to enact legislation to prevent further increases in the cost of living, and it quickly adjourned.

I therefore ask you, what are you going to do about it next November in view of this record?

On this costly broken promise alone, the people next November should repudiate and defeat the Republican Party.

The Republican Party offers you no hope next year if you should elect a Republican President and a Republican Congress.

The only assurance you have for much-needed action to meet the present cruel situation, which the Republican platform admits exists, and to prevent further increases in your cost of living, is to elect a Democratic President and a Democratic Congress next November.

The Democratic Party protected you against high prices.

With your support we shall do it again.

Address of Hon. Hugh D. Scott, Jr., of Pennsylvania

EXTENSION OF REMARKS

OF

HON. ROBERT HALE

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Monday, July 26, 1948

Mr. HALE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address of Hon. HUGH D. SCOTT, JR., permanent chairman, Republican National Committee, at Skowhegan, Maine, on July 24, 1948:

I am delighted to be here today to participate in the opening of your campaign in the State of Maine, a campaign which will culminate in the election of Thomas E. Dewey as President, and Earl Warren as Vice President, and which, of course, will include the election of the entire Republican ticket in this State.

Republicans everywhere have a very kind feeling for Maine, because they remember how this State has stood fast for Republican principles even at times when the situation in many other parts of the country was rather discouraging. This year, however, I want to assure you that you will have plenty of company in the electoral college after the November election, and from every section of this good land of ours.

In national headquarters we are counting upon Maine to give the country in September a foretaste of what is coming in November, and I know you will do it.

This is the year in which the Republican Party is called upon once more to fulfill its historic mission of cleaning up the mess created by long years of Democrat misrule in Washington and to set the country back upon the road to stable and liberal government—the kind of government which will insure a prosperous and strong America in a peaceful world.

That is the only kind of government the Republican Party is capable of supplying. It could not do otherwise because of its origin and its traditions.

Our party came into being nearly a century ago to promote the cause of human freedom. It has always been true to the principles which gave it birth. It started by abolishing human slavery and enacting constitutional amendments and laws to wipe out that infamous institution for all time in the United States.

When a few years later, vast aggregations of capital, known in those days as trusts, sought to exercise undue power the Republican Party met that Challenge by the enactment of the Sherman antitrust law and by the strict enforcement of that law.

More recently, when the country was troubled by the exercise of extraordinary powers given to a few ruthless labor bosses by the Democrat administration, the Republican Party did not hesitate to meet this new challenge to human liberty. Its answer was the

enactment of the Labor-Management Relations Act of 1947 which already, despite the fact that the administration of the act is still in the hands of an unfriendly executive department, has brought about great improvements. When the new Republican administration comes in next January and undertakes to give real enforcement to this law, we will see still further improvements.

As I see it, the mission of the Republican Party—the mission with which it will be entrusted by the American people this year—is to bind up the wounds of a war-torn world and to repair at home the damage which has been done to our governmental and economic structure during the 16 years of Democratic control. We should approach that monumental task with humility. It is a task which will challenge our courage and our ingenuity, but it must be performed if our republican form of Government and our matchless economic system are to survive.

Personally I see very little to be gained by extended discussion of the responsibility for the dangerous situation in which we find ourselves today. We know we are in that situation and our task is to get out of it. We know who put us in that situation, but we will gain little by pausing to denounce those responsible.

Perhaps the best way to illustrate the concept which I hold of the mission of the Republican Party at this time is to recall to you the words of the Preacher in the book of Ecclesiastes:

"To everything there is a season. * * * A time to cast away stones, and a time to gather stones together."

Today the Republican Party is presented with an opportunity to concern itself with the restoration of sound, stable, constitutional government—to gather the stones together, not to hurl them at each other or at our opponents. It is an opportunity to build a house for America wherein Americans may dwell secure in their persons and property, living at peace one with the other and with the world—a house of mutual understanding and of good will to all men and women of good will.

The time is propitious, the materials are at hand, and the will to accomplish those things which will contribute to the welfare of all Americans is to be found among the millions of devoted men and women who will be working for and voting for the return of good government.

It is to those millions of men and women that we address our appeal for support in this crucial election year.

Let us keep in mind our primary objectives. Let us not be led astray by the tactics of our opposition. We must remember that the leaders of the opposing party this year are desperate men—and well they might be. They know they face certain defeat; they know that their long years of power are fading away; they are appalled at that prospect. They have proved that they will resort to any expedient in vain attempts to draw the attention of the American people from the main issue of this campaign.

To cite a current example of such tactics the Congress of the United States has been called to meet in Washington in special session on Monday next. The announcement of the call of the special session was made under circumstances which prove beyond any possible doubt that it was actuated by a desire for partisan advantage and not for the public welfare.

The leader of the opposition, just after he had been nominated for the Presidency, manifested sudden and theretofore unrevealed anxiety because the Congress had not enacted some of the bills which he had recommended before the regular session adjourned. Having deserted his scheduled post of duty in Washington for several weeks to stage a transcontinental political barnstorming tour, at public expense, he suddenly decided that some of the things which Congress had not done while he was away from Washington must now be done immediately. Therefore, he called an unprecedented special session in the middle of a political campaign. He did so on the specious plea that a domestic emergency existed—an emergency which, if it exists at all, was obviously just as apparent during the time when he was storming across the country, seeking to repair his failing political fortunes.

I know it has been suggested that the real reason for the call of a special session might be an emergency in the field of our international relations. However, there was no mention of any such emergency when the special session was called, and I feel that in deference to the Presidential office, we must indulge the assumption that the President has made a full and frank disclosure of his reasons for exercising one of the greatest of the powers vested in the Presidency—the power to convene Congress in extraordinary session. I hold to that belief despite some rather disturbing indications that it is not justified by some of our experiences in the past.

Whatever we may think of the motives activating the White House, the duty of Congress is clear. That is to give serious and careful consideration to whatever recommendations may be made by the President and then to exercise its own constitutional prerogative by making a free decision. The fact that one of the three great branches of the Federal Government has elected to play cheap partisan politics with the destiny of this Nation, is no excuse for similar conduct on the part of the legislative branch. I am sure the Congress will handle this situation with particular devotion to the welfare of the Nation.

I am also confident that both the present Congress and the Republican administration to be elected in November, will keep the public adequately informed of the reasons which may actuate governmental actions and policy. This will be a long-delayed and beneficent reversal of the practice of the past 16 years. The United States is an adult nation. We proved during the recent war that we could work together without bitterness between race or creed, for a common objective. A nation with that record is entitled to be taken into the confidence of those temporarily entrusted with the powers and responsibilities of public office.

Now there is another reason why I am particularly happy to be here today. You Republicans of Maine are scheduled to elect a Senator in September. When you have elected her, as you will, she will become the first woman elected to the United States Senate in her own right without benefit of prior service under appointment. I want to take this opportunity to congratulate the Republicans of Maine on the part they are playing—on the part they will play in that historic event. I have served in the House of Representatives with MARGARET CHASE SMITH and I know she will make an outstanding record in the United States Senate, as she has in the House.

Her selection by the Republicans of Maine for this position of power and responsibility is another proof of the liberalism of the Republican Party and evidence that traditional barriers of sex constitute no handicap to advancement in our party.

While I am on this subject may I also present my congratulations and best wishes to Mr. Payne, your candidate for governor; to BOB HALE and FRANK FELLOWS with whom I have enjoyed a most pleasant association in the House and whose services to State and Nation have been outstanding; to our new colleague, Mr. Nelson, whom we will be happy to welcome to the House next January; and to Senator BREWSTER, who serves on the Commerce Committee in the Senate, as I do in the House, and for whose well-proven abilities I have very high regard.

My fellow Republicans, we are engaged in serious business this year. We are seeking, and we are going to gain control of both the legislative and executive branches of the Government of the United States. With the power which will be vested in us, by virtue of our impending victory, will go very heavy responsibilities. Let us approach those responsibilities with a realization that what we do during the next 4 years may very well determine the destiny of this Nation and of the world.

During the recent national convention in Philadelphia, we adopted a forthright, forward-looking, modern, and dynamic platform. The record of the Republican Congress since it took office in January 1947 is unchallengeable proof that we will keep the promises made in that platform. That means we will work unceasingly for the welfare and advancement of the whole American people; we will also, within the limits of our means, seek to aid other peoples of good will throughout the world. We will keep America strong, and we will make America respected. We will win because the American people want us to win; because they know that our fight is their fight; our goal—a united, prosperous and peaceful Nation—is their goal. Working together in mutuality of purpose, the Republican Party and the American people move forward together to the making of a better America.

Special Session

EXTENSION OF REMARKS
OF
HON. WILLIS W. BRADLEY
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES

Monday, July 26, 1948

Mr. BRADLEY. Mr. Speaker, the Long Beach Independent of July 22, 1948, contained the following editorial commenting on the special session of the Congress upon which we are now entering. I believe that the sentiments expressed in the editorial are those of a large number of people of southern California:

SPECIAL SESSION

At the cost of millions of dollars paid by taxpayers Congress is called into a special session by the President. It is the first time in over 100 years that a special session has been called during a peace year. It is obviously a move by the President to use Congress as a target in his race for reelection.

The President will again demand legislation giving him the power to regulate prices. But it is certain he will not ask for a freezing of profits, wages, and prices. He has consistently played politics with the cost of living. It was by his order OPA was abolished almost 1 year before it was to have been abolished by the law passed by Congress.

Had the President at that time insisted upon freezing wages, prices, and profits, it is doubtful if present inflation would have occurred. But like his predecessor, he has catered to the votes of labor and preached that prices are not affected by wages. The result is workers have had three rounds of major wage increases. Price increases have followed these increases in cost of production with the result workers are no better off than before. But large groups of workers, pensioners, and retired people have been brought to virtual poverty because they have not received increases in income proportionate to those in prices.

Great emphasis will be placed on public housing. Senator TAFT sponsored the Taft-

Ellender bill which would have appropriated billions of dollars for slum clearance and public housing. It would have placed the Government in the housing business far beyond any act to date.

Experience has been that Government in business has rarely aided the majority of the people. The red tape, bureaucracy, and tax exemption must be paid from other taxes. Some aid in financing small homes, such as is now in effect, should be continued But the public housing advocates will attempt to convince every renter the President wants to give him something for nothing.

The opponents of almost any measure can create turmoil in the Senate or House by tacking on a civil-rights rider. That will mean a filibuster by southern Democrats. It will be a round of the pot calling the kettle black. No carefully considered legislation can be debated and enacted under such circumstances. It will force all Members of Congress to remain in Washington while their opponents seeking their offices will be at home campaigning.

It is an unprecedented political move that can kick back harder at the President than at his opponents. Congress should not be used as a campaign sounding board. If elections are to be debated and settled on the basis of what Congress does during a political campaign, we are in a bad way. The announced reason for calling the session was to enact domestic legislation. The Berlin crisis was not the issue. There is no domestic issue now apparent that could not wait until after the election, which is less than 4 months away. Rushing through legislation for campaign purposes is a poor way to operate a democracy.—L. A. C.

Inflation

EXTENSION OF REMARKS
OF
HON. AUGUSTINE B. KELLEY
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Monday, July 26, 1948

Mr. KELLEY. Mr. Speaker, I do not know how long it is the intention of the Congress to be indifferent to the distress and suffering of millions of American families due to inflation and the lack of suitable housing. These are basic problems, but they have taken on unusual importance and must be dealt with before it is too late.

Our European situation is dangerous and explosive. How can the Congress expect to have a united people when millions are suffering and unhappy and hold the Government responsible for their condition? I have received letters from people in my district complaining of the struggle they have to buy even the essential foods and of the impossibility of finding suitable places to live. How can people living under those circumstances be happy about their Government? Are we going to be like the Bourbons of France—oblivious to the people's needs until they rise in wrath and do something about it? The inactivity of Congress under the Republican leadership is bringing about a dangerous situation right here in the United States. Where does Henry Wallace get his support? From people who are dissatisfied and unhappy. Where do the Communists recruit their members? From these same groups of people.

It is high time that the Congress do something about the essential needs of the people. Nothing should be closer to the hearts of the leaders of both parties than the welfare of the people. Personally, I feel very much distressed about the situation, yet I am helpless to do anything. The temper of the leadership of the Congress is such that they will not move in the direction of relieving present conditions.

It was a fateful day when the Congress removed price controls. Although they may be hard to bear, the controls and allocation of goods are better than the plague of prices out of the reach of millions of our families. If we expect to have a happy people, they must be housed and fed and well cared for, and the only agency that can do these things is the Congress. The burden, therefore, is squarely on the leadership, the Republican leadership, of the Congress.

The Special Session

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Monday, July 26, 1948

Mr. LANE. Mr. Speaker, under leave to extend my remarks, I include the following editorial which appeared in the Lynn Telegram-News, Lynn, Mass., Friday, July 23, 1948:

THE SPECIAL SESSION

Republican charges that President Truman's call for a special session of Congress is inspired by politics are the best tribute to its political effectiveness. The first result is the moving of Republican campaign headquarters from New York City to Washington. If nothing else, Mr. Truman has forced the GOP to play him on his own ground and without the presence of their new battery of Dewey and Warren.

However, the foreign situation is such that—politics or no politics—it may be sound national policy to have Congress in session during the next few weeks. In the more or less open-and-shut case of the war in Palestine, the United Nations adopted the American proposal for an ultimatum to both sides to stop fighting. While this was aimed directly at the Arabs, who were the aggressors and who were responsible for refusing to renew the UN truce, it contains an "or else" which points directly to the use of economic and military sanctions.

So it is possible that Congress might be asked to approve the use of American forces to apply the UN ultimatum, if the Arabs should violate it. In a campaign year and with the Jewish-American vote at stake, it is hard to see how Congress could refuse.

More important still is the situation in Berlin. Whatever the technical justifications for the Soviet claim that we have violated the Potsdam agreement and have lost our right to remain in Berlin, it is a fact that the Red army commanders have chosen to argue this diplomatic point by extremely strong measures. Apparently the Kremlin has been convinced that, with a Presidential campaign raging in the United States, we automatically will be incapable of conducting our foreign affairs except on a stand-by basis.

The Politburo, it seems, has not understood that there was a Presidential campaign in 1940, too, a highly controversial one which involved the supposedly fatal "third term issue," but that this campaign did not prevent the conduct of an effective foreign policy by the United States. As a matter of fact, had it not been for the famous Roosevelt-Churchill swap of destroyers, rifles and naval bases, the Kremlin might be flying the swastika today.

For some time, word has been seeping around the various intelligence services that the Soviet government has selected this coming August as the best time to stage some great stroke of national policy. That's what they did in August 1939, when the famous Molotov-Ribbentrop nonaggression pact was signed.

At that time, under Republican insistence that there would be no world war, Congress had insisted on adjournment; and the world crisis was timed in the absence of our National Legislature. This time, if a big Russian operation is in the making, President Truman has seen to it that Congress will be in session, deliriously debating the proposal to put into effect the various pledges which are common to both party platforms.

So it is possible that Senator VANDENBERG of Michigan, who proves to be an old guard Republican when you scratch him, will regret his explosion of protest against the special session. In this connection, it also can be pointed out that under the Constitution, foreign policy is entrusted to the President; and if this is the game that is going to be played, Mr. Truman is on even ground.

Another point to be remembered is that foreign policy also might provide the bridge over which the Dixiecrats could return to the fold without loss of face. For no one ever has denied that the South is deeply and passionately patriotic. Did not Texas win the war, practically single-handed?

Tributes to Generoso Pope

EXTENSION OF REMARKS
OF
HON. JOHN J. ROONEY
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, July 26, 1948

Mr. ROONEY. Mr. Speaker, under leave granted me by the House to extend my remarks in the RECORD, I include the following article entitled "National Leaders Hail Pope," which appeared in the New York Enquirer of June 28, 1948, concerning the much-deserved tribute paid to my good friend, Generoso Pope, publisher of Il Progresso Italo-Americano, for his heroic and successful efforts to stem the tide of communism in Italy:

NATIONAL LEADERS HAIL POPE—GOVERNORS, SENATORS, CONGRESSMEN GIVE HIM CREDIT FOR VICTORY OVER REDS IN ITALY—PRAISE POPE FOR LETTER DRIVE TO PEOPLE OF ITALY—EX-EMIGRANT'S CAREER PROOF OF UNITED STATES OPPORTUNITY

National leaders, governors, Senators, Congressmen, city officials, and leaders in industry have joined in tribute to Generoso Pope for his heroic efforts to stem the tide of communism in Italy.

In letters to William Griffin, editor and publisher of the New York Enquirer, they give Mr. Pope full credit for initiating and successfully completing the monster letter-writing campaign, and the radio drive, by which people of Italian origin here communicated with friends and relatives in Italy the true facts about the benefits of democracy and the curses of communism.

These outstanding men hail Mr. Pope as a great American patriot and they say his great battle against the Communists has won him the gratitude of this country, Italy, and all freedom-loving people everywhere.

Their letters are a splendid tribute to Mr. Pope and in order that they may be widely circulated, and the exceptional service Mr. Pope performed brought to the attention of the public, the Enquirer publishes some of them herewith. Space limitations make it impossible to publish all in this issue. The balance will appear next week.

The testimony of these prominent men is a tribute, which the record shows, Mr. Pope has well earned.

Insofar as any individual can be credited with a decisive role, Generoso Pope today shares the distinction of having done most to help defeat the Communists in Italy. He did this by conceiving and developing the greatest letter-writing campaign ever witnessed within one country or between two nations.

Through Il Progresso Italo-Americano, of which he is the publisher, Generoso Pope eloquently and effectively urged the readers and their friends and families to write to their friends and relatives in Italy the truth about America.

Mr. Pope began the campaign on January 19, 1948. The Communists had been telling the people of Italy vicious lies about the United States and the intentions of the American people.

Mr. Pope, a product of American democracy, was deeply distressed. He just could not see our country and people slandered and maligned. He was determined to launch a crushing counterattack against the Communist barrage of lies and vilifications. His answer was not to be one of generalities and platitudes or in the return of abuse and insults.

Mr. Pope had an inspiration. He went to the people for the truth, for telling action. He was convinced that if relatives and friends in the United States would explain the truth about America to their people in Italy, the Communists would be defeated.

Mr. Pope realized that if Italy fell into the hands of the Communist Party, not only western Europe but the whole world and democracy everywhere, America not excluded, would be greatly imperiled. By nailing each Communist lie, by exposing to the people of Italy the vicious Communist distortions, Mr. Pope reasoned that the Italians would be enabled to defeat the Communist attempt to dominate their country.

With the initiation of the letter-writing campaign an avalanche of mail descended upon Italy. Mail loads leaving the United States increased more than a hundredfold. Each week a million letters reached into every part of Italy with the message published in Il Progresso Italo-Americano. Italian immigrants told their story to their relatives and friends in Italy. They told the truth about America.

They told how the United States had welcomed them, had given them an opportunity to advance in life; how democracy insured the freedom of the individual, of his religious beliefs.

These letters published in Il Progresso were either copied or used in large part plus a personal touch or family experience added, and sent by individual readers to Italy. Communist lies were bared.

ENEMY NO. 1 OF REDS

So powerful was this campaign of telling the truth about America, that the Communists branded Generoso Pope as their enemy No. 1. In typical Communist fashion, they tried to smear him and his newspaper. But that did not stop Generoso Pope from continuing his campaign. The flow of letters praising the opportunities and the freedom of America continued to pour into Italy.

Two weeks before the elections, realizing that ordinary mail would not arrive in time, Mr. Pope urged his readers to send their letters by air mail. Then, 1 week before, he urged everyone to send cables. The original Committee of One Hundred Thousand, each to send letters to 10 relatives and friends in Italy, snowballed into the millions.

Finally, in the last week of the campaign, through his radio station WHOM, Mr. Pope began a daily series of broadcasts beamed to the people of Italy. He himself opened the programs with a vibrant appeal to the people of Italy to defeat the evil forces of communism.

His speech in full is as follows:

"Italians, time is short. Letters cannot reach Italy in time for the election. That is the reason we are today talking directly to your homes to bring you the voice of your brothers from America who will never forget you.

"Your speaker is Generoso Pope, an American citizen of Italian descent, proud to have Italian blood in his veins, the blood of the land which has been the cradle of civilization; the land which the betrayers of Italy are bent on making a slave of Bolshevik Russia. I am honored by the fact that the Togliatti-Nenni newspapers have singled out for abuse my newspaper, Il Progresso Italo-Americano, and me for the letter-writing campaign which we initiated asking the people of Italy to vote against the Communist bloc. These letters tell the truth about democracy, letters which speak of the American people, always friends of the Italian people.

"Ask Togliatti and the betrayers of Italy why the Russian Government does not permit the 80,000 Italian prisoners held in Russia to advise their parents in Italy whether they are alive or whether they are dead. Perhaps the Communists know the cruel fate which has befallen them. Ask Togliatti why Russia has vetoed for the third time the admission of Italy to the United Nations organization. Ask Togliatti why Russia does not want to see Trieste restored to Italy. Ask Togliatti why Russia has not refused to accept millions of dollars of reparations from Italy. Ask Togliatti why Russia has not refused to accept as part of the reparations the Italian ships and why it has imposed upon the glorious and courageous sailors of Italy the task of sailing their own ships into Russian harbors, where they will be compelled to lower the Italian flag and hoist the flag of Russia, enemy of freedom. Ask Togliatti why the Communists are always ready to applaud when it comes to humiliating Italy. The reason is simple—Russia wants Italy to become her slave.

"I am sure that on the 18th of April you will give your answer.

"Your answer will be 'Begone, hostile stranger, from our land.' America is our friend. We Americans of Italian origin will never forget you, as no civilized people who love liberty will ever forget you.

"The eyes of the world are looking upon you, * * * Italian brothers. I am sure the whole Christian world will applaud you after you have given the betrayers of Italy their greatest defeat.

"Beginning today and ending on Saturday radio station WHOM, of Il Progresso Italo-Americano, will bring to you the voice of your brothers in America, who will talk to you with an open heart. Your brothers, who will pray God for your future, your salvation, and the peace of the world. Long live America. Long live Italy."

Thousands of eager men and women crowded the studios of WHOM, eager to add their appeals to the people of Italy.

Then came the elections of April 18 and 19. The results showed a smashing defeat for communism. Political analysts and radio commentators here and abroad declared that the letter writing, cablegram and radio campaigns from America had had a tremendous influence on the people of Italy—on the elections.

WANT TO DO GOOD

When it was over Mr. Pope beamed with satisfaction. He felt that besides helping the people of Italy to see through the Communist lies, he had fulfilled in a timely and telling manner his obligations as a citizen of the United States.

Unknown, without any friends, with just a few lire in his pockets, Mr. Pope symbolizes the opportunities that America and its democratic principles give to its citizens.

For, from among one of the millions of immigrants he worked himself up to become president of the world's largest sand and stone company of its kind, the Colonial Sand & Stone Co., Inc.

"You know," said Mr. Pope, in commenting on his philosophy of life, "too many in this world seem to forget that life as we know it lasts but a very short time when measured in terms of God's eternity. Too many seem to forget that we came to this earth as nothing and that one day we will go back into the earth as nothing.

"The important thing to remember is that between these two periods, birth and death, God gives us an opportunity to prove ourselves. If we do good, then we are assured of the eternal blessings of God. If we do bad, then we suffer eternal damnation. In everything I have done I have always sought to do good."

That sage philosophy has always been the basis of whatever Generoso Pope has done. When he bought Il Progresso Italo-Americano, the largest Italian language daily newspaper in the United States, in 1928, he immediately began a series of campaigns to make the readers far better acquainted with the history of America, with the duties of citizenship, and with the basic concepts of our democracy.

Generoso Pope began a column giving English lessons to the readers of Il Progresso. The Italian immigrants were to be taught the language of the people of the United States. Mr. Pope felt that a knowledge of English was essential to good citizenship.

Continuing in this vein, he published articles explaining the rights and responsibilities of American citizenship. He expounded the principles of democracy and made clear the many privileges to which an American citizen is entitled. The two series won the heartfelt and widespread appreciation of the readers. Many of them were able to obtain their citizenship papers through the help of these articles.

GAVE SCHOLARSHIPS

Many young people have always been close to the heart of Generoso Pope. One of the campaigns which he has been pursuing most vigorously has been that of combating and cutting the roots of juvenile delinquency. Working in close cooperation with officials of the police department, community welfare organizations, religious, and social groups, he has been campaigning for more and better recreation grounds for boys and girls.

Democracy, Mr. Pope feels, can only thrive if tomorrows' citizens are given a healthy start in life when they are young, in their teens. Thus, he has contributed generously to worthy causes to promote the welfare of children. On his own initiative, he raised funds for needy and deserving young people so that they might continue their education in college.

Today, as president of the Columbus Citizens Committee, Inc., strongest organization of its kind in the United States, scholarships are offered each year for young people, regardless of race, color, or creed. In impressive ceremonies held at city hall in January 1948, Mayor William O'Dwyer, personally awarded 40 such scholarships contributed by the Columbus Citizens Committee.

Always aware of the other person's plight, Mr. Pope is recognized throughout the United States for his philanthropy. He has

contributed generously to the social service organization of the Jewish, Protestant, and Catholic faiths. He has served as chairman of the Committee of Americans of Italian Origin for the American Red Cross and for the cancer and infantile funds during several of their campaigns, and helped raise thousands of dollars for them. During the war, as chairman of the Committee for Americans of Italian Origin of the State of New York, Mr. Pope helped sell more than $400,000,000 worth of war bonds, a record amount.

OUTSTANDING SERVICE TO ALL

His credo of "do good" brought Generoso Pope into contact with literally hundreds of thousands of persons—the great mass of people as well as their most distinguished leaders. Francis Cardinal Spellman, one of Mr. Pope's close friends, has been one of his admirers. Mr. Pope has never shirked any religious or civic duty. He has given unstintingly to the Alfred E. Smith Memorial Hospital, as well as to the Catholic charities and other religious organizations.

Always seeking to be fair and impartial, Mr. Pope has won the admiration and respect of the major political parties and their outstanding spokesmen. Governor Dewey and Mayor O'Dwyer are his friends. A Democrat, Mr. Pope was State chairman of the Committee for Americans of Italian Origin during the campaigns for the reelection of the late President Roosevelt with whom he had been in regular contact and consultation. He is also a member of the Democratic National Committee.

Mr. Pope has always been available to spark any drive for noteworthy causes. When Ed Sullivan, columnist for the New York Daily News, said that it would be a good idea to erect a monument to the memory of the marine hero, Sgt. John Basilone, first enlisted man to win the Congressional Medal of Honor among the Marines, Mr. Pope immediately began a campaign to raise funds for that purpose. Mr. Pope was also responsible for the statue erected in Washington, D. C., immortalizing the name of the great genius of Guglielmo Marconi.

AMERICAN SUCCESS STORY

Mr. Pope is married to Catherine Richichi, a native New Yorker, who has been an inspiration to him in his climb up the ladder of success. He has a typical American family with three boys who are each carrying on in the direction of the various Pope enterprises. Fortune Pope, oldest of the boys, is executive director of radio station WHOM; Anthony is executive vice president of the Colonial Sand & Stone Co., Inc.; and Generoso, Jr., is editor of Il Progresso Italo-Americano.

This is the man who but in a short period of time has breathed life and set into inspiring motion the greatest letter writing campaign in the history of Italy. The above are but a few high lights taken from his brilliant career which began as a water boy in a piano factory of our great metropolis. He has had many honors bestowed upon him by religious, civic, labor, and industrial groups. In recognition of his many achievements, Duquesne University bestowed an honorary degree of doctor of literature upon him in 1946.

Taft-Wagner-Ellender Housing Bill

EXTENSION OF REMARKS

OF

HON. THOMAS J. LANE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, July 26, 1948

Mr. LANE. Mr. Speaker, under leave to extend my remarks, I include the following article which appeared in the Boston Sunday Post, Boston, Mass., on Sunday, July 25, 1948:

HOUSING BILL KICKED ABOUT—MILLIONS OF HOMELESS AMERICANS WANT IT BUT WILL NOT BE HEARD AS CONGRESS FIDDLES

(By Lester Allen)

When the Congress gathers tomorrow for the special session, the protest of millions of homeless Americans, people who are existing now in crowded, substandard quarters, will not be heard, for the powerful real-estate lobby has got in its licks to prevent the passage of the Taft-Wagner-Ellender general housing bill, the only comprehensive housing legislation presented in the Congress in four long years.

The bill had been kicked around since March 10, 1947, when it was introduced to be reported favorably by the Senate Committee on Banking and Currency on April 23, 1947. The National Public Housing Conference has made some grave charges about how the bill was scuttled in the closing hours of the last session of the Eightieth Congress on the eve of the Republican National Convention.

The conference, which is pressing for public-housing programs to eliminate slums and replace substandard dwellings, charges that JESSE WOLCOTT, chairman of the House Banking and Currency Committee, Speaker JOSEPH MARTIN of Massachusetts, Majority Leader CHARLES HALLECK, and LEO ALLEN, chairman of the House Rules Committee, worked together to scuttle the Taft-Ellender-Wagner housing bill for the real-estate lobby.

"It is to these men, working hand and glove with the powerful real-estate lobby, that complete credit for denying the will of the vast majority of Americans must be ascribed," charges the conference group.

Congressman RALPH A. GAMBLE, New York Republican, and Senator JOSEPH R. MCCARTHY, Wisconsin, Republican, originally took over direction of a joint congressional committee to study housing under the Taft-Ellender-Wagner proposal.

Their first move was rather peculiar, even in these days of high-powered publicity, and one of the few instances where a body of the Government employed a private firm of publicists to put over an idea. They employed the firm of Bell, Jones & Taylor, of New York, to spread the word against public housing.

"Obviously," charges the National Public Housing Conference, "they had been employed to destroy public housing. Obviously, they worked almost as part of the staff of the National Association of Real Estate Boards, the United States Savings and Loan League, and the National Association of Home Builders."

It must be remembered that a massive front of church, labor, educational, veterans, and citizens groups were solidly with the Taft-Ellender-Wagner bill.

The people, in short, wanted it passed. The real-estate lobby did not.

BEATS DOWN SUPPORT

While Chairman GAMBLE and Senator MCCARTHY made a swing around the country, holding hearings, the real-estate lobby was hard at work in Washington beating down support for the bill.

In the swing around the country GAMBLE and MCCARTHY collected weighted information from antihousing people to bolster the case against the bill, but, when it came to writing the report, the full committee had to pass upon what GAMBLE and MCCARTHY were going to say.

And then, it became known that Congressman GAMBLE and Senator MCCARTHY had virtually kidnaped the chairmanship of the committee away from Senator RALPH A. FLANDERS, of Vermont, who had, meanwhile, been having his own troubles with a probe of rising prices.

Senator FLANDERS recaptured control of the committee and wrote his own report, which was adopted with his recommendations for amendments to the Taft-Ellender-Wagner bill. This was March 15, 1948—a full year after the bill had first been filed.

It must also be remembered that an almost identical bill had been filed in the Seventy-ninth Congress by the same three Senators when Senator TAFT had headed the Senate committee on postwar planning. In fact, it was that bill introduced in the Seventy-ninth Congress that gave the real-estate people the idea that they would be deprived of a lot of easy money if it was enacted.

On April 8 this year when the Flanders amendments were reported out favorably and came before the Senate on April 22, Senator CAIN, of Washington, a Republican convert to the cause, sought to have the public-housing provisions of the bill struck out. His motion was defeated 49 to 35 with 25 Republicans and 24 Democrats voting to defeat the Cain amendments.

The measure then went to the House, where Congressman WOLCOTT, chairman of the Banking and Currency Committee, awaited.

He announced that the senior body, the Senate, had given the bill only superficial consideration. His device was to sit in hearings on the measure until proponents were worn out.

GET SUSPICIOUS

Members of the House who were for the Taft-Ellender-Wagner bill began to get suspicious of the stalling in June. Remember that the national conventions were coming up—and something had to be done on housing or the Congressmen would have some explaining to do to the homefolks.

On June 3 they began to collect signatures to a petition which would have taken the bill away from WOLCOTT's committee. There were 120 signatures on the petition of a required 218 when a group of southern Congressmen marched up to sign en masse. Speaker JOSEPH MARTIN then announced, before the signatures were placed on the petition, in effect, "Now, fellows don't go wasting your ink. The Republican steering committee has decided that this bill is must legislation."

WOLCOTT's hearings were concluded June 8—and, he then announced that he had a bill of his own which he thought far superior to the Taft-Ellender-Wagner bill, even though it was minus the provisions which so embarrassed and disturbed the real estate lobby.

Congressman WOLCOTT was then outgeneraled by a group of Democrats on the committee. With the aid of three Republicans, they reported out the Wolcott bill, but they had added public housing, slum clearance, farm housing, and housing research. Representative WOLCOTT was frantic. He had assailed public housing time and time again as socialistic and now he found his name attached to a public housing bill.

Moreover, he was instructed by the committee to apply for an open rule that would permit amendments to be offered from the floor of the House.

Congressman LEO ALLEN, Illinois, Republican, chairman of the House Rules Committee, which determines what legislation will be marked for floor debate, rushed to the rescue of the real estate lobby at that point. The committee voted 6 to 2 not to have the Wolcott bill debated. This was on June 16.

VOTE DEBATE

The committee decided that the House of Representatives could not be trusted to debate a general housing bill. They might just happen to enact it into law. Two Democrats, ADOLPH SABATH, of Illinois, and HOWARD SMITH, of Virginia, voted to have the bill debated.

Mr. WOLCOTT thereupon introduced House bill 6959, which specifically excluded public housing, urban development, farm housing,

and housing research. He issued notice to the Committee on Banking and Currency on June 16 that the committee would meet at 9 the following morning. The bill was reported out, 15 to 12, with the 11 Democrats who had outgeneraled Mr. WOLCOTT standing firmly against this new foil of the real-estate lobby.

The Congress had to have a bill with the word "housing" in it, and undeniably Mr. WOLCOTT's new gambit provided that word. The measure was passed after 40 minutes on the floor. When it reached the Senate, Senator ALLEN J. ELLENDER objected to its consideration, and it was killed deader than a dead duck.

Congress was about to adjourn to gallop off to the national conventions, and it still didn't have a bill with the word "housing" in it. On Sunday, June 20, at 3 a. m., WOLCOTT presented a bill, which had passed the Senate, which permitted mortgage institutions to sell GI mortgage paper to the Reconstruction Finance Corporation. At last they had the word "housing."

Representative MIKE MONRONEY, Oklahoma Democrat, summed up the feelings of the tired Congressmen when he replied to a question from Congressman GORE, of Tennessee. The colloquy is interesting:

"Mr. GORE. Does the gentleman mean to say to the House that we are about to enact an important housing bill which not even the members of the committee have seen nor now have copies of the bill? I am very interested in and concerned about housing, particularly veterans' housing, but this is a most remarkable procedure."

DESPERATE SITUATION

"Mr. MONRONEY. That is true. We are, however, faced with a desperate situation. I do not like this bill. It is ten times weaker than what I want. I would like to see an all-embracing and general housing bill and I have fought for one for several months. The Republican leadership of the House has turned thumbs down. It is now 3:20 a. m. The RFC is almost out of money for supporting the mortgage market. The question now comes—are you going to enact this little-bitty teeny-weeny piece of legislation that might help build housing just a little bit, a very little bit? Or are you going to say, 'Well, we are tired, we want to go home, and we are not even going to pass even this makeshift microscopic bit of housing aid'."

That's the way the Republican leadership gave the back of its hand to housing on the eve of the Republican convention at which noble sentiments in favor of all kinds of housing were expressed.

The real-estate lobby won the round. Round two is coming up.

Senator ALBEN BARKLEY, now the Democratic Vice Presidential nominee, sitting in the Senate on that same Sunday morning, the eve of the Republican convention, had some comment to make about the snide expedient to take the curse off the failure of the Congress to enact housing legislation.

"I have been here a good many years," said Senator BARKLEY, "but I have never seen any session of this body come to a conclusion or approach a conclusion with such utter chaos, confusion, and impotence as we observe here now. It is now nearly 4 o'clock on Sunday morning, after 41 hours of confused session. In a room at the other end of the Capitol in an obstetrical ward over there they are trying to give birth to a conference report on a House bill. It will be a monstrosity, I am sure."

GET GOP ORDERS

"At the end of this most important session two of the most important matters that ever came before the Congress are still suspended in midair. I understand hope has been abandoned for a housing bill, but I have been told tonight that the Republican moguls in Philadelphia have sent word down here that we are not to adjourn until a housing bill is passed—just anything that has got a house in it."

Well, they got a bill with the word house in it—but it's not the house that Jack built. It's the house that the real-estate lobby didn't build.

The Revolt of Tito

EXTENSION OF REMARKS
OF

HON. JOHN J. ROONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, July 26, 1948

Mr. ROONEY. Mr. Speaker, under leave to extend my remarks in the Appendix of the RECORD, I include the following newspaper article by William Henry Chamberlin which appeared in the Wall Street Journal of July 7, 1948. This article graphically describes part of the situation behind the iron curtain and how the authority of the Moscow-dominated Cominform is being defied. I believe it gives considerable insight on the possibility of a crack-up of Soviet domination in countries behind the iron curtain.

THE REVOLT OF TITO—HIS POSITION IS UNTENABLE; NEVERTHELESS FIRST BREAK IN COMMUNIST RANKS AUGURS WELL FOR EUROPEAN FREEDOM

(By William Henry Chamberlin)

Tito's defiance of the authority of the Moscow-dominated Cominform is the first crack in Stalin's Gauleiter system. Just as Hitler put local Nazi sympathizers in charge of the civil administration of countries which he overran, Stalin installed Moscow-trained Communists in key positions in every land occupied by the Red Army in the last months of the war.

The Nazi agents, Quisling in Norway, Laval in France, Degrelle in Belgium, Mussert in the Netherlands, found opposite numbers in such Communist agents as Bierut in Poland, Rakosi in Hungary, Dimitrov in Bulgaria, Anna Pauker in Rumania. Now the most colorful and distinguished of these agents, Marshal Tito, of Yugoslavia, has temporarily upset the apple cart. The Kremlin may have to recast a blueprint for remote control of satellite states that had hitherto worked smoothly and successfully.

The formal public excommunication which the Cominform hurled at Tito and his close associates in the government of Yugoslavia, Foreign Minister Kardelj, secret police chief Rankovich, propaganda expert Djilas, was only resorted to after quiet remonstrances and under-cover intrigues had failed to achieve their purpose. At least as early as March the Communist Party of the Soviet Union had sent letters criticizing Tito and his party leadership to other parties in the Cominform. And there is strong reason to believe that the removal from office and arrest of two prominent Yugoslav Communists, Sreten Zujovich and Andrija Hebrang, followed Tito's discovery that these two men were trying to build a fire under him in Yugoslavia on orders from Moscow.

TRIED TO RUN HIS OWN SHOW

The Cominform document does not, in all probability, lay all cards on the table. Some of the underlying causes of the dispute between Moscow and Tito are still a matter of conjecture and more or less informed guesswork. However, one can piece together the impression that Tito's main fault has been a desire to run his own show. A Moscow-trained Communist, he had learned how to build up a tight political machine, bristling with spies and propagandists, in his own country. He used this machine to thwart what he regarded as outside interference with his administration in Yugoslavia.

The Cominform somewhat humorlessly complains that Tito kept a close watch on Soviet military and civilian specialists in Yugoslavia and instituted a "Turkish terrorists regime," repressing all criticism, in his own Yugoslav Communist Party. These lessons of getting everyone to spy on everyone else and the insuring that all party decisions be unanimous could certainly have been learned by an intelligent student in Moscow.

There were several reasons why Tito was in a better position to rebel than any of Moscow's other gauleiters. Whereas many of Stalin's other agents merely came into the countries they were supposed to rule with the Red Army, Tito had been the fighting leader of a prolonged partisan war in Yugoslavia. To be sure the achievements of his guerrillas were somewhat exaggerated in unscrupulous publicity. It required the disciplined military force of the Red Army, with its artillery, to capture the main towns.

BUILT UP HIS OWN FOLLOWING

But during the years of raids and forays Tito built up a personal following of considerable proportions. And the Soviet Union did not maintain troops in Yugoslavia long after the end of the war. Its leaders counted on manipulating Tito by remote control. He double-crossed them and he used their own methods against them. For example, he imitated Stalin in turning on a tremendous torrent of personal adulation. Slogan-shouting mobs, bellowing in rhythmic chant: "Ti-to, Ti-to, Ti-to" have become a regular feature of the Yugoslav city scene.

It is not yet clear what issue touched off the final break. There have been rumors of Soviet intention to annex as affiliated Soviet republics some of the satellite states. Tito may have felt that he would be shorn of a good deal of his independent power and glory if Yugoslavia became just another Soviet republic. Tito's ambitions in regard to Trieste and Salonica may have been an embarrassment to a Soviet Government unwilling to risk a major war. There is also reason to believe that Tito hoped to see a federation of Balkan States, with himself at the head. Soviet policy toward the satellite states on the other hand, has been one of divide and rule.

Tito has asserted his independence. Can he maintain it? On a long view the odds seem to be against him. He has been a ruthless tyrant in the name of communism and he remains a Communist. So the groups in Yugoslavia which resent persecution of religion and expropriation of property cannot feel any particular enthusiasm for Tito merely because he has quarreled with Stalin. As a Communist, surrounded by Communist advisers and supporters, he cannot switch easily or convincingly to the wetsern side in the cold war.

NO PARTNERS IN REVOLT

Tito up to the present time has been isolated; he has found no partners in his revolt. Even the primitive little neighboring state Albania has torn up his pictures and ejected his missions, evidently feeling that Stalin is the better bet in the dispute. Should Tito move across his frontier and attack Bulgaria or Albania the result might easily be Russian military intervention. If he remains passive the Soviet Government

will probably be slow about resorting to armed attack.

But there seems to be little future for an excommunicated heretical Communist in Tito's position. He can no longer count on economic cooperation from the Soviet bloc. He must expect to be the object of all kinds of plots and intrigues, set on foot from Moscow. Tito may count on some internal feud in the Soviet Communist leadership, from which he may hope to draw advantage. But the long list of Communists who defied Stalin and then figured in premature obituary notices must float before his consciousness like spectres.

From the standpoint of the western powers the crack in the iron curtain indicated by Tito's defection is all to the good. Up to the present time Communist expansion has been riding a kind of wave-of-the-future crest. While the countries of western Europe have been kept out of the Communist orbit, the eastern lands seemed hopelessly swallowed up. Now it has been shown that Communist machine tactics are not invincible. Those American experts on Russia who have advocated a policy of containing Soviet expansion on the assumption that something would ultimately give in the structure of the Soviet empire now have a concrete argument for their case.

We do not know how many hidden fissures there may be in this structure, besides the open crack revealed by Tito's breakaway. But it may safely be assumed that when Communists fall out the prospects for European freedom and civilization automatically improve.

Hint Scandal in Clash Over Ship Charters

EXTENSION OF REMARKS

OF

HON. ALVIN F. WEICHEL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, July 26, 1948

Mr. WEICHEL. Mr. Speaker, the Chicago Tribune of Sunday, July 25, 1948, carried a news item covering the operations of the Maritime Commission, the special favor of not collecting $2,300,000 charter hire from an operator, the failure to have adequate bond, and the special favor given this operator. The news item is as follows:

HINT SCANDAL IN CLASH OVER SHIP CHARTERS—MILLIONS IN BACK FEES OWED BY OPERATOR

(By John Fisher)

WASHINGTON, July 24.—A scandal involving delinquent ship-charter payments has developed in the Maritime Commission, threatening to split the Commission wide open and precipitate a congressional investigation, it was learned tonight by the Tribune.

The case revolves around a New York City ship operator who has fallen $2,300,000, or 8 months, in arrears on payments to the Commission for ships chartered from the Government, and efforts of Commissioner Raymond S. McKeough to prevent Commission action against the operator.

McKeough is a former New Deal Congressman from Illinois, who was appointed to the Commission in 1945 by President Truman. The Senate Commerce Committee voted 10 to 7 against confirmation of the appointment, but the Senate reversed the action after Democratic Leader BARKLEY, of Kentucky, drummed up sufficient administration support to approve the nomination.

ACTION HELD UP

McKeough has been friendly with the operator and is said to have visited the operator's Long Island estate on week ends. In a 3-to-2 split within the Commission, McKeough has carried the ball in postponing formal action declaring the man in default and taking drastic action to recover whatever the Government can.

The operator also is reported as on friendly terms with Frank Costello, New York City gambler and ex-convict. The operator himself was indicted on Federal fraud charges involving shipbuilding contracts in 1943, but was acquitted in Federal district court.

It is understood that McKeough's efforts to achieve a settlement with the operator will prove unavailing, and the commission will take formal action to declare him in default early next week. The commission would issue stop orders to all Government agencies to cease dealings with the operator and claim $400,000 in surety bond posted by him. The Government still stands to lose nearly $2,000,000 on the deal.

MYSTERY VEILS CASE

The case is surrounded with mystery, producing demands within the Commission itself and Congress for a thorough investigation.

First, the Commission was not informed by subordinates until about 2 weeks ago that the operator had been allowed to fall so far behind in his monthly payments, due in advance, to the Commission.

The operator undoubtedly was making big profits, judging from his deposits in New York City banks, but he also made unusually large withdrawals in April, May, and June, which have been unexplained to the Commission.

His books on March 31 showed a cash balance of $4,192,746. Deposits in April totaled $1,958,628 and withdrawals $4,655,646. In May, deposits were $1,849,993 and withdrawals $3,037,703. In June, deposits totaled $3,030,924 and withdrawals $2,910,241. In the first 2 weeks of July deposits were $1,097,229 and withdrawals $1,025,243.

SHIPS TURNED BACK

The heavy withdrawals while the Commission was going unpaid brought down the operator's balance from $4,192,746 on March 31 to only $767,989 on July 13. The Commission has been unable to ascertain where the money went, but meanwhile the operator was turning back ships to the Commission, reducing the number chartered at one time from more than 50 to about 30.

The charter hire due the Government, based upon a percentage of the Liberty ships' value, ranged between $200,000 and $400,000 per month. In addition the Commission was to share in profits made by the operator. On the first $100 of daily profits, the Commission and operator split 50–50. On the next $200 the split was 75 percent to the Commission and 25 percent to the operator. Above the first $300 the Commission was to get 90 percent and the operator 10 percent.

According to Commission officials, this is the only case where an operator was allowed to fall so far behind in payments, though sometimes leniency was shown by allowing a month to go by.

The operator was ordered last week to pay up or be declared in default. He asked for more time and made a proposition which was unacceptable to the Commission. The offer was to try to have the surety bond raised from $400,000 to $1,100,000, and to pay the Commission $600,000 on July 31, including August charter hire of $250,000 and the balance toward arrears, with the remainder due to be paid in three monthly instalments.

A motion was made to have the operator declared in default then, but McKeough, with the support of two other members, supported an extension of time for further consultation with the operator. Commission officials are frankly skeptical that anything can be salvaged except the bond already posted and recovery of the ships.

Mr. Speaker, the news story did not mention the name of the operator but I have found out that it is the Sword Line, Inc., with offices at 76 Beaver Street, New York 4, N. Y. This company has had as many as 41 Government-owned ships on charter, and also claims to own the Newtex Steamship Corp., a Delaware corporation with offices at 52 Wall Street, New York City, a wholly owned subsidiary of Sword Line, Inc., with offices at 76 Beaver Street, New York City.

In a statement filed by the Maritime Commission under hearings for extension of Ship Sales Act of 1946, the Sword Line, Inc., under an item of charter of Government-owned vessels, the Sword Line's profits after supposedly paying Government charter hire was listed as $4,582,817 from March 1946 to October 31, 1947. At the time of filing this statement, the Maritime Commission did not disclose the Sword Line's keeping of Government money. This was kept a secret and was not disclosed to the House Committee on Merchant Marine and Fisheries.

And at the same time and under the same hearings, one Gregory Ferend said he was president of Sword Line, Inc., with general offices at 52 Wall Street, New York, and engaged in the operation of freight vessels in domestic and foreign trade. On February 16, 1948, he said, "I am at the present time one of the largest shipping operators, engaged in the general cargo coastal trade as well as offshore and coastal tramp trade." And at the same time he said, "Let me again repeat that which I believe most sincerely, the Ship Sales Act of 1946 should be extended. The request of the Maritime Commission for another extension of time for Government operation as well as authority for continuance of chartering of war-built Government-owned ships, should be granted."

Mr. Speaker, it is no wonder as he was testifying that the authority should be continued for chartering Government-owned ships, while he was keeping Government money for the use of such Government-owned ships. Evidently he could not keep Government money for the use of Government ships without the assistance of someone else besides himself. The keeping of money that belongs to the Government for the use of these Government ships is a fraud and Government money from the earnings of these Government ships is impressed with a trust. I believe that the Department of Justice should take immediate steps to take into custody those people who are withholding Government moneys, who have put them beyond the civil capture by withdrawals, and who have withdrawn moneys from banks and who have had a part in this fraud. It is unbelievable that an agency of the Government permits the use of Government property and the keeping of Government money. The House Committee on Merchant Marine and Fisheries will investigate the dealings of the Maritime Commission, the Sword Line, and those who had a part in these dealings.

Job for Special Session

EXTENSION OF REMARKS
OF
HON. ROBERT F. RICH
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Monday, July 26, 1948

Mr. RICH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Bristol (Pa.) Courier of July 23, 1948:

JOB FOR SPECIAL SESSION

If the housewives of America were on their toes, they would be besieging the special session of Congress to dig into the Government's foreign-relief "program" and try to make sense of it.

Calling these activities a "program" is improper. That word carries a meaning of order and purpose and cooperation. None of these is visible in the widespread work which the bureaucrats are doing to buy up scarce commodities in this country and send them abroad, at the taxpayers' expense, for the alleged help for foreign peoples.

Like Topsy, Uncle Sam's foreign-aid activities "just growed." Not one person in a thousand realizes the way they have spread and diversified.

At this moment, when most people think that this work has been centralized in the hands of Paul G. Hoffman, as head of the Economic Cooperation Administration, the fact is that there are no fewer than nine Federal agencies all busily handing out free, or at less than cost, a great variety of articles bought on a restricted domestic market, usually at fancy prices, and with the public's money.

Where do the housewives come in? Because of the effect of all this confused and reckless competition between them and their Government for the food and goods they need to run their homes.

Much has been said about who is to blame for runaway prices. Truman blames the Republicans for fighting the OPA and the Republicans blame "Truman inflation." But the truth is that no other single factor is so much responsible for present high prices as the fantastic manner in which the Government purchases are creating scarcities and pegging prices at preposterous levels.

Is lard high? Of course it is. Did you know that a single Federal agency, which you probably never heard of, bought and shipped to Germany during the single month of April, at an average price of more than 30 cents a pound, more than 9,000,000 pounds of lard?

Are eggs higher than they should be? This same agency—and remember, it has no connection with the Marshall plan—bought up and sent to Germany $13,001,991 worth of dried eggs in that same single month.

Most housewives have been annoyed by the high prices of dried fruits. They have been strangely scarce and fantastically costly. Why shouldn't they be when this one Federal agency, dipping into the taxpayers' pockets, in that single month shipped to Germany $1,681,772 worth of raisins and currants and $3,398,528 worth of prunes?

The youngsters have noticed that peanuts no longer are on their diet. The nickel bag has vanished, or if to be found, now sells for anywhere up to a quarter. The kids are having to compete with Uncle Sam. He sent $5,113,948 worth of peanuts to Germany in the month of April alone.

The most conspicuous distortion in American food prices has to do with articles made of wheat flour. There have been bumper crops of wheat in this Nation since the war, and bumper crops abroad as well. The various countries involved in the Marshall plan all tried their best to tell Uncle Sam that, if there was anything they didn't need, and didn't want, and already had enough of, it was wheat. Yet wheat continues to be one of the biggest single articles which our Government is buying up at extravagantly high prices, in direct competition with the American home, and dumping into foreign lands which don't want it.

Quite over and above the activities of the Marshall plan, the obscure agency in question, in April alone, shipped $13,506,590 worth of wheat and $15,744,611 worth of wheat flour to Germany and Japan. No wonder a package of crackers costs the housewife here at home anywhere up to 30 cents a pound.

All of these facts, and many others equally interesting, can be verified in the United States Department of Commerce's Foreign Trade Statistics Notes, the June issue of which is now out with the April figures.

This official report lists the following nine agencies as being active in extending American relief abroad in various forms and on various fronts; with the value exported during April shown after the name:

1. The foreign relief program (ECA or Marshall plan), $9,800,000.
2. The interim aid program of the Marshall plan, $55,200,000.
3. Greek-Turkey program, $16,400,000.
4. Army civilian supply program, $73,900,000.
5. United States part of Refugee Organization, $1,900,000.
6. Army incentive program, $2,300,000.
7. Lend-lease program, $64,000.
8. UNRRA, none reported for April.
9. Surplus Government property program, $92,000.

It is absurd that nine conflicting agencies, at least two of which (lend-lease and UNRRA) "died" many months ago, should be engaged in these activities, which have such a direct bearing on our domestic economy, and so much to do with the problem of high prices.

The mere item of setting up nine separate staffs to do a job which one competent one could administer, places an unconscionable burden on the overtaxed American people.

The fact is that foreign relief has grown into the biggest single business transaction in the country, with a greater impact upon our home economy and prices than anything else which is going on—and that it has mushroomed into a gigantic, sprawling tangle of bureaucracy; turned into nothing more nor less than a deluxe WPA project.

The lists of commodities purchased, for example, by the little noticed Army civilian supply program (which, despite its freedom from publicity, as will be noted above, during April ran 40 percent bigger than the Marshall plan itself) contain abundant evidence that the buying is done more with an eye to its political impact in sections of this country than with any reference to what the peoples of Germany and Japan really need.

This is particularly true when it is remembered that April was just 2 months before the Democratic convention, at a time when President Truman was straining every nerve to capture the nomination—and when the brass hats were doing all they could to assist him.

This Army civilian supply program is the one referred to above as being "one which you probably never heard of." During April it bought heavily of the commodities which are specialties of States that came to the convention as "doubtful" or "opposed" to Truman's renomination.

It bought the tremendous quantities of dried fruits already cited, most of them from California. It bought the peanuts, presumably trying to soften up North Carolina and Virginia, both of which were hostile to Truman. It sent $1,000,000 worth of salt (of all things) to Japan—presumably from the salt mines of Louisiana and Texas. And it, along with all the other relief agencies, did all it could to keep cotton at the preposterously high price level it has held all through the New Deal.

Tributes to Generoso Pope

EXTENSION OF REMARKS
OF
HON. JOHN J. ROONEY
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, July 26, 1948

Mr. ROONEY. Mr. Speaker, in its issue of Monday, June 28, 1948, the New York Enquirer published pages of testimonials to the patriotic and illustrious career of my friend, Generoso Pope, publisher of the great American newspaper, Il Progresso Italo-Americano. Many Governors of our States and Members of the United States Congress gave him deserved credit for his letter drive to the people of Italy, and for the resulting splendid victory over the Reds in Italy in the elections held last April.

Under the permission granted me by the House, I include the following newspaper article which was published in the New York Enquirer of that date:

ADMIRATION, RESPECT OF ALL AMERICA DUE POPE, SAYS ROONEY OF BROOKLYN

JOHN J. ROONEY, Congressman from Brooklyn, wrote that Mr. Pope richly earned the "admiration and respect of the people of America for the effective and vigorous manner in which he has championed democratic ideals." Congressman ROONEY also paid tribute to Mr. Pope's crusade against the Communists. His letter read:

"DEAR MR. GRIFFIN: I have your letter of the 10th instant, together with the attached copy of the Enquirer of Monday, May 3, 1948, which contains the complete story of the inspiring and extraordinary career of Mr. Generosa Pope, publisher of Il Progresso Italo-Americano. In line with your suggestion, I deem it a distinct privilege to send you my comment on the patriotic and illustrious career of Mr. Pope, who has richly earned the admiration and respect of the people of America for the effective and vigorous manner in which he has championed democratic ideals and principles in his great humanitarian newspaper.

"Our Government has been the dominant leader of the world against the Communist tide and Generoso Pope might be termed a pioneer crusader in exposing the Communists' vicious anti-American propaganda in Italy. He was a tremendous inspirational force advocating the letter-writing campaign by American citizens to relatives and friends in Italy during the weeks immediately prior to the recent election contest. The smashing victory against communism in Italy was an occasion for rejoicing by liberty-loving people throughout the world, and Mr. Pope is deserving of the highest commendation for the part he played in helping to bring about the momentous defeat sustained by the Communists at the hands of the Italian people.

"I am, indeed, happy to add my voice to the fitting tribute which the Enquirer proposes to pay to this distinguished gentleman who has contributed so generously to the welfare and happiness of our people."

One Night's Work

EXTENSION OF REMARKS
OF
HON. CLARENCE E. KILBURN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, July 26, 1948

Mr. KILBURN. Mr. Speaker, the following article by one of our great writers, is, in my opinion, a statesmanlike presentation of our present situation, and I hope everyone will read it:

TODAY AND TOMORROW
(By Walter Lippmann)
ONE NIGHT'S WORK

In the annals of the American Government the scene enacted by Mr. Truman in the middle of the night at the close of the Democratic convention is unique in its disrespect for the dignity of his office and the proprieties of the Constitution. It was not pretty to think of the President of the United States hanging around backstage for hours, waiting to accept a nomination which had not yet been tendered to him. Even though he knew that the convention had no alternative but to nominate him, a decent respect for the forms of democracy would have told him that until the delegates had voted they were in principle free to make another choice, and that, like Governor Dewey, who waited in his hotel, he must not enter the hall.

But his action when he appeared before the delegates was an even more flagrant departure from the standards of conduct which the President of the United States is in honor bound to observe. In the early hours of the morning, in the presence of a disorderly partisan meeting, Mr. Truman announced that he was convening the Congress for the purpose of promoting his own election.

The President, says the Constitution, "may on extraordinary occasions, convene both Houses."

A more extraordinarily extraordinary occasion than this one it would be difficult to imagine: a deliberate avowed effort to make the voters believe that they must choose not between a Truman administration and a Dewey administration, but between Truman's legislative proposals and the legislative record of the Eightieth Congress; that because Harry S. Truman cannot lead this Congress, Mr. Dewey will not want to lead and will not be able to lead the next Congress.

The Congress belongs to the whole people, not to a party, and it is an abuse of the constitutional power of the President to convene it in extraordinary session under these circumstances and for these purposes. Mr. Truman cannot even pretend that the public interest compelled him to call the special session. For if his main concern were inflation and housing, he would have told Congress when it adjourned that he would call it back as soon as the conventions were over. He would never have waited to announce that decision until he could use it to give a kick and a punch to his own personal campaign for election.

Were his interest in the measures he mentioned sincere in the sense that he wants them enacted, he would have told the Republican and Democratic leaders of Congress weeks ago that they must stay in Washington all summer to deal with them. He did not do that. He did not even stay in Washington himself during the crucial weeks at the end of the session, working as the President can and should to lead his own party and to bring about agreement with the other party. Mr. Truman's actions are not those of a man who wants Congress to legislate but of a man who wants to fight Congress because he has figured it out that he can do better against MARTIN, TABER, ALLEN, and HALLECK than against Dewey and Warren.

The most serious aspect of the matter is the disclosure of how thin and fragile are the safeguards and restraints of his own conception of the public interest, how secondary and subordinate they are likely to be in the strategy and tactics of his campaign. The Truman platform on the subject of foreign affairs is alarming. For just as the calling of the special session is a reckless and frantic effort to exploit domestic issues for partisan ends, so in this section of the platform there are all the indications that the international crisis may also be exploited for partisan ends.

The platform is a scandal of ingratitude, ungenerosity, and untruth. The Truman administration claims the sole credit for the United Nations Charter and the European recovery program, as if Mr. Truman could have achieved them without the labors of Senator VANDENBERG and Mr. Dulles, without the active influence of Mr. Dewey and Mr. Stassen.

The question is what else Mr. Truman will do if some smart adviser tells him he can get some votes. There is no knowing. A man who in one night will call a special session of Congress in order to precipitate a fight on domestic issues and will knock the moral foundations from under the bipartisan foreign policy has cast away the restraints which would make his actions predictable.

The international crisis is very grave. What assurance is there now that Mr. Truman, who is a weak President and is at heart a jingo, will resist the temptation to exploit it? Because he is weak the control of the great decisions, particularly about the crucial problem of Germany, is and has been from the beginning quite beyond him. He has not even kept the control of these decisions in the Department of State: Though our German policy is in fact the determinant of our whole European policy, and will be decisive for peace or war, it is notorious that it has not been made by the President, or by Secretary Marshall, or by the so-called policy makers but by General Clay and General Draper and in the Pentagon, and in London, and in Berlin.

Our German policy has led inexorably, as it was self-evident it would to the predicament which now exists in Berlin. In dealing with this predicament we now find ourselves up a diplomatic blind alley. We have delivered three notes to the Russians which demand the immediate lifting of the blockade. But these notes contain—the French note is explicit and categorical—an assurance to the Russians that our demands, though peremptory and insistent in language, will not be enforced. At the same time these same notes announce a refusal to negotiate any question, even the question of the blockade.

Thus we are now in a position where we have made a demand which we will neither enforce nor negotiate. Is it any wonder that the demand was rejected, and that we are scratching our heads trying to think what to do next?

It is here that the country will need to be on guard. For the temptation to be reckless, and to take a spectacular plunge which arouses excitement and diverts attention, will increase as the predicament in Berlin becomes more exasperating, more costly, and more humiliating, as the German policy which caused it becomes more patently unworkable, as the diplomacy which has aggravated it becomes more rigidly restricted to alternatives which are equally disagreeable.

The President's Veto a Blow at the Blind

EXTENSION OF REMARKS
OF
HON. DANIEL A. REED
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, July 26, 1948

Mr. REED of New York. Mr. Speaker, President Truman by his veto of H. R. 6818, a bill to amend title X of the Social Security Act to liberalize eligibility requirements for aid to the blind, struck the blind persons of this country a brutal blow. I am, under leave to extend, inserting a memorandum on President Truman's veto of H. R. 6818 prepared by Jacobus Tenbroek, president of the National Federation of the Blind, as follows:

MEMORANDUM ON PRESIDENT TRUMAN'S VETO OF H. R. 6818

On July 2, the President of the United States vetoed H. R. 6818, a bill designed to encourage blind citizens to become productive members of society. In the history of Presidential vetoes few compare with this one for misunderstanding of the character of the problem and the solution provided in the measure.

The vetoed bill permitted the States, without loss of Federal funds, to disregard up to $40 of the monthly earnings of blind recipients of public assistance. The ground taken by the President was that the bill: (1) "Negates the principle of providing assistance on the basis of need"; (2) "would inevitably operate unfairly against those needy blind who are unable to work and who have no other sources of income"; (3) "would increase the recipient case loads by perhaps as much as one-third" and thus "operate * * * merely to spread even thinner the already insufficient amounts available for assistance payments."

By these statements, often heard before out of the mouths of underlings of the administration, the President indicates that he favors a system by which the blind are virtually made the wards of the social workers of the Nation, that he believes that the blind properly are regarded as paupers and ought to be perpetuated in that condition by the force of law, and that the inquisition into the intimate affairs of recipients of blind aid encouraged by the needs basis of relief is no violation of the rights of the individual and the dignity of the person.

In other respects, however, the President's message is not wanting in imagination. That the blind relief rolls would be increased by as much as one-third is a patent fiction created to refute ideas that cannot be repudiated on their merits. There are in the United States thousands of blind men and women who are completely self-supporting. They would not be rendered eligible for assistance by H. R. 6818. The number of blind persons who earn from $1 to $40 a month is almost infinitesimally small.

The foregoing facts constitute the answer to the President's contention that blind people, like the rest of humanity, need no special incentive to become self-supporting. Indeed, they do not. The bill in question, however, provides no such special incentive; it removes, rather, an existing penalty. Denied access in the main to the normal channels of employment, blind persons cannot leap at a single bound from public-assistance rolls to complete self-support. The reduction of their individual assistance in exact proportion to their earnings operates

precisely as a 100-percent income tax upon these poorest of our citizens and flies in the face of the American tradition of equal opportunity for all.

The report of the President's Committee on Civil Rights emphasizes that exclusion from the main channels of social and economic activity is a denial of the rights of the individual and a loss to the productive effort of society. This democratic and uplifting principle, however, is by the President's action to be denied to the blind of the Nation and to be made a promise empty to a class of underprivileged who need it most.

Is it to be justified by the President's implication that the blind, great numbers of whom are youthful and in the productive years of life, should be treated by the public-assistance laws in the same way as the aged who have passed their productive years and as dependent children who have not yet attained them?

H. R. 6818 is a measure unanimously passed by Congress in response to the real needs of the blind of the Nation as the blind themselves understand those needs and have repeatedly expressed them. It was passed after widespread discussion over a period of 4 years, after public hearings by several committees of Congress, and after a futile attempt to defeat it by the Federal Security Agency, whose arbitrary powers to dictate to the States are thereby decreased. Yet this measure is described by the President of the United States as superficial and hastily conceived legislation passed in the closing hours of the congressional session.

It is this progressive and humanitarian enactment which the veto message characterizes as "opening the door to distortions in, and potential wreckage of, our social-security system." The blind and their friends will refuse to be discouraged by the President's illogical, unfactual, and unworthy attack upon the patient struggle of a deprived group of blind persons to gain a slender footing on the threshold of economic opportunity.

JACOBUS TENBROEK,
President, National Federation of the Blind.

Radio Address to the People of My District

EXTENSION OF REMARKS
OF
HON. EDWIN ARTHUR HALL
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, July 26, 1948

Mr. EDWIN ARTHUR HALL. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following radio address made by me over Station WNBF on July 24, 1948:

Dear friends of the Triple Cities and my congressional district, through your efforts, I was able to file a record number of petitions in Albany last Tuesday. Needless to say, I am grateful, indeed, for your help.

Tomorrow I leave for Washington in answer to the President's call for a special session of Congress. As I said before, I am ready and willing to attend.

There has been a lot of talk about politics in this special session. Perhaps I am being naive, but I think the time is past for politics.

The Republican Congress has made a good record. But there is always plenty of work left to do. Nobody is perfect and I feel that it is the duty of Congress to try to bring the country out of the confusion it's now in.

I can't turn my back on the high cost of living when it's the No. 1 problem everybody is facing. The average American needs steak for his family and he can't afford to buy beef for $1 a pound. He can't clothe and feed them on what he's making unless prices come down.

Maybe it's a sacrilege to talk about price control and a return to this probably wouldn't work anyway.

But how are people going to live without some action? Congress certainly owes it to all Americans to discuss possible solutions to these terrific living costs.

If price control won't do the trick what can we do to bring down prices? If raising wages hasn't solved the question what course of action should be taken?

The big boys laughed off the Hall program of universal old-age pensions and bonuses for World War II veterans to build houses with. They just don't like any proposal that will give the rank and file a lift. But tragically enough, those who made fun of my platform had no suggestion of their own.

I contend that opposition is not justified to an idea unless you can propose something better. The opponents of the Hall program never made a constructive proposal in their lives. They are good on blocking progress, but poor on helpful action.

Let us hope that a fair, intelligent approach will be made to facing the Nation's ills at the special session and that everybody will cast aside politics and try to get to the bottom of the trouble.

The welfare of America should be the paramount objective of the President and the Congress, and I am happy to pledge to you my continued cooperation with those forces interested in good government and honest effort.

A short time ago, I predicted the President would invoke the draft, and we are told the boys will start leaving August 30. This means you will all have many questions to ask regarding military training, and I want you to get in touch with me about them.

I want to see Congress display as much interest in the new draftees as we did before. These boys should be treated right. True, they will have may privileges which the men who were inducted in 1940 did not have.

There is, however, plenty of room for improvement. If Uncle Sam is to have a first-class fighting force once more, then we must spare no energy to give them assistance.

The attitude of some toward the man in uniform is at low ebb in time of peace. They have no use for the soldier until the time comes for him to protect them.

This attitude is wrong, and I for one am opposed to the condescension some make toward our armed forces. They should be treated decently by everybody.

Remember, you will have many things to ask about the training, the camps, the general military set-up. Write to me whenever you want help and your boy in the service needs help.

The same goes for any troubles you veterens have. I get hundreds of letters from you and have ever since the war. I am ready to go to bat with the Veterans' Administration in Washington in your behalf any time.

Perhaps the most cowardly of all is writing a letter for public consumption and not signing any name.

I have pretty well described my contempt for the few who stoop to this degrading practice. I will not elaborate at this time on that phase of it.

But it can be compared to the act of hitting below the belt. It is like standing safely behind a tree and shooting a defenseless fellow who is unsuspecting. It is like beating a man with a club while he has both hands tied behind his back.

Refusing to sign one's name to a poison pen letter at once proves that a coward wrote it. The writer is afraid to make himself known.

He takes the same unfair advantage of the person he attacks that he would if he had committed the nefarious acts I have just described.

He damages the character of the person he assails, but the latter has no chance to strike back. If he had a grain of decency, he would come out in the open and show his stripes. Sadly enough, he has no decency.

He can, of course, make big promises which he will never have to keep, because nobody knows who he is. He can talk pontifically and get away with it, because unless he signs his name, who will know that he is a scoundrel?

You may be certain my office will always honor and welcome letters which are signed. But whoever writes anonymously can expect only the wastebasket for his trouble. Unless a bona fide name accompanies the letter, the writer need look for no action on my part, even though an address is attached and the letter itself is spread over the pages of unfriendly newspapers.

Governor Dewey and the Civil Rights Issue

EXTENSION OF REMARKS
OF
HON. CLAUDE I. BAKEWELL
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Monday, July 26, 1948

Mr. BAKEWELL. Mr. Speaker, I would like to make a few statements incident to the nomination of Hon. Thomas E. Dewey as candidate for President of the United States on the Republican ticket.

In recent months we have heard much concerning the issue of civil rights. The House of Representatives has passed bills outlawing the poll tax as a requirement for the right to vote, and has in the past enacted antilynching legislation, always over the vociferous opposition of certain members of the Democratic Party. Surely the President must remember when he sat as a Member of the Senate that it was always the members of the Democratic Party who filibustered to death any and all civil-rights legislation which had been passed by the House of Representatives.

Mr. Speaker, I would like to call to the attention of this House the fact that, while President Truman merely talks about civil rights for the political advantage which he thinks it might give him, Governor Dewey and other Republicans have taken courageous and effective action in behalf of civil rights.

At the present time six States have on their books laws which prohibit discrimination in employment because of race, religion, color, national origin, or ancestry. These States are New York, Massachusetts, New Jersey, Wisconsin, Connecticut, and Indiana. Each one of these States has a Republican governor and a Republican legislature who were responsible for the passage of the State FEPC laws. While the leader of the Democratic Party talks about civil rights, the Republicans act in behalf of civil rights and in order to protect minorities.

In 1944, Gov. Thomas E. Dewey, of New York, called for the appointment of the

New York State Temporary Commisssion Against Discrimination and for the enactment of State legislation providing for fair employment practices. After Governor Dewey had completed the commission by appointing the members thereof, the commission went to work and brought forth a truly comprehensive, fair, and American bill to eliminate discrimination in education, employment, public gathering places, and places of amusement. The New York law was passed and has now been in operation for over 3 years. The unanimous concensus of all of those who are familiar with the operation of the law say that it has been eminently successful. Under the New York statute, the law is administered by a commission consisting of five members who come from the white and Negro races, the Catholic, Jewish, and Protestant religions, management and labor, and both sexes.

Mr. Speaker, it is my sincere conviction, as it is that of Governor Dewey, that no man should be deprived of the right to earn a living because of his race, religion, color, national origin, or ancestry. Discrimination in employment is contrary to all that is fundamental in our American creed. That is what the New York FEPC bill provides for—the right to work, regardless of one's race, religion, color, national origin, or ancestry.

This right, as we all know, is fundamental in equity, in justice, in government, and in religion. It is part of the Sermon on the Mount, the two great commandments, and of the Golden Rule. The Declaration of Independence gave it new meaning, and it is implicit in the Constitution of the United States. Those who are elected to the next Congress must, as a matter of conscience and duty, hold up the arms of Thomas E. Dewey, who, I confidently feel, will then be President Thomas E. Dewey, in his effort to achieve a national FEPC law, even as Aaron and Hur held up the arms of Moses on the mount, lest by lowering his arms from exhaustion, he suffer the enemies of those chosen of God to prevail. The failure of the Democratic administration, which has now been in power for 16 years, to achieve such a program constitutes one of the gravest deficiencies in our American tradition.

The New York law defines four unlawful employment practices, which are as follows:

For an employer to refuse to hire, or to discharge, or otherwise to discriminate in the matter of employment, because of race, religion, color, national origin, or ancestry.

For an employer to utilize any employment agency, training school, or labor organization which does so discriminate.

For a labor organization to discriminate against any individual or to segregate or classify membership or limit employment opportunities on any such ground.

For an employer or labor organization to penalize anyone for opposing any such unlawful employment practice.

In signing this bill Governor Dewey described it as a reaffirmation by the people of New York of their faith "in the simple principles of our free Republic," and added:

It expresses the rule that must be fundamental in any free society—that no man shall be deprived of the chance to earn his bread by reason of the circumstances of his birth.

Mr. Speaker, the right to life, which we all enjoy and which is the most primary of all civil rights, can have no fulfillment without the right to work. Denial or curtailment of the right to work by reason of race, creed, color, or national origin, deprives minorities of their constitutional right to earn a livelihood.

Mr. Speaker, I should like to quote a statement made by Mr. Eric A. Johnston, president of the Chamber of Commerce, in 1945, when he said, concerning civil rights:

Wherever we erect barriers on the grounds of race or religion, or of occupational or professional status, we hamper the fullest expression of our economic society. Intolerance is destructive. Prejudice produces no wealth. Discrimination is a fool's economy. * * * The withholding of jobs and business opportunities from some people does not make more jobs and business opportunities for others. Such a policy merely tends to drag down the whole economic level. Perpetuating the poverty for some merely guarantees stagnation for all.

Mr. Speaker, I think that with the example of Governor Dewey and the Legislature of the State of New York before us, the next Congress should guarantee to all Americans the protection now guaranteed to the citizens of New York by the State FEPC law which has worked so well. Even the most sincere critics of that legislation have been compelled to admit that under Governor Dewey the New York act has been so fairly and so competently administered that no individual has had cause to make serious complaint, and racial and religious intolerance has been tremendously reduced in the State of New York.

Now that we are engaged in a world conflict in which we appear as the champion of the free governments as opposed to the totalitarian and police-state governments of the world, we cannot afford to stand convicted by world opinion on racial and religious discrimination. Let us have faith in our minorities throughout the land and be fair with them even as Governor Dewey has faith in the minorities in New York State and was fair with them. If we follow such a course, we cannot fail to achieve a greater, a freer, and a more united America in the future.

Ancient Order of Hibernians

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Monday, July 26, 1948

Mr. LANE. Mr. Speaker, the national convention of the Ancient Order of Hibernians, and ladies' auxiliary, will be held at Montreal, Canada, this year, on August 2 to August 6. Under unanimous consent, I am inserting in the RECORD two short editorials and a poem which appear in the current issue of the National Hibernian Digest, the official organ of those organizations:

NO BAD BOYS

Father Flanagan has been buried in Boys Town but his spirit lives on.

The Ancient Order of Hibernians provided a guard of honor while his body lay in state and thousands of his admirers filed past to pay last tribute to the man of God who declared: "There is no such thing as a bad boy," and then went on to prove that love and guidance could make good citizens from even unpromising material.

The Right Reverend Monsignor Edward Joseph Flanagan died of a heart attack at the age of 61 while in Berlin on a Government mission investigating the problems of European youth. He had devoted 31 years to helping friendless and homeless boys. He died in line of duty just as surely as any soldier on the field of battle, for improving human relations was his battle line.

More than 5,000 orphans and juvenile delinquents today are good citizens, successful in business, trades, and professions as the result of his warmth and his faith, his skill in the use of sound psychology tempered with good old-fashioned sentimentality.

Members of our order served as an honor guard when Father Flanagan was laid to rest. Our responsibility as Hibernians did not end with his passing. Father Flanagan had many lessons to teach and the things he taught by example can be kept alive by our order.

He believed in the indefinite improvability of mankind. He demonstrated that faith in our fellow man can work wonders. He put into daily practice the motto of our order: "Friendship, unity, and Christian charity." Let us go and do likewise.

EIRE'S GOVERNMENT

Several correspondents have manifested failure to understand the change in administration in Eire. One writer expresses anger with the Irish voter "for his ingratitude toward De Valera." Another, less sympathetic with the great Eamon, writes: "He wanted power for life, like Roosevelt." It is really difficult for an American to understand the structure of government in Eire, so different is it from our own. Perhaps our Canadian brothers, whose government is similar, can help us to comprehend.

In framing a constitution the liberated people of Ireland chose the parliamentary type of democracy, rather than the congressional type, which we know. The Members of Parliament choose the Prime Minister, not the people—as with us.

The problem is complicated for us by the fact that Irish parliamentary democracy differs from English or Canadian by employing the preferential ballot and proportional representation. In this it is closer to French and Italian practice than to English or Canadian. In a few American cities, where there are city managers—Cincinnati and Cambridge are examples—this method of voting is in use. Under it minorities are represented in Parliament, and there are likely to be many parties none of which can command a majority. This is what befell De Valera. His political opponents subjected themselves to the discipline of compromise, and so elected a prominent Dublin lawyer who is not an active politician, John Costello, to the post formerly held by "Dev."

De Valera's political career is no more at an end than that of Gladstone after the defeat of the first home-rule bill—or that of Winston Churchill today. His position was never quite like that of Roosevelt: he was, and still is, the leader elected by his party, and was, and may again be, Prime Minister when that party commands a majority of the votes in the Dail.

THE HEART'S UNDYING QUEST

(The sonnet in the Shakespearean manner, which the National Hibernian Digest is permitted to print below, although it is copyright material was written by a Washington lawyer, poet, and Hibernian, who has more than once contributed to enrich our pages. To him poetry is serious business, with social values—"peace and brotherhood and liberty." This belief has impelled Captain McGovern to found an annual poetry prize at Catholic University, Washington, D. C.)

Poetry has nature's root and flower,
The soul of life from essence of the earth;
Born of truth and beauty, it reaps power
To make the mortal of immortal worth.
The spirit which is nurtured in its seed
Can build such health, such faith, such harmony
That wisdom of the heart and mind then lead
To peace and brotherhood and liberty.
The art of poetry owns a domain
Unique and universal in its sphere,
With words like pageants gleaming in its train,
With strains of music blending for the ear;
It is the diamond light of man's unrest,
The rhythms of the heart's undying quest.

—*James Patrick McGovern.*

Special Session

EXTENSION OF REMARKS
OF
HON. RAY J. MADDEN
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Monday, July 26, 1948

Mr. MADDEN. Mr. Speaker, certain newspapers and radio commentators have been expressing indignant opposition to the President's call of the special session of Congress.

When I returned home after adjournment, I was informed by hundreds of citizens that the people were demanding that something be done to curb the high cost of living and that they were disappointed in the lack of action by the Eightieth Congress on any legislation to stop inflation. Criticism was also expressed on the failure of the Eightieth Congress to take action on expanding social security, minimum wage, and particularly legislation that would aid in relieving the housing shortage for millions of veterans and other citizens who cannot find a house to live in.

I wish to hereby submit a resolution which I received this morning from the Indiana State Industrial Union Council, which is typical of the sentiment of all wage earners throughout our State:

Whereas the high prices of the necessary commodities during this inflationary period have gone completely beyond the financial reach of the working men and women of Indiana, and the Nation; and

Whereas the Bureau of Labor Statistics proves that the prices of the fundamental commodities have increased approximately 277 percent, while the average increase in wages has only been approximately 26 percent; and

Whereas these statistics prove that the purchasing power of the American dollar has now reached the actual value of 52 cents, the American standard of living of the average American worker has decreased approximately 50 percent since 1939, yet the profits to American industry since the repeal of the excess-profits tax reached the tremendous, staggering total of $17,000,000,000 for 1947; and

Whereas the Eightieth Congress of the United States failed to face its own responsibility in curbing the spiraling high prices during the regular session and now the prices on necessary commodities are still rising each week according to responsible statistics; and

Whereas the extraordinary session of the Eightieth Congress will be called into session on July 26, 1948, at which time they will be asked to consider legislation regarding these high prices: Therefore be it

Resolved, That, the Indiana State Industrial Union Council request all members (and their families) of all local unions affiliated with the State organization to begin the conducting of a buyers' strike at the same time the special session of the Congress convenes to show our sincerity to them that we, the average American workers, want an abrupt curb placed upon these high prices; and be it further

Resolved, That the Indiana CIO, through its regularly elected officials, petition the Indiana delegation in the Congress, both House and Senate, to work with the President of the United States on any feasible plan of starting a downward trend of excessive prices and that a copy of this resolution be sent to all affiliates of the Indiana State Industrial Union Council and to all Congressmen and Senators and newspapers, and international unions.

Taft-Hartley Law

EXTENSION OF REMARKS
OF
HON. GEORGE B. SCHWABE
OF OKLAHOMA
IN THE HOUSE OF REPRESENTATIVES
Monday, July 26, 1948

Mr. SCHWABE of Oklahoma. Mr. Speaker, shortly after the passage of the Taft-Hartley labor-management law, over the veto of the President, I reported to my constituents the actions of Congress on this subject. In my radio address of July 2, 1947, I showed the exact number of votes that were cast for and against by each House on each phase of this legislation. As a historical record of the voting on this bill, I think the message is just as good today as the day I delivered it over the radio for my folks at home. The Taft-Hartley law was passed and the President's veto overridden by what was truly a nonpartisan vote. The roll call votes showed that in both Houses, Democrats and Republicans alike responded to the voice of the people, notwithstanding the veto of the President.

Hence, I quote my radio address of July 2, 1947, as follows:

Friends of the radio audience, it has occurred to me that you might want to know some factual information relative to the labor-management bill, which has now become a law.

The House and Senate committees spent many long weeks in the hearings of this bill. The House Committee on Education and Labor, which handled the bill, presided over by Chairman HARTLEY, of New Jersey, heard many hundreds of witnesses. All of the great labor organization union heads or their representatives appeared before the committee.

Outstanding citizens who have no reason to be prejudiced either in favor of labor or management appeared in large numbers and gave their testimony. All in all, the hearings were perhaps the most comprehensive and complete on this subject that have ever been offered to enable the Members of the Senate and the House of Representatives to write the best bill that could be written with any prospects of passage by this Congress.

It is rather singular to observe that, almost without exception, the labor union organization spokesmen, the chief executive officers, and their representatives of the American Federation of Labor, A. F. of L., and Congress of Industrial Organizations, CIO, and other major and minor labor organizations and unions, took the position that no labor legislation whatever should be passed by this Congress. They vehemently opposed any change in the labor-management laws. Labor union leaders insisted that the labor problems be left to the house of labor, and that Congress should not interfere in nor legislate on the subject.

On the other hand educators, economists, leaders in industry, and management contended that industry and the public were entitled to material changes in the law. It was pointed out that there were three great groups of people who were involved. There is the rank and file of labor, management, and above all, the general public. The general public has a greater interest and concern than either organized labor or management.

It was believed that the Wagner Act was one-sided. It leaned too far in the direction of organized labor. About three times as many strikes have occurred during the time this law has been in force, compared with any other equal period in the history of our country. Congress took the view that evidently the Wagner Act had not done the job it was designed to do.

The Members of Congress, or at least a substantial majority of the membership, believed that the public interest demanded a new law and that the Wagner Act should be amended. Some even thought it should be repealed.

All who advocated either the repeal or the amendment of the laws, as they have appeared on the statute books during the past 12 years, insisted that the Wagner Act had enabled the union bosses and racketeers to dominate and control their members in a dictatorial manner, un-American in principle. These leaders had become so powerful that they not only influenced legislation, but indirectly determined the activities of nearly every citizen in the Nation. It was deemed essential to relieve not only industry and management, but the general public, and particularly the rank and file of labor, the members of the unions themselves, from the tyrannical domination and control being exerted by labor bosses and racketeers.

Therefore, the House of Representatives of Congress passed what is known as the Hartley bill. It may be of interest to you to know some facts and figures, with reference to the way this bill passed both Houses of Congress. Hence, if you will take your pencil and set down the figures, I am sure they will be a revelation to you. All of these figures have been taken from the CONGRESSIONAL RECORD, the official record of the votes that were cast for and against the new labor-management relations bill, and they are accurate and may be used without fear of their authenticity being questioned by anyone.

Now take these figures down and remember them. The Hartley bill passed the House April 17, 1947, by a vote of 308 for to 107 against. Remember there were 92 Democrats who voted for the passage of this bill and 85 Democrats who voted against it. Two hundred and sixteen Republicans voted "Yes" and 21 Republicans voted "No."

The Hartley bill then went to the Senate. The Senate had been considering what is

known as the Taft bill. Some of the provisions of the Hartley and the Taft bills were practically identical. The Senate substituted the provisions of the Taft bill for the Hartley bill. The vote on the Hartley bill, as amended by the Taft bill, shows 22 Democrats for it and 21 Democrats against it. Forty-six Republicans for and 3 Republicans against. In the Senate the final vote stood 68 for to 24 against, and it became known as the Taft-Hartley bill.

Here are some more figures that you should know. After one bill had been passed by the House and the other by the Senate, it was necessary that conferees be appointed by each House of Congress. The conference report modified certain provisions in each of the two bills. Use your pencil again. On the conference report, the vote was 103 Democrats voted to adopt the conference report and 66 Democrats voted "No." Two hundred Republicans voted "Yes" and 12 Republicans voted "No." The total in the House on the conference report stood 320 for to 79 against.

In the Senate the vote on the conference report was 17 Democrats for and 15 Democrats against; 37 Republicans for and 2 Republicans against, with the total Senate vote standing 54 for to 17 against.

The Taft-Hartley bill, as thus amended by the conferees, and so overwhelmingly approved by both Houses of Congress, went to the President for his approval or veto. As you know, the President vetoed the measure. Then, as the law provides, the bill came back to the House in which it originated. On June 20, 1947, the House of Representatives by a vote of 331 to 83, which is just 1 less than 4 to 1, voted to override the President's veto. The law requires only 2 to 1, or a two-thirds majority. In this vote in the House to override the President's veto, 106 Democrats voted to override the President's veto and 71 voted "No." Two hundred and twenty-five Republicans voted "Yes" and 11 voted "No."

On June 23 the Senate voted to override the President's veto by a vote of 68 for to 25 against. In this instance 20 Democrats voted to override the President's veto and 22 voted to sustain the veto, while the Republicans voted 48 for to 3 against.

Thus, more than two-thirds majority of both Houses voted to override the President's veto and the Taft-Hartley labor-managament relations bill became a law, notwithstanding, and in spite of the veto of the same by President Truman.

In conclusion, it must be obvious that this bill was passed and the President's veto overridden by what amounts largely to a nonpartisan vote of the Representatives and Senators in Congress. It must be equally obvious that the overwhelming demand of the general public has expressed itself. That is representative government in action.

Federal Trade Commission Report to Congress Further Stresses Necessity of Passing O'Mahoney-Kefauver Bill To Amend Section 7 of Clayton Act

EXTENSION OF REMARKS
OF
HON. ESTES KEFAUVER
OF TENNESSEE
IN THE HOUSE OF REPRESENTATIVES
Monday, July 26, 1948

Mr. KEFAUVER. Mr. Speaker, today the Federal Trade Commission released a new report entitled "The Merger Movement: a Summary Report." The report deals with the problem of monopolistic mergers and the necessity of amending section 7 of the Clayton Act.

As all of us know, the original purpose of Congress in passing section 7 of the Clayton Act back in 1914 was to give to the Federal Government the power to prevent monopolistic mergers which substantially lessen competition or tend to create a monopoly. But, as we also know, the purpose of that legislation has never been accomplished because of the wide-open loophole which exists in the legislation. The law as it stands gives the Federal Trade Commission the power to prevent monopolistic mergers when they take the form of purchases of stock, but, unfortunately, the law leaves the Commission powerless to prevent acquisition of assets. Thus, the original intent of Congress in passing the Clayton Act, to arrest the creation of trusts, conspiracies, and monopolies in their incipiency has been completely nullified by the ability of corporations to buy up the assets rather than the stock of their competitors.

HISTORY OF AMENDMENT

Since 1945, Senator O'MAHONEY and I have regularly introduced companion bills to plug this outstanding loophole. On the House side my bill has twice been passed by the subcommittee and the full Committee on the Judiciary, but twice it has been bottled up by the House Rules Committee. On the Senate side the bill has been approved by the subcommittee of the Senate Judiciary Committee, but like the House bill, it has never reached the floor for debate.

With the publication of this report by the Federal Trade Commission, the record on this bill may be said to be fairly complete. On the House side the Judiciary Committee has heard and published two thick volumes of hearings on this bill. And, on the Senate side, over 700 pages of transcript of hearings have been taken.

A NONPARTISAN ISSUE

Not only is the factual record complete, but there is no basis whatsoever of holding up the passage of this bill on the issue of partisanship. If ever a nonpartisan bill appeared before the Congress of the United States, this is it. It has been recommended in recent years by business leaders in both parties, by most of the small-business organizations, and by every Government group which has examined the problem, including four different bipartisan groups: The Federal Trade Commission, the Temporary National Economic Committee, the House Judiciary Committee, and the subcommittee of the Senate Judiciary Committee. In this connection, I wish to call particular attention to the reports by the House Judiciary Committee urging the passage of this bill in both the Seventy-ninth — Democratic — and the Eightieth—Republican—Congresses.

In the Eightieth Congress the report of the House Judiciary Committee by Representative GWYNNE, Republican, of Iowa, began with these words:

> The history of legislation previously adopted to prevent monopoly, the great increase in recent years of competition-destroying mergers, the damage to small business, the blighting of opportunity for our young people—all cry out for the enactment of legislation to stop the rising tide of monopoly.

The vigorousness of this language should make it absolutely clear for once and for all that this is not a partisan bill in any way, shape, or form.

MONOPOLY MEANS COLLECTIVISM

Rather, this is a bill designed to meet one of the most deep-seated, fundamental, economic, and social problems of our time—the problem of the growth of monopoly. My interest in this bill stems from two paramount considerations, the first of which is my conviction that unless the bill is passed the free-enterprise system as we have known it will gradually be replaced by some form of collectivism, that monopoly will become so firmly entrenched that it cannot be removed, that the opportunity for our young people, particularly our veterans, to establish and operate successful small businesses of their own will vanish, and that our free institutions will perish. In its recent report the Federal Trade Commission states, in commenting on the rise of monopoly through mergers and acquisitions:

> No great stretch of the imagination is required to foresee that if nothing is done to check the growth in concentration, either the giant corporations will ultimately take over the country or the Government will be impelled to step in and impose some form of direct regulation in the public interest. In either event, collectivism will have triumphed over free enterprise and the theory of competition will have been relegated to the limbo of well-intentioned but ineffective ideals. * * * Either this country is going down the road to collectivism or it must stand and fight for competition as the protector of all that is embodied in free enterprise.

EFFECTS OF MONOPOLY ON THE SOUTH

In addition to this general question of the threat of collectivism inherent in monopoly I have also been concerned with the more immediate and direct effect of monopoly in holding down the natural economic development of that part of the country from which I come—the South. We in the South for generations have suffered the stranglehold of monopoly and resisted it with every power at our command; yet its hold on southern industry has steadily increased. With what effects? Let me cite just two of the many examples of the way in which monopoly has retarded our natural development.

During World War I a large match plant was built in Savannah, Ga., by the Diamond Match Co. After the war, however, Diamond Match, which, of course, was the American monopoly, entered into a cartel agreement with the Swedish Kreuger world monopoly. What were the effects on the South? The Savannah plant was dismantled, razed to the ground. This was the price that the South paid in order that the world monopoly could maintain match prices at higher and more profitable levels. Moreover, a second southern match factory which was being constructed in 1931 in Natchez, Miss., was left only partly constructed and never went into operation

as a result of further negotiations by the Diamond Match Co. and the Swedish Kreuger firm—see United States against Diamond Match Co. et al., complaint filed May 1, 1944.

Or to take another example, this time in the State of Texas. There two Texas businessmen in 1933, with Texas capital, endeavored to put a glass company into operation, serving the local Texas market. Their activities were short-lived, however, being brought to a halt by the Hartford-Empire monopoly. The upshot was an agreement under which the new firm, known as Knape-Coleman, was forced to return its glass bottling machines to the Hartford-Empire monopoly. As Senator O'MAHONEY commented on this case, in speaking to the two Texas businessmen:

> So what it amounted to in the final analysis was that you couldn't receive a certificate of convenience and necessity from the Hartford-Empire Co. to operate a Texas plant with Texas capital to develop a Texas production. (TNEC hearings, 75th Cong., 3d sess., pt. II, p. 618.)

There are many other examples which could be cited from the experience of every State in the South. But their effects on the South have always been the same: Restriction of southern production and employment and the obtaining of southern raw materials at low prices, and then their resale as finished products back to southern consumers at high prices.

NECESSITY FOR IMMEDIATE ACTION

The injurious effects of monopoly on important regions, on the Nation as a whole, and on the development of world-wide prosperity could be recited indefinitely. But these effects are well-known. They do not need to be recited here. Today, we are faced with a practical problem, and that is the simple question of whether or not we are going to do anything about monopoly, other than make speeches. The present session of Congress provides us with the unique opportunity to convince the American people that we intend to meet the challenge of monopoly whenever it arises, and to pass on to our children the heritage of freedom of opportunity and our other democratic institutions which we have been fortunate enough to inherit from the past.

Civil-Service Pay Increases

EXTENSION OF REMARKS

OF

HON. PORTER HARDY, JR.

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 27, 1948

Mr. HARDY. Mr. Speaker, in the closing hours before adjournment of the second session of the Eightieth Congress on June 20, legislation was passed providing for an increase in salaries of postal and other civil-service employees. All of us recall those hectic hours and all of us know that this legislation merited more careful consideration than it received. For several months the Committee on Post Office and Civil Service had been studying this subject to determine the amounts of increase which were equitable and proper. The results of this analysis were not made available to the Congress and there was no debate on the floor concerning the adequacy of the amounts provided in the bill. Although the increases granted may be totally inadequate, I was glad we did provide a measure of relief.

Early in the beginning of the second session I appeared before the committees of both the House and Senate and urged prompt action toward relieving the financial plight of our civil servants. I made no specific recommendation of the amount by which salaries should be increased because I felt that this should be determined by the committee after careful study. However, in my statement before the House committee I included the monthly family budget of a top-grade post-office clerk who has a wife and two children. It will be noted that after providing for merely bare necessities and with no provision for clothing, this family had only $1.04 left at the end of the month. The increases we provided may be sufficient to clothe this family, but even so it is obvious that the living standard will be scarcely on a subsistence basis.

The statement which I made to the House committee follows. I believe the Members will be interested in the monthly budget of this family and so I ask that it be printed also:

STATEMENT OF PORTER HARDY, JR., BEFORE THE SUBCOMMITTEE OF THE HOUSE COMMITTEE ON POST OFFICE AND CIVIL SERVICE, MARCH 3, 1948

I appreciate the privilege of appearing before your committee. The plight of our civil-service workers deeply concerns me, and it is for that reason that I have asked to be heard.

Perhaps the need for increasing the pay schedules of our civil-service employees has been more apparent to me than to many Members of Congress. You will understand this when you understand something of the composition of the district which I represent. My district, the Second District of Virginia, includes the twin cities of Norfolk and Portsmouth where there is perhaps as great a concentration of Federal activity as can be found anywhere in the United States. The headquarters of the Fifth Naval District is at Norfolk and under it, the naval station, the naval supply depot, the naval air station, and the naval shipyard and hospital in Portsmouth. As you may suppose, the civil-service employees manning these various establishments make up a relatively high proportion of the total employment in the area.

Rates of compensation for civil-service workers are fixed by law, and there is consequently a lack of flexibility. In private industry adjustments can be made relatively easily to compensate for changing price levels and fluctuating living costs. During the recent period of rising prices private industry has made frequent wage increases or cost-of-living bonuses. This has not been true of our civil servants. In fact, a great many of them have suffered income losses through the various reclassification programs and the elimination of overtime work. Also, there have been frequent indications that Federal employees were required to take reductions in grade classifications because of reduced appropriations to governmental agencies. I am in complete accord with efforts toward governmental economy, but I think it should be accomplished in a way which will not victimize our public servants and force down their living standards.

The situation with respect to postal employees appears to me to be particularly acute. This is serious, not only from the standpoint of the workers themselves, but from a standpoint of efficiency of our postal establishment. I have had postmasters tell me that they are totally unable to secure competent personnel for the extremely low rate at which new men must be started. As a consequence, if a good man is employed he soon finds it impossible to live on his meager salary and resigns.

H. R. 5472 proposes a per annum increase of $480. I have not made a careful analysis of what increase would be proper and justified, but there is a serious question in my mind as to the adequacy of the amount proposed. It is my understanding that as of June 30, 1947, the average weekly wage of post-office clerks and supervisors was approximately $54. Recently a top-grade clerk in the Norfolk, Va., post office submitted to me an itemized statement of his monthly income and expenditures. A copy is attached for such use as it may be to the committee. I would point out, however, that this individual's family consists of four persons. His total monthly income is $258.32 and his itemized monthly expense, without any clothing or recreation, amounts to $257.28. This leaves him $1.04 above the bare necessities of life, assuming that his family did not have to wear clothes.

I would like to give you a few other figures which I think are significant. These relate to the loan experiences of the Norfolk Postal Credit Union. During 1945 they made loans of $19,361 to 81 borrowers; in 1946 they loaned $34,483.55 to 125 borrowers; and in 1947 the amount loaned increased to $46,335.85 to 151 borrowers. Please note the rapid increases not only of the amount loaned, but of the number forced to borrow.

A serious situation confronts our civil-service people. I am sure you members of this committee are carefully studying this whole matter, and I do hope the amount of increase finally approved will be equitable and proper. Let me urge also that you proceed with haste in order that the present situation, which is so acute, may be relieved promptly.

FEBRUARY 23, 1948.

This is an average monthly budget of a top-grade post-office clerk in the Norfolk, Va., post office, whose family consists of wife and two children:

Payment on home (interest, insurance, principal, and tax)	$49.76
Milk (2 quarts daily)	14.40
Heat	10.00
Lights and gas	8.00
Telephone	4.20
Water	1.30
Withholding tax	12.80
5-percent retirement deduction (soon to be 6 percent)	12.92
Food	86.00
Life insurance and hospitalization	15.00
Haircuts (self and son)	1.50
Transportation	5.00
Newspaper	2.40
Medical and dental expense	15.00
Union dues	1.00
Personal property and miscellaneous tax	3.00
Laundry	9.00
Lunches (30 cents per day)	6.00
Total monthly expense	257.28
Total monthly income	258.32
This is all that is left to cover clothing, etc	1.04

The Republican Record on Reclamation and Flood Control—Text of Address Delivered by Hon. Ben Jensen, of Iowa, to State Republican Convention of South Dakota

EXTENSION OF REMARKS
OF

HON. KARL E. MUNDT

OF SOUTH DAKOTA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 27, 1948

Mr. MUNDT. Mr. Speaker, under leave granted me by the House, I am inserting at this point in the RECORD the address which our colleague, the chairman of the House Appropriations Subcommittee on the Department of the Interior, BEN F. JENSEN, of Iowa, delivered to the South Dakota State Republican Convention last month.

Every American interested in the truth and in either reclamation or flood control will want to read the informative and significant facts set forth in the address of Congressman JENSEN setting forth the Republican record and position on these important programs.

The address follows:

Mr. Chairman, distinguished colleagues in both Houses of Congress, Governor Mickelson, ladies and gentlemen of the convention, it is a distinct honor and privilege to be chosen to address the Republican State convention in this great neighboring State to my native Iowa.

It is a pleasure for me to have the opportunity to pay tribute to the great State of South Dakota for its many fine contributions to America—not the least of which is its present delegation to Congress. And I am certain your new nominee will prove to be equal to the best. KARL E. MUNDT, FRANCIS CASE, CHAN GURNEY, and HARLAN BUSHFIELD have made a combined record in Washington of which the State of South Dakota may well be proud. I know you are proud of your good governor and the fine Republican administration you have running your State and county business.

Congressman MUNDT is the coauthor of the Mundt-Nixon bill which should and will become a law; and which bill is a historic milestone in the labeling of all subversive elements in our land. He has served with unswerving duty to his country as a member of the Foreign Affairs Committee and on that all-important Un-American Activities Committee of the House of Representatives. His work in the House was well done. As a Senator I predict for him a great future.

No Member of the House is held in higher esteem than is your FRANCIS CASE. He is recognized by his colleagues in the House as one of the most active, able, and hard-working members of the House Appropriations Committee, which effectively demonstrated to the New Deal that the cost of our Government could be reduced—and we did it the first time the Republicans had a chance to prove it. I consider it a high honor to work with Congressman CASE on the Appropriations Committee, which is known as the workshop of the House.

I have sat around the conference table many days with your Senator CHAN GURNEY discussing amounts allowed the Interior Department for reclamation. A lot can be said for Senator GURNEY, for him and his work as chairman of the Senate Armed Services Committee in the Eightieth Congress. He assumed the grave responsibility and the tremendous task of determining the extent to which we must prepare for the defense of our Nation.

Senator BUSHFIELD, we will miss you in Congress. The Nation can ill afford to lose men of your type as a public servant. Following his great record as your Governor, he moved on to the Senate, where his accomplishments have won him the plaudits of his colleagues and constituents alike. This great agricultural area was properly served by Senator BUSHFIELD as a member of the Senate Agriculture Committee, and he used his administrative background to fine account in his service on the Senate Finance Committee. I know I bespeak the wish of all your colleagues when I say good health and good luck always, Senator.

These four men are typical of the public servants of which South Dakota can boast throughout its history, both in governing itself and in helping to govern our great Nation. America needs such men as these now as never before.

It is because the roots of good government are so firmly planted in States like South Dakota that we today are confident that American principles will be retained despite the wedges of isms driven into our way of life by the New Deal and its satellites. From the roots of good government, nurtured with the ideals of Republicanism, grows the great oak of Americanism.

It is from such people as reside in South Dakota that we expect and receive in Washington the judgment and consideration which leads us to the liberty and freedom path of our founding fathers, no matter how far astray we might at times be led by the unbelievers.

We headed back to that path 2 years ago. We are going to be on the path full speed ahead come next November 2. We started back toward that path when the first Republican Congress in 14 years readopted the fundamental policies of a sound Republic.

Next year when that great administrator, Gov. Thomas E. Dewey, aided by another great administrator, Gov. Earl Warren, restores sound American principles in the administration of our Government, you can expect the progress and sound prosperity in America and that alone will be a stiff notice to communism that it cannot survive in a free nation.

When true freedom and liberty have been restored in this great land—as was our heritage—then we can go forth throughout the world as the leader of the crusade for right over night. Then we can again hold up for the world to see, the principles which have made and kept us great, the principles which we must ask the world to compare with the dictates and creeds of rulers of the people rather than by the people. Around this beacon of God's will that people be free we can comfort the hopes of those in other lands who helped fight a war to rid the world of tyranny, and not to face the threat of the worst tyrant of all times.

When the New Deal discovered that its domestic and international weaknesses had plunged America into the whirlpool of world confusion, its leaders began its cry for bipartisan policies on international affairs. They seem always anxious to drag popular Republicans into every deal after they have it messed up and are into the mire up to their necks.

I am proud to say that the Republican Congress has the interest of the Nation at heart. The Republican members of the House and Senate Foreign Affairs Committee have offered every possible assistance to the executive branch of our Government to bring order out of chaos, as Congressman MUNDT knows only too well.

We fear the interests of our Nation were not in mind when the secrets of Tehran, Cairo, Yalta, and Potsdam were written or agreed upon verbally. No plea was made then for a bipartisan policy. In fact, your last Congress found it necessary to introduce a resolution requiring the President to submit to the Congress a list of the agreements with Russia which the President said had been violated.

And do you think the interests of America are yet uppermost in the White House minds? Here is your answer:

Just the other day Governor Dewey—the next President of the United States—asked the White House if he might share in the information which leads to establishment of our foreign policy. He asked for that bipartisan consideration only because he did not want to say anything during the campaign which would tend to harm America's position in world affairs. The White House responded: No comment. Tom Dewey wanted to protect America's position. The White House apparently is willing to risk America's position for whatever political benefit can be gained.

"Give us men today, O Saviour,
Men who dare to do the right.
In this world of war-torn nations
Pity those who make man fight,
While we hear the angels pleading,
'Send them bread to stop the fight'
Trusting God to save the peoples
Who would know that right makes might."

There is no difference between the man who agreed to the commitments of Tehran, Yalta, and Cairo and the man who agreed to the commitments at Potsdam. There is no difference between the man who stopped our troops outside Berlin and the man who shipped Joe Stalin oil from California and spent hundreds of millions to keep him from the oil of the Middle East.

With every step forward we take a step back. We win a war for freedom; but we have less freedom than before. We preach liberty and freedom; but we appease the world's worst offender of those principles. It is time to halt this un-American procedure. It is time for us to take a new stock of our internal strength as measured by loyalty and sincere belief in the things that made us great. And then let the rest of the world know once and for all that we know where we stand. Then, and only then, can we command the respect of other good people all over the world.

In Philadelphia less than 2 weeks ago, the Republican Party adopted a platform which is the reintroduction of the Constitution of the United States. It tells you where the Republican Party stands and the Nation wants to stand in that same position.

In its declaration of principles, the Republican Party says, and I quote:

"To establish and maintain peace, to build a country in which every citizen can earn a good living with the promise of real progress for himself and his family, and to uphold as a beacon light for mankind everywhere, the inspiring American tradition of liberty, opportunity, and justice for all."

Then, as guides to the action the party will endorse to carry out such a program, and I only wish time would permit me to read it all again here today, the platform in part sets out the following:

"Maximum voluntary cooperation between citizens and minimum dependence on law; never, however, declining courageous recourse to law if necessary.

"Our competitive system furnishes vital opportunity for youth and for all enterprising citizens; it makes possible the productive power which is the unique weapon of our national defense; and is the mainspring of material well-being and political freedom. * * *

"The rights and obligations of workers are commensurate with the rights and obligations of employers and they are interdependent; these rights should be protected against coercion and exploitation from whatever quarter and with due regard for the general welfare of all.

"The soil as our basic natural resource must be conserved with increased effectiveness; and farm prices should be supported on a just basis.

"Development of the priceless national heritage which is in our West is vital to our Nation.

"Administration of government must be economical and effective. * * *

"Our common defense must be strengthened and unified.

"Our foreign policy is dedicated to preserving a free America in a free world of freemen. This calls for strengthening the United Nations and primary recognition of America's self-interest in the liberty of other peoples. Prudently conserving our own resources, we shall cooperate on a self-help basis with other peace-loving nations. * * *

"We aim always to unite and to strengthen; never to weaken or divide. In such a brotherhood will we Americans get results. Thus we will overcome all obstacles."

The shackles of controlled and dominated lives—that thing which we oppose and abhor in other countries—would be shorn from the American people.

Constitutional government of the people, by the people, and for the people would again prevail.

Your first Republican Congress in 14 years has already started the march back to constitutional government and Americanism.

It slowed the trend of extravagance in the executive branch of our Government, but let me point out here that the Government pay roll which is mounting daily, right today, is being accomplished at the expense of service and benefits to the taxpayers.

Congress reduced departmental budgets, but the administrative branch of the Government, still imbued with the spirit of New Deal spending, cut the services to the people rather than the padded political pay rolls.

All I have to say to you about cutting the operational costs of government is—wait until Tom Dewey takes over next January.

The man who is now in the White House, when he is not taking "nonpolitical" trips around the country, has had the pleasure of announcing recently that the Government can boast of an eight and one-half million dollar surplus for the fiscal year 1948. He announced it, but it was the Eightieth Congress that balanced the budget and brought about that surplus.

Why, the man at the White House, who thought little of his mistake of a billion dollars or two a year ago, didn't even think we could give the taxpayers some relief from the high taxes they have ben paying ever since we started raking leaves.

But the Congress did cut the taxes. And by so doing, the South Dakota peoples' tax load will be lightened this year the tidy sum of $9,100,000, and the saving to the people of my State of Iowa will be $56,300,000; and to the people of the whole Nation, $4,573,500,000.

One of the important steps Congress took back toward Americanism was the limitation of the Presidential term of office to two terms. Ladies and gentlemen of this convention, I am sure the framers of our Constitution never believed that it would be necessary to enact such a law.

The Congress recognized the need for a sensible reform of the labor law and carried out its duty over the Presidential veto.

Unification of the armed services, and endorsement of the United Nations were other measures enacted by Congress.

Many means of assistance to veterans, their widows and orphans were provided by your Congress. These I will cite in detail later.

Adoption of a recovery plan for free nations of the world was voted by a Republican Congress that was confident that institution of sound diplomacy in our international relations by strong leaders will minimize the extent of help needed from us by those countries which are ready, willing, and eager to help themselves.

Assistance to agriculture and business was enacted and the farm program was extended until such time that Congress can give serious study to a farm program that is based on the elements of true benefits and economy, rather than on the whims of politicians.

There were hundreds more of important bills, but time would not permit me to name them all.

Now, how about western reclamation, in which South Dakota has a big stake? The present administration should apologize for its 16 years of manhandling and mishandling of the Bureau of Reclamation. In the early days of the New Deal the highly trained officials of the Bureau's professional staff received a scant proportion of the vast spendings of the New Deal. Only recently, and after more than 12 years, the first drop of water has been put on California lands by the great Central Valley project. In that same length of time not a single drop of water has been applied on the 1,000,000 acres of the vast Columbia Basin and the Colorado-Big Thompson project. They have been creeping along on New Deal promises, until this last year when the Republican Congress demanded of the Bureau that they "get going" on all worthy reclamation projects, and then furnished them the necessary funds to carry the project forward in a rapid and orderly manner. That action seems to trouble the Bureau's high command no end.

Why is it that the Democrats at this late date take alarm at the thought of the Republican control of reclamation?

Could it be that Republican efficiency and honesty in the higher levels of the Bureau will be so marked as to throw their own record into shameful contrast?

Apologists for the 16 years of Democratic misrule in reclamation only spit into the wind to befoul themselves when they recklessly attempt to smear the Republican record since our party took control of Congress 2 years ago this fall.

Let's look at the record of the last 11 years which proves the Republican Party favors a more rapid development of the Western States. From 1939 through 1947 the annual appropriations approved by the New Deal for reclamation ranged from a low of $24,000,000 in 1945 to a high of $117,000,000 in 1946. In the first session of the Eightieth Congress, a Republican Congress appropriated a total of $136,644,738, and this year that same Congress appropriated $245,566,139. In those figures rests proof of the profound faith of the Republican Party in the future of the West and the future of reclamation. And further, no Congress during the New Deal era even remotely approached the efforts of the Eightieth Congress to see that the money appropriated actually be spent where it should be spent. No Congress before the Eightieth ever took such drastic steps to insure against waste on ideological adventures dreamed up in the Alice of Wonderland of bureaucracy. That is the main reason for their big gripe today.

And let us not forget that it was President Harry Truman who, on August 2, 1946, the very day Congress adjourned, ordered the Bureau of Reclamation and the Army engineers to hold back construction for reclamation projects and flood-control projects to less than half of the funds Congress had just appropriated for the fiscal year 1947. Yet our President and his smear artists would have you believe the Republican Congress is to blame for the recent disastrous floods and for the lag in reclamation construction. Your Congressman, FRANCIS CASE, will vouch for the correctness of my statements. In all fairness the blame or credit must be placed where it belongs. Let us keep the records straight.

Your Republican Congress found it necessary, in view of the record of wasteful spending at the direction of the Bureau's high command, to place strings on the method of expenditure of almost every cent that was appropriated, by earmarking, which was also done in some of the other department appropriation bills, for good reasons.

It was my privilege and responsibility in the last year as chairman of the Subcommittee on Interior Appropriations, to take a good look into the conduct of the Bureau, and my three Republican colleagues on the committee and one Democratic member, helped me do the job. Officials of that Bureau were before my committee 33 days out of the 11 weeks of hearings which we held. The record of those hearings clearly shows that in pursuit of socialistic and wild-eyed theories, high Bureau officials had flaunted the will of Congress and the spirit of the law to say the least. That record also shows they had full knowledge of such violations by other Bureau employees.

The Dewey-Warren broom, working in harmony with the Republican Eighty-first Congress, will make the rubbish and dust fly in the Interior Department, as in all other departments of government. Gov. Earl Warren is a strong proponent of western development, but he will insist that all funds be spent honestly and properly and according to law, you may be sure. Rapid, sound, businesslike, and orderly development of the great West will come at the hands of the Republican Party.

It was the Republican Party and a Republican President who founded the Bureau of Reclamation. It was a Republican administration which brought it to its finest professional development. It was a Republican President who conceived and carried out, with the aid of a Republican Congress, the sound development of the great Colorado River development. It will be a Republican President and a Republican Congress which will bring back reclamation to the Reclamation Bureau. It will be the Republican Party that will cut out inefficiency and waste of the taxpayers' money in all departments of government, so that your United States Treasury will again be on a solvent basis to the end that there will be adequate funds from which the Congress can appropriate for a more rapid and orderly development of the West, and for all other necessary purposes. And in all sincerity I must say to you that only by a businesslike job can we sell the other sections of our Nation on the need for western development at a more rapid pace.

Also, we must prove to all our people that the development and economy of the Nation—and the peace of the world—is based on agriculture. That a high annual national income is entirely dependent on the production of new wealth which is each year produced out of Mother Earth by our farmers. Our future economy and peace depend on how well we conserve, utilize, and protect our great natural resources—soil and water. For 150 years we have concerned ourselves with the development of our vast domain, but we have given little thought to the best methods of utilization, protection, and conservation of our precious soil, and how well the farmers of America can best prosper. As a result, much of our virgin topsoil has been carried to the oceans and the Gulf of Mexico. Somewhat belatedly we have inaugurated a soil-conservation program, and for a few sections of the country adopted basin programs for flood control, reclamation, navigation, and soil conservation. We must

speed up our soil, water, and flood prevention and conservation programs if we are to meet the food demands of our growing population, and of the hungry world. And bear in mind the fact that we never have a surplus with good farm prices, for the simple reason that good farm prices in turn mean good incomes for the laboring man, and for all.

You who are attending this convention are rightly concerned with respect to policies which should be adopted and supported in the State of South Dakota. The good policies which we adopt in the Missouri Valley can become the pattern for the entire Nation. In Iowa the farmers have gone forward in the last few years in soil-conservation practices, and I congratulate them and the farmers of South Dakota, too, for the progress both have made.

I understand your farmers have organized 45 soil-conservation districts, which include 21,340,135 acres of land. Within these districts are 43,183 farms. That is the first step toward the American way of preserving our land resources so that we can produce all the food of good quality which our people need, and so that our land resources will be preserved for future needs and emergencies. I shudder to think what would happen to us if war should again come upon us, unless we have a reserve of rich land ready to mine as we had for World War I and II.

I also understand there are over 12,000 farms in your State which have been planned for soil conservation. Also that there are more than 4,000 farmers who have already applied to the Soil Conservation Service for assistance. More than 5,000,000 acres have been completely treated and the job is finished. South Dakota farmers are awake, as are the farmers of Iowa, and most every other State, to the fact that soil erosion is reducing production at a rapid rate, and they are doing something about it to their everlasting credit as good Americans.

Your Congress wants to help on the important job of soil conservation. Your State agencies want to help and I assure you your Federal agencies under Tom Dewey and Earl Warren will help.

Happily, we have a Missouri Basin plan—the Pick-Sloan plan—that authorizes certain major projects to be constructed as promptly as Federal funds can be provided. However, that plan is only an outline for what is to be filled in as further study discloses additional needs. We have so far adopted a Federal program. We need, in addition, State, county, and municipal programs to complete the picture. This will speed the accomplishment of our objectives, which are the conservation and restoration of our soil and the utilization of every drop of water that falls upon or flows through the Missouri Basin. We must provide an abundant supply of power and water for domestic, irrigation, industrial, and municipal purposes, and let me assure you that we folks in Iowa, and in the lower reaches of the Missouri River Valley are anxious that the flood waters be held up in your area of the basin.

Some people think the entire job of water control and utilization and power development and distribution should be financed by the Federal Government. Actually, the needs for funds are so urgent and the total needed is so great that every individual, county, and State dollar that can properly be made available should be used in our program. Federal funds should only be used to finance the larger projects. Every possible incentive and protection should be offered the individual and private investor to do his part in supplying the funds to complete the projects needed in the Missouri Basin, as well as elsewhere. We cannot complete and maintain a satisfactory basin plan until every landowner adopts conservation practices. Water should be retained as far as needed where it falls. Thousands of drains and checks are needed to keep the water run-off from carrying the topsoil into the larger streams. This merely ends in deposits in the big flood-control reservoirs and power dams, destroying their usefulness and wasting expenditures of hundreds of millions of dollars for their construction. Small irrigation projects, particularly pumping projects, can in many cases be financed by the State, or by water conservation and irrigation districts. And that way will actually cost the farmers much less in the long run.

Private concerns and municipalities should be encouraged to enter the field for distribution of power and water that will be available at the big Federal dams and reservoirs. The entire job should not and cannot be left to Uncle Sam. Let us revive the good old American system of individual initiative, which has made America great. Let us have still greater industrial plants by encouraging individuals and combinations of individuals to establish new industries. Let us cover the entire Missouri Valley with power and water facilities for operation of factories. The big conservation job can be done much quicker and better if Federal dollars are used only for the jobs beyond the ability of the States and private initiative to accomplish. It will not only be done quicker, but better and cheaper, and more important, we will preserve individual initiative. Only by that method can we be assured of preserving a free America.

Yes, the Republican Party believes in the individual initiative which made America a great nation and for that the Republican Party is the target for New Deal attacks, which are based on absolute falsehoods, which are circulated through Federal agency propaganda machines. I have the proof of my charges here.

Figures submitted to me just before I left Washington to come here for this address—official figures, I want to emphasize—show that the Republican Congress appropriated far more money for the development of Federal power and irrigation for the fiscal years of 1948 and 1949 than did the New Deal Congresses in the peak of their spending before the war. These figures show that for power development in 1939 the New Dealers appropriated $47,000,000. In 1940 the total was $73,000,000, but they spent billions for needless employees and political pap.

The Eightieth Congress appropriated a total of nearly one hundred and thirty-one millions for 1948 and two hundred and ten millions for 1949. Our record is equally good with respect to development of irrigation.

In 1939 the New Dealers appropriated about $18,000,000 and in 1940 the total was $35,000,000.

Your Eightieth Congress appropriated sixty-three millions in 1948 and one hundred and twenty-eight millions for 1949 for this program.

New Dealers hate individual initiative because individual initiative can stem all the way from deciding how to vote.

I said earlier in my talk that I would have something to tell you about veterans' assistance by the Eightieth Congress. I rather doubt if all of you know the amount of assistance of all kinds which the Eightieth Congress voted to the veterans and their dependents, as well as for widows and orphans of deceased veterans, because I am inclined to believe that the figures have not been available until recently. Official figures furnished me just before leaving Washington give a total of $5,125,309,000 for fiscal year 1949. This includes $624,145,100 for hospitalization and care of veterans. Of course, there was other veterans' legislation which will not show in the dollar and cents column, but will show in the veterans' efforts to live by his individual initiative.

As I have reviewed to you here today the efforts of the Republican Congress to develop our national resources and to provide for the welfare of our people, you have probably wondered where the Congress made its saving of $2,741,481,291.92 below the budget which was sent to us by the President.

The Congress set aside those amounts which must be met: Such as interest payment of $5,250,000,000 on the New Deal's great public debt of two-hundred-and fifty-two-billion-plus as of July 1 this year; the cost of maintaining an adequate defense during the latest New Deal crisis of $11,403,477,413; the foreign aid that has been proclaimed as essential to peace in the world of $6,202,083,228; for social-security payments and old-age pensions of $797,000,000; tax refunds of $2,700,000,000; and for all veterans' benefits of $5,125,309,000; leaving us less than 12 billions of dollars of the President's requests for fiscal year 1949, which for many years has gone into Government operation of departments, agencies, and bureaus of this sprawling New Deal administration, where substantial cuts could be made; and there is where the pruning knife was used. We sliced off duplication of services, boondoggling, and idiotic schemes by the brain trusters who are left in the administration.

The reduction was intended by Congress to be reflected in the overstuffed Federal pay rolls, but, as I reported to you at the beginning of this talk, very little, if any, was reflected in that item.

We are cognizant—all of us—that the progress of this great country will command some Government assistance in development of resources for the benefit of the Nation. But your Republican Party is cognizant, too, that less Government assistance will be necessary if we strive to inspire again that element of Americanism which made us great—individual initiative, the very thing for which many thousands of brave Americans have fought and died to preserve for us here, and for mankind everywhere.

God help us all to keep the beacon light of liberty burning high in America for all the people of the world to see and to follow as a true guide to happiness and peace on earth.

It Was a Strong Message Dealing With Our Pressing and Unfinished Business

EXTENSION OF REMARKS
OF
HON. JOHN R. MURDOCK
OF ARIZONA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 27, 1948

Mr. MURDOCK. Mr. Speaker, it is not my custom to comment on any and every state of the Union message delivered by the President, but I should like to say a word with regard to the message we have just heard today. The message was of course long, and it involved so many different items that I must not refer to more than one or two. In the past I have told President Truman personally on more than one occasion that some portions of his messages I appreciate and greatly approve, and I have said virtually the same thing on the floor of the House.

On September 6, 1945, we had a message from President Truman which outlined a lengthy program containing 21 points which I thought showed a broad-minded view of the Nation's needs. Shortly after the message had been delivered, I expressed myself favorably concerning it. In doing so, I recalled some western history which distinguished Missourians had helped to write a century ago. I realized that Missouri was the mother of several commonwealths in the Southwest, that Missouri

soldiers and Missouri statesmen had carried the American flag into that region, and also that Missouri statesmen had established civil governments and American institutions throughout the region. It seemed to me that this distinguished Missourian in the White House, according to the program outlined on September 6, 1945, was but carrying out the plan of western development with which his forebears in Missouri had had so much to do in the beginning.

On January 21, 1946, this same distinguished Missouri President again showed his appreciation of the West by another impressive and statesmanlike message, and again I took the floor to compliment the President on the wisdom and foresight which his message contained. And now today I want to comment on President Truman's latest state of the Union message. It was a strong statement dealing with necessary and unfinished legislative business.

Of course, I cannot see in the message today so much that pertains to the West as in the previous messages, for the present session is a special session of Congress called for meeting emergency needs, and therefore it cannot logically deal so much with purely western matters. In the message today, however, this friend of the great West did touch upon the subject near and dear to my heart—that of western development of natural resources, including hydroelectric power. We consider power produced by falling water second only in importance to the use of the water itself for biological purposes. The production of power and irrigation are linked together, and in some of our great reclamation projects it is impossible to have full, complete, and well-rounded development of irrigation without well-rounded development of power. The President touched on that today in his emergency message, and I agree with him that our economy—yes; even our national security—requires the statesmanlike attitude which the President evinces.

The President is well aware that our growing shortage of oil multiplies our need of producing hydroelectric power in order to conserve our dwindling oil supply to fuel our fleets of the air for commerce and for national defense. The President, through his legislative experience, is well aware that monopoly seeks to control our water-power production. The President wants this great force of nature, so potent and useful to our people, furnished to meet their needs, without becoming a subject of monopolistic control as it has been in years past. Although the President indicated several cases in which legislation is requested and needed, he undoubtedly wants the Congress and the American people to know that the recently acquired control by the "Government of the people" over this great natural resource ought not again be monopolized in the hands of a few. It is wise to let private industry distribute the power produced at Government dams, but not wise to let private industry control or shape the conditions so that this naturally monopolistic business has only one buyer of electric power at the bus bars of the Government-built dams.

Small Social-Security Benefits and the Rising Cost of Living

EXTENSION OF REMARKS
OF
HON. AUGUSTINE B. KELLEY
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 27, 1948

Mr. KELLEY. Mr. Speaker, with permission, I wish to insert in the RECORD a letter I have just received from one of my constituents. It is one of many I have had on the subject of the plight of old people in the face of small social-security benefits and the rising cost of living. The letter speaks for millions of people in this country and is eloquent enough that it needs no explanation from me:

SALINA, PA., *July 19, 1948.*

Congressman KELLEY.

DEAR SIR: I will be 71 on my next birthday, and I can't find anything to do at my age. I was always a hard-working man all my days and I did all that I could do for my country and democracy and then the war came on and then we gave our boys for our country, two in Japan and one in England. Thank God they all came back home safe and sound, and now they have to struggle to find a job to keep their family. As for me and my wife, we have to live on $32.82 a month, and the social-security fund I know to be a fact is over $5,000,000,000 in the Treasury. According to the press they try to fight communism; instead they breed them because they know what the old people's pension is. A man who struggles all of his life to have a three- or four-room house and then goes to the State for some assistance must turn the property over to the State, and the Communist knows this. And at the present time, according to the paper, the Government has agents in the field to purchase surplus potatoes, then dump them and put carbon oil on them, so the poor people can't get them, and the Communist knows this. When I was working the Government took pretty close to 25 cents on nearly every dollar that I made and now I have to struggle for my living.

No wonder Uncle Joe Stalin has a good time vetoing everything that comes before him and makes a big laugh at Uncle Sam to spend taxpayers' money and get nowhere because our Government is too soft. I hope that you will do something about this matter. If you please don't throw this letter in the waste basket you or your secretary, but if you wish take it to next Congress and read it to your fellow Congressmen and I hope that you will acknowledge in regard for us poor people.

I remain,

FRANK TOSI.

Move United Nations Headquarters to Geneva

EXTENSION OF REMARKS
OF
HON. LAWRENCE H. SMITH
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 27, 1948

Mr. SMITH of Wisconsin. Mr. Speaker, it has been my belief for some time that it was a mistake to locate the United Nations headquarters in this country. Here the delegates are subjected to considerable pressure on the part of groups in this country that seek to use the United Nations as a vehicle for their own particular ends. The perfect illustration was the pressure brought to bear upon the delegates in the UN Assembly when partition of Palestine was recommended. The record is clear that influential Members of the Congress, governmental departments, and wealthy citizens high-pressured the delegates to vote for partition.

Mr. Speaker, there is a second reason for my opposition to the establishment of the United Nations headquarters in New York and it is that under our agreement with the UN, the United States is obligated to admit any delegate who comes properly accredited from another country if it is a member of the United Nations. Just recently serious charges of subversive activities on the part of UN delegates have been made by State Department officials testifying before a Senate subcommittee. While Secretary of State Marshall has denied any knowledge of the charges, yet these State Department officials would not so testify unless there was a basis of fact for them.

Mr. Speaker, I include as part of my remarks an editorial which appeared in the Washington Post for July 26 apropos of this subject:

CONTAMINATION

Serious charges of subversive activities on the part of UN delegates have been brought by subordinate officials of the Visa Section of the State Department testifying before a Senate subcommittee. Since Secretary Marshall denies knowledge of any such cases, the obvious conclusion is that the Department has become involved in one of those unfortunate internal disputes that should have been settled by authoritative intervention instead of being threshed out in public.

The witnesses before the Senate subcommittee have in effect denounced their superiors for following policies that jeopardize the security of this Nation. And, even more serious, their charges are an affront to the United Nations that might have serious consequences. If there is any reliable evidence to support the claims that some UN delegates are abusing the privileges they enjoy as representatives of their countries, it should, of course, be brought to the attention of the UN authorities by responsible officials of the State Department for appropriate action. However, in the absence of specific complaints against particular individuals supported by well-authenticated evidence, sweeping indictments of the sort made before Senator REVERCOMB'S committee are simply mischievous.

So long as the headquarters of the United Nations remain within our boundaries, the United States is under an obligation to admit accredited delegates from other countries, regardless of their political beliefs or their record of subversive activities in their own countries. Senator REVERCOMB'S declaration that not even a visitor's visa should be issued to a subversive and his further assertion that "our authorities are supposed to keep Communists out of this country" would, if carried out, force the United Nations to shift headquarters to some other country less fearful of the contaminating effect of alien political philosophies. It would be ironical, indeed, if a country that takes such pride in its record for preserving rights of free speech and assembly should adopt exclusionist policies that made it impossible for a world organization to carry on business within its boundaries. Yet that would unquestionably be the result of an endeavor to extend the

highly restrictive provisions of the immigration laws to UN delegates. It is worth noting that strict interpretation of those provisions has already wrecked plans for holding a meeting of the World Federation of Trade Unions in this country.

The United States rightly insists on a careful screening of individuals seeking entry to this country to establish permanent residence. But disbarment of undesirable aliens of this class does not warrant subjecting aliens coming here for brief periods as accredited agents of foreign powers or for other legitimate purposes to equally stringent tests. If such is to be our policy, the United States might as well be prepared for a change of UN headquarters to some more tolerant country—preferably to Switzerland.

The Washington Post's original choice for the UN site as Geneva, partly because of that city's advantageous location and facilities for accommodation of delegates and partly because it was feared that American absorption in domestic issues would cause us to underrate the importance of UN deliberations. The misgivings expressed at that time have been revived by the current attacks on the character of UN delegates, which are so inimical to effective international cooperation.

A Joint Congressional Committee on Intelligence

EXTENSION OF REMARKS
OF
HON. EDWARD J. DEVITT
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 27, 1948

Mr. DEVITT. Mr. Speaker, during the second session of the Eightieth Congress I introduced a resolution to set up a Joint Congressional Committee on Intelligence. It was my thought that Congress should create a "watchdog" committee over all of our intelligence agencies to serve in the same way that the Joint Atomic Energy Committee is serving so usefully in the field of atomic energy. A recent article by the noted authority, Hanson W. Baldwin, advocates the creation of such a congressional committee. I include in my remarks the expressions of Mr. Baldwin as recently contained in the New York Times. The article follows:

INTELLIGENCE, V.—BROADER CONTROL SET-UP IS HELD NEED, WITH A "WATCHDOG" UNIT FOR CONGRESS

(By Hanson W. Baldwin)

The enlargement of present intelligence activities of the Government and the establishment of a congressional "watchdog" committee to study and inspect those activities continuously are two of the major reforms required in the reorganization and modernization of our intelligence proceedures.

The first suggestion—enlargement of our intelligence activities—already has received some attention from Allen Dulles, chairman of a three-man group, which has been surveying our intelligence agencies. Mr. Dulles is the brother of John Foster Dulles, who is generally regarded as the next Secretary of State if Governor Dewey should be elected to the Presidency. The need for enlargement of some of our postwar concepts of intelligence was stressed by John Foster Dulles recently in a speech to the Bond Club of New York.

Mr. Dulles, in his address, recommended "an organization dedicated to the task of nonmilitary defense." Such an organization, he held, should expose Communist and other subversive plottings, "tell adequately through radio and press the story of what is happening," protect "the free press" of other countries by opportunity to "get print paper;" provide "asylum for those menaced by Communist terrorism," and help leaders-in-exile of foreign countries overrun by communism "to go on working for freedom."

JOINT ORGANIZATIONS MOOTED

John Foster Dulles did not spell out the details of his proposal, but seemed to lump together the functions now conducted by the State Department's Voice of America, the FBI and the Central Intelligence Agency. Such an organization as he described would presumably conduct some of the same activities carried on by the Office of Strategic Services during the war, plus political warfare and psychological warfare, including the utilization of "black radio" or clandestine stations operating perhaps behind the iron curtain. In wartime other activities, including sabotage, would be included in its scope.

No single organization of Government now has any such all-embracing charter as this, but the CIA could conduct some of the activities suggested, particularly "black radio" and the encouragement of anti-Communist minorities. There is some feeling that the CIA has not hitherto approached this phase of its work with broad enough viewpoint. Allen Dulles' survey already has resulted in a reemphasis of these "secret operations," but it seems likely that most of these will be conducted by the CIA. No such inclusive over-all organization as that apparently suggested by John Foster Dulles is probable, at least in the immediate future.

EARLY WARTIME MERGER FAILED

A merger of psychological warfare and intelligence activities was tried in the early days of the war, but did not work out, and there was a resulant split into the Office of War Information and the Office of Strategic Services. The State Department must also have a major voice in "political warfare" and in dealings with leaders-in-exile. It does not seem possible, therefore, to centralize all such operations in a single department or agency, nor is it desirable. From the congressional and public point of view such an organization would represent too great a grant of power.

Nevertheless the need for a greater emphasis on "secret operations" as well as on "secret intelligence" is now obvious, and some agencies of Government must perform all the functions mentioned by John Foster Dulles as well as other functions to which he did not allude. The CIA is the place for many of them but not for all.

"WATCHDOG" GROUP SUGGESTED

Because of the importance to national security of secret intelligence and secret operations, because of our past errors in intelligence, and particularly because the grants of power given to intelligence agencies must be major and secret, a congressional committee to act as a discreet watchdog over all our intelligence agencies—particularly the CIA—ought to be established. It ought to be composed of men of great discretion and thorough reliability, close-mouthed men able to keep secrets. It should be composed of representatives of both parties; such a committee must be nonpartisan, for, above all, intelligence must be kept out of politics. It should have the same relationship to the CIA and other intelligence agencies that the Senate House Atomic Energy Committee has to the United States Atomic Energy Commission. Such a group, to act as a sympathetic advocate for our intelligence agencies and at the same time as a gadfly to those agencies and a check-rein upon undue power, would serve a highly useful purpose in the atomic age in establishing and maintaining a sound intelligence system—the first line of defense.

President's Executive Orders of July 26, 1948

EXTENSION OF REMARKS
OF
HON. ED GOSSETT
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 27, 1948

Mr. GOSSETT. Mr. Speaker, in issuing an Executive order setting up an FEPC in Federal employment and abolishing segregation in the armed services, the President has again surrendered to the Reds and radicals. Apparently he is trying to carry out one of the planks in the Henry Wallace platform.

Insofar as employment in Washington goes, the minorities to whom this political sop has been thrown already have their pro rata share of Government jobs.

Insofar as the armed services go, the whites—not the Negroes—have been the victims of discrimination. Could it be that anyone would attempt to destroy the esprit de corps of our armed services for political purposes? A comparison of the combat and casualty records of whites and Negroes during the war will show that the Negroes certainly have no grounds on which to complain.

Government Should Act at Once To Aid Rice Industry

EXTENSION OF REMARKS
OF
HON. JAMES DOMENGEAUX
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 27, 1948

Mr. DOMENGEAUX. Mr. Speaker, the harvest of the American rice crop is about to take place, and the industry faces a very grave economic situation unless the Federal Government acts promptly to assure a Cuban market for this important product.

Because of improved and faster methods, the harvesting season has been reduced to not over 90 days. Storage facilities are inadequate, and the rice millers are not buying as in the past because of the uncertainty of the Government program. This is demonstrated by the fact that when the first lot of rice was offered in Louisiana a few days ago there was only one offer. This indicates the weakness on the part of the mills because Washington has not yet indicated any intention of acting to expedite the movement of the new crop that will be on us within the next 2 weeks to 30 days.

Our producers should be permitted to sell all of the rice that Cuba needs. Cuba has the storage facilities, and our Government should provide at once for all the export licenses necessary for this purpose. While Cuba is our most important rice export market, the American industry is shut off from doing business there while large quantities of rice are being sent to Cuba by Brazil and Mexico.

Although the IEFC has recommended rice allocations to Cuba, governmental agencies have not made any recommendations or announced any plans. In fact the Government has stated in published reports that this will not be done until late fall. This creates a most serious situation and one that threatens the welfare of the entire rice sections of Louisiana, Texas, and Arkansas. The rice-growing areas mean much to these States.

More rice will be produced this season than domestic and normal export markets require. The Government's program will determine whether the crop is to be marketed in a normal, healthy manner, or if there is to be a surplus and weakened market with chaotic results. Right on the eve of harvesting this record crop the industry is in the dark as to the Government's intentions. If money is available in European or other markets that need and want American rice and if the Government permits the trade to supply these markets, or if the Government itself see fit to move our surplus crop into deficient countries on an adequate price level, the prospects are good. On the other hand, if the Government continues to delay announcement of plans and continues to withhold export licenses and fails to buy an adequate amount at a proper price level, causing a depressing surplus to accumulate, disastrous results are in prospect.

The rice industry in this country is certainly entitled to know what the Government intends to do and is certainly entitled to protection and the right to sell on the Cuban market. Surely it is unfair and unreasonable to close our own doors against this market while other countries are benefiting therefrom.

I call upon the Government to do something about this situation at once. There is no time to be lost. Each day that the governmental agencies put off action, the welfare and prosperity of the rice industry become more and more at stake. In the name of reason and fairness, a fine and vital industry should be given assurance of Government aid and protection without further delay.

High Cost of Living

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 27, 1948

Mr. LANE. Mr. Speaker, under leave to extend my remarks, I include the enclosed editorial which appeared in the Boston Post, a newspaper published in the city of Boston, Mass., on July 24, 1948. This editorial contains some valuable information, and I assume the contents of which are worthy and merit the personal consideration of Members of Congress. It is quite evident from this article that some immediate and remedial legislation should be passed in this special session of Congress to relieve the high cost of living:

PRICES AT A PEAK

The cost of living has hit the all-time high, according to the Bureau of Labor Statistics, reaching 171.7 percent of the 1935–39 average.

There is a significant move taken by President Truman with the appointment of wartime Price Administrator Paul A. Porter as a special assistant to help formulate anti-inflation legislation to be recommended to the Congress.

What is most significant, however, is that living costs have risen almost 75 percent above the 1939 average, and since the end of price controls over consumer goods in June of 1946, living costs have risen 28 percent.

Let's look at the record, as Al Smith would say. OPA was doomed by the insistence of groups avid for money out of big profiteering schemes. The black market was bad, surely, but even the most brazen black marketeers didn't have the sturdy gall to charge $1.20 a pound for round steak hammered into so-called tenderness. They were considered piratical when they charged $1 a pound for sirloin.

Price controls worked during the war, and the line had been held. Prices on VJ-day in August 1945 had only risen 29 percent, despite the pressure of all the inflationary money in circulation.

If the facts are faced, the farmers of the grain and cattle States have harvested a bonanza. They tapped a mother lode of pure treasure, and the new crop of millionaires in the State of Texas, and the plentiful supply of cash that the farm bloc throws around in Washington, is ample proof that the farmers want the inflationary party to continue.

There has got to be another price-control law on food, or a workable anti-inflationary law to hold prices. The fact might as well be faced now. Without price controls, even rationing, people are going to starve in the midst of plenty.

The controls, however, should apply all the way along the line, from the furrow to the family, from the cattle ranges to the kitchen ranges. Both parties in the Congress should take a good long look at the American people. They are likely to get a rude surprise in November if they don't.

The women of the United States spend most of the money. They spend virtually all of the money spent for food. They know just what kind of a deal they have endured during the last 3 years. They know who gave the death blow to OPA—and, though some of them clamored for an end of OPA, they are now aware that things were better then.

A rise of over 9 percent in living costs in a single year, which every American housewife has experienced in the past year, is too much for them to take without protest. If their protests are not heeded now, those who decline to do anything about inflation and run-away prices may heed a message from the ballot box.

The middlemen and the retailers of food are being hit as hard as the consumers. But, away back along the line where the food originates, they have never had it so good. Price supports for agriculture are costing the American people millions of dollars every day so that farmers can produce surpluses which will then be doled out in a trickle at high prices while good old Uncle Sam pays and hands the bill along to the taxpayers and consumers.

If the special session of the Eightieth Congress does nothing about inflation, if the desperate need of the American people for financial stability is ignored, the Eightieth Congress will pass into history with a shameful record.

Truman Sponsors High-Price Program, But Fools No One

EXTENSION OF REMARKS
OF
HON. LAWRENCE H. SMITH
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES

Monday, July 26, 1948

Mr. SMITH of Wisconsin. Mr. Speaker, in the heat of a Presidential campaign the President has declared "that an extraordinary occasion requires the Congress of the United States to convene," and so forth. Since the day the proclamation was issued there has been no further statement. The decision of the President came at the fag end of the Democratic National Convention, where he was all but kicked out of his own party. This special session is politically the brain child of a man who knows he is a dead duck.

Mr. Speaker, the Members of this body in both parties are greatly concerned about inflation and its effect on the rising costs of living. The President will ask for a return to price controls and rationing. That is his only solution for the problem. Never has he advocated or even suggested that the New Deal program for saving the world was chiefly responsible for the shortages that now prevail and which cause high prices. Nor has he ever said or admitted that Government policies under him are also important factors in promoting high prices. I use the word "promoting," Mr. Speaker, advisedly, but the people should understand that the President's policies actually sponsor a program that is leading this country to a ruinous inflation which accounts for high prices.

Mr. Speaker, if the President was honest and sincere in his statements that high prices are becoming a burden on all of the people of this country, he should have acted months ago to change inflationary practices in his department. He is a spendthrift with taxpayers' dollars. His is a program to spend and spend, tax and tax. We cannot expect to support the rest of the world with the products from our mines, factories, and fields and still expect to have sufficient goods for our own people. This is the President's responsibility.

Mr. Speaker, just last week a British purchasing mission, according to news reports, came to Wisconsin and outbid domestic purchasers of cheese. That mission offered 4 cents a pound over the market price for cheese. Of course, American dollars were used to make the purchases. Mr. Paul Hoffman, director of ECA, has testified that "a lot of the money we spent so far and expect to spend in the next year, something under $2,000,000,000, will go for agricultural products." We must realize, Mr. Speaker, that $2,000,000,000 for agricultural products represents a huge lot of food and taken from this country means less food for our people at higher prices. But Mr. Truman remains discreetly quiet about this phase of the problem, because it is poor politics.

Now, Mr. Speaker, the President has asked for power to establish price controls and rationing. This request is on the theory that the cost of living is rising because of inflation, but he fails to analyze the cause of it.

Even those who benefit by our generosity admit that the Truman give-away program makes for higher and higher prices in this country. The London Sunday Express was recently quoted as follows:

This European recovery program hits Americans a double blow. They pay higher taxes to provide aid for Britain and western Europe and they pay higher prices for what they buy.

What is causing this rise in prices? There is no mystery about it. When some $7,000,000,000 of foreign-aid funds are added to the supply of money that is bidding for many commodities in short supply, the prices of these commodities naturally go higher.

Mr. Speaker, it takes no learned economist to understand the truth of the above statement. But Harry Truman does not understand it. If he did, and if he is sincere in his professed desire to prevent prices from going higher, then he personally could prevent the consummation of inflationary governmental practices that are about to wreck the economy of this country and destroy its people. The power lies with him and not the Congress.

Proposed Civil-Rights Legislation

EXTENSION OF REMARKS
OF
HON. GEORGE H. FALLON
OF MARYLAND
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 27, 1948

Mr. FALLON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Baltimore Sun of Sunday, July 18, 1948:

GOOD FOR NOBODY

With both Democrats and Republicans now pledged to adopt laws enforcing what are known as civil rights, we may assume that passage of such laws will be one of the major concerns of the special session which Mr. Truman has chosen to call.

If we forget for a minute the snide politics—on both sides—which have created this situation and consider it only in terms of the national welfare, the outlook is bleak. The southern Senators, we may be sure, will seek by every means, including filibuster, to prevent the passage of the laws they fear. But their influence in the Congress is now greatly diminished. If they fail to stall the legislative machine, the fat will be in the fire.

Here are some pertinent facts bearing on the Negro question as the Deep South sees it. The State of Georgia contains 159 counties; in 43 of these, the Negro population outnumbers the white. Mississippi has 82 counties; in 34 of these the Negroes are in a majority. Alabama has 67 counties, in 16 of which the Negroes predominate.

Now take the related facts about Maryland. We have 23 counties, plus Baltimore City. White people outnumber Negroes in every one of them. Even Charles County is better than 53 percent white. How much easier, therefore, for us to hold high the standard of tolerance. We have no threat of Negro domination.

Yet there are southerners who have fought long and well for the improvement of the status of the Negroes in both the civil and economic fields. Their achievements have not been spectacular but they have been continuous. They have been continuous despite the ever-present handicap of Bilboism and other manifestations of the cultural lag. All over the South today there are schools for Negroes, hospitals for Negroes, and even, in some States, professional education for Negroes. Lynching has all but disappeared. The poll tax is on the way out. An increasing proportion of Negroes go to the polls and cast free ballots. Housing projects are undertaken for them at public expense. They benefit from the various agricultural subsidies. All of which is equivalent to saying that, thanks to the wisdom of enlightened men and women in the South, white and colored, the Negro is gradually being brought to a position where he can be accepted on his own terms as a dignified and responsible citizen.

Significantly, much of this progress must be credited to the courts, both State and Federal. Most southern judges and southern lawyers still uphold the tradition of learning and of the validity of law in the social organization. Moreover, the citizens generally accept the mandates of their tribunals, for southerners are as law-abiding as the inhabitants of any part of the country. The combination of Negro pressure, enlightened leadership, and wise and prudent application of the law is responsible for the gradual progress which is being made.

Admittedly, the important word here is "gradual." It is the gradualness of the advance which, naturally enough, irritates some of the Negro's spokesmen. But, considering the factors, this very gradualness is the best guarantee of the continuation of the advance.

If the proposed Federal laws accomplish anything at all—and this is debatable—they mean an end to gradualness. But the substitute for gradualness, the only possible substitute, is force. Force can be applied only by the commissioning of numerous Federal agents and enforcement officers. How else can an employer, for instance, be driven to employing Negroes if his reason or his prejudices tell him that the work in hand is white man's work? Assuming the employer yields, how shall we control the resulting community resentment? How many enforcement officers would it take to force the 1,800-odd white residents of Georgia's Webster County to turn over their local governmental machinery to the 2,900 Negro residents of the same county? Could enforcement officers do it without the help of soldiers from nearby Fort Benning?

There is no point in pretending that the necessary implications of the proposals which have split the Democratic Party are not there. There is no point in pretending that Mr. Truman's decision to call the Congress into special session does not bring nearer the passage of the force bills for which the civil-rights declarations of both parties call. The prospect at worst is a terrible one for the country.

The Sun, whose part in the long struggle for racial tolerance is in the record, still clings to the hope that the worst will not materialize. It would be tragic to see the South forced, by the abandonment of gradualism, to accept the leadership of its demagogs. It would be an evil day for the Negroes were the enlightened southerners who have struggled so long and accomplished so much for them driven into obscurity and impotence.

But gradualism will be abandoned and civil turmoil will ensue unless, either in the Congress or outside it, the country produces something more like statesmanship than is visible today.

Farewell to Freedom in Our Land of Over Here

EXTENSION OF REMARKS
OF
HON. GEORGE B. SCHWABE
OF OKLAHOMA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 27, 1948

Mr. SCHWABE of Oklahoma. Mr. Speaker, my attention has just been called to one of the most interesting situations which has presented itself to me in recent years. Mr. L. G. Burt, of Tulsa, Okla., was one of the many Democratic candidates for nomination to the United States Senate from Oklahoma, in the primary held July 6, 1948. As a part of Mr. Burt's campaign he offered prizes to those who would write the best letter showing the constitutional authority for our New Deal Presidents to issue Executive orders with the force and effect of law, and the right under the Constitution for the Executives to do many things that they have done during the past 15 years.

Mr. Burt had printed, at his own expense, the Declaration of Independence and the Constitution of the United States, which he furnished to everyone who desired to compete for a prize. Apparently, his desire was to get the people interested in knowing the provisions of these revered and historic documents, and it resulted in a great interest being manifested in that direction. In his letter, Mr. Burt said: "You win in this contest, regardless of who may get the prize money. The knowledge you gain will pay dividends as long as you live."

Among those who competed for the prizes was a young man 22 years old, who had served in the United States Navy 3 years and 7 months, and is now a student at the University of Tulsa. This young man's mother was left a widow when the boy was only 12 years old. He is an outstanding young man of great promise. Obviously, "some place in this young man's life he has crossed the path of some individual who started him on the right road as an independent thinker." In his effort to express his meaning, he clothes his thoughts in forceful and beautiful words. Mr. Burt has just sent me a photostatic copy of the letter he received from this young man, Mr. Wayne L. Fiskin, of Tulsa, Okla., which I quote as follows:

JULY 16, 1948.

BURT-FOR-SENATE CLUB,
Tulsa, Okla.

GENTLEMEN: Upon receipt of your pamphlet containing copies of the Declaration of Independence and the Constitution of the United States, I was alarmed at the words I saw therein. Not alarmed by the remarkable lucidity of the documents themselves, but by the frightening words between the lines read into those great documents by the men in our Government who are charged with their interpretation.

Further study of such a startling subject gave rise to apprehensions and thoughts so compelling that I found myself writing them down—in verse form, in the poem I am enclosing, and which I am submitting to you as my entry in your contest.

I realize this entry is not a letter, nor do I claim it to be a wonderful poem. But I

assure you, gentlemen, there are no words between the lines, and the simple rhymes themselves come straight from the heart of the writer.

As you say, everybody wins in this contest, but thoughts are only paper gains. We should all take not only thought on these things, but action as well.

Yours for a better government for a better America.

WAYNE L. FISKIN,
Student, University of Tulsa.

Mr. Fiskin's poem should challenge our most patriotic instincts, and cause us to resolve to combat the New Deal tendencies toward socialism and communism on every hand. Every boy and girl in this country, every loyal American, should read and ponder the inspiring words of this noble veteran. The title of the poem Farewell to Freedom in Our Land of Over Here, may soon become a sad reality. Prize Winner Wayne L. Fiskin's poem follows:

FAREWELL TO FREEDOM IN OUR LAND OF OVER HERE

When I was just a baby boy
And still unknown to fear,
My mother used to cuddle me
And whisper in my ear
Of blessings of the liberty
I was yet to enjoy,
And wonders that the future held
For such a little boy!

She whispered of starvation graves
In lands across the sea,
Of people who had not the "sand"
To fight for liberty,
Who were content to live as slaves
Where tyrants rule by fear,
When they could leave their cursed land
And come to "Over Here"!

For they could come and here partake
Of opportunity!
And live their lives where right was might
And enterprise was free!
Oh, glad was I to share that right
With men on freedom bent,
For here, I could a million make
Or could be President!

And with those dreams I grew to boast
Of my great country dear,
And with my friends I laughed at things
That could not happen here;
'Till economic stress saw schemes
Of compromise with fear,
And principles we hated most
Took footholds over here!

And, oh, too soon we were to pay
The price of that mistake,
And sacrifice our liberties
To keep our country "great"!
Unlimited installments pay,
With freedoms, one by one,
The ghastly cost of theories
Our fathers sought to shun!

For we have seen our freedoms fade,
And in their place appear
The socialistic bureaucrats
That frighten us with fear!
A Government of costly men
Who strive to make it clear
That we might make a million, but
We cannot make it here!!

And memories of times gone by,
The dreams of yesteryear,
The thoughts that things that I love most
Are not as they appear,
Such thoughts bring to my heart a sigh
And, oftentimes, a tear
To mourn the land I loved and lost,
The land of Over Here!

—By Wayne L. Fiskin, Student, University of Tulsa.

JULY 16, 1948.

The DP Issue

EXTENSION OF REMARKS
OF
HON. ED GOSSETT
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 27, 1948

Mr. GOSSETT. Mr. Speaker, the statement that the DP bill passed by the Congress in June discriminates against Catholics and Jews is ridiculously untrue. The bill discriminates against the American people but is most generous to displaced persons seeking a haven in this country.

According to the official records of the State Department, of those now in DP camps, roughly 20 percent are Jews and 50 percent are Catholics. Under the President's Executive order of December 22, 1945, supposedly written by Samuel Rosenman, of the DP's admitted to date, according to State Department figures, better than 66 percent have been Jews while only 17 percent have been Catholics. Thus the administration, instead of Congress, has grossly discriminated against Catholics.

Under the bill passed by Congress, more than 50 percent of those who will be admitted will be Catholics, while the Jews will come in according to their just ratio.

The President's appeal to religious and racial prejudices is to be regretted.

I shall certainly oppose with all my might his recommendation for further relaxation of immigration laws.

The bill was passed after 2 years of misleading, high-pressure propaganda, and the expenditure of millions of dollars by the DP lobby. Now some of the Zionists and political hypocrites are trying to make a cat's-paw out of the fine Catholic folk by saying the bill discriminates against them. They are too intelligent and fundamentally American to be deceived by any such propaganda.

Deceptive Dollars

EXTENSION OF REMARKS
OF
HON. GEORGE W. GILLIE
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Monday, July 26, 1948

Mr. GILLIE. Mr. Speaker, under leave to revise and extend my remarks, I include a timely editorial from the Farm Journal:

DECEPTIVE DOLLARS

As long as Americans continue to use the present kind of dollars, trouble will stir in the land. The prices of food and goods will drift upward. People whose incomes do not rise will become able to buy less and less. Inequalities will increase. Protests will multiply, and strikes will be repeated.

Farmers suffer somewhat less, in this phase of inflation, than do many other people. The falling dollar means high dollar prices for tangible commodities like goods and fibers.

Any prosperity, however, that is based on a weakened currency carries its illusions. As prices rise the number of people who can afford to buy luxury foods declines. That process goes on now. Already thousands of families find great difficulty in buying even necessary foods and clothing. Thus, despite higher prices, the market for farm products becomes narrower.

In Europe, the currency situation delays and almost prevents recovery. It makes success of American aid highly uncertain. The people suffer daily from the instability of their money. There, and in China (we saw a letter from China the other day with $8,000 postage) conditions warn Americans of what could happen to dollars here at home.

Neither political party here has been willing to face the currency problem squarely. The dollar no longer represents either work that has been done, is being done, or is expected to be done. Cut off from gold, it no longer has any tie to stored labor. Based largely upon Government borrowing, it has little relation to present productive effort. Paper has no intrinsic worth.

The Republican platform failed to go into this basic matter, declaring merely for the generality of a "sound currency." The Democratic platform, adopted this week, does not acknowledge that anything is wrong.

The people, however, always have to face the consequences and suffer the costs of political actions and inaction.

The United States needs a gold dollar again, and needs to make it impossible for banks to issue currency backed only by Federal borrowing.

Judge Alfred A. Sartorelli

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 27, 1948

Mr. LANE. Mr. Speaker, I wish to include an excellent editorial which appeared in the Chelsea Evening Record, of Chelsea, Mass., on Friday, July 23, 1948, in reference to the retirement of one of the leading citizens of that city who has served with honor and distinction for the past 3 years as chairman of the unpaid Chelsea Housing Authority.

This man, who is respected and admired not only by the citizenry of his home city but by thousands of others outside Chelsea, is Judge Alfred A. Sartorelli. Through his leadership as chairman of the housing committee and his associate members of this most active group Chelsea, Mass., was the first city in the United States to receive temporary veterans housing, and due to the work and effort of Judge Sartorelli plans have been formulated and are in readiness for a permanent housing project in that community.

Judge Sartorelli has without doubt worked unselfishly and unceasingly as chairman of the housing authority in behalf of the people of his home city for the purpose of relieving the critical housing shortage in that locality. We all regret the fact that it is mandatory that he resign from this board for the purpose of obtaining more rest and relaxation in order to restore his health, and we sincerely hope that within a short period of time he will be well enough to again render to the city of Chelsea his

outstanding ability and energy for service on other civic matters.

The editorial follows:

UNSELFISH SERVICE

Because his health was breaking under the strain of continued conscientious, unselfish devotion to serving the community, Judge Alfred A. Sartorelli has been obliged to resign as chairman of the Chelsea Housing Authority.

No man in many years has devoted more time, energy or given so liberally of his own talents and sacrificed so much as has Judge Sartorelli in the past decade. His example of utterly unselfish service to the city marks him as one of our outstanding citizens.

Chairman from the day the board was founded, Judge Sartorelli is credited with having whipped plans into shape, doing the legal work at no expense to the city, and making the detailed arrangements which resulted in Chelsea being the first community in the United States to receive Federal approval and financial aid for the construction of temporary housing for our veterans.

Under his guidance, the local housing authority is about ready to announce approval by Federal agencies for the construction of 450 units of permanent housing.

As Judge Sartorelli leaves his strenuous work, one finds that under his direction, the temporary housing has been run at a small profit, it has paid taxes to the city and there is an ample reserve to meet any emergencies.

No scandals have been attached to the Chelsea housing plans under Judge Sartorelli. Not even a hint of anything out of line has been heard. Only words of commendation.

The housing authority has not been this man's sole contribution of service to the community. He gave willingly and gladly of his seemingly inexhaustible energy for a year and one-half on the city's unpaid zoning commission, which he served as chairman, and which revised the city's zoning ordinances.

He was chairman of the annual Red Cross campaigns in Chelsea for 3 years, and each were eminently successful. Judge Sartorelli was legal advisor to one of the city's two draft boards and for some time he was a director and vice president of the chamber of commerce.

To all of these things he has given generously of himself in so many ways. From none of them has he received anything. And what makes it more notable these days, he was seeking nothing.

None can say that Alfred A. Sartorelli has not contributed his full measure of service to Chelsea.

Dewey Versus Truman

EXTENSION OF REMARKS

OF

HON. JOHN C. KUNKEL

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 27, 1948

Mr. KUNKEL. Mr. Speaker, as the Presidential campaign progresses, the personalities, background, and ability of the candidates heading the various tickets will more and more become the determining factors in the final decision of the voters on election day. Most voters will finally decide to support the candidate of one or the other two major parties. Hence, everyone should secure as much accurate information as he or she can on this subject.

George E. Sokolsky has compared one distinction between the two candidates in an article appearing in the July 16, 1948, edition of the Harrisburg Evening News. His conclusions in this regard have been substantiated by my personal observations over a period of years and by the statements of those in close contact with both men. The article which follows stresses one of the major differences between Governor Dewey and President Truman:

DEWEY VERSUS TRUMAN

(By George E. Sokolsky)

The differences in personality between Harry Truman and Tom Dewey will appear fully during the campaign. Both, it is true, were born in small towns; both are wedded to family life; both lack that physical stature, that public manner, that startling voice that Hollywood and the radio have made so popular in American politics. Both are unquestionably honest men. Both are lovers of music.

But there the similarities cease. Harry Truman is neither by education nor training prepared for the tremendous tasks which political fortune has thrust upon him and which he now assumes voluntarily. Tom Dewey has spent all his mature years preparing himself for the Presidency. Harry Truman fears men of superior qualities. Although at first he turned to Herbert Hoover, Bernard Baruch, James Byrnes, and other experienced citizens for support, he has since surrounded himself with inferior persons, cronies of Missouri or his early Washington days, flatterers and fawners but not men of administrative ability or political prescience.

Tom Dewey built a team of extraordinary competent men who have been with him since he entered upon a public career. Curiously, an unusually large number of them are around 46 years old, as is Dewey himself. Some of them were raw material when they cast their lot in the Dewey career; they have been hammered by experience into a competent administrative force which can work together. There are no private quarrels, no empire building, no back-biting, or back-scratching in this team, whose success is the result of learning to work together over a prolonged period. I know each man and woman on it well and personally, and what those at the Philadelphia convention saw for the first time, I have witnessed for years—as smooth an organization as a Notre Dame football team.

Whereas Truman has had to slap down his assistants publicly and whereas they fight each other in public, the Dewey team does not consist of robots. They sit with the Governor in council where everything is put on the table, every difference of opinion, every criticism, every gripe. As these men have been with him throughout his career, from racket busting up, they are used to each other and are intimate, and they speak frankly, but they do not bicker. Decisions are made by the team and once made are carried through.

I cite an instance from the Republican Convention. When JOE MARTIN refused to permit Senator RAYMOND BALDWIN, of Connecticut, to poll his delegation, the Dewey leaders on the floor realized that there would be trouble. But no one rushed to the telephone to consult either Dewey or Brownell. When the motion for adjournment came and was booed and hooted, Ed Jaeckle and Russell Sprague decided to announce that New York had no objection to an adjournment. They knew that the adjournment was called to stop Dewey, but they did not hesitate. Dewey told me subsequently that he did not know what it all meant and wanted news. But his representatives acted on their own. I drove from the convention hall with Jaeckle, and we were speculating on what Dewey would say about not making a fight on the adjournment. Jaeckle finally said, "Nothing. Tom delegates. That's why it must work. We don't need a conference every 5 minutes."

It is this administrative skill which gives Dewey his competence. For he is not all knowing, all wise. And that he is willing to admit. That is why he emphasizes teamwork and why he got along so swimmingly with the New York Legislature. A man who recognizes his limitations and has the wisdom to compensate for them is a great administrator. For most of the bottlenecks in business as in government are at the top where often sits a boss who ties important problems into knots because he is incapable of handling them and he will not delegate authority to a big enough man out of fear or jealousy.

Harry Truman failed just for that reason. A decent, honest, well-meaning man, he lacks the knowledge for his job and the administrative skill to compensate for his limitations by organizing a top-notch team. He cannot use big enough men.

How the Reds Go Fishing for Intellectual Suckers

EXTENSION OF REMARKS

OF

HON. KARL E. MUNDT

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 27, 1948

Mr. MUNDT. Mr. Speaker, under leave granted me by the House, I take this opportunity of calling to the attention of the Congress and the country one of the innumerable techniques and tactics used by the left-wing outfits of America in their program of promoting by stealth and by subterfuge the interests of Soviet communism as contrasted with constitutional Americanism. I hope at least some readers of this statement will take pen in hand for the purpose of congratulating President Benson, of Harding College, on his alert Americanism and his refusal to take the bait tossed out to him by this so-called Committee of One Thousand whose influence for good I am sure is destined to be far less than that of any one ordinary American with courage enough to stand up and fight for the constitutional institutions which have made our country great.

President Benson's letter speaks for itself. Unfortunately, I do not have a copy of the literary fish bait which this Mr. Brooks tossed out to President Benson in an effort to seduce him into letting his name be used in a smear and stench campaign to try to protect American Communists from the exposures which the House Committee on Un-American Activities has been so effectively devoting to them.

Based on previous experience and earlier and similar attempts of this sort by various and sundry committees, however, I presume the Committee of One Thousand beats its breast with one hand while patting itself on the back with the other and implores and beseeches Americans who should know better to loan the use of their names and their influence to a few left-wing, self-styled intellectuals who once having secured the signatures of our innocents at home

promptly proceed to distort the announced purposes for which the committee is formed. Undoubtedly, also, the same similar patter of the same old party-line crowd fills the paragraphs of this futile plea urging President Benson to let the committee borrow the use of his name and his prestige. Beyond doubt, this letter to suckers was filled with much of the same kind of twaddle about "liberalism," "progressivism," "civil liberties," and so forth as recently filled the air so unfragrantly at the Wallace-Taylor-Stalin convention in Philadelphia.

It is hoped that more sturdy Americans of the type of President Benson will take steps to disclose this pernicious practice by which committees and organizations of one type or another seek to seduce people of good reputations to lend their names for hire to self-seeking individuals and organizations whose energy is much more commendable than their end objectives.

The letter from President Benson to the Committee of One Thousand follows:

JULY 23, 1948.

VAN WYCK BROOKS,
Committee of One Thousand,
New York, N. Y.

DEAR MR. BROOKS: I have your mimeographed letter mailed on July 16, and asking me to help abolish the House Committee on Un-American Activities.

I believe, Mr. Brooks, you are making a very serious mistake. It is not the House Committee on Un-American Activities that threatens the freedom and liberties and prosperity of this Nation.

It is the people this committee are after that are actually threatening our freedoms, our liberties, our economic system, our constitutional Government, and our traditional prosperity.

I believe you would be rendering a much better service to the people of this Nation and to the cause of freedom and liberty if you were definitely and heartily supporting the Committee on Un-American Activities.

Yours for genuine freedom, genuine liberty, and real prosperity.

Most sincerely,

GEO. S. BENSON,
President, Harding College, Searcy, Ark.

The Real Way to Stop Inflation

EXTENSION OF REMARKS
OF
HON. HOWARD H. BUFFETT
OF NEBRASKA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 27, 1948

Mr. BUFFETT. Mr. Speaker, on March 12, 1947, Mr. Truman addressed a joint session of the House and Senate. On that occasion he proposed an inflationary hand-out for Greece and Turkey.

Six days later, March 18, 1947, I analyzed the Greek-Turk scheme on this floor. My remarks included this prediction:

This scheme would lay the inflation headache right in the laps of the Republicans. Truman could then say that the end of OPA, not the foreign hand-outs, brought skyrocketing price levels. The Republicans could not point out that excessive foreign hand-outs caused the inflation, because they would be recorded in favor of that policy.

Unfortunately little attention was paid to the political trap in which the President was leading us.

Again today the President addressed a joint session of House and Senate. He demanded totalitarian price-control powers and other implements of regimentation not too different from those used by the Nazis.

If Congress doesn't give him police-state powers, Congress is to blame for the high cost of living—was the tenor of his message.

Do the Members of Congress really want to stop inflation and rising prices permanently?

History fails to record that that goal has ever been achieved by Government controls such as the President wants.

That objective—the permanent halting of inflationary price movements—has historically only been achieved by one remedy—the restoration of an honest money redeemable in gold.

Possibly the President is politically afraid to really stop inflation—for he carefully avoids mention of the real remedy.

Mr. Speaker, inflation in America will not be stopped until effective action is taken toward restoring an honest money redeemable in gold. The pages of history record no other solution.

I have introduced H. R. 5301, to restore the right of the individual American to own gold and to set a date for our irredeemable paper currency again to be redeemable in gold. Action on this measure can put the brakes on inflation.

Perhaps the special session is not considered a practical time to act on H. R. 5031.

In that event I again call attention to H. R. 6957, a bill providing for the establishment of a National Monetary Commission, introduced on June 16.

The task of restoring sound currency must be tackled immediately. Possibly definite legislation toward this end is not practicable at the special session. Then certainly this session might well pass my proposal for a bipartisan commission to study and present plans for the solution of our inflationary and monetary ills at the first session of the Eighty-first Congress.

Segregation in the Armed Forces

EXTENSION OF REMARKS
OF
HON. OVERTON BROOKS
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 27, 1948

Mr. BROOKS. Mr. Speaker, it is a serious mistake to bring politics into the armed services. It is a mistake to attempt to make of the Army, Navy, and the Air Force a means of providing social reforms. Such action cannot do other than injure the high standard of efficiency of this defense organization.

And yet, Mr. Speaker, the Executive action yesterday in creating a new seven-member Fair Employment Board and creating a new committee on equality of treatment and opportunity in the armed services can have no other effect. Such action will provide a superboard for the purpose of examining every problem and every situation within the armed services to find out whether any discrimination or segregation is being practiced between races. This superboard will have unlimited authority to go into everything, setting aside and disturbing discipline, administration orders and rules, all for the purpose of finding out whether or not the Army, Navy, Air Force, or the Marines are discriminating or segregating the races in the armed services.

The armed forces at best have a very hard job in the handling of the race question. It is a touchy matter to handle. On the whole they have done a good job. Capt. Robert Berry, personal public relations adviser to Defense Secretary James V. Forrestal, properly said that "as far as I know there is no discrimination in the armed forces."

In these times of major crises throughout the world it is a mistake to try to provide social reforms for the armed services. The result may be to seriously cripple and impair the full value of these forces. The result may be to injure them at a time when the world looks to us for strength and courage.

High Cost of Living

EXTENSION OF REMARKS
OF
HON. CHRISTIAN A. HERTER
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 27, 1948

Mr. HERTER. Mr. Speaker, in view of the fact that the high cost of living is a topic on which most politicians and many laymen are now expressing their views, I wish to call attention to a few interesting facts.

The Bureau of Labor Statistics has stated categorically that food costs represent 40 percent of the average person's outlays and are therefore given a weighting of 40 percent in the over-all cost-of-living index.

I think everyone will agree that the two most important items in the average person's diet are bread and meat. Both of these commodities are sold in a free market and the cost of wheat, as well as the cost of animals on the hoof, determine in most part the ultimate cost to the consumer. In a free market price is determined by the law of supply and demand. With a greater supply of wheat and of beef cattle, the prices of bread and meat would go down. Yet what do we find the administration doing?

On July 24 the United States Department of Agriculture put out a release stating the national goals for 1949 pro-

duction of several important farm commodities which were being recommended to the States by the Department of Agriculture. What are the recommendations with respect to wheat and with respect to beef cattle? On wheat the Department of Agriculture recommends that the acreage to be seeded in wheat for 1949 be decreased from the 1948 plantings by 8 percent. With respect to beef cattle, the Department recommends that the farmers decrease their beef cattle breeding herds by about one-half million head below the number on farms on January 1, 1948. In other words, our Government is officially trying to decrease production both of wheat and of beef cattle in the very moment when it is talking about inordinately high food prices.

With respect to the housing situation, I am quoting below an Associated Press dispatch dated July 5, 1948, giving the Commerce Department's figures on new construction in the month of June. These figures are, I believe, of special interest in the light of the fact that this construction, the highest for any month on record and showing for the first 6 months of 1948 an increase of 60 percent over the same period for 1947, is taking place in a free market.

I personally believe that the Federal Government should encourage the construction of some low-cost rental housing in large metropolitan areas, but the limitation on construction today lies with materials and labor, and any such federally subsidized housing would, of course, have to take the place of some of the types of housing described in the AP dispatch.

WASHINGTON, July 5.—The Commerce Department tonight estimated new construction in June at $1,605,000,000, the highest dollar value for any month on record.

The total, measuring construction work actually done and excluding contracts for later performance, was an increase of 11 percent over May or slightly more than the normal rise between those months.

It was a full 38 percent higher than in June of last year, and $100,000,000 above the previous record levels attained last October and in July 1942.

The value of all private construction in June was $1,218,000,000, a 10-percent gain over May. Housing accounted for more than half of the total.

Private housing construction alone came to $625,000,000, a 9-percent gain over May and a 54-percent rise over June last year. The house construction total for the first 6 months of 1948 was $3,100,000,000, a 60-percent increase over the same period of 1947.

Other types of privately financed work which gained in June 1948, as compared to June 1947, included: School buildings, 50 percent; stores, restaurants, and garages, 82 percent; and religious structures, 138 percent.

Industrial building was the only class of privately financed construction to decline. Totaling $110,000,000 in June, it was down 2 percent from May and 21 percent from June of last year. For the first 6 months of 1948, it was off 19 percent from last year.

Public construction in June was valued at $387,000,000, up 14 percent from May and 40 percent from June last year. Among the marked increases over last year were: Educational buildings, 79 percent; hospitals and institutional buildings, 171 percent.

President Truman's Message

EXTENSION OF REMARKS
OF
HON. RALPH E. CHURCH
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 27, 1948

Mr. CHURCH. Mr. Speaker, it is obvious from the message we have just heard from President Truman that he has used his extraordinary constitutional power to call this special session of Congress solely to serve his political ends. The message we have heard was purely a political campaign document. He has recommended nothing that he has not previously recommended. He has recommended nothing that he could not have emphasized prior to the adjournment of Congress a few weeks ago.

The President seeks to use police state methods in dealing with the problem of high prices. It is a curious fact that he already possesses power which he has never used to control consumer credit, as well as exports abroad. The American people can readily see that the Truman administration is intellectually and politically bankrupt. His recommendation with respect to high prices is that we return to the days of the OPA with goods in short supply and black markets. The American people will have none of it.

Government Employees Suffer Blow to Morale

EXTENSION OF REMARKS
OF
HON. JOHN D. DINGELL
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 27, 1948

Mr. DINGELL. Mr. Speaker, the bill making effective the pay increases given postal employees and the lesser amount given classified Federal employees and legislative employees was denounced in no uncertain terms by the President at the time of signing, as he pointed to the reckless discriminations and the total over-all inadequacies of the provisions of this Republican hodge-podge. This important legislation was delayed until the last minute and was considered under the force exerted by many Members, who, like myself, believed that a straight thousand-dollar increase should be made across the board, but yet were willing to consider this bill because it granted at least partial relief to the nearly 2,000,000 deserving Government employees.

The editorial in the Washington Post under date of July 5 treats the subject with thoughtful thoroughness as it analyzes the salient points raised by the President. Inasmuch as I could not improve upon the President's outline or the ability to portray the subject matter by the editorial writer, I ask leave to attach the editorial as part of my remarks.

The editorial follows:

BLOW TO MORALE

The inadequacy of the salary increases granted to Federal employees is only one count in President Truman's scathing indictment of the Federal pay-raise bill that he has reluctantly signed, acting, no doubt, on the principle that half a loaf is better than nothing at all. Much more serious is the demoralizing effect of giving flat increases to all employees covered by the Classification Act. As a result, differences between upper and lower pay grades, already narrowed by increases given in 1945 and 1946, will be further decreased. "The effect of this," the President points out, "is to reduce seriously the opportunity for salary advancement which should go with increased responsibility." Even worse is the blow dealt to morale by the failure of Congress to raise salaries of officials whose remuneration is fixed by Congress. Consequently, members of many boards and commissions and certain agency heads at the $10,000 level will receive lower salaries than some of their subordinates who receive the $330 pay increase. The President rightly denounces such a "violation of the principles of sound management" as "ridiculous."

It will certainly be hard to maintain discipline under such topsy-turvy conditions. Competent administrators will be severely handicapped, and their natural resentment at such unjust treatment will tend to accelerate the present exodus of competent men from the Government service. The exclusion of District employees from the benefits of the act is also inexcusable, as is the preferred treatment of postal employees, given a $450 pay increase, no doubt because they are strongly organized and could put more pressure on Congress.

The only good thing to be said about the measure is that it is so bad as to make revisions inevitable. The Eighty-first Congress can hardly ignore the impossible situation created by the hasty and irresponsible action of the Eightieth Congress. The way to remedy that situation is to authorize a thoroughgoing revision of salary scales in the classified services, as urged by the President, raise the salaries of top-ranking officials, and extend the benefits of increases to all District and other Federal employees who have been unjustly denied pay increases.

The Housing Problem

EXTENSION OF REMARKS
OF
HON. KATHARINE ST. GEORGE
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 27, 1948

Mrs. ST. GEORGE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include a portion of a speech made before the Rotary Club of Hobart, Delaware County, N. Y., on Federal public housing:

You have all heard a great deal about housing. It is a very real and a very serious subject.

The great trouble is that, quite frankly, no one wants to put his finger on one of the major reasons for the trouble—which is high wages in all the building trades.

We want to keep high wages, but we want cheap housing.

We want to keep farm prices up, but we want cheap food.

Of course the two are impossible. Personally, I would rather see wages and farm prices up, because I truly believe that on the whole we are happier under those conditions.

Of course, when private industry cannot produce housing or other necessities at a price where the public can buy, we see government, State and Federal, stepping in with subsidies that come right out of our tax dollar to produce the necessities that the people must have, at prices they can afford to pay.

On my return from Washington the other day, I decided to see for myself what the Federal Government was doing for housing right in my own district, and I am going to tell you what I found.

Nineteen miles outside of New York City, in the town of Orangeburg in Rockland County, is the Federal housing project of Shanks Village, formerly Camp Shanks. Camp Shanks was taken over at the beginning of World War II by the military, who commandeered all the houses on this large and beautifully situated tract and built barracks. They accommodated 100,000 troops, so you can see that the place is large. This does not count the large warehouses that are still standing in a delapidated and derelict condition.

Now, there is an acute housing shortage everywhere in the country today, but nowhere more so than in New York City.

The Federal Government, therefore, decided to turn this large camp into a housing project for veterans.

Today 4,200 people live in some of the converted barracks. I visited some—I can truthfully say that the best one I saw, consisting of three rooms and a kitchen, was adequate, nothing more. The whole place is neglected and sordid looking. Most of the barracks are falling apart, some have burned. Hoodlums have come in and ripped plumbing and fixtures out and broken all the glass.

The material stored in the warehouses has been sold by the Government to people with special drag for next to nothing. Some, in fact much of it, has been rifled. The local people have not been allowed to bid on any of it and are naturally resentful.

The good private houses stand boarded up, slowly disintegrating. Yet my mail is full of letters from former owners of these homes, begging for the right to purchase them back from the Government.

If this is an example of Federal housing, all I can say is that we want none of it, and that it is a national disgrace.

Here is the richest Government on earth graciously allowing its veterans to pay $42 a month to live in the nearest thing to a slum that you can have, outside of a city.

Here, in a place that could be a garden spot, where at least 25,000 people could live in health and happiness, we see nature ruined, waste and ugliness everywhere.

This is not a tale that I have heard from some muck-raking politician. This is something I have seen with my own eyes in my own district.

This Shanks village is only one of many such Federal projects that could be seen in many congressional districts.

Our Nation's greatness has always had as its cornerstone the American home. Today, in a world where freedom and free institutions are at bay, we must make it possible for our people, and especially our veterans, to live like freemen.

And when we hear all these promises of what the Federal housing projects are going to be, it would be well to look in our own backyards and see what they have been.

We have been warned of the dangers of Federal public housing by such distinguished Members of Congress as the Honorable RALPH GWINN, of New York. He has pointed out how such housing projects are used by political bosses to force people to do as they are told.

This is not our ideal for the American home and the American veteran.

Actions speak louder than words.

All we see is waste and extravagance.

These two have never made for efficiency. Until our people and our Government realize this we will never solve the great problems than confront us today.

The world is watching us to see how we are solving these problems. Freedom and free institutions will rise or fall according to the answer we give to housing, inflation, and the establishment of lasting peace.

General Pershing

EXTENSION OF REMARKS

OF

HON. J. HARRY McGREGOR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 27, 1948

Mr. McGREGOR. Mr. Speaker, on July 23 General of the Armies John J. Pershing, one of the greatest generals of all time and a great American, departed this life. General Pershing's place in world history is secure and any effort of mine to add to that history would indeed be futile. I shall, therefore, be content to say that I was honored to have served under him in World War I.

I wish to point out to my colleagues, Mr. Speaker, that I am preparing a bill for introduction in the Congress for the erection of a national memorial to the memory of General Pershing, and I hope to see it enacted into law with the least possible delay.

Weak Message by Weak President

EXTENSION OF REMARKS

OF

HON. PAUL W. SHAFER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 27, 1948

Mr. SHAFER. Mr. Speaker, a weak President today weakly outlined his weak political reasons for calling Congress back into special session.

He gave us two principal reasons for calling the special session. First, he said that Congress should enact legislation to deal with inflation. Second, he declared that we should pass a certain bill presumed to increase the number of houses available for rent or purchase.

In simple justice to the facts, let us recall that when the President called Congress back into special session last fall he urged a program that was designed to increase inflation. The Congress, unluckily for the Nation, enacted a part of that program. Billions of dollars were appropriated for the so-called Marshall plan. At that time I predicted that higher and higher prices would result. The economic chickens now are coming home to roost.

President Truman is right when he says prices are high and going higher, but he is totally wrong when he says there is anything Congress should do about it. To restore controls would stifle production more and would cause even more inflation. Certain people are going to suffer, naturally, because of our huge overseas spending program. The President, if he cares for them, should have thought of them before he drove the Marshall plan through Congress.

The President is talking through his political hat—and he knows it.

During the past few weeks he has blamed everything on the Eightieth Congress, but he has neglected to tell the people how he vetoed the price-control bill of the Seventy-ninth Congress and then later personally removed the controls by Executive order.

Here is the record as it appears in the final edition of the House Calendar for the Seventy-ninth Congress:

H. R. 6042 (H. Res. 591). Emergency Price Control Act of 1942, amend. Reported from Banking and Currency Committee April 9, 1946 (Rept. No. 1922). Union Calendar. Passed House April 18, 1946. Reported in Senate June 7, 1946, Banking and Currency Committee (Rept. No. 1431). Passed Senate, amended, June 13, 1946. Senate asks for a conference June 13, 1946. House agrees to a conference June 14, 1946. House agrees to conference report June 25, 1946. Senate agrees to conference report June 28, 1946. Vetoed June 29, 1946. Failed of passage over President's veto June 29, 1946.

The speech made by the President today was the speech of a weak politician. He did not even deliver the speech with conviction. There was no urgency in his manner or in his voice, although he had some words written down on a piece of paper that he tried to read and make them sound urgent. He was debonair, jaunty, and carefree. If he is worried about the people who have no houses, he did not show it.

President Truman is as dead wrong about socializing the housing industry as he is wrong about how to cure high prices. The private housing industry of the Nation did not have a chance to perform its best for 2 years after the war because Uncle Sam kept on controls and the Government itself was in the housing business, bidding up prices and causing general "snafu."

A year ago this July Congress took controls off private housing. The records show that since that time housing starts and finishes have jumped immeasurably every month. A million houses to be built by private industry will be finished this year. That is better than the Government could do.

The so-called housing bill which Mr. Truman advocates would not add one single carpenter, bricklayer, or electrician to the labor force. It would not create a single new piece of tile or build a single foundation. It would greatly upset the private building industry and actually would add to our bureaucracy, to our Government outgo—thus increasing the inflation Mr. Truman pretends to be fighting.

Mr. Speaker, this Congress has been dubbed the "turnip" Congress. I suggest to the President that he will get more out of planting actual turnips in Missouri than he will get out of sowing political weeds in Washington.

Antisegregation Executive Order

EXTENSION OF REMARKS
OF
HON. A. LEONARD ALLEN
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 27, 1948

Mr. ALLEN of Louisiana. Mr. Speaker, the President of the United States in this political year has been doing everything possible to push through his so-called civil-rights program aimed at the South. The Republican Party is also committed to vote for this legislation. The Chief Executive, up to this time, has not been able to secure the passage through Congress of this very hurtful legislation. Having been goaded by Henry Wallace and his group to take action, the President now resorts to his Executive powers and by Executive order has undertaken to wipe out racial segregation in the armed services and he has also set up a fair employment practices code to govern employees in the Federal Government. It is regrettable beyond measure that the Congress is thus bypassed in a manner like this.

By this action the wound to the South is deeper. I predict this will do more to add to the existing confusion and turmoil in our country than anything else that has occurred since 1861. In my opinion it not only will greatly increase tension, strife, and turmoil, but it will diminish the efficiency of our armed services. I am afraid that this entire program, fostered by the President and approved by the Republican Party also, will create such internal dissension and strife in this country as has not been seen within the memory of living persons. This is a sorry situation, pushed upon us at a time when we need unity and cooperation at home to cope with an increasingly alarming situation overseas. Of course, Mr. Speaker, everybody knows that politics is behind the whole thing. We in the South will continue to fight and oppose this civil-rights program with all of our strength. I have fought the FEPC and the rest of this program since the beginning and I shall continue that fight, come what may. It is a crime against a noble people. I pray God that somehow the plans of those who are doing this to us may not succeed.

The Republican Majority Cannot Escape Its Responsibility

EXTENSION OF REMARKS
OF
HON. ADOLPH J. SABATH
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 27, 1948

Mr. SABATH. Mr. Speaker, the Republican majority cannot escape its responsibility in legislating promptly on the President's three main recommendations, namely, the high cost of living, housing, and the arresting of the inflationary spiral. The charge of some Republican leaders that the administration can stop the increasing cost of foodstuffs without the passage of legislation will not sit well with the American consumers, and such charge is unwarranted and a poor excuse.

Acceding to the promises of big business and industry that if OPA was repealed and they were permitted to voluntarily fix prices the increase in the cost of living would be arrested, the Eightieth Republican Congress first weakened and then repealed OPA, and as a result of such legislative action we now find that prices of foodstuffs have increased 40 percent. This outrageous increase can properly be charged to the deliberate action of the Republicans to give the combines, trusts, and manipulators the right to do what they have done, namely, to increase by leaps and bounds, within the period of 18 months, the prices of all necessaries of life. How, then, can the President or the administration stop these vicious activities by stopping purchases to carry out the Marshall plan needs, that we possess? Furthermore, the Republicans authorized the purchase and exports of commodities under the so-called Marshall plan. There is only one way to stop inflation and reduce the cost of living, and that is by the adoption of a price-control bill under which prices would be set as they were at the time when you Republicans began to emasculate, weaken, and finally repealed the Price Control Act.

Mr. Speaker, the present prices on foodstuffs, wearing apparel, and all necessaries of life, have resulted from a boosting, boosting, and further boosting, in a manner that is criminal.

I concede that persons with earnings and wages of over $5,000 a year may be able to stand this high cost of living condition for another 6 months, but people with lower earnings cannot much longer endure paying these extraordinary, yes, exorbitant prices, especially those millions of wage earners receiving $30, $35, and $40 a week.

The representatives of the National Association of Manufacturers, who seem to control the Republicans who are responsible for the repeal of the Price Control Act, are now giving vent to much publicity in radio broadcasts and other avenues to the matter of wages, pointing out that union workers in some of the outstanding industries, through threats of strikes and otherwise, have succeeded in the last year and a half in obtaining two increases in wages, but that applies to only 15,000,000 of highly skilled, mechanical, and technical workers, and does not cover approximately 40,000,000 unorganized or nonunion workers whose wages have not been increased to any extent.

What about the 20,000,000 white-collar workers, the school teachers, firemen, and police officers, municipal and State employees, and persons who live on small pensions and fixed incomes, who have been obliged, since the Republicans took control of the House and Senate, to sell their Government bonds, to withdraw their savings, and 23 percent of whom have been compelled to let their insurance policies lapse. They have faced the ever-increasing cost of living not in the buying of $1.25 per pound steaks but by buying the cheapest cuts of meat and the cheapest of foods. I ask: How much longer can they stand paying double prices for their food, wearing apparel, and household needs. No, Mr. Speaker, the Republicans cannot by any excuse they may attempt to devise avoid the responsibility of depriving these people of a decent living and decent homes.

Mr. Speaker, I observed the indifference of the Republican majority and its cold reception of the President's message to relieve these deserving citizens. With an abundance and surpluses of foods and commodities in every line, the National Association of Manufacturers has the effrontery to continue its distorted and warped publicity campaign, coupled with your oft-repeated untruths about shortages, in an attempt to justify the increase in the cost of all necessaries of life. The fact is that the warehouses are bulging with surpluses of foods and commodities and, notwithstanding that fact, you have the temerity to issue statements to create a scare that shortages exist. But the people will not be fooled and misled and you will account to them in November.

Mr. Speaker, I could continue in giving explanations of the failure of the Eightieth Republican Congress to relieve the people of the distressing high cost of living and its refusal to legislate on housing for veterans and citizens, but just today observed an article appearing in the Chicago Federation of Labor News, of July 24, 1948, which simply gives the story of the Republicans' "effort" to legislate in the interest of the people and their real legislative action in legislating for the benefit of the special interests. Under the leave given me, I insert it as part of my remarks, as follows:

THE PRICE OF POLITICAL ABSENTEEISM: $50,000,000,000

"Prices Hit a New High"; "Wholesale Prices at New Peak"; "Cost-of-Living Index Highest Ever." These three headlines made their appearance promptly in July 1948. They have been appearing regularly since Congress abolished price control in July 1946.

Now let's go back to July 3, 1946. The National Association of Manufacturers speaking: "If OPA is permanently discontinued, the production of goods will mount rapidly and, through free competition, prices will quickly adjust themselves to levels that consumers are willing to pay." Then there is a Republican Congressman stating: "OPA is at the present time the chief promoter of inflation." We could fill a page with similar quotations from the "statesmen" in Congress.

Now the Federal Reserve Board tells us that one-quarter of the Nation's families are finding it necessary to spend more than they are taking in in order to get by with constantly increasing prices.

Prices have jumped 36 percent since OPA was scuttled in 1946.

Who got the gravy out of the speculative price boom that followed the destruction of the OPA?

The Department of Commerce points out that while the total of wage and salaries have increased only 6 percent in the past 3 years, profits have increased 60 percent.

That profits have increased 10 times as fast as wages should please the present Eightieth Congress. It was exactly what the congressional majority wanted. In dollars, it is apparent that the destruction of price control has cost consumers approximately fifty billion hard-earned dollars. This huge sum was paid unnecessarily. It is a consumer's tax of approximately $25,000,000,000 a year for the past 2 years, levied by the majority of Congress at the request of the National Association of Manufacturers.

You might remember this when Congress tells you your taxes have been reduced.

The present Eightieth Congress that endorsed the extraction of this huge sum from your pockets was elected because 56,000,000 Americans of voting age failed to vote in 1946. Result: The agents of big business obtained a majority in Congress and made the laws to suit their masters. The Eightieth Congress sat silent on rising prices. It was not ordered to legislate on prices by those who controlled it.

Fifty billion dollars is a lot to pay for this lesson in citizenship. How about remembering it in November 1948?

A Federal Judge and the Rights of Free Citizens of South Carolina

EXTENSION OF REMARKS

OF

HON. W. J. BRYAN DORN

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 27, 1948

Mr. DORN. Mr. Speaker, as a small boy, the son of a father and mother both of whom were country school teachers, I was taught by them to have great respect always for the courts of our land. As a youth in the schools which I attended, my teachers always impressed upon me that I was to respect our judges and their decisions. In that same youth, I began a study, which I have continued through all the years, of the principles—the foundation stones—upon which the United States of America were founded and established. I was reared as a farm boy, and have never known any occupation except farming. I am not a lawyer, never endeavored to train myself to be a lawyer, but I have read much law, and I have read, studied carefully, and tried to understand the Declaration of Independence and the Constitution of the United States. I have read in the works of many American statesmen, and I have been told oftentimes by many great lawyers, that this Government of ours is one of checks and balances, that we have three great branches of the Government, the legislative, the judicial and the executive. For more than 150 years, the people of America—especially those people who have been loyal to the American way of life, and those who have loved the principles of American Government, regardless of their political affiliations—have earnestly believed that each of these three branches of government were, and should be, free and independent of the other two—each of them performing only the duties and responsibilities prescribed to be performed by them in our Constitution. For many years, and until rather recently, the courts have generally refrained from interfering with the powers of the executive and legislative departments. The Houses of Congress, composing the legislative department, have almost always yielded to the power and authority of the courts, when the courts have exercised that power and authority. In the bitter dissensions that have sometimes occurred between the executive on the one hand and the legislative or judicial on the other, the executive has usually had to yield to the other branch of the Government, when it was finally concluded that that particular branch had acted within its proper sphere.

One of the great principles of Magna Carta was that the judiciary of England, represented then by the King, should not trespass upon the rights of the freemen of England. One of the great disturbing elements that brought about the great Revolution in America against the English Government was the desire of the American people that they should not be governed, except in a strictly lawful way by the judges of those days. They opposed the right of a judiciary to establish laws and principles of government, especially when those laws and principles were contrary to the political beliefs of the citizens.

I regret to report to this House and to the people of the United States that very recently a judge of our court, a member of the Federal judiciary, has gone beyond his powers and duties to decide legal questions as to the rights of citizens and has sought to require the citizens of a sovereign State, and members of a political party, to subscribe to his beliefs and principles of an entirely political nature. I regret to tell you that in my good State of South Carolina, there is a Federal judge, who bears the name of J. Waties Waring, who is trying to force the members of the Democratic Party of South Carolina to forego the great principles of that party on important matters, entirely set apart for political consideration, and he is trying to force these South Carolina Democrats to accept what he thinks should be the political principles of their party, or, perhaps, it is more correct to say that he is trying to tell the Democratic Party of South Carolina, "You cannot have any political principles at all." If a Federal judge can do that to the Democratic Party, then some Federal judge in some other State of the Union may attempt to dictate to the Republican Party or to Henry Wallace's new party or to the Socialist Party or to the Prohibition Party or to the Democratic Party of any other State the principles to which each of those parties must subscribe.

Judge Waring in his order in the case of Brown against W. P. Baskin on July 19, 1948, to all intents and purposes practically himself set the rules for the Democratic Party in South Carolina.

Later, without any request from any member of the Democratic Party, any party to the suit before Judge Waring, or any of the attorneys for the Democratic Party and the defendants in that case, Judge Waring, seeing the confusion he had created in his previous order, proceeded again on July 22, 1948, to make another order which created even more confusion.

There was quite a stir throughout South Carolina because Judge Waring had provided in his order that the voter in the Democratic Party should pledge himself to support the nominee of the Democratic Party and not just the nominee of the primary election.

I wish to remind you that these orders, three or more of them, haled into court some outstanding citizens of South Carolina. These citizens resided, some of them, in Judge Waring's own district, but many of them lived in another Federal court district. These orders in many instances were served in the dead hours of the night on many of these gentlemen who were aroused from their sleep to be greeted at their doors by a Federal marshal with a summons and order in a civil case. This is an unheard-of procedure in the State of South Carolina. Papers in civil action are not generally served except in the daytime. The families of these men were served in the darkness of the night and were frightened that they might be carried to the Charleston jailhouse. Judge Waring did something in South Carolina which has never been heard of before:

He specified special hours for the enrollment of votes, that is, they must enroll between 9 in the morning and 1 p. m. and 3 and 6 p. m. in the afternoon. The working people of South Carolina had the right to enroll at any time and had followed this rule for many years. They could enroll even in the nighttime or early in the morning before they went to work. The enrollment officer would accommodate them. These methods of serving orders in the night were used by Hitler and Mussolini and today by Stalin.

Furthermore, he fixed the time for the closing of the books of enrollment on July 31, and he made no provision for compliance with other rules of the Democratic Party after the filing of the enrollment books and their revision. The committee positively cannot comply with the rules providing for the performance of dues in the face of the order of Judge Waring. So, as I have said, the two primaries of South Carolina are to be conducted under the dictatorial direction of a Federal judge in defiance of all rules of the party of the State.

If a judge can set the hours of day that the books of a party must close he can set the hours of day that we must go to church, to school, and to work.

And listen to this, citizens of America; listen to this, Members of this Congress; listen to this, Democrats and Republicans, Judge Waring failed to state in this order, as he had said before, that a man or woman voting in the primary election in South Carolina of the Democratic Party did not even have to say that he was a Democrat. Under this order a Republican can vote in the Democratic primary, a Progressive Democrat, a distinct party in South Carolina from the Democratic Party, can vote in a Democratic primary election. Even a Communist, if he possesses the constitutional qualification, in South Carolina can vote in a Democratic primary under the ruling of Judge Waring.

If those who are opposed to the principles of a political party, who boldly declare themselves opposed to those principles, can go into a party convention or party primary and help to nominate the nominees of that party, then all party alinements are practically abolished. In South Carolina, under this order of Judge Waring, Republicans can go into the Democratic primary, if they care to do so, and for the purpose of destroying the party could help to nominate and get nominated, perhaps, a man whom the decent people of South Carolina would never elect to office. Likewise, if we had a Republican primary election, Democrats who wished to break up the Republican Party could help to nominate men of bad character, corrupt men, as nominees of the Republican Party. In fact, according to Judge Waring, a voter does not have to have any political principles to join the Democratic Party or any other party.

Under the orders of Judge Waring, if primary elections of the Democratic Party in South Carolina are going to be conducted according to his ideas and rules, without any regard to the rules of the party of the State as established, it will be a primary under the dictation of a Federal judge.

Admitting, as some people claim, that a Federal judge has the right to determine the qualification of a voter in a sovereign State, which I do not concede, still I insist that no judge, State or Federal, has the right to say what shall be the principles of any political party.

If the time has come in the United States of America when a Federal judge, or any other judge, can force our people to believe in certain political principles, then something must be wrong with the judicial system of our country. I cannot believe that the system is wrong. I know our founding fathers never had any thought that any judge could tell people what to believe politically.

These orders of Judge Waring have confused the people of South Carolina. They have tended to the disruption of the Democratic Party as it has been constituted and as our people wish to have it constituted in the future and in accordance with the decisions of the United States Supreme Court. If these orders stand, a Federal judge of the United States is all powerful, and a majority of the Federal judges can dominate not only the politics but the Government of our country.

From all the evidence I have obtained, I am satisfied that Judge Waring has not been, and is not now, qualified from ability or temperament for the high office of United States district judge. His actions on the bench, both in South Carolina and in the State of Virginia, as I have been reliably informed, have been such as to convince the people with whom he came in contact that he was tyrannical, and that he had no regard for the feelings of people who had business in his court. I am convinced, also, that he has tried to traduce the Democrats of South Carolina, and especially to humiliate the people of Charleston, his old friends, neighbors, and relatives, some of the finest people of that city, who, because of his ungentlemanly conduct in many respects in the past, have refused to associate with him, and even now treat him with silent contempt.

According to all reports, his conduct at Richmond, Va., last year alone is sufficient grounds for an investigation.

The State of South Carolina has a divorce law. The people of that State would like to know how Judge Waring can obtain a separation from a lady to whom he had been married for approximately 30 years, remarry, and serve on the Federal bench in that great State.

I wish to say that in the appointments of our Federal judges, the Department of Justice and the Senators and all those who are so much responsible for these appointments, should forget any reward for political services and seek the services only of men of the highest character, excellent learning, and who possess the judicial temperament.

Let me say that I am awaiting further investigation and final determinations in the court. If Judge Waring is guilty, as I believe he is, and as I now charge, of usurping the rights of the free citizens of South Carolina in attempting to force down their throats his own ideas of governmental matters, it will be the duty of this Congress to prefer articles of impeachment.

I call upon all Americans, Democrats and Republicans, regardless of political parties, to stand for the rights of the men and women of America to believe in and to assert their political principles according to true and tried American philosophy of government.

President Truman's Speech of Acceptance

EXTENSION OF REMARKS

OF

HON. ALBEN W. BARKLEY

OF KENTUCKY

IN THE SENATE OF THE UNITED STATES

Wednesday, July 28, 1948

Mr. BARKLEY. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD the speech of acceptance delivered at the Democratic National Convention at Philadelphia by the President of the United States.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

I am sorry that the microphones are in the way (in response to shouts to move them down), but I must leave them the way they are, because I have got to be able to see what I am doing—as I am always able to see what I am doing.

I can't tell you how very much I appreciate the honor which you have just conferred upon me. I shall continue to try to deserve it.

I accept the nomination.

And I want to thank this convention for its unanimous nomination of my good friend and colleague Senator BARKLEY, of Kentucky. He is a great man and a great public servant. Senator BARKLEY and I will win this election and make these Republicans like it; don't you forget that.

We will do that because they are wrong, and we are right, and I will prove it to you in just a few minutes.

This convention met to express the will and reaffirm the beliefs of the Democratic Party. There have been differences of opinion, and that is the democratic way. Those differences have been settled by a majority vote, as they should be.

Now it is time for us to get together and beat the common enemy. And that is up to you.

We have been working together for victory in a great cause. Victory has become a habit of our party. It has been elected four times in succession, and I am convinced it will be elected a fifth time next November.

The reason is that the people know that the Democratic Party is the people's party, and the Republican Party is the party of special interest, and it always has been and always will be.

The record of the Democratic Party is written in the accomplishments of the last 16 years. I don't need to repeat them. They have been very ably placed before this convention by the keynote speaker, the candidate for Vice President, and by the permanent chairman.

Confidence and security have been brought to the people by the Democratic Party. Farm income has increased from less than two and a half billion dollars in 1932 to more than $18,000,000,000 in 1947. Never in the world were the farmers of any republic or any kingdom or any other country as prosperous as the farmers of the United States; and if they do not do their duty by the Democratic Party, they are the most ungrateful people in the world.

Wages and salaries in this country have increased from twenty-nine billion in 1933 to more than $128,000,000,000 in 1947. That's labor, and labor never had but one friend in politics, and that is the Democratic Party and Franklin D. Roosevelt.

And I say to labor what I have said to the farmers: They are the most ungrateful people in the world if they pass the Democratic Party by this year.

The total national income has increased from less than $40,000,000,000 in 1933, to $203,000,000,000 in 1947, the greatest in all the history of the world. These benefits have been spread to all the people, because it is the business of the Democratic Party to see that the people get a fair share of these things.

This last, worst, Eightieth Congress, proved just the opposite for the Republicans.

The record on foreign policy of the Democratic Party is that the United States has been turned away permanently from isolationism, and we have converted the greatest and best of the Republicans to our viewpoint on that subject.

The United States has to accept its full responsibility for leadership in international affairs. We have been the backers and the people who organized and started the United Nations, first started under that great Democratic President, Woodrow Wilson, as the League of Nations. The League was sabotaged by the Republicans in 1920. And we must see that the United Nations continues a strong and growing body, so we can have everlasting peace in the world.

We removed trade barriers in the world, which is the best asset we can have for peace. Those trade barriers must not be put back into operation again.

We have started the foreign-aid program, which means the recovery of Europe and China and the Far East. We instituted the program for Greece and Turkey, and I will say to you that all these things were done in a cooperative and bipartisan manner. The Foreign Relations Committees of the Senate and House were taken into the full confidence

of the President in every one of these moves, and don't let anybody tell you anything else.

As I have said time and time again, foreign policy should be the policy of the whole Nation, and not the policy of one party or the other. Partisanship should stop at the water's edge, and I shall continue to preach that through this whole campaign.

I would like to say a word or two now on what I think the Republican philosophy is, and I will speak from actions and from history and from experience.

The situation in 1932 was due to the policies of the Republican Party control of the Government of the United States. The Republican Party, as I said a while ago, favors the privileged few and not the common every-day man. Ever since its inception, that party has been under the control of special privilege; and they have completely proved it in the Eightieth Congress. They proved it by the things they did to the people, and not for them. They proved it by the things they failed to do.

Now, let's look at some of them—just a few.

Time and time again I recommended extension of price control before it expired June 30, 1946. I asked for that extension in September 1945, in November 1945, in a message on the state of the Union in 1946; and that price-control legislation did not come to my desk until June 30, 1946, on the day on which it was supposed to expire. And it was such a rotten bill that I couldn't sign it. And 30 days after that, they sent me one just as bad. I had to sign it, because they quit and went home.

They said, when OPA died, that prices would adjust themselves for the benefit of the country. They have been adjusting themselves, all right! They have gone all the way off the chart in adjusting themselves, at the expense of the consumer and for the benefit of the people that hold the goods.

I called a special session of the Congress in November 1947—November 17, 1947—and I set out a 10-point program for the welfare and benefit of this country; among other things, stand-by controls. I got nothing. Congress has still done nothing.

Way back 4½ years ago, while I was in the Senate, we passed a housing bill in the Senate known as the Wagner-Ellender-Taft bill. It was a bill to clear the slums in the big cities and to help to erect low-rent housing. That bill, as I said, passed the Senate 4 years ago. It died in the House. That bill was reintroduced in the Eightieth Congress as the Taft-Ellender-Wagner bill. The name was slightly changed, but it is practically the same bill. And it passed the Senate, but it was allowed to die in the House of Representatives; and they sat on that bill; it was finally forced out of the Banking and Currency Committee, and the Rules Committee took charge, and it still is in the Rules Committee.

But desperate pleas from Philadelphia in that convention that met here 3 weeks ago couldn't get that housing bill passed. They passed a bill they called a housing bill, which isn't worth the paper it's written on.

In the field of labor we needed moderate legislation to promote labor-management harmony, but Congress passed instead that so-called Taft-Hartley Act, which has disrupted labor-management relations and will cause strife and bitterness for years to come if it is not repealed, as the Democratic platform says it ought to be repealed.

On the Labor Department, the Republican platform of 1944 said, if they were in power, they would build up a strong Labor Department. They have simply torn it up. Only one bureau is left that is functioning, and they cut the appropriation of that so it can hardly function.

I recommended an increase in the minimum wage. What did I get? Nothing. Absolutely nothing.

I suggested that the schools in this country are crowded, teachers underpaid, and that there is a shortage of teachers. One of our greatest national needs is more and better schools. I urged the Congress to provide $300,000,000 to aid the States in the present educational crisis. Congress did nothing about it.

Time and again I have recommended improvements in the social-security law, including extending protection to those not now covered, and increasing the amount of benefits, to reduce the eligibility age of women from 65 to 60 years. Congress studied the matter for 2 years, but couldn't find the time to extend or increase the benefits. But they did find time to take social-security benefits away from 750,000 people, and they passed that over my veto.

I have repeatedly asked the Congress to pass a health program. The Nation suffers from lack of medical care. That situation can be remedied any time the Congress wants to act upon it.

Everybody knows that I recommended to the Congress the civil-rights program. I did that because I believed it to be my duty under the Constitution. Some of the members of my own party disagree with me violently on this matter. But they stand up and do it openly. People can tell where they stand. But the Republicans all professed to be for these measures. But Congress failed to act. They had enough men to do it. They could have had cloture; they didn't have to have a filibuster. They had enough people in that Congress that would vote for cloture.

Now everybody likes to have low taxes, but we must reduce the national debt in times of prosperity. And when tax relief can be given it ought to go to those who need it most, and not those who need it least, as this Republican rich man's tax bill did when they passed it over my veto on the third try.

The first one of these was so rotten that they couldn't even stomach it themselves. They finally did send one that was somewhat improved, but it still helps the rich and sticks a knife into the back of the poor.

Now the Republicans came here a few weeks ago, and they wrote a platform. I hope you have all read that platform. They adopted the platform, and that platform had a lot of promises and statements of what the Republican Party is for, and what they would do if they were in power. They promised to do in that platform a lot of things I have been asking them to do that they have refused to do when they had the power.

The Republican platform cries about cruelly high prices. I have been trying to get them to do something about high prices ever since they met the first time.

Now listen. This is equally as bad, and as cynical. The Republican platform comes out for slum clearance and low-rental housing. I have been trying to get them to pass that housing bill ever since they met the first time, and it is still resting in the Rules Committee, that bill.

The Republican platform favors educational opportunity and promotion of education. I have been trying to get Congress to do something about that ever since they came here, and that bill is at rest in the House of Representatives.

The Republican platform is for extending and increasing social-security benefits. Think of that. Increasing social-security benefits. Yet when they had the opportunity, they took 750,000 off the social-security rolls.

I wonder if they think they can fool the people of the United States with such poppycock as that.

There is a long list of these promises in that Republican platform. If it weren't so late, I would tell you all about them. I have discussed a number of these failures of the Republican Eightieth Congress. Every one of them is important. Two of them are of major concern to nearly every American family. They failed to do anything about high prices; they failed to do anything about housing.

My duty as President requires that I use every means within my power to get the laws the people need on matters of such importance and urgency.

I am therefore calling this Congress back into session July 26.

On the 26th day of July, which out in Missouri we call turnip day, I am going to call Congress back and ask them to pass laws to halt rising prices, to meet the housing crisis—which they are saying they are for in their platform.

At the same time, I shall ask them to act upon other vitally needed measures, such as aid to education, which they say they are for; a national health program; civil-rights legislation, which they say they are for; an increase in the minimum wage, which I doubt very much they are for; extension of the social-security coverage and increased benefits, which they say they are for; funds for projects needed in our program to provide public power and cheap electricity. By indirection, this Eightieth Congress has tried to sabotage the power policies the United States has pursued for 14 years. That power lobby is as bad as the real-estate lobby which is sitting on the housing bill.

I shall ask for adequate and decent laws for displaced persons in place of this anti-Semitic, anti-Catholic law which this Eightieth Congress passed.

Now, my friends, if there is any reality behind that Republican platform, we ought to get some action from a short session of the Eightieth Congress. They can do this job in 15 days, if they want to do it. They will still have time to go out and run for office.

They are going to try to dodge their responsibility. They are going to drag all the red herrings they can across this campaign, but I am here to say that Senator BARKLEY and I are not going to let them get away with it.

Now, what that worst Eightieth Congress does in this special session will be the test. The American people will not decide by listening to mere words, or by reading a mere platform. They will decide on the record, the record as it has been written. And in the record is the stark truth, that the battle lines of 1948 are the same as they were in 1932, when the Nation lay prostrate and helpless as a result of Republican misrule and inaction.

In 1932 we were attacking the citadel of special privilege and greed. We were fighting to drive the money changers from the temple. Today, in 1948, we are now the defenders of the stronghold of democracy and of equal opportunity, the haven of the ordinary people of this land and not of the favored classes or the powerful few. The battle cry is just the same now as it was in 1932, and I paraphrase the words of Franklin D. Roosevelt as he issued the challenge, in accepting nomination in Chicago: "This is more than a political call to arms. Give me your help, not to win votes alone, but to win in this new crusade to keep America secure and safe for its own people."

Now, my friends, with the help of God and the wholehearted push which you can put behind this campaign, we can save this country from a continuation of the Eightieth Congress, and from misrule from now on.

I must have your help. You must get in and push, and win this election. The country can't afford another Republican Congress.

Acceptance Speech by Governor Dewey

EXTENSION OF REMARKS
OF
HON. ROBERT A. TAFT
OF OHIO
IN THE SENATE OF THE UNITED STATES
Wednesday, July 28, 1948

Mr. TAFT. Mr. President, I ask unanimous consent that there be printed in the Appendix of the RECORD the acceptance speech of Governor Dewey at the Republican Convention.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

You, the elected representatives of our Republican Party have again given to me the highest honor you can bestow—your nomination for President of the United States.

I thank you with all my heart for your friendship and confidence. I am profoundly sensible of the responsibility that goes with it. I accept your nomination. In all humility, I pray God that I may deserve this opportunity to serve our country.

I come to you unfettered by a single obligation or promise to any living person, free to join with you in selecting to serve our Nation the finest men and women in the Nation, free to unite our party and our country in meeting the grave challenge of our time.

United we can match this challenge with depth of understanding and largeness of spirit; with a unity which is above recrimination, above partisanship, above self-interest. These are articles of faith from which the greatness of America has been fashioned. Our people are eager to know again the upsurging power of that faith. They are turning to us to put such a faith at the heart of our national life. That is what we are called to do. That is what we will do.

In this historic convention, you have had placed before you six other candidates, all high-minded men of character and ability, and deeply devoted to their country—Senator Raymond E. Baldwin, Gen. Douglas MacArthur, Gov. Harold E. Stassen, Senator Robert A. Taft, Senator Arthur Vandenberg, and Gov. Earl Warren. It has been a difficult choice in an honorable contest. It has been a stirring demonstration of the life and vitality, and ideals of our Republican Party.

There has been honest contention, spirited disagreement, hot argument. But let no one be misled. You have given moving and dramatic proof of how Americans, who honestly differ, close ranks and move forward, for the Nation's well-being, shoulder to shoulder.

The responsibility and the opportunity that have come to our party are the greatest in the history of free government. For tonight our future—our peace, our prosperity, the very fate of freedom—hangs in a precarious balance.

Mere victory in an election is not our task or our purpose. Our task is to fill our victory with such meaning that mankind everywhere, yearning for freedom, will take heart and move forward out of this desperate darkness into the light of freedom's promise.

Our platform proclaims the guideposts that will mark our steadfast and certain endeavor in a fearful world. This magnificent statement of principles is concise and to the point.

You unanimously adopted it. I proudly support it. It will be the heart of the message I will take to the country. After January 20, it will be the cornerstone of our Republican administration.

We are a united party. Our Nation stands tragically in need of that same unity.

Our people are turning away from the meaner things that divide us. They yearn to move to higher ground, to find a common purpose in the finer things which unite us. We must be the instrument of that aspiration. We must be the means by which America's full powers are released and this uncertain future filled again with opportunity. That is our pledge. That will be the fruit of our victory.

If this unity is to be won and kept, it must have great dimensions. Its boundaries must be far above and beyond politics. Freedom can be saved—it can only be saved—if freemen everywhere make this unity their common cause.

Unity in such a cause must be the chief cornerstone of peace. A peace won at the expense of liberty is a peace too dearly bought. Such a peace would not endure. Above all other purposes, we must labor by every peaceful means to build a world order founded upon justice and righteousness. That kind of world will have peace. That kind of peace will be worth having. That is the crowning responsibility that our people have laid upon us. That is the crowning task to which we dedicate ourselves.

The unity we seek is more than material. It is more than a matter of things and measures. It is most of all spiritual. Our problem is not outside ourselves. Our problem is within ourselves. We have found the means to blow the world, physically, apart. Spiritually, we have yet to find the means to put together the world's broken pieces, to bind up its wounds, to make a good society, a community of men of good will that fits our dreams. We have devised noble plans for a new world. Without a new spirit, our noblest plans will come to nought. We pray that, in the days ahead, a full measure of that spirit may be ours.

The next Presidential term will see the completion of the first half of the twentieth century. So far it has been a century of amazing progress and of terrible tragedy. We have seen the world transformed. We have seen mankind's age-long struggle against nature crowned by extraordinary success.

Yet our triumphs have been darkened by bitter defeats in the equally ancient struggle of men to live together in peace, security, and understanding. For this age of progress, this twentieth century, has been dominated by two terrible world wars and, between the wars, the worst economic depression in the history of mankind.

We must learn to do better. The period that is drawing to a close has been one of scientific achievement. The era that is opening before us must be a period of human and spiritual achievement.

We propose to continue to carry forward the great technological gains of our age. We shall harness the unimaginable possibilities of atomic energy, to bring men and women a larger, fuller life. But there is something more important than all this. With all the energy, intelligence, and determination which mortal heart and mind can summon to the task, we must solve the problem of establishing a just and lasting peace in the world, and of securing to our own and other like-minded people the blessings of freedom and opportunity.

To me, to be a Republican in this hour is to dedicate one's life to the freedom of men. As long as the world is half free and half slave, we must peacefully labor to help men everywhere to achieve liberty.

We have declared our goal to be a strong and free America in a free world of free men—free to speak their own minds, free to develop new ideas, free to publish what they believe, free to move from place to place, free to choose occupations, free to choose and use the fruits of their labor, free to worship God, each according to his own concept of His grace and His mercy.

When these rights are secure in the world, the permanent ideals of the Republican Party shall have been realized.

The ideals of the American people are the ideals of the Republican Party. We have lighted a beacon here in Philadelphia, in this cradle of our own independence. We have lighted a beacon to give eternal hope that men may live in liberty with human dignity and before God and loving Him, stand erect and free.

Senator Barkley's Speech of Acceptance at Democratic National Convention

EXTENSION OF REMARKS
OF
HON. ALBEN W. BARKLEY
OF KENTUCKY
IN THE SENATE OF THE UNITED STATES
Wednesday, July 28, 1948

Mr. BARKLEY. Mr. President, I ask unanimous consent that a brief response which was made by me upon my nomination on the Democratic ticket be printed in the Appendix of the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

Mr. Chairman, fellow Democrats, and fellow Americans, inasmuch as I am about to enter upon the duties of an office that requires 4 years of silence, I will be brief in my acknowledgment.

I have been attending national conventions as a delegate at large from the State of Kentucky ever since the convention in San Francisco, Calif., in 1920. This has been one of the greatest conventions I have ever attended in all my life.

If anybody had told me when I left my home for Philadelphia a few days ago that I would leave here tomorrow as the nominee of the Democratic Party on the national ticket, I would have pronounced such person as a prophet without honor either in his own or any other country.

As was said by my good friend, Wilson Wyatt, I did not come here as a candidate. I did not become one after I got here, and I was not one.

But I wish the delegates of this convention to know that I not only appreciate the great honor which you have conferred upon me; not only do I appreciate the great assignment which you have placed in my hands, but I shall undertake to carry out that assignment not only in the coming campaign but in the following 4 years, to the greatest possible extent in the course of my ability, and my opportunity.

I have always believed, and I believe tonight, that all we need to do is to take to the American people the story of our accomplishments which I passed on briefly a few nights ago before this great convention.

I pledge to you not only my whole but my loyal support, not only to the head of our ticket, but to the platform which has been adopted by this convention. I shall do everything within my power to see that measures we have for the American people are taken to every precinct in the United States.

And when they have received that message, and have understood that story, they will

respond this year as they have responded four times heretofore.

It is with great pride and with deep humility that I accept the nomination of this convention for Vice President of the United States of America.

Acceptance Speech by Governor Warren

EXTENSION OF REMARKS
OF
HON. ROBERT A. TAFT
OF OHIO
IN THE SENATE OF THE UNITED STATES
Wednesday, July 28, 1948

Mr. TAFT. Mr. President, I ask unanimous consent that there be printed in the Appendix of the RECORD the acceptance speech of Governor Warren at the Republican Convention.

There being no objection, the acceptance speech was ordered to be printed in the RECORD, as follows:

Mr. Chairman, delegates, and alternates to the Republican National Convention, and fellow Americans, for the first time in my life I know what it feels like to get hit by a streetcar.

You know, yesterday I received something of a jolt through the balloting of this convention, but I had no idea, I assure you, that there was any such shock as this awaiting me today, and before I forget it, and before you change your mind, I want to say that I accept the nomination.

I accept the nomination for the Vice Presidency of the United States. Now the reason I am so quick to say that is because I have not yet recovered my breath, let alone my thoughts; and if I let it go any longer I am afraid that I would even forget to say that.

I want to say to you, ladies and gentlemen, in all humility that I am more grateful to you than you know for the confidence that you have shown me in giving me this great honor. I want you to know that I feel that you have honored me far beyond my just deserts. I want to say to you very simply that I look forward to the closer association that I will have with our great standard bearer, my long-time friend and colleague, Gov. Thomas E. Dewey.

I want to say to you, my Republican friends, that I will join with him this summer and this fall in making a great crusade throughout this country for the return of our Government to Republican principles, and then I pledge to you that if the people place their confidence in us, as I believe they will, that during the next 4 years I will give to him every bit of loyalty and help in my make-up. I will work with him to make this Government of ours responsive to the people at all times. I will work with him to make it a humane government, a fair government, and an efficient government, and above all, a government of integrity, from top to bottom.

I want to say to my old friend, Chairman JOE MARTIN, who presides over these conventions of ours with such great skill and fairness, that when the next Congress comes along he will not have to fight the bureaus of the Government for the facts upon which the Congress of the United States can base helpful legislation for the people of this country.

We will make those facts available to them, whether they help or whether they hurt, realizing that it is only by frankness and honesty and fair dealing that these great fundamental problems of the American people can be solved for their benefit, and I think I can say to you, ladies and gentlemen, under the circumstances, that the Eightieth Congress has made remarkable progress. No Congress can make progress unless it has the cooperation of the administrative departments.

We pledge to the Congress that will come into being next January every bit of helpfulness that the executive department of this Government can give to it.

Now, ladies and gentlemen, I know that under these circumstances, catapulted as I have been onto this platform, after such a sudden decision made by you, that you do not expect me to have a speech, and, after all, I think you have heard enough speeches for this convention, have you not, good as they have been? But I do want to tell you in all sincerity that I appreciate the great honor that you have shown me, and I pledge you that I will serve the people of our country faithfully every day of the administration which I am sure will come into being next January.

On behalf of my dear wife, who is with me today, and who has sustained me and helped me in all of these long and difficult years that I have been in the public service, and on behalf of my daughters, whom you also have pleased beyond expression today, I pledge you that I will give the very best that I have, and I will give to our great leader, Thomas E. Dewey, every bit of loyalty that is in my make-up.

The 1948 Democratic Platform

EXTENSION OF REMARKS
OF
HON. ALBEN W. BARKLEY
OF KENTUCKY
IN THE SENATE OF THE UNITED STATES
Wednesday, July 28, 1948

Mr. BARKLEY. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD the platform adopted by the Democratic Convention recently held at Philadelphia.

There being no objection, the platform was ordered to be printed in the RECORD, as follows:

THE 1948 PLATFORM OF THE DEMOCRATIC PARTY

(Adopted by the Democratic National Convention at Philadelphia, Pa., July 14, 1948)

The Democratic Party adopts this platform in the conviction that the destiny of the United States is to provide leadership in the world toward a realization of the four freedoms.

We chart our future course as we charted our course under the leadership of Franklin D. Roosevelt and Harry S. Truman in the abiding belief that democracy—when dedicated to the service of all and not to a privileged few—proves its superiority over all other forms of government.

Our party record of the past is assurance of its policies and performance in the future.

Ours is the party which was entrusted with the responsibility when 12 years of Republican neglect had blighted the hopes of mankind, had squandered the fruits of prosperity and had plunged us into the depths of depression and despair.

Ours is the party which rebuilt a shattered economy, rescued our banking system, revived our agriculture, reinvigorated our industry, gave labor strength and security, and led the American people to the broadest prosperity in our history.

Ours is the party which introduced the spirit of humanity into our law, as we outlawed child labor and the sweatshop, insured bank deposits, protected millions of home owners and farmers from foreclosure, and established national social security.

Ours is the party under which this Nation before Pearl Harbor gave aid and strength to those countries which were holding back the Nazi and Fascist tide.

Ours is the party which stood at the helm and led the Nation to victory in the war.

Ours is the party which during the war prepared for peace so well that when peace came reconversion promptly led to the greatest production and employment in this Nation's life.

Ours is the party under whose leadership farm owners' income in this Nation increased from less than $2,500,000,000 in 1933 to more than $18,000,000,000 in 1947; independent business and professional income increased from less than $3,000,000,000 in 1933 to more than $22,000,000,000 in 1947; employees' earnings increased from $29,000,000,000 in 1933 to more than $128,000,000,000 in 1947; and employment grew from 39,000,000 jobs in 1933 to a record of 60,000,000 jobs in 1947.

Ours is the party under which the framework of the world organization for peace and justice was formulated and created.

Ours is the party under which were conceived the instruments for resisting Communist aggression and for rebuilding the economic strength of the democratic countries of Europe and Asia—the Truman doctrine and the Marshall plan. They are the materials with which we must build the peace.

Ours is the party which first proclaimed that the actions and policies of this Nation in the foreign field are matters of national and not just party concern. We shall go forward on the course charted by President Roosevelt and President Truman and the other leaders of democracy.

We reject the principle—which we have always rejected, but which the Republican Eightieth Congress enthusiastically accepted—that government exists for the benefit of the privileged few.

To serve the interests of all and not the few; to assure a world in which peace and justice can prevail; to achieve security, full production, and full employment—this is our platform.

OUR FOREIGN POLICY

We declared in 1944 that the imperative duty of the United States was to wage the war to final triumph and to join with the other United Nations in the establishment of an international organization for the prevention of aggression and the maintenance of international peace and security.

Under Democratic leadership those pledges were gloriously redeemed.

When the United States was treacherously and savagely attacked, our great Democratic President, Franklin D. Roosevelt, and a Democratic Congress preserved the Nation's honor, and with high courage and with the invincible might of the American people the challenge was accepted. Under his inspiring leadership the Nation created the greatest army that ever assembled under the flag, the mightiest air force, the most powerful navy on the globe, and the largest merchant marine in the world.

The Nation's gallant sons on land, on sea, and in the air, ended the war in complete and overwhelming triumph. Armed aggression against peaceful peoples was resisted and crushed. Arrogant and powerful war lords were vanquished and forced to unconditional surrender.

Before the end of the war the Democratic administration turned to the task of establishing measures for peace and the prevention of aggression and the threat of another war. Under the leadership of a Democratic President and his Secretary of State, the United Nations was organized at San Fran-

cisco. The Charter was ratified by an overwhelming vote of the Senate. We support the United Nations fully and we pledge our wholehearted aid toward its growth and development. We will continue to lead the way toward curtailment of the use of the veto. We shall favor such amendments and modifications of the Charter as experience may justify. We will continue our efforts toward the establishment of an international armed force to aid its authority. We advocate the grant of a loan to the United Nations recommended by the President, but denied by the Republican Congress, for the construction of the United Nations headquarters in this country.

We pledge our best endeavors to conclude treaties of peace with our former enemies. Already treaties have been made with Italy, Hungary, Bulgaria, and Rumania. We shall strive to conclude treaties with the remaining enemy states, based on justice and with guaranties against the revival of aggression, and for the preservation of peace.

We advocate the maintenance of an adequate Army, Navy, and Air Force to protect the Nation's vital interests and to assure our security against aggression.

We advocate the effective international control of weapons of mass destruction, including the atomic bomb, and we approve continued and vigorous efforts within the United Nations to bring about the successful consummation of the proposals which our Government has advanced.

The adoption of these proposals would be a vital and most important step toward safe and effective world disarmament and world peace under a strengthened United Nations which would then truly constitute a more effective parliament of the world's peoples.

Under the leadership of a Democratic President, the United States has demonstrated its friendship for other peace-loving nations and its support of their freedom and independence. Under the Truman doctrine vital aid has been extended to China, to Greece, and to Turkey. Under the Marshall plan generous sums have been provided for the relief and rehabilitation of European nations striving to rebuild their economy and to secure and strengthen their safety and freedom. The Republican leadership in the House of Representatives, by its votes in the Eightieth Congress, has shown its reluctance to provide funds to support this program, the greatest move for peace and recovery made since the end of World War II.

We pledge a sound, humanitarian administration of the Marshall plan.

We pledge support not only for these principles—we pledge further that we will not withhold necessary funds by which these principles can be achieved. Therefore, we pledge that we will implement with appropriations the commitments which are made in this Nation's foreign program.

We pledge ourselves to restore the reciprocal trade agreements program formulated in 1934 by Secretary of State Cordell Hull and operated successfully for 14 years—until crippled by the Republican Eightieth Congress. Further, we strongly endorse our country's adherence to the International Trade Organization.

A great Democratic President established the good-neighbor policy toward the nations of the Western Hemisphere. The Act of Chapultepec was negotiated at Mexico City under Democratic leadership. It was carried forward in the Western Hemisphere defense pact concluded at Rio de Janeiro, which implemented the Monroe Doctrine and united the Western Hemisphere in behalf of peace. We pledge continued economic cooperation with the countries of the Western Hemisphere. We pledge continued support of regional arrangements within the United Nations Charter, such as the inter-American regional pact and the developing western European union.

President Truman, by granting immediate recognition to Israel, led the world in extending friendship and welcome to a people who have long sought and justly deserve freedom and independence.

We pledge full recognition to the state of Israel. We affirm our pride that the United States under the leadership of President Truman played a leading role in the adoption of the resolution of November 29, 1947, by the United Nations General Assembly for the creation of a Jewish state.

We approve the claims of the state of Israel to the boundaries set forth in the United Nations resolution of November 29 and consider that modifications thereof should be made only if fully acceptable to the state of Israel.

We look forward to the admission of the state of Israel to the United Nations and its full participation in the international community of nations. We pledge appropriate aid to the state of Israel in developing its economy and resources.

We favor the revision of the arms embargo to accord to the state of Israel the right of self-defense. We pledge ourselves to work for the modification of any resolution of the United Nations to the extent that it may prevent any such revision.

We continue to support, within the framework of the United Nations, the internationalization of Jerusalem and the protection of the holy places in Palestine.

The United States has traditionally been in sympathy with the efforts of subjugated countries to attain their independence, and to establish a democratic form of government. Poland is an outstanding example. After a century and a half of subjugation, it was resurrected after the First World War by our great Democratic President, Woodrow Wilson. We look forward to development of these countries as prosperous, free, and democratic fellow members of the United Nations.

OUR DOMESTIC POLICIES

The Republican Eightieth Congress is directly responsible for the existing and ever-increasing high cost of living. It cannot dodge that responsibility. Unless the Republican candidates are defeated in the approaching elections, their mistaken policies will impose greater hardships and suffering on large numbers of the American people. Adequate food, clothing, and shelter—the bare necessities of life—are becoming too expensive for the average wage earner and the prospects are more frightening each day. The Republican Eightieth Congress has lacked the courage to face this vital problem.

We shall curb the Republican inflation. We shall put a halt to the disastrous price rises which have come as a result of the failure of the Republican Eightieth Congress to take effective action on President Truman's recommendations, setting forth a comprehensive program to control the high cost of living.

We shall enact comprehensive housing legislation, including provision for slum clearance and low-rent housing projects initiated by local agencies. This Nation is shamed by the failure of the Republican Eightieth Congress to pass the vitally needed general housing legislation as recommended by the President. Adequate housing will end the need for rent control. Until then, it must be continued.

We pledge the continued maintenance of those sound fiscal policies which under Democratic leadership have brought about a balanced budget and reduction of the public debt by $28,000,000,000 since the close of the war.

We favor the reduction of taxes, whenever it is possible to do so without unbalancing the Nation's economy, by giving a full measure of relief to those millions of low-income families on whom the wartime burden of taxation fell most heavily. The form of tax reduction adopted by the Republican Eightieth Congress gave relief to those who need it least and ignored those who need it most.

We shall endeavor to remove tax inequities and to continue to reduce the public debt.

We are opposed to the imposition of a general Federal sales tax.

We advocate the repeal of the Taft-Hartley Act. It was enacted by the Republican Eightieth Congress over the President's veto. That act was proposed with the promise that it would secure "the legitimate rights of both employees and employers in their relations affecting commerce." It has failed. The number of labor-management disputes has increased. The number of cases before the National Labor Relations Board has more than doubled since the act was passed, and efficient and prompt administration is becoming more and more difficult. It has encouraged litigation in labor disputes and undermined the established American policy of collective bargaining. Recent decisions by the courts prove that the act was so poorly drawn that its application is uncertain, and that it is probably, in some provisions, unconstitutional. We advocate such legislation as is desirable to establish a just body of rules to assure free and effective collective bargaining, to determine, in the public interest, the rights of employees and employers, to reduce to a minimum their conflict of interests, and to enable unions to keep their membership free from communistic influences.

We urge that the Department of Labor be rebuilt and strengthened, restoring to it the units, including the Federal Mediation and Conciliation Service and the United States Employment Service, which properly belong to it, and which the Republican Eightieth Congress stripped from it over the veto of President Truman. We urge that the Department's facilities for collecting and disseminating economic information be expanded, and that a Labor Education Extension Service be established in the Department of Labor.

We favor the extension of the coverage of the Fair Labor Standards Act as recommended by President Truman, and the adoption of a minimum wage of at least 75 cents an hour in place of the present obsolete and inadequate minimum of 40 cents an hour.

We favor legislation assuring that the workers of our Nation receive equal pay for equal work regardless of sex.

We favor the extension of the social-security program established under Democratic leadership, to provide additional protection against the hazards of old age, disability, disease, or death. We believe that this program should include:

Increases in old-age and survivors' insurance benefits by at least 50 percent, and reduction of the eligibility age for women from 65 to 60 years; extension of old-age and survivors' and unemployment insurance to all workers not now covered; insurance against loss of earnings on account of illness or disability; improved public assistance for the needy.

We favor the enactment of a national health program for expanded medical research, medical education, and hospitals and clinics.

We will continue our efforts to aid the blind and other handicapped persons to become self-supporting.

We will continue our efforts to expand maternal care, improve the health of the Nation's children, and reduce juvenile delinquency.

We approve the purposes of the Mental Health Act, and we favor such appropriations as may be necessary to make it effective.

We advocate Federal aid for education administered by and under the control of

the States. We vigorously support the authorization, which was so shockingly ignored by the Republican Eightieth Congress, for the appropriation of $300,000,000 as a beginning of Federal aid to the States to assist them in meeting the present educational needs. We insist upon the right of every American child to obtain a good education.

The Nation can never discharge its debt to its millions of war veterans. We pledge ourselves to the continuance and improvement of our national program of benefits for veterans and their families.

We are proud of the sound and comprehensive program conceived, developed, and administered under Democratic leadership, including the GI bill of rights, which has proved beneficial to many millions.

The level of veterans' benefits must be constantly reexamined in the light of the decline in the purchasing power of the dollar brought about by inflation.

Employment and economic security must be afforded all veterans. We pledge a program of housing for veterans at prices they can afford to pay.

The disabled veteran must be provided with medical care and hospitalization of the highest possible standard.

We pledge our efforts to maintain continued farm prosperity, improvement of the standard of living, and the working condition of the farmer, and to preserve the family-size farm.

Specifically, we favor a permanent system of flexible price supports for agricultural products to maintain farm income on a parity with farm operating costs; an intensified soil-conservation program; an extended crop-insurance program; improvement of methods of distributing agricultural products; development and maintenance of stable export markets; adequate financing for the school-lunch program; the use of agricultural surpluses to improve the diet of low-income families in case of need; continued expansion of the rural electrification program; strengthening of all agricultural credit programs; intensified research to improve agricultural practices, and to find new uses for farm products.

We strongly urge the continuance of maximum farmer participation in all these programs.

We favor the repeal of the discriminatory taxes on the manufacture and sale of oleomargarine.

We will encourage farm cooperatives and oppose any revision of Federal law designed to curtail their most effective functioning as a means of achieving economy, stability, and security for American agriculture.

We favor provisions under which our fishery resources and industry will be afforded the benefits that will result from more scientific research and exploration.

We recognize the importance of small business in a sound American economy. It must be protected against unfair discrimination and monopoly, and be given equal opportunities with competing enterprises to expand its capital structure.

We favor nondiscriminatory transportation charges and declare for the early correction of inequalities in such charges.

We pledge the continued full and unified regional development of the water, mineral, and other natural resources of the Nation, recognizing that the progress already achieved under the initiative of the Democratic Party in the arid and semiarid States of the West, as well as in the Tennessee Valley, is only an indication of still greater results which can be accomplished. Our natural resources are the heritage of all our people and must not be permitted to become the private preserves of monopoly.

The irrigation of arid land, the establishment of new, independent, competitive business, and the stimulation of new industrial opportunities for all of our people depends upon the development and transmission of electric energy in accordance with the program and the projects so successfully launched under Democratic auspices during the past 16 years.

We favor acceleration of the Federal reclamation program, the maximum beneficial use of water in the several States for irrigation and domestic supply. In this connection, we propose the establishment and maintenance of new family-size farms for veterans and others seeking settlement opportunities, the development of hydroelectric power, and its widespread distribution over publicly owned transmission lines to assure benefits to the water users in financing irrigation projects, and to the power users for domestic and industrial purposes, with preference to public agencies and REA cooperatives. These are the aims of the Democratic Party which, in the future, as in the past, will place the interest of the people as individual citizens first.

We will continue to improve the navigable waterways and harbors of the Nation.

We pledge to continue the policy initiated by the Democratic Party of adequate appropriations for flood control for the protection of life and property.

In addition to practicing false economy on flood control, the Republican-controlled Eightieth Congress was so cruel as even to deny emergency Federal funds for the relief of individuals and municipalities victimized by recent great floods, tornadoes, and other disasters.

We shall expand our programs for forestation, for the improvement of grazing lands, public and private, for the stock piling of strategic minerals and the encouragement of a sound domestic mining industry. We shall carry forward experiments for the broader utilization of mineral resources in the highly beneficial manner already demonstrated in the program for the manufacture of synthetic liquid fuel from our vast deposits of coal and oil shale and from our agricultural resources.

We pledge an intensive enforcement of the antitrust laws, with adequate appropriations.

We advocate the strengthening of existing antitrust laws by closing the gaps which experience has shown have been used to promote the concentration of economic power.

We pledge a positive program to promote competitive business and to foster the development of independent trade and commerce.

We support the right of free enterprise and the right of all persons to work together in cooperatives and other democratic associations for the purpose of carrying out any proper business operations free from any arbitrary and discriminatory restrictions.

The Democratic Party is responsible for the great civil-rights gains made in recent years in eliminating unfair and illegal discrimination based on race, creed, or color.

The Democratic Party commits itself to continuing its efforts to eradicate all racial, religious, and economic discrimination.

We again state our belief that racial and religious minorities must have the right to live, the right to work, the right to vote, the full and equal protection of the laws, on a basis of equality with all citizens as guaranteed by the Constitution.

We highly commend President Harry S. Truman for his courageous stand on the issue of civil rights. We call upon the Congress to support our President in guaranteeing these basic and fundamental rights—

(1) The right of full and equal political participation;

(2) The right to equal opportunity of employment;

(3) The right of security of person;

(4) The right of equal treatment in the service and defense of our Nation.

We pledge ourselves to legislation to admit a minimum of 400,000 displaced persons found eligible for United States citizenship without discrimination as to race or religion. We condemn the undemocratic action of the Republican Eightieth Congress in passing an inadequate and bigoted bill for this purpose, which law imposes un-American restrictions based on race and religion upon such admissions.

We urge immediate statehood for Hawaii and Alaska; immediate determination by the people of Puerto Rico as to their form of government and their ultimate status with respect to the United States; and the maximum degree of local self-government for the Virgin Islands, Guam, and Samoa.

We recommend to Congress the submission of a constitutional amendment on equal rights for women.

We favor the extension of the right of suffrage to the people of the District of Columbia.

We pledge adherence to the principle of nonpartisan civilian administration of atomic energy, and the development of atomic energy for peaceful purposes through free scientific inquiry for the benefit of all the people.

We urge the vigorous promotion of world-wide freedom in the gathering and dissemination of news by press, radio, motion pictures, news reels, and television, with complete confidence that an informed people will determine wisely the course of domestic and foreign policy.

We believe the primary step toward the achievement of world-wide freedom is access by all peoples to the facts and the truth. To that end, we will encourage the greatest possible vigor on the part of the United Nations Commission on Human Rights and the United Nations Economic and Social Council to establish the foundations on which freedom can exist in every nation.

We deplore the repeated attempts of Republicans in the Eightieth Congress to impose thought control upon the American people and to encroach on the freedom of speech and press.

We pledge the early establishment of a national science foundation under principles which will guarantee the most effective utilization of public and private research facilities.

We will continue our efforts to improve and strengthen our Federal civil service, and provide adequate compensation.

We will continue to maintain an adequate American merchant marine.

We condemn communism and other forms of totalitarianism and their destructive activity overseas and at home. We shall continue to build firm defenses against communism by strengthening the economic and social structure of our own democracy. We reiterate our pledge to expose and prosecute treasonable activities of anti-democratic and un-American organizations which would sap our strength, paralyze our will to defend ourselves, and destroy our unity, inciting race against race, class against class, and the people against free institutions. We shall continue vigorously to enforce the laws against subversive activities, observing at all times the constitutional guarantees which protect free speech, the free press, and honest political activity. We shall strengthen our laws against subversion to the full extent necessary, protecting at all times our traditional individual freedom.

We recognize that the United States has become the principal protector of the free world. The free peoples of the world look to us for support in maintaining their freedoms. If we falter in our leadership, we may endanger the peace of the world—and we shall surely endanger the welfare of our own Nation. For these reasons it is imperative that we maintain our military strength until world peace with justice is secure. Under the leadership of President Truman, our military departments have been united and our Government organization for the

national defense greatly strengthened. We pledge to maintain adequate military strength, based on these improvements, sufficient to fulfill our responsibilities in occupation zones, defend our national interests, and to bolster those free nations resisting Communist aggression.

This is our platform. These are our principles. They form a political and economic policy which has guided our party and our Nation.

The American people know these principles well. Under them we have enjoyed greater security, greater prosperity, and more effective world leadership than ever before.

Under them and with the guidance of divine providence we can proceed to higher levels of prosperity and security; we can advance to a better life at home; we can continue our leadership in the world with ever-growing prospects for lasting peace.

The 1948 Platform of the Republican Party

EXTENSION OF REMARKS
OF
HON. ROBERT A. TAFT
OF OHIO
IN THE SENATE OF THE UNITED STATES
Wednesday, July 28, 1948

Mr. TAFT. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD the 1948 platform of the Republican Party.

There being no objection, the platform was ordered to be printed in the RECORD, as follows:

THE 1948 PLATFORM OF THE REPUBLICAN PARTY

I

Declaration of principles

To establish and maintain peace, to build a country in which every citizen can earn a good living with the promise of real progress for himself and his family, and to uphold as a beacon light for mankind everywhere the inspiring American tradition of liberty, opportunity, and justice for all—that is the Republican platform.

To this end we propose as a guide to definite action the following principles:

Maximum voluntary cooperation between citizens and minimum dependence on law; never, however, declining courageous recourse to law if necessary.

Our competitive system furnishes vital opportunity for youth and for all enterprising citizens; it makes possible the productive power which is the unique weapon of our national defense and is the mainspring of material well-being and political freedom.

Government, as the servant of such a system, should take all needed steps to strengthen and develop public health, to promote scientific research, to provide security for the aged, and to promote a stable economy so that men and women need not fear the loss of their jobs or the threat of economic hardships through no fault of their own.

The rights and obligations of workers are commensurate with the rights and obligations of employers and they are interdependent; these rights should be protected against coercion and exploitation from whatever quarter and with due regard for the general welfare of all.

The soil as our basic natural resource must be conserved with increased effectiveness, and farm prices should be supported on a just basis.

Development of the priceless national heritage which is in our West is vital to our Nation.

Administration of Government must be economical and effective.

Faulty governmental policies share an important responsibility for the present cruelly high cost of living. We pledge prompt action to correct these policies. There must be decent living at decent wages.

Our common defense must be strengthened and unified.

Our foreign policy is dedicated to preserving a free America in a free world of free men. This calls for strengthening the United Nations and primary recognition of America's self-interest in the liberty of other peoples. Prudently conserving our own resources, we shall cooperate on a self-help basis with other peace-loving nations.

Constant and effective insistence on the personal dignity of the individual and his right to complete justice without regard to race, creed, or color is a fundamental American principle.

We aim always to unite and to strengthen; never to weaken or divide. In such a brotherhood will we Americans get results. Thus we will overcome all obstacles.

II

In the past 18 months the Republican Congress, in the face of frequent obstruction from the executive branch, made a record of solid achievement. Here are some of the accomplishments of this Republican Congress:

The long trend of extravagant and ill-advised executive action reversed.

The budget balanced.

Taxes reduced.

Limitation of Presidential tenure to two terms passed.

Assistance to veterans, their widows and orphans provided.

Assistance to agriculture and business enacted.

Elimination of the poll tax as a requisite to soldier voting.

A sensible reform of the labor law, protecting all rights of labor while safeguarding the entire community against those break-downs in essential industries which endanger the health and livelihood of all.

A long-range farm program enacted.

Unification of the armed services launched.

A military manpower law enacted.

The United Nations fostered.

A haven for displaced persons provided.

The most far-reaching measures in history adopted to aid the recovery of the free world on a basis of self-help and with prudent regard for our own resources.

And, finally, the development of intelligent plans and party teamwork for the day when the American people entrust the executive as well as the legislative branch of our National Government to the Republican Party.

We shall waste few words on the tragic lack of foresight and general inadequacy of those now in charge of the executive branch of the National Government; they have lost the confidence of citizens of all parties.

III

Present cruelly high prices are due in large part to the fact that the Government has not effectively used the powers it possesses to combat inflation, but has deliberately encouraged higher prices.

We pledge an attack upon the basic causes of inflation, including the following measures:

Progressive reduction of the cost of Government through elimination of waste.

Stimulation of production as the surest way to lower prices.

Fiscal policies to provide increased incentives for production and thrift.

A sound currency.

Reduction of the public debt.

We pledge further, that in the management of our National Government, we shall achieve the abolition of overlapping, duplication, extravagance, and excessive centralization.

The more efficient assignment of functions within the Government.

And the rooting out of communism wherever found.

These things are fundamental.

IV

We must, however, do more.

The Constitution gives us the affirmative mandate "to establish justice."

In Lincoln's words: "The dogmas of the quiet past are inadequate to the stormy present. The occasion is piled high with difficulty and we must rise with the occasion. As our case is new, so we must think anew and act anew."

The tragic experience of Europe tells us that popular government disappears when it is ineffective and no longer can translate into action the aims and the aspirations of the people.

Therefore, in domestic affairs, we propose:

The maintenance of armed services for air, land, and sea to a degree which will insure our national security; and the achievement of effective unity in the Department of National Defense so as to insure maximum economy in money and manpower, and maximum effectiveness in case of war. We favor sustained effective action to procure sufficient manpower for the services, recognizing the American principle that every citizen has an obligation of service to his country.

An adequate privately operated merchant marine, the continued development of our harbors and waterways, and the expansion of privately operated air transportation and communication systems.

The maintenance of Federal finances in a healthy condition and continuation of the efforts so well started by the Republican Congress to reduce the enormous burden of taxation in order to provide incentives for the creation of new industries and new jobs, and to bring relief from inflation. We favor intelligent integration of Federal-State taxing and spending policies designed to eliminate wasteful duplication, and in order that the State and local governments may be able to assume their separate responsibilities, the Federal Government shall as soon as practicable withdraw or reduce those taxes which can be best administered by local governments, with particular consideration of excise and inheritance taxes; and we favor restoring to America a working federalism.

Small business, the bulwark of American enterprise, must be encouraged through aggressive antimonopoly action, elimination of unnecessary controls, protection against discrimination, correction of tax abuses, and limitation of competition by governmental organizations.

Collective bargaining is an obligation as well as a right, applying equally to workers and employers; and the fundamental right to strike is subordinate only to paramount considerations of public health and safety. Government's chief function in this field is to promote good will, encourage cooperation, and where resort is had to intervention, to be impartial, preventing violence and requiring obedience to all law by all parties involved. We pledge continuing study to improve labor-management legislation in the light of experience and changing conditions.

There must be a long-term program in the interest of agriculture and the consumer which should include: An accelerated program of sounder soil conservation; effective protection of reasonable market prices through flexible support prices, commodity loans, marketing agreements, together with such other means as may be necessary, and the development of sound farm credit; encouragement of family-size farms; intensified research to discover new crops, new uses for existing crops, and control of hoof-and-mouth and other animal diseases and crop

pests; support of the principle of bona fide farmer-owned and farmer-operated cooperatives, and sound rural electrification.

We favor progressive development of the Nation's water resources for navigation, flood control and power, with immediate action in critical areas.

We favor conservation of all our natural resources and believe that conservation and stock piling of strategic and critical raw materials is indispensable to the security of the United States.

We urge the full development of our forests on the basis of cropping and sustained yield with cooperation of State and private owners for conservation and fire protection.

We favor a comprehensive reclamation program for arid and semi-arid areas with full protection of the rights and interests of the States in the use and control of water for irrigation, power development incidental thereto and other beneficial uses; withdrawal or acquisition of lands for public purposes only by act of Congress and after due consideration of local problems; development of processes for the extraction of oil and other substances from oil shale and coal; adequate representation of the West in the national administration.

Recognizing the Nation's solemn obligation to all veterans, we propose a realistic and adequate adjustment of benefits on a cost-of-living basis for service-connected disabled veterans and their dependents, and for the widows, orphans, and dependents of veterans who died in the service of their country. All disabled veterans should have ample opportunity for suitable, self-sustaining employment. We demand good-faith compliance with veterans' preference in Federal service with simplification and codification of the hundreds of piecemeal Federal laws affecting veterans, and efficient and businesslike management of the Veterans' Administration. We pledge the highest possible standards of medical care and hospitalization.

Housing can best be supplied and financed by private enterprise; but Government can and should encourage the building of better homes at less cost. We recommend Federal aid to the States for local slum clearance and low-rental housing programs only where there is a need that cannot be met either by private enterprise or by the States and localities.

Consistent with the vigorous existence of our competitive economy, we urge: extension of the Federal old-age and survivors' insurance program and increase of the benefits to a more realistic level; strengthening of Federal-State programs designed to provide more adequate hospital facilities, to improve methods of treatment for the mentally ill, to advance maternal and child health and generally to foster a healthy America.

Lynching or any other form of mob violence anywhere is a disgrace to any civilized state, and we favor the prompt enactment of legislation to end this infamy.

One of the basic principles of this Republic is the equality of all individuals in their right to life, liberty, and the pursuit of happiness. This principle is enunciated in the Declaration of Independence and embodied in the Constitution of the United States; it was vindicated on the field of battle and became the cornerstone of this Republic. This right of equal opportunity to work and to advance in life should never be limited in any individual because of race, religion, color, or country of origin. We favor the enactment and just enforcement of such Federal legislation as may be necessary to maintain this right at all times in every part of this Republic.

We favor the abolition of the poll tax as a requisite to voting.

We are opposed to the idea of racial segregation in the armed services of the United States.

V

We pledge a vigorous enforcement of existing laws against Communists and enactment of such new legislation as may be necessary to expose the treasonable activities of Communists and defeat their objective of establishing here a godless dictatorship controlled from abroad.

We favor a revision of the procedure for the election of the President and Vice President which will more exactly reflect the popular vote.

We recommend to Congress the submission of a constitutional amendment providing equal rights for women.

We favor equal pay for equal work regardless of sex.

We propose a well-paid and efficient Federal career service.

We favor the elimination of unnecessary Federal bureaus and of the duplication of the functions of necessary governmental agencies.

We favor equality of educational opportunity for all and the promotion of education and educational facilities.

We favor restoration to the States of their historic rights to the tide and submerged lands, tributary waters, lakes, and streams.

We favor eventual statehood for Hawaii, Alaska, and Puerto Rico. We urge development of Alaskan land communications and natural resources.

We favor self-government for the residents of the Nation's Capital.

VI

We dedicate our foreign policy to the preservation of a free America in a free world of freemen. With neither malice nor desire for conquest, we shall strive for a just peace with all nations.

America is deeply interested in the stability, security, and liberty of other independent peoples. Within the prudent limits of our own economic welfare, we shall cooperate, on a basis of self-help and mutual aid, to assist other peace-loving nations to restore their economic independence and the human rights and fundamental freedoms for which we fought two wars and upon which dependable peace must build. We shall insist on businesslike and efficient administration of all foreign aid.

We welcome and encourage the sturdy progress toward unity in western Europe.

We shall erect our foreign policy on the basis of friendly firmness which welcomes cooperation but spurns appeasement. We shall pursue a consistent foreign policy which invites steadiness and reliance and which thus avoids the misunderstandings from which wars result. We shall protect the future against the errors of the Democratic administration, which has too often lacked clarity, competence, or consistency in our vital international relationships and has too often abandoned justice.

We believe in collective security against aggression and in behalf of justice and freedom. We shall support the United Nations as the world's best hope in this direction, striving to strengthen it and promote its effective evolution and use. The United Nations should progressively establish international law, be freed of any veto in the peaceful settlement of international disputes, and be provided with the armed forces contemplated by the Charter. We particularly commend the value of regional arrangements as prescribed by the Charter; and we cite the Western Hemispheric defense pact as a useful model.

We shall nourish these pan-American agreements in the new spirit of cooperation which implements the Monroe Doctrine.

We welcome Israel into the family of nations and take pride in the fact that the Republican Party was the first to call for the establishment of a free and independent Jewish commonwealth. The vacillation of the Democratic administration on this question has undermined the prestige of the United Nations. Subject to the letter and spirit of the United Nations Charter, we pledge to Israel full recognition, with its boundaries as sanctioned by the United Nations and aid in developing its economy.

We will foster and cherish our historic policy of friendship with China and assert our deep interest in the maintenance of its integrity and freedom.

We shall seek to restore autonomy and self-sufficiency as rapidly as possible in our postwar occupied areas, guarding always against any rebirth of aggression.

We shall relentlessly pursue our aims for the universal limitation and control of arms and implements of war on a basis of reliable disciplines against bad faith.

At all times safeguarding our own industry and agriculture, and under efficient administrative procedures for the legitimate consideration of domestic needs, we shall support the system of reciprocal trade and encourage international commerce.

We pledged that under a Republican administration all foreign commitments shall be made public and subject to constitutional ratification. We shall say what we mean and mean what we say. In all of these things we shall primarily consult the national security and welfare of our own United States. In all of these things we shall welcome the world's cooperation. But in none of these things shall we surrender our ideals or our free institutions.

We are proud of the part that Republicans have taken in those limited areas of foreign policy in which they have been permitted to participate. We shall invite the minority party to join us under the next Republican administration in stopping partisan politics at the water's edge.

We faithfully dedicate ourselves to peace with justice.

VII

Guided by these principles, with continuing faith in Almighty God; united in the spirit of brotherhood; and using to the full the skills, resources, and blessings of liberty with which we are endowed; we, the American people, will courageously advance to meet the challenge of the future.

Speech of Hon. Alben W. Barkley, of Kentucky, as Temporary Chairman of Democratic National Convention

EXTENSION OF REMARKS

OF

HON. ALBEN W. BARKLEY

OF KENTUCKY

IN THE SENATE OF THE UNITED STATES

Wednesday, July 28, 1948

Mr. BARKLEY. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD the speech which I delivered as the temporary chairman of the Democratic National Convention at Philadelphia.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

Fellow Americans, I am deeply moved by the signal honor you have done me.

We have assembled here for a great purpose. We have a solemn commission from millions of American men and women. We are here to give to them an accounting of our

stewardship for 16 eventful years, for not one of which we make apology, and to lay before them our articles of faith and nominate our candidates.

We shall not follow the example of our opponents by announcing the result of the contest 4 months in advance.

In a broader and deeper sense, however, we are assembled in the name of American democracy, and democracy for all mankind everywhere, without regard to race, creed, color, or nationality, without which it cannot be preserved anywhere.

Our claim upon the confidence of the people rests upon an unparalleled record of devotion to the people's welfare; a record which rescued the American economy of free enterprise from a collapse we did not foster; a record which four times the American people have overwhelmingly endorsed.

There has never been greater need in the world than now for the sort of leadership which, from its origin, the Democratic Party has given in the development of democracy in America.

This leadership has not been sectional, but national, nor has it sought to advance one class to the unjust detriment of others.

The unprecedented challenge which beckons us to service in these uncertain times demands that we look beyond the limits of states or nations or political parties to the obligations of the democratic process which we espouse.

In the midst of such a summons and on the basis of our record, we meet here today and shall meet our opponents in the approaching contest and on the day of the next election.

What is this record of which I speak? What is the sum total of these accomplishments we have wrought in the 16 years now drawing to a close?

They call it the New Deal. At every convention since 1932 and on every political rostrum Republican politicians have hurled their anathemas at this New Deal as if it were some blight or plague that had poisoned the lives and consumed the liberties of the people and kept them chained and helpless.

What is this cankering, corroding, fungous growth which every Republican orator, save one, denounced with unaccustomed rancor, then in their adopted platform hugged to their political bosom as if it were the child of their own loins?

It was recovery. The new Roosevelt administration breathed into the nostrils of every worthy American enterprise a breath of new life, new hope, and new determination. It put old agencies at the people's disposal and, where necessary, inaugurated new ones to make democracy live and work for the American people.

I cannot here detail the great body of laws and policies inaugurated by four Democratic administrations which have become as secure a part of American law and policy as the antitrust laws or the Federal Reserve System itself.

In spite of the chronic and noisy opposition of this program's enemies, the American people will not willingly surrender it. For,

"The moving finger writes; and, having writ,
Moves on: nor all your piety nor wit
Shall lure it back to cancel half a line
Nor all your tears wash out a word of it."

I remind the American people of some of these accomplishments as evidence of our good faith with and our service to them:

A farmer's agricultural adjustment and price-support program, which, in 16 years, has increased farm income by 800 percent, substantially reduced interest rates on farm credit, reduced farm-mortgage indebtedness by more than 50 percent, and farm-mortgage foreclosures by 95 percent.

A soil-conservation program by which we propose to hand this land of ours down to other generations capable of their support.

A rural-electrification program, which has lifted from millions of farm women the drudgery of exhausting housework, and brought millions of farmers the boon of electric power.

A program of development of our water resources for navigation, flood control, and power, to make these God-given resources the servants of the public.

A Labor Relations Act, a Fair Labor Standards Act, and other measures for improving conditions of labor and relationships between employers and employees.

A reciprocal-trade program, fathered by Cordell Hull, one of America's greatest Secretaries of State, under which capital and labor have been able to increase their markets throughout the world, without substantial injury to any American industry.

What is this whipping boy which Republican speech makers use for their lamentations at every convention and on every platform?

A reorganized and stronger banking system and a Federal Deposit Insurance Corporation, reducing bank failures from 4,004 in 1933 to only 6 in all of 1947, permitting the American people to retire at night without fear that their savings will evaporate before the dawn of morning.

A Federal Housing Administration and a Home Owners' Loan Corporation, which built, improved, and saved hundreds of thousands of homes in town and city, and reduced nonfarm real estate foreclosures from 252,000 in 1933 to only 10,000 in 1947.

A Commodity Credit Corporation, an Export-Import Bank, a Federal Home Loan Bank, a Bank for Cooperatives, and other institutions for the service of the American people.

An expanded Reconstruction Finance Corporation, at a time when it was the only money-lending agency in the Nation capable of averting financial disaster.

A statute abolishing the holding-company evil and a Securities and Exchange Commission to supervise the issue and sale of corporate stocks, and protect the American people from the fraud to which they had been subjected under the boom-and-bust days of a previous administration.

A good-neighbor policy, bringing into more friendly relationships the great nations of the Western Hemisphere, and guaranteeing the solidarity of cooperative pan-Americanism as a substitute for the sordid concept of dollar diplomacy and selfish exploitation under the friendly eyes of the American Government.

What is this New Deal?

The gainful employment of more than 61,000,000 American workers, which bids fair to rise to more than 63,000,000 during the present year, compared to 15,000,000 unemployed 16 years ago.

Corporate profits, after taxes, of more than $17,000,000,000 for 1947, and at the rate of $18,000,000,000 for 1948, the highest level in the history of the Nation in either peace or war.

Increased production to a level exceeding $230,000,000,000 per annum; and an annual income of $210,000,000,000 for the American people in 1948, compared to an annual income of $38,000,000,000 16 years ago.

An increase in the monthly average of new construction in 1948 to more than $1,200,000,000; and for new plants and equipment, excluding agriculture, the sum of $19,000,000,000, an increase of nearly 400 percent above 1939, and 1,000 percent greater than 16 years ago.

An increase in new corporate security issues to more than $6,000,000,000 for the year 1947, which does not appear to be an undue restriction on the investment of new capital in the United States.

An increase in sales of American goods to a figure of more than $15,000,000,000 per month for the first months of 1948.

An increase in exports to other nations to more than $15,000,000,000 for 1947, an excess of exports over imports of more than $6,000,000,000 under a reciprocal trade program that the Republicans in Congress have scuttled.

A prosperity enabling the American people to indulge in personal savings of more than $100,000,000,000 since 1939, and has enabled the Treasury of the United States to discharge, in a little more than 2 years, more than $27,000,000,000 of the national debt inherited from the great expenditures of the war.

Let us ask, and let the American people ask, those who spray this forest of superb accomplishment with the froth of their vindictive lips, which tree will they cut down with their mighty ax or their puny hatchet?

In 1946 the Republican Party secured control of both branches of the Congress.

The people did not really mean to elect a Republican Congress. They were voting against irksome and irritating annoyances which the war had required, and which had not been removed.

What has been its record? How has it dealt with the monumental problems of the American people?

During the war, occurred probably the greatest discovery in the history of science or invention, the discovery and utilization of atomic energy.

This fantastic element of nature has always existed, just as the rays of the sun always held the mystery of electricity long before Franklin flew his kite, but it had not been brought under the control of man until the emergency of war produced it, at a cost to the American people of $2,000,000,000 or $3,000,000,000.

How and by whom shall it be used—for the destruction of mankind, or for his greater advancement in developing and producing the means of greater happiness and prosperity?

The Eightieth Republican Congress refused to confirm for the terms fixed by law, the members of the Atomic Commission, which has been engaged in profound research into this new force of nature. But, it shortened their terms to a period of 2 years, so that, in the event of their success, they might secure political control of the Commission and its functions.

Judging from the proceedings of the recent Republican Convention, you would not have known that atomic energy had ever been discovered or dreamed of.

Claiming to have had a mandate from the American people, the Republican Congress began its discharge by seeking to destroy the Rural Electrification Administration and the soil conservation program by denying to them adequate funds for their extension to the farmers of the Nation.

Lacking in courage to repeal the Labor Relations Act, and the Fair Labor Standards Act, they have sought so to modify the basis upon which these enactments were predicated, as to destroy, in part, the rights enjoyed by labor in the collective process. They have done this by the enactment of a statute, which had its inception in a desire to destroy the right of American labor to organize, portions of which enactment have already been declared null and void by the Supreme Court of the United States.

The American people have the right to demand that the Republican Party and its candidates take them into their confidence regarding their intentions on this great program, which they condemn out of their mouths, but endorse in their platforms.

If they propose to abolish it from the statute books, let them so advise the American people. They cannot talk out of both corners of their mouths at once; nor reincarnate the spirit of a mythological Janus, either in their platform or in their public utterances.

When this Congress assembled in January 1947 the new Speaker of the House of Representatives, who was the permanent chairman of the recent Republican convention, announced that they would open each session with a prayer and close it with a probe.

If the prayers have been no more effective than their probes, they did not rise above the heads of the congressional inmates. The mandate upon which this Congress claimed to have been elected, was supposed to have called for the undoing of nearly everything that had been done since they folded their tents and departed from Washington in 1933, depending upon the exigencies of each congressional district.

There is more to this record than appears upon the surface. There is more to it than found its way into the law books. There is the record of things promised and not accomplished. There is the record of attempted sabotage of some of the greatest programs ever inaugurated by the American Government.

You do not see a housing bill in that visible record. What became of it? Notwithstanding repeated recommendations by the President urging adequate housing legislation for the veterans of our latest war and for millions of people in the lower-income brackets, this Republican Congress did nothing. Word came down from Philadelphia, where the platform committee was in session, in the closing hours of the last confused session of the Congress, demanding that some sort of housing bill be passed. Anything with the word "house" in it would be sufficient. They had to see it written across the horizon. Where is that housing legislation? It is not or the statutes. It furnishes no roof over the veterans, workers, or farmers. It is just another gone goose.

Repeatedly the President recommended the enactment of legislation to improve and conserve the health of our people. Congress fumed and fretted and dickered. But where is the health legislation which the Republican Party and the Republican platform have promised the American people? It is another gone goose.

Repeatedly the President urged this Congress to enact legislation to improve the American educational system, to assist the States in providing better schools and better teachers and better school facilities for the education of our people, found deplorably deficient during the administration of the selective-service law in the last war.

The American people have the right to ask Republican leaders of the Eightieth Congress and that platform makers at Philadelphia in June, and the candidates nominated at the convention, to explain why the Congress which they endorse failed utterly in the enactment of legislation to improve our educational facilities. They have the right to ask to what extent they may rely upon present promises in regard to education made either by a platform or by candidates, since they have been unable or unwilling to honor their commitments in the past. Where is the Republican educational program?

If you ask me where all these measures now repose, I answer that they have gone to the home for lost cause. If I may quote a recent distinguished authority on the subject, they are a part of the flock of "gone geese," put to flight by the Republican Congress which has just adjourned.

Why did these measures remain unacted upon? It may be because they bordered too much upon the hated and despised theory that Government should place its powers and its facilities at the disposal of the people to advance their welfare.

If you doubt this diagnosis, ask the Republican Speaker of the House of Representatives. Ask the Republican chairman of the House Rules Committee, which did not even permit the housing bill to come to the floor of the House for consideration or debate. Ask the Republican majority leader of the House of Representatives. Ask the chairman of the House Banking and Currency Committee. Ask the chairman of the House Ways and Means Committe. Ask the Republican whip of the House of Representatives. Ask the junior Senator from Washington, the junior Senator from Missouri, and the junior Senator from the State of Wisconsin.

These men might shed some light on the reason for the utter inaction and the utter incapacity of the Republican Congress with reference to these and other vital measures.

If information cannot be obtained from these sources, it might be interesting to inquire of the more than 1,400 registered lobbyists in Washington during the Eightieth Congress. In 1946, Congress passed a law requiring the registration of lobbyists and lobbying organizations. In the Seventy-ninth Congress there were 360 registrations of lobbyists and organizations engaged in lobbying. During the Eightieth Republican Congress, more than 1,400 lobbyists and lobbying organizations registered. There are approximately three lobbyists for each Member of Congress, both Senators and Representatives.

Financial statements filed by lobbyists organizations and employers of these lobbyists also show that special interests are willing to pay big money to get the laws they want. These organizations have spent more than $8,000,000 to influence the Eightieth Congress, which is $3,000,000 more than the entire appropriation for all the 96 Senators and their official staffs to conduct the business of the people in the Senate of the United States.

The increase in lobbying registrations, and the enormous expense involved, might be a source of revealing information to the American people, if the truth can be ascertained.

Whether the American people receive adequate or satisfactory answers to these questions, they are entitled to know why it was that this Republican Congress subordinated the need of American veterans and American workers to the will of the real-estate lobby which infested the corridors of the Capitol and every hotel in the city of Washington.

These recitals, however, scarcely more than scratch the surface of Republican failures in the Eightieth Congress. Despite its repeated promises in its previous platforms to extend the benefits of the social-security system, inaugurated and enacted by the Democratic Party, it not only refused these promised extensions, but eliminated nearly three-quarters of a million people from possible benefits under it.

The Eightieth Congress refused to enact legislation increasing the minimum wage paid to American labor from 40 cents an hour, which will not buy a single pound of soup meat, to 70 cents an hour, which will just buy a pound of hamburger.

This brings us to the question of inflation.

Repeatedly, the President called attention to the increase in the cost of living, which, since 1945, notwithstanding periodical increases in wages, has reduced the wage earner's buying power by more than 16 percent.

It was upon this issue, in part, that the Republicans won control of the two Houses of the Congress in 1946. But this Republican Congress was content to pass a so-called voluntary price-reduction measure, in spite of which prices have continued to soar. Production, they said, was the remedy to the high cost of living. Repeatedly, the President urged Congress to halt this spiral of increased prices and consequent lower take-home wages. Production has exceeded wartime levels. But prices have continued to rise while a Republican Congress continued to dawdle.

Today the retail food price index is standing at 211 percent compared to the average of 1935 to 1939. It is higher than it has ever been in the history of this country. Food prices are 12½ percent higher than they were a year ago. They are 126 percent higher than they were in August 1939, and 45 percent higher than in June 1946, when price regulations were allowed to lapse.

The consumer's price index covering food, clothing, rent, fuel, electricity, ice, house furnishings, and other necessities of the moderate income group now stands at 171 percent higher than the 1935–39 average, 73 percent higher than in August 1939, and 28 percent higher than in June 1946.

But the Eightieth Republican Congress refused to take further steps in the war against inflation.

In their platform in 1944, the Republican Party criticized the dispersion of the agencies dealing with labor subjects away from the Department of Labor and pledged themselves to consolidate them all under the Secretary of Labor.

The Eightieth Congress not only refused to carry out that pledge, but have stripped the Department of Labor by transferring from it agencies already under its jurisdiction, such as the Conciliation Service, and refused to approve a reorganization plan sent to Congress by the President which would have brought about a more central jurisdiction within the Department on matters dealing with labor.

Following the enactment of the Smoot-Hawley tariff law of 1930 and the inauguration of a Democratic administration in 1933, Congress enacted a program for reciprocal trade agreements in an effort to soften the inequities and exorbitant tariff duties provided in that law and open the doors for the resumption of international trade.

This law has been in existence for 14 years. It had been renewed and extended four times prior to the assembling of the Eightieth Congress. The majority of Republican Members of both Houses voted against its enactment and its extension, except once during the recent war.

When the law expired on June 12, 1948, the House of Representatives passed a makeshift extension of 1 year, intended and calculated to destroy the whole reciprocal trade program. It provided that no agreement could go into effect until it had been approved by the Congress itself, a provision never previously included.

This measure was somewhat modified in the Senate, but both Houses refused to extend it beyond 1 year, because they wished to turn their faces back toward the days of 1930, the days of logrolling and back scratching in the making of tariff laws dealing with our trade with foreign nations. Even in the extension of 1 year provided for in the recent session of Congress, the President is powerless to go beyond the recommendation of a bipartisan Tariff Commission, which means, in fact, that during this 1 year's extension there will be no new trade agreements entered into.

This is a tragic betrayal of our obligations, not only to the American people, but to the world. In our legislation providing aid for the recovery of Europe, we required every nation receiving it to make similar agreements with other nations, to level off, in part, the barriers to trade that has stifled commerce, thrown labor out of employment, and contributed to the frictions which have brought war and devastation to the world.

In the enactment of the Smoot-Hawley tariff law of 1930, I recall the influence of the Pennsylvania Manufacturers Association. I recall the dominating influence of Mr. Joseph R. Grundy, then head of this association. He came to Washington and did his work. He did it well. He succeeded in procuring the enactment of the highest tariff barriers ever raised against international trade in the history of this or any other nation.

After accomplishing the creation of this legislative strait-jacket, he apparently disappeared like some sunken river from the surface of the earth, until the assembling of the recent Republican convention, when

he reappeared with all his power, influence, and skillful manipulation in behalf of candidates, platforms, and policies. He so dominated that convention that it has been designated by some of the press as the Grundy convention.

We are told by the press and the radio that the pilgrimage of the junior Senator from Pennsylvania to the headquarters of the Governor of New York was inspired by this old hand at tariff manipulation.

We know from the press and the radio, and the general knowledge which is common to us all, that he exercised great influence in, if he did not actually dominate the selection of the new chairman of the Republican National Committee. This seems to have been the first installment of the pay-off. What future installments will turn out to be, only the future can reveal.

The American people may have been surprised at the selection of the new Republican chairman for the approaching campaign. But it is revealing to recall that this Pennsylvania Congressman, back yonder in the year 1943, expressed his political philosophy and the reasons for his belief that the Republican Party deserved to be returned to power in these United States. "It is time," said Mr. HUGH SCOTT, "for the Republicans to take over. We are the best stock. We are the people who represent the real grit, brains, and backbone of America."

In this manner the new chairman of the Republican National Committee, selected by the Republican candidate for President, modified and modernized, from a Republican standpoint, the views of Abraham Lincoln, who, in his famous Gettysburg address, asked only for a government "of the people, by the people, and for the people."

The new Republican chairman insists that it must be a government of the best people, by the best people, and for the best people. This is a resurgence of the ancient Hamiltonian doctrine that only the rich, the educated, and the well born are qualified to participate in government in these free United States. Obviously, this will be the pattern of the Republican appeal to the American people.

"All hail the power of Grundy's name,
Let candidates prostrate fall,
Bring forth the Republican diadem,
And crown him boss of all."

It would be a futile process to waste time seeking to analyze the newest Republican national platform. It was appropriately described by the Senator from Massachusetts, who was chairman of the Republican resolutions committee, when he said, "It is a tent big enough for everybody to get under."

But, soon after he was nominated upon it, the Republican candidate for President announced that he would inaugurate the greatest house cleaning ever seen in Washington, if he should be elected.

We have, from time to time in the past, been promised or warned of other house cleanings, and the American people will recall in some recent Republican history the type of house cleaning they got.

The Republican nominee has also announced, with characteristic finality, that he proposes to clean the cobwebs from the Government at Washington, as he has cleaned them from the government at Albany, following long tenure of Democratic administrations at both places.

I am not an expert on cobwebs, but, if my memory does not betray me, when the Democratic Party took over the Government of the United States 16 years ago, even the spiders were so weak from starvation they could not weave a cobweb in any department of the Government.

However, whatever the platform may or may not promise, whatever the candidate may or may not stand for, we have, in all this confusion and vague atmosphere of promises and threats, one clear true clarion call. They are going to eliminate all the bureaucrats in Washington.

Congress creates a bureau in some department, like the Bureau of Internal Revenue in the Treasury, or the Bureau of Reclamation in the Interior Department, or of Soil Conservation in the Department of Agriculture, or the Bureau of Foreign and Domestic Commerce in the Department of Commerce, or the Bureau of Yards and Docks in the Navy, or the Federal Bureau of Investigation in the Department of Justice. Some able and sincere American is appointed as the head of one of these bureaus, and he is immediately denounced as a bureaucrat, and the Republican politicians swear by all the gods of justice and economy they will eliminate him from the pay roll as a barnacle upon our ship of state.

What is a bureaucrat? A bureaucrat is a Democrat who holds some office that a Republican wants; and the only sort of housecleaning you will get in Washington, in the event of a Republican victory, will be the changing of the political complexion of those who hold the offices.

The fourth article of the current Republican platform quotes Abraham Lincoln. The Republican politicians and leaders have not been closer to Lincoln in two generations than to quote him. But they did quote him in their platform, where he said:

"The dogmas of the quiet past are inadequate to the stormy present. The occasion is piled high with difficulty and we must rise with the occasion. As our case is new, so we must think anew and act anew."

This is a precise description of the conditions which faced this country 16 years ago, when the Democratic Party accepted the responsibility of charting a new course for our domestic and international economy.

We found that the dogmas of the quiet past were inadequate to the stormy situation which then confronted us. The occasion was piled high with difficulties, and we sought to rise with the occasion. As our case was new, we thought anew and acted anew.

Let us apply this principle to our present international situation. There can be no question that the unaccustomed remedies which the Democratic Party applied to this new situation in America contributed largely to the ability of our Government and our people to mobilize their moral, spiritual, and economic forces to bring about the success of the Allied Nations in driving back Hitlerism and its particular form of totalitarian tyranny.

We had not wished to be drawn into the conflict which he precipitated. For more than 2 years we sought to avoid involvement, just as nearly a generation before we had sought to avoid involvement in the First World War. But, notwithstanding these efforts to remain aloof from the conflict, the question constantly arose, before we became involved, as to the extent of our readiness for the conflict, if it should be forced upon us. This involved selective service, the repeal of embargoes, and the arming of ships. It involved lend-lease in aid of those who were fighting for liberty across the seas.

I do not wish now to dig up the dead bones of past history, but if the American people will refresh themselves by referring to the record of Republican votes in both Houses of Congress on all these measures, they will find a revealing consistency in opposition to every measure calculated to prepare our country to ward off the blow and soften its impact if it should be inflicted.

We were drawn into the war because of events familiar to us all. We mobilized every element of our population and of our economy, and in this mobilization Republicans vied with Democrats, high and low, in the service of their country. We claim no partisan credit or merit because of this universal all-out crusade against world enslavement. But, it is but the truth of history to say that these efforts were guided by an administration headed by a great American, who inspired his countrymen to total devotion and total sacrifice in behalf of our country and a democratic world.

This man rests in the peaceful atmosphere of a quiet grave at Hyde Park. Some Republican orators of questionable taste seem to fear his spirit now, as they feared the force of his personality when alive. Neither their jaundiced minds nor their forked tongues can rob him of the eminence which he will occupy in the history of America and of the world.

It has been 3 years since the end of hostilities. In these circumstances, we have been compelled to assume the leadership and the greater responsibility for the preservation of peace, the occupation of conquered territory, and the inauguration of the processes by which a peaceful world might be restored to mankind.

Unfortunately, these 3 years have not brought peace. We have neither peace nor war. The world situation has reached a posture where intensity of feeling and spontaneity of conduct might easily precipitate armed conflict.

Our Government, through the President and the Secretary of State and all other responsible agencies, including a majority of the Congress, have sought to adjust the differences and adopt a foreign policy that would preserve our own integrity, guarantee our own security, and ultimately bring peace to a distraught world.

In this effort, eminent and able and patriotic Republicans have shared the responsibility, and have aided us in keeping our foreign policy out of the mire of partisan politics and upon a solid basis of justice and equity in world cooperation.

It was through the initiative of our Government that the United Nations was established. We have sought to strengthen it, and pledge ourselves to continue the effort.

It was through our initiative that the World Bank and the World Monetary Fund were created to stabilize monetary currencies and stimulate reconstruction among the devastated nations and economies.

It was through our initiative that various international organizations, subordinate to but a part of the United Nations set-up, have been inaugurated to further these indispensable objectives.

It has been through our initiative that conferences have been held among the peace-loving nations, not only of Europe but of the Western Hemisphere, in an attempt to solidify the democratic world against further totalitarian aggression.

It was through our initiative that the greatest international effort at economic, moral, and political stabilization in the whole history of mankind was undertaken. It was first called the Marshall plan, then the European recovery plan, and now the Economic Cooperation Administration, enacted by the Congress at the urgent request of the President and the Secretary of State and the American people.

In this effort eminent and able Republicans like Senator VANDENBERG, chairman of the Senate Committee on Foreign Relations, Congressman EATON, chairman of a similar committee in the House of Representatives, and many other Members of both Houses of Congress, and millions of others, regardless of politics, throughout the Nation, have set in motion the power and the agency through which the devastated nations of the world may bring about their own recovery, and move forward then under their own steam in an endeavor to restore economic and political security for themselves and peace for the peoples of the world.

We all rejoice in the great contribution made to this universal purpose by those men

who subordinated their partisanship to the welfare of their country and of the world.

But this achievement has not been accomplished without obstinate obstruction on the part of responsible men in the Congress of the United States. This is particularly true in the House of Representatives. I need not repeat the efforts of the Republican leaders of the House of Representatives and their allies, to whittle away the recovery program until it should become a mere shadow of its original self, and descend to the level of a mere measure for physical relief.

I need not refer to the actual sabotage of this great program by the reduction of more than one-fourth of the amount which Congress had set as a practical minimum in the requirements for the first year of its administration. Fortunately in the Senate Republican leadership helped to retrieve most of the losses sustained in the efforts of the House of Representatives to break faith with our people and with the people of the world. In this accomplishment we may all rejoice without regard to political affiliations.

But this program has only begun. These same men will be in charge of that branch of the Congress in the event of Republican victory.

In these circumstances the American people must decide whether they wish to take the chance and assume the responsibility of denying our influence and power and resources, made available not only to win the war but also to win the peace, in holding and driving back the forces of a new totalitarianism, which may be more ruthless and sinister than that which we defeated on the battlefields of the world in 1945.

The Republican platform undoubtedly attempts to repudiate the efforts of this wrecking crew in one of the branches of Congress, but if they are successful will the new administration repudiate their efforts in the coming session of the Congress and during the 4-year period covered by the law which Congress overwhelmingly adopted?

We rejoice to believe that in this great venture we are actuated by no selfish motive, except that which consumes the breast of every liberty-loving human being to live in peace, to advance in moral stature, intellectual breadth, economic freedom, and political equality for himself and all mankind.

We seek no territory. We seek no unjust economic advantage. We seek no dominion over other peoples. We do seek to enable them to restore the liberty for which they have fought for generations, and which many of them have lost.

We do know that our Nation cannot long remain free if the rest of the world is on bondage.

We do know that our people cannot long remain prosperous if the balance of the world is prostrate.

We do know that the liberty-loving nations of the world must ultimately rise or fall together.

We do know that whether we wished it or not, the leadership in this great enterprise has been thrust into the hands of our people and our Government.

Shall we hold the torch and move forward with it, or shall we march back down the hill and blast the hopes of peoples everywhere, including our own country? Shall we allow humanity to sink into a long, dark night of barbarism, brutality, and godless overlordship from any source in any part of the world?

This question the American people must answer. May we hope that they will answer it in the language and the spirit of Thomas Jefferson, the founder of American democracy, to which we have been devoted for more than a century and a half.

In the Declaration of Independence, Jefferson wrote these undying words:

"We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable rights, that among these are Life, Liberty, and the pursuit of Happiness. That to secure these rights, Governments are instituted among Men, deriving their just powers from the consent of the governed."

In declaring these truths to be self-evident, Jefferson meant that they were not subject to dispute, not to be submitted to a jury or a political convention, not to be subject to compromise or evasion or subtraction.

They were self-evident, so much so that all men could accept them who believed in the freedom of men and the freedom of thought. "All men are created equal," said he; not physically, not morally, not financially, not socially, not intellectually equal, because there are inevitable variations in all these human qualities and attributes. He did not proclaim that all white, or black, or red, or yellow men are equal; that all Christian or Jewish men are equal; that all Protestant and Catholic men are equal; that all rich or poor men are equal; that all good or bad men are equal. What he declared was that all men are equal; and the equality which he proclaimed was equality in the right to enjoy the blessings of free government in which they may participate, and to which they have given their consent.

He applied this doctrine, not only to the people of the United States, but universally to the people of the world. This immortal doctrine of the Sage of Monticello, who wanted to be remembered not by what the people had done for him, but by what he had done for them in the establishing of political, religious, and intellectual freedom, has never ceased to be the true ideal of the American people.

No genuine believer in the Jeffersonian philosophy is at liberty to deny the world-wide application of this great pronouncement, born of the conditions which were the foundation of American independence. No true follower of Jefferson is at liberty to withhold from our own people, or the people of the world, the hope that they may enjoy that life, that liberty, and the pursuit of that happiness, upon which our own and all free institutions have been and must be founded throughout the world.

Surely the great Democratic Party, assembled here in the midst of a great crisis that confronts mankind, assembled here at the end of a decade and a half of unparalleled achievement in the moral, economic and social life of our own country, in the midst of a world upheaval unprecedented in the annals of history, assembled here in the shadow of the historic hall where Jefferson wrote these things, surely, in these conditions, neither the great Democratic Party nor the American people can forswear their obligation to march forward on the highway of human advancement, both here and throughout the world.

This is no partisan call. This is no appeal for the lusts of office. This no panoply of sophistries made to perpetuate or deny power to any political party. It is the swelling of human breasts with pride that God in his wisdom has given us the power and the opportunity to inaugurate a better world and a better society.

And, if we sometimes quibble over the expense in dollars, consult our fears alone, prefer to be tied to a hitching post of reaction, or are prompted to ask ourselves the question, what is it worth to us, may I answer in the language of a quotation from the Book of Books:

"What shall it profit a man if he gain the whole world and lose his own soul?"

What shall it profit a nation if it gain the whole world, the world of economy, the world of territory, the world of power, and lose its own soul?

What shall it profit a political party if it gain power or temporary prestige or office or the spoils of political preferment, if in the process it shall lose its own soul?

I do not deign to answer these questions. The American people must answer them. Let us pray to the author of all life that their answer may be true and sound, and that out of their answer may come the healing of the nations and the restoration of the dignity and freedom of man.

This is the democratic ideal, not a partisan ideal. It actuates the minds and hearts of most of the people of the earth. Let us dedicate ourselves here now, and in all the future, to its permanent and universal realization.

In the twentieth verse of the third chapter of Revelations will be found a superb call to service, applicable now as then, coming across the centuries, from the lips of the sun-crowned Man who walked His way into the story of humanity:

"Behold, I stand at the door and knock. If any man hear My voice and open the door, I will come in."

In the present posture of world affairs, in the overwhelming challenge that comes to American leadership, may we not feel and say:

Behold, civilization knocks at the door.

Behold, the assembly of unnamed and unnumbered men and women who yearn for peace knocks at the door.

Behold, the validity of Christian principles of human society knocks at the door.

Behold, the rap of countless dead, who died on battlefields, in every sky, on every continent, on every island, and every sea, to perpetuate these principles of equality and justice of which I have been speaking, is heard knocking at our door of opportunity.

Behold, the knock of countless women throughout the world, whose locks are blown over their shoulders by the wind of adversity, is heard.

Behold, the gentle touch of tender hands of millions upon millions of children, who long for happiness and education and the full life, can be heard upon the door.

Behold, Destiny itself knocks at our door in behalf of all these and more.

Shall we hear the voice and open the door, or shall we slam it in the face of an appealing world, turn our backs upon a divine obligation and refuse to lead the children of men out of the bondage of fear and slavery into a free world and a free life?

As one who, for a generation, has watched the ebb and flow of human hopes and aspirations, and has seen civilization upon the brink of the precipice and the crumbling away of the liberties of the people in many lands; as one who has lived and served through two world wars, and the aftermath of both, and the interim between them; as one who has stood by the side of Wilson, or Roosevelt and of Truman, to make his humble contribution to rescue and preserve the things by which men wish to live, and for which they are willing to die, may I, in conclusion, utter this simple prayer:

God of our fathers, lead Thou us on! As a Nation as a people, and as an assembly of people, give us wisdom to see the path of our duty, and courage to keep our feet upon it. Amen.

The Record of the Eightieth Congress

EXTENSION OF REMARKS

OF

HON. EDWARD MARTIN

OF PENNSYLVANIA

IN THE SENATE OF THE UNITED STATES

Wednesday, July 28, 1948

Mr. MARTIN. Mr. President, before the Republican National Convention in Philadelphia on June 22, our distinguished colleague, the junior Senator

from Nebraska and acting majority leader [Mr. WHERRY] made an enlightening address on the record of the Eightieth Congress.

In his address, the Senator also discussed issues confronting our country and the Congress. Therefore, I believe his colleagues in the Congress and others throughout our country will be interested in reading what he said.

I ask unanimous consent that the address be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Mr. Chairman, delegates of the convention, and fellow Americans, it is with profound respect and full understanding of the history-making decisions which this timely Republican convention must resolve that I accept the assignment to review for you the accomplishments of the Eightieth Congress under our Republican stewardship.

The Eightieth Congress now is history. Its constructive program will stand the acid test of public approval. It is undeniable proof of our sincerity.

This invitation provides a golden opportunity to frankly discuss with you our record and to remind you of your responsibility to make that record known to the people back home.

Many of you have been doorbell ringers. So have I. You have canvassed up and down the street. You have carried the Republican cause to the grass roots. You have been chosen to represent the people in this most important of all political conventions, and before you leave you will adopt a platform and nominate a ticket that will move our party into the White House in 1949.

We know the Republican Party is the liberal party. There is all the difference in the world between liberalism and New Dealism.

Ours is the only party that has held firmly to the faith of the founding fathers, a faith in the dignity, genius, initiative, and the sovereignty of the people.

You are assembled in a free, open convention. It is here, through the free Republican processes that you will declare anew our principles, policies, and objectives in their application to the momentous issues that confront our beloved Nation.

No clique of alien-minded radicals has captured control of the Republican Party. Ours is the united, forward-looking party. It is the only safe, sound medium through which the will of the people may be translated into action.

In contrast, the American people are offered a warring, quarrelsome, bolt-ridden, and disrupted opposition; an opposition of radical left-wing New Dealers who seek to regiment and push around as they please 145,000,000 free American citizens.

The New Deal continues to follow the same old pattern. Calloused by years of gathering unto themselves dictatorial power, the executive branch once again has had the affrontery to dip into the Public Treasury to finance a purely political junket across the country.

To fool the taxpayer, it was called a nonpolitical, bipartisan mission.

No one was fooled. The people knew he was riding around the country scolding and apologizing as he went on a barnstorming campaign blaming Congress for the mistakes and failures of his own administration.

It's the same old technique. "Purge the Congress. I am for the people," says the President.

Has the President forgotten all about States' rights?

Has he forgotten that the people elected the Congress?

Fellow Americans, the high office of President of the United States deserves a man of stature above that of a common scold.

It is up to you to see that the people make that decision in November.

For the first time in more than a decade there has been excellent cooperation between the Houses of Congress. You delegates and the American people can be proud of the constructive legislation passed by the Eightieth Congress despite the almost constant opposition of the President.

Here are some of the major bills which we have passed:

Tax reduction; sensible labor-management relations; a balanced budget; scores of veterans' bills, calling for $8,500,000,000 in appropriations; extension of the farm program to insure stability for our American farmers; national defense—including unification, expansion, and strengthening of all of our military defenses with special emphasis on air power as our first line of defense; housing got the green light by our removal of hampering controls, and more than a million units were constructed in the past year—the largest building boom in history;

The extension of an improved Reciprocal Trade Agreement Act; extension and expansion of social security and additional benefits for 3,500,000 needy children, the aged, and the blind; an amendment providing for more than 200,000 displaced persons; revision of the Presidential Succession Act and the submission for ratification by the State legislatures of a constitutional amendment for a two-term Presidential limitation; legislation to streamline and modernize Congress and the executive department of our Government; a generous program of American aid to rehabilitate other nations of the world in a mutual effort to stop the expansion of communism.

Such outstanding major legislation was made possible only by the excellent teamwork and unity of our Republican Members in Congress.

And more will be accomplished when we have the cooperation of a Republican President.

It is an amazing fact, that President Truman has vetoed nearly as many measures as did the record setter President Grover Cleveland. And the end is not yet.

You will recall that after the 1946 elections, the President promised the American people that he would abide by the will of the majority and cooperate with the Congress.

He has not kept that solemn pledge.

He has abused the Presidential veto power, the weapon of the minority, to oppose and block the will of the people and their elected representatives.

Vetoes seem to be the order of the day. Moscow vetoes in the United Nations. Truman vetoes in Washington. The people will veto in November.

Now, let's take a look at the record. On December 5, 1945, the Republican Members of Congress adopted a statement of principles and objectives on which the 1946 elections were determined. We said:

"Wartime limitations, restrictions, and controls must be removed. The instant a right or liberty can be returned to the people, it shall be returned. Neither the war nor any other excuse shall be justification for fastening regimentation permanently upon the American people."

Fellow Americans, we have kept that pledge.

This was true, notwithstanding the President stubbornly resisted Congress. In one breath he denounced Government controls, Government price-fixing, and rationing as the methods of the police state. In the next breath, he asked Congress for power and more power so that he might regiment and control.

But the Eightieth Congress boldly broke the shackles fastened upon the people by the New Dealers in Washington. When the war ended there were more than 76,000 Government orders, rules, regulations, and directives, that were choking industry, stifling initiative. The Nation had directive indigestion. The people demanded elimination of OPA. Thousands of these orders and directives have been repealed. Across the Nation the ground-swell of relief was reflected in industry, agriculture, mining, and all segments of our economy. And last year, the American people did the greatest dollar volume of business, and produced the highest national income, in all the Nation's history. Let me repeat. They did all this without controls.

Nor let anyone tell you, fellow Americans, that lifting of controls caused high prices. The failures and incompetence of the New Deal administration are responsible for high prices. In a nut shell, the causes are:

Deficit spending and other loose fiscal policies; constantly increasing Government expenditures; failures in foreign policy that have made it necessary to distribute more than $20,000,000,000 in cash and goods to foreign countries; commodities that otherwise would be available for our own people, and expansion of our defenses made necessary by the bungling of the administration's foreign policy.

All of these causes for high prices must be laid at President Truman's door. He has fired the boilers of inflation. In November he will face the gray ashes of defeat.

In December 1945 Congressional Republicans likewise declared themselves on Labor Management Relations. This is what we said:

"We reaffirm our belief that the right of labor to organize and bargain collectively with employers is one of the cornerstones of competitive enterprise. The processes of such bargaining must be protected and strengthened if we are to have real jobs and prosperity for all."

We have kept that pledge.

The Truman administration predicted at the end of the war there would be 10,000,000 unemployed. The President himself anticipated a slump in business and asked Congress to prepare for it. These predictions were ridiculous. Instead of men walking the streets looking for jobs, they are today looking for things to buy.

In 1946 before the Eightieth Congress took over, work stoppages reached an all-time high—a total of 100,800,000 work hours. Subsequently, the Labor-Management Relations Act was passed over a petulent veto by President Truman. Work stoppages diminished. The gloomy predictions of the President have failed to materialize. Under this law we are seeing the pendulum swing back to a decent, sensible relationship between management and labor. Control of the unions has been placed in the hands of the workers, where it belongs.

In his message to the Congress on the state of the Union, January 1948, President Truman said:

"I made my attitude clear on this act in my veto message to the Congress last June. Nothing has occurred since to change my opinion of this law."

On January 20, 1948, speaking before the Republican National Committee men and women in Washington, I challenged the President to tell the country whether he would ask for the repeal of the labor-management relations law in his 1948 platform. And, although the President's vague condemnations of the Labor-Management Act were repeated on his recent political junket to the west coast, he has to this moment made no response to my original challenge.

I repeat that challenge here and now. Will he ask repeal of the Labor-Management Relations Act? Will he repudiate the overwhelming majority of Democrats in Congress who voted for the act and who also voted to override his veto? Actions speak louder than words. While the President has talked, the Eightieth Congress has acted.

In December 1945 our congressional Republicans had this to say about taxes:

"Our tax burden must be equitably distributed. Taxes must be so imposed as to stimulate creative enterprise, not destroy it, and to afford the individual adequate purchasing power."

We promised tax reduction and we have kept that pledge.

Three times the President vetoed Republican tax-relief bills. The third time we passed it over his veto. As a result of this action 7,400,000 persons in the very lowest income brackets are now released from the tax rolls. About 71 percent of this tax relief goes to persons with incomes of less than $5,000 a year. Special relief was provided for the aged and the blind, and your Congress permitted married persons to divide their income for tax purposes.

The American people will not swallow misrepresentation concerning the 1948 tax bill. They are not fooled by political bromides. Every one of us is enjoying the benefits of additional money in our pocket because your Eightieth Congress prevailed over the President's bitter opposition. Tax relief is the best tonic I know to keep our free American system strong.

We need a man in the White House who understands this truth and who has faith in our free enterprise system.

In December 1945, your Republican Congress told the people it was their objective to cut the cost of government. This is what we said in our declaration of principles:

"The solvency of our Government must be assured. Outlay must be brought in line with income. Economy in Government spending must be achieved. Extravagant Government spending now advocated by the administration in every field can lead only to ruin."

We have kept that pledge. For the first time in 16 years the budget is in balance. For the fiscal year 1948, there is a surplus of more than $7,000,000,000. Instead of the deficits anticipated by the President, your Congress has lopped billions of dollars from his pork-barrel budgets for Government expenditures. As bait for votes from the pressure groups, the President demanded the Congress approve a spending program that would add more than $20,000,000,000 a year to our Federal budget. He is impaled on his own record. His record is a consistent series of demands for more taxes, more job holders, more vote-catching projects, more political emergencies, and more and more costly Federal authority, all of these, without regard to the hazards of national bankruptcy.

The economy-minded Republican Congress has called a halt on big government. We will continue to turn the flanks on the army of New Deal spenders.

Once again I refer to the December 1945 conference for our position on foreign affairs. This is what we said:

"We support the United Nations organization for international peace. We look with particular hope to the General Assembly as the town meeting of the world wherein the organized conscience of mankind shall find effective expression in behalf of peace with justice."

Our statement went on to say that we would engage in essential international relief as the humanitarian obligation and to prevent chaos through misery; that we would help other nations rehabilitate themselves; and that we would do all we could to help small nations maintain the governments of their choice and to be free of outside aggression.

All these pledges we have kept. We have worked faithfully to discharge these clear-cut obligations, but the accomplishment has been immeasurably more difficult because of the secret and short-sighted agreements assumed by the New Deal administrations at Quebec, Yalta, Tehran, and Potsdam. In the passing of time, the revelation of these commitments has disclosed how tragic was the failure to perfect a clear-cut American foreign policy, when for a brief moment at the hour of victory, we held the destiny of the world in our hands. When a devastated world cried out for American statesmanship, it was not forthcoming. Our representatives were duped—they were outbargained—they were led into commitments, which today stand as road blocks in the path we now have determined is the true course to world peace.

Notwithstanding the generosity of the American effort to feed the world's hungry and shelter its homeless, our success has been diluted and delayed because the Truman administration clung too long to the stupid and now repudiated Morgenthau plan for a deindustrialized Germany. The Republican leadership in Congress was never a party to this ill-conceived program. However, Republican influence was a mighty force in its ultimate abandonment. Our party and its representatives in Congress know that German recovery is the key to recovery for all Europe. It is essential to our belated American policy to neutralize the threat of world communism.

Let the record show there has been and will continue to be cooperation by the Republican majority in Congress with all Americans of good will in a fair and reasonable American foreign policy. But the Republican Party and its congressional leadership have never been the appeasers of Soviet Russia.

If Dictator Joe Stalin could cast the deciding ballot in November for President of the United States, I submit that he would not vote Republican.

Our Republican leaders have forced the issue of squarely meeting the threat of communism at home as well as abroad. It is entirely understandable that the Communists resent American policy which thwarts their world ambition. But this does not mean that we cannot live together in a world where communism yet exists within its own proper sphere. Nor does it mean that peaceful solutions are beyond our power. These purposes will be achieved under a Republican administration which can speak with a firm but tolerant voice. And bear in mind, fellow Americans, a Republican administration will come into the sphere of international affairs, without the deadening handicap of the mistakes of Tehran, Yalta, and Potsdam which have rendered the Truman administration impotent.

Thus, from this brief report of the accomplishments of your Eightieth Congress we come face to face with the issue which every real American must resolve for himself as he casts his ballot in November. This crucial issue is:

Shall government serve the people or shall government be their master?

The American people will not tolerate a fifth term of New Dealism in the White House. The American people have seen their liberties whittled away in a thousand different ways—grabbing here and grabbing there—through a constant insidious centralization of government in Washington.

All kinds of devices have been used to undermine our historic American way of life—to subordinate and destroy the traditional concept that there shall be States' rights and Sate sovereignty as an indivisible part of the American governmental pattern.

President Truman and the radical groups around him have little faith in American genius, courage, ability, initiative, and enterprise.

Theirs is a government of paternalism. Theirs is a defeatist philosophy. Everything they have to offer is in complete contradiction of the traditional philosophy of the American people. In this crucial hour, the American people want opportunity, not alms. They want unity and purpose in their political leadership, not a vacillating administration held together with baling wire and spendthrift patronage.

In each great hour of crisis, America has brought forth a leader equal to the responsibility of the occasion. The need for a leader was never greater than it is today—a leader who is grounded in the faith of our American tradition, a leader who will keep faith with America's future.

As I stand before you in this historic convention, I know that you, who represent so dynamic a cross section of the people, who are America, will before this convention concludes bring forth that leader.

Resolutions Adopted by the Zionist Organization at Its Fifty-first Annual Convention

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EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 27, 1948

Mr. MULTER. Mr. Speaker, under leave to extend my remarks I submit the following resolutions which were adopted by the Zionist Organization of America at its fifty-first annual convention, held in Pittsburgh on July 2–5, 1948:

I

The fifty-first annual convention of the Zionist Organization of America meeting in Pittsburgh on July 2–5, 1948, salutes the Government and people of Israel.

This year having witnessed the reestablishment of the independent Jewish state, the dream and hope of countless generations, the convention expresses its hope that Israel will endure forever as a sovereign nation, a force for progress, and a peaceful and cooperative member of the family of nations.

II

The fifty-first annual convention of the Zionist Organization of America meeting in Pittsburgh on July 2–5, 1948, expresses the gratitude of the Zionists of America to the President of the United States for the support which he has given to the establishment of the Jewish state, for the speedy recognition which he has accorded to the Provisional Government of Israel, and for the message which he has adddressed to the present convention.

III

The convention calls upon the President of the United States to accord to Israel without delay, full de jure recognition, and to take all necessary measures to assist Israel:

(a) In remaining unmolested by external aggression;

(b) In keeping the full independence and territorial integrity of Israel unabridged;

(c) In obtaining, in case of renewed aggression against Israel, all facilities for defending itself in line with United States policy of giving aid to countries threatened by aggression and in keeping with the lend-lease practices heretofore adopted by the United States;

(d) By according to Israel all reasonable cooperation and economic aid from the Government of the United States; and

(e) By advocating the speedy admission of Israel to membership in the United Nations.

IV

The fifty-first annual convention of the Zionist Organization of America, meeting in Pittsburgh July 2–5, 1948, notes with satisfaction the action of the Republican Party in writing into its platform a plank favoring full recognition of and economic aid to Israel.

V

The fifty-first annual convention of the Zionist Organization of America meeting

in Pittsburgh July 2–5, 1948, notes with satisfaction the action of those foreign governments which have recognized the provisional government of Israel, and calls upon them to take all necessary steps to enable Israel to exist and develop as an independent member of the family of nations, safe from external aggression and from interference with its sovereignty and territorial integrity.

VI

The fifty-first annual convention of the Zionist Organization of America meeting in Pittsburgh on July 2–5, 1948, expresses the hope that the United Nations Security Council will take urgent steps to insure that the use and threat of use of armed force against Israel cease forthwith; and that, should the use of armed force against Israel be renewed, the Security Council will take effective steps under chapter 7 of the Charter against the perpetrators of such acts.

The convention expresses the hope that the President of the United States will instruct the United States delegates to the Security Council to press for action in the above sense.

VII

The fifty-first annual convention of the Zionist Organization of America, meeting in Pittsburgh July 2–5, 1948, expresses the gratitude of the Zionists of America to the Republican Presidential nominee, Gov. Thomas E. Dewey, for the message which he has addressed to the present convention.

VIII

The fifty-first annual convention of the Zionist Organization of America, meeting in Pittsburgh on July 2–5, 1948, is deeply concerned over reports indicating that the mediator appointed by the United Nations has seen fit to make suggestions tending to compromise the independence of Israel, to infringe upon its territorial integrity, and to place the city of Jerusalem under Arab control. The convention deplores this departure by the mediator from his clearly defined mandate, and considers the reported suggestions unacceptable.

IX

The fifty-first annual convention of the Zionist Organization of America meeting in Pittsburgh on July 2–5, 1948, salutes the heroic defense army of Israel, and welcomes the integration of the various armed forces of the Yishuv within that army. The convention condemns the recent attempts of the Irgun Zvai Leumi to conduct separatist military activities in defiance of the authority of the Provisional Government of Israel.

It calls upon the Zionists of America to give their full cooperation to the Provisional Government of Israel, and it recommends, in keeping with that resolve, that all aid to Irgun, or any similar group in the United States or in Palestine, shall be discouraged.

X

The fifty-first annual convention of the Zionist Organization of America, meeting in Pittsburgh on July 2–5, 1948, expresses its appreciation to the present administration of the Zionist Organization of America, under the leadership of Dr. Emanuel Neumann, and wholeheartedly approves the policies which that administration has pursued, thereby contributing to the re-creation of the Jewish state of Israel.

XI

The fifty-first annual convention of the Zionist Organization of America, meeting in Pittsburgh on July 2–5, 1948, expresses its appreciation to the American section of the Jewish agency for Palestine, and to the American Zionist Emergency Council, under the leadership of Dr. Abba Hillel Silver, for their historic contribution to the rebirth of Israel.

XII

The fifty-first annual convention of the Zionist Organization of America, meeting in Pittsburgh on July 2–5, 1948, directs the officers of the ZOA to set up a committee to study a program of reorientation arising for the ZOA and for the Zionist movement in general, from the reestablishment of the Jewish state, to be completed on or before January 1, 1949.

XIII

The fifty-first annual convention of the Zionist Organization of America, meeting in Pittsburgh, July 2–5, 1948, recommends that a complete study be made of the methods of emergency acquisition and distribution of materials for Palestine, with a view to insuring a greater measure of efficacy and coordination in the pursuit of these objectives.

The convention directs the officers of the Zionist Organization of America to take steps in consultation with representatives of Materials for Palestine, with a view to placing the Zionist Organization of America in a position to guide and coordinate the efforts of its districts and membership on behalf of that enterprise. It further directs the officers of the ZOA to develop the Israel equipment project in full coordination with the ZOA and with Materials for Palestine.

XIV

The fifty-first annual convention of the Zionist Organization of America, meeting in Pittsburgh on July 2–5, 1948, takes note of the position of the American representative to the Security Council of the United Nations branding the Arab states waging war against Israel as aggressors and respectfully requests the President of the United States to suspend all forms of economic aid to any foreign government which resorts to the use of armed force against Israel or to any government which ships or releases war material to the aggressors.

PITTSBURGH RESOLUTIONS

In the proclamation of independence of the Jewish state, issued on May 14, the following declaration appears: "The state of Israel will promote the development of the country for the benefit of all its inhabitants; will be based on precepts of liberty, justice, and peace taught by the Hebrew prophets; will uphold the full social and political equality of all its citizens without distinction of race, creed, or sex; will guarantee full freedom of conscience, worship, education, and culture; will safeguard the sanctity and inviolability of shrines and holy places of all religions and will dedicate itself to the principles of the United Nations."

We hail this magnificent statement of the social and economic ideals upon which Israel is to be developed. We endorse the principles which it enunciates. Meeting once again in Pittsburgh, the fifty-first convention of the ZOA notes with satisfaction that this declaration is in complete consonance with the platform adopted by our organization in January 1918 in this city, which has come to be known as the Pittsburgh platform, and which we heartily reaffirm.

Address by Hon. Brien McMahon, of Connecticut, Before the Democratic National Convention

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EXTENSION OF REMARKS

OF

HON. CARL A. HATCH

OF NEW MEXICO

IN THE SENATE OF THE UNITED STATES

Wednesday, July 28, 1948

Mr. HATCH. Mr. President, during the course of the recent Democratic Convention at Philadelphia the Senator from Connecticut [Mr. McMAHON] delivered a very informative and able address upon a most important subject. I ask unanimous consent that his address be printed in the Appendix of the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

I call upon the delegates to this convention to pause to consider the future of our people and the very existence of freemen. A political party can have no higher nor more noble destiny than to furnish the leadership for our country and the world into the path of peace.

Woodrow Wilson said in his last speech, "Now it will have to be done over again." And we did it over again and sacrificed 300,000 of our men and $350,000,000,000 of our treasure. But my friends, we cannot do it over again, we cannot even afford a victory, for as the last atomic bomb is exploded and as the last germ fastens its lethal tentacles on civilian or soldier, there will be no free economy left. There will be no freedom—there will be only a brutal despotism imposed on the starving remnants of humanity.

Today the world has 20,000,000 men under arms. Air fleets to cloud the skies are the order of the day. The draft is upon us because we are forced to prepare our defense as best we may.

Our military budget has reached the astounding and disheartening total of $16,000,000,000.

Do not misunderstand me—I voted for every one of these defense measures, but as I did so I resolved to continue my fight for the abolition on a universal and practical basis of the armaments race which, unchecked, can only result in universal conflict.

Delegates, do you know what $350,000,000,000 mean? This sum means a 5-room house for every family in the world—from the Antipodes to the frozen wastes of the Eskimos. Add to that a new $1,000,000 hospital in every town of over 5,000 people on the face of the globe. And my friends, translate with me the $16,000,000,000 which we have planned this year into food, and homes, and schools, and vitamins. If we can but reduce drastically that sum, we will at one stroke free ourselves of the twin specters of ruinous inflation and national collapse. We will free men's souls from the corroding blight of fear; we will release to all men everywhere a new license to life; we will translate the pursuit of happiness under God to something real, and good, and true, and wholesome. I can hear you say: "A fine picture but impossible of attainment. You paint a chimera. The world's statesmen are practical fellows who believe that all such pictures are for museum minds and cloistered monks."

How can we hope to achieve this blessed state when we have to deal with the 14 men in the Politburo and with Joe Stalin? Obviously we cannot lead from weakness. We must and we will maintain our superiority and strength as best we can until we can achieve our goal of universal disarmament and permanent peace. But we can achieve that goal if we will bring to our task the united determination of the American people to accomplish it.

We talk much of moral and spiritual leadership, and most of the people who use the phrase could not, if their lives depended on it, translate that phrase into ideas either understandable or sensible to the working men and women of the earth. But if we shall point out with all the resources at our command that we have tried to lift a crushing weight of poverty from the backs of men everywhere and have tried to bring peace to their minds and joy to their hearts, we will as surely as the sun shall rise, gather unto ourselves the support of the peoples of the earth. And my friends, it is not solely a promise that we make of future action looking towards disarmament. We have deeds

done that we can and must herald to men of all races and all creeds.

I refer, of course, to our attempts to take the first step in any sensible program for world disarmament. I refer to our efforts to induce the world to join with us in the effective international control of atomic energy.

We have written a page in the book of man's progress through this vale of blood and conflict that has shone as a beacon to all governments except one—but has singularly left untouched the common peoples of the earth. Our distinguished delegate to the United Nations stated that we are engaged in "a race between the quick and the dead." We must see to it that that dread race shall not result in a victory for death, nor in such a close finish that it will leave the quick wishing for death as a surcease from the nerve-wracking race.

To call a halt to this headlong plunge toward total annihilation is the supreme duty of our party and of our country.

We made a magnificent start in this direction when we proposed in the United Nations a fair and effective plan for the international control of atomic energy. This plan, if adopted, would have lifted atomic weapons finally and forever from the military arsenals of the world. This plan, if adopted, would have paved the way for the expanded peacetime uses of atomic energy, a force which, properly used, may well prove to be the greatest boon ever conferred upon mankind by a benign Providence.

The American proposal for the control of atomic energy was made in the spirit of peace. It was made in the spirit of good will. This proposal was just, it was generous, and it was unique in the history of international relations. Never before had a great nation voluntarily offered to give up a winning weapon which it alone possessed, for the sole purpose of promoting the cause of peace and international understanding.

It is heartening to know that 10 great nations, represented on the United Nations Commission, accepted the American plan wholeheartedly in the spirit in which it was offered—as a sincere and effective proposal to advance the cause of human progress.

It is disheartening to know that the intransigence of one nation, and one nation only, Soviet Russia, prevented the adoption of this atomic-control plan as the first and basic step in a program of universal disarmament.

Soviet obstinacy on the issue of atomic control was a tragedy for all the race of mankind. This plan could have been, and should still be, the pilot plan of effective cooperation between nations in the sacred cause of peace.

Hardly less disturbing than Russia's refusal to cooperate is the failure of our own American people to realize what the American proposal means in terms of world disarmament and permanent peace. The unhappy truth is that we have failed to inform ourselves of the tremendous stakes bound up in this issue. We have failed to appreciate that the safety of the United States, and the safety of civilization, is in peril until agreement is reached for the outlawing of atomic weapons as instruments of modern warfare.

Only three short weeks ago we had shocking evidence of the gross misunderstanding of the disarmament issue which exists here in this country. Meeting in this city, the Republican Party adopted a platform which pledged all-out effort in the cause of peace and yet failed to make a single reference to the problems raised by atomic energy—this elemental force of nature which will remake the character of civilization for good or evil during our lifetime. Worse still, the Republican platform builders actually rejected a plank which favored effective international control of atomic energy.

My friends, I have no wish to impugn the motives of the Republican leaders who adopted this new and vicious form of isolationism in framing their party platform. I am charitable enough to believe that they took this course, not from motives of ill-will, but from misunderstanding. They simply don't understand the problem. They are unable to grasp the fact that disarmament is the inevitable and necessary path to peace.

But it is true, nevertheless, that Republican misunderstanding on this issue is just as dangerous to the peace of the world as Soviet obstinacy. Isolationism is still the deadliest peril to the future of mankind. How can the United States lead the way to universal disarmament and permanent peace if our own leaders look upon atomic warfare as inevitable? How can we possibly avoid such a conflict, with all its horrors and terrors, unless we continue with all our force and vigor the great struggle for the adoption of effective international control?

It is the task of our party, the Democratic Party to arouse the people of America to the gigantic work for peace which must be undertaken through the instrument of international disarmament. It is the task of our party, the Democratic Party, to destroy this new germ of isolationism which has imbedded itself in the platform of the Republican Party.

The first and greatest contribution which we can make is to acquaint the people of the United States with the details of the atomic-control plan which this Nation proposed as the first step in a program of universal disarmament.

Under that program the United States offered to disclose its atomic secrets.

The United States offered to rid itself of all atomic weapons.

The United States offered to place all its atomic plants and factories under international control.

Finally, the United States offered to admit international inspectors into its borders so that the whole world could be certain of American integrity.

In return, the United States asked one condition only—an iron-clad guarantee that atomic weapons will never be used against us, and that other nations accept the same controls imposed on us.

This offer was the most generous in the history of nations, and its acceptance is still the acid test of good faith on the part of any country which professes to seek universal peace.

When the General Assembly of the United Nations meets next September in Paris, we must bring the issue of atomic control and universal disarmament to the judgment of humanity. We must keep this issue in the foreground until people everywhere understand the facts.

As the United States led the world in marshalling its military forces for war, so the United States must lead the way in this mighty crusade for peace and disarmament.

I appreciate, as you do, the existence of the "iron curtain" and the inflexible will of the masters of the Kremlin. They stand today as the only barriers to the attainment of mankind's age-old dream of a war-free world. But that same human ingenuity, which found a way to split the atom, will find a way to split the "iron curtain" and shake the Kremlin's will if we mobilize the moral resources of mankind for that purpose. Events of the past few weeks have demonstrated that the "iron curtain" is not impregnable.

No man, and no set of men, can stand out indefinitely against the united moral judgment of mankind. The yearning of the Russian people for peace and security is just as deep and just as sincere as our own.

Given 25 years or 50 years of atomic peace, and today's dreams of a better life for all men will become a reality. The marvelous power of the atom, applied constructively, can ease the burden of toil and labor, increase the output of farm and factory, multiply the sources of human wealth, advance the the conquest of sickness and disease, and make life more fruitful and enjoyable than it ever was before.

We stand on the threshold of man's golden age and despite the "iron curtain," we must find the way to bring home that fact to the hard-pressed Russian people. Truth can penetrate the most unyielding barrier if we have the ardent purpose to make it do so. Against the magic power of radio, the "iron curtain" which stretches from the Baltic to the Balkans is no more effective than the Great Wall of China. Once the truth seeps through to those beyond, the dreary make-believe of Marxian dialectics will no longer obstruct the path to mankind's dream of a better world.

This is the task which lies before us. This is the purpose and the meaning of the Democratic platform.

The alternative to universal disarmament is universal destruction—for ourselves as well as others. The system of private enterprise cannot stand up indefinitely under the intolerable strain of mounting military costs.

America is plagued today by inflation; it is plagued by high taxation; it is plagued by shortages of essential materials. These are the evils of growing military budgets. They will become larger before they are less.

Long-time preparation for atomic war eventually means Government control of business to the point of strangulation. It means Government direction of manpower; Government intervention in all phases of social life; a dangerous growth of military influences in our domestic affairs, and a dangerous reliance upon the loyalty reports of police officers.

If the armaments race continues much longer we shall be forced to remake the physical map of America. We shall have to install massive air-raid shelters in large cities. We shall have to build a network of underground factories; we will need an enormous trained disaster corps to care for those who may be struck by sudden atomic attack; the Federal agencies in Washington, bunched together to form a perfect attack, will have to be relocated in out-of-the-way places. These are some of the additional costs of the new type of warfare.

The United States, in brief, faces the supreme challenge of its existence.

To meet this challenge, the United States needs leadership of the greatest order—a leadership founded on foresight, courage, and vision. We have a heritage of great leadership in the Democratic Party, a heritage of which we are justly proud. It is our supreme duty to light the way to the attainment of a better world, a world free of war and worthy of freemen.

To Be Frank

EXTENSION OF REMARKS

OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 27, 1948

Mr. MULTER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include an article by Dr. Frank Kingdon, which appeared in the New York Post on July 26, 1948:

TO BE FRANK

(By Dr. Frank Kingdon)

PHILADELPHIA, July 26.—I am not sure whether the big story of the Progressive Party convention was the people who were

there or those who were not. I missed the companions of other days who carried the fight for Franklin Roosevelt. No member of Roosevelt's family, none of Wallace's fellow Cabinet members, no one of Roosevelt's inner circle of intimate advisers were there. This was another crowd.

Many of them were young, among them the usual core of the professionally young. They were intense, perhaps fanatical would be the truer word. Yet they were rigidly disciplined in a sense not true of either the Democrats or Republicans. Here were no rival candidates, no minority reports. The cheering was as regular as the chiming of a clock, mechanical and controlled.

The fevers of the crowd were fed skillfully. There were certain explosive words and phrases which set the meeting in a roar. Every speaker used them in a repetitious rhythm, with the audience responding as though in a ritual. It was all a bit too unanimous; regimented is the word that comes to mind. It was a ceremony, cleverly staged, inducing mass hypnosis. This was a conference of those who think themselves the true believers. They reveled in their orthodoxy.

They combined two elements.

Some were pure in heart. Their idealism shone in their faces. They were curiously happy in the belief that they were here doing something to serve a high cause. They told me jubilantly that Wallace will be elected and they believe it. Theirs is a mystic faith that what they think right is so truly mighty that it cannot fail. They believe in miracles and in Wallace as their miracle worker. They are nature boys in politics.

The others were not pure in heart. Their eyes burned, but their faces did not shine. They are ultimate cynics believing any means justified that serve their ends. I looked at some of them on the platform.

I've seen them before, manipulating labor conventions, planning mass meetings, organizing committees, doggedly working to turn whatever they touch into instruments for the Communist crusade. They are in control.

The big surprise of the convention was a curious but unmistakable impression of lethargy. Between the shouting of the tested slogans the delegates were inert. The galleries were not filled. There was nothing here that expressed the invincible fervor of people committed to the death. I cannot say that the new party was still-born, but I will say that there was not much kick in it.

Marcella says: This looked more like Wallace's crucifixion than his crusade.

Statement Issued by Republican Leaders of the Senate and House of Representatives

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EXTENSION OF REMARKS

OF

HON. ROBERT A. TAFT

OF OHIO

IN THE SENATE OF THE UNITED STATES

Wednesday, July 28, 1948

Mr. TAFT. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a statement relating to the present session of Congress, issued last night by the Republican leaders of the Senate and the House of Representatives.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

THIS STATEMENT IS ISSUED BY THE REPUBLICAN LEADERS OF THE SENATE AND HOUSE OF REPRESENTATIVES WITH A VIEW TO ITS PRESENTATION TO THEIR RESPECTIVE REPUBLICAN CONFERENCES FOR CONSIDERATION

1. This session was called by the President not because this is an "extraordinary occasion" as required by the Constitution, but solely as a political maneuver in the campaign for his own reelection, and to add zest to an otherwise discouraged political convention. It was called without consultation with the leaders of Congress, after Congress had adjourned with the full acquiescence and approval of the minority leaders.

2. The call involves no reference to the critical situation in foreign policy in which no emergency action is requested of the Congress.

3. Serious legislative problems cannot be satisfactorily handled in the midst of a political campaign. Legislation should be a deliberative process, and every important measure should be debated from the viewpoint of the public interest. In the Eightieth Congress our debates have been remarkably free of partisan argument. The Eightieth Congress enacted a tremendous program of foreign and domestic legislation and completed all routine and emergency matters generally recognized as an extraordinary record of accomplishment. Few realize that Federal legislation today covers such a wide field of subjects that only a fraction can be properly studied and handled in any one year. It would take at least 6 months to give proper consideration to the President's program. We agree with Senator BARKLEY'S statement made in the Senate a month ago before politics entered the situation:

"I have done what I could to cooperate with the majority in bringing about an adjournment because I think if we sit here until after the convention, or if we sit here between the conventions, or after the two conventions, the entire time of the Congress will be taken up with political bickering and political legislation and political oratory, and I do not want that to be brought about. I want to finish what we can finish and adjourn the Congress, and I have tried my best to cooperate with the leaders on the other side to bring about an adjournment."

4. The President's quarrel with the Eightieth Congress is not its failure to enact legislation, but a fundamental difference in government philosophy between the President and Congress. The President would fix wages, fix prices, expand Government spending, increase Federal taxes, socialize and nationalize medicine and generally regiment the life of every family, as well as agriculture, labor and industry, and his proposals would create an annual budget which could not be less than $60,000,000,000 which would make inflation inevitable and permanent. The Congress believes that progress must be made and all our problems solved within the principles of liberty, equality and justice to all men which guided this country for 150 years. This difference has resulted in a constant conflict, resulting in many vetoes by the President, and frequent action overriding his vetoes. Constructive legislation which the President did not dare to veto, has been criticized and attacked by him. It is difficult and dangerous to work out great public problems without the slightest cooperation from a hostile President. The only way this fundamental difference can be resolved is by vote of the people at the November election.

5. In the President's program there is very little of an emergency nature. Most of the social welfare legislation proposed is of a permanent character which can be considered more thoroughly next winter. The Democrats controlled Congress for 14 years, professing the greatest interest in social welfare legislation. Now they say that they failed to deal adequately with social security, education, health, and housing and blame the Republicans for not enacting the program they failed to enact during 14 years.

6. We believe, therefore, that this session should be limited to a short period as suggested by the President himself, and our efforts will be devoted to completing the session as soon as possible. We shall carefully examine all of the President's recommendations to determine whether there are any matters which can be dealt with promptly on an emergency basis. We do not intend to consider routine legislation or open the Pandora's box of the legislative calendar. The Senate does not intend to consider nominations. We do not intend to make any substantial additions to the huge appropriations already provided for the administration which already threaten the continuance of a balanced budget, and would add to the fires of inflation.

7. According to present intentions, the program for the first week will include Senate consideration of the anti-poll-tax bill already passed by the House in order that there may be a proper opportunity for all to vote in the November election. During the first week also the committees of both Houses will give consideration to the President's anti-inflation proposals to determine whether there are any additional powers which might be helpful in dealing with high prices, and which the Executive does not already have.

The present situation has been brought about largely by the administration's policies in encouraging and failing to prevent vastly excessive exports, inflating the debt and currency before and during the war, encouraging general patterns of wage increase on the theory that they would not increase prices, failing to use their powers to restrain bank credit, and spending vast amounts of Government money for every kind of project, competing for labor and materials with private industry. It is our view that the restoration of OPA, subsidies, price control, wage control, and rationing, the police state methods decried by President Truman himself, would only make the situation worse, create black markets, and check the increase in production which is the only ultimate solution. The President already has wide powers to check inflation if he were willing to use them. He has power to cut the amount of Government spending in many fields, to limit Government purchasing in those fields where commodities are short, to limit bank credit and limit consumer credit.

During the first week also, committees of both Houses will give further consideration to the housing problem and any proposals in respect thereto. Much already has been done to solve that problem. Stimulated by the legislation adopted by the Eightieth Congress, a million new dwelling units are being constructed this year, and their construction practically exhausts the materials and labor available for the purpose. This is more than twice the number of dwelling units constructed when the Truman administration, with every emergency power and millions of subsidy funds, was fumbling with the situation. We are deeply concerned with a long-range program increasing still further the number of homes to be constructed, but such a program involves serious complications and differences of opinion which cannot be dealt with adequately at this special session.

Keynote Speech by Frank M. Dixon at Southern States Convention

EXTENSION OF REMARKS
OF
HON. JAMES O. EASTLAND
OF MISSISSIPPI
IN THE SENATE OF THE UNITED STATES
Wednesday, July 28, 1948

Mr. EASTLAND. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD the very able keynote address made by former Gov. Frank M. Dixon, of Alabama, at the Southern Democratic Convention held in Birmingham, Ala., on July 17, 1948.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

It is an honor to be called upon to make this keynote speech to this great gathering today—an honor I deeply feel. For this is a gathering of militant followers of those democratic principles near and dear to us all.

The meeting is a continuation of the Jackson convention which was held on May 10, and in which nearly all of the Southern States were represented. In the resolutions of that convention, it was provided that if Truman was the nominee of the Democratic Party, or if a platform was adopted at Philadelphia hostile to the South, then the Birmingham meeting should be held.

You are familiar with what happened in Philadelphia. You know that the definite decision was made there by the National Democratic Party to approve Truman's actions in trying to enforce a social revolution in the South. You heard the jeers of the followers of the city machines of the North when the fine southerners of Alabama and Mississippi walked out of that convention. You heard the demands for the destruction of the social structure of the South coming from Democrats in sections where not one single elective public officer is a Democrat—not even a justice of the peace. I cite the case of Minnesota. You heard the deliberate adoption of a program meant to destroy us.

Everyone in America is familiar with the history of democratic action so far as this civil-rights program is concerned. Not all are familiar with the personnel of the Truman Committee on Civil Rights. Suffice to say, without attempting to go into the various personalities, that it was a committee stacked for the purpose of rendering the report which it did, a committee biased and prejudiced in advance. Its appointment, with that personnel as if it were a committee to make an impartial investigation, was a sham and a fraud on the American people. The report which it rendered required no deliberation—it required simply the stenographic services necessary to write down the prejudices and animosities of its members.

What is this so-called civil-rights program which Truman, our Democratic President, has recommended to Congress? I do not want any misunderstanding about it among the Southern white people. Here is part of what it means:

First. The elimination of segregation in the public schools from grade schools through colleges. Your children are to be required to work and play in the company, with the forced association, of Negroes. Negroes are to teach them, guide them. What will that mean to your children, to your hopes for them? What will it mean in immorality, in vice, in crime? Just what it means in those slum areas of the Northern cities where like conditions prevail, with results fatal to decency.

Second. The elimination of segregation in private and ultimately in denominational schools, such as Judson, Huntington, Howard, and Birmingham-Southern, as to students and teachers as well. I am using local, Alabama institutions as examples, but the application is not solely to them. The effect is to be the same in all schools, boys' and girls' as well, from Maine to California. Suppose that you are determined not to subject your children to biracial schools, and are willing to make any sacrifice to that end. You are helpless, since even private schools are to be forced to permit Negroes to attend.

Third. The elimination of segregation in trains, busses, restaurants, theaters, beauty shops, hotels, swimming pools, ball games, churches, and everywhere else people congregate. Picture life with us, men and women, when every time we leave our homes these conditions are forced upon us. Picture the stores, the streetcars, the busses, restaurants, the churches. Picture the bitterness, the racial hostility, the violence which will follow.

Fourth. The elimination of segregation in places of residence and homes. This means that Negroes can build in any neighborhood, live in any apartment house.

Fifth. The employment of Negroes in every business establishment, office, factory and store, in the same numerical proportion that the Negro race bears to the white. While the ratio is not written into the report, we well know from the operation of the wartime FEPC of infamous memory that this is the aim and that the tools of oppression will be devoted to that end. In my own county of Jefferson there are 43 percent Negroes, in Alabama generally 35 percent, in some counties 6 to 1. A department store in Jefferson County that has 100 clerks must have 43 Negroes among them; a restaurant or beauty shop employing 10 must have 4 to 5; a plant employing 1,000 must have 430. If this ratio does not now prevail, then enough white employees must be fired to make it possible. How else can it be obtained? Any law office, any physician's office, comes under the law just as much and no more than any other place of business.

Sixth. There is to be an upgrading in jobs, and promotions on an equal basis, and the ratio must apply to all levels. There must be as many Negro foremen, as many department heads, as many bosses, as the ratio calls for. They are to be over whites and Negroes alike, mixed together without regard to the wishes of anyone.

Seventh. There is to be no segregation in hospitals, either as to physicians, patients or nurses. White men and women who must necessarily use the hospitals, public and private, are to be attended by Negro physicians and nurses, as well as by white.

Eighth. All segregation in labor unions and professional associations such as the Bar Association and the Medical Association is to be done away with.

Ninth. The poll tax is to be eliminated, all Negroes to be registered to vote without regard to intelligence or capacity, and all segregation is to be done away with in the armed services.

Is all this a real threat, or is it just politics? Are these so-called Democrats actually determined to destroy our way of life? I assure you that the danger is deadly in its seriousness.

The Civil Rights Section of the Department of Justice is to be reorganized to enforce it. Constant police inspection and supervision, through a Federal Gestapo, is recommended, without waiting for complaints. The law is to be changed to make conviction easy. Enforcement is to be taken away from the local officials. Civil-court orders, punished as contempt of court, are to supplement the criminal proceedings enforceable by the FBI. Criminal penalties are to be by fine up to $5,000, and imprisonment up to 10 years. Every local police officer and deputy sheriff is to be subject to Federal criminal and civil laws, and under constant scrutiny.

Tax-exemption privileges are to be taken away from the private and ultimately denominational schools which resist, and from the churches.

Federal grants-in-aid are to be taken from States or cities which resist.

Fines and jail terms are to be part of local officials or private citizens who resist.

This vicious program means to eliminate all difference, all separation between black and white. It so declares itself, in words. It means to create a great melting pot of the South, with white and Negroes intermingled socially, politically, economically. It means to reduce us to the status of a mongrel, inferior race, mixed in blood, our Anglo-Saxon heritage a mockery; to crush with imprisonment our leadership, and thereby kill our hopes, our aspirations, our future and the future of our children.

It seems to me to be useless to repeat the arguments as to the unconstitutionality of the proposed enactment by Congress of an antilynching act. Such an act was declared unconstitutional by the Supreme Court of the United States in the seventies when it bore the nomenclature of the force bill. Such an act has been fought by some of the best and most distinguished Americans of other sections of the country—men of the character of President McKinley, and Senators Norris and Borah. The proposed antilynching act, as recommended by the committee and as supported by Truman, goes far beyond the old iniquitous force bills. It was written patently and obviously to buy the Negro vote in the doubtful States—we of the South know that there is no lynching in the South. They of the North know it. And they also know that the race riots and the killings which have made some northern cities famous in these last few years have no duplicate in any State or city in the South.

They know, also, these who seek to create a police state, that the surest way to do it is to take over the enforcement of criminal law. Lynching is murder. There is a law in every State against it, and these laws are enforced. Bring the Federal Government into the field of local law enforcement and you have broken down one of the great safeguards of personal freedom. Break this first one, and the precedent has been laid for persecution against which no citizen is safe.

With this the program of the National Democratic Party, do we belong to it? If this is the meaning of the plank adopted at Philadelphia, are our people to remain in it? Are they to say to the Nation: "All right, we don't like it, but we choose, and our people choose, to wear the shackles of this kind of slavery rather than to break with the national democracy, rotten though it may be, and the avowed enemy of our people."

Is this civil rights program constitutional? Not under any decisions of the courts in the past, not with any court save possibly our Supreme Court as at present constituted. The tenth amendment to the Constitution reads as follows: "The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people." The powers of local self-government are not given to Congress, but are reserved to the States, and these include every feature of the so-called civil rights program. We are fundamentally sound in this fight, whatever the present-day politics of the doubtful States, for whose benefit we are being sold down the river.

The term "States' rights" means much more than simple theory—it means the preservation of democracy and freedom itself. The oldest form of government in the world is the highly centralized one, with all power concentrated, as in Washington. There were tyrannies in the dim mists of history. It is only with the founding of

this country that democracy developed, and it came, and this country grew great, because the Federal government was locked and tied down by the Constitution to the point that it could not impose its will on the people in their daily lives.

Schools are local affairs, as is the police force, the fire department, the city and county governments, the habits of the people, the building of roads, the conduct of local business, all the myriad affairs of daily life. The right to work or to loaf, to choose your vocation, and change your job, to guide the education of your children, to attend the church of your choice, to work with whom you please, to go where you choose, these are not inherent and divine rights. They are ours solely because the Federal Government was denied the power to interfere with them.

In this so-called civil-rights program, Truman advocates granting the power to the Federal Government to invade these and all other freedoms. The program is aimed at us, of course, since it is to secure Negro votes in the doubtful States. But those leaders hostile to us will find their people, as well as we, come under such a program. They will find that their freedom, as well as ours, is gone. Properly understood in all its viciousness and danger, this program will receive the condemnation of right-thinking people everywhere. We will not stand alone in this fight.

How is it possible for a man who calls himself a Democrat, for a man who is a follower of the principles which have made the Democratic Party great, to lend himself to any scheme meant to aggrandize the power of the Federal Government in Washington and to permit the formation of a gestapo charged with the mission of revolutionizing the social life of the Nation. The Democratic Party has been a tower of strength throughout the years in the maintenance of the personal freedoms of the individual. The Democratic Party has believed forever in the limited powers of the Federal Government under the Constitution. The great men through the pages of history who have been placed in high positions by the Democratic Party have been men who were firm in their refusal to permit the seizure of power in Washington.

Government essentially is a dangerous thing. There is no truth more fundamental than that power seeks always to increase. Human nature is a compound of many things. Its sole, continuously recurring characteristic is the desire deep in the hearts of all for power. Government is a dangerous thing, and the great leaders of the past, except the military men who have been despots, the great leaders since there came into existence the theory of the rights of men, have with universal tongue cautioned the people against the danger of power in the hands of the Government. This was understood and completely understood by the great founders of this Republic. It was understood, and completely understood, by the founders of the party of Democrats. And yet in this day and generation, the national Democratic Party has sunk so low as to be willing to barter, for the votes of racial minorities in doubtful States, the liberties of all of us.

The term "States' rights" is an unfortunate term. It does not express the meaning of the thought which is in our minds. In the beginning of this Republic, the States were supreme. They surrendered a portion of their power to the Federal Government in order that the Union might exist. But there were three great bodies of rights. There were the rights which the State had over its citizens; there were the rights which the States surrendered to the Federal Government; there were the great body of rights which neither State nor Federal Governments ever had over its citizens, those rights which contain personal liberty and the freedoms which make life worth while. When the Federal Government moves against rights which the States had, then the term "States' rights" is applicable. When it moves against that great body outside any government to control, as it is doing now, then it becomes the enemy of every free American. That will not stop government, that thought, since government lives and thrives on power. But it behooves those of us over our citizens in a Republic still free to be on guard always against this invasion of our freedoms and to remain determined to resist to the end.

As most of Alabama knows, I have never been one of those who fomented hatred between the two races. There is room for both, separate and apart. Segregation is our way of life, essential to peace and good will. There are many Negroes among us completely worthy of full citizenship, honest, decent, self-respecting, and God-fearing people. They are being given the vote; they live their own lives, leaders among their own. They wish no forced association with white people; they know its consequences in bitterness and terror. They, as we, are victims of the political situation in the doubtful States, where Republican and Democrat alike offer us as the mess of pottage with which elections are to be purchased—cynically betraying their own blood and heritage for political spoils .

We are faced by facts, not theories. We have worked out a way of life, in difficult circumstances, between the two races. The Negro race has progressed further in three-score years than any race in history. It has progressed because it has had the sympathetic help of the southern white people of good will. It can continue to progress only with a continuance of that sympathetic help. That assistance is based on segregation, on keeping the races apart, a system necessary for white as well as blacks. Destroy it and chaos will result.

The question is continually asked, "What can we do? Where are we going?" This is what the convention is here to decide. We have several possible courses of action. I will mention only two. We can name a candidate for President and Vice President and recommend to the people of the several States that they elect electors pledged to those nominees. It is thought by some that this is the proper method of procedure. Another route which can be followed is to suggest to the various Southern States the selection of free electors. This is the system that we have followed in Alabama, and in the beginning of this movement, we planned that the electors from Alabama should, after the general elections in November, meet with the electors from the other Southern States and agree upon a candidate for whom their votes should be cast. This was the system which was planned by the founding fathers of this Republic, and this is the system which we in Alabama have wanted to follow. We are not, however, determined to follow any course that will not fit the needs and necessities of the other Southern States. We are willing to go to any length to secure unanimity of action.

Should this be a Republican year, then of course we will have accomplished nothing, save to enforce our demands for recognition in the Democratic Party. Should the party of Truman succeed between now and the general election in gaining enough strength to be a real contender, then this movement could easily become the deciding factor in the American political scene, since we would have approximately 129 electors and might easily be able to throw the election into Congress. There is not much satisfaction with Dewey among the Republican States. There is not much satisfaction with Truman among the Democratic States. Congress might easily turn to an outstanding American selected by us for the next President of the United States.

A word of caution also to those who are of the opinion that this is not a grass roots movement. I have been in receipt of hundreds of telephone calls, most of them from so-called little people, not office holders, not people of particular prominence. There is a firm conviction in their minds that they are not being properly represented by those who are in positions of authority over them. There is a feeling in their minds that the office holder is more afraid of the loss of his job and of his perquisites than he is enthusiastic for the call of the people. I have been amazed at the intensity of this action. There may be those among the occupiers of high public positions in the South who think that they can weasel their way through and weather the storm. But if I am any political prophet, our people are more aroused than they have been in many, many years, and they will repay by retirement to private life the efforts of any so-called southern leaders who hope to carry them into the camp of Harry S. Truman in the coming election.

We people of the South have had our divisions. The Nation was treated to a sample of those divisions at the Philadelphia Convention, when a portion of the Alabama delegation and the Mississippi delegation in a body walked out, while other States with people just as truly southern and as truly loyal as ours remained in their seats after the adoption of the plank approving this iniquitous so-called civil rights legislation. We have our divisions in Alabama politics, every southern State has divisions within itself in its political life. These are part of the workings of democracy itself. These divisions, however, cease in the face of a common danger to us and to our wives and children. These divisions cease in the face of the threat to our very existence. We who are active in this movement want the help of every man, woman, and child—we want all divisions forgotten. We want the strength that comes with unity. We want and we must have, if we are to have any hope of success, the men and women of the South united, determined, self-sacrificing, devoted to this common cause.

The people of the South are still a proud people, and they are determined not to submit to those who have repudiated the doctrines which have been those of democracy throughout all the years. They are determined not to submit to those who would wreck and destroy their civilization and mongrelize our people. They are determined, thank God, to preserve the basic principles of democracy and to prevent the establishment in this land of ours of a police state, vicious as all police states are vicious, and to prevent the end of human and personal freedom throughout this land.

Inside Labor

EXTENSION OF REMARKS

OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 27, 1948

Mr. MULTER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include an article by Victor Riesel which appeared in the New York Post on July 26, 1948:

INSIDE LABOR

(By Victor Riesel)

PHILADELPHIA, July 26.—Well, now Henry Wallace no longer can do anything about it. His new party no longer is his.

I've just seen the Communist "apparat," led by men and women trained in special agitation-propaganda schools in Russia and the United States, take over the Progressive Party machinery.

And I say that when Mr. Wallace and those wonderfully enthusiastic kids, the open shirted boys, the pretty girls in the low-cut, backless dresses who hitch-hiked and rode day coaches to come here from the country over, try to use their party they'll find they're on a political dole.

They'll survive just so long as the Communist apparatus is gracious enough to let them use the Progressive Party.

I'm not just guessing, I say bluntly that most of the important decisions for the final convention arrangements were made at a secret hotel caucus of Communist functionaries, and their pro-Communist operators late last Thursday night, at which Wallace's and Rex Tugwell's views were sneered at.

I say bluntly that I was in the lobby of the elegant Hotel Warwick when America's highest pro-Communist labor chief, Harry Bridges, came down from his room and was told to get up to the resolutions committee and keep his eye on it.

Harry, who apparently just loves to live well when he's out of sight of his San Francisco longshoremen, got right up to the resolutions committee to see to it that it followed the dictates of the pro-Communist "fraction" (secret committee) which had met beforehand to decide just what the resolutions would be. Many of Wallace's wishes were ignored here too.

I later was near and on the convention platform. And I charge that much of the convention machinery was run by a man whose work it has been for more than 5 years to try to see to it that CIO politics followed the Communist line. I won't mention his name because I don't want to embarrass the union he worked for until recently. But his sister is public relations officer of the Communist Party national headquarters. His wife has been, for more than 25 years, a leading Communist editor.

And I say that on the key rules committee, which finally came in with a set of by-laws that permanently gives the pro-Communist "apparat" in New York and California control of the new party, were three of America's toughest pro-Communist labor men. Because the comrades knew how important the committee was, they threw at least another seven of the country's leading pro-Communists on it. They had it tied up so that the Wallace forces couldn't do a thing with it—and right there the new party was taken from Henry Wallace.

There's no sense calling the roll. There were shrewd pro-Communist Party people strategically placed on every key committee, people who had been doing the very same job inside CIO since 1935.

This was hardly a convention. Had there been empty electric light signs for hockey scores and prize fight rounds it would have been Madison Square Garden on the night of some Communist-front rally. In Convention Hall were virtually all the pro-Communist CIO leaders from New York's CIO council, from its chief, to doll faced, little Saul Mills, to a lady trained in Moscow's special schools.

Wallace has been moved in on. And this isn't reported just to needle him. He'll feel sharper pain if he ever tries to use the Progressive Party as his own.

Federal and State Taxation

EXTENSION OF REMARKS

OF

HON. E. H. MOORE

OF OKLAHOMA

IN THE SENATE OF THE UNITED STATES

Wednesday, July 28, 1948

Mr. MOORE. Mr. President, the Conference of State Governors held at Portsmouth, N. H., on June 13, gave consideration to Federal and State taxation. Gov. Horace A. Hildreth, of the State of Maine, presided over this conference, at which Federal and State taxation were among the items discussed. Robert B. Dresser, a prominent lawyer of Providence, R. I., addressed a letter to Governor Hildreth wherein he discussed revamping of Federal, State, and municipal systems of taxation, and also a proposed amendment to the Constitution of the United States depriving the Congress of the power to impose death and gift taxes, and limiting the power of Congress to impose taxes on incomes in peacetime to a fixed minimum rate.

The discussion submitted by Mr. Dresser is, in my opinion, of such vital importance to the general welfare that I believe it merits inclusion in the CONGRESSIONAL RECORD to further its distribution among the people, and I therefore ask unanimous consent that this letter of Mr. Dresser's be printed in the Appendix of the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

PROVIDENCE, R. I., *June 9, 1948.*

His Excellency HORACE A. HILDRETH,
Governor of the State of Maine,
Augusta, Maine.

DEAR GOVERNOR HILDRETH: I am writing you as chairman of the Conference of State Governors to be held at Portsmouth, N. H., on June 13, at which, according to a press report, Federal and States taxation are among the major items to be discussed.

I have felt for some time that it was imperative that a constitutional limitation be placed upon the taxing power of the Federal Congress and that there should be a complete revamping of our Federal, State, and municipal systems of taxation so as to prevent as far as possible the duplication of taxes by the several taxing authorities.

To this end, I submit to you and the Conference for consideration the adoption of a resolution favoring an amendment to the Constitution of the United States (1) depriving the Congress of the power to impose death and gift taxes, and (2) limiting the power of Congress to impose taxes on incomes in peace time to a fixed maximum rate.

The adoption of this amendment would, I submit:

1. Provide needed assurance, which statutory law cannot provide, against recurring abuse of the Federal taxing power, and aid greatly in the formation of much needed venture capital.

2. Increase the national wealth and, over the years, the Federal revenue.

3. Aid in saving our free enterprise system.

4. Free the States from Federal domination and aid in preserving our present form of constitutional government.

5. Terminate the duplication of death and gift taxes by the Federal Government and the States and leave that field of taxation exclusively to the States.

As an example of the form of amendment which I consider desirable I enclose a copy of a proposed resolution for adoption by State legislatures "Memorializing the Congress of the United States of America to propose an amendment to the Constitution of the United States relative to taxes on incomes, inheritances, and gifts," from which you will observe that Congress is deprived of the power to impose death and gift taxes and its power to impose income taxes in peacetime is limited to a maximum rate of 25 percent, with power by a vote of three-fourths of each House to fix a rate in excess of 25 percent, but not in excess of 40 percent, for periods of 1 year each which may be either successive or not, as Congress may determine.

I am also enclosing the following material bearing upon the foregoing proposal:

1. Brief dated July 2, 1943, in support of the amendment in its then form, which was somewhat different from the enclosed form.

2. Article published in the Tax Institute Bulletin of December 1944 in support of the amendment in its then form.

3. Suggestions for changes in the Federal tax laws in 1948, on pages 9 to 12 of which appears an argument in favor of depriving the Federal Government of the power to impose estate and gift taxes and leaving that field of taxation exclusively to the States.

The gravity of the present situation cannot be overemphasized. In this connection a review of the Federal expenditures and taxes during the past 35 or more years is both illuminating and disturbing. These figures are set forth in a petition to the President and the Congress of the United States presented by certain citizens of the State of Rhode Island under date of February 26, 1948, and are as follows:

	Receipts	Expenditures
Fiscal year ending June 30—		
1912	$692,609,000	$689,881,000
1916	782,534,548	734,056,202
1918 (war year)	3,664,582,865	12,697,836,706
1919 (war year)	5,152,257,136	18,522,894,705
1920	6,694,565,389	6,482,090,191
1925	3,780,148,685	3,529,643,446
1929	4,033,250,225	3,848,463,190
1930	4,177,941,702	3,994,152,487
1932	2,005,725,437	4,947,777,000
1935	3,800,467,000	7,583,434,000
1939	5,164,824,000	8,765,338,000
1940	5,387,125,000	9,127,374,000
1941	7,607,211,852	12,774,890,324
1945 (war year)	46,456,554,580	100,404,596,685
1946 (part war year)	43,037,798,808	65,018,631,991
1947	43,258,833,189	42,505,045,529
1948 (estimated)	45,210,386,347	37,727,775,361
1949 (estimated)	44,476,862,051	39,668,993,983

Since the above petition was filed, the situation has become even more serious, as has been pointed out in a most able and important speech by Senator HARRY F. BYRD, delivered in the Senate of the United States on May 19, 1948, a speech which I wish every person in the United States would read. In a memorandum summarizing certain portions of this speech Senator BYRD makes the following statements:

"Enclosed is a copy of a speech I made in the Senate on May 19, with respect to the fiscal condition of our Government.

"The estimates of expenditures for fiscal 1948, 1950, and 1951 were made after consultation with officials of the Government. The figures I have given are in agreement with official estimates, allowing for a variation of approximately 5 percent in the total amounts. It is my confident belief, as conditions now appear, that the total expenditures given by me are conservative and are more likely to be exceeded than reduced.

"On the income side, the Treasury estimates, on the basis of $208,000,000,000 of national income, a tax income of $40,000,000,000. If the national income declines, then the Federal Government loses in Federal taxes at the ratio of $1 to a $3 reduction in national income. If additional inflation occurs, the gain in income taxes will be balanced by the necessity of making larger appropriations for the purchase of military equipment, materials, and increased salaries.

"The financial picture of actual outgo and income for the next 3 years can be stated conservatively as follows:

"Fiscal year beginning July 1, 1948:

Expenditures	$43,800,000,000
Income	40,000,000,000
Deficit	3,800,000,000

"Fiscal year beginning July 1, 1949:	
Expenditures	$47,500,000,000
Income	40,000,000,000
Deficit	7,500,000,000
"Fiscal year beginning July 1, 1950:	
Expenditures	49,600,000,000
Income	40,000,000,000
Deficit	9,600,000,000

"It can readily be seen that we may face shortly an increase in taxes of $10,000,000,000, which pyramided upon existing taxes, will place a crushing burden upon the private enterprise system and the taxpayers of America. A deficit of approximately $7,000,000,000, in the fiscal year beginning July 1, 1949, will make it necessary to pass a new tax bill next spring. Therefore, the danger is imminent and presents a great menace to our system of free private enterprise.

"The economy program here at Washington has almost completely collapsed. It is only an aroused public sentiment that will prevent the catastrophe of a tax burden which may weaken, if not destroy, our capitalistic system."

I quote also the following excerpts from Senator BYRD's speech:

"The time has come when the Members of Congress must recognize that we must vote to preserve the solvency of the United States Government, and that Senators and Representatives should not be influenced to vote for what the chairman of the Appropriations Committee terms a 'pork-barrel' measure merely because there may be projects for their respective States.

* * * * *

"* * * up to date, little, if anything has been done to reduce the number of Federal employees on the regular rolls. The year before the war we had less than 1,000,000 employees. We now have more than 2,000,000 employees, and the Federal employees are increasing now at the rate of 500 a day. Every 24 hours we are adding 500 new Federal employees to the pay roll for the taxpayers to pay. In fact, it is anticipated that even a larger daily increase will occur from now on.

* * * * *

"It is true, of course, that from the peak of the war there has been a reduction of employees, but an investigation will disclose that the reduction has occurred mainly in those employees engaged in industrial work incident to the war, and that the clerical employees attached to the regular departments of Government have been increased since the beginning of World War II. Mark that, Mr. President, they have been increased. I shall report to the Senate on this subject in the near future. The cost of the Federal pay roll is now at the rate of more than $6,000,000,000, and it so happens that this sum is nearly twice the total cost of the Federal Government when I came to the Senate on March 4, 1933.

"I warn the Senate that we are rapidly approaching a real crisis in our Federal expenditures. We have undertaken obligations that could readily destroy our free-enterprise system. The private-enterprise system is the foundation stone, and a fundamental of our freedom. It is also the foundation of our progress. It is the base on which the great glories of our Republic have been achieved. I do not believe we can maintain that private-enterprise system and collect annually in Federal taxes $50,000,000,000, in addition to $13,000,000,000 or more for local and State expenditures, making a total of approximately $65,000,000,000. This is more than 30 percent of the present combined personal incomes of all Americans."

May I add also the suggestion that great good could doubtless be accomplished through the adoption of a policy, preferably embodied in an amendment to the Federal Constitution, limiting the spending power of Congress to matters primarily of national concern as distinguished from those primarily of State or local concern. This would be in line with the following resolution passed by the Indiana Legislature in January 1947:

"House Concurrent Resolution 2

"Indiana needs no guardian and intends to have none. We Hoosiers—like the people of our sister States—were fooled for quite a spell with the magician's trick that a dollar taxed out of our pockets and sent to Washington, will be bigger when it comes back to us. We have taken a good look at said dollar. We find that it lost weight in its journey to Washington and back. The political brokerage of the bureaucrats has been deducted. We have decided that there is no such thing as Federal aid. We know that there is no wealth to tax that is not already within the boundaries of the 48 States.

"So we propose henceforward to tax ourselves and take care of ourselves. We are fed up with subsidies, doles, and paternalism. We are no one's stepchild. We have grown up. We serve notice that we will resist Washington, D. C., adopting us.

"Be it resolved by the House of Representatives of the General Assembly of the State of Indiana (the Senate concurring), That we respectfully petition and urge Indiana's Congressmen and Senators to vote to fetch our county courthouse and city halls back from Pennsylvania Avenue. We want government to come home.

"Resolved, further, That we call upon the legislatures of our sister States and on good citizens everywhere who believe in the basic principles of Lincoln and Jefferson to join with us, and we with them, to restore the American Republic and our 48 States to the foundations built by our fathers."

A similar resolution, I am informed, was passed by the Michigan and New Jersey Legislatures last year, and in addition a resolution of similar character was passed last year by the Rhode Island Senate.

States and municipalities are, I submit, much better fitted than the Federal Government to perform the services which are primarily of State or local concern and they can undoubtedly do so at much less cost. Performance by the Federal Government means a continuance of a vast horde of bureaucrats supported at the taxpayers' expense.

With minor exceptions every dollar spent by the Federal Government comes from the very sources of revenue that are available to the States. They should raise the revenue and spend it themselves. Responsibility for the raising of the revenue is one of the best checks upon extravagant and unwise expenditures. It is too easy to spend money raised by someone else.

Not only is the existing practice dangerous from a financial and economic point of view, but it also threatens the independence of the States through making them dependent upon hand-outs from the Federal Government.

In drafting a constitutional amendment to give effect to the foregoing policy, the matter of definition may be difficult, but perhaps the desired purpose could be accomplished by providing expressly that the Madisonian view of the meaning of the General Welfare Clause in the Federal Constitution, rather than the Hamiltonian view, should be adopted, and that a State might bring suit in the courts to determine whether an appropriation made by Congress is for a purpose authorized by the Constitution, with power on the part of the court to grant relief by injunction or otherwise.

For example, such an amendment might, perhaps, take a form somewhat as follows:

"SECTION 1. The Congress shall have power to lay and collect taxes, duties, imposts and excises, and to appropriate the moneys received therefrom for the following purposes only, namely: To pay the debts and provide for the common defense of the United States and to provide the funds required for the exercise of the specific powers granted to the Congress by the Constitution of the United States and its articles of amendment.

"SEC. 2. The courts of the United States shall have jurisdiction in any proper case brought by a State of the United States against the proper public official or officials to decide whether any appropriation made by the Congress is for the purposes authorized by this article of amendment, and to grant appropriate relief by injunction or otherwise."

This, you will understand, is only a rough and imperfect draft designed merely to get the idea before you.

It is manifest, I submit, that unless these problems are dealt with promptly and in a vigorous and sound manner, our economic system of free enterprise and our form of constitutional government will go and in their place will be substituted a system of national socialism. This has been the fate of all the other major nations of the world, which have followed the course now being followed in this country, and there is no reason to suppose that the United States will be an exception to the rule. It is tragic to think that the economic and governmental systems that have made this the strongest and wealthiest country in the world, with the highest standard of living of any nation in all history, may be thrown into the discard.

As Governors of the 48 States, it lies in the power of you and your associates to exert a tremendous influence toward the adoption of adequate measures to remove the existing danger.

A copy of this letter is being sent to the Governor of each of the other States.

Respectfully yours,

ROBERT B. DRESSER.

(NOTE.—This letter states my own views, and is not intended as an expression of the views of the law firm of which I am a member.)

Civil Rights

EXTENSION OF REMARKS

OF

HON. JAMES O. EASTLAND

OF MISSISSIPPI

IN THE SENATE OF THE UNITED STATES

Wednesday, July 28, 1948

Mr. EASTLAND. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a radio broadcast made by the Honorable Samuel B. Pettengill over the American Broadcasting System network on the night of Sunday, July 25, 1948.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Today I shall discuss the delicate but important question of civil rights.

In his message to Congress this week, President Truman will demand that the South be coerced to comply with a Federal civil-rights program.

This will be done when world war III seems to hang on a thread at Berlin; when, because of the lost peace, millions of our boys are to be drafted into the Army.

It is at such a moment that politicians in both parties propose to add a cold civil war to a cold international war.

In a time when American unity is essential, they propose to inflame the country on one of the most delicate of all questions.

They propose to use force to settle a moral question.

To me, this is the negation of statesmanship. Are the politicians interested in promoting good will among men, or in getting votes? No subject has been turned into a political football with more cynicism and hypocrisy than this. In proof of that statement, I cite the following:

First. The question of segregation in the armed services. Without any action by Congress, it is my understanding that the President, as Commander in Chief, has the power by Executive order to end segregation before sunset tonight. But he does not do so. He prefers to pass the buck to Congress. Congress prefers to pass it to him.

Second. The question of segregation in the schools. I call your attention to the situation in the Nation's Capital, Washington, D. C. No constitutional question of States' rights is involved there. In the District of Columbia the Federal Government has total and exclusive power to act. Yet the District of Columbia has segregation in the schools.

This has been true for years under both Democratic and Republican administrations. It prevailed all through Mr. Roosevelt's 12 years as President, while he had overwhelming majorities in both House and Senate.

According to the report of the Committee on Civil Rights, appointed by Mr. Truman, white school buildings in the District of Columbia have a capacity 27 percent greater than actual enrollment. In the colored schools capacity is 8 percent less than enrollment. Less than 1 percent of white children, but over 15 percent of Negro children, receive only part-time instruction.

Politicians in both parties are responsible for this situation in the Nation's Capital. Yet they make a political football over a similar situation in the Southern States.

You feel like saying to the Federal political doctors, "Physician, heal thyself." The Bible might say to them, "Thou hypocrite, first cast out the beam out of thine own eyes, and then shalt thou see clearly to cast out the mote out of thy brother's eye."

Third. Consider how the civil-rights plank in the Democratic platform was adopted. The platform committee recommended a milk-and-water plank on civil rights. Then a substitute was offered on the convention floor, pledging the party to a program of specific action. Who opposed the substitute? The delegates from the South opposed it. Who else? Why, the leaders of the Truman administration. They joined forces with the South to defeat the substitute.

On this point, I quote the veteran reporter of the New York Times, Mr. Arthur Krock: "The President's spokesmen tried to reject specific endorsement of him and his program in an effort to prevent total revolt in the South—cynical politics was never better served than today."

Joseph and Stewart Alsop, writing for the New York Herald Tribune, said: "By the President's instructions, his few faithful henchmen * * * tried frantically to pass the resolutions committee's weasel-worded civil-rights plank."

On the vote on the substitute, the delegations from Mr. Truman's home State of Missouri and Mr. BARKLEY's home State of Kentucky voted to defeat the substitute plank.

The substitute was, however, adopted, and the southern delegations walked out of the convention. It is against this background of double-talk, if not of the double-cross, that politicians start a crusade for the civil rights of minorities.

No political deal was ever more sordid than this. This is why America needs a league of honest men. It is a shame that the hopes of men and women who believe in the Golden Rule by all toward all should be subjected to such double dealing.

It is time for each of us to examine his own conscience on this matter, divorced from politics and votes.

I state my own view without hesitation—that any act of violence or denial of constitutional right toward any American not only violates the principles of Christian civilization, but also lessens our moral prestige in the eyes of the whole world. But if this delicate and difficult question is to be thrown into the arena of a national political struggle for votes, let's come clean. If the long-accepted constitutional division between the authority of the Federal Government, and the rights and power of the States, is to be overruled, then the following must be clear:

If the Federal Government can lawfully impose on State and local governments its own political ideas on poll tax, lynching, etc., then it can and should make violence and rioting in labor disputes also a Federal crime, and send the goon squads and muscle men to Federal prison also. But who proposes in a national political convention to make mob law in labor disputes a Federal crime?

If Congress is to spend these critical weeks of an international crisis trying to pass a Federal antilynching bill, when there was only one lynching in the whole country last year, then Federal police should invade the fountain head of civil-rights agitation, New York City, where in 1946 there were 325 murders, 14,525 felonies, and 697,734 crimes.

There are several questions to be considered in this matter of civil rights.

1. Should we attempt to find its solution in legislation? On that point, I quote one of the greatest leaders the colored race ever produced, Booker T. Washington. He said: "Brains, property, and character for the Negro will settle the question of civil rights. The best course to pursue in regard to the civil-rights bill in the South is to let it alone. Let it alone, and it will settle itself."

2. If this is to be dealt with by legislation, should it be by Federal legislation or by State legislation?

3. Would Federal legislation on civil rights be any more effective than Federal prohibition?

4. Which is more important, especially now, the matter of civil rights or the unity of the Nation? How much of this civil-rights agitation now dividing our country is promoted by Communists who want America divided?

The greatest denial of the civil rights of a minority was human slavery. Abraham Lincoln was against slavery. In his famous debates with Stephen A. Douglas in 1858, Lincoln said: "A house divided against itself cannot stand. I believe this Government cannot endure permanently half slave and half free. * * * I do not expect the house to fall, but I do expect it will cease to be divided." That utterance, 5 years before his Gettysburg address, makes Lincoln's place in the history of human rights secure for all time.

But how did Lincoln expect the Union to cease to be divided?

Not by war, my friends. Not by war against sections and people. Lincoln believed that the healing processes of time and the growth of moral sentiment which he did so much to promote, would eventually free slaves in the South, as they had already been freed, without bloodshed or Federal laws, in Northern States.

When Lincoln was inaugurated on March 4, 1861, seven Southern States had already seceded. What did Lincoln say to them? He said: "I have no purpose, directly or indirectly, to interfere with the institution of slavery in the States where it exists. I believe I have no lawful right to do so, and I have no inclination to do so."

Lincoln was opposed to the extension of slavery in the Territories, but he would not make war on the South to abolish slavery where it then existed. Lincoln had faith that the wisdom and justice of God would find solutions not to be found in fraternal strife.

Lincoln then read to both South and North the platform plank of the Republican Party, upon which he had been elected: "Resolved that the maintenance inviolate of the right of the States, and especially the right of each State to order and control its own domestic institutions according to its own judgment exclusively, is essential to that balance of power on which the perfection and endurance of our political structure depend."

You will note that the position taken by the Republican Party today on this subject completely reverses the position taken by the party in the first election it ever won.

More than a year later, in August 1862, in his famous letter to Horace Greeley, Lincoln wrote: "The paramount object in this struggle is to save the Union, and is not either to save or to destroy slavery. If I could save the Union without freeing any slave, I would do it; and if I could save it by freeing all the slaves, I would do it; and if I could save it by freeing some and leaving others alone, I would also do that. * * * I have stated my purpose according to my views of official duty; and I intend no modification of my oft-expressed personal wish that all men everywhere could be free."

It was not until after this, that Linclon issued his emancipation proclamation on New Year's Day 1863. That was done as a war measure to weaken Southern resistance. It applied only to slaves in those States and parts of States then in rebellion and under Southern control. It did not emancipate a single one of the 430,000 slaves in the States of Delaware, Maryland, Kentucky, or Missouri which had remained loyal to the North. That came later, by congressional action and the adoption of the thirteenth amendment in December 1865, after Lincoln's death.

Lincoln believed there was something more important than any effort of the Federal Government to end slavery by force. That was the preservation of the Union and, as he said, "the restoration of national sympathies and affection."

He said: "Why should there not be a patient confidence in the ultimate justice of the people? Is there any better or equal hope, in the world? In our present differences, is either party without faith of being in the right? If the Almighty Ruler of Nations, with His eternal truth and justice be on your side of the North, or on yours of the South, that truth, and that justice, will surely prevail, by the judgment of this great tribunal, the American people."

When you hear these words, do you wonder that Lincoln became "a man for the ages"?—the best friend the North and the South have ever known?

If Lincoln were here today, reading reports from Berlin of the terrible chance of another world war, watching the efforts of Communists to stir up strife and hate, would he not seem to you a giant in contrast to the political pygmies who would hypocritically divide America for votes?

I close with the last words of Lincoln's first inaugural. He said:

I am loath to close. We are not enemies, but friends. Though passion may have strained, it must not break our bonds of affection. The mystic chords of memory, stretching from every battlefield and patriot's grave to every living heart and hearthstone, all over this broad land, will yet swell the chorus of the Union, when again touched, as surely they will be, by the better angels of our nature."

America needs that spirit today.

Democratic Platform Economics

EXTENSION OF REMARKS
OF
HON. E. H. MOORE
OF OKLAHOMA
IN THE SENATE OF THE UNITED STATES
Wednesday, July 28, 1948

Mr. MOORE. Mr. President, I ask unanimous consent to have printed in the RECORD an article entitled "Democratic Platform Economics," by Henry Hazlitt, which appeared in Newsweek for July 26, 1948.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

DEMOCRATIC PLATFORM ECONOMICS
(By Henry Hazlitt)

The ideal that emerges from the Democratic platform is the complete paternalistic state. Less and less are the people to do anything for themselves. More and more are the bureaucrats to do everything for them—insure their health, federalize their education, build their homes, boost their wages, raise the prices at which they sell and lower the prices at which they buy. Everybody is expected to owe everything to the officeholders in Washington. Everybody is expected to forget that the officeholders can give nothing to B and C and D unless they have first taken it from A. A is the taxpayer, the forgotten man. The effect of confiscatory taxation on his incentives and on the national production is ignored. Spend and spend, tax and tax, and elect and elect?

The sheer effrontery of some of the economic planks in the Democratic platform makes them read like intentional humor. "The Republican Eightieth Congress is directly responsible for the existing and ever-increasing cost of living." Why? Because it refused to give Mr. Truman power to dictate prices. Mr. Truman thinks that the cause of inflation is the absence of price control. Nowhere in the Democratic platform are the real causes of inflation so much as whispered. Nothing is said about the threefold increase since 1939, brought about by Democratic fiscal and monetary policies, in the volume of money and credit. No connection is pointed out between all the foodstuffs being shipped abroad under the Marshall plan and the consequent rise of food prices here.

The plaform, in fact, demands still higher Federal spending on everything—social security, education, housing, veterans, public works, TVA's, school lunches. Though the American taxpayers stagger under the greatest absolute peacetime burden of expenditures that the taxpayers of this or any nation have ever been asked to bear, they are calmly informed that their expenditures are still inadequate.

Affecting to deplore high prices on one hand, the plaform boasts of them on the other. It is stuffed with figures on the increase of wage income, farm income, business and professional income. It never once seems to have occurred to those who inserted these figures that they are simply high prices looked at from the other side. If the Republican Congress is responsible for the high prices that consumers pay, then it should also get credit for the high prices that producers receive. They are precisely the same prices. But the Democrats blame the first on the Republicans and grab credit for the second themselves.

Indeed, they want to boost prices and costs still higher. They insist on jacking up minimum wages from 40 to 75 cents an hour—an increase of 87½ percent. This would, of course, push up wages all along the line, for skilled workers would insist on the maintenance of existing differentials. Pushing up costs further would push up prices further.

The plaform insists on still more direct ways of increasing prices. Though in one section it complains that food is becoming too expensive for the average wage earner "and the prospects are more frightening each day," it demands at another point "a permanent system of flexible price supports for agricultural products"—to make the prospect still more frightening. If a permanent system of price supports for agricultural commodities, why not a permanent system of price supports for all commodities? Why the discrimination? Could a shabby and unprincipled scramble for votes have anything to do with the matter? Yet while demanding that the prices of unioneers and farmers be pushed up by law, and that the prices of nearly everybody else be pushed down by law, the plaform blandly declares itself in favor of "free enterprise" and opposed to any "arbitrary and discriminatory restrictions."

On labor relations the platform is even more inconsistent, if that is possible. It demands "the repeal of the Taft-Hartley Act." This is a direct repudiation of the party's own congressional record. Only 81 Democrats in Congress voted against the Taft-Hartley law, while 120 voted for its enactment. In fact, 126 Democrats in Congress voted to override the Truman veto, compared with only 93 who voted to sustain it. What a plank for that record.

Arrival of 16 Jet Planes in Germany

EXTENSION OF REMARKS
OF
HON. BURNET R. MAYBANK
OF SOUTH CAROLINA
IN THE SENATE OF THE UNITED STATES
Wednesday, July 28, 1948

Mr. MAYBANK. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article by Ansel E. Talbert, a very distinguished South Carolinian, relating to the arrival of 16 jet planes in Germany, published in the New York Herald Tribune of July 26, 1948.

There being no objections, the article was ordered to be printed in the RECORD, as follows:

SIXTEEN JETS REACH UNITED STATES AIR BASE IN GERMANY ZONE—F-80'S FLYING TIME FOR 5,000-MILE TRIP IS 12½ HOURS; B-29'S AT FIELD

(By Ansel E. Talbert)

FUERSTENFELDBRUCK, GERMANY, July 25.—The long-range arm of the United States Air Force completed today the first flight on record of jet-propelled aircraft from the United States to a strategic center deep in the European continent. Sixteen Lockheed F-80 fighter planes of the Fifty-sixth Fighter Group of the Strategic Air Command sped from Odiham, England, through the mists which shrouded western Germany to land here at 2:05 p. m. (8:05 a. m. New York time).

The landing, at a field already bristling with several score B-29 Superfortress bombers, completed in 12 hours 30 minutes flying time a trip which began on July 12 more than 5,000 miles away at Selfridge Field, Mich. The flight of American jet fighters to the former Luftwaffe equivalent of the United States Randolph Field training center, now probably the most important United States Air Force installation in Europe, is regarded here as an accomplishment of outstanding strategic importance.

The trip was completed withcut incident. The planes flew by way the northeast United States, Labrador, Greenland, Iceland, and the United Kingdom before stopping here. Some of Great Britain's newest jet fighters flew escort for the unit today as it departed from the British Isles.

In no sense was the flight a stunt or a speed trial. It was organized with the idea of developing a basic technique for moving jet-propelled fighter planes from the United States to Europe, or any other part of the world.

General George C. Kenney, head of the Strategic Air Command, which has the primary mission of conducting long-range air operations in any part of the globe, gave his approval to the flight as a method of developing America's global air power.

Lt. Col. David C. Schilling, who commanded the jet flight, told this correspondent that his main consideration was to work out an air-transfer system which can move 1,600 or 16,000 jet fighters as easily as these 16.

The reason for this emphasis on jet fighters now is obvious. During World War II, American-built bombers were delivered by air to overseas destinations, but the smaller fighter aircraft, needed to escort the bombers to their targets and to protect forward American air bases from enemy attack, were sent overseas by surface shipping.

It was found in the war against Germany that with proper fighter escort, American bombers could attack any strategic target. Air Marshal Hermann Goering, when asked after the war by Allied interrogators to name the day on which he knew positively that Germany had lost the war, replied "The day I saw American fighter planes over Berlin escorting your bombers."

Goering's comments on the air war were made available to Soviet Russia by British and American authorities, and it is likely, according to American strategists here, that they have been digested by the Kremlin.

Tonight Brig. Gen. James F. Powell, Assistant Chief of Staff of the United States Air Force in Europe, said at an interview that the 16 F-80's would be here for several weeks, engaged in training for high altitude interception and escort work with the B-29 bombers.

At about the time they returned to the United States, the Thirty-sixth Fighter Wing, one of the Air Force's crack jet fighter units, will move here permanently from the Panama Canal Zone.

BRITISH JETS AT WASHINGTON

WASHINGTON, July 25.—Six British Vampire jet fighters on a visit to Canada and the United States arrived today at Andrews Field, near Washington, they recently flew the Atlantic, being the first jet planes to make the over-water crossing. Similar American jets, en route to Great Britain, waited at Goose Bay, Labrador, until the British planes had crossed.

After an official welcoming ceremony here tomorrow, the British planes will give an aerial display before leaving for Greenville, S. C. They will take part in United States Ninth Air Force maneuvers there.

They will return to Trenton, Ontario, August 10, after joining in International Air Show events at New York July 21 to August 8.

The Situation of the Democratic Party

EXTENSION OF REMARKS
OF
HON. CLAUDE PEPPER
OF FLORIDA
IN THE SENATE OF THE UNITED STATES
Wednesday, July 28, 1948

Mr. PEPPER. Mr. President, I ask unanimous consent to have printed in the

Appendix of the RECORD a statement issued by me respecting the situation the Democratic Party today faces.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

The Democratic Party today faces a repetition of the split of 1860. That breaking up of the Democratic Party assured the election of the Republican Party and that in turn to the division of the Nation and the War Between the States.

A Republican victory in November would not lead to a civil war but it most certainly would contribute to a divided world, and might mean world war III. Certainly, such selfish and ruthless forces as now command the Republican Party would, by their insatiable striving for power and for profit for the few at the expense of the people, hasten the curse of a depression which would threaten the Nation and the world with the utter collapse of economic and political democracy.

I am but one of many Democratic Americans who, since the death of Franklin D. Roosevelt, has fought to stave off the very splintering of the Democratic Party so essential to real democracy in America which is about to be consummated in the convention.

The present leadership of the Democratic Party has proven incapable of holding the party together. That failure is due not alone to its inability to follow in the footsteps of President Roosevelt, an impossible task for any living person, but to an unwillingness to accept and to carry out with real fidelity the high principles and purposes of Franklin D. Roosevelt.

That failure in moral purpose led to the first breaking of the party solidarity and the forming of a national third party.

Bungling and ineptitude by the present leadership of the party, however well intended, are now by the announcements of responsible leaders of a bloc of Southern States to lead to the formation of a fourth party.

The party clearly cannot stand these unhealed breaches.

With many other Democratic Americans, I have done everything in my power to prevent this tearing up of our great party. The responsibility for the consequences must be borne by all the elements of the party involved. All have been uncompromising. All have been selfish as well as short-sighted.

I cherished until Friday noon last that Gen. Dwight Eisenhower would accept the certain draft of this convention and lead this Nation, burdened with the destiny of mankind, to a new unity and the human race to an abiding peace and progress. That hope failed.

Earnest delegates sought others for the same role. They declined, or refused to decide. Late Sunday afternoon when a representative committee of delegates asked me to lead one more open effort to reunite the segments and sections of the party, disregarding all personal considerations, I accepted.

I thought only of my country and my party.

With untiring fellow delegates I have labored day and night. I have appealed to all factions to gather again upon the humanitarian principles and policies of Franklin D. Roosevelt.

I, as a southerner whose roots stretch back over two centuries in the South's proud past, have appealed to my fellow southerners not at this critical period for human freedom to array themselves as their forefathers did in 1860 against human rights for any part of our people.

Our best efforts have failed to find the unity we so earnestly sought.

We who have fought for this party peace have now determined that our continued efforts can only make a bad situation worse.

Hence with a heart full of gratitude for the many loyalties which I can never forget, I release all promises of support and request that I not be nominated for any office within the power of this convention.

All I see that I can possibly do now is, utterly removed personally from the consequences of the decision, to make one last appeal to all groups to get together and save the party for America.

The future of the party now lies in the hands of those Democrats who put the party and country above continuation of personal power and the venting of passion or prejudice.

Attachments of both loyalty and conviction make it impossible for me ever to fail the Democratic Party when I can with my little talents serve it.

Whatever this convention may do, therefore, in selecting its nominees they will be mine. I shall support them and with all my strength I shall strive to see the Congress in January in the control of Democrats who dedicate themselves to making the Democratic Party truly the party of peace and the people.

The Convening of Congress

EXTENSION OF REMARKS
OF
HON. H. ALEXANDER SMITH
OF NEW JERSEY
IN THE SENATE OF THE UNITED STATES
Wednesday, July 28, 1948

Mr. SMITH. Mr. President, under date of July 16, I received a letter from Mr. Thomas Jefferson Wertenbaker, who was formerly head of the department of history of Princeton University, and one of the leading authorities on American history in all of our American institutions of learning. As Professor Wertenbaker's name indicates, all his life he has been a so-called Jeffersonian Democrat, but he is one of the strongest opponents of the unsound fiscal policies of the New Deal administration.

I can heartily commend to my colleagues in the Senate a careful reading of Professor Wertenbaker's brief letter and a contemplation of the fundamental reforms that he suggests for the present inflation difficulties in which we now find ourselves.

I ask unanimous consent to print Professor Wertenbaker's letter in the Appendix.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JULY 16, 1948.

Senator H. ALEXANDER SMITH,
United States Senate,
Washington, D. C.

MY DEAR ALEC: I am sorry that President Truman has called Congress back, not only because as Douglas Freeman says, it looks like a political trick, but because it interferes with your well-deserved rest.

Like everyone else, I am deeply interested in the Presidential campaign, and so am taking the liberty of giving you my thoughts on one important point. Mr. Truman will certainly blame the Republican Congress for the present high prices and contend that had his program of controls gone through it would have stemmed the tide.

The truth is that the Democrats are solely responsible for the inflation which is plaguing the country. It is not primarily the excess of demand over supply which has caused the trouble, but the printing of billions of paper dollars and the filling of our banks with negotiable securities. Some of this may have been necessary during the war, but pump-priming, waste, and deficit-spending were not necessary. Ed Kemmerer warned us of what would happen, but he was helpless in the face of the New Deal spending spree.

As for Mr. Truman's ceilings, when we tried them they not only proved futile but put a brake on production. I may add that we tried the same thing during the American Revolution with exactly the same result. There is nothing to be gained by treating the symptoms of the disease, and it has been shown over and over again that ceilings cannot add a cent of value to depreciated currency.

And when adjustments have been made to the shriveled dollar we have all been witnesses to the fact that they have disrupted the economy of the country. Who but the New Dealers are responsible for the series of strikes which has marked the last few years, or the injury to our educational system by the resignation of thousands of underpaid teachers? Who was it who halved the endowments of hospitals and universities and confiscated a large part of widows' pensions and clergymen's retiring allowances? We were told when we purchased Government bonds that we were making the safest investment in the world, but now these same bonds buy far less than when we bought them.

So I am greatly heartened by the plank in the Republican platform which promises currency reform. I hope that the Republican speakers will keep hammering on the fact that it is the dollar which has shrunk in value rather than that commodities have risen in value, and point out that inflation is the natural fruit of the New Deal policies. To do so will give new hope to millions who have been the victims of these policies.

Sincerely yours,

T. J. WERTENBAKER.

Tax on Margarine and Color

EXTENSION OF REMARKS
OF
HON. BURNET R. MAYBANK
OF SOUTH CAROLINA
IN THE SENATE OF THE UNITED STATES
Wednesday, July 28, 1948

Mr. MAYBANK. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a very able statement written by Hunter A. Gibbes, of South Carolina, relating to the Federal tax on margarine and color.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

FEDERAL TAX ON MARGARINE AND COLOR

During the current discussion concerning the proposal in Congress to repeal the discriminating Federal tax on margarine, perhaps it is in order for the public to know something of the historical and legal background of this tax.

At least 24 States have laws prohibiting the manufacture or sale of margarine. The law of Minnesota is typical. It prohibits the manufacture or sale of margarine "which shall be in imitation of butter of any shade or tint of yellow, unless such oleomargarine shall be made and kept free from all coloration or ingredients causing it to look like butter of any shade or tint of yellow." In the case of *State* v. *Hancock* (118 Minn. 85), the court declared that this law is valid

and was violated by "a sale of oleomargarine purposely made of any shade or tint of yellow by a judicious selection and combination of fat, oil, and other necessary ingredients, though no artificial coloring matter is used."

The object of the law is, of course, to induce people to buy and eat more butter and maintain a high price for the product. It is based on the utterly false idea that margarine is an imitation of butter. It is certainly not an imitation. It is an excellent substitute only, and in every respect equal to good butter in wholesome food value. It is far better than some butter on the market today. The fact that a pound of margarine looks like a pound of butter is no proof that one is an imitation of the other. The radio has taught us the important fact that similarities are frequently wholly coincidental. If our 1941 Chevrolet looked like a T model Ford—heaven forbid—it would be absurd to say that General Motors is imitating Mr. Ford. The law seems also predicated on the grave assumption that years ago, while a great majority of the American people had their backs turned or were asleep the Almighty came down from above and granted to Minnesota, Wisconsin, and other butter-producing States the exclusive right to use any and all shades and tints of yellow. I seriously doubt that it happened. Certainly no proof has been submitted by the butter people. Yet several dignified judges of the Supreme Court of Minnesota practically said in effect it did happen.

Years ago the Members of Congress, supposed to look out for the interest of all the people, went along with Minnesota and did exactly what the butter people demanded, to wit: They enacted a tax law, not for revenue as claimed, but for the definite purpose of discriminating against margarine. This Federal law defines butter as the product of the cow. It also defines adulterated butter, renovated butter, and processed butter. It then proceeds to state that margarine shall be considered under the law as renovated butter, adulterated butter, or processed butter. The law practically and solemnly declares that margarine is one of these things. Anything that is made to resemble butter is either renovated butter, adulterated butter, or processed butter. See United States Code of Laws, 1926, section 571, page 778. The Federal law discriminating against the use of yellow coloring in margarine came later on account of the increased use of colored margarine. Yet at certain seasons of the year the same yellow coloring is extensively used in butter.

By no stretch of an elastic imagination can it be truthfully said that margarine is renovated butter, adulterated butter, or processed butter. Yet in effect Federal law practically says they are one and the same and taxes them accordingly.

Congress trailed along with Minnesota and Wisconsin in their apparent alleged claim of Divine right to the exclusive use of "any and all shades and tints of yellow" by taxing coloring only when used in margarine. Some years ago Senator MAYBANK made a vigorous, but unsuccessful effort to get these Federal laws against margarine repealed. On the defeat of the Maybank bill a "Wisconsin Senator was gracious and generous enough to indicate that if margarine manufacturers would use green or blue in place of "any and all tints and shades of yellow" he and Congress and the Almighty would interpose no objections. No doubt about 120,000,000 people who cannot afford to use butter at 95 cents a pound are grateful for this generous concession. Perhaps we should be also grateful that this unseemly prohibition in the use of "any and all tints and shades of yellow" has thus far not been extended to curtains and clothes. At present we need not skimp on yellow for either underwear or bathing suits.

In the case of *Hammond* v. *Montana* (58 U. S. 935), the United States Supreme Court sustained the State law against margarine "on the ground that it put margarine in a class by itself, and discriminates between it and butter, and the law is for revenue only." In the case of Kolleck (165 U. S. 813), the same Court sustained the Federal tax on the ground that "the primary object is to produce revenue." The word "revenue" is thus compelled to cover a multitude of sins. In spite of these solemn declarations of the Court simple justice seems to indicate that butter and margarine should be on a parity, just as oranges of California are now on an equal basis with oranges of Florida. Concord grapes of New York are permitted to compete in the market with different varieties of grapes in California. Food is vital. One State should never be permitted to interfere with its free sale and distribution under the guise of revenue. How the Russians will gloat over this unjust phase of our democracy.

In addition to the State and Federal slanderous statutory utterances against margarine designed to maintain a high price for cow butter, the dairy interests continue to ridicule margarine by scornfully referring to it as "bull butter," another unseemly device to bull the price of the product of the cow.

In absurdity and injustice to a large majority of the people both State and Federal laws against margarine compare favorably with the rule of 600 years ago when one had to be a good Catholic or else burned at the stake. Neither condition reflects on the principles of justice or religion. Both simply show greed and stupidity of mankind.

These discriminatory taxes add to the high cost of living. There is insufficient butter to go around. There will always be a demand and market both for butter and margarine. The one is for those who can afford to pay 95 cents or more per pound; the other is for the great majority who like margarine and wish to buy it free from discriminatory taxes and at a reasonable price, within the reach of us ordinary people. The use of either butter or margarine is an important element in a balanced diet for maintenance of good health for all the people.

Since the beginning of history special interests have been protected and promoted under the false guise of revenue, contrary to the wishes of a majority. However, Congressmen should not be criticized too severely. They are only human. In order to continue in office they must keep on getting votes. Under our democratic system legislation favorable to special interests is sometimes exchanged for the promise of votes. The respectability and justice of such procedure is often questioned, but both Democrats and Republicans rarely ever try to do anything about it. The protection of special interests is too often cleverly made to appear as beneficial to all the people.

Both Republicans and Democrats in conventions assembled have indicated a determination to override special interests by repealing the Federal laws taxing margarine and coloring. The public desirous of a reduction in the high cost of living, awaits the outcome. It is a matter of public interests against the butter lobby.

HUNTER A. GIBBES.

Civil Rights and State Rights

EXTENSION OF REMARKS

OF

HON. JAMES O. EASTLAND

OF MISSISSIPPI

IN THE SENATE OF THE UNITED STATES

Wednesday, July 28, 1948

Mr. EASTLAND. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a radio broadcast delivered by the Honorable Samuel B. Pettengill, over the American Broadcasting System network on the night of Sunday, February 29, 1948, dealing with the subject of civil rights and State rights.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

CIVIL RIGHTS AND STATE RIGHTS

(Text of broadcast by Samuel B. Pettengill over ABC network, Sunday, February 29, 1948)

You have been hearing a lot about Mr. Truman's civil-rights message to Congress and the reaction to it, especially in the Southern States.

I don't suppose many of you have had the chance to read the President's message clear through, or the report of his Civil Rights Committee of 15 upon which his message was based.

You may be glad to have some facts and light on the subject. I said "light"—not heat. I will not be a party to stirring up any feelings on this matter. All my life I have practiced racial and religious tolerance. As a Member of Congress, I nominated Catholic, Protestant, and Jew to such places as West Point and Annapolis. But, back of today's heated discussion are principles of sound government as well as the rights of individuals.

There are two parts to this question—civil rights and State rights.

Both are important. A man loyal to the Constitution might vote for many things as a member of a State legislature, which he would not vote for as a Member of Congress.

This very human question of civil rights has become a political football—kicked around by both Republican and administration party leaders.

What I object to—and I think a league of honest men objects to—is the almost complete lack of sincerity with which the matter is being tossed into the mad scramble for the votes of minority groups.

SHORN OF POLITICAL QUACKERY

If the Man of Galilee were advising us, would He toss this question into the arena of party politics? He said: "A new commandment give I unto you, that ye love one another." I know of no case where He asked a political boss to take over in the delicate field of human relationships. One man, Gandhi, in India, did more for racial tolerance and the civil rights of the down-trodden than all the law books of India put together.

A British viceroy wrote Gandhi: "In one province I have 50,000 troops and riots. Where you are, I have one man—and peace."

The great Negro scientist, George Washington Carver, the great educator, Booker T. Washington, the sportsmanship of Joe Louis, and the Brooklyn Dodgers putting Jackie Robinson in a big league baseball uniform have done more to ease social tensions than any law that Congress can pass.

Now let us see how much sincerity there is in the partisan, political approach to this question.

DEPLORABLE WASTE OF TIME

Let us take the brutal crime of murder called lynching. The President, and Republican leaders, are going to, at least, go through the motions of stopping lynching by Federal law.

With the country facing questions of staggering importance, with Europe and Asia falling apart, Congress is going to take time out, for perhaps weeks on end, in going through the motion of forcing the passage of a Federal antilynching law.

Is this to stop lynching?

When you hear the figures I shall give you, I believe you will say that the real purpose is not to stop lynching, but to stop another party from getting votes. Meantime,

sectional feeling will run high and the unity of the Nation will be torn in two. This will be welcome news to cunning men in foreign capitals.

ONE LYNCHING IN 1947

Let us look at the record of lynchings in this country during the past 50 years. You will find them in the World Almanac for 1948, page 451:

In 1900 there were 115 lynchings; in 1910, there were 76; in 1920, 61; in 1930, 21; in 1940, 5; in 1944, 2; in 1945 only 1 lynching; in 1946, 6; in 1947, again, only 1 lynching.

These figures show the growth of public opinion, North and South, East and West (and let me say that only 6 States in the 48 have been wholly free of this crime). The figures show that lynching has practically disappeared in America without any Federal antilynching law.

Yet there are other crimes—staggering in number. But are the political crusaders for a Federal antilynching law, to be forced down the throats of the Southern States, are they hot and bothered about Federal laws to punish other crimes all around them? No. Why? Because they don't see any votes in beating the political tom-toms about these other crimes.

Compare these other crimes, Nation-wide, in 1946, with lynchings:

Murder and manslaughter, 8,444; lynchings, 6.

Rape, 12,117; lynchings, 6.

Robbery, 62,782; lynchings, 6.

Automobile theft, 229,920; lynchings, 6.

Burglary, 357,991; lynchings, 6.

Larceny, 941,738; lynchings, 6.

In New York City, where most of the agitation for a Federal antilynching law comes from, there were in 1946, 325 murders, 14,525 felonies, and a total of 697,734 crimes reported to the police. That is for one city in 1 year. In the entire United States, with 140,000,000 people, there were six lynchings.

Did not these robbed and murdered men and raped women have some civil rights?

Do not the men beaten up by goon-squads in labor riots in northern cities also have some civil rights—the right to work?

But who weeps political crocodile tears for them?

Yet Congress is going to try to pass a Federal antilynching law to cure six lynchings when New York City had 697,734 crimes.

In the light of the facts I have given you, this Federal antilynching bill must strike you like using the 18-inch guns of a battleship to kill a wolf.

WILL THE VOTERS BE FOOLED?

I do not know how many voters will be fooled by all this noise, but I believe the number will be small when they know the facts.

One of the great objectives of our National Union—so stated in the preamble to the Constitution—is to "insure domestic tranquillity." With the Nation and the world in their present critical condition, would great and sincere statesmen inflame sectional feeling by a public auction for votes on an essentially local matter?

It is important to all of us that the Federal Government retain the respect and affection of the American people. It can do so only by limiting its activities to essentially national affairs. When it attempts to invade the field traditionally assigned to State and local governments, which they know best how to handle, and sends its detectives and snoopers to prosecute citizens in every police court, the Federal Government loses prestige. Federal prohibition should have taught us that. State and local officials dumped the whole problem on to Washington, D. C., until every Federal courtroom was loaded down and cheapened by a crowd of bootleggers, and law enforcement became a joke.

It is sound and humane public opinion that we need—not more law. The only law that counts is what the public will back up. You solve nothing in this matter by turning it over to the Federal Government. Conditions in Washington, D. C., where the Federal Government is supreme, prove that conclusively. The government of the city of Washington is the sole responsibility of the Federal Government.

WASHINGTON'S SORRY RECORD

From the standpoint of crime, slums, disease, crowded schools, and racial discrimination, Washington, D. C., has a record scarcely exceeded by any city of its size in the Union. I pointed this out 10 years ago in my book Jefferson, the Forgotten Man.

President Truman's Committee on Civil Rights says of Washington, D. C.: "It is a graphic illustration of a failure of democracy. * * * The situation that exists in the District of Columbia * * * is intolerable."

Yet, ex officio, President Truman is the mayor of Washington and, ex officio, Congress is its board of aldermen. Do you think a government with this dismal record in its own Capital is going to improve civil rights in every county and State of the American Union?

Read Matthew 7, verse 3: "Thou hypocrite, first cast out the beam out of thine own eye, and then shalt thou see clearly to cast out the mote out of thy brother's eye."

BRANDEIS WARNED THE NATION

That great judge, and my personal friend, Louis D. Brandeis, of the United States Supreme Court, said the Federal Government already does too many things too poorly to take on the doing of more things. He said: "The United States * * * has bitten off more than it can chew. It should go back to the Federation idea, letting each State evolve a policy and develop itself." This great judge and humanitarian saw this clearly years ago, when the burdens on the Federal Government were a tiny fraction of what they are today.

So you see, my friends, how much political bunk there is in this appeal to Federal force to solve local and individual problems. Why should we always appeal to the force of government and never to the souls and spirits of men?

President Coolidge had something to say on this subject that is worth repeating. He said:

"There is no way by which we can substitute the authority of law for the virtue of man. The real reforms which society is seeking will come as a result of our religious convictions, or they will not come at all."

This crusade against lynching and for civil rights is a job for the home, the school, and the church, and not for the mailed fist of big government in a wild stampede across the barriers and limits of the American Constitution.

WELL STATED IN POTSDAM

Now listen to this: The Potsdam agreement for the government of Germany, signed by President Truman in the summer of 1945, set forth at least one sound principle. That was that the local governments and states of what was once the German Republic should be restored to their former powers over their own affairs. Here is the exact language: "The administration in Germany should be directed toward the decentralization of the political structure and the development of local responsibility. To this end, local self-government shall be restored throughout Germany on democratic principles."

The men who wrote that must have read the Constitution of the United States. It was sound doctrine. Hitler rose to his evil power over 70,000,000 people largely through destroying the German states and concentrating all power, political and economic, in Berlin. The time then came when no one dared oppose him for fear of losing some government contract, or export or import license, or some subsidy, or tax exemption. But pay day came. The bill was paid, in part, by 300,000 young Americans who will never see the blue sky over their homes again. And the liberty-loving people of Czechoslovakia are paying again for that same mistake.

THE IRONY OF POLITICS

Yet, it is the irony of politics that the same administration in Washington that insisted on restoring state rights that a dictator had destroyed in Germany, is bent on further destroying State rights in America. What right of self-government do Saxony and Bavaria have that Virginia and Texas do not have?

Some of the same methods that Hitler used are proposed here. In international power politics they are what we now call "economic sanctions," legal penalties such as the withdrawal of Federal subsidies, or the use of the Federal taxing power on States that don't go along.

The President's Civil Rights Committee recommends that such weapons be placed in the hands of the Federal Government. I can think of nothing better designed to promote bitterness and disunity in this Nation.

This threat has moved so calm and moderate a man as Senator BYRD, of Virginia, to say: "If such coercion becomes a reality * * * I pray God that Virginia will lead the Southern States in renouncing for all time every dollar of Federal aid."

NEED NOT RESORT TO FORCE

Why this resort to force, the coercion of centralized power? A league of honest men would resist every attempt to rob us of our heritage—one unique in all history—a country where political power is divided among the Nation, the States, counties, cities, and towns—and because power is so divided and limited, a land where men have been free.

There is a way to foster and promote civil rights in this country. It is not the political way. It is by education and public opinion formed in church, and school, and home. We have the Bill of Rights in the Constitution, yet a poll shows that one-third of our people never heard of the Bill of Rights; another third could not identify it, and only one in five has a reasonably accurate understanding of this bulwark of human liberty.

Now here is something constructive to do. Let our schools cut out some of their frills and do-dads, and teach the Constitution and the Bill of Rights.

Let the spirit of every high-school boy and girl be warmed and ennobled by a study of Judge Norton's book, or some similar book on the American Constitution and the rights of man. Let the Golden Rule be taught to children in every church and practiced everywhere. When that job is done and done well, we shall have a league of honest men and there will be little crime or cruelty left.

As Woodrow Wilson said: "Our civilization cannot survive materially unless it is redeemed spiritually—only thus can discontent be driven out and all the shadows lifted from the road ahead."

Labor-Management Unity

EXTENSION OF REMARKS

OF

HON. ALEXANDER WILEY

OF WISCONSIN

IN THE SENATE OF THE UNITED STATES

Wednesday, July 28, 1948

Mr. WILEY. Mr. President, I ask unanimous consent that there be printed

in the Appendix of the CONGRESSIONAL RECORD the text of an article which I prepared for the magazine Partners. This article was published in the July 1948 issue and is designed to encourage labor-management harmony and effectiveness at the conference table.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

HARMONY AT THE CONFERENCE TABLE

(By the Honorable ALEXANDER WILEY, United States Senator from Wisconsin)

How can labor and management achieve true harmony at the conference table?

How can real understanding be arrived at when representatives of unions and employers get together to discuss problems of wages and hours, overtime, bonuses, pensions, vacations, sick leave, and the like?

Must these conferences be doomed to fall into the category of verbal slugfests? Must they lead inevitably to stalemates, followed by ruinous strikes which deprive labor of pay envelopes, management of profits, stockholders of dividends, and the public of badly needed goods?

There seems to me to be no need for abject pessimism. On the contrary, real encouragement lies in the fact that throughout our country far-sighted leaders of both labor and management are demonstrating new and impressive skills in the holding of conferences and in reaching workable compromises. If we are not fully aware of how many work stoppages are thus prevented and the extent to which labor-management equity is secured, the fault, I suggest, lies with much of our press reporting, prone as it is to highlight the uncompromised dispute while underemphasizing or ignoring utterly the peaceful settlement.

Years before I came to the Senate, I had some experience in serving as a mediator in labor-management disputes. Out of that experience and out of experiences I have since enjoyed in the Senate—particularly as chairman of the Judiciary Committee—I have been close enough to the general problem to view it with considerable personal optimism. The productive conference, I have good reason to suppose, lies well within the grasp of both labor and management.

Because the problem affects not merely the industrial parties involved but the welfare of 145,000,000 Americans as well, my interest in it is far more than casual. More, I consider it a personal obligation to do whatever I can to encourage future conferees. There are open doors to harmony at the conference table. The chances that a productive settlement may be achieved are always good. Final results are mainly dependent upon the spirit of initial approach.

Therefore, in the hope that I may be of some constructive assistance to both labor and management, I offer a few guiding rules which I have formulated through the years:

1. COME TO THE CONFERENCE TABLE WITH AN OPEN MIND

It is dangerous for any conferee to enter the conference with mind completely closed to the viewpoint of the other side. A labor conferee, for example, can deceive himself when he imagines that all he can do is to present his side of the case and afterward to stand pat with only deaf ears for the story management is there to tell. The situation can be, and often is, reversed when the representative of management presents only a similarly closed mind to the arguments of labor.

The truth is, neither the delegates of labor nor the delegates of management are sent to the conference table with instructions to ignore completely the other side of the case. Certainly labor, for one, wants its interests fully represented and protected, but indeed those interests cannot be adequately tended if labor's representatives are to assume that all right and all justice lie on labor's side alone. And the same is true of management.

2. GET SOME HUMOR INTO THE CONFERENCE

One of the factors that can help release tension is to introduce a touch of humor into the proceedings. I do not mean that a mere joke or wisecrack is anything of a panacea for the creation of harmony, but I do know from experience that a wholesome tale told in a respectful manner can clear the air, relieve men's tautness of outlook, and make everyone present more fully adequate to their responsibilities.

I have found this to be the case in the United States Senate. There, in the midst of the most crucial of debates, with antagonists facing each other before packed galleries in an atmosphere of livid rage and shaking fists, I have seen some Senator rise and break the tension by making some humorous remark. Instantly the fighting mood relaxes, fists are no longer clenched, and faces, grim with bitter anger but a moment before, melt into a smile. After which all parties concerned proceed to handle adequately the problem before them.

To emphasize this point of humor, I have written a little book entitled "Laughing With Congress" and which has been published by Crown Publishers, of New York. Many Senators have commented to me that the wholesome message this book conveys is as important to our national legislature as it is to that of any State—and, for that matter, to every other forum, large or small, public or private, throughout the land. The introduction of a little healthy humor into our affairs serves well to restore our perspective.

3. BE SURE THAT GOD IS AT THE CONFERENCE TABLE

This may seem like a wholly impracticable and theoretical statement. By it, I mean that conferees should make sure that the spirit of the all-knowing, all-seeing Creator—the spirit of justice and understanding—is recognized as being present. A conferee once remarked that before every conference he places the Holy Bible on the table and says, in effect, "Gentlemen, I place the Bible between us. Let its teachings be our only guide. Let us strive to embody its concepts."

The Bible is filled with injunctions to conferees: "Do unto others as ye would be done by"—"Come, let us reason together"—these and countless others. The Bible informs us that human beings are meant to be adequate, that men are expected to achieve harmony in place of discord, understanding in place of blindness; therein are they enjoined to abandon the ways of sin and tread the paths of righteousness.

God, as revealed to us by the Bible, belongs at every conference table.

4. THINK, THINK, THINK

Some fellows approach a conference as though it signaled the end of all thought and as though the only course of action left open were to pound the table, glare at their opponents and thrash around in the manner of a person about to dash from the room and slam the door behind him. Other conferees, I am sure, realize that a conference establishes the time to begin, not end, one's thinking.

It has been stated that "There is nothing a man will not do to spare himself the effort of thinking." We all know how true this is in our daily lives. It is even more true at the conference table. Men will think synthetically, will consider a proposal for 30 seconds or less and immediately offer an automatic reaction to it. A man will do this, instead of objectively appraising the merits or demerits of such a proposal in the light of the group he represents and in the light of the public interest.

A conference, in order to lead to a productive result, must consist of a genuine meeting of minds. Mere prejudice and emotion had best be checked at the door. If a true meeting of minds is to occur, the need of all conferees is to think, think, think.

Possibly some folks will say that these four guiding rules I offer are of a wholly impractical nature. And yet, I have found that frequently it is just such general rules as the above which turn out in the long run to be the most practical of all. For it is, of course, the spirit behind the conference and behind its governing rules, rather than the letter, which offers the truly helpful avenue of approach. In the words of St. Paul, "The letter killeth but the spirit maketh alive."

Obviously, there is a vast variety of important techniques which serve to make for a successful conference. Careful preparation for the conference, the reduction to writing of as many of the controversial points as possible, preparation of graphic charts and other aids to clearing up points at issue—these are some of the specific means. But the most important single approach, in my humble opinion, is for both sides to recognize at the very outset that strikes and other forms of work stoppage are far from being the real answer to any labor dispute at hand.

I know very well that, where management proves itself to be wholly obstinate, completely self-centered and entirely unwilling to reason and compromise, a strike or stoppage of work may possibly be the only weapon in labor's arsenal—where a public utility or key industry is not involved. But I nevertheless insist that both labor and management must be educated to realize that the public interest requires the exhaustion of all possible alternatives of mediation and arbitration in order to prevent the disastrous consequences which always accrue when labor goes out on strike.

We are all, in the final analysis, members of but one union—our American Union of 48 States—the union of all hearts and all hands in a Constitutional Republic.

Open-mindedness, humor, God's guidance, and plenty of honest head work—let these and other inestimable advantages frame our concept of the truly American conference.

Civil Rights—When and How?

EXTENSION OF REMARKS

OF

HON. CLYDE R. HOEY

OF NORTH CAROLINA

IN THE SENATE OF THE UNITED STATES

Wednesday, July 28, 1948

Mr. HOEY. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "Civil Rights—When and How?" published in the Christian Science Monitor of July 26, 1948.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

CIVIL RIGHTS—WHEN AND HOW?

Civil rights has become an irrepressible issue. It exploded at the Democratic convention. It threatens to deadlock the special session of Congress. It overshadows this election. It will continue to reshape American politics through many elections.

Today millions of Americans have a new awareness of injustices long accepted in their midst. The shaking up and mixing caused by the war; the antipathy aroused by Nazi racism; the books and movies graphically portraying the plight of second-class citizens, and the new political power of Negro and Jewish groups—all these have combined to focus attention on the problem.

Signals of a tremendous change have been accumulating. Court decisions supporting the right of Negroes to participate in primaries have accompanied a rising tide of liberal opinion and practice in the South. Southern efforts to stop lynching and to improve Negro educational opportunities have gained speed even while Federal legislation was being blocked. But the most dramatic evidence that something very big has happened came in the recent Democratic convention.

First a Negro delegate was given full opportunity to present the civil-rights case from the rostrum. Then the delegates not only voted down a State-rights plank but upset the party managers by throwing out a compromise plank of generalities on civil rights and substituting one which spelled out specific reforms. This was largely possible because the big-city bosses who defeated Henry Wallace in the 1944 convention on this issue decided that it has now become politically profitable to support civil rights.

This slapping down of the State-rights defenders undoubtedly strengthened their movement to run a separate ticket. One need not belong to that group or be greatly concerned about the shifting of power in the Democratic Party to have some uneasy questions about these developments. For with both parties now committed to civil-rights legislation and the Democratic Party largely in the hands of men ready to press it, either from conviction or for political advantage, such a measure as a Federal fair employment practices act becomes an early possibility.

This newspaper has advocated careful anti-lynching legislation. The South's own public opinion condemns lynching. But Federal laws designed to end segregation, to force social equality and revolutionize the customs of a whole people, must be questioned.

Action of this kind can do more harm than good. The new awareness of injustices is a healthy development. Reform is overdue. But reform is a much bigger thing than passing a law. Unhappily, much of the civil-rights issue is today surrounded by ignorance and intolerance as between races and sections which retard real reform.

In the South even those most ready to concede the need for change feel that the South is misunderstood, and are resolved to defend their own rights of local self-government. In the North, hasty, doctrinaire concepts of reform tend to foster an unfortunate holier-than-thou attitude and to overlook the discriminations—often unconscious but still cruel—experienced by Negro and Jew in the North.

There is really little disagreement on the need for reform. The big question is, How? Both education and legislation are needed in the great enterprise of extending and developing civil rights in America. But legislation—impelled by a combination of sincere but overzealous reformers and politicians seeking partisan or personal advantage—can easily get too far ahead of education. Such measures would be 10 times harder to enforce than prohibition; they would be nullified and in the process would engender new bitternesses.

The great need in the civil-rights picture today is not for more coercion, but for more Christianity. With more understanding—more willingness to put oneself in his brother's place and to examine the beam in one's own eye—reform can be speeded.

President Truman and the Congress

EXTENSION OF REMARKS
OF
HON. E. H. MOORE
OF OKLAHOMA
IN THE SENATE OF THE UNITED STATES
Wednesday, July 28, 1948

Mr. MOORE. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article by John O'Donnell, appearing in today's issue of the Washington Times-Herald.

There being no objection, the article was ordered to be printed in the RECORD as follows:

CAPITOL STUFF

(By John O'Donnell)

For a seasoned and smart politician, one who came up the hard way through the tough Pendergast school of public office holding, Harry S. Truman has developed a surprisingly acute case of campaign buck fever and the jitters.

There's plenty of evidence. The special session of Congress which has just opened on such a sour note. The well-delivered but poorly thought-out Truman acceptance speech in Philadelphia was another.

The sudden shooting from the hip with two hastily drafted Executive orders designed to end the segregation of Negroes in the armed forces and in Federal employment. That last indicates that the temper and tone of the Wallace convention in Philadelphia got under the Truman political hide and that now every desperate and hasty move must be tried to hold the thousands of Negro and Jewish votes which Franklin Roosevelt gripped so firmly in the last four Presidential campaigns.

But Franklin Roosevelt was a much smarter politician than Harry Truman and had a much brainier staff of White House thinkers. F. D. R. had his FEPC official set-up and got away with it without stirring up a revolt among the southern Democrats.

Truman, spurred by the lively threat of defeat, is now slapping together speeches and plans without first getting the facts from his advisers. He is playing the dangerous game of making political issues of race and religion without getting the advice of recognized leaders and experts in the field. And Truman's legislative proposals are being drafted apparently without giving a damn whether they can stand up in court.

When it comes to going off half-cocked, consider Truman and his play for votes on the displaced-persons legislation.

In the course of his "cone one, come all" challenge to all political foes, tossed from the rostrum of the Philadelphia Convention Hall on July 15, the President declared:

"I shall ask for an adequate and decent law for displaced persons in place of this anti-Semitic and anti-Catholic law which this Eightieth Congress passed."

Now that statement of Truman's was deeply disturbing to the Catholics of America—and deeply resented.

In the first place it was flatly untrue. No responsible American Catholic, either in clergy or laity, had ever even suggested that this piece of legislation by the Eightieth Congress discriminated against individuals of his faith.

Furthermore, the Catholics didn't like this move by Truman to inject the religious issue of Catholicism into this coming bitter campaign where it certainly has no place. And they didn't like the idea of Truman angling for what is rather insultingly referred to as the Catholic vote. One White House move along that line had been squelched a few days earlier at the convention when prominent Catholics in the party turned thumbs down on a suggestion from a Truman representative that the Vice Presidency go to a Catholic—United States Senator O'MAHONEY, of Wyoming, being prominently mentioned.

This in effect was the reply sent back on the Catholic-for-Vice-President idea:

"No. In the first place you're wrong on the assumption that there will be any such thing as a solid Catholic vote next November. There will be Catholic votes for Truman, for Dewey, and Warren, and probably some for Wallace.

"In the second place, the idea of a Catholic getting into the White House through the back door solely on a vote-angling expedition is repugnant. If and when an American Catholic of national stature and ability comes forward, then let the convention nominate him on his merits—not on his religion or his vote-getting ability."

Truman's gratuitous hauling in of the Catholics in his denunciation of the displaced persons legislation at Philadelphia was taken so seriously that an official reply now has come from Catholic hierarchy of the United States.

The bishops of all dioceses had created the National Catholic Resettlement Council to study this displaced-persons problem and legislative action to meet the condition. Their chairman and the spokesman for them on this occasion is Msgr. Edward Swanstrom, of New York. States Monseigneur Swanstrom, and this statement was only made with the authority of the bishops:

"The displaced persons legislation is not discriminatory as far as Catholics are concerned.

"No leading Catholic authority or any official representative of the National Catholic Resettlement Council has ever spoken of the measure as being anti-Catholic despite reports in the public press."

And, we may note, the only reports in the public press on this issue are the quotes from President Truman as he spoke in the convention hall July 15, last.

The official Catholic attitude is that although the bill can be improved it is not, under any stretch of the imagination, anti-Catholic. When the Congress sent the bill to the White House for Truman's signature the National Council of Catholic Men, the National Council of Catholic Women, the Knights of Columbus, and other Catholic organizations sent messages to the President urging him to sign the measure.

Now to find Truman denouncing as anti-Catholic a measure which the Nation's outstanding Catholics had urged be made a law, creates another weird development in this already fantastic political campaign. No one believes that Truman deliberately planned to offend Catholics by his remark. It was just that he didn't know any better—or was too rattled to know what he was saying.

The Post Office Department

EXTENSION OF REMARKS
OF
HON. GEORGE M. GRANT
OF ALABAMA
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 29, 1948

Mr. GRANT of Alabama. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address of S. R. Young, executive assistant to the Postmaster General, before the

annual convention of the Ohio chapter of the National Association of Postmasters, Cleveland, Ohio, June 2, 1948:

I should like first to express my appreciation to your distinguished secretary, Hon. Algy R. Murphy, for his thoughtful invitation to me to attend this great convention.

As you can well imagine, I am called on to attend many postal conventions and meetings in every part of the United States, but nowhere in this great Nation have I found warmer hospitality or more enjoyable companions than here with you in the city of Cleveland. Your sincerity is indeed inspiring and your good fellowship the kind that makes any man want to be a part of you.

One has but to be here and look out upon this fine audience to appreciate and value the support and strength that you give to the greatest Postmaster General the Postal Service has ever had, the Honorable Jesse M. Donaldson.

In you he has resources of wisdom, of zeal, and of high purpose upon which he relies at all times.

No group knows better than the postmasters of this country the benefits to be derived from membership in an organization that has the respect and confidence of the executive officers of the Federal Government and the entire membership of the National Congress. Look, if you will, at the results that your national organization has achieved, and you will understand what I mean.

I am delighted at this opportunity to congratulate the officers of the Ohio chapter of the National Association of Postmasters upon the way they have arranged and conducted this convention, and upon the substantial contribution your chapter has made to your national organization and to the department.

I am proud also that I have this occasion to salute your national president, your good friend and mine, the Honorable Burris C. Jackson. He is not only an able president of your national organization, but a loyal and efficient postmaster. I know, perhaps better than you, how close he is to Postmaster General Donaldson, how strong the friendship is that exists between them, and how much Mr. Donaldson values that friendship. I know too the valuable contributions to the entire postal service that have come from the fertile and active brain and the unremitting toil of Burris Jackson. Never before has there been a stronger bond between the Post Office Department and the postmasters of the Nation, and all of us owe a debt to Burris for his great part in bringing this about.

You showed your confidence in him by electing him your national president at Los Angeles last fall, a convention that I was happy to attend.

Every departmental official and every Member of Congress knows that Burris Jackson is motivated by his desire to help the Postal Service and the postmasters—all postmasters, big and little—everywhere in the United States. It is because I am so familiar with the good that he has done through the years, as a colonel in the Army Postal Service during the war—where he solved postal problems that looked insoluble—as a postmaster, as an officer in your national association, and now as your national president, that I am prompted to speak of him as I have.

Now perhaps you would like to know a little something of the way Postmaster General Donaldson has organized the Post Office Department. Of course, he keeps in close touch with the heads of all the bureaus of his Department. His door is always open to receive them with their problems, and you may believe me when I say that they are with Mr. Donaldson but a few minutes before they come out with the right answers.

At the right hand of Mr. Donaldson is the office of the First Assistant Postmaster General, the Honorable Vincent C. Burke, who serves as Acting Postmaster General when Mr. Donaldson is absent from Washington; and at the left hand is the office of your humble servant.

The Postmaster General receives in the neighborhood of 1,000 letters a day, and our efficient and courteous corps of secretaries see to it that this considerable volume of mail is promptly handled, bringing to the attention of the Postmaster General those matters of great importance, and bringing to my attention other matters that he should know about.

The main job of the executive assistant to the Postmaster General is to relieve him as much as possible of the multiplicity of detail that could literally swamp any man. The Executive Assistant is also in close and constant touch with the Postmaster General and with all of the officials in every bureau of the Department. It is a part of his job to see to it that the policies and decisions of the Postmaster General are well known and understood by everyone in the Department, and of course the executive assistant does his part in seeing that those policies are observed.

It is with pride that I avail myself of the presence of this representative and distinguished portion of the postmasters of the State of Ohio to give you a brief picture of the over-all postal administration that comes each day before the eyes and under the hand of the Postmaster General of the United States.

When I tell you that in the course of 1 year Postmaster General Donaldson is called upon to review and place his signature upon approximately 50,000 important letters and documents, that he must receive and confer with an average of 20 callers a day—Senators, Congressmen, postmasters and postal patrons—and then present himself on an average of 100 times a year as a witness before the committees of the Congress in behalf of postmasters, postal employees and postal patrons, and, too, keep himself fully informed upon the intricate details of the vast postal operations, you will begin to understand that his job is not alone in making the mighty decisions which form the policy of the Postal Service, but that it has tremendous physical exactions as well. But you will be happy to know that Jesse Donaldson thrives on it. He is in excellent health and in a cheerful mood at all times.

Today we have 143,000,000 people in this country who secure mail service through 42,000 post offices, with the help of 500,000 men and women employees. Bear in mind that postal transactions range all the way from the purchasing of a 1 cent stamp to the sending of hundreds and hundreds of tons of newspapers and periodicals at the somewhat complicated second-class postage rates; from the receipt and delivery of mail on a rural route, emanating from one of the smallest post offices, to the tens of thousands of letters that ebb and flow from the great business establishments in our large cities; and you will begin to appreciate the ramifications of the vast postal operations, and at least some of the burdens that rest today upon Postmaster General Donaldson and the 1,730 people who assist him in the Department in Washington.

But yet, we in the Department realize that we do not know everything about the postal service. The first thing we do when something comes up about which we need information is to call upon you postmasters for it. You always have the answers, and the right answers.

Yes, we have the world's biggest business, or rather service organization. The postal service has the largest savings bank in the world—over $3,000,000,000 on deposit in postal savings.

We are the world's largest transmitter of cash—during the fiscal year we handled $4,300,000,000 of other people's money through the money order system, representing 325,000,000 transactions.

This fiscal year we will transport and deliver 40,000,000,000 pieces of mail, weighing 4,500,000 tons.

We own the largest fleet of trucks in the world—over 10,000 (yes, many of them are 10 to 20 years old)—and we rent 50,000 other trucks.

We are the world's largest real-estate owner, having buildings or rented space in 42,000 places, with property value of many billions of dollars.

Each day we sell 118,000,000 stamps of all kinds to about 20,000,000 people.

Each day we use over 6,000 miles of twine just to tie letters and packages.

We are the world's largest employer, with 500,000 people on our pay roll.

Why, the New York City post office alone does more business than the entire Canadian postal service. Chicago does more than the whole continent of Australia. This fine post office here in Cleveland, under the administration of our able and distinguished host postmaster, the Honorable Guy R. Lucas, does more postal business than Greece, Egypt, Chile, and Bolivia, combined.

I do not have to remind you that the cost of just about everything has gone up—everything from potatoes to postal supplies. Whenever you visit a grocery or dry-goods store you learn just how much it has gone up; but not the price of postal service we give to the people of this country. The fact is, there have been some reductions—the air-mail rate, for instance, and the money-order fees from the temporary rates that were tried out during the war.

The postal volume has doubled in 10 years, yet our equipment items are far below what is needed—only what we had 10 years ago. We are literally bursting at the seams, and Mr. Donaldson is trying to do something about it.

Our total receipts for the present fiscal year will reach the $1,400,000,000 mark—twice what it was 10 years ago. And our expenses this year will be about $1,750,000,000—a deficit of $350,000,000. Of course, that deficit is of great concern to your Postmaster General, and it comes about through the increased costs to railroads, air lines, equipment items, yes, and through increases of salaries of clerks, carriers, and postmasters, too—and every cent of those increases are deserved and more. As you know, Congress is now considering additional increases, and Mr. Donaldson appeared before the committees of Congress in behalf of that legislation. At the same time he has recommended to the Congress that consideration be given toward wiping out the deficit or a substantial part of it by moderately raising the price of the services that we have for sale. That, however, is a matter for Congress.

Bear in mind that we can neither control the time, the place, nor the volume of the mail given to the postal service for distributing, transporting, and delivering. Yes, we are a service organization. The only thing we ever make any money on is first-class mail and through postal-savings investments. Every other service given by the Post Office Department is at a financial loss, yet they are services needed by the people of this country.

I wonder how many of you realize that the great State of Ohio has 1,342 post offices, whose gross receipts last year were $64,000,000—an average of $48,000 for each post office?

That the salaries of he Ohio postmasters last year amounted to $3,260,000—an average of $2,447 for each postmaster, including those at fourth-class offices?

Do you know that the Post Office Department spent last year $54,700,000 in Ohio for salaries to all postal people in post offices, and for rent, maintenance, and such items, but this does not include pay to railroads, air lines, or star-route contractors.

Are you aware that you postmasters in Ohio sold 13,500,000 money orders, valued at $186,000,000, and that you cashed 12,500,000 money orders, paying out $196,000,000? Big business.

Why, do you realize that you have 184,000 postal-savings depositors who have entrusted $160,000,000 of their savings in your care?

Or that you sold $338,000,000 worth of war and savings bonds to your patrons from 1941 to 1947?

How many know that Ohio has 1,535 rural routes serving the people who live in the rural sections; that they travel each day of service a total of 71,000 miles—nearly three times around the earth at the equator?

In doing all of these things your Postmaster General and all of us in the Department know you are giving excellent postal service to the 7,773,000 people who are fortunate to live in this great State. I think you have done mighty well.

Now, of course, in administering so vast an enterprise, Postmaster General Donaldson has to have the assistance of able and loyal men and women, such as you postmasters here today. He has the help, too, of able and loyal men in Washington. I know of no one upon whom Mr. Donaldson relies more or with greater confidence than he does on the able and distinguished First Assistant Postmaster General, the Honorable Vincent C. Burke, whose career so closely parallels that of Mr. Donaldson—clerk, supervisor, post-office inspector, Deputy First Assistant Postmaster General, postmaster at the city of Washington, D. C., for over 10 years, and now First Assistant Postmaster General. He is your friend.

There is another man in the Department whose voice is heard in behalf of postmasters and clerks and carriers wherever he goes—a tried and true friend of the Postmaster General, an able and hard worker in behalf of everyone in the postal service—the distinguished Third Assistant Postmaster General, Hon. Joseph J. Lawler.

I only wish it could have been your privilege, as it has been mine so often, to hear Postmaster General Donaldson, aided and supported by all of the officials in the Department, such as Mr. Burke and Mr. Lawler, when he appears before the Bureau of the Budget and the committees of Congress in behalf of appropriations sufficient to enable us in Washington to authorize you to give to the people of this country the kind of postal service to which they are entitled. It would do your heart good, as it did mine.

You know I have been in Government service almost 30 years—nearly long enough to qualify for the dubious rank of bureaucrat. In my time I have seen Postmasters General come and go. They have left their marks upon the Postal Service, and all of them have made splendid contributions to it.

But ladies and gentlemen, I do not hesitate to say that in Jesse Donaldson as Postmaster General of the United States, the postmasters of the land and the employees in every line of postal endeavor have the finest friend and best-informed Postmaster General in the 170-year history of the United States Postal Service.

Yes; in Jesse Donaldson you and I have the foremost champion of good mail service, and good treatment to the people who give that service, who ever graced the Cabinet of any President.

He began his career as a city letter carrier in a little town in Illinois 43 years ago, with hope in his heart, faith in his fellowman, and the ambition to do a good job in his soul. He progressed through the ranks as clerk, post-office inspector, inspector in charge, deputy second assistant, deputy first assistant, chief post-office inspector during the most trying period in the history of the inspection service—the late war—when I had the honor and pleasure of serving as his assistant chief inspector—then on to First Assistant Postmaster General, and now, after over four decades of honorable and distinguished service, he has arrived at the pinnacle of his illustrious career, Postmaster General of the United States.

From the top rung of the ladder, Jesse Donaldson stretches forth his strong hand of friendship to aid you and me in giving better service to the people, and in helping us in our hopes and our ambitions. How fortunate we are that his wisdom, his experience, and genius are ours to lean upon.

I happily place on record my conviction, shared I believe by every person in this room and every postal employee in the land, that in the life, character, and career of Jesse Donaldson, and by his actions as our Postmaster General, he has changed decisively and permanently for the better the moral standard of postal employment by placing the postal service irrevocably upon the highest plane of its long and proud history.

His life and service to the people and to those of us who labor with him must be regarded as the most commanding event in postal destiny.

Where could you find a better example of the American way of life than in the postal career of Jesse Donaldson?

These are some of the reasons why I view Mr. Donaldson's appointment as symbolic of unity through the vast domain of our service, free from prejudice and indifference, as evidenced by the unprecedented acclaim his appointment received in every quarter of our land, from men and women in every walk of life.

Let us be aware of the new importance and higher value everyone in this great organization has acquired through the presence of our friend Jesse Donaldson as Postmaster General of the United States. Let us renew our pledge of loyalty, of honest effort, and share in the mighty responsibilities that rest serenely today upon the broad shoulders of our beloved chief.

Already I have consumed more time than I intended, and with this brief word I shall conclude. I hope that each of you ladies and gentlemen will take from this convention the thought of the personal and sincere appreciation of the Postmaster General and of all of us in the Post Office Department. Mr. Donaldson, as is everyone in Washington, is mindful of your fine work, your devotion, and your loyalty. When you go back to your offices remember that this Postal Service of yours and mine, which in truth belongs to all the people, will never be greater than the men and women who give their time and talents in its labor. From the days of Benjamin Franklin, the first Postmaster General, down through the administrations of 56 Postmasters General, to this good hour under our beloved Jesse Donaldson, the Postal Service has been judged and measured and weighed by the character of service—courteous and efficient—that it gives to everyone who seeks to use it, and you and I have no more sacred trust than to protect and promote the confidence that the public has in us.

That is why I say, ladies and gentlemen, that this Postal Service is more than a mere paper record. It is a spirit, a faith, and a cause. This Postal Service has been no accident, but rather the result of endless toil, boundless faith and enthusiasm. There will be more to that record if we here today are as true to its ideals as those who have gone before us were in theirs.

Let us hold high the torch.

The Special Session and Prices

EXTENSION OF REMARKS

OF

HON. ROBERT A. TAFT

OF OHIO

IN THE SENATE OF THE UNITED STATES

Thursday, July 29 (legislative day of Wednesday, July 28), 1948

Mr. TAFT. Mr. President, I ask unanimous consent that there be printed in the Appendix of the RECORD an address on the subject "The Special Session and Prices," broadcast by me last night over the facilities of the National Broadcasting Co. and the Mutual Broadcasting System.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE SPECIAL SESSION AND PRICES

The Constitution says that the President may convene Congress in special session on extraordinary occasions. There is no national emergency or extraordinary occasion today. The President did not even refer to the critical situation in Berlin.

This call was announced by the President after 2 o'clock in the morning in the midst of a political speech to the Democratic Convention, solely as a political maneuver in the President's campaign for his own reelection. In the same speech he denounced the Eightieth Congress as the worst in history in spite of the magnificent cooperation he has received in every phase of foreign policy and in many fields of domestic policy. The session was called without consultation with the leaders of Congress, after Congress had adjourned with the full acquiescence and approval of the Democratic minority leaders. We would be fully justified in adjourning at once until the election is over.

Serious legislative problems cannot be satisfactorily handled in the midst of a political campaign. Legislation should be a deliberative process, and every important measure should be debated from the viewpoint of the public interest. In the Eightieth Congress our debates have been remarkably free of partisan argument. The Eightieth Congress enacted a tremendous program of foreign and domestic legislation and completed all routine and emergency matters generally recognized as an extraordinary record of accomplishment. Few realize that Federal legislation today covers such a wide field of subjects that only a fraction can be properly studied and handled in any one year. It would take at least 6 months to give proper consideration to the President's omnibus left-wing program. We agree with Senator BARKLEY'S statement made in the Senate a month ago before politics entered the situation:

"I have done what I could to cooperate with the majority in bringing about an adjournment because I think if we sit here until after the convention, or if we sit here between the conventions, or after the two conventions, the entire time of the Congress will be taken up with political bickering and political legislation and political oratory, and I do not want that to be brought about. I want to finish what we can finish and adjourn the Congress, and I have tried my best to cooperate with the leaders on the other side to bring about an adjournment."

The President's quarrel with the Eightieth Congress is not its failure to enact legislation, but a fundamental difference in Government philosophy between the President and Congress. The President would fix wages, fix prices, expand Government spending, increase Federal taxes, socialize and na-

tionalize medicine, and generally regiment the life of every family, as well as agriculture, labor, and industry, and his proposals would ultimately create an annual budget which could not be less than $60,000,000,000. Such expenditure would make inflation inevitable and permanent. The Congress believes that progress must be made and all our problems solved within the principles of liberty, equality, and justice to all men which guided this country for 150 years. This difference has resulted in a constant conflict, resulting in many vetoes by the President, and frequent action overriding his vetoes. Constructive legislation on liberal lines which the President did not dare to veto, has been criticized and attacked by him. It is difficult and dangerous to work out great public problems without the slightest cooperation from a hostile President. The only way this fundamental difference can be resolved is by vote of the people at the November election.

In the President's program there is very little of an emergency nature. Most of the social-welfare legislation proposed is of a permanent character, which can be considered more thoroughly next winter. The Democrats controlled Congress for 14 years, professing the greatest interest in social-welfare legislation. Now they say that they failed to deal adequately with social security, education, health, and housing, and blame the Republicans for not enacting the program they failed to enact during 14 years.

We have determined, therefore, that this session should be limited to a short period of perhaps 2 weeks. Our committees are carefully examining all of the President's recommendations to determine whether there are any matters which can be dealt with promptly on an emergency basis.

The situation which gives concern to members of both parties is the spiral of inflation resulting in constantly higher prices. But, of course, the higher prices are caused directly by the greatly increased purchasing power of the people competing for all kinds of food and other commodities. Thus, even at the frightful prices of meat, the American people are eating 15 percent more meat per capita than before the war. In his message to Congress, the President deliberately omitted any reference to the income side of the picture. The fact is that the cost of living for an urban family has gone up 72 percent since 1939, just before the war. But in the same period the average hourly earnings of 13,000,000 factory workers have gone up 100 percent, and average weekly earnings have increased from $23.86 a week to $52.81 a week, or 121 percent. It is quite true that the price index has finally reached the same level where it was in 1920, but the earnings in 1920 were $26 per week, while today they are more than $52. Personal consumption expenditures have increased 150 percent since 1939.

Unfortunately, there are many families who have the high prices without sharing adequately in the increased income. This Congress increased the salaries of all Federal workers, and I believe that the wages of all workers should be increased at least in proportion to the cost-of-living increase since 1939. But still the high prices spell hardship for millions.

The President boasts that there has been a tremendous increase in farm income, and says that if the farmers don't do their duty by the Democratic Party, they are the most ungrateful people in the world. He boasts of the fact that there has been a tremendous increase in the income of labor, and claims that all workmen must be ungrateful if they do not vote the Democratic ticket. In other words, he claims credit for high wages and high farm income, and then tries to blame the Republicans for the other side of the picture—the high prices which must inevitably result from high wages and high farm prices. Such a claim cannot be characterized otherwise than demagoguery.

Who is responsible for the inflation spiral today? It is the result of many policies all sponsored by the administration in power for the last 15 years. They vastly increased the debt before and during the war, creating huge amounts of money which is still coming into the market to drive prices up. Immediately after the war they adopted the theory that a general 30-percent increase in wages could be granted without price increase. This theory was disproved even by OPA, which promptly had to increase coal and steel prices. Prices have been chasing wages ever since.

They have permitted a steady increase of bank loans at the rate of five to seven billion dollars a year. By making loans, the banks create money for use in buying more goods to force up prices.

There has been a great expansion of mortgages for houses. Only last week the Reserve Board pointed out that there have been increases of $8,000,000,000 in 2½ years, stimulated by Government action creating money to bid up the prices of building materials and homes.

In 1947, we exported $11,000,000,000 more goods than we imported. If we let foreigners come in here and buy huge amounts of American goods without their being able to produce goods to furnish to us, of course that foreign demand forces up prices. This year the excess of exports will be between seven and eight billion dollars.

The President insists on expenditures of nearly $40,000,000,000 a year, and nearly all of this money finds its way into the markets to help force up prices.

The Government tax burden is more than forty billion a year, and many businesses and individuals today are able to pass on those taxes into the price of the goods that the housewife buys. When you buy a pair of shoes, you pay some of the taxes of the farmer, the feeder of the cattle, of the packer, of the hide processor, of the shoe manufacturer, and the shoe retailer. The consumer finally pays. Probably 25 percent of the price you pay for manufactured goods represents taxes.

These are the causes of inflation and while we go on creating money and increased buying, we cannot be surprised at higher prices. Each of the programs has merit. None perhaps can be wholly eliminated. But if we do not want high prices we will have to cut all of these programs in a reasonable proportion.

The President has power to cut many public expenses. He has never shown the slightest interest in economy of any kind. I have yet to see the project for spending money which he has not endorsed. He wants to increase taxes, and three times vetoed our tax-reduction bills. The Federal Reserve Board has power by raising the rediscount rate and limiting its purchases of Government bonds to force a reduction in bank loans. In fact, its power is so great that the danger is, if it were carelessly used, it might not only reduce all prices, but precipitate a depression.

The President does not lack power to reduce prices. The fact is he does not want to reduce prices, certainly not before the election. He wants votes from the farmers for high farm prices. He wants votes from the workmen for high wages.

We will look over the field and see whether any other reasonable powers can be given him by which he can restrain the expansion of credit, but I feel quite confident he will never use them before November. Fortunately, bountiful crops have already reduced the price of corn, wheat, and other grains, which is bound to be reflected in a lower price for food. Otherwise the only hope for lower prices lies in getting rid of administration inspired by the New Deal philosophy of spending and spending and taxing and taxing.

The President tries to blame high prices on the Republicans because they have refused to restore to him power to fix prices, fix wages, allocate and ration commodities. In October 1947 the President said that such controls were police-state methods. He was right; they would mean the end of economic freedom in this country. The President wants to reestablish OPA, WPB, and all the wartime agencies. He represents that he only wants these powers for stand-by purposes, and that they will be sparingly used only with relation to vital commodities in short supply. This Congress has learned that when powers are once granted to a left-wing administrator they are freely used. If there is one thing we learned from OPA in the war, it is that you can't do price control partially. Every important commodity is interrelated. You can't fix the price of meat unless you fix the price of corn and wheat and chickens and dairy products. Once you start to fix prices, you have to regulate every detail of every sale transaction. This Congress certainly is not going to grant powers on the theory that they won't be used.

Apart from the destruction of liberty, there are three practical objections to adopting police-state methods:

1. They choke production, instead of increasing it. What we want is more production to give people what they need at reasonable prices. Surely the memory of the American people is not so short they can't remember OPA after the war. The housewife couldn't buy any butter, any meat, any soap, or canned goods. No man could find a white shirt or a new suit. There was no leather because of the black-market slaughtering of beef, and no shoes. There wasn't any lumber or building materials, except in the black market, and none of them came back until we got rid of OPA. The English have complete price control and rationing, but they haven't got enough to live on. They have no incentive to get production, and they rely on American aid for a standard of living far below our own. Many countries in the world have controls. In all of them incentive to produce has vanished.

2. In the second place, nobody knows enough to do the job of control as well as it is done by natural economic law. There are probably a billion transactions a day in this country, and no one knows enough to fix the prices and conditions to govern those sales. I saw the little men who struggled with the problem in the OPA bureaus. They created books and books of regulations and had to amend them daily. If their rules fitted the East, they didn't fit the West or the South, and there was no relief from bungling and injustice.

3. Price control and rationing won't work in America in time of peace. In time of war a morale develops which makes it possible to maintain some control, but once peace came, remember the black markets which existed here? Eighty percent of the meat was in the black market. There was no lumber in the lumber yards, but millions of feet on black-market trucks. The American people don't like to be regimented and they don't like to be ordered around by Federal officials. Morals are broken down, because it pays to be a criminal. The moment the Government fixes the price of corn at less than its natural price, most of it goes into the black market.

Price control won't work. Surely, the President's memory must be short. He took off price controls, not the Republicans. Let's remember what really happened. July 1, 1946, the Democratic Congress renewed price-control powers with various modifications designed to increase production and the provision that they should be gradually relaxed. The President vetoed the bill, resulting in the complete removal of control for a period of 30 days. By the time the Congress could enact another bill—and remember this was a Democratic Congress—it was almost impossible to reimpose controls on basic agricultural products. The President's own decontrol board then removed controls on dairy

products and grains. The attempt to control meat was such a fiasco that the President himself took off those controls just before the 1946 election, because he was told that no Democratic Congressman could be elected if they remained in effect. Then after the election, it was the President himself who took off almost all other controls before the first Republican Congress in 14 years could even meet. He could have reimposed controls at any time up to July 1, 1947. He did not do so, and did not ask for a renewal of his powers. Can he sincerely believe that the Government could now enforce the controls he is asking for without a vast army of enforcement agents; or even with such an army? He knows that no reasonable man would give him such power, and personally I believe he is only asking for it because he knows it will not be granted. The President's adoption of this police-state program represents a complete surrender to politics, and to the left wing which is so tempted to stray away to the support of Henry Wallace.

The policies of the administration have caused inflation. An administration which has been in power for 16 years cannot escape the results of its own action. It has the powers to check inflation today—we may grant additional powers—but the only real recourse of the people against inflation is at the election on November 4.

Address by Hon. Scott W. Lucas, of Illinois, at the Democratic National Convention

EXTENSION OF REMARKS
OF

HON. FRANCIS J. MYERS

OF PENNSYLVANIA

IN THE SENATE OF THE UNITED STATES

Thursday, July 29 (legislative day of Wednesday, July 28), 1948

Mr. MYERS. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD the address delivered by the Senator from Illinois [Mr. LUCAS] at the Democratic National Convention held in Philadelphia on July 14, 1948.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Mr. Chairman, ladies and gentlemen of the convention, I am grateful for the opportunity to appear before the Democrats assembled in this convention and tell you briefly why it is necessary that the people of this country return the control of the United States Senate to the Democratic Party in the election next November.

The one great issue on which the American people are united, regardless of party, is the issue of permanent peace.

In the span of a single generation, we have passed through two World Wars, in which we played a decisive part. We know at first hand the iron cruelty of war.

Deep down in the heart of every American burns the hope that never again will we have to pour out our blood and treasure in the holocaust that is modern war, to defend the freedom we cherish.

Yet today, 3 years after the close of the Second World War, the press and radio bring us their daily quota of alarms and rumors of threats to the uneasy peace we now enjoy. The anxious task of our time is to find the sure path to world peace.

How shall we achieve this humanitarian objective? What must we do as a government and as a people to make sure that another generation of Americans is not visited with the horrors of modern war?

Next November the people of this country will be asked to make a momentous choice. On election day they will be called on to place their confidence in a President and a Congress to lead them through the thorny years which lie ahead. Whether we shall have permanent peace may well be decided by the kind of leadership these men will provide.

While the President is the architect of our foreign policy, it is not alone his responsibility. The Senate of the United States has an equally important role to play in the shaping of that policy.

The President has the power to make treaties, by and with the advice and consent of the Senate, provided that two-thirds of the Senators present concur. The Senate alone has the power to refuse to confirm Presidential appointments responsible for administering our foreign policy. Yes, the President makes our foreign policy, but the Senate can unmake it. It has done so in the past. The wrong kind of a Senate could do it again.

Most of us are not too young to remember how high our hopes were raised by President Woodrow Wilson's bold proposal for the building of a League of Nations after the First World War. A war-weary world cried out for the creation of a body which could resolve disputes among the nations without bloodshed.

But a wrecking crew of Republican Senators decided that America was not to join the League of Nations. They forced America to cut herself off from the rest of the world. They fostered that spirit of isolationism in our foreign policy that has been a contributing factor to policies which involved us in two world wars.

It was proposed that we join in the activities of the World Court at The Hague. Again it was a group of Republican Senators who successfully resisted even this mild venture in international cooperation.

In the last decade great strides have been made to take the foreign policy of this Nation completely out of politics. There exists today under our great leader, President Harry S. Truman, a foreign policy bipartisan in its formulation and execution. It is designed to stop politics at the water's edge. The man primarily responsible for this new and so necessary spirit of cooperation between the executive and legislative branches of the Governmont on foreign affairs was the late, lamented President of the United States the Honorable Franklin Delano Roosevelt.

Today in the Senate of the United States this policy is being carried forward faithfully under the leadership of the able and distinguished Republican from Michigan, the Honorable ARTHUR VANDENBERG.

In spite of the praiseworthy efforts of VANDENBERG and other Republican leaders to wean their party away from isolationism, many Republican Senators still cling tenaciously to that repudiated doctrine. My friends, until the Congress of the United States stands solid, united, and firm in our relations with other nations, the enduring peace for which we daily pray will always be threatened.

Ladies and gentlemen of this convention, 18 of the 32 Senate seats which are to be filled next November are now held by Republican incumbents. These 18 men are hopelessly divided on the issue of isolationism. The importance of this issue demands that every American voter study the voting record of these isolationists with meticulous care and prudence.

Only a victory for the Democratic candidates for the Senate can give the American people the assurance they demand, that never again will the ghost of isolationism rise to kill America's determined effort to live in a peaceful world.

I make this plea for a Democratic Senate not in any selfish spirit of partisanship or through devotion to my party. I make it out of the profound conviction that no other course is open if we are to create the conditions which must underlie a durable peace.

One of America's revered patriots, Patrick Henry, once told us: "I have but one lamp by which my feet are guided, and that is the lamp of experience. I know of no way of judging the future but by the past."

Let us cast the bright light of experience on the record of some of these 18 Republican Senators. We shall then see clearly why they must be replaced by members of the Democratic Party.

Mr. Chairman, if there has been one piece of legislation which has stopped the expansion of communism in Europe, it is the European recovery program. It is better known as the Marshall plan. Here was an enterprise which demanded boldness and imagination. It was a program designed to reconstruct and make self-sufficient the western democracies of Europe.

Unless Europe once again is made up of nations friendly to us, capable of defending themselves against economic chaos, Russian communism will surely step forward to fill the vacuum created by the war. This was an issue on which to test the strength of isolationist sentiment in the Senate. This was an issue to determine whether or not there had been any reformation in these isolationists who voted before and since Pearl Harbor against practically every measure designed for the defense and security of this Nation.

Let us examine the record. Let us see how these 18 Republican Senators voted on this issue. The first vote came on a motion by Senator TAFT, of Ohio, to reduce the amount authorized for the plan by $1,300,000,000. Ten of these eighteen supported Senator TAFT in his effort to convert the Marshall plan from a measure which held genuine hope for the successful reconstruction of Europe, to a measure which would merely provide relief to the stricken of Europe, thereby keeping them on the dole.

On the final vote on the Marshall plan, which was one of the most important votes ever recorded in the interest of America, we find nine of these Senators voting against this new cornerstone of our foreign policy, which is now proving itself so effective. These Senators, acting from deep-seated isolationist motives, from which they cannot divorce themselves, were unfortunately joining hands with the American Communists and their fellow travelers who are doing everything within their power to uphold the Kremlin in its desperate effort to destroy the effectiveness of the European recovery program.

On the question of the renewal of the Reciprocal Trade Agreements Act, which is the other half of the Marshall plan, we find the philosophy of most of these same Republican Senators rooted deeply in economic isolationism. If "we shall say what we mean and mean what we say," we should offer the world our hand in international good will. We should adhere rigidly and faithfully to those trade-agreement policies which were enunciated and laid down many years ago by that cool, farsighted, and distinguished statesman of Tennessee, the Honorable Cordell Hull.

The Eightieth Congress, controlled by the Republicans, did its best to kill the act without destroying it completely. They deliberately tried to fool the American people into believing that the reciprocal trade agreements program has been continued for another year. But, my friends, they burdened that program with a complicated, unnecessary, and time-consuming procedure for the negotiation of agreements that will practically spell the death knell for all trade agreements. The program got a 1-year reprieve,

with a protective tariff ax hanging over its head.

Fifteen of the eighteen Republican Senators, whose terms expire this year, voted for this destructive measure. They voted against all amendments seeking to renew the reciprocal trade agreements without change.

Let us turn to their record on the vote by which the appointment of David Lilienthal was confirmed as Chairman of the Atomic Energy Commission. Much more was involved by that struggle than the merits or demerits of Mr. Lilienthal.

The bomb which dropped on Hiroshima ushered in a new age of mankind. The whole future of the American people is closely tied up with the civilian and military applications of this great new scientific force. They realize that atoms are not Democratic or Republican.

Yet, suddenly, with almost no warning, a storm of Republican opposition broke over the confirmation of the Chairman of the Commission. The whole issue of civilian control of atomic energy was cast into the arena of politics. The whole country became uneasy at this shameful performance. The ranks of the Republican Party were split open by this issue. When the fight was over, Mr. Lilienthal was confirmed. But where did our 18 Republican Senators, whose terms expire this year, take their stand on this issue? Fifteen of them voted against confirmation.

Time prohibits me from discussing the record of these 18 Republican incumbents on domestic issues. Most of these same Republican Senators who challenged with all their might and main the foreign policy of this country also fought Federal aid to education, public housing, and the expansion of social security. Every laboring man in America knows how the Republican-controlled Congress has injured and impaired his cause. The question in this great campaign is whether or not this same laboring man will rise to meet this Republican reactionary challenge. This is the year in which labor must stop the reactionary trend against it, or all may be lost.

Mr. Chairman, the majority of these 18 Republican Senators is bound by hoops of steel to the reactionary and isolationist tradition of the Republican Party. We have recently seen, in this very hall, how powerful the Grundys and Pews remain in the councils of the Republican Party. We have seen how delighted Tom Dewey was to take these dyed-in-the-wool reactionaries into his inner council. The people will not be fooled. These isolationist Senators are confronted with the hard necessity of running on their records. We shall know them by their works.

Ladies and gentlemen of this convention, progress and peace can be achieved only through courage, vision, and imagination. The world is moving faster than we think. There is nothing static in this atomic age. The Senate of the United States is the greatest deliberative legislative body in the world. It is presented with a great challenge. Members of that body, as a result of the role they play in our foreign policy, are the guardians of our future. If we are to achieve peace and abundance for all, there must be unity, vision, and solidarity in our foreign policy. The isolationists must be retired forever from public life. The golden opportunity for the people of this Nation to render high public service in the interest of peace and security lies in making certain that next November these Republican Senators are replaced with Democrats—Democratic Senators who realize that the mantle of world leadership has been placed upon the shoulders of America; Democrats who realize that the destiny of all mankind is in our hands. Yes, only through strong, vigorous, and unselfish leadership in this noble land God has given us can America remain free. Only through this same type of leadership can the world move in the paths of righteousness and peace.

The Poll Tax

EXTENSION OF REMARKS

OF

HON. BURNET R. MAYBANK

OF SOUTH CAROLINA

IN THE SENATE OF THE UNITED STATES

Thursday, July 29 (legislative day of Wednesday, July 28), 1948

Mr. MAYBANK. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD several editorials pertaining to the poll tax and the poll tax differences in the seven States which require the payment of a poll tax. I may say that I shall have the honor of addressing the Senate following the remarks to be made by my distinguished friend, the junior Senator from Tennessee [Mr. STEWART], as I understand. I believe he will talk at some length, so probably I shall not have an opportunity until tomorrow to present my remarks to the Senate, but I wish to have these editorials printed in the RECORD, to be available tomorrow.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

THAT POLL-TAX ISSUE

That hardy perennial, the anti-poll-tax bill, is up again before a Senate committee, and South Carolina public officers are among those who will now be given the opportunity to argue against it.

What is proposed in this pending bill is that Congress should enact a law declaring that no poll tax payment should be required as a condition for voting in any election in any State at which Federal officials are to be chosen.

To the average citizen even in States where there is this poll tax payment requirement, this may seem to be a really trivial matter—at least one not worth getting up any high blood pressure over.

But it ought to be recognized that it does involve a basic principle. This payment of tax of about a dollar a year for males has been one of the qualifications for voting in certain States. It is the spirit, if not the specific language of the Constitution that the States themselves should determine the qualifications for voting. And there is no question that this is a principle to which we should strictly adhere.

If the Federal Government undertakes to legislate concerning this particular voting qualification, it could by the same precedent determine all other voting qualifications in the various States. Is that what the American people wish? We don't believe so, and if they don't, they should object most vigorously to this proposal for congressional legislation on poll taxes.

As a matter of practical fact the poll tax requirement for voting is of little consequence. This newspaper itself has favored the elimination of that qualification for voting in South Carolina. The poll tax requirement is no deterrent to voting. It is in no sense a "racial" matter. It applies only to males regardless of race, and not to females of any race. It is only by the most fantastic stretch of the imagination that the move to eliminate it can be called an implementation of civil rights.

Of course, no matter what Congress does, the poll tax which the State levies as a source of revenue for schools is not affected. Male citizens are supposed to pay this tax whether or not they vote.

[From the Washington Sunday Star of February 29, 1948]

DANGEROUS LEGISLATION

Favorable committee action in the Senate on a bill to outlaw the poll tax and in the House on an antilynching bill marks the first step in the process of enacting the substance of the civil rights program advocated by President Truman. It is a dangerous step, and if it should be followed up by final enactment of the program the stage will be set for developments that can be extremely serious.

There is no valid excuse for the passage of these bills, and if they become law there will be ample justification for the inference that the motivation behind enactment was on a low political level.

The poll tax is on its way out in the South. It is effective today only in seven States—Virginia, South Carolina, Alabama, Tennessee, Arkansas, Mississippi, and Texas. Initial steps have been taken to give the people of Virginia opportunity to vote on repeal of the poll tax, and there is strong sentiment against it in Tennessee.

Much the same thing is true of lynching. There were 231 lynchings in 1892. But the total has been going down steadily, with the result that there was one lynching in 1945, six (including the mass murder of four Negroes in Georgia) in 1946, and again only one in 1947. Thus, while other crimes of violence, including murders not classed as lynchings, have been increasing in number, the crime of lynching is approaching the vanishing point.

One objection to these bills is that, in certain aspects at least, they probably are unconstitutional. There are those who are indifferent to this, who think the Constitution can and should be stretched to cover almost any situation. But even these people should hesitate a bit and reflect on the implications of the statement made by Senator MORSE in connection with his lynch bill: "I think we are entering a field of constitutional law that requires giving to the Constitution applications not previously given."

When the Constitution was adopted it was supposed that only limited powers were being conferred on the Federal Government, and that all other powers were reserved to the States. But over the years the Congress by legislation and the courts by a tortured process of interpretation have been steadily enlarging the Federal powers at the expense of the State powers. The so-called civil rights program, if enacted and sustained, would be another big push in this direction.

Aside from the constitutional aspects, however, these bills are dangerous because they would project an unsettling Federal power into a situation which is being well handled, though not perfectly handled, by the States. Even a single lynching is one too many. There is no reason to believe, however, that enactment of a Federal lynch law would end all lynchings, while there is more than a little chance that it would aggravate rather than improve the situation. And this most certainly would be true of the Fair Employment Practice Act if that proposal should become law.

The Southern States are making real progress in the elimination of abuses of civil rights. They have a long way to go, but that does not justify Federal intervention which is of dubious constitutionality and even more dubious wisdom. It will be better if none of these measures is passed.

[From the Washington Post of March 14, 1948]

SOUTH CAROLINA'S MILDEST—POLL TAX DIFFERS IN ALL SEVEN STATES

(By Henry Lesesne)

To what extent does the poll tax disfranchise southerners, white and Negro alike? To what extent is the South itself trying to abolish the poll tax?

Two years ago under Ellis Arnall, Georgia repealed the poll tax. That left seven States retaining the tax in some form or another. In recent years North Carolina, Florida, and Louisiana also have repealed the poll tax.

It was repealed in Tennessee a few years ago, but the Supreme Court declared the act unconstitutional. In South Carolina, Gov. J. Strom Thurmond is asking the legislature to repeal the tax, and one branch of the legislature has already voted to do so.

The poll tax is not alike in any of the seven States retaining it. South Carolina probably has the mildest. It does not apply to the Democratic primary, the real election, but does apply to the general election, in which no one much bothers to vote, anyway. It is $1 a year and noncumulative.

THIRTY-FOUR PERCENT DIFFERENCE

In the 1944 Presidential election 27.9 percent of the potential voters of the 13 Southern States voted, as compared with 61.9 percent of the potential voters in the rest of the country. That the poll tax is one of the causes of this disparity goes without saying.

In States like Mississippi and Alabama—particularly Alabama, where the tax is cumulative up to $36—it is a financial burden, particularly when it is considered that these States are at or near the bottom of the list economically. But mostly the poll tax has its value in the fact that it is just a nuisance.

Largely, it restricts voting to property owners. They make out county tax returns and are billed for the poll tax. Other people rarely think of paying the tax or, if they do think of it, it is too late. It is, of course, a frequent complaint in the South that the poll tax is paid by political machines for their friends.

But the poll tax is probably not the greatest deterrent to mass suffrage in the South. There is often an arbitrary interpretation of complicated registration laws. In Alabama, for instance, a person registering must interpret the Constitution to the satisfaction of registrars, all white men.

VIRGINIA "CEILING"

In Arkansas the poll tax is $1 a year and noncumulative. In Mississippi there is a $2 annual poll tax which must be paid for the 2 years preceding the year in which the election is held. In Mississippi, persons desiring to register must also interpret the Constitution.

The Virginia poll tax is $1.50 a year and is cumulative for 3 years; the maximum tax with penalties is $5.01. It must be paid 6 months before the general election, before the people get interested in the primary. In Texas the poll tax is payable only from October to February.

It is interesting to note that Indians are exempt from the Texas poll tax. In Alabama all war veterans are exempt.

South Carolina has a peculiar deterrent to voting aside from the poll tax, a relatively negligible factor. It is the only State without even the semblance of a secret ballot in the general election. Secrecy in voting is not only impossible, but, under the laws, a split ballot is impossible.

[From The State of March 30, 1948]

ADVICE TO REFORMERS OF THE SOUTH

Ever since the hauling into this country of slaves from Africa was outlawed and the revenue of the New England shippers was cut down thereby, these same New Englanders and cooperators, on down through Thaddeus Stevens to President Truman, have been trying to ram one reform or reconstruction down the throat of the South.

But it so happened that the South did not take kindly to being drenched with ideas and plans originating from foreign sources. It proved not to be a child whose nose could be held while the castor oil was poured down its throat. The South would not stand tied just because one reformer or another wanted us to do as they thought we ought to do or think as they wanted us to think.

No doubt some of the plans that these do-gooders have for the South have some merit. No doubt some of them might be looked upon kindly by Southern States if presented to them in the right way without stepping on the toes of their rights, insulting their intelligence, or trying to use the force of Federal law. The history of these would-be reformers, however well-meaning, has been charged and supercharged with ineptitude. They go at everything the wrong way.

For some of the so-called reforms that have been planned for the South there is probably no right way. In some matters the South probably will never change; certainly not in the forseeable future. If it changes at all it will be only after a long, long time.

Not even a southerner familiar with his own people and well versed in the ways of motivation could say just how each and every worth-while change in the South might be accomplished. For the very idea that either outsider or insider is trying to force something on a southerner automatically sets up a reaction and a sales resistance that makes Gibraltar look like a pin cushion.

As a matter of fact, the one outstanding, fundamental, and obvious fact is that the first and last rule for getting along with the South is not to try force. She cannot be brow-beaten, bullied, or ridiculed into any changes in the law of its States, or practices of its people by outsiders. Any movements for changes must come from within, when there is no agitation therefor from without.

The North tried during reconstruction times to keep the South down. And as soon as it was physically possible the Southern States threw off the yoke and asserted themselves, despite the presence of armed troops and the laws forbidding the southerners to bear arms.

This ignoble experiment created a breach between North and South which inept reformers persist in keeping open. If they would mind their own business and let the South shuck its own nubbins there might be a chance that the South would eventually voluntarily do more of the things that others would like to see us do. But not under pressure from above the Mason and Dixon's line. Every salting of the old sore sets the reformers back and hardens the South's defenses against these plans. But the reformers never learn. They go at it again.

Nomination of Hon. Edwin C. Johnson, of Colorado

EXTENSION OF REMARKS

OF

HON. EDWIN C. JOHNSON

OF COLORADO

IN THE SENATE OF THE UNITED STATES

Thursday, July 29 (legislative day of Wednesday, July 28), 1948

Mr. JOHNSON of Colorado. Mr. President, on July 24, 1948, at the Democratic assembly in Denver, Robert S. Bee intended to second my nomination. The convention limited the number of nominating speeches to three, and Mr. Bee was denied the privilege he sought. I am especially proud of the speech he had prepared, and ask unanimous consent that it be printed in the Appendix of the RECORD.

Mr. President, I am very anxious to be of service to the veterans who carry on their bodies the scars of war, and I wish to be counted among those who would defend America against all our enemies. We must have a powerful air force, as Robert Bee points out.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

As a disabled veteran who saw combat service during the First World War and on behalf of the many, many veterans who have publicly declared EDWIN C. JOHNSON as their friend and confidant, I take extreme pleasure in seconding his nomination as United States Senator from the great State of Colorado.

It has been my great pleasure to have worked with Senator JOHNSON for the past 25 years and I have always found him most cooperative.

My interests have been in the welfare of the disabled veteran and aviation. In these two movements Senator JOHNSON has been of great help to all concerned. He has consistently introduced and backed legislation that would increase our air force so that it would be second to none in the world. He feels today that there should be a trained reservoir of flyers, ground crew, maintenance men, and so forth of at least 100,000. If this idea was put into legislation this country would be, indeed, the best equipped along air strength in the world.

In the field of veterans legislation ED JOHNSON has endeared himself to veterans not only in Colorado but in the entire Nation. By association with veterans from other States I know that they look up to ED JOHNSON as their guardian angel and know that they have a friend who will represent them to the fullest of his ability.

The disabled veterans, their widows and orphans especially are behind Senator JOHNSON because down through the years ED JOHNSON has been their champion. Recent legislation pertaining to increased compensation to widows and orphans and increased payments to disabled veterans with dependents is a sample of what ED JOHNSON has been doing for the veterans who were disabled in line of duty in time of war. Senator JOHNSON is and will continue to champion the cause of the disabled veteran and his widow and orphan—the veterans need and request that Senator JOHNSON be returned to the Senate. One of the happiest announcements to the veterans and those who are interested in the welfare of their country was when Senator JOHNSON announced his candidacy for another term of office. This decision was made in response to public demand which came from all walks of life and from many sections of the Nation. To even think of replacing Senator JOHNSON at this critical time is not in the best interests of our Nation.

In seconding the nomination of Senator JOHNSON, I respectfully request that the El Paso county delegation cast its vote with that of the entire State for the nomination of ED C. JOHNSON.

A Call of Statesmanship in the Political Welter

EXTENSION OF REMARKS

OF

HON. RICHARD B. RUSSELL

OF GEORGIA

IN THE SENATE OF THE UNITED STATES

Thursday, July 29 (legislative day of Wednesday, July 28), 1948

Mr. RUSSELL. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial from the Atlanta Journal of July 22

commending statements made by the Senator from Rhode Island [Mr. GREEN].

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

A CALL OF STATESMANSHIP IN THE POLITICAL WELTER

Out of the welter of politics emerges a voice of statesmanship. That was the venerable Senator GREEN, of Rhode Island, a Democrat, saying how glad he would be to give glory to the Republicans, if, in the coming special session of Congress, they do the things desperately needing to be done.

He was thinking, of course, of the whirlwind of inflation now taking on new force. The price of food rises sensationally. More significant is the push upward given steel. We have the announcement of more wages in this industry, to be followed by higher prices, to produce yet more claim to yet more wages, and so on to calamity.

In only one place in all the world is there justified joy at the spectacle of our political confusion and economic folly. That one place is the Kremlin whence comes the pressure to drive us from Berlin. This is all according to theory for the Stalinites. Helpless in the grip of capitalistic circumstances, we are doomed to slip over the depression precipice. Our bubble burst, our gates will be down. The Communists can march in.

Our chance to prevent an economic collapse here by which the whole world could be wrecked, lies with the Congress soon to assemble in Washington.

Did President Truman call this session just to play politics? However that be, the session gives Congress and the country a saving opportunity. It gives Congress a chance to pull America back from the brink of depression and so to confound its enemies by an exhibition of patriotic competence. The special session puts the Republican Congress, it is being said, on the spot. In fact it puts the members of all parties on the spot. It puts the candidates for President of both parties on the spot. These two are jointly responsible in this emergency. Does Truman play politics? Then let Dewey, eschewing politics, lead the Congress of his party in successful attack on the peril confronting us, and all decent Democrats, along with Senator GREEN, will call him blessed.

Fifteen years ago a descending spiral, an unending deflation, was dragging the Nation down to doom. A Republican President stood by helpless, doing nothing to check the fall. A Democratic President with fearless force found ways to stop that slide and start an upward course. Today the spiral is upward, assuring, if not soon checked, a collapse to plunge us down again. Would Republican Dewey like to stand forth now among the saviors of his country? Here is his chance to prove beyond argument his fitness to be President.

Address by Hon. Francis J. Myers, of Pennsylvania, at Democratic National Convention

EXTENSION OF REMARKS
OF
HON. FRANCIS J. MYERS
OF PENNSYLVANIA
IN THE SENATE OF THE UNITED STATES

Thursday, July 29 (legislative day of Wednesday, July 28), 1948

Mr. MYERS. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an address entitled "Both Ends Against the Middle," delivered by me at the opening session of the Democratic National Convention, Philadelphia Convention Hall, on July 12, 1948.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

BOTH ENDS AGAINST THE MIDDLE

We're proud and happy to have you here in Philadelphia. But, of course, you know that already.

It isn't enough, though, that we are happy to have you here. Our purpose is to see to it that you are happy about being here.

We have history on our side in that ambition, because you are going to be nominating the man who will take the oath of office as President of the United States in Washington next January.

And that knowledge should make you very happy.

You are going to be setting the stage for another 4 years of intelligent American administration, of decent American administration, of Democratic American administration.

And that should certainly make you happy.

Furthermore, you are going to prepare the way for the election in November once again of a liberal, alert, progressive Democratic Eighty-first Congress and that will make everybody in America happy indeed.

Everybody, that is, except the "gimme" boys, the "grab" boys, the "me first" boys, the American patriots, junior grade, who set out 2 years ago to stuff America into their own pockets.

Now those fellows aren't going to be happy about what you do here. They won't like it a bit. In fact, they'll be very sad about it.

You see, things have been so nice and cozy for them these past 2 years while the Republicans were running things in Congress—while the Republicans were running roughshod over the hopes and aspirations of the American people—that these special favorites of the special-favor gang just don't like at all the prospect of a Democratic Congress back in business once again under a Democratic administration.

And they're going to spend plenty and plenty of the Republican inflation profits in this campaign to try to prevent what they fear the most.

But we'll be there, we'll be back in that Eighty-first Congress in full strength, in control once again of America's destiny. We'll be back at the old stand, back at the Roosevelt-New Deal stand under Harry S. Truman.

Now that we know where we're going, let's take a look for a moment at what's ahead of us.

We face one of the bitterest political struggles in American history. And I mean bitter.

The stakes in this fight are the future, not only of America, but of the world.

And we're fighting a two-front war all over again, the same sort of fight we had in 1940.

We're fighting two extremes—the reactionary dominantly isolationist Republican right—and the left—the totalitarian Communist left, which preaches isolationism for every nation but Soviet Russia.

Just like in 1940. Exactly like in 1940.

You remember that fight. Franklin Roosevelt was our nominee. Franklin Roosevelt believed America could stay free only in a world in which freedom could exist. Freedom, he knew, could not exist for long in a world dominated by totalitarian aggressors.

He knew it; we knew it; the people knew it.

But the Republican right didn't know it and didn't believe it when the people tried to tell them so.

The Communist left knew it all right, but its mission was to talk the people out of it.

Not for the people's good, of course; not for America's good; not for the world's good; but for Soviet Russia's good.

Those were the days, you remember, when the Soviets and the Nazis were playing partners.

And so the Communists of the far left, who were playing Russia's game in America, and the reactionary dominantly isolationist Republicans of the far right, who were playing for power in America, also played partners and together played the isolationist game.

It was both ends against the middle.

But Franklin Roosevelt, and the Democratic Party, and the people of America, stood together against both extremes and placed their faith in the party of decency and justice and collective action against aggression.

Now I do not say, and I do not insinuate, that every Republican in the Congress is isolationist—that would be ridiculous and untrue. Nor do I imply that everyone in the camp of the left is a Communist.

But I do say, emphatically, that the dominant leadership of the Republican Party is still isolationist and was effectively isolationist in the Eightieth Congress and that the dominant leadership of the Wallace gang, whether Henry realizes it or not, is Communist.

So it's once again extremism of the left and the right—both ends against the middle, both extremes fighting as informal but tacit allies against reason and intelligence and decency in America; against safety and security for America.

Each of these extremist groups—the right which fought Roosevelt and the left which fought Roosevelt—are fighting Truman and the Democratic Party today because each hopes to see the Democratic Party lose, so that the progress we have made in 14 years, under a Democratic administration and a Democratic Congress, in building a better America, can be reversed; so that the valiant efforts of the President and the handful of Democrats in the Eightieth Congress to stop the march to reaction can be made futile; so that America can be plunged into chaos.

That is their common goal. Each hopes to pick up the pieces of America, to capture and control what's left.

The leftists know, as the people know, that a Republican victory in November means not just a walk, but a rush back to reaction. They know that reaction in America means an acceleration of the boom-bust cycle; a speed-up to sudden deflation and depression and misery and despair.

And that's their dish. That's where the Commies start picking up the pieces of America. Kill off liberalism in America, as it was killed off in so many countries abroad, and they set the stage for a tragic dilemma for the people, for a fatal choice of alternatives, for a choice between dictatorship of the right and dictatorship of the left.

I'll give the Republicans credit that they don't want any such disaster for America. Of course, they don't. But they do want power, and they want it badly. In the twenties and early thirties they had that power, and they used it badly, so badly as to ruin the Wilson hopes and the American hopes and the world's hopes for world peace, so badly as to ruin the American economy and render us bankrupt.

If the Republican Party had ever recanted those errors and redeemed its tragic blindness the prospect of Republican victory would not be so frightening for the peace of the world and the security of America.

My friends, a few weeks ago, in this same hall, the Republican Party met and picked its standard bearer for 1948. The Republican Party is repeating history. It is putting up the same fellow we licked the last time.

And we'll lick him again, with a different standard bearer of our own this time, but

with the same weapon, the weapon of truth and decency in American political and economic democracy.

We will see to it that in addition to repeating history by picking their best loser that the Republicans do not repeat history by giving America another dizzy decade like the crazy twenties, another tragic 3 years such as the early thirties.

Their standard bearer is a young shining knight of old, of old King Joe the tariff maker. Grundy named him. Grundy usually collects his debts.

But old Joe the tariff man won't collect this debt. And old Joe in Moscow won't collect, either. He had his best chance in America in 1932, when misery, poverty, and despair stalked America, cultivating the breeding grounds for communism.

Old Joe in Moscow lost that chance, his last chance in America, I hope, because the Democratic Party put the faith back in the American people, faith in the strength and the power of America, faith in the free-enterprise system of America.

And old King Joe the tariff man lost out that year, too. We got rid of the high-tariff wall he built around America; we tore it down. We set up shop for reciprocal trade, and King Joe the tariff man, who owns the first mortgage on the Republican candidate for President, on his shining knight, isn't going to build that wall again.

We'll build walls all right, but not the peace-wrecking walls, the high-tariff walls of Joe Grundy.

We'll build walls of brick and stone and concrete and lumber for houses, for homes, for our veterans.

We'll build walls against aggression.

We'll build walls against inflation; walls against depression.

Yes, my friends, in this bitter campaign ahead, this campaign of both ends against the middle, we will carry America forward to a Democratic victory, for the middle ground—our ground—is the common ground of the American people.

So rally around, you Democrats of America; rally around this old party of ours. Rally around and protect for the American people the sacred heritages of decency and justice and tolerance and understanding left to us as a people by Jefferson and Jackson and Wilson and Franklin D. Roosevelt; a heritage which our man in the White House, Harry Truman, has defended with the true courage which comes from faith in the right.

Propaganda Feeds on Feuds in United States

EXTENSION OF REMARKS
OF
HON. CLYDE R. HOEY
OF NORTH CAROLINA

IN THE SENATE OF THE UNITED STATES

Thursday, July 29 (legislative day of Wednesday, July 28), 1948

Mr. HOEY. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a very interesting discussion by Drew Pearson, in his Merry-Go-Round, on the subject, Propaganda Feeds on Feuds in United States.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

DREW PEARSON'S MERRY-GO-ROUND—PROPAGANDA FEEDS ON FEUDS IN UNITED STATES

WASHINGTON.—A lot of my southern friends have been telling me I should be awfully careful how I discuss the current political rebellion below the Mason and Dixon's line. Undoubtedly they are right.

But, since so many people are already sore because of my nose-poking into all sorts of things, from the high cost of ambassadorships to Secretary of the Treasury Snyder's bibulousness at the President's birthday dinner, I suppose it won't hurt to get a few more people sore. So here goes.

One thing I can't help thinking about the civil-rights row is that the boy who is getting most satisfaction out of it all is Joe Stalin. He and his pals in the Kremlin must be licking their chops—and pumping stuff out over the Moscow radio every day about how Americans are feuding and name-calling over civil rights.

I also can't help thinking that a time when we are very much on the spot in Berlin is a time when we ought to be preserving a reasonably united front back home.

WHAT THE RUSSIANS FORGET

The Russians, of course, don't know—or care—that all things are relative and that we've made a lot of progress in this country. It was only as recently as the 1919–20 postwar period that a horrible massacre of Negroes occurred in East St. Louis, while disgraceful race riots took place even in the Nation's Capital. The present postwar period has been largely free from such violence.

And on the same night Birmingham was staging its rebellion, Satchell Paige, Negro pitcher for the Cleveland Indians, pitched against the Washington Senators in the Nation's Capital and a white batter who tried to unnerve him was booed.

I remember also the great furor created when Oscar De Priest, Republican Negro Congressman, was invited to a White House tea in the Hoover Administration. The Republicans were supposed to be the champion of the Negro, but so many of them protested and Mr. Hoover got so worried, that Congressman De Priest discreetly stayed away.

In recent Democratic administrations, two Negroes have served consistently in Congress, both Democrats; and Representative DAWSON, of Chicago, has informed me that his colleagues from the South have treated him with respect and courtesy. There has been no protest when Negro Congressmen were invited to recent White House receptions.

And today in Georgia, a Negro is running for the United States Senate against Senator DICK RUSSELL and is free to campaign where he pleases throughout the State.

These are things the Soviet propagandists will not mention.

THE SOUTH'S REAL LEADERS

They also will not mention—and a lot of people have forgotten—that Gov. Strom Thurmond of South Carolina, the man now leading the Dixiecrat revolt, is the same Governor Thurmond who got a lot of his own southern white friends boiling mad when he insisted on trying some taxi-drivers for lynching a Negro near Greenville, S. C.

Local sentiment was violently against Governor Thurmond, but he insisted that the men charged with lynching be prosecuted—which they were.

There are a lot of southerners honestly working for fair play in the South. Only they don't like to have reforms rammed down their throats by outsiders. Ellis Arnall, when governor of Georgia, had no trouble getting Georgia to abolish the poll tax. Most Georgians took pride in this, though currently a lot of them have their backs up and if the poll-tax issue came along today they would vote the other way.

What northerners don't always realize is that the Talmadges, the Rankins, and the Bilbos aren't really typical of the South, and that there are a lot of fine southerners who don't at all share their views.

Anyway, it seems to me we should all work a little harder on both sides of the Mason and Dixon's line at understanding each other.

WIPING OUT THE MASON AND DIXON'S LINE

The other day I met a man who has been doing his part at better understanding between the North and the South—a gentleman named Champ Pickens, of Montgomery, Ala., who has organized the Blue and Gray Association. He is trying to get folks who followed the Confederate gray during the Civil War, and those who followed the Federal blue to get together at least once a year at a football game between the all-star team of the North and the all-star team of the South. He stages the game at Montgomery, cradle of the Confederacy, and as many northern folks as possible are invited down to see the game.

Perhaps it might be a good idea for us to stage a lot of things like this—and to think a little bit more about our own internal problems. We have been giving a lot of thought to friendship abroad—which cannot be neglected—but we must also work at friendship at home—which is equally important.

For instance, most people don't realize that there is no one Memorial Day to commemorate the veterans who wore the blue and the gray. Memorial days are sprinkled all over the calendar. While the North sets aside May 30, North and South Carolina set aside May 10, Louisiana, Tennessee, and Kentucky June 3, while Florida, Georgia, Mississippi, and Alabama commemorate April 26.

Also, it might be a fine idea for the Rotary clubs, the Kiwanis, and Lions clubs, and the Junior Chambers of Commerce which all do such a good job of promoting worth-while community enterprises, to take up the problem of better understanding between the North and the South. If some of the southern clubs invited northern clubs down to their cities, and vice versa, a lot of solid friendship might result.

It may seem foolish to say that we need more understanding right here in our own country, but the fact is that we do.

It's not a matter of Democrats or Republicans, but rather of sympathy on both sides and presenting a united front at home at a time when the whole world—especially the Russians—is watching us intently.

High Prices

EXTENSION OF REMARKS
OF
HON. JOHN W. BYRNES
OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 29, 1948

Mr. BYRNES of Wisconsin. Mr. Speaker, the President has called us back into a special session. In his message to the joint session of Congress last Tuesday, he asked Congress to enact legislation dealing with inflation. The program he recommends is similar to the program which he presented to the Congress when we met in special session last November.

The basic facts relative to this problem of high prices are no different today than they were then. The President was unwilling to face up to the facts at that time. He is unwilling to face up to the facts today.

There is no easy road to lower prices. It cannot be accomplished by legislation alone. It cannot be accomplished by passing a law saying that prices shall go no higher. We can solve the problem

of high prices only by attacking the causes of high prices.

Following the President's message of November 17, 1947, I discussed the question of high prices on two successive radio broadcasts over stations in my congressional district. I repeat today what I said then. The following is the text of my broadcasts of November 24 and December 1, 1947:

THE CAUSES OF HIGH PRICES

(Broadcast of November 24, 1947)

Today I'd like to talk over with you the very serious, very important, and very baffling problem of high prices. Along with its companion problem—aid to western Europe—this is the major issue of the day in Washington as it is indeed all over the Nation.

The problem of high prices is a very real one. The housewife comes face to face with it daily in trying to make both ends of the family budget meet; the workingman feels it when he pays his monthly household bills; the farmer faces increased costs in things he must buy in order to produce; the merchant, the businessman, and the manufacturer, all are concerned with the same problem in replacing their stocks of goods. In truth, very few of us, if any, escape the impact of the rising cost of goods and services in the country today.

Thus we are concerned with a very concrete problem. "Inflation" is the term economists use to describe it. It is here, and none of us like it. What can we do about it? What is the answer?

There have been many cures suggested. President Truman, in his message to the opening session of Congress a few days ago, suggested a 10-point program which he claims will cure inflation. Among the things he suggested were a return to controls over prices and the rationing of scarce goods. This portion of his program has been vigorously attacked by Republican leaders. But before going into these suggested cures, let's take a look at the basic causes for inflation. It only seems logical that a doctor should first determine what's wrong with the patient before he begins his operation. Let's see if we can discover what has caused our fever of high prices.

First, let's look back a little into history. When have we experienced similar periods of high prices? Only three times before have prices been as high as they are at present, once in 1814, again in 1866, and again in 1919. The first period followed the War of 1812; the second, the Civil War; and the third, the First World War. Thus it would appear that inflationary periods are closely related to, and generally follow, periods of war. Further than this, history tells us that inflation is not fickle. It appears in every country that engages in armed conflict. It is world-wide today. There is no country in the world today not faced with grave inflationary pressures.

What happens during wars which invariably leads to high prices when those wars have been concluded? Let's take a look at what happened in our own country during the war period. Wars, of course, are great wasters, not only of human life, but of our natural resources. Most of the tremendous amount of goods that we produce during wartime are good for only one thing—to wage war. They are not adapted to use in everyday life. In addition to this, in a modern war we require unbelievable quantities of these goods which, once the war is over, are of little value to us in supplying our needs for living. During the last war, for example, we produced huge quantities of guns, shells, military planes, tanks, fighting ships, and other armaments—all vitally necessary in the prosecution of the war—but which we later either shot up, used up, or sold for junk. An important question to ask at this point is: How did we finance the tremendous cost of these war weapons?

Part of it was paid for by high taxes. That we know. Sharp rises in taxes always must accompany extraordinary spending on the part of the Government.

Another great share of our huge bill was paid for by Government borrowing. We all bought war bonds. Actually, many people found there was little else they could do with their money during this period. Production for war had reduced almost to a vanishing point the goods that we ordinarily buy to increase our standards of living, like washing machines, refrigerators, automobiles, and a thousand and one other items that our Nation normally produces.

Now, thus far, we had created no serious inflationary threats. Individually, we could not spend the money taken from us by taxes; and bond buying when it was financed through individual savings and incomes, was not inflationary.

But, even all of this money wasn't enough to pay for the cost of the war. The Government also borrowed about $75,000,000,000 from commercial banks. Now, the effect of this was actually to create new money. When the Government sold its bonds to a bank, the bank, instead of paying money for them, gave the Government credit to its account. The bank's deposits were increased by the same amount. The Government then spent the credit for war goods. It were as though new money had actually been created. This was inflation, pure and simple.

The immediate effect of this process is that three times as much buying power exists today as existed before the war. This increase in buying power is reflected in the incomes of almost everyone. The people collectively are now receiving money from one source or another at the rate of $210,000,000,000 a year; in 1939, before the war, they received only $71,000,000,000.

This increase in buying power, brought on by our creation of new money to pay for the war—is one very important aspect of inflation. It has created an ability to pay for goods. At the same time, and for the same reasons, there arose a new factor, a real need for goods. During the war, we deprived ourselves of things we needed, like washing machines and automobiles. In fact, while we were producing for the waste of war, we were unable at the same time to produce these useful and necessary commodities, and so, when the war ended, there was a great need for these necessary goods. This need, coupled with the increased buying power, created a tremendous demand. There, then, we have the first factor in the root cause of inflation, because we know that when 100 people need and are able to pay for an item of which only one is available, the price of that item will skyrocket. Economists say that supply has not kept pace with demand.

What about this other factor in inflation—the factor of supply? Well, after changing over from war production to peacetime production, our economy has increased production of civilian goods tremendously. But the plain and sad fact is that this still isn't enough. We are eating up this production at the rate of $159,000,000,000 a year compared with $67,000,000,000 in 1939. Our population has increased; we are individually eating more food and using more of consumer goods. On top of this tremendously increased domestic demand, we are sending abroad over $10,000,000,000 worth of goods annually in excess of the goods we receive from abroad.

These, then, seem to be the causes we are looking for. First, the creation of three times our prewar purchasing power; second, the building up of a need for commodities during the war when consumer goods weren't being produced; third, a huge foreign demand for our goods; and fourth, production which can't keep up with the tremendous demand created by the above factors.

Having looked at the causes, I think we are better equipped to try to find the proper cure.

Next week, I'd like to discuss with you my ideas on how we should go about curing the disease of inflation.

THE CURES

(Broadcast of December 1, 1947)

We're talking to you again today from your Washington office in the House Office Building after a Thanksgiving holiday which we hope that you enjoyed as much as we did. It is good, in these days of confusion and trouble throughout the world, to pause for a short time during our harvest season and give thanks for the many blessings that are ours as citizens of this great country. When we contrast our lot with the rest of the people on this globe, we can be truly thankful that we are so richly blessed with a fruitful land, a sound government, and an industrious and freedom-loving people.

Today, in the democratic way, we are attempting to solve one of our most complex problems in recent years—the problem of high prices. We are doing this by free discussion and open debate—in the American way. I'd like to encourage you to enter into this debate, and that is one of the purposes of this visit together. I'd like to know how you feel, too.

I began this discussion of high prices last week. We looked into causes primarily, because we knew that in order to determine the cure, we first had to find out what was causing the disease. We looked carefully for those causes, and we decided that our inflationary high prices were due basically to four things: (1) a threefold increase in our national purchasing power during the past 8 years; (2) a great need for consumer goods which were not produced during the war; (3) large shipments of goods to war-torn nations abroad competing with domestic demand, and (4) production which has not been able to keep pace with the tremendous demand. Keeping in mind these basic causes of inflation, let us look into ways and means of meeting this growing threat to our economic stability.

At the outset, I'd like to expose two sets of fallacies concerning high prices.

The first is that there is some "royal road" to a low-price level. As a matter of fact, there is no single method that is going to bring prices down to prewar levels at once, leaving us at the same time a tremendously increased national income. That cure is simply not in the books. We should recognize from the start that our price level is high, that our income level is high, and that they will both remain at much higher levels than in prewar days unless we have an extreme reversal of the present situation—in other words, a large supply of goods that people are unable to buy because of low wages and unemployment. That would make the cure worse than the disease. What we are looking for is an end to the upward spiraling of prices and then, a slow steady down-turn, leveling off at prices high enough to secure prosperity but low enough to insure a high standard of living for all.

The second fallacy is that action by the Federal Government is the only action needed to stop the upward spiral of prices. If we adopt this attitude, we might as well sit back and watch prices burst through the roof, because the plain fact is that it is going to take concerted action by all of us, individually and in our capacity as consumers and producers of the wealth of our Nation, to curb inflation.

Now, then, if our analysis of the causes of inflation is correct, surely our attack upon inflation must aim toward the eventual removal of these causes. We must, therefore,

(1) reduce the amount of inflationary money in circulation, (2) lessen the domestic demand for consumer goods, (3) bring our exports to and our imports from foreign nations into better balance, and (4) increase production to shorten the gap between supply and demand. Any program that we evolve must be considered in the light of how well it aids or hinders the accomplishment of these objectives.

For example, let us take two of the items in the President's 10-point anti-inflation program—price controls and rationing of selected commodities in short supply.

The Milwaukee Journal, in a recent editorial, summed up some of the reasons why those controls just would not work. The paper said:

"During the war, when patriotic fervor was high, selective rationing and general price controls did not operate too effectively. There was counterfeiting of rationing coupons and there was black markets—and these things were preceded and accompanied by hoarding. A new system, created in peacetime and partial rather than complete, would work even less smoothly and less effectively.

"How could we, for example (the editorial asks) ration flour under price controls and with wage controls for workers in flour mills, when many other items and the workers producing them were completely free? We might end with the flour mills closed down for lack of employees and with what flour there was selling on the black market."

Beyond their unworkability, however, there is a far greater objection to these measures. Price control attacks none of the basic causes of inflation. Price control is, in effect, an attempt to curb prices by laying down a law that prices shall go no higher. We can go too far in passing laws; eventually we arrive at a point where law enforcement becomes impossible because the forces encouraging disregard for it become too strong. King Canute, in old England, once stood on the beach and commanded the sea to roll back. When the tide came in and lapped around his royal robes, he demonstrated to his fawning court that there was a limit to earthly authority. The days of OPA likewise demonstrated the inflationary pressures pushing at our price structure were too great for the Government to command prices to roll back. As the Journal pointed out, we had black markets and counterfeiting of coupons by persons who had no qualms about breaking an unenforceable law. But even worse than this, we had a great lowering of production of the necessities of life because many of our producers refused to break the law and, at the same time, refused to produce at a loss. They either produced something less rigidly controlled or else stopped producing entirely. Thus, price controls and rationing, we found out to our sorrow, add fuel to the inflationary fire because they prevent one of the things which will stop inflation—greatly increased production of the things we need to bring supply within reach of demand.

So far I've adopted the negative approach in this discussion. I've told you about one of the things I think we should not do to curb inflation. Let's discuss now a positive approach. What are the steps in this program? Remember that we are seeking to remove the causes of inflation, and that we have decided that there are four things we must do; reduce the amount of inflationary money in circulation, ease the domestic demand for consumer goods, bring our exports and imports into better balance, and increase production. Remember, too, that it is going to take concerted action on the part of all of us, as consumers and producers, as well as action by our Government to accomplish these things. Remember, finally, that curing inflation without bringing about an economic collapse into a depression is a long, uphill fight and that it will not be easy. With those admonishments, let's consider the important aspects of an antiinflationary program.

First. To reduce the amount of inflationary money in circulation. This is a most important field for Government action. The Government must reduce expenditures, which themselves are inflationary because they are not productive. Government must operate with a surplus. This surplus must be used to pay off the debt held by the banks, because, as we pointed out, this $70,000,000,000 portion of our debt is inflation, pure and simple. Remember, it has been estimated that every dollar of bank-held debt supplies six extra dollars of inflationary credit. While using its surplus to attack this portion of the debt, savings bond sales to individuals should be pushed, and the proceeds likewise used to reduce the bank-held debt.

Management should refrain from short-term credits which increase check money volume, and banks should refrain from lending money for purely speculative purposes. All of us should save wherever possible and purchase savings bonds. They will not only be worth more if we can eventually bring our prices to a lower level, but their purchase greatly assists the Government in attacking inflation now.

Second. To alleviate the impact of the huge domestic demand. The Government should continue to regulate installment buying and other consumer credit. It should discourage bank loans except for productive purposes by increasing reserve requirements for banks. It should move to halt speculation on the commodity exchanges—a practice which adds to domestic demand. All of us—as consumers of goods which are scarce—should put off purchases of anything that we do not absolutely have to have. As the President said, a dollar saved for future use is one less dollar added to the inflationary stream. We must conserve food especially. With bad weather threatening our crops, it is vitally necessary that we save large quantities of food.

Third. To bring our exports and imports into balance. We are currently sending $10,000,000,000 more goods abroad than we are importing. This gap must be shortened. Here we run into what seems to be an almost insoluble dilemma. In order to keep Europe from falling into communism we must send huge quantities of food and goods abroad. We do this in the hope of preventing another world war. We must recognize that this is inflationary, but we must also recognize that we are trying to get the world on its feet and producing for itself so that the foreign trade gap may be shortened by less goods going abroad and by more coming into this country. We can accomplish this only if we get Europe through its present crisis. Intelligent foreign aid, in the long run, will help fight inflation at home. But efficiency, thrift, and common sense must govern our foreign-aid program. From most estimates here in Washington, it doesn't look like a sound foreign-aid program will increase the amount of goods we are currently sending abroad. In addition, the Government should exercise its power to control exports. Only those goods should be sent abroad during this inflationary period that are absolutely necessary to meet our foreign commitments.

Fourth, and finally, to increase production. This is perhaps the most important step in curbing inflation. We must all take part. The Government must provide an atmosphere in which increased production is possible and this cannot include restrictive price control measures. It must encourage investment in productive enterprises; our tax structure must be such that it encourages venture capital seeking new and better ways of producing goods; our farm program must be geared to a program of plenty rather than a program of scarcity.

All of us are going to have to work harder. Labor, working hand in hand with management, must increase its output per man-hour. Management has a special responsibility. It must increase efficiency, seek better ways of producing, and engage in industrial research. It must hold the line on prices, cutting them wherever possible, and its savings in increased production should be passed on to its labor and to the consumer.

Those, then, are salient features of an anti-inflation program. They are not dramatic; they will not end inflation overnight; they represent hard work, thrift, and cooperation on the part of all. Whether we lick high prices or not will depend upon our willingness to accept these measures willingly and wholeheartedly in the spirit of enlightened self-interest. Too much is at stake to permit us to fail.

Count of Electoral Votes

EXTENSION OF REMARKS

OF

HON. HENRY CABOT LODGE, JR.

OF MASSACHUSETTS

IN THE SENATE OF THE UNITED STATES

Wednesday, July 28, 1948

Mr. LODGE. Mr. President, in view of the keen interest shown by many individuals and organizations, and of the published report of the intention of certain persons to try to throw the next Presidential election into the House of Representatives, I believe it especially timely once again to call attention to Senate Joint Resolution 200, providing for a constitutional amendment under which electoral votes for President and Vice-President would be counted in proportion to the popular vote. I ask, therefore, unanimous consent there be printed in the Appendix of the RECORD an editorial from the Worcester Telegram dated June 21 which deals with this matter, and a statement which I have prepared and revised which concisely gives the arguments for Senate Joint Resolution 200, and which I plan to distribute in pamphlet form. This statement also includes such arguments as may have been made in the past against this proposal and the answers thereto.

In addition to my statement, I ask that a copy of the joint resolution be printed in the RECORD, together with a letter from the Brookings Institution and sample newspaper discussion of this question.

There being no objection, the matters were ordered to be printed in the RECORD, as follows:

[From the Worcester (Mass.) Telegram of July 21, 1948]

"ELECTORAL DEFECTS"

Senator LODGE'S proposed constitutional amendment for electoral reform is getting new notice now on account of the bolt by the southern Democrats, and well it may. This doesn't mean that people are expecting that the Thurmond-Wright ticket will pull enough electoral votes to upset the apple-cart, but even the remote possibility of an electoral deadlock is enough to furnish a good argument for those who want a change.

Theoretically our Presidential electors use their independent judgment in balloting for President and Vice President. The framers

of the Constitution intended that they should make their own decision. Actually, the electors do nothing of the sort. They act as rubber stamps, as mere agents of the political parties to which they belong. When form and substance are so far apart, trouble is bound to come some day.

Further, although there have been only a few times when electoral vote and popular vote conflicted, we have to thank chance rather than wise planning for that. Of course nobody can devise a perfect system of electing our Presidents and Vice Presidents, with ironclad safeguards against delays, deadlocks, vacancies, and dangerous disputes, and with full protection against the peril of splinter parties. The present setup can, however, be greatly improved.

STATEMENT OF HON. HENRY CABOT LODGE, JR., OF MASSACHUSETTS

In this pamphlet you will find all the essential arguments on a matter so vital that it actually underlies your whole system of government. It is Senate Joint Resolution 200, which provides for a constitutional amendment so that the electoral vote for President and Vice President will be counted in proportion to the popular vote. After many years of study, this proposition, embodied in House Joint Resolution 9, has received a unanimously favorable report from the House Judiciary Committee and favorable action by the Senate Judiciary Committee.

In this Presidential election year, its significance will be even more vividly clear than usual. At this moment we read reports of those who are scheming to throw the election into the House of Representatives, with all the tumult and unrest which this would cause. Probably they will not succeed, but the mere possibility is disturbing.

Every citizen has the chance to express his or her approval of this vital reform. You have it in your power to make our Presidential electoral system thoroughly honest and thoroughly democratic.

EXAMPLES

Some ask what would have happened in past campaigns had the proposed amendment been in effect. Any answer to this question is purely speculative. Under the proposed amendment, candidates and issues might have been, and in some cases certainly would have been, very different. For example, some contend, with great logic, that had the proposed amendment been in effect in 1944, Governor Dewey would have received at least 1,000,000 more popular votes in the so-called solid South. Assuming, however, that the popular vote in 1944 would have been identical under the proposed amendment, the following table illustrates how the vote would have been divided and counted:

States	Popular vote		Electoral vote		Electoral vote under proposed plan	
	Roosevelt (Democrat)	Dewey (Republican)	Roosevelt (Democrat)	Dewey (Republican)	Roosevelt (Democrat)	Dewey (Republican)
Alabama	198,918	44,540	11		8.940	2.001
Arizona	80,926	56,287	4		2.351	1.635
Arkansas	148,965	63,551	9		6.295	2.685
California	1,988,564	1,512,965	25		14.119	10.742
Colorado	234,331	268,731		6	2.783	3.192
Connecticut	435,146	390,527	8		4.184	3.755
Delaware	68,166	56,747	3		1.631	1.357
Florida	339,377	143,215	8		5.625	2.374
Georgia	268,187	56,506	12		9.808	2.066
Idaho	107,399	100,137	4		2.062	1.922
Illinois	2,079,479	1,939,314	28		14.426	13.453
Indiana	781,403	875,891		13	6.075	6.809
Iowa	499,876	547,267		10	4.748	5.199
Kansas	287,458	442,096		8	3.134	4.819
Kentucky	472,589	392,448	11		5.989	4.973
Louisiana	281,564	67,750	10		8.058	1.939
Maine	140,631	155,434		5	2.372	2.622
Maryland	315,490	292,949	8		4.148	3.851
Massachusetts	1,035,296	921,350	16		8.448	7.618
Michigan	1,106,899	1,084,423	19		9.536	9.343
Minnesota	589,864	527,416	11		5.764	5.154
Mississippi	158,515	3,742	9		7.922	.186
Missouri	807,357	761,175	15		7.705	7.264
Montana	112,556	93,163	4		2.171	1.797
Nebraska	233,246	329,880		6	2.485	3.514
Nevada	29,623	24,611	3		1.638	1.361
New Hampshire	119,663	109,916	4		2.084	1.914
New Jersey	987,874	961,335	16		8.048	7.832
New Mexico	81,389	70,688	4		2.138	1.857
New York	3,304,238	2,987,647	47		24.584	22.229
North Carolina	527,399	263,155	14		9.339	4.660
North Dakota	100,144	118,535		4	1.819	2.153
Ohio	1,570,763	1,582,293		25	12.454	12.545
Oklahoma	401,549	319,424	10		5.556	4.420
Oregon	248,635	225,365	6		3.106	2.816
Pennsylvania	1,940,479	1,835,048	35		17.897	16.924
Rhode Island	175,356	123,487	4		2.343	1.650
South Carolina	90,601	4,547	8		7.011	.351
South Dakota	96,711	135,365		4	1.666	2.333
Tennessee	308,707	200,311	12		7.252	4.705
Texas	821,605	191,425	23		16.427	3.827
Utah	150,088	97,891	4		2.417	1.576
Vermont	53,820	71,527		3	1.287	1.711
Virginia	242,276	145,243	11		6.860	4.112
Washington	486,774	361,689	8		4.547	3.378
West Virginia	392,777	322,819	8		4.391	3.608
Wisconsin	650,413	674,532		12	5.828	6.044
Wyoming	49,419	51,921		3	1.462	1.537
Total	25,602,505	22,006,278	432	99	300.726	223.529

To a fourth objection that under S. J. Res. 200 the present requirement of a majority vote (instead of a plurality) in the electoral college is abolished, let it be said that the present system goes hand-in-hand with the unit rule whereby all the electoral votes in a State go to the candidate receiving a plurality of the popular vote in that State. In terms of popular vote, therefore, the present provision is a plurality rather than a majority provision. If a majority requirement were included in Senate Joint Resolution 200, it would undoubtedly in many cases be necessary to take one of two steps: (1) a run-off election, which would be fraught with delay, expense, danger, and confusion; or (2) the universally condemned system of taking a deadlocked decision to the House of Representatives. Moreover, election by plurality is the general rule for elections in this country, and this resolution adopts the same rule in the election of the President.

Under our present system, as amply demonstrated in history, the electoral votes often do not run parallel to the popular vote. If it could be said that the judgment of the electoral college was a particularly wise judgment, this failure to conform to the popular vote might be tolerated. But the fact is that the verdict of the electoral college does not reflect the opinion of a selected group of especially wise citizens. Although this was the original purpose of the founders in establishing the electoral college, the members of the college in modern times are—and are meant to be—rubber stamps for the popular vote. If they are not accurate rubber stamps there really is no excuse for their existence.

[From the Washington Post of July 6, 1948]

"MAKE EACH VOTE COUNT"

The Republican plank calling for a revision of the procedure for the election of the President and Vice President which will more exactly reflect the popular will did not come out of a clear sky. It is a direct endorsement of the resolution for this purpose sponsored by Senator HENRY CABOT LODGE, JR. Since Mr. LODGE was chairman of the resolutions committee at Philadelphia, it is not surprising that he should have woven into the platform a favorable reference to what may well have been the most important measure he sponsored in the last Congress. The Republican hierarchy was well advised in any event to accept this constructive proposal. It ought to become a major party objective if they win in November.

There is nothing partisan, however, about the resolution itself. In the House a companion resolution was sponsored by Representative ED GOSSETT, a Democrat. The proposal won approval on its merits in the Judiciary Committees of the House and Senate, without partisan division. Its acceptance as part of the Constitution would benefit both parties and give the country a more precise system of electing the President. Superficially, it may seem to be of greater interest to the Republican Party because it would unquestionably encourage a Republican invasion of the solid South. Even more important, however, is the rejuvenation of the Democratic Party in the South that might be expected from bringing that area once more into the arena in which Presidential contests are fought.

Ever since the days of reconstruction the South has been taken for granted. There have been occasional breaks in its solid Democratic voting, as in the rebellion against Al Smith in 1928. But for the most part it has not been worth while for a Republican Presidential candidate to seek votes in the South and few Democratic candidates have considered it necessary to do any wooing of voters south of the Potomac and the Ohio. Of course, the Republicans similarly take Maine and Vermont for granted. The unit-voting system, giving all of each State's electoral votes to the high man, has had the effect of concentrating campaign efforts in a few large strategic States in the East, Middle West, and far West.

Under the proposed amendment candidates for the Presidency would have only such strength in electoral votes as they could win in popular votes in each State. Every Republican vote in Mississippi and Georgia would thus count toward the election of the Republican candidate and the same would be true of Democratic candidates in Maine and Vermont. The country would have a more accurate expression of the popular will in the choice of the Chief Executive and the danger of electing a candidate with a minority of the popular votes would disappear. The amendment is so obviously desirable from the

viewpoint of good government and healthy political development that it might be endorsed by the Democratic National Convention, too.

Civil Rights

EXTENSION OF REMARKS
OF
HON. RICHARD B. RUSSELL
OF GEORGIA
IN THE SENATE OF THE UNITED STATES

Thursday, July 29 (legislative day of Wednesday, July 28), 1948

Mr. RUSSELL. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD the column written by George E. Sokolsky, published in the Washington Times-Herald for July 22, 1948, in which he discusses what he says are euphemistically called civil rights.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THESE DAYS

(By George E. Sokolsky)

By what is euphemistically called civil rights in this campaign is meant the Negro question. And let us call it that from here on. Since the Civil War, the Negro question has been a major American problem inadequately discussed and considered except by southerners who had to live with it and in recent years by the Communists and their fellow travelers and competing liberals who hope to garner votes out of it.

Under our Constitution and within the sanctions of moral law, the legal equality of Negroes and whites cannot be questioned. Historically and traditionally, the question is not so simple either in the North or the South.

Those northern Democrats who make such a terrific to-do about racial discrimination in the South are generally liars—they will not live in Negro areas in their cities; they do not entertain Negroes in their homes; they do not hire Negro secretaries or clerks, except political ones, which is part of the vote-getting technique; they do not encourage association between their children and Negro children.

In a word, none of them practice in their private lives what they preach for others. It is a simple matter for a resident of Minnesota or Wisconsin to grow powerfully indignant about a problem that does not face him but that does face a citizen of Alabama or Mississippi. Minnesota's Negro population, according to the 1940 census, was 9,928; Wisconsin's, 12,158; Alabama's, 983,290; Mississippi's, 1,074,578.

If the Civil War had not ended in the reconstruction era, during which Thaddeus Stevens created an unassimilable minority for political advantage, we should perhaps today not be facing this problem as the principal campaign issue of 1948.

Perhaps had Abraham Lincoln not been assassinated, the emancipated Negro slave would have been brought into American life without malice, with charity for all.

But that did not happen. Instead the northern carpetbagger and his Negro associates left in the South a heritage of bitterness which has continued to the present time. Franklin D. Roosevelt tried to solve this problem by exporting Negroes from the South to the North, placing them on relief rolls and forcing them into industrial enterprises on a quota basis. Thus, in many northern and western areas, the Negro population increased startlingly.

The northerners met the problems by segregating Negroes into ghettoes. Make no mistake about that: in the North, the Negro is as segregated as in the South, in spite of the lies northern politicians tell. Harlem is a Negro ghetto; the Bedford district of Brooklyn is a Negro ghetto; the South Side of Chicago is a Negro ghetto.

The technique employed in New York is for the whites to clear out as soon as the Negro moves in. If you want to see that process at work, you can study it, if you are so inclined, in the east Bronx of New York.

I am not justifying these conditions either on moral or legal grounds; I am only describing conditions as they exist and I am protesting against lies and liars.

The politicians who are shrieking civil rights are seeking Negro votes in the northern cities.

They are appealing to prejudice and indignation and they are fanning the flames of race antagonisms not because they want to improve the condition of the Negro in Mississippi but because they want the votes of the Negro in Harlem and south Chicago.

The anxiety of the northern Democrats to be recorded as voting for the civil rights plank of the Democratic platform after a voice vote had passed it, their insistence upon Senator BARKLEY'S announcement of how they voted, was for the consumption of the northern Negro voter. They fear that if they do not get that vote, Wallace, who represents Soviet racial concepts, will.

Were that the entire story, it would be little more than an appeal for the Irish, the Jewish, or the Italian vote. But this Negro question is pitched on a high emotional level and can result in riots and death.

It requires thoughtful and considerate handling. It requires sympathy and understanding. It comes upon us acutely when we dare not have internal disturbances.

Those who have gambled upon it may also have gambled upon the domestic peace of the United States.

Civil Rights

EXTENSION OF REMARKS
OF
HON. CLAUDE PEPPER
OF FLORIDA
IN THE SENATE OF THE UNITED STATES

Thursday, July 29 (legislative day of Wednesday, July 28), 1948

Mr. PEPPER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article by a distinguished Southern journalist, Mr. Ralph McGill, of the Atlanta Constitution, on the civil rights question.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

IN 1860 THEY HAD A RUMP CONVENTION

(By Ralph McGill)

Footnotes to history: In 1856, under attack from northern radicals, the South became ultrasensitive at much of the false and unjust criticism. There also was the deep conviction that slavery was a matter for the States and not the Federal Government.

There were efforts made by the moderates to bring about Federal legislation which would abolish slavery, but which at the same time would reimburse the southern slave owners (not many southerners owned slaves) for their property, out of Federal funds. This effort was not a new one. It was made first by Thomas Jefferson. It was last made by Abraham Lincoln. He had made it previously, but he repeated it at the ill-fated "peace conference" at Hampton Roads in February of 1865. This was attended, among others, by Georgia's Alexander Stephens, then Confederate Vice President. But the peace commissioners were so restricted in their instructions by President Jefferson Davis that nothing came of it save futility. Stephens went home, never again to speak to Davis during the war, and to consider the Mississippian as having once more ruined the chance of the Confederacy for an honorable peace or end to the war.

BIRMINGHAM

So, in the end everything was lost. I try here to speak of what I conceive to be the best interests of the South. I do not think they are being served by the sound and the fury of the Birmingham rump meeting of disaffected Democrats. Even if they have some little success in the primaries and the election of November, they are doing harm to the future interests of the South. I am willing to concede they believe they are serving those interests. But the thoughtful southerner will see they are not.

As in 1856–60 when we were led to defend slavery as God-given and God-endorsed; when we were so needled and infuriated by the northern politicians, who were often false and hypocritical, that we stubbornly made slavery the "keystone" of the new nation, we were tricked and pushing into supporting a moral wrong.

That is about to happen to us again.

The position of the Birmingham rump meeting is, for the moment, a popular one. It is the place where the bands play "Dixie" and men cheer the old shibboleths.

But the true southerner will see that, despite the hypocrisy and the infuriating smugness of the North, we cannot longer oppose civil rights. It is true that they are pushed cynically by the big city machines for votes. But, the fact remains that under the Constitution, all citizens have a right to vote and to the protection of the law. We cannot defend a moral wrong. The convention showed that every State outside the South was against us.

We still have the protection of the Supreme Court and the Constitution of the United States. There are rights reserved to the States under the Constitution. It is true that many persons have come to believe the Supreme Court is too liberal in its interpretation of the Constitution. But, even so, they cannot remove it entirely. The fact is, citizens have a right to vote. But qualifications can be made. The fact is, citizens have a right to protection of the law, from the gang killings of the East and lynchings in the South. We shall have to take what the Supreme Court says about that when the legislation has been passed and tested in the courts. The South may not lose everything it fears. I doubt if life in the South will be greatly changed. Basic segregation will remain.

EQUALITY

The platform calls for "equal treatment" in the armed services. Whether that means an end to segregation in the services remains to be seen. The laws have not been written, much less introduced, passed and court-tested. The platform calls on Congress to pass legislation giving equal rights in employment. The laws relating to that have not been written or introduced. They may or may not contain features greatly objectionable to the South. These laws, generally referred to as the FEPC (Fair Employment Practices Act), are the ones most objectionable to the South. Whether they be constitutional has not yet been determined. There is no mention of social equality.

The point is—nothing has been done as yet.

SOLUTION

Now, how does the South propose to meet these threats? Some go to Birmingham. As far as I am concerned, those who go to Birmingham are on the road to a political Damascus with the scales still on their eyes. Their sort of action can withhold electoral votes, which will be meaningless if the Republicans win as expected.

Those really devoted to the South are seeking the long-time answer.

As of now, there seem to be but two. One is for all those who want to quit the Democratic Party to do so and join in an effort to establish the Republican Party. You don't do that merely by voting for it. You do it by establishing party machinery at the precinct level.

The second procedure is for those who stay in the party to uphold the hands of our Congressmen and Senators, and not to destroy them and remove them from committees by setting up a southern ticket which will destroy even their minor committee and prestige positions.

We have got to do the best we can. The rest of the Nation is against us. The Republican Party proposes the identical measures. This time we have got to act differently and with less blindness than in 1856–60 when they also walked out and held a rump meeting and played "Dixie" and whooped and hollered. It sounds good and is exciting. But the results are disastrous. We don't seek disaster.

Federal Highway Appropriations for Montana

EXTENSION OF REMARKS
OF

HON. MIKE MANSFIELD

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 29, 1948

Mr. MANSFIELD. Mr. Speaker, in view of many communications which I have received from many parts of western Montana, I am inserting replies to my letter to the Commissioner of Public Roads. It is my hope that the information contained therein will be of interest to those who have written me as well as all citizens of Montana who are interested in the Federal highway appropriations for Montana roads in recent years.

The letters follow:

WHITEFISH CHAMBER OF COMMERCE,
Whitefish, Mont., March 22, 1948.

Hon. MIKE MANSFIELD,
Washington, D. C.

DEAR SIR: It seems to be utterly impossible for us to have any action from our local highway department for the necessary improvement on Highway No. 93 in northern Montana. Consequently, we are earnestly soliciting your support for the early completion of this highway.

As you already know, this is one of the heaviest traveled highways in the State of Montana, and any assistance you can give us with the Idaho delegation in getting their part completed will be most gratefully received by all members of this group.

Sincerely,
WHITEFISH CHAMBER OF COMMERCE,
BRAD SEELY, *President.*

APRIL 9, 1948.

Hon. MIKE MANSFIELD,
House of Representatives.

DEAR MR. MANSFIELD: Receipt is acknowledged of your letter of April 1, 1948, and letter of March 22 from Mr. Brad Seely, president of the Whitefish (Mont.) Chamber of Commerce relative to US 93 in northern Montana.

Under the Federal highway legislation the State highway department selects the projects for improvement, and is responsible for determining the location, surveying, preparing plans, and supervising construction of Federal-aid projects subject to review and approval by Public Roads Administration. US 93 from Whitefish northerly to the International Boundary is included in the Federal-aid primary system which establishes its eligibility for Federal-aid primary funds in its improvement. The portion of the highway located in the Flathead National Forest is also included in the forest highway system and is eligible for improvement with forest highway funds. It is not included in the current program for the utilization of these funds.

The Montana State Highway Commission proposed a project in 1947 for the improvement of a portion of the highway north of Eureka northerly to the Canadian line. Approval of this project was withheld until suitable arrangements had been made by the State with the Canadian authorities in respect to continuing the improvement across the international boundary and regarding the acceptability of the location at the line. No action can be taken on this project until the State highway commission completes these negotiations. We have not received a request from the State for Federal assistance in the improvement of the balance of US 93 between Whitefish and Eureka.

We are sending copies of this correspondence to our western headquarters for their information in discussing future proposals by the State highway commission. Any information Mr. Seely may have in support of the improvement in which he is interested should be sent to the State highway commission at Helena.

The letter from Mr. Seely is returned for your files.

Very truly yours,
THOS. H. MACDONALD,
Commissioner of Public Roads.

PUBLIC ROADS ADMINISTRATION,
FEDERAL WORKS AGENCY,
Washington, July 23, 1948.

Hon. MICHAEL J. MANSFIELD,
House of Representatives.

DEAR MR. MANSFIELD: Reference is made to your inquiry of July 13, 1948, concerning the amount of Federal-aid funds apportioned to Montana since 1944 for highway construction, extent of Federal and State participation in construction and maintenance after construction and concerning improvement of certain sections of highway in the vicinity of Kalispell, Mont.

The following is a summary showing the funds of the three classifications apportioned to Montana under the provisions of the Federal-Aid Highway Act of 1944:

Fiscal year—	Primary funds	Secondary funds	Urban funds	Total
1946	$4,547,996	$3,107,277	$307,665	$7,962,938
1947	4,543,707	3,104,425	307,665	7,955,797
1948	4,484,330	3,063,876	303,721	7,851,927
Total	13,576,033	9,275,578	919,051	23,770,662

The Federal funds authorized to be appropriated under Public Law 834 of the Eightieth Congress, known as the Federal-Aid Highway Act of 1948 for the fiscal year 1950 are to be apportioned to the States not later than September 1, 1948. The approximate amounts of the three classes of funds to be apportioned to Montana under this act are as follows:

Fiscal year—	Primary funds	Secondary funds	Urban funds	Total
1950	$4,036,000	$2,757,000	$273,000	$7,066,000
1951	4,036,000	2,757,000	273,000	7,066,000

The pro rata Federal participation in the cost of improvements in Montana effective March 1, 1948, is not to exceed 57.05 percent Federal funds to 42.95 percent State funds for regular construction items, and 42.73 percent Federal funds to 57.27 percent funds under the control of the State for right-of-way items.

Under the Federal legislation the obligation to maintain roads built with Federal-aid funds rests with the States and in some States, as in Montana, it is carried down to the counties. Federal funds are not available for maintenance of Federal-aid projects. Our field engineers make periodic inspection reports of the condition of maintenance of Federal-aid projects and unsatisfactory maintenance conditions are called to the attention of the State and through them to the county if responsible. Continued unsatisfactory maintenance of Federal-aid projects in a county may result in withholding approval of Federal participation in further improvements in the county until the unsatisfactory conditions are corrected. The Public Roads Administration has no authority over the upkeep of State or county roads in which Federal funds are not involved in their improvement.

Our letter of May 4, 1948, in response to yours of April 19 relative to the unsatisfactory condition of a 14-mile section of highway between Big Fork and United States Highway No. 2, advised you that efforts made to induce the county to remedy the unsatisfactory features had up to that time met with little results. Subsequently our western headquarters advised us that the State has guaranteed to provide satisfactory maintenance of all Federal-aid projects in the county. On June 9, 1948, approval was given to the request by the Montana State Highway Commission for the addition to its post-war Federal-aid secondary program of project S. 102 (11), providing for grading and oil-surfacing on the 14.5-mile section of the highway between US 2 east of Kalispell and Big Fork. This project may now be advanced to construction as soon as the State submits satisfactory plans to our district engineer with the assurance that the necessary right-of-way or right of entry is secured. It is understood that this provides for the improvement of the 3.1-mile section referred to in your inquiry.

United States Highway 2 from the north end of the above project west into Kalispell is included in the Federal-aid primary system. It is also a State highway, and the State highway commission is responsible for its maintenance. We have not received a request from the State for Federal assistance in the improvement of this section of highway.

In regard to your inquiry relative to the maintenance of roads built by the Public Roads Administration we presume that you refer to forest highway projects. These projects are undertaken under a cooperative agreement executed by the State highway commission and the Public Roads Administration. This agreement establishes the responsibility for the maintenance by the State or county after construction is completed. The Public Roads Administration performs the maintenance for a 1-year period for high-type paving and a 2-year period for grading and low-type surfacing, after which the State or county assumes responsibility.

There is no change in the status of US 93 from Whitefish northerly to Eureka and southerly to Kalispell from the information

given you in our letter of April 9, 1948, in response to your inquiry of April 1 and letter from Mr. Brad Seely, president of Whitefish Chamber of Commerce.

Very truly yours,

C. D. CURTISS,
Acting Commissioner of Public Roads.

United Nations Organization

REMARKS
OF
HON. FREDERICK C. SMITH
OF OHIO
IN THE HOUSE OF REPRESENTATIVES

Thursday, July 29, 1948

Mr. SMITH of Ohio. Mr. Speaker, the following article appeared in the Evening Star, Washington, D. C., July 28, 1948. It is self-explanatory, though it should perhaps be mentioned that the Secretary of State, Marshall, is the same individual that tried to persuade the United States to crawl in bed with the Chinese Communists. This article is of considerable importance at the present time because the House Committee on Foreign Affairs is proposing a bill to provide $65,000,000 to build a permanent home for the very people Secretary Marshall proposes to have investigated.

It would be unfortunate, indeed, should the Congress grant this request. First, it is a fraud upon the American people to call this a loan because as everyone well knows the United States would in the end be compelled to pay the full amount. Furthermore, the passage of this proposal would add an additional $65,000,000 to the inflation potential. On top of all this, it would aggravate the building material shortage situation and actually deprive veterans and others of homes that otherwise would be made available to them.

MARSHALL NAMES THREE TO CHECK ON SECURITY RISKS AT UN

Secretary of State Marshall today created a committee of three citizens to investigate whether the United Nations is bringing persons into this country who are a danger to American security.

Members of the committee as announced by General Marshall are B. M. McKelway, editor of the Star; James H. Rowe, Jr., former Assistant Attorney General, and now a member of the Commission on Organization of the executive branch of the Government, and Marcellus C. Sheild, retired former clerk of the House Appropriations Committee.

The investigation will cover all classes of persons associated with the United Nations General Marshall said, including foreign delegations and their staff, newspapermen and other reporters, members of specialized UN agencies and the staff of Secretary-General Trygve Lie.

The investigation grows out of testimony of two State Department officials before a congressional committee that hundreds of secret agents from Europe's Communist countries may be using UN credentials as a means of getting into the United States to stir up trouble.

General Marshall reiterated today what he said a week ago after this testimony was given out—that he knows no instances in which any person here on United Nations credentials had actually jeopardized the security of the United States by actions outside his official duties.

Since then, General Marshall said, he has been having what he called a very careful check made of all the records. That inquiry has developed nothing so far, he said.

UN OFFICIAL SAYS UNITED STATES LACKS RIGHTS FOR INQUIRY

LAKE SUCCESS, July 28.—Arkady A. Sobolev, Acting Secretary General of the United Nations, declared today neither the United States nor any other nation has a legal right to investigate UN officials or conduct an inquiry on UN property.

He added, however, that the UN has nothing to hide.

Commenting on an announcement in Washington by Secretary of State Marshall that he is setting up a committee of three citizens to investigate United Nations personnel and delegations, Mr. Sobolev said:

"The United Nations welcomes any public discussion of this matter. We have nothing to hide."

He would not comment further. He added that he could not speak for UN delegations.

Mr. Sobolev, who returned yesterday from a vacation at home in Russia, is Acting Secretary General while Trygve Lie is in Europe on a tour of UN centers.

Building of United States Air Arm Is Long-Range Job

EXTENSION OF REMARKS
OF
HON. CHARLES R. CLASON
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES

Thursday, July 29, 1948

Mr. CLASON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article written by me:

BUILDING OF UNITED STATES AIR ARM IS LONG-RANGE JOB

(By Representative CHARLES R. CLASON, Republican, of Massachusetts, chairman, Subcommittee on Air Matériel, Committee on Armed Services)

The long-term program for rebuilding of American air power initiated by the Eightieth Congress is one of the most decisive steps ever taken to strengthen national security. Public support for the orderly development and completion of that program must be retained throughout the years ahead if our air power is to remain modern and effective. The appropriations voted this year are only a start, and not a substitute, for a consistent long-term air-power program.

The Eightieth Congress has been air-minded. It has enacted laws which have established the Air Force as one of the three great military services. It has appropriated $822,000,000 more money than President Truman requested in order that the aims of the military air chiefs might be carried out adequately.

Members of the Eightieth Congress have studied the broad field of aviation thoroughly in several different committees which have given effect to the more important recommendations of the Congressional Aviation Policy Board. This Board, composed not only of congressional leaders but of top men in industrial and commercial aviation, devoted many long hours to an exhaustive study which has secured wide approval.

FIVE-YEAR PROGRAM

I believe that in 5 years the United States will have such a powerful Air Force and air arm of the Navy that war involving the United States will be unlikely.

Further, Congress is seeking to aid the proper development and expansion of our commercial air transport, both passenger and cargo. Speed of transportation in the United States has been a great factor in our prosperity of the past. Today greater speed can be secured by air. The Government wishes to cooperate in the advancement of proper aims.

A measure which will authorize the design of prototypes for cargo planes for long hauls and for short or pick-up hauls was passed by the House on the last day of the session. (The bill was not approved in the Senate.) The best designs will be selected by a competent board. The transports are intended to provide planes which can be operated by commercial lines on a profit basis while serving as possible auxiliary planes in time of war. Meanwhile, the Air Force would be using them for its own needs.

REBIRTH OF INDUSTRY

Other measures have provided for better travel protection, for the development of airfields and for countless other purposes allied to aviation. I believe that the Eightieth Congress has made possible a rebirth of the aviation industry while establishing the most modern military defense and the best commercial lines in the world.

There is a real danger, however, that adoption of the military appropriations and authorizations and the announcement of original purchase orders will delude the public into thinking that the task of rebuilding American air power is completed.

FIRST STEP

Purchase orders announced early in June by the Air Force and the Navy constitute merely the first step toward a long-term program. That long-term program provides an orderly step-up in the production of new and modern aircraft each year so that by the end of 1953 or in early 1954 our two air striking arms should be equipped with the world's best airplanes, and will be maintained at this level.

It is because of the over-all limiting tendency of time—time required to design and develop an airplane and time to expand production of airplanes that it is absolutely necessary that this country follow an orderly long-term program of aircraft procurement.

Israel

EXTENSION OF REMARKS
OF
HON. EUGENE J. KEOGH
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Thursday, July 29, 1948

Mr. KEOGH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address delivered by Herbert I. Sorin, president of the Glory of Israel Hebrew Institute, Pennsylvania and Blake Avenues, Brooklyn, N. Y., at their meeting on Saturday evening, July 25, 1948:

Every person must meet challenges that show up his true colors. He indicates his determination and backbone by the manner in which he stands the test. We are presently being proven in a similar way. Let us show that we are made of the material that is, indeed, a credit to all; after all, if we live up to our responsibilities today, we will show that we belong to that gallant group that helped George Washington in his great struggle for real freedom in the genuine democracy of our glorious Nation.

There are modern fighters for liberty who are determined to win their democracy from

the same power that the colonists had to endure. The whole world stands amazed at their fantastic courage and military genius in spite of overwhelming odds against them. It is a sad fact that the power that was entrusted with the mandate of the Holy Land and has thereby been granted the confidence of the various nations, does not trust and surely does not respect the world governments. In her last words, His Majesty's Government plainly insulted the United Nations. England has the audacity to rebuke the leaders at Lake Success and to heap insult upon the United States of America that has been feeding them with billions from the same "fools" that they speak of in their press. Their hypocrisy and perfidy is unbounding. They followed the policy of divide and rule. They did this by providing bloody warfare and then by blaming a minute group of extremists who felt that the civilized world must become aware of this terrible scandal. The good people should know that England uses part of that American money to help an organized army of Arab Nations and even supported them with leadership in their battles even while there is an official embargo on arms to both Jews and Arabs.

Will America live up to its historical place of honor in aiding smaller nations to become free? Will the United States who fought valiantly against tyranny help Israel to become independent and unmolested? The promises and encouragement to Dr. Weitzman and Israel must not be vain hypocrisy. There shall never be reason to condemn our great Nation that was founded by such men as the great Thomas Jefferson who said that we are all entitled to our inalienable rights that the greatest document next to the Scriptures proclaims. If the State Department and those who formulate international policy will not live up to this challenge against America's honor, it will definitely be a black spot on our people that will not be forgotten by those nations who will fight for their right to be free. Will we lift that shameful embargo? Will we grant a proper loan to Israel that will be a real ally and that will always stand for democracy? If we are interested in the way that the founding fathers knew and gave so much for, we must see to it that a new democratic fortress shall arise in the ancient cradle of world religions.

My dear people, we, too, have a great job to do. We must not forget our part, not even for a moment. We dare not relent in our efforts to help in bringing about the birth of our people's dream. We must make it a reality. Let us be the supporters of this heroic struggle for the rejuvenation of the predictions of the prophets who told that there would be new and eternal life for that land and that people that brought the Bible to this world.

We must unite, and, together with our distinguished Rabbi Solomon Goldman, let us show our true colors as loyal Americans who love democracy.

May our sanctuary of worship and scholarship and our Hebrew religious school continue to add new recruits who will surely be loyal Americans and a credit to us.

The President and the Eightieth Congress

EXTENSION OF REMARKS

OF

HON. CHARLES A. HALLECK

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 29, 1948

Mr. HALLECK. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following radio address made by me last night over the National Broadcasting Co. network:

After this Republican Congress was elected in 1946 President Truman publicly stated that the people had spoken, that he accepted their verdict, and that he would cooperate with the Republican Congress. That pledge he has not kept. On the contrary, he has sought constantly to block the will of the people as expressed through their duly elected Representatives.

Mr. Truman vetoed measure after measure, only to see his vetoes overridden by overwhelming majorities in the Congress. And that, bear in mind, took Democrats as well as Republicans, and they spoke for the people.

More recently he began a vicious and completely unjustified attack on the Congress, an attack so obviously political and so petty as to reduce even further his already rapidly disappearing support among the people.

Mr. Truman's attack on the Congress and his insistence on having his way without regard to what the people's Representatives believe, must remind many of a similar attack once made on the Supreme Court of the United States. Then the Supreme Court stood against a one-man government. Today the Congress stands against a one-man government. Today the Congress stands as an independent branch of the Government, rightfully rejecting Executive domination, recognizing only its obligation to all the people to legislate in the best interest of the Nation as a whole.

When Mr. Truman first took office, he called Republican leaders to the White House on many occasions, laying legislative requests before us and asking for our cooperation. He did this with respect to domestic matters and many times with respect to foreign affairs where he had an initial responsibility. We cooperated with him in everything we deemed to be in the best interests of the country. But what a contrast is seen in his subsequent warring on the Congress and in his constant refusal to cooperate with Congress on matters primarily of its concern.

You remember the President called this special session of Congress in the course of a partisan political speech at a political convention in which he almost failed of renomination by his quarreling, divided bolt-ridden party. He did not consult with Republican leaders in Congress about the call for the session. He did not attempt to work out a program.

The American people are well acquainted with the cry "emergency." They heard it throughout the New Deal again, and again, and again. The American people and this Congress are willing to work and sacrifice for any real emergency. But a political emergency is an entirely different thing.

It cannot be denied that Mr. Truman, in calling the session sought political advantage at whatever expense to the country rather than sane, sensible legislation to be worked out in a spirit of harmony and cooperation for the good of the country. The very volume, number, magnitude, scope, and importance of the dozens of legislative demands Mr. Truman stated in his message is final proof, if any be needed, that the affair in the Capitol yesterday officially opened the New Deal-Democrat campaign at the taxpayers' expense and with the Congress furnishing the back drop. This is a continuation of his war on Congress. I believe the people resent such tactics.

In spite of the attitude of a hostile President bent on bolstering his crumbling political fortunes the Republican Congress, will, in this special session as always in the past do whatever may be found necessary in the public interest as an emergency matter.

But we are not going to bankrupt the country, socialize the country, or regiment the country by police-state methods. We are not going to destroy production instead of increase production and otherwise jeopardize our solid and sound progress by sacrificing the true national interest on the altar of political expediency.

What is the record in that regard?

Back, before the 1946 elections, the Republicans in Congress joined in a statement of principles and policies. On that we were elected. On those pledges we have delivered. For that the people commend and applaud us and for that they will reelect us and elect our candidates, Dewey and Warren.

We then said:

"Today's major domestic issue is between radicalism, regimentation, all-powerful bureaucracy, class exploitation, deficit spending, and machine politics, as against our belief in American freedom for the individual under just laws fairly administered for all, preservation of local home rule, efficiency and pay-as-you-go economy in Government, and the protection of the American way of life against either Fascist or Communist trends.

"We believe that genuine social and economic progress can be achieved only on these American constitutional principles and it is our purpose to give our citizens this clean-cut choice."

That was the issue in 1946. Truman's sweeping proposals are clear proof that that is still the fundamental issue for 1948. That is his basic conflict with the Congress—a conflict between two different philosophies of government.

The Republican Congress, with understanding, courage, and foresight, hailed the challenge for the preservation of the Republic and, reversing the ruinous New Deal policies, established solid foundations upon which our country is now going forward again.

Here is what we did.

We liberated the people from 76,000 rules, directives and orders, releasing their energies and capacities to produce goods urgently needed to maintain ourselves at home and our friends abroad. True, many things are yet in short supply. Why wouldn't they be with so many demands from abroad and at home? But this much can be said, except for the Republican Congress prices would be higher and houses scarcer today.

We have cut the cost of government and balanced the Federal budget. We did away with unnecessary government functions and pay rollers, pruned Mr. Truman's spend-thrift budgets, and cut the national debt with the biggest surplus in the history of the Nation. Excessive Government spending is one of the causes of high prices. To cut the cost of government and pay on the national debt reduces inflationary pressure and cuts prices. Secretary of the Treasury Snyder just this month said as much, and then predicted that we are close on the edge of having Government expenditures exceed receipts. Why, then, does Mr. Truman call for programs costing billions and billions of dollars to put us completely in the red and make inflation and high prices inevitable and permanent?

We cut personal income taxes with 71 percent of the tax relief going to persons with incomes of less than $5,000. More than seven million in the lowest bracket now pay no taxes at all. That reduces the price of everything we buy, from a haircut to an automobile, and also puts more money in the hands of consumers. Also tax reduction has simulated much-needed production.

We passed the Taft-Hartley Act providing fair and just procedures for peaceful settlement of labor-management disputes. Labor's right to organize, bargain collectively and strike is fully protected. Rights of employers and the general public are also safeguarded. Peaceful settlement of disputes is going forward. Labor is obtaining good contracts, and above all, production is proceeding without interruption. That is the production so badly needed to keep prices down, and meet our commitments at home and abroad.

We have exposed the Communists and battled for the elimination of Communists,

Fascists and other subversives from the Federal Government and other places where they can carry on their nefarious schemes to wreck our country.

We have aided foreign nations. We have appropriated billions to relieve impoverished humanity in foreign countries, to reestablish their economies, and restrain Communist aggression. This has been done with the full knowledge that the great export of goods involved would necessarily raise prices in this country as well as add to inflationary pressures because of the great spending involved. But the Congress, with the people and at the President's request, believed this aid program to be in the national interest. High prices resulting from such foreign-aid programs should not be charged to the Republican Congress in an effort to get votes as Mr. Truman seeks to do.

The tense international situation has required tremendous sums for national defense. We have provided for the national defense, with increased appropriations for all branches of the service, particularly the Air Corps, and with temporary selective service.

We have cared for the veteran and his dependents, passing 188 bills meeting needs of veterans, including increased compensation for the disabled, survivors of war dead, subsistence payments for student veterans, for on-the-job training, the cashing of terminal leave bonds, and aids for veterans' housing.

We generated a building boom through the removal of red-tape and unnecessary restrictions and by legislation directly aiding in the construction of homes, particularly for veterans.

We adopted a long-rang farm program designed to give the farmer reasonable assurance for the future and at the same time stimulate the maximum production of much-needed goods.

We forwarded reclamation, flood control, river and harbor improvement, rural electrification and rural road building. For these meritorious projects we appropriated record sums since they are all essential to expansion and protection of our national economy.

We expanded social security, passing a bill to increase payments for the needy, aged, and blind.

We provided a cost-of-living increase for postal and other Federal employees.

We extended the Reciprocal Trade Agreements Act with fair amendments designed only to give proper consideration to American agriculture, labor, and industry.

These and many other things we have done. The measures we enacted are benefiting every segment of our population and creating wholesome conditions for prosperity and happiness.

So this Eightieth Republican Congress has made a great record of accomplishment. It has made a record of which we who have helped in its achievement take justifiable pride. It is a record of which the overwhelming majority of the American people approve.

Of course, the work of the Congress is never done. Always there will be something which someone believes should be enacted and probably ought to be enacted. Possibly we might have been able to do a few more things before we adjourned a few weeks ago had the President stayed here in Washington on the job, working with the Congress, instead of playing hookey and going across the country at the expense of the taxpayers on a political expedition.

But that is water over the dam. Today, it is undoubtedly true that some prices are too high, and we do not have all the housing we need. The Republican Congress has been considering the whole situation and will continue to do so.

Beyond that, and looking at things about me, I am not as pessimistic as some about the future. Everywhere I see homes being built, utilizing every available nail and board and man. In my own State of Indiana, and elsewhere, I see the most bounteous crops ever to favor a grateful people. As they are being harvested, prices are dropping way below the peaks of the past. Inevitably that means decreasing consumer prices for foodstuffs. In all of these things Washington can help and is helping, but the big job of actual production must be done in the country.

One thing finally, the Republican program, as such must necessarily be enacted when we have a Republican President to cooperate with a Republican Congress when we meet next January. We shall elect Dewey and Warren, and a Republican Congress, in November, and then we shall move to the complete accomplishment of our program.

How Red Are the Wallace Progressives?

EXTENSION OF REMARKS
OF

HON. KARL E. MUNDT

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 29, 1948

Mr. MUNDT. Mr. Speaker, under leave granted me by the House, I am taking this opportunity of preserving for the permanent archives the following report by Miss Dorothy Thompson, noted columnist and speaker, on what took place behind the facade of the recent Wallace Progressive Party convention in Philadelphia. This excellent and penetrating report by Miss Thompson should be read by every alert American. It reveals the startling similarity of the Wallace and Hitlerian approaches in the matter of molding mob psychology through the inciting of racial and selfish hatreds and the appeal to those who would climb upward by pulling others down. Since the tactics of Hitler and the tactics of Stalin are so closely similar it also reveals the identity of Communist and Fascist techniques since, as Miss Thompson so authentically points out, the pattern of behavior and performance at the Wallace Progressive convention was developed and controlled by the Communists who have so effectively—with a welcome from Wallace—injected themselves into what might otherwise have evolved into a legitimate and constructive political influence in America.

Miss Thompson's article follows:

[From the Washington Star of July 28, 1948]

THIRD PARTY CONVENTION, ALTHOUGH OVER, STILL HAS ALL QUALITIES OF A NIGHTMARE

(By Dorothy Thompson)

Even now that it is over, it still has the quality of nightmare—the whole show, from the preposterous press conference Friday to Henry Wallace's riding into the convention in a midget automobile to take hysterical and deeply sincere cheers from a mass audience too exhausted by spent emotion to listen to what he had to say.

If my colleagues, confessing to the same sense of dream, did not confirm it, I would think I had imagined the grotesque combination of revolution and turkey-in-the-straw; of snakelike venom and sentimental corn; of camp-meeting revival and smoothly engineered purpose. VITO MARCANTONIO really could not have performed his soap-box contortions before an audience that never giggled, but gave wild cheers while some raised clenched fists in Communist salute in the bleachers.

And certainly GLEN TAYLOR could not—he really could not—have minced onto the platform with a cherry-red mouth rouged for television, swaying his body and raising his arms in the ally-oop gestures of an acrobat. He could not have made a speech bristling with revolution, with the flirtatious smile of the professional entertainer, and then—surrounded by his family, baby on shoulder—croon sweet music in barbershop harmony into the microphone. But I didn't dream any of it. My colleagues—persons as sober as Mrs. Anne O'Hare McCormick—saw it too, and just the same way.

ANYTHING COULD HAPPEN

There were young persons dancing among the newspapermen and sighing ecstatically, "Don't you see now that we are going to sweep the country? It's dynamic; it's invincible." They certainly, I thought, believed it; and God knows in these times anything could happen.

The young Wallaceite, addressing me in tones half menacing and half coy, cried, "Now tell the truth, Miss Thompson. Be sure you tell the truth about us." And I saw she really believed I was a good woman gone wrong in the toils of the capitalist interests. But tell the truth? How can I convey the sound, taste, smell, and haunting sense of having seen it all before, which is certainly subjectively true, and shared by others? Who would believe what telegraphed itself to my instinct and mind unless he had experienced the birth of other movements, equally fantastic, bringing ruin to peoples in the name of salvation?

The crowds gathered there were not a social class; they were certainly not predominantly workingmen and their wives. They were a psychological class, a mass of persons sick from resentments and fears, arising not from economic suffering but from other kinds of suffering—the suffering, I thought, from a sense of fear of inferiority magnified to pathological proportions. What an amount of psychoneurosis gathered under one roof, or under the clear stars.

Now the Guru letters no longer seemed to me unimportant. Since the Friday press conference, it seems apparent that Mr. Wallace did write them, or why in the world should he not give a simple answer to a straightforward question? And they reveal a curious state of psychosis and mental insecurity such as you find in people looking for signs and portents and their fates in stars. I have seen before, in other places—in one place in particular—the powerful psychic hold that a neurotic personality can have on a neurotic community.

However, there were two people in my immediate vicinity who did not seem at all neurotic. These, in response to our introduction of ourselves, revealed themselves as Mr. Alexandrov and Mr. Morev, Russians of the Soviet Tass Agency.

Mr. Alexandrov's eyes and mouth revealed a sense of humor which he had superbly disciplined. An occasional dimple indicated that he, like my colleagues, found Senator TAYLOR's antics very funny—the "red smear" on the painted-for-television lips really was funny. And Mr. Alexandrov's suppressed merriment was not, like our own, embittered by embarrassment. When Paul Gallico asked, "Do you have shows like this in Russia?" he answered with a twinkle, "Not—not quite so personal," and could be drawn no further.

Mr. Morev was ferociously dour and industrious, obviously contemptuous of everything—of the show, the crowd, and his "colleagues" in the press box. Both followed the speeches closely, checking utterances against scripts and making notes.

CABLES TO MOSCOW

And thus they were able to cable to Moscow—later no doubt to be confirmed there

with television and sound effects—that 30,000 people cheered wildly while candidates for the American Presidency and Vice Presidency charged that Gen. George C. Marshall, Chief of Staff of the victorious American Armies of World War II, Gen. Lucius D. Clay, Commander of the American Army of Occupation in Berlin, the present President of the United States, and the most likely next President of the United States, are nothing but tools of intriguing national bankers; that our troops have no military right in Berlin; that the object of the United States Government is to turn Germany into a colony and dominate the whole world; that the Republicans and most Democrats are pro-Nazi; that our name is cursed by the people of the world; and that, in short, every charge against us by the Soviets is 100 percent true, and not the half of the villainy; and that, by logical deduction, every measure taken against us by the Soviets is sheer self-defense, after incredibly long suffering.

So that before you read this column the Russian press and radio will have American authority for all their propaganda; so that if they shoot down our planes in the air corridor, they can claim in the name of Henry Agard Wallace that they are only shooting Nazis; so that obviously Stalin is infinitely preferable anywhere to President Truman or Governor Dewey. So around we are, full circle:

"I would rather see Hitler in the Champs Elysees than Leon Blum."

All this the industrious and reserved Tass correspondents noted as fully as we American journalists noted it. When I glanced at Mr. Morev he tried most insolently to stare me down. And my whole contribution to the honor of my country was not to turn my eyes away first.

But inwardly I did turn away first. My heart was drooping in shame. Mr. Alexandrov and Mr. Morev never had heard their people groveling cravenly before the United States and praising, say, Roosevelt to the disadvantage of Stalin.

I felt ashamed before those Russians, for the speakers and the masses in the bleachers were my countrymen and I cannot divorce myself from any of my countrymen, however much I feel ashamed of them. I was unable—and unwilling—to explain that the curious, aggressive mass who nonetheless got such odd masochistic pleasure from hissing our Government, wartime officers and occupation forces were not America, could not possibly be America—as the Tass correspondents certainly seemed contemptuously convinced they were.

What Congress Should Do

EXTENSION OF REMARKS
OF
HON. HOMER D. ANGELL
OF OREGON
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 29, 1948

Mr. ANGELL. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Portland Oregonian of July 27, 1948:

WHAT CONGRESS SHOULD DO

The Eightieth Congress, reconvened by President Truman for campaign purposes, could remain in session for months, brawling with the President and accomplishing little. But this would be pointless. The Congress should pass an adequate housing bill and go home. This is the single large and important program, thoroughly predigested in committees, left undone.

There is not the slightest chance that the Republican-controlled Congress and the Democratic President can get together on inflation controls. They just do not think alike. Congress is even less likely to hand over to Mr. Truman the managed-economy authority he demands, while smarting from the political call-back and his intemperate denunciation of the assembly, than it was heretofore.

President Truman knows as well as anyone that he cannot even depend upon majority support of Democrats in Congress for a price-control program. All he expects in that line is the excuse to denounce the Republican Congress for refusing to give him unprecedented peacetime powers. Even if he were not, in all probability, a "lame duck," Congress wouldn't do it.

The Presidential record since 1946, when Republicans won a majority in each House, shows as clearly as could be that the Nation cannot expect real leadership from the Federal Government until there is harmonious cooperation between Congress and the White House. That can come only from election of a Republican President this November. It would be almost as futile, while retaining a Congress of Republicans and anti-Truman Democrats, to elect Harry Truman for another term as it would be to put in Henry Wallace.

Mr. Truman's vote-catching demands for inflation controls do not merit consideration unless both political parties and the entire Nation are willing to go all the way. It was the Truman administration that dumped wage and many price controls as soon as the war had ended, because the people were heartily sick of them. Nor will the people now trade a free economy, though prices still rise, for a system of rationing, wage limitations and the black market.

The President's civil rights program is an old and dusty herring. He demands that the Congress enact in a brief special session, legislation which Congress and the Nation have divided on for years. In an election year, he pretends to expect Republicans to help him defeat the Southern wing of his own party. Some of this legislation must be approved, and the Republicans have promised in their convention platform to vote it when they come to power. But it can well wait the next regular session.

We think the Republican Congress should have come to agreement before it recessed on a sensible version of the Taft-Ellender-Wagner bill, to stimulate private building and to provide subsidized, low-rental housing under local auspices. Housing is the real emergency in America today, and the bill has been considered thoroughly. Other important legislation should await the seating of a new Congress and a new President who will be in substantial agreement on the national needs and desires.

Congress Should Reward This Humanitarian

EXTENSION OF REMARKS
OF
HON. WILLIAM LEMKE
OF NORTH DAKOTA
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 29, 1948

Mr. LEMKE. Mr. Speaker, there have been so many inaccurate and in many cases deliberately false statements made by a few retired professors parading under the name of doctor concerning H. R. 462, a bill that I introduced to prohibit the torturing of dogs alive in the name of scientific research.

The truth is that many doctors including some eminent physicians, such as Dr. Allen, of Chicago, have repudiated the vivisection of dogs. These have stated openly that it is not necessary to torture man's best friend. I may add, also, that it is not necessary to torture alive not only man's best friend, but the child's best friend and protector.

The time has come that this brutality be stopped. There is nothing that anyone can claim that he has learned from dogs that he could not and would not have learned from other animals.

It is, therefore, with pleasure that I include in my extension of remarks, an editorial from the Hearst newspapers of July 1. Read it carefully, and I am sure that you too will agree with Frank B. Marks, Poundmaster of the District of Columbia.

Here is the editorial:

CONGRESS SHOULD REWARD THIS HUMANITARIAN

Frank B. Marks, of Washington, D. C., the only poundmaster serving under congressional authority, has administered to all vivisectionists and practitioners of medical torture a well-deserved rebuff which is of national significance.

Marks flatly rejected a request for healthy living animals from the National Capital's pound for functional demonstrations at the Howard University School of Medicine in Washington.

Functional demonstrations commonly include crushing or maiming conscious dogs to observe the effects of shock, experiments to determine how much pain an animal can withstand, and application of electricity to exposed nerves.

During the 12 years Marks has been the National Capital's poundmaster he has spurned similar requests from a number of Government agencies and institutions. Howard University itself is supported by congressional appropriations.

What makes Marks' latest refusal of national significance is this:

Vivisectionists and others who inflict needless pain and suffering on living animals in the name of science are conducting a Nation-wide campaign to open all pounds to their sadistic uses, and to compel poundmasters to turn over to them any or all unclaimed dogs, cats, or other pets.

Their campaign has been only partly successful, with Chicago possibly the blackest example.

There the notorious Arvey ordinance makes pound animals available for laboratory butchers.

Chicago, however, represents to them only a local victory.

What the vivisectionists really desire is a national accomplishment.

Their goal is the District of Columbia pound.

It is the only pound in the United States under the jurisdiction of Congress.

Congress determines its appropriations, fixes the salaries of the Poundmaster and his employees and, in effect, determines its policy.

When and if at any time the Government's own pound lets down its bars to vivisectionists, they would celebrate their success in every city and town as a pattern that has been accorded official Federal approval.

That scheme is blocked for the present by Poundmaster Marks.

Marks says he will continue to block it as long as he holds his present office. He asserts:

"There will be no dogs or cats at this pound turned over to laboratories, medical schools or medical teachers or students as long as I am poundmaster.

"I think that anyone who would obtain an animal at a city pound to experiment on it or destroy it in a brutal way should be put in prison."

Humane leaders in the District of Columbia have extolled Marks for his high principles and "moral conscience."

Mrs. Alma T. Opal, president of the District of Columbia Anti-Vivisection Society, states:

"Mr. Marks is one Government official who realizes fully his responsibility to the people he serves.

"He is aware that in his office he holds a trusteeship over property belonging to others—property which, in most instances, has sentimental value and holds the deep attachment of its owners.

"To turn this living property, which he holds in trust, over to medical torments, would be a violation of his responsibilities. He refuses to do so.

"Our organization and scores of other humane groups throughout the Nation commend him."

Mrs. Opal continued:

"What right and title do medical laboratories have over any property belonging to others, whether or not it is in the custody of a Federal or city government?

"The answer, of course, is: 'None.'

"Vivisectionists may argue that this property is lost, strayed, or even stolen. That in no way extinguishes the legal right of the owner.

"To concede that laboratories have such a right would be to concede that they also have a right to lost children or to abandoned waifs; that they would have the right to take babies from foundling homes or children who have been kidnaped from their mothers.

"Such an assumption is, of course, inconceivable. But the principle is much the same.

"By upholding these rights in their application to pets at the Capital Pound, Mr. Marks has not only protected the property of thousands of dog and cat owners, but has prevented an ugly smear on our national escutcheon."

The Nation should commend and honor Mr. Marks for his public service and his great humanitarianism. And our Congress should see that he is properly appreciated and supported in the performance of his duties.

Stop This National Gyp

EXTENSION OF REMARKS

OF

HON. HELEN GAHAGAN DOUGLAS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 29, 1948

Mrs. DOUGLAS. Mr. Speaker, under permission to extend my remarks in the RECORD, I wish to insert an editorial from the Los Angeles Daily News of Monday, July 26, 1948.

The present law has been proven inadequate to prevent such reprehensible acts as have been imposed on veterans at the hands of irresponsible builders. It clearly becomes the duty of Congress to strengthen those laws, or to initiate others that will protect the citizens of this Commonwealth.

I have, therefore, introduced a bill which would remove the inequities in the existing and inadequate regulations governing veterans' housing. It is my hope that this Congress will take immediate steps to pass this or similar legislation to avoid what is fast becoming a national disgrace.

The editorial follows:

STOP THIS NATIONAL GYP

The Daily News calls for an immediate congressional investigation of the entire GI housing program so that the taxpayers who are footing the bill may find out how it happened that no laws exist for the veterans' protection.

The Government's most important housing case in the Nation has just been concluded in Fresno where three men were acquitted by a Federal court jury of all charges.

This means that no laws were violated and no crime committed in the construction or sale of the cracked-up little shanties of which the veterans and the Government complained.

Who is responsible for these houses?

It is the clear responsibility of the United States Congress to find out, inasmuch as it was this same Congress that passed the Servicemen's Readjustment Act and other legislation specifically designed to extend a privilege to a specific class of citizens—our veterans.

For some months past the Daily News, in a series of stories, has brought to public attention the fact that hundreds of such "Fresno" houses exist in this and other major cities.

There are the houses; they stand as concrete, irrefutable evidence of a national scandal.

Why is it that the legislation—through VA and FHA regulations—provided such generous protection to builders and lending institutions but none to veterans?

Why is it, if it was the intent of the legislation to provide that protection through responsible behavior of lending institutions, that these institutions have failed to exercise that responsibility?

Why do the regulations provide absolutely no guaranty to the veteran? Why have the VA and FHA been so ineffective in protecting both the veteran and the taxpayer whose money is being used in these insurances?

How did it happen that the Congress, so bent on economy, gambled so recklessly with the public funds?

This is an issue of concern to every citizen; not just to the veteran whose house is falling to pieces. Each of these houses is protected by $4,000 Government insurance—insurance to the lending institution. Each of these houses was built under title VI of the FHA—at practically no risk to the builder, but at high profit.

Why is the law so inequitable?

What good does it do to appropriate $2,000,000 to the Office of the Housing Expediter to increase its staff of investigators to handle the complaints if there is no law under which to prosecute the builders and the lending institutions responsible for this national shame?

For all these reasons, therefore, the Daily News calls on the Congress to investigate this situation and to rectify its own errors, through the amendment of existing legislation or the enactment of new laws to prevent a repetition in the future.

The Daily News also urges United States Attorney James Carter and his staff not to relent in their courageous fight in behalf of the swindled veterans and taxpayers.

The United States attorney has more than 1,500 veterans' complaints in his files. This newspaper urges Carter to test their claims under older statutes since the Fresno court has shown the special legislation is inadequate to protect the veterans.

Specifically, Carter is asked to consider two statutes under which new indictments might be brought: the laws covering conspiracy to defraud the Government, and the crime of making false statements to the Government.

The Daily News also respectfully reminds the United States attorney of his long-standing promise to bring a civil declaratory relief action in the Federal court, and urgently requests that he do so as soon as possible.

This is the Government's last and strongest weapon in behalf of all of us. It is the means through which the Federal court will be asked to tell us, once and for all, who is responsible for these shabby houses—the veteran, the builder, or the lending institution. Then we will know whose responsibility it is to protect the taxpayers' stake in these properties.

We have done the veteran no favor by devising a one-sided program which permitted him to buy these houses at high prices. The Daily News therefore urges the Congress and the United States attorney immediately to do everything in their power to demonstrate that the same Government which so recklessly became a party to his victimization is capable, by rectification of a gross injustice, to restore his trust.—S. B.

Supply and Demand

EXTENSION OF REMARKS

OF

HON. HUBERT S. ELLIS

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 29, 1948

Mr. ELLIS. Mr. Speaker, today when all of us are concerned with the high-cost-of-living problem, I direct your attention to an editorial from the Huntington Advertiser, published in Huntington, W. Va., and edited by Mr. Clyde A. Wellman. The Advertiser is the leading Democratic newspaper in this section of the Ohio Valley. The statement is forthright and timely.

In the discussion of this important subject, Supply and Demand, it may be well to refresh our memories on a little history.

Price and ration controls broke down long before Congress terminated the OPA in 1946.

In May of that year the Bureau of Labor Statistics stated that 85 percent of the stores had no veal, more than four-fifths were without pork loins, ham, or bacon, and that almost 7 out of 10 had no beef or lamb.

The meat cutters' union at the same time said Government regulations of the meat industry were unenforceable and that impossible regulations were building up an army of meat bootleggers.

Within 1 month's time after the death of OPA employment in the meat-packing industry jumped from 93,000 to 163,000, and 2 months later it had increased to about normal levels of 180,000 workers.

In October 1946 the President said in a statement that the Government had considered going out to farms and ranges to seize cattle for slaughter, but it was decided that it would be an impractical move.

In the same statement the President said another remedy proposed was seizure of the packing plants. He said that proposal was turned down as useless because the packing houses were empty.

The editorial follows:

SUPPLY AND DEMAND

Wage and salary income of all kinds in the United States increased 179 percent from 1939 to April 1948. From June of 1946 to last April wages and salaries jumped 22 percent.

These figures reflect the high degree civilian employment has attained in the United States, much of it coming since the end of the war.

Employment is at an all-time peak. A few over-all comparisons will illustrate the tremendous increase in employment. In 1940 there were 55,640,000 persons in the civilian labor force of the country. Of this number, about 8,120,000 comprised an army of unemployed. That would leave 47,520,000 gainfully employed.

The peak of wartime civilian employment came in July 1943 with a labor force of 57,680,000, of whom 56,290,000 had jobs and only 1,390,000 unemployed.

There was a shrinkage in the labor force after VJ-day, because many workers especially women, who had been drawn into the labor force in the war period, withdrew from the labor force. The prediction of Government officials that we would have at least 8,000,000 unemployed during the reconversion period never materialized. At no time since VJ-day has unemployment exceeded 2,700,000 although statisticians allow a "float" of about 3,000,000 for so-called frictional unemployment. In August 1945 there were 54,460,000 in the labor force of whom 53,630,000 were employed and only 830,000 unemployed. A year later (August 1946) there were 59,750,000 in the labor force with 57,690,000 employed and 2,060,000 unemployed.

In June of this year (1948) the "mythical" 60,000,000 jobs was surpassed when 61,296,000 were employed out of the total expanded labor force of 63,497,000 with 2,184,000 unemployed.

The condition reflected by these figures alone is a powerful contributing factor to present-day inflation and high prices. It probably is the most important factor. Sixty-three and a half million people mean that number of people in the market 365 days out of the year for consumer goods of every kind and quality. It is the largest number of buyers the American market has had in history. When people have money they try to buy what they want when they want it. Although production in nearly every line is above prewar levels, there still is not enough output to meet the demand. With demand excessive and supply still limited, obviously bidding is intense for the things that are available.

Here is one factor in our current inflation that Congress and the political fixers will have difficulty in overcoming. History teaches that man-made devices for controlling the ancient and inexorable economic law of supply and demand are futile. Sixty-three million persons receiving pay checks regularly has put demand out in the lead, with supply trailing far behind.

Abolition of the Poll Tax

EXTENSION OF REMARKS

OF

HON. GEORGE H. BENDER

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 29, 1948

Mr. BENDER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the text of a letter which I sent on yesterday to each member of the majority party in the other body:

JULY 28, 1948.

DEAR SENATOR: As the author of H. R. 29, the bill to abolish the poll tax in Federal elections, I am taking the liberty of writing to you in regard to the pending action in the Senate in regard to this legislation.

The proposal for a constitutional amendment is a shabby device to evade the issue. All of us who have worked over the years for the abolition of the poll tax and the restoration of a free ballot to the American citizens who are now denied the right to vote by the poll tax know that the proposal for a constitutional amendment is a meaningless gesture. The millions of Americans who are watching this Congress know it.

My bill, as you know, was passed by the House of Representatives with an overwhelming majority more than a year ago, on July 21, 1947. It has been favorably reported by the Senate Committee on Rules and Administration. It is now before the Senate for action. It should be brought to a vote and enacted now.

The constitutionality of my bill is clear. It has been passed by large majorities by the House of Representatives in four successive Congresses. It has been found constitutional and favorably reported as constitutional by four successive Senate committees which have considered it.

In its platform the Republican Party has pledged action on the abolition of the poll tax. The passage of my bill by the Senate is the only road to the effective abolition of the poll tax. It is the only way the Republican Party can keep faith with the American people on this issue.

I cannot urge upon you too strongly the need for the speedy consideration and passage of my bill, H. R. 29, at this time.

Sincerely yours,

GEORGE H. BENDER,
Congressman at Large, Ohio.

Return of the OPA

EXTENSION OF REMARKS

OF

HON. A. L. MILLER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 29, 1948

Mr. MILLER of Nebraska. Mr. Speaker, I am certain the President would use any standby powers given him to restore price controls, rationing, and allocations. It would be the OPA all over again.

Wartime price controls and rationing broke down long before October 1946, when the President put an end to the full force of the OPA. He took this action at the insistence of the Democratic leadership in this Congress, He thought he might save the political necks of some of the Democrats, but it was too late. The people were aroused, and wanted no more of these obnoxious controls. To reimpose the OPA in peacetime would be a grave mistake.

In the closing days of the OPA, black markets flourished, production was down. There was open contempt by our citizens to these unnecessary regulations.

In May 1946, the Bureau of Labor Statistics stated that 85 percent of the retail stores had no veal; 80 percent were without pork, bacon or beef. Meat controls would again bring shortages.

In May 1946, the meat cutters union said Government regulations in the meat industry were unenforceable and that impossible regulations were building up an army of meat bootleggers. The same could be said for all lines of industries.

The President, in June 1946, spoke of seizing the cattle on the ranges for slaughter and taking over the then empty packing plants. After careful consideration he thought it might be impractical at that time. Perhaps he feels that now he can roll back the prices and it can be done.

It is true, Mr. Speaker, prices are high, and I believe they will go higher if we continue to send our resources, far beyond our ability, all over the world. We are wasting them without any promise of a fair return. A proper balance of our give-away and export program would bring prices down at once. I believe inflation is just more money than goods. The cure is to have more goods than money.

Our country now has full employment and high wages. When we get our pay checks we like to buy the things we want. If they are scarce or not to be found at all, the price is high.

The people in Nebraska do not want a return of the OPA. They feel the President should use the powers he now has to control Government spending, bank credits, and interest rates. Most of the present inflation could be stopped, and indeed prevented, had the President made use of authority he now has to put the brakes on inflation.

If we adopted all the President's program, it would mean $15,000,000,000 to $20,000,000,000 added to the national budget. The tax burden should be less, not more.

I would suggest that the proper committee study the President's program carefully, holding full hearings, and if restoring regulation W or other credit controls are needed, apply them.

Perhaps title VI of the housing bill might be restored. There must be proper safeguards to prevent a small group of builders making a racket out of the liberal borrowing provisions of this section. Hearings may indicate it is not needed.

Certainly, Mr. Speaker, passing a law will not stop inflation or build cheap houses. The Congress and the people of this great country will not be misled by a desperate administration saying our present temporary ills can be cured by a law. To build cheap houses there must be cheaper material and reasonable costs of construction. If we keep the material now being shipped all over the world in this country, better and lower-cost houses will be built and the cruel inflation will be whipped. The administration ought to know that you just cannot have your cake and eat it at the same time. Certainly a return to the OPA would only make conditions worse.

Adopted Children

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 29, 1948

Mr. MULTER. Mr. Speaker, I have introduced a bill today to amend the Immigration Act of 1924 so as to permit unmarried adopted children of American citizens to come to this country regardless of any quota limitations.

There are thousands of homeless orphans throughout England and the European continent who can find a home here, and the opportunity to become good American citizens.

I am sure that most Members of Congress have received the same type of inquiries that I have from good American citizens who desire to adopt such orphans, and to provide homes for them in our country where they can be raised in the traditional American manner.

Unfortunately, the law in its present state requires that such children meet all of the immigration requirements before they can be admitted. This proposed law will eliminate such restrictions without affecting our economy in the slightest, and will prove a blessing to those innocent children who are in no way responsible for their dire plight. I earnestly urge the Congress to enact this measure.

United Nations Vetoes Congress

EXTENSION OF REMARKS
OF
HON. HUBERT S. ELLIS
OF WEST VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 29, 1948

Mr. ELLIS. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Chicago Tribune of July 28, 1948:

UNITED NATIONS VETOES CONGRESS

The World Health Organization, an agency of the United Nations, has asserted that UN possesses a legislative power superior to that of the Congress of the United States and, of its own motion, can override congressional acts.

This novel and dangerous doctrine, bringing into question whether the United States is in fact sovereign, was brought into the open at the meeting of the Health Organization in Geneva, Switzerland. As a condition to American membership in the body, Congress decreed that the Nation's financial contribution should not be 39.89 percent of the Organization's budget, the same proportion of costs which American taxpayers bear in supporting UN itself. A congressional limitation was intended to hold American support to about 25 percent, which is far more than any other nation is paying. The funds may be used to fight epidemics throughout the world, including Russian-dominated territory.

This failed to satisfy the foreigners, who are in the habit of looking to us on all occasions to catch the check. When the American desire for economy was expressed, our dear friends, the British, promptly moved that the scale of contributions conform to those in effect in the parent UN organization. The United States protested, but was supported only by Belgium, Holland, Turkey, and China. Twenty-seven nations, among them Britain, Russia, the Ukraine, and White Russia, ganged up on us and said we couldn't get away any cheaper than 39.89 percent.

Having done this, the combine began parceling out seats on the executive board and managed it so that America should get only a 1-year seat while some of the rest of them were taking charge of the spending of our money for 3.

The power of Congress to legislate for the United States and to decree the extent of its activities and the amount of its appropriations has thus been brought under direct challenge. If the Geneva ruling is to stand unimpeached, Congress will be in the position of having subscribed to the proposition that UN possesses power to override legislation. The next thing we know, UN may be canceling the Bill of Rights out of the Constitution.

When Congress voted to permit American adherence to the World Health Organization, it, fortunately, specified the reservation that the United States might withdraw on 1 year's notice. Mr. Truman's summons to Congress to meet in special session provides a convenient occasion for handing in the notice without loss of time. Otherwise, by sticking around, Congress will be subscribing to the theory that UN may shear it of its prerogatives.

Amendment of Labor Relations Act

EXTENSION OF REMARKS
OF
HON. ELLSWORTH B. FOOTE
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 29, 1948

Mr. FOOTE. Mr. Speaker, at the time of the passage of the National Labor Relations Act, I advised some 4,000 of my constituents who wrote me concerning this measure that if they called to my attention or I ascertained that any provision of this law was unworkable I would immediately take legislative action to remedy the situation. The requirement that the National Labor Relations Board elections be held before a union shop can be set up under a collective-bargaining contract, in my opinion, has proven unworkable and unnecessary. Such elections are costly and usually result in an overwhelmingly large vote in favor of the union shop. Since the great majority of workers want the union shop, I do not believe they need to be protected by a poll.

The National Labor Relations Board has been showered with petitions for authorization elections and without exception elections held so far have been won by large majorities favoring adoption of union-shop contracts. I believe there should be no hesitancy in repealing the union-shop election requirement and have today introduced a bill calling for the same, reading as follows:

A bill to amend the National Labor Relations Act so as to eliminate the necessity of holding an election as a condition to the making of an agreement requiring membership in a labor organization as a condition of employment.

Be it enacted, etc., That section 8 (a) (3) (ii) of the National Labor Relations Act, as amended, is amended to read as follows: "(ii) unless, following an election held as provided in section 9 (e) (2) within 1 year preceding the effective date of such agreement, the Board shall have certified that at least a majority of the employees eligible to vote in such election have voted to rescind the authority of such labor organization to make such an agreement, and if the Board shall have certified that such labor organization has complied with all the requirements imposed by sections 9 (f), (g), and (h) as conditions precedent to the Board's processing of a petition or a charge:".

SEC. 2. (a) Paragraph (1) of section 9 (e) of such act is hereby repealed.

(b) Paragraph (2) of such section is amended to read as follows:

"(2) Upon the filing with the Board, by 30 percent or more of the employees in a bargaining unit covered by an agreement between their employer and a labor organization made pursuant to section 8 (a) (3), of a petition alleging they desire to rescind the authority of such labor organization to make an agreement with the employer of such employees requiring membership in such labor organization as a condition of employment in such unit, the Board shall take a secret ballot of the employees in such unit and shall certify the results thereof to such labor organization and to the employer."

SEC. 3. Subsections (f), (g), and (h) of section 9 of such act are amended by striking out the words "no petition under section 9 (e) (1) shall be entertained," where they appear in each of such subsections.

The Duty and Responsibility of Women in the 1948 Campaign

EXTENSION OF REMARKS
OF
HON. MARY T. NORTON
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 29, 1948

Mrs. NORTON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address delivered by me at the recent Democratic National Convention:

Mr. Chairman, distinguished guests, delegates, ladies and gentlemen, this is a call—no, it is an appeal to the conscience of every woman in America to wake up and recognize her duty, her obligation, and her responsibility to civilization and to mankind, in this, the most critical period in world history. I make this appeal because we are facing a very important election—an election which may well decide the future of America. The stakes are high, so high that the contest will be bitterly fought.

The Democratic Party in 16 very difficult years presents a record of progressive achievement greater than that of any 16 years in the history of the world, from a tragic Republican depression in 1932 to an all-high national income of more than $160,000,000,000 in 1948. The Republican Party, controlling Congress two short years with a new low in legislative record, anxious to assume control of government, seems to have learned very little about what the people in this country really want from their Government. I say this for all indications point to the same old reaction that finally brought about the depression of twenty-nine and the early thirties. The Republican Party is definitely the conservative party—ours the progressive party. What do the people want? I believe that they want progress and more progress, a people's government, the kind of government which they have enjoyed for the past 16 years

under Democratic leadership. I feel in my heart the people in this country do not want a government controlled at the top by men who will give first consideration to the great financial interests of our counrty—high tariff and all the other selfish objectives that brought what seemed great prosperity in the years following the First World War and ended in disaster within 10 years. These are the issues. They are clearly drawn and the women of America, I believe, will decide which party will win the election for there are a million and a half more women than men eligible to vote. Their votes may well decide the election of 1948. I prayerfully hope we will make the right decision. It is a very great responsibility. May God direct us in the months ahead.

I've been in politics a long, long time—sometimes I think too long. I feel so deeply about our duty as citizens that I would gladly give the few remaining years of my life if I could make women realize how powerful they are and start them moving.

I make this appeal because it is my conviction that we women have never realized our power and do not fully understand the tremendous necessity of exerting that power now.

It is 28 years since women became voters. I think that you and I should be ashamed of ourselves because in no election in all those 28 years have more than 50 percent of us taken the trouble to go to the polls on election day and vote. The fact that the men haven't done any better does not excuse us. Only about one-third of the voters voted on election day in 1946. Do you realize that, as the result of that laxity—that neglect on the part of two voters out of three on that day—we in the United States are now being governed by a minority, by a Congress elected by only one-third of the people. Sometimes I get very tired of all our talk, our boasting about democracy, about our way of life. If we really believe in our way of life, the very least we can do is to overcome our lethargy—our downright indifference—and get out and vote on election day. Believe me, this tendency to ignore our privilege and our responsibility as citizens is a terribly dangerous thing at this time. Suppose we continue to allow ourselves to be governed by a minority, with the minority growing smaller in each election—what finally happens? Do we find ourselves being governed eventually by a minority of one—a Stalin or a Hitler? It could happen.

What do women want out of life? What do we expect from our Government? I believe that we want health protection for our families. We want good schools for our children. We want a decent standard of living, and we want security in our old age—not too much surely to ask of the richest country in all the world. And, more than anything else in the whole world we want peace—a lasting peace, relief from worries and the everlasting talk of war.

What have we done to achieve these objectives? These things simply aren't going to be handed to us on a platter. We've got to work for them. How do we work for them?

When we were children we were taught that, if we wanted a thing badly enough and put our heart and soul into achieving that objective, we would get it. I have known women—and so have you—to make sacrifices, to work, to drive themselves to a point almost beyond human endurance for a personal objective—for instance, to obtain a college education for a child. If we women were willing to put even a fraction of that concentrated effort, that drive, behind these larger objectives, we could attain them. Of this, I haven't the slightest doubt.

Apparently women never have seen the connection between their objectives—health, education, standard of living, security—and their government. Most of us, even after 28 years, still think of politics as something having no relation to our homes and ourselves. We still shrug our shoulders. We still think of politics as something not quite clean, something to be left to the men. Well, we've left it to the men—and see what we have. My opinion is that had we more women in the Eightieth Congress, that Congress would have done more than serve the high-price propagandists who forced their will upon the Republican leadership.

Examine the history of the Eightieth Congress—and I dare you to point to a single constructive law, with the exception of the Marshall plan, which would serve the best interests of all the people. Some may say the tax bill did. I do not think so. Time will tell—and it may not be very long—whether the tax bill was honestly meant to relieve the taxpayers or was merely a political trick to catch votes.

Let every woman remember that written into the Republican platform at Philadelphia are promises to do many of the things the Republican Congress had the power and failed to do in the Eightieth Congress. How can any thinking person believe in glib words when their votes could have accomplished much that they are now promising. Surely our memories are not so short as to forget their opportunity and their failure to check the high cost of living; to provide a decent housing bill; to extend social security to cover the agricultural and domestic workers; to raise the minimum wage law from forty to seventy-five cents an hour; to provide greater educational opportunities for the children of America. These and many other badly needed welfare laws were sidetracked to make room for that tax relief bill to aid high income taxpayers but which provided very little relief to those in the low income tax brackets.

With millions of people in this country begging for homes, what did the Eightieth Congress do? They listened, not to the people, but to the real-estate lobby.

With the cost of living going up day by day, not a single thing was done to stop it—beyond humbly suggesting that private industry do something about it, and we all know how private industry responded.

With disgraceful and terrifying lack of educational opportunities facing this country, the Federal education bill was left to die in committee, and, speaking about education or lack of it, ask any resident of New York State about the record on education of Governor Dewey, the Republican candidate for President.

Who can trust a party to carry out pledges which were completely ignored when that party had the power and the votes to adopt greatly needed laws to provide a large measure of security and happiness to those mostly in need of such laws, and failed miserably.

I shall not discuss the deliberate shortcomings of the Eightieth Congress in any further detail. They have been dealt with by other speakers but it is true that again and again President Truman proposed legislation aimed to achieve those objectives that every woman wants—only to be ignored by the do-nothing Congress, Republican controlled.

Who elected that Congress? As I have said, about one third of the voters of the Nation, so I come back to the question, "What are we women going to do about the situation?" It would seem to me to be perfectly obvious.

The first thing that every woman should do is to study the qualifications and record of the candidates for Congress in her district and vote for the candidate she considers best qualified and most trustworthy to stand in Congress for the things which are important to her as an individual, as an American, and as a citizen of the world. We cannot escape the fact that we are now citizens of the world and a tragic war-torn world is looking to us for leadership and cooperation. We cannot, and we must not, fail.

I believe the duty of every woman citizen extends beyond merely voting in an election. That is only her first responsibility.

I believe—as all of us here at this Democratic National Convention believe—in our American two-party system. Under that system during the last century and a half we achieved a democracy that is the wonder of the world. It has served us well. Under our two-party system a kind of basic philosophy has grown up around our two major parties. I am a Democrat because the Democratic Party has always been the party of progress, the party that has stood for those objectives that mean so much to women.

I have been in Congress 24 years. During the first 5 years, in what was supposed to be the most prosperous period in American history, I served in a Republican Congress—a Republican Congress drunk with power, absolutely indifferent to the welfare of the little people—a Republican Congress blind to the signs of approaching trouble—a Congress whose stupidity, whose ineptitudes eventually permitted this country to plunge headlong into the worst depression we had ever known.

I recall the despair of the people of this country, Democrats and Republicans alike, in the black days just before Franklin D. Roosevlet gave his first inaugural address on the steps of the Capitol in Washington. And I remember—as we all do—the days following when despair turned to faith and hope and how well the promises made that eventful day were kept by a great President and a Democratic Congress.

During those first 5 years, the Republican Congress in which I served did not pass a single law to benefit all the people of this country, not a single thing was done to prevent this Nation from falling from its highest peak of prosperity into the depths of despair.

We all know what happened when the Democrats took over in 1933. A new philosophy of government was inaugurated. It was a people's government. New methods were tried. The welfare of all the people—that was the objective of the President and the Congress. And how well it succeeded is history. I need not recall that history. You have lived through it.

Unfortunately, World War II was in the making. Many plans had to be postponed. With our allies we stopped the mad march of Hitler. A Democratic Commander in Chief and a Democratic Congress saw us through perhaps the most perilous period in our whole history. Our democratic way of life was preserved.

Then through the tragic death of President Roosevelt, it became the responsibility of President Truman to pick up and carry on the plans that had to be postponed. No man ever gave of himself more generously or honestly or displayed greater courage than President Truman has in this effort—an effort in which he has been thwarted at every turn by a Congress led by a group of cynical, selfish, and wholly irresponsible Republicans.

I have given you some of the reasons why I think it is so important for women in this year, 1948, to do a real job in electing a Democratic President and a Democratic Congress. For, I repeat that there will be no progress made in carrying out the plans of President Roosevelt and President Truman unless we elect Democrats to do the job.

I have been asked repeatedly by women, "What can I do? How can I help?" "I feel so small," they say, "so unimportant. What can one lone woman, however interested she may be, do in this situation?" Well, she can do a great deal. If all the lone women pooled their individual strength, the results achieved would be tremendous.

Work in politics is not glamorous. It is mostly hard work. You encounter many disappointments. It is a test of courage, faith, unselfishness, and strong belief in

the objectives that are sought. If I could clothe it in the drama, if I could give it the urgency that inspired you to do the wartime jobs you did so gloriously, there would be no doubt of success. Unfortunately, there is little drama in political work. It takes lots of courage and hard common sense but it is well worth while.

And then so many women complain to me that we have never gotten anywhere in politics—that we have merely multiplied the votes without really achieving anything. Well, of course, we have not made much progress, and while I hate to say this—it would be much easier to praise than criticize—truth compels me to say that the reason we have not elected a greater number of women to public office is because the majority of women have never put their hearts and souls into the work. However, we Democrats should not forget that under President Roosevelt and a Democratic administration a woman for the first time in history was appointed to a Cabinet position and Miss Perkins not only served more years than any other Cabinet member but was responsible for bringing to the Department of Labor great efficiency, which was practically destroyed in 2 years by a Republican Congress through niggardly appropriations to maintain the Department. The Republican Party is not now, and never has been, a friend of labor, and we should not forget that hundreds of women were appointed by President Roosevelt and President Truman to high executive and judicial positions and to the United Nations where a woman we all love—Eleanor Roosevelt—is serving her country and the world with honor and great distinction.

When I was asked to address the convention today, I selected this topic because I know what women can do. I know what they will do if it can be brought home to them that they have the ability and the power to make politics serve their best interests and the best interests of their country.

I have a very great faith in women. I believe that to the average woman, next to her home and her family, her own community is more important than the affairs of the Nation. If that is true, then the place to start political work is in her own community. We understand the needs of our own community. We never hesitate to work in our church organizations, our civic organizations, the Red Cross, Parent-Teacher organizations. Most of these are in a sense controlled by politics. Yet women active in these organizations do not seem to see the connection between their work in these organizations and politics.

If women were truly interested in politics, we wouldn't have election days when only one-third of the voters get out and vote. If we are truly interested and want to strengthen our party, or if we want to advance ourselves politically, I believe that we should be active, intelligent workers not merely during a campaign but throughout the entire year. One thing absolutely necessary for women in politics is for them to stand on their own feet, to work with men but not to depend on men financially or otherwise. As long as women remain subservient to men in politics, they will never achieve greatness. If any woman feels that she cannot succeed politically, I would call her attention to a recent primary election in Maine, where a woman, without funds, with no organization backing her, but with a very good record of service to her district in the House of Representatives, won a victory over three powerful, influential, and wealthy opponents, one of them the Governor of the State.

If, in my enthusiasm, I have said some things you do not like, they have been said out of the experience of a very long and what has sometimes been a difficult life, and not in unkindness, rather with the desire to serve my country, my party, and the women who fought through a generation to make all women free, responsible American citizens.

I have enjoyed all my years in politics. I love my work. And because I want to share the joy I have experienced and because I know there is a great untried spiritual force in women which could be translated into politics and be of great value to promote and sustain fundamental rights, particularly when they are concerned with our own welfare and the welfare of our country, I have spoken to you from my heart. I have the utmost faith in my party, its leadership and the women of America, who, as I have said, want progress, health protection for their families, good schools for their children, a decent standard of living, security in old age, civil rights impartially administered.

These are goals to be attained through a liberal progressive Democratic victory.

Much more than our own welfare as women is at stake in this election—more than the welfare of our children—yes, more than the welfare of our country which we love. Across the seas, in many lands uncounted millions of men and women—the little people we mean when we use the word humanity—are watching the outcome of this election. For to them it may mean the difference between the kind of democratic life we are privileged to enjoy—the kind of unfettered freedom that is ours—and enslavement by a dictator.

They are hoping and praying that God will direct the people of America on election day. Their hopes, their fears, yes, maybe the lives of many of them, will be tied up in the result of the election of 1948.

They have confidence in the party of Woodrow Wilson, of Franklin D. Roosevelt, and Harry S. Truman. They remember that it was another Democrat, Woodrow Wilson, who had the vision and courage, which, had he not been betrayed by a willful group of Republican Senators, would have prevented the Second World War, so infinitely more destructive than the first war. Now we have not a League of Nations but a United Nations. The eyes of the world will be on us during the coming months and across the seas those uncounted millions are watching, wondering, waiting, and praying.

Statement by George J. Burger

EXTENSION OF REMARKS
OF
HON. WALTER C. PLOESER
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES

Thursday, July 29, 1948

Mr. PLOESER. Mr. Speaker, I am pleased to extend in the Appendix of the RECORD a statement of George J. Burger, director in charge of the Washington office of the National Federation of Small Business, Inc., made before the Republican Resolutions Committee at the Philadelphia convention. Undoubtedly it had an influence in the resulting small-business plank in the platform which has pleased the members of the House Small Business Committee.

The statement follows:

I am George J. Burger. I appear before you as director of the National Federation of Small Business, Inc. I am in charge of the federation's office at Washington, D. C. The National Federation of Small Business, Inc., is a national organization of small, independent business and professional people in all lines of business and in all walks of life. It has the largest individual membership of any business organization in the United States.

The federation was founded, and is supported by its membership, on the firm belief that our free American way of life must be preserved at all costs. The federation and its members hold that this cherished way of life is best protected and expanded by the actions of the Nation in protecting and expanding our system of freedom of opportunity in the economic field. They hold further that full freedom of opportunity is possible of attainment only in an economic system of free, competitive, independent, capitalistic enterprise. Their considered thought is that the presence of such an economic system is best and most truly indicated by the presence in our economy of a healthy, vigorous system of small, independent businesses.

Members of the federation are deeply and reverently conscious of the vital part played in our way of life by the Federal Government in all its functions, executive, legislative, and judicial. They are aware keenly of the importance of our tried and proven successful political party system as a means of determining the attitude of Government toward current problems. And they recognize the essential part played by the political party platform both in determining the positions of the various parties and in expressing clearly party attitudes to the public in general.

I am here today to urge the adoption of a strong, clear, comprehensive "freedom of opportunity" plank in your party's platform. Naturally, as I have explained earlier, such a plank will take into consideration the requirements and wishes of all independent business and professional people over the Nation.

I would not even attempt to dictate the shape of this plank in your party's platform. That is your right and duty. But I will outline for your consideration, and (I trust) favorable action, the requirements and wishes of independent enterprisers as we of the federation have determined them through periodic Nation-wide polls. In this connection it is significant to note that the actual ballots cast in these polls have been, in every instance, delivered into the hands of Congressmen representing the voting business and professional people.

ANTITRUST PROGRAM

First and foremost, members of the federation desire that a consistent, vigorous, effective antimonopoly campaign be waged by Government. To this end, federation members have repeatedly urged their Congressmen to vote adequate appropriations to the Department of Justice and the Federal Trade Commission. To this end, officers and directors of the federation have constantly contacted Congress and congressional committees, including the congressional Joint Committee of the Economic Report, suggesting that both these agencies be freed to voluntarily inform congressional Committees on Appropriations whenever, and the extent to which, their budget requests have been cut by the Bureau of the Budget.

In this connection, federation members have consistently demanded that Congress strengthen our antitrust laws wherever needed and have urged Congress and Government to refrain from all actions designed to weaken these laws. Recognizing the fact that present antitrust-law-violation penalties are really insignificant and ineffectual, they have repeatedly asked Congress to legislate stiffer penalties for violators of these laws. And, in recognition of the fact that antitrust-law litigation is many times subjected to suffocating delay, it has been requested that Congress act to provide some means of speeding action on this type of litigation.

You may wonder at the stress that federation members lay on this phase of Govern-

ment activity. The fact is that the tendency in our economy is toward more rapid and more certain concentration of power in the hands of a relatively few business giants, both in private hands and in the hands of cooperative-type organizations. Pacing this trend toward concentration is an increasing disregard for the rights of independent business, which is mirroring itself in increasingly serious curtailment of economic freedom of opportunity. Our members see as one of their main bulwarks the antitrust laws of the Nation, and they demand that these laws be used for that purpose.

SMALL-BUSINESS COMMITTEES

Second. Federation members have repeatedly urged their Congressmen to maintain in Congress active, effective, and intelligently directed committees on small business. It has been suggested time and time again that these committees be given permanent status, with all the rights and privileges of standing committees of the Congress. In this connection, it is not at all amiss to recall the yeoman service the committees rendered to small business during the trying days of the war and to recall the fact that the late change in political control found these committees reestablished. Since that time their actions have been of great benefit in helping to solve some of the special problems in the paper, steel, oil, and rubber fields confronting the small independent.

GOVERNMENT COMPETITION WITH PRIVATE ENTERPRISE

Third. Federation members have demanded constantly that Government cease competition with private enterprise whenever and wherever the national welfare permits. In this connection, it must be emphasized that the ordinary business activities of certain Government corporations and agencies often conflict, and in many instances unfairly, with run-of-the-mill small, independent business activities. I have but to mention reports we have received of tax-free selling by Army and Navy Department stores to other than military personnel, low-price sales by Government departments to their employees and by such agencies as REA to the general public to indicate the need here expressed.

SMALL, INDEPENDENT BUSINESS REPRESENTATION

Fourth. Federation members have consistently urged that independent, small enterprise, and no less than giant enterprise, farmer and labor groups, be adequately represented on appropriate governmental and international boards and commissions by genuine spokesmen drawn from the ranks of small, independent business. That the Congress has passed legislation providing for such representation is a fact, and for that it is to be praised. It is significant to note that federation members in Nation-wide ballot urged this action on their Congressmen. Yet, complete and adequate representation of this nature has not come about.

GOVERNMENT ECONOMY AND TAXES

Fifth. Federation members have indicated repeatedly their consciousness of the fact that, as long as Government expenses remain high, taxes of necessity will remain high. In this knowledge, they have repeatedly expressed themselves on the necessity for the strictest and sincerest possible congressional watchfulness over budgetary matters. They have repeatedly urged that Government expenses be maintained at the barest possible minimum consistent with adequate fulfillment of only absolutely necessary governmental functions. At the same time, recognizing the existence in our taxation system of a number of inequalities, that place a relatively heavier burden on small independent enterprise than they do on giant private and cooperative-type enterprise, they have asked action to equalize our tax system. Chief criticism in this regard has been leveled at Federal taxation of the early stages of corporate income, at the excise tax laws, and at the differing application of these excise tax laws within individual industries.

In this connection, evidence gathered recently by the Small Business Committee of the House amply proved that current rates of taxation on small business have, for all practical effects, about eaten its entire earnings, have made it impossible for small independents to finance desirable plant expansions and modernizations, and are increasingly making small business a less desirable outlet for risk capital.

LABOR PRACTICES

Sixth. Federation members have indicated repeatedly their wish that Congress act to outlaw certain practices of labor which are regarded as monopolistic in nature and oppressive to freedom of opportunity. Among the practices censured is that of industry-wide bargaining, under which system, many times, wage agreements are forced on smaller firms by virtue of the fact that their voice in reaching these agreements has been hardly heard. Federation members have also condemned largely the "follow the leader" type of wage negotiation, wherein agreements reached by labor unions with industry giants are practically forced on smaller firms who are thereby seriously weakened.

However, federation members are aware fully of the fact that any curtailment of giant union power without vigorous antimonopoly action against concentrations of industry with which labor must contend, would result only in weakening labor's ability to present its case. So, they contend that action to destroy the monopoly power of labor must of necessity be accompanied by action designed to curb the monopoly power in industry. They contend further that such action as this would enable a reduction in the size and power of Federal Government, and effectively restore vast areas of freedom of opportunity. It would also relieve the businessman of many onerous, but under present circumstances practically necessary, intrusions of Government on his private affairs.

GOVERNMENT REGULATION OF BUSINESS

Seventh. Federation members have repeatedly demanded that Government to the further practical extent reduce the number and complexity of regulations it exercises over private business. It must be remembered that the small independent is not as well equipped as his larger competitors to keep abreast of current regulations, let alone cope with additional regulations. The practical necessity of doing so, however, therefore forces him into a relatively less favorable position vis-à-vis his giant competitors. In this connection, it is appropriate to recall that federation members have demanded consistently that the problems of our economy be worked out to the furthest extent possible under our free, competitive enterprise system—that wartime controls not be reimposed.

These, gentlemen, are the suggestions offered by the Nation-wide small, independent business and professional people of the National Federation of Small Business, Inc. I call your attention to the fact that no special privileges have been sought by them in any of their stated requirements or wishes, that federation members have sought in all cases only the justice and equality to which they are rightfully entitled.

I urge your favorable attention to, and action on, all of these suggestions, with special emphasis on the first two—without which the last four would be only idle gestures. In these days, when our free way of life is under ceaseless attack from extremists of both the far right and far left, it behooves us to take all necessary actions to strengthen our freedom of opportunity, the one factor that has been the taproot of our success, and which has made us at once the hope and envy of free men everywhere.

For the members of the federation and for myself, I thank you for the opportunity to present these views.

Who Wants Price Controls?

EXTENSION OF REMARKS

OF

HON. CHARLES A. HALLECK

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 29, 1948

Mr. HALLECK. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Indianapolis Star:

WHO WANTS PRICE CONTROLS?

Mr. Truman is demanding that GOP Congressmen reverse the course of legislative action which the voters elected them to take in 1946. His proposals call for increased Federal programs of housing, health, wages, and price rationing, which will cost more billions of the taxpayers' money. He asks return to the price controls of 1946 when the people revolted in disgust and elected a Republican Congress.

Who really wants price controls, and all they involve? Does the farmer want price controls? Does he want the Federal Government to "roll back" his income to whatever level the bureaucrats deem sufficient? Does the worker want price controls? Does he want the Federal Government to set a price on his labor, freeze his wages, and prevent collective bergaining? Does the businessman want price controls? Does he want to have a Federal official tell him that he must sell his products below cost so that he must stop producing or go in the red, lay off workers, or cut their wages? This is what we had in 1945 and 1946. This is what the American people protested against in 1946 when they couldnt' buy the things they needed and wanted because farmers and businessmen refused to produce at a loss.

Who wants price control? The blackmarketeer is the only one who really wants to return to the days of easy profits from greedy people who were willing to break the law to get what they wanted. Who wants price control? Farmers might want controls on farm machinery but not on food. Workers might want it on food but not on wages. Auto makers might want it on steel but not on cars. But price controls cannot be selective. They never have worked and never will work unless everything, wages, prices, and profits are all set by Government formula. In a peacetime economy this is tantamount to Government control over every farm and industry in the country.

President Truman says that "the Eightieth Congress is directly responsible for the existing and ever-increasing cost of living." But his Democratic platform says that the Democratic administration is directly responsible for high farm income (which means high farm prices), high industrial wages (which has caused high industrial prices) and high profits (which result from high prices and inflation of the money market). The Truman administration takes credit for trebling the national income, but it refuses to face the fact that the tripled money supply with a production that has only doubled is the chief reason for inflation.

There is only one answer to high prices. Increased production and decrease of the money supply. Mr. Truman's proposals would force a decrease in production (people will not produce at a loss) and an increase in the money supply (more Government spending). No wonder his haberdashery business in Kansas City went on the rocks.

Enactment of Veterans' Legislation

EXTENSION OF REMARKS
OF

HON. EDITH NOURSE ROGERS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 29, 1948

Mrs. ROGERS of Massachusetts. Mr. Speaker, under leave to extend my remarks in the RECORD, I submit the following correspondence received by me, as chairman of the Committee on Veterans' Affairs, from the national legislative commission, the American Legion, in which is presented that organization's desires concerning veterans' legislation now pending before Congress:

THE AMERICAN LEGION,
Washington, D. C., July 27, 1948.

Hon. EDITH NOURSE ROGERS,
Chairman, Veterans' Affairs Committee,
House of Representatives,
Washington, D. C.

DEAR MADAM CHAIRMAN: When Congress adjourned on June 19, several bills in which the American Legion is particularly interested were either pending before congressional committees, had been favorably reported and were on the House or Senate Calendar, or had been passed by one branch of the Congress.

I enclose herewith a list of some of these items which are in accordance with official mandates of our two governing bodies, our national conventions and national executive committee, all of which had been given some consideration at the time of adjournment. Some of these bills are of vital importance to disabled veterans and their dependents, in view of the serious condition in which they have been placed by virtue of the fact that the cost of living has reached an all-time high. The American Legion bill, H. R. 4488, to create the Veterans' Homestead Act, is on the House Calendar and, if enacted into law, would greatly improve living conditions of many veterans who have been seriously handicapped in their readjustment to civilian life by chaotic housing conditions. Present threats to the security of our country make it absolutely necessary that universal military training and the Mundt-Nixon bill to combat communism be promptly enacted into law.

On behalf of the American Legion, composed of 3,250,000 veterans who honorably served their country, and the American Legion Auxiliary, with a membership of approximately 1,000,000 wives, daughters, mothers, and sisters of war veterans, I strongly urge that the bills enumerated on the attached list be favorably acted on during the present session of the Eightieth Congress.

It will be greatly appreciated if you will call this letter, with its enclosure, to the attention of the House of Representatives, including their insertion in the CONGRESSIONAL RECORD.

Sincerely yours,

JOHN THOMAS TAYLOR,
Director, National Legislative Commission.

REHABILITATION

Widows and orphans

H. R. 4242, to increase annual income limitation on pension for: (1) Veterans unmarried to $1,800; married, or with minor child or dependent parent to $3,000; (2) widow without child, or a child, $1,800; widow with child, $3,000; (3) to deem parents dependent for death compensation if annual income not in excess of $1,800 for one parent or $3,000 for both; (4) not count as veterans' income, retirement annuities for age or disability or social security for age, or as dependent's income; expense of last illness, or burial of veteran in excess of $150, or private life insurance payments. Reported to the House July 21, 1947. Objected to on the Consent Calendar January 19, 1948. Objected to and stricken from Consent Calendar February 3, 1948. H. Res. 428 was referred to the Rules Committee January 20, 1948. Rules Committee held hearing June 7, 1948.

H. R. 4900 is in the Committee on Veterans' Affairs. No hearings have been held. Section 2 of the bill has been enacted into law as Public Law 868, Eightieth Congress, approved July 1, 1948 which provides for increased rates of wartime and peacetime death compensation for widows, children, and dependent parents effective September 1, 1948.

Enactment of the remaining sections would increase disability compensation rates of veterans of World Wars I and II, disability pension rates of veterans of World Wars I and II, and death pension rates of widows and children of war veterans.

Presently the award of pension for permanently and totally disabled veterans of World Wars I and II does not compare favorably with that granted veterans of prior wars. Also it is not determined by the VA in innumerable cases that entitlement to pension exists, because of restrictive VA administrative criteria for the assignment of a permanent total rating. Enactment of H. R. 4242, H. R. 4900, and H. R. 5616 would place veterans of World Wars I and II, disabled from non-service-connected causes to a degree rendering them unemployable, in a position which would cause no further demand for service pensions, in my opinion.

The cost of living was considered in this Congress to be the basis for the need of enactment of legislation granting higher wages to all employees of the Federal Government. H. R. 4900, the Sarbacher bill, would elevate compensation and pension rates of disabled veterans and pension rates of widows and children who are also experiencing financial distress because of living costs.

The $1,000 and $2,500 annual income limitation pattern was adopted in the first veterans' regulation promulgated as an Executive order by the President following enactment of the iniquitous Economy Act in 1933 in the depths of the depression. The House Rules Committee denied a rule sought by the chairman, Committee on Veterans' Affairs after hearing testimony of the chairman, Subcommittee on Compensation and Pensions, on H. R. 4242. The enactment of this bill would elevate the limitation to a reasonable extent and this is made necessary by the fact that today, 15 years later, we are in the era of greatest prosperity this country has ever known with living costs at the highest peak in the Nation's history. Alteration of the basis for income computation by means of certain exclusions provided in the bill would permit, as would the elevation of the limitation, placement on the pension rolls of many worthy disabled veterans and surviving widows and children of those who served and placement on compensation rolls of dependent parents of veterans whose deaths resulted from service.

H. R. 2716, to provide additional disability compensation for veterans of World Wars I and II for wife, child, or children and dependent parents. Hearings before subcommittee of House Veterans' Affairs Committee July 2 and 10, 1947.

H. R. 5301, to amend paragraph 2 of part VIII of Veterans Regulation No. 1 (a) to extend education and training benefits of the Servicemen's Readjustment Act to unremarried widows of World War II veterans whose death was service-connected; and to their unmarried children born prior to January 1, 1947. Hearing was held by the House Veterans' Committee May 20, 1948.

H. R. 3691, to amend paragraph VI of Veterans Regulation 10, to provide compensation or pension to children of deceased World War I or II veterans after their eighteenth birthday while pursuing a course of instruction at an approved school not to exceed 4 years if commenced before age 21; and to provide subsistence allowance of $50 per month to children over 16 years of age of such veterans whose death was due to service in addition to compensation and earnings not to exceed 48 months; such benefits to cease at age 21 if child is entitled in own right to vocational rehabilitation or education or training under parts VII or VII of Veterans Regulation No. 1 (a). Bill referred to a subcommittee of Veterans' Affairs Committee, and some action is needed now. H. R. 3840 is an identical bill.

World War I Veterans

H. R. 5616 is in the Committee on Veterans' Affairs. Hearings were held March 18 and May 14, 1948, by the Subcommittee on Compensation and Pensions.

This bill would require consideration of developmental abnormalities and congenital defects in evaluation of extent of disability for pension purposes in determining entitlement to benefits of permanently and totally disabled war veterans. It would liberalize by statute the requirements as to age and percentage of disability for the assignment of permanent and total disability ratings for pension purposes.

H. R. 1235, to provide 100-percent compensation for presumptive service-connected disabilities for World War I veterans. (Before the House Committee on Veterans' Affairs; no hearing.)

H. R. 4243, to amend Veterans' Regulation 3 (a), to provide that any veteran with active tuberculosis of compensable degree which has become completely arrested, shall be rated totally disabled for 2 years following date of arrest and 50 percent for an additional 5 years, and 40 percent thereafter for life if diagnosed far advanced, or 30 percent for life if moderately advanced or less. Reported July 19, 1947. House Resolution 438: Rule for its consideration filed January 20, 1948; on which hearing was held June 7, 1948.

H. R. 4007, to authorize the Administrator of Veterans' Affairs to pay not to exceed $1,600 on the purchase price of an auto for any war veteran entitled to compensation for loss or permanent loss of use of one or both feet or one or both hands or permanent impairment of vision of both eyes of certain prescribed status. This bill is on the Consent Calendar and was passed over without prejudice April 20, May 3, June 8, and June 16, 1948. House Resolution 308, a rule for its consideration, has been pending before the House Rules Committee since July 17, 1947, without action. S. 1391, companion bill, passed the Senate July 19, 1947.

Insurance

H. R. 1328, to provide $10,000 national service life insurance (gratuitous-automatic) for persons who were killed or died, or who were totally disabled or taken prisoner between October 8, 1940, and April 20, 1942; also gratuitous insurance for 120 days after enlistment prior to September 3, 1945; protects flying cadets in same manner between October 8, 1940, and June 3, 1941.

Hearing held by the full committee February 4, 1948.

Social security—Credit for time in armed services

H. R. 69 provides service credit for veterans for purposes of title II, Social Security Act—in other words, protection for those in the armed services formerly in positions covered by social security. This bill is pending before House Ways and Means Committee.

National cemeteries

H. R. 1109, to provide for one national cemetery in every State and Territory and such other national cemeteries in the States and Territories as may be needed for the burial of war veterans as provided for in section 281, title 24, United States Code, as amended. Bill reported to the House July 14, 1947, and objected to July 21, 1947, when it was called up on the Consent Calendar.

HOUSING

Veterans Homestead Act of 1948

H. R. 4488, the American Legion bill to create the Veterans Homestead Act of 1948 was reported to the House May 3, 1948, and is on House Calendar. This bill would greatly relieve the chaotic housing conditions faced by veterans in their desperate efforts to secure by rental or purchase housing at prices they can afford to pay. At its meeting in May 1948, the national executive committee of the American Legion adopted a mandate supporting the so-called Taft-Ellender-Wagner housing bill provided the provisions of H. R. 4488 were included as an amendment to that bill. Any housing legislation enacted during this session of Congress should be amended to include the provisions of H. R. 4488, as presently on the House Calendar.

NATIONAL SECURITY

Universal military training

H. R. 4278, American plan for universal military training, was reported to the House on July 26, 1947. Regardless of the fact that sentiment throughout the country was strongly in favor of universal military training, as evidenced by all national polls as well as letters, telegrams, and petitions sent to Members of Congress, the House Rules Committee has refused to issue a rule in order that the bill could be debated and voted on by all Members of the House. Since the recess of June 19, more American citizens than ever before are in favor of universal military training. We ask immediate consideration and passage of H. R. 4278.

REHABILITATION

World War I and II and widows and orphans

S. 2125, to provide additional disability compensation for veterans of World Wars I and II for wife, child, or children and dependent parents. This is pending before Senate Finance Committee.

S. 1458, to amend paragraph VI of Veterans Regulation 10, to provide compensation or pension to children of deceased World War I or II veterans after their eighteenth birthday while pursuing a course of instruction at an approved school not to exceed 4 years if commenced before age 21; and to provide a subsistence allowance of $50 per month to children over 16 years of age of such veterans whose death was due to service in addition to compensation and earnings not to exceed 48 months; such benefits to cease at age 21 if child is entitled in own right to vocation rehabilitation or education or training under parts VII or VIII of Veterans' Regulation 1 (a). Bill now pending before the Senate Finance Committee.

S. 2258, to increase annual income limitation on pension for: (1) Veterans unmarried to $1,800; married, or with minor child or dependent parent to $3,000; (2) widow without child, or a child, $1,800; widow with child $3,000; (3) to deem parents dependent for death compensation if annual income not in excess of $1,800 for 1 parent or $3,000 for both; (4) not count as veteran's income: retirement annuities for age or disability or social security for age; or as dependent's income: expense of last illness, or burial of veteran in excess of $150, or private life insurance payments. Hearing held by the Senate Finance Committee on May 26, 1948.

Insurance

H. R. 4160, to amend section 602 (n) of the National Service Life Insurance Act, as amended to provide: (1) Waiver of premiums, for 6 months continuous total disability of insured, becoming due on or before October 8, 1940, and prior to this enactment, upon application within 1 year after enactment; (2) premiums paid during effective waiver period shall be applied to payment of premiums later becoming due unless insured requests a refund; (3) the beneficiary, within 1 year after death of insured or enactment, may apply for waiver if insured died without applying; (4) application filed by the beneficiary shall have same effect as if filed by insured; (5) where premiums are not waived solely because insured died prior to continuance of total disability for 6 months, upon such proof filed within 1 year after insured's death or enactment, the insurance shall be deemed in force at death, the unpaid premiums shall be waived and that subsection (r) of section 602, which requires that such unpaid premiums become a lien against the proceeds, be repealed. This bill passed the House July 25, 1947.

Social security

H. R. 6777, social security benefits which should be amended by the inclusion of protection for those in the armed services formerly in positions covered by social security—a service credit for veterans for purposes of title II, Social Security Act (language of H. R. 69). H. R. 6777 passed the House June 14, 1948, and is now before the Senate Finance Committee and should be amended to provide this credit for honorably discharged members of the armed services.

AMERICANISM

Anti-Communist bill

H. R. 5852, to combat un-American activities by requiring the registration of Communist-front organizations, and for other purposes.

This bill passed the House May 19, 1948, by the overwhelming vote of 319 and was referred to the Senate Judiciary Committee. This bill is a measure which is most necessary at this time, and should be enacted in the special session.

HOUSING

Veterans Homestead Act of 1948

H. R. 4488 was favorably reported to the House May 3, 1948, and is now on the House calendar.

A companion bill, S. 1759, is now pending before the Senate Finance Committee.

We urgently request that favorable action be taken upon this bill and veterans' housing legislation be enacted by this Congress before adjournment.

S. 1901, provides that all disability benefits paid to a veteran for service-connected disability will not be classed as income in determining eligibility for occupancy in low-rental housing projects. This bill is before the Senate Banking and Currency Committee.

NATIONAL SECURITY

Universal military training

The Senate Armed Services Committee has held hearings on S. 651—the Legion-sponsored UMT bill.

We urgently request that a companion bill, H. R. 4278, favorably reported in the House and now on the calendar, be passed in the Senate before adjournment.

Memorial to Susan B. Anthony

EXTENSION OF REMARKS

OF

HON. KATHARINE ST. GEORGE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 29, 1948

Mrs. ST. GEORGE. Mr. Speaker, under leave to revise and extend my remarks in the RECORD, I include the following remarks of my colleague the Hon. KENNETH B. KEATING, when he placed a wreath on the grave of Miss Susan B. Anthony as the representative of the seven women Representatives in the Congress:

This wreath I have placed on the grave of Susan Brownell Anthony on behalf and as the representative of the seven women, my distinguished colleagues, who now serve their country in the Congress of the United States. Each of them, I am sure, if she could be here, would voice her ambition to make her contribution to the welfare of the Nation patterned on the life and works of this zealous, valiant campaigner for right and justice whose memory we honor today.

This daughter of Rochester belongs to the ages. Let us who follow profit by her example by clinging steadfastly and, if necessary, militantly to the ideals and principles which conscience, rather than expediency, dictates.

Also, Mr. Speaker, I desire to include the following two articles from the Rochester Times-Union describing the ceremonies:

[From the Rochester (N. Y.) Times-Union of July 21, 1948]

WOMAN'S RIGHTS DRIVE SPURRED AT SESSION HERE

(By Anne Griffith)

The Woman's Rights Movement, vigorous after a century-long, purposeful life, was given a new turn on its one hundredth birthday in Rochester today.

A plea to turn the movement into coeducational channels was presented by Miss M. Eunice Hilton, Ph. D., dean of women at Syracuse University, at the start of all-day centennial observances here.

The celebration moved here today after a 2-day program in Seneca Falls, thus paralleling the first woman's rights convention in 1948, which met for 2 days in the canal village, then adjourned to Rochester.

SPEAK AT CHURCH SESSION

Miss Hilton and Miss Alma Lutz, of Boston, author of many books on the movement and of a yet unpublished life of Rochester's famed woman's rights leader, Susan B. Anthony, spoke this morning in First Unitarian Church, which 100 years ago gave shelter to the history making at its former site in Fitzhugh Street N.

Mayor Dicker and the Reverend David Rhys Williams, D. D., pastor of the church, delivered greetings. The church ceremonies were followed by a luncheon at Gannett House, a pilgrimage to Miss Anthony's grave in Mount Hope Cemetery, and an open house and dedication of a State marker at the refurbished Anthony home at 17 Madison Street.

Miss Hilton, speaking on "Women in the World Today," declared: "The psychological tenor of the times has changed; women must use different techniques to achieve their aims, notably increasing the activities in which they work side by side with men in the community."

SAME FIGHT CONTINUES

"We should not be satisfied until superior women hold the positions held by inferior men today," she held. "The breach between the sexes needs healing, but not at the expense of stopping one iota short of the aim of the women assembled in 1848—the aim of securing the place for woman for which her natural powers and desires fit her."

She reminded the listeners, which included nationally known women leaders and relatives of the first suffragists, that the fight today is the same as the fight in 1848—"It must be directed against attitudes which die hard, regarding 'woman's place.'"

Miss Lutz reviewed the history of the first convention.

"In order to understand why women at this time felt it so important to call conventions to discuss woman's rights, we must look at the laws affecting women and at the traditions which had been built up regarding woman's sphere," she said.

WOMAN'S SPHERE DESCRIBED

"By 1848, only Negroes, Indians, convicts, the insane—and women were disfranchised. In most of our States a married woman had no property rights. * * * Only one college, Oberlin, admitted women. * * * A very definite sphere had been marked out for women, limited to her husband, her home, and her children. To step out of this sphere was to defy what was then thought to be the will of God. * * * The only occupations open to women were housework, sewing, teaching and, in some localities, factory work."

She said American democracy has been "immeasurably strengthened" by granting the vote to women. "But until women are recognized by our Federal Constitution and by all of our State constitutions as complete citizens, it will still need strengthening."

The Reverend Doctor Williams called upon the women present "to carry out the wider implications of that convention whose centennial we celebrate today."

"I believe," he declared, "that if those noble women of 1848 were living in this third year of the atomic age they would be bravely fighting for some kind of world order to lift the crushing burden of armament from the back of all humanity and to secure civilization from self-destruction."

Among notable women present were Dr. K. Frances Scott, of Smith College, president of the National Federation of Business and Professional Women; Miss Marjorie C. Smith, assistant dean of women at Syracuse University, State president of Business and Professional Women's Clubs, Inc.; Mrs. Harvey W. Wiley, of Washington, D. C., past chairman of the National Women's Party; and Mrs. Dora Steven, of Croton-on-the-Hudson, national officer of the Women's Party.

MAKE PILGRIMAGE TO GRAVE

Luncheon at Gannett House was served by Women's Alliance of First Unitarian Church under supervision of Mrs. Sherman A. Clute.

The mayor and members of his committee, including Councilman William A. Doane, Public Service Bureau Director Harry J. Gaynor, and Commissioner Harold S. W. MacFarlin led the one procession to Miss Anthony's grave and placed wreaths. A bronze grave marker was placed by Mrs. Edgar B. Cook, representing Irondequoit Chapter, DAR. Representative KENNETH B. KEATING also participated.

Special exhibits of Anthony documents were shown today at Rochester Museum, Public Library, and Historical Society.

[From the Rochester (N. Y.) Times-Union of July 22, 1948]

SUSAN B. ANTHONY MARKER UNVEILED IN FETE CLIMAX

The one hundredth anniversary celebration of the first Woman's Rights Convention ended here yesterday with a tribute to Susan B. Anthony, famed leader in women's fight for equality.

Climax of the day-long observance, which followed a 2-day program in Seneca Falls, scene of the first Woman's Rights Convention, was the unveiling of a State marker at Miss Anthony's home, 17 Madison Street.

This ceremony followed a meeting at First Unitarian Church, to which, in 1848, the first convention was adjourned, a luncheon, and a pilgrimage to the grave of Miss Anthony in Mount Hope Cemetery, where Mayor Dicker and others placed wreaths.

PRESENTED BY MRS. GANNETT

W. Stephen Thomas, director of the Rochester Museum, presided at the marker presentation ceremony. Mrs. Frank Gannett, member of the State Board of Regents, made the presentation. Susan B. Anthony 2d, New York, grandniece of the suffragist, unveiled the marker, and Mrs. George B. Howard accepted it on behalf of the Susan B. Anthony Memorial Home.

Blake McKelvey, city historian, in remarks at the ceremony said that citizens never do reach the ultimate goals for which they strive and that this was Miss Anthony's challenge. He added that it is not alone those who initiate great movements but those who struggle to carry them on who reach that final triumph that Miss Anthony knew.

Tribute to Mrs. Howard, moving spirit behind the Rochester portion of the centennial, was paid by Frank Gannett.

In the ceremony at the grave Mayor Dicker said he knew he spoke for the people of Rochester when "we honor and revere" Susan B. Anthony and express pride in her achievements.

Representative KENNETH B. KEATING, placing a wreath at the grave for the seven women Members of Congress, urged others to follow Susan Anthony's example by "clinging steadfastly and, if necessary, militantly, to the ideals that marked her struggle."

Susan B. Anthony 2d declared, "The future must be fought for and worked for, and not along national lines. Women all over the world today are united in one desire—peace."

Roses were sent to the ceremony at the grave by Miss Margaret Shanks, 81-year-old Canandaiguan who was Susan B. Anthony's nurse.

Wreaths were also placed by Mrs. Harvey W. Wiley, Washington, past chairman of the National Woman's Party and one of four suffragists jailed in 1917 in attempting to vote; Mrs. William H. Goldring, Cobleskill, president-elect of the New York State Federation of Women's Clubs; Mrs. Guy W. Cheney, Corning, former State federation president and assembly woman; Mrs. Robert W. Rowe, Rochester, president of the New York State Congress of Parents and Teachers; Dr. K. Frances Stott, Northampton, Mass., national president of the Business and Professional Women's Clubs; Miss Marjorie Smith, Syracuse, State president of the Business and Professional Women's Clubs, and Councilman William Doane.

Flowers from the gardens of residences at 141 and 151 Plymouth Avenue South were also laid on Miss Anthony's grave. The residences were the homes of Mary and Sarah Hallowell, who attended the first Woman's Rights Convention in 1848 and in their later years were close friends of Miss Anthony.

Mrs. Howard reported today that numerous checks had been received for the Anthony Memorial Home from persons unable to attend yesterday's functions. Among them was one from Mrs. Worthington Scranton, Scranton, Pa., Pennsylvania national Republican committeewoman, sent in honor of Mrs. Charles W. Weis, Jr., Rochester, New York State national GOP committeewoman.

The Legislative Situation and High Prices

EXTENSION OF REMARKS
OF
HON. ALEXANDER WILEY
OF WISCONSIN

IN THE SENATE OF THE UNITED STATES

Thursday, July 29 (legislative day of Wednesday, July 28), 1948

Mr. WILEY. Mr. President, I ask unanimous consent that there be printed in the Appendix of the RECORD the text of a current broadcast in which I participated with the distinguished and veteran news commentator, Mr. George E. Reedy. In this broadcast Mr. Reedy sheds light on the legislative situation, and discusses in particular the problem of high prices. With his customary keen analysis he has pointed up many facts in which our citizens will be deeply interested. As many of my colleagues know, Mr. Reedy is Washington representative of a great new radio chain, the Arrowhead Network, which represents a vital addition to the Nation's broadcasting scene.

There being no objection, the broadcast was ordered to be printed in the RECORD, as follows:

Good evening. This is George Reedy, your Arrowhead Network reporter in the Nation's and the news capital of the world, Washington.

Here on Capitol Hill, on the floors of Congress which President Truman has deliberately made the first battleground of his campaign for election to the Presidency, there are a lot of furiously angry men, these days.

Southern blood is at the boiling point, and the Republicans—to a man—are only slightly less than furious. Mr. Truman—who has caused it all—is a bit miffed, too. Then, of course, there's that element called the people. They're mad, also.

In fact, things are not too calm, along the Potomac, right at this point. Everybody would like to think that something constructive will emerge from this special session of Congress, but the odds are heavily against it.

When Mr. Truman used the announcement of his special-session-call as the kicker, in his acceptance-speech-indictment of the Republicans at the Philadelphia convention, he removed any possibility of a bipartisan approach to the problems he submitted for consideration by the Congress, Tuesday.

IMPOSSIBILITY OF PRESIDENT'S PROGRAM

He was asking for a legislative miracle, when he demanded that Congress do something about high prices. And it was very plain, that inflationary trends cannot be curbed by limited price-controls and rationing, without the removal of farm price supports, and drastic reductions in public spending and wages.

Mr. Truman didn't ask for any of these things. Yet, he expects to saddle the Republicans with responsibility for present living costs—if they fail to accomplish it. He is happy to claim full credit for high wages, while blaming the Republicans for high prices. Yet, the two, are in effect, Siamese twins.

CIVIL-RIGHTS ISSUE

So much for the Republican's anger. As to the beef of the Dixiecrats, those boys south of the Mason and Dixon's line, the cause of their high temperatures is, of course, that matter of the civil-rights issue.

It could very well be, if racial legislation is pushed to the front of the rest of the President's program, his program may receive no attention at all. It most certainly will drive

a deeper wedge between the angry southerners and the Truman administration.

Then, of course, there is that matter of the people. The people, meaning you and you and you—according to reports—have been getting madder and madder about prices. The big question has been, Will their sputtering indignation get under the skins of the reassembled Congress?

PRICES MAY BE GOING DOWN

Well, whether it does or not, and whether they do anything about it or not, I have some small evidence to the effect that prices may have reached their peak—at least on one commodity that most of us like to have on tables—namely, meat. Here in Washington, that is.

And whether President Truman realizes it or not, there are many signs of lower prices in many things, all over—not alone in Washington.

For instance, my authority in the matter of meat and staple goods prices, is Mrs. Reedy, who keeps house for Toby, our kingsize tiger cat, and me. Mrs. R., who always asks the price of any meat and such before she makes her purchases—and is, therefore, the bane of existence for those guys who weigh their thumb with the meat—tells me this about prices here in Washington:

Round steak, which up to last Saturday retailed in the chain stores at $1.15 per pound, has suddenly dropped to 98 cents. Porterhouse, which wasn't even available at $1.25 a pound for some time now, is back on the butchers' counters—and at 98 cents a pound. Whole hams—good, nationally known brands—which have been 79 cents a pound for some time, now are available at 59 cents and seem to be in plentiful supply—as do the other meats.

"As to staples, however, these seems to be no apparent change, either up or down. But there just seems to be a trend toward a reduction in meats, generally, of about 20 cents a pound, and a comparable reduction with regard to fresh produce."

Well, to me, that's the report of an expert in buying in the meat and grocery shops here in the Nation's capital.

But strictly on by own, I've noticed the reductions in things here in the East, such as radios, white shirts, shoes, and things, which, while they may not mean much, do indicate a trend to a point where even the common man so dear to the hearts of the Henry Wallaces and such—can start envisioning again—the day when they can start to live.

ITEMS BECOMING AVAILABLE

For instance, white shirts which were practically unavailable not so long ago—and when available—at not less than $5.50 to $10 each, can now be had in some of the best shops, at from $3.50 to $5—and good shirts, too.

Some authorities on inflation have been insisting that consumer resistance never amounts to more than talk. But those brands of shoes that formerly sold at $10 and $12—and which went to $15 and $20—were jet-propelled downward, this week, right here in Washington and other eastern cities, to $15 and $11.

Many theaters—movie and legitimate—have reduced their admission prices because of empty seats—and again, merchants are plagued by worries of consumer resistance—which, no doubt, is one of the causes, at least, of the trend.

I'd like to repeat, that whether Congress does—or has done anything about high prices, there are plenty of indications such as I have cited—that they are coming down. That doesn't go for steel, or steel products, as yet, though.

COMMITTEE WORK

But to get back on Congress. Committees on both sides of Capitol Hill have been giving the once-over-lightly to the President's suggestions to combat inflation. And Wisconsin's legislators appear to me to be most active.

For example, Wisconsin's junior Senator, JOE MCCARTHY, is a member of the Senate Banking Committee, and the Executive Expenditures Committee. His colleague, ALEXANDER WILEY, the senior Senator of his State, heads the Judiciary Committee and is a member of the Foreign Relations Committee.

CHAIRMAN WILEY, OF JUDICIARY COMMITTEE

And, speaking of Senator WILEY, in the century of years since Wisconsin became a State, there have been only two Members of Congress from the Badger State who have served as chairmen of the powerful Judiciary Committees of either House.

One of them, of course, is ALEXANDER WILEY, whom I just mentioned. Senator WILEY is from Chippewa Falls, Wis., and has served as chairman of the Senate Judiciary Committee since 1947.

And here is an interesting fact—one of those things I never knew until just now—just 40 years ago, John James Jenkins, Member of Congress, also from Wisconsin's Chippewa Falls, served as chairman. But then, of course, you folks in Wisconsin knew that all along, I suppose.

DROUGHT-RELIEF BILL

And to show you how Senators WILEY and MCCARTHY are in there pitching for Wisconsin, they jointly sponsored and introduced a bill on the opening day of this special session of Congress, which, if enacted, would help solve the terrific problem facing northern Wisconsin's dairy farmers, due to the drought.

The bill would enable the Agriculture Department to pay subsidies on livestock feed shipped into northern Wisconsin. And on livestock sent out of that area for feeding purposes.

Senator WILEY is here in the Arrowhead Network's Washington studios with me, and there are a lot of things I'd like to ask him, which I know you folks would like to hear the answers to, also.

Well, Senator, the last I heard you were talking things over with our top Navy officers in Hawaii about America's mandated islands in the Pacific. Then all of a sudden it was Aloha Hawaii, and I found you back in the Capital.

Senator WILEY. Yes, George, when we heard that the President called the special session of Congress, I took the first ship back to the United States. It has always been my belief that when Congress is in session, it is the duty of a legislator to be on hand in order to represent the interest of his constituents.

NO LEGISLATIVE MAGIC

Mr. REEDY. Then, Senator, you expect that a lot of this legislation that the President has recommended will be passed by the Congress?

Senator WILEY. No; hold on a minute, George; I didn't say that. I can't predict just what the Congress will do regarding the President's request, but I think I know the feeling of the Congress and of the American people, and I can summarize that feeling as follows: You can't legislate America into the millenium. You can't expect Congress by a wave of the legislative wand to pass a lot of public laws and iron out every problem in our country today. I don't mean that we should expect everything to solve itself. But I do mean that the real solution to America's questions will be found at the grass roots of America, yes, the grass roots of Wisconsin, where the farmers, the businessmen, the laboring men, the housewives, and others, work and produce and meet their own problems.

BERLIN CRISIS

Mr. REEDY. Well, Senator, that may be true about the domestic picture, but you certainly can't expect the foreign situation to iron itself out just by hopes.

Senator WILEY. That is absolutely right, George. The present crisis in Berlin calls for strong American action, for clear thinking, and for a re-evaluation of our entire relations with Russia. The American people want peace. They have had enough of war. At the same time, they know that appeasement won't work with Russia. As a matter of fact, the greatest single failure of the President's whole speech is that he failed to mention the problem which is uppermost in the minds of the American people. That problem is: Where do we go from here in our relations with the Russians? How can we maintain peace with them without sacrificing our principles?

Mr. REEDY. Well, Senator, that is well and good for our foreign relations, but what about all these problems here at home? Doesn't the Congress understand the questions which the American people face?

DAMAGES OF INFLATION

Senator WILEY. It certainly does, George. We all recognize that we have a 50-cent dollar today. We recognize that many groups in our country have suffered real injury and hardship because of the rising cost of living. We know, for example, that our old people are trying to live on small pensions, that our white-collar workers, that teachers and others have been hit hard. Congress has made progress toward solving those problems. But the one thing that will really bring prices down is not, as I have said, some magic hokuspokus from Washington, D. C. It is the old-fashioned solution of full production which has always solved the problem of inflation when we have been confronted with it in the past. When supply meets up with demand prices tumble.

Unless we can get full production, unless management and labor and agriculture can work together as a team, then we can't expect the inflation problem to be licked. Work is the answer and has always been the answer to America's price problem. We must not forget too that our whole foreign aid program has aggravated inflation here at home by siphoning goods in short supply. That means that more than ever it is absolutely necessary to get a real volume of goods in order to bring supply into balance with demand.

FREEDOM AND PEACE

The people of Wisconsin don't want to be dictated to from Washington, D. C. They do want the opportunity to work out their own problems insofar as possible by themselves. They don't want black markets as we had in the past when OPA was riding roughshod. They want freedom here at home and peace abroad. That is why they are looking to the White House and to the State Department for a strong, sensible stand on the Berlin crisis, freedom and peace. Those are America's needs today and in the days ahead.

Mr. REEDY. Thanks very much, Senator WILEY. And now, until this very same time next week, folks, this is George Reedy, your Arrowhead Network reporter in the Nation's and the news capital of the world, saying good night from Washington.

Federal Aid to Education Should Be Passed at Special Session

EXTENSION OF REMARKS

OF

HON. ESTES KEFAUVER

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 29, 1948

Mr. KEFAUVER. Mr. Speaker, all of us recognize the importance of education in a democracy. Our hopes for world

peace, world understanding, and the survival of freedom are tied up in education. We know that ignorance is the breeding ground for hatreds, mistrust, prejudice, and oppression. The concept of a democratic government, where every man would have a voice and the rights of all would be respected, was born of enlightened minds. It was born in the minds of men who threw back the cloak of tyranny to get at the basic truths that all men were created equal and were endowed by their Creator with the inalienable rights to life, liberty, and the pursuit of happiness. To preserve these truths, to keep them alive and working in an age when they are threatened by false propaganda and ideologies of oppression, education is essential.

Yet today, when the structure of our free society is being attacked from all sides, education, instead of being able to come to the rescue, is itself in the midst of one of the most severe crises in its history. The end of the war found the schools with an inadequate supply of teachers, out-dated equipment, buildings in need of repair, and not enough money to stretch over budget increases produced by the high costs of living. In the three intervening years the situation has not changed. Attempts have been made all over the country to bring teachers' salaries up, as has been done here in Tennessee, but these increases have not been able to catch up with the rapidly climbing prices and better-paying jobs in other fields.

The counties in Tennessee, along with the State, are paying, for the most part, every bit as much as they can afford, to get their children educated, but today the State and local dollars just cannot be made to go all the way around. There are more than 50,000 children in America, mostly in rural areas, who are getting no education at all today. Approximately two million more of our children are not getting the benefits of a really good and sound education because of inadequate school facilities and temporarily certified, poorly trained teachers. One classroom out of every eight in the Nation has teachers who are not qualified for the job. A total of more than 102,000 teachers were teaching on substandard licenses in 1947–48.

With democracy at the crossroads, we cannot afford to furnish our children with anything but the very best education that it is humanly possible to give them. It is our moral duty to them and to ourselves. If we do not have the money, then we have to get it somewhere else. And the only other source we can look to for help is the Federal Government.

For this reason, I strongly favor a Federal aid to education program and I promise to do everything within my power to see that a bill is speeded through Congress providing for such aid. When I first came to Congress I filed a bill and have had one pending since. A bill has been reported by the subcommittee on Education in the House. The bill passed by the Senate called for $300,000,000 to be distributed among the 48 States on a basis of the number of children between the ages of 5 and 17 and the total income of residents in each State. If the bill had passed, Tennessee would have gotten an estimated $14,785,000. I believe that such aid would serve to strengthen the structure of our State educational system and be of benefit to all of us.

Federal aid would be offered, according to the terms of the bill before the last session of Congress, without Federal interference in the State schools. The money would be turned over to the States to be distributed locally by them.

Federal aid to education would help to reduce the extreme inequality of opportunity which now exists in various schools. The ratio now stands at 60 to 1 in the amounts spent per student. The better schools spend as high as $220 a year per pupil, while the poorest schools spend only $3.70. The proposals for Federal aid set $50 as the minimum which should be spent for the education of every child in this country. In a 1940 inventory, more than 1,175,000 children were in school systems which spent $18.50 or less per student. It is unbelievable to most of us that in this richest of countries so little could be spent for the education of such a great number of our future citizens. During 1944–45, when we were neglecting many of our children by furnishing poor schools and poor teachers, we spent $2,600,000,000 on elementary and secondary schools. During the same year we spent $2,700,000,000 on tobacco and $7,100,000,000 on liquor. Those figures speak for themselves. Federal aid would help to rectify this appalling situation and to more nearly balance the educational opportunities offered children in poorer communities against those offered to children in the wealthier sections of our country.

Federal aid to education is likewise needed to lessen the differences in amounts spent on education by States. Most of the money would go, of course, to the States now spending the least on salaries of teachers who are now paid on an average of $1,000 a year and under in the poorest States and $3,000 and over in the richest States. Teaching pays on an average of less than $2,000 a year in 60 percent of the schools in this country, and less than $1,200 in 16 percent of the cases. These salaries lack a good deal of being decent living wages in this period of high costs and they lack a good deal of measuring up to what people in other lines of work and professions are getting. Teaching actually pays less than factory work. From 1941–45, 350,000 teachers left their schools to go to war and to take better jobs, and few of them have been lured back into the profession by the present salaries. Federal aid will help to pull teacher salaries up, particularly in the States where they are now grossly underpaid. And more money will bring better-trained and better-qualified men and women into this vital profession.

If one State has poor educational facilities, the whole Nation bears the burden. Americans are constantly changing residence from State to State and the education that they get in one State may be put to use in another. Americans are also being called on more and more to give intelligent answers to national problems. It is false economy from which all of us will eventually suffer not to make Federal aid available when it could furnish much needed relief to our poverty-stricken school systems.

The Washington Post, one of the great newspapers of this country, in making an impassioned plea for Federal aid to education recently, pointed out: "Education is not a luxury. It is the fulcrum of a democratic society." To the words of the Post editorial writer, I would add the additional assertion that if we are to rid ourselves of such existing evils as juvenile delinquency, crime waves, abuse of minority groups, and social and economic inefficiency in general, we must give to every child in America the chance to find a better way of life through education. That is democracy's answer to communism, fascism, and all the other oppressive doctrines which thrive on mass ignorance and half-truths. When every person, through education, can intelligently and wisely contribute to the solving of a democracy's problems, a better and freer government than has ever been known to man will come into being.

The Present State of the American Merchant Marine

EXTENSION OF REMARKS
OF

HON. HENRY D. LARCADE, JR.

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 29, 1948

Mr. LARCADE. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to submit a copy of a brief summary concerning the present state of the American merchant marine issued by the National Federation of American Shipping, Inc., of Washington, D. C.

Mr. Speaker, it is my opinion that this statement should be of interest to all of the Members of Congress and the country generally, as I feel that the American merchant marine problem is one that is of paramount interest to all of the citizens of the United States, especially, since our past history has demonstrated the importance of the American merchant marine as a requisite to our national defense, as well as to the importance of this necessary industry to our peacetime needs and to maintain our position among the nations of the world in this field. The article follows:

THE PRESENT STATE OF THE AMERICAN MERCHANT MARINE

Notwithstanding the construction of a huge merchant fleet, largely of standardized types designed for war purposes, the United States is today faced with a critical problem in maintaining an adequate fleet of passenger and freight vessels.

We have only 49 active passenger vessels each with a capacity for approximately 100 or more persons compared with 97 ships of similar category before World War II. We are losing our rightful place in passenger trade on the most important world trade routes to other nations who are building new and modern ships of this class.

Our privately owned dry cargo fleet, while composed largely of fast, modern ships, is only a small fraction larger than before the

war at which time we carried less than 30 percent of our own imports and exports. True, we do have a somewhat larger privately owned fleet operating in the foreign trades today but our domestic trades have been greatly diminished.

Except for some tankers being constructed, the completion of one bulk ore carrier for an American steamship company, and the finishing up of a few ships for foreign ownership, our shipyards are without the necessary backlog of work to keep them in operating condition.

These matters deeply affect our commerce and trade, and our national security. The President of the United States on March 11, 1947 (nearly a year and a half ago) appointed an advisory committee on the merchant marine. This committee, composed of practical-minded businessmen unassociated with shipping or shipbuilding, was requested to furnish the President with its recommendations as to a sound merchant-marine policy which would assist him in formulating proposals to the Congress for any necessary legislation.

PRESIDENT CONCERNED

Appointing the committee, here is what the President told each prominent member:

"With no new passenger liners and few cargo vessels scheduled to be built in the immediate future, the Nation is not assured of the existence of a balanced and modern merchant fleet. This is a matter that concerns not only our commerce and trade, but our national security as well.

"I feel that the whole problem should be carefully studied in all its phases by a group of citizens equipped by background and training to counsel the Government and assist in formulating a program to strengthen our merchant marine. * * * After studying the problem, the committee should present for my consideration its recommendations. * * * Its findings will assist me in developing a sound merchant-marine policy and in formulating proposals to the Congress for any necessary legislation. The heads of the executive departments and agencies concerned stand ready to give you all possible aid."

What has happened in that 17-month period? Here it is—

The President's Advisory Committee on the Merchant Marine, composed of top officials from the Chrysler Corp., Eastman Kodak Co., Westinghouse Electric Corp., Pacific Gas & Electric Co., and the president of the Society of Naval Architects and Marine Engineers, held more than 5 months of hearings. It heard testimony from every segment of the maritime industry; from Government agencies; from the military; from labor; and from importers and exporters.

In its report to the President on November 1, 1947, the Committee summarized its conclusions by declaring:

"The Committee concludes that the best prospect for a strong progressive merchant marine would be realized in one that is privately owned and privately operated on a remunerative basis in commercial services, receiving assistance from the Government to the extent necessary to put it on a fair competitive basis in its various foreign-trade routes, and to protect it from discriminatory practices in domestic trade."

INDUSTRY TAKES ACTION

The National Federation of American Shipping, representing about two-thirds of all privately owned American-flag deep water shipping, appeared before the President's Committee. The Federation recognized that the shipowners would ultimately be called upon to recommend a set of principles designed to provide the economic conditions under which urgently needed ships could be constructed by private interests, with assistance from the Government "to the extent necessary." It was apparent that some legislation would be needed.

Accordingly, a Long Range Planning Committee composed of the top steamship company executives, representing both geographical trading areas and types of services, was appointed to develop such principles—fair to industry and Government, and in the public interest.

While the Federation program was still in formulation, the House of Representatives Merchant Marine and Fisheries Committee began hearings (March 17, 1948) on the general state of American shipping and shipbuilding.

Secretary of the Navy John L. Sullivan appeared before the committee on April 8, 1948. He called attention to the unbalanced condition of the merchant marine as it affected national security, and urged correction of the situation, declaring:

IF WAR SHOULD COME

"Despite the large amount of tonnage of both active and laid-up merchant ships now owned or under the effective control of the United States, there is a serious shortage of passenger-carrying ships to meet military requirements for the movement of personnel in the event of war.

"Assuming another emergency of the proportions of World War II, it appears that with the reconversion of all existing passenger and passenger-cargo ships, and with the utilization of the 70 transports now held by the armed services, the combined troop-lifting capacity would fall short of the total estimated requirement by approximately one-half. It is further estimated that we would be faced with this requirement earlier in a future emergency than in World War II.

"* * * The conversion of slow and medium speed cargo ships to transports * * * would be an unacceptable course of action for adoption in the event of a future war because of the known increased effectiveness of the fastest submarines.

"In the light of this situation, therefore, it should be obvious that interests of national security dictate the necessity of steps being taken immediately to augment our merchant marine in the category of passenger ships suitable for conversion to troop transports."

On April 18, 1948, the President of the United States wrote to the Chairman of the United States Maritime Commission, regarding additional appropriations he had requested from Congress for the merchant marine. He said:

"I am requesting, therefore, that immediate steps be taken by the Commission in connection with the shipping industry to determine what additional ship construction is economically justified at this time."

It is significant that while the industry's long-range planning committee was working to formulate the principles which would provide realistic and fair economic conditions under which the vitally needed ships could be privately built and operated, the President was urging that every effort be made "consonant with sound business principles" to expedite the initiation of a shipbuilding program.

On April 15, while the House Merchant Marine and Fisheries Committee hearings were in progress, there was introduced legislation which embodied some of the principles to be set forth in the federation's long-range program.

The federation completed its work on April 29, 1948, and submitted its suggestions to the House committee in a formal appearance on that date.

On May 10, 1948, legislation was introduced which incorporated the remainder of the federation's recommendations.

OPEN HEARINGS, HOUSE PASSES BILLS

The 24-member Merchant Marine and Fisheries Committee held extensive hearings on the general subject matter of the state of the merchant marine and of the principles embodied in House Joint Resolutions 377 and 398 on 14 days between March 17 and May 14, inclusive. The committee listened carefully to 35 witnesses of the maritime industry, the military, labor, and from important shipbuilding city officials.

After 826 printed pages of testimony had been recorded from these extensive hearings on the maritime situation generally, and the proposed legislation specifically, the committee reported unanimously and favorably on May 26 two joint resolutions constituting the committee rewrite of Resolutions 377 and 398, and dealing only with matters embraced in the resolutions which had been the subject of committee hearings; House Joint Resolution 412, to amend the Merchant Marine Act of 1936 to strengthen the American merchant marine, to encourage investment in the American merchant marine to build more ships, and to remove inequities; and House Joint Resolution 413, to amend the Merchant Marine Act of 1936 to strengthen the American merchant marine, to further promote the development and maintenance of the American merchant marine, and for other purposes.

On June 14, 1948, the House of Representatives passed both resolutions. The resolutions were transmitted at once to the United States Senate, where they were referred to the Senate Committee on Interstate and Foreign Commerce.

Two companion bills were already before the United States Senate committee (S. 2696 and S. 2649). The chances of final enactment and the beginning of a sizable shipbuilding program which would produce the ships to balance our merchant marine appeared excellent.

ADJOURNMENT PREVENTS FINAL APPROVAL

Unfortunately the second session of the Eightieth Congress was drawing to a close. The extensive hearings held and the thorough and painstaking investigation by the merchant marine and Fisheries Committee, together with the length of time required by the shipping industry to formulate its recommendations, left only a few days within which the Senate could act on this very important legislation.

The Senate Interstate and Foreign Commerce Committee failed to act, and the House-approved resolutions which were expected to solve many of the current shipping and shipbuilding problems remained in that committee.

The merchant ships so urgently needed still have not been started.

ACTION STILL NEEDED

Congress has been called back into session on July 26, 1948. There is great urgency that the Senate Interstate and Foreign Commerce Committee hold open hearings and take action upon the resolutions which have been passed by the House of Representatives and are now in the Senate committee. American shipping and shipbuilding industries are urging full and open hearings, and prompt action.

The problems of overcoming the serious deficiency in fast passenger vessels so urgently needed in our essential trade routes and as necessary naval auxiliaries must be solved.

The principles recommended by the federation and the shipping interests it represents which are designed to fairly and equitably meet these problems, and to permit private interests with Government support "as may be necessary" to overcome the deficiencies in our merchant marine, may be fairly summarized in 10 principal points. All of these points are included in House Joint Resolutions 413 and 412, passed by the House of Representatives and now before the Senate Interstate and Foreign Commerce Committee.

These 10 principal points are:

HOUSE JOINT RESOLUTION 413

The Government to pay (1) for national defense features, and (2) for excess requirements on United States ships: The armed forces in certain instances desire higher speed and other useful military devices on ships which features are not necessary for normal commercial uses. American ships, particularly passenger vessels, must also comply with compulsory Government construction features not required on foreign ships thereby making it more expensive and difficult for United States ships to compete equally with foreign ships.

Fifty percent construction differential subsidy for a temporary 3-year period: The 1936 Merchant Marine Act authorized the Government to pay the difference between foreign and American shipbuilding costs in order to put the American steamship operator on a parity with his foreign competitor. Since the beginning of the war it has been impossible to determine accurately foreign shipbuilding costs, and there are still no representative or comparable foreign shipbuilding costs by which to fix the amount that should be paid. In view of this situation and the urgent need of ships of particular types to balance our merchant marine and for national defense, the shipping industry has recommended that the maximum amount of subsidy be paid as a temporary expedient, and for a period of 3 years only, as has already been recommended by the President's Advisory Committee, Government agencies, and civic organizations.

Limited liability on passenger ships: This provision would permit American shpowners purchasing passenger vessels constructed with Government aid to sacrifice their investments in the vessels by surrendering them to the Government (the mortgagee) free of all liens and be relieved of any liability with respect to the payment of further sums due under the purchase contract. Passenger ships are extremely expensive equipment. One large liner may exceed the value of a whole fleet of cargo ships. Financial risks are far greater than in cargo operations. Prospects of financial returns are not bright. This is due to large crews and operating costs; the uncertainty of travel, and overseas air transport competition. A private shipping company cannot afford to take these risks and endanger its whole enterprise unless by a reasonable sacrifice it may avoid a foreclosure judgment for the over-all sum.

Adjust depreciation on reconstructed vessels: This provision would permit the writing off through depreciation for tax purposes of the owner's investment in a reconstructed vessel over a longer period than that fixed at the time of the vessel's construction where the United States Coast Guard certifies that the reconstruction or reconditioning has extended the life expectancy of the ship.

Amend trade-in provisions; liberalize trade-in values: At the present time the Maritime Commission cannot accept or trade in a ship less than 17 years old. This provision would permit the Commission to accept for trade-in vessels not less than 12 years old. It is felt that this trade-in arrangement would induce shipowners to build new vessels at an earlier date, overcome block obsolesence of the war-built fleet, maintain a fleet of more modern ships, and provide a more even flow of new construction for United States shipyards. The provision would also enable the Maritime Commission to accept the traded-in ship at a fair world market value.

Set interest rate on deferred payments at 3 percent: In view of the fact that the Government borrows its money for similar periods at an average of 2¼ percent, shipowners have felt that the present 3½ percent they are charged on vessels on which the Government holds mortgages, should be reduced to more nearly the rate at which the Government obtains its borrowed funds.

Repeal of requirements that the Maritime Commission establish minimum manning and minimum wage scales and working conditions for subsidized vessels: At present all manning, wages, and working conditions on almost all United States merchant ships are set by collective bargaining agreements between management and labor. Therefore, this requirement has been found to be a superfluous one and in conflict with collective bargaining principles. Its repeal is desired by management, labor, and the United States Maritime Commission.

HOUSE JOINT RESOLUTION 412

Extension of construction differential to ships in domestic trades: As it appears that sufficient merchant ships of certain types needed for national defense cannot be furnished from the United States fleet operating in foreign trades, authority should be provided to extend the same construction differential to such vessels to be used in the domestic trades when certified as essential for national defense by the Secretary of the Navy.

Accelerated depreciation: Shipping is an industry subjected to cycles of good and bad business, to good, bad or no earnings. A number of foreign maritime nations permit accelerated depreciations, or in plainer words, permit the shipowner to amortize the cost of his vessel during years which are profitable. This provision would permit shipowners to take depreciation as a deduction for tax purposes not in excess of one-fifth of the cost of the vessel during any taxable year, or they could take no depreciation during years in which they have no earnings.

Deposits in construction reserve; receipts from insurance paid to shipowners for lost ships, from requisition payments or from sales of ships: Deposits in the construction reserve fund must presently be expended for the construction or purchase of new ships. Under this provision depositors in the fund would be authorized in addition to new ships to use the deposits for reimbursement of operating losses, and liquidation of purchase money indebtedness on vessels, and, with the approval of the United States Maritime Commission, for expenditures in the reconditioning of vessels and the purchase of terminal facilities. Deposits in the fund on September 30, 1948, could be expended within a 3-year period under this provision for the above purposes. Deposits expended as explained receive tax deferment by a reduction in the tax base of the property acquired with such funds.

Speech of Charles J. Bloch at the Democratic National Convention in Nominating Hon. Richard B. Russell, of Georgia, To Be President of the United States

EXTENSION OF REMARKS

OF

HON. LISTER HILL

OF ALABAMA

IN THE SENATE OF THE UNITED STATES

Thursday, July 29 (legislative day of Wednesday, July 28), 1948

Mr. HILL. Mr. President, at the Democratic National Convention at Philadelphia, Pa., on July 14 last, Alabama had the honor and privilege of yielding to Georgia to place in nomination our colleague, the junior Senator from Georgia, Senator RICHARD B. RUSSELL, for the Democratic nomination for President of the United States. I wish to ask unanimous consent of the Senate to have printed in the Appendix of the RECORD the very able and eloquent address of the Honorable Charles J. Bloch, of Macon, Ga., in presenting Senator RUSSELL for the Democratic nomination for President.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

I have the honor and privilege here today to place in nomination for the Presidency of the United States one of Georgia's most distinguished sons.

In doing so, I want to say to this convention that we delegates from Georgia are not bolters. We came to this convention to participate in its deliberations as Democrats—as Georgia Democrats.

We sit over there 72 strong, and we should be sitting there when this convention shall adjourn sine die and we shall then and there be opposing its nomination of any candidate who advocates the interpretation placed on the 1944 platforms of this party such as its so-called civil-rights program.

We shall be opposing the nomination of any candidate, be he President of the United States or not, who advocates, openly or tacitly, such proposals as have been made here today in the platform of this party.

DECLARATION OF INDEPENDENCE

The other night in his speech before this convention, the distinguished keynoter quoted from Jefferson and the Declaration of Independence, saying:

"We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain inalienable rights, that among them are life, liberty and the pursuit of happiness."

I would have you construe with me these words in the light of the time and place in which they were written. They were written in 1776. Thomas Jefferson was a Virginian. The institution of slavery had not been abolished or even frowned upon. I daresay that Jefferson was a slaveholder, and that his slaves had been sold to him and his fellow planters by merchants who lived just a little farther north.

Thirteen years later the Constitution was adopted and ratified by the Thirteen Original States. It did not abolish slavery. On the contrary, it recognized slavery. It protected those who were engaged in the business of importing slaves and, for the most part, they were not southerners.

THE BILL OF RIGHTS

The Constitution provided that the migration or importation of slaves should not be prohibited until 1808. Article I, section 9, of the Constitution of the United States was not for the protection of the South. The North had not yet become imbued with the doctrine of civil rights.

A few years later the first 10 amendments to the Constitution were adopted as a unit. These constitute the Bill of Rights. By them freedom of the press, freedom of worship, and freedom of speech are protected. By them we are made secure from searches and seizures, we are guaranteed the equal protection of the laws and due process of law. We are guaranteed the right to bear arms.

These rights are dear and sacred to all of us. But equally important with the first nine of these amendments is the tenth and last: "The powers not delegated to the United States by the Constitution, nor prohibited to the States, are reserved to the States respectively, or to the people."

This is what we of the South are talking about when we talk about States' rights.

We are talking about rights and privileges reserved to the States of the Union, which are just as sacred to us, just as cherished by us, as the right to worship, write, and speak

as we please, the right to govern and manage our internal affairs.

STATE RIGHTS DOCTRINE

Before the phrase "civil rights" had ever been dreamed of, the doctrine of States' rights had been firmly imbedded in its Ark of the Covenant, the Constitution of the United States. And we of the South request, nay, demand, that the States of the Nation comply with their contract with us—enforce the doctrine of States' rights—written into our Constitution eight score years ago.

In the 1944 convention of this party, there was written into the platform:

"We believe that racial and religious minorities have the right to live, develop, and vote equally with all citizens and share the rights that are guaranteed by our Constitution. Congress should exert its full constitutional powers to protect those rights."

Its full constitutional powers—bearing in mind the rights of the States to govern their internal affairs guaranteed by the tenth amendment to the Constitution. But the executive department, after a lapse of almost 4 years, was not content simply for Congress to exert its full constitutional powers. Congress was asked to go above and beyond the limits of the Constitution.

THE PRESIDENT'S MESSAGE

On February 2, 1948, in this good election year, President Truman sent a message to Congress urging "modern, comprehensive civil-rights laws." There was proposed a specific law against lynching (which north of the Mason and Dixon's line is called gang murder); the ban of poll-tax provisions in the laws of the several States; a fair employment practice law, prohibiting discrimination by employers on account of race, color, religion, or national origin; the prohibition of racial segregation in interstate transportation facilities.

The message proposed a Federal fiat to revolutionize the political, economic, and social relations between whites and Negroes in the South. Instantly southern Senators and Representatives in Congress sprang into action.

In the forefront of this battle—nay in the very lead of it—was Senator RICHARD B. RUSSELL, of Georgia. He has fought valiantly, and thus far successfully, against having any such program choked down the throat of the South at the behest of the well-organized minority groups.

EFFECT OUTSIDE THE SOUTH

Let me quote to you from just one of his many speeches on this problem which so gravely concerns all of us—not merely us southerners:

"To those of you who are tempted to turn away from this issue with a shrug and a 'let those southerners squirm,' let me point out that many phases of this drastic program directly affect you and your rights. If it is enacted into law the everyday life of all citizens will be in some measure regulated and controlled by Federal bureaus and bureaucrats in Washington.

"If Federal power strikes down the individuality of any one State or group of States the rights of your State will be invaded. If Federal law creates an entirely new right for a member of a minority group at the expense of an inalienable right of any other citizen, your security and the enjoyment of your right is endangered.

"The passage of these laws will strip the once proud States of this Union of their last remaining rights and reduce them to a state of abject vassalage to Washington.

"Local self-government will become a mere fiction. Hordes of new Federal policemen will swarm over the country. The Federal Government cannot embark upon any such program without concentrating police powers. Any such centralization will inevitably lead to complete regimentation and to that disastrous loss of personal liberties which marks the centralized police state."

TRUE AND TRIED

Thus spake the foremost exponent of States' rights in the United States Senate today. You Democrats of the South—and of the North and the East and the West—who are seeking a leader who will preside over the Government of the United States under the provisions of the Constitution of the United States have found one in the person of Richard B. Russell—true and tried.

If you delegates who do not know him want first-hand evidence of his character, his integrity, his intelligence, his fidelity, turn to the United States Senator in your delegation, or the delegate of a neighboring southern delegation—turn to any United States Senator in this convention from any section of this country and receive evidence of great capabilities of this man for the leadership of our country.

We from Georgia who have served with him for the common good of our State and Nation these past 25 years can add our testimony. From 1921 to 1931, he served in the General Assembly of Georgia, the last 4 years as speaker. In 1931 and 1932 he was Governor of the State of Georgia—an administration of the affairs of our State which has never drawn anything but praise. During his administration as Governor of Georgia, he led to the Chicago convention of this party a delegation committed to the nomination of Franklin D. Roosevelt for the first time.

STOOD BY ROOSEVELT

In that fateful night, when the fate of the Nation, the fate of the world hung in the balance, DICK RUSSELL and the Georgia delegation stood unwavering and firm as a rock—at the side of Franklin D. Roosevelt. If you want testimony as to that, seek out any member of this convention who was there—and there are many famed ones here. In January of 1933, he took the oath of office as a United States Senator from Georgia. Reelected in 1936 and in 1942, he will be reelected this fall unless you call him to higher duties.

In presenting him to you, I say to you delegates from all parts of the Nation here assembled—you know or, if you do not know, you can learn here and now—you cannot longer take the South for granted.

The South is no longer going to be the whipping boy of the Democratic Party. And you know, or if you don't know you can learn here and now, that without the votes of the South you cannot elect a President of the United States.

I do not mean to suggest yet secession from the Democratic Party, but I do mean to say to you Democrats of the North, the West, and the East—paraphrasing the language of the great Commoner of a generation ago—you shall not crucify the South on this cross of civil rights.

EIGHTY-THREE YEARS OF ACCOMPLISHMENTS

The South has accomplished so much in the last 83 years. When Lee and Johnson and the other leaders of the Southern Confederacy were forced to surrender, and their war-weary soldiers tread their forlorn way homeward, they were left to fend for themselves. There was no treaty of peace. There was no southern recovery program. There was no Marshall plan for us—we had the force bill—bayonet rule and the tragic era of reconstruction which ended only with the Hayes-Tilden election of 1880—and we do not propose to return to that tragic era of reconstruction in the vehicle of "civil rights."

In the hands of the Democrats of the South are the traditions of the Nation—the last bulwark of democracy. But for the votes of most of the South 4 years ago Henry Wallace would be sitting in the White House inflicting upon us the civil-rights program. We propose to remain the last bulwark of a real democracy.

Typical of that real democracy is Senator RICHARD B. RUSSELL, of Georgia. Georgia offers her beloved son, her true Democrat, her patriot in times of peace and war to the Nation.

Bishop Ward Describes Conditions in China

EXTENSION OF REMARKS

OF

HON. THOMAS A. JENKINS

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 29, 1948

Mr. JENKINS of Ohio. Mr. Speaker, probably no living American is better posted on conditions in China than is Bishop Ralph A. Ward, resident bishop for the Methodist Church in China. Bishop Ward has seen many years of service in China and has had opportunity to know intimately the prominent persons in the political and economic activities of that great Empire with its hundreds of millions of struggling people.

Bishop Ward has sent out a general letter to friends in which he discusses briefly the conditions in China at this time. I am asking that this letter be printed in the CONGRESSIONAL RECORD.

The letter follows:

THE METHODIST CHURCH,
Shanghai, China.

To Friends in America:

It has been a long time since I sent you a bit of personal report from China. You have been often in my thoughts. Many of you have sent us very special help, in prayer, in money and in other ways. Of our gratitude—my own personal gratitude I could write at length.

The Christian Church in China lives in that postwar struggle which is found in many other countries. Eight years of war left vast devastation, social destruction, and upheavals. There is economic confusion. There is political confusion. There is moral breakdown in many places. But, more than ever before, there are Chinese of fine character, good preparation and efficiency who grapple courageously with the baffling problems.

Inflation of Chinese currency is a token—much more serious than a token if you have to cope with its effects. If a Chinese wishes to borrow money at the banks he is fortunate to get it at 25 percent per month. The banks will pay 9 or 10 percent per month interest on short term deposits. The decrease in value of the money is greater than such interest.

The issue with totalitarian communism is drawn—not merely by proclamation of the National Government. It is drawn in stern and menacing reality. China is but a section of the world-wide struggle-ground. Despite isolated "show-places" or where local Communists are not typical or are using the popular front there seems no immediate hope for the organized, evangelistic, out-reaching Christian church under a thoroughgoing communism of present type. Illustrations of that fact are ominously numerous.

We do not prove the value of Christianity by calling the roll of generals or statesmen who are Christian. Neither do we contend that Christians in high places are faultless. But realism reveals would be Christians at the center of major struggles in China today and they make the situation more promising.

Generalissimo Chiang Kai-shek has been elected president under the new constitution. China is now further on the road actually to implement constitutional government, not dictatorship by a party. The fact that elections have been held at all, with millions of Chinese voting for the first time, is significant progress in registering political differences without resort to warfare.

Perhaps if a vote could have been cast by the total population of China the Generalissimo would have been elected by a greater plurality than any American who has been elected President of the United States in a

century. Many people oppose him. The masses suffer from delayed reconstruction. They are having hard times. In China, as in America, the Government (be it Democratic or Republican) gets the blame. Yet President Chiang, unlike wartime leaders in most other countries, still remains the major personality round which forces for national unity and strength will rally more than around any other person. Without the experience of actually living in a democracy like the United States he is determined to develop China as a real member of the family of democracies.

What is happening in China, and presently will happen, is of critical concern to the rest of the world—including the United States. International struggles elsewhere reach into China. Their outcome in China will help to determine their outcome in other parts of the world. Chinese are increasingly conscious of their role in world affairs.

In this postwar situation lives and works the Chinese Christian church. It needs help from other countries. But Christianity in China is no longer mere foreign missions. The fierce wartime testing of its faith has occasioned the strengthening of its faith. Chinese Protestant churches are not political partisans. But individual Chinese Christians are in politics and should be. There is a difference.

The chief asset in any organization is personnel—the human factor. To keep thousands of Chinese pastors, teachers, doctors, nurses, and other Christian workers efficiently on a subsistence level in reasonably good physical condition is a relief measure. But it is far more than that. It provides an ideological and spiritual force to offset opposing ideological and destructive forces which are rampant. The Christian, the Christian spirit, attitudes and social outreach are a dynamic for a new and better social and national way of life.

Confusion? Yes. Mixed motives? Yes, queer combinations of them. Dangers? Always present. Possible and actual failures? Enough to discourage one who looks too much at them only. But new life? Yes. Promise for better things? Yes.

It takes a long time—contrasted with the years and decades of our short human lives—to regrow a civilization and develop a government of the people, by the people, with reasonable competence for themselves and others. But the growth continues. It always takes time from seed planting to harvest. The harvesting of one crop goes on while we plant for another crop. This is another time of both harvest and seed planting in China.

The Christian seed is the best seed to plant in China today.

Fraternally,

RALPH A. WARD.

Enactment of Veterans' Legislation

EXTENSION OF REMARKS

OF

HON. EDITH NOURSE ROGERS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 29, 1948

Mrs. ROGERS of Massachusetts. Mr. Speaker, under leave to extend my remarks in the RECORD, I would like to present the following letter which I have received as chairman of the Committee on Veterans' Affairs, from Mr. Omar B. Ketchum, director of the national legislative service, Veterans of Foreign Wars, and in which Mr. Ketchum presents that organization's viewpoint upon legislation relating to veterans and which is now pending in Congress.

I am introducing today a bill for an increase in compensation for the disabled veterans.

VETERANS OF FOREIGN WARS
OF THE UNITED STATES,
Washington, D. C., July 27, 1948.

Hon. EDITH N. ROGERS,
Chairman, House Committee on Veterans' Affairs, House Office Building, Washington, D. C.

DEAR MRS. ROGERS: There has been so much controversy over the work and accomplishments of the Eightieth Congress that it is possible that some congressional committees and individual Members of Congress may feel that their work and efforts have gone unnoticed and unappreciated. The differences of opinion over the accomplishments of the Eightieth Congress are largely determined by political and economic viewpoints.

I should like to take this opportunity and method to express the appreciation of this office, as legislative spokesman for the Veterans of Foreign Wars of the United States, for the work and accomplishments of the House Committee on Veterans' Affairs during the regular sessions of the Eightieth Congress. An impartial review of the hearings and bills favorably reported by the House Committee on Veterans' Affairs will reveal a thorough, conscientious, and sympathetic approach to the needs of veterans and their dependents.

If it had been possible for the Eightieth Congress to approve all bills which were considered and reported favorably by the House Committee on Veterans' Affairs I am sure there could be little, if any, valid criticism over the treatment of veterans and/or their dependents. We recognize that it is not always feasible or practical for the Congress to approve all bills reported by every congressional committee.

There are a few measures, acted favorably upon by your committee during the regular sessions of the Eightieth Congress which are deserving of consideration and approval during the special session. First, the bill to raise income limitations affecting the pension rights of certain widows and orphans as well as permanent and totally disabled, nonservice-connected, veterans of World Wars I and II, H. R. 4242, is of vital importance and should receive favorable approval by the special session. There is no question but what the present income limitations are completely unrealistic with respect to the present high cost of living, and I can find no objection in the Congress to this premise. On the other hand it is apparent H. R. 4242 failed to win clearance for final action because the Veterans' Administration would not submit an estimate of cost. I can appreciate the importance of cost estimates on legislation but it will be tragic if this obstacle continues to delay action on this meritorious legislation.

Second, the bill which would authorize the Administrator of Veterans' Affairs to provide, in certain instances, stenographic service for the accredited service representatives of nationally chartered veteran organizations, H. R. 3016, should also be approved during the special session. This is another instance where the cost factor may be difficult to determine in advance but we are certain the cost would not be excessive and that the legislation would not prove difficult and involved as predicted by one or two Members of the Congress.

Third, the spiraling cost of living accompanied by a third round of wage increases in the major industries together with a substantial salary increase for Government employees makes it imperative that early consideration be given another increase, percentagewise, for compensation and pension beneficiaries on the rolls of the Veterans' Administration, excluding of course those groups who were increased during the regular sessions of the Eightieth Congress. We shall immediately propose a straight 15 percent increase in the monthly rates of compensation and pension with the exception of those who have recently been increased.

There are a few other measures such as the present inequities in legislation affecting grants of automobiles to amputees, which are deserving of consideration, but I realize that we cannot expect the special session to cover the entire field of veteran benefits. I did want you to know that this office appreciates the work of the House Committee on Veterans' Affairs and I hope you will bring this letter to the attention of the entire committee at the earliest possible opportunity.

With best wishes and kind personal regards, I remain

Sincerely yours,

OMAR B. KETCHUM, *Director.*

Water and Power Shortages

EXTENSION OF REMARKS

OF

HON. NORRIS POULSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 29, 1948

Mr. POULSON. Mr. Speaker, 22 cities, including Los Angeles—now the third largest city in the United States—are faced with one of the most serious situations in their history.

I refer to the growing menace of a water and power shortage—in a country in which every drop of water and every kilowatt of power used must be brought hundreds of miles, a country that cannot exist without an assured water supply.

Because of a controversy over division of the waters of the Colorado River between Arizona and California, all plans for future development and for completing approved projects are now halted. California has done everything it can to bring about a settlement. It has offered to negotiate, to arbitrate, and finally to place the controversy before the United States Supreme Court. Arizona has refused every offer and fought every effort to achieve an agreement.

Before this Congress are several bills which, if passed, would let California place this vital controversy before the highest court for final adjudication.

To further impress upon the Congress the seriousness and urgency of this situation, I herewith present an editorial from the Los Angeles Herald and Express, which appeared on Thursday, July 22, 1948.

SUPREME COURT BILL ON COLORADO RIVER SHOULD BE PASSED

In view of the grave international crisis and the dark threat of war with Russia, it is vital that Congress in its special session next week should pass bills already introduced to authorize the United States Supreme Court to settle California's Colorado River water problems.

The Truman plan of playing desperate politics by calling the special session in the hope of gaining political support for his own Presidential campaign should be knocked

into a cocked hat by legislators getting behind solid projects of national importance such as the Colorado River plan, universal military training, etc.

In the last war, the Nation looked to Southern California as one of its greatest arsenals of victory. Planes, ships, and other vital supplies were turned out here in record quantities.

Los Angeles and its neighboring cities could not have made their valuable contributions toward winning the war if they had not had the necessary amounts of water and electric power to serve huge new industries as well as civilian business and homes.

This area, even in peacetime, is running perilously close to the danger point in the matter of sufficient water and power. In the case of war, demands of great war plants running at full capacity would bring about a critical situation.

High-ranking Army and Navy officers have warned that this State must be assured of a dependable and adequate water supply. They stressed the danger of possible water and power shortages.

The Colorado River is the key to this area's water and power requirements. Twenty-two cities, with a combined population of 3,250,000, now use Colorado River water. If attempts being made by Arizona to obtain new water projects for that State should be successful, there would be drastic reductions in the water supply to this area.

The people of California are willing to allow such an impartial body as the United States Supreme Court to decide the issue. That is what Congress should authorize.

Message to Congress

EXTENSION OF REMARKS
OF
HON. EDWARD J. DEVITT
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES

Thursday, July 29, 1948

Mr. DEVITT. Mr. Speaker, an editorial in the St. Paul Pioneer Press for July 28, commenting on President Truman's message to Congress is, in my judgment, so poignant I want to make its contents available to all of the Members of the House. It is included herewith as a part of my remarks:

MESSAGE TO CONGRESS

President Truman's message to Congress yesterday was in part a campaign document, which accounts for the inclusion of so many items of business that have no necessary place in a special session. If Congress were to act upon them all this special session would not complete its work by Christmas.

But President Truman does not insist on these points. His self-justification for calling Congress back is that the housing shortage and, particularly, rising prices constitute a national emergency which cannot wait upon the outcome of the election and the meeting of the new Congress in January.

As far as housing is concerned, there is in fact a major public interest in overcoming the shortage, especially of low-cost rental dwellings, as quickly as possible. Whatever the President's motive may have been in putting his adversaries of Congress on the spot, they are now in Washington and should use the opportunity to complete work on the Taft-Ellender-Wagner Act which stalled in the House after having passed the Senate.

Mr. Truman, of course, can have small hope that the same Congress which so recently has flatly rejected his anti-inflation program will now have a change of heart just because he tells them that the situation has become an emergency. He has simply chosen this means of drawing a sharp issue between himself and the Republican leadership of Congress on price-wage controls and the rest of the apparatus for a controlled economy which he favors.

Reimposition of wartime controls and rationing now would be an immensely complex task, for which the administration is not organized. Even if the conception were sound, the difficulties in the practical administration of such controls in peacetime make the proposal seem fantastic.

President Truman is able to cite the undeniable fact that prices have risen since controls were taken off. But his conclusion that they would not have risen if the controls had been retained does not follow. Prices were rising before abandonment of the controls; in fact it was a question whether office of price control could get the ceilings lifted piecemeal fast enough to keep them from being blown off.

Artificial controls of this kind do not end inflation. They suppress it. This may be feasible during wartime and for short periods. But apart from that they can work only if the entire economy is brought under rigid governmental regulation, as in Britain.

So while Mr. Truman can point to what has happened without price control, he is unable to say, even if he wanted to, what would have happened if it had been kept. The probability is great that through black marketing and other means we should have been brought to an even sorrier form of inflation than the one we now have. The supply of money has tripled since 1939, chiefly because of the deficit financing of the war, and until the supply of goods has sufficiently increased, or the supply of money diminished, the only possible outcome in this vast land of free and easy people is higher prices.

Anyone who so badly misread the economic future as Mr. Truman did in the fall of 1945, when he acted on the theory that his big problem was to fend off a postwar deflation, should be more humble than he is on this subject.

The Proposed Kasinger Dam and Its Effects on Henry County, Mo.

EXTENSION OF REMARKS
OF
HON. MARION T. BENNETT
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES

Thursday, July 29, 1948

Mr. BENNETT of Missouri. Mr. Speaker, I recently attended a meeting at Clinton, Mo., called by the county court of Henry County, relative to the proposal which will soon be submitted to Congress by the Army engineers for construction of a large flood-control project, known as the Kasinger Dam. This project, if it is approved by Congress and an appropriation is granted for it, will destroy most of the trade territory of Clinton, Mo., and completely upset the economy of Henry County and much of western Missouri. It is almost unanimously opposed by the people in the area which it affects. It is one of a series of dams which the engineers propose as an alternate to an earlier project, known as the Osceola Dam, which has now been abandoned and which has several times been repudiated by the House Appropriations Committee. The terrain and density of population in western Missouri make it inadvisable to construct huge flood-control reservoirs in that area. There is some need for flood control in the Osage River Basin but floods cannot be prevented by erecting huge dams which create permanent floods.

The president of the Henry County Anti-Dam Association is Mr. Emory Hurt, of Clinton, Mo. At the meeting to which I refer, and which I attended at Clinton, Mr. Hurt made a statement which outlines, in detail, the effect which the Kasinger project would have on Henry County. His statement is based upon official facts and figures furnished by the Resources and Development Commission of the State of Missouri. It summarizes the effects of this proposal in such excellent fashion that I ask unanimous consent to extend it as part of my remarks for information of the Congress, which will have to vote on this proposal, and for the information of my district. I cannot support any such project as this which helps one part of my district at the expense of another. I represent the whole district. We want the Army engineers to leave us in peace.

STATEMENT BY EMORY HURT ON EFFECTS OF THE KASINGER DAM UPON HENRY COUNTY

The data, the statistics, and the facts which I will present to you are taken from the report of the Missouri Division of Resources and Development. It was from a like report the Governor changed from opposition to in favor of this dam. I have not found it necessary to seek additional facts to prove Henry County's loss.

Sixteen townships out of nineteen in Henry County are partly within the proposed dam area. One-half of each of the following townships fall within the reservoir area: Bethlehem, Clinton, Fairview, Honey Creek, Leesville, and Osage. The assessed value of the real estate within the proposed reservoir is $2,029,149, or 12.9 percent of the total assessed real estate value of Henry County. The assessed personal property value in the proposed reservoir is $267,573, against a total assessed personal property value for the entire county of $2,269,966, or 11.8 percent of the total personal property assessment. Or roughly one-eighth of this total assessed property value of Henry County lies within the proposed reservoir.

Sixty-four school districts with a total of 2,735 pupils would be affected by the reservoir. This would require a drastic reorganization of these school districts along with drastic changes relocating the roads.

There are 2,365 farm units in Henry County; 695 of these are in the proposed reservoir area; 325 farms are in the low bottoms and 370 between the low bottoms and the high-water mark. There are 616 farm families, or 1,609 persons, living within this area. The average size farm is 180 acres to 200 acres; 79 farms were operated by people who did not live on the farms. Approximately 12 percent of the reservoir area is permanently idle. It is idle not because of the soil but because of flooding. In other words straightening the river, clearing its channel, would restore about 12 percent of the area to cultivation thus adding some mighty good soil for crop purposes. This would be increasing the tax valuation of Henry County, and not decreasing.

When you take 695 farms out of Henry County's total farms of 2,365 it is destroying trade and tax values at a very rapid rate. No matter in what part of the county you live this will be felt and realized. It is people who make trade. When over one-fourth of your farms are condemned, your

trade, your business, your profession, your investments are seriously affected. If you wish this dam to be built just do nothing and it will surely come. It is not only our right but it is our duty to protest this proposed reservoir. The Members of Congress are our elected representatives. To them we must turn with our complaints and our demand for justice.

In 1946 Henry County ranked second in the State in the production of coal. More than 700,000 tons were mined in 1946, of which tonnage about 450,000 tons were mined by open-pit methods from the area immediately affected by the proposed reservoir. One hundred and fifty-six men were employed in this coal mining. The wages of coal miners earned in the area affected by this proposed reservoir was $314,431. Coal mining engineers and geologists maintain that coal 25 feet to 50 feet above the maximum flood level would be impossible to mine because of drainage problems.

There are 12,403.2 acres of Jordan coal (this is south of Grand River), or an estimated 16,371,000 tons of coal are recoverable in this field. There are 3,388.4 acres of Tebo coal (west and northwest of Clinton) or an estimated 11,181,000 tons of recoverable coal. These acres of coal are within the proposed reservoir. That is a total of 15,791.6 acres of coal land with an estimated 27,552,000 tons of recoverable coal. This is one of the natural resources of Henry County. The Kasinger Dam will flood this area. That $314,431 paid to labor in 1946 and the sale of that 27,552,000 tons of coal will be gone forever.

Do you think that annual $314,431 loss in labor, that the stopping the sale of 450,000 tons of coal annually will affect your business, your profession, your property, and your local investment? It most certainly will. Have we that stamina, that courage, that backbone that our pioneer forefathers had who came to old Reeves County and hewed out the civilization we enjoy today?

Clinton and Windsor in Henry County provide the only hospital facilities. Medical service is obtained at Clinton, Windsor, Urich, and Deepwater. Thus the whole population of the county is dependent for medical service on the doctors in these towns. At what cost and at what danger to Henry County citizens will the drastic changes in the roads and the length of time to make the changes cause? No one can answer, but we realize that the danger is real and great with the proposed reservoir.

In 1947 there were in Henry County 490 retail stores, 130 service establishments, 52 wholesale trade establishments, 24 hatcheries, 26 manufacturing plants (employing 729 people) 2 small plants producing stones and lime products and 1 plant producing clay products with 150 employees. This briefly with the coal companies is the picture of Henry County's commercial life, The question you and I may well ask is the effect of the proposed reservoir; when one-eighth of your assessed valuation is removed, when 616 families are dispossessed, when more than one-fourth of Henry County's farms are condemned, when the products from 695 farms are forever removed from the markets, when 64 school districts in the area of condemnation are affected, and when an estimated 27,552,000 tons of coal are inundated and lost, what will the effect be? The answer is plain and obvious. Each one of us in our business, in our profession, in our local investment will severely feel the above loss. There is no offset. There is no compensation for our loss. Paying the fair price for the land condemned to the individual owners is but a very small part of the terrific cost to Henry County. The major cost will never be taken care of and there is no offset or compensation to the rest of the citizens of Henry County to equalize the unjust burden of this proposed area of mosquitoes and moccasins.

There are 61,000 acres in this proposed area. It is estimated by the Resources and Development committee that approximately 30 percent of this area may be rented. Of what value is this 30 percent for rental purposes? In their own statement they state that twice in the last 25 years there would have been a full elevation of 730 feet. They state then an elevation of 720 feet would have been equaled or exceeded 6 times. They further state that an elevation of 710 feet would have been equaled or exceeded 9 times in the past 25 years. In most cases of excessive flood or where an elevation of 710 feet was exceeded the period of flooding lasted approximately four months. Further in their report they state that the flooding was approximately one-half of the time. Thus, we have a variation in their estimation between 4 months and 6 months in which the reservoir would be flooded. We have been informed, and that reliably so, that the flood gates of the proposed Kasinger Dam would be correlated with the Bagnell Dam thus affording to the Union Electric an additional supply of water—water which had been held four to six months—water in which the sedimentation had been left in the Grand River basin. This would be extremely valuable to the Union Electric.

A sampling of the farm population in the proposed area of snakes and mosquitoes shows that more than two-thirds of the farmers reported telephones, over 85 percent had automobiles, more than 70 percent lived on all-weather roads, about 25 percent used electricity, and a higher percentage used power washers. The average farmer had lived on his present place 15 years, had lived in the township more than 20 years, and in the county more than 30 years. The above facts simply mean that the dispossessed farm families have a very high type standard of living. It further reveals that they are very stable people, having lived an average of 15 years at their present location. That is the class of people that it is proposed to dispossess, move to town, forced to buy other farms and perhaps retire forever.

The report of the resources and development committee shows that there are 29,000 acres of permanent pasture in the reservoir. Their report further shows that an elevation of 710 to 720 feet would have been reached by floodwater nearly half the time during the period of 1921 to 1946 had the reservoir been in operation. At what risk would an individual assume renting this pasture land subject to overflow one-half of the time and perhaps the majority of the free time at the very time of year when stock is removed from the bottoms because of flies—flies so hearty that DDT has no effect upon them. The rental proposition as put forth is interesting. One hundred percent of the rent which the Government would collect from this area is paid into the National Treasury. Seventy-five percent of the said rental is then returned to the State treasury and at the direction of the State legislature would be apportioned to the schools and to the roads, to these two only. The question arises what part would ever come back to Henry County? It has become, at the present time, very necessary that our own county officials keep a close watch upon the State funds to see that Henry County received its due share. This is but another added care and demand for watchfulness to secure their just part of the little rentals, if any.

When we spoke of schools we spoke of the drastic changes that would be necessary in our roads. The proposed roads affecting Henry County's trade territory is Highway 13 together with the two railroads south of Clinton and an improved road in the LaDue neighborhood running from the south of Grand River to Highway 52, an elevation in a few places of Highway 35 east of Clinton and two elevations of Highway 35 northwest of Clinton. If you will stop and consider this for a moment you will realize that the efforts put forward in the last 30 years of building farm-to-market roads for the convenience of Henry County citizens is torn up, displaced, and the citizenry inconvenienced by new routes, by new construction, and by indefinite delay of building new roads. Outside of the major highways there is no provision offered to take care of the local roads which are a necessary convenience to our farm population of Henry County.

We have spoken of Jordan and the Tebo veins of coal. The largest area of coal is in the southwest part of the county. The St. Clair Hume Coal Co. has been leasing, contracting and preparing to open up this field. As to how much of this field is affected by the proposed reservoir, as to how severely they will be handicapped by drainage problems the Missouri Committee of Resources and Developments does not say. We realize full well that this vital coal field will be affected.

After this water is impounded it becomes contaminated by decaying vegetable and animal life. Those farms near the flood area might well plug off their present wells at 25 or 50 feet above the flood level and thus avoid contamination of water in the wells which they have used for a lifetime. Clinton's water supply would taste like the water after a snow storm, for decayed vegetation.

The farm population in every community depends largely upon native lumber for its constructing and building. A great supply of this native lumber comes from the proposed reservoir area. This wood consists of oak and hickory with a small amount of maple. Neither of these woods will stand an excessive amount of flooding. Even that water oak tree with which all of us are familiar, growing in the Grand River bottoms is easily killed by several weeks of water over the root system. With an establishment of the proposed reservoir area one source of cheap farm lumber is forever removed. As to the further production of timber outside of willows it would seem right that the low bottom would be hardly more than a swamp filled with willow and swamp brush.

As to the effect on the climate, for years it has been recognized that the forest controlled to a large extent our supply of rainfall and affected our climate considerably.

With the elimination of this forest clear across the county, with the substitution of swamp brush, what change it will make in the distribution of the rainfall in the climatic changes we do not know. If this reforestation started today that would be a subject of interest 50 years from now. The value of the nut crop in the two river valleys exceeds $160,000 annually. No small loss in money, but a real loss for many people who go nutting.

The report of the Missouri Division of Resources and Development states that the annual loss of $10,000 in value of fish and wildlife would occur. The streams which the great majority of our citizens use for fishing purposes would be forever removed. Ordinarily reservoirs provide recreational opportunities for local people and for outsiders. The recreational aspect of the proposed area is nil. It becomes a swamp filled with lagoons and pools—a breeding place of moccasins and mosquitoes. As to what arrangements may be made with the Federal Government for duck hunting in the fall of the year remains to be seen. From our previous experience with sports in governmental areas it is most thoroughly regimented. Gone, almost forever, is the farm boys' trap line and the money he obtained for furs. Thus another opportunity for the youth to learn of the great out-of-doors and become lovers of nature is shut firmly in their face.

Above Brownington, the gentle slopes, the fluctuations of the water level deter recreational improvement which discourages out-

siders to come into this area for fishing and hunting. The towns of Henry County will lose a considerable volume of sporting merchandise because of the destruction of wildlife and fishing. Sportsmen need very little to find mosquitoes and moccasin.

The lands and property condemned will be paid for at a fair price. There will be few who will receive an excessive price—most will receive about what the property is worth. The average time those people have lived on these farms is 15 years. Fifteen years ago property sold at a lower price than today. Even though you receive a high price for your property, you will owe a substantial income tax. These dispossessed people receiving a high price for this land not only will pay a high income tax but will suffer a great loss in trying to buy back another farm at a high price and in a very competitive market. Mark it down as a loss but profit to the Union Electric.

The soil-conservation program which has been advanced for Henry County after the proposed Kasinger Dam is most worthy. No one but the most foolish could protest the building of a pond on every hillside and a grass waterway for every drain and ditch, the reforestation of worn-out hillside and gullies. But coming as it does it is but a sop—a sugar coating for the bitter pill we are asked to take. If a government can build ponds, waterways, and plant trees for you and me, it can, with equal justice, start at the mouth of Grand River, dig a ditch big enough, deep enough, and straight enough to carry this water off promptly and render available thousands of acres of the most productive land in the State.

This, in a limited way, represents the condition when Henry County is split in two by the moccasin area. Business will be stimulated during construction but the distance of Clinton and Windsor from the center of operation decreases the stimulation. Any curtailment of the coal-mining industry strikes at the very heart of our commercial life. This discontinuation of a $314,000 pay roll and the sale of 450,000 tons of coal is a substantial blow to your business life. The destruction of 695 farms will be felt throughout the country; the dislocation of trade and the hazard to health is most disheartening. I appear today before you not only appealing to you for your money in the support of this fight but begging, asking, soliciting, that you become militant missionaries in opposition to this injustice.

Thomas Jefferson, that grand Democrat, believed in the common man and special privileges to none. Abraham Lincoln, the father of the Republican Party, the grandest humanitarian the ages have produced, believed in the common man and special privileges to none.

Yonder flag still waves. It stands for justice. Beneath its color we have the right to protest and to demand that we be forever removed from the sacrificial altar of greed, avarice, and power. The answer is yours.

The Eighteth Congress

EXTENSION OF REMARKS
OF
HON. JOHN C. KUNKEL
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 29, 1948

Mr. KUNKEL. Mr. Speaker, under permission to extend my remarks, I include a column by George E. Sokolsky, which appeared in the Harrisburg Evening News on July 19, 1948. This article answers some of the issues thus far raised in the present presidential campaign.

THESE DAYS—THE EIGHTIETH CONGRESS
(By George E. Sokolsky)

It is now clear that the principal target of Democratic oratory during the campaign will be the Eightieth Congress, its achievements and shortcomings. President Truman called it the worst Congress; Senator BARKLEY in his keynote speech hit at it with all the rounded oratory of a Kentuckian. SAM RAYBURN sank to a new low in the oratory of the trivial in his attacks on that Congress. It is understandable that the Democrats would hold the Eightieth Congress accountable; it is also undeniable that the Republicans must stand by that Congress and defend it. It is not necessary for the debate to be cheap, vulgar, or untruthful.

In the first place, whereas the Republicans had a clear and unmistakable majority in the House of Representatives, they only had an organizational majority in the Senate. This is one of the complexities of the American constitutional system which tends to weaken party leadership and party responsibility. Whatever measures, therefore, were passed in the Senate by the so-called Republican majority were really passed by a coalition of Republican and Democratic votes which made up for the Republican defections. The Taft-Hartley bill was passed in both Houses by such a coalition.

Senator BARKLEY indicated the nature of the Democratic attack on the Eightieth Congress. First and foremost will be opposition to the Taft-Hartley Act.

In hitting at that the Democrats are repeating the error of the Republicans in 1932, when they assumed that there was still another victory in prohibition. The Democrats apparently believe that there is still another victory in the tie-up between their party and the labor leaders. The Republicans will respond by pointing to the large number of Democrats who on every ballot voted for the Taft-Hartley bill, but even more, they will point to the fact that the law does work. If, as Senator BARKLEY indicated, the Democrats are to attack this Congress on the record of the Taft-Hartley Act, the Republicans ought to welcome the attack.

The next object of attack will be the Republican promise of economy, reduction of taxes, and the firing of unnecessary bureaucrats. There Senator BARKLEY was unfair and he knew it. After the Republicans had cut the budget and reduced the taxes, the administration created what amounted to a war scare. It was Mr. Truman who let the Army, Navy, and Air Force down after the peace, reducing staff and personnel with an unconscionable rapidity. Then when the Eightieth Congress gave the American taxpayer some relief, Secretary of Air Symington let out a howl that the Russians have a larger air force than the United States has. This scared the American people, although Symington never produced indisputable evidence as to the facts. Congress took his word for it as it took the word of the State Department concerning foreign aid in the form of the Marshall plan, ERP, ECA, and lots of other things which cost money.

Now along comes Senator BARKLEY and says that because the Eightieth Congress did not refuse funds to the administration for foreign aid and national defense, the Eightieth Congress failed to achieve the economies it set out to provide.

Furthermore, on the matter of bureaucrats, Senator BARKLEY's definition was clever and facetious, but it failed to say that the Eightieth Congress and the President appointed a Commission headed by Herbert Hoover to consider the reorganization of the executive branch of the Government; that one-third of the Commission was appointed by the President, the Speaker and the President of the Senate, respectively; that by agreement this Commission was to make no report until after election day so that its findings could not be used for political purposes. Senator BARKLEY knows that his party, along with all constructive citizens, is deeply concerned over the sprawling, duplicative, excessively staffed administration—and that is why the Hoover Commission came into being.

Why then did he pull that wisecrack about bureaucrats? To get a rise out of the convention? To draw applause? To start cheering among a roomful of bureaucrats? Well, he got what he wanted—but it was not the truth. It was just campaign talk.

Michigan Federation of Labor Convention

EXTENSION OF REMARKS
OF
HON. JOHN LESINSKI
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 29, 1948

Mr. LESINSKI. Mr. Speaker, under leave to extend my remarks in the RECORD, I include a letter dated July 9, 1948, from Robert P. Scott, secretary-treasurer, and copies of the resolutions passed by the Michigan Federation of Labor at its recent convention:

MICHIGAN FEDERATION OF LABOR,
Lansing, Mich., July 9, 1948.

Hon. JOHN LESINSKI,
House Office Building,
Washington, D. C.

DEAR SIR: Enclosed find copy of resolution passed by the Michigan Federation of Labor at our convention.

We respectfully request your support of the enclosed resolution.

Very truly yours,
ROBERT P. SCOTT,
Secretary-Treasurer.

RESOLUTION NO. 13—LEGISLATION FOR PUBLIC BUILDINGS

Whereas S. 1955 is pending in the Congress to provide for the acquisition of sites and preparation of plans for such Federal public buildings as may be deemed necessary by the Public Buildings Commissioner, under the supervision of the Federal Works Administrator, with the concurrence of the Postmaster General where his Department is involved; and

Whereas there are also pending in the Congress H. R. 5446 and S. 2260, which, if enacted into law, would renew the authority of the Federal Works Administrator to provide financial aid to non-Federal public agencies for such planning to the end that the public agencies may establish and continue to maintain a reserve of plans for useful public works; and

Whereas title V of the War Mobilization and Reconversion Act of 1944 authorized the Federal Works Administrator to make advances of funds to State and local governments to assist in the preparation of plans for public works, which authority terminated with the expiration, on June 30, 1947, of said War Mobilization and Reconversion Act of 1944: Therefore be it

Resolved by the Michigan State Federation of Labor, American Federation of Labor, as follows:

1. That this federation favors the passage by Congress of S. 1955, or a similar bill, in order that construction may proceed when the economic conditions are such that the

public-welfare activities of the Nation would not be adversely affected.

2. That Congress enact into law H. R. 5446 or S. 2260, or a similar bill, which would continue the authority granted to the Federal Works Administrator under title V of the War Mobilization and Reconversion Act of 1944.

3. That is it beneficial to the national economy to have State and local public agencies build up a reservoir of plans for useful public works; and

4. That copies of this resolution be sent by the secretary to the President of the United States, the Governor of the State of Michigan, each Member of Congress from the State of Michigan, the chairman of the House Committee on Public Works, the Federal Works Administrator, and to the Postmaster General.

RESOLUTION NO. 19—CONDEMN ACTION OF GENERAL MOTORS CORP. ON LEGISLATION FOR WORKERS' EDUCATION EXTENSION SERVICE

Whereas considerable publicity has resulted from the unsubstantiated charges made by a representative of the General Motors Corp. regarding the character and conduct of a class sponsored by the workers' educational service of the University of Michigan extension; and

Whereas such charges were not made to the responsible people connected with administration of the university program but were made before an education committee of the House of Representatives at a hearing on the labor extension bills (H. R. 6202 and H. R. 6249), cn Tuesday, May 18; and

Whereas the only purpose of presenting such charges was to discredit educational services for workers in Michigan and throughout the United States so as to prejudice the possibility of favorable action by Congress on the labor-extension bill; and

Whereas the malicious and false nature of the charges made by the representative of the General Motors Corp. has been clearly demonstrated in the light of statements issued by spokesmen for the University of Michigan, students who attended workers' classes and representatives of responsible labor, business, and civic organizations: Therefore be it

Resolved, That the Michigan Federation of Labor go on record as condemning the action of the representative of the General Motors Corp. which has resulted in unwarranted and needless publicity designed to discredit educational service for workers in Michigan and throughout the Nation; and be it further

Resolved, That chairmen of the appropriate committees in Congress, Governor Sigler, Dr. Ruthven, president of the University of Michigan; and all Michigan Congressmen and Senators be advised of our continued support for the workers' educational extension service as provided for in H. R. 6202, H. R. 6249, and S. 1390, and of our hope that favorable action will be taken on the bill during the present session of Congress.

RESOLUTION NO. 23—RETAIN PRESENT LAWS GOVERNING SUNDAY, HOLIDAY, AND NIGHT PAY FOR CUSTOMS EMPLOYEES

Whereas customs and immigration employees are required to be on duty 24 hours of every day in the year, including Sundays and holidays; and

Whereas these employees are also required to enter and clear vessels and airplanes and to perform other special services at any and all hours of the day and night in addition to their regular 8-hour shifts, and such services often require these employees to get out of bed at 1 a. m. or 2 a. m. or any other hour of the night and drive their own cars 20 to 50 miles in order to perform such services and return home, and the employees are then required to report for duty on their regular shifts the next day; and

Whereas 2 days' pay for Sunday and holiday services and extra compensation at practically the same rates of pay for services rendered at such unseemly night hours is just and fair pay; and

Whereas customs employees under the act of February 13, 1911, as amended, and immigration employees under their Act of March 2, 1931, are properly and justly compensated for Sunday, holiday, and night services with 77 percent of such compensation paid by transportation companies and others in interest; and

Whereas attempts are now being made to circumvent and repeal the above laws and thereby lower the rate of such compensation to customs and immigration employees, if not to deprive them altogether of Sunday compensation as such, and to place the burden of payment for such services upon the Government (the taxpayer): Therefore be it

Resolved, That the Michigan Federation of Labor support the American Federation of Labor by endorsing the attached resolution; that the Federation notify all Michigan Congressmen and Senators and the chairmen of the Senate Finance Committee and Appropriations Committee, and of the House Ways and Means Committee and Appropriations Committee, that it believes that the present laws governing Sundays, holidays and night compensation for services rendered by customs and immigration employees are fair and just and should remain in the statutes without change and urge their efforts to this end; and be it further

Resolved, That action taken hereon by the Michigan Federation of Labor be transmitted to the American Federation of Government Employees and to the American Federation of Labor.

RESOLUTION NO. 12—LEGISLATION FOR SEWAGE-TREATMENT PLANTS

Whereas S. 418, passed by the Senate of the United States, and recently reported out, with amendments, by the House Committee on Public Works, would if enacted into law require the Surgeon General, after careful investigation, and in cooperation with other Federal agencies, with State water pollution agencies and interstate agencies, prepare comprehensive programs for eliminating or reducing the pollution of interstate waters and tributaries thereof; and

Whereas said bill, if enacted into law, would authorize the Federal Works Administartor to make loans to any State, municipality, or interstate agency for the construction of necessary treatment works and for the preparation of engineering reports, plans, and specifications in connection therewith: Therefore be it

Resolved, By the Michigan State Federation of Labor, American Federation of Labor as follows:

1. That this Federation is fully aware of the stream pollution problem and urges prompt consideration of measures for the correction thereof;

2. That the policies of Congress, as expressed in S. 418, to provide for water pollution control activities are endorsed by this Federation;

3. That the enactment into law of S. 418, or a similar bill, is urged as a beneficial safeguard of the health of the people; and

4. That copies of this resolution be sent by the Secretary to the President of the United States, the Governor of the State of Michigan, each Member of Congress from the State of Michigan, the Federal Security Administrator, and to the Federal Works Administrator.

Run-Away Inflation Must Be Controlled

EXTENSION OF REMARKS

OF

HON. ESTES KEFAUVER

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 29, 1948

Mr. KEFAUVER. Mr. Speaker, under leave to extend my remarks, I include remarks I made over the Mutual network on Wednesday:

We all agree that runaway inflation is threatening the welfare of the Nation. The spiraling of prices and wages to increasingly dizzy heights is gaining no lasting benefits for anybody. Inflation has destroyed the middle class of many nations and ours is suffering.

Doing something to hold down prices should not be a partisan matter. Recriminations between the Republicans and Democrats is not holding down prices. This is one problem we must try to solve at this special session. The people are crying for relief and they must have it.

In the past I have done what I could to prevent inflation. In early 1941 I supported the Baruch plan which would have substantially frozen everything—prices, profits, and wages. When this measure was defeated I supported OPA with all its imperfections. The OPA was badly administered but during its last 2 years the cost of living rose only 6.6 percent whereas during the last 2 years, it has risen 40 percent. Meat is up 91 percent over 1946 prices.

In this broadcast I am expressing my own views and not those of President Truman or the Democratic committee as to what relief action should be taken. I was asked to appear on this program by the Mutual network. The Democratic National Committee had nothing to do with it.

The essence of our present problem is to bridge the inflationary gap between the volume of incomes and the supply of goods. We let the balance get out of control during the reconversion period. Controls were needed then. But production is now high and the inflationary pressure is still heavy.

I do not think price control and rationing as we had under OPA would work. The people wouldn't accept them. Black markets would again result and it would take too long to put controls into effect. Selective price control should be tried as a last resort only.

The truth is that the end of the war found the world with a critical shortage of food and commodities. Our responsibility of world leadership and our fight against Communistic aggression requires that we send some things abroad, so during this period we are simply going to have to defer buying and building some of the things we would like to have. I think the Government ought to try to secure general cooperation, and particularly with State and Government agencies, to defer some of their major building programs. I think it is necessary to allocate steel so as to try to get more of it into veterans' homes. We ought to do what is necessary under the Marshall plan.

I think a cross check should be kept on foreign exports and, unless things are vitally needed abroad, they should not be shipped. Likewise, increasing our imports at this time wherever possible would be helpful. The amount of money available in September 1943 was $243,000,000,000, of which at least $110,000,000,000 was in the form of liquid assets. This is four times the prewar total.

Inflation could and should be checked to some extent by granting the Federal Reserve Board greater authority to regulate inflation-

ary bank credits. Also some consumer credit controls should be reenacted. I think also authority should be granted to regulate speculation on the commodity exchange. I doubt if reenactment of the excess-profits tax would help very much. It is true that very large corporations have greatly increased their earnings during recent months, but I would rather see this diminished by the making of price reductions rather than the imposition of a tax which would again force part of the earnings into inflationary channels. Senator O'MAHONEY, of Wyoming, has a plan for a cooling-off period for price raises and for turning the spotlight of public opinion upon the high prices fixed by some few of the monopolistic corporations. I think the plan has some merit and might well be tried. Also I think the Government should again ask people with excess money to buy anti-inflation bonds. A campaign of this sort would take some money out of circulation and it could be used to focus the attention of the people to the absolute necessity of saving, rather than immediately trying to buy and build everything they have wanted during the past 6 years. All departments of Government should join in this anti-inflation program. The inflationary effects of Government buying and building should be considered and those projects which can be put off should be deferred. Other Government agencies should be asked to take the same attitude. I believe that a year's program of this kind would find us in very good economic balance and prevent our country from being devastated by a runaway inflation.

A firm and impregnable economy is the very cornerstone of not only our own recovery but world recovery itself. Economic disintegration on the home front would mean the end of the Marshall plan, the only bulwark we have against the spread of communism throughout the rest of the civilized world.

Freedom of the Individual

EXTENSION OF REMARKS
OF
HON. ROY O. WOODRUFF
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 29, 1948

Mr. WOODRUFF. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address by W. G. Vollmer, president, Texas & Pacific Railway, before the Dallas Traffic Club, May 10, 1948:

The subject I have chosen to discuss with you today has nothing to do with transportation.

My brief remarks will deal with the subject Freedom of the Individual, which is more important to you and me than transportation.

Why is America so rich, powerful, and prosperous while all other nations of the world are in short supply of even the bare necessities of life?

Why is it that famines for hundreds of years have plagued the peoples of other nations of the world while America has been spared the sweeping devastation, suffering, and death of such catastrophes?

Why is it that the people of this great Nation have a standard of living unknown to most of the world? Literally millions of people do not have the slightest conception of the volume and variety of goods and services which we consider commonplace and take for granted.

Nearly 2,000,000,000 people look to this country, with its small land area, comparatively speaking, for food, clothing, help, and leadership.

By comparison, our Nation is young. It has hardly grown to adolescence. Yet within the short space of less than 200 years we have become the greatest Nation civilization has ever known.

Other nations, from the standpoint of productive capacity, are mere pygmies.

How and why these staggering achievements?

Basically, are the people of our Nation any different from the peoples of other countries?

I don't think we are.

Are the natural resources of our country any greater in volume and variety than they are in many other nations?

They are not.

The lands, the climates, the human and natural resources of a number of countries are basically the same. We have no advantages in any of these respects.

Then where and what is the difference?

I am sure you realize what that difference is.

It is freedom.

When our young Nation looked out upon the world in 1776, freedom was a rarity, just as it is today.

England and France enjoyed it to a degree, but not fully. Kings and rules of one type or another stood in judgment over the people, did their thinking, told them what to do, when, where, and how to do it.

The situation elsewhere today is little different, in that respect, from what it was in 1776. Perhaps it is worse.

The individual is losing ground; the state is gaining in power. The sanctity of the individual is being sacrified upon the altar of state authority. This state authority takes on many forms—communism, socialism, fascism, dictatorship, and government do-gooders.

What it all boils down to under these types of government is that the individual is valuable only so long as he can serve the state which, acting through a single person, or a small all-powerful group, does all the planning and thinking for the people.

And if the people don't like the planning it's just too bad, for unless they do as they are told the dungeon swings open or a firing squad goes into action.

The people are merely so many chessmen to be moved about when and where the rulers may decree. The people are slaves of the State, subject to the dictates of those in authority. They are regimented mentally, morally, and physically.

Our Nation was founded upon a different concept of government.

Our Government is a servant of the people. Through its public servants, whom the people elect, the Government is kept subservient to the will of the people.

Because the people of our Nation have enjoyed the freedoms that our democratic form of government fosters and protects, they have been privileged to work out their individual destinies.

Each individual is thrown upon his own resources. He engages in whatever occupation, trade, or business that appeals to him.

He is free to try and to fail or succeed.

If he fails, he is free to try again and again without restraint or criticism.

He is free to dream, to plan, to create, to work, to move wherever the field of opportunity looks greenest.

He is free to enjoy the fruits of his labor.

This right to enjoy the fruits of their labor has been the major incentive which spurred the people of our Nation to great effort and miraculous achievements.

Take away that incentive and you destroy the vital spark in the breast of mankind to create and to produce.

The fruits of a man's labor take on many and varied forms.

They consist of his home, his farm, his job, his insurance, his investment, his business, his right to acquire property and to accumulate wealth for himself and his family.

People who pool their savings and invest them in a railroad, a manufacturing plant, a bank, or a grocery store, are simply exercising the right to use the fruits of their labor in the manner their judgment dictates.

These people who invest their savings in a business enterprise expect to make a profit. If the Government, through taxation or other methods, confiscates the profit, then it kills the incentive upon the part of the people, who own and operate the business, to produce, to create, to save, and to invest. And when that happens the business perishes.

Profit in business is not an evil thing. It is just as essential to the progress of our national well-being as is the right of the individual to enjoy the fruits of his labor.

In both cases people are involved, one acting as a group, the other individually. But in each case the incentive is the same, and if that is taken away, neither business nor the individual will prosper.

Save for governmental authority designed for the basic protection of life, property, the inherent rights and the general good of the people, the freedom to act rests squarely upon the conscience of the individual.

Freedom, and the sanctity of the individual, is what marks the difference between America and many other nations of the world.

You have seen the box score, I am sure, of the world's supply of goods and services and the proportion our Nation produces and enjoys. But I think it is worth repeating.

We need to look at this box score occasionally so we will not lose sight of our proportion of these good things of life which have come to us as a result of freedom. Here it is:

The United States has only 7 percent of the world's population, and 6 percent of the land area; yet it has 1 telephone for every 5 persons, 1 automobile for every 4 persons, 1 radio for every 3 persons, 46 percent of the electricity, and 32.2 percent of the world's total production.

Now let's see how this compares with Communistic Russia, the other great power of the world, the nation which years ago shackled and imprisoned freedom.

With a population of 8.8 percent and a land area of 14 percent of the world's total, Russia has only 1 telephone for every 188 persons, 1 automobile for every 252 persons, 1 radio for every 45 persons, an estimated 5 percent of the world's electricity, and only 18.5 percent of the world's productive capacity.

Freedom of the individual is the towering beacon which marks the difference between American and Russian ideology and concept of government.

It is freedom of action which makes the difference between the productive capacity of the two nations.

Freedom stimulates initiative, resourcefulness, ingenuity, and action.

Slowly over the years the people of our country, free to act according to the dictates of their best judgment, produced the tools of our present productive power.

The people of other nations where famines, pestilence, poverty, and fear stalk their daily lives work harder and longer hours than we do here in America.

But in spite of the long, hard hours of toil and terror, they have a mere pittance to show for their labors. These people work with their hands. In our Nation we work with tools, which multiply a thousandfold the energy of man.

A farmer in Russia, or India, or China, using an ox and wooden plow barely produces enough to keep together the body

and soul of his family. And even to do that he must work from dawn to dusk.

In America, a farmer with a tractor and plow can produce enough food for five families. Yet he does not work as long or as hard as the farmer of these other countries.

The intelligent use of these productive tools spells the difference between the abundance we enjoy and the scarcity which plagues the lives of the other people of the world.

Our form of government is not perfect.

It has faults and shortcomings because it is the product of imperfect beings.

But what other nation, or what other form of government has brought within the reach of so many people such an abundant supply of the good things of life?

Can you name one?

I am sure you can't because no other nation has achieved such greatness or such productive capacity.

When you hear the radical, the Socialist, the Communist, or the Government do-gooder, condemning our system of government, our way of life, and our free competitive-enterprise system, ask him or her what other nation or form of government has nurtured and produced so much for its people.

Has socialism in England or elsewhere done it?

Has communism in Russia done it?

Has fascism done it?

Have the dictators and the rulers of days gone by, or of our time, done it? These various forms of government have been weighed in the scales of humanity and found wanting.

The history of our Nation since 1776 has been a pageant of progress. In the vanguard of this spectacular procession has been a float carrying a large banner with these significant words on it—"freedom of the individual to act, to plan, to dream, to create, to venture, and to have and to hold."

Our forefathers did not turn to the Government in Washington for help, for guidance or for security when plagued by the hard problems of their time.

They did their own thinking, their own planning, and solved their own problems.

For the sake and well-being of our Nation, it is well that they did. It is well that they did not trade their freedom, with all its trials and tribulations, for what so often is proffered as security.

Once people begin to trade their freedom for what they are deluded to believe is governmental security, then they start treading the path of socialism; they abandon faith in themselves and place it in the individuals who control the Government.

When a people start turning to their central Government for the solution of their individual and local problems, instead of working them out themselves, they swap a measure of their freedom of action for what they imagine is a measure of security.

When a people turn to their Government for fianancial support they are by implication asking the Government to do their thinking and planning. By inference, they say that they cannot think and work their way out of their difficulties, so they turn to the people in Government to do it for them.

There are certain functions which the Government should perform for the general welfare of the people, but thinking and planning and supporting the people do not come within that category.

If we are afraid to stand on our own individual and community resources, if we are afraid to meet the problems of our time, as did our forefathers in their day, but instead cry out to Washington to rescue us, then we are going to lose that precious heritage of freedom which has been handed down to us.

We should be on guard against the temptation to trade our freedom for the hollow security which we imagine a government can provide.

A government cannot give the people security. That is a snare and a delusion. Only the people themselves can provide security by production, by thrift, and by resourcefulness.

The only thing a government can give the people is what it takes from the people.

The government does not produce anything. It merely spends what the people produce.

The Government is a consumer of wealth; not a producer as some would have us believe.

What I have said here today does not embody anything that is new to you. It is largely a restatement, in a little different language perhaps, of the basic fundamentals of government to which all of us subscribe. But we need to repeat from time to time what freedom really means to us as a people and as a Nation.

It is easy to lose sight of these things and to take them for granted, just as we take freedom for granted.

But freedom can be lost. It has been lost before.

The process of losing it evolves slowly, almost imperceptibly.

We should always remember that freedom does not come easily or cheaply. It cannot be traded off today and recovered tomorrow. History records the grim fact that the pathway of freedom is covered with blood, sweat, and tears.

As good citizens it is my job and your job to see that we do not trade off our freedom for a mess of contaminated porridge temptingly garnished as security.

To safeguard freedom we should:

1. Register and vote in all elections.

2. Interest and inform ourselves in the functions and activities of the various governments.

3. Suggest, commend, and criticize our governments to the extent our judgment may dictate.

4. Resist the temptation to trade freedom of action for artificial security.

5. Accept the responsibility of solving local problems rather than turning to Washington for the answer.

6. Remember that whatever the government spend they must first take from the people, and that—

7. The more the governments spend, the less you and I have to spend on ourselves and our families.

It is our responsibility to see that the good things of life which have come to us as a result of freedom are preserved and protected for our children.

Ours is a grave responsibility, but if we shirk it, we and our children face graver consequences.

Federal Aid for Education

EXTENSION OF REMARKS

OF

HON. WILLIAM LEWIS

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 29, 1948

Mr. LEWIS of Kentucky. Mr. Speaker, since I am one among the younger Members of the House, in terms of service, although there are very few Members of this House who have seen more years come in and go out than I have, I admit that I have some reluctance in engaging in discussing the merits or demerits of the various bills that have been introduced and are now pending before Congress.

It is true that I have had a very limited experience in the field of legislation, or rather the making of laws. However, I have had many years of experience in dealing with the law and especially the enforcement of laws, and I think I can fairly judge the merits or demerits of most bills pending before Congress for consideration.

House bill 2953 proposes to appropriate $300,000,000 annually to be distributed among the various States of this Union in proportion to their educational needs. This money is to be turned over to the departments of the various States that have control and supervision of the educational system of the States and to be used and spent by them without interference of the United States Government. Section 2 of the bill is as follows:

> No department, agency, officer, or employee of the United States shall exercise any direction, supervision, or control over, or prescribe any requirements with respect to any school, or any State educational institution or agency, with respect to which any funds have been or may be made available or expended pursuant to this act, nor shall any term or condition of any agreement or any other action taken under this act, whether by agreement or otherwise, relating to any contribution made under this act to or on behalf of any school, or any State educational institution or agency, or any limitation or provision in any appropriation made pursuant to this act, seek to control in any manner, or prescribe requirements with respect to, or authorize any department, agency, officer, or employee of the United States to direct, supervise, or control in any manner, or prescribe any requirements with respect to the administration, the personnel, the curriculum, the instruction, the methods of instruction, nor shall any provision of this act be interpreted or construed to imply or require any change in any State constitution prerequisite to any State sharing the benefits of this act.

I have heard of some opposition to this proposed legislation upon the alleged contention that this appropriation would violate one of the fundamental principles of America—the separation of Church and state. I am unable to find any merit in this contention. This proposed legislation does not in any way infringe upon any persons' religious views. It does not in the slightest degree interfere with any persons' right to worship God according to the dictates of his own conscience. It does not even attempt to create a state church. It simply appropriates money of the Treasury of the United States to be used by the different States of the Union in educating and training our youth. I have had a good many letters from the Ninth Congressional District of Kentucky, as well as from other congressional districts of Kentucky, urging me to support this legislation. I am glad to say that I have had no protests, or requests from any Kentuckian to oppose this legislation. Kentucky was admitted to statehood in the year 1792 and aside from the Thirteen Original States, Kentucky is one among the oldest States of the Union, and yet we in Kentucky occupy an unenviable place among the various States of the Union when it comes to education.

Shortly after Solomon, son of David, ascended the throne of Israel, he had a

dream in which God told him he might ask anything he desired and it would be given him, and Solomon was so impressed by this dream that he asked Jehovah to give him wisdom, and an understanding heart in that he might be able to correctly judge all questions that came before him as King of the Jews. And as the story runs God was pleased with Solomon's request, in that he did not ask for a long life or riches, and God gave him wisdom such as no one before or since ever had, and because he was pleased with Solomon's request he added to his gift great wealth and honor.

Years later Solomon wrote the book of Proverbs, a book containing the world's greatest epigrams and one of which was this: "Train up a child in the way it should go and when it gets old it will not depart from it."

I have heard it stated that the priests of the Roman Catholic Church claim that if their church was given the control of every child born in the world with normal body and mind until they reached the age of 9 years they could, and would, in a few decades take substantially the whole world into the Roman Catholic Church.

It is my candid judgment that if every child born in America with normal body and mind was given the proper spiritual, moral, physical, and mental training, that this would in itself solve many of the problems of America. It would in a great measure solve the crime problems of America, and would save millions of dollars every year that are spent for law enforcement. It would soon be a complete answer to the question of juvenile delinquency that we hear so much about in the press and from the pulpits of America.

Yes, Solomon was right, "Train up a child in the way he should go, and when he is old he will not depart from it." House bill 2953 is a step in the right direction, even though it be a belated step. If this Congress would appropriate $1,000,000,000 annually, for a good many years to come, to be distributed among the various States of the Union for educational purposes, in my judgment America would receive much more good from it than to be spending much of our wealth and much of our material income in trying to take care of the rest of the world. I could go along a part of the way with the Marshall plan, but it is my candid opinion and judgment that purchased friendship does not last long, no longer than our money holds out.

Look at Stalin, Molotov, and other Russian dictators and semidictators today. Look at their conduct and attitude toward America. Is it not true that they must have forgotten that at one time during World War II Hitler and the war lords of Germany were almost knocking at the gates of Moscow? Is it not true that if it had not been for the help they were given by America, in air power and other munitions of war, to say nothing of the blood, tears, and lives of brave American boys on the battlefields of France, Holland, and Belgium and even on the battlefields of Germany, that today Hitler and his lords of cutthroats and assassins would control most of the Russian empire, and that Stalin, Molotov, and their satellites would be running and hiding far behind the Ural Mountains, and in the frozen northlands of Russia, if they had escaped at all? Is not this positive proof that purchased friendship is soon forgotten?

Let us stop and think of the national debt. It is my recollection that before the First World War the estimated wealth of every man, woman, and child in America was approximately $300,000,000,000 and at that time our national debt was only a few billion dollars. My recollection also is that our national debt at the close of the First World War was around thirty-two or thirty-three billion dollars. What is it today? By the time we get through the Marshall plan and other gifts to the countries of Europe and Asia we will be indebted more than three hundred billion dollars. Since we are giving so freely, why not sit up long enough and think and listen, and then start on the policy of giving to every child born in America a thorough education, spiritually, morally, physically, and mentally.

I believe in charity, but I remember an old-time adage, "Charity begins at home." It is entirely proper and all right for America and Americans to help the hungry and clothe the naked of Europe and Asia insofar as they can, but at the same time take reasonable care of themselves. If any people of the world are hungry and poorly clothed and that was brought about by famine, flood, or pestilence, something over which they had no control, then I would say "Let's give them everything we can possibly spare and just give it to them." It may be all right for America to help rehabilitate and reconstruct war-torn Europe and Asia, but I think in doing so we might remember another biblical declaration: "He that will not provide for his own household has denied the faith already, and is worse than an infidel." Let me say further that if the people of Europe and Asia would learn to live together in peace and lay down their arms and quit fighting, and go to work, they would not need our help, and it is my belief that if we of America had spent more time in the last 32 years attending to our own business and giving to our people and youth the education they should have and let other people's business alone, the people of America would not be carrying the burden of $300,000,000,000 in taxation today. Just think of it, the great-great-grandchild of the youngest Member of this House of Representatives today will never live to see this tax burden lifted from the backs of our people. The people of America will pay and pay and keep on paying until most of us are dead, gone, and forgotten.

Let us take up now what we should have done more than 30 years ago, and spend more of our time from now on attending to our own business and educating the boys and girls of America, and keeping our nose out of other people's business. Let me urge the House of Representatives to pass this educational bill and give to the youth of America in part, at least, what is coming to them.

Statement of Paul A. Porter

EXTENSION OF REMARKS

OF

HON. FRANK BUCHANAN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 29, 1948

Mr. BUCHANAN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement of Paul A. Porter before the Banking and Currency Committee of the House of Representatives, Thursday, July 29, 1948:

I am appearing here as a special assistant to the President of the United States to urge the speedy enactment of a bill which will put into effect the recommendations submitted by the President to the Congress at a joint session on last Tuesday. My testimony will be brief and directed to the support of those recommendations dealing with high prices and the problems of inflation.

Members of the President's Cabinet and other officials of the executive branch will be available to this committee to testify in detail as to particular problems coming within their specific sphere of interest. In a sense, I am completing a return engagement with your committee after a 2 year interlude. When last I was here, we were engaged in a discussion of the renewal of price controls under the OPA. I regret, as I know you do, that these problems of high prices and inflation which the majority of Congress then thought might solve themselves are still with us. But the fact that these problems are an unavoidable and unpleasant reality cannot be ignored.

The simple truth is that the country is in more economic trouble now than 2 years ago. And, as the President emphasized in his message this week, the passage of time aggravates the critical nature of these highly complex conditions. It is, therefore, to be hoped that this committee and the Congress as a whole will consider immediate action to deal with the mounting inflationary pressures before it is too late.

The country today is in the midst of an unprecedented prosperity. By any index of material welfare, the average American should be more contented than ever before. I scarcely need to point out that such is not the case. This is an uneasy prosperity, haunted by fears for the future. It is also an unfair prosperity in which the condition of large groups within the country has become progressively worse. This paradox of good times and bad tempers, and the quite justified fear that our present prosperity may be built on quicksand, are primarily rooted in one fact: Higher and higher prices.

Prices have been rising rapidly for over 2 years and they are still rising. There is in fact danger that some of us have become so hardened to this process that we may assume that nothing can be done about it and thus forget the certain consequences. But for millions of people these consequences are very real today, as they see their purchasing power and living standards shrink.

Let us review briefly the price history of the last 2 years. Between June 1946 and June 1948, consumers' prices have, on the average, risen 29 percent, the retail price of food is up 47 percent, the retail price of apparel is up 25 percent, and rents are up 8 percent. Consumer prices are now at the highest point in our history. Wholesale prices have shown even more substantial increases. Thus, the average of all wholesale prices is up 47 percent, the wholesale price of food is up 61 percent, farm products are up 40 percent, and all products other than farm

products and foods are up 42 percent. Wholesale prices are now more than double their prewar level and the highest in our national history.

This drastic rise in prices has had its inevitable effect on the real income of the average man. While the per capita disposable income rose from an annual rate of $1,086 in the first half of 1946 to $1,273 in the first half of 1948, a rise of over 15 percent, its real purchasing power has been cut by almost 10 percent.

The point I want to make is that these price increases are not something that happened only in the second half of 1946. They happened again in the second half of 1947 when wholesale prices rose 10 percent and consumer prices rose 6 percent. They are happening again now. Since the temporary decline early this year, wholesale prices by June had risen 3 percent. Consumer prices had also risen about 3 percent. Price rises on a broad scale are taking place right now. The situation in retail food prices, which have risen 6 percent between March and June, is particularly acute. It might be noted that, in the last few weeks alone, wholesale food prices have risen around 6 percent. How far are we prepared to permit this inflationary spiral to go? Can the Government, under its responsibility to the people, risk the consequence of further increases, which will undermine the foundations of economic prosperity and bring still greater hardships? The weight of evidence indicates that this is what will happen unless effective action is undertaken quickly.

If we look at the present situation in historical perspective, the country's precarious economic position becomes apparent. This chart shows wholesale prices annually since 1749. It brings out the fact that every previous inflation of this character has been followed by a sharp decline. Such declines have always been accompanied by unemployment and depression.

If we take effective action, even at this late date, there is reason to hope that the price readjustments which are inevitable in the future can take place without general depression and unemployment. The price increases which have already occurred have undoubtedly made such a successful readjustment difficult. If prices continue to rise, the possibility of successful readjustment will progressively diminish and may soon be lost entirely.

And there is every reason to believe that prices will continue to rise, unless we act to stop them. Many people may take false consolation in the hope that the peak of the postwar inflation has been reached, that salutary downward price readjustments are now in prospect. It is true that there are certain factors, such as the grain supply, which might tend to support that view.

However, from time to time during the postwar inflationary spiral, individual factors have appeared which seemed to herald the end of the inflation. Such hopes have on each occasion been false hopes. These particular stabilizing forces have served at best to halt the upward movement temporarily and have soon been outweighed by other factors. You may recall that throughout the second quarter of 1947 prices remained stable on the average, and early this year they actually declined. These pauses in the inflationary process misled many people into believing that the end had been reached. It is always hazardous to attempt to predict the future, but there is no reason for placing any more confidence in optimistic predictions now than there was before.

Prices in general are rising now. Recent wage and price increases in basic industries have not yet worked their way up through the price structure. Tax reduction has meant that the restraining influence of the Government surplus will be largely or wholly lost. Defense expenditures are being stepped up. Export demand remains high. There is no indication that the backlog demands of consumers and business, accumulated during the war, have yet been fully satisfied. The volume of liquid assets in the hands of individuals and corporations has scarcely been dented. These and similar factors portend continued inflationary pressure.

Two years ago many people expected that inflation would be solved by increased production. This expectation was disappointed. Industrial production did increase from 170 in June 1946 to 192 in June 1948, an increase of 13 percent. As a matter of fact that 13 percent increase had been achieved by November of 1947 and the volume of production has remained virtually stable for the past 9 months. But increased production did not solve the price problem, and it cannot be relied upon now any more than it could 2 years ago.

The American economy as a whole is working at full blast. Under such conditions, expansion of total industrial production depends largely upon improvements in efficiency. In a short period such increases cannot be large. In agriculture, where weather is an important factor, crop prospects are favorable. Improved feed supplies will produce a modest expansion in the production of some foods within a period of a year but could encourage producers to hold animals back from the market for heavier feeding. Really significant increases require the building up of cattle and dairy herds. This takes time. And it should be remembered that even the favorable feed outlook depends on the continuation of favorable weather conditions. The only possible conclusion is that while increased production will make an important contribution, it cannot increase fast enough to meet the problem.

The President in his message has outlined a balanced and constructive program of eight measures to stop inflation. This program has been incorporated into the anti-inflation and excess-profits tax bills which, it is hoped, Congress will consider and adopt. These bills are designed to halt further increases in the genral level of prices by a comprehensive program that attacks the problem of all the strategic points. This is necessary to deal both with the basic cause of the inflation and with the factors that cause it to spread through the whole price system.

The proposed bill deals with all of these points except taxation, which will be covered in another bill.

Title I of the present bill authorizes the reimposition of control for 2 years over consumer credit by the Board of Governors of the Federal Reserve System, but only with respect to installment credit.

Title II authorizes the Federal Reserve System for 2 years to increase the reserves that members banks are required to hold against demand and time deposits.

Title III authorizes the establishment of control over key prices and wages and then only under specified conditions. I do not propose at this time to treat with the standards in the pricing and wage provisions. The committee has just received the bill and I will be glad to appear in support of the criteria used at the pleasure of the committee and when the members have had the opportunity to study its provisions in greater detail.

Title IV gives the President power to establish allocations and inventory control over scarce materials or facilities that basically affect production or the cost of living and where they are necessary to fulfill defense requirements, carry out United States foreign policy or curb inflation, and also to establish priorities where necessary for these purposes. It is under this title that rationing would be established for key cost-of-living commodities in the event such rationing should become necessary. This title also extends export-control powers to June 30, 1950.

Title V authorizes the Housing Expediter to establish or reestablish maximum rents and strengthen enforcement.

Title VI gives the Secretary of Agriculture authority to regulate margins in connection with trading on the commodity exchanges, a power which he does not now have.

Title VII establishes an Anti-Inflation Coordinator in the Executive Office of the President to coordinate the anti-inflation activities of the executive agencies and an Anti-Inflation Advisory Board to advise the Coordinator; requires the President to submit a report to Congress at least once every quarter on the progress made in controlling inflation and on desirable legislative action; and contains certain miscellaneous provisions.

The process of inflation is characterized by three interrelated phases. First, there is the excess of total demand—by consumers, business, government, and foreign countries—over available supplies at existing prices. The effects of this initial phase are then intensified by the price-wage spiral. Finally, an increasing credit and money supply is essential to support the operations of the economy at the higher-income and price levels; and the increased money supply in turn tends to reinforce the excess demand.

An effective anti-inflation policy must at the same time limit the increase in total demand and, by selective action, bring to a halt the inflationary spiral. Without support of other measures a restrictive credit policy would have to be so drastic to combat inflation that it would run the risk of causing a depression.

No anti-inflationary policy can be effective that does not deal with the basic cause of inflation, the excessive demand. Since Government expenditures and foreign aid are determined by considerations of national policy of high priority, consumer and business demand must be limited and brought in line with available supplies of goods.

Most business expansion is financed by undistributed profits, some by bank credit and some by new capital issues. Adoption of an excess-profits tax and legislation that authorizes some tightening of bank credit controls are the most suitable means for limiting business expansion without interfering with desirable investment in bottleneck industries.

One method of limiting consumer demand is the reestablishment of consumer credit control. Higher down payments and shorter maturities for installment credit will limit other consumer expenditures at a time when supplies are still scarce. It should be frankly recognized that the tax relief given by the Congress to many people who are not among those hardest hit by the price rise has added billions to consumer purchasing power and has made more difficult the task of limiting it.

The curtailment of total demand, unless pursued drastically at the danger of causing a depression, will not in itself do the whole job. There is a momentum in the inflationary spiral that will continue even if the basic cause, excess demand, is effectively reduced.

There are prices that will increase because of past developments. Meat supplies will be low and meat prices high because of last year's short corn crop and high feeding costs. Wage demands are related to price increases of the past. A continued price-wage spiral may multiply even a small excess of demand that otherwise could be absorbed by an early increase in productivity and supplies. With respect to such a price-wage spiral, it is true that the best way to stop inflation is to stop it. If a price rise in items essential in the cost of living, like meat, or in industrial

production, like steel, can be prevented, the basis is laid for a stabilization of prices and wages. Labor leaders have stated repeatedly that wages can be stabilized if the cost of living is held and if excessive profits are taxed. Gradual increases in the amounts of profits and in wages and gradual reduction of prices would then again become the method by which producers and consumers share in the fruits of technological progress and increased productivity.

It has been said that price and wage controls try to cure the symptoms rather than the cause of inflation. This argument overlooks the fact that the price-wage spiral is not only the result of inflation but also causes further inflation.

A reasonable policy involving a minimum of risk, therefore, should provide for a combination of various measures, some designed to curtail total demand, others to halt the inflationary spiral. In such combination, no measure needs to be applied drastically because each gives support to the other.

What we want, therefore, is a program which will hold inflation without incurring the risk of causing a depression. All of these requirements, we believe, are met by the balanced program proposed by the President. This program is embodied in the two bills before the Congress.

These bills should be regarded as a means of reducing excess demand; of restraining increases in prices and wages at key points which, directly and indirectly, influence the entire price and wage structure; and finally of securing the most desirable distribution of the chief scarce commodities. We do not expect these measures to reduce the general price level now. We do expect them to end the upward march of prices and to reduce, so far as is possible at this late date, the threat of future collapse.

I have attempted to give you only a brief outline of the seriousness of the present inflationary situation, of the need for effective action by our Government, and a summary of the comprehensive program submitted by the President to supply this action. I have not attempted to present a detailed statistical picture of the many facets of our economic situation which support the need for this program. We stand ready to supply you with whatever facts or analysis on specific or general points you may desire in the consideration of this program. The collective impact of individual studies, however, can only emphasize the general conclusion indicated by the over-all picture; inflationary pressures are still with us, prices are still rising and the living standards of large numbers of our people are being progressively impaired. Thus the basis for national prosperity becomes increasingly precarious.

I have also attempted to approach this problem without the hysteria which too often accompanies a discussion of matters touching so closely the interests of various groups in the economy. American industry, labor and agriculture are producing at a record rate. We are not faced with the hyperinflation or the intense general shortages that are present in most other parts of the world. The American dollar will not become worthless. Disaster may not be just around the corner. But the prospect that the patient will not die is no excuse for subjecting him to great suffering and misery.

There is also no point in attempting to assess the blame, among the various groups in the community, for what has happened or is happening to prices. I, for one, do not believe that such an assessment is possible. There is loose talk about profiteering by business or greediness on the part of labor and farmers. But despite some unfortunate monopolistic elements which exist, prices are still established throughout most of our economy in greater or less degree in the market place, by the interaction of supply and demand. We cannot expect the farmer to sell his wheat for less than the market price because you or I may feel that it would be in the public interest for him to do so; nor can we expect other groups individually to substitute your or my idea of the public interest for normal competitive practices in determining their returns. Our present price structure is the natural result of the operation of our economic system of private enterprise under the abnormal conditions of this postwar period. History indicates that nothing so weakens a system of free private enterprise as extreme instability of the type we are now experiencing. The blame can be laid only at the door of a government which miscalculates its responsibilities and neglects to provide measures to protect the system from the temporary and abnormal pressures carried over from the war. We propose, even at this late date, that this neglect be remedied.

Can Israel Help the Arabs?

EXTENSION OF REMARKS
OF
HON. JACOB K. JAVITS
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 29, 1948

Mr. JAVITS. Mr. Speaker, the following article is a vitally important contribution at this time to answering the question of all our people as to the relations of the United States with Israel. It emphasizes first and especially what I have previously reported to the House—that an independent and effective Israel is capable of making the Middle East into a bastion of democracy and will be of enormous benefit to the forces of democracy everywhere, while chronic depression, illiteracy, and disease in the Middle East make it a breeding ground for disorder and anarchy now. It is a time for great measures to make democracy victorious. The transformation of the Middle East through the cooperation of Arabs and Jews is one of these.

[From the Atlantic Monthly of August 1948]

CAN ISRAEL HELP THE ARABS?

(By David L. Cohn)

(A Mississippian who graduated from Yale, David L. Cohn is a free lance who writes with authority on subjects close to his heart. In God Shakes Creation, he wrote of the relations between Negro and white, with a skill which drew the high praise of Sinclair Lewis. He has written about the tariff, about love in America, about Anglo-American relations, and feelingly about anti-Semitism. In 1944–45, at the behest of General Somervell, Mr. Cohn made an extended trip through the Far and Middle East and saw at first hand the amity between Jew and Arab which despite the recent ruction will, he believes, be a binding force in the Palestine of the future.)

After 30 years of struggle the new State of Israel has come into being. I am not here concerned with the folly or the wisdom of establishing this tiny state, nor with the jockeyings of the great powers with respect to the Arab-Jewish conflict. I am concerned with only one question. Assuming that Israel will become viable, how can its people help the Arabs?

This is a matter of great interest to the Arab world. It is perhaps of not less interest to the United States. The wider the boundaries of world prosperity, by so much is our economic security buttressed. The more prosperous others are, by so much does our democratic system find allies.

A thousand years ago Arabs were preeminent in astronomy, mathematics, medicine. Today they are largely poverty-stricken, illiterate, diseased, and so backward, by Western standards, that they seemed almost subhuman to thousands of American soldiers who saw them during the war. Multitudes of Arabs spend most of their waking hours in search of food. Their lives are short, their miseries long. Arab agriculture is much what it was in the time of Abraham. Arab industry, where it exists at all, is mostly in the handicraft stage. Arab education is principally concerned with teaching students to memorize the Koran. Arab medicine is largely exorcism of the evil eye. Statistics, Arab and Western, bear out these assertions.

There is nothing racial in all this. A once great people, and still capable of greatness, Arabs are not less natively intelligent than other peoples. Those who emigrate, for example, soon prove themselves; one has only to take account of the economic status of Arabian Americans. The dreadful state into which the Arabs have fallen arises from long warfare among themselves and with others; from the Turkish domination of many centuries; the brutality and backwardness of modern overlords of their own race; and that progressive disintegration which occurs when poverty, unchecked, breeds more poverty, disease more disease, illiteracy more illiteracy, apathy greater apathy. Yet it is reasonable to suppose that western technology and a square deal at home could go far toward rescuing them from medievalism; it could feed, clothe, and shelter them; heal their sore-infested bodies; open the eyelids of their trachoma-infected children; whisk them from the twelfth century to the twentieth.

Here it is that Jewish Palestine might, if it is permitted, help its Arab neighbors. Self-interest, if nothing else, dictates that it should do so. A tiny island in an Arab ocean, Palestine Jewry needs the warm friendship of Arabs. It must look to markets in the Arab world for industrial and agricultural products, and as a source of raw materials. Arab prosperity would mean Jewish prosperity.

It is not that Palestinian Jews are superior to Arabs. On the contrary, many Oriental Jews are identical with their neighbors in personal filthiness, poverty, ignorance, and a predilection for the evil eye. It is simply that Jewish Palestine is a fragment of the west set down in the east; that by virtue of forced and voluntary emigration from the west it contains an extraordinarily high percentage of scientists and technicians; that, in order to wrest a living from the soil of Palestine, its Jews not only had to toil with a frenzy approaching desperation, but also had to apply the most advanced methods in agriculture, animal husbandry, fishing, medicine, sanitation, engineering.

Prior to 1918 health conditions in Palestine were similar to those of other Arab countries. Malaria was widespread. Smallpox was common. There were constant epidemics of typhus and relapsing fever. Since the coming of large-scale Jewish immigration malaria has been almost eradicated and the incidence of other diseases has been so reduced that Palestine's Arabs are healthier than those of any other Middle East country.

The best single measure of health conditions is the number of years a person may expect to live. For Palestine's Jews it is 63.5 years—almost the world's highest life expectancy. Here Palestinian Arabs have enormously benefited. During the past two decades their life expectancy has risen from 37 to nearly 50 years. By contrast, the average in Egypt is 34 years; in Iraq only 27 years.

Twenty years ago 49 out of every 100 Moslem children died in infancy. As a result of

economic progress and improved hygiene in Palestine this figure has dropped to 13–18 in districts directly affected by Jewish development, and to 21–27 in other districts. But no comparable improvement has occurred in neighboring Moslem lands.

The Middle East must remain in misery unless it improves the interrelated factors of health and agriculture. There is a huge milk deficiency in the Middle East. Jewish settlers in Palestine developed their own milch cows by crossing Dutch Holsteins and English Jerseys with Syrian and Lebanese breeds, which are far superior to native Palestinian stock. These cows average 3,500 quarts of milk annually, as against 800 quarts given by Arab cows. Similarly, the native Arab hen lays an average of 70 small eggs a year. Jewish farmers, by introducing the leghorn and crossing it with native breeds, have produced a hen that lays an average of 150 large eggs a year, and it is now found all over the country. Since these cows and hens were bred to flourish under Palestinian conditions of soil and climate, and since these conditions are similar to those prevailing in wide areas of the Middle East, it follows that their adoption elsewhere would enormously improve Moslem food production.

Jewish settlers have introduced the culture of sugar beets and sugarcane on a commercial scale. Through the use of scientific methods, they have hugely increased honey production. Vegetables, once rare in Palestine, may now be had all the time. Jews grow apples, pears, and other fruits; they produce cereals, beef, poultry, and dairy products. They have added to Palestine's food resources by growing tank-cultivated fish—an occupation at which they are so skillful that the South African Government has recently asked for the loan of experts in this field.

But the outstanding achievement of Jewish agriculture is the scientific growing, grading, packing, and marketing of citrus fruits. Early Jewish settlers found a high-quality orange, the Shamuti, which they cultivated and improved. They introduced Washington navel and Valencia oranges, and grapefruit. Jewish methods were adopted by the Arabs, with the result that Palestine is now the second largest citrus exporting country in the world.

The depressed standards of life prevailing among the agrarian peoples of the Middle East are primarily the result of the low level of real income and of consumption due to the low productivity of their agriculture. The methods through which a transformation can be achieved are indicated by the experience of Jewish agriculturists in Palestine, which serves as a unique experimental laboratory for new crops and techniques, reclamation practices, and soil-improvement systems. Many of its lessons are valid for other parts of the Middle East and deserve close study as an example of scientific approach to problems of agricultural development. The results achieved by Jewish pioneers in Palestine may be gaged from estimates of agricultural productivity. These show a figure of 603 international units (one unit is roughly $1) per male worker in Jewish settlements, compared with 186 in Arab farming in Palestine, 90 in Egypt, 97 in Syria, and 64 in southeast Asia.

Palestine Jewry has also created a modern industrial structure. Prior to the Second World War not much more than the beginnings of a manufacturing industry had been established. But by 1943 Palestine industry—principally Jewish—was accepting military orders to the value of nearly $50,000,000. As evidence of its versatility it turned out mine layers for the British Navy, shrapnel, steel castings, electric cable, hydrofluoric acid, plastics, beer, citrus juices, scientific instruments, industrial diamonds, clothing, pharmaceuticals, and jams. Now Jewish Palestine is building a sizable chemical industry based upon the enormous chemical resources of the Dead Sea. It has the only plate-glass factory in the Middle East, and the largest foundry in the region, equipped to manufacture bathtubs and fittings.

Multitudes of Middle East Arabs have flocked into Palestine, where they find an escape from the brutality of their feudal overlords, better wages and working conditions, and better public services than elsewhere. Palestine's non-Jewish population grew from 516,000 in 1919 to 1,064,000 in 1944.

The theory of the Marshall plan is that a prospering world is essential to American economic and political security; that if there were no Russian-directed expansion of communism, we should still need a prospering world; but since this expansion directly threatens us, we need it all the more. A Jewish Palestine offers to the eastern world an advanced model of scientific agriculture, land reclamation, afforestation, health services, social welfare, educational and cultural activities. The new state, serving as an experimental laboratory for the Middle East, might, without cost to the United States Treasury, do much to raise the standard of living of the depressed millions of that area.

Scrap

EXTENSION OF REMARKS
OF
HON. LINDLEY BECKWORTH
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 29, 1948

Mr. BECKWORTH. Mr. Speaker, I include in the CONGRESSIONAL RECORD a letter I have received from General Clay concerning bringing to this country scrap from Europe:

OFFICE OF MILITARY GOVERNMENT FOR GERMANY (U. S.),
OFFICE OF THE MILITARY GOVERNOR,
APO 742, Berlin, Germany, July 16, 1948.

Hon. LINDLEY BECKWORTH,
House of Representatives,
Washington, D. C.

DEAR MR. BECKWORTH: Your letter of June 22, 1948, on the subject of scrap shipments to the United States has been received.

You will recall, from your visit here, that the main problem in shipping scrap to any recipient was the lack of equipment for cutting, preparing, handling, and transporting the vast quantities of steel lying in fields and cities. We have pressed to overcome these deficiencies, and I am happy to be able to point to definite progress along that line. Another handicap was the reluctance of the Germans to part with any resource for their then badly inflated currency. Again, I am happy to say we have made definite progress through the recent currency reform.

Aside from the Canterbury contract which was negotiated with the United States Army and calls for the shipment of 147,000 tons of scrap to the United States, the Joint Export-Import Agency has signed or is negotiating contracts for some 400,000 tons to be sold to United States bidders in the near future. The improved conditions mentioned above make it possible to foresee an increase in the amount of scrap that will be available for early shipment, but it is too soon to hazard anything like a firm estimate of what additional amount will be made available for shipment during the coming 6 months.

Sincerely,

LUCIUS D. CLAY,
General, United States Army,
Military Governor.

Public Housing No Way To Solve Slum Problem

EXTENSION OF REMARKS
OF
HON. FREDERICK A. MUHLENBERG
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 29, 1948

Mr. MUHLENBERG. Mr. Speaker, under leave to extend my remarks in the Appendix, I include therein an editorial from the Saturday Evening Post of July 17, 1948, by Melchior Palyi entitled "Public Housing No Way to Solve the Slum Problem." This is an exceedingly interesting editorial and one that can lead to some constructive thinking by legislators.

PUBLIC HOUSING NO WAY TO SOLVE SLUM PROBLEM
(By Melchior Palyi)

The United States Government has a $20,000,000,000 stake in housing through ownership and mortgage guaranties. Now it is proposed to overcome the shortage of housing for low-income families by more Government spending. The idea is that slums should be cleared and the slum dwellers housed in new Government-housing projects.

Who is a slum dweller? Suppose we define eligibility for Government housing in terms of incomes under $2,000. If so, every family receiving an income less than that is entitled to new housing with the rent reduced by way of Government subsidy. But the people with $2,100 income are not entitled to it. They will remain in older and less desirable housing than those in the lower-income bracket. Wherever the limit is drawn, it leads to this same uneconomical and unsocial result—a premium is placed on earning less * * * or convincing the housing officials that one earns less. The higher the limit is drawn, the more families would fall into the privileged class of subsidy receivers. Even at the modest income of $2,000, and below, some 12,000,000 families would become eligible for housing, at a total cost to the taxpayer of more than $150,000,000,000, using the per unit estimates of the Taft-Ellender-Wagner housing bill. Even prorated over a long period, this additional burden would just about bankrupt the United States. And construction resources would be siphoned out of the market for private housing.

Does this mean there is nothing we can do for the underprivileged family which is financially unable to provide itself with decent housing? There is a great deal we can do without further inflation of the national debt and without political control of housing which is implied in Government ownership.

The Bureau of Census reports that in the last 7 years we have made unparalleled progress in improving our housing situation. The 1947 housing survey showed 93.2 percent of all urban homes to be in satisfactory repair, as compared to 88.6 percent in 1940. Every year of prosperity will whittle the substandard housing count further. Both quantitatively and qualitatively American housing is at an all-time high and getting better every year, although this fact is somewhat obscured by population growth and migrations, as well as by artificial forces, such as income inflation and rent control.

Furthermore, the city of Baltimore is proving that enforcement of the existing city housing laws can go a long way in eliminating slum conditions. Block by block, the city is compelling property owners to meet minimum housing standards. The elimina-

tion of junk, broken fences and odd buildings in the yards alone has brought surprising results. The advantage of rehabilitation is that it does not reduce the supply of housing at this time of excess demand.

Where the whole neighborhoods are too deteriorated for rehabilitation, the local government can buy up slum tracts, clear them and sell the land for private redevelopment on a closely regulated re-use plan. Many cities already have such legislation; Indianapolis, and Chicago, to mention two, have put the programs in motion. In short, public housing is unnecessary because its major objectives can be accomplished without it, and at lower cost as well as without the corruption, inefficiency and waste which are bound to accompany bureaucratic encroachment into a basic economic function.

Civil Rights Vote

EXTENSION OF REMARKS
OF
HON. HENRY D. LARCADE, JR.
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 29, 1948

Mr. LARCADE. Mr. Speaker, under authority to extend my remarks in the Appendix of the RECORD, I am including herein copy of an editorial from the New Orleans Times-Picayune, of date July 23, 1948, entitled "Civil Rights Vote," which follows:

CIVIL-RIGHTS VOTE

Among unexplored angles of the recent Democratic National Convention at Philadelphia is the significance of the close vote on the all-out civil-rights plank. This vote was 651 to 582—in percentage, roughly 53 to 47.

Delegations that unanimously supported the 15 southern and border States were Arizona, Delaware, Idaho, Nevada, New Mexico, North Dakota, Rhode Island, and Utah. Split delegations preponderantly voting with them were Maine, Montana, Nebraska, and New Hampshire. Closer splits on the "No" side were Oregon and West Virginia. More or less scattering "noes" came from six other States. The Canal Zone and a third of Alaska's vote completed the negative tally.

Eliminating the scattering vote on each side, and the non-State ballots, the percentage count is reduced to 52 to 48.

Convention and "platform practice" aside, this majority scarcely is of "mandate" order. It may mean little if anything in terms of congressional response—at the special session or next regular session. But it does leave open a question of "import," perhaps worthy of investigation on the part of southern congressional leaders, pending final decision on the proposed line of action drawn at Birmingham.

One source asserts that no comfort whatever is to be derived from the narrowness of the margin; that the spread would have been wider had not some of the States desired to show their support of the majority platform committee report, which was more general in its terms (it also omitted any States-rights reservation). "The South has no friends in this fight," insists this observer.

Other commentators assert on the contrary that some of the "yes" States were "forced" into that position by a variety of considerations. The southern delegations ought to know the answer—so ought Southern Senators and Representatives. If their impressions justify a more extensive canvass—quietly conducted—the results of that canvass surely should be of value.

The possibility of a 2-year Democratic control of the Senate, regardless of the Presidential choice, is not altogether remote. The question, among other questions in Democratic minds is, What kind of Democratic control this might turn out to be.

The Wallace Progressive Party

EXTENSION OF REMARKS
OF
HON. EDWARD J. DEVITT
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 29, 1948

Mr. DEVITT. Mr. Speaker, as much as we may laugh at and ridicule Henry Wallace and his third-party movement, the fact remains that this group of radicals, psuedo intellectuals, pinks, Reds, and misfits constitutes an ever-present danger to our American system of life. One cannot read the platform of this new party without being impressed with the fact that its dominant tone is appeasement of Russia and encouragement of communism. We Americans should not laugh at the antics of this embryo group of politicians. We must take them seriously and fight them for what they are, a major challenge to American constitutional government. Enclosed herewith are two recent editorials from the St. Paul Pioneer-Press which intelligently discuss the ideals and objectives of the new Wallace Progressive Party. I include these editorials as part of my remarks:

[From the St. Paul (Minn.) Pioneer-Press]

REALISM STILL LACKING

There were inspiring sections in Henry Wallace's acceptance speech at Philadelphia Saturday night, as the preordained Wallace-Taylor slate was nominated by what is now to be designated as the Progressive Party. His idealism carried him to idyllic lengths in describing the "promised land," America—a nation fully devoted to the pursuits of peace in a world where wars and rumors of wars are known no more.

As a goal, that picture of America is attractive. But as a recognition of present-day realities, views expressed both in platform and acceptance speech show the same blind spots that have afflicted Wallace from the time his break with the Democratic administration began.

Henry Wallace says that if he were President, there would be no crisis in Berlin today. "I assure you," he stated in his acceptance speech, "that without sacrificing a single American principle or public interest, we would have found agreement long before now with the Soviet Government, and with our other wartime allies." Carrying that theme further, the third-party leader repeated familiar cliches about Wall Street dominance of foreign policy, ignoring of the public interest in favor of the banking-house boys and the oil-well diplomats.

He even spoke derisively of bipartisan support of foreign policy, ridiculed the idea that "partisan politics must stop at the water's edge." It is ridiculous even to imply that any nation can have two foreign policies. Henry Wallace should remember that, after his own very proper ousting from the Cabinet.

In both the Wallace acceptance speech and the party platform, there is a common acknowledgment, both expressed and implied. It is to the effect that differences with Soviet Russia are wholly this country's fault. It is not hard to see the kind of agreement with Russia Henry Wallace would have reached had he been President, making the present Berlin crisis impossible, as he said. It would have been an agreement acceding to every Russian demand, assuming blame on this country's part for every Russian breach of international commitments.

The platform, condemning the Marshall plan in which Russia is not a participant for the simple reason that she rejected this country's invitation, submits wholly illogical parallel proposals—bilateral discussions between the United States and Russia, and use of the United Nations in the settlement of international disputes. Seeking to prevent the UN's "transformation into the diplomatic or military instrument of any one power or group of powers," the platform implies that Russia is a mistreated member of the international organization. Russia's stubborn veto record, her continued policy of obstructionism, her refusal to submit issues to the United Nations have constituted the greatest obstacles in making that agency truly effective.

Catering to communism, appeasing Soviet Russia, promising Americans a utopian order in which the other fellow will always bear the cost—those are dominant features of the platform and the speeches launching the Wallace Presidential campaign. There is nothing more certain in American political life than the overwhelming rejection of that proffered leadership next November.

[From the St. Paul (Minn.) Pioneer-Press]

THE FATAL FLAW

Henry Wallace plunged into this third-party movement with all the fervor of a man of high ideals who had a vision of a new political movement springing into being almost overnight in the manner of the Republican Party on the eve of the Civil War.

The new party has now been launched. It displayed at Philadelphia much of the traditional liberalism of the progressive movement in America. There is, however, a fatal foreign element in the movement that takes it out of the stream of the American tradition.

Mingled with its liberalism and pacifism is the strain of pro-Russianism, which at its worst is downright submission to the Communist Party line and to Russian imperialism, and at its least worst is simply a sentimental inability to see the grim facts of international affairs.

This side of the new party was manifested Sunday night when the convention refused to permit amendment of the platform so as to cast the slightest suggestion of doubt over the present policies of the Soviet Government, even though indirect. Whatever their proportion numerically in the convention, the Communists were well enough organized and strongly enough placed in key positions to tie the new party to the apron strings of Moscow.

A new party which sees democracy in the totalitarianism of communism and pacifism in the aggressions and imperialism of Russian policy is not in the tradition of American liberalism. Until and unless it purges itself of this element it is headed for oblivion.

The Inflation and Housing Problems

EXTENSION OF REMARKS
OF
HON. JOHN W. McCORMACK
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 29, 1948

Mr. McCORMACK. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following telegram:

CLEVELAND, OHIO, *June 20, 1948.*

Hon. ALBEN W. BARKLEY,
Senate Office Building,
Washington, D. C.
Hon. KENNETH S. WHERRY,
Senate Office Building,
Washington, D. C.
Hon. CHARLES A. HALLECK,
House Office Building,
Washington, D. C.
Hon. SAM RAYBURN,
House Office Building,
Washington, D. C.:

Now that the Republican and Democratic National Conventions are over and people are advised of the principles set forth in their respective platforms, I urge that at the special session all Members of Congress set aside personal and political ambitions and do a genuine job for the millions of our worthy citizens who are obliged to reduce their standards of living because of inflated prices and likewise give favorable consideration to the millions of families in want of adequate housing by the immediate enactment of appropriate laws that will reduce the cost of living and insure the building of homes. No greater service can be given to a restless and disturbed people than a genuine cooperation on the part of Democrats and Republicans to serve the people and the Nation.

A. F. WHITNEY,
President, Brotherhood of Railroad Trainmen.

The Facts About Housing

EXTENSION OF REMARKS
OF

HON. ROBERT J. TWYMAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 29, 1948

Mr. TWYMAN. Mr. Speaker, under leave to extend my remarks, I include a radio address delivered by my colleague, the Honorable EVERETT M. DIRKSEN, of Illinois, over the Columbia Broadcasting System on Wednesday evening, July 28 at 10:45:

THE FACTS ABOUT HOUSING

Yesterday at noon, President Truman came up to Capitol Hill and delivered his message to the special Turnip Day session of Congress.

It had a little of everything in it. In fact, the President presented Congress with three programs rather than one.

The first might well be called his "must" program dealing with high prices and housing.

The second might be called his "urgent" program which included civil rights, more money for power projects, price controls, a modification of the Displaced Persons Act, excess profits taxes, consumer controls and other items.

The third might be called the "spare-time program." The President indicated that if Congress had time, it could devote attention to such things as antitrust laws, universal military training, repeal of the Taft-Hartley Act, national health insurance and other items.

If you put them all together, they would involve the expenditure of hundreds of millions of public funds.

Frankly, the President's message is something of a paradox. In one breath, he directed attention to the dangers of inflation and in the next, he recommended more expenditures and more credit, which is like trying to put out the fire by throwing gasoline on it.

From now until November, there will be a chance to fully discuss all these things. But tonight, I want to talk about housing.

Now folks, what, if anything has Government been doing about houses for people over the years? Well, I've been a Member of Congress for 16 years and remember most of the legislation that was passed. It began with the Federal Home Loan Bank Act in 1933 and the Home Owners' Loan Act to meet the distress conditions that existed in those days. In 1933 and 1934, Congress created a public housing program and also set up the Federal Housing Administration. In 1937, we created the United States Housing Administration. In 1944, Congress passed the so-called GI or Servicemen's Readjustment Act which contained a housing title. In 1946, we created the Office of Housing Expediter. Since 1932, we have committed or expended or incurred liabilities in the field of housing activities of more than $20,000,000,000.

THE HOUSING EXPEDITER

The act which was passed by Congress in 1946 to create a housing expediter or housing czar deserves a little discussion. In January of 1946, a few months after the war ended, the President called Wilson Wyatt, the former mayor of Louisville, to Washington. Mr. Wyatt was to be made a housing czar and get home construction under way. Mr. Wyatt had a grandiose plan for building houses faster. It was enacted into law in May of 1946. The goal was to be about 2,750,000 houses in 2 years. All but 250,000 of those were to be permanent construction. About a million and a quarter were to be completed in 1946. Congress gave Mr. Wyatt broad powers, armed him with subsidies and insurance and let him get to work to expedite the building of houses. Mr. Wyatt forthwith issued rules and regulations galore. But he soon discovered some elementary things about building houses and dwelling units.

WHAT IT TAKES

Mr. Wyatt quickly discovered that to build houses, you must have materials such as lumber, soilpipe, lath, plaster, flooring, and what not. He soon found that there were bottlenecks in getting brick, soilpipe, flooring and other items. You see, there were price ceilings on those items. The producers of these items could not raise wages to induce men to come back to work because they were under a price ceiling. OPA would not change the ceilings, therefore better wages could not be paid, and therefore production lagged. It was a case of one Government agency refusing to cooperate with another with the result that the program bogged down.

The program also bogged down because of the multitude of rules and regulations. Houses and designs had to conform to certain standards. New designs and methods had to be approved in Washington. Detailed plans had to be submitted. Half of all houses must be under $7,500, and half of those had to be rental houses. If OPA permitted an increase in price on certain materials, it became difficult to produce houses in many areas under the ceiling set by the Expediter.

Despite the fact that Congress supplied Mr. Wyatt with $400,000,000 to build more houses faster, the program was a considerable flop. One of the top men dealing with home-loan guaranties in the Veterans' Administration resigned in protest. Another Government official said that "Private builders could do better at less cost."

Now, then, what happened to this Wyatt program? It just died. It just folded up from sheer inertia. The President made no effort to revive it after its expiration date. And there was a reason. It was a pretty sorry record. While the number of starts that were reported seemed rather impressive, the number of completions was pitifully small. After all, no one can live in a "started" house. The lag and stretch-out between the time a house was started and the date of completion became longer and longer. And, of course, it added materially to the expense.

Now, folks, one thing more. That act which created the Office of Housing Expediter declared housing to be an emergency. It gave the Expediter vast powers to impose price ceilings on new houses, issue directives, impose priorities, and what not, and when it was all over it was a rank failure. They found that it took materials and manpower to build houses. It couldn't be done with directives, rules, and regulations, and red tape.

PRESIDENT VERSUS CONGRESS

Now comes the President to ask for additional housing legislation. What he refers to is a bill which has been pending in Congress for a long time. It would commit the country to an ultimate expenditure of about $9,000,000,000. Roughly two-thirds of that would be in the form of public contributions on public housing for a period of 40 years. One House of Congress has refused to go along with this program, and for a reason. That reason is that it believes that private enterprise, private builders can lick this housing problem better, faster, and cheaper than any Government agency if it has a chance. This is a free-enterprise country. In the 7-year period from 1922 to 1929 the builders of the country built a lot more houses than they did in any similar period before or after. Nor did they have mortgage insurance or Federal aid of any kind in those days.

THE RECORD

Now, folks, let's look at the record. Early this year, Congress set up a joint committee of Senators and Congressmen to survey the housing problem. That committee secured estimates of our need for houses from at least 15 different sources including the CIO, the AFL, the Census Bureau, the Department of Labor, the Producers Council, building economists, and others. The highest estimate was 2,000,000 units per year. The lowest was 300,000. Several of the refined estimates were around 900,000 units per year.

Very well, that is the estimated need. Now what has been done to meet that need?

In 1947, 849,000 units were started and completed. There were plenty of problems in securing material and manpower. After all, air castles in Spain can be built from dreams but it takes bricks, lumber, nails, flooring, hardware, and other substantial things to build a house.

Now then, what's the score for this year?

For the first 5 months, starts by private builders were 356,000 units.

That's 28 percent above 1947.

If that rate is maintained, it will mean that for this year of 1948, we will build more houses than in any year in our history. The peak year was 1925, when we built 937,000 houses. We'll beat that in 1948.

Now there's the answer to housing.

The Department of Labor says that for May of this year, 2,064,000 persons were employed in the construction industry.

That's an increase of more than 200,000 over last year.

In proportion as more material and more manpower becomes available, we shall gradually go over the million mark each year and that's so far beyond the dreams of any Government agency that it's not even funny.

THE PRESIDENT'S IDEA

These houses I refer to are going up now in all parts of the land. They're not paper houses. They're not houses made of Federal red tape. These are real houses. People live in them.

Now comes the President with a request to supply additional housing legislation. Now, the bill to which the President refers contains a lot of provisions. It would authorize the use of public funds to build and

equip plants to produce prefabricated houses. It has a provision for insurance of blanket or multiple loans for the on-the-site prefabrication of houses. It has a billion-dollar revolving fund for slum clearance. It has a revolving fund and annual contributions for so-called public housing where the Government helps pay the rent of those in the low-income brackets. It contains a provision for rural housing. It contains a number of provisions for expanding and liberalizing home-mortgage credit.

WHAT THIS CAN AND PROBABLY WILL DO

No one denies that we need more houses. I doubt whether there has been any period in the history of the Nation when we did not need more houses. But we're moving toward the million-per-year mark to meet it. And the production of houses will grow as materials and manpower become available in greater supply.

Now, what will happen if the Government is put into the housing business up to its ears.

On top of the demand for houses which is so readily evident now, it will step up and increase the demand. As you increase the demand, you add to the very inflationary pressure which the President says he wants to cure.

Certain it is that this Federal program which the President proposes will not increase the supply. What it will actually do is to intensify the competition for what material and manpower are now available and instead of reducing the cost of a house, it will increase it.

As a matter of fact, to superimpose the kind of a program the President wants on top of what we're now doing in this field, will not mean more housing but more expensive housing.

But it will mean something else. If we expand home mortgage credit on such slender terms that scarcely no owner-equity is needed it will not only aggravate the demand for houses but feed this dangerous inflationary fire as no other force can do—the very inflationary fire which he seeks to curb.

Now folks, that does not happen to be my personal unsupported opinion. About 3 months ago, the Joint Committee on the Economic Report, consisting of 7 Senators and 7 Congressmen, of which Senator TAFT is the chairman, received about 150 pages of testimony from the Board of Governors of the Federal Reserve System. Mr. Marriner Eccles, who has been a member of the Federal Reserve Board since 1934, and who until recently was the Chairman of the Board, testified in behalf of the Board.

Incidentally, the Federal Reserve, as you know, is the system that was set up 25 years ago to supervise banking, and keep our credit and monetary system on an even keel.

Mr. Eccles was sounding a warning on inflation and suggesting that the Reserve Board be provided with additional powers to increase reserves against deposits and thereby keep credit expansion under control.

When all is said and done, the answer to inflation will be found in the monetary field. It means whittling Federal expenditures to the very bone. It means living within our income. It means keeping the budget balanced. It means keeping easy credit under control.

Now, then, here is what Mr. Eccles said to the committee: "Congress is currently considering the continuance of easy mortgage credit for housing. Easy mortage credit is one of the most inflationary factors in the domestic credit picture. * * * The housing shortage cannot be overcome by increasing the competitive pressures on scarce supplies of materials and manpower. They are the limiting factors on the volume of construction."

There's the essence of this problem. With private builders moving toward the construction of nearly a million units in 1948, shall we now project Government into this field to compete for materials and manpower, so that we merely aggravate demand and wind up with not more houses but more expensive houses and a heavy additional burden upon the Public Treasury.

I am not insensible to the need for houses. But there are 145,000,000 people in this country who are going to get hurt, including those who may acquire new houses, unless Congress moves cautiously to make sure that the economic house of the entire Nation does not come tumbling down.

Once more let me say that more manpower is employed in the construction industry and more houses are being built than at any time in the history of the Nation. Shall we now accede to the President's request and again project the Government so far into this field as to jeopardize the very program which is actually producing houses? I am persuaded that at this time we should not. This is a time for Congress to be cautious in order to avoid disaster because economic disaster is the serious concern of all the people.

Sixty Percent Disability for Pension Increase Too High

EXTENSION OF REMARKS
OF
HON. EDWARD O. McCOWEN
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 29, 1948

Mr. McCOWEN. Mr. Speaker, the following resolution passed by the Mathews-Carter Post, No. 325, the American Legion, Manchester, Ohio, was sent to me with the request that it be inserted in the CONGRESSIONAL RECORD. I am in full agreement with the idea that the 60-percent disability requirement works an injustice to many veterans as set forth in the resolution and hereby recommend to the Veterans' Committee of the House that the percentage of disability be lowered.

MATHEWS-CARTER POST, NO. 325,
THE AMERICAN LEGION,
Manchester, Ohio, July 24, 1948.

At the last regular meeting of this post on Tuesday night, July 20, 1948, the following resolution was adopted and unanimously passed by the membership:

"Whereas the recent legislation passed by the regular session of the Eightieth Congress, with respect to dependency allowances for veterans of World War I and World War II with more than 60-percent rated disability, is not adequate to meet the present living costs and support of dependents of disabled veterans who are rated less than 60-percent disability; and

"Whereas there are quite a number of disabled World War I veterans with less than 60 percent rated disability who are physically unable to perform work which will enable them to adequately support their families and dependents due to their age and the present demand on the labor market for younger workers; and

"Whereas there are many World War II disabled veterans with less than 60 percent rated disability, who are also unable to adequately support their families during the present period of high prices, because of their inability to compete on the present labor market because of the preference for nondisabled workers: Now, therefore, be it

"*Resolved*, That Mathews-Carter Post, No. 325, the American Legion, Department of Ohio, goes on record to urge this special session of the Eightieth Congress, to enact legislation, which is urgently needed, to put World War I veterans on a service pension on the same basis and in the same amount as the veterans of the Spanish-American War (as resolved by the recent encampment of the Veterans of Foreign Wars), and to extend the dependency allowance provisions to disabled veterans of World War I and World War II to those veterans with rated disabilities of 40 percent or more."

WILLIAM R. POWNALL,
Post Commander.

Attest:

R. W. POOLE,
Post Adjutant.

Disability Retirements of Officers in the Armed Service

EXTENSION OF REMARKS
OF
HON. CHARLES A. WOLVERTON
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 29, 1948

Mr. WOLVERTON. Mr. Speaker, it is apparent that there is considerable public and congressional interest in the question of disability retirements of officers of the Army, Navy, and Marine Corps.

As a result of this, the legal subcommittee of the Committee on Armed Services of the House, clothed with investigatory powers by a resolution of the Congress, and of which the Honorable CHARLES H. ELSTON was chairman, undertook in December 1947 an exhaustive investigation of this entire subject through questionnaires and subsequent hearings. The investigation has been completed and a report was made, including recommendations for corrective legislation.

The above report with its recommendations has been the subject of widespread study by interested parties, both in and out of the services. It has resulted in differing viewpoints.

I submit herewith the views of an officer, now in service, based upon a careful study by him of the committee report. This officer has had a long and distinguished career of service. From my personal acquaintanceship with him I can vouch for his sincerity and the good purpose with which he has expressed his views. I bring them to the attention of the Congress, and, particularly to the attention of the distinguished committee that has jurisdiction of the subject, in the hope that the principles he has outlined may find recognition in legislation relating to the subject matter. They are as follows:

PRINCIPLES THAT SHOULD BE CONSIDERED IN DRAFTING LEGISLATION REGARDING DISABILITY RETIREMENTS OF OFFICERS IN THE ARMY, NAVY, AND MARINE CORPS

The hearings conducted by the Legal Subcommittee of the Committee on Armed Services regarding disability retirements of officers of the Army, Navy, and Marine Corps have been read with much interest. It is clear that the Honorable CHARLES H. ELSTON

and his subcommittee members have made a very exhaustive study of the question and pointed out most of the deficiencies, but at least one of the conclusions and most of the recommendations for corrective legislation fail to correct the deficiencies.

The conclusion that income-tax benefits and the desire for retirement in wartime grade were causes for the increased number of physical disability retirements would on its face appear to be a logical one. A little closer study, however, would indicate that these are only two of a number of causes which contributed to the increased number of such retirements. Following are a few of them:

(a) The heavy strain of war service, under which many men, especially the older ones, failed.

(b) The theory of physical disability retirement legislation, from its beginning in August 1861 to the present date, that the Government must have authority to rid the military service of physically unfit officers.

(c) Many officers with a history of physical impairment prefer retirement for physical reasons because it gives them a feeling of greater security if so retired, even though they may be eligible for retirement on three-fourths pay for 30 years' service or may be approaching retirement for age. This feeling exists because of the fear that the Congress may some day decide that the promise of retirement is not a binding contract and that the laws governing it might be changed adversely. They hope that a physical disability retirement might be treated more liberally in the event any changes are made in retirement legislation. This apprehension appears to have been well founded, judging by the recommendations or comments made by the committee on page 6043 of its report: "We do not agree with those who conclude that active duty service creates a contractual relationship between the Government and an officer, which guarantees that existing law governing physical retirement will not be altered. The military retirement system is a noncontributory one and, in our opinion, confers no vested rights upon its prospective beneficiaries. We consider it within the authority of the Congress to alter existing retirement laws in any manner it deems advisable." This notwithstanding the fact that the promise of retirement benefits has been one of the most prominent inducements to attract young men to military service as a career, with the attendant low pay and lack of opportunity to establish a permanent home or financial security. Retirement, including that for physical disability, is one of the most prominent features of recruiting advertisements today. While it might be said that this is true only in recruitment of enlisted men, it is a fact that Army, Navy, and Air Force instructors at educational institutions constantly use the features of retirement benefits to interest men in ROTC activities and finally to induce the top members of graduating classes to seek a commission in one of the branches of the armed forces. It is also true that Congress has repeatedly used retirement benefits as a reason for refusing pay increases when the cost-of-living index has indicated that such increases should be granted and civilian Federal employees who contribute to retirement funds were granted pay increases.

It is believed that the following legislation for dealing with retirements would be more equitable to all concerned:

(a) Retirement privileges to career officers and soldiers only—the term "career" to include personnel of the ORC or National Guard who have had 10 or more years' active Federal service and 20 or more years' inactive service:

1. Retired pay should be 75 percent of all pay and allowances for retirement on account of physical disability or for retirement with 30 years' service or for age with 30 years' service.

2. Retirement for age or voluntary retirement with less than 30 years' service should be proportionately less than the 75 percent. The act should be worded so that the retired pay is based upon the total pay and allowances. It may be noted that the retired pay of a second lieutenant with dependents is only 48 percent of his active-duty pay; namely, $291 active-duty pay; $141.75 retired pay. A second lieutenant with the same length of service, without dependents, would under present laws be entitled to retired pay at 55 percent of his active-duty pay; namely, $255 active pay; $141.75 retired pay. The retired pay of a colonel with 30 years' service, with dependents, would be approximately 75 percent of his active-duty pay; namely, $712 active-duty pay; $412.50 retired pay. A colonel without dependents, with the same length of service, would get approximately 61 percent of his active-duty pay; namely, $676 active-duty pay; $412.50 retired pay. The same disproportion exists through all the grades and length of service. The present law actually gives a retired officer with dependents a smaller percentage of active-duty pay than for one without dependents. It is the common belief that an officer retired for physical disability or for 30 or more years' service draws 75 percent of his pay; this is literally true when the base pay only is considered, but the allowances certainly form a part of active-duty pay and should be included in computing retired pay. The benefits provided in a bill introduced by W. STERLING COLE, Republican from New York, H. R. 6953, should be considered along with this legislation. The Cole bill has merit, and something should be done along those lines, but unless the retired pay is properly computed on both pay and allowances, there will be insufficient money to provide an equity for a widow or children.

3. Retirement for physical disability in line of duty for career officers and soldiers should not be on a graduated scale, for the reason that to persuade a young man to enter on a career in the armed forces, he must have some secure guaranty that he will be provided for in case of being disqualified for his selected career, and if so disqualified while young and with only a few years' service, his retired pay, even at 75 percent of his active-duty pay and allowances, will not be very much because he will be retired in the lower grade and pay brackets.

(b) Require all career personnel to contribute toward their own retirement fund, similar to that now required by law for Federal service civilian employees, thus opening the way for proper increase in pay on a cost-of-living basis for the armed forces.

(c) All retirements—physical, length of service and age—for career members of the armed forces should be uniform for all components.

(d) Pensions for all other personnel of the armed forces should be strictly on the basis of full compensation for the degree of disability due to injury or disease incurred in line of duty while in the military service. Repeal all laws granting so-called retirement status to such disabled personnel of the emergency or temporary armed forces who do not qualify as career personnel.

With the legislation suggested above, the causes of any unfair practice that might have existed in the retirements for physical disability would be removed, in that all career members of the armed forces would be treated alike and granted a lifetime retirement for disabilities or diseases incurred in line of duty and that all of the temporary armed forces of the Nation would be pensioned for their disabilities, depending upon the nature of the same.

Republican Platform as to Improving the Method of Electing the President

EXTENSION OF REMARKS
OF

HON. CLARENCE F. LEA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 29, 1948

Mr. LEA. Mr. Speaker, the national platform of the Republican Party, recently adopted at Philadelphia, has a plank which declares:

> We favor a revision of the procedure for the election of the President and Vice President which will more exactly reflect the popular vote.

This declaration does not specify the particular method that may be proposed by which the election will "more exactly reflect the popular vote."

It is general in its terms but does do two certain things: In the first place, it recognizes there is an evil, a defect, in our system of electing the President, because it fails to reflect properly the popular vote of the Nation. In the second place, it is a committal in favor of a remedy for this defect.

This declaration does point out the great and fundamental defect in our system of electing a President.

My purpose at this time is to present a record of historical facts which will make plain to a certainty the extent to which the electoral college, as it now exists, utterly fails to reflect with any accuracy the will of the people of the Nation as they attempt to express it at the polls.

REFLECTING THE POPULAR VOTE

Under the present system, the voters of each of the 48 States go to the polls once every 4 years and vote for those electors who are pledged to vote for the candidate for President they individually prefer.

The people of each State divide their votes between the candidates according to their desires. The candidates for Presidential electors who receive the highest popular vote in the State are chosen as electors. They in turn vote to elect the President. Under this indirect system of election, the whole electoral vote of each State goes to the one candidate whose electors received the plurality vote of the State, even though that plurality may be only 40 percent of its popular vote. Regardless of the size of a State, or whether or not the plurality candidate receives 40, 60, or 80 percent of the popular vote of the State, makes no difference as to the credit the plurality candidate receives in the electoral college. He gets 100-percent credit for the whole vote of the State, and the minority candidates get no credit whatever in the electoral college.

This procedure is repeated in the 48 different States. The minority voters in 48 States are disfranchised. Their votes are disregarded in the final count. Votes are credited in the electoral college as

though all the voters in each of the 48 States voted for only 1 candidate.

It is as plain as daylight that such a method of counting votes does not, and cannot, accurately reflect the will of the American voters.

In the last 10 Presidential elections, 1908 to 1944, inclusive, 323,712,957 votes were cast by the citizens of our country for President; 139,377,955 of these votes were credited in the electoral college to candidates for whom none of those votes were cast. This shows a grand total in those Presidential elections of over 45 percent of all the votes were credited in the electoral college contrary to the way they were voted.

We are now hearing much about the denial of civil rights and remedies to protect them. The most obvious violation of civil rights by the Federal Government today is when it permits and authorizes the disfranchisement of the votes of 139,000,000 of its citizens in the course of 10 Presidential elections. To permit a qualified citizen to vote, and then deny him the right to have his vote counted as cast is clearly a violation of the rights of a citizen. That is the chief offense of our electoral system.

No system of electing a President can be justified which denies voters the right to have their votes counted as they were cast. No such system is worthy of an intelligent popular government.

I now present table XV, which covers the 10 Presidential elections from 1908 to 1944, inclusive:

TABLE XV.—*Popular votes and percentage of total votes cast for the winning Presidential candidates in the States they carried; and votes for other candidates therein, all of which are credited to plurality candidate in the electoral college, contrary to way cast*

ELECTION OF 1908

A. In States carried by the winning candidate, William H. Taft:	
Number of States carried	30
Total popular votes	12,000,116
Votes for winning candidate	6,568,149
Percentage of winning candidate's votes to total	54.7
Votes for all opposing candidates—credited to plurality candidate in electoral college	5,431,967
Percentage of votes credited to plurality candidate due to votes of his opponents	45.3
B. In States carried by the losing candidate, William Jennings Bryan:	
Number of States carried	16
Total popular votes	2,887,017
Votes for Bryan	1,659,312
Percentage of Bryan's votes to total	57.5
Votes for all opposing candidates—credited to plurality candidate in electoral college	1,227,705
Percentage of votes credited to plurality candidate due to votes of his opponents	42.5

ELECTION OF 1912

A. In States carried by the winning candidate, Woodrow Wilson:	
Number of States voting	40
Total popular votes	11,640,595
A. In States carried by the winning candidate, Woodrow Wilson—Continued	
Votes for winning candidate	5,162,267
Percentage of winning candidate's vote to total	44.3
Votes for all opposing candidates—credited to plurality candidate in electoral college	6,478,328
Percentage of opposing candidates' votes to total	55.7
B. In States carried by losing candidate, William H. Taft:	
Number of States voting	2
Total popular votes	175,226
Votes for Taft	65,432
Percentage of Taft's votes to total	37.3
Votes for all opposing candidates—credited to plurality candidate in electoral college	109,794
Percentage of opposing candidates' votes to total	62.7
C. In States carried by losing candidate, Theodore Roosevelt:	
Number of States voting	6
Total popular votes	3,215,348
Votes for Roosevelt	1,243,985
Percentage of Roosevelt's votes to total	38.7
Votes for all opposing candidates—credited to plurality candidate in electoral college	1,971,363
Percentage of opposing candidates' votes to total	61.3

ELECTION OF 1916

A. In States carried by winning candidate, Woodrow Wilson:	
Number of States voting	30
Total popular votes	8,357,822
Votes for winning candidate	4,656,437
Percentage of winning candidate's vote to total	55.7
Votes for all opposing candidates—credited to plurality candidate in electoral college	3,701,385
Percentage of opposing candidate's votes to total	44.3
B. In States carried by losing candidate, Charles E. Hughes:	
Number of States voting	18
Total popular votes	10,170,041
Votes for Hughes	5,243,134
Percentage of Hughes' votes to total	51.6
Votes for all opposing candidates—credited to plurality candidate in electoral college	4,926,907
Percentage of opposing candidates' votes to total	48.4

ELECTION OF 1920

A. In States carried by the winning candidate, Warren G. Harding:	
Number of States voting	37
Total popular votes	23,289,249
Votes for winning candidate	14,976,223
Percentage of winning candidate's vote to total	64.3
Votes for all opposing candidates—credited to plurality candidate in electoral college	8,313,026
Percentage of opposing candidates' votes to total	35.7
B. In States carried by the losing candidate, James M. Cox:	
Number of States voting	11
Total popular votes	3,079,279
Votes for Cox	1,878,398
Percentage of Cox's votes to total	61.0
B. In States carried by the losing candidate, James M. Cox—Continued	
Votes for all opposing candidates—credited to plurality candidate in electoral college	1,200,881
Percentage of opposing candidates' votes to total	39.0

ELECTION OF 1924

A. In States carried by the winning candidate, Calvin Coolidge:	
Number of States voting	35
Total popular votes	25,191,953
Votes for winning candidate	14,480,302
Percentage of winning candidate's vote to total	57.5
Votes for all opposing candidates—credited to plurality candidate in electoral college	10,711,651
Percentage of opposing candidates' votes to total	42.5
B. In States carried by losing candidate, John W. Davis:	
Number of States voting	12
Total popular votes	3,058,685
Votes for Davis	1,948,752
Percentage of Davis' votes to total	63.7
Votes for all opposing candidates—credited to plurality candidate in electoral college	1,109,933
Percentage of opposing candidates' votes to total	36.3
C. In State carried by losing candidate, Robert M. La Follette:	
Number of States voting	Wisconsin
Total popular votes	840,779
Votes for La Follette	453,678
Percentage of La Follette's votes to total	54.0
Votes for all opposing candidates—credited to plurality candidate in electoral college	387,101
Percentage of opposing candidates' votes to total	46.0

ELECTION OF 1928

A. In States carried by the winning candidate, Herbert Hoover:	
Number of States voting	40
Total popular votes	33,884,732
Votes for winning candidate	20,155,627
Percentage of winning candidate's votes to total	59.5
Votes for all opposing candidates—credited to plurality candidate in electoral college	13,729,105
Percentage of opposing candidates' votes to total	40.5
B. In States carried by the losing candidate, Alfred E. Smith:	
Number of States voting	8
Total popular votes	2,926,985
Votes for Smith	1,640,220
Percentage of Smith's votes to total	56.0
Votes for all opposing candidates—credited to plurality candidate in electoral college	1,286,765
Percentage of opposing candidates' votes to total	44.0

ELECTION OF 1932

A. In States carried by the winning candidate, Franklin D. Roosevelt:	
Number of States voting	42
Total popular vote	35,544,384
Votes for winning candidate	20,904,105
Percentage of winning candidate's votes to total	58.8

A. In States carried by the winning candidate, Franklin D. Roosevelt—Continued	
Votes for all opposing candidates—credited to plurality candidate in electoral college	14,640,279
Percentage of opposing candidates' votes to total	41.2
B. In States carried by the losing candidate, Herbert Hoover:	
Number of States voting	6
Total popular vote	4,207,054
Votes for Hoover	2,148,277
Percentage of Hoover's votes to total	51.1
Votes for all opposing candidates—credited to plurality candidate in electoral college	2,058,777
Percentage of opposing candidates' votes to total	48.9

ELECTION OF 1936

A. In States carried by the winning candidate, Franklin D. Roosevelt:	
Number of States voting	46
Total popular votes	45,199,188
Votes for winning candidate	27,283,216
Percentage of winning candidate's votes to total	60.4
Votes for all opposing candidates—credited to plurality candidate in electoral college	17,910,972
Percentage of opposing candidate's votes to total	39.6
B. In States carried by the losing candidate, Alfred M. Landon:	
Number of States voting	2
Total popular votes	447,929
Votes for Landon	249,846
Percentage of Landon's votes to total	55.8
Votes for all opposing candidates—credited to plurality candidate in electoral college	198,083
Percentage of opposing candidates' votes to total	44.2

ELECTION OF 1940

A. In States carried by the winning candidate, Franklin D. Roosevelt:	
Number of States voting	38
Total popular votes	41,657,923
Votes for winning candidate	23,387,205
Percentage of winning candidate's votes to total	56.1
Votes for all opposing candidates—credited to plurality candidate in electoral college	18,269,718
Percentage of opposing candidates' votes to total	43.8
B. In States carried by the losing candidate, Wendell L. Willkie:	
Number of States voting	10
Total popular votes	8,162,389
Votes for Willkie	4,266,676
Percentage of Willkie's votes to total	52.3
Votes for all opposing candidates—credited to plurality candidate in electoral college	3,895,713
Percentage of opposing candidates' votes to total	47.7

ELECTION OF 1944

A. In States carried by the winning candidate, Franklin D. Roosevelt:	
Number of States voting	36
Total popular votes	37,982,076
Votes for winning candidate	20,904,289
Percentage of winning candidate's votes to total	55.0
A. In States carried by the winning candidate, Franklin D. Roosevelt—Continued	
Votes for all opposing candidates—credited to plurality candidate in electoral college	17,077,787
Percentage of opposing candidates' votes to total	45.2
B. In States carried by the losing candidate, Thomas E. Dewey:	
Number of States voting	12
Total popular votes	9,994,187
Votes for Dewey	5,253,472
Percentage of Dewey's votes to total	52.6
Votes for all opposing candidates—credited to plurality candidate in electoral college	4,740,715
Percentage of opposing candidates' votes to total	47.4

The purpose of this table is to illustrate by historical facts how impossible it is for our present system of counting votes for President to reflect accurately the popular votes.

The first lines give the number of States carried by each candidate. The second lines give the total popular vote in the group of States covered by that section of the table. The third lines give the votes for the winning candidate. The fourth lines give the percentage of the winning candidate's votes to the total in the States he carried. The fifth lines show the votes of all opposing candidates and which are, under the unit system, credited to the plurality candidate in the electoral college. The sixth lines show the percentage of votes credited to the plurality candidate due to the votes of his opponents.

In lines 5 and 6 we have the number of votes counted contrary to the way they were cast, the percentage such votes represent, and the whole within that group of States.

Looking at the first table as to the election of 1908, we find that Taft's percentage of the popular votes in the States he carried was 54.7. His opponents received 45.3 percent of the votes of those States. The votes of the opponents, however, according to the usual practice, were all credited in the electoral college to Taft. With less than 55 percent of the popular vote, he received 100 percent of the electoral votes of the 30 States he carried.

Looking at section B of that election, we find that Bryan carried 16 States by a plurality of 57.5 percent, and that the opponents of Bryan in those States received 42.5 percent of the votes, or 1,227,705, which were credited in the electoral college as if cast for Bryan. With less than 58 percent of the popular vote he received 100 percent of their electoral votes.

Table XV illustrates the extent to which candidates for the presidency are dependent upon securing credit in the electoral college for the votes cast for their opponents.

In the 10 elections covered by this table, 67 States were carried by candidates who received less than a majority of their popular votes. In each such instance, of course, the plurality candidate received credit in the electoral college for the whole vote of the State. One of the most enlightening instances of the operation of the unit vote in giving candidates credit for their opponents' votes is in the election of 1912 when there were three candidates running—Wilson, Taft, and Theodore Roosevelt.

Wilson received less than 45 percent of the popular votes of the Nation, but nearly 82 percent of the electoral votes.

Taft carried two States, in which he received 37.3 percent of the popular votes. His opponents received 62.7 percent of the popular votes of the States he carried.

Theodore Roosevelt carried 6 States by receiving 38.7 percent of their votes. His opponents received 61.3 percent of their popular votes.

A unique fact is that each of these three candidates got more credit in the electoral college for the votes cast for his opponents than for the votes cast for himself.

Under the unit system of counting the State electoral votes, the election contest of the candidate is just as definitely for the purpose of securing credit for the votes cast for one's opponent as it is to secure the votes cast for himself. The candidate earns the votes cast for him, but when by a mere plurality he controls the votes of his opponent, possibly by hundreds of thousands or a million, he gets much for little. This injects a vicious phase into our political life. It yields itself to the possible domination of even our greatest States by the small groups that control the balance of power, and thereby deprives all minority candidates of any credit for votes received, even though they may be numbered by the hundreds of thousands, or millions.

Under the present system, the elected candidate for President does not receive credit in the electoral college for votes cast for him in States where he received less than the plurality.

Even a plurality of 1 vote in the smallest or largest State in the Union may control the whole vote of that State in the electoral college. A plurality of 1 vote, or of any number, may control the total vote of Wyoming with its 3 electoral votes or New York with its 47. That plurality, whatever it is, takes all the votes away from minority candidates in the State and transfers them to the plurality candidate.

In 1916 Wilson carried California by a plurality of less than 4,000, and thereby won the 1 electoral vote necessary for his election. The size of the plurality constituted only 5 percent of the number of popular votes for one electoral vote of California at that time. Wilson's election depended upon that small vote, notwithstanding that he had a plurality of over 550,000 votes in the Nation.

It really seems useless to attempt to find a definite relation as between popular votes and electoral votes when the electoral votes are counted in an entirely different manner from the popular votes. When we have a division of electoral votes in each State between the candidates in proportion to their popular votes therein, we will have an exact har-

mony between popular and electoral votes.

In the 10 elections covered by table XV, the elected candidates received over 179,000,000 popular votes. In the electoral college these candidates were denied credit for over 21,000,000 of their votes because the candidates for whom they were cast did not receive a plurality in the States in which they were voted.

So we have a system of counting votes in which a candidate receives credit for part of his own votes, loses credit for part of his own votes, and on the average may receive credit in the electoral college for 45 percent of his votes on account of the popular votes cast for his opponents.

In the election of 1916, Woodrow Wilson received 9,120,606 popular votes, but in the 30 States he carried he received only 4,656,437 popular votes. Thus, 4,464,169 votes for Woodrow Wilson contributed nothing to his election in 1916. They were credited to his opponent. But credit to him of but 3,701,385 votes of his opponents made his election possible.

In 1932 in the 42 States Roosevelt carried, he received 21,000,000 votes; in addition to that, in the electoral college he received credit for over 14,000,000 votes, which were cast for his opponents. These votes of his opponents constituted 41.2 percent of the popular votes credited to Roosevelt in the electoral college.

On the other hand, Hoover received nearly 16,000,000 popular votes in the election, but of the votes cast for him he received credit in the electoral college for only 2,148,277 plus 2,058,777 cast for his opponents.

About 2,150,000 of Hoover's votes gave him credit in the electoral college for 59 electoral votes; 13,500,000 popular votes gave him no electoral votes.

The figures cited here conclusively show that the popular votes are reflected in the electoral votes with no accuracy whatever. This is so plainly true that statistics to illustrate it could be multiplied indefinitely.

I now present table XVI.

This shows that in these 10 Presidential elections 139,377,955 votes were credited contrary to the way they were cast.

On the average these candidates received a credit of 45 5 percent of their votes in the electoral college on account of the votes that were cast against them. To be elected by the aid of the votes cast for one's opponent is a political luxury.

TABLE XVI.—*Number and percentage of popular votes credited in the electoral college contrary to way cast, and candidates who received credit therefor*

Election year	Candidates	Popular votes	Percentage of total
1908	Taft	5,431,967	45.3
	Bryan	1,227,705	42.5
1912	Wilson	6,478,328	55.7
	Taft	109,794	62.7
	Theodore Roosevelt	1,971,363	61.3
1916	Wilson	3,701,385	44.3
	Hughes	4,926,907	48.4
1920	Harding	8,313,026	35.7
	Cox	1,200,881	39.0

TABLE XVI—Continued

Election year	Candidates	Popular votes	Percentage of total
1924	Coolidge	10,711,651	42.5
	Davis	1,109,933	36.3
	La Follette	387,101	46.0
1928	Hoover	13,729,105	40.5
	Smith	1,286,765	44.0
1932	Roosevelt	14,640,279	41.2
	Hoover	2,058,777	48.9
1936	Roosevelt	17,910,972	39.6
	Landon	198,083	44.2
1940	Roosevelt	18,269,718	43.8
	Willkie	3,895,713	47.7
1944	Roosevelt	17,077,787	45.2
	Dewey	4,740,715	47.4
	Total	139,377,955	1,002.2
	Average		45.5

Table XVI gives an account of all popular votes credited in the electoral college to candidates who received electoral votes in the last 10 elections, and which popular votes were in fact cast for opponent candidates who received no credit therefor.

It shows that 139,377,955 votes were credited in the electoral college contrary to the way they were cast. In other words, all the votes for minority candidates in all the States, amounting to over 139,000,000, were denied any credit to the candidates for whom they were cast, and in turn were credited to the plurality candidates for whom they were not cast.

The number of popular votes thus credited to the candidates is shown in column 3 of table XVI. Column 4 shows the percentage these disfranchised votes constituted of the total vote received by the plurality candidate.

Thus, in 1908, of the total popular votes credited to Taft in the electoral college in the States he carried, 6,568,149 were votes cast for him and 5,431,967 votes were cast for his opponents. The votes of his opponents represented 45.3 percent of his total credit in the electoral college.

I present table XVII, which illustrates the variation between the percentage of popular votes and electoral votes received by the winning candidates in the last 10 elections.

It will be noted there is an average variation of over 24 percent.

The nearest approach to a comparable basis in these 10 elections was in 1916 when there was a variation between the two of not quite 3 percent. This occurred, however, in the election where Wilson received credit for 3,700,000 votes of his opponents and failed to receive credit for 4,460,000 of his own votes, which were credited to his opponents.

Popular votes are computed credited according to the way they were cast. Electoral votes represent in part the votes received by the candidate and in part the votes received by his opponents, but credited to the plurality candidate. Thus, there is no logical relation between popular and electoral votes.

Table XVII is simply a verification of the inevitable variation between popular and electoral votes, which shows the inherent failure of the electoral votes, as now counted, to reflect accurately popular votes.

TABLE XIII.—*Comparison of percentages as between popular and electoral votes*

Election year	Popular votes	Electoral votes
1908	51.6	66.5
1912	41.8	81.9
1916	49.3	52.2
1920	61.2	76.1
1924	54.1	71.9
1928	58.1	83.6
1932	57.4	88.9
1936	60.2	98.5
1940	53.8	84.6
1944	51.6	81.4
Average	53.91	78.56

THE NEEDED REMEDY

The defect of the constitutional provisions for the election of the President are apparent. The practical question is as to what should be done about it.

The fundamental remedy is simply to remove the causes that now prevent the electoral vote from accurately reflecting the popular votes of the voters within the State.

The simple remedy is to eliminate the unit vote from our system of counting votes and divide the electoral votes of the States among the candidates in exact proportion to their popular votes within each State. When that is done we will have a system for counting the votes for President that will fully represent each and all the people in every State in the country.

In order to do this it is necessary to amend the Constitution so as to authorize the election of the President by direct vote, abolish the electoral college, preserve the voting power of each State as it is at present, and divide the electoral votes of each State in proportion to the votes of the candidates in such State.

The Judiciary Committee of the House of which Hon. EARL MICHENER is chairman, and also the Judiciary Committee of the Senate, of which Hon. HENRY CABOT LODGE, JR., is chairman, have each reported identical resolutions which are now pending in Congress and which, if adopted into the Constitution, would accomplish this purpose.

That would fully meet the promises of the plank of the platform above quoted.

I commend the initiative and constructive action which led to the adoption of this plank in the platform. If its indicated purpose is carried into the Constitution, it would be a great contribution to the betterment of our political life. It is a proposal in which citizens of all parties should be equally interested.

Booker T. on Civil Rights

EXTENSION OF REMARKS

OF

HON. HENRY D. LARCADE, JR.

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 29, 1948

Mr. LARCADE. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to submit an editorial from

the Daily World, Opelousas, La., July 22, 1948, entitled "Booker T. on Civil Rights Agitation," as follows:

BOOKER T. ON CIVIL RIGHTS AGITATION

It might be well, with this "civil rights" political agitation from the North, and the rumblings that are being felt now, and particularly in the South, to look back 53 years, at a talk made by a noted southern Negro leader, Booker T. Washington.

He spoke at the Atlanta Exposition on September 18, 1895, and it was the first important national occasion on which a Negro had been invited to speak from the same platform with white southerners.

"You can be sure in the future, as in the past," he said, "that you and your families will be surrounded by the most patient, faithful, and unresentful people that the world has seen.

"As we have proved our loyalty to you in the past, in nursing your children, watching by the sick-bed of your mothers and fathers, and often following them with tear-dimmed eyes to their graves, so in the future, in our humble way, we shall stand by you with a devotion that no foreigner can approach, ready to lay down our lives, if need be, in defense of yours, interlacing your industrial, commercial, civil, and religious life with ours in a way that shall make the interests of both races one.

"In all things that are purely social we can be as separate as the fingers, yet as the hand in all things essential to mutual progress. * * *

"* * * The wisest among my race understand that the agitation of questions of social equality is the extremest folly, and that progress in the enjoyment of all the privileges that will come to us must be the result of severe and constant struggle rather than of artificial forcing.

"No race that has anything to contribute to the markets of the world is long in any degree ostracized. It is important and right that all privileges of the law be ours, but it is vastly more important that we be prepared for the exercises of these privileges. The opportunity to earn a dollar in a factory just now is worth infinitely more than the opportunity to spend a dollar in an opera house."

That's the advice from one of the wisest Negro leaders to appear on the American scene: "The agitation of questions of social equality is the extremist folly."

Corporation Earnings

EXTENSION OF REMARKS

OF

HON. CHARLES R. ROBERTSON

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 29, 1948

Mr. ROBERTSON. Mr. Speaker, in this day of political intrigue and dishonesty, there are many public statements released from men who apparently occupy high places, but even the influence of their position seems to have little effect upon their intellectual honesty, especially when they are thinking in terms of politics. Generally speaking, in many of these fields of influence today there is greater dishonesty than in our lowest ranks.

The general disposition of men in this capacity is to make constant reference to the common man and indicate by indirection their devotion to the common man, and his importance is inspired by no other reason in the world than the contemptible dishonesty on the part of the speaker to obtain votes, because in the common man's brackets are the greater number of votes.

This is a tragedy on intelligence, to say nothing about the major question of civilization.

Mr. Speaker, under unanimous consent, I include herewith an editorial from the Bismarck Tribune dealing with the question of danger in generalization, and its reference to the ill-considered remarks of Senator O'MAHONEY, of the United States Senate:

DANGER IN GENERALIZATION

Drew Pearson's reference to Senator O'MAHONEY's figures relating to corporation earnings in 1940 and 1947 has alerted us once again to the danger involved in America's seeming eagerness to cherish generalizations.

Senator O'MAHONEY said earnings of 100 corporations jumped from $1,875,000,000 in 1940 to $3,730,000,000 in 1947.

The inference could be drawn by unthinking individuals that all corporations are ogres living off the fat of the land, giving as little as possible in return and in general disregarding the welfare of human beings. This is a generalization which should not be supported by thinking individuals.

We resent reference to corporations in this attitude as if they were not part and parcel of the American system which has done a pretty good job for American citizens for 150 years.

We must remember that corporation stockholders and officers are American citizens, even as you and I. In fact, we have several corporations in Bismarck. Their officers and stockholders are ordinary folk and practically all of us would be reluctant to state or infer otherwise.

Granting that corporations might be as prone to error as human beings, since they are directed by human beings, we wonder if the percentage of error in corporation pholosophy is much different than philosophical error in our other forms of business structure.

Let's take a look behind Senator O'MAHONEY's statement.

First of all, he hasn't identified the 100 corporations, possibly several of them were infant or juvenile firms, just getting started in 1940, which had become adults by 1947. This, naturally, could make a considerable difference in their earnings.

Possibly some of these corporations were started in 1939 or 1940 principally for war production at the urging of our Government, which represents all of us, grew rapidly through the war years, and converted to production of peacetime articles. This could make a considerable difference in their earnings.

Then there is this item of inflation which must be taken into consideration. Why should we suppose that corporations are not affected by inflation in roughly the same degree as the individual is affected?

Since dollars represent only purchasing power, would there be any just reason that officers and stockholders, incidentally being human beings, should be restrained from trying to maintain purchasing power to the same degree as any other form of business or labor?

Then there is that little matter of plant and equipment depreciation which always must be considered, not only by corporations but everybody else. If it costs more to replace equipment now than it did at the turn of the decade, management must keep this in mind or be guilty of gross negligence and lack of wisdom indeed. Even the employees who are not officers or stockholders and the general public as well should be cognizant of this factor because jobs and our very economy depend on this necessity to look forward and remain in business.

And it also is possible that many of the older corporations have expanded into new fields during the last 7 or 8 years, which could make a considerable difference in earnings. If a corporation is operating in a new field which is twice as large, necessitating increased investment and risk, is there any reason why its earnings should not increase? If there is good reason, why should a corporation, or any other type of business, even consider expansion? Are not increased production, new production, and expansion part and parcel of the system that made the United States what it is?

This is not meant as a blanket defense of corporations. It is meant as a reminder that we should analyze all generalizations. Have we more reason to condemn corporations as such than we have to persecute partnerships or a business operated and controlled by an individual?

Address of Speaker Joseph W. Martin, Jr., Before the Republican National Convention of 1948, Philadelphia, Pa.

EXTENSION OF REMARKS

OF

HON. LEO E. ALLEN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 29, 1948

Mr. ALLEN of Illinois. Mr. Speaker, under leave to extend my remarks, I include in the RECORD the address of Speaker JOSEPH W. MARTIN, Jr., before the Republican National Convention of 1948 at Philadelphia, Pa.:

Fellow Americans, for the third time you have honored me with this gavel as your permanent chairman. With deepest sincerity, I say to you that few honors can equal this one, which you have three times bestowed upon me. I humbly accept the duties and responsibilities of the permanent chairmanship. A man who serves this great Republican Party serves his country, and serves it well.

We Republicans meet in our twenty-fourth national convention tested, tried, and proved, not only by the great victories of other years, but also by our defeats, from which we always have risen stronger than ever. The bedrock of our strength through all these years has been our unwavering devotion to the principles upon which our Government was founded. Never will they be surpassed so long as free men remain on this earth.

While others have dabbled in the fallacies of the collectivists and fellow travelers of Old World despair, we have held faith with the American people. Throughout all its illustrious history of more than 90 years, the Republican Party has followed but one master plan—the Constitution. We have resisted every attempt to transplant the doctrines of statism to the land of the free. We have kept alive the basic principle of freedom—that, in America, government is the servant, not the master, of the people.

And if anyone thinks that the Republican position today is not the American position, let him look at the election returns next November.

The job which the Republican Party will take over next January is burdened with grave implications. This convention must ponder well its decisions, and pray humbly for Divine guidance in making them. Not only are we going to choose the next President of the United States; we are going to

choose an Executive to whom all free peoples of the earth will look for leadership.

Before this convention proceeds further, let us grasp one thing: As never before in history, the American people and the peoples of every land are waiting—wearily and desperately waiting—for a voice that speaks clearly, wisely, honorably. They are waiting for a leadership that can set a course and then, above all else, steer it. This convention must, and will provide the Nation and the world with that leadership.

This is no time for self-interest. The decisions of this convention will be free of outside interference. Its conclusions will be the essence of our wisdom.

Through you delegates, representing the homes and farms, the factories and firesides of every section of our land, and every element of our national life, the American people will express their determination to restore their Government to the constitutional pattern of freedom, order, solvency, and peace.

In a world weakened by war and tormented by the forces of revolution, America's spiritual moorings and moral foundations are challenged on every hand by a godless materialism. For America, intelligent action is of first importance. We are a young, a vigorous people. In less than two centuries we have risen to the eminence of world leadership, a place in the sun we never sought, a position that was never foreseen by our founding fathers. Yet here we are, and we must assume the responsibility that goes with our strength and power. America has reached its maturity.

No longer may we relax in youthful faith in our own invincibility; no longer may we rely on the security which our natural borders once offered. When America acts today it acts as the keeper of the world's peace. When America acts today it acts for the generations to come, not only for our children, but for millions yet unborn in other lands. Never has the need for sound executive leadership and firm policy in Washington been of such far-reaching importance.

As the first nation of the world, we must face today's challenging realities. A fifth of the globe is enslaved under Communist dictatorship, and the rest is threatened with the spread of this cancer. Of those nations not under the domination of the Communist dictatorship, fully half are now sampling the deceptive drugs of socialism, or statism in one form or another. Of the great nations of the world, we, practically alone, remain the convinced disciples of freedom, of liberty, and of the essential dignity of man.

The issue was never plainer; only America stands in the path of a police-state world; only a strong America can hold back the tide; only a strong America can hold aloft the bright beacon of human freedom.

From the bottom of my heart I wish I could report to you that the administration in Washington had grasped this fundamental issue, that it had chosen policies on which the world could depend, policies on which the people of the United States could unite. But the plain, unvarnished truth is that the administration has tried and failed.

I ask you: How can we expect the world to put its faith in America when we have an administration in Washington which can change its mind five times in 2 years on one phase of foreign policy, two times in 3 years on another phase; twice in 2 years on still another; and twice in 3 years on a fourth? I refer to our treatment of the Palestine, Russian, Argentine, and German questions. It is an appalling record.

As Speaker of the House, I can tell you that we Republicans, who have cooperated in a bipartisan effort to carry on our foreign relations, would welcome an administration—any administration—which at least could make up its mind. The American people, and the nations of the world are fed up on an American foreign policy run on a Saturday-night-to-Saturday-night basis.

Our Republican Members of Congress have taken the only possible alternative to such a wavering policy. If, under the Constitution, we could not direct foreign policy, we at least could make sure that America's military defense was strong enough to survive the diplomatic bumbling and fumbling in Washington. It is to the everlasting credit of this Republican Congress that it authorized this year the greatest air force in the world. It built up our Navy, and strengthened our land forces. Make no mistake about it, the cost has been enormous. That is the price of faltering leadership in the White House.

The very basis of thrift in government is cohesive and coordinated policies. It has been the purpose of the Republican Congress to give the American people the kind of government they want, at a price they can afford to pay. The boldest economy stroke the American people can make will be to elect a Republican President next November.

If the fumbling that has weakened our position in the world was limited to our foreign relations, our situation would be difficult enough. Tragically that is not the case. Still in power at the end of the war in 1945, the Democratic Party found itself without a program. The national debt was colossal, the domestic economy suffered from the dislocations of war, taxes were unbearable, the housing situation intolerable, labor was restless, 15,000,000 servicemen and women were returning home, and the American people ached for peace.

I do not need to recall to you the awful confusion in the year following VJ-day. You and the American people know only too well how the Administration first decided to remove controls as fast as it could, then changed its mind and attempted to restore them, and then, on election eve 1946, decided once more to abandon them. In fact, the American people gave the answer to that performance by a landslide vote which swept the Republican Party into control of both Houses of Congress.

Since January 1947, the Republican Congress has been attempting to bring order out of chaos. We have been blocked at every turn. We have had to pass much of our legislation over the presidential veto. Yet we stand before the Nation today on a record of accomplishment of which we are proud.

The Republican program in Congress was not left to chance; it was the product of forethought and vision.

Three things were apparent to us:

First. The New Deal, over a period of 15 years of experimenting with statism, had permitted hundreds of enemies of America to infiltrate into official positions. In the belief that no nation can continue to exist half free and half statist, we decided to go after these disciples of alien philosophies. We knew what any crossroads doctor can tell you—there is no such thing as a slight case of Marxism. Therefore, we set about to drive the Communists and their fellow travelers out of Washington. At first the administration protested there were no Communists in the Government. Can you imagine that? Then, having read the election returns in 1946, the administration finally confessed, and asked for $25,000,000 to run the Communists out of the Government. Ponder that for a moment. How expensive can a confession of the soul be?

Second. It was evident to all that a free economy could not long last with taxes taking more than one-fourth of the national income; that no nation could survive in safety without attacking a national debt which represented at least 60 percent of its total wealth; that no man, and certainly no government, could endure which forever spent more than it took in.

Third. It was clear to all of us who dared face the facts that no country could call itself free when organized labor was being forced to run, hat in hand, to the White House for pay increases; when management and labor alike were being denied, through governmental interference, their fundamental right of bargaining. We knew what every labor leader knew—that if the encroachments of the Federal Government were not abruptly stopped, collective bargaining soon would cease to exist at all.

As one who helped design our legislative program, and as an eyewitness to the events which unfolded, I can say to you that the Eightieth Congress, with patriotic Democrats helping, turned the tide against the march of police-state methods in this country. The American people will never know the battle those gallant men and women fought, of the obstacles that were placed in their path, of the long days and nights and week ends of hard work that were put into this great effort. America should thank God that our founding fathers had the wisdom to create an independent Congress. America should thank God for a party that keeps its promises.

Our efforts to weed out the Communists were met with ridicule and opposition from many quarters, but the overwhelming mass of the American people gave us the inspiration of their wholehearted support. Yet, that job still has not been done to our satisfaction. Of this much, however, I am certain: The job will not be completed until there is a Republican President in the White House. This fight has only begun.

Next, we tackled the problem of tax relief. In all the history of the Republic, the raising of revenue traditionally had been left to the people's elected Representatives in Congress. No President had dared defy the plain intent of the Constitution, that the levying of taxes is a power to be exercised by the people through their chosen Representatives. But the framers of the Constitution could hardly have anticipated the administrations of the last 15 years. Three times Congress passed tax-reduction bills; three times those tax-reduction bills were vetoed—the first tax-reduction vetoes in history. On the third occasion, Congress rose up in righteous wrath against Executive usurpation of its power and overrode the veto. If it had not the American people still would be waiting for tax relief.

More important, this relief has been accorded simultaneously with a start in reduction of the national debt and the enforcement of a balanced budget. Who was it, my fellow Americans, who was going to tax and tax, spend and spend, elect and elect? We have stopped the irresponsible taxing. We have stopped the reckless spending. Next November the American people will stop that kind of electing.

This Congress courageously passed legislation which has brought better relations in the field of labor and management. Labor and management must work in harmony and peace to bring about the increased production necessary for lower prices and better living conditions. Industrial peace will bring greater blessings to all groups in our national life.

Further, Congress has made a strong beginning in the tremendous task of unscrambling the war powers of the President. Nothing can be more oppressive to business and labor than excessive meddling and interference by Government. But in this program, also, we have encountered nothing but obstruction from a confused executive branch.

If it be the secret purpose of the administration to perpetuate or to increase its remaining war powers in the hope that the American people will forget their full rights

as free men and free women, this convention accepts that challenge. This convention will not choose a man who creates crises and emergencies. Our nominee will be a man who can keep up out of them.

The accomplishments of the Eightieth Congress have been substantial. We can be justly proud of them. But a Republican Congress opposed by a Chief Executive from another party will never achieve the teamwork of Republican responsibility in both branches of government. When this defect is remedied next November, the American people will complete the job of ousting from Washington the disciples of government by guess. In place of planners who have never had any plans, the American electorate will choose an administration that knows where it is going. In the cold reality of the world today, these hazy-minded, beclouded princes of planning have no place. Time has passed them by. The needs of this great Nation, and of the world, no longer can be met by government from a fog-filled room.

The duty of the Republican Party is clear:

It must evolve policies that can endure.

It must apply its policies with an integrity that will revive faith in tomorrow.

It must restore order, economy, and efficiency in Government.

It must eliminate the bureaucratic privileged class which has entrenched itself in Washington.

It must reduce the crazy pyramid of bureaus, boards, and commissions, and eliminate the overlapping functions which have been the chief product of the New Deal years.

It must, by attracting the best scientific minds to Washington, prepare the way for the atomic era.

It must realize that with the atomic age will come a new civilization, and that only through wisdom in Washington may we turn atomic energy to the peaceful uses to which it should be put.

Finally, and above all else, the Republican Party must restore to the people the economic and human freedoms essential to the world leadership which now is ours.

In a world divided by conflicting ideologies only vision and integrity in Government offer sound hope for peace. The world is crying out for peace of mind. New servants of the people are about to take over. The epoch of modern Caesars has ended. Henceforth in America the robes of leadership must be worn with humility, and with faith in the basic wisdom of free peoples.

A new day must dawn for all that we cherish.

The Republican Party has prepared itself for this leadership.

With our program—with such a mission—with high vision—we shall succeed.

An America united once more in the cause of peace will go forward.

We have come of age. In our maturity, with the help of God, let us greet the future.

Tenth Annual Convention of the Michigan State CIO Council

EXTENSION OF REMARKS

OF

HON. JOHN LESINSKI

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 29, 1948

Mr. LESINSKI. Mr. Speaker, under leave to extend my remarks in the RECORD, I include a letter dated July 1, 1948, from Barney Hopkins, secretary-treasurer, and copies of resolutions adopted by the tenth annual convention of the Michigan State CIO Council held in Grand Rapids, Mich., on June 21, 22, 23, 1948:

MICHIGAN CIO COUNCIL,
Detroit, July 1, 1948.

DEAR SIR: Enclosed you will find copies of resolutions adopted by the tenth annual convention of the Michigan State CIO Council held in Grand Rapids, Mich., on June 21, 22, 23, 1948.

We believe these resolutions will be of particular interest to you, inasmuch as they express the opinion of organized labor.

Sincerely,

BARNEY HOPKINS,
Secretary-Treasurer.

Resolution 4

Resolution on citizens' right to vote in Washington, D. C.

Whereas Washington residents have all the obligations and responsibilities of citizens, yet they are denied the privilege of citizens' basic rights. The District Government is administered by three Commissioners who are appointed by the President and approved by the Senate. For many years the people of the District of Columbia have been working for self-government and for the right to cast their ballot in national elections.

Whereas a subcommittee of the House and Senate District Committees chaired by Representative JAMES AUCHINCLOSS (Republican, New Jersey), has drafted a bill, the District Home Rule Charter bill (H. R. 4902–S. 19468) to provide a self-government for the District of Columbia. The CIO is urging enactment of the legislation with two amendments. They are a change in the method of voting contained in the District Charter bill to the system of proportional representation, and a provision prohibiting discrimination and segregation in services contracted for or performed by the government of the District of Columbia: Therefore be it

Resolved, That this tenth annual convention of the Michigan State CIO Council wholeheartedly support bill H. R. 4902–S. 19468 with the amendments as recommended by the National CIO; and be it further

Resolved, That copies of this resolution be sent to all Congressional Representatives from Michigan.

Resolution 12

Resolution on fair employment practices legislation

Whereas discrimination in employment because of race, religion, or national origin violates the fundamental constitutional right of equality of opportunity of all American citizens; and

Whereas during the war on a national basis, in such States as New York, Connecticut and New Jersey on a State basis, and such communities as Minneapolis on a local basis, fair employment practices, either by legislation or by Executive order, have shown that workers of different race, color, and creed and national origin can work together efficiently and harmoniously; and

Whereas discrimination in employment wastes valuable manpower and skills, keeps down the standard of living of the entire Nation and undercuts the possibility of continued full employment: Therefore be it

Resolved, That the tenth annual convention of the Michigan CIO Council support and help initiate legislation for fair employment practices on the National, State, and city levels; and be it further

Resolved, That this convention condemn the Eightieth Congress for failing to act in this matter, particularly the Republican majority and the Southern Bourbon Democrats; and be it further

Resolved, That copies of this resolution be sent to the Republican convention, the Democratic National Convention, the National CIO, the A. F. of L., all Michigan Congressmen, and all affiliates of the State council.

Resolution 13

Resolution on the cost of living

Whereas the continued rise in the cost of living is destroying the standard of living of the American people, creating nutritional deficiencies among our children, breeding fear and insecurity and laying the basis through inflation for a lust that will bring on an even worse depression that that of the thirties; and

Whereas the Eightieth Congress has failed to take effective measures to stem the inflation and stop the soaring of prices: Therefore, be it

Resolved, That the tenth annual convention of Michigan CIO Council go on record for effective action by Congress to control inflation such as rationing of scarce foods, price control, adequate rent control, the tightening of credit controls especially of installment sales and the expansion of production particularly in steel-making capacity; and be it further

Resolved, That copies of this resolution go to the Republican Convention, the Democratic National Committee, the national CIO, the A. F. of L., all Michigan Congressmen, and all affiliates of the State CIO Council.

Resolution 14

Resolution on housing

Whereas millions of veterans and other Americans are homeless or doubled up with relatives; and

Whereas other millions are housed in slums that breed disease and crime; and

Whereas the Eightieth Congress failed to pass the Taft-Ellender-Wagner bill, which would at least have made a beginning toward solving our desperate housing situation: Therefore be it

Resolved, That this tenth annual convention of the Michigan CIO Council call upon the Republican and coming Democratic conventions to write an adequate housing plan in their platform and that this convention will hold the next Congress responsible for carrying out that part of the platform; and be it further

Resolved, That copies of this resolution be sent the Republican convention, all Michigan Congressmen, the National CIO, and all affiliates of the State CIO Council.

Resolution 16

Resolution on Taft-Hartley Act

Whereas the Taft-Hartley Act was designed to hamstring and eventually destroy trade unionism in the county; and

Whereas because of it, to date, confusion has been created in collective bargaining in this country with old established union-management relationships disturbed or destroyed; and

Whereas management has used the act to attempt to bust the unions as in the case of the packinghouse strike, the printers strike, and countless others, the drive of the manufacturers only being stopped because of the strike of the Chrysler workers and the successful UAW CIO-GM negotiations; and

Whereas in the event of the election of a Republican Congress, the full potentialities of the act to destroy labor would be fully utilized by the employers: Therefore be it

Resolved, That this tenth annual convention of the Michigan CIO Council go on record as unalterably opposed to the Taft-Hartley Act; and be it further

Resolved, That the Council will bend every effort to defeat those Congressmen who voted for it; and be it further

Resolved, That copies of the resolution be sent to the Republican Convention, the Democratic National Committee, the national CIO, the A. F. of L., all Michigan Congressmen, and all affiliates of the Michigan State CIO Council.

Resolution 17

Resolution on anti-poll-tax and antilynch legislation

Whereas the Eightieth Congress, dominated by a coalition of the majority of reactionary Republicans and race-baiting southern Democrats, failed to pass anti-poll-tax and antilynch legislation; and

Whereas the lack of such legislation permits election of reactionary southern Congressmen year after year by a small minority of southern citizens; and

Whereas this situation establishes control of Congress committees by the South when Democrats are in the majority, and support of reactionary Republicans by the reactionary southern Democrats when Republicans are in a majority, resulting in failure to act on any progressive domestic legislation: Therefore be it

Resolved, That this tenth annual convention of the Michigan State CIO council call upon the Republican Convention and the coming Democratic Convention to place Federal antilynch and anti-poll-tax legislation in their platforms for enactment by the Eighty-first Congress; and be it further

Resolved, That copies of this resolution be sent to the Republican National Convention, the Democratic National Committee, all Michigan Congressmen, the national CIO, A. F. of L., and all State council affiliates.

Resolution 18

Resolution on just tax program

Whereas the Eightieth Congress passed a tax bill which gave pennies to the poor and thousands to the rich; and

Whereas the tendency throughout the Nation has been to pass reactionary taxes such as pay roll and sales taxes which are paid mainly by the working people; and

Whereas the tax laws in the Nation and in Michigan are chaotic, overlapping, and unjust: Therefore be it

Resolved, That this tenth annual convention of the Michigan State CIO Council go on record as unalterably opposed to pay roll and sales taxes; and be it further

Resolved, That this convention go on record for a constitutional amendment banning the sales tax and adopting a graduated income tax as a basic tax for Michigan with rebates of one-sixth of total to school districts and one-sixth to cities and other local units of government, and for an integrated and fair national tax act based on ability to pay; and be it further

Resolved, That copies of this resolution be sent to Governor Sigler, the members of the State legislature, all Michigan Congressmen, the national CIO, A. F. of L., and all affiliates of the council, the Republican and Democratic Conventions.

Resolution 20

Resolution on building the peace

Whereas the major problem facing the world today in the era of the atom bomb and bacteriological warfare is building a durable peace; and

Whereas there is grave danger that the increasing militarization of the Nation, the passage of the draft act, the ever-increasing military budgets, will stimulate an arms race that will destroy the possibility of peace; and

Whereas the tremendous sums spent for armaments will lower our standard of living, build a spirit of war-mindedness in the American people, and give ever-increasing power into the hands of an essentially antilabor and reactionary military clique, and lay the basis for depressions leading to war; and

Whereas the emphasis on armaments as a solution to our international problems blinds us to the possibility of peace by amicable negotiation and diplomacy: Therefore be it

Resolved, That this tenth annual CIO convention of the Michigan State CIO council oppose the trend toward increasing militarization of our people and our economy; and be it further

Resolved, That this convention like national CIO, urge universal disarmament and universal abolition of conscription throughout the United Nations; and be it further

Resolved, That this convention urge our Nation to settle international problems peacefully through the United Nations, not by appeasement but by friendly settlement of differences; and be it further

Resolved, That this convention support the European recovery plan to help build the economies of Europe as a bulwark for peace; and be it further

Resolved, That copies of this resolution be sent to President Truman, the Republican and Democratic Conventions, National CIO, A. F. of L., all Michigan Congressmen, and all council affiliates.

Harry's "Turnip" Session

EXTENSION OF REMARKS
OF
HON. CHARLES R. ROBERTSON
OF NORTH DAKOTA
IN THE HOUSE OF REPRESENTATIVES

Thursday, July 29, 1948

Mr. ROBERTSON. Mr. Speaker, the problem of being a common man must grow more perplexing each succeeding day. Strangely down through the history of civilization there has never been a time when the common man occupied such an important place in the minds of so many important people. The cheap, contemptible reference to him by the cheap contemptible politicians, both in high and low places, is a disgrace to civilization.

There is one redeeming feature about it. Perchance a considerable number of these so-called common men pay little attention to these expressions, and the line of division as to where one is a common man and where one is an uncommon man is difficult to ascertain, even for the man himself.

Cheap propaganda and innuendoes are the instrumentalities of men who ought to know better. In most cases the sole objective is more votes rather than a service to the Nation. This occurs in most every section of the country. The dishonesty on the part of the President to claim full credit for high wages, while at the same time blaming the Republicans for high prices, is a fair example of the situation at hand. It is time for common decency to come in and take its place on the stage.

Mr. Speaker, under unanimous consent, I include herewith an editorial from the Washington Daily News of July 27, 1948, entitled "Harry's 'Turnip' Session":

HARRY'S "TURNIP" SESSION

We would like to think that something constructive might come out of President Truman's "turnip" session of Congress. But the odds are heavily against it.

When Mr. Truman used the announcement of his special session call as the kicker in his acceptance-speech indictment of the Republicans at the Philadelphia convention, he deliberately made the floors of Congress the first battleground of his campaign.

That removed any possibility of a bipartisan approach to the problems which he will submit for consideration.

By demanding that Congress do something about high prices, the President is asking for a legislative miracle. And he expects to saddle the Republicans with responsibility for present living costs if they fail to accomplish it.

We say miracle because we do not see how inflationary trends can be curbed by limited price controls and rationing without the removal of farm price supports and drastic reductions in public spending and wages. The President isn't asking for any of these things.

Indeed, Mr. Truman is happy to claim full credit for high wages while blaming the Republicans for high prices. Yet the two are Siamese twins.

Real reductions in public expenditures are not in sight, unless we are to abandon the Marshall plan and our national defense program. Neither of these things should be done, nor is it likely that anything of the kind will be proposed. On the contrary, increased inflation is in prospect.

By asking for new appropriations for housing, health, and education, as well as price controls and rationing, Mr. Truman may get his appropriations but not controls. In that event the inflationary spiral will continue to climb.

Instead of putting the Republicans in the hole on high prices, the President's "turnip" session may further split his own party if civil rights issues are used to drive a deeper wedge between the Truman administration and the angry southerners. It is even probable that if racial legislation is pushed to the front the rest of the President's program may receive no attention at all.

Mr. Truman's challenge to the Republicans to enact their 1948 platform pledges into law in advance of the election must have appealed to him as smart politics, when he made it. But it may develop that it would have been better to have left "Turnip Day" merely to planting turnips.

Special Session

EXTENSION OF REMARKS
OF
HON. ALVIN F. WEICHEL
OF OHIO
IN THE HOUSE OF REPRESENTATIVES

Thursday, July 29, 1948

Mr. WEICHEL. Mr. Speaker, I want to include an expressive editorial by Spencer Canary, editor of the Daily Sentinel-Tribune, of Bowling Green, Ohio:

TRUMAN POLITICAL BONER

President Truman pulled another political boner Thursday when he called Congress to meet in special session July 26 while he was preparing to make his acceptance speech before the Democratic convention.

Evidently, he made the call not in the spirit of the welfare of the country but as a challenge to the present Congress to do the things the Republican platform says the party will do, if elected this fall.

He wants to keep on quarreling with this Congress instead of arguing the matters with the citizens whose Republican delegates adopted the platform only 3 weeks ago. He knows that, if Congress were to pass legislation just as the platform says, he would promptly veto much of it and that the Democratic minority is too strong to permit the present Republican members to override it. His free use of veto power makes his challenge ridiculous.

What Republicans propose to do is to ask citizens to elect a Congress who can live up to its platform and a President who will not annul it by vetoes.

President Truman's zest for personal power has led him to adopt in principle the policy of dictatorships. Instead of giving citizens an opportunity to vote this fall either Republican or Democratic regarding proposals, he would virtually continue the present Congress and himself as dictators of what shall or shall not be done.

That is the same policy pursued in dictatorial countries where but one party is allowed to exist.

It is altogether probable that some of the present Congressmen and Senators will not be candidates this fall. They themselves or their constituents may have retired them. Some who do run will be defeated.

Mr. Truman would have the same people as at present pass the laws or repeal others. Until a few years ago the Representatives elected in November did not take their seats till March 4. Now they take office in January. Before that a Congressman who had been defeated in November was called a lame duck, and he and others had 4 months in which to pass legislation people did not want.

Mr. Truman is evidently fond of lame ducks. There will be plenty of them this fall and they will be found to be banded "New Deal."

Tax Economy for National Defense

EXTENSION OF REMARKS
OF
HON. J. GLENN BEALL
OF MARYLAND
IN THE HOUSE OF REPRESENTATIVES

Thursday, July 29, 1948

Mr. BEALL. Mr. Speaker, the need for drastic economy in Federal expenditures for domestic purposes has long been recognized. The adoption of the Marshall plan makes this economy program not only a vital necessity to the continued stability of our economic system, but vitally necessary to assure the success of the European recovery plan.

ERP has received no opposition from organized taxpayer groups devoted to tax economy, nor has there been any opposition to the huge new outlays for increased military strength. The American public has accepted the proposition that billions must be spent to win a cold war.

As a counterpart of these essentials of a foreign policy to protect our Nation, the public has also accepted the fact that sacrifices at home will be necessary. The accompanying program of meatless and poultryless days was generally approved in spirit, despite considerable confusion and some amusement over official methods.

This readiness for personal sacrifice as an accompaniment of ERP went much further. The people were ready for mass economies at home. They were the more ready to see an end of proposals to spend billions for expanded social programs, such as Federal aid to education, public housing, socialized medicine, and the overinflated executive departments.

The American people are still so disposed, in the majority. But what of the minority?

One of the strangest arguments of the day is that which says, "If we can spend so much to help those abroad, we certainly can afford a few billions to help the needy at home."

This fallacious line is not confined to the group of Russian sympathizers, who seek to weaken the foreign program through extravagance at home. It is receiving far too much acceptance from loyal Americans.

This can only be the result of confused thinking. ERP is not essentially intended as an aid plan for the poor abroad, but rather as a rehabilitation campaign essential to our success in a struggle that threatens our way of life.

To push for additional expenditures at home on the grounds that large expenditures are being made abroad is as thoughtless as it would have been during the late war to contend that a new bridge or highway should be built at home for every battleship sent out for foreign service.

Financial stability is a vital weapon in this cold war. Our foreign commitments are causing a terrific strain on this stability. Rigid economy at home is essential to protect our fighting front.

ERP demands drastic domestic economy—not additional spending.

Address by Herbert Hoover at the Republican National Convention

EXTENSION OF REMARKS
OF
HON. ROBERT A. TAFT
OF OHIO
IN THE SENATE OF THE UNITED STATES

Friday, July 30 (legislative day of Wednesday, July 28), 1948

Mr. TAFT. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD the outstanding address delivered by former President Herbert Hoover before the Republican National Convention in Philadelphia.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

This convention meets again in a continuing grave crisis. And this crisis is deeper than some may think. Every important government, including our own, has broken its promises to mankind. Civilization moves forward only on promises that are kept. Faith has been hurt, hope has been diminished, thinking has been corrupted, and fear has been spread—all over the world.

The problems which confront us far transcend partisan action and I do not propose to speak in that sense tonight.

What is done here, what you do here, will affect the destiny of our country beyond any estimation at this moment. For you are more than ever before the trustees of a great cause, the cause for which this party was founded, the cause of human liberty.

Liberty has been defeated in a score of nations. They have revived slavery. They have revived mass guilt. They have revived government by hatred, by torture, by exile. Today the men in the Kremlin hold in their right hands the threat of military aggression against all civilization. With their left hands they work to weaken civilization by boring from within.

These tyrants have created a situation new in all human experience. We saved them from Hitler but they refuse to cooperate with us in good will on peace on earth. A powerful nation, dominated by men without conscience, finds it useful to have neither peace nor war in the world.

Whether some of us, who foresaw that danger and warned of it, were right or wrong, and whatever the errors of American statesmanship that helped bring it about, we are today faced with a world situation in which there is little time for regrets.

DEVASTATED BY WARS

The only obstacle to the annihilation of freedom has been the United States of America. Only as long as the United States is free and strong will human liberty survive in a world frustrated and devastated by these two wars.

It is in our interest and, above all, in the interest of liberty throughout the world, that we aid in giving strength and unity to the nations of western Europe. It is only thus that we can restore a balance of power in the world able to resist the hordes from the Russian steppes who would ruin western civilization.

We have also the burden of increased armament to assure that no hostile force will ever reach this hemisphere.

With all the good will in our hearts, our friends abroad should realize that our economy must not be exhausted or overstrained by these burdens, or the last hope of the world is lost. We should only be playing Stalin's game, for his expressed real hope lies in our economic collapse for which his fifth column are busily planning.

Our friends abroad should realize that we are today certainly straining our American economy to the utmost. Warning signals already clang in our ears. Relief and defense will soon be costing us over $22,000,000,000 a year. Our Federal budget threatens to increase to $50,000,000,000 a year, unless we delay many plans for internal social and economic improvement.

Even our present forty-odd billion taxes and the export of materials so drain the savings of our people that in the year 1947 we did not properly maintain and expand the great tools of production and distribution upon which our standard of living depends.

TAXES AT PEAK

Nor is there any room for more taxes except by a cut in the standard of living of those who do the Nation's work. Some will say that we can increase corporation taxes. That is easy to say. But any student of economics knows that, in the long run, such a tax will be passed on to the consumer, provided we want to maintain our real wages and great tools of production.

Surely any American would seem to have the right to aspire to the income of a United States Senator—less taxes. If the remaining untaxed income above that level were completely confiscated, the take would provide only 2½ percent of the budget.

There are other warning signs. Our reputed prosperity has begun to walk on two stilts: One is the forced draft of exporting more than our surplus through relief; the other is a great armament program. We cannot go higher on these stilts, or we will break a leg getting down.

We should have no illusions. To the devastating four horsemen of the apocalypse, modern civilization has added two more. They are high taxes and inflation. They are close by.

Therefore, with full compassion for those nations in difficulties, certain matters in aid to them must be recognized by both sides of the world.

Our task is solely to aid their reconstruction. We can provide only bare necessities. There is no room for nonessentials, profligacy, or inefficiency.

EUROPE MUST WORK

We must not create a perpetual dependence of Europe and Asia upon us. We must not soften their preparedness to meet their own dangers. Otherwise our sacrifices will only undermine their self-reliance and the contribution they must make themselves toward the saving of western civilization.

We must insist that reconstruction of western Europe be as a whole. That must include the restoration of the productivity of Germany or Europe will die. We need neither forget nor condone Nazi guilt, but a free world must not poison its concepts of life by accepting malice and hatred as a guide. Otherwise, not only will our efforts fail, but the American taxpayer will be bled white supporting an idle and despairing German people.

And if we are to carry these burdens of relief and armament, we must have uninterrupted operation of the major tools of production and distribution among all the participating nations.

We in America must face the fact that no citizen or group of citizens in the Republic can assume the power to endanger not only the health and welfare of our own people, but freedom of the world, by halting or paralyzing the economic life of this Nation.

Such men have not been elected by the people to have such powers. Representative government must be master in its own house, or it will perish. We fought that battle out once with arrogant businessmen. We can no more have economic tyranny, if freedom is to live, than we can have political tyranny. There are other ways for determining economic justice than war on our people.

Nor does the battle for freedom all lie beyond our borders. We also have been infected with the European intermittent fever of creeping totalitarianism. It has been a mingling of germs from Karl Marx and Mussolini, with cheers from the Communists. This collectivism has slowly inserted its tentacles into our labor unions, our universities, our intelligentsia, and our Government.

HITS FUZZY THINKERS

Our difficulty lies not so much with obnoxious Communists in our midst as with the fuzzy-minded people who think we can have totalitarian economics in the hands of bureaucracy, and at the same time have personal liberty for the people and representative government in the Nation. Their confused thinking convinces them that they are liberals—but if they are liberals, they have liberalism without liberty. Nor are they middle-of-the-roaders as they claim to be: They are a halfway house to totalitarianism.

They should note that in every one of the countries of Europe, where 400,000,000 people are now enslaved by the Communists, it has been the totalitarian liberals who provided the ladders upon which the Communist pirates have boarded the ship of state.

The whole world was steadily moving along these collectivist roads until 2 years ago. Then in our congressional elections, by their votes for both the Republican and Democratic candidates, the people showed the first turn from collectivism made by any important nation in recent years.

The 300-year-old roots of freedom in America showed their resistance in the collectivist blight. The influence of our rebirth of liberty has now echoed throughout the world. But the battle is still on.

The deep soil of these 300-year-old roots is the spiritual concept that the rights of man to freedom are personal to him from the Creator, not from the State. That is our point of depature from all others. This spiritual concept, whatever our faults may be, has guided our people to a life, not only of material abundance, but also a life of liberty and human dignity.

A HISTORIC STAGE

Today the American people have reached a historic stage which has come to a few strong nations in their ability to contribute to moral leadership in the world. Few such nations have come upon that task with so few labilities. In these 30 years of wars we alone have taken no people's land; we have oppressed no race of man.

We have faced all the world in friendship, with compassion, with a genuine love and helpfulness for our fellow men. In war, in peace, in disaster, we have aided those whom we believed to be in the right and to require our aid. At the end of wars, we have aided foe as well as ally; and in each instance, even the children of those who would do us hurt. We have hated war; we have loved peace.

What other nation has such a record?

It is these concepts of your country that this party must bear high as the banner of a marching army. From here free men and women can cheer free men and women the world over that the day is not done, that night has not come—that human liberty lives—and lives eternally here upon this continent, here among us.

Therefore, unusual responsibilities devolve upon this convention. There may be some of you who believe that you have come here only to pass upon a platform, and to select candidates for President and Vice President. Your greater task by far is to generate a spirit which will rekindle in every American a love not only for his country but for the American civilization.

You are here to feed the reviving fires of spiritual fervor which once made the word American a stirring description of a man who lived and died for human liberty, who knew no private interest, no personal ambition, no popular acclaim, no advantage of pride or place which overshadows the burning love for the freedom of man.

PROBLEMS ARE GREAT

Great as your problems are, they are no greater than Americans have met before your time. You are no less able or courageous than they were.

Therefore, I repeat, what you say and do here is of transcendent importance.

If you produce nothing but improvised platitudes, you will give no hope.

If you produce no leadership here, no virile fighter for the right, you will have done nothing of historic significance.

If you follow the counsel of those who believe that politics is only a game to be played for personal advantage, you are wasting your time and effort.

If you will calculate what will please this or that little segment of our population, and satisfy this or that pressure group or sectional interest, you will be betraying your opportunity and tragically missing the call of your time.

If you temporize with collectivism, you will stimulate its growth and the defeat of freemen.

If, on the other hand, as a mature and inspired political party you face the truth that we are in a critical battle to safeguard our Nation and civilization which, under God, have brought to us a life of liberty, then you will be guided in every step to restore the foundations of faith, of morals, and of right thinking.

If you choose your leadership with full recognition that only those can lead you who believe in your ideals, who seek not only victory but the opportunity to serve in the fight, then you will issue from this hall a clarion call, in as pure a note, in as full a tone as that call to arms which your political ancestors issued at Ripon, Wis., when this party was born to make all men free.

And so I bespeak to you tonight to make yourselves worthy of the victory.

Address by Hon. Harry P. Cain, of Washington, at the Republican National Convention

EXTENSION OF REMARKS

OF

HON. EDWARD V. ROBERTSON

OF WYOMING

IN THE SENATE OF THE UNITED STATES

Friday, July 30 (legislative day of Wednesday, July 28), 1948

Mr. ROBERTSON of Wyoming. Mr. President, one of the most outstanding speeches at the Republican National Convention in Philadelphia was that delivered by the distinguished junior Senator from Washington [Mr. CAIN]. I ask unanimous consent to have his address printed in the Appendix of the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Mr. Chairman and fellow Americans, the hour is late but the purpose which brought all of us to Philadelphia is shortly to be achieved.

It won't be long before the convention begins to call the roll, and not long after that, we shall, as individuals and collectively, have a long-awaited opportunity to pledge our faith and respect and support to those two men in whose capable and firmly reasonable hands the affairs of our great Nation will be placed during the years immediately ahead.

Perhaps you wonder what constructive contribution can be added to what has already been so well said by so many, and I share your concern.

Perhaps you wonder, as I do, why a freshman Senator should be invited to undertake the task of further stimulating your curiosity, and arousing you to action. I only know that I am priviliged to have the chance to try.

I speak now as one who comes out of the West, a land of promise which is newborn, articulate, explosive, and positive.

I speak as a veteran of the last war who believes that his country owes to all veterans, not indulgence or a handout, but an opportunity to labor at a chosen task, to save, to build, and to be free; and I speak as an American Republican who believes that his party is prepared and has earned the right, by virtue of self-discipline, integrity, vigor, strength, imagination, and courage, to seek answers and solutions for the staggering and even terrifying questions and obstacles which confront us both at home and throughout the world.

Neither time nor inclination will permit me to dwell on many of these problems, for they have been concisely and superbly defined and explored by others, and I must take for granted that if some among you don't understand in terms of problems their awful presence and sinister scope, and the imperative need for finding remedies now, you never will.

I won't bother to lambaste or vitriolize the present-day Democratic Party, for that would only exhaust the energy we need for our own cause, and tend to divert us from the road which leads straight to the White House.

I am completely willing to leave an indictment of recent years and a decision on the future in November up to the American people.

Political parties, like some human beings, can outlive their usefulness. They can become tired, cynical, power crazy, irresponsible, decadent, and senile.

It gives one no pleasure or satisfaction to see either a man or a political party who has lost his balance and poise; his sense of proportion and moral stamina. Without spelling it out the average American knows that the administration presently in authority has forfeited a large measure of its right to the confidence and respect of the people.

Because this is true, and can be so documented, the Republican Party will be victorious in November. I take this prediction to be a fact.

But a mere victory can be hollow and meaningless.

It must have substance and a purpose, determination, and an understanding of the obligations to be assumed by the victor if that victory is to be worth while and deserving of future support and loyalty.

We can win in 1948 and lose 4 years from now without half trying. Any effort short of our very best will bring disaster hurtling down on the heads of everybody, the innocent as well as the guilty. Should we Republicans fail in the next several years to live up to our platform, and to fall far short of our announced goals, it won't be a case of bringing injury to a party, for we shall have brought lasting and great harm to our Nation and the world.

Our failure would so stimulate the world revolution which surrounds us that freedom and free institutions might well disappear forever.

It is no small undertaking which inspires us in this convention. We had better fully appreciate what we seek to accomplish before we get started, for there is no turning back.

The fight we are about to begin will continue for 24 hours in every day until we win it.

When we win, and we shall, we must understand that we won't for a good long time, benefit from the strength and effectiveness of a two-party system. That system is actually dead today.

The disintegration of the present day Democratic Party is complete.

All that remains is a hollow shell.

This only means that we Republicans must go it alone; that for an indefinite period we Republicans will be entirely responsible for the conduct of the affairs of our Nation; that the absence of a strong opposition party will call for a greater strength of responsibility and unity than any American political party has ever had or needed before.

In the absence of a stronger and more effective opposition than we anticipate we shall find it easier, than ought to be the case, to make mistakes, to abuse our newfound and limitless power, to undertake tomorrow what we ought to accomplish today, and to underestimate and oversimplify the seriousness and perils of the day in which we live.

I doubt if any political party, in any country, in any period of the past has ever been confronted by a greater challenge or opportunity than those which are available to our Republican Party today.

There is reason to think we are ready.

Look at the men from whom we begin to choose today. Stassen and Taft; Dewey and Vandenberg; Warren and MacArthur and the Martins, Joe and Ed. Can you mention a greater group? Every one an "All-American." Can you conceive that any of these could lose in November? I think not.

But what about the runner-up, our vice-presidential candidate? Are we going to use the same care in selecting him that we use in securing the one to head our party? I hope and pray so.

It matters not so much that he live in the area far removed from his running mate, nor should he be selected for the usual political considerations. The thing that matters most is his character and knowledge and ability. Whoever he is ought to be ready from the beginning to assume the Presidency if fate and circumstances so dictate. These are hard, tough, and cruel days for any President.

We want no man for Vice President who wouldn't compliment America as her President in case of need.

Need we look back very far to find tragic examples of what happened to America because several Vice Presidents were selected for reasons of political expediency. It was never thought possible that either of them would become our President. But one of them did.

In several days' time this American tradition, a national political convention, will have adjourned, with its work of a platform and selected candidates completed. With a joyous cheer for victory we shall return to our scattered homes across the land. But in reminding myself I remind you that we have just begun to begin our victory campaign when the convention ends.

This convention has been virile, dynamic, and full of life. In a broad sense everybody has talked the same language, seen the same picture, dreamed the same dreams. But a convention isn't America. Thousands upon thousands of those whom we seek to serve will have small comprehension of what we have here attempted and achieved. We must take what we have done and pass it on to every voter everywhere. We must try to convince others that our progress was conceived from an honest desire to continue the progress of a free and progressive state, and not from just a selfish desire to return to power. This will take a deal of doing for the average American has been made sad for he is discouraged and he listens with some agreement to the siren who whispers that politics is a dirty and reprehensible business, and that politicians and parties exist only to take advantage of the average man.

Our job is to tell the truth to the American people, without varnish and promiscuous promises and without any suggestion that we are performers of miracles.

Let us just lay the facts of economic, political, and social life on the line.

Let us simply make those facts available as they have never been given to our people before.

Let us leave here, under the fierce impulse of a conviction, that every man among us must be a salesman; every woman a crusader.

We think we fight to preserve, and reestablish a free society at home and abroad. We can't do this by letting anybody else carry our fair share of the load.

Big disappointments will fill this hall before our convention is concluded. Only two can be chosen from all who aspire.

Some of our finest material will fall by the wayside, but let us shed no tears over this.

Let us be free of bitterness, let us rather rejoice that those candidates we fought for did so well, and then let each and all of us give to those who are chosen what we are so willingly giving to those of our own preference.

The Republican Party is more important than are any of us as individuals. We sometimes forget this.

Let us remember it from now on out.

If we remember, there will be no futility, no mockery in our victory of tomorrow.

If we forget we shall only have ourselves to hold responsible.

I am keenly proud of my membership in, and devotion to, the Republican Party.

It stands for what I think the average American in the ranks of labor, business, the farm and the general public stands for.

It seldom runs wild to either right or left.

It is liberal enough because it isn't so senseless as to give away things for which it is but a trustee for the people.

It moves more slowly than the opposition because it believes we are only entitled to that progress which we are willing to sacrifice and pay for.

Thank God the Republican Party can say "No" once in a while, and stand up to the consequences.

This has been a very simple speech. It was intended to be so, because I make no pretense of being an oracle, and because few others defined a need for party loyalty, cooperation and hard work if our coming campaign is to be won in the right way.

I have simply spoken as one who has his own full measure of faith in the party of his deliberate choice.

And also as one who has so little use for the methods and policies and false gods of the opposition leaders that I prefer to ignore them in favor of working to convince the citizenry of America of the concreteness, worth-whileness, and unlimited promise of the program to be advanced by the Republican Party.

This is it, and all of it a matter of high principle, from which details and action and platforms are fashioned and made to breathe and live and function:

1. The Constitution without mutilation.
2. Freedom without license.
3. Equality without uniformity.
4. Ownership without communism.
5. Government without bureaucracy.
6. Business without regimentation.

Who was it who said, "To think is easy. To act is difficult. To act in accordance with our thoughts is the most difficult thing in all the world"

How right he was.

How much work there remains to be done by each of us.

Let us stop for nothing and run right over those who get in our way.

The reward for our success is the gratitude of those who seek a reasonable and contented nation and world in which to live and work and die.

Our goal can be reached through our own efforts.

I wish you good fortune and happy hunting.

A Premature Call

EXTENSION OF REMARKS

OF

HON. KENNETH S. WHERRY

OF NEBRASKA

IN THE SENATE OF THE UNITED STATES

Friday, July 30 (legislative day of Wednesday, July 28), 1948

Mr. WHERRY. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "A Premature Call," from the Washington Evening Star of last night.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

A PREMATURE CALL

In view of all the tub-thumping which has accompanied the President's call for a special session of Congress to deal with high prices, one would think that, at the least, some member of his administration other than Paul Porter, whose real job is that of private lawyer, would have been ready to lay specific proposals before the legislators. But the administration is far from ready.

When Mr. Truman announced the special session call in his political speech to the Democratic Convention he said there was no reason why Congress could not act on his recommendations in 2 weeks. It appears now, however, that at least a week must pass before any administration spokesman will be

ready to testify on such important matters as the President's request for restoration of the excess-profits tax and consumer credit controls, regulation of inflationary bank credit, and control of speculation on the commodity exchanges.

This state of affairs came to light yesterday when Chairman TOBEY of the Senate Banking Committee, who is far more in sympathy with the President's requests than are most Republicans, tried to line up some witnesses to appear before his committee.

A call to Thomas B. McCabe, Chairman of the Federal Reserve System's Board of Governors, is said to have elicited the response that he couldn't possibly testify before next week. And Secretary of the Treasury Snyder, who might be expected to lead the procession of administration witnesses on the tax and credit aspects of the President's program, is reported to have said that he would not be prepared to testify until after Mr. McCabe makes his appearance.

The effect of all this is to lend a somewhat farcical touch to the special session call and to discredit the note of urgency which Mr. Truman has sought to inject into his demand for immediate action by the Congress. The President may be sure that the Republicans, who are looking for any opportunity to turn the tables on him, will make the most of his procrastination on the part of his aides.

Civil Rights Program—FEPC in New York—White Americans Betrayed

REMARKS
OF
HON. JOHN E. RANKIN
OF MISSISSIPPI
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 29, 1948

Mr. RANKIN. Mr. Speaker, at the other end of the Capitol we are witnessing a spectacle that forcibly reminds us of the old example of Nero fiddling while Rome burned.

Instead of amending the Federal Reserve Act to check inflation and save the country from the disaster of another deflation, such as we had in 1921 and again in 1929, they take up this communistic civil-rights program, beginning with the anti-poll-tax bill.

I wonder if Members of the House and of the Senate think that the object of this Congress is to persecute the white people of the Southern States in order to save the faces of certain candidates for President on this crazy civil-rights program, which they have endorsed.

Is that the reward our servicemen from the South are to get for their sacrifices in the recent conflict?

Is that the reward the white people of the South are to get for sending a larger proportion of their sons to that war than any other group in America?

The Government based each Southern State's quota on the entire population and then took a preponderance of the white boys to do the fighting.

That was especially true in Mississippi, which furnished the largest proportion of her young white men to the service than probably any other State in the Union.

Remember that this civil-rights program is not only directed at the white people of the South, but it is directed at white Americans everywhere. It is a Communist-inspired movement, fostered by an alien minority that has flooded in here from Russia in recent years.

They are simply using the Negro as a smoke screen to cover up their nefarious designs to wreck this country, and destroy the white man's civilization throughout the world.

Let me warn you that we people of the South do not have to submit to this kind of persecution. In the words of Henry W. Grady:

> We wrested the South from the rule of the Negroes, the carpetbaggers, and the scallawags when Federal drumbeats rolled nearer and Federal bayonets hedged closer about the ballot boxes of the South than they ever will again in this free Republic.

If these attempts to force this communistic program onto the American people succeeds, it may well mean the end of this Republic and of our American way of life. It may mean communistic regimentation of the American people, North and South.

Why all this persecution of the white people of the South?

Why all this persecution of white Americans through this FEPC that has been foisted upon the people of New York by Governor Dewey and his cohorts, that has driven the American businessman in that State underground and forced them to resort to subterfuge in their employment in order to stay in business at all?

No intelligent businessman would go to New York now to start a new enterprise. In fact, many are thinking of closing out or leaving the State.

Why all these attempts to wipe out segregation in the South and force Negroes into our public schools through this so-called civil-rights program?

It is simply carrying out the chief plank in the Communist platform.

It is not doing the Negroes of the South any good. But it is doing them immeasurable harm. It is depriving them of a home. Today we have developed two servants to take their places, electricity and gasoline; and the unfortunate Negroes in the South who are enjoying more peace, more happiness, more prosperity, more protection, and more security than they have ever enjoyed anywhere else on the face of the earth, are finding themselves without homes as a result of this agitation that has been carried on by the communistic left-wing elements of both major political parties.

They are crowding into your large cities of the North where they are killed by the hundreds, or thousands, whenever the Reds are able to stir up a race riot.

It is time to get back to American principles. You are not going to force Negroes into our white schools. They know that, and we know it. You are not going to destroy our election machinery. This attack on the poll tax is a subterfuge. That is the only tax many people pay, white and black, for education in the South.

Are you going to pass an antilynching law without making it apply to mob violence? In your antilynching bill, you propose to insure the life of every Negro rapist for $20,000, to be paid by the taxpayers of the county where a lynching occurs, but you exempt mobs and race riots. It ought to be called a bill to encourage rape.

Are you afraid if you make it apply to mobs and riots that it will break some of your northern counties?

In the race riot in Chicago back in 1920, they killed 2,200 Negroes—to say nothing of the white people who were killed. At $20,000 apiece the cost would have been $44,000,000 for the Negroes alone.

The race riot in Detroit, Mich., on June 1, 1943, would have cost the people of that county $14,000,000—while only one lynching took place in the Southern States last year.

As I said, this whole civil-rights program, including the FEPC, seems to be taken from the Communist platform. Every one knows that the Communists are out to wreck this Government, destroy our American way of life and wipe Christianity from the face of the earth.

These Reds hate me because I have fought them, and exposed them, at every opportunity.

It was my amendment to the Rules of the House at the opening of the last Congress that created the Committee on Un-American Activities, which has done more to expose these Reds, these Communists, these enemies within our gates, than any other agency of this Government.

That is the reason for all these attacks on me. That is the reason for these petitions the Communists have been circulating among the Negroes of the North asking that I be expelled from Congress.

Why do they want me expelled? What crime have I committed?

They want me expelled because of my fight against this communistic program called civil rights, which includes the anti-poll-tax bill, the antilynching bill, the antisegregation bill, and the FEPC bill.

They want me expelled from Congress because of my stand for white supremacy. They even induced a gang of Negro bishops to pass a resolution asking that I be expelled from Congress because of my stand for white supremacy, for segregation in our schools, hotels, trains, and so forth, in the South, and for my fight against the other vicious provisions of their so-called civil-rights program.

The Communists had a Negro man and an alleged white woman picketing the Democratic Convention at Philadelphia with a large placard reading "Oust RANKIN" in capital letters large enough to be seen and read two blocks away.

Our committee exposed these Communists that were indicted in New York more than 2 years ago.

Here is a statement which the head of the Communist Party in this country, William Z. Foster, admitted on oath, in response to my questioning, that he made in a speech accepting the leadership of his party in this country. Here is what he said:

> No Communist, no matter how many votes he should secure in a national election, could, even if he would, become President

of the present Government. When a Communist heads the Government of the United States—and that day will come just as surely as the sun rises—the Government will not be a capitalist government but a Soviet government, and behind this government will stand the Red army to enforce the dictatorship of the proletariat.

No wonder he and his gang want me out of Congress. They know that I am one of the worst enemies communism has, in Congress or elsewhere, that I know how to fight them, and that I have the courage to expose them.

This is the gang that is stirring up race trouble in the South. They do not care anything about the Negroes; they just want to stir up trouble preparatory to their planned revolution.

Mr. Speaker, I have never been sectional in discharging my duties as a Member of Congress. In my fight for the servicemen of the Nation I have taken the position that it was a national proposition and that they should be treated alike regardless of what State they came from.

I think every Member of this House will agree that no one has done more for our veterans than I have.

I opposed the vicious provisions of the Economy Act that took the bread from the mouths of many of our disabled veterans and their widows and orphans, while aliens were being placed on relief who had never worked or fought for this country—and some of whom are now plotting the overthrow of this Government.

As chairman of the Veterans' Committee of the House, I worked for years to get those benefits restored to those deserving disabled veterans and their dependents, without regard to where they lived.

Ask the servicemen in your own districts, or their widows and orphans, or ask the Gold Star mothers, and they will tell you that I have done my best for them without regard to locality.

The men in the rank and file during the recent war started in at $21 a month. I led the drive to raise it to $50 and finally forced through my amendment to raise the base pay of the men in the rank and file to $50 a month for the first time in history.

I have a bill pending now to pay them an adjusted compensation, or a bonus, as some are wont to call it, to make up for the difference between the wages they drew while in the service and what others were making at home during that time. It treats them all alike, regardless of what State they hail from. If you will all sign the petition No. 14, now on the Clerk's desk, we can bring this bill up and pass it at this session of Congress. Then we will have done justice to the veterans in every State in the Union.

Take my record on the power question and you will find that I have fought for the development of the water power of this Nation and for its distribution to the people throughout the country at rates based upon the cost of generation, transmission and distribution.

You all know that I was co-author with Senator Norris of the bill creating the Tennessee Valley Authority in 1933, and have fought its battles in this House from that day to this.

It has wrought the greatest development of ancient or modern times, and is doing more for the people of that area than any other agency this Government has ever created.

I took the same position when it came to developing the water power on the Columbia River in the far West, the Santee-Cooper River in South Carolina, the Savannah River in Georgia, the Arkansas and the White Rivers in Arkansas, the Missouri River in the Middle West, and the St. Lawrence in the Northeast. The water power of this Nation is the greatest wealth we possess outside of the soil from which we live, and I want to see it all developed and its benefits extended to the people in every section of the country.

I have taken this same position on rural electrification. If it had not been for my efforts, the farmers of this country, and especially the farmers of my particular section, would not have seen electric lights in their homes probably for the next generation.

While working on this problem from a national standpoint, of course, I have not overlooked the people of my own district. I have managed to get TVA power extended to every precinct in the 10 counties I have the honor to represent. It has done more for the farmers of that area in brightening their homes and lifting the burdens of drudgery from their shoulders and from the shoulders of their wives and children than anything else that has ever occurred in all the history of this country.

Here is a letter I have received from the Honorable CLARENCE CANNON, the ranking Democrat on the Committee on Appropriations, who has gone down the line with me in my fight for rural electrification for the last 15 years. The letter reads as follows:

HOUSE OF REPRESENTATIVES,
Washington, D. C., April 29, 1948.

Hon. JOHN E. RANKIN,
House of Representatives,
Washington, D. C.

DEAR JOHN: Am taking advantage of the first opportunity to express my appreciation of your good work in organizing and directing the successful fight for the additional $175,000,000 appropriations for rural electrification for the balance of the fiscal year.

No man in the history of the Congress has rendered a greater practical service to the farmers of America than you have rendered as the father of REA. I realize it is merely one of many invaluable contributions you have made to the prosperity and welfare of the American farmer but cannot refrain from again expressing appreciation of the material benefits—the light and power and health, happiness and prosperity you have brought to a million homes in rural America.

With deepest appreciation and warmest regard.

Sincerely,

CLARENCE CANNON.

Today, I have the best electrified district probably in the entire South, and we are building more than 1,000 miles of additional lines in the district at this time.

I am making a drive to reach every farmhouse with a power line that the Government can reach with the draft in times of war, or the tax collector can reach in times of peace. I want to electrify them all.

On this issue I have fought for rural electrification on a national scale, as the farmers in every State in this Union will tell you.

But, of course, when it comes to my own district, I have done just what any Congressman is expected to do; I have fought for the interest of the people who have honored me with their suffrage for so many years.

I have fought for the development of flood control and navigation on our navigable streams in every nook and corner of this country. I am doing my best to eliminate the one bottleneck that is paralyzing our great inland waterway system so far as transportation is concerned. And that is by the construction of the Tennessee-Tombigbee inland waterway which would benefit the entire Nation. I have already got it written into law, and have today introduced a bill for an appropriation of $5,735,000 to begin its construction at once. This is the amount asked for by the Army engineers, and I hope to get it through before we adjourn.

It will benefit the people of the entire Nation, and will contribute greatly to our national defense by supplying a new, short slack-water route from the Gulf of Mexico to our atomic-bomb plant at Oak Ridge.

It will be worth untold millions of dollars to the people along every stream composing our great inland waterway system, including the Ohio, the Mississippi, the Missouri, the Tennessee, the Tombigbee, the Warrior, and all their tributaries—as well as the areas along the Gulf and the Great Lakes.

I am just in receipt of a booklet issued by the Ohio Valley Improvement Association, in which we find the following very positive statement on this question:

No discussion on navigation in the Ohio Valley is complete without a statement of the major projects already under consideration by the Corps of Engineers and which we believe should be placed high upon the list of the Ohio Valley program. We believe that they are sound, needful, and sufficiently advanced in status, and should be promptly constructed.

They are, first, the construction of the New Cumberland locks and dam, Ohio River; the Morgantown, W. Va., lock and dam, Monongahela River; and the deepening of the Cumberland River, Tenn. and Ky., below Nashville, Tenn., to replace obsolete structures.

Second, the development and completion of the following additional links of waterways: The Tennessee-Tombigbee waterway joining the Tennessee River with the Tombigbee and Warrior Rivers system and the Lake Erie-Ohio River Canal joining Lake Erie and the Ohio River.

But, Mr. Speaker, I arose to discuss this so-called civil-rights program, and especially the vicious FEPC law which Governor Dewey has imposed on the people of New York, and which he would undoubtedly impose on the entire Nation if he had his way.

For the information of the House and the country, I am going to insert as a part of these remarks two speeches I

made in the House on this subject, in which I set out the regulations adopted under the Dewey law in New York, as well as the set-up under the one established by Mr. Roosevelt's Executive order.

Read them carefully and you will realize the extreme viciousness of any such program.

If the New York law were on the Federal Statute books, with the same regulations in effect that have been imposed on the people of that State, then Communist Russia could pack her spies into every defense plant and every business establishment in this country.

If you doubt that, read those regulations which I have included in the following address.

The address referred to follows:

SPEECH OF HON. JOHN E. RANKIN, OF MISSISSIPPI, IN THE HOUSE OF REPRESENTATIVES, THURSDAY, FEBRUARY 13, 1947

Mr. RANKIN. Mr. Speaker, I was amused at the address of the gentleman from Michigan [Mr. HOFFMAN] and very much interested in what he said. He talked about the slowness with which the leaders of his party proceed in passing labor legislation. I also noticed in the paper that the Senate leaders were going to wait on the House, and the House leaders were going to wait on the Senate.

It reminded me of what I heard over the radio the other night. Somebody was reading the laws of a certain State on traffic regulations which provided that when two cars approach a crossing at right angles they both must come to a dead stop, and each one of them must remain in that position until the other one has passed on. I am just wondering if that is the kind of stalemate we are running into, and if we are going to come to that kind of a dead standstill, with each House remaining in that position until the other one has acted.

But, Mr. Speaker, I arose to discuss a measure introduced by the gentleman from Illinois [Mr. DIRKSEN] for the recreation of the now defunct FEPC, or the so-called Fair Employment Practice Committee.

I believe Mr. DIRKSEN made a speech for such a measure in the last Congress, which reminded me of the colored preacher who told his congregation that he was "goin' to preach to you an ole 'postolic injunction, 'Take no heed of what you shall say.'"

It would certainly take a genius to reconcile that speech of the gentleman from Illinois [Mr. DIRKSEN] and this FEPC bill he has introduced with his recent speech against communism, especially since that FEPC is the chief plank in the Communist platform.

It is the most dangerous piece of communistic legislation with which this country has ever been threatened in all its history. I am going to show what it would do to the people of Illinois by pointing out what it is doing to the people of New York, where this vicious measure was written into the laws of that State without consulting the people who are suffering under it.

All these bills contain the same old bunk about making it a crime to discriminate in employment because of "race, creed, color, natural origin, or ancestry," and so forth.

Before Mr. DIRKSEN attempts to ram this monstrosity down the throats of the people of Illinois, and all the other States, I suggest he do as they did in California, let the people of Illinois vote on it. That is what they did in California in the last election, and it was defeated by a majority in every single individual county in California.

Now let us see what such a measure is doing to the people of the State of New York.

A man from New York said to me this morning, "You know this measure is being operated in New York simply by failure to operate it." The other night there were two men from New York in a taxicab here in Washington driven by a man who works here on the Hill. They got into an argument. One of them said, "I told you this FEPC would ruin the State of New York if they ever put it on the statute books." The other one said, "I did not think so. I thought it was a humanitarian measure. But I now see my mistake."

Then the other man said, "Here is what it has done to me. I own a good home," I believe he said "out on Riverside Drive, and I also own a house next to it which I bought for my own protection. I had a friend living in the other house, but his business took him to another section of the country and he had to vacate. Like a fool, I put up a sign 'For rent,' thinking that someone in the community whom I could afford to rent it to would apply. Somebody put a colored fellow up to come and apply for it and the court now says I must let him have it."

I bring this to you for what it is worth. I understand the Communists in New York are demanding that the same rule be applied to rooms or apartments for rent.

But I want to read you some of the regulations that are now being imposed upon the people of the State of New York under this vicious law. Businessmen from New York tell me that the way they are getting around this measure is by operating through employment agencies, because no intelligent businessman would go to a State with that kind of law on its statute books and attempt to establish a new business or a new enterprise, especially with the regulations or rulings under it which I am now going to read to you.

Remember they put this measure on the ticket in California and the people voted on it in the last election; and it lost in every single individual county in California. It was beaten in the entire State by about 3 to 1.

You simply destroy business with a measure like this. That is what the FEPC did here. Men have gone out of business all over the country in the last few years because of the persecution that was carried on by this outfit here in Washington, the personnel of which I shall insert later on.

A few people are going around urging us to pass it as a national law, to put everybody else in the same predicament. These people who are carrying on this racial agitation are using the Negro as a smoke screen. They do not give a tinker's dam about the Negro. They are not trying to help the Negro. They are doing them more harm than anybody has in the last 50 years, and the decent, law-abiding Negroes know it.

But let me show you what they have done in New York, and let me give you some of the regulations or rulings, as they are called, and ask you if you would like to have them in your State. I want to ask the gentleman from Illinois, Mr. DIRKSEN, how he would like to have them in Illinois, or how you would like to have them in Ohio, Indiana, Pennsylvania, or in Missouri, or in any other State in the Union.

Here are the regulations, or rulings, issued by the State of New York. They are headed:

"State of New York Executive Department. State commission against discrimination. Rulings."

Here are the rulings.

I want to show you some things you cannot ask in the State of New York when you go to employ a man.

Remember that State has no gas, coal, or oil, and very little water power. The rest of the country does not have to go to New York, or to any other State to get what it needs in the years to come. The American people in every section of this country are in a position now to take care of themselves. You put this measure on in one State after another and you will simply penalize those States beyond reason, and when they ask you to pass it for the whole United States and put it on the entire American people, after the fiasco they have made of it here in Washington in the last few years, it is simply unthinkable to a man who knows what he is doing and has the interest of the people of the country at heart.

Here are some of the things you cannot do under the law of New York:

UNLAWFUL EMPLOYMENT PRACTICES BEFORE HIRING ANYBODY

Those words are written in capitals. Here is the first unlawful practice:

"Inquiry into the original name of the applicant for employment, whose name has been changed by court proceedings or otherwise."

If you inquire as to his name or what his name used to be you violate the law. You commit an unlawful practice. For instance, take this man who writes for PM, who calls himself I. F. Stone. His name was Isadore Feinstein, as Cordell Hull once pointed out. Suppose he comes to you asking for employment and you ask him that question. Then you will have committed an unlawful act.

Here is the next one:

It would be unlawful practice to make "inquiry into the birthplace of the applicant for employment, the birthplace of his parents, spouse, or other close relative."

How would you like that in Iowa, Illinois, Texas, or Nebraska? In California I know you do not like it, because you have just voted on it.

Here is the next "unlawful practice":

"Requirement that the applicant for employment produce a birth certificate or baptismal certificate."

That would be an unlawful practice under this FEPC Act in New York.

I was surprised to see Governor Dewey get his mustache in the wringer on this proposition. I do not see how he is ever going to get loose from it.

Mr. MASON. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield.

Mr. MASON. What about this requirement during the war that every person employed in certain industries had to prove that he was born here before he could get a job?

Mr. RANKIN. Certainly. If we had had this law all over the country then, the Japs would have had a spy at the elbow of every man in a key position; so would the Germans, and so would every other enemy country.

I thank the gentleman from Illinois for his timely suggestion.

It is an unlawful practice in New York, under this law, to make "inquiry into the religious denomination of an applicant for employment, his religious affiliations, his church, parish pastor, or religious holidays observed. Inquiry into whether an applicant for employment is an atheist."

Inquiry into whether an applicant for employment is an atheist is forbidden, although you may be publishing literature for the Methodist Church, the Baptist Church, or any other denomination.

Another thing, an applicant for employment—and I am reading from the rules laid down by this Commission:

"An applicant for employment may not be told that this is a Catholic, Protestant, or Jewish organization."

In other words, if you are in the business of publishing religious literature you cannot even give him that information under this law which the gentleman from Illinois [Mr. DIRKSEN] now proposes for the whole country, including Illinois.

Here is another unlawful practice:

"An applicant for employment may not be told that the following holidays will be observed by the firm and no others, naming the holidays; e. g., Decoration Day and July the Fourth, etc."

You cannot tell them under the laws, rulings, and regulations of the State of New York that they may observe the Fourth of July.

Here is another unlawful practice:

"An applicant for employment may not be told that employees are required to work Rosh Hashana and Yom Kippur."

Frankly, I did not know there were any such days until the last few years.

Another thing, it is an unlawful practice under this New York law to make "inquiry into the complexion of an applicant for employment."

Inquire into his complexion and you are likely to get yourself tangled up with the law of the State of New York.

Here is another unlawful practice:

"Requirement that an applicant for employment annex a photograph."

That would be an unlawful employment practice. You are not supposed to know how he looks.

Remember, this is not in Russia, but in New York.

Mr. MASON. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield.

Mr. MASON. And yet the State Department in order to grant a visa requires a photograph of the person to be presented with his application.

Mr. RANKIN. Certainly, and they ought to do so. Much as I respect the distinguished gentleman from Illinois [Mr. MASON], I certainly would not want to employ him unless I knew how he looked. If I had never seen him, I would certainly want to see his picture.

Here is another unlawful practice:

"Inquiry whether an applicant for employment is a naturalized or native-born citizen; the date when the applicant acquired citizenship; whether the applicant's parents or spouse are naturalized or native-born citizens of the United States; the date when such parents or spouse acquired citizenship."

You cannot inquire into these questions under this FEPC law in New York.

Here is another unlawful practice:

"Requirement that an applicant for employment produce his naturalization papers or first papers."

He may lie to you and tell you that he is a naturalized citizen, but you cannot ask to see his papers.

Another unlawful practice in New York is to "inquire into the lineage of an applicant for employment, his ancestry, or national origin."

You remember a few years ago the Dallas News inserted an advertisement for a colored janitor, and this FEPC outfit down the street, ordered them to take it out, said it was an unlawful practice.

One member of this FEPC outfit here in Washington went into the office of Swift & Co. in Chicago. This FEPC man asked them: "How many Negroes do you have on your board of directors?"

The answer was "None."

Then the FEPC man asked him: "Why haven't you?"

That was the FEPC down here in Washington a few years ago before it died because a few radicals could not browbeat Congress into perpetuating it.

But it is now in force in the State of New York.

Here is another unlawful practice under the New York law:

"Inquiry into the location of places of business of relatives of an applicant for employment."

It is an unlawful practice to make "inquiry into the place of residence of the parents, spouse, or other close relatives of an applicant for employment."

I am reading from the records at Albany.

Here is another unlawful practice:

"Inquiry into the maiden name of the wife of a male applicant for employment and/or inquiry into the maiden name of the mother of a male or female applicant for employment."

The other day we had the Eislers down here. One of them has been shown to be representing the Comintern, according to his sister's testimony. He has a brother out in California, who seems to be poisoning the public mind through the moving-picture industry. He tries to defend his brother and refers to this woman as "my former sister." If you wanted to employ any of them and check the name of at least one of them as given here, you could not inquire into those names at all—if you are trying to do business in the State of New York—even though one of them has a half dozen aliases. You could not even ask where they came from or when they got here or when they changed their names.

Here is another unlawful practice, in New York:

"Inquiry into the general military experience of an applicant for employment."

I wish every ex-serviceman could read that, and the next one.

Here it is. It is an unlawful practice to make "inquiry into the whereabouts of an applicant for employment during the First World War; i. e., during the period from 1914 to 1919."

In other words, inquiry as to his whereabouts in the period from 1914 to 1919 is forbidden as an unlawful practice in the State of New York.

Is that what you want in Colorado? Is that what you want in Massachusetts?

Mr. GIFFORD. We have it.

Mr. RANKIN. Get rid of it, and we will help you.

Is that what you want in Kansas, in Ohio, and in other States?

Let your States vote on it. Michigan is going to vote on it right away. If you will tell the people of Michigan the whole truth, let them know the whole truth about this monstrosity, I will guarantee you they will beat it worse than they did in California.

Here is another unlawful practice:

"Inquiry into the organizations of which an applicant for employment is a member, including organizations the name or character of which indicates the religion, race, or national origin of its members."

I presume, if they should ask me if I am a member of the Masonic lodge, I could have them jerked up and brought before this inquisition board or probably prosecuted at various places throughout the country.

Mr. Speaker, I am not criticizing the people of New York. I have long since learned in going from one State to another that real Americans are about the same everywhere. I believe if they had a vote on it the people of New York would beat it, just as they did in California.

They are having a vote on it in Michigan because a little minority group has been attempting to browbeat the Legislature of Michigan into passing it. I dare say when it goes on the ballot in Michigan and the people of Michigan understand what it means they will defeat it more thoroughly than they did in California. The same thing would happen in probably every other State in the Union.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. Will the gentleman tell us what the penalties are in New York?

Mr. RANKIN. In addition to being harassed to death with orders and directives to cease, desist, rehire, and so forth, there is a punishment provided of "imprisonment in a penitentiary or county jail for not more than 1 year or by fine of not more than $500, or by both."

Mr. GIFFORD. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Massachusetts.

Mr. GIFFORD. I want to remind the gentleman that we have that law in Massachusetts.

Mr. RANKIN. I was afraid of that.

Mr. GIFFORD. I was thoroughly amazed when I looked into it; I had not learned what the rules were. But, perhaps we carried it too far. I am so sorry, and I have been, and I am not in favor of this, I can assure the gentleman.

Mr. RANKIN. I know the gentleman is not, and I am sure the people of Massachusetts would not favor it if they had a vote on it.

Mr. GIFFORD. Employers always inquire and must know whether you come from a respectable family or not. They are so careful. Perhaps they overdid it. But I think a man ought to be able to find out whether he came from a respectable family.

Mr. RANKIN. There are a great many questions that should be asked, which are forbidden under this law.

Mr. Speaker, in order to give the new Members an idea of what a mess this FEPC was here in Washington during its existence under Executive order, I insert a speech I made on this subject in 1945.

It reads as follows:

"FEPC A BETRAYAL OF WHITE AMERICANS

"(Speech of Hon. JOHN E. RANKIN, of Mississippi, in the House of Representatives, Thursday, July 12, 1945)

"Mr. RANKIN. Mr. Chairman, the passage of a law at this time legalizing this so-called FEPC would be a betrayal of the white people of the country. If every individual in the United States could understand just what it means, there would be such a roar of protest coming from every State in this Union that it would never see the light of day.

"If every Member of Congress would screw his courage to the sticking place and vote his convictions on this so-called FEPC, it would not get 50 votes out of the entire membership of 435.

"It is a most dangerous and brazen attempt to fasten upon the white people of America the worst system of control by alien or minority racial groups that has been known since the crucifixion.

"When I read the names of the personnel of this outfit you will understand what I mean.

"To sanctify this organization by law would give the lie to everything we have told our American boys they were fighting for. Instead of coming back to liberty, freedom, and democracy, they would find themselves sold into this bondage, herded, humiliated, and regimented by alien influences directed by a foreign comintern representing the deadly doctrine of Karl Marx that is based upon hatred for Christianity and for everything that is based on Christian principles.

"It is a manifestation in legislative form of that infidelity that has closed thousands of Christian churches in Europe and has been responsible for the murder of untold millions of Christian human beings.

"This measure is not directed altogether at the white people of the South. If it were, you folks in the North would not have so much ground for alarm. We in the South know how to combat subversive elements. As Henry Grady once said, we wrested the

South from such domination 'when Federal drum beats rolled nearer and Federal bayonets hedged closer to the ballot box of the South than it ever will again in this Republic.'

"But you people in the North have not had that training, and this FEPC is likely to bring grief, strife, hatred, race riots, and chaos in your northern cities if this vicious agency is perpetuated and sanctioned by your votes.

"Do not forget that the returning servicemen know what this thing means, and they are going to call you to account next year—beginning with the primary. They are not going to wait until the general election.

"Do not forget that every businessman, every farmer, every professional man, and every other independent individual whose blood glows with the instinct of American liberty, is going to join these men, and those other patriotic forces that are fighting to save American institutions for which these boys have been fighting and dying upon every battlefield in the world.

"If every man and every woman in the United States could just read the list of individuals that compose the personnel of this crazy FEPC, and its subdivisions throughout the country, I dare say there would not be enough of you left who vote for it, even if nominated in the primaries next year, to form a corporal's guard.

"For your information, and for the information of the American people generally, I am going to read you the official personnel as it exists today. Remember, this list is taken from the official record. This is the group that wants to nose into and control every business in the United States. Remember, they can search the files and records of every business establishment in America where some disgruntled individual is willing to trump up a charge of discrimination. They can drag them all over the country and try them, and in that way destroy any ordinary business concern.

"The next thing they are going to try to do is get control of your schools and force their communistic henchmen into the schools and teach your children their subversive doctrines.

"Read these lists carefully, which, as I said, are taken from the official records here in Washington, and you will see that not one out of ten on these rolls is a white gentile American.

"Here is the official list:

"Committee on Fair Employment Practice, Washington, D. C., Office of the Chairman

Incumbent	Title	Race	Salary
Ross, Malcolm	Chairman	White	$8,000
Johnson, George M.	Deputy Chairman.	Colored	8,000
Hubbard, Maceo	Hearings examiner.	do	5,600
Bloch, Emanuel	do	White	5,600
Copper, Evelyn	do	do	5,600
Berking, Max	Assistant to Chairman.	do	3,800
Alexander, Dorothy	Secretary to Chairman.	Colored	2,600
Clifton, J. Jeanne	Secretary to Deputy.	do	2,000
Brooks, Mary	Clerk-stenographer.	do	1,800
Banting, Myra	do	White	1,800

"You will note that in this office of the chairman, consisting of 10 people, there are 5 Negroes and 5 white people, most of whom have foreign names. One of the whites is a stenographer who receives the smallest salary of anyone on the list.

"Remember that the members of this group preside over the destiny of every business enterprise in America, and are using their assumed powers to harass white Americans out of business.

"This is the organization Members of Congress are being asked to perpetuate by the passage of this bill.

"FIELD OPERATIONS

"Here is the Division of Field Operations:

"Field operations

Incumbent	Title	Race	Salary
Maslow, Will	Chief	White	$6,500
Mitchell, Clarence	Principal fair-practice examiner.	Colored	5,600
Davidson, Eugene	do	do	5,600
Beall, W. Hayes	Senior fair-practice examiner.	White	4,600
Mercer, Inez	Fair-practice examiner.	do	3,800
Rogers, Eleanor	Clerk-stenographer.	Colored	1,800
Saito, Otome	do	Japanese-American.	1,800
Thompson, Mildred	do	Colored	1,800
Cornick, Emma	do	do	1,620

"You will note that it consists of nine people—five negroes, one Japanese, and three others—two of whom have records of affiliations with Communist-front organizations, according to the reports of the Dies committee.

"Imagine this group going about over the country riding herd on the white American businessmen of the Nation, telling them whom they shall employ, whom they shall promote, and with whom they may associate.

"It would be interesting, and probably enlightening, to check up on these people and see how many of them are native-born Americans.

"Members of Congress had better do this now, before they get caught in this trap, because this question of un-American activities is going to be an issue in every congressional district next year, beginning with the primaries.

"The people are not going to wait until the general election for someone who holds a commission as a result of the pernicious activities of Sidney Hillman and his gang to wrap the party cloak about him and shout to the people of his district that 'I am a Republican' or 'I am a Democrat.'

"More than 2,000,000 young men have already been discharged in this war, and they are organizing now to try to save America for Americans. They are going to read your records, and they are likely to ask you some very embarrassing questions when you get home.

"REVIEW AND ANALYSIS DIVISION

"Now look at this list and see who reviews all these records of racial discrimination when they come to Washington, and you will understand how the editor of the Dallas News felt and how other white gentiles feel, including Cecil B. DeMille, the great American movie producer, when they are harassed out of business.

"Here is the list:

"Review and Analysis Division

Incumbent	Title	Race	Salary
Davis, John A	Chief	Colored	$5,600
Lawson, Marjorie	Research analyst.	do	3,800
Golightly, Cornelius.	Compliance analyst.	do	3,200
Hemphill, India	do	do	2,600
Coan, Carol	do	White	2,600
Davis, Joy P	do	Colored	2,600
Hoffman, Celia	Clerk-stenographer.	White	1,800
Spaulding, Joan	do	Colored	1,800

"You will note that it consists of six Negroes and two white people, one of whom is named Carol Coan and the other Celia Hoffman, a white stenographer receiving the lowest salary on the list.

"Now, if you sign the petition to bring out this bill or vote for this monstrosity, do not forget that when you get home those white American businessmen who help to sustain this Nation in time of peace and whose sons are fighting its battles in time of war are going to want to ask you some questions that you may not be able to answer.

"LEGAL DIVISION

"But if you want a real laugh, look at this Legal Division.

"Legal Division

Incumbent	Title	Race	Salary
Reeves, Frank D	Attorney	Colored	$4,600
Stickgold, Simon	do	White	4,600
Gordon, Jernevive	Clerk-stenographer.	Colored	1,800

"You will note that this so-called Legal Division consists of two Negroes and a Simon Stickgold.

"INFORMATION DIVISION

"Now we come to the Information Division. If you want information about this outfit, write to this Division:

"Information Division

Incumbent	Title	Race	Salary
Bourne, St. Clair	Information specialist.	Colored	$3,800
Whiting, Margaret	Clerk-stenographer.	do	1,800

"You will note that it consists of two Negroes, one registered as an information specialist and the other as a clerk-stenographer.

"BUDGET AND ADMINISTRATION

"Now we come to the Budget and Administration Division. This Division not only makes up the budget but administers the regulations. Here is the list:

"Budget and Administration

Incumbent	Title	Race	Salary
Jones, Theodore	Chief	Colored	$5,600
Jeter, Sinclair	Assistant administrative officer.	do	3,200
Baker, Vivian D	Clerk-stenographer.	do	2,000
Jackson, Bosales A	Clerk-typist	do	1,620
Paynter, Minnie A	do	do	1,620
Hollomon, Irving	Clerk	do	1,440
Selby, Ralph R	Chief, fiscal	do	2,600
Ross, Sylvia B	Voucher auditor	do	2,000
Nelson, Otelia	Accounting clerk	do	1,620
Carpenter, Elizabeth.	do	do	1,620
Brent, Pearl T	do	do	1,620

"This outfit, which is composed of 11 Negroes, and no whites at all, not only makes up the budget for financing this aggregation, but it seems to have the power of administration. I hope you will read this list to your white businessmen, farmers, and ex-servicemen at home when you get back and ask for renomination in the primaries next year.

"MAIL AND FILES DIVISION

"Now, here are the ones that have control of the mails and filing system:

"Mail and Files

Incumbent	Title	Race	Salary
Douglas, Lela	Chief, Mail and Files.	Colored	$2,000
Welch, Selena	Docket clerk	do	1,800
Gamble, Jessie	File clerk	do	1,620
Phillips, Rose	do	do	1,440
Reed, Charles	Messenger	do	1,380
Mitchell, Regina	File clerk	do	1,440

"You will note that this division is composed entirely of Negroes—six Negroes, and no whites at all. I wonder why they discriminated against the white race in setting up these two powerful branches of this most dangerous agency?

"REGIONAL OFFICE, NEW YORK

"Now, let us turn to the regional offices and see who is going to harass the business people back in the States. Here is the list for the State of New York:

"Regional office, New York

Incumbent	Title	Race	Salary
Lawson, Edward H.	Regional director.	Colored	$5,600
Jones, Madison S.	Fair-practice examiner.	do	3,800
Jones, Robert G.	do	do	3,800
Donovan, Daniel R.	do	White	3,800
Irish, Miriam	Clerk-stenographer.	Colored	2,000
Asepha, Tillie	do	White	1,620
Schwartz, Sonia	do	do	1,620

"This is the list that is going to help Governor Dewey harass the white American businessman of the Empire State. You will note that it is composed of four Negroes and three white people. Please read the names of the three white people and see if you can figure out their antecedents.

"Businessmen of New York are going to have a hard time after this war without having all this communistic conglomeration to deal with, to say nothing of the one which Governor Dewey and his political henchmen have now heaped upon them.

"REGIONAL OFFICE, PHILADELPHIA

"Now, let us turn to Philadelphia, the birthplace of the Constitution—the City of Brotherly Love. At the risk of causing glorious old Benjamin Franklin to turn over in his grave, I read you the list:

"Regional office, Philadelphia

Incumbent	Title	Race	Salary
Fleming, G. James	Regional director.	Colored	$5,600
Greenblatt, Mildred	Fair-practice examiner.	White	3,800
Manly, Milo A.	do	Colored	3,800
Risk, Samuel R.	do	White	3,800
Grinnage, Willard	do	Colored	3,200
Gorgas, Helen	Clerk-stenographer.	do	1,800
Klinger, Karyl	do	White	1,800
Brown, Grayce	do	Colored	1,440

"You will note that it is composed of eight individuals—five Negroes and three whites, Mildred Greenblatt, Samuel R. Risk, and Karyl Klinger.

"Don't you know there will be some brotherly love when that crowd gets going on the businessmen of the Philadelphia area?

"REGIONAL OFFICE, WASHINGTON, D. C.

"Now, here is the regional office in Washington, D. C., the National Capital, where there has been so much persecution of white gentiles in the last few years. Here is the list:

"Regional office, Washington, D. C.

Incumbent	Title	Race	Salary
Evans, Joseph	Regional director.	Colored	$5,600
Houston, Theophilus.	Fair-practice examiner.	do	3,200
Kahn, Alice	do	White	2,600
Chisolm, Ruby	Clerk-stenographer.	Colored	1,800
Urback, Dorothy	do	do	1,620

"You will note it consists of four Negroes and Alice Kahn. Just what chance a white gentile will have with this group is entirely problematical, to say the least of it.

REGIONAL OFFICE, CLEVELAND

"Now, let us move out where the West begins and take a look. Here is the list in the Cleveland regional office:

"Regional office, Cleveland

Incumbent	Title	Race	Salary
McKnight, William.	Regional director.	Colored	$4,600
Abbott, Olcott R.	Fair-practice examiner.	White	3,800
Glore, Lethia	do	Colored	3,200
Kelley, Berniza	Clerk-stenographer.	do	1,620
Wasem, Edna	do	White	1,800

"You will note that this group is composed of three Negroes and two whites, Olcott R. Abbott and Edna Wasem.

"Don't you know the white people of Cleveland will enjoy being dominated by them?

"CINCINNATI REGIONAL OFFICE

"Cincinnati seems to be largely under the jurisdiction of the Cleveland office since it only has two people:

"Cincinnati

Incumbent	Title	Race	Salary
James, Harold	Fair-practice examiner.	White	$4,600
	Clerk-stenographer.		1,800

"DETROIT REGIONAL OFFICE

"Now let us move on to Detroit, Mich. Here is the regional office for Detroit:

"Detroit

Incumbent	Title	Race	Salary
Swan, Edward	Examiner in charge.	Colored	$4,600
Sese, Doris K.	Clerk-stenographer.	Japanese-American.	1,620

"You will note that it is composed of one Negro and one Japanese. I know the businessmen of Detroit are grateful for this consideration.

"I should like to hear some of the comments they will make to you gentlemen from Detroit when you get home next summer, if you support this vicious measure.

"REGIONAL OFFICE, CHICAGO

"Here is a list of the regional office in the Windy City:

"Regional office, Chicago

Incumbent	Title	Race	Salary
Henderson, Elner	Regional director.	Colored	$5,600
Gibson, Harry H. C.	Fair-practice examiner.	do	3,800
Schultz, Joy	do	White	3,800
Williams, Le Roy	do	Colored	3,200
Zeidman, Penny	Clerk-stenographer.	White	1,800
Ingram, Marguerite S.	do	Colored	1,620

"You will note it is composed of four Negroes, Joy Shultz, and Penny Zeidman. I am told that a representative of this group went into the office of Swift & Co. and asked how many Negro members they had on their board of directors. The answer was, 'We have no Negro members on our board of directors.' Then the question came back, 'Why haven't you?' This just shows what this supergovernmental set-up is driving at. They want to communize America and destroy everything which our glorious ancestors have left us and for which our boys are now fighting and dying all over the world.

"REGIONAL OFFICE, ATLANTA

"Here is a list of the Atlanta office:

"Regional office, Atlanta

Incumbent	Title	Race	Salary
Dodge, Witherspoon.	Regional director.	White	$4,600
Hope, John	Fair-practice examiner.	Colored	3,800
McKay, George D.	do	White	3,200
Chubb, Sally	Clerk-stenographer.	do	2,000
Ingram, Thelma	do	Colored	1,800

"You will note that it consists of two Negroes and three whites; the most important post in this office, that of examiner, is held by a Negro. I wonder how the people of Georgia enjoy the domination of this group. I may have more to say about them later.

"REGIONAL OFFICE, KANSAS CITY

"Here is the list of the Kansas City office:

"Regional office, Kansas City

Incumbent	Title	Race	Salary
Hoglund, Roy A.	Regional director.	White	$5,600
Ormabee, Eugene	Fair-practice examiner.	do	3,800
Jones, Mildred	Clerk-stenographer.	Colored	1,620
Schlien, Helene G.	do	White	1,620

"You will note that this office force consists of three whites and one Negro. You can read the list of whites yourself and then judge how many of them really represent the people of that area.

"ST. LOUIS REGIONAL OFFICE

"Here is the list of the regional office at St. Louis:

"St. Louis

Incumbent	Title	Race	Salary
Theodore Brown	Examiner in charge.	Colored	$3,800
Morris Levine	Examiner	White	3,200
Armatha Jackson	Clerk-stenographer.	Colored	1,620

"You will notice that it consists of two Negroes and Morris Levine. Just how they came to select these particular individuals to preside over the destiny of the white businessmen of the great State of Missouri I cannot understand.

"REGIONAL OFFICE, DALLAS, TEX.

"The members of the regional office at Dallas are as follows:

"Regional office, Dallas

Incumbent	Title	Race	Salary
Castenada, Carlos	Regional director.	White	$4,600
(Vacancy)	Fair-practice examiner.		3,200
Gutleben, Willetta	Clerk-stenographer.	White	1,800

"You will note there is one vacancy. Last year that position was held by a Negro,

namely, Roy V. Williams. The other two members, Carlos Castenada, the regional director, and Willetta Gutleben seem to be in charge of the office at the present time. This is the regional office that attacked the Dallas News last year for carrying an advertisement for a Negro janitor. This fellow Castenada, the director, held the same position that he holds now. If this set-up is made permanent, then I presume the rest of the white American businessmen in Texas may expect to be harassed just as the Dallas News was.

"REGIONAL OFFICE, NEW ORLEANS

"The regional office at New Orleans consists of the following members:

"Regional office, New Orleans

Incumbent	Title	Race	Salary
Ellinger, W. Don	Regional director.	White	$3,800
Morton, James H	Fair-practice examiner.	Colored	3,200
Ronning, Evelyn	Clerk-stenographer.	White	1,800

"You will note that there are two whites and one Negro in this office. As the Negro is the fair-practice examiner, just what the decent people of Louisiana may expect at the hands of this outfit is something to contemplate.

"REGIONAL OFFICE, SAN FRANCISCO

"The San Francisco office consists of the following individuals:

"Regional office, San Francisco

Incumbent	Title	Race	Salary
Kingman, Harry L	Regional director.	White	$5,600
Rutledge, Edward	Fair-practice examiner.	do	4,600
Ross, Bernard	do	do	3,800
Seymour, Virginia	Administrative assistant.	do	2,000
Marzen, Jewel	Clerk-stenographer.	do	1,800

"This is the only office we have found yet that consists entirely of white (?) people. Just what the background of each one of them is I am unable to say.

"LOS ANGELES REGIONAL OFFICE

"The Los Angeles regional office consists of the following:

"Los Angeles

Incumbent	Title	Race	Salary
Hunt, A. Bruce	Hearings examiner.	White	$5,600
Brown, Robert E	Fair-practice examiner.	Colored	3,600
Lopez, Ignacio	do	White	3,800
Vetter, Vera G	Clerk-stenographer.	do	1,800
Lerna, Marie	do	do	1,620

"You will note that there are four whites and one Negro in this office, the Negro being the fair-practice examiner. I do not know what consideration the white businessmen of the Los Angeles area are receiving at the hands of this group, but from what I can hear there is considerable gnashing of teeth over the situation.

"Mr. Chairman, this FEPC is a supergovernment of commissars, with more power for evil than any other agency that has ever been created in this country. If Congress should ratify it and make it the law of the land, then we will have sacrificed and destroyed that sacred freedom for which our brave men are now fighting and dying on every battle front in the world.

"We have no right to pass such a drastic, revolutionary measure that literally changes our way of life, as well as our form of government, while these boys are away from home in uniform, fighting to sustain American institutions.

"As I said before, we are going to carry this battle against such un-American activities into every congressional district in the United States next year, in the primary, so that no one can crawl behind the party cloak and claim immunity at the hands of any segment of our people.

"This is a battle for the survival of free constitutional government, for the survival of the American way of life, for the survival of free enterprise, for the survival of American liberty itself.

"It is a battle to save America for Americans."

Better Vote Your Ticket Straight

EXTENSION OF REMARKS
OF
HON. EDWARD V. ROBERTSON
OF WYOMING
IN THE SENATE OF THE UNITED STATES

Friday, July 30 (legislative day of Wednesday, July 28), 1948

Mr. ROBERTSON of Wyoming. Mr. President, I ask unanimous consent to have inserted in the Appendix of the RECORD an editorial appearing in the Times-Herald of Washington, on June 27, 1948.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

BETTER VOTE YOUR TICKET STRAIGHT

It seems to us that the Truman-Congress battle has gone on long enough. If resumed in the near future, as it may be at Mr. Truman's instance, the fracas promises to become a bore, and a dangerous bore at that.

We aren't so safe from Russian and other threats that we can afford to have Congress and the President at loggerheads, 1949–51 or 1949–53.

Which is to say that in the next Presidential term we shall badly need to have a Congress controlled by the party to which the President belongs. We shall need either a Republican President and Congress or a Democratic President and Congress.

VOTING FOR A UNIFIED NATION

So our tip to all voters, as a matter of plain common sense and national safety insurance, would be: Vote any ticket you please, but vote it straight, at least as regard the candidates for President, Vice President, Senator(s) from your State, and Representative from your district.

By following that course you will do what you can to make it certain that the United States for a while will have a President and a Congress who can work together for the welfare and progress of the Nation. Split your ticket above the Representative line, and you'll be voting for another dangerous dogfight of the kind Mr. Truman and the Eightieth Congress have been staging for so long.

BETTER VOTE REPUBLICAN

Of course, our further advice would be to vote the straight Republican ticket, from Dewey for President and Warren for Vice President on down to the nominee for your local dog catcher.

We base this attitude on the belief that the Democrats have been in power much too long. They have lost the ability to generate new and dynamic ideas. The only thing they can think of to offer the country is the old New Deal philosophy—much of which we thought good in its day; but its day was long ago.

The Republicans, their wits sharpened and prudence stimulated by 16 years of political hard times, can practically be depended on to give us decent government until they, too, go stale and unproductive and have to be thrown out. Judging from the stamina and brilliance of their present leadership, that will be a long, long time.

As for Henry A. Wallace's candidacy, we think anybody who votes for Hysterical Hank will be throwing his or her vote away, and throwing it in Joe Stalin's direction to boot.

Discount the four preceding paragraphs as propaganda for the GOP if you wish. That's just what they are—though they're honest propaganda.

But the rest of this piece is not propaganda. We think it will be only the hardest common sense next November 2 to ballot for a genuinely United States, by voting any ticket you choose, but voting that ticket straight.

Inflation

EXTENSION OF REMARKS
OF
HON. KENNETH S. WHERRY
OF NEBRASKA
IN THE SENATE OF THE UNITED STATES

Friday, July 30 (legislative day of Wednesday, July 28), 1948

Mr. WHERRY. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article relative to inflation, by David Lawrence, from the Washington Evening Star of yesterday.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

REPUBLICANS SHOWED RESTRAINT IN REPLY TO TRUMAN ON INFLATION—AID BEING SENT TO EUROPE BASICALLY RESPONSIBLE FOR RISING LIVING COSTS

(By David Lawrence)

The country owes a vote of thanks to the Republicans for their self-restraint. If the Republicans had chosen to answer in kind President Truman's political maneuvers in blaming the high cost of living on the Republican Congress, the consequences might have been shocking.

For the Republicans have never made full use of the most potent piece of political argument they could use this year—namely, that if the whole truth were revealed about the high cost of living, it would be discovered that money and materials going to aid Europe are basically responsible for today's inflation.

It would not be difficult to imagine the Republican stump speakers going up and down the country telling the American people they could have more autos and more housing if the steel and other building materials and manpower were not being used to supply Europe under the Marshall plan.

DUE TO ABNORMAL DEMAND

Likewise, if America's exports of goods and farm products were not being subsidized by the American taxpayers, the Republicans could point out that the cost of living would not be so high. Even wage levels would not be as high as they are today if manpower were not short due to the abnormal demand created by the European recovery plan.

On a strictly dog-eat-dog basis in modern politics, the Republicans would have a tremendous argument in an appeal to nationalism. It worked in the 1920s and it probably could bring votes today for the party

out of power. President Truman may, of course, goad the Republicans into that kind of campaign. He took a big risk in blaming the Republican Congress for the high cost of living when everybody who knows the facts is aware that European demand has prevented a deflation this year and actually increased the inflation.

This doesn't mean that there is no basis for some form of Government controls. On the contrary, the sound arguments for such controls have been obscured by the partisan political atmosphere with which the President has enveloped the whole problem. It is unlikely that the Republicans will take lying down the accusation that they alone have been responsible for the rise in living costs.

BOUND TO CREATE SHORTAGE

When a government spends from $12,000,000,000 to $15,000,000,000 a year for armament, it is bound to create a shortage in steel and other materials. This causes building costs to go up because, when products are in short supply, they usually rise in price. To control prices, moreover, doesn't always keep away black markets or encourage increased production.

The only way to cure inflation is to bring a balance between supply and demand. There would have been such a balance this year but for the inflationary action resulting from the European recovery program and the increase in the rearmament program.

But these things were necessary. Both political parties supported the legislation appropriating money for European recovery and for an enlarged armament program. It doesn't behoove the Truman administration now to seek partisan advantage by charging Republicans with the blame for these economic trends.

Maintenance of the bipartisan policy in foreign affairs is vital to the Nation because only a unified country can ward off a third world war. The Republicans have wisely refrained from telling the whole story about the administration's diplomatic blunders in dealing with Russia. And the Republicans have not answered the Truman charges on inflation, as they could, in partisan vein. The Republican statement of policy about the extra session was dignified and restrained. It is to be hoped that the Republicans, though given ample provocation, will not allow themselves to be dragged into the position of attacking European aid as the true cause of inflation. For that might appeal to selfishness throughout the Nation and, in the end, hurt the whole cause of world peace.

The Blue-Gray Game

EXTENSION OF REMARKS
OF
HON. LISTER HILL
OF ALABAMA
IN THE SENATE OF THE UNITED STATES
Friday, July 30 (legislative day of Wednesday, July 28), 1948

Mr. HILL. Mr. President, I have in my hand the Montgomery (Ala.) Advertiser for Thursday morning, July 29, which contains an article under the headline "Blue-Gray game is lauded as major good-will factor." The article speaks of the Blue-Gray game, played in the city of Montgomery, Ala., each December, as an evidence of good will among our people and as an evidence of a unified country. I wish to commend this article, together with an editorial in the same issue of the paper commenting on the article, and call them to the attention of all the people of our country, the people of the North, the people of the South, the people of the East, and the people of the West. I ask unanimous consent to have printed in the Appendix of the RECORD the article, as well as the editorial.

There being no objection, the article and editorial were ordered to be printed in the RECORD, as follows:

[From the Montgomery (Ala.) Advertiser of July 29, 1948]

BLUE-GRAY GAME IS LAUDED AS MAJOR GOOD-WILL FACTOR

Montgomery's own Blue-Gray football game is seen by Drew Pearson, Washington columnist, as one of the ways whereby the North and South could arrive at a better understanding of one another.

Pearson wrote about the game in his Wednesday column in commenting about the present civil-rights uproar and the way Russia is using it to propagandize this and other countries.

In his column Pearson cited the progress that has been made in the South and leaders who are helping cement relationship between the two sections and between whites and Negroes.

Meanwhile, in Montgomery, Champ Pickens, Blue-Gray Association leader, said he appreciated the boost Pearson had given the game and idea behind it.

SHRINE TO BOTH

Pickens said he hoped the entire country would become interested and make the event here a shrine to those who fell on both sides in the War Between the States.

Here's what Pearson had to say:

"The other day I met a man who has been doing his part at better understanding between the North and the South—a gentleman named Champ Pickens, of Montgomery, Ala., who has organized the Blue and Gray Association. He is trying to get folks who followed the Confederate Gray during the Civil War, and those who followed the Federal Blue to get together at least once a year at a football game between the all-star team of the North and the all-star team of the South. He stages the game at Montgomery, Cradle of the Confederacy, and as many northern folks as possible are invited down to see the game.

"Perhaps it might be a good idea for us to stage a lot of things like this—and to think a little more about our own internal problems. We have been giving a lot of thought to friendship abroad—which cannot be neglected—but we must also work at friendship at home—which is equally important.

"For instance, most people don't realize that there is no one memorial day to commemorate the veterans who wore the blue and the gray. Memorial days are sprinkled all over the calendar. While the North sets aside May 30, North and South Carolina set aside May 10, Louisiana, Tennessee, and Kentucky June 3, while Florida, Georgia, Mississippi, and Alabama commemorate April 26.

"Therefore, why not pick one day mutually agreeable to the South and pay tribute not only to the fallen heroes of the past but at that time promote more friendship for the future?"

FOR CIVIC CLUBS

"Also, it might be a fine idea for the Rotary Clubs, the Kiwanis and Lions Clubs, and the junior chambers of commerce, which all do such a good job of promoting worth-while community enterprises, to take up the problems of better understanding between the North and South. If some of the southern clubs invited northern clubs down to their cities, and vice versa, a lot of solid friendship might result.

"I might seem foolish to say that we need more understanding right here in our own country, but the fact is that we do."

[From the Montgomery (Ala.) Advertiser]

TELL HIM ABOUT IT

Today on page 1 is a news story about what a columnist, a syndicated one, wrote for the Alabama Journal yesterday afternoon. That is unusual procedure.

It is an unusual column.

Drew Pearson, presiding officer of a column which has approximately 20,000,000 daily readers and radio speaker to the most Hooperitized of radio audiences is authority of the column.

Champ Pickens went to Washington some months ago to talk to Mr. Pearson. His mission was the biggerment and betterment of the Blue-Gray celebration which he breech-birthed in 1938. Mr. Pearson listened attentively and later called Champ back for a second visit.

Champ did a fine missionary job as is attested by Mr. Pearson's column. There is more to this than meets the eye, of course, and if the citizens who are pleased with what Mr. Pearson has written will communicate their pleasure to him by telegram, letter, or post card, all will be well.

Young Republicans

EXTENSION OF REMARKS
OF
HON. WILLIAM E. JENNER
OF INDIANA
IN THE SENATE OF THE UNITED STATES
Friday, July 30 (legislative day of Wednesday, July 28), 1948

Mr. JENNER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article entitled "Young Republicans," by Raymond Moley, from Newsweek for June 28 last.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

YOUNG REPUBLICANS

(By Raymond Moley)

While the cheers ring out for the great and notable in the Republican Party and while that party is warm in anticipation of victory, let us turn the page to a little-known soldier of the party's long march through the desert.

Back in early 1936 when, as Gov. Dwight Green said in his keynote, the party in disaster after defeat was literally "driven back to the county line," Richard Nowinson, in his twenties, started a little magazine called the Republican. It was a daring venture supported by little except the idealism of its youthful editor. When the initial copy, published in Chicago, came to this desk, it was an eyebrow raiser. Political magazines had long been out of date, and their history had been marked by failure. Moreover, this was a period dedicated to the fortunes of no rising party but to an old and badly battered one.

But there was no wish in Dick Nowinson's mind to glorify the old and reactionary. He believed in two-party government at a moment when the trend seemed to be going toward one-party, one-man governments everywhere, except in the British Commonwealth.

Nowinson says that his project rested on a few simple propositions: that millions of voters still shared the early ideals of the Republican Party; that basic Republican principles needed restatement in the light of new conditions; that there was no unity of principle in the old party; that millions of young men and women were coming of age who could only dimly remember a Republican President.

The polls showed that the GOP failed to interest young people. The pied pipers of the New Deal were playing the tune of a brave new world. The GOP was billed as an old man's party.

The Republican won new interest in the party as it struggled along. It contributed to a better-informed party membership. It told party leaders what the people in the ranks were thinking. It told the rank and file what their leaders were like. It helped crystallize policy in Nation and State.

Later, when strong Republican governors began to appear, the magazine told of their achievements. And as the Republican membership in Congress grew, it offered information about what it was doing.

Nowinson has been doing all this constructive work with little material return. After 12 years, he still labors with undiminished faith in his little offices in Chicago. He has the satisfaction of traveling with the forward-looking members of his party back from the "county line" to the shadow of the White House. He deserves support, for his job is just beginning. The Republican Party not only needs watching in victory, but it needs direction, interpretation and advice.

The present and prospective ascendancy of the party is a tentative sanction. It is based upon a widespread reaction against the administration now in power. The war and only the war spared Roosevelt from that reaction. Truman is getting the full force of accumulated dissatisfaction, plus plenty of additional exasperation which he himself has caused.

Millions of young people are going to enter the Republican Party with reservations. They want to believe the promises of the spokesmen and the platform of this convention. They want the invigorating atmosphere of economic freedom, of a more efficient public service, relief from obtrusive and scolding authority, a smarter, more effective diplomacy and constructive action concerning the cost of living. Their tentative vote of confidence can be reviewed. It can even be withheld if the campaign bogs down.

These young voters want no tribal tub thumping and mystic incantations from those old Republican medicine men who prevailed in the days of normalcy. There were occasional and rather ominous signs in Philadelphia that those relics conceived this to be the year of personal resurrection. Victory, however, will depend upon youth.

More voters have come of age since Nowinson started out than all those who voted for Hoover and Smith 20 years ago. They want a change, but the right kind of change.

Our Irredeemable Paper Money

EXTENSION OF REMARKS

OF

HON. FREDERICK C. SMITH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 29, 1948

Mr. SMITH of Ohio. Mr. Speaker, it is a genuine privilege to insert in the RECORD an article taken from Human Events and which was written by our colleague Mr. BUFFETT. This deals with the most important subject before the Nation, namely, that of money. It goes straight to the heart of the matter. Only when the principle which he expounds dominates the thinking of our national lawmakers will there be hope of reversing the trend toward tyranny and restoring to the individual citizen the liberty which made America the greatest nation on earth.

OUR IRREDEEMABLE PAPER MONEY

(By HOWARD H. BUFFETT, Representative, Second District of Nebraska)

"Of all the contrivances for cheating the laboring classes of mankind, none has been more effectual than that which deludes them with paper money."—Daniel Webster.

I

When the United States Government deliberately abandoned the gold standard in 1933, and officially repudiated its solemn pledge to redeem its bonds and paper money with gold, little notice was accorded the protests against this arbitrary action. Neither the unprecedented immorality of repudiation nor the resort to printing-press money seemed to disturb the American people.

Public faith in our money system rested on a long heritage of sound money freely redeemable in gold. But no significant immediate effect on the domestic purchasing power of the dollar took place. Clever propaganda, appearing to the patriotic instincts of the public, effectively offset or silenced the voices of those who spoke about the inflationary perils of irredeemable paper money.

Now, 15 years have passed. The evil consequences of that dishonorable action are beginning to make themselves felt, though the cause is still not understood. The ordinary consumer has become painfully aware of a continual and relentless rise in the cost of living. The citizen interested in public affairs is beginning to voice a suspicion that neither party any longer possesses the ability and integrity genuinely to bring Government spending under control. The disciple of human liberty is alarmed at both the steady expansion of bureaucracy and militarism, and the growing public enthusiasm for state intervention in all human activities. We are slowly becoming enmeshed in all the economic, political, and moral consequences that always ultimately follow the resort to irredeemable paper money.

II

Lenin is reported to have said that the surest way to destroy the capitalistic system is to debauch the currency. By expanding the money supply with irredeemable printed paper, government can steadily confiscate, secretly and unobserved, the savings of the people. This process generally known as inflation, amounts to legalized robbery of humble and trusting people by the very agency (government) that supposedly protects them from spoliation.

In the United States, the unrestrained Government issuance of bonds and currency since 1933 has cut in half the purchasing power of every life insurance policy, savings bank deposit, Government bond, or other fixed dollar obligation. Those who have been thrifty; those who have responded to the official appeal to put their earnings into savings bonds; those who have tried to lay away a frugal nest egg for their old age; all have taken a cruel loss. Lenin was certainly prescient.

While Government spending steadily dilutes the value of paper money, the resultant inflation brings a train of other evils. With taxes high and money deteriorating, shrewd people are constrained to spend their energies less on productive activity and more in shifting their capital assets into real property. Speculators who really understand inflation can always roll up immense profits.

When the great eighteenth century fiat money inflation in France collapsed, the crushing loss fell on the shoulders of working people who had neither the foresight nor the means to protect themselves. When the inflationary bubble burst and the outstanding paper money became entirely worthless, it was discovered that the great bulk of it was in the hands of humble folk. A similar consequence resulted during the disastrous mark inflation in Germany in the 1920's.

Governmental fraud undermines both public morale and private morals. When those in control of the destiny of the nation break its solemn pledge and gloat over that repudiation, as was done in 1933, it is a national disgrace. It is more than disgraceful when the President urges the people to "buy savings bonds to fight inflation" and money thus collected is then used to prop up high prices, as in the case of the recent Government million-ton purchase of sugar. Somehow and some day the trusting people who respond with their savings to such official appeals will discover the trickery of which they are the victims.

III

The day-by-day news is giving the American public a continuous and vivid portrayal of the frightful consequences of irredeemable paper currency emissions, now usually disguised under the soothing label of "managed currency" systems.

In one country after another, since VJ-day, we have witnessed a relentless rise in prices as the confidence of the populace in paper money first slowly, then rapidly, evaporated. While the ravages of war are a primary cause of Europe's troubles, yet wherever the governments have met their financial needs with the printing press, their basic ills have deepened and recovery has been retarded.

Despite the warning portrayed by the continuous drama of currency depreciation abroad, and inflationary development at home, American officialdom pursues a policy that might charitably be called "watchful waiting." Instead of vigorous and courageous efforts to restore a sound money redeemable in gold—before public uneasiness over our paper money results in a general flight from currency, bank deposits, and other dollar promises—our supposedly responsible leaders sit with folded hands, or demand economic narcotics like price control.

In their 1948 political platforms, both major parties vigorously denounce inflation and high prices. Each pledges itself to halt the continuing rise in the cost of living. Yet neither party even mentions the only final cure for monetary inflation—a restoration to Americans of the right to own gold and to have paper money redeemed in gold.

It is hard to believe that the men entrusted with the financial welfare of this Nation follow a pattern that runs counter to all the teachings of history. Yet the record shows that all efforts to legislate or decree monetary values by governments have ultimately failed disastrously. Why, then, should anyone believe that the present attempt to defy natural economic law can succeed?

Apologists for the American experiment in irredeemable paper money claim "our system is different." They point to the Government gold stocks at Fort Knox and solemnly assert that this $23,500,000,000 gold hoard gives ample security and backing to our currency. What they neglect to mention is that the Fort Knox gold is not obtainable by Americans in exchange for paper dollars. Only foreign holders of dollars can step up to the American Treasury and secure gold in exchange.

Perhaps these advocates of managed currency should be reminded of the comment of Sir Isaac Newton when he was asked by British Treasury officials why the British money unit, the pound, had to be a fixed quantity of precious metal. Why did it need to be of metal at all, since paper currency was already publicly accepted? Why could not notes be issued without ever being redeemed? Newton, a mathematician, replied: "Gentlemen, in applied mathematics, you must describe your unit."

Today American paper-money units, with the exception of a relatively small quantity

redeemable in silver, would be difficult to describe. A $20 Federal Reserve Note carries on its face this inscription: "The United States of America will pay to the bearer on demand $20"; $20 in more paper.

If those who have promoted irredeemable paper money in America believe in a Government-managed economy, then it is easy to understand their attitude. For inconvertible printing-press money is a basic requirement of a totalitarian economy. Automatically the opportunity of the individual to earn or preserve his independence is eliminated.

IV

Despite coolness from Treasury and banking interests, several bills have been introduced in Congress to restore the gold standard. My own proposal, H. R. 5031, would provide a return to the free redemption of paper money in gold at an early date. It proposes the minting of gold coins based on the present price for gold, $35 per ounce, and the elimination of restrictions on the private ownership of gold.

Although the task of restoring honest money in America is not easy, it will never be less difficult than now. Gold is still coming into the Treasury in substantial amounts, and the ratio of our gold stocks to money in circulation is higher now than during many years prior to 1933. As after the Civil War, "The way to resume is to resume."

Admittedly, the hurdles created by the fantastic increase of money in circulation, bank deposits, and Government debt cannot be lightly brushed aside. Neither can the ticklish political aspects of this problem be ignored. The end of the present inflationary boom will most surely cause unpleasant economic repercussions. Both major parties are carefully avoiding any action that might enable the opposite party to pin on them the blame for its termination.

But intelligent political understanding and action is imperative. Perhaps the answer is a bipartisan approach. Nowhere in public affairs would it be more reasonable, for all American citizens, excepting only speculators and profiteers, have a common interest in the reestablishment of sound currency, and the problem must be solved in accordance with economic principles having no allegiance to political parties.

The American heritage of an honest money redeemable in gold was not given to this generation to squander. It was entrusted to our hands as custodians. Unless restored, we shall be recorded by history as faithless, both to our ancestors and our posterity, for the blessing of this land of liberty and its unparalleled achievements are intimately connected with the right of the individual freely to obtain gold in exchange for the fruits of his labors.

"The King's 'Orses"

EXTENSION OF REMARKS

OF

HON. ROY O. WOODRUFF

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 29, 1948

Mr. WOODRUFF. Mr. Speaker, under leave granted to extend my remarks in the RECORD, I include the following press release issued by Hon. Samuel B. Pettengill on July 29, 1948:

"THE KING'S 'ORSES"

The impending nationalization of horses in Great Britain has provoked the following letter from Mr. Leonard B. Smith to the New York Herald Tribune:

"The editorial in your issue of May 24 entitled 'The King's 'Orses' is good as far as it goes, but it really amounts only to a feeble start on the road to utopian equality, justice, and happiness. Nationalization of all horses is only a first step. An act of Parliament should be passed declaring that all race horses are equal to each other, and also that all truck horses are equal to race horses, and providing severe punishment for any reactionary bourgeois who should at any time dispute either of these two fundamental principles. Then the antitrust laws, the income-tax laws, and the labor laws should all be made applicable to horses.

"Any horse which wins a race by running faster than the other horses should be severely punished and barred from all future races, and the winnings of the race should be taken from him and distributed among the underprivileged horses which did not run as fast as he did. A law should be passed providing that all races shall be dead heats, and that any horse which runs so fast that the other horses cannot keep up with him shall be taken out of the race and immediately gelded so that he shall never be able to procreate any more horses having such antisocial tendencies."

This is something the man in the street can understand. It takes the whole socialist dogma apart.

The rise and fall of horses is one of the stories of socialism. Beginning a hundred years ago, British horses, cattle, and sheep became prize animals. They were sent as breeding stock to America, Canada, Australia, all around the world.

Until a century ago, they had been runts, stunted and dwarfted. Grown oxen were no larger than a good sized calf today. It took a dozen to pull a wooden plow. The fleece of a single sheep often weighed less than 2 ounces.

Because not enough hay was grown, most of the animals were killed at the beginning of winter. The result: not enough manure to keep up the land. Another result: no fresh meat in winter. The only meat was pickled in salt brine. Result: nearly everybody suffered from scurvy.

The animals ran down; men ran down; England stood still for centuries. Nearly every year there was famine in some parts of the country.

Why? Because Britain had a species of socialism. All pasture land was used in common. All kinds of "diseased scurvie cattel" mingled with the sound animals and infected them. There was no incentive to an individual owner to breed up his animals.

But about the time of the American Revolution, individualism in British agriculture began to gain ground. A series of laws, the "Enclosure Acts," were passed, permitting British farmers to fence in their meadows and pasture lands. They then had an incentive to breed up their herds and English horses, cattle, and sheep became prize animals. That was the end of scurvy and starvation.

Now the Socialists are returning to the socialism their sturdy forebears rescued England from. The dog returns to its vomit.

SAMUEL B. PETTENGILL.

Counting of Electoral Votes

EXTENSION OF REMARKS

OF

HON. HENRY CABOT LODGE, JR.

OF MASSACHUSETTS

IN THE SENATE OF THE UNITED STATES

Monday, August 2 (legislative day of Wednesday, July 28), 1948

Mr. LODGE. Mr. President, I ask unanimous consent that three newspaper articles dealing with the subject matter of Senate Joint Resolution 200 be printed in the Appendix of the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the New York Times of July 19, 1948]

"ELECTORAL SYSTEM MAY HELP BOLTERS—DEPRIVING TRUMAN OF ELECTORS IN SOUTH AND WINNING 150, THEY HOPE FOR A DEADLOCK"

(By Samuel A. Tower)

WASHINGTON, July 18.—The emergence of a rump movement of southern Democrats giving allegiance to States' rights candidates for President and Vice President focused attention today on the electoral system under which a body of electors from the several States, rather than the popular vote, governs the election to these high offices.

The electors chosen by the States, known collectively as the electoral college, are the intermediates for whom the people vote in Presidential elections. After the election, the State electoral colleges assemble and cast their ballots for the Presidency and the Vice Presidency. These ballots are forwarded to officials in Washington and are opened and counted on January 6 in the presence of both Houses of Congress.

If no one candidate for the Presidency has a majority, or in the case of a tie, the decision rests with the House of Representatives, with each State having one vote, regardless of area or population.

No provision has been found in the Constitution covering failure of the House to elect a President. The States just keep on balloting until one is chosen.

Although there has been a tacit understanding, by prevailing custom accompanied by pledges from electors, that the State electoral colleges chosen by the popular majority would cast their ballots for the candidate carrying the State, there is nothing in the Constitution or in any judicial ruling to compel electors to vote for that candidate or to bar them from voting for any individual of their choice.

The southern Democratic bolters, who in convention at Birmingham yesterday nominated Gov. J. Strom Thurmond, of South Carolina, for President and Gov. Fielding L. Wright, of Mississippi, for Vice President as the ticket of "the true minority party" opposing civil-rights action by the Federal Government, made it plain that they were hoping to obtain about 150 electoral votes.

In the sectional strife in the Democratic Party, the southerners have repeatedly warned that a strong plank in the platform on civil rights would touch off a drive in the Southland that would have as its objective not only the prevention of President Truman's reelection but, in the event of anything but a landslide for the Republicans, the necessity of throwing the election into the House where the southern bloc might be able to be the decisive factor.

The southern opponents of President Truman appear at present to be able to count on only the score of electoral votes from Alabama and Mississippi, whose electors already have been instructed to cast their ballots for a candidate other than President Truman.

They were bidding, however, for the votes from Arkansas, Louisiana, Tennessee, Georgia, Florida, South Carolina, North Carolina, Texas, and Virginia, and from such fringe areas as Missouri, Kentucky, Delaware, and Oklahoma.

CHANCE OF ELECTORS SWITCHING

While it was yet too early to estimate the extent of the southern revolt, especially with some of the States from the solid South still to pick their electoral slates, from a legalistic point of view there remained the possibility that President Truman could carry some of

these States and still be deprived of their electoral votes.

In 1796, in this country's first contested election, three electors who were chosen to vote for Thomas Jefferson voted instead for John Adams. President Adams was elected by an electoral vote of 71 to 68 so that Jefferson, in effect, had the election snatched from him.

In 1824 an elector ignored the popular mandate of his State and as recently as 1912 there occurred in South Dakota a situation bearing some analogy to the present.

The State's delegation to the Republican National Convention walked out before President Taft had been renominated and its electoral selections announced that if chosen they would cast their ballots for Theodore Roosevelt, that year a rump Republican candidate on the Bull Moose ticket. No Roosevelt electoral slate had been designated.

The South Dakota voters, although forewarned, selected the Republican electoral slate over the Democratic and the State's votes were cast for Theodore Roosevelt without any challenge of impropriety.

In many States the names of the national convention nominees do not appear, only the names of the electors. In view of the autonomy of electors under the present system, even if the regular dominant Democratic organizations were to prevail in some Southern States over the independent ticket, the electors could still feel free to cast their ballots for a Presidential choice whom they regarded as a reflection of State and southern interests.

As a result, if the contest outside the South were to prove close, the southerners hope still to be able to block the election of Mr. Truman and by forcing the Presidential election into the House, obtain a veto on the candidates for President.

POPULAR ELECTION PROPOSAL

The possibility of another election being decided in the House again puts the spotlight on a constitutional amendment providing for the direct election by the people of the President and the Vice President.

This amendment, predominantly sponsored by Senator IENRY CABOT LODGE, JR., Republican, of Massachusetts, and approved by the Judiciary Committees of the Senate and House, would provide for popular voting for the Presidency and Vice Presidency and, while retaining the electoral-vote system, would eliminate its unit rule so that the electoral vote would be divided in exact ratio to the popular vote.

The proposed amendment would eliminate not only elections by the House but also all the archaic defects and evils of the present electoral college system, which have been condemned by students of Government as undemocratic, unsound, and unworkable.

Elections decided by the House of Representatives have been surrounded by charges of fraud and political chicanery and have been fraught with the danger of civil strife.

HISTORICAL CHOICES MADE

The first of these and probably the most important from a constitutional point of view was that of 1800, when Thomas Jefferson and Aaron Burr, both from the same party, each received 73 electoral votes. In those days the candidate with the largest number of electoral votes was elected President and the runner-up Vice President. In the balloting by States Jefferson finally got 10, Burr four, and two were not cast.

As a result of this deadlock, the twelfth amendment was added to the Constitution, providing for separate ballots for the President and Vice President.

In 1824 the Democrats split, with the Southerners dividing their support among three candidates: Jackson of Tennessee, Clay of Kentucky, and Crawford of Georgia.

Then the country had the election of its first minority President, when John Quincy Adams was chosen by the House after Jackson, the leading candidate, had failed to get a majority in the electoral college in what was widely regarded as a defiance of the popular will.

The South also played an important role in the disputed Hayes-Tilden election of 1876, when Hayes received 185 electoral votes to Tilden's 184.

With three electoral slates from Florida, Louisiana, and South Carolina, along with Oregon, contested between the Democrats and Republicans and with Congress divided between a Republican Senate and a Democratic House, the decision was left to an extraconstitutional electoral commission which decided that the Republican electors were the ones legally chosen.

DEFECTS OF SYSTEM IN PRACTICE

The framers of the Constitution rejected the concept of popular election of the Executive through fear of an uniformed electorate and adopted the electoral college as a council of the ablest men of the country, exercising independent judgment.

Contrary to their expectations, political parties developed so that the concept was never an actuality. By the third election, in 1796, electoral votes were scattered among 13 candidates and the original theory was no longer even a pretense.

Under the Constitution State legislatures were permitted to determine the method of choosing electors and started to select them directly until the late 1820's when the people gained popular choice of electors.

Among the other criticism of the electoral system are the disenfranchisement of the minority voters of a State and the distortions between the electoral and the popular vote, which in some cases have resulted in election of candidates who lacked a popular majority.

Further it is contended that the system restricts the field of potential Presidential candidates to residents of States with large electoral blocs.

It is also maintained, that the system invites and encourages building up small, organized minority groups in pivotal States. In 1884, for example, Cleveland got 1,000 more than Blaine in the State of New York and a change of 600 votes in the State would have elected Blaine President.

EFFECT OF UNIT RULE IN SOUTH

It has sometimes been contended that under the unit system of casting electoral votes the South carries more weight than it should and that a substantial number of Republican votes are wasted there.

In the electoral college the 10 States of the Solid South have 115 votes out of a total of 531, broken down as follows: Alabama, 11; Arkansas, 9; Florida, 8; Georgia, 12, Louisiana, 10; Mississippi, 9; North Carolina, 14; South Carolina, 8; Texas, 23; and Virginia, 11. The border States, often allied with the South, have 64.

[From the Hartford (Conn.) Courant of June 30, 1948]

"THE LODGE PLAN"

It could be that the 1948 Presidential election may be the last in which the electoral college will function as it has since the adoption of the twelfth amendment to the Constitution. For, if the Republicans win in November, they will probably start the machinery for an amendment to give effect to this plank in the platform they adopted last Wednesday: "We favor a revision of the procedure for the election of President and Vice President which will more exactly reflect the popular vote."

When Senator HENRY CABOT LODGE, JR., chairman of the committee on resolutions, read that plank to the convention he knew what procedure he favors. For the Senate had before it when it adjourned Mr. LODGE's plan to have the electoral college reflect the popular vote. It would divide the electoral votes of each State proportionately among the Presidential candidates according to the popular vote each candidate received. Take a hypothetical case: A State has 10 electoral votes. In the election candidate A gets 100,000 votes; candidate B 50,000; and candidate C 50,000. Of that State's electoral vote candidate A would get one-half, or 5 votes. Candidates B and C would divide equally the other 5 electoral votes. Thus, in the election of a President those persons who had voted for B or C would not be disfranchised in the electoral college as now. Their minority proportion would be added to the electoral votes for their candidates in other States where they might be in the majority. Actually, in a two-candidate race for the Presidency, it would be impossible for the candidate with a minority of the popular vote to have a majority of the electoral college vote. That has happened on two occasions since the Civil War.

The Lodge plan is an admirable compromise between the prevailing procedure and an out-and-out popular vote taken Nationwide, as some persons advocate. It preserves the identity of the States without doing violence to the popular will. It may seem a bit cumbersome at first glance. And unquestionably the law will have to make allowance for fractional parts of votes or a State could lose one vote in the electoral college.

About the only difficulty it will cause will be to the political dopesters. They will not only have to guess which candidate will carry a State, but by how much, and what the total vote may be. That, however, will only add to the merriment. Guessing election results is their dish, and how they enjoy it. The more complicated the process, the better they will like it.

[From the Washington Daily News of June 29, 1948]

"NATIONAL AFFAIRS"

(By Thomas L. Stokes)

WASHINGTON, June 29.—The Republican convention in Philadelphia opened up the question of a long-overdue reform by one sentence in its platform:

"We favor a revision of the procedure for the election of the President and Vice President which will more exactly reflect the popular vote."

This was timely and appropriate for, during the last Congress, such a proposed reform by constitutional amendment was approved by the Judiciary Committees of both House and Senate and reached the calendar, though failing of final action. It was sponsored jointly by a Republican and a Democrat—in the Senate by Senator HENRY CABOT LODGE (Republican, Massachusetts) and in the House by Representative ED GOSSETT (Democrat, Texas). Consequently endorsement of such a reform in principle in the Republican platform might very properly be followed by endorsement in the Democratic platform at the forthcoming Philadelphia convention. That would put it in a favorable legislative spot in Congress.

Senator LODGE's influence was seen in approval of the reform by the Republicans. He was chairman of the resolutions committee that drafted the platform.

The Lodge-Gossett proposal calls for abolition of the electoral college as such, though retaining the electoral vote, and for substitution of what would amount to popular election of President and Vice President. This would be done by giving to each candidate in each State the proportion of the State's electoral vote represented by his percentage of the vote in the State. For a simple example, if the vote of Ohio were divided 60–40 between the two major parties, then

the candidates, of one party would receive 15 electoral votes, the other, 10 electoral votes. As it is now the candidate who gets the majority of votes gets the whole electoral vote of a State—in Ohio, for instance, all of the 25 electoral votes.

While the need for such a reform long has been recognized to avoid what already has happened three times in our history, that is, that the candidate with the smaller popular vote has become President through the existing electoral system, there are other persuasive reasons which are dramatized at this very time.

One is the situation in the South growing out of resentment over President Truman's civil-rights program. That has provoked proposals that a State committee be given authority to order the whole electoral vote of a State cast against the President, no matter what his popular vote may be. That would be impossible under the Lodge-Gossett reform.

Another healthy effect envisaged in the South would be encouragement of a real two-party system in that section. By making it possible for Republicans to get credit in electoral votes for the minority of votes they always poll in the South it would be worth while to vote the Republican ticket there, for Republican votes would count. Senator LODGE says this would probably induce Republican candidates to campaign in the South.

A characteristic generally of our politics this year is tension over issues. This very likely will produce an intense and exaggerated appeal to minority groups, particularly in the large States where they are centered. The campaign will tend to be concentrated in such States. This invites not only arousing of prejudice, but also actual corruption, as has been demonstrated in the past. The change in the electoral system would minimize the importance of the large States in elections.

Also, the proposed reform would give electoral representation to independent and third parties if they are sufficiently strong in certain areas. In 1924, for example, the late Senator Robert M. La Follette, of Wisconsin, who polled just under 5,000,000 votes, would have been credited with far more than the 13 electoral votes which he got for carrying his own State. He ran second to President Coolidge and ahead of the Democratic candidate, John W. Davis, in 10 other States west of the Mississippi. A showing of that strength in electoral votes widely scattered over the West reflecting the discontent in that area, might of itself have had a moderating influence on Republican Party policy thereafter. As it was the GOP old guard capitalized the so-called Coolidge landslide in a course that ended inevitably in economic collapse that had its origin in distress in the farm areas.

Similarly, a real electoral count on the basis of popular votes for the Wallace third party ticket this year might have its effect.

It is at least helpful that the change to a popular-vote system has been projected for thinking and discussion.

It's '76 in Israel

EXTENSION OF REMARKS

OF

HON. HELEN GAHAGAN DOUGLAS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 29, 1948

Mrs. DOUGLAS. Mr. Speaker, under permission to extend my remarks in the RECORD, I wish to include an article by Quentin Reynolds entitled "It's '76 in Israel," which appears in the August 1948 issue of the Woman's Home Companion.

This article gives the American reader one of the most significant pictures of day-to-day family life in Israel and is an excellent portrayal of the birth of the newest democracy—Israel:

TEL AVIV, ISRAEL.—Leah had brought an armful of flowers in with her and when she put them in vases the vivid red of the hibiscus and the deep blue of the cornflowers brightened the room and gave it a festive air. Leah Unna had been working in the fields since 6 that morning. Now she had changed into a neat blue dress with white trimming and had tied a blue ribbon around her tumbling dark hair. Her husband Zeev Unna came in and her eyes lit up for a moment; then she took the gun from him and placed it on top of a tall wardrobe.

Zeev laughed and said earnestly, "She is always afraid the children will get hold of the gun. But I always take the bullets out before I come home."

Zeev Unna ordinarily works in the fields here at the agricultural settlement known as Givat Brenner (Brenner Hill), but times are difficult and he is now one of those picked to guard the community. Palestine is now the nation Israel, and it has a formal army and police force of its own. But things are not tranquil as yet, so Zeev has to spend 2 days as guard. He farms the rest of the week.

Today was a special occasion. His 7-year-old daughter Tamar was to come out of the hospital and that was why Leah had brought the flowers in from the fields. "Tamar only had a cold," Leah explained in precise English, "but they kept her there 4 days and we couldn't see her. We might have caught it and passed it on to Gad."

There was a squealing outside and then the room was full of Tamar and Gad and they were hurling themselves at their mother and dark-eyed Tamar was telling of the chocolate they'd given her in the hospital and Gad, like any 4-year-old boy the world over, was climbing all over his father. The Unna family was at home and reunited. They would stay reunited until it was time for Tamar and Gad to go to the children's dormitory where they sleep each night.

Life in an agricultural settlement in Israel seems hard to an outsider but Leah and Zeev only look puzzled when you mention it. To them life is full and exciting and the work in the fields is work they have chosen for themselves because both have a great love for the land. Leah came from Germany as a child. Zeev left his native Hamburg when he was 16 to find his destiny in Palestine. And he found it here at Givat Brenner, which is only 30 miles from Tel Aviv.

Leah sent the children out to play and we sat down over coffee to talk of life as lived by a typical farming family. Givat Brenner is the largest communal settlement in Israel. It is a community of a thousand people and all but the children work, either on the land or in the factory which cans the tomatoes and the fruit which is grown by the settlement. In every sense the settlement is communal—but it is not at all communistic.

"But we are not much interested in politics," Zees Unna laughed. "We have our work and our children and sometimes we go on a holiday. These are our main interests."

The day begins early for the Unna family, as it does for everyone in the settlement. They are up at 5:30 and after breakfast in the huge community-operated dining hall they go to the fields. Once these hundreds of acres were desert, but the land wasn't dead; it was merely asleep. It needed only irrigation and fertilization and when these were supplied the land became fertile. Today there are trees heavy with oranges and lemons and endless rows of tomato plants, carrots, beans, and acres of wheat. Zeev and Leah have grown up with this land and have watched it change and their pride in it is intense.

At 11:30 each morning, work stops for an hour. Lunch is brought to those who are working in the more distant fields and the others again meet in the dining hall. All morning Tamar and Gad are at school. Gad is still in kindergarten. Tamar, with the older children, is learning reading, writing, and arithmetic and also English, which is taught in all the schools of Israel. When a child is 13 he starts to learn a trade. At Givat Brenner he usually learns farming, but some children are taught blacksmithing and others are taught to be mechanics. Nearly all remain to work at Givat Brenner, although some occasionally leave to find industrial work in Tel Aviv or Haifa.

"But we are farmers at heart," Zeev said earnestly. "We never could have survived and made Israel a nation had it not been for the land. Leah and I hope that our two children will stay here and work on the land as we are doing. We feel we are contributing something to the country when we look at our crop each season."

It is only when the day's work is done that Zeev and Leah see their children. Children of the settlement all sleep and have their meals in a separate house. But this separation seems to increase rather than diminish the affection between children and parents. And there is always Saturday to look forward to. On Saturday Zeev and Leah have the two children to themselves. Sometimes they pack a picnic lunch and take them to the orange groves for the day. And occasionally Zeev takes his family to the beach in Tel Aviv for an outing.

"We have everything anyone could ask for," Leah said earnestly. "We even have a radio."

"Yes," Zeev said with a laugh, "during the war I joined the British Army. For the first time in many years I had money in my pocket. So after I was demobilized I bought a radio. However, I was glad to come back here where I belong."

The people of the community-run settlements do not draw wages. Each year Zeev and Leah are allowed 2 weeks' vacation and they are given $64. Usually they take the children to the seashore. They always stop at the homes of friends so the $64 is ample to cover their expenses. During the rest of the year they have no need for money.

"What would we do with money?" Zeev asked. "If Leah or I need new clothes, we go to our group-owned store and get them. If we want some chocolate for the children, we have only to ask for it. All of our food is given to us. No, we don't work for money."

At Givat Brenner and at the other group settlements the output of fruit and vegetables is higher than it is on the farms owned by individuals. Every economic report has shown that to be a fact. People like Zeev and Leah have an intense love for their country and a fervent sense of gratitude to it. Had it not been Palestine, it would undoubtedly have been the gas chamber or the crematorium. When they work 9 hours a day 6 days a week, they feel that in a small measure they are paying a debt to the country which gave them asylum.

"I have an uncle in America," Zeev said, smiling. "He writes me quite often. He told me he had read in an American paper that our settlements were communistic. This is really foolish. Here we have complete political freedom. We think as we wish and talk as we wish. Each year our settlement makes a profit. We elect a director and a council each year and they decide what to do with the money we have earned. Last year we built a moving-picture theater, and we have pictures every week. Each year we improve our hospital and our chil-

dren's house, and build additional barracks for those who come from abroad."

"There is another thing." Leah brushed the dark hair back from her forehead. "We can leave whenever we wish. If we wanted, Zeev and I could move to Tel Aviv and get work in factories or offices. We have complete freedom to do as we wish. But this is the life we have chosen, and we are content."

The two children tumbled into the room again, each carrying a piece of chocolate. Could they have it now or would they have to wait until after supper? Leah tried for a moment to be stern but she ended by laughing and saying, "You may have it now." And when 4-year-old Gad gravely asked his father to share his piece of candy you knew by the smile on Zeev's face that he was indeed very very content.

Zeev and Leah are typical citizens of the community-operated settlements. There are 150 such settlements and about 25,000 men, women, and children living and working in them. I have been to a dozen settlements and every family seemed activated by the spirit shown by Zeev and Leah. They have dedicated their lives to the land and their compensation is complete happiness and an inner satisfaction in knowing that they are helping to build a nation. Patriotism is not an idle word in Israel; it is a living force in the hearts of the people. The citizens of the world's newest nation have shown that they are willing to die for their country; they are also willing to work for their country and to prepare it for the tens of thousands of immigrants who are expected within the next year.

The family of a typical white-collar worker in Tel Aviv or Haifa or Jerusalem lives an entirely different life from that of Zeev and Leah Unna. The one thing the city dweller has in common with the farmer is his love for his new country and his desire to see thousands and thousands of others come to enjoy its benefits.

Come along and meet such a family in Tel Aviv, which is a white gleaming city on the sea. For the last several months Tel Aviv has been in a sense a beleaguered city. Hundreds of its citizens have been killed by Arab snipers shooting from mosques and other vantage points in adjacent Jaffa. From the day Israel became a nation Egyptian dive bombers began periodic visits but the citizens of Tel Aviv, much like the citizens of London in 1940, refused to allow war to disturb either their calm serenity or the routine of their daily lives.

Dr. and Mrs. Wolf Cegla and their 13-year-old son, Michael, are a typical Tel Aviv family. Wolf Cegla came from Germany in 1936. He was a lawyer in Berlin, but there were plenty of lawyers in Tel Aviv, so he went to work for an importing firm. Like most businessmen in Tel Aviv, Wolf Cegla and his family speak English. I first met him at the regular luncheon of the Tel Aviv Rotary Club.

The conversation after luncheon was about what you would hear at a Rotary Club luncheon in Glens Falls, N. Y., or Sioux City, Iowa. There was one slight difference. Attorney Saul B. Sasoon, president, expressed his regrets that the Arab members of the club were unable to attend. At the moment the Haganah was attacking Jaffa and most Arabs had fled the city. Sasoon was not being ironic in his expression of regret; a quarter of the Tel Aviv Rotary Club members are Arab businessmen and on excellent terms with their Jewish colleagues. Incidentally, next year's president will be an Arab textile merchant, Assad Effendi.

Wolf Cegla chatted about finance to Herman Ellern, president of the bank; listened to Solomon Tolkowsky of the city's control board discuss the export of oranges; laughed at the quips of Ralph Kaplan, school principal and secretary of the club. Jacob Ben Sira, city engineer, talked of plans for enlarging the port and Alex Rygens talked wittily and intelligently of the problems of a businessman in a city under fire. Brilliant Issac Chizik, government expert on Arab affairs, discussed the difference between the Arab of Palestine and the Arab of Iraq or Transjordan. It was good conversation among the substantial citizens of a healthy thriving community.

I met Wolf Cegla a few days later entirely by chance. Cegla is a big smiling man who looks older than his 39 years, but some of them have been hard years. His apartment is on Hayarkon Street, which overlooks the Mediterranean. Cegla was on his way home for lunch when I met him and he asked me to join him. I did so and became acquainted with the Cegla family.

His blond wife, Elsa, blinked a bit when she saw that her husband had an unexpected luncheon guest with him, but beyond that she displayed neither dismay nor reproach. "It will take me only a minute to put an extra plate on the table," she said, smiling.

Young Michael, blond like his mother, bounced in to throw his arms around his father. I was introduced and Michael said gravely, "I am very pleased to meet you," and then looked at his father questioningly.

"That's right," his father said approvingly. "They're teaching you excellent English at school."

The Cegla family lives in a four-room apartment and each room has a balcony. It is a sun-drenched cheerful apartment and Cegla is proud of two paintings on the wall of his living room. They were done by Kahn and Reisser, two well-known Palestinian artists.

In Tel Aviv, the main meal is usually at noon. We had noodle soup with bits of chicken floating in it; broiled chicken with potatoes and peas and a dessert of applesauce embellished with cut-up bananas. During lunch we discussed the differences in the way the Cegla family lives and the way the Jones family in America lives. The similarities were more striking than the differences.

Wolf Cegla, for example, makes $7,000 a year. His rent is $66 a month and his electric light bill about $20 a month. In the kitchen a gleaming electric refrigerator and an electric stove for cooking explained the relatively high electric bill. Like most American families of his income bracket, Wolf Cegla owns a car. His is an American car and he is very proud of it.

"The British did their best to make us buy British cars," he explained, "but the British cars weren't powerful enough to use on the steep hills around Jerusalem. I was lucky enough to get an American car. It cost $2,400 but it was worth it. I don't use it much now because gasoline is so expensive. We pay 75 cents a gallon. I have never been able to understand why gasoline is so much higher here than in the United States. It comes from the refineries at Haifa, only a few miles from here. But that is one of those mysteries of taxation an ordinary businessman cannot understand."

Elsa Cegla has no servants but twice a week she has a woman who come in for 3 hours to clean house. And every morning, like Mrs. Jones of America, Elsa Cegla shops.

"I've been going to shop around on Ben Yehuda Street," she said. "Prices are rather high. Fish, even though it comes right out of the Mediterranean, is a dollar a pound. Like any housewife, I make a budget. I allow myself $48 a week for food. That is high, but my husband and Michael have all their meals at home and they are two healthy hungry men, both of them."

Michael laughed with pride at being bracketed with his father as a man. Michael attends a private high school called the Shalva Gymnasium. He is studying algebra and elementary geography, which he likes, and Hebrew and English, which he finds more difficult.

"We parents aren't much good helping our children with home work," Wolf Cegla said ruefully. "Neither my wife nor I know Hebrew. When the children want to have secrets from their parents they talk Hebrew among themselves. Few of us who came from Germany knew the language well."

"I'm a Sea Scout," Michael interrupted shyly.

He explained that a Sea Scout was really a branch of the Boy Scouts, except that instead of going on hikes the Sea Scouts went on boat rides. They learn how to handle rowboats on the Yarkon River and sail boats out in the Mediterranean and they learn to swim.

Michael was also on his class soccer football team, he said gravely.

"We don't know what Michael will be when he grows up," his father remarked, grinning. "Last month he had decided to be a children's doctor. The month before that he wanted to be a dog doctor. Now he wants to be a soldier."

At this point our conversation was stopped by the rat-tat-tat of antiaircraft fire, followed a moment later by the dull sound of bombs exploding. This was the third time during the day that Egyptian Spitfires fitted with bombs had come over. Their objective was only about half a mile from the Cegla apartment. Michael rushed to the balcony.

"They are coming again," he cried excitedly, pointing above. The Spitfires high above wheeled almost lazily and then dived. There was very little effective defense in Tel Aviv against enemy aircraft.

They dived, and the roar of their motors hurt your ears, and puffs of white from the exploding antiaircraft shells blossomed around them, but at 400 feet they released their bombs. Neither Wolf nor Elsa nor I liked it. We knew that those bombs were killing men only a quarter of a mile away. Michael rushed out to join his pals who had, he said, found a fine place to watch the bombing.

"Kids have no sense of fear," Wolf Cegla said gravely. "Perhaps it's just as well."

"I think all of us in Tel Aviv are proud of the fact that not one Jew tried to leave the city. We have been driven out of many countries, we Jews. This is our last stand and perhaps that is why our boys fight so well. There is no place else for us to go from here except the sea."

The four planes, having discharged their obscene duty, turned south, and we came in from the balcony and tried to make believe that it had never happened and that it would not happen again in a few hours. We talked of things that Mrs. Jones might talk of to a visiting Palestinian correspondent.

"I suppose by American standards we lead a very quiet life," Wolf Cegla said smiling. "I work pretty hard. We begin at the office at 8, and I seldom get home until 7. Except on Friday, when we quit before sundown."

"And then you bring me flowers," Elsa said softly.

Wolf looked embarrassed. "It's a sort of custom to bring flowers home on Friday."

"We go out sometimes," Elsa said. "About once in 2 weeks we go out to dinner at the Park Hotel, and usually I manage to persuade him to take me to the Kaete Dan for tea on Saturday afternoon."

The Kaete Dan Hotel has a terrace overlooking the Mediterranean and it is always crowded on Saturday afternoons. People come to have tea or coffee and to watch one of nature's best performances: sunset over the Mediterranean.

"And we do go to the movies," Elsa said. "Especially when there is an Ingrid Bergman picture in town. My husband is in love with Ingrid Bergman."

They smiled with easy companionship and with the understanding that comes with a happy marriage. So Mr. and Mrs. Jones of America might have smiled. And Elsa talked of the hairdresser on Allenby Road she went to every other week and how it cost her $3 for a hairdo and a manicure.

She told of a new dressmaker she had found. She had just had a lovely linen dress made. Expensive? Of course, she laughed. The dress cost $60 but it was worth it. She looked at her husband.

"Yes, my dear," he said gravely. "It was well worth it."

It was time now for the 2 o'clock news, so Wolf turned on the radio. It was a radio made in Holland and it cost $120. None of the news was good so Wolf turned the radio off.

"Things are going to be difficult for a long time," he said. "But we will survive. We seem to have some pretty level-headed men in our government."

"What party do you belong to?" I asked.

"No party at all," he answered. "I suppose I am what you in America would call a middle-of-the-roader. In fact, I am a little to the right of the middle. But I am not interested in politics."

"Nor am I," said Elsa firmly. "And there's a concert of the Philharmonic next Wednesday. Dont' forget we have tickets."

"I won't," Wolf said, "and now it is time I got back to the office."

Thus Mr. and Mrs. Wolf Cegla of Tel Aviv. I thought you might like to meet them.

(This article went to press as the United Nations truce was announced which the world hopes will lead to peace in the Holy Land. We are publishing it as a significant picture of the birth of a nation.—THE EDITORS.)

President Truman's Anti-Inflation Program Was Groggy and on the Ropes

EXTENSION OF REMARKS
OF
HON. HUBERT S. ELLIS
OF WEST VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Monday, August 2, 1948

Mr. ELLIS. Mr. Speaker, today I direct your attention to a statement in the Washington News by Peter Edson. Mr. Edson in no sense can be classified as a New Deal critic which adds weight to his comment on the President's program.

The statement follows:

President Truman's anti-inflation program was groggy and on the ropes after a first-round encounter with Representative JESSE WOLCOTT, of Michigan, House Banking and Currency Committee chairman. Ex-OPA Administrator Paul Porter presented the case for the President's proposed new Anti-Inflation Act, and took a terrible beating.

WOLCOTT subjected Porter to a merciless cross examination. Without raising his voice, WOLCOTT took up Porter's statement and the President's bill and ripped into them, point by point. Porter frankly wasn't prepared to give the answer to many of WOLCOTT's questions, and it will take a tremendous amount of skillful presentation by later witnesses to undo initial damage.

One of the key points in the President's program is new authority to control consumer credit—meaning installment buying and charge accounts. During the war the Federal Reserve Board had this power under regulation W. Congress rescinded it last year. The President now wants it reinstated.

WOLCOTT asked Porter if he thought the present inflationary situation constituted a national emergency. Porter said it did—and thereby fell into a trap. WOLCOTT read from the rescinding law. It specified that the President might reinstate regulation W if he declared that a national emergency existed.

Porter apparently didn't know this power was already in the law. Five hours later, at his press conference, President Truman revealed he didn't know this power was in the law, either.

The President alibied by saying that maybe Representative WOLCOTT and the Attorney General didn't interpret the law the same way. The President said he had to abide by the Attorney General's opinions, but that if it were now found that he had the power to reinstate credit controls, he would use it.

It cannot be expected that the President know and remember every provision of every law. But it is his staff's business to know and to advise him on the use of such powers as he has. This bad preparation of the President's case against inflation weakens it terribly.

In questioning Porter, who is supposed to be coordinating the anti-inflation program, Representative WOLCOTT said he was trying to find out why the President had called Congress back. "Would you freeze all prices where they are now? What are you going to do?"

Porter tried to explain that only temporary price regulations might be issued at first, subject to 30-day protest from the industries concerned, before being put into effect. Under WOLCOTT's probing, though, he admitted the power to fix all prices would be there.

WOLCOTT demanded to know just what would be controlled. Porter tried to put this off on later witnesses—Agriculture Secretary Brannan, Commerce Secretary Sawyer. He finally said control of meats, dairy products, clothing, building materials, steel, and nonferrous metals needed study. Allocations on meat and steel might be necessary, he said.

"You've had since last November to work out the details," said WOLCOTT coldly, and added, "Do you think the Congress is going to give the President carte blanche?"

Platform for Americans

EXTENSION OF REMARKS
OF
HON. ROY O. WOODRUFF
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Monday, August 2, 1948

Mr. WOODRUFF. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following press release by Hon. Samuel B. Pettengill, former Representative from Indiana:

PLATFORM FOR AMERICANS

In all parts of the world, today, socialism is driving forward. It has engulfed nearly all of Europe. It is sweeping ahead in Asia. In its most tyrannical form, the Russian socialism, known as communism, has crushed out freedom in nation after nation.

It is not the economic strength of socialism that is responsible. Nor is it the weakness of freedom. Time has proved that "only the free can be strong." It is the will to defend freedom that is weak.

The battle is being lost not by conquest but by default—by the failure of freedom's friends to defend it, to make its virtues known to the last citizen.

Such is the great issue of our time.

If courageous men and women, regardless of party, will now uphold private enterprise against collectivism in Federal, State, and local governments, their influence will turn up the flickering lights of liberty all around the world.

Let them adopt a platform for Americans, something like the following:

Restore the American incentives to work, to have and to hold—the old rewards for producing more and better goods.

Stop confiscating the property or income of any class.

Deport aliens having un-American ideals. Keep out undesirable immigration. Raise the standards for naturalized citizenship.

Stop the Government's use of the money of taxpayers to compete against them.

Stop politicians buying votes with Federal aid (resulting eventually in Federal control) for education, socialized medicine, and public housing.

Apply antitrust laws fearlessly and equally to all monopolies, whether in business or labor.

Abolish the assumed "right" of mass rioting, terrorism, and the false sanctity attached to the picket line.

Protect every man's right to work where he will; his right to bargain as he wishes; his right to quit when he will if not under contract; and his right to go to and from his home and place of business or employment without interference by anybody.

Limit by constitutional amendment the peacetime taxing power of the Federal Government. Abolish or reduce immediately taxes which especially hinder saving and capital investment essential to promoting new inventions, providing new and better tools, creating job-making enterprises, and thus increasing production and higher income for wage workers and all others.

Stop the waste of public funds. Reduce the Federal pay roll by 1,000,000 needless pay rollers. Balance the budget. Stop inflation, the process by which Government cheapens our dollars and so defrauds every thrifty American who has an insurance policy, social-security card, bank deposit, or investment.

Keep America solvent, honest, and free.

SAMUEL B. PETTENGILL.

Farcical Touch to the Special Session

EXTENSION OF REMARKS
OF
HON. HUBERT S. ELLIS
OF WEST VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Monday, August 2, 1948

Mr. ELLIS. Mr. Speaker, I respectfully direct the attention of the House to an editorial in the Evening Star of Thursday, July 29.

The Star is generally very considerate of the administration viewpoint which lends added interest to its discussion of the special session.

The editorial follows:

A PREMATURE CALL

In view of all the tub-thumping which has accompanied the President's call for a special session of Congress to deal with high prices, one would think that, at the least, same member of his administration other than Paul Porter, whose real job is that of private lawyer, would have been ready to lay specific proposals before the legislators. But the administration is far from ready.

When Mr. Truman announced the special session call in his political speech to the Democratic convention he said there was no reason why Congress could not act on his recommendations in 2 weeks. It appears now, however, that at least a week must pass before any administation spokesman will be ready to testify on such important matters as the President's request for restoration of the excess-profits tax and consumer credit control, regulation of inflationary bank credit, and controls of speculation on the commodity exchanges.

This state of affairs came to light yesterday when Chairman TOBEY, of the Senate Banking Committee. who is far more in sym-

pathy with the President's requests than are most Republicans, tried to line some witnesses to appear before his committee.

A call to Thomas B. McCabe, Chairman of the Federal Reserve System's Board of Governors, is said to have elicited the response that he "couldn't possibly" testify before next week. And Secretary of the Treasury Snyder, who might be expected to lead the procession of administration witnesses on the tax and credit aspects of the President's program, is reported to have said that he would not be prepared to testify until after Mr. McCabe makes his appearance.

The affect of all this is to lend a somewhat farcical touch to the special session call and to discredit the note of urgency which Mr. Truman has sought to inject into his demand for immediate action by the Congress. The President may be sure that the Republicans who are looking for any opportunity to turn the tables on him, will make the most of this procrastination on the part of his aides.

An American Labor Union

EXTENSION OF REMARKS
OF
HON. ROY O. WOODRUFF
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES

Monday, August 2, 1948

Mr. WOODRUFF. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following press release by Hon. Samuel B. Pettengill, former Representative from Indiana:

AN AMERICAN LABOR UNION

While patriotic Americans are being kicked out of Communist-dominated unions there is one big union that has refused membership to Kremlinites, and has done so for years.

I refer to the carpenters—the United Brotherhood of Carpenters and Joiners of America—headed by "Big Bill" Hutcheson. Long before the politicians in Washington saw their mistake in cuddling up to the Reds and pinks, the carpenters took steps to keep these gentry out of their union.

As a part of their ritual the candidate for membership is required to declare that "he is not now, and never will become, a member of any revolutionary organization, or give aid, comfort, or support to any such organization." If he does, he forfeits his membership.

This is no sudden conversion to the American faith. Twenty years ago they revoked the charter of one of their locals in New York City because it had fallen under Communist control.

When the carpenters advocate Americanism they command respect. For theirs is the fourth largest union in the United States with 737,000 members in 2,700 locals.

At a time when the public is sore at labor stoppages, violence, and Communist saboteurs in union ranks, don't forget the carpenters. There is a lot of be said in their favor.

As recently advised from their Indianapolis headquarters, there was not a single carpenter on strike between the two oceans. They were hitting the nail on the head—building homes, putting up factories, apartment houses, stores, hotels, and places in which to live and work. Long before Governor Stassen, in Minnesota, or any other politician anywhere, had come out for a "cooling off" period in industrial disputes, this had been standard practice in this union for 40 years.

Nor can a handful of officers or members proclaim a strike. The union's bylaws require the following procedure: If any demand is contemplated as to wages, hours, etc., each member of the local is notified by mail of a special meeting and the purpose of the meeting is stated. All members must attend the meeting. Members who do not attend are fined unless illness or some other valid reason is given. Except for the fine for nonattendance, this is like the New England town meeting which we have always thought of as democracy at its best—government at the grass roots.

On any question which may result in a strike the vote is by secret ballot and 55 percent must vote "yes." Then conferences between the local and the employer take place. If these do not result in an agreement, a representative from general headquarters is called in. If the parties still fail to agree, no strike can be called for 60 days, and then only if it is authorized by national headquarters.

As far back as 1916 the national headquarters suspended 61 locals in New York City, with 17,000 members, for going out on an unauthorized strike.

The carpenters raised no hue and cry against the Mundt-Nixon bill that was designed to bring the followers of the "Communist line" into the open.

They would never raise any objection to a committee of Congress asking one of their members if he is a Communist. If he is, and has been lying about it, the carpenters are as anxious as any Congressman to find out, and fire him from the union.

The American flag is always on display in their meetings. No other flag is seen there.

SAMUEL B. PETTENGILL.

Enormous Wheat Yields in France

EXTENSION OF REMARKS
OF
HON. KARL STEFAN
OF NEBRASKA
IN THE HOUSE OF REPRESENTATIVES

Monday, August 2, 1948

Mr. STEFAN. Mr. Speaker, when I stated a few days ago on the floor of the House and elsewhere that during my trip to Europe recently, I saw fields of wheat which would yield 90 bushels or 100 bushels per acre, my statement was questioned in various places, and in order to give some official credence to my statement, I include herewith a letter signed by Mr. Ben H. Thibodeaux, chief of the Food and Agriculture Branch of the Economic Cooperation Administration, with headquarters in Paris, France.

With Mr. Thibodeaux, Ambassador Harriman, Mr. Paul Hoffman, Administrator of ECA, and others, I visited numerous grain fields in France where heavy yields were expected. In most of the countries visited, prospects for heavy farm crop yields are excellent. Potatoes and grain are being harvested and show unusually heavy yields.

The text of the letter follows:

ECONOMIC COOPERATION ADMINISTRATION,
Paris, July 26, 1948.

The Honorable KARL STEFAN,
House of Representatives,
Washington, D. C.

MY DEAR MR. STEFAN: In supplementation of our conversation, the average yield of wheat in France during the 10-year period 1930–39 amounted to 23 bushels per acre, with a range from 17 bushels in 1930 to 29 bushels per acre in 1938.

There is tremendous variation, however, in the average yields per acre in the various regions in which wheat is produced in France. In general, the highest wheat yields are obtained in the vast region extending from the Loire River in the south to the Belgian border on the north, and from the Champagne region on the east to Normandy-Brittany on the west. In the better farming areas within these boundaries, such as the Beauce, the Brie, the Soissonnais, the Bethune area, and others, it is not uncommon in favorable years for the average yields of wheat on individual farms to reach 60 bushels per acre and, on selected fields, 90 bushels or even more per acre. These high yields in selected areas are pulled down to the smaller national average, of course, by the much lower yields obtained in other parts of France.

Sincerely yours,

BEN H. THIBODEAUX,
Chief, Food and Agriculture Branch,
Office of the United States Special Representative in Europe.

Mr. Speaker, I also include with my remarks on French farming a table on farm distribution and types of farms:

Distribution of number of farms and farm land by size groups, France, 1942

Size group	Area		Number	Percent
	1,000 acres	Percent		
Up to 2.47 acres	264	0.3	220,671	9.35
2.47 to 12.35 acres	4,118	4.7	615,667	26.3
12.35 to 24.7 acres	8,890	10.4	503,586	21.3
24.7 to 49.4 acres	18,580	22.0	539,872	22.9
49.4 to 123.6 acres	27,666	32.5	380,332	16.1
123.6 to 247 acres	12,626	15.0	77,461	3.3
247 to 494 acres	6,349	7.4	19,516	.8
494 to 1,236 acres	3,861	4.5	5,523	.2
Over 1,236 acres	2,747	3.2	1,105	.05
Total	85,101	100.0	2,363,733	100.00

Distribution by types of farmers, France, 1943

Number of owner operators	Number of tenant operators	Number of share croppers
1,603,264	596,623	140,267

Total area in France: 55,098,556 hectares (1 hectare=2.47 acres)

LAND UTILIZATION FOR AGRICULTURAL PURPOSES, 1938, 1947, AND 1948, FRANCE

[In thousands of hectares]

	1938	1947	Forecast, June 1, 1948	Percentage of 1938	
				1947	1948
Field crops	20,196	15,869	16,635	78.6	82.4
Pastures and meadows	11,776	12,292	(1)	104.4	------
Truck gardens	437	598	(2)	136.8	------
Orchards	143	197	(3)	137.8	------
Vineyards	1,605	1,544	(4)	96.2	------
Fallow land	1,698	2,014	1,615	118.6	95.0
Total	35,855	32,514	------	90.7	------

[1] Is believed to be approximately the same as in 1947.

[2] Is believed to be slightly less than in 1947 by reason of the smaller number of garden plots cultivated by nonfarmers.

[3] The upward trend noted in recent years continues, but no figures are available as yet regarding total area.

[4] Total area estimated as being the same as in 1947, but with a slight increase of new plantations.

Address by H. Graham Morrison to the Bar Association of Tennessee

EXTENSION OF REMARKS
OF

HON. WILLIAM LANGER

OF NORTH DAKOTA

IN THE SENATE OF THE UNITED STATES

Monday, August 2 (legislative day of Wednesday, July 28), 1948

Mr. LANGER. Mr. President, all of us are interested in the matter of labor-management. In connection with that, I call the attention of the Senate to the fact that in the Northwest we are paying more for farm help than ever before in the history of the country. In reference to the question of farm labor-management, the United Mine Workers, the AFL, and the CIO, I ask unanimous consent to have printed in the RECORD as a part of my remarks an address delivered by Hon. H. Graham Morrison, Assistant Attorney General of the United States, to the sixty-seventh annual session of the Bar Association of Tennessee, on Thursday evening, June 17, 1948.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

I claim that I am a man who is badly in need of a vacation.

I claim that I have been laboring and managing long and hard.

Consequently, I can think of nothing more pleasant than the opportunity to come back to my native State to visit with fellow Tennesseans and brother lawyers.

As you may be aware, I have been engaged within the last several months, and anticipate I will be engaged for some time to come, in labor-management problems which give rise to national emergencies.

These problems come to the Department of Justice by reason of the national emergency provisions of the Labor-Management Act, 1947, sections 206 to 210, commonly called the Taft-Hartley Act.

I think it is particularly fitting that I discuss with you these problems in Tennessee and in east Tennessee—which, as all Tennessee mountaineers know, is the gem in the jewel of the State of Tennessee—because the first action taken by the Government under the national emergency provisions of the Taft-Hartley law was taken in the eastern district of Tennessee at Knoxville, before Judge George W. Taylor, United States district judge, in the injunction sought and obtained by the Government in connection with the threatened work stoppage at the Oak Ridge plant of the Atomic Energy Commission in March of this year.

You may recall that in that case the Government made parties defendant both the group of 16 unions of the AFL representing the disputing employees at this facility of the Atomic Energy Commission, and also the employer, Carbide & Chemical Corp.

At the time this national emergency hit my desk, we had before us a duty and responsibility, by direction of the President, to proceed to enjoin for a period of 80 days any strike or lock-out as a result of that labor dispute.

We carefully examined the national emergency provisions of the Taft-Hartley law and the legislative history of the act first to see what it directed us to do and then to see what we might do within the general framework of that act to accomplish the intention of Congress to first suspend and then to ameliorate by assisting the parties to find a basis for agreement.

In constructing our legal approach to this new problem, we drew upon those great resources available to all lawyers found in the historic principles of common law and equity jurisprudence which, in the decision of our courts from the earliest days to the present, have contributed so much to the economic and social development of our Nation.

No specifications were found in the provisions of the national emergencies section of the act as to how we, as lawyers, might best invoke the aid of the court to create the type of atmosphere in this situation which would make possible a solution of the dispute in the public interest. Remembering, however, the broad powers of the chancellor in equity to effect the fullest supervision over disputants and finding in the phrase in section 208 (a) (ii), that the court was authorized to "enjoin any such strike or lock-out, or the continuing thereof, and to make such other orders as may be appropriate," we framed our petition to make parties defendant both the employer and the employee, and by the order of the court both were required to bargain in good faith during the 80-day injunction period under the watchful eye of the court and subject to the court's further orders.

It is regrettable that the parties to that labor dispute were unable to find a basis for agreement in the public interest before it became necessary for the Government to intervene, but certainly it can be said that the machinery provided by the Court during the period of that injunction afforded the parties the most satisfactory atmosphere possible for an equitable and fair solution of their dispute. It afforded them the opportunity, in the light of the great public responsibility imposed upon them, of bargaining in good faith and arriving at a solution in an atmosphere free of the tension of last-ditch contentions which characterize the beginnings of such labor-management differences. The final settlement, as you know, came the days after the end of the 80-day injunction.

Of course, in a democracy which jealously guards the freedom of the individual, we as lawyers must recognize that the devices of law which construct and make available for the settlements of disputes of all kinds do not, in all cases succeed.

In the labor-management field, arbitration and conciliation often fail and it is important to remember that the law does not now, never has and never will guarantee a final solution in this field. The eventual solution of human differences in a free society depends upon the hearts and minds of the men who are parties to disputes.

However, as lawyers, we can take pride in the resourcefulness exhibited by our profession over the years in creating fair, just, and democratic procedures and devices for the settlement of such differences.

It is not my purpose here to make any comment upon the merits of the subsequent national emergency cases prosecuted under my direction since those cases are still pending on appeals. I can however, recite to you how we, as lawyers, attempted to develop and further refine the beginnings made in the atomic energy case in the handling of those subsequent labor controversies, which I think will be of interest to you.

Shortly after the atomic energy case, a walk-out occurred in the bituminous coal fields of the Nation making it necessary for the President, after a fact-finding board had reported to him upon the issues, to direct the Attorney General to obtain an injunction and to prevent, in the public interest the continuance of this strike.

In the atomic energy case the parties agreed to the issuance of the temporary injunction and immediately began bargaining. In the United Mine Workers case, however, there was no agreement of any kind possible.

Faced with this fact, we enlarged upon the beginnings made in the atomic energy case and in the injunction requested by the Government and issued by the Court, both the operators and the union and all persons acting in concert with them were ordered to proceed forthwith to engage in free collective bargaining as contemplated by the act. In addition, the individuals or interests or their successors who had bargained on behalf of parties in effecting past agreements and in settling past disputes were directed to take part in such bargaining and act in good faith with a view of bringing to an end the present dispute at the earliest possible time. Keeping in mind that the dispute in this case was an unusual one concerning disagreements between trustees of a welfare fund, the order further required the defendants to carry out a provision of the trust agreement which provides:

"It is the intent and purpose of the contracting parties hereto that full cooperation shall by each of them be given to each other, the trustees named under this section and to all affected mine workers, to the eventual coordination and development of policies and working agreements necessary or advisable for the effective operation of this fund."

As a result of this order, the operators quickly established the machinery for bargaining and indicated by their answers that they would fully comply with the order of the court.

It is true that the United Mine Workers did not abide by certain provisions of the order, as a result of which the equity powers of the court had to be exercised in contempt proceedings to compel obedience. In the end, however, obedience was obtained and production in the bituminous coal mines was restored thereby removing the threat to the national welfare.

No one can truly say what eventually brought about a termination of this strike, but it is suggested that these provisions of the court's order which brought the parties together and put upon their deliberations the bright light of public scrutiny, plus the power of the chancellor to compel obedience to his orders, greatly assisted the final termination of this strike which so imperiled the whole Nation.

Just this week the Department has again been directed and has obtained an injunction to prevent a work stoppage in the maritime shipping industry of the Nation on the east coast, the west coast, and the Great Lakes. The experience gained from the other two cases has been translated and amplified in the orders issued in this new case and the efficacy of that approach to this very dangerous type of problem is evidenced by the obedience to these orders on the part of both labor and management in the maritime industry.

I think it is appropriate to say that both labor and management in these national emergency cases have now begun to recognize the Government's impartiality and their duty, notwithstanding their individual position in bargaining, to obey the orders of the court in the public interest.

As time goes on, it is the hope of all that both labor and management will, during the period of such 80-day injunctions, come to honestly and seriously seek a final solution of their differences, not on the basis of uncompromising positions taken when they were bargaining with only their individual interests in mind, but in the light of the new public interest which is asserted by the invocation of the national emergency provisions of the act. Both labor and management must recognize that bargaining at this stage is no longer between labor and management alone but that a third party

has joined the bargaining conference representing 145,000,000 American citizens who take no sides in the dispute, but who patiently insist that a speedy solution be found to the differences between labor and management to the end that no irreparable damage be done to the Nation and its citizens.

In all of these cases which we have handled, the Government has, in truth and in fact, been impartial. We have never gone into the merits of the controversy giving rise to the work stoppage except where it was necessary to consider the facts and take them into account in realistically framing the complaint and order.

In this connection I wish to point out that no one should assume that these injunctions, with all of the machinery we have so carefully constructed, are touchstones for the final and lasting settlement of national labor-management disputes. All that can be said is that the injunction period provides an additional 80 days for the parties to discuss their differences and seek an agreement. However, if their differences are wide and deep-set and if either or both parties are adamant in their positions, all that the injunction can do is to postpone the work stoppage for 80 days. The problem returns to us then and Congress has not yet suggested any final resolution of the problem.

I think I need not talk any further about the Labor-Management Act and its application. My memory of this experience is deeply etched on my mind and my physical being. Beginning in early March with the atomic-energy dispute, my job has truly been an around-the-clock one.

The swift pace of litigation of this type involving such danger to the public interest as has been involved in the disputes in atomic energy, the meat-packing industry, bituminous coal, the telephone industry, and the maritime industry, and the railroads, has given me, whether I wanted it or not, a 24-hour day law practice. I assure you, and my wife will bear witness to this with some bitterness, that this practice has been accompanied by much lost sleep, a telephone that never ceases to ring, and a coffee pot that has all but disintegrated from overwork.

While it may seem to you that 2 weeks in Justice Goldsborough's court in Washington, across the table from Mr. Lewis, might be a fascinating and interesting experience, it has taken its toll on my nervous system and has occasioned in me a depression of the spirit which is constantly dreaming of, but never finding, that millennium which will bring peace between labor and management and an opportunity for me to wet a line in the lakes and fast-moving streams of east Tennessee.

As you can well understand, this experience has made me a participant in the most devastating and perilous aspects of Nation-wide labor-management warfare, and from this experience I have come to certain conclusions which I wish to pass on to you, my brother lawyers.

This Nation of ours was conceived in an age when individual freedom was a philosophic concept given little or no recognition anywhere in the world. We established a form of government almost unique in the history of the world, which provided with specific guaranties an almost unlimited area for man to exercise individual freedom. By law and by common acceptance in the growth and development of our Government, we extended to the ultimate these broad concepts of individual freedom. This protection of individual freedom unquestionably made possible the quick development of our vast geographic territory and encouraged to the fullest the development of our industry and agriculture.

Maintaining this principle, we have over the years tolerated and accommodated the most uncompromising disputes and controversies within our Nation. In fact, from 1861 to 1865, this Nation endured and survived a bitter internal war and was able to rise from that devastation to become the greatest Nation in the world. We have, in the past, survived these conflicts without national destruction because we had sufficient social, economic and geographic elbow room to tolerate them.

What is our situation today?

I think I can bring to your minds what fundamental changes have occurred in our country by suggesting that you look at your own communities.

It is a startling proposition for a man to even build a house these days, and to build a two-story house would be pretentious. The order of our living has made necessary the apartment house, the small bungalow, the house built on one floor—small and compact, not requiring servants. We have become a Nation of small homes and apartments. Our cities are jammed to the breaking point by people who have had to accustom themselves to living with neighbors who are as near as the thin walls separating apartments. We are compelled to live together too close for comfort and our interdependence is as sensitive as the mechanism of a fine watch.

I detest this way of life and feel that man was made to enjoy plenty of elbow room.

What I may desire, however, is unimportant. I speak of the realities of our national life, and as to those realities, may I suggest that as members of a national society we have, in this year of our Lord 1948, arrived at a point where uncompromising individualism can no longer be tolerated in its absolute forms, however much we might personally like to permit it.

One hundred years ago a shut-down by a strike or lock-out of our infant railroad system might have occasioned some inconvenience to the Nation but it would not have brought the Nation to its knees economically and socially as such a strike would if permitted to occur today. Just last month in the case of *United States of America* v. *Brotherhood of Locomotive Engineers, et al.*, involving the threatened railroad strike, Justice Goldsborough said:

"Unions can strike under the Norris-LaGuardia Act, even when it would cause great inconvenience and great loss of production and distribution, but they can't go to the point, in order to carry a point, however much right they have on their side, they can't go to the point of adopting a process which will disintegrate society itself, and that is the situation here."

One hundred years ago we did not have the highly organized and interdependent way of life that exists today. We lived within relatively independent areas of self-sufficiency, supported by contiguous agrarian areas, and that society was supported by a relatively independent local economic system.

This transition from local society, with its economic independence, to the modern age of big cities and Nation-wide interdependence has unfortunately occurred without the necessary mental acceptance of the new responsibilities imposed on each of us by this change. As Peter Marshall, the Chaplain of the Senate, said:

"We have improved means, but not improved ends. We have better ways of getting there, but we have no better places to go. We can save more time, but are not making any better use of the time we save."

This is America's most important problem and regardless of the difficulties of its solution, it is clear we must solve it. The survival of the freedom we hold so dear, and treat so lightly, depends upon it.

In this connection, may I remind you that the United States of America, without having sought it, now has a responsibility of world leadership to a degree never known by any other nation in the history of the world. Our own future security is dependent upon the success of our leadership and with it the well-being of mankind generally in a tortured and troubled world.

One of the first requirements of leadership is that the leader possess qualities of self-discipline that he may inspire the discipline and following of those whom he would seek to lead.

These are qualities which were urged upon man as a way of life by Christ almost 2,000 years ago as a part of the lessons He taught us which we have never quite forgotten but somehow have never quite been able to accept and practice. They cannot be achieved by laws, by courts, or the instruments of force. They are products of the heart and mind.

With considerable misgivings as to my qualification to do so, I thus conclude: that the problems of labor and management or any group of other people which go beyond the local area and which threaten with disaster the community of the Nation, can no longer be permitted as they might have been in another day but that the necessities of our national life impel a narrowing of that area of conflict; that laws, decrees of court, and the devices of force and compulsion cannot truly solve such conflicts, but only serve to deepen them and at the same time do the gravest injury to our heritage of freedom and liberty. Forcing compliance to majority opinion often suggests itself but as lawyers we know that the very essence of the ideals of individual freedom that inspired our form of government may well be jeopardized by such a course.

The only lasting solutions for these problems, and the broader problems of the Nation's responsibility in the world community, are to be found in the hearts and minds of our citizens, who must be made to recognize that their duty to themselves, their community, and to the Nation requires them to exercise self-restraint, self-discipline, and a fuller recognition of the changing needs and requirements of others in all conflicts within our society—in short, it requires use to make our spiritual progress equal to our material progress. In this field which is so lacking in leadership, the lawyers of our Nation have the greatest opportunity for service to the Nation because of their peculiar training, understanding, and experience in practical human relationships.

Our local and national history records that in every crisis there has arisen from the ranks of our free people, great leaders who gave purpose and direction where there was doubt and indecision. In the short space of 200 years, we have conquered our distances, the challenge of our resources, and all threats to our security from our enemies. Now we face our gravest challenge—the need to live together without "elbow room," in such a way as to preserve our free way of life with all its endless blessings. Such a crisis pleads for leadership—and I believe such leadership is to be found in the ranks of our profession.

You, above all others, have the opportunity, and indeed the obligation, to preach the message of self-discipline, self-restraint and an honest understanding, recognition, and full acceptance of the other fellow's point of view.

Let me conclude by assuring you with all the sincerity of my heart and mind that I know we can and will accomplish this great conversion. I say this because I love America and its eternal ideals, and my faith in America has never been disappointed. In truth, we are the only people on earth who can retain maximum individual freedom in an atomic age.

If we fail, our Nation fails.

If our Nation fails, the world fails.

But we shall succeed. My faith tells me so.

Address by Ralph E. Becker at the Republican National Convention in Philadelphia

EXTENSION OF REMARKS
OF
HON. EDWARD MARTIN
OF PENNSYLVANIA
IN THE SENATE OF THE UNITED STATES

Monday, August 2 (legislative day of Wednesday, July 28), 1948

Mr. MARTIN. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD the speech delivered by Ralph E. Becker, chairman of the Young Republican National Federation, before the Republican National Convention in Philadelphia, June 23, 1948.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Mr. Chairman and fellow Republicans, the entire world awaits the decision of this convention. In the words of Longfellow:

"Humanity with all its fears,
With all its hopes for future years,
Hangs breathless on thy fate."

I speak for the millions of young Americans who look to the Republican Party to realize their hopes for an efficient, imaginative, vigorous administration of our Federal Government. They are revolted by the ineptitude of the Democratic Party.

Voters between the ages of 21 and 36 have spent all their adult years under Democratic maladministrations. These are the voters who will elect our Republican candidate by a landslide.

Of this country's entire population, one-third are between the ages of 21 and 40. In this age group are more than one-half of all our eligible voters.

Fifteen million are World War II veterans, many of them fresh from the battlefields on which they defended the American concept life resolved to make this country a better of civilization. We have returned to civilian place in which to live and to protect, no matter what the cost, our traditional freedoms.

Two and one-half millions are college students, among them many of the leaders of National, State, and community affairs in the years ahead.

These people want to serve America.

America must be served by them if it is to prosper and endure.

The youth of this country realize that a better way of life depends on government and that government, in turn, depends on the integrity and ability of those engaged in political activity.

More young people than ever before in the history of our country are interested and actively working in politics. These young people have turned by the thousands to the Republican Party.

In 1946, we saw a host of young men and young women achieve high recognition in our party. Several young men in their thirties were elected to the United States Senate. Many more in their thirties were elected to the House of Representatives.

A large number of young men and young women were elected to key executive and legislative offices in their States.

The Republican leadership has been assiduous in recognizing young people by appointing them to administrative positions and by giving them responsibility within the party framework.

More than 150 active members of the Young Republican organization have been chosen delegates or alternates to this crucial convention. Eleven Young Republicans are members of the resolutions committee.

Youth is on the march in the Republican Party.

Our State organizations have increased in numbers, ability, and standing. Carroll Reece, our friend and national chairman, has given the Young Republicans the fullest opportunity to develop their own program among young people interested in politics.

Today, there are well over 2,500 Young Republican Clubs in the United States, and more than 300 Young Republican Clubs in our colleges.

Why have the young people turned to the Republican Party?

One reason is that under our two-party system, parties wax and wane in power. A party's vitality is measured by the force, vision, and ability of its leaders, and by the strength of its organization. When the party is out of power the young, strong, vigorous people have a better opportunity to move ahead rapidly within the organization and to run as candidates.

The ablest young men and women therefore tend to join that party.

During the past 8 years the Republican Party has become the young people's party.

This influx of young leadership has changed the fundamental philosophy and ideological approach of the Republican Party.

The Republican Party is not, as many of its traducers allege, rooted in the 1920's.

Today its leaders unanimously recognize the world responsibilities of the United States.

Today its leaders recognize that our domestic problems cannot be mastered without hard work and imaginative thinking.

Our party was founded in 1854 on the slogan of free men and free soil.

That slogan, is as fundamentally sound today as it was in 1854.

"Free men and free soil," originated over a purely local dispute concerning the Kansas-Nebraska territory. But over the years this principle of free men and free soil has become an American creed, and it has world-wide application.

Free men and free soil.

These words carry far-reaching, powerful implications—concentration camps—slave labor—the police state—tyranny and oppression in any form—subjugation of one nation by another—and all forms of discrimination based on race, creed, or color are anthema to free men.

This principle has expanded into industrial relations, through the Republican Party, and this time in order to make labor free.

By the Taft-Hartley Act, the Republican Party has emancipated the American worker from coercion and interference by union leaders and by employers.

In the economic field we know this freedom by the phrase "free enterprise."

Throughout the entire world the Communists have made their heaviest assault on free enterprise and in this country the Democrats have aided and abetted them. But we Republicans have always remained firm in support of it.

Today, with a strong basic relief in freedom for the individual, the Republican Party stands as it has always stood, openly and unashamed, for free men—free soil—free labor—and free enterprise.

Let us make this the 1948 battle cry.

These are not only principles of the Republican Party. They are the principles under which the United States has prospered and become great.

Under the Republican principle of individual freedom, we can as always, find peace and prosperity and happiness. Upon these tenets we have erected our Constitution, our temples of religion, our Nation, our homes, and our hopes.

All of these are under attack.

Living as we are in an age when time and space mean nothing, there is a critical urgency for nations to find a way of living in peace with one another. The rest of the world looks to us for economic assistance, but we know that primarily it seeks and needs us for spiritual and intellectual leadership.

The entire world is locked in a battle of freedom, and we can be humbly thankful that our party has the necessary leadership to continue to champion these principles to fulfill this world hope and need.

In the past 2 years as National Chairman of the Young Republicans, I have traveled over 100,000 miles in the 48 States.

I have talked to young people in every State in this country. I have tried to find an answer to the question: "What do young people want?"

Each of us, I think, wants a chance to make a decent life for himself—each of us wants the freedom to make the most of opportunity through work and individual effort. Each of us wants a chance to develop his own talents through the exercise of choice and the use of his own energy.

Our great fraternity of Young Republicans provides the only real place today where a young person can work concretely for these principles, where he can counterattack totalitarian ideologies which attempt to control the individual by the State.

In this very year, when the Democrat Party has ground to a stop on the brink of disintegration, we Young Republicans are constantly increasing our enthusiasm and activity.

We have built the foundations of this present strength working for the party out of power.

We have grown so strong that the Young Republican movement today is producing more future political leaders than has ever been produced by any other political organization at any time in history.

This is the country where a youth may still dream and make his dreams come true—where youth may aspire and with courage and fortitude surmount all obstacles and rise to the highest position this country offers. No matter what origin, background, religion or color, he has an open road ahead of him; his achievements depend largely upon his own endeavor.

This is the country of hope and inspiration, where the future is ever brighter, where there is incentive to strive and improve and hope—where there is freedom to perform in response to the drive of imagination.

We have such a country only because its cornerstone, pillars, and foundation consist of our great Republican principles of free men, free soil, free labor and free enterprise.

Col. James P. S. Devereux, United States Marine Corps

EXTENSION OF REMARKS
OF
HON. HERBERT R. O'CONOR
OF MARYLAND
IN THE SENATE OF THE UNITED STATES

Monday, August 2 (legislative day of Wednesday, July 28), 1948

Mr. O'CONOR. Mr. President, I ask unanimous consent to have printed in the Appendix a statement prepared by me on the distinguished record and service of Col. James P. S. Devereux, United States Marine Corps, who retired yesterday with the rank of brigadier general.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

A distinguished Maryland soldier, Marine Col. James P. S. Devereux, retired yesterday after more than 25 years of faithful service in the armed forces of our country. The brevet rank of brigadier general which has been conferred upon him is but a token of the extraordinary regard in which he is held by the people of our country, due particularly to his heroic leadership of the Wake detachment of Marines during the defense of Wake Island in December 1941.

His is a record of service and of gallantry which has been duly memorialized but which deserves further to be recorded officially wherever opportunity offers. I ask unanimous consent that these remarks in his honor be recorded in the Appendix of the RECORD.

Colonel Devereux has served his fellow citizens in many areas of the world since his enlistment in the Marine Corps in July 1923. Commissioned second lieutenant in 1925 he served at Norfolk, Quantico, and New York before being transferred to the forces of the Marines on occupation duty in Nicaragua.

Following a brief return to the United States in 1929 he was detailed to Shanghai, China, for duty with the Fourth Marines. In China he served likewise as commanding officer of the mounted detachment of the Legation Guard at Peking.

Back to Quantico in 1933 for a year's tour of duty he was assigned to the Coast Artillery School at Fort Monroe, Va. Promoted to captain in December 1935 he returned again to Quantico, where, providentially it seemed, he served both as instructor in the Weapons School and aided in the preparation of a Marine Corps manual on base defense weapons, one subject which he was destined to show himself master when the Japanese hurricane struck Wake Island.

In 1937 Colonel Devereux served a tour of duty with a Marine detachment aboard the U. S. S. *Utah*, following which he was transferred to the Marine Corps base at San Diego in 1938. There he remained until January 1941 when he was ordered to Pearl Harbor, shortly thereafter assuming command of the 449 marines who later were to resist so valiantly the overwhelming odds of the Japanese attack at Wake on December 7 to 22, 1941.

So much has been written of that heroic epic in Marine Corps history that it is needless to attempt to review the accomplishments of Colonel Devereux and his heroic band here.

Suffice it to say that in the 15 days during which Colonel Devereux and his detachment bore the assault of the Japanese forces they gave an account of themselves which astonished the world. Although sustaining almost 20 percent casualties they inflicted losses on the enemy in excess of 1,000 fatalities; caused the loss to the enemy of at least four enemy warships, with eight more damaged; shot down 21 enemy aircraft and damaged 11 others. In the face of sustained fire from the sea and the air, without fighter aircraft and with only one antiaircraft battery operating, without opportunity for rest for their men, without radar or personnel to man the defenses fully they finally capitulated, but not until they had given again to the world a brilliant instance of how American citizen-soldiers, when called upon to defend their liberty, could outshine in brilliance any forces that could be thrown against them.

Colonel Devereux's close contacts with the enemy continued long after Wake Island fell. First he and his group were sent to Yokohama, then to Woosung, China, where they remained from January 24, 1942 to December 9 of that same year. Transferred then to Kiangwan, near Shanghai, they remained there 29 months, later going to Fungtai, near Peiping, for some weeks, before being sent to camps in central Hokkaido.

During his internment by the Japanese, Colonel Devereux was selected for promotion from major to lieutenant colonel, but it was not until after his release from the Japanese prison camp in September 1945 that his promotion to colonel became effective.

This distinguished exponent of the marine fighting tradition was awarded the Navy Cross for his outstanding leadership in the defense of Wake.

In adidtion he holds the Presidential Unit Citation with one star, Wake Island 1941; Second Nicaraguan Campaign Medal, Nicaragua 1927–29; Yangtze Service Medal, China 1930; Marine Corps Expeditionary Medal, China 1930, and Wake Island with Wake Island clasp and silver "W"; American Defense Service Medal with base clasp and one bronze star, and the World War II Victory Medal.

Maryland and all America is proud of Colonel Devereux, while men of his calibre and capabilities lead the armed forces of our Nation, we can be sure that America will fight to the bitter end against any assault on the democratic principles our people love so well.

The Poll Tax and Prohibition

EXTENSION OF REMARKS
OF
HON. E. H. MOORE
OF OKLAHOMA
IN THE SENATE OF THE UNITED STATES

Monday, August 2 (legislative day of Wednesday, July 28), 1948

Mr. MOORE. Mr. President, Oklahoma does not have a poll tax, but it is one of three States that has State-wide prohibition. On the 31st day of July 1948, the Daily Oklahoman published an editorial entitled "Poll Tax and Prohibition." I ask unanimous consent that the editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Daily Oklahoman of July 31, 1948]

POLL TAX AND PROHIBITION

Most people will criticize the logic of Senator STEWART of Tennessee and some will question his sincerity when he says that although he would like to see the poll-tax law of his State repealed, he doesn't want it to be repealed by Congress. Many will think that if the law is so undesirable and if it ought to be repealed, what difference does it make who repeals it?

But suppose that this pending bill instead of repealing the poll-tax laws of seven States was attempting to repeal the State-wide prohibition laws of three States. Suppose that the pending bill provided that "the State-wide prohibition laws of Oklahoma, Kansas, and Mississippi are hereby repealed." Or suppose that the pending bill declared with reference to prohibition exactly what it declares with reference to the poll tax, "No State-wide prohibition law ever shall be enacted by any of the 48 States."

It would be begging the question to say that Congress never will attempt to repeal State-wide prohibition and that Congress lacks the constitutional power to repeal State-wide prohibition. Congress is attempting to repeal the poll tax in seven States and, according to former court decisions, Congress has no constitutional authority to repeal the election laws of any State. Moreover, if Congress has the power to repeal the poll tax, it has the power to repeal State registration laws and to repeal the Georgia law which permits 18-year-old citizens to vote. Or conversely it would have the power to decree that 18-year-olds shall be permitted to vote in all the States. It could, if it so willed, deal with State-wide prohibition.

So Senator STEWART is not so illogical after all. He dislikes the poll tax and he would like to see Tennessee repeal it. But he hates to see Congress exercise a power whose constitutionality is extremely doubtful lest Congress begin at once to deal with State laws that are far more popular than the poll tax. And if Congress has the power to say what election law a State shall not have, it has the power to say what kind of election law a State shall have. A Federal election board to direct all elections from Washington becomes at least a possibility when Congress assumes the power to repeal any election law of any State.

In the mind of the majority of Americans State-wide prohibition is just as objectionable as the poll-tax laws of Mississippi and Tennessee. But Oklahoma has adopted prohibition, and so long as her people want it they should be permitted to retain it. Whether Oklahoma retains prohibition or discards it is nobody's business but her own. And if she wants a law requiring the registration of voters, that too is her own business. By the same token if seven States want to retain the archaic and outmoded poll tax, who is Oklahoma and Ohio and Oregon to say that they shall not have the poll tax?

Communistic Activities in University of Washington

EXTENSION OF REMARKS
OF
HON. WARREN G. MAGNUSON
OF WASHINGTON
IN THE SENATE OF THE UNITED STATES

Monday, August 2 (legislative day of Wednesday, July 28), 1948

Mr. MAGNUSON. Mr. President, the Legislature in the State of Washington ordered an inquiry to determine whether there were communistic activities in the University of Washington. In the Pacific Northwest, the inquiry created a great deal of interest. I ask unanimous consent to place in the RECORD a very fine editorial on the subject from the Seattle Post-Intelligencer.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE UNIVERSITY AND THE CANWELL INQUIRY

Out of the hysteria—much of it synthetic—that accompanied the legislative hearings into suspected subversive activity at the University of Washington, two outstanding facts emerge:

The extreme minuteness of the faculty group substantially accused of Communist affiliations—

The final realization that for many years this noisy little group has been giving the university a black eye far out of proportion to its numbers.

Less than a dozen members of the university faculty, which numbers some 1,500 instructors of all ranks, were named before the Canwell committee as suspected or former members of the Communist Party.

Far from discrediting the university in the eyes of the people of the State, the hearings have established how the vast majority of the faculty members have consistently refused to be swept into a movement which at best reflects no credit on the good sense and patriotism of its participants.

And the people of the State who support the university with their taxes know at last, as they have every right to know, the affiliations and sympathies of this handful of teachers who have been loudly berating their reactionary fellow citizens through the various phony fronts of communism.

With a great deal of fanfare the issues of civil rights and academic freedom have been raised in the proceedings just concluded and with a persuasivenes that has indeed disturbed a good many honest and liberal citizens.

The Post-Intelligencer yields to no one in its steadfast defense of and faith in the equal protection of rights of the lowliest member of our community under American law.

But the loud outcry regarding civil rights in the present instance has more than a faint aroma of dead herring.

It has all the earmarks of a typical and professional maneuver to divert attention from the real point of the inquiry.

There is no real evidence that anyone's civil rights have been jeopardized in the slightest.

But, typically, the people who have noisily inflicted their opinions on others for years now loudly yell "Copper!" when they are asked to explain the source of those opinions to their employer, the State of Washington.

It is an old legal axiom that accusers at the bar of justice must come into court with clean hands.

Did the university cell of Communists make any public outcry when antiwar minorities were being officially hounded in this country after Hitler and Stalin broke up their beautiful friendship; or when human and civil rights were being brutally suppressed, not only in Soviet Russia but in all her conquered and vassal nations?

Was there any protest from the university Communists and their fellow travelers when a bunch of hoodlums of like political convictions invaded a peaceful meeting in a Seattle church and by shouting and typical Communist strong-arm methods broke up the meeting?

There is no record of any such protest.

Apparently it all depends on whose civil rights ox is being gored.

Some of the professors who have been accused of Communist affiliations and sympathies maintain in effect that it is none of the business of the people of the State who employ them whether or not they are or have been members of the Communist Party.

The Post-Intelligencer believes it is the business of the people of the State to have this information.

The argument that membership in the Communist Party is on the same level as membership in one of the ordinary American political parties has no standing in good sense.

The Communist Party is conspiratorial in nature—so much so, that one of the university instructors admitted at last week's hearings that he attended party meetings under an alias.

It is intolerant of the rights and opinions of those who disagree with its tenets.

It is violent in word and intemperate in deed.

Above all, it was spawned in Moscow and willy-nilly is part of a worldwide revolutionary conspiracy whose chieftains sit in the Kremlin.

It is legal in the United States only in the negative sense that it has not been outlawed by statute.

It was long ago outlawed in public opinion.

It would be naive indeed to believe that any person subscribing to the intolerant and violent doctrines of communism could or would shed his opinions like an overcoat when he enters the classroom.

Human beings aren't built that way.

Perhaps the hearings, whose procedure admittedly was clumsy at times, have been unfairly pictured in the public mind through some of the inept questioning of witnesses by the chief examiner.

But each person who had been mentioned by witnesses as assertedly having had Communist affiliations was given the opportunity of stating whether or not he was or had been a member of the party. If he admitted he had been a member but was no longer one, he was given the opportunity of stating why he left the party.

And with one or two exceptions, none of the few faculty members who defied the committee in this respect made any public repudiation of the tenets and doctrines of communism.

Nor did they do so in their statements to this newspaper.

The Post-Intelligencer repeats that the people of the State who pay their salaries and whose children they teach have the right to know where they stand on this one issue.

This is not an issue of academic freedom, which has never been threatened in these proceedings.

It is an issue involving the very preservation of that freedom.

The Question of Inflation

EXTENSION OF REMARKS

OF

HON. ALEXANDER WILEY

OF WISCONSIN

IN THE SENATE OF THE UNITED STATES

Monday, August 2 (legislative day of Wednesday, July 28), 1948

Mr. WILEY. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a very thought-provoking and stimulating article written by Walter Lippmann under the title "How Serious and How Sincere?" which appeared recently in newspapers throughout America. The article is also informative because it goes to the subject of what is inflation and what is the cure for inflation.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TODAY AND TOMORROW—HOW SERIOUS AND HOW SINCERE?

(By Walter Lippmann)

There is a simple test by which the public can find out who is trying to deal sincerely and intelligently with the inflation. Does the candidate begin or end his oration with a clear explanation and a stern warning that if his program is effective it must be painful to farmers, wage earners, businessmen, and bankers? Does he say that to stop the inflation is to stop the boom, that in order to bring down prices it will be necessary to reduce prosperity, profits, business expansion, public works, sales and the market for labor? Does he put the people on notice that they cannot continue to enjoy the benefits of inflation—that is to say full employment, high wages, booming markets, high profits—and at the same time be able to buy at lower prices everything they are trying to buy?

If the public man says none of this, if he believes or pretends to believe that he can reduce the prevailing prices without reducing the current incomes of farmers, workers, and businessmen, if, in other words, he talks as if the people could have their cake and eat it too, he is deceiving them or he is deceiving himself.

The inflation is due to the fact that while American production is just about at maximum capacity, the purchasing power at the disposal of consumers and investors is being increased. It is impossible to increase the production of goods. Steel, mining, textile, oil, paper, durable goods plants, the construction industry, are operating at about their capacity. Production could be increased only if there were more labor, if there were more steel, more raw material, and more transportation. There is no more available, and in the short run, more cannot be made available.

Therefore, the high-price level cannot now be reduced by increased production. It can be reduced only by decreasing the demand. But measures to decrease the demand will be painful to those whose spending power is reduced, and they will, no matter what the sentiment against the high cost of living, be extremely unpopular. To reduce spending power it would be necessary to raise taxes, to reduce consumer credit, that is to say installment buying, to reduce bank loans which finance business expansion and inventories, to arrest public works by the cities, the States, and the Federal Government, to make money dearer, to lower the support of farm prices, to raise the ceiling on hours of work and lower the floor under wages.

Because a policy of disinflation is inherently painful, unpopular, and dangerous—in that it may get out of hand and bring on a deflation—no free government is able to disinflate except with the united support of its leading political parties. A disinflation can be carried out only if both parties share the responsibility, only if neither party can exploit the consequences against the other. No one, therefore, who is serious and sincere about it, would make it a partisan issue on the eve of an election.

The very fact that he made it a partisan issue is almost conclusive evidence that he does not expect to deal with the realities of the problem, and that he merely wants a talking point. Thus if Mr. Truman expected to act at once and if he knew what the effects of action would be, his first concern would be to make sure that he had an agreed program to which the Republicans were committed.

For no one would want to break the boom on his own responsibility alone. But a candidate would be only too glad to create the illusion that he could have reduced the cost of living without breaking the boom.

To create that illusion he must ask for powers which he will not have to use. The way to ask for them without getting them is to ask for them in such a way that the other party is almost certain not to grant them—that is to say by making it a personal triumph for himself and a public humiliation for them if they do grant them.

If Mr. Truman wanted the powers because his first concern was the public interest, he would recognize that to get them he must conciliate, not antagonize, the Congress. He would make it plain that to use those powers when he got them, he would need the full cooperation of both parties and the whole people.

In dealing with foreign affairs that is what he has done. There the intention is sincere and public spirited, but as respects inflation he is pursuing an exactly opposite course, making demands on Congress which are formulated and posed in a way which makes agreement improbable, which makes national unity impossible.

That is because on inflation his intentions are partisan, are directed not to a remedy for inflation but to the making of a campaign issue.

The Paper Dollar

EXTENSION OF REMARKS
OF
HON. ZALES N. ECTON
OF MONTANA
IN THE SENATE OF THE UNITED STATES

Monday, August 2 (legislative day of Wednesday, July 28), 1948

Mr. ECTON. Mr. President, I ask unanimous consent to have printed in the RECORD an editorial entitled "The Paper Dollar," written by Felix Morley, and published in the July 14, 1948, issue of the Pathfinder.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE WORLD AND US—THE PAPER DOLLAR

(By Felix Morley)

Not one person in a thousand ever reads the wording on the paper money in his possession. All that most of us ever think about is the denomination, whether the bill is a one, a five, a ten—or what have you.

Yet this matter of wording is important. For paper money is legally a contract between the owner and the United States Government. The paper of itself is worth nothing. Only the guaranties which are made enforceable by that paper give it value, as in the case of any other contract.

If you have a few bills in your pocket, and will read them carefully, you will perhaps be surprised to find that some of this paper money is irredeemable. It is a promise to pay on which the Government does not propose to make good. That cannot be called a healthy currency.

The bills in your possession are likely to be one or other of three kinds. They are described, at the top of the face side of the note, either as a silver certificate, a United States note, or a Federal Reserve note. We have other kinds of legal paper currency, but far the greater part of that in circulation is either silver certificates or notes.

All the $1 bills and many of the fives and tens, are silver certificates. These certify that there is on deposit in the Treasury an amount of silver coin equal to the face value of the certificate. The silver certificate is a contract to pay the appropriate amount of silver to the bearer on demand. That contract will be honored at any time, at the United States Treasury or any substation. For a dollar certificate you will not get a dollar's worth of commercial silver. But you will get something with much more actual value than paper.

The Federal Reserve notes are different. They are not redeemable in silver or in any other form of specie, but merely in lawful money. However, these Federal Reserve notes are themselves lawful money. So if you turn a Federal Reserve note in at the Treasury for redemption, the clerk may merely return the same note.

Technically, your paper money will then have been redeemed. But the experiment will show that actually we now have an inconvertible paper currency, which cannot be redeemed in anything more valuable than paper. And most of our large-denomination money is inconvertible.

What makes this serious is that issuance by governments of irredeemable paper money has throughout history been the signal for uncurbed spending, for currency inflation and for eventual currency collapse. The greatest obstacle to European recovery today is that the governments there have all put their money on an irredeemable basis.

If the United States is to succeed in its effort to help others, it must preserve financial stability at home. But there can be no real financial stability in a country in which money is backed by nothing more substantial than the government's promise. There should be tangible security back of the contract to pay. When our paper money was redeemable in gold, which has real value, the dollar was worth far more in food and clothing than is the case today.

During the session of Congress recently closed there were frequent indications that the representatives of the people realize the danger of irredeemable and therefore steadily depreciating paper dollars. Legislation to make our currency again redeemable in gold was introduced. Such a move is wholly practical, and if there is a change of administration this step is likely to be put through.

It must be done, if rising costs are to be checked and if the American dollar is to regain the reliability it once had. The fighting men whom we sent overseas during the war were reliable. The dollars we are now sending must be made so, if we expect them to be effective for recovery.

Danger for United States in Middle East—Soviet Is Wooing New State of Israel Which Calls for New Policy

EXTENSION OF REMARKS
OF
HON. LAWRENCE H. SMITH
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES

Monday, August 2, 1948

Mr. SMITH of Wisconsin. Mr. Speaker, trouble is brewing for the United States in the Middle East, notwithstanding statements made in this House that the new state of Israel would always be our friend.

Mr. C. L. Sulzberger writing from Athens, under date of July 26 and published in the New York Times of July 27, says that the creation of the new state may cause United States to shift Middle East policy. Russia has actively supported partition and its popularity has grown among the Zionists everywhere. He further states:

The Russians furthermore have supplied arms, especially from Czechoslovakia, to Israel by an underground railway.

Further, that they have encouraged and abetted immigration. He charges that the Russians have placed difficulties before the Marshall plan by blocking off important petroleum resources. According to Mr. Sulzberger there is also the possibility that the Soviet Union might gain eventually some form of a military toehold in the Middle East through the United Nations. All these matters constitute a threat to our national security. I have pointed to that fact many times, Mr. Speaker, and here we find corroboration for it in this article by Mr. Sulzberger.

Mr. Speaker, I offer it as part of my remarks:

ISRAEL'S BIRTH MAY CAUSE UNITED STATES TO SHIFT MIDDLE EAST POLICY—THIRD FORCE IN PALESTINE IS ASKED TO COUNTER RISING SUPPORT FOR COMMUNIST DOCTRINES

(By C. L. Sulzberger)

ATHENS, July 26.—United States foreign policy in the Middle East, which is still in an infantile state, faces the necessity of careful reconsideration and recasting as a result of the Palestine war and the de facto establishment of the independent state of Israel.

Establishment of Israel by the Zionist movement can now be considered a permanent factor in the Middle Eastern political situation. There appears hardly any doubt that despite the present lack of agreement on its geographic frontiers, the second United Nations truce in Palestine completes effectively the process whereby the new nation has been born.

Prior to the birth of Israel, United States policy had been crystallizing slowly into one of promoting friendly relationships with the Moslem states of the region. This had been done in order to protect and expand the United States petroleum development under private aegis and to prepare the way for obtaining air base rights and other strategic advantages.

Middle Eastern oil was calculated as a vital raw-material necessity in the maturing of the European recovery program as well as an immediate supply for United States naval and air force requirements, permitting the husbanding of the shrinking resources of western wells.

The gradual unfolding of a parallel pro-Zionist policy in Washington for idealistic, sentimental, and political reasons has worked against this original and basically strategical trend.

At this particular historical moment, Washington has lost considerable influence in the Arab world, where the United States is regarded as a pro-Zionist whipping boy. Simultaneously, it has not gained sufficient compensatory influence in the fledgling state of Israel.

On the contrary, United States Army planes are now stationed in Nicosia, Cyprus, for the possible necessity of evacuating United States citizens from Arab countries should angry mobs menace them. The petroleum pipe lines to Haifa are not only not pumping oil to the huge refineries there owned by the British, but they have been taken over and are being operated by Israel. Instead, crude oil is being secretly transported from western lands by tanker, to be processed at this terminus of a Middle Eastern overland supply source.

For years the Soviet Union's attitude was plainly anti-Zionist, and the small, illegal Palestine Communist Party made up of both Arabs and Jews, worked against that movement. Since the termination of World War II, Moscow's plain shift in policy has been consistent and has worked logically. The Soviet attitude toward partition has been outspoken, and it has furthered four Muscovite objectives as a result.

It unquestionably has popularized the Soviet Union among Zionists everywhere. The Russians furthermore have supplied arms—especially from Czechoslovakia—to Israel by an underground railway. They have encouraged and abetted immigration.

The Russians have placed difficulties before the Marshall plan—whose obstruction has been a primary objective of the Communist information bureau—by blocking off important petroleum resources.

The Russians have opened the possibility that the Soviet Union might gain eventually some form of a military toehold in the Middle East through the United Nations.

The Russians have fairly well insured that chaos and unrest would exist for some years in the Middle East because of the permanent hostility of the Arab states to an independent Israel. This weakens the United States strategic position.

AGAINST GRANTING BASES

Israel is against granting bases to any outside nation, Israel Foreign Minister Moshe Shertok has revealed, and the Arabs are far less acquiescent than they were. Ahmed Mahmoud Khachaba Pasha, the Egyptian Foreign Minister, has stated that Egypt had

intended to abstain from any western grouping in case of another war. This is also the policy of Israel. At the moment, therefore, Moscow has managed to some degree to neutralize the Middle East, an area formerly extremely hostile to her.

The backwardness of the Arabs of the Middle East, with extreme poverty of huge masses contrasted to the extreme wealth of a tiny minority in control, leaves a dangerously revolutionary situation. Mob action occasioned by anti-Jewish demonstrations can easily be turned into broader social protests—as the Cairo Government knows and fears.

Neither Britain nor the United States has ever done much to insure that economic benefits accruing to the Middle East from trade and leases were ever distributed for broad popular benefits.

The necessity of a positive and carefully calculated United States policy to meet the new situation occasioned by Israel's existence is therefore evident. This applies both in Israel and in the Arab states.

ARAB-ISRAELI COOPERATION

The first cardinal point is the need to work slowly but surely for Arab-Israeli cooperation on economic and eventually political lines so that Israel does not become an isolated island but can employ its vigor for regional benefits.

Some diplomats have talked unofficially of the wisdom of sponsoring eventually a Middle Eastern Marshall plan to foster this. Such a plan, they say, would insure furthermore that the discontented masses of the Arab world were gradually removed from potentially revolutionary instincts, and that feudalism was buried.

The second point is to encourage forward-looking democratic elements in both the Arab states and in Israel, just as a third force has been encouraged in France. That has never been done in the Arab world. It is equally necessary that such support be given in Israel, where extremist elements—some of them potentially friendly to the Soviet Union—are a danger whose full force is still untested.

Some Middle Eastern experts predict an effort by extremists led by the Irgun-Leumi Zvai and the Fighters for Freedom of Israel (the Stern group) to overthrow the government of Prime Minister David Ben-Gurion, whose philosophy is basically a combination of democracy and western socialism.

The exact strength in arms and men of these groups is unknown. They are exhibiting a gradually developing anti-western bias—spearheaded by their traditional hatred for Britain—and Soviet propaganda actively encourages this.

The Communist Party in Israel is itself very small, with only one member on the 37-man state council. But since it shifted, on orders from Moscow, from fighting Zionism to supporting it strongly, it has gained popularity. The party is believed to have made scant headway in penetrating the trade unions of the Kibbutzim (the communal farms).

But the Communist doctrine is being mirrored increasingly by "front" groups of persons previously prowestern. The new United Workers Party, made up of the Hashomer Hatzair (left-wing unionist) and the left-wing schismatic group from Premier Ben Gurion's socialist "mapai" are increasingly antiwestern. The Stern group uses Communist phraseology, and even Menachem Be Gin, head of the Irgun, has indicated that certain reforms similar to those of the Soviet Union would be advisable in Israel.

All fellow-traveler groups are strongly working for the sound and inevitable line of eventual Arab-Israeli cooperation.

At present Soviet policy can afford to be crystal clear and on the offensive in Israel while concurrently vague and for general social reform in the Arab world.

The Displaced Persons Act

EXTENSION OF REMARKS

OF

HON. C. WAYLAND BROOKS

OF ILLINOIS

IN THE SENATE OF THE UNITED STATES

Monday, August 2 (legislative day of Wednesday, July 28), 1948

Mr. BROOKS. Mr. President, one of the greatest tragedies of modern war is the aftermath of that war. Nothing exemplifies this to a greater degree than the plight of the displaced people across the face of the earth. America, made up of all the races, creeds, and colors of mankind, has always been sympathetic to distressed people everywhere. The thing we need most to guard against is statements that would cause class, race, or creed dissensions or differences in America.

It was unfortunate indeed that the President of the United States in his acceptance speech took that political forum opportunity to call the special session of the Eightieth Congress. He stated:

I shall ask for an adequate and decent law for displaced persons in place of this anti-Semitic, anti-Catholic new law which this Eightieth Congress passed.

The bill as passed by the Congress was neither anti-Semitic nor anti-Catholic, and I ask unanimous consent to have printed in the Appendix of the RECORD an article which appeared in the New World, Chicago's official Catholic newspaper, published in Chicago, Ill., on July 23, 1948, in which Monsignor Swanstrom disclaims the charge that this bill was in any way anti-Catholic.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FIFTY-FIVE PERCENT CATHOLICS—PRIEST DENIES CHARGES DP BILL IS ANTI-CATHOLIC

BUFFALO.—Statements carried in the public press asserting that Catholics have denounced congressional legislation permitting the entrance of 205,000 European displaced persons in this country were criticized as untrue here by Msgr. Edward E. Swanstrom, of New York, chairman of the National Catholic Resettlement council.

Monsignor Swanstrom declared: "The displaced persons legislation is not discriminatory as far as Catholics are concerned." He added that "no leading Catholic authority or any official representative of the NCRC ever has spoken of the measure as being anti-Catholic despite reports in the public press."

MAP PLANS

Monsignor Swanstrom presided at a conference here of 60 delegates of the council who mapped plans for receiving thousands of displaced persons in this country.

Monsignor Swanstrom pointed out that more than 90 percent of the Lithuanians and 40 percent of the Latvians eligible for entry under the law are Catholics and that most of the Poles who will come from the territory east of the Curzon Line are Catholics.

"Thus there is a very substantial number of Catholics in this group to which a priority has been given," he added. "At least 55 percent of the displaced persons to be brought to this country under the legislation are Catholics."

Reporting on the council's conference, Monsignor Swanstrom said the delegates agreed to appeal to the next Congress requesting that displaced persons who entered European camps as late as April, 1947, be eligible for admission. Under the congressional law, only persons in the camps prior to December 22, 1945, are eligible for admission.

CANVASS NATION

The Monsignor said the meeting developed the necessity of again canvassing the Nation to determine how many homes and jobs will be available for Catholics brought to this country. "We'll start receiving the first group of 3,000 in August" Monsignor Swanstrom said. "The State Department figures we'll get 5,000 in September, 7,000 in October, and 10,000 monthly thereafter."

He estimates that the council already has found places for 50,000 DP's, but emphasized that another survey is needed as the last one was taken before congressional passage of the DP bill.

Bishop John F. O'Hara, C. S. C., of Buffalo, addressed the group at a luncheon and declared: "Our Lord, Himself, is a prototype of the displaced person, when He came seeking a birthplace in Bethlehem and there was no room for Him."

Family Income and Home Ownership

EXTENSION OF REMARKS

OF

HON. HOMER D. ANGELL

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Monday, August 2, 1948

Mr. ANGELL. Mr. Speaker, the housing problem is one of the critical issues facing us today. I hope before we adjourn we will be able to pass legislation which will assist veterans and other low-income groups to procure a home within the means they have available. I am today in receipt of a letter and a factual report on family income and home ownership from the United States Savings and Loan League which is worthy of study. I include the letter and report as a part of these remarks:

UNITED STATES SAVINGS
AND LOAN LEAGUE,
Chicago, July 29, 1948.

Mr. HOMER D. ANGELL,
House Office Building,
Washington, D. C.

DEAR CONGRESSMAN ANGELL: Ownership of their homes by 46 percent of all nonrural families with incomes under $2,000 a year was recently revealed in a report of the United States Bureau of the Census.

This fact challenges the oft-repeated statement that families with less than $2,000 a year income do not or cannot own their homes without Government assistance.

Widespread purchases of homes in the past 2 years by low-income families was reported by the Board of Governors of the Federal Reserve System in the June 1948 issue of the Federal Reserve Bulletin.

These and other data by these two Government departments relative to family income and home ownership are summarized in the attached four-page bulletin. Of particular significance is the table on page 2 which clearly shows that home ownership in this country is not limited to the well-to-do.

I thought you would be interested in these home ownership figures at this time when the housing problem is being so widely discussed.

Sincerely,

MORTON BODFISH,
Chairman of the Executive Committee.

FAMILY INCOME AND HOME OWNERSHIP

The theory that home ownership in this country is limited to the well-to-do and that only a fraction of American families can afford to buy a home received a shattering blow by statistical studies recently released by two Government departments—the United States Bureau of the Census and the Federal Reserve Board. The tables presented in these four pages tell the story. They are taken from these studies and are pretty much self-explanatory. The high points are brought out in the accompanying comments.

The most significant data are presented on page 2. They merit careful study. The data, for example, show that in 1947 over half of American families owned their own homes; 46.3 percent of all families with incomes under $3,000 and 46 percent of all families with incomes under $2,000 a year owned their own homes. How home ownership has increased with all income groups since 1940 is shown in the following summary:

Percentage of all families in various income groups owning own homes

Annual family income	1947	1940
	Percent	*Percent*
Under $500	54.5	45.0
$500 to $999	48.2	30.6
$1,000 to $1,499	43.9	34.5
$1,500 to $1,999	43.6	38.9
$2,000 to $2,499	46.2	43.9
$2,500 to $2,999	47.0	46.4
$3,000 to $4,999	52.3	51.6
$5,000 and over	64.7	59.3
All families, average	51.4	40.9

Source: U. S. Bureau of the Census, 1940 Population and Housing, Families, Tenure and Rent, p. 96; 1948, Current Population Reports, Consumer Income, series P-60, No. 3, p. 96.

These, of course, are national data, and the high percentage of home ownership in the low-income brackets is influenced by the inclusion of families from smaller cities and rural, nonfarm areas in which the price of homes is relatively low, but where family incomes are also lower. Additional census data show, however, that about 43 percent of all urban families with less than $1,000 annual incomes are home owners. It is erroneous to assume that all or even the majority of the low-income families are welfare families needing public assistance in housing, or otherwise. Many of these families are retired couples living on savings or family support in addition to their current income, or couples having partial subsistence from part-time farming. This is confirmed by the census findings that almost 40 percent of the nonfarm families with less than $1,000 income had no civilian earners and 62 percent had no children under 18 years of age.

That there is much less difference in the economic status of home owners and tenants than is often assumed is evidenced by the fact that the median (average) income of nonfarm tenant families was $2,769, or only 13.4 percent lower than the $3,197 median income of nonfarm home owning families. Thus, if the experience and ability of families now owning homes is any guide, and certainly it should be, many of the present tenant families are able to afford home ownership.

Family income—home ownership and tenancy—urban and rural, nonfarm, United States (29,652,000 families), 1947 census

Total annual family money income	Families owning their own homes				Tenant families			
	Number of home-owning families	Percentage of all families in income group owning own home	Cumulative number of home owners	Cumulative percentage of families owning own homes by income group	Number of tenant families	Percentage of all families in income group who are tenants	Cumulative number of tenant families	Cumulative percentage of families who are tenants by income groups
Under $500	533,750	54.5	533,750	3.5	446,462	45.5	446,462	3.1
$500 to $999	777,750	48.2	1,311,500	8.6	835,316	51.8	1,281,778	8.9
$1,000 to $1,499	991,250	43.9	2,302,750	15.1	1,267,376	56.1	2,549,154	17.7
$1,500 to $1,999	1,235,250	43.6	3,538,000	23.2	1,598,622	56.3	4,147,776	28.8
$2,000 to $2,499	1,753,750	46.2	5,291,750	34.7	2,045,084	53.8	6,192,860	43.0
$2,500 to $2,999	1,647,000	47.0	6,938,750	45.5	1,857,558	53.0	8,050,718	55.9
$3,000 to $3,499	1,753,750	50.0	8,692,500	57.0	1,757,044	50.0	9,807,762	68.1
$3,500 to $3,999	1,326,750	52.9	10,019,250	65.7	1,180,964	47.1	10,988,726	76.3
$4,000 to $4,999	1,875,750	54.2	11,895,000	78.0	1,584,220	45.8	12,572,946	87.3
$5,000 and over	3,355,000	64.7	15,250,000	100.0	1,829,054	35.3	14,402,000	100.0
Total	15,250,000	51.4	----------	----------	14,402,000	48.6	----------	----------

Source: U. S. Bureau of the Census, 1948, Current Population Reports: Consumers Income, Series P-60, No. 3., p. 16.

NOTE.—The above figures are based upon a sample survey made in April 1947 by the Bureau of the Census. The income data are those of 1946 and comprise total money income of families exclusive of income in kind. The above table is comparable with that prepared by the Bureau in 1940: U. S. Bureau of the Census, 1940, Population and Housing, Families, Tenure and Rent, p. 96.

That many low-income families can buy homes and do not need public housing assistance is shown by the fact that many such families are actually buying homes. This is brought out in the following table, which also explodes the idea that lower priced homes are not available.

Purchases of homes in 1947 by American families

Annual family income	Percentage of all families buying homes	Price of home purchased by these families [1]		
		Under $5,000	$5,000 to $9,999	$10,000 and over
	Percent	*Percent*	*Percent*	*Percent*
Under $1,000	1	1	1	(2)
$1,000 to $1,999	3	2	(2)	(2)
$2,000 to $2,999	4	3	2	(2)
$3,000 to $4,999	7	2	3	1
$5,000 and over	6	(2)	2	3
All families	5	2	2	1

[1] The percentages in this table do not add up in every case to the percentage in the left-hand column due to rounding off of fractions to the nearest whole number.
[2] Less than one-half of 1 percent.

Source: Federal Reserve Board; 1948 Survey of Consumer Finances, pt. I, Expenditures for Durable Goods, table 10.

In 1947 approximately 2,200,000 houses were purchased by American families—700,000 new houses and 1,500,000 used houses. Of the total, 858,000, or 39 percent, were purchased by families with annual incomes under $3,000. Only 396,000, or 18 percent of the homes purchased last year, were purchased by families with incomes over $5,000. Eighty percent of all homes purchased last year had a price under $10,000. Forty percent of all homes purchased last year had a price under $5,000. Certainly these facts do not indicate that suitable private homes are not available in the lower price ranges as the advocates of Government housing indicate, nor that all families making less than $2,500 or $3,000 need public assistance to obtain adequate housing. Incidentally, it is interesting to note that 38 percent of the 7,200,000 automobiles, new and used, bought by American families in 1947 were purchased by families with annual incomes under $3,000, with about 10 percent of all under-$3,000-a-year families buying automobiles last year.

Additional data show purchases of homes in 1946 and intended purchases in 1948 which shed further light on the ability of low-income families to purchase homes. These data are given below:

Actual and intended purchases of homes by American families

Annual family income	Percentage of all families buying homes			
	Actual purchases—		Intended purchases, 1948	Total purchases, 1946–48
	In 1946	In 1947		
$1,000 to $1,999	6	3	2	11
$2,000 to $2,999	7	4	6	17
$3,000 to $4,999	8	7	8	23
$5,000 and over	13	6	10	29
All families	7	5	5	17

Source: Federal Reserve Board, 1948 Survey of Consumer Finances, pt. I, Expenditures for Durable Goods, table 4.

If the intended purchases for this year are made, 17 percent of all families with incomes from $2,000 to $3,000 a year will have become owners in the 3-year period of 1946 through 1948. The proportion is not significantly less than the percentage of $3,000-to-$5,000-a-year families who will have become home owners, and further bears out the ability of many of the lower-income families to take care of their own housing needs.

Of the 15,250,000 home-owning families in this country, 23.2 percent have incomes less than $2,000 a year, and 45.5 percent have incomes less than $3,000 a year. Thus almost half of America's home owners are in the income group that advocates of public housing say need some governmental assistance in acquiring and maintaining suitable living accommodations. Detailed data on the incomes of home-owning and tenant families are in the following table:

Income of all nonfarm families, home owners, and tenants, as of April 1947

Annual family income	All families	Home owners	Tenants
	Percent of total	*Percent of total*	*Percent of total*
Under $2,000	25.8	23.2	28.8
$2,000 to $2,999	24.6	22.3	27.1
$3,000 to $3,999	20.3	20.2	20.4
$4,000 to $4,999	11.7	12.3	11.0
$5,000 and over	17.5	22.0	12.7
Total	[1] 100.0	[2] 100.0	[3] 100.0

[1] Or 29,679,000 families.
[2] Or 15,250,000 families.
[3] Or 14,401,000 families.

NOTE.—The total of all families includes a small number not reporting on tenure.

Source: U. S. Bureau of the Census, Current Population Reports, series P-60, No. 3, table 6.

With the facts showing the large percentage of home ownership by families of low income, the large purchases of homes in recent years by families of low income and the fact that home-owning families have about the same average income as do tenant families, the conclusion is inescapable that home ownership is possible for practically every American family and that the majority of low-income families do not need public assistance in their housing problem. The taxes on the homes of American families, almost half of which are owned by families with incomes less than $3,000 a year, should not have to be used to subsidize homes for other and possibly less thrifty families with incomes under $3,000 a year.

The constant rise of home ownership plus production of new housing at the current record rate of about 1,000,000 units a year mean a steady if not rapid improvement in the quality of housing, since those who own their homes are careful about maintaining property values and anxious to improve them. Recent Census Bureau data, in fact, show that the physical condition of American housing in 1947 was at an all-time high with only 6.8 percent of all dwelling units in need of major repair compared to 11.4 percent in 1940.

It is obvious that the past 8 years have seen the greatest progress toward home ownership and high standards of housing ever made in this country. Endangering continued progress in home ownership is the tendency of cities to throw the entire cost of local government, schools, and other public services on home and property owners. Another threat to home-ownership progress is the program of public officials to build houses and apartments for a portion of the voters, such houses and most of their share of the cost of government, schools, and services to be paid for by the taxes of the others.

MORTON BODFISH.

JULY 1948.

Why Is Meat Scarce?

EXTENSION OF REMARKS

OF

HON. A. L. MILLER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Monday, August 2, 1948

Mr. MILLER of Nebraska. Mr. Speaker, nearly every day someone points his finger at the farmer and blames him for the high cost of meat. Let us examine the record. If you do you will discover that this administration and the Department of Agriculture are the arch villain in the scene.

Let us look at the record and place the blame where it belongs. I claim it is the Department of Agriculture who either through ignorance—downright stupidity—or actual design has brought about a shortage of meat.

I have before me the record of the Department of Agriculture for the past 10 years and their recommendations. It shows that with the start of the OPA the number of cattle, hogs, and sheep have declined on our farms and this with the recommendations of the Department of Agriculture. The figures I give you are from the Department's own news releases.

WHY LESS CATTLE?

Mr. Speaker, the cattle population in 1944 was 85,573,000. Two years later it was 81,207,000. Mr. Truman and the Agriculture Department recommended they be reduced 2,707,000 in 1947 and it was done. Today, according to their report, we have 78,564,000 head of all kinds of cattle in this country. Now listen to this, you consumers and meat eaters. Mr. Truman's Department of Agriculture recommends that the farmer reduce his breeding herds by 517,000 head for this next year. It is unbelievable but here it is in the Department's release.

WHAT IS THE RECORD ON HOGS?

In 1943 the spring pig crop was 74,223,000. The fall crop 47,584,000. Now what was the Agricultural Department's goal for 1946? Well here it is, 51,651,000 spring pigs, a reduction of nearly 23,000,000 head.

The Department out of one side of their mouth was telling the people there would be a shortage of pork and at the same time the other side of the mouth asked the farmer in 1948 to produce 2,780,000 less head of pigs than in 1947. This year the goals are raised, but, Mr. Speaker, it takes at least a year to produce pork and from 2 to 3 years to produce beef.

WHAT ABOUT SHEEP?

The records show that in 1942 we had 55,120,000 head of sheep and lambs in this country and then, Mr. Speaker, came OPA with regulations and careful planning with recommendations until today the sheep and lamb population is about 35,332,000, a reduction of nearly 20,000,000 head. The same story from the Department's own records could be told about poultry and eggs. Yes; Mr. Speaker, professional planners of the Wallace days must believe you can have prosperity through scarcity. Oh, the orders the farmers have had. Do you remember Luckman's order to reduce poultry to save grain? Marketing livestock at light weights? And a deluge of advice from Washington to the farmers?

Mr. Speaker, our population increases about one and one-half million each year—it means more mouths to feed—why should the Department of Agriculture ask for fewer breeding cows? Do they actually want a shortage so they can get more power through a rationing and price-control program? I have tried to seek the answer from the Department but to no avail. Mr. Speaker, we need more production, not less. I believe it will take a new administration with a brand new philosophy before the present evils can be eliminated. Certainly the law of supply and demand cannot be repealed. You colleagues who clamor for the return of the OPA should remember it meant less meat, black markets and oppressive snoopers everywhere. It just cannot work in peacetime.

Mr. Speaker, I repeat we need more production of meat, not less. The reduction of a half million head of cows means less, not more. The blame for less meat is on the doorstep of Mr. Truman's Department of Agriculture.

Postscript Apropos

EXTENSION OF REMARKS

OF

HON. JAMES H. MORRISON

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, August 2, 1948

Mr. MORRISON. Mr. Speaker, in many of the letters that I have sent to Louisiana I have added the following postscript which I think is apropos:

P. S.—Due to the fact that I was called to Washington for the special session, I had to leave Louisiana in the midst of my campaign. I, therefore, am leaving my campaign in your hands and you may rest assured that I will deeply and sincerely appreciate your support and vote in my behalf, which will bring victory to us on Tuesday, August 31.

Sincerely,

JIMMY MORRISON.

Displaced Persons Admitted to United States Must Be Carefully Screened

EXTENSION OF REMARKS

OF

HON. ARTHUR G. KLEIN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, August 2, 1948

Mr. KLEIN. Mr. Speaker, under leave, I am introducing into the CONGRESSIONAL RECORD a most interesting article by Mr. Abraham C. Duker, the distinguished English-language editor of the Jewish Day, a daily newspaper published in New York.

The thesis of Mr. Duker's argument is that among the thousands of displaced persons who are bona fide refugees from terror and annihilation are many hidden Nazi sympathizers, especially among the DP's from the Baltic areas and from the Ukraine, who collaborated with the Hitler horror regime and have the blood of thousands of innocent persons on their hands—the blood of people whose only crime was their religious belief or their loyalty to their own countries.

His remarks are given point by the tragically discriminatory Displaced Persons Act passed before adjournment. This law deliberately gives preference to some of the quislings and traitors from the Slavic and Baltic areas.

In justice to the Department of the Army, the Department of State, and the Department of Justice, I want to point out that the screening process proposed by Mr. Duker already is being carried out, chiefly by the use of Counter Intelligence Corps reports, and care is being used to avoid the immigration to the United States of known Nazis.

The article follows:

ON THE NEED FOR SCREENING DISPLACED PERSONS APPLYING FOR ENTRY INTO THE UNITED STATES

(By Abraham G. Duker)

Much has been said and written about the problem of the displaced persons in Europe,

and America's meager role in solving it. The hesitancy which the United States has been displaying in meeting this problem by opening our doors to the tired people now entering their fourth year of life in the camps, can be atoned for only by liberalizing our immigration laws, a solution devoutedly to be hoped for. However, in the righteous concern expressed for aiding DP's, and the resultant appeals to public opinion on their behalf, no mention has been made of the presence among the DP's of Nazi collaborationists of many nations, so that the United States now faces the danger of admitting among the many worth-while victims of totalitarianism from all groups and faiths, also elements unworthy of our hospitality and incapable of becoming good citizens of this great democracy. Unfortunately, public opinion, as well as Government authorities, in this country, to judge by editorial expression and utterances of spokesmen for many groups, is not aware of this danger. This may be due to several factors. One is the sanctity attached to the term political refugee; another is distrust of Russia; a third is the understandable clamorings of the spokesmen for certain national and religious groups in our population; a fourth factor, and not the least one, is the lack of genuine information on the composition of DP's, most of whom are erroneously thought of as former slave laborers. Behind this is the American faith in the individual, a basic and permanent structure of our civilization. This attitude is best illustrated by the DP bill of 1948, which gives preference in admission to the United States to the Volksdeutsche, Hitler's fifth column, who were evicted from Czechoslovakia, Poland, and other countries.

It is the purpose of this paper to call attention to the doubtful elements among the DP's, other than the Volksdeutsche, so that measures may be immediately considered to rigidly screen the applicants for entry to the United States.

VOLUNTEER NAZI HELPERS

There is ample and indisputable evidence available in proof of the contention that the DP camps harbor large numbers of Lithuanians, Latvians, Estonians, White Ruthenians, Ukrainians, Poles, Hungarians, Croats, and Slovaks, who voluntarily joined the Nazis and loyally and devotedly served them during the period of occupation. Their cooperation was indispensable to the Nazis in the extermination of the Jews, the hunting down of partisans, recruitment of forced labor and the elimination of "unreliable" (meaning anti-Nazi) elements.

This is proven from a host of documents found in Nazi archives, as well as from depositions by survivors. Without them none of these tasks could have been accomplished. For instance, SS Obergruppenfuehrer Erich von dem Bach-Zalewski, who was in charge of annihilating partisans on the Soviet front and of subduing the Warsaw Revolt of 1944, has repeatedly declared in memoranda and interrogations that the Einsatzgruppen (Special Extermination Commandos), which massacred Jews and partisans were so small in numbers and knew so little about the areas of operation, that without the active aid of the local collaborationists, their effectiveness would have been greatly reduced. The weekly intelligence reports of the SS and SD which were found in Baldur von Schirach's archives in Vienna, now located in Nuremberg, present in detail the operations carried out against the partisans with the aid of the Eastern callaborationists. Survivors of partisan bands uniformly declare that both they and the villagers dreaded far more the collaborationist militias and local informers than the Nazis, who were few in number and rarely, if at all, conversant with the dialects and localities. For instance, because of their ignorance of the peasant dialects Nazis could not enter villages in groups in the guise of partisans. The dirty work was done by the local quislings. Hans Frank noted time and again in his diary, in reports and in his testimony at the trials, the numerical inferiority of the Germans in Poland and referred to the reliance that had to be placed mostly on Ukrainians and to some extent also on "loyal" Poles.

THE BALTS' UGLY RECORD

In view of the favorable judgment about the Balts expressed in the report of the General Counsel of the Kilgore committee of November 1946, and even more so in the report of the Senate Committee on the Judiciary of March 1948, it should be noted that many members of these national groups, the Estonians, Latvians, and Lithuanians, in conjunction with the Ukrainians and Croats, were especially egregious collaborationists. Nazi myth had it that the Balts had blood kinship with the Germans. They were accordingly given preferential treatment. The task of the Ukrainians was to help in the extermination of Jews, Poles, and Russians, while the Balts, in addition to aiding the extermination of Jews and partisans in their own countries, would also be used in other areas. Although the attitude toward the Ukrainian population at large—but not to the collaborationist element—changed, for diverse reasons, about 1943, the Balts continued to be Nazi favorites to the end. The Nazi scheme called for the immediate annihilation of Jews, for the extermination of Poles and Russians by degrees; the Balts and Ukrainians were to be preserved.

The Nazi documents submitted by Justice Jackson at the Nuremberg Trial disclose much about the Balts' collaboration with the Nazis. Few documents can necessarily be cited here, but they should suffice both to show the extent of the collaboration, as well as to dissipate the fiction that the Balts and Ukrainians have fled merely because of their love of freedom.

NAZIS CHOOSE THEIR ALLIES

Early in their war against the Soviet Union, the Germans singled out a number of nationalities for favorable treatment when it came to the repatriation of war prisoners. Thus document 1519–PS, 8 September, 1941, "Subject: Treatment of Soviet Prisoners of War", states:

"Members of the following racial groups must be speedily sent home: Racial Germans, Ukrainians, White Ruthenians, Latvians, Estonians, Rumanians, Finns, Lithuanians."

The enemy Balts, Ukrainians, and White Russians were thus placed in the same category with racial Germans, Rumanians, and Finns, all Axis members. They were not to undergo execution, forced labor or starvation. Moreover, these collaborationists were freely accepted in the German Army, not merely in the native police.

The Germans were satisfied with their "allies". Document 294–PS, 25 October 1942, a report by Dr. Breutigam, the leading specialist in the Eastern Ministry, states:

"Wherever Ukrainians, Russians, White Russians and members of the Baltic people were in the Wehrmacht or in the police, they have proved themselves and have fought excellently almost without exception."

Document 1520–PS, 13 May 1942, is a record of a conversation between Hitler and Minister for Eastern Affairs Alfred Rosenberg, held on May 8, regarding Nazi policies in the East. Among the matters discussed was the question of awarding the iron cross—Germany's traditional award for extraordinary bravery—to Estonians, Lithuanians, and Latvians. Rosenberg observed that the "armed forces are in favor of such awards."

Document 437–PS, 19 June, 1943, which is a memorandum addressed to Hitler by Hans Frank, the butcher of Poland, reads:

"The Ukrainians, Goralen (then Carpathian mountaineers), White Russians, Caucasians, and Tartars remained very much safe from actions against the security of their persons or their property. To a great extent they also had the possibility, although under German supervision, to be active according to their national characteristics in the cultural field and the educational system. * * * As a consequence of this considerably better treatment of non-Polish national groups of the General Government, these showed from the beginning a general open-mindedness toward German goals and especially toward the necessities of war. * * * The silently recognized representative organization of these national groups together with their religious congregation have always employed themselves actively and propagandistically for the German demands * * * above that, these national groups have expressed again and again their desire to be allowed to stand up with weapons in their hands against the Soviets, and have emphasized this readiness for active commitment by reporting as volunteers."

Elsewhere in the report, Frank emphasized the "voluntary performances of the favored national groups."

NATIVE VOLUNTEER DETACHMENTS

Even more instructive are the following quotations from Document L–180, 15 October, 1941, the SS and SD report on the extermination in Lithuania, Latvia, and Estonia, of 135,567 Jews and partisans (mainly Jews), from 23 June to 15 October, 1941:

"Immediately after the capture, the security police formed volunteer detachments from reliable natives in all three Baltic provinces; they carried out their duties successfully under our command. During the first pogrom on the night of 25–26 June, the Lithuanian partisans did away with 1,500 Jews, set fire to several synagogues or destroyed them by other means and burned down a Jewish dwelling district consisting of about 60 houses. During the following nights about 2,300 Jews were made harmless in a similar way. In other parts of Lithuania, similar actions followed the example of Kowno (Kaunas), though smaller and extending to the Communists who had been left behind. * * * It was possible through similar influences on the Latvian auxiliary to set in motion a pogrom against Jews in Riga. During this pogrom all synagogues were destroyed and about 400 Jews were killed. * * * The arrest of all male Jews of over 16 years of age has been nearly finished. With the exception of doctors and the Jewish Elders who were appointed by the Special Commandos, they were executed by the Self-Protection Units under the control of the Special Detachment." (Self-Protection Unit was the designation of the Estonian collaborationists.)

SPECIALISTS IN POGROMS

S. S. Gruppenfuhrer Dr. Stahlecker, the author of the report, gives ungrudging credit to his Lithuanian coworkers in adding:

"This is so much easier because the action detachments in Lithuania, Latvia, and Estonia have at their disposal native police units, as described in enclosure No. 1." (Lithuanians are voluntarily and untiringly at our disposal for all measures against Jews, sometimes they even execute such measures on thir own.) (Editor's parentheses.) The same document also mentions the shipment of 150 Latvian reinforcements to White Russia (p. 983).

Document 2273–PS, end of December 1941, being a further report by the SS and SD, states:

"As a result of the pogroms carried out by the Lithuanians, who were nevertheless substantially assisted by Sipo and SD, 3,800

Jews in Kowno and 1,200 in the smaller towns were eliminated."

The same report adds that in Latvia the executions were carried out "with the help of forces picked from the Latvian auxiliary police."

LIQUIDATE WHITE RUSSIANS AND JEWS

Document 1104-PS, October 30, 1941, being a report by a German officer on massacres in the White Russian town of Slutzk, states:

"With indescribable brutality on the part of the German police officers and particularly the Lithuanian partisans, the Jewish people, but also among them the White Russians, were taken out of their dwellings and herded together."

OPERATIONS AGAINST PARTISANS

During the war, Americans read with admiration about the achievements of the Red partisans (not the Baltic collaborationists named in the documents cited above). The Balts, White Russians, and Ukrainians, who knew the locale, the people, and the dialects engaged in hunting down partisans from the earliest stages of the war to the collapse of the eastern front. Document L-180, cited above, reads:

"For example, it may be understood the armed forces suffered not inconsiderable losses through guerrillas in Riga, on the left of the Dvina River; on the right bank of the river. However, after these volunteer detachments had been organized in Riga, not a single soldier was injured, although these Latvian detachments suffered some killed and wounded in fighting Russian stragglers. * * * In Lithuania, activist and nationalist persons formed themselves into so-called partisan units at the beginning of the eastern campaign, in order to take active part in the fight against bolshevism. According to their own report they suffered 4,000 casualties."

Four thousand casualties would indicate a large number of participants. Local informers (whose identity was known to the villagers) kept the Nazi informed about the movements of the partisans and more especially about those peasants who extended them aid. The same report relates:

"The network of information thus built up yielded much information for the Action Group, thus enabling them to surround more narrowly the quarters of the partisans. * * * Those captured were either shot off-hand or if further interrogation produced useful information, taken to headquarters. After the interrogation they were shot. * * * Houses where partisans obtained food or shelter were burnt down. When a large number of villagers helped the partisans, the whole village was burnt down as a punishment and in order to create terror."

Document 1113-PS, 6 November, 1942, is a brief report on operation Marsh fever against partisans in White Russia. During the operation 389 bandits were shot in combat, 1,274 suspicious persons sentenced and shot, 8,350 Jews executed, 1,217 persons evacuated. The report also states that the "Fifteenth Latvian Police Battalion" participated in the operation. It would not be impossible to find out whether former members of these battalions are still in the DP camps. It is not unlikely that some of them have already been admitted to the United States.

As the war continued and the Nazis grew progressively short of personnel, they recruited Balts in increasing numbers. Later documents show them participating in massacres in Poland, while at the same time, Ukranians were brought to Lithuania to effect resettlement and carry out executions.

UKRAINIANS MOST ACTIVE

The Ukrainians, by reason of their larger numbers and historic hatred of Poles and Jews, proved themselves particularly pernicious collaborationists. The decision to employ them was reached by the Germans long before the War.

Rosenberg, the Nazi Minister for Eastern Affairs, himself a German Balt, was also a philo-Ukrainian. Document 1039-PS, April 1941, entitled "Report on the Preparatory Work in Eastern European Questions" cites special studies on "German law in the Ukraine, German Art in the Ukraine, influence of the German language on the Ukrainian language, the Ukrainians from the viewpoint of Germans."

On November 22, 1941, Rosenberg issued a declaration stating according to Koch, that "the Ukrainians were strongly permeated with German blood, which fact accounts for their remarkable cultural and scientific achievements." A decree dated July 1942, ordered Germans not only to behave correctly toward the Ukrainians but also to exhibit amiable manners in dealing with them (Document 192-PS, 15 March 1942, pp. 14-15).

Even Rosenberg's antagonist Erich Koch, Commissioner of the Ukraine, who was criticized by Rosenberg for his lack of sympathy with the Germanic mental endowments of the Ukrainians, stated that he planned his "political activity among others, to the end that the contrasts between Ukrainian and Muscovite nationals were closely brought out in order to separate the Ukrainians from the great Slavonic bloc under Russian leadership" (Document 192-PS, p. 14).

Leaders of the Ukrainian "nationalist" movement, Bandera and Melnyk, readily joined the Nazis in the expectation that Hitler would create a totalitarian Ukraine under their leadership, free of Poles and Jews. At a conference held in Hitler's train on August 12, 1939, it was decided that "a revolt can be incited through the organization Melnyk, which would aim at the destruction of Poles and Jews."

It also was decided that the German radio was to announce upon the outbreak of the war:

"The German armed forces do not have any hostile intentions against the Ukrainian population in Poland."

Document 053-PS, October 1941, cites the following from a directive by the Melnyk gang:

"It is to be pointed out that Germany is at war with Moscow and therefore is our ally which one must support in battle."

UKRAINIANS CULTIVATED IN POLAND

The following entries in the dairy of Hans Frank, the butcher of Poland, are significant:

"The fuehrer lays stress upon the recognition of the Ukrainian element in the government general as an element which must be regarded as anti-Polish and pro-German * * *. In the village confidential agents were recruited and a guard unit formed from military-trained Ukrainians for the protection of factories. It was difficult to judge, however how trustworthy this Ukrainian unit would be in case of emergency. But today we can reply on them, as the Ukrainian defense unit is the deadly enemy of the Poles * * *. S. S. Major General Streckenbach states that a number of Ukrainians were admitted into the self-protection units, to be trained and later to be assigned to police offices as auxiliary policemen or as agents, where they can render highly valuable service as experts on the country and the people, and as enemies of the Poles" (March 1940).

S. S. Capt. Dr. Hans Koch reported in October 1941 (document 053-PS):

"A permanent security police force is in every town in Ukraine. It draws its replacements from newly captured Ukrainians, is entirely under German command and wears the blue-yellow brassard."

Address of James A. Farley at Democratic National Convention, Seconding the Nomination of Hon. Alben W. Barkley, of Kentucky

EXTENSION OF REMARKS

OF

HON. HERBERT R. O'CONOR

OF MARYLAND

IN THE SENATE OF THE UNITED STATES

Monday, August 2 (legislative day of Wednesday, July 28), 1948

Mr. O'CONOR. Mr. President, because of his long years of loyal service to his country and his party, and of the esteem in which he is held by Members on both sides of the aisle, I believe it is entirely in order that any honor or praise bestowed upon Minority Leader ALBEN W. BARKLEY be given deserved publicity. I, therefore, ask unanimous consent to have inserted in the Appendix of the RECORD the address of the Honorable James A. Farley of New York, seconding the nomination of Senator BARKLEY for the Vice Presidency of the United States, during the Democratic National Convention in Philadelphia.

Mr. Farley's eulogy will be echoed, I feel sure, in the hearts of every Member of the Senate, regardless of party affiliation.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

It is, as always, an honor and a pleasure to stand before you. I appreciate the warmth of your welcome. I can only say thank you, and may I repeat what I have said so many times, it's great to be a Democrat.

I come before you to second the nomination for the Vice Presidency of one of the party's ablest leaders and most faithful servants. For almost half a century he has served his party, his State, and his country. For 35 of those years he served in the Halls of Congress. From 1937 through 1946 he was the Senate leader, in a period of economic and military crises, and in this role he was a maker of history and a servant of the world.

Throughout these years he has at all times been a great Democrat and a great American. He has fought to advance freedom at home and abroad, ever steering his course by the principles of the party, which was born with the country and will ever be a beacon light of liberty.

Never did he falter in devotion to the party or the country, and his love for both was equaled only by his service. Few men in history have made a greater contribution to the party or to the country.

The time has come for this convention to offer him belated honor by naming him for the second highest office at the hands of the American people, the Vice-Presidency of the United States. Surely no one is more qualified by experience and temperament to preside over the Senate and add his voice to administration councils.

His choice will be welcomed throughout the ranks of our party. His great talents have long been at the party's service. Many times in the past has he fired you to greater efforts and he will again give freely of his great heart in the months ahead.

Ladies and gentlemen of the convention, I am deeply honored and I honor you by

seconding the nomination of that stalwart son of democracy and my great and good friend, ALBEN W. BARKLEY, of Kentucky, for the Vice Presidency of the United States.

Truth About Inflation Is Revealed in Eccles' Warning to Truman

EXTENSION OF REMARKS
OF
HON. HUBERT S. ELLIS
OF WEST VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Monday, August 2, 1948

Mr. ELLIS. Mr. Speaker, in referring to the President's proposals now being considered by the Congress, I direct your attention to a statement made in the press a few days ago by David Lawrence, able commentator on economic matters.

The statement follows:

TRUTH ABOUT INFLATION IS REVEALED IN ECCLES' WARNING TO TRUMAN—PRESIDENT'S POWER HELD AMPLE TO BEGIN MOVES TOWARD DEFLATION

(By David Lawrence)

The truth about the inflationary situation is slowly emerging, and it isn't a pleasant story.

The Federal Reserve Board last January warned the President—Marriner Eccles, former chairman, has now testified—that the boom could be and should be controlled and credit curbs applied but Mr. Truman deleted the recommendation from his message to Congress and demoted Mr. Eccles.

Many people in Washington suspected this at the time. Basically there was a substantial amount of agreement with Mr. Eccles' ideas but every one knew also that a curb on credit would start a depression and perhaps a severe one.

This being a Presidential year, naturally the President and his administration didn't want to start deflation and bring on a depression.

POWERS CALLED AMPLE

Mr. Truman has ample powers now to set deflationary moves into operation. But he doesn't want to accept the responsibility for unemployment and bankruptcies that may ensue. He presumably wants the boom to continue during the campaign while he seeks political benefit at the polls for high wages and high farm income but places responsibility on the Republicans for the high cost of living.

The Republicans are going to use their opportunities at the present session to bring out in public hearings the failure of Mr. Truman to use the control powers he already has. What is the use, they ask, of passing more legislation when the President refuses to use what powers he already possesses?

Mr. Eccles put a damper on housing legislation—one of Mr. Truman's pet projects. He pointed out that easy credit for housing was inflationary. It was causing a shortage of building materials, the prices for which were being bid up by the artificial demand arising from easy credit.

The Republicans are pointing to the export controls already granted by Congress to the President. Mr. Truman hasn't used those controls for the simple reason that he doesn't want to start a depression before election anyway. Yet, apart from the Marshall plan subsidy, exports are booming.

Mr. Truman's anti-inflation proposals are going to be thoroughly riddled before Congress gets through with its 15-day session. The talk of credit controls is already making the financial markets somewhat uneasy. But the fact is that the bankers are strenuously opposed to any increase in the reserve requirements and favor instead a raising of the rediscount rate. This, in turn, might force commercial interest rates up somewhat.

ARGUMENT OF RATES

The argument for increasing the rediscount rate at which banks may borrow from the Federal Reserve System is that this power doesn't require any legislation and that the trouble with the credit structure is that it is artificially sustained by the Government itself. To the suggestion that a rise in rediscount rates may result in a falling of rates on Government bonds because these may be sold to get the funds to meet a tighter credit situation, the answer is made that the Government itself can stabilize the bond market and will do so.

The bankers feel that to increase reserves may operate unevenly in impairing the Nation's lending system at a time when high inventories and pay rolls require most businesses to use more working capital than ever before. Certainly the whole credit situation is fraught with the greatest delicacy and it can be understood why, just before a national election. Mr. Truman doesn't want to exercise any drastic powers he already has and yet would like to blame the Republicans for failing to give him more power.

The debate in Congress will bring out a good many things that have hitherto been more or less soft-pedalled about the credit situation. Also it will focus attention on the manner in which wage rises have forced prices upward. It is significant that Mr. Truman's recommendations on wage control are limited to a few items that would be placed under price ceilings. Obviously, unless there is comprehensive wage control, there cannot be much influence in keeping prices down. But again Mr. Truman doesn't want to appear as favoring wage controls because he is anxious to hold the labor-union vote. So it's just politics that is being played now as the economic problems of the Nation grow more and more complex.

Let the 29 Latvians Stay

EXTENSION OF REMARKS
OF
HON. EMANUEL CELLER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, August 2, 1948

Mr. CELLER. Mr. Speaker, I have today offered a bill to enable the 29 Latvian refugees who crossed the Atlantic Ocean seeking refuge in the United States to remain permanently in the United States.

They had no passports or visas and are thus barred under our immigration laws from entry into the country. They cannot qualify as displaced persons under the definition adopted by the present Displaced Persons Act.

But they do possess unmistakable courage and their unwritten credential which is the eagerness and determination to live as free men should enable them to enter this country as immigrants.

This is a case where there must be congressional intervention. These 29 pilgrims have proven themselves worthy of the freedom they seek.

An Inequity in German Justice

EXTENSION OF REMARKS
OF
HON. ARTHUR G. KLEIN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, August 2, 1948

Mr. KLEIN. Mr. Speaker, every American is eager to have the benefits of a truly democratic way of life extended, by democratic methods, to all of the world. We are frequently amused by the faltering steps of the people of the totalitarian states vanquished in the Second World War to achieve what they believe to be democratic processes.

There is nothing amusing, however, in an illustration of German temperament brought to my attention by Mr. Robert H. Reiter, a young lawyer associated with Le Roy & Denslow here in Washington, in which the characteristic German attitude of placing crimes against property far above crimes against persons is strikingly illustrated.

To avoid spoiling Mr. Reiter's graphic description of the incident, I insert his letter, under leave, in the RECORD so that you may read for yourself of a serious maladjustment in German concepts of equal justice:

WASHINGTON, D. C., *July 30, 1948.*

Hon. ARTHUR G. KLEIN,
House of Representatives,
Washington, D. C.

DEAR MR. KLEIN: I have rather recently returned from a 4-month trip to Continental Europe, taking me to most of the principal countries which are not behind the iron curtain. I was very much interested in the processes of justice in the various countries, and particularly in our occupation zones of Austria and Germany, where our military government authorities have an opportunity to influence beneficially the reconstitution of a proper system for the administration of justice.

It seems to me that one of the elements which should be stressed in our attempts to enlighten the populations of the occupied areas, which have so long been exposed to bigotry and despotism, is an appreciation of the meaning of humanitarianism and a consideration of the underlying motives entering into human behavior. One aspect of this problem is sentencing, that is, uniformity and consideration of the background and motives involved in each case. For example, one case which struck me as indicative was told to me by an important Austrian attorney in Salzburg. The facts in that case were fairly typical, I believe. That was the case of Walter Gefall.

Walter Gefall is an Austrian engineer, partly of Jewish descent. During the Nazi regime in Austria, when the Jews were being forced to sacrifice their belongings to party members at nominal prices, he was approached by a number of Jews having an interest in stocks of textiles in Salzburg. Instead of purchasing the goods at the nominal rate at which Jewish goods were offered Gefall paid the Jews the full price for the textiles. He then placed the goods in a secret place and walled them up for safe keeping.

Several years later, Walter Gefall, now a member of the German armed forces, was detailed to conduct a group of Jewish prisoners to a certain concentration camp. At a certain moment when the Russian armies

were dangerously close, an order came through to kill all the prisoners. Similar orders were given to numerous other detachments, and thousands of Jews perished in this last act of Nazi bestiality. Gefall, instead of obeying the order to wipe out the prisoners, freed them and helped them to escape. He commandeered food and transportation from the local populace and assisted them in going into hiding.

Shortly after Walter Gefall returned to Salzburg the goods which he had hidden were discovered and Gefall was arrested for failing to disclose their existence. He was convicted and sentenced to 4½ years imprisonment. It is this sentence which drew my attention. This case should be compared to other cases of a more serious nature. There was a case, for example, of a number of Nazis who were convicted of killing 130 Jews at Donnerskirchen. Upon conviction these men were given sentences ranging as low as 4 months.

It seems to me that this problem is one of education. The military government authorities in charge of education and law in the occupied areas should attempt to give education in democratic political processes, but also in democratic judicial processes. Uniformity of sentence is one of the hallmarks of the democratic judicial system, and in this, as well as the other areas of justice and law, there is much to be done in the reintroduction of basic concepts of right and humanity.

Yours very truly,

ROBERT H. REITER.

Let's Have the Facts

EXTENSION OF REMARKS
OF
HON. ROBERT F. RICH
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Monday, August 2, 1948

Mr. RICH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Bristol (Pa.) Courier of July 28, 1948:

LET'S HAVE THE FACTS

What looks suspiciously like a New Deal scheme to keep the lid down on the workings of the Marshall plan and the new free trade agreements for the duration of the campaign is revealed by an official Government publication from Washington, the Foreign Trade Statistics Notes, issued by the United States Department of Commerce (June edition).

The idea seems to be that, on the pretext of not having money enough to do the work, detailed figures and other information about these two Truman programs are to be suppressed by the Federal Government until sometime in the distant future.

Here is a matter for the attention of Congress. If, as some commentators are saying, there is really nothing that the special session can do about the proposals of the President, it can at least justify itself by seeing that the American people are given the facts, fully and promptly, about these two highly important matters.

On the face of it, all that is involved is another case where a New Deal bureau, sulky because Congress didn't give it every last cent it asked for, plans to go on a sit-down strike in rendering the public service for which it was created.

The publication, which says it was "prepared under the supervision of J. Edward Ely, chief, Foreign Trade Division, Bureau of the Census," declares that the slow-down in information is "a result of reduction in resources available."

For this reason, eight proposed "retrenchments in the statistical program" are announced, with the ominous note that "other necessary retrenchments" will be announced later.

From the general public point of view, it might seem that some of these retrenchments make little difference. The man in the street, for example, isn't waiting with bated breath for the appearance of Foreign Commerce and Navigation, year 1945.

For that reason, it doesn't disturb him to be informed that this report, already 3 years overdue, will not be worked on at all for the present year; and that volume 1, although now being printed, will be impounded and not released "at best until a number of months after the beginning of fiscal 1950."

But the information in that report is of great importance to three large groups of Americans: first, those engaged in foreign trade; second, analysts and economists trying to determine where the Nation is headed; and third, the political interpreters seeking to lay the issues of the coming election fairly before the public.

The fact of the matter is that the year 1945, the report on which is to be suppressed till long after the election although now actually being printed, was a strange and distorted year, in which our highly debatable post-war foreign policy first made itself known.

Can it be that there is information in this report which would be embarrassing to the Truman administration, and that it is the reason why it is being suppressed?

There were many astounding measures taken that year. Lend-lease itself was in full flower for a space—and then abruptly cancelled. After it was officially cancelled, however, millions of dollars in American goods continued to be given away free to foreign countries—goods given to "win the war" already over, and embracing vast quantities of commodities which never had the remotest connection with winning the war.

For example, the bulk of the big French lend-lease gift wasn't shipped until after the war, and a huge proportion of this consisted of peacetime articles which, at that period, were desperately short on the American home front.

Vast amounts of consumer goods, as well as unquestionably a lot of military equipment some of which is now threatening us in Berlin, was shipped to Russia or to Russian satellites in that year.

Moreover, it is possible that this impounded volume contains the first adequate figures on that strangest of all the economic monstrosities of the New Deal era—"reverse lend-lease," the cock-eyed scheme by which Uncle Sam bribed, with gold belonging to the American people, various foreign nations to accept the gifts of lend-lease itself!

This whole field of information has been garbled and suppressed, much as were the scandals of the Pearl Harbor episode. And it is an unhappy fact that Congress, burdened with other matters and partly hypnotized with the "bipartisan" complex on foreign policy, has largely failed to ask any embarrassing questions about these transactions.

But the people are entitled to know the facts.

They are also entitled to know just as much as can be compiled about how the Marshall plan, or ERP, or ECA—whichever name you prefer—is working out.

The debate over this controversial program hasn't been finished yet. The charge that at least a quarter, and probably a third, of these expenditures are waste, nonsense and pure "water" has never been answered. The House objections to certain details in the program were silenced, not by facts, but by the broad Senate position that Congress was "committed" to take the program in the full amount, as is—without going into the question of whether $2,000,000,000 of the American people's money was or was not being wasted.

The one way by which it can ever be learned whether the program makes sense is to get the figures that show what commodities are being given away (bills paid by the American people) to which countries.

But the announcement of the Bureau of the Census raises great question whether such information will be revealed during the current campaign. Congress certainly should make it its business to be sure that it is released, just as fast as it can be compiled.

Since the report's statement is written in the familiar "gobble-de-gook" of the bureaucrats, full of references to such items as "Tables IM 145," "commodity and country identification shown in code only," "the machine tabulation EM 544," etc., etc., the exact intention of the Bureau with reference to these programs is far from clear.

But it is obvious that certain previous statistics are to be withheld, that certain digests and compilations are to be discontinued, that all reports hereafter will be released "several days later than at present," and that, as noted above, still further unspecified "retrenchments" are in mind.

This can only mean that it will be much harder, if not impossible, hereafter to turn to the one official report of what the Government is doing with American money in foreign aid, and get the essential facts.

Equally annoying to American producers who want to deal in foreign trade, or who need to know where they stand with reference to foreign competition, is the Bureau's announcement that its long delayed schedule A, already many months overdue, will not be issued until after the end of the fiscal year—which, incidentally, means that this text book on trade agreements matters will not be issued until after the expiration of the present Trade Agreements Act next summer.

Schedule A, little known to the public, is the bible of those engaged in production of goods intended to be sold abroad, or who compete with imports from other nations. It contains the masterlist, of commodity classifications with their tariff rates.

We have here one of the most astonishing instances of suppression of vital information by a government in the history of this or any other nation.

Secrecy has shrouded this matter from the start. The present rates were largely worked out at Geneva a year ago. Neither manufacturers nor newspapers were allowed to learn at that time even the nature of the commodities being negotiated upon, let alone the new tariff rates being discussed.

When the announcement was finally made, it was fragmentary and confusing. Further discussion on the topic took place at Habana last spring, between the United States and a score of foreign competitors. No one yet knows precisely what the outcome of this agreement was.

The result is that thousands of industrial plants and manufacturers have been waiting impatiently for schedule A as the only source in sight to tell them officially what their tariff rates are. And now they can wait another year.

It's certainly time for Congress to step in.

What Influenced Beef Prices?

EXTENSION OF REMARKS
OF
HON. REID F. MURRAY
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Monday, August 2, 1948

Mr. MURRAY of Wisconsin. Mr. Speaker, the following official table shows

that the United States was on a beef-importing basis from 1924 to 1945, a period of 21 years:

United States: Exports and imports of beef and veal[1] by quantity and value, product weight basis, annual, 1910–46, and January–February 1947

Year	Exports		Imports	
	Thousand pounds	*Thousand dollars*	*Thousand pounds*	*Thousand dollars*
1910[2]	93,619	9,235	(3)	(3)
1911	64,379	5,732	(3)	(3)
1912	40,060	4,250	(3)	(3)
1913	33,125	3,540	(3)	(3)
1914	277,559	37,088	(3)	(3)
1915	320,132	42,359	(3)	(3)
1916	322,767	49,952	(3)	(3)
1917	521,844	105,121	(3)	(3)
1918[4]	700,005	169,025	(3)	(3)
1919	271,099	69,693	(3)	(3)
1920	139,186	27,014	(3)	(3)
1921	41,009	5,658	(3)	(3)
1922	32,672	5,208	(3)	(3)
1923	28,161	3,343	(3)	(3)
1924	26,051	3,028	27,385	2,792
1925	26,463	3,447	26,675	2,954
1926	24,777	3,716	42,890	5,016
1927	19,358	2,882	78,243	9,748
1928	13,316	2,293	121,945	14,594
1929	16,349	2,928	142,176	17,864
1930	19,234	2,839	64,102	8,560
1931	16,583	1,854	22,249	2,513
1932	12,505	1,166	24,558	2,078
1933	16,834	1,366	44,061	2,878
1934	21,884	2,370	[5] 47,861	[5] 3,095
1935	12,610	2,089	86,492	6,464
1936	14,393	1,988	94,066	8,873
1937	12,666	2,229	94,724	9,798
1938	13,988	2,056	81,894	8,686
1939	15,163	2,251	90,564	8,962
1940	16,654	2,199	75,452	7,998
1941	28,359	5,425	145,790	16,357
1942	21,265	5,077	114,581	16,832
1943	40,778	10,688	113,588	19,742
1944	27,949	6,604	96,781	17,009
1945[6]	94,054	23,610	70,299	11,946
1946[6]	424,967	112,038	17,734	3,654
1947[6]	136,995	51,265	1,507	295

[1] Includes beef and veal, fresh, frozen, pickled, cured, and canned.
[2] Year beginning July 1 for years 1910–17.
[3] Not available.
[4] Calendar year for this and subsequent years.
[5] Imports for consumption beginning 1934.
[6] Preliminary.

Source: Office of Foreign Agricultural Relations. Compiled from records and reports of the Department of Commerce.

You will note that in 1946 we exported more than 20 times as much beef as we imported.

In addition the foot-and-mouth disease in Mexico stopped the importation of over 500,000 head, and Canada put an embargo on shipments to United States so it could funnel its beef to England.

Between January 1944 and January 1948, the cattle numbers in the United States were reduced by over 6,000,000 head.

Sheep numbers were reduced by 37 percent during the past 5 years. Who reduced the hog numbers that in January were 83,000,000, but were reduced to 55,000,000 by January 1, 1948?

Then on July 24, 1948, the Department of Agriculture asked for a further reduction of a half million beef cattle numbers. You remember Mr. Luckman? Well, if the poultrymen had followed his proposals, eggs would have been few these days and the prices still higher.

Please note from the above table that while there were from 20,000,000 to 145,000,000 pounds of beef imported each year before and during the war there were only 1,500,000 pounds of beef imported in 1947. While in 1940–44 there was a net import of from 70,000,000 pounds to 117,000,000 pounds, there was a net export up to 407,000,000 pounds in 1946, and a net export of beef of 135,000,000 pounds even in 1947. Is it surprising that beef is scarce in the market place?

Anti-Inflation Program

EXTENSION OF REMARKS
OF
HON. KENNETH S. WHERRY
OF NEBRASKA
IN THE SENATE OF THE UNITED STATES
Monday, August 2 (legislative day of Wednesday, July 28), 1948

Mr. WHERRY. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "Mr. Eccles Hits Back," published in the Washington Evening Star of Sunday, August 1, 1948. I am not primarily interested in the fact that Mr. Eccles hits back, but he does make a very forceful statement about housing, and the inflationary program advocated by the President. I believe that the editorial is worth reading, and I hope Senators will read it in the Appendix of the RECORD, if they have not already given it their attention.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

MR. ECCLES HITS BACK

The testimony which Marriner S. Eccles, member and former Chairman of the Federal Reserve Board, has given to the Senate Banking Committee very probably sounds the death knell of the anti-inflation program which President Truman put before the special session of Congress. There was, at best, only the remotest chance that Congress would approve the program. But now that a prominent member of the Truman administration, even though not in very high favor at the moment, has said that the program as a whole does not make economic sense, it is as good as dead.

Mr. Eccles believes that a "bust" is inevitable and he thinks that the sooner it comes the better, or the theory, presumably, that the longer it is delayed the more severe the crash will be.

This is a point of view which no politician can afford to adopt and which is not accepted by many economists. But whether Mr. Eccles is right or wrong in this particular respect, he is certainly correct in his contention that the Truman program, taken as a whole, is unsound.

Mr. Eccles takes a vigorous stand against the long-range housing program advocated by the President, contending that it would be inflationary to adopt it at this time. On this point he is certainly right. The midyear report of the President's economic advisers concedes that, counting conversions, more than a million new residential housing units will be built in 1948. This volume of housing is already straining the capacities of the construction industry, with respect both to materials and manpower. In this situation, enactment of the proposed housing legislation would not produce any more homes. But it would produce more inflation.

The President's program is also deficient—although Mr. Eccles did not go into these aspects—in that it proposes to curb inflation without invoking any real restraints on either farm prices or wages. These are potent sources of the inflationary movement, and as long as it is deemed inadvisable to deal with them, whether for political or other reasons, the measures which Mr. Truman does advocate would not prove very effective, even if adopted.

Tolerance in Solution of Racial Problem

EXTENSION OF REMARKS
OF
HON. RICHARD B. RUSSELL
OF GEORGIA
IN THE SENATE OF THE UNITED STATES
Monday, August 2 (legislative day of Wednesday, July 28), 1948

Mr. RUSSELL. Mr. President, I ask to have printed in the Appendix of the RECORD a very interesting article written by Dorothy Thompson, which appeared in the Washington Star on Friday, July 30. It is entitled "Gradual and Expanding Tolerance Seen as Only Way To Solve Racial Problems."

I would that more of the eminent columnists of the Nation would display the fine spirit of understanding and tolerance and the same brand of courage shown by Miss Thompson in this article.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ON THE RECORD—GRADUAL AND EXPANDING TOLERANCE SEEN AS ONLY WAY TO SOLVE RACIAL PROBLEMS

(By Dorothy Thompson)

Reporting to UNESCO last week, eight social scientists representing six countries told of the results of their study on "the causes of tensions that make for war." They said: "The problem of peace is the problem of keeping group and national tensions within manageable proportions."

At the Wallace convention I began to doubt whether racial tensions would be kept within manageable proportions in the United States. The Communists, who furnish the guidance of the Progressive Party, do not want peace within the United States. They want civil war to break our external power and force our withdrawal from Europe and Asia. But it is highly significant that the appeal of the convention was far less to the class struggle than to a racial struggle, with identification established between minority racial groups and social classes.

Thus, among the banners displayed at Shibe Park, "end Jim Crow" occupied equal space with "peace, security, and freedom," as did "full friendship with Israel." The relative preponderance of Negroes in prestige positions in the convention either indicates that it "discriminated" against whites in choosing persons for prestige positions, or that the Progressive Party's membership is largely colored.

REFERENCES TO 1860

Leo Krzycki appeared not chiefly as a labor leader, but from the Communist-sympathizing American Slav congress. Leo Isacson, the Progressive Party's first Congressman, made a speech in which there was such identification between the United States and Israel as to make the latter appear to be the forty-ninth State of the Union. There were, during the convention, numerous ominous references to 1860. And at Mr. Wallace's press conference, where he said that he would, if President, end segregation in the United States Army, a Negro asked twice whether he would send Federal troops into the South to end segregation and Jim Crow.

This question Mr. Wallace dodged as he dodged all questions of substance, but the Negro journalist had asked the critical question. For segregation will not be ended in the South by Federal edict. If either armed force or other fanatical pressure is applied to enforce antisegregation, the South will revolt with consequences to the colored population which I shudder to contemplate. Also, tensions between the States and racial groups within the States will reach "unmanageable proportions."

I am not here saying what "should" happen. I am analyzing and predicting the results of a possible policy. The ideaologists who fanatically commit themselves to what they believe ought to be, disregarding all reality, do not ask themselves which is worse: Segregation or civil war?

KLAN IS RISING AGAIN

The great campaigns against social discrimination in the United States and the tendency of minority racial groups to identify the national interest with their own, are not mitigating but exacerbating tensions. The Klan is rising again with the ugliest visage in years. There is more anti-Negro feeling in the North and more suppressed anti-Semitism in the Nation than I ever have known in my lifetime.

For where racial or religious sympathies or antipathies are concerned, the forces engaged are emotional and irrational, with roots twisted all through the unconscious mind and capable, therefore, of producing the most explosive reactions.

Discrimination is a phase of human nature not confined to any group. If gentiles discriminate against Jews, so do Jews against gentiles; and so do Negroes—when the opportunity is given—as in the reconstruction era, against whites. Jewish Zionists vilify non-Zionist Jews, and anti-Semitism flourishes among the colored.

The racial problems of such a heterogeneous nation as ours cannot be "solved" except by gradually expanding tolerance over great periods of time. We have to live with them, as we have to live with all our real problems—each of us, of whatever race, bearing his share of the burden, with as much justice, mercy, and humor of which he is capable. Unroll the whole issue of race and religious prejudice in an attempt at a radical solution and, instead of brotherly love, you will promote hate; instead of social peace, civil war; instead of mercy, persecution; and instead of justice, revenge.

Pork Prices

EXTENSION OF REMARKS
OF
HON. REID F. MURRAY
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Monday, August 2, 1948

Mr. MURRAY of Wisconsin. Mr. Speaker, just exactly who was responsible for reducing hog numbers from 83,000,000 head on January 1, 1944, to 56,000,000 on January 1, 1948? Just exactly who but the Department of Agriculture has been carrying on this antilivestock approach? Just exactly who but the administration is responsible for purchasing vegetable oil concoctions for export when twice as many calories could be purchased for the dollar in the form of animal fats like lard?

The following table, computed from statistics received from the Office of Foreign Agricultural Relations, United States Department of Agriculture, shows the large exports of pork and pork products. These exports were obtained by reducing hog numbers and were obtained by killing off the seed stock. The imports of lard and pork were very small.

The table of exports is as follows:

Pork and pork products: United States exports

[Quantity, 1,000 pounds]

	Total
1935	185,035
1940	295,148
1941	660,999
1942	1,302,728
1943	1,828,356
1944	1,989,033
1945	1,044,101
1946	714,785
1947	440,192

Who told whom that little or no meat was exported in 1947?

Russian Policy in Berlin

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, August 2, 1948

Mr. MULTER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include an article by William H. Newton that appeared in the New York World-Telegram on Friday, July 30, 1948:

LITTLE RED LIES PLUS FAKE CHARGES ARE BASIS OF RUSSIAN POLICY IN BERLIN

(By William H. Newton)

BERLIN, July 30.—If you want to understand why the Russians act the way they do here in Berlin, you must first forget all the morality you've ever been taught.

Both the Soviets and their Communist followers frequently make statements which are contrary to facts and even are premeditated lies. They take actions which flout the rights of others, which violate existing laws and which make a travesty of justice and fair dealing.

But to the Soviets and Communist followers, there is nothing wrong in this.

To them the justification for any statement or act hinges on one question—"will it help or hurt the Soviet Union?"

If a certain charge against the Americans here will serve Soviet propaganda purposes either in Germany or in the United States, the charge is made. Whether it is true or not is irrelevant.

If you confront a Soviet official, for example, with refutation of the charge, he will smile at you. But it will not be a smile of chagrin—it will be a smile of triumph.

Whether you've proved the charge to be false is of no importance to him. What counts is that the lie served the purpose—it helped Russia.

Perhaps some simple-minded dupe in America, Henry Wallace for example, read the Russian charge and believed it, and repeated it. Thus a seed of doubt was planted.

Communists here trample on human rights and democracy. If the Soviets don't like an act of an elected city council, they reject it. If some German gets in their way, they kidnap him.

If the Communist minority in the Berlin City Council is overruled on an important vote, the Communists walk out, as they did yesterday. Then they charge the council is undemocratic.

An explosion wrecked the I. G. Farben factory in the French zone, killing several hundred persons. Before the first news bulletin cleared the wires everyone here in Berlin knew Communists in the plant would charge the Western Powers secretly had been making munitions there.

They did, immediately. Actually the factory makes paint, varnish, and lacquer. There had been similar explosions, not as disastrous, several times before in Germany.

But many will believe the Communist propaganda. And so in the Communist mind even though the charge is a lie, it helps Russia—and is justified.

This Communist conception of morality explains why war could come at any moment. It will not come because of some sudden aggressive act by America or because some great wrong is committed against the Soviet Union.

It will come when members of the Politburo decide a war will benefit Russia. That is any Communist's one and only concern.

Worse Than Inflation

EXTENSION OF REMARKS
OF
HON. BARTEL J. JONKMAN
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Monday, August 2, 1948

Mr. JONKMAN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Grand Haven (Mich.) Daily Tribune of July 30, 1948:

WORSE THAN INFLATION

Inflation is bad enough, but isn't the alternative offered by President Truman much worse?

The President has asked Congress to give him authority to exert control over almost every branch of the national economy. This has been characterized by one editorial writer "as steps leading to the police state." Hitler demanded little more than this. Stalin possesses such powers today.

It is estimated that the Truman proposals would keep a regular session of Congress in session for a year, and even then its work would not be done.

The President wants to roll back cost-of-living items to the November 1947 level. This he regards as a period of moderate inflationary advance. But moderate or not, many prices still would be out of line. Moreover, we are no longer living in 1947. Neither rationing nor price-fixing would stem the black markets on scarce items.

It has been pointed out repeatedly that after the end of the war, President Truman could not get rid of controls fast enough. Obviously there was popular pressure to do away with restrictions, and he was as eager as the politicians of both parties to oblige. His program has come much, much too late.

The President seeks to ration a few products in short supply and to have some authority over wages in the manufacture of items put under price control. What do "a few" and "some" mean? What items should we classify in the cost-of-living category? Just bread, milk, and meat? If one basic commodity is rolled back in price, that means more money to buy other items, which in turn may suddenly be found in short supply. It means virtual rationing of everything, price controls over everything, complete authority over wages, profits, purchases.

Those who disagree with Mr. Truman will be called proponents of boom and bust. No one wants a bust. The biggest business leaders in the country are just as fearful of a

bust as the rank and file. A depression hurts everybody.

There is another answer to the inflation problem which the President has seldom if ever mentioned. It is to reduce our foreign shipments to the point that the American economy can catch up. It is to reduce Government pay rolls so more people can be released to work in private industry. It is to encourage, through intelligent taxation, greater incentives to increase production. It is to curtail artificial price supports for goods in abundance. It is to sell every American on the idea that by working harder, more goods can be produced. Here is a program that would not defeat our objectives either at home or abroad.

The American people can have total economic regimentation if they like. But the majority of them, we believe, will risk many of the admitted perils of current inflation before letting Mr. Truman or anyone else open the way for complete regulation of their pocketbooks and purchases.

Laws to exert greater control over certain types of credit and installment buying might still be helpful in slowing the inflation down, but even here this is not the essential difficulty. Money will only buy as much as people make, which is the real assignment for Americans in times like this. More bosses in Washington won't produce another pork chop or roll another auto from the line.

Dedication of New Quarters, French Naturalization Club in Chelsea, Mass.

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES

Monday, August 2, 1948

Mr. LANE. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include remarks I made during the ceremonies celebrating the return of GI's of French descent in the city of Chelsea, Mass., and dedication of new quarters at the French Naturalization Club, 242 Spencer Avenue, Chelsea, Sunday, August 1, 1948:

My fellow Americans of French descent, there are thousands of your compatriots in my home city of Lawrence. In the course of my work I have come to know many of them, and from that experience I have gained a deep and fond appreciation of the sturdy qualities which they bring to the life of any community.

From my observation it appears that your people are among the leaders, not only in bringing their friends and relatives to this country, but in preparing them to participate fully, as citizens, in the life we share as Americans.

The French people are known for their devotion to religion, and to family life. There are no firmer foundations than these upon which to build peace, and happiness. And the world today needs these virtues, as never before.

We in the United States are one big family, and the success of our experiment is an example for the world to follow so that, in time, all the peoples of this earth will be considered as members of one family. Only in this way can we eliminate poverty and war.

One hundred and seventy-five years ago, when a few men with the courage of their convictions won freedom for our Nation, they set forth their plans for the building of a new society in a remarkable document called the Constitution of the United States. It was a charter of Christian tolerance and understanding that made all men equal before the law. It held forth to every man the right to shape his life according to his character and ability, limited only by a due respect for the rights of others.

At that time we were such a small Nation in a world of giants. And the great nations smiled at our youthful folly, certain that we could never succeed. For how was it possible to ignore the distinctions of race, color, creed, and the privileges of nobility, which formed the only pattern for human society up to that time?

The idea will never work, the rulers and the ruling classes of Europe said. Only the vast expanse of ocean between Europe and America is giving them the chance to conduct this wild experiment. It will surely fail because it has never succeeded before. And so they sat back and scoffed at the barbarous Americans, sure that we would come to no good.

That is, all except one nation, and that was France.

For the United States and France shared a common vision, and their objective was to free men from the shackles of the past. Our forefathers in this new country had to build roads through the forests, to build cities and clear land for farming and construct factories. In France, an older country, the emphasis was in another direction, to enlarge the life of the mind and the spirit.

Basically, however, both France and the United States believed that freedom was the essential of progress. Without it men would not have the stimulus to live their lives completely.

That understanding between the two nations has grown stronger with the years. France helped us when we were struggling to win freedom, and in two world wars our armies have gone to France to repel the invaders who threatened the civilization of that country which is closely related to our own.

Through the Marshall plan, we are helping France and other freedom-loving nations of today repair the damage done by war. This material reconstruction will promote production and trade. It will assist in eliminating the causes of war. It may open the eyes of Communist nations to the need for sharing peace with progress. It will certainly strengthen those who believe that freedom under God is the best hope of salvation for mankind—both here and in the life to come.

The veterans of World War II understand this much better than the people who remained at home. They have seen how the people in other countries live, which is below the standard which we enjoy. They have observed the prejudices abroad which still divide the nations. And with this knowledge they have come home with a deeper regard for our way of life. They know that it is dangerous to take it for granted. It can be lost if we do not bestir ourselves to protect it in every way.

And that is why the presence of veterans in your organization will give it richer life and meaning. Speaking from experience, the veterans will be able to help those who are about to become citizens to a greater appreciation of, and devotion to, the responsibilities of American citizenship.

It is nearly 3 years since VJ-day. We have peace in name, but not in fact. The interests of the two most powerful nations—the United States and Russia—meet in frictional contact at many points around the globe. Though I am convinced that neither nation wants war, both realizing the terrible suffering and poverty that would follow such a conflict, yet I am aware that an unfortunate incident could set off the trigger leading to world tragedy.

To avoid this, we must keep prepared for many years to come so that we shall not invite an attack by our weakness. In the meantime we must work to establish a world order to outlaw war.

What do we mean by the term "preparedness"?

It means a strong military establishment, which costs billions of dollars, and means going without some of the things we might otherwise enjoy.

The problem is how to avoid military weakness on the one hand without becoming a military state on the other hand.

The answer lies somewhere in between.

The Eightieth Congress appropriated large sums of money in order to strengthen our Army, Navy, and Air Force. It enacted a draft law but rejected universal military training.

This is part of the job—providing the weapons and men for defense.

The rest depends on us, the citizens of the United States.

It is our duty, as individuals, to be wide awake and informed on the questions of the day. This is imperative because without an enlightened public opinion there can be no government by the people.

First, it is advisable for us to join in the campaign to improve the health of our people.

Secondly, it is the responsibility of each one of us to improve his job skill for his own benefit and that of the Nation.

Thirdly, in a spirit of genuine cooperation we should work for full employment, full production, and a higher level of economic security for all Americans.

I think of no better place to start such a program than in an organization like yours, whose purpose is not only to make citizens, but to make better citizens.

The veterans of French descent in the city of Chelsea realize that the highest honor we can accord them is to work just as hard to improve our way of life as they did to protect it.

They know the obligations of citizenship.

The lesson they can teach us is the example they have set before us.

By fighting ignorance, intolerance, and selfishness we shall become warriors for peace, building a unity that will be our strongest defense.

This is the foundation of good citizenship.

It is the reason that we assemble today, in dedication of the new quarters of the French Naturalization Club of Chelsea.

It is a place where people will meet to share their faith in the United States and to join in that good fellowship which binds our country together, for progress.

Through the years to come, veterans and new citizens will go forth from this hall to help one another in that fraternal teamwork which is the greatest hope of this Nation, and the world.

With such a purpose, this enterprise is bound to succeed.

The Duty of the Congress in Special Session as Seen by the Federal Council of Churches in America

EXTENSION OF REMARKS
OF
HON. ARTHUR G. KLEIN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Monday, August 2, 1948

Mr. KLEIN. Mr. Speaker, in the sound and fury of political debate dear to our hearts, it is salutary to run across a

cool and temperate statement of practicality coming from an organization whose principal concern is not the bodies but the souls of men, and through the instrumentality of a man who has proved his faith by good works beyond all rational criticism.

There has come to my desk the prepared statement of the Honorable Charles P. Taft, of Cincinnati, a son of a former President and a brother of a leader of the Republican Party in another House, in his capacity as president of the Federal Council of Churches in America.

Regardless of our political allegiance and our spiritual acknowledgment, here is a concise document which merits study. Charles Taft, by virtue of his office in the Federal Council, approximates the lay voice of the organized Protestant community of America. While there are Protestant denominations which disagree with the Christian leadership of the council, I know of none who regard it lightly. If the voice of the people is the voice of God, surely we can believe that the voice of Christian people as here heard should be harkened to.

Under leave, I insert the statement of Charles P. Taft made for the Federal Council, omitting only the brief letter of transmittal dated July 23, 1948, and noting that the letterhead lists the following imposing names as officers of the Federal Council of Churches of Christ in America: Charles P. Taft, president; Bishop John S. Stamm, vice president; Harper Sibley, treasurer; the Reverend Samuel McCrae Cavert, general secretary; the Reverend Roswell P. Barnes and the Reverend J. Quinter Miller, associate general secretaries.

STATEMENT OF CHARLES P. TAFT, PRESIDENT, FEDERAL COUNCIL OF THE CHURCHES OF CHRIST IN AMERICA

Rivalries among political parties are usually a wholesome feature of our democratic form of government. However, they occasionally confuse basic ethical and social issues, especially in the midst of election campaigns. In the coming special session of Congress considerations of party strategy and political expediency are likely to color unduly judgments on highly important questions of national policy.

It is expected that our legislators will be asked to deal with such matters as civil rights, housing, minimum wages, the spiralling of living costs, fair employment practices, mob violence and Federal aid to education. All such problems have a bearing on the moral, physical and social welfare of human beings, on the soundness of our national life and on America's position and influence in the world. Therefore our church people have a deep concern with them as Christians and as citizens.

The Federal Council of the Churches of Christ in America has taken action on many of these issues. It has commended the report of the President's Committee on Civil Rights to our people "as a document worthy of study" and "as a notable contribution to our progress toward a working democracy," while noting that there may be honest differences of opinion upon several of the recommendations concerning specific procedures. In the interest of human welfare and justice the Council has called for action on housing, the minimum wage, inflation, nondiscrimination in employment and aid to public education.

While the council seldom takes a position with regard to technical details of legislation and certainly does not consider lobbying as one of its principal activities, I consider it my duty as president of the Federal Council of the Churches of Christ in America to urge our church members and the members of Congress to study and act promptly upon these basic issues of social policy on the basis of human welfare and the moral health of the Nation and hope that they will not be exploited for partisan purposes. The times are too grave to permit us to treat any of these issues narrowly.

The detailed statement of actions of the Federal Council of Churches is attached. Any question about them may be addressed to its offices at 297 Fourth Avenue, New York 10, N. Y.

SOME ACTIONS OF THE FEDERAL COUNCIL OF CHURCHES

FEDERAL AID TO PUBLIC EDUCATION

1947: The executive committee of the Federal Council of the Churches of Christ in America feels deep concern over the emergency in public education in the United States. Depletion in the ranks of teachers incident upon their turning to more remunerative occupations and controlled lack of resources for the equalization of educational opportunity throughout the Nation place our public schools in urgent need. To allow educational standards to deteriorate is to invite social disaster.

We therefore urge the appropriation of sufficient Federal funds in subsidy to prevent a lowering of standards in the teaching profession and to remove, at least in substantial measure, the educational handicap under which many children and youth suffer because of the relatively low economic level of the communities in which they reside. We urge such appropriations on condition (a) that no Federal funds shall be made available to States to be used in such a way as to discriminate against any minority racial group; (b) that the administration of Federal funds made available to States shall be safeguarded against the imposition of Federal control in matters of educational policy; and (c) that Federal funds shall be used only for such schools as the constitutions or statutes of the several States make eligible for State support.

We affirm our continued adherence to the Amsterdam principle of the separation of church and state, and to the principle that public funds should not be used for sectarian purposes.

HOUSING

1945: Noting that "Both in the social ideals of the churches and in many other similar statements, the churches of the Federal Council are committed to the protection of childhood and of family life," and also that "accumulated evidence of many social surveys and studies shows that bad housing is conducive to juvenile delinquency, crime, and disease," the executive committee of the Federal Council of Churches resolved to appeal "to the church members generally to support all sound and effective measures for a thorough housing program, urban and rural, including community planning for all groups and races, slum clearance and rehousing when necessary; and without passing judgment on any particular legislative proposals, approves the general principle of assistance by Federal, State, and local governments."

FAIR EMPLOYMENT PRACTICES

1944: The executive committee passed the following resolution, definitely urging their Government to establish some permanent procedure for securing fair employment practice and against discrimination, as follows:

Discrimination in employment because of race, creed, or national origin is one of the great moral issues before our Nation today. The right of a worker to be employed and paid solely on the basis of his character and ability is so clear, just, and Christian that it should be protected by law. This right should be safeguarded by appropriate legislative and administrative provisions: Be it therefore

Resolved, That the Federal Council of Churches urge our Government to establish permanent procedures for securing the objectives which have been sought by the Committee on Fair Employment Practice.

MINIMUM WAGE

1945: The executive committee of the Federal Council of Churches took the following action: "Inasmuch as for over 30 years the Federal Council of the Churches of Christ in America has stood for 'a living wage as a minimum in every industry, and for the highest wage that industry can afford,' and

"Inasmuch as the current provision of 40 cents an hour or $16 for a 40-hour week in the Fair Labor Standards Act is wholly inadequate under present costs of living, be it

"*Resolved*, That the executive committee of the Federal Council of the Churches of Christ in America favors an increase of the minimum wage to 65 cents an hour with 75 cents an hour after 2 years, in order to provide for our lowest paid workers, under present conditions, an adequate American standard of living."

1946: At a special meeting the Federal Council of Churches declared that the action taken in 1945 in regard to a minimum wage was "even more significant now than when (it was) originally adopted."

1948: In the Labor Sunday Message for 1948 adopted by the executive committee on June 8, it is declared that "there should be a minimum standard of living to which every person has access. Such a minimum should be sufficient for health, cultural growth, and protection against hardships beyond one's control. It must be recognized that such a minimum standard will be conditioned by the relation of production to population."

COST OF LIVING

1947: A statement on the food crisis in Europe adopted by the executive committee of the Federal Council of Churches contained a section directed "to the United States Government." In this it was declared

"That the American people should be clearly informed of the peril of imminent bankruptcy in many nations and that plans be made to ship sufficient quantities of food, fuel, and clothing, even if this would involve the reestablishment of public controls on particular items."

CIVIL RIGHTS

1947: On December 5, 1946, the President created, by Executive order, a committee to be known as "The President's Committee on Civil Rights." After nearly a year's study this committee made its report to the President on Wednesday, October 29, 1947.

The executive committee of the Federal Council of the Churches of Christ in America views the report on civil rights, made by the President's committee, as a notable contribution to our progress toward a working democracy. It commends the statement to all church people, as a document worthy of study.

The Christian concern of the churches for every individual in society is central in the committee's report. In several respects the report lifts into prominence certain positions taken by the Federal Council at a special meeting in Columbus, Ohio, in March 1946. It is now the especial responsibility and opportunity of the churches to promote discussion of the committee's report within the framework of the Christian understanding of our faith in God as revealed through Jesus Christ, as it is related to our social living.

We note with approval that the committee was sensitive not only to the rights of our largest minority group, the Negro, but also to other racial and religious minority groups within our society.

Recognizing the legitimate concern of our Government with the loyalty of those who serve it in the interest of national security, we share the anxiety of the committee for proper safeguards for the rights of the individual. It should be possible to accomplish all that is needed in the way of security without jeopardizing rights that in our Constitution are held to be inviolable.

We recognize that several of the recommendations concern specific procedures upon which there may be honest differences of opinion. The Federal Council having already laid down what it regards as basic Christian principles, is especially interested in what may now be done to work out the implications of these principles in practical procedures. Among the objectives in the report of the President's committee which seem to call for special attention from the churches in view of the Christian principles involved are the protection of human life against mob violence; equal opportunity for employment, regardless of race, religion or national origin; the elimination of segregation in all its aspects, including the outlawing of restrictive covenants in real estate contracts; and the right of every adult citizen to a vote.

The concern for civil rights in our own country is particularly important from the standpoint of our leadership in the world. Our national struggle toward true democracy cannot be isolated from the world scene. We cannot hope to influence other people to accept the Christian way of life, or other nations to accept the democratic principles we proclaim unless we can demonstrate in our own community living that we take them seriously and are striving to translate them into effective practice.

We earnestly hope that the membership of our churches will take seriously the challenge issued by the President's Committee on Civil Rights.

MANY WRITE ON SAME SUBJECTS

I do not wish to give the impression that the Federal council is the only correspondent dwelling on the urgent needs for enlightened legislation during this special session.

On the other hand, my office is swamped with indignant letters, and from them I am choosing a few which are characteristic for insertion in the RECORD.

The first is from another religious group, this time the Inter-Diocesan Committee on Legislation of New York. The letter signed by the Reverend Leland B. Henry follows:

INTER-DIOCESAN COMMITTEE
ON LEGISLATION,
New York, July 30, 1948.

MY DEAR CONGRESSMAN: The Inter-Diocesan Committee on Legislation represents the six Episcopal dioceses in the State of New York. As chairman of the committee I am writing you concerning the legislative program of the special session. I am keenly aware of the difficulty of your task in the combined heat of a Washington summer and of a political campaign, but there are three items before the Congress in which we have a definite interest, and which we hope may receive favorable action.

1. Housing.— The Taft-Ellender-Wagner bill is a carefully drawn, constructive measure, dealing with one of the great social problems of America. It is the result of detailed study over a period of more than 2 years. It has strong bipartisan support, as indicated by the names of its sponsors. We hope that you will use your influence to bring the bill out of the Rules Committee, and that you will support it when it reaches the floor.

2. The United Nations loan.—The success of the United Nations in achieving a truce in Palestine gives new hope to its supporters. The tension in Berlin is a fresh demonstration of the need for a strong international organization to maintain the peace. There would seem to be every reason for passing the bill authorizing a loan of $65,000,000 for the construction of the United Nations headquarters in New York City. Here again is a measure with the strongest possible bipartisan support, which is merely awaiting favorable action by the House.

3. Displaced persons.—After 3 years of study and debate a displaced-persons law was finally passed, which, while a step in the right direction, is discriminatory in its provisions. I hope that it may be possible to amend the law to make it more equitable. Incidentally, State Industrial Commissioner Edward Corsi was quoted in the New York Times, July 29, 1948, as saying that "about 50,000 DP's properly selected by occupation, could be absorbed by industry and agriculture in this State."

Respectfully yours,
LELAND B. HENRY, *Chairman.*

CONSTITUENT WANTS TO EAT

J. T. Petrie, of 14 Monroe Street, New York, says, "I want to eat."

His brief communication says:

Your record in Congress is excellent. I am a New Dealer and know you vote the way I think is right on almost all legislation. But now is a trying period. You must fight to get other Democrats to vote the way you do. Inflation must stop. The Republicans are far more to blame than the Democrats, but the administration has not done all it could. Some price support for farm products is necessary but the support prices are far too high. Support prices should be reduced now. I want to eat.

My belief that this country must resort to controls on prices of short-supply commodities and of allocation of materials is supported by Joseph J. Kinslow, of 150 Clinton Street, who says:

NEW YORK, N. Y., *July 24, 1948.*

Hon. A. G. KLEIN,
House of Representatives,
Washington, D. C.

MY DEAR CONGRESSMAN: I believe that the special session of Congress called by President Truman comes at an opportune moment. The domestic problems of the housing shortage and the rising cost of living call for emergency measures.

President Truman has indicated that his message to the special session would call for action on these measures. I urge you to give them your deepest consideration and wholehearted support.

I especially believe that nothing short of the restoration of price control of essential foods can prevent hardship on the average family. Rising prices simply means that our children must do with less milk, eggs, and other foods they need for sturdy body development. The promises of American businessmen to hold the price line when the OPA controls were lifted soon went up in smoke. Yes, we still have price control, only this time big business fixes the prices. The law of supply and demand doesn't operate when the supply is controlled to keep prices high. I believe the Government did a far better job on price control than private enterprise is doing now.

Very truly yours,
JOSEPH J. KINSLOW.

CONSTITUENTS ALSO WANT HOUSING

But my constituents also want a roof over their heads without facing bankruptcy. They agree with me on the imperative need of housing in the lower price ranges and for rent, and in my plea for passage of the T-E-W bill I insert here letters on housing from Luis Camacho Hernandez and Naomi R. Smith and an absolutely scorching indictment of the do-nothing record of this Congress from Mrs. Gela Chiodo, the wife of a veteran, who writes with acid vehemence and asks me to "pass a miracle":

NEW YORK, N. Y., *July 28, 1948.*

Hon. ARTHUR KLEIN,
House of Representatives,
Washington, D. C.

DEAR SIR: I am a veteran, working in the post office here in New York City. My wife, two children, and myself are living in an old run-down cold-water flat. The service is outside. Also there are many large rats; they get into the baby's crib.

I applied for apartment through the New York City Housing Authority, and was turned down. Now, will you please help me get some place to live. Any favorable consideration will be appreciated.

Respectfully yours,
LUIS CAMACHO HERNANDEZ.

NEW YORK, N. Y., *July 26, 1948.*

Representative ARTHUR B. KLEIN,
House of Representatives,
Washington, D. C.

MY DEAR SIR: As a member of your constituency and a veteran who was promised a decent home to come back to (among many other things) please allow me to lend my weight in support of the Taft-Ellender-Wagner housing bill, which I am sure you will favor when it is brought up on the floor of the House of Representatives.

Very truly yours,
NAOMI R. SMITH.

NEW YORK CITY, *July 6, 1948.*

UNITED STATES CONGRESS,
Washington, D. C.

GENTLEMEN: If we were not desperate I would not write to you.

My husband, John Chiodo, is a disabled veteran of World War II. He spent nearly 4½ years out of his 5 years' service with the United States Army overseas in the South Pacific. He is in his last year of law school, under Public Law 16.

We are expecting a second child the first week of September. We have a 2½-year-old daughter.

My husband has sought high and low for a four-room apartment—nothing available. We made applications at the Jacob Riis housing project. No reply received.

Look, gentlemen, since you are allowing over 200,000 displaced persons into the country, which means that you are assured of adequate housing and food supplies, how about the veterans and their families?

Billions of dollars are sent to countries in need. How about us? We are American citizens.

The veterans are embittered. They, too, want to live like human beings, with wives and children to fulfill their lives. We can pay $32 a month for a four-room project apartment, but we cannot obtain an apartment as there are thousands of applications, applications of those in the same plight we are in.

It is a disgrace that in this richest country in the world where it is well afforded to sink battleships like the *New Yorker* instead of scrapping her, we cannot avail more cheaper housing for the veterans.

Our daughter is staying at my mother-in-law's tiny apartment, but my husband and I had to take a job, and without pay, as caretakers and part-time butler, maid, cook, in exchange for a room on the fifth-floor walk-up in this 5-story 20-room servantless mansion—and for the use of the kitchen in the basement. Let me define our duties:

We heat the water by using coal. We prepare breakfast for the owners. We make their beds, clean, dust, mop their bedroom, wash out their chamber pot (urinal) as they do not use the toilets at night. We wash out the bathrooms, toilets, stairs, hallways, rooms, answer door and telephone calls, wash dishes, wash and iron by hand (no machines) the household linens, clean the sidewalks, water the ivy, polish the brass, wash and polish the silver, and perform countless other menial and unrewarded tasks—all in order to maintain a roof over our heads.

Since I am in my seventh month of pregnancy, all the above work, plus running up and down the stairs (five flights of narrow, tortuous stairs) is detrimental to my health, but I want my husband to conclude his law studies. He is to graduate by January.

We cannot obtain anything better with or without pay. As soon as it is known we have a child and that we expect another, no one will rent us anything nor give us rooms in exchange for our labor.

We speak Russian, French, Italian, and Chinese. My husband attended St. John's University in Brooklyn and is now at Brooklyn Law School. I attended New York University, University of Wisconsin, and the University of California. We are both of the white race, if that is important. Yet, because of the fact that we have a child and an expected one, we cannot find a four-room apartment within our means. Even though we have been imposed upon, we have to take it, as we have only two alternatives: (1) Go to the municipal lodging house, which is horrible; or (2) sleep in Central Park.

Since my husband's disability prevented him from going to law school the past semester, our Government checks were stopped. We ate up our meager savings. We have no money now; however, we expect his Government check to come soon. We want to obtain a four-room apartment within our means at a New York City public Federal housing project. We are not asking for charity, but we are desperate. It is impossible for us to live at my mother-in-law's. She has a three and one-half room apartment. In it live her daughter, herself, my father-in-law, and my daughter. She was good enough to take the baby in, but with the second baby due the first week of September, and the fact that we have to leave these premises by the middle of August, what can we do?

Since the United States can afford to aid all the needy nations and peoples, how about us?

My husband was wounded and made disabled in the defense of this our country, and now that the war is over, how about housing?

We are so despondent that we are beginning to feel bitter and angry.

Please obtain a four-room apartment for us in the Jacob Riis housing project here in New York City, or in any housing project.

Respectfully,

GELA CHIODO.

P. S.—Or make my husband Housing Administrator. He'll solve the housing situation for the veterans. He has an excellent plan.

NEW YORK CITY HOUSING AUTHORITY,
New York, N. Y., July 27, 1948.

Hon. ARTHUR G. KLEIN,
New York, N. Y.

DEAR CONGRESSMAN KLEIN: This is in reply to your letter of July 14, 1948, concerning Mrs. Gela Chiodo, of 80 East First Street, Manhattan.

As Mrs. Chiodo is interested in an apartment at Jacob Riis Houses, the manager of that project has communicated directly with her, and an interview has been scheduled for her at Riis Houses.

Although our five new projects now ready for occupancy contain only 7,000 apartments, approximately 125,000 applications have been filed at these projects. Eligible applicants are admitted in the order of their relative need for housing. Under the circumstances, we cannot let you know at this time whether the Chiodo family will be reached. Please be assured, however, that Mrs. Chiodo's application will be given every possible consideration consistent with housing-authority regulations.

In compliance with your request, we are returning Mrs. Chiodo's letter to you herewith.

Thank you for your interest in the Chiodo family.

Very truly yours,

T. F. FARRELL, *Chairman.*

Finally, I submit the brief message of a quasi-religious group noted for its liberal leadership:

NATIONAL RELIGION AND
LABOR FOUNDATION,
New Haven, Conn., July 29, 1948.

DEAR MR. CONGRESSMAN: We believe we speak for our membership and for multitudes of little people when we plead, "Stay in Washington and give us some badly needed laws." The President is right. We need action at once on prices and houses. It would be better to stay in Washington to make good on old promises than to campaign and repeat promises that have never been kept. Why not quit putting the blame on the other fellow and legislate for the people's needs? They need relief from unconscionable prices and profits, and from the housing shortage.

Sincerely yours,

WILLARD UPHAUS,
Executive Secretary.

Berlin Show-Down

EXTENSION OF REMARKS
OF

HON. JACOB K. JAVITS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, August 2, 1948

Mr. JAVITS. Mr. Speaker, in the New York Herald Tribune today, August 2, 1948, Mr. Walter Lippmann, has summarized the essentials of the problem we face in American-Soviet relations. He emphasizes that America's great responsibility and power carry a commensurate obligation to think through the consequences of every action. Our position on a separate government for western Germany is shown to have a critical impact on the whole world. The show-down could well have been deferred until we were over the elections, with a new administration expressing the will of the United States. Bipartisanship in our Berlin policy is now very essential to keep the Soviets from being misled as to the united determination of our people to stay in Berlin in accordance with our international responsibilities:

TODAY AND TOMORROW—PREMATURE SHOW-DOWN

(By Walter Lippmann)

As we wait for the response to the representations which we are making in Moscow, the most favorable omen is that the Russian commanders in the Berlin area have thus far refrained from interfering with the air lift. Thus far, therefore, there have been no collisions, crashes, or casualties. This reflects at least a tacit understanding that for the time being the Russians are not to blockade Berlin completely by closing the air corridors, and that we are not to push convoys through the ground blockade.

Both sides have stopped just short of the actions which would surely precipitate violence—the Russians from bringing on a battle in the air, we from bringing on a battle on the ground.

This leaves the struggle still within the realm of diplomacy.

But, nontheless, the diplomatic situation is very serious. Our position in Berlin is deteriorating rapidly. For while we are not being driven out of Berlin, the air lift, though spectacular and efficient, is quite incapable of sustaining the economic life of our sectors of Berlin. On the other hand, we are not prepared for the general negotiations which we have been compelled to offer in order to extricate ourselves from the Berlin predicament.

The crux of our problem is that because of a miscalculated risk taken by Mr. Marshall and Mr. Bevin we have been brought prematurely to the great, the ultimately unavoidable, and the necessary showdown with the Soviet Union about the future of Germany and of Europe. We were not able to deliver an ultimatum about Berlin because western Europe is in no condition to face a war. On the other hand, we are not ready for serious negotiations because the great constructive projects of the western powers, which were designed to prepare a general European settlement, are nowhere near achievement. It was, therefore, a miscalculation to precipitate a European crisis this summer by insisting on the London agreements to establish a western German state.

That decision not only led directly to the Berlin crisis, as Mr. Marshall and Mr. Bevin were repeatedly warned that it would, but it has also impaired the plans and the prospects for a successful European settlement.

The European recovery program, if it is to be anything more than another American dole, required a restoration of European trade between the agricultural east and the industrial west. It required also a restoration of trade with southeast Asia, one of the important dollar-earning regions of the western European powers. But the Dutch position in Indonesia, the French position in Indochina, the British position in Burma and Malaya are most unpromising. It was all the more important that trade with eastern Europe should be promoted, that in return for exports of food and raw materials, the eastern countries should receive machinery which enables them to increase their production.

The idea that a western German state could be set up this summer and made prosperous, with a frontier in the middle of Germany, was certainly no contribution to the economic revival of Europe. It is difficult to understand the reasoning of governments which could decide on the political partition of Germany at the very moment when their economic plans were based upon the economic reunion of Germany and Europe.

The idea of western union, which was the political complement of the recovery program, called for the formation of a European union in which Germans, and eventually the nations of eastern Europe and of the Danube Valley, could participate. But this great constructive project required time to develop. It was impossible to unite even the five Brussels powers quickly. It was certainly impossible to imagine them uniting with a rump and puppet government in Frankfurt. Even on the lowest terms, that of a military alliance against Soviet expansion, the fact was that the western union could not become a military power in less than 2 or 3 years, and that American strategical doctrine and the character of American armament were quite unsuited to the defense of western Europe against an invasion.

The project, therefore, of Western Union as the nuclear alliance of a European union demanded a diplomatic policy designed to postpone, not precipitate, the great showdown with the Russians. Until substantial progress had been made under the recovery program in tying together Europe by trade agreements, and on the political side in making political unity in the west more than a meager blueprint, the Russians had much to gain and we had much to lose by a showdown. When we consider that besides all this, we are in the midst of an election which will almost certainly bring about a change of administration, the only sensible course for this summer was to temporize.

It is the fashion to say that the situation in Germany was so bad that something had to be done about it. Something did indeed have to be done about it, though under military occupation and with Germany divided, not very much that will last can be done. It was certainly not necessary to jump out of the frying pan of German prostration into the fire of a European crisis. The alleged remedy—a western German state—will not cure the disease of western Germany. Our Germans will still have to be subsidized in order to maintain even a low standard of life, and German productivity will not be enhanced by holding a series of German elections in which the Communists, the Nazis, and the well meaning but feeble Christian Democrats and Social Democrats are plunged into a furious struggle.

Whatever the results of all that unnecessary and premature political excitement, they will not be profitable or pleasant. The revival of German political agitation could well have been postponed, therefore, until Europe is sufficiently organized to readmit the Germans into the councils of Europe. To turn on the tap of German politics under present conditions, to excite the Germans before they can have real responsibility, while they are occupied, while they are subsidized, while they are divided, while they are the stakes of a world-wide struggle of the great power, is—let us say—naive.

It will not be easy to repair the mistake. But somehow, that is what we shall have to do.

The Price of Beef and Why

EXTENSION OF REMARKS
OF
HON. REID F. MURRAY
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Monday, August 2, 1948

Mr. MURRAY of Wisconsin. Mr. Speaker, the New Deal political agriculturists add insult unto injury. The New Deal agricultural program has two characteristics. It is antilivestock in its approach. It follows a program of subsidizing soil-depleting crops.

Who, I ask, killed off 37 percent of the sheep during the past 5 years, and now tries to blame someone else for the price of mutton?

Who, I ask, reduced the cattle numbers by 6,000,000 head and then call attention to the price of beef?

Who, I ask, reduced hog numbers by 40 to 50 percent the past 5 years?

Who supported the purchases of vegetable oil concoctions for export when twice as many calories can be purchased for a dollar in the form of animal fat? Who, but Mr. Luckman was projected into the chicken picture, and tried to be the champion chicken killer of all time?

Who was it, Mr. Truman, that proposed and gave away one-half billion dollars' worth of cotton, $300,000,000 worth of tobacco, and then blame someone else for food prices when the land, fertilizer, and manpower should have been diverted to producing domestically needed foods especially animal proteins?

Who, Mr. President, proposed the giving away of $957,000,000 worth of grain; $460,000,000 worth of machinery, $379,000,000 worth of petroleum, $145,000,000 worth of coal, $131,000,000 worth of food fats, mostly vegetable oils?

Who, Mr. President, but your administration gave away or is giving away $142,000,000 worth of lumber, though you claim great distress over the domestic house-building program?

Remember, too, that while there were from 20,000,000 to 145,000,000 pounds of beef imported each year, before and during the war there were only 1,500,000 pounds imported in 1947. In 1941 there was a net import of 118,000,000 pounds and in 1947 there was a net export of 131,000,000 pounds of beef. This makes a total of 249,000,000-pound difference for domestic consumption.

LET US GET THESE FACTS HOME

The United States has been on a beef-importing basis ever since 1913 except during World Wars I and II, and immediately following. Twenty times as much beef was exported after World War II as before the war and then someone else was blamed for its scarcity.

The foot-and-mouth disease in Mexico stopped an import of between 500,000 and a million head. Canada put an embargo on meat exports to the United States so that she could furnish Britain with it. Then on top of this the United States Department of Agriculture on July 24, 1948, issued a request that beef cattle numbers be further reduced. In other words the present administration does not want the American beef producer to furnish the beef needs of the Nation, nor does it want the American beef producer to have the American market.

Such balmy approaches are detrimental to a desirable public health and nutritional program. Such silly approaches cause the American consumer to compete with meats subsidized for foreign consumers. Such crazy economics, if it were followed, is a disservice to the public and contrary to the public's welfare.

The authentic press release from the Office of the Secretary, United States Department of Agriculture, under date of July 24, 1948, is as follows:

DEPARTMENT OF AGRICULTURE,
OFFICE OF THE SECRETARY,
Washington, July 23, 1948.

FIRST 1949 PRODUCTION GOALS RECOMMENDED BY USDA

National goals for 1949 production of several important farm commodities, including a wheat acreage goal which, while somewhat below this year's planted acreage, would at recent yields produce another crop of more than a billion bushels, are being recommended to States by the United States Department of Agriculture.

Other national goals suggested at this time are for rye, winter cover crop seeds, winter vegetables, dry edible peas, and beef cattle. The beef goal calls for careful culling of cattle numbers by January 1 in order to maintain healthy, well-balanced herds while increasing meat supplies in the months ahead.

These recommendations are being submitted to State USDA Councils for local consideration and possible adjustment within the national pattern. State goals and final national goals will be announced later, following State review and recommendations.

Wheat: The suggested goal for wheat is 71,500,000 planted acres, about 8 percent less than estimates of this year's seeded acreage. With an average yield of approximately 15 bushels per acre, the 1938–47 average, production in 1949 would total 1,100,000,000 bushels. This would be in line with estimated domestic, export, and carry-over needs.

The goal seeks to bring about adjustments in areas of relatively low productivity without materially affecting total production. United States wheat acreage has increased markedly during recent years in response to war and relief needs. If farmers are to make the best use of the country's soil resources, however, a somewhat smaller acreage should be planted. Moreover, a better balance between soil-conserving and soil-depleting crops will actually assure higher productivity over a long period of years. Farmers are urged to provide for sufficient summer fallow and, in marginal areas, to begin reseeding to grass land which is not suited for sustained production of crops. The recommended wheat acreage goal for 1949 would provide the opportunity for farmers to start the shift back to these better conservation practices.

Other considerations in arriving at the wheat goal were this year's increased carryover, prospects that the 1948 crop will be the second largest in history, and the possibility of smaller foreign demands because of improved crops in many importing countries. It is also pointed out that the wheat carryover next year may be even larger. Failure of Congress to ratify the proposed International Wheat Agreement, which would have guaranteed a substantial export market for United States wheat for 5 years, has cast doubt on our ability to maintain high-level production and exports.

Rye: The suggested goal for rye is 2,500,000 acres for harvest in 1949. This would be about 313,000 acres more than the indicated acreage this year. With average yields, production next year would be about 30,000,000 bushels. Competition from other crops for available land has caused a downward trend in the harvest acreage of rye for a number of years, but indications are that more rye would be used if larger supplies were available.

Beef cattle: The Department recommends a beef cattle breeding herd goal which would maintain not less than 15,500,000 head of beef cows on farms and ranches on next January 1. Achieving this goal would result in a further moderate decrease of about one-half million head below the number on farms last January 1. Better management, improved feeding practices, and thorough culling are urged to put the cattle industry in better position to supply the meat requirements of an increasing population.

A slaughter goal of 32,000,000 head of all cattle and calves, for the year July 1948–June 1949, is recommended—in line with the beef cattle breeding goal and the expected volume of cattle feeding. While this recommended slaughter would mean a further small decrease in breeding herd numbers, it would provide a larger quantity of beef and veal than would be available if cattle numbers were held at present high levels or increased.

These beef and veal supplies will be needed in the months ahead, with pork production expected to be less than in the previous year and with meat demand expected to continue abnormally strong. The recommended slaughter would be about 7 percent less than the number of animals slaughtered in each of the last two similar 12-month periods, with feeding to heavier weights probably offsetting this to some extent. The goal is regarded as the most practical one in view of the various factors which must be considered.

Winter cover crops: Harvested acreage and production goals for winter cover crop seeds are: Austrian winter peas, 74,000 acres, 80,000,000 pounds; crimson clover, 108,000 acres, 25,000,000 pounds; hairy vetch, 129,000 acres, 30,000,000 pounds; common and willamette vetch, 103,000 acres, 50,000,000 pounds; common ryegrass, 98,000 acres, 43,000,000 pounds; blue lupine, 57,000 acres, 50,000,000 pounds.

Goals represent substantial increases in production of all the seeds except ryegrass. Stocks of all the others are at very low levels, and the 1948 crops are not expected to provide adequately for domestic requirements and exports. Increased production of the seeds is badly needed to restore the fertility of heavily cropped soil and to meet export demands, only partially filled in recent years.

Winter vegetables: Acreage guides for 1949 production of 15 winter vegetable crops total 281,750 acres. With average yields, this acreage would result in a production about equal to that of 1948, although it would be 3 percent less than the acreage available for harvest in 1948. Recommendations include harvested acreage increases of 5 percent for carrots and 20 percent for peppers. Suggested acreage reductions are: 10 percent for snap beans and celery; 15 percent for escarole; 5 percent for cabbage and lettuce; 3 percent for shallots. No changes are recommended for lima beans, beets, cauliflower, kale, green peas, spinach, and tomatoes.

Dry edible beans: The recommended goal is 225,000 acres of dry edible smooth peas, which, with normal plantings of wrinkled peas, would total 350,000 acres. With average yields, this acreage would produce about 2,500,000 100-pound bags of smooth peas. Foreign demand has slowed noticeably during the past year. Production areas are primarily in Idaho, Colorado, and Washington, with smaller areas in California, Michigan, Wisconsin, Wyoming, Minnesota, North Dakota, Montana, and Oregon.

Note that if meat prices are high, kill off more cattle and everything will be just O. K., according to the dreamers and schemers. The typical New Deal formula of producing less to have more is evidently still in vogue.

The Decline and Fall of the United States of America

EXTENSION OF REMARKS
OF
HON. ARTHUR G. KLEIN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Monday, August 2, 1948

Mr. KLEIN. Mr. Speaker, in a world hesitating at the threshold of the age of atomic energy, torn by fears and doubts, numbed by war and death, starvation, cruelty, and suffering, and staggered by the discovery that totalitarianism did not die with Hitler, it will be appallingly easy for the United States to go down that road to dictatorship from which there is no return.

Two young newspapermen, brothers, their war experiences horrifyingly fresh in their minds, have projected these fears and doubts into a hair-raising fiction article of the future which every American should read.

This is The Decline and Fall of the United States of America, by Joseph and Stewart Alsop, published in the May issue of Coronet.

Before the war, Joseph Alsop and Robert Kintner turned out a widely read Washington column, The Capital Parade. During the war, the combination was broken up when Alsop joined the Navy, Kintner the Army. After the war, Joe returned to the Washington scene and promptly found a new partner, his younger brother, Stewart, who had served with the British Army and later as a parachuter in our own OSS. Together they turn out a syndicated column of news and comment, which appears in the New York Herald Tribune and the Washington Post, among other papers, as well as special articles of contemporary interest.

Under leave, I am inserting their Coronet article, together with the editorial introduction, in the RECORD—

We are living in times when, more than ever in America's history, the future is hidden and unknowable. Yet the following glimpse into the world of tomorrow may quite conceivably be written within the next decade by some professor of history at Harvard, California, or another university, who is too timid to protest and yet too respectful of the truth not to record it in secret—and alone.

The events described in The Decline and Fall of the U. S. A. are far from fantastic. In fact, if this sequence of events is ever permitted to commence at all, the outcome is almost mathematically predictable. The moral of this challenging article, which must unconventionally come at the beginning, is very simple: the future of free men everywhere in the world depends upon the perpetuation of freedom in the United States of America.

THE DECLINE AND FALL OF THE U. S. A.
(By Joseph and Stewart Alsop)

The nomination of former Senator Homer T. Winsome to the Presidency of the United States was a political accident, like many another in American political history. Winsome's nomination, which led in time to the downfall of the United States and the death of freedom throughout the world, stemmed from the deadlock which developed at the Republican National Convention in Philadelphia in June 1948.

The convention had been deadlocked for eight hot, angry days. Two leading candidates, Senator ROBERT A. TAFT, of Ohio, and Gov. Thomas E. Dewey, of New York, had fought each other to a standstill, neither being able to garner the necessary majority of delegate votes.[1] Such other potential nominees as Harold E. Stassen, Douglas MacArthur, Arthur Vandenberg, Earl Warren, and Joseph Martin[2] had, for one reason or another, made numerous enemies among the voters or in powerful circles within the Republican Party.

Thus, it was that, in all-night session in a traditionally smoke-filled room of Philadelphia's Drake Hotel, a number of Republican leaders finally settled on Winsome as the only possible compromise candidate. In previous ballots, Winsome had never received more than 60 votes. By noon of the ninth day, he found himself the unanimous choice of the convention.

The selection of Winsome came as a surprise to many party leaders, to those who considered themselves political insiders, and to the general public. It also came as a surprise to Winsome himself. Interviewed immediately after the nomination, he was widely quoted as having remarked: "Why, I feel just like that time back on the farm when a load of ensilage fell on me."

Winsome was frequently referred to as "Handsome Homer" in the reports of friendly journalists who covered his campaign. However, the evidence available in still-extant photographs of him seems hardly to justify this description. He had wavy hair, heavy jowls, small eyes, a rubicund complexion, and a wide, toothy smile.

His radio delivery, as the country soon discovered, was impressively sonorous, in sharp contrast to that of his chief opponent, President Harry S. Truman.[3] Winsome had a large, photogenic family, vigorous and uninhibited. His oldest son, Homer, Jr., campaigned effectively for "Pop," while "Mom" Winsome's recipes for apple pie and other traditional American dishes were widely publicized.

At the time of his nomination, Winsome's political views were somewhat obscure. He had served both as a governor of his State and as a Senator, but he had taken a strong stand only on God, the American way of life, and the sanctity of the American home. His virtues were his reputation for being thoroughly regular and solidly conservative, and the fact that he had failed at any time to commit himself on any major domestic or international issues.

The Republican reasoning that brought about his nomination was simple. Some months before, a former Vice President, Henry A. Wallace,[4] had consented to head a so-called third party. This movement, strongly supported by the American Communist Party, was widely expected to drain a sufficient number of votes from the Democratic ticket, headed by Truman, to insure the election of almost any candidate the Republicans might choose.

The Winsome political strategy which resulted from this state of affairs was summed up by Melvin H. String, Midwest advertising man, oil promoter, and former Congressman, one of Winsome's chief backers and braintrusters. "We don't have to worry," String remarked. "Henry will beat Harry for Homer."

Indeed, it was commonly said at that time that "the Republicans can win with a dog, if they can train him not to bark too loud." Accordingly, immediately after Winsome's nomination, the work of preparing him for a series of carefully modulated barks got under way. Most of this task devolved upon the advertising firm of String, Biggers & Meaney, of which Melvin String was president.

One of the younger copywriters in the agency was generally credited with the idea for what became known as the Green Light Program, hallmark of the Winsome campaign. After some weeks passed in recovering from his initial surprise, Winsome delivered his first campaign speech, over a

[1] Both TAFT and Dewey were tried before the People's Court on November 7, 1954. They were convicted of conspiracy against the New America and sentenced to Corrective and Educational Camp No. 82, Alaska Territory. Date of decease unknown.

[2] None of these men is known to have survived the rigors of Alaskan imprisonment.

[3] Convicted April 7, 1953. Killed during unsuccessful attempt to rescue him from a prison ship en route to Alaska.

[4] Tried August 8, 1954, and sentenced to Camp 38, Alaska.

national network, from the front porch of his boyhood home in Ohio. The keynote was simple:

"Give business the green light," Winsome boomed, "and you will see a permanent high plateau of prosperity in this great country which will make us more than ever the envy of the world."

As his campaign progressed, Winsome elaborated on each of the 10 points in the Green Light Program. Point one was production. ("Production is the magic wand which will exorcise the devil of inflation and point the way to peace and prosperity in our time.") Point two was confidence. ("Stop tinkering with the system which made America great. Give our businessmen, our farmers, and our workingmen confidence—and watch America's dust.") Point three was cooperation. ("Arms linked in cooperation, Americans all, we shall advance to the happy future which beckons so near.") And so on.

With point eight, however (Confiscatory taxation is un-American) and point nine (It's our money), Winsome got down to business. Point eight called for an immediate 40-percent "across the board" reduction in private income, corporation, and capital-gains taxes. Point nine called for an equivalent saving in Government expenditures.

Point 10 (The answer's right here) was widely heralded before the event as Winsome's stand on foreign policy. In the spring of 1948, Congress had committed the United States to a policy known as the European recovery program (ERP). It was designed to help the western European nations, sorely threatened by Soviet ambitions to control all Europe, find the road back to political and economic health.

Henry Wallace attacked this program as American imperialism, and Truman devoted much of his campaign to defending it. Therefore Winsome's point 10 speech was eagerly awaited, both in this country and abroad.

The first paragraphs of the speech, which was delivered in Des Moines, Iowa, seemed to be cut from the usual Winsome cloth. Recalling his own boyhood on the farm, Winsome pointed to the prosperity of the Iowa citizenry, the sleekness of their cattle, and the excellent condition of their crops. "All this," he shouted, "these chubby youngsters, these rippling fields of grain, these contented cows, all this is the American way of life."

"But," Winsome roared on, "this American way of life, which we know and love so well, is threatened. You and I are crushed beneath an unreasonable load of taxes. We are paying intolerable prices, watching the hard-earned savings of our years of thrift melt away. And why? Because of this administration's insane program of international leaf raking. Because our good American wheat, our good American coal, yes, and our good American dollars, are being shipped abroad to help foreigners with their crazy socialistic experiments."

Then Winsome's tone changed. He hated, he said, "the foul communistic totalitarian philosophy." Moreover, "We Americans are a generous people, and we have always been first to respond to the call of freedom against tyranny, to the plea of starvation and suffering." He was entirely in favor of "a sensible program of foreign aid, sensibly administered by sensible men." But, he said, he wished to leave one last thought with his listeners:

"The best answer to totalitarianism abroad is to make the free-enterprise system work at home—and that, my friends, means just one thing. It means the green-light program."

The reaction was sharp. Some Winsome supporters were obviously perturbed. "Just what does Winsome mean by 'sensible'?" asked the Washington Post. On the other hand, the Chicago Tribune and the Hearst chain of newspapers published front-page editorials headlined, respectively, "At last a real American" and "Homer hits a homer."

When the American voters finally went to the polls in November, Henry Wallace received less than 6 percent of the total. But this was sufficient to defeat the Democrats. Thus, by less than a majority of the national vote, Homer T. Winsome was elected President of the United States.

Gloom descended on the capitals of the non-Soviet world. In Paris and Rome, cabinets were nervously reshuffled. A conference of all European Communist Parties was called in Belgrade, and there were reports that a general political offensive had been ordered for the winter by Andrei Zdhanov, the Politburo's emissary. Winsome's election was widely interpreted abroad as a return to isolationism in the United States, and erudite Europeans compared the event to the election of Warren G. Harding in 1920. Yet both in America and abroad there were dissenting voices.

For example, the London Economist published a lead editorial, much quoted on both sides of the Atlantic, headed "Winsome is as Winsome does." It pointed out that campaign speeches were rarely safe guides to American policy; and a large section of the American press adopted a similar attitude of watchful waiting.

This attitude seemed vindicated when President-elect Winsome, on a fishing trip in the Northwest, announced that he had asked Senator VANDENBERG to serve as Secretary of State, and that VANDENBERG had accepted, after making it clear that his acceptance of the post in no way changed his oft-expressed views on foreign affairs. The appointment was not pleasing to certain Winsome backers. However, it was generally agreed that VANDENBERG's great reputation as the top Republican foreign-policy expert would greatly strengthen President-elect Winsome's prestige.

When Governor Dewey refused to serve as Secretary of Commerce and Senator TAFT rejected the post of Secretary of the Treasury, the remaining Cabinet posts were filled with men, mostly cronies of Winsome, of distinctly lower caliber than VANDENBERG. Chief among these, and generally accounted closest to the new President, was Melvin String, who became Secretary of Commerce.

String's appearance belied his name. He was a large-boned, fleshy man, with a long nose, cold eyes, and a reputation for political astuteness and loud geniality. He was generally identified as an isolationist and extreme conservative, and his selection was publicly interpreted as a gesture of appeasement towards this group, to balance the VANDENBERG appointment.

Inauguration Day in January was cold and slushy, yet crowds lined Pennsylvania Avenue to see the new President. The parade was colorful despite the weather, and it was noted that the retiring President, Truman, seemed as jaunty as ever. Indeed, it appeared that Truman was not entirely loath to be rid of the grave responsibilities which the White House had thrust upon him.

Winsome spoke with his usual impressive solemnity. But his words were a disappointment to the listening Nation and the waiting world, for everywhere the same question was paramount: What was the new American foreign policy? What had Winsome's famous Point Ten speech really meant?

The day before Winsome's inaugural address, the Paris Soir had expressed the anxieties of the whole non-Soviet world in an editorial entitled "The American Cat, Which Way Will He Jump?" The day after, the Soir headed another editorial, "The American Cat, He Refuses To Budge." For Winsome devoted his entire address to a solemn résumé of the green-light program. His only reference to foreign policy repeated his previous statement: "The best answer to totalitarianism abroad is to make the free-enterprise system work at home."

Winsome didn't state just where the 40-percent saving envisaged in his green-light program was to be made. Friends of the European recovery program noted anxiously, and enemies (like the Cominform and the New York Daily Worker) noted jubilantly that ERP offered the most obvious opportunity for decisive economies.

Still President Winsome took no definite stand against ERP, and even while the green-light program was being formulated, the chief of the European recovery agency, in consultation with Secretary of State VANDENBERG, was studying European requirements for the second year of ERP.

The fact was that Winsome himself was in an agony of indecision. In a somewhat indiscreet book, Mom and Pop, which Homer Junior published in 1950, something of this painful indecision is reflected.[5]

"Often Pop asked Mom for advice, just like he'd always done. I remember in April, Pop came in looking tired. 'Mom,' he said, 'sometimes I wish I hadn't got this job. They've been after me all day, VANDENBERG and the State Department people and the Pentagon people, arguing we can't back out of this ERP now, it would be terrible if we did and it might lead to war.

"'And then there's Melvin and most of the boys, they say it's just Operation Rathole, and that we can't have the green-light program unless we cut out all this foreign spending. I just don't know what to do.'"

This and other passages in young Winsome's book reflect the internal split which rent the new administration in the first months of Winsome's term. Since the Secretary of State was regarded as leader of one faction, and the Secretary of Commerce as leader of the other, the contest was generally referred to as the "String-VANDENBERG row." On March 22, it suddenly became obvious who had won.

At VANDENBERG's request, Winsome had called a special Cabinet meeting for that day, for VANDENBERG had become convinced that the indecision which clouded American foreign policy deeply endangered the interests of the United States. When he received a series of secret intelligence cables announcing that a new, Soviet-sponsored offensive was about to start in Greece, and that this was to be accompanied by Communist-led general strikes in Italy and France, VANDENBERG decided that the time for a final decision had arrived.

The memoirs of Secretary of Agriculture Ephraim A. Bennett, who in 1950 resigned his Cabinet post to go into private business, provide an accurate description of that crucial meeting. From the moment the Cabinet assembled, it seemed clear that this was to be the final round in the contest between VANDENBERG and String. Indeed, the manner in which String greeted VANDENBERG made the fact obvious to all.

"Well, Van," String remarked, clapping the Secretary of State on the back, "I hear you're going to sell us on being Uncle Sap a few more years. When do you get around to the milk for the Hottentots?"

Winsome looked worried and tired. Although since the first day of his administration it had been evident that he would have to resolve the contest on foreign policy within his own Cabinet, he had been nervously postponing the evil day. The Presidential indecision had already been criticized in the

[5] Ostensibly because of this indiscretion, though in fact for other reasons, young Winsome was later liquidated in a Montana youth concentration camp.

press. The New York Herald Tribune, in a spasm of classicism, had headed an editorial Homerus Cunctator. The New York Daily News, in more colloquial fashion, had advised the President: "Come on, Homer, get off that fence."

Winsome's hesitations were understandable. Not only was he sincerely harassed by the heavy responsibilities for which he was in no way prepared, but VANDENBERG was his administration's biggest asset with a considerable portion of the electorate and with leaders in his own party. The burden of much press comment had been, "Thank God for VANDENBERG." Yet the two men were far from intimate.

String, on the other hand, long a close friend of the President, had become a White House fixture. It was he who arranged the penny-ante games, who distributed eagerly sought invitations to these shirt-sleeved functions, and who evoked the loudest laughter over the bourbon which flowed so copiously. But quite apart from the personal relationship between the three men, Winsome's real supporters, the political satraps who had made him what he was, were unanimously in String's corner.

Thus, VANDENBERG had in reality lost the battle before he had begun to fight. No doubt he sensed as much himself. Yet with all the force and eloquence at his command, he argued that the United States could not now lay down the great burden which it had taken up since World War II.

For 20 minutes, according to Bennett's account, he talked without interruption, emphasizing his belief that the goal of an economically and politically stable Europe was already in sight; that an American withdrawal from Europe could only mean establishment of Communist power in most of the world outside the Western Hemisphere; and that this must mean, in the end, either war or an American surrender to Soviet world domination.

When VANDENBERG finished there was a short, uncomfortable silence. Then the President spoke. "Well, Van, that was very interesting," Bennett quotes Winsome, "and maybe you're right. What do you think, Melvin?"

"I'd like to ask the Secretary a few questions," String said. "First, if we do what his striped-pants boys over there in the State Department want, what happens to the green light program? Second, when is all this going to end? Third, how are you going to deal with prices, except by socialistic methods? Fourth, how is President Winsome going to look, after what he said in the campaign, if he begins asking Congress for a lot more money to give foreigners?"

String then turned to Winsome. "I'll answer those questions myself," he said loudly. "First, you can throw the green light program out the window. Second, this foreign spending will never end, as long as Uncle Sap goes on making an international sucker out of himself. Third, prices are going right straight up, as long as we keep shipping stuff abroad. And fourth, President Winsome will look like a damn fool.

"Besides, I'm sick of this rubbish about the security of the United States being tied up in Italy or France or the Middle East—or Patagonia maybe. We're a pretty big country, aren't we? And we've got the atom bomb, haven't we? And we can use it if we have to, can't we?"

Thus the battle lines were drawn. The struggle lasted some hours. VANDENBERG was the first to emerge from the White House, looking drawn, his thinning hair rumpled.

"Any news, Mr. Secretary?" he was asked.

VANDENBERG hesitated. Then he said: "You might as well know now as later. I have resigned as Secretary of State."

Price Control

EXTENSION OF REMARKS
OF

HON. ROBERT J. TWYMAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, August 2, 1948

Mr. TWYMAN. Mr. Speaker, under leave to extend my remarks, I wish to include an editorial which appeared in the Chicago Daily News on Wednesday, July 28, 1948. We all know that this administration has done everything in its power to keep prices up. We all know that President Truman has the power to do something about high prices. We all know there is a lack of sincerity in the proposals being made to this special session of the Eightieth Congress. There is a frantic effort on the part of the President to shift the blame from himself to Congress.

The editorial follows:

TRUMAN ON PRICES—HE ASKS THE LIMITED CONTROL HE CALLED FAILURE IN 1946

"WASHINGTON, July 26.—Secretary of Agriculture Brannan today asked farmers to store on their farms a 'substantial portion' of the big grain crops they are producing this year. He said this would help maintain prices."

As President Truman's Secretary of Agriculture asked farmers to hold grain off the market to maintain prices, Mr. Truman sent to Congress his message in which the control of prices was the principal topic.

During the war, we had rationing and price control. We had them because military demands of this country and its allies distorted completely the normal pattern of production and distribution. At the same time, we had a sort of wage control, never as firm as was instituted in Canada and Great Britain.

They froze wages simultaneously with prices in the beginning and held them both relatively tight.

Since President Truman abandoned the vestiges of price control by Executive order in the fall of 1946, two new, great distortions have been introduced into our economic life.

One is the European aid program. The other is the new military program adopted as a safeguard against the risk of war with Russia.

It is a measure of Truman's abject intellectual dishonesty that in his message to Congress he does not refer to either of these programs in his discussion of the recent rise of prices.

A decently candid man would certainly have acknowledged the effect of these factors in appealing for new price controls.

In the summer of 1946, a good many people did believe that the removal of price controls would so increase production that prices would stabilize within a reasonable time. In November 1946, Truman shared their views.

In his acceptance speech and in his message to Congress, Truman treats those people contemptuously as if they were no better than knaves and fools. Yet when he ended controls (except on rent, rice, and sugar) November 10, 1946, Truman said:

"In short, the law of supply and demand operating in the market place, will from now on, serve the people better than would continued regulation of prices by the Government."

At that time, neither the European recovery plan nor the new military program were in prospect—either in Truman's view or that of the manufacturers association. If these had not been deemed necessary, by a good many Republicans as well as the Democratic administration, the predictions made 2 years ago of stable prices might well have come true.

If the European-aid program is increased, as by the lend-lease of military equipment; if the military program is stepped up to full scale preparation for war; if Truman promptly blunders us into war by the same fatuous diplomacy that blundered us into the risk of it, we shall and must have price control, wage control, allocation of materials, the rationing of consumer goods, and all the rest of what Truman described less than a year ago as the machinery of a police state.

There is a fair chance that we can escape them if the spending is not stepped up. The price of grain may indeed lead other prices downward. It probably would if the administration and Congress would permit it.

Neither will permit it, if they can avoid it. Truman and all the orators at the Democratic convention boasted that the party's policies had multiplied farm income by several times. This "farm income," of course, is simply another phrase meaning food prices. But the downward drag of grain prices as Europe restores its agriculture may work despite all the efforts of politicians to prevent it.

If we are going to drift into war or into full-scale preparation for war, price and wage controls will finally become necessary. And if they are to be finally necessary, the time to apply them would be now.

What Congress most needs to know, therefore, is the administration's views on the two vital topics that Truman ignored completely—the future of European aid and military expenditures.

The program Truman asks is not one that would accomplish the result Truman seeks.

He does not propose to freeze everything. Yet the experience of those countries which controlled inflation relatively well, as well as our own relatively unsuccessful experience, proves that a quick and comprehensive freeze is the only method that works.

When we say it "works" we mean simply that it does control prices. It also "works" by restricting production, by restricting initiative, by diverting hundreds of thousands of hands from production into policing. In other words, it works even in a dire emergency by creating many evils while possibly curing one.

When Truman ended controls on November 10, 1946, he said:

"The Price Administrator has advised me that, with so much of the economy freed from price control, clinging to the rest would, in his judgment, lead to distortions in production and diversion of goods to an extent far outweighing any benefit that could be achieved."

Yet, instead of complete control, Truman proposes merely to return to the very situation that he ended as unworkable—namely, control over only a few items.

How is it possible for him to ignore so completley what he said he had learned from experience?

What Truman says about wages in his new message is further evidence of his dishonest approach to the subject.

He does not call for a halt to the whole economic spiral. On the contrary, he says:

"Non-inflationary-wage increases can and should continue to be made by free collective bargaining. Where the Government imposes a price ceiling, wage adjustments which can be absorbed within the price ceiling should not be interfered with by the Government. The Government should have the authority, however, to limit wage adjust-

ments which would force a break in a price ceiling, except to correct inequities, or to prevent an actual lowering of living standards.

We do not dispute the fact that prices have often been raised more than was necessary to compensate for a given wage increase. But sometimes even such a price increase is a hedge against the effect of the wage "round" on the materials and services the employer has to buy, or against the anticipation of the next "round" of his own employees' wages.

Note that even where prices would go up immediately, Truman still has an escape for wages—to prevent inequities, and to prevent an actual lowering of living standards.

If the pressure of Government spending continues, wages and prices would continue to climb under this formula.

On a bankrupt transportation line, where every cent of wages must be reflected in higher fares, increases would nevertheless be granted to prevent inequities, or to prevent a lowering of the standard of living while other wages, costs, and prices continue to march.

His remedy, therefore, is no remedy at all for a desperate situation.

The essence of the matter is: how desperate is the situation? And on this point, the President communicates nothing.

If he means to add military lend-lease to European relief, he should tell the Congress now.

If he means to call for still higher and higher military budgets, he should tell the Congress now.

The real keys to inflation are Government spending and the diversion of production away from the American consumer.

What does the President propose to do about those controls—the controls that are really controlling?

If he proposes to spend more and more, now is the time to confront the issue, and the people can count the cost in liberty as well as money and decide whether it is worth while.

October 14, 1946: Mr. Truman in radio address directs decontrol of meat and orders lifting of controls be accelerated.

October 15, 1946: President asks for and gets decontrol of livestock, meat, food, and feed products, as Nation approaches congressional elections.

October 16, 1946: Fats and oils are decontrolled, including margarine, shortening, salad dressing, cotton seed, peanut, and soybean oil.

October 24, 1946: All food products except sugar, sirups, and rice are decontrolled; also cosmetics.

October 30–31, 1946: Radios, lamps, small electrical appliances, kitchenware, glassware, and hides, skins, leather, and shoes are decontrolled.

November 5, 1946: Election of the Republican Eightieth Congress.

November 9, 1946: Mr. Truman orders end of price control on everything but sugar, rice, and rent. Wage and salary control abolished by Executive order.

January 8, 1947: Mr. Truman presents his economic report to the Eightieth Congress, says: "Farmers must realize that last year's exceptional farm prices will fall somewhat as food supplies increase and as consumers find a more ample supply of durable goods to purchase. Existing price supports afford protection against a severe price decline."

June 11, 1947: Eightieth Congress asks for termination of sugar rationing.

June 12–30, 1947: Agriculture Secretary Anderson calls off sugar rationing and price control on rice.

October 16, 1947: Mr. Truman calls price and wage controls "police state methods."

November 17, 1947: Mr. Truman suggests to special session of Congress his 10-point plan to combat inflation; calls for controls on certain items; explains, "Price ceilings would not be necessary for staple food and clothing items not in short supply or for any delicacies or luxuries."

January 7, 1948: Mr. Truman, in state of Union message, again asks for police state powers.

May 14, 1948: Mr. Truman publicly reiterates demand for 10-point control program.

The proposed legislation includes the whole hodge-podge of recommendations contained in that part of the President's message dealing with rising prices and living costs. But that is not all. A pleasant surprise has been added by way of giving this legislation the authentic OPA touch. For it includes, as it were, an invitation to revisit that Alice in Wonderland of economics in which the country lived during the reign of OPA. That is the land of Let's Pretend, whose chief industries are statistics and regulations, in which high taxes and black market prices don't count, and where the basic philosophy is that inflation that you can't see can't hurt you.

Those who may have wondered precisely what Mr. Porter's contribution to the anti-inflation campaign was going to be do not have to wonder any longer. The secret is out. Incredible as it may seem, the surprise is price roll-backs. Roll-backs would be applied to any cost-of-living item which has risen, or which threatens to rise, 20 percent or more since June 1946 (when price controls were scrapped). Prices picked for the roll-back would remain under ceilings until June 30, 1950.

There is no magic, of course, by which the administration or any other human power can roll prices back, by word of command, to some appointed level. The term "roll-back" is simply a euphemism to describe a process whereby a producer is induced to sell his product at an agreed price, with the difference between that price and the market price made up to him by Government subsidies. And the cost of the subsidies? That, of course, is footed by the taxpayer.

Subsidies are to be distrusted under any conditions, and distrusted particularly when they come, as they come in the case of price roll-backs, in disguise. But the proposal to reintroduce them into the American economy at the present time represents a new high in economic futility. Britain has been chided by her critics for spending almost two billions a year since the war to hold food prices down. We can be charged with the even greater folly of having spent similar amounts to keep farm prices up. But, never until now has it been seriously proposed, here or anywhere else, that a nation's taxpayers shoulder the burden of subsidizing price inflation in one political area and price deflation in another at one and the same time.

Lest We Forget

EXTENSION OF REMARKS

OF

HON. GEORGE B. SCHWABE

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Monday, August 2, 1948

Mr. SCHWABE of Oklahoma. Mr. Speaker, lest we forget, I think it would be well to refer to the record with reference to OPA price controls, rationing, and the New Deal program of planned economy as to prices.

The following record is most illuminating:

July 24, 1946: Democratic Congress passes resolution decontrolling meat, poultry, dairy products, grain, petroleum, tobacco, and setting up Decontrol Board.

July 25, 1946: Mr. Truman signs bill providing for Decontrol Board.

August 20, 1946: Decontrol Board restores controls on meat, cottonseed and soybeans, but leaves free from control grains, dairy products, and poultry.

September 10, 1946: Decontrol Board applies meat controls to wholesale sales; restores meat controls at higher prices estimated to add $600,000,000 to Nation's food bill.

The Roll-Back Bill

EXTENSION OF REMARKS

OF

HON. ELLSWORTH B. BUCK

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, August 2, 1948

Mr. BUCK. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the New York Times of July 30, 1948:

THE ROLL-BACK BILL

Commenting yesterday on the President's appointment of Paul Porter, former OPA head, as his adviser on anti-inflation legislation, we suggested that the move seemed almost deliberately calculated to destroy at the outset any hope of cooperation on legislation in this field. If the naming of Mr. Porter did not accomplish this result, then the bill introduced yesterday by Senator BARKLEY, presumably reflecting the ideas of this adviser, should certainly do so. If any measure ever was put forward by an Administration with its tongue in its cheek, this is such a measure. No intelligent Congress, Republican or Democratic, could possibly stomach this bill, and the Administration must know it.

To His Fingertips

EXTENSION OF REMARKS

OF

HON. ROBERT F. RICH

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, August 2, 1948

Mr. RICH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from a recent issue of Iron Age:

TO HIS FINGERTIPS

DEAR SON: "My, he is a capitalist to his fingertips." This is the sentence that stood out in your letter to me. I can understand how Martin, a Norwegian, raised in a country that borders the paradise of the Communist, influenced possibly by the socialism which has such vogue in Europe today, might regard my editorial, Let's Nationalize, as a somewhat unregenerate apostrophe to capitalism.

In all parts of the world today there are millions of young men and women who would give their eye teeth to come to this country.

A recent survey in England showed that 40 percent of the young men between the ages of 21 and 30 would emigrate if they could, and many of these would like to come to the United States.

During the past 2 years I have met a number of young Frenchmen of fine families over on temporary visas who have sought to remain here. At a single American consulate in Rotterdam the number of visa applicants would exhaust the total quota for the next 5 years. By contrast, we find no long lines in this country waiting for passage to the socialist states of Europe or to those perfect societies behind the iron curtain.

Yet it is in precisely these areas where exploitation for private profit is no longer possible that it is necessary to ring the country with police guards to prevent the escape of its citizens. If you were a student in one of the technical schools in Moscow instead of at MIT you would not have to worry about a job after graduation. A commissar would tell you where to go.

On the other hand, when you have finished at Cambridge you will be free to go where you wish and offer your services to any employer interested in your talents. It is possible that you may not agree with him on your proper compensation. You are at liberty in this country to question his judgment, to discuss the matter candidly with him without fear of a midnight visit from the secret police. In fact, if you disagree with him you can always take your hat and explore another market.

Consider the meaning of this. It means that you can offer your services in a free, open market to the highest bidder. Both of you are free agents and exercise a free choice. To a youngster with ambition who wants to get ahead, the only limit to his progress is the limit imposed by his own ability, courage, and perseverance. By contrast with the stifling limitations of a rigidly controlled society, this country offers the exhilarating atmosphere of freedom and unlimited hope. Is there any wonder that millions of youngsters are eager to leave the carefully regulated stockades of Socialist and Communist Europe in favor of America's freer pastures?

This is one of the reasons why I am a "capitalist to my fingertips." It is hard to see how any energetic, ambitious, intelligent youngster can be anything else.

DAD

(Joseph Stagg Lawrence).

Communists Invade the Churches

EXTENSION OF REMARKS

OF

HON. KARL E. MUNDT

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, August 2, 1948

Mr. MUNDT. Mr. Speaker, for the information of the Congress and the country, I am placing in the RECORD at this point a most interesting and informative article by Rev. Delos O'Brian, the past president of the Association of Unitarian Ministers of the United States and Canada. The subject of his article is Communists Invade the Churches.

Mr. Speaker, the Reverend O'Brian is a member of the Kiwanis Club, of Berkeley, Calif. His article appeared in the June issue of the Kiwanis magazine. It sheds important light on a subject upon which altogether is either known or suspected by the general public. Its careful reading should help church members throughout America in their efforts to make positive and certain that their own churches are kept free from the poisonous doctrines of Communists and their fellow wanderers.

Many witnesses before the House Committee on Un-American Activities have told us again and again that one of the paramount ambitions of Communists in this country is to get control of the youth of the country by operating either through our churches or our schools. Unfortunately they are having some success in both cases. It is up to an awakened and alert America to protect its youth and itself against the sly practices by which Communists plant their operatives or their misguided tools in these key positions of influence.

COMMUNISTS INVADE THE CHURCHES

(By Delos O'Brian, past president, Association of Unitarian Ministers of the United States and Canada, member Kiwanis Club of Berkeley, Calif.)

Kiwanians believe in the church, and Kiwanians believe in America. We Kiwanians also believe that the church has contributed impressively to the greatness, strength, and success of America.

Fortunately the vast majority of clergymen and churches continue to perform their patriotic and religious role in our American life, but today there also is a small and powerful minority of apostates who are either members of the American Communist Party or fellow travelers. It doesn't matter which, for they are all doing the work of Moscow. They are inside the churches as clergymen or laymen, and they are using their positions to preach the Communist Party line and to lay the basis for an expected Red control of America.

No one fears and abhors this situation more than do the loyal American clergymen and churchmen. It is a continual embarrassment and barrier to the influence and growth of genuine religious institutions, for this subversive element within the churches constantly casts shadows of doubt and suspicion across the whole religious scene in the United States. For this reason the great majority of the clergy and the laity welcome every honest attempt to expose the apostate Communists who daily misuse, and often do their best to ruin the churches.

In my own case, I withdrew from the ministry of the Unitarian Church September 1, 1947, largely because of the Communist infiltration into this church.

The former dean of a theological school, writing about the "disease of secularism" of which he believes communism is one of the results, said only a short time ago, "It is a simple fact of human psychology that when one's devotion is not given to God, it will attach itself to the most powerful putative savior on earth. The circumstances of the hour make Joseph Stalin the most powerful leader now living. Obviously, therefore, our secularistic-minded spokesmen within the church, spurning the Lord God of Jesus Christ, will gravitate toward Mr. Stalin." This distinguished churchman goes on to state something else that is of even greater importance to Kiwanians. He said, "We clergymen are timid. We are incapable of cleaning house alone."

It is up to Kiwanians to answer that call for help. We have put ourselves on record as opposed to communism "under whatever name it may be called and under whatever guise it may be presented." Therefore, we must awaken, and we must awaken others, to the Red infiltration of the liberal wings of the churches of America, and in so doing we will not only be exposing one spot where the Communists have felt that they were fairly safe, but we will also be helping the majority of America's churchmen "clean their houses" of subversive elements.

The Red religionists, although a minority, exercise a widespread and growing influence. They are limited to no one denomination. They are strongest among religious liberals, but they are Catholic and Protestant, Jew, and Gentile. They have not only their pulpits but also their religious press, and their Moscow message is heard in every part of the land. One of their favorite tactics is to smear America and everything American, while at the same time they laud Soviet Russia and everything Red. The object of this is clear. If the United States is always smeared and Russia always praised, we learn to distrust our own country while we learn to trust Russia. The Reds lay the groundwork for their rise to power by first destroying the American people's faith in America and its leadership.

Here is a typical quotation from a Miami church bulletin that consistently follows the Communist Party line: "We look about us (in America) and we see guile in our economy, corruption in our statesmanship, false values in our culture. * * * We are social hypochondriacs. We seek escape in witch hunts, in hysterical oppression of minorities and dissidents. We fear that the slight scratch in our body politic may be the wound which brings our death."

Now that might have been just honest opinion, but on the next page of this church bulletin, as a follow-up, appears this apology for Russia: "All the fanfare about the secret treaty for spheres of influence between Hitler and Stalin before the invasion of Russia, gives us a yawn. It has been common knowledge for years. Its pretended novelty at this time when the Marshall plan and compulsory military training are coming before Congress evokes from us a wry snort. European power politics have bred such deals for centuries. * * * Pretending to be scandalized by such methods of expediency is amusing."

Clergymen serve as officers of the notorious Red-front organization, the Civil Rights Congress. In October 1947, this group issued a pamphlet, America's Thought Police, which was an attack upon the Congressional Un-American Committee and by direct implication a slur at America. The clergymen's names appear on the inside of the front cover, while on the inside of the back cover a solicitation is made for funds for the legal defense of known Communists who have defied the right of the United States to question them.

A California church bulletin reports that on January 9 a Communist apologist spoke at a church in the State Capital. The Red speaker began with a condemnation of America and capitalism. She then "explained" communism and praised the Red way of life, and concluded by denying that "the Communist Party takes orders from Russia," according to the report of the church bulletin. The clergyman adds this editorial comment to this news story, "Mrs. Crane was well received and is a very charming person."

A Boston clergyman tells us in a recently printed and widely distributed sermon, "There are many things about communism that we should learn to appreciate." Regarding the Red revolution of 1917 he says: "It was ideally motivated, in many respects, as was our own Revolution * * * but it was broader in scope, for it included a social revolution, which also was idealistic in character."

In a religious journal published in Chicago another clergyman writes, "The spiritual disability of America is not that of an old person who has wisdom but no strength, but

that of a young person who has strength but no wisdom." Then on down the page he informs us that "the menace of communism in the country is a hoax," and he declares that the President of the United States is purposely acting as "a front for this hysteria."

The Christian Register, national publication of the Unitarian Church, followed the Communist Party line for many months under the editorship of Rev. Stephen H. Fritchman. All protests against the use of a religious magazine for communistic purposes and its use as a medium for spreading Red propaganda were regularly ignored by the responsible officials of the church. It was not until May of last year, when a distinguished Detroit lawyer, Larry Davidow, personally and publicly pressed the charge that Rev. Stephen H. Fritchman was a member of the Communist Party that action finally was taken. Then Fritchman was relieved of his editorship by a five-to-four vote of the executive committee of the board of directors of the American Unitarian Association, but not on the grounds of his communism—only because, it was said, he had failed to cooperate with his administrative colleagues.

At the same time this action was being taken, Mr. Davidow was publicly calling the Reverend Mr. Fritchman a Communist Party member and was challenging him to sue for libel, a challenge which Fritchman felt it best not to accept. In spite of all this, the alleged Red clergyman did not go jobless long. He was called to the pastorate of the First Unitarian Church of Los Angeles early this year.

During Fritchman's editorship of the Christian Register, its pages carried such choice bits of information as this: "The war was won by Russian manpower working with Anglo-American science and wealth. * * * It was Russia and Russia alone, under a Communist regime that saved the British empire and the American Commonwealth from the domination of Germany, Italy, and Japan. * * * They have no right to deny or hinder or slander Russia's pursuit of her own way of life and her economic set-up.

"The Christian Register will not lend its pages to Mr. Hearst's and Mr. Howard's campaign of hate against a great and honorable people [the Russians].

"The Soviet order and way of life is no longer in a tentatively precarious stage. It needs no slurring over, no covering up of certain almost inevitable mistakes which have beset it in order to commend it to the intelligent hope and interest of the rest of the world.

"From my own point of view, I consider the only maturity in the world we inhabit these days to consist of a relationship to that world which is based on a scientific world outlook. I conceive of that world outlook as being Marxist."

Opposition to communism was described by this religious magazine as a series of canards and distortions, a poisonous flow of disunity, and slander. But America and our American businessmen were constantly described this way: "Like the Nuremberg defendants, the German millionaire-assassins have ardent friends and admirers in the United States. * * * It is perhaps unnecessary to state that business in Germany prospered on mass murder. A certain large American corporation's very profitable investment doubtless derived big dividends from the slaughter of Warsaw Jews. The common language spoken by the Fascist German and the Fascist American industrialists is not limited to business matters. They share the same ideological vernacular. * * * There are American Fascists who would hear our land resound, as did Nazi-enslaved Europe, with the death cries of children."

But the Christian Register was not through with communism even after the Reverend Mr. Fritchman had been removed as editor. In a symposium in its pages, October 1947, this question was asked, "Can a real Unitarian be a real Communist?" Only one clergyman answered this question with a definite "No." Two clergymen answered it emphatically "Yes," and a fourth thought the answer quite possibly ought to be affirmative. The fifth contributor to this symposium was Earl Browder, former national chairman of the Communist Party, U. S. A. Mr. Browder agreed with the three clergymen and disagreed with the one. Under his picture appeared this statement, The answer is "Yes."

Mr. Browder's advice to the churches as printed in this religious magazine is very enlightening: "There is nothing incompatible with Unitarian (or Roman Catholic or Moslem or Buddhist or Confucian) religious beliefs in the political program of communism. Where the church has fully renounced its ancient claims to secular authority there is, further, no necessary conflict between the church organization and the Communist program * * * we may expect that not only religion, but organized religion, the church, will in our day learn to accept communism as surely as it learned to accept republicanism. * * * It would indeed be a short-sighted religion which today committed its fate into the keeping of the current capitalist system."

Earl Browder is not merely indulging in wishful thinking. He knows. He is the man who boasted, at the time he was the No. 1 Communist in America, "It is significant that the Communist Party, more than any other group, has been able to achieve successful united fronts with church groups on some of the most important issues of the day * * * in going among the religious masses we are for the first time able to bring our antireligious ideas to them."

Mr. Browder also knows that, while the Communists within the churches are a small minority, the success of the Red program depends upon no more than a minority. Thousands of trustworthy and loyal American clergymen and church people are aware of these facts. They are sickened at the sight of the Red brethren who daily betray not only their country but also their God, but, as the former theological school dean has suggested, they are not always capable of cleaning house alone. Therefore this is a struggle that concerns all Americans. It especially concerns Kiwanians.

Curran's Sharp Victory Marks Commie Decline

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Monday, August 2, 1948

Mr. MULTER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include an editorial that appeared in the Brooklyn (N. Y.) Eagle on Friday, July 30, 1948:

CURRAN'S SHARP VICTORY MARKS COMMIE DECLINE

The remarkable victory of Joe Curran, hard-hitting, two-fisted president of the Maritime Union, over his Communist rivals is another sign of how fast the Commie ship is sinking in the CIO. A year ago the best that Curran's chances could have been anticipated was a 50–50 hope. The sweep was 3 to 1 for the presidency and 2 to 1 on the slate.

The Greater New York CIO Industrial Council, under the pro-Communist guidance of Saul Mills, is falling apart. The withdrawal of the Maritime Union from the council, which is due any day, will pull out another strong pillar from beneath the structure. The demolition will be complete when Phil Murray takes the charter away from the pro-Wallaceites and establishes a new right-wing group in control.

This is the way the trend has been running for some months. The decline of the Communists in the CIO gives the alert observer a better insight into the significance of the newest Communist movement which is that of the Progressive Party headed by Henry Wallace and GLEN TAYLOR.

The political maneuver reveals in an unusual way the resiliency of the party and the uncanny ability of the Stalinists to bound back.

The Communist Party at the present time is at one of the lowest ebbs in all its 25-year history in this country. So much in disrepute is the present leadership that reports have it that they are scrapping among themselves and expecting word from Moscow any day of another purge. Their twelve top officials are under indictment, dozens of their alien agitators have been deported or are on the way out, the customary united fronts are finding the sledding much tougher. Hollywood adherents are still shy about giving themselves too much publicity, both political parties have pledged opposition to them, the public is becoming more and more aware of the threat they hold to America.

But what happens? Do they, like the Arabs, "fold up their tents and silently steal away?" Just the opposite. They come up with the most brazen and blustering offensive yet attempted. They inaugurate a third political party, get a couple of non-Communist "Kerenskys" to march in the vanguard and take complete control of a new movement to do battle with the older parties. It is an attempt to so plant themselves in the foreground of the liberal elements of the Nation that eventually their position will compel the non-Communist liberals to join up with them. Whether or not they can succeed in the aim is something for the future to decide. But the aim itself is clear.

As hidden and secret as is the Communist maneuvering, there are always indicators to guide the keener observers. Mr. Lee Pressman is such an indicator. Pressman stayed with the CIO and kept the rudder in the right direction until it was clear that the anti-Communist sentiment was reaching dangerous proportions and that the third party project could get under way. Then he jumped and hundreds of Commies and fellow-travelers followed. Pressman would never have left CIO otherwise. Keep your eye on key people like Pressman and you can tell in advance where the next major interest of the Communist Party lies.

The Eightieth Congress

EXTENSION OF REMARKS
OF
HON. WILLIAM J. CROW
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES

Monday, August 2, 1948

Mr. CROW. Mr. Speaker, I have been very much amused at the remarks of President Truman in his criticisms of the

Eightieth Congress. These blasts started while on his now famous nonpolitical western trip which was paid for by the taxpayers of this country. It developed into one of the worst political trips ever made by a President of the United States and all of his remarks were against the Eightieth Congress. He seems to have forgotten that about 70 percent of his fellow Democrats joined us in overriding his many vetoes.

I am justly proud to have been a Member of the Eightieth Congress. There have been some favorable articles written about the record of the Congress and I hope that some of you have read the article appearing in Fortune, volume XXXVII, No. 6, entitled "Congress Comes Through." In this article it states:

Although divided from the White House by the gulf of party politics, the Eightieth Congress has set a record hard to beat.

The President seems also to have forgotten that the people of the country rose up against his New Deal misrule in 1946 and said "We have had enough," by electing a Republican Congress for the first time since 1930. I assure you that we were not elected to carry on the principles of the New Deal and the President could hardly expect us to pass all of the measures requested by him, especially the ones that would continue the regimentation of our people, bringing us closer and closer to a Socialist form of Government. Some of these measures were socialized medicine, Federal aid to education, public housing, and so forth.

Our main duty to the people of this country is to keep our country financially strong so that we can continue to maintain our position in the world. Following the leadership of President Truman will soon place us in the same position as Socialist England, "bankrupt." And if we allow our country to become bankrupt and we need aid, who could we look to for help? Absolutely no one. We are now trying to aid almost all of the non-Communist countries of the world and the main question is, "How long can we continue this aid and remain strong?" Apparently, President Truman is not worried about it but wants to continue to tax and tax, spend and spend, elect and elect. That has been the policy of the New Deal as expressed so clearly by one of the original New Dealers, Harry Hopkins.

Let us look at the record of the Eightieth Congress. Remember first that the New Deal had been in control since 1932. Some people seem to think that the Eightieth Congress should have corrected all of the errors in one session when it took 14 years to make them. We never promised that and we admit that there is much to be done in getting the Government down to its proper size and in restoring the Government to the people. When we met in January 1947, President Truman promised us his cooperation, but that cooperation turned out to be veto, veto, veto of every important measure passed.

First, the Eightieth Congress abolished 76,000 rules, regulations, directives, and orders, thereby releasing free enterprise with resulting high employment, production, profits, and wages, and a record two hundred billion annual income. The President is now trying to take credit for this accomplishment, but the people will not be fooled. He would have continued the controls that would have stifled production and prosperity.

Next, the Treasury closed the 1948 fiscal year with the largest surplus in the history of the country, a total of $8,419,000,000. The President and his advisers estimated a surplus of only about $3,000,000,000 for the year.

We cut the President's padded budget for 1947 and 1948 by many billions of dollars in spite of the strong opposition of all of the New Deal Democrats in Congress. Every appropriation bill was reduced by the Republicans after a battle on the floor of the House carried on by the President's supporters, in an effort to restore the full amount as requested by the President. They were not successful in keeping the Republicans from making necessary reductions. There can still be reductions made and it will be easier when we have Tom Dewey in the White House.

We reduced taxes by about $4,800,000,000 despite three Presidential vetoes and in doing so we removed 7,400,000 taxpayers from the tax roll completely. In spite of this fact the President says that our tax bill favors only the rich. I am sure that the 7,400,000 persons who were removed from the tax roll will not believe that lie. He is trying to persuade the people in this way so that they will return him to the White House. I am sure that not even the poor would have benefited from his asinine plan to allow each taxpayer a $40 reduction of his tax with a tax to be added to the already overtaxed corporations to make up the money lost to the Treasury. Even the Democrats in Congress wondered where he had dreamed up such an idea as a tax-relief program.

The President charges the Eightieth Congress with high prices because we did not give him war powers to control the prices. From experience we all know what happens under controls. Production is curtailed and you are not able to find the products on the market to buy. The people have suffered long enough under controls and regimentation. The President fails to tell you that his Department of Agriculture is still buying all surplus wheat, corn, potatoes, butter, and other farm products in order to keep the prices up. That shows they are not interested in having the price of foodstuffs brought down to a reasonable price. I am sure we will never forget the pictures of the thousands of bushels of potatoes that were used as fertilizer and burned to keep the prices up while there were many people in the world starving. Just recently the Department of Agriculture announced that we were going to have the largest crop of corn and wheat in our history this year. Immediately the market went down and prices would have gone down if the same Department of Agriculture had not gone into the market and bought up all surplus corn and wheat. Do not let them fool you, they want the prices to remain high so that the farmers will give the New Deal credit for their high prices. In his speech of acceptance in Philadelphia President Truman even went so far as to call any farmer who would vote against him and his New Deal "an ingrate." Do not forget your money is being used to buy votes in that way. I do not think the farmers will be pleased with his name calling. Yes, he is entitled to the credit for the high prices, even by his own words.

Next, the Eightieth Congress passed the Labor-Management Act of 1947, providing fair and just procedures and methods for peaceful settlement of labor-management disputes. President Truman, wanting the labor leaders' support, says that this terrible law should be repealed, but he forgets that 70 percent of the Democrats in the House and Senate voted to override his veto. The plank in the Democratic platform calling for its repeal is President Truman's plank and I assure you not the plank of the 70 percent who voted to override the veto. There may be some amendments necessary to make the law work smoother and I assure you that I will support any corrective amendment but I will not support any repeal of the law, to return to the conditions we found the country in under the old Wagner Act. I am sure that the laboring men, if they understood the provisions of the bill, would not want to return to the old conditions, and I know that their wives and children are happy to see the checks come in more regularly because of the fewer strikes. In Philadelphia, the President also said that any laboring man who voted against the New Deal would be an ingrate. He seems to have forgotten that he at one time recommended that the railroad men be drafted into the Army because of a strike. The Republicans in Congress at the time prohibited such a move. This law has been called a slave-labor bill, but in my understanding of the bill, it is a save-labor bill.

The Eightieth Congress cooperated with President Truman on the foreign-aid program and appropriated $9,579,000,000 for the purpose of relief to impoverished humanity and to help reestablish national economics. We also tried to strengthen the countries to stop the spread of communism.

When we opened the Eightieth Congress we stated that the Government was overrun with Communists but the President denied this condition existed. We had very little cooperation but finally we did learn that the State Department had fired about 600 employees because of their communistic tendencies. There are still many Communists in Government jobs and I assure you that when Dewey moves into the White House they will be on their way out.

We strengthened our national defense by unifying the armed services and appropriated $20,500,000,000 to build up the armed forces.

As a member of the Veterans' Affairs Committee of the House I helped in passing many measures for the benefit of the veteran. We passed 188 measures to meet the veterans' needs, by increasing compensation for disabled veterans, widows, children, students under the GI bill, and on-the-job training veterans. This was done in spite of the President's statement in his message to Congress on January 6, 1947, when he stated, "except for minor changes the obligation to the veteran has been met."

The Eightieth Congress eliminated stifling rules, regulations, and directives and in this way stimulated home building through Government guaranties of loans, had the Government assume a large part of veterans' loans and gave veterans priorities in home building and rental of new houses. During the past year over 900,000 new homes were constructed under the free enterprise system and in spite of this the President wants us to pass a public housing bill that will place the Federal Government in the low-cost housing business for 45 years. The Government will subsidize each dwelling unit by paying $5 per month toward the rent. Some estimates are that about 2,000,000 families in time might use the housing and that would mean a payment of $10,000,000 per month of the taxpayers' money. Wages are high at the present time and I am afraid all of the units would be like the housing units in Fayette County, 131 families now occupy these areas with incomes of more than the law allows for occupancy of low-cost housing areas. If this bill were passed it would be practically impossible to build a private home because the Government would have priorities on all material for the Government housing. I am opposed to the Government entering any business that will interfere with free enterprise. Some people believe that the T-E-W bill will authorize the construction of individual homes for veterans. That is wrong. The only houses built will be apartment houses to be rented by low-income families. I hope that our veterans of this country will not be in the low-income bracket who are authorized to occupy the low-cost rental areas.

One of the most controversial measures is the aid-to-education bill. I do not believe that our Federal Government should aid our educational systems, except as a last resort, because of the supervision by Federal Government that follows Federal aid. I am for the States handling their own educational systems, and I believe it to be one of the most important responsibilities of the States. If we look at the financial condition of the States, I am sure you will find them to be in excellent condition and better able to aid their educational systems than the Federal Government with its huge indebtedness. The State of Pennsylvania pays only 1.9 percent of its income for education, and I feel that we in Pennsylvania could apply 2.3 percent or more to education and that should care for all school districts needing aid. With the Government indebted to about $263,000,000,000, it sounds like the rich cousin coming to poor Uncle Sam for aid to carry out one of its most important functions and responsibilities.

During the campaign of 1946 we made certain promises in our platform. If you will check them against our accomplishments, you will find that we carried out every one of the main planks in the platform, in spite of the many vetoes. What other Congress has been able to make that statement?

We are now being called back to Washington by the President so that he can state once more that he wants us to pass his New Deal measures. I want to say that in my opinion this is merely a political move; but it will not work, for we are not a New Deal Congress. I was elected by the people of Fayette and Somerset Counties in spite of President Truman, and I assure you that he will not tell me what measures I should support. I have tried to represent you of the Twenty-third Congressional District well, and I have studied all measures to see how they will affect or benefit you, so that my vote represents a thoughtful study of the bills. I shall continue to represent you as long as the voters of the district desire my services. I will go to Washington, if officially called, and I am sure that I will return as much an anti-New Dealer as I have always been.

I am proud of the record of the Eightieth Congress, and no matter how hard the President knocks us, I am sure that Thomas E. Dewey will be in the White House, enjoying the new balcony, in January 1949.

Old-Age Pension

JOINT EXTENSION OF REMARKS
OF
HON. GERALD W. LANDIS
OF INDIANA
AND
HON. TOBY MORRIS
OF OKLAHOMA
IN THE HOUSE OF REPRESENTATIVES
Monday, August 2, 1948

Mr. Speaker, we desire to call the attention of the House to the subject of an American uniform old-age pension of $60 per month to be paid directly by the Federal Government, to take the place of old-age assistance, or title I of the Social Security Act.

It has been our privilege to circulate a friendly request for the enactment of such a pension during the preceding sessions of the Eightieth Congress. This friendly request is now addressed to the honorable Committee on Ways and Means. It now contains or includes the names of 222 of the Members of the House of Representatives. These Members come from both sides of the aisle and almost all sections of the country.

This program is supported by pension organizations, including the American Pension Committee, Inc., and the General Welfare Federation of America, with active clubs in a majority of the States. The clubs include members of all ages, as well as citizens from almost every walk of life. The clubs are scattered from the north to the south, and from the east to the west. They are unanimously calling upon the Congress for action now on this friendly and united program. We are glad to say further in behalf of these sponsoring organizations that they are nonpartisan and friendly. They do not criticize, condemn, or attack the Congress, its leaders or its Members. They are not involved in controversial issues not germain to the cause for which they are working. They present through us their petitions, in a friendly and respectful manner, and in the highest American tradition. They assure us that they find very little opposition to their program. They solicit support from all citizens and are receiving an overwhelmingly favorable response in all sections of the country.

Both major political parties, and in fact the new party as well, have declared for more adequate old-age pensions. It is our confirmed opinion that there is a very great need for such a pension. In fact if it is not provided by this session of Congress we fear that many of our very deserving elder citizens will suffer great hardship during the coming winter. Such a condition, Mr. Speaker, should not exist in this great land of ours. In view of the appropriations we have made for other things, many of which are perhaps for less important, certainly this matter of a reasonable pension for the aged should not be delayed longer.

With such widespread and favorable interest among the people, with a majority of the members of the House already committed to this program, and in view of this very acute and dire need of our own fathers and mothers, it is our sincere desire and most earnest request that the leadership of the House will give this program early, thorough, and favorable consideration.

Let us enact a decent old-age pension. Let us do it now.

Editorials of the Nation's Leading Newspapers Continue To Urge Congress To Act Favorably on the Mundt-Nixon Bill—Recent Testimony by Miss Elizabeth Bentley Provides Additional Reasons Why Congress Should Act Now To Bar Communists From the Federal Pay Roll

EXTENSION OF REMARKS
OF
HON. KARL E. MUNDT
OF SOUTH DAKOTA
IN THE HOUSE OF REPRESENTATIVES
Monday, August 2, 1948

Mr. MUNDT. Mr. Speaker, the leading newspapers of the country are continuing to print editorials in support of the so-called Mundt-Nixon bill. Organizations and individuals are also pressing for action by Congress.

The startling testimony of Miss Elizabeth Bentley before the Ferguson committee of the Senate and the House Committee on Un-American Activities offers additional reason why it is imperative that legislation be passed which will deal realistically with the Communist problem in America.

Under leave granted me by the House, I am herewith inserting in the RECORD two highly significant editorials; the first is from the San Francisco Examiner, and the second is from the highly admired Kansas City Star:

[From the San Francisco Examiner of June 2, 1948]

THE MULBERRY BUSH

It is in the category of good news that the Senate Judiciary Committee has given

immediate consideration to the Mundt-Nixon Communist Control Act, for it had been openly predicted that the Senate would pigeonhole this important measure although the House of Representatives had passed it by an overwhelming majority.

The basis for this expectation was that many critics of the measure, including the President of the United States, had argued that there was already ample law to deal with Communist subversion and that, anyway, the Mundt-Nixon bill would not really control communism but simply drive it underground.

This fiction about driving communism underground as the effect of any law recognizing and penalizing and preventing the criminal and treasonable purposes of communism is the familiar mulberry bush around which the apologists and dupes of communism have long been in the habit of running.

The real fact is that the Communist movement in the United States is already an underground movement, and has always been of that character and would always be so even if it should achieve the total and dictatorial power in the United States it seeks—for it would only be through the secret implements of tyranny and oppression that such a power could be sustained.

Even in Soviet Russia the real Communist power is a secret and hidden instrument, for only a small fraction of the people are Communists, and few, if any, of their most highly placed Communist rulers are immune from the mysterious disappearances and liquidations which have wrapped so many of them in oblivion.

In the United States, our existing laws which President Truman calls adequate for our protection against communism have never exposed and most certainly have never punished the real rulers of the Communist movement which admittedly and avowedly has the overthrow of the American Government as its objective.

Although the most responsible agencies of American Government, including the Department of Justice and the Army and the Navy, did a most competent and alert job of Communist investigation during the recent war, they only succeeded in flushing out a few figureheads who were only fronts for the real leadership and probably nothing more important than its errand boys.

The Browders, the Eislers, the Fosters, and all the others known to the American people as Communist leaders are at the most mere cogs in the Communist organization of the country and obviously very minor cogs at that, for they are peremptorily and callously discarded when their usefulness is at an end, without noticeable impairment or diminution of the continuing Communist enterprise.

The blunt truth is that under existing law neither the American Government nor the American people know how many Communists there are in the country or who they are.

Completely unknown, they turn up in our most vital and loyal industries and organizations and especially in labor unions and schools, and when they are occasionally exposed it is usually found that they have assumed false names in addition to having professed false purposes, and even then they complain loudly and bitterly about violation of their American civil rights when their real and grim purpose has been the destruction of the American democratic institutions which give meaning to civil rights.

Virtually all opponents of the Mundt-Nixon bill, knowing the bad odor of communism in the United States, acknowledge that the objectives of the bill are sound and reasonable but profess dismay over the manner in which it would attain its objectives.

As a matter of fact, the only real fault of the Mundt-Nixon bill is that it does not outlaw communism in the United States as the vast majority of the American people are convinced it should do, but only seeks to register and thus identify all Communists and their real leaders and the organizations in which they pursue their evil purposes.

[From the Kansas City (Mo.) Star of May 17, 1948]

PROTECTING THE AMERICAN SYSTEM

An evident minority in the House is objecting to a Communist control bill on the ground that it is too sweeping, too broad, and general. Yet it would not sweep the Communists out of this country or even outlaw their party. The latter action is favored by many organizations and individuals. But the House bill, according to its author, Representative MUNDT of South Dakota, merely would say to the Communists stand up and be counted and let people know who you are.

In short, the basic purpose of this legislation is to keep the Reds in the open. Outlawing the party would simply drive it underground where its members could work the more effectively, whereas the bill would force them to identify themselves and leave them subject to apprehension at any time an offense might be committed.

The methods would include registration with the Justice Department, which has been favored by the Attorney General and the FBI. Also required would be a regular accounting of party funds and activities, while the link with the Communist base in Russia would be severed by the denial of passports. It would be made a crime to work for the establishment of a Communist dictatorship in the United States.

It is apparent that such measures would confine the party to the activities of a political organization instead of an agency directed from abroad and engaged in a conspiracy against the American Government and the democratic system. These measures seek to protect that system without adopting a totalitarian principle and outlawing the party. They would permit freedom to the extent it was not used to destroy freedom itself.

Here is neither a sweeping nor a dangerous restriction. While the House bill awaits passage a majority of that body is committed to its objectives, and the President has stated that he was opposed to outlawing the Communist party. His attitude in this respect is consistent with that of the Justice Department. The one extreme can be avoided while effective methods are employed for defense of the principles on which this Nation is built. Either the House bill or a similar measure ought to be adopted.

Increasing Veterans' Compensation

EXTENSION OF REMARKS

OF

HON. EDITH NOURSE ROGERS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, August 2, 1948

Mrs. ROGERS of Massachusetts. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to present the following excerpt from the August issue of the monthly legislative newsletter of the Veterans of Foreign Wars, together with a bill which I am introducing in Congress at the request of that organization:

[Excerpt from August issue VFW monthly legislative news letter]

Both Democratic and GOP platforms indicated favorable response to VFW plea for more realistic approach to disability compensation due to cost of living. Cost of living is 71.5 percent above 1939 level and dollar today is worth only 58.3 cents for the average person in terms of 1939 dollars. One hundred percent disability compensation is $138.50 in present 1948 dollars. In terms of 1939 dollars the present monthly rate is only $80.75, yet in 1939, 100 percent disabled service-connected received $100 per month. In order to put the present disabled on par with 1939 disabled in purchasing power, present rate for 100 percent disabled should be $158.30 or an increase of approximately 15 percent over the present rates.

[In the House of Representatives, Mrs. ROGERS of Massachusetts (by request) introduced the following bill; which was referred to the Committee on Veterans' Affairs]

A bill to provide certain equitable adjustments in disability compensation and pension to meet the rise in the cost of living

Be it enacted, etc., That all monthly rates of compensation and pension payable to veterans of World War I and World War II and dependents of such veterans which are payable under any laws or regulations administered by the Veterans' Administration are hereby increased by 15 percent: *Provided*, That such increase shall not apply to the increased rates provided under Public Law No. 868, Eightieth Congress. The increases provided by this section shall be effective from the first day of the first month following the passage of this act.

Selective Service Act

EXTENSION OF REMARKS

OF

HON. JAMES C. DAVIS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Monday, August 2, 1948

Mr. DAVIS of Georgia. Mr. Speaker, the members of the American Legion in the State of Georgia throughout the years have given solid support to all measures which our national defense and safety and security of our country have required.

The recently enacted Selective Service Act is a measure which existing conditions make necessary in the preservation of our national security.

The need for this measure and the need for aggressive administration and execution of its provisions is recognized by the members and officers of the American Legion, Department of Georgia.

At its recent State convention, which was held in Atlanta, the Legion adopted strong resolutions condemning all individuals and groups who seek to arouse a spirit of defiance against this bill. These resolutions also commended the Members of the House and Senate and President of the United States for the passage of this bill, and pledged their support to aggressive administration and

execution of the provisions of the bill. I include a copy of these resolutions and the letter of Hon. Herbert W. Moon, department adjutant, transmitting them to me:

THE AMERICAN LEGION,
DEPARTMENT OF GEORGIA,
Atlanta, Ga.

Hon. JAMES C. DAVIS,
Member of Congress,
Stone Mountain, Ga.

DEAR MR. DAVIS: Enclosed you will find copies of resolutions adopted by the recent department convention of the American Legion in Georgia.

These are being forwarded to you under instructions of this department convention, and it will be appreciated if you will take time to read these resolutions and give this headquarters the benefit of any comments that you might feel justified in making.

Respectfully,

HERBERT W. MOON,
Department Adjutant.

Whereas the President of the United States of American has now placed his signature upon the Selective Service Act;

Whereas it has come to the attention of the members of the American Legion, Department of Georgia, through the press and otherwise, that certain individuals are attempting to instill into the minds of the youth of the Nation an animosity and a spirit of defiance and open violence against this bill which is a vital means of retaining our democratic way of life for which our deceased buddies have given their all;

Whereas this conduct on the part of individuals and groups is directly contrary to the high ideals of the American Legion, Department of Georgia, we hereby go on record as condemning all individuals and groups who use any means to instill defiance in the minds of our citizens against the laws of our Nation; and

Whereas the members of the American Legion, Department of Georgia, were wholeheartedly in favor of the Selective Service Act, before its passage, and will be equally aggressive in the administration and execution of this bill: Therefore be it

Resolved, That the members of the American Legion, Department of Georgia, take this opportunity to commend the Members of both Houses of our Congress and our President of the United States of America for their splendid work in the passage of the Selective Service Act.

President's Program Impossible in Congress

EXTENSION OF REMARKS
OF
HON. LAWRENCE H. SMITH
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES

Monday, August 2, 1948

Mr. SMITH of Wisconsin. Mr. Speaker, as part of my remarks I am inserting an editorial which appeared in the Janesville (Wis.) Daily Gazette for July 29 on the subject of the special session. This editorial points out that the session was called for political purposes and will serve no real good at this time.

PRESIDENT'S PROGRAM IMPOSSIBLE IN CONGRESS

No one doubts that President Truman's call for a special session of Congress was for political purposes. He found a dull Democratic Convention needing a "shot in the arm." The special session was an adroit answer to that problem. Harry Truman is a candidate for reelection and faced a very dull election. Here was something explosive on which he could depend for continuing publicity and a means to make the Republican Congress a scapegoat.

This is an emergency session supposedly called for emergency purposes, but the only proposal Mr. Truman made which can be called an emergency is the housing problem. The rest of the eight points involve such a broad field that Congress cannot possibly be expected to pass upon them in this session.

His presentation of the inflation problem is so obviously weak and shallow that it is likely to get little consideration. It is unlikely that Congress will replace the excess profits tax to provide a treasury surplus, nor controls over credits. Nor is it likely that Congress will trust Mr. Truman with controls over scarce commodities, nor controls rationing products in short supply, nor controls over prices of scarce commodities or power to limit wage adjustments which might break through the price ceiling.

Mr. Truman endorsed the Taft-Ellender-Wagner housing bill that passed the Senate last spring. He wants it passed now.

The eight additional points in the President's program of musts are not exactly musts, except that Congress should approve the $65,000,000 loan for construction of a permanent United Nations headquarters in New York City. Congress also should follow his suggestion of more equitable and realistic pay for Federal employees.

Why did Mr. Truman omit mention of the Government price supports for agricultural commodities, the base under our high cost of food? That high cost of food is what the people of the Nation are complaining about.

President Truman knows that Congress cannot possibly consider and pass the legislation he recommends for this session. He is using that program as the basis of his political campaign, distorting his call for a special session of Congress and lowering its purpose to that of mere politics.

Anniversary of First Atomic Bombing in Japan

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES

Monday, August 2, 1948

Mr. LANE. Mr. Speaker, under leave to extend my remarks in the RECORD I wish to include herein an article by Bill Collins, Jr., which appeared in the Lawrence Sunday Sun, Lawrence, Mass., Sunday, August 1, 1948, on the anniversary of the first atomic bombing in Japan on August 6, 1945:

ANNIVERSARY OF FIRST ATOMIC BOMBING IN JAPAN TIME FOR PEOPLE TO THINK SERIOUSLY—FIRST A-BOMB STRUCK HIROSHIMA AUGUST 6, 1945—RECALLING TERRIBLE EFFECTS OF BOMBS AT HIROSHIMA AND NAGASAKI IN TODAY'S TIME OF TENSION, SUNDAY SUN WRITER GIVES SITUATION HUMAN ONCE-OVER

(By Bill Collins, Jr.)

It happened for the first time, on a Monday.

It is said that between 70,000 and 80,000 people were killed.

It is said 120,000 people were wounded.

It is said 290,000 people were made homeless.

It is said 60 percent of a city was obliterated.

That was Hiroshima on August 6, 1945.

That was the day the first atomic bomb was dropped and people began spelling the word with capital letters: DEATH.

THE SECOND TIME

It happened for the second time 2 days later.

In a city of 253,000 population, between 35,000 and 40,000 people were reported killed and missing.

That was Nagasaki on August 8, 1945.

YESTERDAY

That, in the minds of many today, was yesterday. In those same minds, yesterday is a thing of the past, to be shunted aside in one's thoughts, to be remembered only when pleasant memories; if unpleasant, to be locked up in a dark closet, like the figurative skeletons.

But the skeletons of Hiroshima and Nagasaki are real skeletons. Once they were people.

SHOULD REMEMBER

And whether it is pleasant or not, today, more than ever before, we should remember.

Because, now, even the most blindly thinking person must reluctantly admit that it might happen here.

LIKE STORM THREAT

And knowing that—realizing the facts of the matter, understanding the tension that now exists in Berlin, watching, with some apprehension, the so-called "cold war," which is now being fought in diplomatic moves on a gigantic world checkerboard—is like expecting a storm. It is as though heavy, ponderous clouds, menacing, mean-looking, have rolled up over the horizon, threatening a storm—but leaving the people uncertain as to whether it will actually materialize or not. People look at the clouds warily, hoping that the storm might pass over, but remain constantly aware that there might, at any moment, be a reverberating roar of thunder, a blinding javelin of lightning—and then a raging, roaring storm. It would be a storm called war.

It would cease to have such fancy names as "cold war." It would become a burning, blasting, bombing, killing, crying, real war.

SUBTLETY WOULD CEASE

And the subtlety would cease. The hidden moves, the shufflings would be done with. The tension of expectancy, of waiting, would be relieved. The cards would be lying face up on the table, with Mars, the warrior, as the banker.

PEOPLE HATE WAR

Most people, truly human people who recognize the value of all things, do not want war. They hate war.

Yet war is like having a tooth pulled, in one respect. A person does not want to have a tooth pulled, but if he knows having the tooth pulled is necessary to the well-being of his livelihood, he will take the step.

PEOPLE WONDER

Today people are beginning to get impatient. The unknown is baffling, puzzling, and perplexing. People want to know what is going on, what is going to happen. Each move by Russia and by the United States and its allies serves to increase the tension, until the question is like a neon sign, flashing on and off. Russia throws up a blockade. The western powers block export lines. Russia puts planes in the vital air corridors, harassing blockade-busting shuttle transports. The allies say they will perhaps have to tear down an important Russian radio station. Each move is like a checker game, with each player seeking to effect a stalemate. And the fate of the world hangs in the balance.

Yet the people are told there is not likely to be any war. Statesmen and diplomats voice optimism as to the outlook for peace.

And the people wonder.

PROMISES

Then another politician tells the people that if he were President there would be no crisis in Berlin. If there were no crisis in Berlin there would not be such a threat that—and said politician knows the people know it. And the people have heard political promises before.

APPEASEMENT

The people, too, have heard of appeasement before. Giving in is not the American way when the American thinks—and often knows—he is right. They know, the people, that if you give some men an inch they will want a mile. It worked that way with Hitler. The formulas do not change very much.

SIT TIGHT

So the people sit tight and leave things in the hands of the men who know more about the situation than they do. They trust in their Government. They believe in their country.

The reports of massing of troops, the showing off of air might—by both sides of the question—come to them. They hear of the new reports of flying saucers, and few laugh at such reports. Because there are many who think there is more to the flying saucers than just imagination. The people know that more and more secret weapons are being perfected. They have been told that America still leads in the race for atomic power. Such knowledge is comforting, in a measure, but the comfort is not too cozy when the people ask themselves the question: Has any other country got an atom bomb?

TIME OF TENSION

This week marks the anniversary—not to be celebrated—of the dropping of the first atom bomb in wartime.

It is a time of turmoil in the world.

The world seems to be blindfolded.

It is a time of tension.

It is a time to pray—for peace.

Federal Spending Is Greatest Single Cause of Inflation

EXTENSION OF REMARKS

OF

HON. GEORGE B. SCHWABE

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Monday, August 2, 1948

Mr. SCHWABE of Oklahoma. Mr. Speaker, the following article is well written, and deserving of serious study and consideration. It is by Alvin A. Burger, research director of the National Association of State Chambers of Commerce:

FEDERAL SPENDING IS GREATEST SINGLE CAUSE OF INFLATION—PRESIDENT OFFERS EIGHT-POINT PROGRAM TO CHECK INFLATION BUT OVERLOOKS MOST IMPORTANT RECOMMENDATION: CURB GOVERNMENT SPENDING

President Truman has ordered Congress back to Washington to deal with two national problems: inflation and housing. His message to the Congress, delivered on Tuesday, outlined the things he wants done. The message contained 3,000 words, 1,100 of which were devoted to the problem of inflation and to his eight proposals for solving that problem. There was not a single word of reference, however, to the most important of all the causes of inflation—the extravagant and unsound spending policies of the Federal Government itself.

None of the President's eight recommendations even hinted of the one remedy which, above all others, could effectively check the disturbing trend toward ever-rising prices, reduction of the cost of Government.

On the contrary, the President's message contained no less than 10 recommendations for new Federal outlays, which, if approved by Congress, would at the outset add almost $2,000,000,000 more to the present budget, and eventually at least $9,000,000,000 more.

These proposed new expenditures would entail large increases in Federal employment, in Government purchases of basic materials, and in building space needed for the new offices created by the proposed legislation. These increases would come in the face of desperate Nation-wide shortages of manpower, materials and building space, shortages which contribute largely to current inflationary conditions.

COST OF LIVING VERSUS THE COST OF GOVERNMENT

The President's message dwelt at length on rising prices and the high cost of living.

The cost of living in the United States has risen 73 percent since 1939, according to the latest report of the Bureau of Labor Statistics. This is a very disturbing increase indeed.

But in the same period of time the cost of Federal Government (as measured by its expenditures) has soared from $8,765,338,000 in the fiscal year 1939 to $39,326,000,000 in the fiscal year 1948.[1] This is an increase of 337 percent.

In other words, the cost of Federal Government has increased at a rate four and a half times as fast as the cost of living has increased since 1939.

That is important for this reason: Taxes for all government in the United States today—Federal, State, and local—constitute the largest single item in the budget of the whole American people. It is larger than the Nation's bill for food. It amounts to more than 25 cents of every dollar of the Nation's income. Of the $55,000,000,000 levied and collected in taxes for all government in the United States this year, more than four-fifths goes to Washington.

It can readily be seen that if Congress were to approve new expenditures advocated by the President, taxes needed to meet these new spending burdens would take an even larger slice of the American income dollar than is taken now.

TAXES ARE INTENDED FOR SPENDING

The President's message did, indeed, propose the levying of a new tax—an excess-profits tax. The message stated that the new revenues are intended "to provide a Treasury surplus and provide a brake on inflation."

Students of public finance know that taxes are imposed by government—any government—for one purpose, and one purpose only: To provide money to spend.

Surely this is confirmed by the new spending recommendations made in the President's message. The excess-profits tax revenues are intended to finance additional Federal expenditures and nothing else.

INFLATION CAN BE CURBED—IF

The most important contribution toward breaking the inflationary trend can be made by the Federal Government itself, simply by putting its own house in order.

Let us give a few examples of what we mean:

Manpower shortages threaten to retard the Nation's production. Yet the Federal Government is surfeited with manpower. It now has 2,100,000 civilians on its pay rolls and has been hiring additional employees at the rate of almost 500 a day. Chairman HARRY F. BYRD of the Joint Committee on Reduction of Nonessential Federal Expenditures, has recommended that Federal personnel be reduced by 30 percent. He has declared that this can be done without impairing essential Government service. Adoption of this recommendation would make available 630,000 workers to help relieve manpower shortages in many parts of the country.

There is a shortage of basic materials—steel, lumber, etc. The President's Economic Advisory Council in January urged a substantial cut in public-works construction in order to conserve on materials in short supply. Yet the Government is now embarked on public-works projects which will cost the taxpayers more than $2,500,000,000 in the fiscal year 1949—the largest public-construction program ever undertaken in a peacetime year. A judicious rescission of a substantial part of the funds appropriated for public works in 1949 would help to solve the problem of essential materials shortages.

Finally, inflation is aggravated by the scarcity of building space and of housing. The United States Government is by far the largest single user of building space in the Nation. Its agencies are constantly competing with private firms and among themselves for office space in every sizable city in the country. Newly created Federal agencies are now said to require 9,000,000 square feet of space in Washington alone. A determination to halt the creation of new Federal agencies and the expansion of old ones, and to weed out and eliminate unessential and overlapping services, would do much to relieve building space shortages and make more materials and manpower available for housing construction.

[1] Treasury Bulletin of June 30.

A Legacy of Spies and Communists

EXTENSION OF REMARKS

OF

HON. DANIEL A. REED

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 29, 1948

Mr. REED of New York. Mr. Speaker, the time is past overdue for a Government housecleaning of the spies and Communists who have long infested the Government departments under the New Deal administration.

Under leave heretofore granted by unanimous consent, I am inserting as a part of my remarks an article which appeared in the Washington Post July 31, 1948:

COMMERCE AIDE GAVE HER SECRETS DURING WAR, FORMER RED SPY SAYS—ANOTHER OF THOSE IN RING WAS ON WHITE HOUSE OFFICE STAFF IN 1944, SHE TESTIFIES; LISTS GOVERNMENT SOURCES

(By Mary Spargo)

The furtive operations of a Communist spy ring stretching from Washington to Moscow were described to a Senate committee yesterday by a self-confessed former key figure in the espionage net.

Miss Elizabeth Terrill Bentley, a dark-haired Vassar graduate, class of 1930, told the Senate investigating committee she had about 20 direct and 30 more indirect contacts among Government employees in Washington during the war.

One, she said, worked in the executive office of the President in 1944.

The Russians to whom she reported, she testified, became much excited when she passed on information from the White House contact that this Nation was on the verge of breaking one of Russia's codes.

NAMES ONE EMPLOYEE

Only Government employee the committee permitted her to name was William Reming-

ton, Director of the Export Programs Staff of the Commerce Department.

Remington, she said, was in the War Production Board during the war and passed along secret figures on American aircraft production, and also a secret formula on the making of synthetic rubber.

He and his wife, she testified, were members of the Communist Party. She said she collected Communist Party dues from them and delivered Communist literature to them.

Before Miss Bentley took the stand the committee called Thomas C. Blaisdell, Jr., Acting Assistant Secretary of Commerce, to explain how it was that Remington was given an important Commerce job in March 1948, despite the fact that the FBI and the Justice Department had known of his affiliations for a year.

IS NOW ON VACATION

Blaisdell said Remington had been doing highly secret work for his department, although there was some question about his affiliation with Communist-front organizations. Blaisdell said he liked Remington, who is now, he declared, on vacation.

Last night Secretary of Commerce Charles Sawyer said he had placed Remington on indefinite leave in the latter part of June after reading a report, in the hands of the Civil Service Commission, on the investigation into Remington's background.

Remington, it was disclosed, is now chairman of the "adhoc" committee of the Commerce Department, which deals in confidential information concerning this country's requirements for atomic energy, military and naval materials.

Commerce Department officials said he has also been working recently with an interagency committee that determines what goods may be exported to Russia.

Chairman HOMER FERGUSON, Republican, of Michigan, of the investigating subcommittee said Remington would be given his day in court today and summoned a committee hearing for 10 a. m.

The committee, FERGUSON said, was not trying to pass on Remington's loyalty but rather to determine the degree of efficiency of loyalty tests when despite the information available to FBI and Justice he was given a confidential post at Commerce.

Miss Bentley told the committee that toward the end of her association with Remington he was very unhappy, uneasy, and reluctant to give her information.

As for obtaining information from Government departments, she said, it was easier to say from which departments she could not obtain information than to list those from which she could.

It was impossible to get anything out of the Federal Bureau of Investigation or the Navy, she said. The Army and, particularly, the Air Forces, she said were a different matter.

Military information from the Air Forces and the Army went right to Russian agents in New York.

She named specifically the Treasury as an excellent source of information—the one place from which a few crumbs of Navy information occasionally leaked. She also named the State Department, the OSS, the Office of the Coordinator of Inter-American Affairs, the War Production Board, and the War Manpower Commission as furnishing contacts for her Russian bosses.

For herself, Miss Bentley said, she was drawn into the espionage net through her love for Jacob Golos, late chairman of the central control committee of the Communist Party, who died in 1943.

Golos was indicted and convicted, she said, of being an unregistered agent of a foreign power but he was given a suspended sentence.

He was her original boss in the spy ring, she said. Then after he died, a mysterious Russian whom she knew only as Bill and later one she knew as Jack took his place. She reported to them on New York street corners, in restaurants, etc.

SOVIET FIRST SECRETARY

Sometimes, she said, she reported the information she gathered on Washington street corners—once at Fourteenth and E NW.—and in various hideouts to a man named "Al" who she later learned was the first secretary of the Soviet Embassy in the United States.

After the death of Golos, she declared, she gradually became more and more uneasy and worried about what she was doing.

Finally, she said, she went to the office of the Federal Bureau of Investigation in New Haven, Conn., and told all that she knew.

POLITICAL AND MILITARY

Miss Bentley testified the information she gathered was of two different classifications—political and military.

The political information, she said, went straight to Earl Browder, then head of the Communist party, while the military information was turned over directly to the Russians for transmission to Moscow.

Usually, she said, the information from her direct contacts was so voluminous it had to be carried in a knitting bag or shopping bag.

That from the indirect contacts, she declared, frequently had to be microfilmed before she took it to New York.

When she got down to naming people, Miss Bentley identified a former secretary to Columnist Walter Lippmann as a Communist agent who stole information from his office.

She gave the woman's name as Mary Watkins Price.

Senator HOEY, Democrat, North Carolina, said Mary Watkins Price is now head of Henry A. Wallace's progressive party in North Carolina.

"Oh, my," exclaimed Miss Bentley, "she certainly has gone up in the world."

Under questioning by HOEY, Miss Bentley said she met Miss Price at a restaurant in New York City, on Fifth Avenue, in February 1941.

"Was she a Communist?" asked HOEY.

"She was introduced as such," Miss Bentley said.

She said Miss Price left Lippmann's employ in May 1943.

FERGUSON said: "There is no intimation that Mr. Lippmann was connected in any way with the Communists?"

"Oh, no," said Miss Bentley.

"She was keeping it secret from him and delivering it (information) to you?"

"Yes. He had a great deal of information on the United States relations with the British and what we planned to do in the future. It was very interesting."

WENT THROUGH FILES

Miss Bentley said she and Miss Price went through Lippmann's files while he was out of the city and "we spent a week-end copying" information.

"Then she was up to date," Miss Bentley said, "so she could keep up with the files herself."

Walter Lippmann said of the testimony last night:

"It is news to me, if it s true."

His office confirmed that a Mary Watkins Price had been employed by him.

Miss Bentley is the woman who is reported to have helped the Government work up the evidence which led to indictment of 12 Communist leaders in New York last week on charges of advocating overthrow of the Government by violence.

It was a tale resembling in many respects the accounts of the Canadian spy trials that Miss Bentley unfolded before the committee.

The gently reared Vassar graduate said she became interested in socialism in college. She taught briefly, she said, at Foxcroft School in Virginia.

LEARNED TO HATE FASCISM

She studied in Florence, Italy, she said, and there learned to hate fascism and the Fascists. She said she took her master's degree at Columbia University.

There she first joined the American League against War and Fascism, a Communist front which became the American League for Peace and Democracy, then the Emergency Peace Mobilization, and then the American Peace Mobilization. The last organization, after Russia was attacked by Hitler, became the American People's Mobilization. Its latest disguise is the Win the Peace movement, which has been quiescent since the starting of the Progressive Party.

At Columbia, she said, she joined Unit One, of the Harlem Section, Communist Party.

Then, she said, in 1938 at the request of the party she went underground and became a Communist Party member at large which meant she no longer carried a card or attended meetings. She was then to report to only one man—her then boss, and the man she loved, Jacob Golos. He was Russian-born, she said, but an American citizen.

She was then working in the Italian Library of Information, part of the Italian propaganda effort in this country.

TURNED OVER TO GOLOS

Out of the files and contacts with that agency she said she gained as much information as she could of the plans of the Fascists and turned it over to Golos.

He wanted information on the nationalists in Spain, on anti-Semitic movements sparked by the Nazis and so forth. She said she also received mail at her home for Golos. It was from Canada and Mexico, she said. She added that Mexican mail stopped after Leon Trotsky's chauffeur was shot in Mexico.

Subcommittee Chairman FERGUSON asked if she knew why the mail from Mexico stopped.

"Why the person who was writing letters to Golos from Mexico was one of the men who shot Trotsky's chauffeur," she declared.

JUST FOLLOW ORDERS

She didn't make any inquiries about her work, she said, because the Communist Party is run like an army—you follow orders and you don't ask questions.

Then she had to do research at libraries for Golos, she declared. She reported on the Finnish Relief Committee.

She also investigated, as far as she was able, she said, Gov. Thomas E. Dewey, President Roosevelt, and various Cabinet members. Golos, she declared, wanted every scrap of information which would indicate how a man in public life felt toward Russia.

Golos, she said, was president of World Tourists, Inc., a profitable travel agency encouraged by Soviet Russia. After Golos was convicted in 1940 of failure to register as a foreign agent he got an outwardly "impeccable" businessman to act as front for a new outfit, the United States Service and Shipping Corp., and made her vice president and secretary.

WENT TO $800 A MONTH

She actually ran the show, she said, and went up in salary from $200 a month in 1945 to $800 a month in 1946.

Gradually Golos began to turn over to her, she said, confidential errands, including the eliciting of information from Communist Party members and sympathizers.

Most of these, she said, worked for this Government.

All of the meetings she held with these people, she declared, were very, very secret. They were held either on street corners or in restaurants, never in Government departments.

Golos told her, she said, of the contact in the White House. He asked her to see what could be done to have Communists in inactive agencies transferred to places where they could obtain confidential information.

The contact in the White House helped, she declared.

Later she dropped her bombshell about obtaining the highly secret information that this Nation has broken the Russian code.

COULDN'T FIGURE MOTIVES

FERGUSON demanded to know what would make a man in the White House itself give such highly secret information. Was he a Communist Party member, she was asked.

"I don't think so," she said. "We never were able to figure out just what his motives were." She added that she understands he's no longer with the Government.

These people weren't being paid for information, she told the committee. "They were just a bunch of misguided idealists."

What sickened her after the death of Golos, she declared, was the attitude of the Russian agents who succeeded him and tried to pay her for work she was doing out of idealism. She also, she said, became frightened when they suggested she should go to Russia for training in 1945.

OFFERED FUR COATS, EXTRAS

The Russian agents, she said, offered her a fur coat, air-conditioning equipment for her apartment and a regular monthly stipend. First it was $50 and then they raised the ante, she said.

She would collect Communist Party dues and deliver Communist literature when she came to Washington to get her reports from Government workers, she said. Generally she made the rounds here twice a week, she told the committee.

She had to deliver the literature, she said, because the only other place they could get it was the Washington Bookshop and they were afraid to go there because by this time it had been recognized as a Communist front.

It was in December 1944, she said, that A1, the first secretary of the Russian Embassy, "put me on ice." In Communist Party terms this means, she said, to stop all activities because the "heat" is on and there might be leaks. Golos had died a year before in November 1943 but the Russians told her they still feared she might be watched because of him.

She knew, she said, there were at least two other agents besides herself running espionage rings; how many more there might be, she declared, she did not know.

The Government employees who were active in the Communist Party, she said, were loyal only to the international Communist movement. They were loyal to Russia as the leader of that movement, she said.

They looked upon this Government as "very bad—something like the Nazi government—a repressive government they wanted to get rid of."

Remington she met at corners like Fourteenth and E, Fourth and Pennsylvania, and Fourth in a little park, and at the Mellon Art Gallery.

She denied that she had ever made collections from Remington for the Joint Anti-Fascist Refugee Committee or that he could ever have considered her a reporter

Unique Requirements Put Up To Congress

EXTENSION OF REMARKS

OF

HON. GEORGE B. SCHWABE

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Monday, August 2, 1948

Mr. SCHWABE of Oklahoma. Mr. Speaker, I note the following editorial from the Tulsa Daily World, of Tulsa, Okla., of July 28, 1948, which I think my colleagues will find most interesting reading:

UNIQUE REQUIREMENTS PUT UP TO CONGRESS

President Truman's message to Congress yesterday was very largely political. He put his recommendations upon the ground of "urgent requi›ments." There is a general conclusion that the political urgency was the real one.

This special session of Congress convened under clouds—politics, spite, distrust, recrimination. The national campaign is opening, and naturally, both sides are playing for position. It had seemed to Mr. Truman that it would be a smart idea to call a Republican Congress into session to build up a record for the November election. The Republican Congress can see the politics but not the urgency.

The President justifies his call upon the ground of economic threat—and insists that high prices are ruinous and must be cured now, not 6 or 8 months from now. He further urges that there are numerous pending bills which reach the evils in view, and he says they should be enacted now and not be allowed to die on the calendar. This latter course would, he insists, mean hearings, discussions, etc., and consequent delays until well into next year on matters claimed to be most urgent right now.

To all of this the Republican majorities in both Houses reply with wrath and derision. They resent the attempt to put them on record on everything and to anticipate the proper work of the next Congress—which they hope will be largely Republican and under a Republican President.

That is just about the political situation. The Republican majorities are rather small. As of January 10, 1948, the Republicans had a majority of 6 in the Senate and 54 in the House. In the reverses, backsets, overriding of vetoes, and other procedures against him, Mr. Truman neglects to mention that a considerable number of all adverse actions were supported by Democrats. If the last session was sinful as alleged the Democrats did a lot of sinning, too.

Evidently Mr. Truman intends to blame any possible depression or break-down upon the Republican majority. The theory seems to be that inflation is moving on fast and that a smash may occur at any time. Therefore, the Truman logic runs, if Congress doesn't step in right now and beat inflation the party will have to shoulder responsibility for anything and everything—and that might be very bad for the GOP in November. This appears to be clever reasoning, but most people doubt its validity. It is risky and improper, to say the least. It is certainly a dangerous brand of politics.

It is not surprising to hear the Congress is in a sullen mood. This is a very hot season in Washington. The majority has been called back by a minority President apparently for the purpose of breaking the majority's neck. This is the basis for the common assertion that nothing much will be done and that no great political advantage will accrue either way.

The session may end in utter futility, but we think Mr. Truman is taking measures against one certainty. It was noticed yesterday that he did not say much about his civil-rights program, which is only political urgency. If that should be put up first the southern filibuster would be in operation before the reading clerk could finish. That would stop everything and ruin the cute little design to put the Republicans on record on many bills. Democrats would thus be enabled to blow up a Democratic President good and plenty.

High prices, meaning inflation and ultimate depression, actually formed the President's text. He demands that Congress stop inflation right now, and probably every Member of Congress knows it ought to be done but dessents from the idea that Congress can do it single-handed. To hear the President tell it, a citizen would conclude that all that is needed is a law. In this connection it is noticed that the President did not assign his constant call for wage increases as one of the major causes of high prices. He stood out in this message for forced price reductions and enforced wage increases. The connection between wages and prices was loftily ignored.

Housing was second on the list. That, too, can be remedied by a very simple matter, just another law, it seems. Well, nobody else believes that. The President has a good talking point there, because Congress—Republicans and Democrats, too—did refuse to pass a housing law; that is, one House did. He can probably establish that Congress backed off from housing and oleomargarine because of highly organized lobbies. However, he did not stress that point, one of the most potent he has in his limited arsenal.

Recommendations by the President were just about as expected: excess-profits tax, commercial-credit controls, enlarged powers for Federal Reserve Board, limits on speculation, allocation of materials, curbs on rent increase, stand-by authority to regulate commodity prices, price control upon occasion. Most of these subjects are covered by pending bills. On the long-range side, Mr. Truman included civil rights, repeal of the Taft-Hartley law, increased social-security benefits, more electric power, better support for the United Nations.

This lengthy list—both immediate and long range—was denounced by Republicans as nonemergency. They could say that there is no emergency except a political one and that the President was just mixing medicine. The old doubt of the efficacy of more statutes against economic threats persists all over the country. Discounting of the President's political move and his message is strong outside of Washington.

President Stassen, of Pennsylvania University

EXTENSION OF REMARKS

OF

HON. WALTER H. JUDD

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, August 2, 1948

Mr. JUDD. Mr. Speaker, it is gratifying to Minnesotans to have the rest of our country give deserved recognition to the high caliber and character of Minnesota's greatest son and citizen, Harold E. Stassen. We are proud to share him with Pennsylvania and predict a distinguished career for him at her great university, until the whole Nation calls him to an even higher Presidency, the highest in the land.

Under leave to extend my remarks, I include editorials from the Washington Star and the Washington Post:

[From the Washington Star of July 31, 1948]

MR. STASSEN'S NEW ROLE

Harold E. Stassen is well qualified for the presidency of the University of Pennsylvania. At the age of 41, he will be the youngest man ever to have risen to that post, just as in 1938 he was the youngest ever to have been elected Governor of Minnesota—an office in which he distinguished himself for three terms. His executive ability, his vigor and his forward-looking views on national and world problems have been demonstrated

many times over, not least of all by his contribution to the founding of the United Nations and by his recent unsuccessful but impressive campaign for the Republican Presidential nomination.

Like other outstanding educational institutions, the 208-year-old University of Pennsylvania faces major problems requiring top direction by a man who combines sound administrative judgment with great personal drive. Its selection of Mr. Stassen—who is endowed with those qualities in an exceptional measure—could hardly have been better. The academic world will be a fresh experience for him, but there can be little doubt that he will make a fine success of it. His large following of Americans will hope that he will return some day to active politics. Whether he does or not, however, he will be able, in his new role, to exercise a continuing and highly useful influence on the affairs of the Nation.

[From the Washington Post of July 31, 1948]

PRESIDENT STASSEN

It is a reflection of the magnitude of mass production character of present day American universities that so many of them are seeking for their presidents men whose talents and experience lie not so much in scholarship as in public affairs and administration. New York's Columbia University has just installed General Eisenhower as its chief executive, a post he declined to relinquish even for the sake of nomination to the Presidency of the United States. And now Harold Stassen, also much mentioned but lately as a Presidential possibility, has been chosen to manage the affairs of the University of Pennsylvania. Both men are likely to bring to their respective institutions imagination, energy, and executive skill calculated to compensate for their want of academic background.

The trustees of the University of Pennsylvania say that they selected Governor Stassen above all for his inspirational appeal to the youth of America. That appeal is essentially an appeal for participation in the public affairs of the time; and indeed in accepting the designation the former Minnesota Governor declared that he will continue a vigorous interest in such affairs. The presidency of a university is an appropriate post from which to do so—provided, of course, that personal political ambition is not permitted to interfere with devotion to academic interests. For a university can no longer be a cloister. It must be consecrated not alone to abstract learning but equally to leadership in the promotion of an enlightened public opinion.

Seen in this light, the presidency of a great university is a public post of the utmost importance. The story is told in Cleveland Amory's The Proper Bostonians that once, when a caller came to see President Lowell, of Harvard, he was gravely informed by a secretary, "The president is in Washington talking with Mr. Taft." Governor Stassen has been accorded a great honor and a magnificent opportunity. It should abundantly solace him for a political defeat which may in time prove no more than a set-back.

The Call of the Farm

EXTENSION OF REMARKS

OF

HON. HAMILTON C. JONES

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Monday, August 2, 1948

Mr. JONES of North Carolina. Mr. Speaker, under leave to extend my remarks, I include in the CONGRESSIONAL RECORD, the following copy of an essay written by a constituent of mine, Miss Anita Bolinger, of Vale, N. C., which was awarded the first prize in an essay contest sponsored by the Southern Agriculturist. This essay is entitled, "The Call of the Farm":

From my home I can see a white house placed on a hill, surrounded by fields planted with good crops. Once that farm was run down, and the house was weather-beaten.

What happened? Did the owner's rich uncle leave him a fortune? Did he open a liquor still, or find some buried treasure? No. When he was young and just out of agricultural college, he felt a challenge in the farm, accepted and conquered it.

This challenge faces the youth of the South today. Many, too many, haven't answered this call in years gone by. They felt a greater one was offered in the cities, in the North, or perhaps they took Greeley's advice and went West. The cities offer work 8 hours a day. When these hours have passed the work is done for the day. On the farm you never know how many hours you'll have to work. Does it not seem to you that life would be easier and better in the city? Easier? Perhaps. Better? Never.

Opportunity has become another name for the American way of life, but when we think of a chance for advancement we think of the turning wheels of industry and the bright lights of a city. We seem to have forgotten that on that 40-acre farm there is more opportunity to be found than there is in 40,000,000 acres of city blocks. There is a greater challenge in that two-story farmhouse than there is in the 102 stories of the Empire State Building.

Your diamond—opportunity—lies in your own back yard. Don't make the mistake of looking for it elsewhere. Get that college education, take that short course, or if you must, take that trip around the world, but come back home when you have completed them.

Certainly that farm is run down, but wouldn't you be too if you had been made to work day in and day out and fed bread and water? Just as there is a challenge for a doctor to bring an undernourished patient back to health, there is a challenge to you to restore the productiveness of the farm.

Undeniable is the fact that the farm will make big demands. Yet, it will not be a dull job. Adventure doesn't limit itself strictly to the wilds of Brazil, the frozen North, or to Sunset and Vine. On that farm that you might operate adventure awaits.

The empty house is begging you to come live in it and make its life gay again, the maple trees in the front yard offer their shade and comfort, those barren fields need plants and fertilizer. The ole swimmin' hole can be a profitable fishpond with a few improvements, that field that seems hopelessly eroded could be a thriving woodland. With work, that farm could be a profitable and satisfying business.

Of course this will not happen overnight and maybe not in 10 or 20 years, but that famous actor didn't get his reputation by asking for it, nor did that renowned editor walk into an office and say, "I'm your man," and get the job. It took steady plugging all the day, and after their goal was reached, they worked to stay on top. Work must be done to reach the top in farming, but after the top has been reached you'll have something the actor and the editor will never know—peace and security.

See and hear the invitation to opportunity and adventure beckoning, not with the glitter of light and the roar of a factory, but with the reflection of the sunbeams on the green fields, and a herd of cattle mooing for its supper. Answer it, young southerner. The southern farm needs you and you need the southern farm.

Support Prices and Inflation

EXTENSION OF REMARKS

OF

HON. DAVID M. POTTS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, August 2, 1948

Mr. POTTS. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial appearing in the New York Herald Tribune of August 2, 1948:

SUPPORT PRICES AND INFLATION

This newspaper believes that the authority to control the prices of some foods may have to be granted to the President as a stopgap measure in the present inflationary crisis. We have advocated this not because of any love for such controls but because it has become so obvious that other, probably more effective, measures are politically doomed. There is, in reality, a much simpler way of bringing food prices more nearly into line with other prices. Only one important objection has been raised against that method, namely, that it would be unpopular with the farmers, and is therefore politically explosive. We refer, of course, to a revision of the parity support program for farm prices.

The Department of Agriculture recently estimated that there would be wheat surplus by 1949, and therefore recommended an 8 percent reduction in wheat acreage next year. Here, at least, it would seem that supply is overtaking demand. Meat prospects are not so favorable, but if grains go down meat will eventually go down, too. The simple method of reducing food prices would be to lower support levels from, say, 90 to 60 percent of parity. In the event of the expected bumper crops, prices would then automatically come down. The consumer would benefit, and he would not have to make up the difference in the capacity of taxpayer, as he would under the price-control system.

A lot has been written about the wage-price spiral of inflation, but very little about the parity-support spiral. It is a spiral because the floor under farm prices is a moving one, and in an inflationary period it moves upward. As higher food prices force wages and other prices up, parity automatically goes up, too, since it is a ratio between agricultural and industrial prices. Thus, despite the phenomenal rise in farm prices in recent years, they could still not drop very far before resting on the soft cushion (a more descriptive word than floor) of the support level. We have never advocated abolition of supports, because we believe a collapse of farm prices with the resultant effect on farm incomes could be disastrous to the economy. Yet the system does need to be drastically revised to give it more elasticity and give freer play to the forces of supply and demand. It is essential to have a readjustment whereby food prices will be brought into a more realistic relationship to other prices and will stop acting as a propellent of all prices.

Wallace Wrong on China, Too

EXTENSION OF REMARKS

OF

HON. WALTER H. JUDD

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, August 2, 1948

Mr. JUDD. Mr. Speaker, under leave to extend my remarks, I include two

items, the first an article by George E. Sokolsky, who lived in China for many years, showing the falsity of the views recently expressed by Henry Wallace on events in China and America's relation to them:

(By George E. Sokolsky)

Rebecca West, reporting on Wallace's press conference in Philadelphia, reaches the sad conclusion that Wallace does not know what he is talking about on the subject of Yugoslavia. I wish to report that Henry Wallace does not know what he is talking about on the subject of China. This is what he says:

"Educated Chinese, who know that Chiang's days are numbered, nevertheless fear that United States foreign policy will finally result, after Chiang's fall, in America's controlling what might be called a 'comisery sphere, consisting of Japan, the port cities of China, and Dutch Indonesia.' They fear that in the final show-down it would be Japan that would dominate this area rather than the United States. Others ask what difference it makes whether Chinese slavery is continued directly, through the United States and Chiang, or indirectly, through Japan. The Chinese students who have been demonstrating against the American policy of rebuilding Japan have been told by the United States Ambassador that they must stop or 'prepare to take the consequences.' The mayor of Shanghai told the students, 'America's policy toward Japan is concentrated on preventing the spread of communism. Your protest will not benefit China, but the Soviet Union.'"

First question: Who are these educated Chinese? What are their names? Has he spoken to them, communicated with them, or did he get this information from the Cominform?

Second question: Wallace's premise is that should Chiang Kai-shek fall, the United States would be in charge, to use his treacherous phrase, of a "Co-misery sphere, consisting of Japan, the port cities of China and Dutch Indonesia." In a word, if Chiang falls China will be a political vacuum which some power will take over. Why, and this is my question, is Soviet Russia preferable to the United States of America from any standpoint?

The Chinese Communists have, within the past month, declared themselves part of Stalin's international machinery by a normal Cominform device. All the Stalinist parties were required to declare that Tito was wrong. The Chinese Communists signed on the dotted line, proving their obedient orthodoxy.

Therefore, should the Chinese Communists conquer China, they would act as the Czech and Hungarian Communists acted in their countries, namely, as puppets of the Cominform. Why, and this is the third question, does Henry Wallace prefer that? Is it because he also is a puppet and birds of a feather flock together? Does he believe that world peace will be achieved if all the nations of the earth are members of the Cominform, presided over by Andrei Zhdanov?

His quotation from the mayor of Shanghai is accurate, and the mayor's views are accurate, but Henry Wallace's mind is so distorted that he really does not understand what he says and picks a quotation to disprove his point. That is all right with Henry because in his argument at Philadelphia with Westbrook Pegler and H. L. Mencken he established that he was wrong and they were right, and that he did not *know it.*

Wallace in this same article attacks the Christian missionaries in China. He says: "* * * Some are said to serve as spies for the Kuomintang or for the American Embassy, and these are looked on with increasing suspicion. * * * When Christians get into politics against the people they must always expect trouble, because they then cease to be Christians."

I do not wish to enter into a discussion with Wallace on the application of Christianity to politics. He once wrote on this subject and said just the opposite of his implications in this article. Henry not only changes his tune but forgets that he is singing.

However, the magazine China Missionary publishes the names of the Catholic missionaries who have been murdered by the Communists in China since the end of the war with Japan. The list gives 45 victims of authenticated murder (shooting, bayonetting, beating, dragged to death), 24 who died in prison, 2 who died immediately after release from prison, 11 who were led off into captivity and have never been heard from since and are presumed dead, and 4 listed as probably dead or executed in prison.

Henry Wallace says nothing about that. Maybe he now believes that murder is a fine thing if done by the right people in the right cause.

Mr. Speaker, the answer to Wallace's unsupported statements about the alleged views of "educated Chinese" is given in an open letter to America written and signed some months ago by 18 distinguished Chinese professors in the six leading universities in north China. These men are living in Communist-surrounded and infiltrated areas. They know what they are talking about when they discuss the nature and the objectives of the Chinese Communist movement. They are willing to risk their heads to inform us in America what the significance of events in China is for the United States and its security:

AN OPEN LETTER TO AMERICA BY 18 CHINESE PROFESSORS

FEBRUARY 18, 1948.

Mr. WALTER H. JUDD,
House of Representatives,
Washington, D. C., U. S. A.

DEAR MR. JUDD: We deeply appreciate your efforts in aid to China. For your reference, we like to make known the present critical situation in China, and to clarify the standing of Chinese intellectuals that represents the overwhelming majority of the honest and patriotic Chinese citizens.

We do not want communism which is by nature totalitarian and aggressive. Since VJ-day the Communists in China have overrun an area as big as the whole of western Europe, and have come to control a population as large as the total population of the United States. We hope that America would not overlook this fact before it is too late.

Like the Communists elsewhere, the Chinese Communists take their orders and receive military assistance from Moscow. It explains why the Communists could have expanded their armed forces so fast that by now almost the whole of Manchuria and several North China provinces are in their orbit. Only a few big cities and their adjacent areas are not actually taken by the Communists, but they are being encircled and the encirclement is ever tightening.

The cruelty and brutality of the Communists are beyond imagination. They drive the ignorant farmers in front of the Red troops as their shields to meet the first firing. Whenever they take a village they would stage a kind of "liquidation," that is, they seize many scapegoats as "rich farmers" and have them eliminated. They order the mother to kill her son, and the wife to shoot her husband. By so doing they aim at the "destruction of human nature and the elevation of the nature of the Communist Party." This has become so unbearable that always whole villages flee before the drive of the Communist army. Refugees are streaming into the big cities that are still in the hands of the National army.

In the Communist area everyone is strictly regimented. In the name of "new democracy" and "people's opinion" they can commit any crime they deem necessary, so that a threatened mass is more readily at their disposal. The Chinese farmers are helpless; they are unorganized and have no means of resistance, while the Chinese Communists are not agrarian reformers as they themselves claim to be. They supplant democracy with totalitarianism, replace intellectual freedom with educational regimentation, both of which are so dear to the liberal hearts.

Our Government and our people have been fighting this world-wide expanding barbarism alone for nearly 2 years. We desperately need America's help, military as well as economic. We consider our present fight against communism a continuation of our struggle after World War II for the true liberation of the Chinese Nation. And in this struggle United States' aid to us is both urgent and indispensable—not for China alone, but for the liberty and security of the world as well.

We admit that our National Government is far from satisfactory. But it is the Government which, we sincerely believe, has a fairly good chance of becoming really liberal and democratic as it has already been moving toward that end under the leadership of President Chiang. Whether we like this Government or not, the fact remains that any weakening of it under the present situation will be detrimental to the future of Chinese democracy and independence, for Communist control would be the only alternative.

We have no partisan bias and no practical political leaning, simply being stung by the brutal acts of the Communists and shadowed in the constant fear lest more would fall into the same fate as those unfortunates. Our voice is from our deep conscience. We appeal to you for immediate help to save civilization and fight this new totalitarianism before America would have to fight it alone.

Chang Fu-chuan, Professor of Political Science, Peking University; Chang Chichun, Professor of Political Science, China University; Chang Yin-tang, Professor of Geography, Tsinghua University; Cheng Hwa-chih, Dean of Studies, Peking University; Ronald Cheng Yu-shung, Professor of Education, Peking University; Chi Ssu-ho, Professor of History, Yenching University; Chow Lian-tsih, Professor of Latin, Peking University; Dun Fwu-tang, Professor of Psychology, Tsinghua University; Fu Cho-fu, Professor of Economics, Nankai University; Ho Lin, Professor of Philosophy, Peking University; Lee Tao, Professor of Medicine, Peking University; Liu Chung-hung, Professor of History, Tsinghua University; Liu Ho-hsian, Professor of Political Science, Nankai University; Liu Ssi-chih, Professor of Biochemistry, Peking University; Nieh Chung-chi, Professor of History, Yenching University; Tsui Shu-ching, Professor of Political Science, Peking University; Wang Yi-hsiu, Professor of Political Science, Peiping Teacher's College; Wang Yun-hwui, Professor of English, Peking University.

The Special Session

EXTENSION OF REMARKS

OF

HON. CLIFFORD R. HOPE

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Monday, August 2, 1948

Mr. HOPE. Mr. Speaker, under leave to extend my remarks in the RECORD, I am including an excellent radio address

delivered by Senator ARTHUR CAPPER over Station WIBW at Topeka, Kans., on July 25, 1948.

The address follows:

Friends in the radio audience, by the time this talk is broadcast over WIBW, this Sunday afternoon, I will be in Washington for the extraordinary session of Congress called by President Truman. I am making the record for this broadcast by electrical transcription Thursday evening, just before leaving for the special session.

I do not know just what is going to happen in the coming special session. I am not even certain exactly why it was called.

On the face of it, President Truman called the special session in order to put the Republican Eightieth Congress on the spot, so to speak. That was the plain meaning of the language he used in his acceptance speech at Philadelphia early Thursday morning, just preceding the adjournment of the Democratic National Convention.

Here is what President Truman said in his acceptance speech, and I quote exactly from the Associated Press report, giving the text of that speech:

"The Republicans came here a few weeks ago, and they wrote up a platform," said President Truman. "I hope you have all read that platform. They adopted a platform, and that platform had a lot of promises and statements of what the Republican Party is for, and what they'd do if they were in power.

"They've promised to do in that platform," I still am quoting President Truman, "a lot of things I've been asking them to, and that they've refused to do when they had the power."

And so on. He elaborated on some of the things he said he has asked the Republican Eightieth Congress to do which it had not done. For example, he said this:

"The Republican platform cries about cruelly high prices," said President Truman. Then he says: "I have been trying to get them to do something about high prices ever since they met the first time."

Well, President Truman did ask the Congress to do something about high prices.

In the first place, he and all his Government agencies fought at every turn of the road against any decrease in Government expenditures, and decrease in the number of Government employees.

He not only insisted that Congress appropriate for continued Government spending at around $40,000,000,000 a year, he also sent us a so-called economic recovery program for the United States that would have increased Government expenditures to around $50,000,000,000 a year.

How are Government expenditures paid? Well, the Government has just one way of raising money to spend—by taxing its people. Government borrowing is just another form of taxation—delayed tax collecting.

He bragged in that same acceptance speech that the national income under the New Deal had jumped from $40,000,000,000 to more than $200,000,000,000.

In other words, the Government must collect as much for 1 year's expenditures today as the entire national income ($40,000,000,000) in 1932.

Now, where does the money come from to pay taxes? Sifting it down through the sources of collection (farm income, business income, salaries and wages) the money to pay taxes comes from the prices people pay for the goods they use and consume.

Now, if the prices paid for all goods bought in 1 year were only $40,000,000,000, and the Government had to collect that much for its own expenditures, where would you be? Where would the Government get its taxes? The answer is obvious. It would not.

Similarly, he bragged that under the New Deal salaries and wages paid workers had increased from around $29,000,000,000 to $128,000,000,000. Those are not my figures, my friends, those are President Truman's figures. I believe them to be approximately correct.

But, I ask you, and I ask President Truman, how are the dollars raised to pay out $99,000,000,000 more in salaries and wages for 1 year? Where do the dollars come from?

The dollars have to come from prices paid for goods used and consumed. There has been some increased consumption—but not five times as much more consumption.

I leave it to you, my friends, is it fair—is it even intelligent—for anyone, even the President of the United States, to brag that his New Deal administration has increased the amount of money spent in 1 year five times, while the amount of goods that can be purchased is considerably less than twice as much, and then blame the Congress because the prices of goods have gone up?

If the prices received for goods had not gone up, how would that $40,000,000,000 of taxes been paid? How would the increase of nearly $100,000,000,000 in salaries and wages been paid? To say nothing of the increase of some $15,000,000,000 in farm income—from prices received for goods produced and marketed—and another increase of some $22,000,000,000, in the income of independent business men and professional men, that President Truman bragged about?

Ultimately, my friends, all those incomes, have to come from the production and manufacture and distribution and sale of goods, commodities, and services. In other words, out of the prices paid for those things.

It does no good to maintain that the increased income arises from the more cheaper dollars the Government issues. The increase in dollars in circulation, and the measure of the velocity with which the dollars change hands, also makes for higher prices. When the units of purchasing power increase several times faster than the increase in the units of things that can be purchased, that causes higher prices.

President Truman brags in his acceptance speech that his New Deal administration has brought about just about everything that forces higher prices—higher salaries and wages, higher incomes for farmers and businessmen, larger and larger Government spending (and asks for even more and more Government spending money).

He brags that his New Deal administration has brought to pass and put into operation everything to cause higher prices (except the wildest kind of inflation, and continuance of these polices will bring about the wildest kind of inflation), and then he blames the Eightieth Congress for causing high prices and inflation.

And what is his remedy?

Price control—trying to lower the temperature of the room by putting ice against the bulb of the thermometer, trying to force the sale of goods at prices less than it costs to produce them.

I leave it to you, my friends, is it fair—is it even intelligent, for anyone, even the President of the United States, to brag about creating or increasing all those causes of high prices, and then blaming another branch of the Government for not stopping the high prices by passing a law saying there shall not be high prices?

My friends, I beg your pardon for this too lengthy discussion of what causes high prices. I started out to give President Truman's reasons—as he himself stated them—for calling this special session.

Again I quote from his acceptance speech:

"My duty as President requires that I use every means in my power to get the laws the people need on matters of such importance and urgency. I am, therefore, calling this Congress back into session on the 26th of July.

"On the 26th day of July, which in Missouri, we call turnip day, I'm going to call that Congress back, and I'm going to ask them to pass laws halting rising prices," and so forth.

In addition to announcing at the Democratic National Convention that he would call the Republican Eightieth Congress into special session, I will say that Candidate Truman made a rousing and very effective campaign speech that stirred the spirits of his Democrat audience to the fighting pitch.

He made it pretty plain, it seemed to me, that calling the special session of Congress was part of his campaign for election in his own right to the Presidency.

But accustomed as we have become to the Roosevelt-Pendergast kind of political maneuvering, I can still hardly believe that President Truman will not find some other reason for calling the special session by the time Congress meets, or soon after.

I note that Senator TOBEY, of New Hampshire, a Republican who has supported the administration regularly, believes that the delicate foreign situation may have something to do with it. How valid his suggestion is, that the State Department wants Congress in session in order to be ready to deal with anything that happens abroad, I cannot say.

I would judge that Senator VANDENBERG, of Michigan, chairman of the Senate Foreign Relations Committee, of which I am the ranking Republican member next to him, had not been consulted on the special session. And if the special session call had to do with our bi-partisan foreign policy, surely he would have been notified, at least.

At the same time, the situation abroad is very serious. President Truman and Secretary of State Marshall, on the one hand, and Generalissimo Joseph Stalin and Foreign Minister Molotov on the other, have got the United States and Soviet Russia in such a position at Berlin that it is hard to see how either can back up without affecting seriously their—well, face is the best word I can think of—in Europe and over the world. The Western Powers seem to be in an impossible situation at Berlin. And it seems to Stalin, probably, that it is just as impossible for the Soviet to back down as it is for the United States, Britain, and France to withdraw.

Maybe that is what Congress will face before the special session adjourns. I will try to keep you advised what the situation is.

Left-Overs Hashed Up

EXTENSION OF REMARKS

OF

HON. HERBERT A. MEYER

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Monday, August 2, 1948

Mr. MEYER. Mr. Speaker, under leave to extend my remarks in the Appendix of the RECORD, I include an editorial from a recent issue of the Independence (Kans.) Daily Reporter. The editor of this county-seat daily, Frank C. Sands, has a State-wide reputation for his thinking through processes and for the clarity and succinctness of his style in expressing the grass-roots views from the heart of America. The editorial herewith on President Truman's recent partisan political speech made under the guise of a message to Congress exemplifies Mr. Sands' capacity in this respect:

LEFT-OVERS HASHED UP

If the President's message to Congress at the opening of the special session could be described in one word we do not know of a better one than "hash." It was a concoction

of scraps left over from the table of the last regular session, largely.

Designed to appeal to special interests of voters, this political message on the one hand proposed Federal controls to hold down prices and on the other asked huge appropriations with a strong inflationary effect.

The President himself had removed some of the controls he now wants restored because the people were sick and tired of them. They had learned that controls of prices meant scarcity and black markets. Higher prices at least have a tendency to increase production and bring more goods on the market which would bring prices down again in time. That they have not done it by now is because of other factors, such as shipping so much of the production abroad in an effort to combat the menace of communism in Europe.

Controls of credit are already in his hands but have not been used through the Federal Reserve System and his plea for greater controls in that field is weakened by his failure to use the powers he already possesses.

The alternative to free prices for increase of production is subsidies to producers, which come out of the pockets of the people just as much as higher prices do, though not so openly. What benefits it a man if he saves at the grocery store and loses to the income-tax collector? In the former case he places his money himself and in the latter the Government decides where his money shall go. Does he think the Government will spend it more carefully? Not much, he doesn't.

Housing is the shortage today about which the loudest cry is heard. Yet private enterprise is building houses every day as fast as materials can be had in the face of exports abroad and other shortages resulting from strikes and other causes. And there is another factor in the housing shortage. The nearest approach to wartime controls remaining is over rents. Does anyone doubt that there is a relation between the two?

Compare Mr. Truman's Record as President and as Former United States Senator

EXTENSION OF REMARKS
OF
HON. GEORGE B. SCHWABE
OF OKLAHOMA
IN THE HOUSE OF REPRESENTATIVES
Monday, August 2, 1948

Mr. SCHWABE of Oklahoma. Mr. Speaker, it is often most interesting to note the change in attitude of people, and the change in their thinking, while they occupy one position as compared with another. There is an old saying that it depends upon whose ox is being gored.

Mr. Truman, while he was a United States Senator, advocated and said that the Congress should not permit itself to be rushed in the handling of important matters affecting the welfare of the people. Now that he is President, we find him trying to give us the rush act.

The following is a very graphic statement on this subject:

"They can do it in 15 days," President Truman told the Democratic National Convention in Philadelphia when he announced he would call the Eightieth Congress into special session.

He referred to the time it would take Congress to enact legislation he said he would place before the special session.

In 15 days he felt that Congress could give him the police-state powers he wants, pledge the spending of hundreds of millions of dollars more of the taxpayers' money, set national policies which many a Democratic Congress did not see fit to establish in 14 years of solid control, and study the most critical international situation the Nation has faced since Pearl Harbor.

The man who staged this one-man gang-up on the Eightieth Congress—which he called the "worst" in history because it did not go pell-mell into every crackpot scheme the administration offered—has changed his tune since moving from the Senate over to 1600 Pennsylvania Avenue.

On March 21, 1939, then Senator Truman delivered an address before a joint session of the Missouri Legislature on the subject of present issues before congress.

"I found out very soon after I had settled down to a study of my duties," he said on that occasion, "that the business of a good legislator is not to get things done quickly and efficiently, as a good administrator has to do, but to prevent, if possible, the enactment into the law of the land many crazy and crackpot measures.

"I have found that much deliberation and study on all proposed legislation is a great deal better for the public welfare than too much hurry and immediate action."

This same man who now wants a quick appropriation of hundreds of millions, pledges of hundreds of millions more, and the power of a police state dictator, all within 15 days, made another speech as a Senator. On June 29, 1943 (just a year before he became the Democratic Vice Presidential nominee), Mr. Truman asserted:

"It seems that when public funds are to be expended no one has any interest in what happens to them, no matter what his responsibilities may be under his oath of office.

"Unless this body (the Senate) and the House of Representatives exercise their prerogatives in connection with the purse strings of the Government, much of the money appropriated will be thrown away for no good purpose whatever."

It was only a few weeks ago that President Truman decried these prerogatives of the Congress.

Merchant Marine and Defense

EXTENSION OF REMARKS
OF
HON. CHARLES A. WOLVERTON
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Monday, August 2, 1948

Mr. WOLVERTON. Mr. Speaker, it is encouraging to realize the extent to which interest is being taken in the building of an adequate merchant marine. The necessity for such, both from a commercial and national security standpoint, is becoming more generally understood. And, in this connection, it is also recognized that the maintenance of adequate shipbuilding facilities and personnel is equally necessary if we are to be prepared to meet any emergency that may come. Shipbuilding is an art that requires skilled workers. They cannot be trained overnight. Thus, the necessity of having at all times an adequate force ready to take over the construction of ships immediately and provide the nucleus around which the larger force can be organized. The maintenance of shipbuilding facilities and trained workers can only be accomplished by providing sufficient work to keep our shipbuilding yards in operation.

I am submitting as part of my remarks, and, in accordance with the leave granted by the House, an editorial appearing in the Sunday Star, Washington, D. C., August 1, 1948, entitled "Merchant Marine and Defense." The editorial is logical, well reasoned and completely covers the outstanding elements that enter into the necessity of maintaining an efficient merchant marine and shipbuilding industry. It reads as follows:

MERCHANT MARINE AND DEFENSE

It looks as though our war-scarred merchant marine is due to take a turn for the better. There is hope, at least, in the disclosure of tentative plans for construction of several big passenger liners for Atlantic service, including a fast trans-Atlantic ship of 48,000 gross tons.

This new program is being worked out by the Maritime Commission in a series of conferences with leading shipping and shipbuilding authorities. If carried out, with the aid of Federal subsidies provided for in the 1936 Merchant Marine Act, the chief objective insofar as the Government is concerned will be the strengthening of national security. The President's Advisory Committee on the Merchant Marine stressed the defense aspect of the shipping program in a strong recommendation for prompt action last November. The committee reported that defense officials were seriously concerned over the inadequacy of our postwar merchant fleet to serve the armed forces in event of another war. It pointed out that our prewar fleet of 127 vessels, with a capacity of 38,357 persons, had shrunken to a total of 36 serviceable ships—in operation, being reconditioned or under construction—with a total capacity of only 8,333 persons. The others had become casualties of war, through sinkings, damage or reconversion to other uses.

The proposed superliner alone would be capable of transporting 12,000 troops, according to the United States Lines, which has offered to pay $25,000,000 toward the estimated total cost of nearly seventy millions. Ordinarily the liner would carry 2,000 passengers and a crew of 1,000. It would contain certain undisclosed defense features to make it readily adaptable for war purposes. Its speed would be 32 knots. In addition, the Moore-McCormack Lines has offered to invest twenty millions toward the cost of two 23-knot liners for the South Atlantic passenger trade. Other lines are expected to join in the movement to revive the merchant marine.

Viewed solely from the standpoint of our economic welfare, the building of a strong merchant marine under incentive of a subsidy program could be justified. But the President's committee declared that even if the ships were not commercially important, they would be invaluable for troop-carrying purposes in another emergency. Their construction not only would provide transports essential to security but would keep shipbuilding facilities in a state of readiness for defense work. And two world wars have shown the desirability of maintaining at all times a healthy shipbuilding industry, manned by men with the know-how required to produce good ships quickly and in great numbers. The proposed program would be a long step toward this safety goal.

The Fight on Inflation

EXTENSION OF REMARKS
OF
HON. WAT ARNOLD
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Monday, August 2, 1948

Mr. ARNOLD. Mr. Speaker, on the much-discussed subject of inflation, its causes and remedies, an editorial in the Wall Street Journal of July 27, 1948, contains some excellent advice. Under unanimous consent, I quote the article in the RECORD:

THE FIGHT ON INFLATION

From any point of view, the most important question about the special session of Congress now sitting is what it does or does not do to check the price-wage spiral. All the deliberations of this session will be shot through with politics, the efforts of each major party to put the other on the spot. Mutual recrimination will be the order of the day. One, if not both, of the parties will blame the antisocial greed of corporation management.

Near the end of wartime price control, the spokesmen of business passionately argued that free markets would surely stimulate production enough to relieve shortages and prices would come down. Why was the event so different from the prediction? Why, while production greatly increased, did prices continue to rise? Here are the main reasons:

1. Businessmen forgot the monopoly power of labor unions in most of the basic industries—coal, steel, rail transport, building construction, motor vehicles. If they were aware that the wage level could be further elevated before production could respond to marketing freedom, few said much about it.

2. Businessmen assumed, not unnaturally, that Federal Government expenditures were to be greatly reduced, reversing the stream of Government-created purchasing power not matched by production of goods. Probably they also overlooked the addition to personal incomes arising from increased States and municipal borrowing and spending.

3. Our Government proceeded to extend great credits to foreign governments, to be used largely for purchases in this country; a number of Export-Import Bank and International Bank loans were made to the same end; then came the European recovery program and a huge appropriation for its first year's spending.

4. A normal postwar shift of manpower from economically unproductive Government functions to productive private enterprise employment was to be expected; the actual shift was relatively slight and now appears to have been reversed.

5. Bank borrowing and capital issue flotations for industry, services, and trade, instead of substituting for Government requisitions of capital funds, made a net addition to the latter.

6. Price support of foodstuffs and some raw materials was continued on the wartime scale, with the result that export of our surplus products had to be subsidized. Our foreign-aid programs are indirect forms of domestic price support.

7. The easy money policy of the Treasury and its satellite, the Federal Reserve System, however appropriate it may have been to the great depression or the war emergency, was inappropriate to the postwar conditions of high and rising wage and price levels and materials and manpower shortages. Earlier and more rapid modification of that policy would have helped to restrain the spending of Federal and local governments and to confine bank-loan expansion to strictly essential purposes.

Clearly enough the blame for the price situation can be spread pretty thickly over both political parties, business management, labor organizations, and most all the agencies of the executive department of the Government. All have been timid in action, probably because they all knew that checking an incipient boom is a delicate matter, in both economics and politics. None cared to risk inducing a mild recession lest worse befall.

Which is to say that there was no commanding leadership anywhere. It should be noted that during his chairmanship of the Federal Reserve Board, Marriner S. Eccles did give the country warning of the inflationary potential hanging over it. Unfortunately the corrective measures he proposed, which included new discretionary powers for the Federal Reserve Board, had too much of a totalitarian coloration to win the support of either the banking fraternity or a Congress which after the end of 1946 was under Republican Party control. The existence of a Republican legislature and a Democratic executive did much to block effective leadership.

Just that situation, however, will continue throughout the special session. Congress will waste its time this summer if it only squabbles about who is responsible for an oppressive and dangerous price trend. It cannot approve any of the administration's spending programs without making matters worse. On the other hand, it cannot, in the midst of a rancorous political campaign, reopen this fiscal year's appropriations; in every practical sense it is now too late to effect the reduction in Federal spending which Congress should have attended to last spring. Nor is there a chance that price and wage controls such as President Truman has repeatedly demanded would offset the inflationary force of public expenditures already authorized, combined with the pressing necessity of trade and industry to enlarge their facilities.

We hold that the special session can undertake only to undo some of the Government's fiscal and monetary policies which were born of the war emergency. We again propose that it restore the original gold reserve requirements for the Federal Reserve Banks and forbid any further issuance of Government obligations eligible for either commercial bank or Reserve bank investment—and then adjourn.

NOTE.—President Truman wants restored controls to get prices to the consumers down. But last week the administration announced plans for using some of the controls it already has over farm production. Its wheat planting goal for 1949 was reduced 8 percent from this year's acreage. Beef breeding stocks would be cut half a million head next year. And yesterday Secretary of Agriculture Brannan asked farmers to hold back on their farms a substantial portion of this year's grain crops to help maintain prices. Said the Secretary: "The pressure of fast-flowing grain upon the markets has the effect of lowering prices received by farmers."

The plan is that the farmer shall "sell dear" and the consumer shall "buy cheap." It's a neat trick if you can do it.

Unification of Western Europe

EXTENSION OF REMARKS
OF
HON. HENRY CABOT LODGE, JR.
OF MASSACHUSETTS
IN THE SENATE OF THE UNITED STATES
Tuesday, August 3 (legislative day of Wednesday, July 28), 1948

Mr. LODGE. Mr. President, during the debate on the Economic Cooperation Act, commonly known as the Marshall plan, the statement was frequently made that the act would especially justify itself if it provided an incentive which would lead toward the unification of western Europe. Certainly this was my feeling, and subsequent events have only intensified my conviction that in such integration lies Europe's only hope and one of our own best prospects for peace.

All Members of the Senate, and, in particular, those who are members of the Foreign Relations Committee and of the so-called watchdog committee, are now watching the rate of progress toward western European union. For this reason, I ask unanimous consent that there be printed in the Appendix of the RECORD an editorial from Life magazine entitled "Western Union: It Is in the Doldrums Now, but Energy and Faith Here and in Europe Can Make It a Reality," and a statement made by the Economic Cooperation Administrator, Mr. Paul G. Hoffman, at the time of his visit in Paris toward the end of July.

These two statements should be read, in my opinion, by the Congress, by the press, and by the representatives of foreign nations here in Washington.

I ask unanimous consent that they be printed in the RECORD.

There being no objection, the matters were ordered to be printed in the RECORD, as follows:

[From Life magazine]

WESTERN UNION: IT IS IN THE DOLDRUMS NOW, BUT ENERGY AND FAITH HERE AND IN EUROPE CAN MAKE IT A REALITY

Last week we had a war scare. It became starkly apparent that any one of a dozen incalculable events could place us at war with the Soviet Union. The tension eased off toward the end of the week, but the measure of the alternatives now before us was President Truman's indicative remark in Washington that the chances of peace are excellent. He could be wrong. We know now that when we take a stand, as we have in Berlin, we run the risk of war. That fact and that risk will be with us from now on.

Must we then, so soon after World War II, think of Europe only as a theater of war? The answer is "No." There is still in Europe the hope of peace and with it the makings of a constructive advance in the shape and life of the west. The great project of western union, which Life discusses below, continues to challenge Europeans and deserve the interest and support of Americans.

PROMISE AND TRANCE

It is just 6 months since Ernest Bevin stirred Europe and the United States with the promise of western union. His proposal, hazy though it was, seized the imagination and fired the hopes of the Atlantic world. In some form of association, however limited at the start, the free, weak and insufficient states of western Europe perceived the prospect of a strength which they could not separately regain. The United States welcomed any sign of positive thought and action in postwar Europe, and this one perfectly suited American interest and policy. The early stimulus of ERP and the shock of the Communist conquest of Prague furthered a rush toward defensive grouping, and in its editorial of March 22 Life was moved to say, "At any moment the death of nationalism and birth of unity in postwar Europe may be an accomplished fact."

Yet today, so far as Americans can tell, European nationalism is very much alive and western union is comatose or dead. Why has so little seemed to happen?

Western union is not dead, but it is badly and unnecessarily stalled. The underlying fact is that western Europe, having produced the idea of union, has not produced the energy and leadership required to make it a reality, or even an immediate possibility. This lack of leadership has been aggravated by a fatigue of the mind and soul which dulls the desire for union and blunts the popular initiative which might otherwise compel mediocre leaders to act in keeping with their times. We in our plenty and vigor are not entitled to reproach Europeans on this score, but we may properly deplore it.

This fatigue has contributed to some phenomena which Americans, inclined to give tit for tat, might be tempted to call European isolationism. There is an understandable but nonetheless regrettable preoccupation on the part of each nation with its own troubles and dangers. The mountainous difficulties of Great Britain have thus engrossed that island, inspiring a Briton to say in explanation last week, "We are like a man with the toothache who is more concerned with stopping the pain than with the ultimate fate of his immortal soul." Britain's socialists, notwithstanding that one of their number proclaimed western union, have in the group displayed a narrow aversion to anything except their own brand of socialst association which would discredit the narrowest of old-style United States isolationists. The French have similarly seemed at times to be in a trance of introversion which has inhibited the ablest of their statesmen and vitiated their genuine instinct for union.

It is truly said that western Europe is engaged in an impressive variety and number of efforts to integrate at what the jargonists of cooperation call the functional level. In London this week military representatives of Britain, France, Belgium, the Netherlands, and Luxemburg are talking toward the unified staffing and command of their armed forces, and a United States general is talking with them. Sundry committees and intra-European organizations are allocating some of Europe's coal and steel, trying to restore the free exchange of western currencies, without which continental trade can never be revived, and otherwise grasping some of Europe's prickly economic nettles. Something of the kind is what many Americans and Europeans have had in mind when they applauded western union, and most of the public officials and private experts concerned in these endeavors hold that they represent a quiet advance toward western union and are all that can reasonably be expected.

THE GREAT DELUSION

Life disagrees. They are not western union or anything close to it. We only fool ourselves if we imagine that these efforts, notable though they are, as yet constitute any real progress toward real union. Some of them are not advances toward but evasions of the painful surrender of national sovereignty which the participants in any union must acknowledge. In practically all of the joint engagements so far entered western European governments not only do not acknowledge a surrender of sovereignty; they specifically reject the merest suggestion of such a surrender. At the meeting which established the European organization to handle Marshall aid—an organization widely hailed as a great advance toward union—Ernest Bevin remarked that the question of sovereignty "does not arise." Western Europe will be convincingly on the road to union when a minister in similar circumstances announces that the question of sovereignty does arise and that his government is prepared to lose some of its sovereignty.

Should we, then, abandon the hope and idea of western union in the nearer future? We need not and we should not.

We can fairly ask of western Europe's statesmen what the astute London Economist recently demanded of British statesmen: That they either practice what they feebly preach or cease to preach western union; and we can, in the words of one of Life's European correspondents, "at all times make western union the condition of United States aid and that aid the reward of union." The factors working for and against union in western Europe itself just about cancel each other out, and it looks as though western union will never happen unless we make it happen.

That is taking a great deal upon ourselves, and we must be very sure that we act with the discretion, intelligence, and coherence which so large an undertaking demands. So far, our diplomacy has not displayed these qualities, and its failure to do so has been at least a negative reason for the doldrums into which western union has fallen.

In Europe today there is no belief in a United States belief in western union, for the sufficient reason that our State Department does not believe in it as a current practicality. On its own showing the State Department is at least as obsessed with the admittedly immense difficulties as are the Europeans whom we are supposedly urging toward union. The Economist's previously cited advice to the British Foreign Office, to practice western union or stop pretending, is equally applicable to the United States State Department if it is judged (as it should be) by the impression which it has so far conveyed to continental Europe. The new ECA, which now shares the duty of making and expounding United States policy in Europe, has very recently created an awareness that the United States wants a kind of economic integration which will be a genuine step toward western union and means to use ERP to that end. But in the crucial months which followed the initial impetus of the Marshall program the State Department was responsible for Europe's understanding of United States intent, and Europe was given no proper understanding.

OF LITTLE FAITH

Many of these shortcomings, in Washington and in Europe, could be corrected by an act of faith.

We mean faith in the United States.

When our statesmen and those of Europe grasp the nature and strength of United States purpose; when they come to believe, as they ought now to believe, that the United States is indeed prepared to defend its manifest interests anywhere on earth—then western union and a great deal else will seem simpler and emerge faster. Then it will be seen that such episodes as Congressman TABER'S last-ditch attack on ECA are significant only because they are the aberrations of United States policy and performance in 1948. They are not the norms. The norms are the Marshall speech at Harvard last year, and ERP; they are General Clay in Berlin, and Senator VANDENBERG, and the resolution in which the Senate at his behest declared its fundamental internationalism; and the platforms of the Republicans and the Democrats, who were constrained to express the same internationalism in p-ty terms. Surely the meaning is plain enough. The United States course is set, beyond the power of any party or President or Congress to alter it gravely or for long.

Europe's statesmen do not fully appreciate these facts. Nor do our statesmen. But they will. They must.

REMARKS OF PAUL G. HOFFMAN, ECONOMIC COOPERATION ADMINISTRATOR, BEFORE OEEC IN PARIS

I am happy to have this opportunity to meet you today. The Organization for European Economic Cooperation has been in existence now for approximately 3 months, and our American Economic Cooperation Administration for a little over 3½ months. We are embarked together upon an enterprise—a magnificent enterprise—of cooperative effort on the part of the free peoples of Europe and America for economic recovery in Europe and for the creation and maintenance of the conditions to freedom and peace. Our objectives are inspiring beyond measure. Our responsibilities are staggering. In the 3 years which have elapsed since the war, the free peoples of Europe have undergone and are still undergoing many hardships and privations. They have worked hard and they have accomplished much more than could have been expected in view of the desperate conditions with which they were confronted in 1945. Their achievements and their potentialities underscore our joint responsibilities for carrying through to our objectives.

It is time to take stock in broad and basic terms of our objectives and of our present position in relation to those objectives. Most of that stock taking must be done by you—I can perhaps make a contribution by reporting as accurately as I can upon the present attitude of the American people toward the European recovery program.

A substantial majority of the American people, President Truman, and Mr. Thomas E. Dewey, candidate of the Republican Party, all our great labor organizations, business organizations and farm organizations enthusiastically support the European recovery program. But this should be noted: The support of the American people stems from their belief in your pledge as set forth in the report of the Committee of European Economic Cooperation and later reaffirmed by you in the convention for European economic cooperation. In the convention for European economic cooperation, participating countries pledged themselves to combine their economic strength to join together to make the fullest collective use of their individual capacities and potentialities and to undertake the elaboration and execution of a joint recovery program in order to achieve as soon as possible and maintain a satisfactory level of economic activity without extraordinary outside assistance.

To the American people and I am sure also to yours, this pledge has a very real, a very simple meaning. I should like to focus attention on three elements of the pledge which was made: The promise of joint action and collective use of your capacities and potentialities; the responsibility of each nation to develop an inclusive program in the fields of sound government finance, production, and trade; and the terminal date.

To the American people each of these elements was and remains a determining factor in their decision to embark on the task. It is not hard to explain why.

While there has been a growing conviction that it is in the deepest interests of the United States that Europe should again become a living, workable, and independent economic and political organization, there has at the same time been a growing conviction that this goal cannot be set in the frame of an old picture or traced on an old design. It cannot be brought about by old ways of doing business or through old concepts of how a Nation's interests are best served. New patterns of intra-European trade and exchange must be found and new directions in the use of Europe's resources. These are made necessary and not alone the drastic consequences of two wars, but also by the tides of change that run longer and deeper.

Each participating nation, looking at the operations of its own national life, must face up to readjustments to satisfy the requirements of a new world. These readjustments cannot be made in the course of national

action along the old separatist lines. They can only be accomplished if each nation seeks its new goal in terms of the economic capacity and the economic strength of Europe as a whole. America understands that these readjustments are exceedingly difficult and that they require immense efforts by people who have scarcely had time to catch their breath after the ordeal of war.

America also understands that it will not be easy for the participating nations to develop programs to conform to the fundamental readjustments of which I have been speaking but if the recovery we hope for is to be achieved, programs must be so developed. It is the responsibility of each government to develop its own program, and it is the responsibility of each government to work out the mutual adjustments which will be the basis for a master plan.

What seems to me to be called for, and quickly, is such a master plan of action based upon the full recovery of the European economy by June 30, 1952, when American aid terminates. This master program would, of course, be a composite of programs developed by the 16 participating nations, western Germany, and Trieste. I want to make clear as crystal the fact that what I have in mind is a program of action, not a rigid and ponderous 5-year plan which tries to compress the life processes of a nation into a set of formulae and a sheaf of statistical tables. Surely for freedom-loving peoples, no plan must ever lose sight of the creative force of individual human beings and of the extent to which a nation of free men renews itself from unknown and unsuspected sources of strength in the minds and spirits of its men and women.

These 4-year programs of action which I envisage would in part be stated in terms of production in agriculture and in key industries, in part in terms of exports or imports of key commodities but would also include programs for action in such fields as monetary and fiscal policies and trade policies where governments and governments only can take action. In addition to the programs for each of the countries, the OEEC should have a 4-year plan of action of its own calling for specific accomplishments in the direction of making free the movement of goods, services, and peoples among the nations. I would hope that the 4-year program of action would be supplemented by four 1-year programs so that at the end of each year progress could be measured. The steps in the program, the measures which are planned, and the individual accomplishments which are scheduled should be stated clearly and concretely. Such a statement would furnish understandable gages against which every citizen in Europe, and in America too, could measure the degree of progress.

Above all, I would hope that the plans would not be little plans, for as a great American city architect said, "Make no small plans—they have no magic to stir the imagination of man." But plans alone are not enough. They must be supported by faith, and the will to carry through. We believe in you, believe that your greatness lies in the future and not in the past. We are backing up that belief by not only sending you the products of our workmen and farmers but also some of our ablest citizens. The United States special representative for Europe is a former member of our Cabinet. Every head of mission is a man of exceptional qualifications. We are sending you our products and our men because, like you, we have a vital stake in the success of the Marshall plan. It must succeed. In justice to the hopes and efforts of all free peoples, we must make it succeed. Much remains to be done vigorously, and to be done soon. We stand ready, as a partner, to help. But the initiative lies with you.

Keynote Speech of Governor Green, of Illinois, at Republican National Convention

EXTENSION OF REMARKS
OF

HON. C. WAYLAND BROOKS

OF ILLINOIS

IN THE SENATE OF THE UNITED STATES

Tuesday, August 3 (legislative day of Wednesday, July 28), 1948

Mr. BROOKS. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD the excellent keynote speech delivered by the Honorable Dwight H. Green, Governor of the State of Illinois, while acting as temporary chairman of the Republican National Convention at Philadelphia.

An estimate from the Government Printing Office indicates that Governor Green's speech will take more pages of the RECORD than may be printed without an estimate of cost, and that the cost will be $213.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

KEYNOTE ADDRESS OF GOV. DWIGHT H. GREEN, OF ILLINOIS, BEFORE THE REPUBLICAN NATIONAL CONVENTION, CONVENTION HALL, PHILADELPHIA, PA.

Delegates, Republicans, my fellow Americans, we are here to nominate the thirty-fourth President of the United States.

Here in Philadelphia, the Declaration of Independence proclaimed the freedom of America. We in this convention reaffirm American freedom and independence.

Here in Philadelphia wise men shaped the Constitution of the United States. We in this convention hail once more that immortal charter as the keystone of our faith.

In this sacred atmosphere of great events we meet in solemn convention. This is no place for narrow partisanship. This is not an hour for personal ambition. It is for us to dedicate our common effort to serve the Republic which, long ago, was born in this city.

This is a people's convention. It is of the people, for the people, and by men and women in the service of the people. This convention belongs to the millions to whom radio and television are carrying this message. It belongs to the 145,000,000 Americans in the 48 States and the Territories of this Republic. We send our greetings to freemen everywhere and to men, though in bondage, who long for freedom that is lost. To them we say, we will keep the faith with you wherever you are.

The Republic here established has learned that government best serves its high purpose through the competition of two great political parties. One of those parties has had the responsibilities of executive Government for 16 years. Our Republican Party challenges a further grant of power to that party. It asserts that freedom, stability, justice, and peace demand a new leader for a greater America.

The Republican Party, today as always, is the party of faith in the individual American—of faith in the great destiny of our Republic. We are not going back to any yesterday. All our yesterdays have taught us that we have a duty to tomorrow.

The New Deal party can have no real program, because it is no longer a real party. It mustered its majorities from a fantastic partnership of reaction and radicalism. For years, this strange alliance was held together by bosses, boodle, buncombe and blarney.

Such a party is all things to all men. The New Deal was just that. Its offspring was the sorriest series of broken promises in the history of our Nation.

It promised economy and gave us unproductive spending, unbalanced budgets, oppressive taxes and massive debt. Its deficit spending was first used to build majorities. Then, to save its majorities, it piled up bigger deficits. In final desperation, its only hope is in promissory notes payable in other people's money.

It promised jobs. It gave us bureaucracy. It promised prosperity. It paid in the regimentation of agriculture, labor, management and business, large and small.

It promised efficiency. Its Grecian gift was a Trojan donkey filled with swarming bureaucrats turned loose within our citadel.

It promised peace again and again and again, when it knew war to be inevitable.

Apparently, the only promises that were really kept were those it gave to Joe Stalin.

And now it promises to promise again and again.

As its boat sinks, the skipper's piano still pounds out "Meet Me Next Year in Dreamland."

Like a man, a political party is judged by the company it keeps. The New Deal Party invited the lunatic fringe to share its feast of power. They stayed a long, long time—the men who came to dinner.

The New Deal lived with those radicals in unholy intimacy for many years. When Wallace departed, it begged him to return: "Henry, come home and all will be forgiven." The merry men of Wallace were not fired. They quit. That the New Deal Party was never a legitimate majority is now proved by the fact that it cannot win without them. Its dying hope is, win without Wallace. Our answer is, it couldn't win with Wallace.

Indeed, the great flop of the recent western invasion has made it clear that the New Deal can't win with Truman. Let me add that they can't win if they drop Truman. For whatever candidate is nominated by the Democratic convention here next month must run on the New Deal record, which now is discredited by the American people.

Human institutions have human faults. The Republican Party is a human institution. But it has never harbored anything like the motley collection of embittered failures, back-alley revolutionaries, and parlor anarchists with which the New Deal has disgraced the party of Jefferson and Jackson.

That group of crackpots was never competent to hold responsible office. The lunatic fringe is neither competent to govern nor to let others govern.

For 16 years the Republican Party was out of the control of Congress. It earned the right to return to that control 2 years ago.

For 16 years it has been excluded from the executive branch of the Government of the United States. The Republican Party has earned the right to return to the Presidency.

The Republican Party's vitality and integrity were shown again in those years when defeats drove it back to the county line. But it did not stay there. The Republican Party was not founded to elect sheriffs. It was founded to elect Presidents.

The Republican Party began its return by giving clean government in small cities and communities. It recaptured the governorships of many States 10 years ago, and because it gave competent government it won repeated reelections in those States.

It slowly regained its influence in Congress. Finally, 2 years ago, it was restored to power in both the Senate and the House. It made promises then. And it kept those promises.

It has administered its trusts with integrity and efficiency. It has been a faithful steward in lesser things. It has earned the right to greater things. It has the stuff it takes to serve a greater America.

We ask only to serve. We say to the American people: Rebuke us when we fail, give us measure for measure what we deserve. But let us serve as Americans should be served.

Republican Congressmen promised to free American economy from regimentation, and they did it. They restored both the fact and the good name of American free enterprise.

Republican Congressmen promised to balance the budget, and they did it. They promised to reduce Federal spending, and they did it. Over the outcries of bureaucrats they cut between two and three billion dollars from New Deal bureaus.

They promised to reduce Federal income taxes, and they did it. They did it over three Presidential vetoes. They promised to increase the take-home pay of the head-of-the-house in every American home, and they did it. The New Dealers opposed the tax cut on the false ground that more money in the people's pockets would increase spending and inflation. We Republicans believe that more money in the people's pockets is good for the people and good for the country.

We know that more take-home pay is the first concrete help given the American people to meet the hight cost of living. The second is increased production, resulting from the stimulation which the tax cut has given to investment and enterprise.

In 1946 the Republican Party promised to correct the chaotic conditions in labor relations which were paralyzing American production and recovery. They did that, too.

The Republican Congress relentlessly has exposed waste, inefficiency, and corruption in the Federal administration. Its investigations uncovered the scandals of the Meyers aviation contracts and the Pauley grain deals.

The American people owe a great debt to the Eightieth Congress. It has restored faith in representative government.

The Republican Party was created nearly a century ago to stop the spread of slavery in America. It vindicated that principle. When it takes office in 1949, the heart of its foreign policy will be to check the spread of slavery in the world. It will vindicate that principle, too.

We learned, long ago, that the way to stop slavery is to build more freedom. That is what we propose to do at home and in the world.

Today, tonight, America is losing the peace. The blood and treasure which we so willingly gave are being wasted by confused and incompetent foreign policy.

We fought for justice and freedom, but almost a dozen nations have lost their freedom, and millions of men and women have been despoiled of their property, robbed of their liberty, driven from their homes, or murdered in cold blood. In a rich world, Europeans and Asiatics are facing starvation. Civilization itself is crumbling in nations which over the centuries have been leaders in culture and progress.

We fought to end dictatorship, but despairing peoples are bowing to tyranny because they can find no hope in liberty.

We fought to make America safe from attack in the Pacific. Japan is crushed, but Russia holds the Kuriles and northern Korea, dominates Manchuria, and literally has the power and position to endanger Alaska and the Pacific coast.

We fought to remove the threat of war from the American home. Now the young men who won the war and their younger brothers face a new call to arms.

The truth is that New Deal diplomacy threw away victory long before our fighters had won it. It permitted the Russians to take Berlin. At Tehran and Yalta one New Deal President agreed to Russia's domination of Poland and much of China. At Potsdam, another New Deal President confirmed the Soviets' domination of the satellite countries and their sole right to occupy eastern Germany and eastern Austria.

Their futile policy of appeasement of Communist Russia set back the clock of Polish freedom two centuries and paved the way for the destruction of the republic of Czechoslovakia. Their political maneuvering with the Palestine issue, their failure to insist upon the fulfillment of long-standing pledges, was a tragic farce which culminated in war and bloodshed.

What will history say of this wholesale record of bad judgment? History will say that the inept leadership of two Presidents permitted Russia to slash Europe in half, prostrated European economy, imposed upon America the burden of supporting western Europe, and lost us a stable peace.

The cold war we face today is the lusty child of the New Deal's rendezvous with communism. That rendezvous began with recognition of the Soviets in 1933. It continued with the socialistic compromises with communism preached by Henry Wallace and the vote-catching compromises engineered by Harry Hopkins. It reached its tragic climax in those years when we supinely suffered communism to master half of Europe.

The New Deal cannot escape this indictment by double talk about a bipartisan foreign policy. The Republican Party was not present at Tehran, Yalta, or Potsdam.

Real bipartisanship shares the making of decisions as well as the meeting of the consequences. The New Deal's idea of bipartisanship is that one party launches the ship and the other salvages the wreck. It is high time to make this fact clear. On the rare occasions when Republicans have been consulted, blunder and disaster have been avoided.

The Republican Party has a very definite program for an American foreign policy. That program was created at the Mackinac conference in 1943 and confirmed in our platform in 1944. It is a simple and clear pledge to work for a lasting peace based on justice and freedom and to preserve the strength of America. We adopted the Atlantic Charter—that abandoned waif, forsaken during the New Deal's tryst with communism.

The Republican Party in Congress has supported its own principles of international cooperation in full measure. Republicans helped to create the United Nations, and have done their best to make it work. Republican Congressmen voted funds for foreign relief and recovery because they wanted to check the spread of communism and to aid freedom in Europe.

Our next step to save the peace and to achieve the goals of Republican foreign policy is to elect a Republican President of the United States.

A Republican President will man the State Department with personnel who will make our diplomacy respected in every corner of the world. It is an old and tried Republican tradition that American influence shall be felt wherever America has a legitimate duty in the world outside our gates. It was Lincoln's Secretary of State, William H. Seward, who held off European intervention in our Civil War. It was a Republican—Seward—who reaffirmed the Monroe Doctrine in Mexico where foreign despots had seated Maximilian on a paper throne. It was Lincoln's Seward who saw our great stake in the Pacific and who purchased Alaska and sought the annexation of Hawaii.

It was another Republican Secretary of State, James G. Blaine, who originated pan-Americanism and who created the policy of reciprocal trade.

It was a Republican President and Secretary of State who made Hawaii a part of this Nation and an outpost of defense in the Pacific. It was Republican Secretary of State John Hay who opened the doors to China. It was a Republican President and Secretary of State who tried to check Japanese aggression at its outset in 1931.

These are not the marks of a timid foreign policy. They are the wise tradition of a nation growing in world-wide influence.

Seward, Blaine, Hay, Root, Hughes, and Kellogg—these were the makers of real American world policy. Merely to recall them is to blast the New Deal falsehood that the Republican Party is timid or provincial in its foreign policy. It is the New Deal Party's retreat before the iron curtain in Europe and Asia which threatens to isolate America.

The Republican Party proposes to restore the respect and confidence of the world in American diplomacy.

Intelligence and firmness in the right, as God gives us to see the right, can yet save the peace and answer the prayer in which the whole world joins.

We shall not deceive you, as did the Democrats before two world wars, by crying peace when there was no peace. We not only hate war but we shall do nothing to provoke war; rather we shall pursue every avenue to peace. We make in this convention a real covenant for peace.

With our best will and our best skill we must meet the challenge of communism. Communism is a world-wide infection of false doctrine. It grows upon darkness and poverty and hunger. Our defense at home and abroad is not in arms alone, but in every means that builds for freedom and human welfare, or that propagates the truth concerning economic well-being and personal freedom under our republican form of government.

Our best answer to communism will be a sound America, in which all the people shall enjoy the prosperity produced by our free economy, and which shall offer effective cooperation to free men throughout the world. A Republican President will provide that answer. He will provide it in the honest and efficient administration of our domestic affairs and in the management of our foreign relations.

The Congress has voted a European recovery program because it believes that the free nations of the world can grow in strength and unity—so that they can defend and support themselves. This is an expensive plan and we have a right to expect a real return on our investment—a real return in peace and security. It must not be merely a continuation of lend-lease and give.

Such a plan requires sound principles in its administration. Certainly it should be no refuge for fugitive pay rollers from New Deal bureaus which have been abolished by Republican economy.

Above the Administrator of that plan and above the Secretary of State there is a crying need of a Chief Executive who had administered something more than a county board of supervisors under the shadow of a corrupt political machine.

Speed and efficiency are absolutely essential to the success of our European aid. We cannot permanently support the world. Our task is to put the world on its feet and not on our back. Atlas, who was said to support the world, is still only a myth.

The great but limited strength of America is not a myth. It must be constantly built up at home and it must not be overextended abroad. Upon that strength depends the peace and security, not only of the world but of the United States of America.

The New Deal administration has failed to preserve that strength. It has neglected the fundamentals of defense, despite the willing appropriation of billions by a Republican Congress. It has surrendered supremacy in the air. It has neglected the acquisition of sea and air bases in two hemispheres which are essential to our safety. It disbanded an Army in being before it planned an Army to be.

It has had little to suggest in meeting new emergencies other than new plans to shackle and regiment American business. It can never learn that only an unregimented economy can be strong and only a strong economy can keep us free.

The New Deal administration has been a tragic failure in labor relations. Again and again it has blundered to the very edge of national paralysis and then has had no solution except Government control.

A body of law does not grow in a day. In many of the relationships in economic life, such as those between buyer and seller, lender and borrower, shipper and carrier, it took generations to build mutual respect and stability on a basis of law.

Labor relations present a new challenge. The cardinal principles of industrial peace are high levels of real wages, continuity of employment, efficient mass production, health and security in employment, full protection against monopoly in any form, and a free market for goods. Upon these principles we can build the ultimate temple of industrial peace—big enough for labor, management, and ownership working together for a greater America.

The present Republican Congress has made a real start toward labor peace by enacting the Labor-Management Relations Act of 1947. The door is open—and the door must be open—to the full consideration of every criticism of this law, and every proposal for its change which may come from labor, from management, or from the public. Whatever changes may be made in its provisions eventually, this act will stand as a proof of the courage of its sponsors and the willingness of the Republican Party to deal fearlessly with every vital problem.

The President we choose here, and the next Republican Congress, will proceed to deal fearlessly and concretely with every problem confronting America. They will meet the fundamental needs of American farmers and American consumers for the conservation of the fertility of our soils, for the production and control of surpluses of basic food crops, and for the maintenance of the prosperity and buying power of rural America, which is always the barometer of our national prosperity.

The Republican President and the Republican Congress will deal realistically with the problems of housing, of the strengthening of social security, and of the full protection of the public health without resort to the dreary and inadequate regimentation of state medicine.

Republican leadership will discharge, as fully as a great nation can, our tremendous obligation to our veterans. We shall never seek, as the New Dealers did in 1933, to achieve economy by voiding or trimming our payments to sick and disabled veterans. Rather we shall seek constantly to give all veterans new and greater opportunities to build happy and useful lives.

Republican leadership will carry out the mandate of the people to end the pampering of Communists in America. We shall ferret out and drive out every red and pink on the Federal pay rolls. We shall guard carefully the freedom of speech and thought of every American, but we shall expose every subversive individual and organization. We shall change the social climate which has permitted foreign exponents of Marxism to bask in the profitable sunshine of publicity while they abuse our American hospitality.

The Republican President we choose here will believe in the sound principles of efficiency and economy which the Congress has espoused. He will conduct a thorough examination of every department, agency, and commission; he will remove every pay roll parasite living off the taxes paid by American producers; he will free the American people from the costly burden of the New Deal bureaucracy.

The Republican President will live by the Constitution. He will live by its letter and its spirit. He will not try to circumvent it by tricks or stratagems or secret deals with foreign powers. He will respect the constitutional powers of the Congress; he will never tamper with our courts.

Under a Republican President we shall restore to our local and State governments their rightful authority to exercise the home rule which has always been the cornerstone of our liberties.

Above all, Republican leadership will preserve the freedom and initiative of our American economy. It was the good fortune of Americans to find a country rich beyond measure in resources. Americans on a virgin continent achieved a civilization, an agricultural and industrial production, a general distribution of wealth and well being, a standard of health and education, an emancipation of women, an openness of opportunity, which have never been equaled in the 6,000 years of the world's recorded history.

It is for the Republican Party to realize, to point out, that America is only at the threshold of its material destiny, the foothills of its glory.

Our party and our Government have been an effective part of that development. The westward march of progress goes on from frontier to frontier. We must further the expansion of industry in the West, in building a great commerce in the Pacific, and in promoting the prosperity and usefulness of the resources of our Territories of Alaska and Hawaii, now on the threshold of statehood.

The triumphal march of inventive genius must proceed. In the half century of my own lifetime, the daily life of every American has been enriched beyond comprehension by the miracles of the laboratory and the inventor's attic.

Let us not forget that these achievements have not been the products of an overpowering government. They have taken place under economic freedom. No Socialist or Communist government has produced anything even relatively comparable.

These productive marvels are not the mere windfalls of the fortune that gave us great natural resources. Nor are they the products of a superior mind or race. They are the products of honest work, of devoted service, of thrift, energy, courage, and faith.

And all we have accomplished can be just a sample of what is ahead. The inventions, the processes, the formulas we learned in war can be made to serve mankind in peace. Particularly the science of nuclear physics, which produced the atomic bomb with its fearsome possibilities of world destruction, offers hope for tremendous progress in our quest for new sources of power, and in our endless war on disease.

The results of our inventions and research are the visible fruits of American character. But a national character is made of more than material achievements.

We have built standards of justice. We have learned to live together. We have all but obliterated the harsh lines of class. We have learned to respect virtue and ability wherever they may be.

Our Republican leadership will strengthen the character of America. Its program will give new meaning to the Bill of Rights. It will replace the New Deal's shadow-boxing on the issue of civil liberties with sound measures to make America, more truly than ever before, the happy land of opportunity.

A political party should be the ever-sensitive channel through which the will, the hopes and the ideals of the American people direct and control their Government. A party is what the ether is to the radio, the power line to electrical energy, the ocean to sea-going commerce. Unlike the single-party system of communism or fascism, American parties are the servants, not the masters of the people.

The Republican Party of 1948 in this convention is well aware of that principle.

It should seek—it should always seek—the true answer to this question: What have the American people a right to demand of their Government?

The answer of our party to this question should not be an effort to please all. That answer, in the long run, pleases none.

We can find the true answer in the best qualities that men have a right to expect of themselves. What are the things that make a man's life worth while?

Years ago, a great American spiritual leader answerd this. He laid down three essentials of a philosophy of life.

He said that the things worth while in a man's life are character, influence, and happiness. To be what we ought to be, to count as we can, to enjoy what we may—these, he said, are really worth while.

These can well be what the people expect of their government. For a nation is many men. Its character is the best there is in all its people. Its power is their cemented strength. Its happiness is their happiness. Its destiny is their destiny.

Let us, therefore, expect of our Government these three personal essentials: Character, influence, happiness.

We begin with character. The very core of a government should be honesty and integrity. Is it true to itself? Is it true to its people? Does it cultivate the virtues of truth, industry, and fair dealing?

An honest nation deserves honest government through an honest party.

It expects its government to tell the truth and all the truth; to keep its accounts as honest men keep their accounts; to make no promises it cannot keep; to keep those that it has made; and to match material with moral character.

To bring that sort of character to government is the pledge of the Republican Party.

A sound influence is the next characteristic that the people have a right to expect of their Government. A nation does not live unto itself alone. America is one of a great community of nations. American industry, culture, science, commerce, and, in war, its arms, have profoundly influenced the world at large. Its influence, however, is and must be unselfish. It must seek no imperial power and no foot of another nation's territory.

True, the greatness of America raises high expectations everywhere. And the influence of America must justify those expectations wherever or whenever they are legitimate. It must teach by example fair dealings among nations and between nations and their people. America must not in the future—as our present leaders have done so tragically in the recent past—squander our influence in the support of reaction, exploitation, and tyranny.

Our Nation must count as it can. Its great institutions, public and private, that have extended health, science, and education, must continue to enrich the world. It must teach the miracle of American productive know-how wherever it can. It must join in all common efforts to destroy disease, superstition, and intolerance. In a

world of neighbors, it must be a trusted and helpful friend.

Finally, the happiness of its people is the supreme purpose of government. That is what Aristotle, the father of philosophy, wrote 2,000 years ago. That is what Jefferson in this city wrote into the Declaration of Independence—"the pursuit of happiness."

That objective implies the right of a man to seek a full life and to grow in mind and spirit. It means the right of a child to be protected against disease and ignorance. It means the right of a man or woman to work where and when he can best serve. It means the right of a farmer to plant when and what he chooses.

Freedom is the basis of happiness. Freedom to speak and write, to vote, to travel, and to worship as a man's spirit prompts him to worship.

Those rights are the marks which distinguish our Republic. While that Republic stands, Americans will be free, and ours will be a happy nation. But let us keep that Republic safe.

We have, as Benjamin Franklin said here in Philadelphia, a republic, if we can keep it.

The American people, despite storm and stress, despite assaults from enemies within and without, have kept our Republic.

Let this convention, eight score years later, give our Republic the leadership it deserves.

These three—national character, world influence, and a people's happiness—these are the concerns of this Republican Party.

This is the challenge that generations of free Americans offer to the Republican Party and this convention. This is the challenge of men everywhere who are weary of war and heavily laden with tyranny. This is the challenge of our youth who ask a better chance to live. This is the true voice of America.

Above all, the enemy of happiness is war. Peace is its first essential.

Two generations have been asked to give their youth to the grime and blood of conflict. The happiness of another generation hangs in the balance. Those boys who gave their chance of life and happiness are our reminder of our duty to build a better peace:

"To what avail, alas, to what avail
If we resume the old futilities;
Have mercy on our souls if we should fail."

Peace cannot be kept without government. Upon those chosen by this convention must rest that awful responsibility.

May God grant that this convention meet this challenge with truth and courage and vision. By God's grace, may we choose wisely and well.

Declaration on States' Rights by Southern Democratic Convention

EXTENSION OF REMARKS
OF
HON. JAMES O. EASTLAND
OF MISSISSIPPI
IN THE SENATE OF THE UNITED STATES
Tuesday, August 3 (legislative day of Wednesday, July 28), 1948

Mr. EASTLAND. Mr. President, I ask unanimous consent to insert in the Appendix of the RECORD a resolution adopted at the Southern Democratic Convention at Birmingham, Ala., on July 17, 1948, on the subject of States' rights.

There being no objection, the declaration was ordered to be printed in the RECORD, as follows:

DECLARATION ON STATES' RIGHTS

BIRMINGHAM, ALA., July 17.—Following is the declaration of principles reported by the resolutions committee of the States' rights meeting today:

"We affirm that a political party is an instrumentality for effectuating the principles upon which the party is founded; that a platform of principles is a solemn covenant with the people and with the members of the party; that no leader of the party, in temporary power, has the right or privilege to proceed contrary to the fundamental principles of the party, or the letter or spirit of the Constitution of the United States; that to act contrary to these principles is a breach of faith, a usurpation of power, and a forfeiture of the party name and party leadership.

"We believe that racial and religious minorities should be protected in their rights guaranteed by the Constitution, but the bold defiance of the Constitution in selfish appeals to such groups for the sake of political power forges the chains of slavery of such minorities by destroying the only bulwark of protection against tyrannical majorities. The protection of the constitutional rights of a minority does not justify or require the destruction of constitutional rights of the majority. The destruction of constitutional limitations on the power of the central government threatens to create a totalitarian state and to destroy individual liberty in America."

BILL OF RIGHTS CITED

"We believe that the protection of the American people against the onward march of totalitarian government requires a faithful observance of article X of the American Bill of Rights which provides that: 'The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people.'

"We direct attention to the fact that the first platform of the Democratic Party, adopted in 1840, resolved that: 'Congress has no power under the Constitution to interfere with or control the domestic institutions of the several States, and that such States are the sole and proper judges of everything appertaining to their own affairs not prohibited by the Constitution.' Such pronouncement is the cornerstone of the Democratic Party.

"A long train of abuses and usurpations of power by unfaithful leaders who are alien to the Democratic Parties of the States here represented has become intolerable to those who believe in the preservation of constitutional government and individual liberty in America."

COURT DOMINATION CHARGED

"The executive department of the Government is promoting the gradual but certain growth of a totalitarian state by domination and control of a politically minded Supreme Court. As examples of the threat to our form of goverment, the executive department, with the aid of the Supreme Court, has asserted national dominion and control of submerged oil-bearing lands in California, schools in Oklahoma and Missouri, primary elections in Texas, South Carolina, and Louisiana, restrictive covenants in New York and the District of Columbia, and other jurisdictions, as well as religious instruction in Illinois. By asserting paramount Federal rights in these instances, a totalitarian concept has been promulgated which threatens the integrity of the States and the basic rights of their citizens.

"We have repeatedly remonstrated with the leaders of the national organization of our party but our petitions, entreaties, and warnings have been treated with contempt. The latest response to our entreaties was a Democratic convention in Philadelphia rigged to embarrass and humiliate the South. This alleged Democratic assembly called for a civil-rights law that would eliminate segregation of every kind from all American life, prohibit all forms of discrimination in private employment, in public and private instruction and administration and treatment of students; in the operation of public and private health facilities; in all transportation, and require equal access to all places of public accommodation for persons of all races, colors, creeds, and national origin.

"This infamous and iniquitous program calls for the reorganization of the Civil Rights Section of the Department of Justice with a substantial increase in a bureaucratic staff to be devoted exclusively to the enforcement of the civil-rights program; the establishment within the FBI of a special unit of investigators and a police state in a totalitarian, centralized, bureaucratic government."

POLICE STATE SEEN

"This convention hypocritically denounced totalitarianism abroad but unblushingly proposed and approved it at home. This convention would strengthen the grip of a police state upon a liberty-loving people by the imposition of penalties upon local public officers who failed or refused to act in accordance with its ideas in suppressing mob violence.

"We point out that if a foreign power undertook to force upon the people of the United States the measures advocated by the Democratic convention in Philadelphia, with respect to civil rights, it would mean war and the entire Nation would resist such effort.

"The convention that insulted the South in the party platform advocated giving the Virgin Islands and other dependencies of the United States 'the maximum degree of local self-government.' When an effort was made to amend this part of the platform so as to make it read that the party favored giving the Virgin Islands and the several States the maximum degree of local self-government, the amendment adding the words 'these several States' was stricken out and the sovereign States were denied the rights that the party favors giving the Virgin Islands."

POINT TO VOTING RECORD

"We point out that the South, with clocklike regularity, has furnished the Democratic Party approximately 50 percent of the votes necessary to nominate a President every 4 years for nearly a century. In 1920 the only States in the Union that went Democratic were the 11 Southern States. Notwithstanding this rugged loyalty to the party, the masters of political intrigue now allow Republican States in which there is scarcely a Democratic officeholder to dominate and control the party and fashion its policies.

"As Democrats who are irrevocably committed to democracy as defined and expounded by Thomas Jefferson, Andrew Jackson, and Woodrow Wilson, and who believe that all necessary steps must be taken for its preservation, we declare to the people of the United States as follows:

"1. We believe that the Constitution of the United States is the greatest charter of human liberty ever conceived by the mind of man.

"2. We oppose all efforts to invade or destroy the rights vouchsafed by it to every citizen of this Republic.

"3. We stand for social and economic justice, which, we believe, can be vouchsafed to all citizens only by a strict adherence to our Constitution and the avoidance of any invasion or destruction of the constitutional rights of the States and individuals. We oppose the totalitarian, centralized, bureaucratic government and the police state called for by the platforms adopted by the Democratic and Republican conventions."

RACE SEGREGATION SUPPORTED

"4. We stand for the segregation of the races and the racial integrity of each race; the constitutional right to choose one's associates; to accept private employment without governmental interference, and to earn one's living in any lawful way. We oppose the elimination of segregation, employment by Federal bureaucrats called for by the misnamed civil-rights program. We favor home rule, local self-government, and a minimum interference with individual rights.

"5. We oppose and condemn the action of the Democratic Convention in sponsoring a civil-rights program calling for the elimination of segregation, social equality by Federal fiat, regulation of private employment practices, voting, and local law enforcement.

"6. We affirm that the effective enforcement of such a program would be utterly destructive of the social, economic, and political life of the southern people, and of other localities in which there may be differences in race, creed, or national origin in appreciable numbers."

FAVOR CHECKS AND BALANCES

"7. We stand for the checks and balances provided by the three departments of our Government. We oppose the usurpation of legislative functions by the executive and judicial departments. We unreservedly condemn the effort to establish Nation-wide a police state in this Republic that would destroy the last vestige of liberty enjoyed by a citizen.

"8. We demand that there be returned to the people, to whom of right they belong, those powers needed for the preservation of human rights and the discharge of our responsibility as Democrats for human welfare. We oppose a denial of those rights by political parties, a barter or sale of those rights by a political convention, as well as any invasion or violation of those rights by the Federal Government.

"We call upon all Democrats and upon all other loyal Americans who are opposed to totalitarianism at home and abroad to unite with us in ignominiously defeating Harry S. Truman and Thomas E. Dewey, and every other candidate for public office who would establish a police state in the United States of America."

States' Rights and Civil Rights

EXTENSION OF REMARKS

OF

HON. HARRY FLOOD BYRD

OF VIRGINIA

IN THE SENATE OF THE UNITED STATES

Tuesday, August 3 (legislative day of Wednesday, July 28), 1948

Mr. BYRD. Mr. President, I ask unanimous consent to insert in the Appendix of the RECORD an exceedingly informative article written by Mr. Ralph T. Catterall, a constitutional lawyer of the Richmond, Va., firm of Williams, Mullen, and Hazelgrove. Mr. Catterall is a former president of the Richmond Bar Association.

This article is entitled "States' Rights and Civil Rights," and should be read by everyone interested in this question.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

STATES' RIGHTS AND CIVIL RIGHTS

(By Ralph T. Catterall)

Governments exist for the purpose of making laws to keep people from harming others. Every regulatory law diminishes the freedom of some people and increases the freedom of others. A law forbidding A to murder B curtails the freedom of A and increases that of B. There is a certain maximum amount of possible freedom, and the function of government is to use power to distribute freedom. Freedom is the ability to do what you want to do.

In a dictatorship all freedom is concentrated in the top officials. The avowed purpose is to glorify the state. In a democracy, freedom is more widely distributed, and the avowed purpose is to give each individual a fair share of the available supply of that commodity.

Within the geographical boundaries of Virginia (and every other State in the Union) two governments are operating simultaneously. If two governments are to operate at the same time in the same place, means must be devised to keep them from conflicting with each other. To provide those means is the function of the Constitution of the United States. Its purpose is to distribute between the two governments the power to distribute the available supply of freedom. In doing so, the Constitution divides all possible power (that is, all the power that could be exercised by an absolute dictator) into three parts: one part is given to the central government, one part is reserved to the State government, and one part is abolished (for example, neither government can pass a bill of attainder).

HOW POWER IS DIVIDED

The scheme by which power is divided between the Central and the State Governments is to describe the power that is given to the Central Government and provide that all the residue of all possible power (except the part that is abolished) is reserved to the States. The result is that the United States can do only what the Constitution permits it to do, and a State can do everything that the Constitution does not forbid it to do.

The powers given by the Constitution to the United States are vast in scope but small in number. Apart from a few odds and ends like patents, copyrights, weights, measures, and the post office, the Central Government has only three great powers: (1) The power to deal with foreign affairs, (2) the power to raise and spend money, and (3) to power to regulate interstate commerce.

The doctrine of States' rights is founded on the belief that the States are better fitted than the Nation to decide how freedom should be distributed among individuals. Americans repudiate the totalitarian doctrine that the glorification of government is an end in itself, and subscribe to the view that the purpose of government is to help the individual in the pursuit of happiness. The doctrine of States' rights is not that the State as such should be glorified, but that the individual should be protected.

The States' rights creed has three tenets: (1) The Constitution should give the Central Government few powers, (2) the powers so given should be strictly construed, and (3) the powers so given should not be exercised any further than necessary.

The doctrine of States' rights has two kinds of supporters. Thomas Jefferson was for it because he thought the States would distribute freedom more widely than the Central Government would. Those who, during the days of the New Deal, called themselves Jeffersonian Democrats were for it because they saw that they themselves would enjoy more freedom if business were regulated by the State and not by the Nation. It is the freedom of the individual that counted, both with Jefferson and with the Jeffersonian Democrats, and with each person the freedom of that person is apt to count for more than theories of government. If the State gives him more freedom than the Nation does, he will probably be for States' rights, and vice versa.

WHAT ARE CIVIL RIGHTS?

The freedoms that the individual enjoys under the protection of civil government are his civil rights. The term has, however, come to have a secondary and more specialized meaning. After the successful conclusion of what the Supreme Court used to call the War of Rebellion, the fourteenth amendment was forced on the country by northern bayonets. Describing that amendment, the Supreme Court said in *Strauder* v. *West Virginia* (100 U. S. 303, 1880):

"This is one of a series of constitutional provisions having a common purpose; namely, securing to a race recently emancipated * * * all the civil rights that the superior race enjoy."

Hence the peculiar usage of the term "civil rights" in our recent political history has applied it to the civil rights of the Negro.

The fourteenth amendment requires the States, in exercising their power to distribute freedom, to make no distinction on account of race. The fourteenth amendment says no State shall discriminate. It does not forbid individuals to discriminate. Therefore a series of acts of Congress attempting to compel individuals to accord privileges to Negroes, such as the freedom to stay at a hotel or enter a theater, have been held unconstitutional. The power to distribute freedom among individuals remains within the States.

Congress cannot, for example, make and enforce in the States any law forbidding A to murder B. Consequently, a Federal anti-lynching law would be constitutional only to the extent that it forbade State officials, exercising the power of the State, to lynch people for the purpose of avoiding a court trial. A Federal anti-poll-tax law would be completely unconstitutional.

A majority in Congress seems determined, however, to diminish the liberties of white persons in order to increase the liberties of Negro persons by passing a law to curtail the freedom of an employer to select his employees. The law, of course, would not in terms apply only to white employers; but it is aimed only at white employers: Congress is not going through all this turmoil because it thinks that Negro employers on any large scale unfairly refuse to employ white workers. The freedom of an employer to employ any person he wishes to employ is very important to the employer.

That the framers of the Constitution did not think they were giving Congress power to regulate this relationship is certain. That the fourteenth amendment does not authorize Congress to pass such laws has been held by the Supreme Court many times. Knowing these things, Congress proposes to pass this law disguised as a law to regulate interstate commerce. The effect on interstate commerce of a "fair employment practices" law is somewhat remote. It is so remote that a Congressman mindful of his oath to support the Constitution, ought to be ashamed to vote for it; but it is not so remote that the

Supreme Court will hold it unconstitutional. The Supreme Court, out of respect for the legislature, will not hold a law unconstitutional unless it is so beyond a reasonable doubt.

THE LEGISLATURE AND THE COURTS

Just as many criminals escape being convicted because the jury, although believing them guilty, entertains a reasonable doubt on the subject, so many statutes escape being held unconstitutional because the court, although believing them to be unconstitutional, entertains a reasonable doubt on the subject. The duty of the legislator is different from that of the judge. The duty of the legislator, enforced only by his oath of office, is to vote against any law that he believes to violate the Constitution. He cannot morally pass the buck to the court, because the court has a different kind of duty.

For the court the question is not whether the law is constitutional or unconstitutional, but whether it is or is not unconstitutional beyond a reasonable doubt. And in approaching the question the court is bound to presume that every member who voted for the bill believed that it would in fact tend to improve commerce among the States. The court cannot question the motives of Congressmen, but is bound to presume that they are what they purport to be.

The doctrine of States' rights opposes such a law. The question of whether the freedom of an employer should be so curtailed that he cannot employ all white people or all Negro people or all Baptists or all Methodists if he wants to is a question that can be most wisely answered by a State legislature. In proposing such a law, the Congress is ignoring the most fundamental concept of our Constitution, and is using the power given it to promote the free flow of interstate commerce for an entirely different purpose.

The fact that Congress classifies the measure as a civil-rights bill shows that it is not really concerned with promoting the efficiency of businesses engaged in interstate commerce. The arguments advanced by the proponents of the bill would be equally applicable to laws having no connection with interstate commerce; and everybody who supports the doctrine of States' rights as a sound principle of government will oppose this civil-rights law.

The Special Session

EXTENSION OF REMARKS
OF

HON. STYLES BRIDGES

OF NEW HAMPSHIRE

IN THE SENATE OF THE UNITED STATES

Tuesday, August 3 (legislative day of Wednesday, July 28), 1948

Mr. BRIDGES. Mr. President, I ask unanimous consent to have inserted in the Appendix of the RECORD two editorials, one entitled "Truman Tries To Debauch Congress," published in the New Hampshire Morning Union of July 17, 1948, and the other entitled "A Desperate Device," published in the Concord Monitor of July 16, 1948.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the New Hampshire Morning Union of July 17, 1948]

TRUMAN TRIES TO DEBAUCH CONGRESS

President Truman's call for a special session of the Eightieth Congress has been correctly labeled "cheap politics." The motive behind this call was plainly revealed by the unprecedented announcement of his decision at the Democratic national convention in his acceptance speech as the Democratic Presidential nominee. It was clear then that the demand for a return of Congress was a political move and it was so recognized by the convention.

This kind of political manipulation of the high office of President in the attempt to use Congress for political ends in a time of world crisis, when the unity and dignity of that body should be preserved at all cost, is a fair measure of the caliber of the present incumbent of the White House, and calls for stern denunciation by all Americans irrespective of party affiliation.

This is not a move to achieve necessary legislation. Let no one be deceived in that matter, it is an attempt to force one man's political program on Congress by political pressure in the effort to win the support of dissident leftists in the Democratic camp.

Many Americans felt at the time of adjournment that Congress should come back and complete some of its unfinished work. But now the whole situation is changed. Congress has been turned into a political rostrum in the Presidential campaign. The injection of political animosity into the session is sure to lead to bitter ill-feeling and paralyze all seasoned judgment. This decision of the President to fight the political campaign on the floor of Congress is so unprecedented and so flagrant an attempt to debauch the Nation's governmental machinery, that no American can fail to see its serious implications.

It is virtually certain under existing conditions that little good can be accomplished by the session. The high light of Truman's program is the contentious civil-rights issue and everyone knows what the outcome on that issue will be. It will be bitterly fought, not by Republicans but by Southern Democrats, who will filibuster to the last ditch if necessary to prevent its enactment. As for the problem of high prices, they are rooted in Truman's own gigantic budget and his failure to use methods at his disposal to provide some correction.

In fact, it is possible that as a political move, this new Truman tactic will turn out like so many of his half-baked, bungling decisions in the past, that have misfired so seriously and forced him to reverse himself. It is not improbable that the session will develop into an exposé of the bungling and incompetence of the President's leadership that will throw everything else in the shade. If this is to be a political fight, not all the Republicans are asleep.

It is not wholly unexpected that Truman should put this finishing touch on a record that for misjudgment in foreign matters in a time of world crisis, narrow partisan handling of domestic problems, and general downright stupidity, is unparalleled in American history. It is not unexpected that in the hour of defeat with nothing to lose by its failure, Truman should resort to desperation. But no more urgent and compelling reason has yet been furnished for a complete house cleaning in the Executive, than this last desperate, dangerous decision.

[From the Concord Monitor of July 16, 1948]

A DESPERATE DEVICE

President Truman's calling of Congress back into session July 26 can be interpreted only as campaign politics. The one situation which might warrant the special session would be international complications of extreme seriousness. The President does not indicate the foreign situation is any worse than it has been right along and, presumably, because the Eightieth Congress passed the legislation which he recommended on foreign affairs, it should be better.

The issues on which the President says he wishes Congress to act are all domestic problems. In effect, what he says is that if he, the President, can't have his own way then the Eightieth Congress must be bad, and because it has a Republican majority the Republican party must be bad.

The issues which the President cites can wait. None of them is pressing. In January a new Congress will meet, and its membership will be what the election makes it. In the meantime every Member of the House of Representatives must stand for reelection, unless he voluntarily retires from office, and a third of the Members of the Senate must stand for reelection. Because Congress has remained in such nearly continuous session in recent years there is not too much time between now and November for Members of Congress to get back into their home States and to tell the people what they know and to listen to the reactions of their constituents on national and world affairs. Such intermingling of the people and their candidates will pay more dividends in better government than any special session.

Perhaps the President or his advisers did some calculating before he decided on the special call. They might have figured that a special session will keep many more Republicans in Washington than it will Democratic candidates. This is especially true of the House of Representatives, where every Member must be a candidate every 2 years, and where the Republican majority is considerable.

The only really critical situation which could impel the President to call the special session, we fear, is the disaster which threatens the Democratic Party itself, the party of which the President is the titular head, and whose candidate he is. Because he has split his own party with his recommendation of civil rights legislation, he insists that the Congress in special session enact Federal laws relating to the poll tax and lynching. He couldn't duck on this one, because, as he said, everybody knows he made such recommendations.

The President is making a bold attempt to impress the Nation with his courage. Actually he has had his decisions made for him, by his own previous ineptnesses. He had to be a candidate for reelection. He had to take the stand he has on domestic issues. Roosevelt committed him to them. The Democratic Party policy committed him to them. And his own voting record in the Senate committed him to them. He isn't bold. He is merely cornered. He is performing only as a man in his position must perform.

The Eightieth Congress, at one time and another, has been accused of trying to pass legislation in such form as to embarrass the President. The President has repeatedly used the veto power, and the Congress has repeatedly overridden his vetoes. To do this required a considerable vote by Democratic Members, for defeating vetoes requires a two-thirds vote and the Republicans have only a very slight margin in the Senate, and not too large a margin in the House. Thus, in being critical of the Congress, the President is being critical of a considerable segment of his own party in the legislative branch. His call for a special session, moreover, is a more barefaced attempt to embarrass Congress than most of the legislation which the Eightieth Congress passed was designed to embarrass the Chief Executive.

The Eightieth Congress was not idle. There were submitted to it several thousand bills and resolutions. It actually enacted about 900 of these. It took care of the really pressing business, and a lot of detail. Even on most of the domestic issues on which the President wants the reassembled Congress to act there are laws on the books. There is a labor law, there is a social security law, there is an immigration law and

special exceptions to permit entrance of refugees, etc. These matters have been attended to and Congress isn't going to change its mind on them, at least until there is a new Congress.

Congress might devote the special session to some more investigating of the Democratic administration of the Federal establishment, we suppose, but the best interests of the Nation would better be served by Congress meeting and adjourning again, keeping itself in readiness to meet if some real crisis develops abroad, but ignoring the crisis of the President and his party.

A History of Progressivism

EXTENSION OF REMARKS
OF
HON. GLEN H. TAYLOR
OF IDAHO
IN THE SENATE OF THE UNITED STATES
Tuesday, August 3 (legislative day of Wednesday, July 28), 1948

Mr. TAYLOR. Mr. President, I ask unanimous consent to have inserted in the Appendix of the CONGRESSIONAL RECORD an article entitled "A History of Progressivism," by W. K. Kelsey, which appeared in the Detroit (Mich.) News of July 31, 1948.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE COMMENTATOR
(By W. K. Kelsey)
A HISTORY OF PROGRESSIVISM

Russell B. Nye, head of the English department of Michigan State College, Pulitzer prize winner with his biography of George Bancroft, and now working on a "history of progressivism from the Grangers through the New Deal," contributes this interesting tale of the use of the term "progressive" in American politics.

It "seems to date from the political battles in Congress during Taft's administration, when a group in the Senate fought Old Guard dominance in the person of Aldrich, and a parallel group in the House fought the dominance of Speaker Cannon. The usual term for these recalcitrant groups, both of whom were predominantly Republican and Midwestern, was 'insurgent' but they were also called 'progressive.'

"After 1909 the latter term began to be used more frequently than the former in the press, to indicate a positive program of liberal legislation rather than simple rebellion against boss dominance within the party, which the connotation usually carried by the term 'insurgent.'

"The first real use of the term to indicate an organized political group came with the establishment of the National Progressive Republican League in January 1911, a group composed of most of the 'insurgents' plus several prominent people not in political life. This group's aim was to further progressive legislation in Congress and to promote the candidacy in 1912 of a 'progressive' Republican candidate—probably La Follette.

"Theodore Roosevelt, however, edged out La Follette and took over most of the backing of the NPRL, taking the name Progressive Party for his Bull Moose group in the elections of 1912.

"The name remained the property of the party until its break-up in 1916 when Roosevelt refused to run. A short-lived National Progressive Party retained it in the 1916 elections and merged with the Prohibition Party in 1917."

PROGRESSIVES ALWAYS "SUBVERSIVE"

Professor Nye continues:

"The next appearance of the name comes in 1922, when 15 railroad brotherhoods called a conference for progressive political action to be held in Chicago in February. The CPPA was named by Morris Hillquit. The CPPA set up plans for an as yet unnamed party, and it did not run as a third party in the elections of 1922, but did endorse candidates in several States.

"A second CPPA convention in Cleveland adopted the platform and endorsed La Follette as its nominee in 1924, but it still did not have a party name. The CPPA convention of July 1924, held in Cleveland, nominated La Follette, and to this convention the executive committee of the Progressive (Bull Moose) Party gave the name officially.

"It is interesting to note, however, that La Follette, while he received the Progressive nomination, ran as an independent.

"The National Progressive Party's organization remained until 1927, when it dissolved, leaving the name unbequeathed. Philip La Follette's National Progressive Party picked it up again in 1938 and dropped it in the following year. The Wisconsin La Follette group adopted it as a name for the State party in 1935.

"It is interesting to note in passing that both the Roosevelt Progressives and the La Follette Progressives (especially the latter) were condemned as subversive groups and attacked as un-American. Current History called the 1924 Progressive Party an anti-American party, alien and unhyphenated.

"Coolidge declared that the big question of 1924 was whether America will allow itself to be degraded into a communistic or socialistic state or whether it will remain American. General Dawes said the greatest section of the Progressives fly the red flag.

"Remembering the Bull Moose Progressives of 1912, the press said the party of 1924 was the instrument of a radical movement masquerading under a stolen title. Previously in 1912 the Taft Republicans had accused T. R. of aiming at subversion of the Government, and General Miles that year said the election was a struggle between constitutional government and communism. I am not a Wallaceite, but I find it interesting to find history repeating itself so accurately."

Republican Congress Provided Cash Payment of Enlisted Men's Terminal Leave Bonds, Formerly Denied by Democratic Congress and President

EXTENSION OF REMARKS
OF
HON. GEORGE B. SCHWABE
OF OKLAHOMA
IN THE HOUSE OF REPRESENTATIVES
Monday, August 2, 1948

Mr. SCHWABE of Oklahoma. Mr. Speaker, on July 9, 1947, just after the Republican-controlled House of Representatives had passed the law authorizing veterans who had been enlisted men to cash their terminal leave bonds, I delivered a radio address to the people of my district explaining the history of the situation. Later, the bill was passed by the Senate. After the two Houses had passed the bill overwhelmingly, it was signed by the President and became a law. It was the Republican Congress which provided cash payment of enlisted men's terminal leave bonds, formerly denied by the Democratic Congress and President.

My radio address, above referred to, clearly explains the situation, and was as follows:

I want to talk to you at this time on a subject that affects as many people and is of interest to as many of my constituents as any other subject I could mention.

I have reference to terminal leave pay for enlisted men.

I think you will be interested in a review of the history of legislation on this topic.

In the first place, the administration, through the heads of our armed forces, paid the commissioned officers their terminal leave, something that had never been done before. Many good lawyers have questioned the authority of the Government to have paid terminal leave to the commissioned officers of World War II, which amounted to a considerable sum of money. The heads of the Armed Forces based their authority to make terminal-leave payments to the officers on a law that was passed by Congress before most of us were born. Strangely enough, it was not used after World War I as the basis of payment of terminal leave to commissioned officers.

Those who were responsible for the payment of terminal leave to commissioned officers, even under the somewhat strained construction of the old law, claimed that that law was not sufficiently broad to enable them to pay terminal leave to the enlisted men. You understand that all servicemen under the rank of second lieutenant are classified as enlisted men and second lieutenants and all above that rank are classified as commissioned officers. Just why the administration was so anxious to pay terminal leave, in large amounts, to the officers and not to the enlisted men, has been a mystery to many of us. It served to emphasize the criticism so frequently leveled at our military organizations that a caste system was developing.

Many of us Members of Congress bitterly resented the attitude of the administration on this subject and a number of bills were introduced shortly after the close of World War II, authorizing the payment of terminal leave to the enlisted men.

But the New Deal Democratic administration, then in complete control, refused to let these bills come to the floor for consideration by the Members of Congress. Finally, the required number of Members of the House signed a petition to discharge the committee to which these bills were referred and a bill was brought out on the floor for consideration and action. This bill passed the House unanimously early in the spring of 1946, and went to the Senate.

The House bill provided for cash payments to enlisted men for the entire amount of terminal leave payable to them, but the Senate refused to pass the bill authorizing the cash terminal leave payments to enlisted men. The Senate provided for payments to be made in bonds which were not redeemable, cashable, or negotiable for 5 years.

With this difference between the two Houses of Congress, it became necessary for conferees to be appointed by both Houses. The House conferees reported on July 31, 1946, just 2 days before Congress adjourned, that the President considered that cash payments to the enlisted men would be highly inflationary and a veto was threatened, if the payments should be ordered made in cash. Of course, we had no time to pass the bill over the President's veto, even if the Senate had agreed with us.

On July 31, 1946, the Democratic chairman of the House conferees, who by the way has recently been appointed by President Truman as a Federal judge in Texas, reported to the House that it was simply a question of voting for the bonds or not getting any terminal-leave payments at all for the enlisted men. I quote the following from that gentleman's statement, appearing in the CONGRESSIONAL RECORD of July 31, 1946, at page 10581, as follows:

"The Director of the Budget, or, to be more exact, his representative, who spoke with his authority, appeared before the conference and reminded us of something we already knew, that we are in an inflationary period in this country, and that the Director of the Budget would not approve the immediate expenditure * * *. And I might add that he said this—of course, neither he nor any other person was authorized to speak for the President, but he did make the authorized statement to the committee that this bond proposal had been submitted to the President, who approved it with the further statement that he would not approve anything more than that at the present time.

"To be perfectly frank about it, at the present time, I think it is this or nothing."

The same spokesman for the administration reported further to the House on the same day, shown on the next page of the CONGRESSIONAL RECORD, President Truman's attitude in the following language:

"I will try to quote the representative of the Director of the Bureau of the Budget who appeared before the conference. He said this plan had been submitted to the President, and that the Director of the Budget and the President had approved the plan but that they would not at this time approve anything more than that. Nobody is authorized to speak for the President. Nobody can say he would veto a cash payment. I pressed for a statement that I could quote, and the representative of the Bureau of the Budget said that the President would approve this plan but he would not approve of any more at this time, and the Director of the Budget then added that he thought it would be a very bad thing for the country to turn 3,000,000 loose on our economy at this time on such short notice. A lot of that money would be recklessly spent. It would add to our inflation problems."

The opening day of this session of Congress, January 3, 1947, I introduced a bill to provide that all of the terminal leave pay bonds, issued to the enlisted veterans of World War II, might be redeemable in cash at their full face value, plus accrued interest. There were 30 Members of the House who introduced similar bills. Finally, the bill was reported out by the committee and passed by the House of Representatives last Monday, July 7, 1947, by a vote of 388 to 0.

It is to be hoped that the Senate will follow the example of the House and pass the bill without a dissenting vote, and that the President will sign and approve the bill. The President should realize by this time that the people have spoken through their representatives in no uncertain terms. The people demand that the rights of a "buck" private shall be protected as much as those of commissioned officers. The President should know that this is the American way and that no favoritism should be shown, but all should be treated alike and paid on a comparable basis, and that the enlisted men should not be forced to accept bonds, while the commissioned officers were paid in cash for terminal-leave time. Our bill provides that the veterans holding these bonds shall have the option of cashing them at any time after September 1, 1947. Our boys are entitled to this money, and I want to see them get it as, if, and when they want it and without discrimination.

Dollars, Prices, and You

EXTENSION OF REMARKS
OF
HON. LEVERETT SALTONSTALL
OF MASSACHUSETTS
IN THE SENATE OF THE UNITED STATES

Tuesday, August 3 (legislative day of Wednesday, July 28), 1948

Mr. SALTONSTALL. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a statement embodied in a circular issued by the Equitable Life Assurance Society of New York relative to inflation, which I think presents an interesting point of view with relation to the support of Government bonds and the effect of such support upon returns to insurance policyholders.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

DOLLARS, PRICES, AND YOU

The cost of life insurance and its value depend on the quantity of money and its effect on prices.

Federal Reserve support of Government bond prices inflates our money supply—now $170,000,000,000 compared with $150,000,000,000 on January 1, 1946.

The effects of this policy for you are:

1. Low interest rates which decrease your dividends and increase the cost of your insurance; and

2. High prices which increase the cost of administering your society and decrease the purchasing value of the dollar paid to beneficiaries.

You can do something about it.

THOMAS I. PARKINSON,
President, the Equitable Life Assurance Society of the United States.

BIG GOVERNMENT DEBT PLUS FEDERAL RESERVE SUPPORT OF BOND MARKET EQUALS INFLATION OF CURRENCY AND HIGH PRICES

Our debt, total $250,000,000,000, divided according to type and holders, consists of:

1. Savings bonds (E, F, and G, etc)	$60,000,000,000
2. Held by Government funds (Social Security, etc.)	35,000,000,000
3. Holdings by Federal Reserve banks	20,000,000,000
4. Short terms due within 5 years	45,000,000,000
5. Held by insurance companies	20,000,000,000
6. Long terms held by savings banks	10,000,000,000
7. Long terms held by individuals, corporations, State and local funds	30,000,000,000
8. Long terms held by the commercial banks	30,000,000,000

SUPPORT FOR SOME

Most of these bonds do not have support or do not need it. Holders of some of those in classes 7 and 8 benefit from support, but everybody suffers from the high prices which result from the increased money supply which support produces.

Support results from the Federal Reserve policy of paying a pegged price—still above par—for any Government bond—except of course the savings bonds—offered for sale.

INFLATIONARY EFFECTS OF SUPPORT

The banks still hold $65,000,000,000—long and short term—of Governments. When the Federal Reserve buys these from the banks and the banks use the proceeds to make loans or to purchase other bonds they increase our money supply. That's one of the reasons we now have $170,000,000,000 of money instead of the $150,000,000,000 we had just after the end of the war.

OUR DEBT IS DOWN—OUR MONEY SUPPLY UP

Prices and cost of living are—? Well, look:

	January 1946	January 1948	Change
Total debt.....billions..	$278	$256	−$22
Marketable debt..do....	$198	$165	−$33
Money supply....do....	$152	$172	+$20
Price index	107	165	+58
Cost of living	129	168	+39

How, you may ask, do we have a larger money supply now when the Government debt has been reduced? That's largely because of "support" of Government bonds; and though the debt is down $35,000,000,000 since January 1, 1946, the money supply is up $20,000,000,000.

MORE MONEY MEANS HIGHER PRICES

Real beneficiary of support of Government bond prices is the United States Treasury.

The increased money supply which results from support maintains low interest rates, but it also increases prices and the cost of living.

Penny-wise and pound-foolish: The people's Treasury saves a little, and the people lose a lot.

One percent less interest on Equitable assets costs Equitable policyholders more than $45,000,000 a year. That's more than our dividends in 1948 on all our ordinary life policies.

Yes, you can do something about it.

Production in Wisconsin

EXTENSION OF REMARKS
OF
HON. ALEXANDER WILEY
OF WISCONSIN
IN THE SENATE OF THE UNITED STATES

Tuesday, August 3 (legislative day of Wednesday, July 28), 1948

Mr. WILEY. Mr. President, in the Wisconsin Centennial Exhibition Book, which has just been released for distribution at the Badger State Centennial Exhibition, there appears a very interesting table regarding the outstanding production role of my State. The table shows the great industrial and agricultural position of Wisconsin in leading the Nation in a wide variety of fields.

Besides what is shown in this table, Wisconsin is first in the production of casein and canned peas, and second in the production of cranberries, and cans one-third of all the vegetables canned in America.

I ask unanimous consent that this table be printed in the Appendix of the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

WISCONSIN'S INDUSTRIAL MIGHT

Wisconsin ranks first in the Nation in the manufacture of internal-combustion engines; woodworking machinery; aluminum goods; hospital, laboratory, and professional

furniture; household appliances; enamelware.

Wisconsin ranks first in the Nation in the processing of condensed, evaporated, and malted milk; cheese; malt.

Wisconsin ranks second in the Nation in the manufacture of paper, paper-mill machinery, wood pulp, leather gloves, planing mill products, tractors, plywood.

Wisconsin ranks third in the Nation in the manufacture of farm machinery, beer, butter, leather, leather and sheep-lined clothing.

Wisconsin ranks fourth in the Nation in the manufacture of steel castings, food-processing machinery, batteries, books, sheet-metal goods, wooden boxes.

Wisconsin ranks fifth in the Nation in the manufacture of iron and steel forgings and castings; motor vehicles, bodies, and parts; luggage.

The Decline and Fall of the U. S. A.

EXTENSION OF REMARKS

OF

HON. ARTHUR G. KLEIN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, August 2, 1948

Mr. KLEIN. Mr. Speaker, under leave, I am inserting in the RECORD the remaining portion of the article from May Coronet, The Decline and Fall of the U. S. A.:

THE DECLINE AND FALL OF THE U. S. A.

(By Joseph and Stewart Alsop)

(Pt. 2)

"What are your plans for the future, Mr. Secretary?" asked a reporter.

"I'm going home," he replied. "I'm tired." He slammed the door of his car and disappeared from public life until the people's court trials in 1953. String had won.

Even the tabloids momentarily dropped the Television Murder Mystery then occupying their attention, and published big headlines, Van Quits. James Reston, widely respected diplomatic correspondent for the New York Times, was the first to interpret the full significance of VANDENBERG's resignation in a story headlined:

UNITED STATES TO WITHDRAW FROM EUROPE—RETURN TO ISOLATIONISM SEEN

WASHINGTON, March 22.—Behind the resignation of Secretary of State VANDENBERG was a momentous administration decision to withdraw from Greece and to reduce all American commitments abroad. It is expected that forthcoming commitments under the European recovery program will either be limited to a fraction of European requirements or abandoned altogether. There is general speculation that Secretary of Commerce String, widely known for his isolationist views, will succeed VANDENBERG as Secretary of State.

On the evening of March 25, in an all-networks broadcast eagerly awaited by millions of people throughout the world, President Winsome made it clear that Reston's interpretation was correct. Yet he did not state flatly that ERP was to be abandoned.

"As always," he roared, "this country stands ready to answer the call of real suffering!"

But the President left no doubt that the effort to reconstruct war-ravaged Europe was to be replaced by a policy of minimum relief, on a charity basis.

"We have poured America's wealth into Europe," he shouted, "and we have learned what the wisest of us have known for a long time. We have learned that the best answer to totalitarianism abroad is to make the free-enterprise system work at home. My message to all of you fellow Americans is just this—get behind the green-light program and push."

The most succinct of all the newspaper headlines announcing this basic reversal in American foreign policy appeared in a New York tabloid which used initials to announce: "ERP out; GLP in."

Promptly, Melvin String became Secretary of State.

At first, nothing untoward seemed to happen. By May 1, to be sure, the Greek Communist leader, N. Zachariades, was installed as Premier in Athens. But Greece had been written off anyway, and there was a general disposition to hope that now that the Soviets controlled all the Balkan States, they would surely be satisfied. Henry Wallace wrote a signed article for the New Republic, I See Peace, and the Washington Times-Herald published an editorial, Greece—So What?

Moreover, television was at that time wholly occupying the attention of the country—especially the new, three-dimensional television in color. This boom in television, some economists claimed, had made it possible for Winsome to boast that his green-light program was a smashing success.

"Under GLP," the President announced in the first national telecast on August 8, 1949, "we have marched forward to a permanent new high plateau of national prosperity. And under GLP, we shall continue to march forward. That is my answer to the calamity boys and the gloom merchants among us."

One of the gloom merchants was the noted political columnist, Walter Lippmann. The week before Winsome's speech, Lippmann had written: "We are all babbling about television because we do not want to face the truth of what is happening, and what may soon happen, abroad. By a kind of spontaneous, half-conscious effort, we have all buried our heads in the sand."

Certainly the gloom merchants could point to portents, like the incident reported in Time magazine. It concerned a French under secretary, previously a stanch anti-Communist, who appeared at French Communist headquarters the day after the Vandenberg resignation and requested a "carte d'admission."

All too soon, it became clear that such trivial incidents were symptomatic of a larger weakness. On July 15, British Foreign Secretary Ernest Bevin called a conference of 15 western European nations—those nations which, less Greece, had originally responded to the Marshall plan. The conference met in London on August 1.

In Bevin's opening speech, he referred to the about-face of the United States foreign policy and called for a "world third force," a European combination of powers capable of demanding respect both from the Soviet Union and the United States. He was cheered resoundingly. Yet an Italian delegate to the conference, quoted in a dispatch to the New York Times, was undoubtedly more realistic.

"This English bullfrog," the Italian said, "like us, he has no bread to feed his people. Like us, he has no money to buy the bread. Unlike us, he has no Togliatti.[1] That is the only difference."

On August 9, the day after Winsome's GLP speech, Togliatti's march on Rome began. The Red leader marched at the head of some 20,000 partisans, armed by Yugoslavia's Tito, but like Mussolini, he met little resistance. The softening-up process had been too complete.

Tito had thundered threats, with the tacit support of the Kremlin. When American aid ceased, the bread ration, already below wartime standards, had been cut in half. The lira was suddenly reduced to a tenth of its former value. Although the Italian industrial comeback had been remarkable in late 1948 and early 1949, bread riots and strikes had made a shambles of this recovery. And worst of all, the Italian people had lost hope.

In London the fall of Rome caused Bevin's conference to collapse in a welter of meaningless resolutions. Simultaneously, the iron currency controls imposed by the British Treasury at last broke down. There was a run on sterling, which ended with the announcement that the Bank of England could not meet its foreign obligations, and this was followed by the fall of the Labor government.

It was replaced by a national government, headed by the aging Winston Churchill. Then, as the British economic situation became wholly desperate, it was in turn supplanted by a curious patchwork Cabinet, in which large representation was conferred on the tiny British minority of advocates of a deal with the Soviet Union. Simultaneously, the evacuation of the British forces from Germany was ordered. After a meeting with Churchill, Secretary of State String had already recalled the American occupation armies. As the troops of the Western Powers withdrew, the Soviet military government quietly extended its zone westward, until all Germany was included.

Shortly thereafter, the push for France began. It was not as easy as it had been in Italy. The fighting lasted all of November and most of December. By Christmas Eve, 1949, blustering, ruthless Maurice Thorez was established as Premier of the New French People's Democracy, and the terror and the trials had already begun. Former Foreign Minister Georges Bidault was quoted on his arrival in New York: "To the east, there was power. In Paris, there was no bread. To the west, there was talk. My poor people had little choice."

Life went on in the United States. Christmas sales were high, and night clubs were crowded on New Year's Eve. Yet newspapers and magazines of that time gave ample evidence that beneath the gaiety there was a sense of anxiety, if not yet of fear. "What's gotten into everybody?" asked a New York tabloid in an editorial titled, "Who's Afraid of the Big Bad Wolf?" The editor warned: "Don't forget this, brother, we're the strongest country in this world, and nobody can touch us. And don't forget the atom bomb either. So take it easy, brother."

But the anxiety persisted. Before the year 1950 was far advanced, it had become clear that the fall of France and Italy to the Communists was the beginning of a process which would not soon end. Everywhere the pattern was the same.

In Holland, a People's Democratic Government was established with a minimum of bloodshed, since the Dutch, surrounded on all sides by Soviet and Communist-dominated states, realized that they had no other choice. In Egypt, the riots in Cairo and Alexandria reached an unprecedented pitch of wolfish ferocity; the bodies of pleasure-loving King Farouk and of a number of pashas who had failed to escape were found horribly mutilated before the new government was installed.

Everywhere the Soviet and Communist power expanded inexorably, first because the peoples of the democratic countries had lost hope, and second because no counterpressure was brought upon the bulging Soviet sphere.

The greatest shocks came in August 1950. Chiang Kai-shek fled China, and a British mission negotiated a treaty of peace and mutual assistance between the Soviet Union

[1] Palmiro Togliatti, secretary of the Italian Communist Party, was considered to be one of the more "western-minded" leaders of the Comintern. In 1954, he was recalled to Moscow, ostensibly to receive the Order of Lenin from Stalin. Since then, nothing has been heard of him.

and Great Britain. An editorial in the Pittsburgh Post-Gazette in September 1950 well expresses the mood of America at that time:

"We are frightened, all of us. It has been painful to awaken from our dream of a television set in every living room to find ourselves suddenly alone in a hostile world. Perhaps we are the more frightened because the experience is a new one to Americans. Always in its history, the United States, with its allies, has been far more powerful than any possible combination of enemies. That is so no longer. Today the manpower and resources of the whole world outside the Western Hemisphere are being organized under the auspices of Moscow and the International Comintern. And the Comintern alliance is our potential enemy."

The fear spread into the White House, where, according to gossip columnists, President Winsome was complaining to Mom that String had let him down. It spread also—the record suggests—into the handsome offices of the Secretary of State. As the Louisville Courier-Journal pointed out, there was something of the bluster of a frightened small boy in the national telecast which String made, after great preliminary fanfare, in September 1950.

"Do not allow the calamity howlers to mislead you, my fellow Americans," String shouted. "The U. S. A. is the most powerful nation in the world. The U. S. A. can stand on its own two feet, alone if necessary. And, fellow Americans, we have the atomic bomb. Let those of faint heart here, or those who may think to threaten us from abroad, bear that in mind."

Three weeks later, on September 28, 1950, Capt. Archer M. Pease, of the Intelligence Corps, United States Army, made a routine check of his Geiger counter in Nome, Alaska. As early as 1947 thousands of Geiger counters had been spotted about the world, on battleships, in American embassies and legations, at naval and military bases, to detect the explosion of an atomic bomb anywhere on the earth's surface by registering increased radioactivity in the atmosphere.

"When I saw the counter," Pease later reported in a national magazine, "I whistled."

After midnight on September 29, President Winsome was awakened and informed that the Secretary of Defense wished to see him at once. By 8 a. m. an impromptu Cabinet meeting had been convened to discuss the fact that an atomic bomb or bombs had been exploded somewhere in northern Asia.

String immediately demanded—and Winsome as usual supported him—that the news be kept secret from the American public. Secret orders to this effect were being drawn up when they were made unnecessary. Simultaneously, every newspaper and radio in Europe and Asia announced the perfection of a people's democratic atomic bomb, jubilantly claiming at the same time that a vast stock already existed, and that the new missile was several times more powerful than the American imperialist atomic bomb.

Something of the quality of that period in American history is reflected in an excerpt from a popular newspaper column written in November, 1950:

"Life goes on as usual in the United States. High-school boys and girls drink Cokes and play the juke boxes. Farmers till the soil, stockbrokers sell stocks, people go to work in the morning and come home at night. We talk about three-dimensional television, or about the Helicar, and whether it is really foolproof both in the air and on the road. Life does not really seem very different from what it has always been. But there is a difference. We are all afraid. We are all afraid of sudden terrible death."

Such was the setting for the last phase in this complex sequence of American events. The few sources are singularly unsatisfactory in the picture they draw of the initial reactions of String and his coterie to the catastrophic series of happenings abroad. There is no doubt, however, that what had occurred was utterly unexpected by them. They had believed their own propaganda. When it turned out to be false, they seem at first to have resorted to familiar escape devices.

On the basis of the evidence, one must conclude that President Winsome himself remained befuddled and passive until he was formally supplanted by String in 1952. The main point is thrat the shock of the "people's democratic atomic bomb" and its subsequent disclosure seem to have forced String to face facts at last. When he had faced the facts, he began to form a policy for dealing with them.

As for the American people, they sensed that there was no satisfactory escape from the terrible situation in which they now found themselves. Congress and the press rang with nostrums. But on one point only was there general agreement. National mobilization and a maximum defense program were now urgently necessary.

Secretary String, in whose hands the unfortunate Winsome increasingly concentrated all executive power, went before Congress to present the famous String emergency program. Its main points (which the New York Herald Tribune bitterly contrasted with the green-light program in an editorial headed, "We told you so") may be summarized as follows:

1. The defense budget was increased to $60,000,000,000 annually, to provide an unparalleled Air Force and Navy, a large Army, a $10,000,000,000 defense research program, a vast intelligence and a continental radar warning net, and other sundries, such as reinstallation in caves of the most crucial defense industries.

2. A new universal service law placed under the Federal Manpower Administration every able-bodied citizen over 17 and under 65. The services made huge drafts upon the Nation's younger manpower, the FMA filling the vacancies in industry with "directed labor." Any form of labor protest, strike, or subversive agitation was concurrently outlawed.

3. Control of the national economy was conferred upon the Federal Resources Mobilization Administration, empowered to regulate all prices, allocate priorities for all raw and manufactured materials and to change the management of any noncomplaint industry or company.

4. Internal security was confided to a new Department of Home Security with unlimited powers of arrest, internment, and secret trial. For Secretary of Home Security String nominated James C. Rowden, president of Rowden Associates, a firm devoted to industrial espionage and one of the String advertising agency's principal clients.

So troubled and confused was the country that the first three parts of the String emergency program passed Congress almost without debate. Only point 4 aroused protest. A minority of Senators and Representatives of both parties, including it was noted at the time most of the men of character on Capitol Hill, united in a fight to the death against this legislation.

Senator TAFT, one of the leaders of the group, had just defied Winsome and String and promised a Senatorial filibuster that would last all session when a great explosion occurred at the atomic energy plant, at Oak Ridge, Tenn. The cry of sabotage went up all over the United States, and demands for the congressional investigation were quickly drowned out. Then the waverers deserted in the Senate, cloture was applied, the bill was passed, and Rowden was confirmed.

There ensued a brief and curious interlude. In the United States, this period was marked by the rapid mobilization of the national economy for war, and by the widespread arrests of dissidents and potential dissidents by Rowden's Roughies, as the security police were rapidly nicknamed. Abroad, there were some alarming indications of Soviet penetration into Latin America. More important, there were indications that, in Europe, the Kremlin was having difficulty in digesting its enormous meal of conquest. An iron censorship had been applied throughout the whole Soviet world.

Yet information trickled out and was appraised with desperate attention. Word of the existence of a British underground had just reached New York (brought by a party of British yachtsmen who had sailed straight out of Cowes regatta held in honor of the resident Commissioner of the Comintern) when the interlude of doubt was ended.

No documents have ever been published disclosing the diplomatic preliminaries of this extraordinary event. The historian must simply record that Secretary String flew to Moscow on October 11, 1951, was there received by Stalin and negotiated with him the Soviet-American Treaty of Peace and Nonaggression. Stalin and String simply divided the world, as two small boys might split a rotten apple.

The main clause of the Treaty of Peace and Nonaggression is well known: "The high contracting parties do hereby mutually agree and assert that the exclusive sphere of influence of the United States of America shall henceforth comprise the Western Hemisphere, and that the exclusive sphere of influence of the Union of Soviet Socialist Republics shall be the continents of Europe, Asia, and Africa, the subcontinent of India, and the island dependencies of these areas."

On String's return to the United States, he made a Nation-wide extemporaneous telecast before a large crowd (organized by the Department of Home Security) which greeted him at LaGuardia Airport. This speech constituted, in effect, the last turning in the short, strange road which he and the country had traveled:

"Well, friends, thank you, thank you from the bottom of my heart for that ovation and I don't mind saying that it has moved me to the bottom of my heart. And I don't mind saying that if ever in my life I have done something to deserve an ovation, I have done that something now, for I have brought you the greatest boon which any statesman or leader can bring with him, and that, my friends, is peace.

"Our good friends over there on the other side and myself have sat down together in all friendliness and we have made a pact which will endure forever—and let me tell you it wasn't easy, because those fellows there are tough hombres, as we used to say. And that reminds me of that old saying that the price of peace is eternal vigilance and watchfulness, because as I say those boys are tough hombres, so we have got to watch our step all the same, and not relax, so the String emergency program has got to stay in force. In fact, it has got to become permanent, and there is no doubt that there are still plenty of Americans, or I'd say rather un-Americans, who might like to try to sabotage this great boon of peace, and my friend, James C. Rowden has got to have the power to take care of these un-Americans.

"And, moreover, the String emergency program which has brought us peace still has its work cut out for it, since we Americans are now recognized as the sole and only leaders of this Western Hemisphere, and our little brothers down there to the south in Brazil and Mexico, and so on, they are going to come to know and admire us more and more, and they will only admire and respect us if we are strong. So, my friends and fellow Americans, I just want to close by saying we shall march together behind the String emergency program to the new vigilant peace, and to anyone who wants to sabotage that peace, just watch out brother, that's what I say, just watch out!"

The sequel is well known. Perhaps, even then, String did not envisage the true outlines of what later came to be called the New America. Yet so vast an engine of governmental power as he had put together, responsive only to his hand, operating always in the so-called state of permanent emergency, could lead to only one result.

Not long after String's Report on Moscow, the Department of Home Security brought to trial, on charges of subversion, the first of those publishers and editors who had most enraged String by their criticisms. Shortly thereafter, charges of subversion were also brought against members of the political opposition whose gibes had been most telling.

Gradually, the number of subversion cases mounted. Gradually, the remaining independent spirits were terrified into silence. In 1953 came the great series of Peoples Trials, the institution of the Alaskan camps and the law for the regulation of the press. The constitutional amendment to improve the electoral process was passed just prior to the opening of the second South American campaign. And in 1954, String, now President, announced the formation of the New America, in a telecast from the White House. Thus freedom died.

It is not the aim of this study to carry the history of the United States beyond this death. Perhaps two incidents from the state trials deserve, however to be preserved in this record. The editor of an obscure literary magazine was indicted and condemned for having printed without comment two lines from the decadent Anglo-American poet, T. S. Eliot:

"This is the way the world ends.
Not with a bang but a whimper."

And one of the chief charges against former Secretary of State VANDENBERG (who always enjoyed a large-sounding phrase) was his alleged remark: "It is a challenging contemplation that the emblem of the United States of America, which was once the eagle, must now be changed to the jackal."

Was there any other road that American history might have taken? Such speculation is clearly outside the purview of the cautious historian. Some observers may say that the tide of American progress was reversed by a mere series of political blunders. Others may calculate that some sudden cancer had eaten into the character of the American people, so that they lost strength to carry the burden that freedom had placed on their shoulders.

Yet, whatever the cause, historical evidence overwhelmingly suggests that in 1948, even as late as 1949, true peace was yet possible. The conclusion is inescapable that had the Americans continued on the road on which they had first set their feet, had they maintained the great effort to reconstruct a war-shattered world, had they pursued a policy of dispassionate firmness toward Russian expansionist ambitions, they would have achieved in the end that real settlement with the Soviet Union and that peace with freedom for which the whole world so longed.

UN an Open Door for Communists

EXTENSION OF REMARKS
OF
HON. DANIEL A. REED
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 29, 1948

Mr. REED of New York. Mr. Speaker, the use of the United Nations headquarters as a wide-open entrance for subversive elements from foreign countries is an appalling revelation. I have assumed from all of the propaganda that has gone out to the people of this country that the United Nations was for the purpose of creating good will, brotherly love, and peace among nations. Now we find that it has become the agency for the Red element and there are even some officials in high places who claim nothing can be done about it.

I wonder what other nation would permit an organization to exist within its boundaries to encourage subversive elements to enter and operate upon its institutions. I know of none that would be so easy. Why should the taxpayers of the United States finance an agency which lends itself, not to providing for the security of this Nation, but rather as a means to a dangerous end for those who would overthrow our Government.

Under leave to extend I am inserting in the CONGRESSIONAL RECORD an article which appeared in the New York Herald Tribune on Wednesday, July 21, 1948:

STATE DEPARTMENT CHARGES RED NATIONS USE UN TO SLIP SPIES INTO UNITED STATES—OFFICIALS AT LAKE SUCCESS SURPRISED—CHIEF OF UNITED STATES VISA SECTION TELLS SENATE INQUIRY OF FUTILE EFFORTS TO END IMMUNITY OF SUBVERSIVES

WASHINGTON, July 20.—Communist countries are using the United Nations headquarters in New York as a gateway to slip hundreds of subversive agents into this country to roam unwatched under cover of diplomatic immunity, a State Department official said today.

In New York, United Nations officials expressed surprise and indicated that the State Department should submit proof of its charges.

William Harlow, Chief of the State Department's Diplomatic Visa Section, told a Senate Judiciary Subcommittee the Government is "stymied" in its efforts to control the situation, and the problem is becoming more acute all the time.

He expressed his personal belief that every representative of an iron-curtain country attached to the UN headquarters is a threat to the Security of the United States. "That is their purpose here," he said.

Under the treaty which the United States signed with the United Nations when the world organization picked its headquarters site in New York, Mr. Harlow said, this country cannot deny entry to any person sent to the UN by a foreign government unless it can be proved that his entry would harm the public safety.

He revealed there had been a behind-the-scenes battle at the State Department over invoking this clause, with his visa section urging that entry be refused to some "known subversives." But, he said, the United Nations activities division of the Department overruled the suggestion, and won its way.

Mr. Harlow said the State Department has, and exercises, the power to grant limited visas to UN personnel who are suspected of being subversive foreign agents. Such visas forbid the holder to go outside the immediate vicinity of the UN headquarters site.

But, Mr. Harlow added, the State Department is unable to enforce the restriction in actual practice. It would cost millions to trail persons with limited visas to make sure they didn't wander outside the restricted zone, he said. Some such persons have turned up in Buffalo and Atlantic City, to the Department's knowledge, he said.

One man turned up at a press conference of Secretary of State George C. Marshall, he said.

Mr. Harlow didn't know whether the Justice Department, which includes the Federal Bureau of Investigation, was keeping an eye on limited-visa holders.

The FBI declined to comment on the situation, but it is known that the FBI, by longstanding policy, never places a watch on diplomatic personnel of other countries.

Senator CHAPMAN REVERCOMB, Republican, of West Virginia, chairman of a Senate Judiciary subcommittee, was not present at today's hearing. Reached at his home in Charleston, W. Va., he disagreed with the contention that the Government is powerless to do anything about the situation.

"Not even a visitor's visa should be issued to a subversive under the law," he said. "Our authorities are supposed to keep Communists out of this country."

He predicted the Mundt-Nixon Communist control bill, passed by the House last spring, would be enacted by the Senate when it reconvenes for the special session, and it would be amended to cover the problem aired by Mr. Harlow.

While avoiding a direct statement on Mr. Harlow's charges, Benjamin Cohen, of Chile, Assistant United Nations Secretary General, remarked that the United Nations has "no authority over diplomats brought in as members of delegations' staffs."

"That is the business of the United States and the diplomatic mission concerned," he said.

Official delegations of foreign nations to the UN have the same diplomatic rights and immunities in this country as ambassadors and other diplomats in Washington. Any complaint the United States Government had to make against their conduct would have to be made directly to the government concerned, and would amount to a serious international incident.

Mr. Harlow told the Senators that he was "speaking of delegates and the people attached to their delegations" when he said that "every person from an iron-curtain country is here for one purpose—to disseminate propaganda contrary to the interests of the United States."

"Otherwise they'd never have been permitted out of their own countries," he said.

But he emphasized that some employees of the United Nations headquarters secretariat and foreign press and radio correspondents accredited to the UN also were represented in the allegedly subversive group.

"There are a number of persons for whom the immigration service has been looking a long time," he remarked. "All of a sudden they pop up as accredited to the United Nations."

He declined to say how many subversive aliens had escaped deportation from the United States by getting themselves accredited as press, radio, film, or information representatives at UN headquarters.

Mr. Cohen said when questioned on that score that Soviet citizens on the UN staff are exceedingly few.

He said there also are only a relatively small number of Soviet and eastern European correspondents at UN headquarters.

Latest figures show that of 2,944 UN secretariat members, the following are from Communist countries: Russia, 31; Poland, 39; Yugoslavia, 7; Bulgaria, 2; Hungary, 1; Czechoslovakia, 28; Ukraine, 3.

Among 300 accredited correspondents at the headquarters there are 176 who work for foreign publications and information agencies. Of these, 15 are correspondents for Communist papers or agencies.

PREVIOUS TESTIMONY REVEALED

WASHINGTON, July 20.—The subcommittee is making a general study of immigration laws. The previous testimony of State Department officials was made public today.

Robert C. Alexander, Assistant Chief of the Department's Visa Division, told the legislators, in describing one case: "We had one person who was a newspaperman, and he was conferring with other persons here who were trained in terrorist activities in Moscow."

Mr. Alexander said he believed either the UN or its affiliates should assume the responsibility for getting such persons out of this country when their employment has ended.

R. Clyde Larkin, Chief of the State Department's Public Safety and Security Division, said he has no recommendations for meeting the situation.

Mr. Larkin said some of the agents have been moving about freely "trying to collect intelligence data which will be of benefit to their own country, whoever they may be serving, as well as for the enlightenment of various groups in this country."

Mr. Alexander said one of the greatest sources of concern, in addition to the UN, was the United Nations Relief and Rehabilitation Administration. "There are people still here who came in under UNRRA and we can't send them anywhere," Mr. Alexander said.

It was recalled at Lake Success today that last winter the United States arrested two correspondents accredited to the UN—one a Greek, the other an Indian. UN Secretary-General Trygve Lie protested on the ground that the arrests violated a United States-United Nations agreement. The Greek, who said he was a Communist, later was released and again was accredited by the UN as a correspondent.

Small Business Participation in National Defense Procurement

EXTENSION OF REMARKS
OF
HON. WALTER C. PLOESER
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Monday, August 2, 1948

Mr. PLOESER. Mr. Speaker, when the Draft Act of 1948, now Public Law No. 759, was under consideration, I offered two amendments, of prime importance to small business, which were incorporated in the law. They require that small business be permitted to participate equitably in national defense procurement programs, and that adequate quantities of steel be allocated to small business holding contracts with the armed forces to satisfactorily execute such contracts.

These amendments were called especially to the attention of the Honorable James V. Forrestal, Secretary of Defense, by my letter of June 28, 1948, which, together with his reply, are here included in the extension of my remarks. They follow:

HOUSE OF REPRESENTATIVES
OF THE UNITED STATES,
SELECT COMMITTEE ON SMALL BUSINESS,
Washington, D. C., June 28, 1948.

Hon. JAMES V. FORRESTAL,
Secretary of Defense,
Washington, D. C.

MY DEAR MR. SECRETARY: In support of the interests of small business, while the draft bill was under consideration on the floor of the House of Representatives, I offered two amendments which were unanimously adopted and are now a part of Public Law No. 759.

The first amendment generally provides that small business shall be permitted to equitably participate in all procurement programs under national defense needs. The second amendment provides that the President, acting through the Secretary of Defense, is empowered to require the producers of steel to allocate to holders of contracts with the armed forces quantities of steel or steel materials necessary for the expeditious execution of such contracts. This amendment was designated for small business and will make it possible for small business, frequently unable under present conditions, to obtain sufficient steel to participate in Government defense contracts. This authority will encourage small business to bid for Government business and insure them a fair share of the over-all defense procurement.

The House Small Business Committee has been advised by many firms over the last several months that because of their present inability to obtain steel, they have a large percentage of idle open plant capacity which could be utilized for defense contracts. I have every hope with these new provisions of the law that procurement officers will carry out the emphasized intent of the Congress to work with these small units of our economy.

There need be no abuse of the steel amendment such as has been suggested in several recent newspaper articles speculating on the effect of these and other amendments under the utilization of the industry section on the draft bill. Neither should there be reason to believe, as some of these same articles point out, that such amendments will tend to return our economy to across-the-board controls. It should have just the opposite effect inasmuch as steel and the items covered by the Second Decontrol Act constitute the real scarcities.

When cooperation is had upon the part of the producers of steel, these sections will have little effect on the general economy and upon the total steel production except to expedite the defense program and protect against injury to the regular civilian business of the smaller firms.

I feel, and the Congress has endorsed my belief, that if small business is treated fairly under the defense program, the economy as a whole will be benefited. The all-important issue now, as it has been for some time, is to strengthen the position of small and independent business in the economic life of the Nation.

Sincerely,

WALTER C. PLOESER.

THE SECRETARY OF DEFENSE,
Washington, July 2, 1948.

Hon. WALTER C. PLOESER,
Chairman, Select Committee on Small Business, House of Representatives, Washington, D. C.

DEAR MR. CHAIRMAN: I wish to acknowledge receipt of your letter of June 28, 1948, concerning the steel allocation and small-business provisions of the Selective Service Act of 1948 (Public Law 759).

You may already have seen the attached letter, dated July 1, 1948, from the President to the Secretary of Commerce setting forth his decision not to issue an Executive order invoking the steel allocation authority contained in section 18 (h) of the act at this time. Instead, the President has decided to rely for the present upon a voluntary allocations program to be worked out by the Secretary of Commerce, which will be designed to attain the legislative objectives of (i) providing the armed forces with the necessary amounts of steel and (ii) making it possible for small-business firms having defense orders to obtain their steel requirements.

Representatives of my office have already commenced discussions with the appropriate officials of the Department of Commerce to assist as much as possible in carrying out the voluntary program. In our procurement activities, we shall, of course, continue to enforce our new procurement regulations, which, as your earlier letter to me of May 28 points out, contain adequate safeguards to assure competitive bidding and to enable small business to get a fair share of the total procurement.

As I am sure you are well aware, I share the desire of your committee to maintain the strength of our small-business firms, and you can be assured that I shall give my full support in cooperating in the administration of the program designed to carry out the intent of Congress.

Sincerely,

JAMES FORRESTAL.

Education and Public Affairs

EXTENSION OF REMARKS
OF
HON. EDWARD J. DEVITT
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Monday, August 2, 1948

Mr. DEVITT. Mr. Speaker, Walter T. Ridder, chief of the St. Paul Pioneer Press Washington Bureau, wrote an interesting column the other day in his paper about the relationship of educators to public affairs. The column is written as a back drop to Governor Stassen's recent acceptance of the presidency of the University of Pennsylvania. The article brings to light several historical facets to the life of our early statesmen which I believe will furnish interesting reading to the membership. I include the column as part of my remarks:

STASSEN MOVE EYED

(By Walter T. Ridder)

WASHINGTON.—When Harold E. Stassen stepped into the academic world by accepting the post of president of the University of Pennsylvania, he took a job which many American politicians have taken as a place of refuge—or as a springboard.

The figures of future Presidents and past Presidents of the United States have not been uncommon on American university campuses. The tradition dates back to the earliest days of our history.

When Thomas Jefferson, third President, died, he wrote his own epitaph: "Here was buried Thomas Jefferson, author of the Declaration of Independence, of the Statute of Virginia for Religious Freedom, and Father of the University of Virginia."

Jefferson had very definite ideas on education (strangely enough some of them were considered quite undemocratic) and he nursed with loving care the fortunes of the university which he founded during his final years. From his home in Monticello, it was but a 5-mile journey to Charlottesville, site of his beloved college.

Another Virginian, John Tyler, used academic life as a means of propelling himself into the political scene. Tyler was rector and chancelor of William and Mary College (the Nation's second oldest college). Subsequently he became Governor of Virginia, Vice President, and succeeded to the Presidency when the incumbent, William Henry Harrison, died after but a month in office.

John Quincy Adams, Millard Fillmore, and William Howard Taft were all members of university staffs before achieving the Presidency—the first as a professor at Harvard, the second as chancelor of Buffalo University, and the last-named as dean of the law school, Cincinnati University.

Most spectacular of the leaps from the cloistered life of a university to the turbu-

lence of national politics was that of Woodrow Wilson. He first gained national fame in his fight against exclusive clubs at Princeton and through his insistence as university president, that it be "democratized." The uproar over his moves pitched him into newspapers all over the country, and threw him into the national arena when he campaigned successfully for Governor of New Jersey on a reform ticket. From there he stepped into the White House.

Others have used the quiet of colleges to rest from their toils as President. Grover Cleveland retired to Princeton upon completion of his second term, and remained in scholarly seclusion to the end of his life.

William Howard Taft likewise sought rest in a university atmosphere. After losing to Wilson, he became professor at Yale's law school, until elevated to the post as Chief Justice of the Supreme Court.

Thus, when Stassen throws in his lot with a university, he takes a position which does not necessarily take him out of the public eye. Indeed, as head of a large school, he has the opportunity to present his views at chosen moments and still, at the same time, keeping aloof from the in-fighting of politics. He has, in short, done nothing to harm his political future.

Pensions

EXTENSION OF REMARKS
OF
HON. HELEN GAHAGAN DOUGLAS
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 29, 1948

Mrs. DOUGLAS. Mr. Speaker, is it possible this Congress will adjourn without having passed a fair and adequate pension program?

The high cost of living is hard on all of us but think what it means to people living on meager pensions. How can we in all decency adjourn without taking the necessary action that would really allow the fathers and mothers of America to retire into an old age free from want and anxiety?

The rising cost of food, clothes, rent, and utilities and everything else has made it impossible for all those on fixed incomes to maintain a decent standard of living.

Is it possible that the leadership of this Congress proposes to adjourn without having made any effort to check these rising prices that are shrinking the value of the dollar and eating up the savings of the American consumer—throwing him into debt, and making it more difficult day by day to live?

Corporations, after taxes, enjoy the highest profits in history. Yet this Congress has labored day after day to reduce their taxes—not only in Mr. KNUTSON'S famous tax bill—but in bill after bill that has come before Congress, with the result that they have lifted the burden of the war debt from the shoulders of the rich and placed it on the backs of those not now able to make ends meet.

Are the corporations the ones who need help? Are those in the high-income bracket counting their pennies, nickels, and dimes to see whether or not they have enough for a decent meal—enough to pay the rent?

Shame, Mr. Speaker, shame that the Republican leadership of this Congress has refused to concern itself with the desperate economic plight of our mothers and fathers who in their last years have a right to dignity and security.

The Equal-Rights Amendment

EXTENSION OF REMARKS
OF
HON. WAYNE MORSE
OF OREGON
IN THE SENATE OF THE UNITED STATES
Tuesday, August 3 (legislative day of Wednesday, July 28), 1948

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD two editorials endorsing the equal-rights amendment.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the National Woman's Party magazine, Washington, D. C.]

RAYMOND GRAM SWING ENDORSES THE EQUAL-RIGHTS AMENDMENT

The guaranty of full equality to women would complete the historic catalog of the first freedoms which are embodied in the concept of Americanism. The grant of equality to women has been delayed by complex and secondary considerations, chiefly the effect it would have on legislation designed to protect working women from exploitation. Democratic society tends to tie itself into such knots, where the major principle is tangled up with the consequences of well-meant compromises. Then comes a time when the compromises themselves, however well intentioned, hold back the acceptance of a vital principle. That time has come in this question of full equality for women. It needs to be affirmed and established as the basic law of the land. The inconvenience of readjusting past compromises is insignifiant. The principle is vital. America cannot be a vigorous democracy while withholding any fraction of full equality from half of its citizens.

RAYMOND GRAM SWING.

[From the Saturday Review of Literature of July 17, 1948]

THE WOMEN ARE COMING!

Unknown to the majority of the women in this country, a steadily mounting feminist campaign is under way for equal rights for women under the Constitution. The average man will regard this statement with bewilderment. They have the vote, haven't they? They are omnipresent in almost every business and industry; they are slowly entering professions from which they were formerly rigidly excluded. A quarter of the entire labor force of America is now made up of girls and women. They are supposed to own a good deal more than two-thirds of the wealth of the Nation, due to the long habit of men of endowing their wives with an insurance policy, a legacy, and in some cases, with alimony. What more do they want? An occasional apprehensive male looks over his shoulders at an advancing tidal wave of restless and perhaps menacing women and mutters "matriarchy" under his breath.

Nothing would have served the feminist cause better than the attacks that were leveled on the American woman during the last 18 months. The old form of feminism which won women equal suffrage in England and America was almost inevitably founded on competition with male workers. During the war women flooded into industries and the armed services, were applauded as self-sacrificing heroines. They were startled when the inevitable attempt to send them back where they came from took the form of ridicule or a psychiatric study of their inadequacies and their neuroses in the public press. A book by a well-known woman psychiatrist, "Woman, the Lost Sex," became a best seller and a storehouse of arguments for the antifeminist crusade. Since most of this literature was both logical and apparently scientifically sound, it was effective in persuading many women to lose confidence in themselves and in what they may have unconsciously conceived as their destiny.

This attack was answered in the end in women's magazines and in innumerable women's clubs. Since it was leveled against the American mother as well as the working woman, it was absurdly contradictory. They couldn't both be dangerous to the American way of life. It became obvious that the working woman was living in a home of some sort that she had created for herself or her family, and there was no room for her back on the farm or in her parents' city apartment. The "career women" who received the brunt of the assault turned out on reflection to be simply a woman who had succeeded in business. Therefore, ambition and success were supposed to be right for a man, but wrong for a woman. It could be shown that as many men as women were consulting psychiatrists, and that men were more susceptible to stomach ulcers.

The attack failed, but it succeeded in giving a new impetus to the cause of woman's rights and to a growing enthusiasm for the new feminist program that had been quietly taking the place of the old rivalry with the male sex. The goal is now partnership with men in the economic, political, and domestic life of the country. But before this program can become a vital and even resistless force, certain existing legal, economic, or educational inequalities in several states must be done away with one by one, or destroyed in one blow by the proposed equal-rights amendment to the Constitution. This amendment could hardly be stated more simply. "Equality under the law shall not be denied or abridged by the United States or by any State on account of sex."

Three months ago the Senate Judiciary subcommittee recommended 7 to 1 that the amendment "do pass," and it may again be a part of the Democratic and Republican platforms. The ladies who besieged the embattled and doubtless embarrassed Senators in April may find out again that this is an election year promise. It is notable that Senator TAFT has proposed what was oddly called the biological status bill, as if women had to fight in defense of their biological functions. This bill was the reverse of the medal. Senator ARTHUR CAPPER, of Kansas, sponsor in the Senate of the equal-rights amendment, was the first witness against the Taft proposal that it should be made "the declared policy of the United States to permit in law and its administration distinction on the basis of sex * * * such as are reasonably justified by differences in physical structure, biological, or social function." You do not have to be a feminist to see to what prejudices and discriminations this might lead in the future, since even in an atomic age, women will fortunately remain women.

It is still true that as women they have little protection under the law, since what rights have been given to them can as easily be taken away by legislative action in the various States. An embittered woman writer has recently said, "The only right that women actually have is not to be lynched for their sex."

Most fair-minded men and women must approve of this fight for equality of opportunity under the Constitution. But when the equal rights amendment has been passed, what will women want next? The answer is simple. They will want politics to be opened to them freely as a career. It is absurd that we should have only seven women, including the widows of former incumbents in our House of Representatives, while newly organized states such as India and the nations behind the Iron Curtain have many times that number as legislators, and have women as ministers of government and even as ambassadors. That one of our Representatives who took her husband's place is certain in November to be the second woman ever elected to the Senate merely emphasizes the inadequacy of feminine representation in our Government. This year marks another milestone in this direction. For the first time it has been seriously proposed, then accepted by a likely candidate of one of the major parties, that Mrs. Roosevelt might be acceptable as Vice President of the United States.

To equip themselves to enter politics women must be trained for the rough and tumble of partisan strife from the ground up. They must be present at party meetings, besiege the electorate, and fight their way through town councils and local political appointments to state and national legislatures. They must learn how to think and speak eloquently, though it is to be hoped that they will not practice their speeches at home. If we insist that women are not people but only a biologically and legally differentiated sex, let us take the consequences when they vote as women. A matriarchy? There might at least be fewer wars.

H. S.

Bill To Provide Farms for Veterans and Others in the Central Valley of California

EXTENSION OF REMARKS
OF
HON. CHET HOLIFIELD
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 4, 1948

Mr. HOLIFIELD. Mr. Speaker, I have introduced a bill in the Eightieth Congress to help meet the distressing situation in California where there are vast acreages in the Central Valley owned by corporations, an unsolved problem of homeless migrant peoples, and a great number of returned servicemen with farm backgrounds who cannot find farms for themselves and their families.

The bill authorizes the Secretary of the Interior to operate a revolving fund of $50,000,000 for the purpose of purchasing the excess private lands in the Central Valley project and reselling them to small farmers. Veterans are to have first chance at such lands, with a special preference to any veterans who have been tenants or workers on these excess lands since the end of the war. A condition of sale is that the purchaser must work the farm he buys.

In the Central Valley of California, where agricultural practices are intensive, land and operating costs heavy, and yields high, the overwhelming number of farmers successfully operate holdings of less than 50 acres. But there are great corporation farms, literally "factories in the fields" of 12,000 and even of 300,000 acres, in which much of the land must be provided with water to be profitably cultivated. At the same time there is a land hunger so great that returned servicemen with farming backgrounds are working as farm laborers, and many thousands of farmers are in industrial employment in our crowded cities who would make excellent farm operators if the land were available.

As the great Central Valley project nears completion with its multi-million-dollar investment of taxpayers' money developing a vast irrigation system for the parched lands of the valley, so the big landholders are doing everything in their power to secure water without abiding by the reclamation law which has been the basis of our land policy ever since it was enacted in 1902. My bill will enable them to comply with that law which has given us the kind of family-sized farming operations that have made us an independent, virile American people. It will insure them an immediate market for their land and a fair return for those excess lands which they must dispose of, if the land is to secure its rightful share of publicly developed water. More than that, it will reestablish on the land, and in rural communities, many thousands of ex-servicemen and their families to grow up with the country and make their great contribution to its economic and social welfare.

The bill provides a sound procedure for filing on lands, acceptance of applications and sale to veterans. For, judging by the filings on the limited acreage made available to veterans having farm backgrounds at Tule Lake in northern California, the land hunger is so great that applications may far exceed the number of farms available.

My bill allows for long-term credit at low interest, with provision for deferment of interest and payments during periods of prolonged depressions of farm prices. It also includes provisions for loans to be made on favorable terms to individuals and cooperatives to purchase farm machinery and stock, and to install wells and pumping equipment. The purpose of these provisions is clearly to make reasonably sure that the veteran will have a fair chance to succeed in his farm operations.

This bill contemplates no cost to the Government or the taxpayers. For, the fund and services made available to the farmers will be entirely self-supporting. Present-day experience with farm and home loans made by the Federal Government has amply proved that this is no pipedream. Sound business practices used have resulted in making available the needed funds at low rates of interest and with absolute assurance of return of the capital loaned.

No one who has studied the situation prevailing in many countries where great numbers of farm-backgrounded people are denied access to the land can help but conclude that this has been one of the most aggravating social issues of modern times. Land hunger is a real and terrible thing. It stalks this country. It is especially noticeable in the Central Valley of California. To have thousands of our finest people who know farming, and who have gone through the great sacrifice of war service to protect our land and liberties, going landless while great corporations are allowed to take profits on thousands of acres of land made productive by the waters developed by costly public projects in the Central Valley is manifestly un-American. It is not in the public interest. My bill is intended to correct this situation. It is introduced in behalf of the hundreds and thousands of veterans and farmers of my State of California.

Under permission heretofore granted, I shall have the verbatim copy of my bill printed herewith:

A bill to promote the development in the area of the Central Valley Federal reclamation project, California, of reasonably sized owner-operated farms

Be it enacted, etc., That, promptly upon the effective date of this act, there shall be established in the Treasury of the United States a revolving fund, not exceeding $50,000,000, to be known as the "Central Valley project, California, excess-land purchase fund," in which moneys appropriated for the purposes of this act and proceeds and revenues derived from the administration of this act shall be deposited from time to time. Moneys in said fund shall be available, on order of the Secretary of the Interior from time to time, for the purposes of this act.

SEC. 2. The Secretary of the Interior is hereby authorized to acquire by purchase and shall, as promptly as shall be practicable after the effective date of this act and the provision of necessary funds therefor, offer to purchase, in the name of the United States and at a price not exceeding its market value, ascertained as hereinafter provided, any land which he determines to be within the general area of the Central Valley project, California, which is now irrigated or which he deems irrigable, whether by surface delivery or by pumping or for which, in his judgment, supplemental water for irrigation will be supplied, either by surface delivery or through the recharging of underground supplies. The purchase price paid by the Secretary of the Interior for any land acquired under the authority of this act shall not in any event exceed the current market value thereof and of the improvements thereon or the market value thereof and improvements thereon as of July 31, 1948, whichever is the lesser: *Provided*, That the market value, as specified in this act, of any parcel of land and improvements thereon proposed to be thus acquired by the Secretary of the Interior shall be determined by a board of three qualified real estate appraisers, appointed by the Secretary of the Interior, at least two of whom shall be citizens of the State of California. Said board shall select its own chairman and shall act by majority vote.

SEC. 3. Lands acquired under the authority of this act and public lands of the United States within the said general area of the Central Valley project, California, shall be administered by the Secretary of the Interior. The said Secretary is hereby authorized to sell, exchange, or lease such public or acquired lands; and to accept donations of real or personal property for the purposes of this act. Contracts, exchanges, and leases made under the authority of this act shall be on terms that are in keeping with sound project development and business principles. Leases of lands shall be for periods not exceeding 10 years. Contracts for the sale of lands shall be on a basis that, in the Secretary's judgment, will provide the return in a reasonable period of years, not in any event exceeding 25, of the purchase price, to the United States, of the lands in question and of the improvements thereon, plus interest thereon at a rate not exceeding 1 percent more than the average

cost of money to the United States at the time of the Secretary's acquisition of the land and improvements in question. Lands acquired pursuant to the authority of this act and public lands of the United States covered by this act may be disposed of in farm units of such sizes as the Secretary determines to be sufficient to provide an adequate standard of living, having in mind the character of the soil, its topography, its location with respect to irrigation systems, and such other factors as the Secretary deems relevant. Sales to any individual shall be of no more than one farm unit. All contracts of sale of farm units and all conveyances thereof made under the authority of this act shall contain suitable provisions designed, among other things, to assure reversion to the United States of equitable or legal title, as the case may be, in the event the purchaser thereof, or any of his successors in interest, shall fail to reside thereon and to use the same as a farm home: *Provided*, That, in the event of such reversion to the United States any amounts theretofore paid to the United States by such purchaser or his successors in interest, on account of the purchase of any such farm unit and found by the Secretary to be in excess of the reasonable value of the use of the unit in question from the date of its sale to the date of such reversion, as determined by the Secretary, shall be returned without interest to such purchaser or his successor or successors in interest. *Provided further*, That, in any event, the amount thus returned to such purchaser or his successor or successors in interest shall not exceed the then current market value of the unit in question.

SEC. 4. (a) The Secretary may enter into agreements to pay annual sums in lieu of taxes to the State of California or to political subdivisions thereof with respect to any real property after acquisition pursuant to the authority of this act and before execution by the United States of a contract of sale covering it, out of funds derived from the leasing of any such real property so acquired. The amount so paid for any year shall not exceed the taxes that are assessed currently by the State or subdivision on adjoining acreages.

(b) Any public lands within the said general area of the Central Valley project, California, and any lands or interests in lands acquired by the United States under this act, beginning at such date or dates and subject to such provisions and limitations as may be fixed or provided by regulations of the Secretary, shall be—

(1) Subject to the provisions of the laws of the State of California, relating to the organization, government, and regulation of the respective irrigation, reclamation, conservancy, drainage, or similar district in which the lands are included; and

(2) Subject to legal assessment or taxation by any such district and to liens for such assessments and taxes and to all proceedings for the enforcement thereof, in the same manner and to the same extent as privately owned lands of like character.

The United States does not assume any obligation for amounts so assessed or taxed; and any proceedings to enforce them shall be subject to any title then remaining in the United States, to any prior lien reserved to the United States for unpaid installments under land-sales contracts made under this act, and to any lien for any other charges, accrued or unaccrued, under and by virtue of such contracts or any contract between the United States and the district in which the land is located. Regulations to carry out this subsection shall be effective when promulgated by the Secretary.

(c) In addition to taxation or assessment under subsection (b) of this section, upon execution by the United States of a contract of sale of any lands covered by this act, the lands under contract may be taxed by the State of California or political subdivisions thereof in the same manner and to the same extent as privately owned lands of a like character. All taxes legally so assessed may be enforced in the same manner and under the same proceedings whereby said taxes are enforced against privately owned lands, subject to the limitations in favor of the United States that govern the enforcement of district assessments or taxes as provided in subsection (b) of this section. If lands under any such contract or conveyed under the authority of this act shall at any time revert to the United States, all liens or tax titles resulting from taxes levied pursuant to the authority of this subsection upon such lands shall thereupon be extinguished; and the levying of any such tax by the State of California or a political subdivision thereof shall be deemed to be an agreement on its part, in the event of such reversion, to execute and record a formal release of such lien or tax title.

SEC. 5. (a) For a period of 10 years following the effective date of this act, veterans shall have a 90-day preferred right of purchase as provided in this section, with respect to lands when made available by the Secretary of the Interior for purchase on projects constructed, operated, or maintained by the Bureau of Reclamation, Department of the Interior.

(b) When the Secretary determines that any tract or tracts of land acquired or administered under the authority of this act are available for purchase for irrigation farming, he shall announce their availability, and shall immediately furnish copies of the announcement to veteran agencies.

(c) The Secretary shall, in accordance with the provisions of subsection C of section 4 of this act of December 5, 1924 (43 Stat. 672, 702), determine the qualifications to be required of veterans and other applicants for the purchase of acquired or public lands covered by this act. In determining whether a veteran applicant possesses funds sufficient to meet the capital requirements prescribed pursuant to said act, moneys advanced to veterans as operating capital shall be deemed acceptable as a substitute for all or a portion of the capital requirements so prescribed.

(d) The Administrator of Veterans' Affairs and the heads of other Federal agencies which are now or hereafter authorized to make provision for the reestablishment of veterans in civil life (herein called veterans' agencies) shall inform veterans of settlement opportunities. The veterans' agencies are further authorized and directed to exercise the authority with respect to veterans' assistance now or hereafter conferred upon them by law, to the fullest extent consistent with the general policies and procedures governing the exercise of such authority in the case of other veterans, for the extension of such assistance; subject to the applicable legislative or administrative restrictions, in furtherance of the following ends:

(1) That qualified veterans desiring to settle on lands within any project constructed, operated, or maintained by the Bureau of Reclamation shall be afforded through such agencies financial assistance for the purchase of land, for the acquisition or erection of housing, farm buildings and adjuncts, improvements, equipment, chattels and operating capital, and for transportation to the project; and

(2) That banks and Federal agencies so authorized shall be encouraged to make loans on reasonable terms to veterans, groups of veterans, cooperatives, and others, for the purchase of land within any such project, and the acquisition or erection of housing, farm buildings and adjuncts, improvements, equipment, chattels, and other operating capital.

The veterans' agencies and the Secretary of Agriculture shall, to the fullest extent practicable, cooperate with the Secretary of the Interior in all activities now or hereafter authorized by this act or other applicable law that are related to the accomplishment of the foregoing ends. Nothing contained in this act shall be deemed to confer upon the Secretary jurisdiction over the operations of the veterans' or other agencies in extending financial or other assistance to veterans.

SEC. 6. The Secretary is authorized to perform such acts, to make such rules and regulations, and to include in the contracts hereinbefore authorized such provisions as he deems proper for carrying out the provisions of this act. In connection with sales or exchanges of lands acquired by purchase, he is authorized to effect conveyances without regard to the law governing the patenting of public lands. Wherever in this act functions, powers, or duties are conferred upon the Secretary, or the head of any veterans' or other agency, these functions, powers, or duties may be performed, exercised, or discharged by the duly authorized representative of the Secretary or the head of such other agency, as the case may be.

SEC. 7. As used in this act, the term "veteran" means any person who during World War II was entitled to the benefits afforded by the Soldiers' and Sailors' Civil Relief Act of 1940, as now or hereafter amended, and who has been honorably discharged or otherwise honorably separated from the service entitling him to such benefits. "Veteran" does not include any person who was entitled to such benefits solely by reason of being ordered to report for induction under the Selective Training and Service Act of 1940, as amended.

SEC. 8. There are hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such moneys as may be necessary to carry out the provisions of this act. All revenues received in carrying out the provisions of this act shall be covered into the fund known as "Central Valley project, California, excess-land purchase fund" and shall be available for the purposes for which said fund is available.

Why Is Meat Scarce?

EXTENSION OF REMARKS
OF
HON. HUBERT S. ELLIS
OF WEST VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 4, 1948

Mr. ELLIS. Mr. Speaker, in these days when all of us are concerned with the high cost of living, a lot of people blame the farmer particularly regarding meat.

If you examine the record, you will find that the Department of Agriculture and other administration authorities are largely responsible for our present difficulty. An examination of the record of the Department of Agriculture for the past 10 years and their recommendations will disclose that with the start of OPA the number of cattle, hogs, and sheep have declined on our farms and this was with the recommendation of the Department of Agriculture.

WHY LESS CATTLE?

The cattle population of 1944 was 85,573,000. Two years later it was 81,207,000. The President and the Department of Agriculture recommended they be reduced 2,707,000 in 1947 and it was done. Today, according to their report, we have 78,564,000 head of all kinds of cattle in this country. Now listen to this, you consumers who are paying good

prices for meat. The Department of Agriculture recommends that the farmers reduce their breeding herds by 517,000 head for this next year. It is almost unbelievable but that is the Department's recommendations.

WHAT IS THE RECORD ON HOGS?

In 1943 the spring pig crop was 74,223,000. The fall crop was 47,584,000. Now what was the Agriculture Department's goal for 1946? Well, they recommended 51,651,000 spring pigs, a reduction of nearly 23,000,000 head.

The Department in one instance was telling the people there would be a shortage of pork and the next instance asked the farmer in 1948 to produce 2,780,000 less head of pigs than in 1947. This year the goals are raised but it takes at least a year to produce pork and from 2 to 3 years to produce beef.

Now what about sheep? The records show that in 1942, 55,120,000 head of sheep and lambs in this country and then came OPA with regulations and careful planning with recommendations until today the sheep and lamb population is about 35,332,000, a reduction of nearly 20,000,000 head.

The same story from the Department's own records could be told about poultry and eggs. It must be recognized, Mr. Speaker, that the professional planners of the Wallace days still believe you can have prosperity through scarcity. We all remember the famous Luckman's order to reduce poultry to save grain. Marketing livestock at light weights, etc.

In these days of increased demand for meat and the population increasing almost a million a year, it is difficult to understand why the Department of Agriculture asks for fewer breeding cows. Do they actually want a shortage so that they can again force wartime controls upon the people? Every school child knows we want more production and not less.

It is recognized by everyone that our enormous exports for European aid plays a tremendous part in the high prices and scarcities in our commodity market.

The following table, computed from statistics received from the Office of Foreign Agricultural Relations, United States Department of Agriculture, shows the large exports of pork and pork products. These exports were obtained by reducing hog numbers and were obtained by killing off the seed stock. The imports of lard and pork were very small.

The table of exports is as follows:

Pork and pork products: United States exports

[Quantity, 1,000 pounds]

1935	185,035
1940	295,148
1941	660,999
1942	1,302,728
1943	1,828,356
1944	1,989,033
1945	1,044,101
1946	714,785
1947	440,192

I do not have the export statistics on beef at the moment but the amount is enormous. It is very easy to see who has messed up the production of meat and produced scarcity.

Arabs Fear Expansion of Israel States

EXTENSION OF REMARKS

OF

HON. LAWRENCE H. SMITH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 4, 1948

Mr. SMITH of Wisconsin. Mr. Speaker, under leave to extend my remarks, I am inserting the following news release issued by the Committee for Justice and Peace in the Holy Land relative to expressed fears on the part of the Arabs toward encroachments of Zionism in Jerusalem:

WASHINGTON, D. C., July 29.—The executive board of the Committee for Justice and Peace in the Holy Land, meeting in New York, expressed grave concern over recent statements by Foreign Minister Shertok and other spokesmen for the Israeli provisional government. These statements indicate Israel's intention of expanding by conquest the borders of the state beyond those recommended by the United Nations General Assembly, and including Jerusalem which the UN had designated as an international zone.

The executive board declared:

"Arab opposition to Zionism has grown from the fear that Zionism planned, by aggressive immigration and eventual military action, to wrest more and more of the Arabs' lands from them. Recent assertions by Moshe Shertok and others make these fears seem thoroughly justified and add fuel to the flames of war. The Security Council should warn Israel that her position constitutes a threat to peace."

The executive board also declared:

"The Committee for Justice and Peace in the Holy Land urges the United States Government to change its stand regarding the reference by the Security Council of the Palestine question to the Court of International Justice. So close was the vote that the abstention of the United States prevented the matter being referred to the Court. The American people have always considered a court of final appeal as an essential part of the fabric of democratic government. It is hard to imagine our own federation of States working without our Supreme Court. The Court of International Justice must come to occupy a similar key position in the structure of the United Nations. Distinguished authorities differ as to interpretation of the United Nations Charter in matters affecting the Palestine dispute. Forty millions of people of the Arab world feel that their case has not had a fair and just hearing. Surely this is precisely the sort of case which should be referred to the Court. In refusing to support this course, the United States has struck a serious blow at the structure of the United Nations. We appeal to our Government to change this stand.

"The committee also urges the Congress of the United States to revise the legislation concerning displaced persons passed at its last session so as to eliminate the un-American discrimination against certain religious and racial groups. The committee has always been warmly in favor of the admission of our full and fair share of displaced persons. It is disturbed by the rising tide of antisemitism of which the recent displaced persons legislation is one manifestation. The situation in Palestine has been made even more difficult by this legislation. It could be considerably eased by the passage of a displaced persons bill which would be generous and in the American tradition."

The People Are Interested in Performance—What Will the Eightieth Congress Do About Housing and Inflation?

EXTENSION OF REMARKS

OF

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 4, 1948

Mr. DINGELL. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the St. Louis Post-Dispatch of July 26, 1948:

AS CONGRESS MEETS

Congress meets today in one of the most unusual sessions in history. It will amount to a dress rehearsal of the Presidential campaign. Mr. Truman has been bitterly criticized for the special session call on the ground that it is a political stratagem, designed to improve Democratic chances in November. Moreover, the manner of his announcement, in the midst of his acceptance speech at Philadelphia, has been characterized as beneath the dignity of the Presidential office.

Mr. Truman can reply, and no doubt will do so when he appears before Congress tomorrow, that the last session left much unfinished business and that the urgency of some of the problems before the country cannot be postponed until next January. He can also say that the Republican platform pledges the majority party to actions which might have been completed last session, but were not; the special session, then, can test the sincerity of those pledges.

The average independent citizen, however, is not so much interested in the jockeying for partisan advantage and in the charges and countercharges of the two parties as he is in performance. If the special session is barren of achievement, it will leave Mr. Citizen with the feeling that the country's well-being has been neglected in a futile political sparring match.

It is up to the Republicans, therefore, to make it more than that, and they have the votes to do so. Moreover, while Governor Dewey is without direct responsibility, everyone knows that congressional leaders will be looking to him for guidance as the party's standard-bearer. If the session writes a record of statesmanship, Mr. Dewey will inevitably be given credit—and vice versa.

Good statesmanship is always good politics, too. Let the grumbling Republicans, called from their homes in midsummer, realize that Mr. Truman, whatever his motives in calling the session, has presented them with a challenge and an opportunity. It will yield no dividens if they follow a course of inaction and obstruction; if they, on the other hand, pass a sheaf of excellent legislation, great advantage will accrue to them.

The country is desperately in need of action to halt the rising price trend, as is evident every day as housewives go to the grocery store. It is desperately in need of such housing legislation as the Taft-Ellender-Wagner bill, which passed the Republican Senate in the last session only to be smothered in the House. If these two problems alone were tackled in the special session, it could be a big success.

Nothing could be more disillusioning than for the civil-rights issue to be used as a roadblock. Both parties are pledged to pass civil-rights bills, but the southern Demo-

crats promise a filibuster, a troublesome tactic in any case, and a particularly troublesome one in a short session. Therefore, Congress should give priority to other legislation. If a filibuster does develop, the rule of cloture should be invoked.

We urge the Republican majority to distinguish itself in the sesison, to rise above petty political considerations, to accept the gage that Mr. Truman hurled and use the occasion for the national welfare. Then the Republicans can go into the fall campaign with a powerful appeal for public support.

Distributing the Poverty

EXTENSION OF REMARKS
OF
HON. HUBERT S. ELLIS
OF WEST VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 4, 1948

Mr. ELLIS. Mr. Speaker, under permission to extend my remarks in the Appendix of the RECORD, I include an editorial from the Parkersburg News, published in Parkersburg, W. Va., and edited by Francis P. Fisher, of August 3, 1948. The editorial follows:

DISTRIBUTING THE POVERTY

Writing in American Affairs, Dr. M. J. Bonn presents an objective and thoughtful discussion of socialism in England. His last paragraph sums up his conclusions: "It would be a great pity were the Socialist Labor Party to be released from power and responsibility before a majority of its followers has learnt the lesson that leisure is the result of plenty and plenty is the result of work."

The favorite catch-phrase of socialism in all countries is its pledge to divide the wealth. This at once conjures up heavenly visions of a society in which everyone will live in luxury with a minimum of effort. What actually happens—and, England today is a living, breathing example of that—is that the wealth is destroyed, and what is distributed is the poverty. When we arbitrarily attempt to lift all men to the top we succeed in pushing all men down toward the bottom.

The capitalist system, by contrast, is based on the principle of incentive. There is a minimum of government meddling in our affairs. A man can go as far as his energies and abilities allow. And if the proof of the pudding lies in the eating, this system has produced more leisure, more wealth, more luxury for the masses of people, than any other since the world began. In Russia, for example, we have the socialized state in the extreme. And the average Russian's income, measured in terms of what it will buy, is about 10 percent of the average American's.

Furthermore, the class distinctions and abuse of special privilege the socialists are always talking about are far more flagrant in the socialized state. Again, Russia is the best example. The ruling class and their favorites live in luxury of Czarist proportions. Everybody else lives in comparative squalor.

Lastly, and most important, the abuses of capitalism can be corrected—as the whole history of the United States illustrates. The people are top dog, and when they become enraged they get remedial action. The abuses of socialism, once they are firmly entrenched, can be corrected only by revolution—the state is all-powerful and it is ruthless when it comes to perpetuating itself. That is just another way of saying that the total state must be a police state, making full use of guns and clubs and concentration camps to hold the people in line. It always happens when a nation trades freedom for dubious promises of security.

Nazi Farben Criminals Given Light Sentences—Judge Criticizes Leniency—Only Five Convicted of Abusing Slaves

EXTENSION OF REMARKS
OF
HON. GEORGE G. SADOWSKI
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 4, 1948

Mr. SADOWSKI. Mr. Speaker, the trial of the officials of the I. G. Farben chemical trust which started 11 months ago ended on July 29, with a verdict that none of the 24 on trial were guilty of backing Hitler's war of conquest. Some of them were merely found guilty of looting industries in subjugated countries and of mistreating slave labor. Yet everybody knows that these big monopolists were the real warmakers and were working hand in glove with Hitler and his despicable Nazis.

Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include an AP dispatch on the I. G. Farben trial at Nuremberg and the editorial comment that appeared in the Detroit News on Saturday, July 31, 1948.

ONLY FIVE CONVICTED OF ABUSING SLAVES

NUREMBERG, GERMANY, July 30.—Thirteen directors of the giant I. G. Farben chemical trust were convicted of war crimes and sentenced today to serve jail terms ranging from 18 months to 8 years.

One of the four American judges promptly filed a dissent, contending that the decision of the majority was too lenient.

The dissenting judge was Paul M. Hebert, of Baton Rouge, La., who declared that he felt that 20 of the 23 defendants should have been convicted of mistreating slave labor. Only five actually were convicted on this count.

The penalties against the 13 men convicted were the mildest ever imposed in a war-crimes trial in this war-crimes capital of conquered Germany.

ESCAPE MAJOR CHARGE

The sentences meant that actually only 7 of the 24 Farben directors who went to trial 11 months ago will stay behind bars for any length of time. All were credited with time already served.

The defendants all were acquitted Thursday of the stiffest charge in the indictment—plotting and waging aggressive war.

Carl Krauch, chairman of the board of the once great billion-dollar firm, was sentenced to serve 6 years. The specific charge on which he was convicted was the misuse of slave labor.

Hermann Schmitz, 67, private counselor to the Farben board of directors, got a 4-year sentence for plundering occupied countries.

OTHER SENTENCES

Other sentences on the charge of misusing slave labor: Fritz Ter Meer, 7 years; Otto Ambros, 8 years; Heinrich Buetefisch, 6 years; and Walter Duerrfeld, 8 years.

On the charge of plundering and despoiling countries occupied by the Nazis the following sentences were imposed: George von Schnitzler, 5 years; Ernest Buergin, 2 years; Paul Haefliger, 2 years; Max Ilgner, 3 years; Friedrich Jaehne, 18 months; Heinrich Oster, 2 years; and Hans Kugler, 18 months.

As a result of the defendants being given credit for time already served, Ilgner, Jaehne, Oster, Buergin, and Kugler will go free at once.

Ter Meer and Duerfeld were linked closely to the Farben synthetic rubber plant at Auschwitz (Oswiecim) concentration camp. Ter Meer was the only defendant convicted on two counts.

THE MEN ACQUITTED

The court acquitted on all counts Fritz Gajewski, Henrich Hoerlein, August von Knieriem, Christian Schneider, Hans Kuehne, Carl Lautenschlaeger, Wilhelm Mann, Karl Wurster, Heinrich Gattineau, and Erich von der Heyde.

Max Brueggerman was severed from the case because of illness.

The slave labor judgment was read today. The spoliation and plunder conviction was handed down Thursday.

The tribunal acquitted Schneider, Buetefisch, and von der Heyde of membership in a criminal organization—the SS (Nazi elite guard). It was acknowledged that they had membership, but the court ruled it was somewhat honorary and had no real significance.

[From the Detroit News of July 31, 1948]

CHEERING THE COMMIES

When the 24 I. G. Farben industrialists were put in the dock at Nuremberg on August 28, 1947, the American chief of counsel, Brig. Gen. Telford Taylor told the court: "These are the men who made war possible and they did it because they wanted to conquer."

There followed a long and costly trial, the practical results of which now make it seem like a case of bringing up the heavy artillery to shoot at a clay pipe.

Eleven directors went scot free. The remaining 13 were given sentences equivalent to those doled out to a first-time pickpocket or shoplifter.

Not having heard the body of the evidence, we cannot say that this is a miscarriage of justice. Possibly General Taylor failed to prove his case. Possibly the judges concluded that for industrialists to league with politicians and soldiers in the carrying out of mass murder and other outrages is a very little crime.

One dissenting judge at least impugned the judgment of the majority in that particular.

But the effect of it, and the disparity between Nuremberg's harsh judgments of soldiers and its soft judgments of businessmen, will not be lost on the world, least of all the Communist world.

They will say of it: "That is justice for a capitalist in a capitalist court."

They said it once before when Schacht was allowed to go, almost with our blessing.

Special Session Should Help Voters Make Up Their Minds

EXTENSION OF REMARKS
OF
HON. JOHN D. DINGELL
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 4, 1948

Mr. DINGELL. Mr. Speaker, under leave to extend my remarks in the RECORD, I include an article entitled "Why the Special Session Is Useful" from the

Christian Science Monitor of July 19, 1948, and another article "Special Session Puts Voters in the Saddle" from the July 21, 1948, issue of the same newspaper:

WHY THE SPECIAL SESSION IS USEFUL

(By Roscoe Drummond, chief, Washington bureau, the Christian Science Monitor)

WASHINGTON.—So far, most of the discussion about the special session of Congress called for July 26 has revolved around whether it will help or hurt President Truman, whether it will embarrass or benefit the Republicans.

This is quite secondary, quite unimportant.

What is important is whether it serves the country, not whether it serves the politicians.

There is a very good prospect that whatever the special session may do to Mr. Truman or to Gov. Thomas E. Dewey, it will be eminently useful to the voters.

Of course, there's politics in the President's action, and there's politics in the Republican response to the President's action.

Mr. Truman well may lose the advantage he is trying to gain in this maneuver. And if the Republicans aren't a little wiser and a little cooler than their first pained screams indicate, Governor Dewey may find that his Congress has put him at a disadvantage.

But it is hard to see how the country can lose, how the voter can be put at any disadvantage.

However political the President's purpose, the summoning of the special session on the eve of the campaign can make the 1948 election exceptionally meaningful and realistic. Quite unwittingly, it combines one of the best features of parliamentary government with the special advantages of the American system of national elections at regular intervals:

1. The American voters in a Presidential campaign ordinarily are asked to choose between two candidates and two parties mostly on the basis of what each promises to do if elected.

This fall the voters will have a chance to choose between two parties on the basis of what those parties actually do in a session of Congress which will end as the campaigning begins.

This time there is a good chance—at least the special session makes it possible—that the voters can make their decision on the basis of action, not merely on the basis of words; on the basis of performance, not merely on the basis of pledges.

2. Usually in Presidential elections, the record of the Congress is so distant and often so confused that it is only an incidental factor in the campaign. This time the special session undoubtedly will convene into the very heart of the campaign. The effect will be very near to the parliamentary system, wherein parliament is adjourned and goes immediately to the country upon specific and overriding issues.

When Congress adjourns at the end of the special session, both parties will be forced to go to the country on the basis of the record which each has made at the very time each party knew it had to submit itself to the electorate.

3. The central issues of the campaign will be made more than usually vital and visible by having Congress function before the very searchlight of voter opinion and conscious that it will be subject immediately and conclusively to voter decision. Congressional action—or inaction—is a far better and more realistic guide to what any party will do in office than are the speeches of the Presidential nominees.

For all of these reasons, however hard the special session may be on the politicians, it can be an incalculable boon to the voters.

Quite simply and completely nonpartisanly, I should like to ask:

Why shouldn't the Republican Party be asked by the voters, if not by a partisan President, to show that it can make good upon its platform before the election rather than after it? It is committed in its platform on virtually every issue which will come before the session. Why shouldn't it act upon a few of the most urgent?

And why shouldn't the Democratic Party be asked to show to its potential supporters whether it intends to make good upon its platform before rather than after the election? The platform praised President Truman for his civil rights program. Will his party, which has opposed it in the past, support it this summer? The platform pledged repeal of the Taft-Hartley law. Will the members of the Democratic Party in Congress, most of whom voted for the Taft-Hartley law, reverse themselves in order to honor the platform? Mr. Truman's potential labor supporters have a right to know.

The special session puts both parties on the spot and it's a good thing—good for the voters, healthy for the country, and it will make for a more vital, realistic, and intelligent election.

SPECIAL SESSION PUTS VOTERS IN THE SADDLE

(By Roscoe Drummond, chief, Washington bureau, the Christian Science Monitor)

WASHINGTON.—It is by no means certain, it is certainly not inevitable, that President Truman is going to pick up the marbles at the end of the precampaign special session of Congress.

The President has gained an opening advantage by seizing the initiative.

But what will really count is not who has taken the initiative but who uses the initiative better after it has been taken.

In other words, it is entirely within the grasp of the Republicans to take the special session into its own hands, use it constructively regardless of why Mr. Truman called it, and go to the country with a solid record of promises turned into performance.

There is some evidence already that the cooler heads in the Republican Party have this in mind. Governor Dewey is aware that just screaming "politics" is no effective answer to politics, and the fact that the Republican Presidential nominee is calmly silent suggests that he is looking for ways by which the GOP Congress can meet the President's challenge other than by epithets.

Thus far three arguments have been advanced against the special session of Congress. They deserve to be looked at.

One is that the domestic controversies which will be generated will endanger the bipartisan support of foreign policy and that the handling of the Berlin blockade crisis may be rendered more difficult. The fact is that no issue of foreign policy is raised by the special session; and if the bipartisan foundation of foreign policy will not stand the heat of the special session, it will not stand the heat of the campaign. The sooner we know it the better.

A second argument is that somehow Mr. Truman ought to recognize that he is going to be retired from the White House and begin acting accordingly. This would mean that he should accept the quiet role of caretaker of the Government until next January and conduct only a polite and diffident campaign with no more than a dash of partisan strife. Well, that's pretty unrealistic. Mr. Truman believes honestly that his policies are nearer right than his opposition; he is persuaded that he can prove it to the voters that he is nearer right; he sees no reason he should accept defeat as a foregone conclusion. Presidential campaigns are partisan in their nature and they never are fought without partisan strife; 1948 is no exception.

Finally, the view is held in some places—first expressed, I believe, by Representative CLARENCE BROWN, Republican, of Ohio—that Congress "is not under any particular obligation" to carry out the 1948 platforms. Mr. BROWN'S contention is that neither party has any responsibility to its national platform until the election has decided which party will control the Government; that only after the winning party has a new mandate from the people should it begin to put its promises into reality.

Now that, if I may put it mildly, is bland and guileful deception. That is the statement of a politician busy at his work. It is impure "bunk," containing just enough adulterated truth to get by the laws of nonsense.

Mr. Brown has the gall to say—you will note that Governor Dewey, Governor Warren, Senator Vandenberg, and other responsible Republican leaders are not joining in any such whim-wham—that neither party should be expected to honor its platform commitments until it wins the election.

What does this mean? It means that here is a politician who wants to defend both parties against having to do anything to alienate a vote until all the voting is over. It means that neither party should ever have to go before the voters on performance, only on promises.

The fact is that President Truman, as the Democratic leader, and Governor Dewey, as the Republican leader, have announced their unqualified acceptance of the pledges in their respective platforms. If party government means anything, it means that the Republican Party and the Democratic Party, through the voices of their conventions, have accepted the pledges of their respective platforms. The Democratic and Republican Members of Congress are the instruments of their parties, and they are as honor-bound by their platforms now as they are after November.

The special session doesn't put Mr. Truman in the saddle—it doesn't put Governor Dewey in the saddle. It puts the voters in the saddle. Here is one Presidential campaign in which the voters can see that Congress redeems its promises or is dealt with accordingly.

Russia—Don't Be Too Optimistic

EXTENSION OF REMARKS

OF

HON. HENRY D. LARCADE, JR.

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, August 2, 1948

Mr. LARCADE. Mr. Speaker, under authority to extend my remarks in the RECORD and include newspaper articles, I am submitting views of several newspapers and columnists, all of which, it is my opinion, will be of interest at this time. The articles follow:

[From the Washington Sunday Star of August 1, 1948]

UNITED STATES OUTPOSTS ARE SMALL BUT POTENT—OBSERVERS FEEL THAT OUR ACTUAL AND POTENTIAL POWER, RATHER THAN THE SIZE OF OUR UNITS ABROAD, IS RESPONSIBLE FOR CHECKING LARGE-SCALE AGGRESSION BY RUSSIA

(By Robert N. Cool)

Though President Truman recently declared that the chances for world peace are excellent, the armed forces of the United States stand guard throughout the world.

Compared with the mighty deployments of wartime, their present strength is not impressive, but many observers believe that it is the actual and potential power of the United States—represented abroad by comparatively small military units and skeleton facilities—which prevents large-scale aggression.

The Soviet Union, regarded as the only possible antagonist in a major war, frequently has complained about the armed "imperialism" of the United States. American troops, ships, airfields, and military equipment are to be found facing Russian expansion on evrey hand. The Chinese Government, warring with scant success against Chinese Communist armies, is powered by United States supplies. Far across the map, European nations within the sphere of the European recovery plan are waiting to find out whether they too are to be armed by America. Greece and Turkey already have been so equipped.

SKIRMISH LINES OF "COLD WAR"

In the Middle East, Britain arms the Arab world.

These weapons in the hands of possible allies represent the skirmish lines of the "cold war." It long has been accepted in the relationships between nations that supplying weapons does not constitute a breach of peace when there isn't a war on. Such weapons are considered to be for defense.

Behind them stand the warships, planes, guns, and soldiery of the potentially hostile powers.

In the present situation the Soviet Union is operating on interior lines. Its "allies," except for the more nebulous forces of international communism, are grouped on her immediate frontiers.

The United States, however, like England in the nineteenth century, is geographically isolated and possessed of the biggest navy. It has wide-ranging interests, plenty of money.

Its outposts are spread all over the world. Should war come, United States strategy would be to keep the fighting overseas while striking at the enemy from bases on his doorstep.

The map above shows where the United States has airfields, bases, troops, and ships. Many of these installations and forces represent obligations left over from the last war. American personnel in Germany and Japan, for instance, are engaged in occupation duties. A large United States airfield at Mellaha, Tripoli, recently was reactivated. It is used as a war station on air-supply routes between the United States and Germany and Saudi Arabia.

In any war, of course, other bases built during World War II would again be used by the United States. Brazil, where Americans built bases in the last war, is closely linked in hemisphere defense agreements. The status of wartime bases in Greenland and Iceland has been the subject of negotiation. Should war ever come they would almost certainly be used again.

SOMETHING THE MAP DOESN'T SHOW

When a group of United States B-29 Super Fortresses arrived in Britain on a visit during the height of the Berlin crisis the world saw how quickly the map of strategic force can be changed in an air age.

Most authorities attribute America's dominant world military position to something which is not shown on this map. That is the possession of the atomic bomb.

It was almost exactly 3 years ago that the first experimental atomic blast went off, under conditions of the greatest secrecy, a few miles west of Carrizoso, N. Mex. Soon the second and third atomic bombs shriveled Japanese resistance and astonished the entire world.

Though the nations have not found a way to control the atomic threat to civilization, they recognize its grim significance. Some believe that the awfulness of atomic war is going to help preserve peace.

Currently the United States alone is equipped to wage such a war, but last winter President Truman's Air Policy Commission warned that the United States could not assume immunity from a possible atomic attack on this country after January 1, 1953.

[From the Washington Daily News of June 19, 1948]

REDS ON MARCH AGAIN THIS SUMMER

While politicians fiddle—

Look for all-out, world-wide Red political offensive this summer, accompanied by violence.

Intelligence reports indicate that central, western, and southeastern Europe, the Middle and Far East, Indochina, Indonesia, Malaya, China, Burma, and Latin America all will be targets.

Red timetable is being speeded to take advantage of American confusion in election year, to paralyze world recovery efforts before they get well under way.

United States is committed deeply in each of these areas. Moscow figures by causing anarchy abroad, economic collapse here could be guaranteed. And that would be signal for Communist drive against us.

Inside reports to United States Government reveal steady Communist progress in China. Same is true of Indochina, nominally French, and Netherlands East Indies, nominally Dutch.

London reports Communist drive in Malaya to force British out; credits recent political murders to this source.

In Latin America, British secret service and our FBI work together against Red network. In Colombia, several British secret service men have been murdered. Investigators say one Communist aim there is control of Colombian oil.

Economically, war hit South America almost as hard as Europe or Asia. With widespread poverty, and hunger in some places, it's fertile ground for seeds of trouble.

It all adds up to backstage talk among high Government officials here and in London and Paris that this summer is almost certain to bring worst war scare since VE-day.

And that explains why Congressmen have bad case of jitters about their votes on draft bill.

[From the Washington Sunday Star of August 1, 1948]

ATLANTIC COAST OF EUROPE IS KREMLIN'S GOAL OF YEAR—SOVIET BELIEVES UNITED STATES WILL NOT PROVOKE WAR AND SHE MAY SUCCEED WHERE HITLER FAILED ON THE "RIMLAND"

(By Constantine Brown)

Some ranking military men in Washington, who have followed Soviet policies since Moscow was given the green light in 1943 to take over eastern Europe and the Balkans, have come to the conclusion that the Kremlin is determined—regardless of the price—to achieve control over Europe as far as the Atlantic.

Furthermore they believe that Russia intends, after destroying the regime of Generalissimo Chiang Kai-shek, to establish Red supremacy over China, India, Siam, Indochina, and Indonesia.

The Kremlin hopes to carry out its plans without war, but is prepared and willing to unleash a conflict if we attempt to interfere. Moscow feels confident that it will succeed where Hitler failed. The Western Powers were capable of determined resistance to Nazi Germany in World War II, but this strength has been destroyed as far as Europe is concerned, the Soviet planners believe, while the United States will not, single-handed, challenge the vast power of the U. S. S. R. and her satellites.

As an indication of our timidity, according to those who maintain some contacts with the countries behind the iron curtain, the Kremlin points out that the United States, after having shown its willingness to spend billions for Europe's recovery, balked when the western European nations asked that military equipment be made available to aid their self-defense.

LESSON FROM HITLER

The German geopoliticians, who, headed by the late Professor Haushofer, advised Hitler before he embarked on his fatal adventure, expounded the doctrine of the "heartland" of Europe and Asia which must be in the hands of any power which seeks to dominate the world. It was in accordance with this doctrine that the Germans tried to conquer the heart of Europe before they attempted to win the shore lines of the continent.

Soviet geopoliticians, who realize that today most of Europe's heartland is in Moscow's hands, go a step further. Taking a lesson from Hitler's sad experience, they believe that the heartland is useless unless the "rimland" of the continent is in their hands.

This makes it imperative for the U. S. S. R. to be in physical possession of the Atlantic coast from Norway to Spain, and, if possible, to Gibraltar. If such an operation can be carried out without a shooting war, so much the better. If there is physical resistance, however, it must be crushed. The present western governments must be liquidated and replaced by faithful stooges of the Kremlin.

EXPLAINS BERLIN ATTITUDE

This program explains the Soviet attitude in Berlin and its insistence on creating a centralized Germany after the allies have evacuated German territory. America at the present time is the only power in the world capable of challenging the grandiose Russian plans. Hence, America either must be placed in a position where it cannot interfere with the Kremlin's plans or be persuaded to give up all interest in Europe and Asia.

It must be remembered that until Prime Minister Stalin was "bribed" to participate in the United Nations, by important concessions in China and new territorial acquisitions from Japan, he advocated the division of the world into three zones: (1) Eastern and central Europe and a portion of the Middle East to be the responsibility of the U. S. S. R.; (2) western Europe and a portion of Africa, together with the Indian Ocean area of Asia, for which Britain should be responsible; and (3) the Western Hemisphere, including the Philippine Islands, which would be the exclusive interest of the United States.

Prime Minister Stalin was following the old power politics pattern which eventually would lead to more major wars, for one of the great powers could be expected to infringe on the bailiwick of one of the others.

If today the United States can be persuaded to give up all interest in Europe and the Far East, Russia soon will be in a position to control both the Atlantic and Pacific shores of the Continent of Europe and Asia and will not have to consider what America may do in the future.

BOMB EFFECT NEGLIGIBLE

Moscow's determination to reach the Atlantic this year is considered to be the only certain thing in the present confused European picture.

Many diplomatic and military observers in Washington contend that Russia is reluctant to unleash another war because she is not fully prepared yet. Furthermore, it is said, she does not yet possess the atomic bomb. This destructive instrument, which is still an American monopoly, unquestionably would be important in an offensive war. But the knowledge of this monopoly is producing the same effect on the American people as the Maginot line produced on the French between the two world wars.

The atomic bomb is a powerful weapon in our hands, if we decide to use it to stymie Russia's present obvious plans. But it will become of questionable importance if Russia is permitted to establish herself along the Atlantic and Pacific and begins to produce her own atomic bomb.

The belief that Russia is not fully prepared to wage war at this time is pure wishful thinking. It is true that the Soviet armies are not prepared to fight such a powerful army as we had in Europe between 1944 and 1945. If the powerful American divisions which broke the back of the Nazi armies and the powerful air groups which smashed Germany existed today between the Rhine and the Channel instead of the present weak skeleton formations, there is no doubt that the Russians would not have a chance against us, no matter how many divisions they had.

FORCES ARE WEAK

But our fighting strength in Europe right now is less than three divisions. Our Air Force is nowhere near what it was on VE-day. The French and British forces are lamentably weak and dispirited. There is more national unity in those countries today than there was a year or two ago, but still Communist agents have succeeded in creating a state of mind which does not lend itself to long-range resistance.

The French have manpower enough to organize immediately 45 divisions, but they must rely on American factories to provide them with the necessary equipment. We cannot provide them with it. We are figuring on increasing our own national forces by eight new divisions. This will require at least 18 months under present conditions. How can we assume the responsibility for providing war material for 45 new French divisions?

While it should be admitted that the Red armies are not equal qualitatively to the forces of the West as they existed on VE-day, there is no military force now in existence which is able to stand before the masses the U. S. S. R. can throw into a campaign at a moment's notice.

The sheet weight of Russia's more than 250 divisions would annihilate the weak forces which exist in western Europe. This explains why the French Government is swallowing its pride and urging the American and British Governments to negotiate—and appease Russia if necessary—rather than provoke a Soviet attack.

PROPITIOUS MOMENT

The Kremlin is fully aware of conditions in the West—much more so than we are about conditions behind the Iron Curtain. The Kremlin also is aware that in addition to our unpreparedness for a major war, a bitter electoral campaign will be waged in America during the next 3 months. The members of the Politburo assume that no political leader will be popular and get the vote if he advocates involvement of the United States in another war.

No moment has been more propitious for the Kremlin to put into effect its policies of reaching Europe's and Asia's "rimland"—as protection for the heartland—than the next few months. The Soviet leaders have made their calculations and believe that while there is slight danger of provoking the American people to another bitter fight, the chances that this will not happen are very great, indeed.

"SIT TIGHT" POLICY

Their present policy is to sit tight and let Washington exhaust itself with diplomatic gestures and notes. After a while, our diplomatic observers believe, when this Government is faced with the alternative of a shooting war or a withdrawal from Europe, the Kremlin is confident that we will withdraw.

Meanwhile, the Russians are holding tight to their policy of squeezing us out of Berlin—which is regarded by those in that city as another potential Bataan. The air lift which we are using to bring supplies into that beleagured city is spectacular and impressive. But like many spectacular displays of strength, it cannot go on indefinitely. The days of heavy fogs and frequent bad weather are approaching and our planes will be grounded for considerable periods. Then what? the Russians ask.

The German people are watching our efforts with admiration, for American planes are performing a remarkable feat. But the question in their minds is whether there is enough strength in America to challenge the Russians when they decide to start their march to the channel. They doubt it.

The Berlin affair, which has set the international pot boiling, is a premeditated incident on the part of the Russians. We have to make a choice in the near future whether to abandon the city—which means that we would have to leave all of Germany before the year is up—or to accept the Russian challenge and assert our rights to remain there.

The Russians feel confident that in either case they will succeed in reaching the Atlantic by the end of the year, and secure the "rimland" which they believe will help establish Asiatic domination over the world.

[From the New York Times, August 3, 1948]

LIGHT ON RUSSIAN AIMS

At the moment when the envoys of the United States, Britain, and France were being admitted to the presence of Premier Stalin to submit their proposals for ending the Berlin crisis and settling the problems of Germany and of Europe, the Russian delegation at the Belgrade Conference published its draft for a new Danube pact, which is highly revealing of Russian purposes and policies. This draft pays lip service to the principle of free and open navigation of Europe's central waterway, as provided in the Balkan peace treaties; but it also proposes to vest control over such navigation in a commission consisting solely of representatives of the Danube states, which means control by Russia and its satellite governments. How Russia employs such controls for its own ends is amply demonstrated by the Russian blockade of the German capital.

What the Russian proposal amounts to, therefore, is that a conference called to establish a new international administration of the Danube, such as has been maintained for many decades, is in effect being called upon to abrogate such an administration and to convert the Danube into a private Russian river. The Western Powers, who took the initiative in calling a conference packed by Russia with its puppets, are being asked either to submit to the Russian demands and bar themselves from any part in carrying out an important provision of the peace treaties they have signed or face being shown the exit door.

Such a development can scarcely be called a triumph for western diplomacy. But it also demonstrates several other things which it will be well to keep in mind. The first is that Russia is still pursuing power politics for its own self-aggrandizement. The second is that it is following in Hitler's footsteps and is trying to expel from central and eastern Europe what the Nazis used to call area-alien elements, such as the Western Powers, in order to establish its own unchallengeable domination. And the third is that where Russia finds itself in the majority, the minority is accorded not only no veto rights but no rights at all, which provides a preview of what would happen in the United Nations if Russia should ever succeed in dominating a majority in it.

Beyond that, if Russia should succeed in applying the principle of its proposed pact to the Danube it can be expected to press with increased vigor for the application of the same principle to an even more important waterway—the Dardanelles. Having been refused control of the straits by Hitler under the Nazi-Soviet pact, it returned to the same demands after Hitler's defeat. After winning western consent to a revision of the international regime established by the Montreux convention, it demanded in a note to Turkey dated August 7, 1946, that control over the straits should be vested solely in Turkey and the Black Sea powers to the exclusion of the west, which would put real control in Russian hands, and that this control should be backed by a joint defense giving Russia military bases on the straits. This, of course, would make Turkey another Russian puppet. The Truman doctrine put up a bar against such a development, but a victory of the Russian principle at Belgrade would go far in strengthening Russia's case in any future conference on the Dardanelles.

Spare Us From OPA

EXTENSION OF REMARKS

OF

HON. HUBERT S. ELLIS

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 4, 1948

Mr. ELLIS. Mr. Speaker, under permission to extend my remarks in the Appendix of the RECORD, I include an editorial from the New York Daily Mirror of July 27, 1948. The editorial follows:

SPARE US FROM OPA

President Truman is scheduled to continue picking his political quarrel with Congress today and it is widely believed he will ask for inflation controls, including the establishment of another OPA.

Heaven knows, prices are high enough—because Mr. Truman forced them there.

But deliver us, we cry, from another OPA reign of terror, with its accompaniment of empty shelves in the stores and its legion of fat-bellied "blacketeers" taking the trade and the profits away from legitimate business.

Mr. Truman—with a great deal of Republican aid, it must be admitted—set out to save the world with the Marshall plan.

So, while Americans desperately need houses, autos, heavy goods of all kinds, food and clothing at fair prices—$7,000,000,000 worth of our national energy and wealth is being channeled off to Europe and elsewhere.

And it is blandly assumed that we can provide these goods without any shock to our economy; that they can have our cake and we can eat it, too.

Probably we will never get over being national suckers.

We even expected gratitude from Europe for our help, and we have just been given a sample of that lovely quality by the once great Republic of France.

France is a main beneficiary of the Marshall plan.

And the principal purpose of the Marshall plan, as it was sold to the American people, was to combat the spread of communism by helping western Europe to become strong.

But when French Premier Schuman tried to put through a modest billion-dollar budget for France's military defense, he was voted down and his government fell.

Communist and other elements of the radical left were in part responsible. Also to blame, we think, was the feeling that is natural and general over Europe, a sentiment than can be described as "What the hell, let Uncle Sam do it."

We are going to have to pay—and that means every individual United States citizen—for the world paternalism of the New Deal.

The reckoning cannot be avoided by artificial regulations which would, by their employment of myriads more bureaucrats, only intensify the burden.

Federal spending, past and present, beyond the means of the country to underwrite

that spending, is the primary cause of inflation. Until that cause is removed by rigid governmental economy, no palliative OPA pill can undo the evil.

The Congress should hammer home these truths to the people over and over. We are paying the price of folly. Our only real relief can come by cutting out the foolishness.

President Truman's Message Presents a Test of Republican Leadership

EXTENSION OF REMARKS
OF
HON. JOHN D. DINGELL
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 27, 1948

Mr. DINGELL. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the St. Louis Post-Dispatch of July 27, 1948:

A FORTHRIGHT MESSAGE

Mr. Truman's message to Congress, for the most part, is strong and directly to the point. It contains no surprises. The President merely reiterates a program of legislation which he has often urged upon the Eightieth Congress. If the message were read in a vacuum, without knowledge of the events of the last month, it would be difficult to detect political motivation. Of course, the message has political motivation, but it also coincides with the national welfare.

The major part of the address deals with the two most pressing domestic problems—inflation and housing. Mr. Truman sketches, in succinct phrases, what high prices are doing to the family budget, and how they continue to rise month after month. Increased prices for food, clothing, and fuel are accompanied by rises in industrial prices, such as the recent increase in steel. Correctly, the President warns that a major depression here would prevent the recovery throughout the world basic to lasting peace.

Last November, Mr. Truman asked Congress to pass a 10-point anti-inflation program. He now presents a revised and strengthened 8-point program. He would re-enact the excess-profits tax (thus correcting one of his own mistakes); restore consumer credit controls; harness bank credit; regulate speculation in commodities; allocate scarce commodities; strengthen rent controls; set up stand-by rationing and price control on products in short supply, and provide limited control over wages.

The weakness in this otherwise good program is the gingerly way the President deals with wages. He made a bad error just after the war ended in removing controls from wages. He expounded the Alice-in-Wonderland theory that wages could rise without necessarily causing price rises. Apparently he is still living partly in that dreamland. He says the Government should have authority to limit wage adjustments which would force a break in the price ceiling. It would take Merlin the magician and a million accountants to determine just when the Government should step in under that formula. This is especially true since the President adds the clause—"except where wage adjustments are essential to remedy hardships, to correct inequities, or to prevent an actual lowering of living standards."

The President makes the good point about inflationary measures that, if they are not passed by the special session, it may take the Eighty-first Congress many months to prepare legislation, hold hearings, and pass a program and the country cannot wait that long. He makes the same point about a housing law, which he said might be delayed a full year if held over for the next Congress. In housing, Mr. Truman asks for the passage of the Taft-Ellender-Wagner bill, which has already passed the Senate but which has been bottled up in the House at the urging of the real-estate lobby. There is good reason to believe that if the bill should get to the House floor, it would receive sufficient Republican votes for passage.

In addition to inflation and housing, the President renews his plea for aid to education, increasing the minmum wage from 40 to 75 cents, increasing and extending social-security benefits, a more generous and less bigoted displaced-persons law, etc. He calls attention to the shortage of power, and asks for appropriations for the Johnsonville, Tenn., steam plant and other projects. The highly controversial civil-rights program he mentions last among matters to be acted upon in the special session.

Now comes the test of Republican leadership. It can spurn the President's recommendations and call them, if it will, an attempt at political blackmail. That would be the petty attitude and for them a dangerous one. The public is not going to be deceived by such a tactic and it would cost the GOP prestige and votes. Or the Republican leadership can regard the President's address as a challenge and as an opportunity. It can pass a sheaf of legislation to meet the Nation's immediate problems and thus heighten its already bright chances for victory in November.

The Administrative Practitioners Act

EXTENSION OF REMARKS
OF
HON. JOHN W. GWYNNE
OF IOWA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 4, 1948

Mr. GWYNNE of Iowa. Mr. Speaker, I have today introduced a bill to protect the public with respect to practitioners before administrative agencies. The present bill is a revision of H. R. 2657, introduced on March 20, 1947.

Extensive hearings were held on H. R. 2657 by Subcommittee No. 2 of the House Judiciary Committee. At those hearings many representatives of interested groups throughout the country appeared and gave the committee the benefit of their views. A brief statement of the history and purpose of the bill, together with an explanation of its provisions, is as follows:

HISTORY, STRUCTURE, AND PURPOSE OF THE BILL

For many years legislation has been proposed in one or both Houses of the Congress respecting admissions to practice before administrative agencies. More than 20 bills have been introduced in recent years.[1] When the administrative procedure bill (now the Administrative Procedure Act) was before the House in 1946 there were demands that it contain provisions on this general problem. But the subject was then deemed too large and important for fragmentary treatment as a mere part of the Administrative Procedure Act. Experience during the present Congress, with H. R. 2657, has demonstrated the wisdom of leaving the matter for separate consideration and more comprehensive provision.

From the earliest times, those who represent other people in the courts and before Government bodies have been subjected to regulation. A lawyer is simply a person who has complied with traditional requirements for a license to practice law. In this country the Government of the United States and its agencies leave the granting of these permits, at least in the first instance, to the courts of the several States, Territories, dependencies, possessions, and District of Columbia. But, at the same time, there has been a gradual growth of a system in the Federal executive branch for the administrative admission to practice, and the administrative control, of both lawyers and nonlawyers. This has come about because, in the creation of new governmental agencies to exercise new powers of regulation in new fields, there has been a natural development of specialized callings as in the realm of rates and accounting. These new specialists, who operate exclusively before administrative bodies, have been necessarily subjected to some control in the matter of their practice there.[2]

This dual system of control—one by the courts and the other by some Federal administrative agencies—has produced a number of perennial problems. (See the elaborate study entitled "Admissions to and Control Over Practice Before Federal Administrative Agencies," report of the committee on administrative practice, Bar Association of the District of Columbia, 1938.) Lawyers, although duly licensed and subject to discipline by the courts of both the Federal Government and the several States, have been unnecessarily required to obtain many special licenses from administrative agencies to do what the courts have already authorized them to do. (See the Final Report, Attorney General's Committee on Administrative Procedure (1941), S. Doc. No. 8, 77th Cong., p. 124.) In matters of discipline, lawyers have thus been subjected as well to the divided control of both the judicial and administrative

[1] S. 2944, Mr. Wagner, of New York, 74th Cong.; H. R. 9635, Mr. O'Toole, 75th Cong.; H. R. 4798, Mr. O'Toole, 76th Cong.; H. R. 605, Mr. O'Toole, 77th Cong.; H. R. 2526, Mr. Walter, 77th Cong.; H. R. 94, Mr. O'Toole, 78th Cong.; H. R. 4470, Mr. Wickersham, 78th Cong.; H. R. 2323, Mr. Hancock, 78th Cong.; S. 1945, Mr. Lucas, 78th Cong.; H. R. 5237, Mr. Smith of Virginia, 78th Cong.; H. R. 5277, Mr. Capozzoli, 78th Cong.; H. R. 339, Mr. Smith of Virginia, 79th Cong.; H. R. 643, Mr. Wickersham, 79th Cong.; S. 92, Mr. Lucas, 79th Cong.; H. R. 1206, Mr. Walter, 79th Cong.; H. R. 1387, Mr. Hancock, 79th Cong.; S. 572, Mr. Langer, 79th Cong; S. 740, Mr. McCarran, 79th Cong.; and H. R. 3089, Mr. Kefauver, 79th Cong.

[2] See, for example, *Goldsmith* v. *Board of Tax Appeals* (170 U. S. 117 (1926)). For the prior and subsequent history of this case see *People ex rel. Goldschmidt* v. *Travers* (167 A. D. 475, 152 N. Y. 1058, aff'd 219 N. Y. 589); *Goldsmith* v. *U. S. Board of Tax Appeals* (4 Fed. 2d 422, aff'd 270 U. S. 117); *People* v. *Goldsmith* (249 N. Y. 598, reversing 224 A. D. 707, 229 N. Y. S. 396); *Bennett* v. *Goldsmith* (168 Misc 42, 4 N. Y. S. 2d 278, reversed 280 N. Y. 529); *United States* v. *Goldsmith* (108 F. 2d 917, cert, denied 309 U. S. 678).

arms of government. In addition, agencies often either license nonlawyer specialists or abandon all pretense of specialization by dealing with all representatives, regardless of their qualifications or standing.

Lawyers are also subjected to various professional and ethical requirements and disabilities, while nonlawyers are generally either not subject to them at all or are less stringently regulated. Regulations which the centuries have found advisable for the one should surely apply as well to others who undertake to perform similar functions. A nonlawyer who is disqualified from practice before one administrative agency is still left his specialized calling in its nonadministrative aspects or before other administrative agencies. But in the court of his admission to practice, a lawyer, subjected to the same type of discipline, normally loses his right to practice his profession anywhere and everywhere. Even more important, however, is the daily subjection of lawyers to extensively stated and judicially expounded canons of professional ethics for which there is no real or effective counterpart among nonlawyer specialists. This lack not only leaves the latter free to disregard accepted ideas of good professional conduct but, in the administrative field, tends to undermine the application of standards of conduct to any practitioner whether he be lawyer or nonlawyer.

If special training and licensing are necessary for practice by lawyers, it is reasonable to suppose that there are similar reasons for controlling practice by nonlawyers in the Federal Government. Modern government is so intricate that no man should be permitted to hold himself out as a professional unless he has met professional requirements. To say this is not to disparage the nonlawyer specialist but to place him upon a real professional footing. Moreover, the public is entitled to representation by persons not only of good moral character but equipped with the necessary technical skill and understanding of professional responsibilities. Practically all of the States have such legislation,[3] which their courts have executed and expounded "for the better security of the people against incompetency and dishonesty."[4] The Federal Government can afford nothing less for the due protection of the people of the whole United States in their dealings with national administrative agencies.

The present bill, after extensive hearings on H. R. 2657 of the present Congress, has been drawn with a view to setting up a system for administrative practitioners which shall be adequate to the needs of today but, at the same time, utilize past experience and preserve the necessary authority of individual administrative agencies. Section 1 contains only the short title. It is followed by seven operative sections. Section 2 contains definitions. Section 3 provides for a Credentials Committee. Section 4 deals with the regulation of practice. Section 5 simplifies the admission of lawyers to Federal administrative practice. Section 6 provides for the issuance of credentials to nonlawyers. Section 7 relates to disciplinary proceedings. Section 8 contains miscellaneous provisions necessary to effectuate the system proposed.

In short, the bill provides for the licensing and discipline of administrative practitioners. This requires a definition of "practice" (sec. 2) and a method for the admission of lawyers (sec. 5) and nonlawyers (sec. 6). Provision is made for the maintenance of standards of conduct of such licensed practitioners (sec. 4) and for the disciplinary proceedings (sec. 7). Nothing essentially new is proposed, since in each of these aspects of the subject there has been long experience. The bill simply seeks to shape a system which will operate in modern government with due provision for the functions of a great variety of recently created or expanded administrative agencies.

EXPLANATION OF PROVISIONS

In the following explanation there appears each section of the bill in quotation marks followed by a paragraph or more of analysis or explanation:

"SECTION 1. Title: This act may be cited as the 'Administrative Practitioners Act'."

The proposed statute is called a Practitioners Act because it relates to the licensing and regulation of practitioners before administrative agencies of the Federal Government. In these days when administrative agencies have taken over much of the work formerly left to the courts, it is timely that there be regulation of such practitioners before such agencies just as there has long been the licensing of lawyers by the courts. Individual agencies have heretofore attempted such regulation, some on an elaborate scale, but many agencies have paid little if any real attention to the matter. Moreover, diverse requirements by the different administrative agencies of the Government are confusing to both lawyers and nonlawyers and in most cases fail to constitute a satisfactory system for even one agency. The provisions and comments which follow explain how it is proposed that regulation of administrative practice be achieved and be given a measure of uniformity by this bill.

"SEC. 2. Definitions: Terms shall have the same meaning as in the Administrative Procedure Act (Public Law 404, 79th Cong.). 'Individual' means a natural person. 'Credentials' means certificates and other evidence of admission to practice issued pursuant to this act. 'Credentials Committee' means the agency established pursuant to section 3. 'Practice' means regularly appearing, participating, or offering to do so on behalf of others for a consideration in agency proceedings as the whole or part of a profession, calling, business, or trade. Nothing in this act shall prevent appearance or participation in an agency proceeding (1) as a witness, (2) for a limited or special purpose, (3) by an individual on his own behalf, (4) by a partner on behalf of the partnership, (5) by an officer or regular full-time employee of any State, local government, or agency thereof or of the United States on behalf of such government or agency, or (6) if permitted by rule of the agency in any proceeding not conducted pursuant to section 7 or 8 of the Administrative Procedure Act, by an officer or regular full-time employee of a corporation or other organization on its behalf."

The adoption of the definitions in the Administrative Procedure Act not only simplifies the bill but is significant for present purposes because those definitions limit the bill. Thus "agency proceeding," as defined in the Administrative Procedure Act and hence applicable where used in this bill, means only a regulatory proceeding and therefore does not include advisory functions, commer-

[3] For such statutes see Alabama, 1940 Code, title 46, sec. 42; Arizona, 1939 Code, secs. 43–3303; Arkansas, 1937 Pope's Statutes, Ch. 12, sec. 641, and ch. 42, sec. 3630 et seq.; California, Deering's, secs. 6126 and 6127; Colorado, 1935 Ann. Stat., vol. 2, ch. 14, secs. 17 to 24; Connecticut, General Statutes, Supplement 1933, sec. 5345; Delaware, 1935 Rev. Code, as amended 1937, secs. 192, 193, and 195; Florida, 1941 Statutes, sec. 39.23; Georgia, Laws 1931, No. 36, page 191; Idaho, 1943 Laws Annotated, secs. 3–104 and 420; Illinois, Smith-Hurd Revised Statutes 1933, ch. 32, sec. 411, and ch. 38, sec. 298; Indiana, Burns Annotated Statutes, secs. 4–3601 to 3604; Iowa, 1946 Code, sec. 665.3; Kansas, 1935 Rev. Stat., sec. 7–102 (see *Depew* v. *Wichita Association of Credit Men, Inc.* (142 Kan. 403, 49 P. (2d) 1041)); Kentucky, 1944 Rev. Stat. 2d ed., secs. 30.010 and 30.990; Louisiana, General Statutes (Dart) 1932, sec. 444 and sec. 446; Maine, 1944 Rev. Stat, ch. 93, sec. 4; Maryland, 1939 Annotated Code, art. 10, sec. 1, and art. 27, sec. 15; Massachusetts, 1933 Annotated Laws, ch. 221, secs. 41, 46, and 49; Michigan, Compiled Laws 1929, secs. 10175 and 13587; Minnesota, 1941 Statutes, sec. 481.02; Mississippi, 1942 Code, secs. 680 and 8682; Missouri, 1939 Rev. Stat., sec. 13314; Montana, 1935 Rev. Codes, secs. 8943 and 8944; Nebraska, Compiled Statutes 1929, sec. 7–111; Nevada, Compiled Laws 1929, sec. 586; New Hampshire, 1942 Rev. Laws, ch. 381, secs. 7, 10, 11, and 12; New Jersey, Stat. Annotated, 2:111–1 and 2; New Mexico, 1941 Statutes Annotated, sec. 18–126; New York, Consolidated Laws, ch. 41, secs. 270, 271, and 280; North Carolina, 1943 General Statutes, secs. 84–2.1 and 4 to 8; North Dakota, 1943 Rev. Code, sec. 27–1101; Ohio, Page's Annotated General Code 1926, secs. 1698–1 and 1706; Oklahoma, 1941 Statutes, title 5, sec. 1; Oregon, Compiled Laws Annotated, sec. 47–301; Pennsylvania, Purdon's Pennsylvania Statutes Annotated, title 17, sec. 1608; Rhode Island, 1938 General Laws, ch. 612, sec. 42; South Carolina, 1942 Code, sec. 312; South Dakota, 1939 Code, secs. 32.1101 and 32.1121; Tennessee, Code 1932, sec. 9970; Texas, 1936 Vernons Stat., Penal Code, sec. 430 (a); Utah, 1943 Code Annotated, sec. 6–0–24; Vermont, 1933 Public Laws, secs. 1351 and 1244; Virginia, 1942 Code Annotated, sec. 3422; Washington, Remington's Revised Statutes, sec. 138–14; West Virginia, 1937 Code, ch. 30, art. 2, secs. 2853 and 2854; Wisconsin, 1943 Statutes, sec. 256.30; Wyoming, 1945 Compiled Statutes, sec. 2–418.

[4] *People ex rel. Chicago Bar Association* v. *Goodman* (366 Ill. 346, 8 N. E. 2d 941, cert. denied 302 U. S. 728). See also the following representative decisions: *Bump* v. *District Court of Polk County* (232 Ia. 623, 5 N. W. 2d 914); *Goodman* v. *Beall* (139 Ohio St. 427, 200 N. E. 470); *People* v. *Alfani* (227 N. Y. 334; 125 N. E. 671); *Opinion of the Justices* (289 Mass. 607, 194 N. E. 313); *Matter of Co-operative Law Co.* (198 N. Y. 479, 92 N. E. 15); (*Meunier* v. *Bernich* (La.) (170 So. 567); *Chicago Bar Association* v. *United Taxpayers* (312 Ill. App. 243, 38 N. E. 2d 349 (1941)); *Lowell Bar Association* v. *Loeb* (315 Mass. 176, 52 N. E. 2d 27 (1943)).

cial-type transactions with agencies (such as some of the work of customhouse brokers), or mere applications or requests for information. Similarly an "agency" does not include the tax or customs courts or public authorities composed of representatives of parties.

The definition of "practice" is basic to the whole bill. "Regularly appearing, participating, or offering" eliminates occasional instances in which attorneys or others appear before administrative agencies as an incident to some other proper activity (see also the last sentence of sec. 5 below). "On behalf of others" eliminates the appearance of a person on his own behalf to give data or to express views if an agency will otherwise permit him to do so in a given proceeding. "For a consideration" exempts religious, fraternal, benevolent, philanthropic, charitable, veterans, and other organizations of a nonprofit nature in their legitimate fields of endeavor. "Agency proceeding," as explained in the previous paragraph, means only a regulatory proceeding. "As the whole or part of a profession, calling, business, or trade" again emphasizes that the regulated activities are those in which persons engage as a business or profession.

The final sentence of the section enumerates six situations in which the bill does not apply. But, of course, in any of them an agency, within the scope of its powers, may restrict these exemptions. The latter are also in many respects merely a specification of exemptions which would follow in any event from the general language of the definition of "practice" as set forth in the previous paragraph. (1) "As a witness" is self-explanatory. (2) "For a limited or special purpose' is designed to take care of those situations in which a person appears not as a formal party for all procedural purposes but merely to present data or views with the permission of the agency involved. Examples are the appearances of Boards of Trade or Chambers of Commerce to present, much in the fashion of a witness, the general positions they have taken as to a given matter. Farm cooperatives or labor unions may similarly appear to give evidence or state views. Where they are full parties, as in the case of proceedings brought against them by name they are normally represented by counsel. (3) An appearance "by an individual on his own behalf" would include those persons who in the contemplation of law stand in the stead of any individual. Thus an individual may be represented in an appropriate case by his parent, guardian, administrator, trustee, and so on. (4) The appearance of a partner on behalf of a partnership is traditional and arises out of the legal nature of partnerships. (5) The appearance of public officials for public purposes is an apparent necessity. (6) If not exempted by the provisions discussed above, corporate or organizational appearances through officers or employees are limited to proceedings in which sections 7 and 8 of the Administrative Procedure Act do not apply. The reasons for this limitation are that, in the first place, the proceeding is a so-called formal one in which there is a presiding officer and a record is being made much in the fashion of a court proceeding. Secondly, the record is that upon which judicial review may be had so that the proceeding is in effect a part of the court process. However, even then the limitation need not be taken as precluding corporate or organizational appearances by officers or employees because the latter may be admitted to such practice under section 5 of the bill and in certain circumstances under section 6 of the bill.

"SEC. 3. Credentials Committee: There shall be established and operative (as the President shall provide by executive order in conformity with this act) a Credentials Committee of five members who shall be designated by the Attorney General, serve without compensation, issue certificates of admission and renewals thereof, and perform other functions required by this act. Three shall be a quorum. Four shall be designated from among officers then serving in the executive branch by and with the consent of the Senate. One shall be an attorney engaged in the private practice of law representative of the legal profession. Not less than three shall hold or be eligible for credentials under section 5. For the purposes of this act the Credentials Committee shall appoint a Secretary, have such staff, other assistance, or advisory services or committees as may be required, incur obligations, make rules, issue individual notices by mail requiring the renewal of credentials from time to time, fix compensatory admission and renewal fees, and require the submission of necessary information from any person or agency. Receipts shall be deposited in the Treasury of the United States as a trust fund to be drawn upon for the purposes of this act as the Credentials Committee may direct; and there is hereby appropriated to such fund for such purposes for the fiscal year in which this act is approved, and for each fiscal year thereafter, the unexpended balance in such fund at any time."

This section contemplates that a central Credentials Committee shall be created as is often done in the States respecting admissions to the bar. In each of the several States there is a centralized court system headed by a supreme court. But in the Federal administrative system there is no central or top administrative agency to perform the same function. For that reason it is necessary to create one by this bill for purposes of admissions to practice. However, since its functions will soon become routine, it is to be an uncompensated and ex-officio body as is customary in State practice. It is important that they shall be high officials in the executive branch. It is also important that the legal profession be represented as is done in the States. Within these limitations as expressed in section 3 of the bill, it is proper that the detail of the set-up be provided by executive order and thereby remain flexible. The Credentials Committee thus may also be placed in some appropriate department (such as the Department of Justice) for so-called housekeeping purposes.

In order to limit admissions of practice to those who seriously desire to pursue such a calling, and in order to make the system self-supporting as is often done in such cases, fees should be fixed by the Credentials Committee from time to time on a compensatory basis and be made available to defray expenses. Since applicants for such admissions will run into many thousands, such fees will, however, be modest if not merely nominal. Moreover, in order to prevent the roll of practitioners from becoming out of date and thus causing difficulty in administering the system proposed, it is necessary that the credentials committee have authority to require renewals by mail as occasion may require. The authority to "require the submission of necessary information from any person or agency" does not amount to the subpena power but means merely that (1) Federal agencies shall submit relevant data on request and (2) applicants for admission to practice must produce necessary information or run the risk of being denied the credentials they seek.

"SEC. 4. Unauthorized practice prohibited: No person shall practice, hold himself out as a practitioner, or in any other manner assume so to practice before any agency without credentials or except as authorized under this act. No agency action, no credentials, and nothing in this act shall be deemed to permit any person to practice law in any place or render service save practice as defined in and limited by this act; and no person shall hold himself out, impliedly or expressly, as otherwise authorized hereunder. No person shall in any manner or form engage in the solicitation or procurement of employment (involving practice) for another holding credentials hereunder nor shall holders of credentials participate therein. Practice as attorneys subject to section 5 shall be governed by the canons of professional ethics generally applicable to members of the bar of courts. Agents admitted to practice pursuant to section 6 shall be subject to the same requirements (including limitations on solicitation, advertising, and division of fees) adapted and promulgated in the form of rules by the Credentials Committee. Individuals admitted to practice under section 5 or 6 shall honor, and presiding and deciding officers in any agency proceeding shall conduct themselves in accordance with, the canons of judicial ethics generally applicable to members of the judiciary."

The first sentence of section 4, when coupled with the definitions in section 2 above, is the enforcement clause for the whole bill. The second sentence is simply a declaration of the obvious fact that an admission to Federal administrative practice is no more than that, and authorizes no person to claim the privilege of practice elsewhere. The third sentence, prohibiting solicitation through a third party, would not, of course, preclude anyone from recommending, or referring business to, a practitioner upon request and without compensation. The adoption or adaptation of standards of conduct by the last three sentences of the section are necessary because, at least from a technical point of view, the recognized canons of professional and judicial ethics are inapplicable to administrative practice both because it is

administrative and because many practitioners are not lawyers. In the absence of such provision, very few administrative agencies have attempted to state standards of conduct and the enforcement of those so stated has been desultory. A large part of the difficulty has been the simple lack of statutory authority for agencies to have and enforce such standards. The bill seeks to remedy this lack.

"SEC. 5. Credentials of attorneys: Any individual shall be given credentials as an attorney by the Credentials Committee upon (1) the production of evidence that he is a member in good standing of the bar of the highest court of any State, Territory, possession, or the District of Columbia and (2) his written statement that he is engaged in the practice of law in such jurisdiction or, if that is not the case, submittal of reasonable and satisfactory evidence of character and fitness. Possession of credentials under this section shall entitle the holder to practice before any agency except that any agency which pursuant to statute has for more than 7 years prior to the adoption of this act required attorneys to demonstrate additional special technical competence may continue to do so under reasonable rules and no credentials authorizing practice before such agency shall be issued until such agency shall have certified to the Credentials Committee that the applicant has met such requirements. Any agency may provide that an attorney without credentials may act for or represent another solely in connection with a particular agency proceeding."

Under the existing system of administrative practice, lawyers who are already admitted to practice before the highest courts of the land must secure admission to numerous administrative agencies as well. Such repetitious admission requirements for lawyers as such are unreasonable, unnecessary, and provocative of much complaint. However, granted that some form of control is needed for the protection of the public and the administrative agencies, section 5 of the bill provides for one centralized admission. The first sentence of the section restates the general practice in State and Federal courts as well as in some administrative agencies. In determining character and fitness the Credentials Committee may utilize methods well understood by the bar. The exception in the second sentence is designed to preserve the Patent Office system whereby, unlike other agencies with admission requirements, competence and experience beyond that of a member of the bar in good standing has long been required, is expressly authorized by existing law (35 U. S. C. 11), and is generally accepted by the bar. The last sentence provides, as is common in the courts, for admission to practice for the purpose of a particular or occasional case where there is ground for so doing and no evasion of the requirements is apparent.

"SEC. 6. Credentials for agents: So long as and to the extent that any agency shall find it necessary in the public interest and in the interest of parties to agency proceedings before it to authorize practice by individuals not subject to section 5 and provides by generally applicable rule therefor, any such individual may be admitted hereunder to practice as an agent before such agency. The Credentials Committee shall issue credentials to applicants under this section if, after such examination or investigation as may be necessary for the purpose, (1) such agency shall determine and certify that the applicant possesses necessary competence as well as understanding of ethical responsibilities and (2) the Credentials Committee shall be satisfied that the applicant is of good moral character and repute. The Credentials Committee shall also issue credentials to individuals who present a certificate from any agency that, prior to the effective date of this section, they have been authorized to practice before such agency and are in good standing there. Under this section no individual shall be admitted to practice in proceedings to which sections 7 and 8 of the Administrative Procedure Act apply or in which the governing statute provides only for appearances in person or by attorney or counsel except that, in either case, any agency may certify such individuals for such practice before it where it has done so by rule requiring investigation and examination of applicants for more than 7 years prior to the adoption of this act."

As is presently the case, the bill leaves the admission of nonlawyers largely to the individual agencies concerned. Since nonlawyers may not have had specialized training and may not have been otherwise licensed for professional duties, the second sentence of the section requires an agency to determine in the first instance whether, in its informed judgment and after such examination or investigation as may be necessary, the applicant possesses such scientific training, experience, special competence, peculiar technical ability, knowledge of legal requirements, understanding of ethical responsibilities, and other qualifications as may be requisite to the adequate performance of the duties of a practitioner for the protection of clients and the attainment or preservation of their rights. An applicant would be licensed only to the extent of practice so certified by the agency concerned to the Credentials Committee.

Determination of good moral character and repute would be undertaken in the same general fashion as in the case of the admission of lawyers under section 5 above. Similarly it should be understood that qualifications with regard to character and professional responsibility will not be less than those required of lawyers admitted under section 5 of the bill.

Previously licensed nonlawyer practitioners will be entitled, by the third sentence of section 6, to new credentials under this bill enabling them to continue in their practice. However, once so given credentials, they will thereafter and in all other respects be subject to the responsibilities, disabilities, and requirements applicable to those receiving credentials for the first time under the bill.

The last sentence of the section imposes two limitations. The first is that, where statutes permit representation only by "attorney" or "counsel," nonlawyers are not given the right to practice under this bill. The second is that nonlawyers shall not, under this bill, be admitted to practice in formal proceedings subject to sections 7 and 8 of the Administrative Procedure Act (see the comment respecting this subject in section 2 above). However, in either case, if for 7 years or more (as in the case of the Interstate Commerce Commission) an agency has been examining and licensing nonlawyers for such practice, it may continue to do so under this bill. It is to be noted that this provision does not change the situation of accountants in tax matters before the Bureau of Internal Revenue because practice there is neither limited by statute to attorneys or counsel nor are the proceedings subject to sections 7 and 8 of the Administrative Procedure Act.

It may be observed that, although nonlawyers are to be admitted to administrative practices as set forth in the preceding paragraphs, such an admission does not extend beyond the admission privileges so granted. (See the discussion of the second sentence of section 4 above.) Moreover, there are obvious limitations in any event to what nonlawyers may do. The constitutional right to counsel means the right to have the advice of a lawyer, not a nonlawyer. Thus, where an administrative proceeding or investigation is one in which a person is compelled to give evidence which may be used against him in criminal proceedings, he is entitled to the advice of a lawyer rather than a nonlawyer. This bill does not purport to substitute nonlawyers for lawyers where the latter are required by constitutional or other law.

The bill does not preclude agencies from regulating nonlawyers over and beyond the minima stated in this bill. Thus, for example, the right of the Treasury Department to regulate customhouse brokers (19 U. S. C. 1641) will remain unimpaired. To the extent that they or other nonlawyers engage in practice as defined in section 2 of this bill, they must be licensed in accordance with the requirements and limitations of this bill. To the extent that in other respects or in a greater degree they or other nonlawyers may be licensed or otherwise regulated by administrative agencies, this bill does not disturb such administrative powers or functions.

"SEC. 7. Disciplinary proceedings: Every agency conducting proceedings subject to this act shall by rule provide that for good cause any person holding credentials shall (1) be censured, or (2) be suspended from practice in the particular case in which misconduct occurs or from all cases before it for a period not to exceed 90 days, or (3) be subjected to proceedings for the revocation of credentials as hereinafter provided in this section and with or without suspension from practice by the agency concerned pending the final determination thereof. Where cause therefor appears and unless the holder consents to an order of revocation and surrenders all his credentials, the agency shall (1) in the case of any individual holding credentials under section 6 issue an order revoking his credentials and (2) in the case of an individual holding credentials under

section 5 either (a) refer the matter to appropriate and existing State or Federal judicial disciplinary authorities or (b) issue an order revoking his credentials if applicable statutes expressly provide both for such action by the agency and for judicial review thereof. Any agency order of censure, suspension, or revocation of credentials shall be entered only upon opportunity for hearing and upon the record thereof; and all such orders shall be subject to judicial review. Notice of all such proceedings shall be given the Credentials Committee, and, for the purposes of this section, it shall act in lieu of agencies in cases in which misconduct is unrelated to any agency proceeding and no interested agency undertakes to act in the case."

The first sentence of this section recognizes for the first time in statutory language that it is appropriate for administrative agencies to utilize a variety of disciplinary powers. The courts have long done so, whereas statutes relating to the administrative process have been barren or fragmentary on the subject. The second sentence recognizes the necessary difference in the exercise of the ultimate form of discipline in the case of the nonlawyer as compared with the lawyer. The former has not been admitted to practice by courts and hence is not subject to judicial discipline. The latter has been so admitted, there exists a ready forum for disciplinary proceedings, and any such action solely by an administrative agency is bound to have effect upon a lawyer's standing before the bar. Consequently, it is the design of this bill that the right to administrative practice shall, for appropriate cause, be revoked by administrative agencies in the case of nonlawyers and by judicial authorities in the case of lawyers except in the single case of the Patent Office, where by statute provision is made for both revocation by the administrative agency of a lawyer's right to practice and for judicial review thereof (35 U. S. C. 11). The bill would thus supersede the present authority of the Treasury Department (5 U. S. C. 261), the Veterans' Administration (38 U. S. C. 102), and the Interior Department (5 U. S. C. 493).

However, as stated above, agencies would be given the express authority to censure, to suspend for a limited period, to wholly revoke credentials or institute proceedings therefor, and in the latter case to suspend pending the final determination thereof. For the first time an administrative agency would be authorized by statute to refer cases to the appropriate State or Federal judicial disciplinary authorities. In the case of either a nonlawyer or a lawyer any absolute order of censure, suspension, or revocation by an administrative agency must be entered after an opportunity for a hearing and upon the record thereof (thereby becoming subject to section 5 of the Administrative Procedure Act) and will be subject to judicial review (pursuant to sec. 10 of the Administrative Procedure Act). Of course, a mere reference of a case by an administrative agency to judicial authorities, without suspension of the right to practice meanwhile, would not require a hearing or be subject to such judicial review. For the exercise of these disciplinary powers it is provided that the Credentials Committee shall act in cases in which misconduct is unrelated to any agency proceeding and no interested agency undertakes to act in the case.

"SEC. 8. Operation and effect: Any person willfully violating any provision of this act or rule lawfully issued hereunder, or knowingly submitting any false information required pursuant hereto, shall be fined not more than $5,000, or imprisoned for not more than 1 year, or both. No individual holding credentials under this act and serving by appointment as an officer, employee, or consultant in any agency or branch of the Government of the United States shall act or receive compensation during such public service or within 2 years thereafter as an attorney, agent, or employee of other interests with respect to (1) any matter in which the United States is interested and he renders or has rendered such public service or (2) any matter factually related thereto; but in all other matters such an individual so appointed on a temporary (not to exceed 2 years), intermittent, uncompensated, or part-time basis or for the purpose of particular litigation or agency proceedings may (if otherwise qualified and unless limited by rule or written instruction of the appointing agency) during or after such public service so act or receive compensation. All statutory provisions, rules, or applications thereof in conflict with this act are hereby repealed. No subsequent legislation shall be held to supersede or modify any provision or application of this act except to the extent that such legislation shall do so expressly. If any provision of this act or application thereof is held invalid, the remainder of this act or other applications of such provision shall not be affected. The requirements of this act respecting admissions to practice shall not take effect until 6 months after its approval."

The first sentence, fixing a penalty for violations, is self-explanatory. The same may be said of the last four sentences. The final sentence of the section defers the effective date of the admission requirements for 6 months after the approval of the bill, in order to afford time to place in operation the machinery provided in sections 3, 5, and 6 of the bill as set forth above.

The second sentence of the section deals with a subject respecting which there is now a multiplicity of conflicting and diverse statutory provisions. This provision seeks to write into law for the first time (so far as holders of credentials under this bill are concerned) the present canon of professional ethics that no practitioner shall engage in representing anyone in a matter (or matter factually related thereto) in which he is simultaneously concerned, or with which he previously dealt ("investigated or passed upon"), as a public servant (Canon No. 36, see also sec. 4 above) except that the disability is limited to 2 years following termination of his public service to accord with the 2-year limitation found among the statutory provisions cited below. Secondly, the provision frees the holder of credentials (be he lawyer or nonlawyer) to undertake private representation in other matters if he is or has been a public servant on only a temporary, intermittent, uncompensated, or part-time basis or for particular litigation or agency proceedings unless at the time of his public service the agency concerned has provided otherwise by rule or written instruction. In this respect Fifth United States Code, page 99, would be modified so far as it prevents a practitioner from serving his Government in a limited capacity upon pain of being prohibited from taking certain claims against the Government for a period of 2 years thereafter. The same would be true of section 19 (e) of the Contract Settlement Act of 1944 (41 U. S. C. 119) and of the more limited provisions of the World War Prohibition Act (5 U. S. C. 100). In the same circumstances Eighteenth United States Code, page 198, would be modified so far as it prevents a present limited-service practitioner from engaging in private practice involving claims. The provision would not affect the application of Eighteenth United States Code, page 203, to "a Senator, Member of, or Delegate to Congress, or a Resident Commissioner" but otherwise the provision would be modified so as not to prevent a practitioner from giving limited service to any branch of the Government without losing the right to practice before Government agencies in unrelated matters. The proposed provision would extend the principle of subsection (j) of the Renegotiation Act by extending the prohibition thereof beyond the term of a practitioner officer or employee (50 U. S. C. App. 1151). It carries forward substantially the same provision of section 27 of the Surplus Property Act of 1944 (50 U. S. C. App. 1636). These modifications are desirable in order to provide a uniform rule respecting holders of credentials under this bill. Such persons will be subjected to the licensing controls provided by the bill. They will be permitted to serve their Government on occasion without unnecessary disabilities. It will thus, for example, be possible for a private practitioner to serve on the Credentials Committee as provided in section 3 of the bill.

World Trade Position of the United States

EXTENSION OF REMARKS

OF

HON. LEONARD W. HALL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 4, 1948

Mr. LEONARD W. HALL. Mr. Speaker, there is included in the RECORD, in line with permission given me, a short editorial from the Grace Log, published by the Grace Line, in pointed comment on the facts of the export-import situation of the United States in terms of our general world trade. Emphasis is placed in the article on the need for properly allowing for the increased price level in seeking to gage our present relative world trade position in terms of what it was

before the commencement of the European war. The editorial argues persuasively for the need of world trade expansion.

IT'S A POOR WORLD

The fact that exports of the United States in 1947 reached a total value of $15,330,000,000 is likely to give a false idea of the magnitude of that trade to the entire world. If this figure is deflated to the 1938 price level it would be only $8,030,000,000 as compared with the actual $3,090,000,000 of exports in 1938. This means that the volume of our exports in 1947 was 259 percent of the volume in 1938.

Although world trade figures must be regarded as highly approximate because of inadequacies of current data, the Office of International Trade of the Department of Commerce estimates that the $46,000,000,000 value of exports of all countries, that is, total world trade, would be valued at $23,000,000,000 compared with actual $21,900,000,000 in 1938.

In other words, the world as a whole in 1947 only just barely got its export volume above the prewar level.

As the United Kingdom only has slightly improved its prewar volume of exports, and the United States did approximately 2½ times as well, this means that the rest of the world, outside of the United States and United Kingdom, did only 75 percent as well in volume of exports as in 1938.

The foregoing indicates that it's a pretty lean and poor world—as a whole.

And it substantiates the statement we have made many times before, namely, unless total world trade is considerably expanded there just will not be enough prosperity to go around. Nobody will be happy. The ground will be fertile for the growth of things we do not like.

For this reason it is tragically necessary that every influence be activated that can contribute to sound growth and that trade stifling restrictions be progressively terminated. Trade will not flourish in a quagmire of controls, embargoes, quotas, limitations, and other palliatives.

Republican Congressmen Are Only Kidding Themselves by Ignoring High Prices and Housing Shortage

EXTENSION OF REMARKS

OF

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 4, 1948

Mr. DINGELL. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Washington Daily News of July 30, 1948:

CONGRESSIONAL ELECTION, TOO

Republican Senators, in caucus, voted to consider only these recommendations in President Truman's message to the special session which could pass a three-point test:

1. The legislation must be emergency in character.

2. It must contain a problem of national importance.

3. It must be a program which can be processed properly within the time available to an emergency session.

Then the Republican Senators called up the anti-poll-tax bill as their first order of business—a measure which does not meet any one of the three requirements.

Emergency in character? The poll tax has been a political football since reconstruction days.

A problem of national importance? Only 7 of the 48 States have poll taxes.

A measure which can be processed properly within limited time? The Republicans—as well as every newspaper reader—knew in advance the southern Democrats had organized a filibuster against the bill which may endanger the whole special session program.

Now it's the Republicans who are playing politics and giving us double talk.

The President wants to saddle the Republican Congress with responsibility for high prices. In retaliation, the Republicans want to widen the breach between the President and the Dixiecrats, and are using the anti-poll-tax bill as the wedge.

Of course, the poll tax should be abolished. But the issue isn't raised in good faith in the present circumstance, and no one pretends that it is.

Inflation—the high cost of living—is the No. 1 issue at this special session, and everybody knows that, too.

Second only to that is the need for housing. The issue is very real to thousands without a decent place to live, whether Congress knows it or not.

So who is being fooled by these shenanigans? Not all of the people, you may be sure. Possibly only some of those in Congress who hope to be reelected, who are jumping into the hole Harry Truman dug for them.

The Displaced Persons Act of 1948 Should Be Amended

EXTENSION OF REMARKS

OF

HON. KENNETH B. KEATING

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 4, 1948

Mr. KEATING. Mr. Speaker, it is my sincere hope that action will be taken at this special session to amend the Displaced Persons Act of 1948 recently enacted so as to change the cut-off date for determining eligibility from December 22, 1945, to April 21, 1947. To that end I have today introduced a bill which is a companion to one offered in the other body by the Senator from New Jersey [Mr. SMITH] on behalf of himself and several of his colleagues, including the junior Senator from New York [Mr. IVES].

Other measures have been offered to make more extensive changes in the Displaced Persons Act. With many of these suggested amendments I am in thorough accord. Some of them, however, are highly controversial so that an effort to deal with them would entail extended consideration and lengthy debate. For that reason it is perhaps not feasible to consider them at this necessarily brief session.

Nevertheless, the issues presented by the change in date suggested in the single amendment envisioned in my bill are simple and the arguments for the change extremely convincing. April 21, 1947, is the date contained in the original House bill which we passed and which was changed in conference to conform in this respect to the Senate bill. Presumably, therefore, favorable action in the other body on S. 2902, to which I have referred, would be followed promptly by endorsement here.

The first reason for change is purely administrative. April 21, 1947, was the date selected by General Clay for the closing of the displaced-persons camps in Germany to further entry. A careful catalog of the names of and data concerning those who entered prior to that date has been prepared and turned over to the International Refugee Organization at the time that body was created. There are many thousands who fled from persecution and entered these camps between December 1945 and April 1947. By enactment of the Displaced Persons Act our country has assumed its share of the international obligation to find a home for these unfortunate victims of war and religious or political persecution. To divide the present occupants of these camps into two categories; one, those who arrived before December 22, 1945, and the other those arriving after that date, raises obvious administrative difficulties of great complexity and leaves completely undischarged our obligation, equally strong, to those who sought asylum after December 1945 from the cruelties of persecution.

In other words, to leave the date as it is, is to make two packages out of what should be one, to leave the job only partially accomplished.

There is, however, a further and more compelling reason for this suggested change in date. No doubt, unwittingly, but none the less effectively, the selection of the arbitrary date, December 22, 1945, has resulted in effecting a discrimination against religious and racial groups which is foreign to the finest American traditions and should never find a place in legislation. The Jews, those who suffered most from the outrages of their torturers, fled in large numbers from Poland, the Ukraine, and elsewhere following the war, to seek refuge in these camps. Likewise, those professing the Catholic faith fled before the prospective horrors and tortures of Communist oppressors. To mark these groups as ineligible for entry into this country under the displaced-persons program seems to me extremely unfair and unfortunate. Certainly these victims of totalitarianism, whether nazism or communism, may reasonably be expected to appreciate the blessings of American freedom at least equally with the victims of the actual conduct of the war itself who for the most part comprise those already within the camps by December 1945.

In fairness it should be pointed out that the Right Reverend E. E. Swanstrom, of New York, chairman of the National Catholic Resettlement Council, has disavowed any claim that the bill which we finally enacted is discriminatory. Nevertheless, the council, at its meeting in St. Paul, Minn., on June 4, adopted a resolution urging that April 21, 1947, be selected as the determinative date in this legislation in order to prevent injustice to many good European citizens who fled from Communist-dominated areas after the end of the war.

The simple amendment here suggested, of course, in no way increases the

number of displaced persons to be admitted to this country. That is not changed in any way. It merely makes eligible for consideration for admission not only those forcibly displaced during the conduct of the war, but also those equally effectively displaced by conditions resulting from the war.

Modern Business Problems

EXTENSION OF REMARKS
OF

HON. HAROLD D. DONOHUE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 4, 1948

Mr. DONOHUE. Mr. Speaker, under leave to extend my remarks, I should like to include the address I recently delivered at a meeting of the Smaller Business Association of New England, which took place on July 27, 1948, at the Hotel Sheraton in Worcester, Mass.

The address follows:

Mr. Chairman, ladies and gentlemen of the Smaller Business Association of New England, it is a privilege and pleasure for me to be with you tonight on the occasion of your sectional meeting here in the city of Worcester and the heart of the Commonwealth.

I am not going to talk about small business in any narrow sense, but about American business. If we examine the facts, small business is American business, for 98 percent of all the business units in the United States have fewer than 50 employees. These small enterprises represent the spirit of American free enterprise, the heart of our free economy.

These are critical times—more critical, perhaps, than many of us realize. We read and hear much of the things that are happening which threaten to plunge other nations of the world into political and economic chaos, but there are also other dangers for us which are much closer at hand.

The threat of economic disaster is not wholly one that we can view from afar. Many of the same forces which have brought large sections of Europe close to the brink of chaos are also working in our midst.

Today America stands as an oasis of social and economic freedom in a world beset by dictators and regimentation. We are facing a fight to preserve our traditional liberties—liberties which were almost universally accepted as the rightful heritage of mankind not so many years ago. One by one other nations who enjoy similar liberties have been forced to relinquish them either by totalitarian pressure or economic adversity.

American productivity, which far exceeds the productivity of any other nation in the history of mankind, has been built on the principle of free enterprise. This principle is one of our fundamental doctrines. In a sense it is the foundation on which our other liberties have been erected, for it represents the right of the individual to be his own master. There can be no real freedom in a land where all commerce and industry are monopolized either by the Government or a handful of private enterprisers.

However, the stability of a free economy depends upon the social intelligence and individual responsibility of the people who enjoy its advantages. It cannot prosper in a society where selfishness and opportunism are allowed to thrive with reckless abandon.

It should be a matter of the deepest concern to all of us that the tendency of our American economy to swing widely between prosperity and depression has become increasingly apparent in recent years. In a brief span of three decades we have had three periods of prosperity and two depressions. We all remember the lush period of the 1920's when making a paper fortune on the stock exchange was the style even for the office boy and housemaids. Everybody was going the limit to gratify his own desires. If he couldn't pay cash for what he wanted, he could buy it a dollar down and a dollar a week. Nobody was concerned about a day of reckoning, except a few far-sighted economists, and nobody paid much attention to them.

Then came the crash. Today we are similarly threatened with inflation. Many are convinced that it has already arrived, but the present situation differs considerably from the inflation of the 1920's. That was primarily an inflation in the securities market; this is an inflation in the commodities market. There is very little speculation in the present situation. Certainly, however, the danger is no less; it may be even greater. And certainly the selfishness on the part of many is again pushing us toward the brink of disaster.

Time does not permit a detailed discussion of all the factors that enter into what I have termed "selfishness," but I would like to discuss with you one of the major causes.

In my opinion overexpansion of credit is a major contributing cause of a general business break-down. This has been recognized by the American Banking Association when it stated that "easy credit terms in the long run is bad business."

When anything is suggested in the nature of planned economy it is termed "communistic" because we would be denying to the individual his inherent right to use his credit on the best terms he can secure. This seems to be the equivalent of saying we have an inherent right to destroy ourselves, and everybody else along with us.

I am perfectly aware that consumer credit has been a powerful factor in the economic growth of our country. It has helped to keep production lines in operation and to maintain employment in periods when buyer demand was lagging behind the output of certain industries. It is a drug to increase demand. This is certainly not a drug that we need today, because the demand is so great.

I doubt that the small-business man could be given any more dangerous advice in the present situation than to be told to go all out on long-term credit selling. We know that the present inflationary spiral must be stopped, for otherwise we are headed for an economic disaster. Present prices are mounting upward like a stock of boxes piled one on top of the other until the slightest vibration may send them toppling to the ground. If anything happened to bring about a sharp reduction in prices, even by some emergency action, the little-business man with a heavy load of credit sales would be caught in the middle. His creditors—banks and wholesalers—would press him for settlements. His customers would be ill-disposed to continue payments on goods purchased while the prices were up. Many of them would probably default, especially if the decline in prices were accompanied by other features of a business recession.

What action Congress will take on the President's proposal is something uncertain. I believe, however, that a great number of the Members in both the Senate and the House recognize that some legislation should be enacted to prevent further inflationary trends. This is not a partisan matter. High prices and inflation are no respecters of political affiliation.

One of my chief reasons for discussing consumer credit has been to emphasize that American business must develop a keener sense of responsibility for the economic well-being of the Nation, if our system of free enterprise is to survive and prosper. If we have heeded the lessons of history, we know that inflation is the highroad to economic chaos. We know, moreover, that economic chaos fosters political upheavals and the development of radical economic doctrines. It is the principal ally of the Communist and every other plotter who hopes to overthrow our Nation.

We are all concerned about what may happen in the field of small business in the event of recession. Since the end of 1943, when the business population of the country hit the bottom of its wartime slump, more than 650,000 new businesses have appeared. Unquestionably, many thousands of them have been started by veterans and former war workers with virtually no business education or experience. These small enterprisers are ill prepared even for the return of normal business competition. If any great number of them were to fail, they might conceivably set off a chain reaction of failures which would end in a major calamity.

I am not in any sense meaning to say that we are headed inevitably toward another depression. Such a statement is not only untrue, in my opinion; it is dangerous. To say that another depression is inevitable is to resign ourselves to its coming. That we must not do.

We do not know what another depression would do to our economy. Many businessmen, who have observed a close parallel between present conditions and those that followed the First World War, have soothed themselves with an idea that, if another depression is ahead of us now, it will follow the same pattern as the depression of 1920–21. That depression was bad enough but it was a short one, except for the farmer. There is no certainty, however, that another depression would be a short one.

There are many influences at work today which were absent a quarter of a century ago. All of our business life has become more involved and more complicated. In the depression that followed World War I, the price of food decreased rapidly to adjust to falling incomes. The farmers took the rap. This time we have a price-support program for agricultural products which does not expire until the end of next year when it is almost certain to be renewed. That means that food prices would be slow to adjust to another depression.

In the World War I depression, labor unions had only 4,000,000 members who had just begun to realize the influence they were capable of wielding. There are now 15,000,000 unionized workers in the country, supported by effective legislation and powerful political allies.

These new developments have introduced elements into our economic structure which greatly complicate the problem of forecasting what would happen in another depression. I do not mean to say that these elements are not desirable. It is worth noting, however, that while the positions of agriculture and labor have been greatly strengthened, the position of business has been very little reinforced if at all.

Still another element is present today which was lacking in the period that followed the First World War. There was no dynamic force at work then to drive the world into the fold of communism. That force is present now, seeking to develop economic chaos and factional disputes. We can be very sure that the Communists are doing all that they can to bring about another depression in the United States. They know that the American people will never again tolerate the hardships of a major depression such as the one that hit us in 1929. They hope that the result would be a swing to communism.

This danger is not one that we can afford to ignore, regardless of our faith in the good sense and patriotism of our American people. It is up to American business to see that conditions do not develop which will favor

a dangerous swing to the left. Our system of economic freedom can exist only so long as we can make it work successfully. If we permit it to falter and fail, we must anticipate the upsurgence of some other economic doctrine wholly foreign to our American ideals and traditions.

We must learn that economic freedom means, not freedom to engage in selfish practices that jeopardize the general business structure, but freedom to work together for the good of all. This is the only way that we can insure the future of American free enterprise.

Statement on Bill for an Excess-Profits Tax and for Special Amortization of Economic Emergency Facilities

EXTENSION OF REMARKS
OF
HON. JOHN D. DINGELL
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 4, 1948

Mr. DINGELL. Mr. Speaker, the excess-profits tax provided for in the bill I have introduced today is expected to yield about $4,300,000,000, according to Treasury estimates. It will contribute to the fight against inflation in four main ways.

First, it will go far toward restoring a surplus of Government receipts over expenditures, which should be one of the Government's principal weapons against inflation. Such a Treasury surplus was eliminated by the tax-reduction bill passed in the spring of 1948.

Second, it will remove $4,300,000,000 of purchasing power from large corporations. The Treasury estimates that this bill will affect less than 25,000 of the more than 360,000 corporations filing tax returns with the Treasury. It is significant, however, that the rapidly rising corporate profits would make taxable 3,000 more corporations than did the bill I introduced earlier this year—even though the present bill is much more liberal in its terms. Moreover, the present bill will yield over a billion dollars more in revenue. The net result of the tax will be to reduce demand for investment and inventory accumulation, to relieve pressure on markets, especially for capital goods, and thus to reduce inflationary pressure on the economy.

New businesses would be protected by a special exemption not granted to corporations in existence before 1940.

Third, the excess-profits tax should contribute to wage stabilization. Extraordinary business profits are undoubtedly one of the two major factors giving rise to demands for wage increases, the other and by far the most important being the exorbitant rise in the cost of living. The taxation of excess profits, therefore, together with measures to hold living costs down, should restore stability to the wage structure.

Fourth, the excess-profits tax, limited to the larger corporations, will be an inducement to the dominant producers and price-setters in an industry to avoid further price increases to whatever the traffic will bear, since so large a part of the price increase would be paid over to the Government.

With corporate profits after taxes nearly 100 percent above the level of peak war year 1943, the consuming public is entitled to protection from the peacetime profiteers.

This bill also attacks inflation by encouraging the building and acquisition of plants and equipment for the production of key cost-of-living commodities or materials in short supply. All income taxpayers—both individuals and corporations—will be allowed to charge off for tax purposes the cost of economic emergency facilities over a period of 5 years instead of ordinary depreciation over the life of the facility. Provision is made for a committee, appointed by the President, to certify as to the necessity for economic emergency facilities.

An explanation of the specific sections of the bill follows:

Section 1 of the bill states the short title: "Emergency Revenue Act of 1948."

Section 2 of the bill, will reimpose with certain modifications the excess-profits tax which was repealed by the Revenue Act of 1945.

The old law imposed an excess-profits tax at a flat rate of 85½ percent of the adjusted excess profits net income with a ceiling for normal, surtax and excess-profits tax combined of 80 percent. The wartime tax provided for a specific exemption of $10,000. Under the wartime tax the excess-profits credit was the higher of (1) an income credit equal to 95 percent of average earnings for the period 1936–1939 with certain adjustments for changes in capital, or (2) an invested capital credit equal to 8 percent of the first $5,000,000, plus 6 percent on the next $5,000,000, plus 5 percent of the balance of invested capital over $10,000,000.

The bill would make the following changes in the wartime excess-profits tax:

1. Effective date: The new excess-profits tax would be made applicable to taxable years ending after 1948.

2. Specific exemption: In lieu of the $10,000 wartime specific exemption, the bill provides $50,000, with an additional $50,000 allowed to corporations not in existence prior to January 1, 1940.

3. Excess-profits credit: The excess-profits credit under the bill is equal to 140 percent of the excess-profits credit allowed under the wartime tax.

4. Tax rate: Tax rates under the new bill would be:

Income subject to tax:	*Tax rate (percent)*
In excess of 140 percent but not in excess of 145 percent of old credit	50
In excess of 145 percent but not in excess of 150 percent of old credit	60
In excess of 150 percent but not in excess of 75 percent of old credit	70
In excess of 175 percent of old credit	80

5. Carry-overs: Under the bill there will be no carry-overs or carry-backs of any unused excess-profits credits.

Section 3 of the bill provides 5-year amortization for economic emergency facilities similar to that allowed during the last war, with the following modifications:

(a) The authority for certifying such facilities as necessary is vested in a committee designated by the President for such purpose. The committee is authorized to prescribe such rules and regulations as may be required with respect to these certificates. The committee, in its discretion, could certify that only a part of a facility qualifies for, and is subject to, 5-year amortization.

(b) Provision is made for the prevention of the application of the long-term capital-gains rate to any gain resulting from the sale of an emergency facility to the extent of the amortization deduction previously taken.

(c) The cost of land is not included in the basis for special amortization.

(d) The provision will take effect for taxable years after 1947.

Mr. Speaker, it would be an unconscionable denial of responsibility if Congress were to adjourn without passing this bill. Since the peacetime excess-profits tax will rest on the foundation of our experience in the war, there is no necessity for extended debate. The bill could even be passed under suspension of the rules. I point out that 159 Members already have voted for an excess-profits tax in the Eightieth Congress. If only 59 Republican Members should awaken to the pressing need of the hour, passage of this bill can be obtained.

I repeat—corporate profits feeding the fires of inflation have soared to nearly twice the level of the peak wartime year. Surely—in peace as well as in war—the American people cannot fail to protect themselves against those whose uninterrupted folly threatens the stability—if not the very existence—of the country and the capitalistic economy.

Dewey's Teacher Slur Verified

EXTENSION OF REMARKS
OF
HON. GEORGIA L. LUSK
OF NEW MEXICO
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 4, 1948

Mrs. LUSK. Mr. Speaker, a prominent newspaper columnist has termed the criticism of Mr. Dewey by the school teachers and friends of Federal aid to education, as childish. But in my opinion it is a serious matter.

As a Presidential candidate, Governor Dewey's attitude on this and every other question should be thoroughly understood. Why does not Governor Dewey himself, rather than through a secretary, tell the people of his stand?

Governor Maw, of Utah, has the forthrightness and courage to bring this discussion out in the open.

I am glad to offer his statement made to the press for information of the Members, to be printed in the Appendix of the RECORD:

[From the Democrat, of New York, N. Y., July 29, 1948]

DEWEY'S TEACHER SLUR VERIFIED—WITNESS REFUTES DENIALS—GOP NOMINEE HIT TEACHERS' LOBBY AS VICIOUS

Governor Herbert B. Maw of Utah today sharply refuted denials issued for Governor Dewey of New York that Dewey had made slurring remarks concerning the activities of the teacher's lobby.

"I was there," said Governor Maw. "Dewey did make the statements attributed to him."

TEACHERS VERSUS DAY LABORERS

Governor Maw also revealed that Governor Dewey and Governor Warren, now Dewey's running mate, clashed sharply over the fact that Warren argued that school teachers should be paid more than day laborers.

Governor Dewey was criticized at the recent convention of the National Education Association in Cleveland for making the statements. Dewey's remarks were originally reported in a copyrighted syndicated column to the effect that he had characterized teacher's propaganda for higher pay as the biggest lie since Hitler.

CONVICT HIM OF UNTRUTH

Governor Maw today said:

"I cannot understand why Governor Dewey persists in allowing subordinates to issue denials for him. He made the statements and this apparent attempt to dodge the political consequences can only convict him of untruth. If I felt as strongly as Governor Dewey seemed to on this subject I would certainly not object to standing up and backing my own statements."

Governor Maw said the conversation at which the statements were made by Governor Dewey took place immediately before the opening of an executive session of the Governors' Conference. He added:

"This was on the next to the last day of the recent Governors' Conference in Portsmouth, N. H. That would make it June 15."

TEACHERS' LOBBY "MOST VICIOUS"

Telling of the conversation, Governor Maw said:

"There was a discussion of the problem facing all Governors on the matter of teachers, their pay and the general shortage of trained personnel. This problem was to be the subject of the executive session.

"Governor Dewey was extremely excited and heated in his remarks. I remember distinctly one statement in which he said, 'It (the teachers' lobby) is the most vicious lobby in the Nation today. If it isn't stepped on now, it will destroy the Nation.'

"There was some disagreement among the Governors with this extreme statement, but Governor Dewey persisted in his remarks," Governor Maw recalled. "Dewey went on to say, 'It's worse than the power lobby, the real-estate lobby, the oil lobby, the liquor lobby and a lot of others'."

There was a sharp interchange between Governor Warren and Governor Dewey at this point, Governor Maw declared. Governor Warren asked Governor Dewey:

"Why teachers don't even get as much as a common laborer. Do you object to them getting that sort of pay?"

WOULD FIGHT PAY INCREASE

Dewey replied: "That's not true in New York."

"I don't know about your State, Tom," Governor Warren replied, "but conditions are not good in California."

Governor Maw thought for a moment and added, "I was a little surprised that Dewey and Warren wound up on the same ticket at the Republican Convention. They certainly differed on this issue."

One of Governor Dewey's pet projects at this Governors' Conference was a proposal that the conference hire some top price publicity men to combat the teacher's demands for pay increases.

DEWEY AID ISSUED DENIAL

"Governor Dewey said he had already personally contacted radio commentators and news columnists in New York to get them to stop using teachers' propaganda. He wanted them to tone the teachers' demands down. I suppose that's how Drew Pearson got on the story."

Since publication of the story by Drew Pearson and the offering of a resolution of censure to the National Education Association convention in Cleveland, Ohio, James Hagerty, press attaché to Governor Dewey, has twice denied the story. He termed it utterly false.

Governor Hildredth, of Maine, a Republican, also denied Pearson's story.

Governor Maw today said, "I'd be glad to make an affidavit under oath to the truth of my statement. I can't see the sense of these denials. Are they ashamed of an action openly urged upon the Governors' Conference? Possibly Governor Dewey feels there is political dynamite in his original remarks. I can only say that he should have thought of that when he made them."

Governor Maw explained that the remarks of Governor Dewey which he quoted were made prior to the executive session. He said that he did not feel at liberty to reveal Dewey's further statements as the discussion was continued in the executive session.

Veterans' Housing

EXTENSION OF REMARKS
OF
HON. E. (EDWARD) A. MITCHELL
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 4, 1948

Mr. MITCHELL. Mr. Speaker, in all the discussion these days of housing, there is one point on which everyone, regardless of other differences on the subject, agrees. This is that the veterans are entitled to homes of their own—and that everything possible should be done to aid them get those homes.

To that end, I have today introduced a bill—H. R. 7108—designed to allow veterans once again to make use of the home loan guaranty provisions of the GI bill of rights.

H. R. 7108 has only one purpose, to establish a secondary market for GI home-loan mortgages in the Veterans' Administration at once. It stands outside the areas of dispute in the highly controversial field of housing. It would not cost the taxpayers a cent.

Allow me to explain this legislation and the need for it, and allow me, at the same time, to urge this House to give favorable consideration to H. R. 7108 as expeditiously as possible in this extraordinary session.

In the closing minutes of the last session of this Congress, we passed legislation designed to reestablish a secondary market for GI home-loan mortgages. This action was necessary, as its proponents explained, because there had been a sharp decline in the number of GI home loans after the Government's secondary market for these mortgages was allowed to lapse in the summer of 1947. Veterans could not find lending institutions which would give them money on Veterans' Administration guaranteed loans. The reason was simple. The lenders could not find a secondary market for mortgage paper.

The original intent had been to set up the secondary market in the Veterans' Administration, but the bill which finally went through on June 20 put it in the Reconstruction Finance Corporation. This was, perhaps, natural, since RFC had provided the secondary market prior to midsummer 1947. Now, however, veterans tell us that 6 weeks' experience has already demonstrated some unnecessary restrictions in the legislation. Further, they say, the RFC is handling the problem in a manner which underlines these restrictions.

The present bill (H. R. 7108) amends the GI bill of rights to establish a secondary market for GI home loans in the Veterans' Administration, where the veterans want it and where the people are really concerned with the needs and the rights of the veterans. H. R. 7108 would authorize the Veterans' Administrator to purchase GI home-loan mortgages at par value within 5 years of the date of issuance. Where such a loan had been guaranteed by VA prior to September 1, 1948, the amount of unpaid principal, plus accrued interest, could not exceed $12,000. The original amount of any loan guaranteed on or after September 1, 1948, could not exceed $7,500. The service fee established under the bill would be not more than 1 percent. The financing is of a type familiar with such legislation. H. R. 7108 provides that the Secretary of the Treasury shall provide the Veterans' Administrator with the funds necessary to carry out the purposes of the bill; that these funds shall be kept in a special deposit account with the Treasurer of the United States; and that the Administrator shall pay interest to the Treasurer at a rate to be established by the Secretary of the Treasury.

It is worth noting, incidentally, that such operations have always yielded a profit to the Government in the past. Here is a workable housing proposal that calls for no outlay at all, and, wonder of wonders, even brings in money.

There is nothing wrong with the GI bill of rights, as such, but the veterans' home-loan program has dried up to an alarming extent because of the lack of a proper secondary market.

This bill is designed to meet that lack. Supported by veterans' groups and of obvious benefit to veterans, to the construction industry, to building labor, and to the community as a whole, it offers a simple way of assuring a great volume of veterans' housing in the days ahead. H. R. 7108 should be passed.

Dumping of Garbage at Rosedale, Long Island

EXTENSION OF REMARKS
OF
HON. GREGORY McMAHON
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 4, 1948

Mr. McMAHON. Mr. Speaker, I am in receipt of a communication from the Rosedale Civic Association, Inc., of Rosedale, Long Island, N. Y., which sets forth the plight of that community in regard to the dumping of New York City's garbage within its confines.

It is my intention, Mr. Speaker, to inquire from the other Members of the House after having read this how the problem is being met in their cities, particularly Chicago, Los Angeles, and large cities of that nature.

Upon receipt of this information, it is my intention to turn over the suggested

plans to the mayor of New York City in the hope that an early solution of this problem will be forthcoming.

The Rosedale Civic Association's letter reads as follows:

GARBAGE DUMPING AROUSES ROSEDALE

The residents of Rosedale were stirred to new protests against the decision of Sanitation Commissioner William J. Powell to continue dumping in Rosedale despite his promise to stop it. The board of governors of the Rosedale Civic Association were given a mandate to take steps to stop this, the greatest menace to health and property that was ever perpetrated on a residential community.

It seems incongruous for the greatest, the most enlightened, and the most modern city in the world to resort to such a primitive method to dispose of its garbage. There must be something radically wrong and illogical with a department that will summon an individual to court for exposing a small garbage can for only a short time while it dumps all day and every day tons of garbage in an exposed area in a residential community.

Commissioner Powell assured the committee of the Rosedale Civic Association that the dumping was only temporary because of lack of equipment and it would be discontinued permanently on April 1, 1948. Thereafter the dumping would be resumed at its former location.

Although new garbage trucks had been delivered to the sanitation department this promise was not fulfilled and the reason given by Mr. Powell for not doing it was an apparent evasion. Since he was harassed by the committee to fulfill the promise, he gave his assurance that if the committee would locate another area he would stop dumping in Rosedale the very next day.

Accordingly, two sites were located. One was ruled out, but the other which was not in proximity to any homes was found suitable by the sanitation-department engineer. When our president, Joseph Gioscia, now insisted that Mr. Powell act at once in accordance with his promise, he pleaded for an extension of 1 week to investigate the site. The committee felt that the commissioner now had his back to the wall and could not now reasonably go back on his promise. But, alas, after a week the commissioner gave his answer that at the far end of the area which was hardly discernible was Jamaica Bay and that Park Commissioner Robert Moses would therefore not permit the dumping of garbage. This excuse bore no logic since Commissioner Moses is now permitting the dumping of garbage directly into the Brooklyn part of Jamaica Bay as a land fill whereas dumping on the approved site, located by the committee, could not reach Jamaica Bay for years. An endeavor to contact Robert Moses by our president, Joseph Gioscia, proved futile and subsequently a statement appeared in the newspapers wherein Commissioner Moses stated that he proposes to use the chosen area as a sanctuary for bird and wildlife. These are strange words coming from a man who spent most of his life building highways flanked by landscaping, beaches, and parks for the enjoyment, recreation, and health of human beings. One would suppose that in his advancing years Mr. Moses is diverting his attention to animals and birds that do not now exist in the selected area, to the detriment of human beings who are threatened by the decaying garbage in their midst. It is apparent that there must be some collusion between the sanitation and park departments and we are disappointed in finding Mr. Moses a party to it. Because the garbage is eventually covered with a layer of sand, does not abate the menace and hazard to health. The fact that garbage is continually dumped all day and every day, there necessarily must be exposed garbage at all times.

It should be obvious to everyone, including those in the city administration, that no service with the exception of hospital and fire-fighting services takes precedence over garbage disposal. The city can dispense with a few books for the libraries for a while or additional appropriations for museums and botanical gardens and even the golden anniversary celebration as well as many other activities pending the solution of the garbage disposal. Then and only then will the city have good reason to celebrate.

Rosedale certainly has no reason to celebrate the golden anniversary. We would be better off if its residents of 50 years ago would have consolidated with Nassau County where the welfare and the well-being of its inhabitants are jealously guarded by the town and county administrations and not by a New York City government that is far removed both in location and interest from its environs. It is a certainty that if garbage were dumped in the vicinity of Mayor O'Dwyer's residence or Commissioner Powell's home they would forthwith take measures to correct this deplorable condition.

Considering the inefficiency of the sanitation department as reported by the citizens budget committee on January 12, 1948, and the recommendation for the reorganization of the department by the mayor's executive committee on administration of May 21, 1948, and considering the unusual request of the Rosedale committee by Mr. Powell to find a new site for dumping when his department could have readily located it if it made a diligent effort to do so, one wonders if Mr. Powell is really qualified for the job of commissioner of the sanitation department. A change in the personnel of the department might be in order at this time before invoking the suggested reforms.

What good are schools if healthy bodies cannot attend them? What good are books if healthy bodies cannot absorb them? What good are flowers if you live with a stench of garbage? Vermin and rat breeding, stench, explosive gases are a constant threat to the home and family, and the threat increases with the years as the garbage decomposes.

It is little wonder that Rosedale is up in arms to stamp out this menace from its residential community.

Truman's Bogus Program Postpones Real Deflation

EXTENSION OF REMARKS

OF

HON. ROBERT J. TWYMAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 4, 1948

Mr. TWYMAN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Chicago Daily News of July 31, 1948:

TRUMAN'S BOGUS PROGRAM POSTPONES REAL DEFLATION

WASHINGTON.—Up on Capitol Hill a sullen Congress is sitting in special session called by the President of the United States to meet "the urgent needs of the people."

Elsewhere in Washington, the city is deserted except for Government officials, forced by the President's action to forego their August vacations, and the usual seersuckered summer tourist trade.

Because of the political factors involved, no one is regarding the special session seriously or anticipates that any constructive action will be taken.

When President Truman used the rostrum of the Democratic National Convention to announce his intention of calling Congress back this summer, he gave the Republicans good reason to cry "politics."

For more than a decade, a Congress dominated by Mr. Truman's own party had failed to find a solution to many of the problems now characterized by the President as "urgent."

It is therefore not surprising, although disappointing, that the Republicans were unable to dispose of the many complexities facing the Eightieth Congress in less than the year and a half they have had a majority.

PRICES AND CONGRESS HIS ONLY VALID ISSUES

In his fight for reelection, Mr. Truman realizes that he has only two valid issues: High prices and the record of the Eightieth Congress.

It is, of course, possible to make a substantial case against the record of any Congress, no matter which party is in power.

If the Republicans have failed to enact a housing bill, the Democratic record was no better. In fact, the feeble efforts of Wilson Wyatt, Mr. Truman's one-time Housing Expediter, were a standing joke in Washington.

If the Republicans have refused to swallow the President's anti-inflation remedies, it is because they are nostrums rather than cures.

With regard to civil rights, the Republican record is immeasurably better than that of Mr. Truman's party.

Mr. Roosevelt talked glibly about these matters but never once did he force the issue on his fellow Democrats from the deep South.

When the President urges repeal of the Taft-Hartley Act, the country must not forget that more Democrats in both the Senate and the House voted for Taft-Hartley than voted against it. In fact, the Taft-Hartley Act could never have been passed over the President's veto without strong Democratic support.

On many of the other recommendations contained in the President's special message to Congress, Republicans and Democrats are divided in their support and opposition without regard to party lines.

DODGES REALITIES TO AID CAMPAIGN

The frailty of President Truman's position on the high cost of living is that he is dodging the realities of the situation in order to gain a campaign issue.

No one likes high prices, not even the manufacturers who seem to profit most. Ultimately, a constantly spiralling economy leads but to one end—economic disaster for all.

The President would deal with inflation by reinstating the excess-profits tax, restoring price controls, and restricting credit.

Possibly these measures could be effective if they were coupled with an all-out attack against inflation on every front.

As Walter Lippmann says so aptly: "There is a simple test by which the public can find out who is trying to deal sincerely and intelligently with inflation.

"Does the candidate begin or end his oration with a clear explanation and a stern warning that if his program is effective, it must be painful to farmers, wage earners, businessmen, and bankers?

"Does he put the public on notice that they cannot continue to enjoy the benefits of inflation—that is to say full employment, high wages, booming markets, high profits—and at the same time be able to buy at lower prices everything they are trying to buy?

"If the public man says none of this, if he believes or pretends to believe that he can reduce prevailing prices without reducing current incomes of farmers, workers, and businessmen, if, in other words, he talks as if the people could have their cake and eat it too, he is deceiving himself."

Mr. Lippmann's devastating sincerity test would flunk Mr. Truman on every count.

It was Truman who thought we could have ceilings on prices without applying the same rule to wages. It is Mr. Truman who is now trying to create the illusion that he, with the help of Congress, can reduce the cost of living without breaking the boom.

The President's failure to recommend an anti-inflation program which is all-embracing exposes his insincerity and lack of statesmanship.

Truman wants a campaign issue, not a remedy.

WHAT THEY FAIL TO SAY IS VITAL

It is to be hoped, as the campaign progresses, that the public will examine the speeches of both Presidential candidates, not so much for what they say as for what they fail to say.

As yet, Governor Dewey's views are unknown. It is unlikely that he will clarify his position until the special session of Congress has been concluded. So far as we are able to determine, he is making no effort to influence its judgment and will not be bound by its acts.

Mr. Truman's record is, of course, open to inspection.

That record is a sorry contradiction in economics. He has tried to control prices without placing similar ceilings on wages. At one time, he denounced controls as the methods of a police state; now he urges their necessity.

The President is for continued Government support of farm products but he omits any reference to their effect on consumer prices.

Housewives are not told that our taxpayers are making it possible for the British housewife to purchase bread at 4 cents a pound, beef rib roast at 40 cents, bacon at 48 cents and butter at 80 cents a pound.

We don't begrudge the British housewife these lower prices, but it should be understood that when Canada sells Great Britain bacon at 36 cents, the United States Government gives Great Britain the dollars with which to pay the bill.

United States gifts of about a billion a year finance British buying abroad. This is money paid by American citizens who are plagued with sky-high prices at home.

We have never heard President Truman denounce the various unions in the building trades whose restrictive practices inflate the cost of housing.

He has recommended no cuts in the ordinary affairs of Government.

He has not cracked down on the Department of Defense for failing to introduce the economies that were anticipated under the Unification of the Services Act.

In short, the President is either lacking in any knowledge of elementary economics or he willfully chooses to deceive the public by disregarding the contributing factors to inflation which are laden with political dynamite.

ACTION WILL AWAIT THE FALL ELECTION

It is in such a climate of mutual distrust and partisan politics that the Congress has gathered in Washington's midsummer heat to consider the President's wholly inadequate program.

A few days spent in the galleries of the House and Senate are enough to convince any visiting fireman that the only result of this special session will be an unwarranted waste of taxpayers' money.

Mr. Truman wants an issue for his campaign. The Republicans are determined he shall not have it.

"The vigor of our democracy is judged by its ability to take decisive action," says the President.

"Congress would be fully justified in adjourning at once," retorts Senator Taft.

What they both mean and fully understand is that in accordance with the great game of American politics, nothing will be done until after the November elections.

JOHN S. KNIGHT.

Atlantic Coast of Europe Is Kremlin's Goal of Year

EXTENSION OF REMARKS
OF
HON. JOHN DAVIS LODGE
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 4, 1948

Mr. LODGE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by Constantine Brown from the Washington Sunday Star of August 1, 1948:

ATLANTIC COAST OF EUROPE IS KREMLIN'S GOAL OF YEAR—SOVIET BELIEVES UNITED STATES WILL NOT PROVOKE WAR AND SHE MAY SUCCEED WHERE HITLER FAILED ON THE "RIMLAND"

(By Constantine Brown)

Some ranking military men in Washington, who have followed Soviet policies since Moscow was given the green light in 1943 to take over eastern Europe and the Balkans, have come to the conclusion that the Kremlin is determined—regardless of the price—to achieve control over Europe as far as the Atlantic.

Furthermore, they believe that Russia intends, after destroying the regime of Generalissimo Chiang Kai-shek, to establish Red supremacy over China, India, Siam, Indo-China, and Indonesia.

The Kremlin hopes to carry out its plans without war, but is prepared and willing to unleash a conflict if we attempt to interfere. Moscow feels confident that it will succeed where Hitler failed. The western powers were capable of determined resistance to Nazi Germany in World War II, but this strength has been destroyed as far as Europe is concerned, the Soviet planners believe, while the United States will not—single handed—challenge the vast power of the U. S. S. R. and her satellites.

As an indication of our timidity according to those who maintain some contacts with the countries behind the iron curtain, the Kremlin points out that the United States, after having shown its willingness to spend billions for Europe's recovery, balked when the western European nations asked that military equipment be made available to aid their self-defense.

LESSON FROM HITLER

The German geopoliticians, who, headed by the late Professor Haushofer, advised Hitler before he embarked on his fatal adventure, expounded the doctrine of the "heartland" of Europe and Asia which must be in the hands of any power which seeks to dominate the world. It was in accordance with this doctrine that the Germans tried to conquer the heart of Europe before they attempted to win the shorelines of the continent.

Soviet geopoliticians, who realize that today most of Europe's heartland is in Moscow's hands, go a step further. Taking a lesson from Hitler's sad experience, they believe that the heartland is useless unless the "rimland" of the continent is in their hands.

This makes it imperative for the U. S. S. R. to be in physical possession of the Atlantic coast from Norway to Spain—and, if possible, to Gibraltar. If such an operation can be carried out without a shooting war, so much the better. If there is physical resistance, however, it must be crushed. The present western governments must be liquidated and replaced by faithful stooges of the Kremlin.

EXPLAINS BERLIN ATTITUDE

This program explains the Soviet attitude in Berlin and its insistence on creating a centralized Germany after the Allies have evacuated German territory. America at the present time is the only power in the world capable of challenging the grandiose Russian plans. Hence, America either must be placed in a position where it cannot interfere with the Kremlin's plans or be persuaded to give up all interest in Europe and Asia.

It must be remembered that until Prime Minister Stalin was "bribed" to participate in the United Nations—by important concessions in China and new territorial acquisitions from Japan—he advocated the division of the world into three zones: (1) Eastern and central Europe and a portion of the Middle East, to be the responsibility of the U. S. S. R.; (2) western Europe and a portion of Africa together with the Indian Ocean area of Asia, for which Britain should be responsible; and (3) the Western Hemisphere—including the Philippine Islands—which would be the exclusive interest of the United States.

Prime Minister Stalin was following the old power politics pattern which eventually would lead to more major wars, for one of the great powers could be expected to infringe on the bailiwick of one of the others.

If today the United States can be persuaded to give up all interest in Europe and the Far East, Russia soon will be in a position to control both the Atlantic and Pacific shores of the continent of Europe and Asia and will not have to consider what America may do in the future.

BOMB EFFECT NEGLIGIBLE

Moscow's determination to reach the Atlantic this year is considered to be the only certain thing in the present confused European picture. Many diplomatic and military observers in Washington contend that Russia is reluctant to unleash another war because she is not fully prepared yet. Furthermore, it is said, she does not yet possess the atomic bomb. This destructive instrument, which is still an American monopoly, unquestionably would be important in an offensive war. But the knowledge of this monopoly is producing the same effect on the American people as the Maginot Line produced on the French between the two world wars.

The atomic bomb is a powerful weapon in our hands, if we decide to use it to stymie Russia's present obvious plans. But it will become of questionable importance if Russia is permitted to establish herself along the Atlantic and Pacific and begins to produce her own atomic bomb.

The belief that Russia is not fully prepared to wage war at this time is pure wishful thinking. It is true that the Soviet armies are not prepared to fight such a powerful army as we had in Europe between 1944 and 1945. If the powerful American divisions which broke the back of the Nazi armies and the powerful air groups which smashed Germany existed today between the Rhine and the Channel instead of the present weak skeleton formations, there is no doubt that the Russians would not have a chance against us, no matter how many divisions they had.

FORCES ARE WEAK

But our fighting strength in Europe right now is less than three divisions. Our Air Force is nowhere near what it was on VE-day. The French and British forces are lamentably weak and dispirited. There is more national unity in those countries today than there was a year or two ago, but still Communist agents have succeeded in creating a state of mind which does not lend itself to long-range resistance.

The French have manpower enough to organize immediately 45 divisions, but they must rely on American factories to provide them with the necessary equipment. We cannot provide them with it. We are figuring on increasing our own national forces by eight new divisions. This will require

at least 18 months under present conditions. How can we assume the responsibility for providing war material for 45 new French divisions?

While it should be admitted that the Red armies are not equal qualitatively to the forces of the West as they existed on VE-day, there is no military force now in existence which is able to stand before the masses the U. S. S. R. can throw into a campaign at a moment's notice.

The sheer weight of Russia's more than 250 divisions would annihilate the weak forces which exist in western Europe. This explains why the French Government is swallowing its pride and urging the American and British Governments to negotiate—and appease Russia if necessary—rather than provoke a Soviet attack.

PROPITIOUS MOMENT

The Kremlin is fully aware of conditions in the West—much more so than we are about conditions behind the iron curtain. The Kremlin also is aware that in addition to our unpreparedness for a major war, a bitter electoral campaign will be waged in America during the next 3 months. The members of the Politburo assume that no political leader will be popular and get the vote if he advocates involvement of the United States in another war.

No moment has been more propitious for the Kremlin to put into effect its policies of reaching Europe's and Asia's rimland—as protection for the heartland—than the next few months. The Soviet leaders have made their calculations and believe that while there is slight danger of provoking the American people to another bitter fight, the chances that this will not happen are very great, indeed.

"SIT TIGHT" POLICY

Their present policy is to sit tight and let Washington exhaust itself with diplomatic gestures and notes. After a while, our diplomatic observers believe, when this Government is faced with the alternative of a shooting war or a withdrawal from Europe, the Kremlin is confident that we will withdraw.

Meanwhile, the Russians are holding tight to their policy of squeezing us out of Berlin—which is regarded by those in that city as another potential Bataan. The air lift which we are using to bring supplies into that beleaguered city is spectacular and impressive. But like many spectacular displays of strength, it cannot go on indefinitely. The days of heavy fogs and frequent bad weather are approaching and our planes will be grounded for considerable periods. "Then what?" the Russians ask.

The German people are watching our efforts with admiration, for American planes are performing a remarkable feat. But the question in their minds is whether there is enough strength in America to challenge the Russians when they decide to start their march to the Channel. They doubt it.

The Berlin affair, which has set the international pot boiling, is a premeditated incident on the part of the Russians. We have to make a choice in the near future whether to abandon the city—which means that we would have to leave all of Germany before the year is up—or to accept the Russian challenge and assert our rights to remain there.

The Russians feel confident that in either case they will succeed in reaching the Atlantic by the end of the year, and secure the rimland which they believe will help establish Asiatic domination over the world.

The GOP Wrecking Crew

EXTENSION OF REMARKS
OF
HON. THOMAS E. MORGAN
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 4, 1948

Mr. MORGAN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article from the St. Louis Post-Dispatch of July 28, 1948:

THE GOP WRECKING CREW

The special session is a failure before it has really begun. That is evident from the statement of Republican leaders. If that statement were not enough, the fact is cinched by the announcement that an anti-poll-tax bill will be the first order of business. This means, of course, a filibuster by the Dixiecrats which will probably prevail over any attempt at cloture.

Despite the fact that Governor Dewey says that Congress should give careful consideration to whatever was proposed in the President's message, the GOP leaders give the message short shrift. They say that it would take 6 months to give consideration to Mr. Truman's program.

This statement certainly could not be applied to the Taft-Ellender-Wagner housing bill. That bill has been studied and discussed in Congress for several years and many hearings have been held. The bill has passed the Senate and no doubt would have passed the House if it had not been bottled up in committee. It could be passed in 1 day. To say that the million new dwellings being built this year exhaust the materials and labor available for the purpose sounds suspiciously like a lame alibi. After all, the T-E-W bill is a 10-year program, and in view of the desperate housing shortage, it is the counsel of despair to assume that materials and labor cannot be increased to meet the need.

Even more disturbing is the brush-off given Mr. Truman's anti-inflation program, as to which the GOP leaders say that it represents a fundamental difference in Government philosophy between the President and Congress. They say he stands for regimentation. If placing controls to prevent economic disaster represents regimentation, then the same GOP leaders, to be consistent, should repeal the rent-control law. Let them dare do that.

If the GOP is going to continue to get its philosophy from archaic textbooks, what is going to happen to the country meanwhile? No one likes controls, but we had them during the war and they kept prices within bounds despite the tremendous drain on supplies of all kinds for our armed forces. Are mere shibboleths to stand in the way of protecting the country from the calamity of runaway inflation?

To say that the President is already armed with the weapons to fight inflation just isn't true. They say he could cut Government spending. Has not the Eightieth Congress been in charge of the purse strings in the last 2 years with power to stop excessive expenditure, if it exists? The budget is abnormally high, but this is accounted for by the Marshall plan and the defense program, both of which Congress approved.

As to other points in the President's program, no doubt some of them can await action by the next Congress. But what good excuse can there be for taking no action on the matter of displaced persons, for failing to pass the much-discussed proposal for increasing minimum wages, and for extending Federal aid for education—which has already passed the Senate?

Mr. Truman, it is true, was playing politics in calling the special session. But it happened to be the kind of politics that ministers to the public welfare. The Republicans had two choices: they could either regard the President's action as a challenge and an opportunity, or they could sabotage his program. The leaders have chosen the latter course, and unless they are overruled by the GOP rank and file, the country will be the sufferer.

The people are not going to be deceived by the GOP position. It is too transparently obstructionist. It has seemed obvious in the past months that there will be a Republican victory in November, but if the GOP leaders' action is a fair sample of Republican policy, Harry Truman is likely to make a real horse race of the campaign.

Gardner Day at Braves Field

EXTENSION OF REMARKS
OF
HON. PHILIP J. PHILBIN
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 4, 1948

Mr. PHILBIN. Mr. Speaker, Under leave to revise and extend my remarks in the RECORD, I include therein a recent article from the Gardner (Mass.) News which vividly described Gardner Day at Braves Field, Boston, last Sunday.

It was a great day for Gardner, a great day for the Braves, and a great day for the Jimmy fund and aid for afflicted and crippled children.

TWO THOUSAND GARDNERITES TREK TO BRAVES FIELD, SHOWER TRIBE SQUAD WITH GIFTS—CEREMONIES ARE BRIEF—CHAIRS, CARRIAGES, TRICYCLES LINE INFIELD—THIRTY-TWO FIRMS CONTRIBUTE

Gardner baseball fans, 2,000 strong, made a storm assault on the Wigwam, stately home of the Boston Braves in the Allston sector of sedate, respectable Boston yesterday. And they came bearing gifts. Every Brave, from the top sachem to the lowest tribesman, got something.

There were chairs of every variety and description, baby and doll carriages, cribs, bassinets, strollers, tricycles, and just about everything the industrial city of Gardner turns out in its mundane work week. Mike McCormick, Tribesman outer gardener, won himself a special compact Florence stove apartment gas range for an effective piece of work with the willow. He clubbed four hits in four trips to the plate, top Boston man of the day, to qualify for the award.

The tepee just swarmed with Gardnerites and they gave a rousing ovation as the snappy Simplex Fife, Bugle and Drum Corps piped its way onto the playing field to inaugurate the 2:30 ceremonies. Congressman PHILIP J. PHILBIN, of the Third Congressional District, State Representative Fred A. Blake, and Mayor Fred E. Perry, represented the Gardner delegation in the brief procession that next introduced the 35,000 Braves fans to the hulking Heywood-Wakefield Hitchcock chair, the city's coat of arms.

Then came the parade of gifts strong-armed onto the field and lined around the diamond by a corps of volunteer workers,

male and female. The latter did especially well with the pushers. Meanwhile the Simplex band was marching snappily around the field and the Braves, troubadours, ambassadors of music, came wheeling along in the specially braced carrier for triplets, there being three Troubadours, of course.

A breath behind, or before—things were breaking that fast in the three-ring arena—came the Wampanoag chasseurs de bois to initiate Injun Billy Southworth into the tribe. The Gardner redmen left Lake Wampanoag in their swift bark conveyance over some mysterious waterway into the Charles River, the backyard of the Wigwam. They wheeled the canoe near home plate and before long Southworth and tribesmen in full headdress were paddling merrily in the general direction of the Great Beyond.

Again a few minutes before or after, the same tribal head and his papooses were grinning warm-heartedly for flash bulbs popping around the big chair on home plate.

A brief speaking program "mceed" by Mr. Denison brought Congressman PHILBIN into the limelight with a brief talk followed by the introduction of Representative Blake, Mayor Perry, Councilor Bill McMahon and F. Paul Hallock, the last two as chief engineers of the Braves' mid-summer Christmas party.

Southworth made a brief and courteous response on behalf of the Braves' players and their families. Jim Britt, radio sportscaster, accepted a beautiful upholstered chair from the committee given him for the original Jimmy, who stands behind the tremendously successful Jimmy cancer fund drive which got its start here in Gardner.

Roughly a third of the Braves patrons made the trip in 18 busses chartered for the occasion. The long procession left from the Heywood-Wakefield plant on Central street at 11:15 behind a Gardner police escort. Trucks laden with gifts left the city early in the morning and had delivered the gifts to the Wigwam for safekeeping before the motorcade pulled in.

The 32 area firms donating gifts were A. & B. Manufacturing Co., Allain Bros., American Chair Co., Beauchemin Bros., S. Bent & Sons, Bettez-La Roche Upholstering Co., Brown Bros., Children's Furniture Corp., Collier-Keyworth Co., Conant-Ball Co., John A. Dunn Corp., Florence Stove Co., Gardner Manufacturing Co., Gardner Upholstered Furniture Co., Gardner Wood Novelty Co., Gem Crib & Cradle Co., William C. Gerrard, C. H. Hartsborn, Inc., Hatton Press, Hedstrom-Union Co., Heywood Wakefield Co., Kuniholm Manufacturing Co., Nichols & Stone Co., O'Hearn Manufacturing Co., George Berreault & Son, Rahaim Upholstering Co., Rousseau Bros. Manufacturing Co., O. W. Siebert Co., Thayer Co., all of Gardner; Temple-Stuart Co., of Baldwinville; W. F. Whitney Co., of South Achburnham, and Winchendon Furniture Corp.

Cardinals 9, Braves 6.

What We Must Do Next in Europe

EXTENSION OF REMARKS

OF

HON. JOHN DAVIS LODGE

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 4, 1948

Mr. LODGE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by Hamilton Fish Armstrong:

WHAT WE MUST DO NEXT IN EUROPE

(By Hamilton Fish Armstrong)

A year ago western Europe was like a beleaguered medieval city, measuring her capacity to hold out by months and scanning the horizon for signs of possible succor. Plundered, scarred, and exhausted in a long campaign, liberated at last, she saw a new foe massing in the East. She felt the pressure of its agents in her streets and heard their boasts even in the governing circles that should have been the centers of the new resistance.

America's veins were pulsing with the life blood that Europe needed. Would the transfusion be offered? In our times, free will is so limited that the opportunity to exercise it on a grand scale was exhilarating. Some of us had no doubt that as soon as Americans understood the choice which Europe was facing they would assume all the costs and risks necessary to enable her to remain within the stream of western civilization. So it proved. Within a year ERP has been suggested, debated, adopted, and put into operation.

As a result, Europe west of the iron curtain today lives, works, and is not Communist. In Italy, France, and Greece, where a year ago communism was advancing, it still has not been defeated, but it has suffered severe defeats. In the other countries it is increasingly on the defensive. And eastern Europe, forbidden by Moscow to participate in the revival of the West, watches its progress enviously and with restless memories of lost personal and national freedom.

This is no mean achievement for one year of American foreign policy.

A year ago the problem of Europe was economic and social. This year it is political and military.

This year's problem grows directly out of last year's. As the path of economic salvation for the western nations becomes clearer under ERP, the risk that the Soviet Union will intervene to frustrate their progress along it becomes greater. For if the western nations are healthy they will be immune to Communist infiltration and continue to magnetize eastern Europe. What is more, their strength, added to that of the United States and other faithful members of the United Nations, can make the barrier against Soviet aggression absolute.

We are as concerned to bring about this result as the Kremlin is to prevent it. So far the advantage has been ours. The nations of western Europe disregarded Soviet threats of retaliation, accepted our aid, turned their backs on communism and threw in their lot with us. Now that, as we hoped and planned, they are in our camp, we must help make them able to stand up to the threat of Communist aggression from without just as last year we helped make them able to stand up to Communist revolution from within.

The essence of our decision to do this is not military so much as political, in the sense that an understanding of the broad movements of history is political. Yet it must be substantiated by both political and military action.

We must reiterate in terms specifically applicable to the present emergency the general pledge of support against aggression which we have already given all our fellow-members of the United Nations. We and those who will reciprocate this more specific pledge must bring our plans for the use of our joint forces against aggression to the same pitch of readiness which they would have reached if the Military Staff Committee of the UN Security Council had been permitted to function. And we must supply them, to the extent of our capacity, with arms and materials, so that they may be ready to do their part under those plans effectively.

These actions should all be taken now. They constitute a confirmation of the policies we adopted when we joined the United Nations and voted ERP. They extend those policies only in that they make them more precise.

It always seems more risky to be precise than general—at the start. Actually, the maximum risk would be to retain the obligations of the charter without arranging the collaborative means for carrying them out successfully, and to continue building up Europe with American goods and money without assuring her a breathing spell of safety in which to turn them to effective account.

The first objective, of course, is to avert war, by making plain to a potential aggressor that if he takes the final plunge he will be sure of finding powerful forces ranged against him. The second is to make certain that if this deterrent fails and war nevertheless comes, those forces will be brought into such instant and harmonious operation that they will be assured of victory.

European statesmen differ about what are the potential risks of war today, but not about the fact that a risk exists. The fear in foreign office circles in London is that Stalin may be as ignorant of the temper of the west as Hitler was, and that he may blunder as badly in estimating its limits. French and other continental leaders worry not only about this possibility but about the risk of a deliberate Soviet attack.

The French line of reasoning runs as follows:

A year ago everything seemed to favor the fulfillment of Soviet ambitions. Looking at western Europe, members of the Politburo saw a power vacuum. Looking at the United States, about to indulge in one of its mysterious political orgies, they figured that party leaders would never be able to agree on a program of European aid, and that even if they did its progress would soon be disrupted by the economic crisis which, according to Marxist prophecy, was about to overwhelm the capitalist world. Already in March, President Truman had announced a policy of military aid for Greece and Turkey. Moscow counted on his getting his fingers burned. All these events would fan a recrudescence of American isolationism.

This year, by contrast, members of the Politburo look out on a very different world scene.

In western Europe, a defensive coalition was formed by Britain, France, and the Low Countries at Brussels on March 17, 1948. The American policy of strengthening resistance to communism around the whole Soviet periphery has been pushed more vigorously than Moscow expected, and has been more successful, notably in Italy, Greece, and Turkey. Moscow also counted on regimenting life within her own zone of Europe quite easily. But Yugoslavs, Czechs, Poles, and others are not the mujiks that the Russian revolutionaries had to deal with, but lettered peoples proud of their nationality and experienced in independence.

Nor have American affairs marched according to the Kremlin schedule. Bipartisan support of an active foreign policy did not founder on the rocky approaches to the Presidential campaign. ERP was voted and is pumping blood into the wasted veins of Europe. Rearmament has begun. The demands of these two programs have at least postponed any business depression. Revolutionaries who joined with well-meaning

citizens under Mr. Wallace's umbrella, borrowed from Neville Chamberlain's bankrupt estate, seem unlikely to receive the help they counted on from unemployed and restless labor in a period of economic stagnation.

The contrast in these two pictures is taken in Paris to indicate that whereas a year ago the Russian rulers might have felt content to move forward on the current of world events without themselves making an aggressive move and without much risk of war, today they can hardly count on that sort of progress. Hence, in this reasoning, unless the Soviet program excludes war as an instrument of policy, why would not this year or next be a more propitious time for the Kremlin to act than a year or so from now, when the countermeasures of the democracies will have decisively turned the balance in their favor?

It will be noticed that the effect of the atomic bomb on Russian calculations has not been mentioned. Obviously the men looking out from the windows of the Kremlin are taking it into account, but on the Continent there is a question whether it encourages the Russians to make war or seems to them a reason to postpone it.

Soviet strategists must guess that the present American supply of bombs is small. But they know it will grow steadily in numbers and in effectiveness per unit. They expect to develop the bomb themselves. But America will have acquired a tremendous headstart both in numbers and quality.

Probably they feel confident that we are not meditating a preventive war, even assuming we were sure that the atom bomb would bring us victory. Indeed, as things stand, they probably would count on their armies being able to occupy the capitals of western Europe, at any rate to the Channel and the Pyrenees, before we made up our minds to use the bomb; and they would figure that, once there, their armies would be safe from the bomb. On the technical problem of the effectiveness of the bomb against communications between armies of occupation and their base they probably keep as open a mind as do some American authorities.

But here a doubt must assail them. As tension between east and west grows, and as western cohesiveness and strength increase, will not the peoples of the western world feel tempted to put an end somehow to the uncertainty in which the Soviet Union is compelling them to live? Will they not rebel against the perpetual drain on their resources required to keep ahead of Soviet military preparations? Will they not reach the point of exasperation where they will use the bomb against their tormentors, with or without special provocation and warning, or make demands which will lead to a showdown in which they will use the bomb as a matter of course?

Russian leaders may not dare answer these questions with a confident negative. This possibility has made statesmen on the Continent feel that, on the whole, the bomb increases the temptation for the Soviets to seek a showdown in the near future rather than risk waiting to see whether the western world will seek one later.

Certain English conservatives with a good record of political forecast see merit in the French analysis. But the tendency in official circles in London is to label it "too French"—by which the speaker may mean either too logical or too emotional.

British officials cite the fact that, so far, there are no intelligence reports of special military preparations just inside the Soviet border. More important, they believe that Soviet Russia is too weak internally to risk war, and has run into too many difficulties in the territories she has recently brought under her sway to care to add to them. Anyway, they say, the Russian method is to deal with one big problem at a time. With the Cominform split already complicating Moscow's handling of the German problem, they do not see much likelihood that the Politburo would launch out on a great aggressive venture which would be sure to end, even if it did not begin, as a world war.

One further consideration seems pertinent. Mr. X stated in Foreign Affairs that the American Government's effort to contain Soviet expansion at all points aims to build up an increasing strain on the Kremlin's foreign policies. As ex-Secretary Stimson put it, the American object is to make the Soviet leaders change their minds or lose their jobs. If the Soviet leaders understand that this is the adopted American policy, will they wait passively for it to become effective? If Stalin wanted or expected peace, would he have taken Ambassador Bedell Smith's very serious demarche of May 4 as a mere excuse for launching a propaganda campaign in the course of which he hurled Mr. Wallace in President Truman's face?

The British do not ignore the long-run implications of a line of thought like this, and, of course, they are worried about what a dictator might do with the atomic bomb when he secures a supply. They simply feel that the chance of a blunder by the Kremlin or a Soviet commander in Germany, Austria, or elsewhere is sufficiently acute to justify every possible precautionary move on our side, without losing sleep over the minor chance, as they see it, that Stalin may overnight order a sweep toward the Atlantic.

The European debate as to whether the risk of war issues chiefly from Soviet calculations or miscalculations interests the United States less than the fact that there is a risk. President Truman and Secretary Marshall gave renewed recognition to the fact that the risk exists when they welcomed the Brussels pact and promised American help to make it successful. The Vandenberg resolution of June 11 has now authorized them to carry out that promise, and the first discussions of how to link the United States and Canada with the west European defense system have been held in Washington with representatives of the five Brussels-pact nations.

While we discuss the form of our political guaranty of the European democracies, we can press forward with de facto cooperation. One advantage of informal staff talks with European military leaders is that our own military leaders will have to clarify their opinions regarding various projects for the defense of Europe. Europeans are not interested in hearing about how their countries might be liberated after some years of conflict. What they want to know is how much aid we can give them in defense at the start.

Our various military services are supposed to be somewhat at cross-purposes about the feasibility of defending western Europe and about the methods to be used in the attempt. It will be salutary for them to discuss the problem on the assumption that for political reasons that attempt is going to be made.

How to supply American arms to Europe at this stage is a more difficult problem. Presumably our Government could declare certain stocks surplus or out of date, and could sell them to our friends in Europe or lend-lease them. But the major part of the answer must be an effort by American industry, and by European industry supplied in part with American raw materials, to provide at an accelerated pace and in accordance with an agreed priority rating, the particular equipment most needed for joint operations.

Meanwhile, the British welcome the bomber squadrons which we are stationing at British airfields for "training" purposes, but wish the system could be extended to France and the Low Countries. They also are particularly anxious for the French forces to be better equipped. They think France might be less reluctant to permit a controlled German recovery, and the full integration of the Ruhr industry with west European recovery plans, once she has regained her military strength and once she is assured that the United States as well as Britain will be her partner from the start in opposing any Russian attempt to make use of a revived Germany in an attack on the west.

For it must be understood that the French fear today is not so much of Germany alone, as in the past, but of Germany as a partner and spearhead of Russia. French leaders think that Americans like General Clay ignore this danger in their preoccupation with the direct Soviet danger. Once the German war potential has been restored, even under western supervision, the French see no possibility of outbidding Moscow for Germany's favor. What can the west offer Germany? Nothing, unless the Saar and frontier rectifications at the expense of France. What can Moscow offer Germany? In the east, the former German territory which is now Polish, and in the west—the west.

Before the time for such unequal bargaining comes, France must be as strong as possible herself and joined in partnership with great allies. She sees no chance for ultimate peace and safety except in a group which possesses power superior to a Russo-German combination, and she feels that she must delay German recovery, even to the detriment of west European recovery, until that group takes shape.

On this more general score, then, as well as with a view to the immediate military situation, there is a strong argument for early American participation in the organization of the nations of western Europe for defense against aggression.

The need goes beyond our participation in an observer role in the military committee of the Brussels Treaty powers, and beyond whatever arms we may be able to give those powers at short notice. It is important to avoid any misunderstanding by our people or by the Europeans as to the nature of the action we are taking to build up a defense system against possible Soviet aggression. And it is vital that the Soviet Union understand just what we are doing and intend to do. The United States must assemble the whole of its influence to prevent war. It must not hazard being sucked into war, as Britain was in 1914 under Sir Edward Grey, without having made plain to its possible antagonists the full measure of the risk they run.

European leaders have recognized the difficulty of our taking action on a political guaranty before the new President and Congress are elected, and have deeply regretted it. They are certain that once the United States has given a specific undertaking to support the European democracies against aggression, the risk of aggression, either blundering or deliberate, will be enormously reduced. A promise by the United States to be in a war against aggression from the start, instead of after it has already been halfway lost, as in 1917 and 1941, will go far to make sure, in European eyes, that the promise will not be put to proof.

But now that a special session of Congress has assembled it is possible to do almost at once what a few weeks ago seemed impracticable. We can have de facto cooperation; and we can add to the psychological impact of a formal declaration of policy in the shape of a treaty approved by the Senate.

Approval of an agreement associating the United States in the defense of western Europe, in harmony with the VANDENBERG resolution, would not be grist to the campaign mill of either Republicans or Democrats. Leaders on both sides supported that resolution, and the policy which it is designed to implement could not have become our national policy without the cooperation of both. Advantage would accrue not to either party but to the Nation.

The gravity of the present emergency should persuade Senate leaders of both

parties to set controversial issues aside long enough to act on it; and if they act on it, they are bound to support it, for no association could be imagined which more closely affected our national security in the precise connotation of their own declaration.

Last autumn, I suggested that the failure of all efforts to give substance to the enforcement provisions of the Charter made supplementary security measures necessary, and that those members of the United Nations who were anxious to carry out their obligations of mutual self-defense against aggression should agree to do so voluntarily even in cases when a veto prevented the Security Council from ordering it. They might make the commitment in a special protocol open to all United Nation members, or in a series of regional treaties on the model of the Rio treaty of September 2, 1947. Either method of arranging group defense would be authorized by Article 51 and other articles of the Charter.

Given the present precarious situation in Berlin, where some Russian move, either intentional or blundering, might require us at any moment to make almost instantaneous decisions involving war, delay in acting along one or other of these lines is increasingly risky.

The natural tendency will be to follow the easier course of underwriting by treaty the five members of the Brussels Pact. But if we bear in mind the interests of the United Nations as a whole, with which our own long-term interests are so closely bound up, we may well decide to emphasize our intention to carry out our world-wide commitment under the Charter to resist aggression, whatever its sources and against whomever it may be directed, instead of limiting that commitment by implication to nations with which we have signed special group agreements.

We can do this by signing a general protocol open to all faithful members of the United Nations, those now directly menaced and others as well. The phraseology of the agreement can be simple, and so can the procedure by which it is to be brought into operation in case of need. While this is being settled, we shall be showing our practical support for the Western European security pact by participating as an observer in the discussions of its military committee and by arranging to sell or "lend-lease" them certain categories of arms and to help them manufacture others.

Then Congress can add to these physical preparations to deter and if need be defeat aggression, the immense weight of an unmistakable political guarantee. If in these circumstances war should come, we need not feel that we have omitted any practicable step in harmony with the Charter to ward off such an untold calamity, or to survive it.

Federal Thought Control

EXTENSION OF REMARKS

OF

HON. CHARLES A. HALLECK

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 4, 1948

Mr. HALLECK. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address of my colleague from Indiana, Hon. FOREST A. HARNESS.

FOREST A. HARNESS was born in Kokomo, Ind., where he still lives. He was graduated in law at Georgetown University, practiced in his home State and before the Supreme Court of the United States, served for a time as special assistant to the Attorney General of the United States and represented the Government in the famous proceedings that brought Samuel Insull back from Greece. He was elected to Congress in 1938 and has been there ever since. As chairman of the Subcommittee on Publicity and Propaganda of the House Committee on Expenditures in the Executive Departments, he became deeply interested in the new technique of acting upon public opinion by Government propaganda. He is also a member of the House Rules Committee.

FEDERAL THOUGHT CONTROL—A STUDY IN GOVERNMENT BY PROPAGANDA

(By FOREST A. HARNESS, Member of Congress from Indiana)

The purpose of Government propaganda is to guide public opinion into channels favorable to a particular activity, be it soil conservation, national health insurance, irrigation, universal military training, public housing, or a given line of foreign policy.

When Government propaganda is successful in shaping public opinion to its own predetermined objectives, then we have arrived at a system of Federal Thought Control which parallels closely the mechanics of dictatorship.

Not all Government propaganda in the United States achieves its objectives, but much of it does.

Our Subcommittee on Publicity and Propaganda in the Executive Departments was established last May by the House of Representatives, to inquire into all Federal propaganda operations. As a subcommittee of the standing Committee on Expenditures in the Executive Departments, we are empowered to survey routine operations in every administrative agency.

Our assignment is a challenging one, for often it is difficult to separate the merits of pending legislation from the larger question of Government propaganda designed to generate pressure on Congress. But we have set our course resolutely against the whole system and theory of Government-made public opinion, and we have attempted conscientiously to distinguish that great issue from all subsidiary questions touching the merits of various legislative proposals.

As we have stated in our several interim reports, our inquiry is not directed to the merits of this program or that, but solely to the question whether the Federal agencies are engaged in generating public opinion for or against pending legislation. Such activity by the Federal agencies, whether for or against any particular piece of legislation, is clearly beyond the law. And that is the beginning and end of our inquiry—whether the Government agencies are in fact making the public opinion which comes back upon Congress in the form of pressure-group activities.

THE CITIZEN UNAWARE

The average American citizen is only vaguely aware that the Federal Government continuously touches and influences his daily thinking. But, when he stops to think about it, he must realize that a host of Federal agencies and activities exert a constant, and often decisive, influence upon his own and his neighbors' opinions. Yet, I doubt that any but the most thoughtful students of American Government understand how vast is the range of this influence; how tremendous is the machinery in our Federal establishment through which this influence of molding opinion is exercised; and the extent of this threat to representative Government.

Everyone in Congress is keenly conscious of the tremendous, immeasurable power of this Federal machine, for he comes in direct, personal contact with it every day. He lives with the lobbies, good and bad, which constantly seek to influence the course of legislation, and he can hardly fail to know that the most powerful, most persistent of them all is the Federal lobby. It works around the clock, every day of the year.

TAXPAYERS PAY

The very range and intensity of official information can be confusing. At the last official tabulation in 1946, the executive agencies were spending annually some $75,000,000 a year in definitely identified publicity and propaganda activities.

These activities begin to explain why the Government Printing Office which occupies 33 acres of floor space in Washington and employs 7,900 full-time workers, still can't keep up with Government printing demands.

Some of the principal spenders for publicity in fiscal 1946 were:

Department of State	$30,377,000
Treasury	11,104,800
Department of Agriculture	9,295,700
Office for Emergency Management	8,154,021
War Department	5,715,690
Office of War Information	3,772,095
Office of Price Administration	2,572,000
Office of Petroleum Administration	2,572,000
Federal Security Agency	2,043,988
Department of Commerce	2,003,212
Department of Labor	1,440,641
Navy Department	704,000
Veterans' Administration	660,571
Tennessee Valley Authority	245,000

My distinguished colleague, Representative RICHARD B. WIGGLESWORTH, of Massachusetts, long has been a crusader on the Appropriations Committee against excessive public relations expenditures within the Federal establishment. He expressed astonishment at these 1946 tabulations.

"In my opinion," he said, "the enormous governmental propaganda set-up is not only a gross waste of the people's money, but, over and beyond that, makes for the destruction of the proper exercise of the legislative functions of the Government."

When we asked the Bureau of the Budget in November 1947 to make a complete factual tabulation of all publicity and propaganda expenditures in all the Federal departments and agencies for the fiscal year ended June 30, 1947, we were informed that such a compilation would require at least 3 months and would cost approximately $150,000. Rather than insist upon that heavy expenditure, we decided to make out as best we could with the 1946 figures. The exact total of public information expenditures reported for that year was $74,829,467. An earlier study, covering the fiscal year 1941, showed total publicity expenditures aggregating only $28,000,000. I cite these comparative figures here because it is the contention of our subcommittee that the people are entitled at least to know how much they are spending to educate themselves to more spending.

Some 45,000 Federal employees devote their time, wholly or in part, to these definitely identified information activities. I use the term "definitely identified" advisedly, for we can be sure that many other officials and employees, as well as funds from other sources, contribute directly or indirectly to the volume of Federal publicity and propaganda. What the total cost in money and manpower may be we can only guess. However, we do know that it is tremendous.

Yet the tangible cost, large as it is, should be the least of our concern. Our real worry should be the direct violence which this phase of bureaucracy does to the very philosophy of our Constitution; the insidious threat it poses for our free institutions.

BUREAU CREED: SELF-PRESERVATION AND EXPANSION

The first instinct of bureaucracy is self-preservation. The second is expansion.

Like any living organism, an administrative agency, once launched, seeks constantly to justify its existence—to perpetuate itself and to expand. In the salubrious climate of government paternalism which has prevailed in Washington since 1933, bureaucracy has luxuriated into a tropical jungle. It has grown to the alarming extent that it touches and shadows the daily life and daily thinking of every citizen.

Now that we have a majority in Congress determined not merely to halt this bureaucratic growth, but to clear away the propaganda jungle which enmeshes us, the American people begin to see the true nature of big government.

Let me make it clear, as I have stated so often in our committee hearings, that I have no objection to the liegitimate publicity functions of Federal agencies. In fact, it is a duty of free government to keep the people fully and accurately informed. Administrative officials at policy making levels should be entirely free to express and discuss policy on any issue. But beyond the routine duty of releasing such expressions to the regular news channels of press and radio, no agency may properly go. The information services of administrative agencies may not lawfully use public funds to sell ideas, to influence legislation, or to mold public opinion on any legislative issue. Federal officials and employees may not lawfully devote time and talents paid for from public funds to mold public thinking.

The sole legal and ethical function of a Federal information service is to issue factual, objective, and studiously unbiased information. Specific safeguard against the abuse of that function is provided in section 201, title 18 of the United States Code. Unfortunately, however, the law has been, and is being, repeatedly violated by numerous administrative agencies. In hundreds of ways, some devious, some blatant, Federal agencies—their officials and employees—are ignoring or flouting this legal safeguard, often for the deliberate purpose of fostering sentiment and support for administration policy or viewpoint.

No Member of Congress, no responsible administrative officer, no thoughtful individual anywhere, doubts the wisdom of this specific prohibition against Federal propaganda. It should be unnecessary to argue that the citizen and taxpayer may not be forced by the Federal agencies to pay for publicity and propaganda designed to influence and direct his own thinking.

One can justify Government propaganda only if one belongs to that school of thought dominant in Washington in recent years, that Government must guide and direct the average American in everything because he is incapable of thinking and acting wisely or safely for himself. No one should so thoroughly approve the policy being advanced by the propaganda of a particular Federal agency, that he falls into the fatal error of believing the end justifies the means.

Actually, the merits of the immediate issue in any case should not influence our reaction. We need only remember that if the power of Federal propaganda is applied for a good and wise purpose on one occasion, it can be applied on another for a purpose mischievous and dangerous.

And whether the immediate purpose of Government propaganda is good or bad, the fact remains that individual liberty and free institutions cannot long survive when the vast power of Government can be marshaled against the people to perpetuate a given policy or a particular group of officeholders. Nor can freedom survive if all Government policies and programs are sustained by overwhelming Government propaganda.

LINING UP THE FARMERS

On the home front, the Department of Agriculture is by far the most prolific vendor of official propaganda. In that Department, our committee investigators found 525 persons engaged in public relations work. Salaries ranged from $10,000 down to $1,888 a year. But only 204 members of this robust information staff were in Washington. The rest were found in Department of Agriculture branch offices in Boston, San Francisco, Milwaukee, Raleigh, Dallas, Denver, Albuquerque, Philadelphia, Ogden, Chicago, Atlanta; Juneau, Alaska; San Juan, Puerto Rico—and eight lesser cities throughout the States and Territories.

Total budget estimates for Agriculture's Office of Information for the fiscal year beginning July 1, 1947, were $2,307,000, an increase of $335,350 over the previous year. But this does not include printing or mailing expenses.

Every known medium of intelligence is utilized by Agriculture. The Office of Information prepared 1,998 press releases in the 9 months ended April 1—an average of 11 every working day. During the same months, the office prepared 837 radio scripts, including several network programs. The radio time contributed for these programs normally has a commercial value of more than $500,000 a year. The same 9 months saw 17 new motion picture films released through the Department's film stations.

For the 1947 fiscal year, Agriculture's combined printing bill—all bureaus, divisions and offices—was $2,260,784, exclusive of mimeographing processed within the Department.

Before leaving the Department of Agriculture, it may be worth while to trace out the detail of the propaganda method employed in one State to generate pressure on Congress to increase appropriations for the fiscal year 1948, after certain reductions had been voted in the Department's estimates as submitted to the House. Our field investigators in Nebraska gathered letters from the federally-sponsored county crop control organizations in 25 different counties.

While these inciting letters were not identical, each of them did contain sentences or phrases which were based on a master telegram sent to all State agents of the AAA from Washington on the day the House reduced the appropriations.

The obvious purpose of this high-pressure campaign was to compel the Senate to restore some of the economies demanded by the House—an organized attempt by the Department of Agriculture, on a Nation-wide scale, to influence the course of legislation which was at that moment before Congress.

All Members of Congress are aware of the subtle and devious methods used by departments and agencies to exert pressure on Members to influence votes on pending legislation. It is the opinion of our committee that it is most reprehensible when full-time employees of a Federal agency attempt to use citizen groups to propagandize for certain legislation.

The potentialities of the improper and illegal campaign by the Department of Agriculture can best be realized by considering the agency's size and scope. There are 3,029 county agricultural associations in the United States having county officers. There are a total of 9,087 county committeemen. There are 97,529 community committeemen, and the office personnel for these officers, in addition to the committeemen, total 8,378 man-years. For personnel a total of $19,536,824 is provided annually. Provision for travel and other expenses brings this total to $23,760,650 per year.

The responsibility for the correction of the improper and illegal use of Government funds in the Production and Marketing Administration lies directly with the Department of Agriculture. Although our committee first called these violations to the attention of the Department of Agriculture in June 1947, our best information indicates that no disciplinary action of any kind has been taken against the officials involved, and that no real steps have been taken to guard against a recurrence of such abuses in the future.

FOR UMT

Another segment of our inquiry was directed to the activities of the military services in behalf of universal military training, and that subject has been covered formally in a special interim report to the House.

I shall quote some paragraphs from that report, but before doing so, I should like to emphasize that our inquiry was not into the merits of universal military training as a peacetime policy. Our inquiry was limited strictly and sharply to the question whether the military services were diverting part of their appropriations unlawfully to generating public opinion pressures upon Congress to force enactment of a specific piece of legislation.

One of the civilians employed by the War Department in this campaign was Alan Coutts, of New York City. Mr. Coutts toured the country at the taxpayers' expense, conducting radio panels and speaking to groups wherever and whenever they could be assembled. The radio panels were top-heavy with persons selected to speak for universal military training. Material supporting the legislation was prepared at the War Department by Mr. Coutts, for distribution to participants in the radio discussions. Evidence before the committee reveals that, on March 5, 1947, over Station WIP, in Philadelphia, Pa., Mr. Coutts asked that the listening audience write to the radio station, adding that the letters received would be forwarded to proper congressional authorities.

Here was a clear case of one department diverting public funds for propaganda purposes, aimed specifically at influencing the ultimate decision of Congress on a measure in which that particular department was vitally interested.

This radio speaker was paid $25-a-day salary, plus travel expenses and $6 per day for subsistence, or at the rate of approximately $10,000 a year, to go about the country beating the radio tom-toms constantly for universal military training.

It is not the contention of our subcommittee, of course, that the War Department has not the right to state the case for its program, whatever that program may be—whether rivers and harbors, universal military training, chemical warfare, or whatever. But we do insist that the Army is authorized by law only to present its case to the appropriate committees of the House and Senate. It has no authority to divert part of its appropriations to propaganda to bring pressure to bear on Congress.

There were other instances of such employment in the War Department of persons engaged exclusively in the work of generating pressure on Congress for enactment of universal military training.

Our committee report on this phase of the inquiry concluded that Government propaganda almost uniformly is designed to make the individual feel that he is thinking for himself. On this point, our report carried this observation:

"In reality, Government propaganda distorts facts with such authority that the person becomes prejudiced or biased in the direction which the Government propagandists wish to lead national thinking."

Our investigation established that the Army used not only these paid speakers and paid radio debaters to build up a demand on Congress for universal military training, but also that a special motion picture was made for free release to any theater which would show it. This film cost about $36,000 to produce, and an additional $14,000 was spent to distribute it throughout the country.

The Army likewise used military airplanes to carry several hundred influential civilians to and from Fort Knox, Ky., to view the experimental training project there, which was

to serve as the pattern for universal military training.

Our committee investigators also discovered a section within the War Department, known as the Women's Interest Unit. This unit prepares bulletins and publications to be forwarded to women's organizations and individuals throughout the United States. There was presented to the committee the mailing list of the unit, which contained more than 3,000 names and addresses of the leaders in women's activities in every section of the United States. Much of the material prepared and distributed by the unit was exhibited to the committee for examination. It was of interest to the committee to find that universal military training and the proposed legislation was high on the agenda of subjects for discussion in the bulletins.

One of the bulletins prepared in October of 1946 was a mimeographed sheet of a club program titled "A Plan for Universal Military Training (based on booklet distributed by Public Relations Division)." A part of that pamphlet contained the following language:

"It is hoped that each club will devote at least one meeting to explanation and discussion of the present plan. Your legislative committee can be asked for a report on the bill for universal military training, which died with the Seventy-ninth Congress."

On the basis of extensive hearings over a period of 3 months, our subcommittee submitted House Report 1073 on July 24, 1947. That report ended on this note:

"Your committee therefore reports its firm conclusion that on the basis of the evidence at hand, the War Department, its personnel and civilian employees, have gone far beyond the limits of their proper duty of providing factual information to the people and the Congress and have engaged in propaganda supported by taxpayers' money to influence legislation now pending before the Congress."

This report was approved unanimously by the 25 members of the Committee on Expenditures in the Executive Departments, including the 10 Democratic members. Thereafter a copy was transmitted to Attorney General Tom C. Clark, with the suggestion that the Department of Justice take appropriate action to end the illegal propaganda activities of the War Department. The UMT campaign of the War Department since has been modified in some important respects, and the committee has received assurance from Secretary Royall that all future activities will be held within the law and the authority granted in the appropriations bills.

SELLING COMPULSORY MEDICINE

One important segment of the Federal Government's intensive propaganda activity has to do with the world-wide campaign for socialized medicine, through compulsory national health insurance along the lines of the Wagner-Murray-Dingell bill. This inquiry has been perhaps the most significant and revealing phase of our subcommittee's work to date.

It is an historical fact that wherever some form of dictatorship prevails in government, there we also find some manifestation of socialized medicine. The brand of dictatorship makes no difference—communism, fascism, nazism, socialism—all are alike, in that they enforce a system of State medicine, or political medicine, as I prefer to call it.

Whatever the name of the dictatorship, or whatever the pattern of the particular brand of collectivism in a given country, the system of socialized medicine is always pretty much the same. It is based on compulsion, and is generally administered by a nationwide system of ward and precinct politics.

If the medical profession and all our hospitals can be taken over by the Federal Government and forged into a new and gigantic health bureaucracy, then it would only be a question of time until Washington likewise moved into the field of education, religion, the press, the radio.

Freedom soon would be in total eclipse.

That must not come to pass in mighty America, the last great citadel of freedom and liberty on the face of the globe today.

Ours is a great responsibility to hold aloft the bright torch of freedom and honest representative government. And it has been most encouraging to know that we have the great body of the American medical profession standing behind us in this effort in Congress.

More than six solid weeks of our investigation have been devoted exclusively to the so-called health workshops set up throughout the country under the aegis of the United States Public Health Service, the Social Security Board, the Children's Bureau and several other agencies having an oar in the administration of health and welfare programs.

The amazing ramifications of the Federal propaganda in behalf of socialized medicine have astonished me. How much of our total appropriations for health and welfare are being diverted to this sort of high pressure propaganda, we do not yet know. But we do know that the amount is considerable. And before our inquiries are concluded, we shall hope to present for public consideration an itemized account of the total diversion of Federal funds for this propaganda campaign. In that accounting, we shall include a considerable item for foreign travel to New Zealand, England, South America, and Japan. For we now know that our health bureaucrats are interested in socialized medicine not only in the United States but in every other land in which they can find an opening.

We now know that the Social Security Board has been spending about $2,000,000 a year in public relations activities—regardless of whether we call it publicity or propaganda. We do not yet know the full scope of this work. But we do know that they have been setting up these so-called health work shops; that they were launched on a Nation-wide scale; that they are financed entirely by Federal funds diverted from the regular appropriations, and that it was never at any time the intention of Congress or its Appropriations Committees to authorize the expenditure of public funds for such activities.

To our committee it seemed reasonable to ask why these agencies should be permitted to spend public money to generate an entirely artificial public demand for a system of socialized medicine in the United States, when all our experience through public-opinion polls, and all our contacts with the medical profession, indicate beyond question that the American people and the American medical profession insist upon maintenance of our traditional system of free-enterprise medicine, under which we have attained the highest standards of service and scientific skill and proficiency ever recorded in the history of the world.

It seems to our committee to be a proper function of the Congress to determine whether the diversion of public funds from legitimate purposes to purely propaganda purposes for socialized medicine, does not, in fact, constitute a criminal violation of the law.

And on this point, I may say that the Federal Bureau of Investigation is giving that question some serious study at the moment. We advised the Attorney General, Mr. Clark, what we discovered about the Health Work Shops, and we have since been informed that some of the vouchers are in the hands of the FBI for investigation.

All this federally financed activity for socialized medicine heads up in the Bureau of Research and Statistics in the Social Security Board. Our committee investigators have found in that bureau a veritable nerve center of socialized-medicine propaganda for the entire world.

Mr. Isadore S. Falk is the director of research and statistics in the Social Security Board. He has been in the Government service for some 12 years. He has always been noted for his militant and aggressive advocacy of socialized medicine.

Our committee, of course, does not challenge the right of any citizen to hold whatever views he may wish on any subject of political or economic policy. But we are interested that funds appropriated by Congress for public administration shall not be diverted to a world-wide system of propaganda calculated to advance socialized medicine the world around.

Such operations, until specifically approved by the Congress, are positively illegal. And our committee will not rest until they are uprooted and stamped out of the Federal picture.

Any group of citizens has a right to agitate for socialized medicine if it puts up its own money and pays its own bills. But I, for one, do not intend to see this gigantic propaganda machine for socialized medicine financed entirely by funds secretly diverted from moneys appropriated by Congress for the legitimate functions of government.

In our hearings to date we have examined officers of the United States Public Health Service, the Children's Bureau (which is another section of the Federal Security Administration), the Social Security Board, and the Farmers Home Administration, a section of the Department of Agriculture. As a part of this investigation, we also called upon the General Accounting Office for certain travel vouchers in connection with the Health Work Shops.

We found that the first meeting on the Health Work Shops was held in Washington on November 2, 1945. It was attended by only 12 persons—10 of whom were full-time employees of the Public Health Service, the Social Security Board, and the Department of Agriculture.

This is where the Health Work Shops were born. The chairman of that meeting was Dr. George Perrott of the United States Public Health Service.

The detailed operations of the Health Work Shops are set forth in House Report No. 786 of the Eightieth Congress, as published by our subcommittee on July 2, 1947.

Suffice it to say here, that the project was financed almost entirely by Federal funds, through the contributions of the participating Government agencies—through the assignment of the so-called forum experts from the Government bureaus, through the payment of travel expenses, and the providing of literature and mimeographed material for the meetings.

The real purpose of these meetings was to generate pressure upon Congress for passage of the Wagner-Murray-Dingell bill.

"Otherwise we should get out"

At one point in our hearing, our committee counsel, Mr. Frank T. Bow, asked the witness, Dr. Herman Hilleboe, of the Public Health Service, if the literature presented by the Government agencies presented all sides of the medical discussion, or merely the side supporting socialized medicine as embodied in the Wagner-Murray-Dingell bill. To this question, Dr. Hilleboe answered: "We would naturally give emphasis to that, because that is why we are in Government. Otherwise we should get out of Government."

Here, indeed, is a strange concept of Federal service in Public Health—the concept that any physician who is not a vigorous advocate of socialized medicine should remove himself from the Goverment service.

And that conception of the public service appears the more distorted when we realize that at no time has Congress approved any declaration of policy favoring the expansion and development of socialized medicine at Federal expense; nor has Congress authorized the expenditure of public funds for any sort

of propaganda work calculated to generate public opinion in behalf of socialized medicine as a national policy. Yet here is a responsible official of the Public Health Service testifying before our investigating committee to the effect that the presentation of material supporting socialized medicine is a clear and direct moral obligation of the Public Health staff.

Such a distorted conception of the public service in Washington must be uprooted by Congress.

"I don't know what you mean by both sides"

On another occasion we had as a witness before the committee Mr. Harry J. Becker, health consultant in the Children's Bureau. When asked if his public speeches throughout the country presented both sides of the discussion touching compulsory national health insurance, this witness answered:

"I don't know what you mean by both sides."

Those two bits of testimony, to my mind, offer a pretty complete picture of the present set-up in Washington as it relates to Government propaganda supporting socialized medicine. From the Public Health Service came the suggestion that doctors who do not believe in the Wagner-Murray-Dingell bills simply have no place in government, and from the Children's Bureau came the response that the witness was either unaware of the opposing viewpoint, or had so firmly closed his mind against opposition arguments that they could merit no time or attention in his public speeches.

From these incidents it seems reasonable to conclude that some of our bureaus in Washington regard themselves as the protectors and defenders of the whole concept of compulsory national health insurance and socialized medicine.

But, again, I want to repeat—that is not what Congress appropriated the money for.

The extraordinary executive pressure exerted upon the staff of the United States Public Health Service to further the campaign for socialized medicine is indicated by a letter sent under date of December 10, 1945, by Thomas Parran, Surgeon General of the United States Public Health Service, to all field men and staff operatives throughout the country. This letter referred to the message sent to Congress on November 19, 1945, by President Truman, urging enactment of a national health program. The Surgeon General's letter referred to the President's message as "a subject of the highest importance to every citizen." His letter continues (transcript of hearing, May 28, 1947, p. 88):

"The appropriate executive agencies of the Government have been specifically instructed by the President to assist in carrying out this legislative program as presented to Congress on September 6, 1945."

The Surgeon General then listed the several health bills pending before Congress, continuing:

"Every officer of the Public Health Service will wish to familiarize himself with the President's message and will be guided by its provisions when making any public statement likely to be interpreted as representing the official views of the Public Health Service."

Pursuant to this policy, the Public Health Service launched its national program of Health Workshops.

Following the Washington conference of November 2, 1945, a broader planning conference was arranged at the University of Chicago, November 26–27, 1945. At this meeting 20 persons were present, 9 of whom were *full-time employees* of the Federal Government. The 11 nongovernment persons in this meeting were representatives of the CIO, A. F. of L., and the Farmers Union.

Next the planning committee met in Washington, D. C., on December 10, 1945, to evaluate the Chicago meeting and plan for the health workshops. The first health workshop was held in St. Paul, Minn., February 6–10, 1946, with 80 persons participating, 15 of whom were Government employees, representing 7 different agencies in the Federal establishment.

The second health workshop was held in Jamestown, N. Dak., September 27–30, 1946, with 98 persons participating, 18 of whom were Federal employees, representing 7 Federal agencies. The chairman of this meeting was Dr. Mayhew Derryberry, Ph. D., of the United States Public Health Service. Apart from Federal personnel, there were no doctors of medicine in attendance at this meeting as delegates. The testimony before our committee indicates that no registered doctor of medicine was invited to participate.

All the evidence indicates that these health workshops were planned, conducted, and largely financed with Federal funds, by a key group on the Government pay roll, who used the workshop method of discussion subtly to generate public sentiment in behalf of socialized medicine. It is evident from the record that most of the planning was done by the Federal officials in Washington prior to each workshop conference and that each meeting was devoted to their own purposes—that of organizing pressure groups to agitate for compulsory health insurance, as then pending in Congress.

In preparation for the Jamestown Health Workshop, the Public Health Service distributed in advance to all invited delegates a packet of pamphlets published by the CIO, A. F. of L., the Physicians' Forum (propaganda agency for the Wagner-Murray-Dingell bill), and the Government bureaus, in support of socialized medicine. These packets were mailed to the delegates in advance of the conference, at Federal expense. They urged that letters be written to Senators and Representatives, advocating immediate action on the Wagner-Murray-Dingell bill.

After the propaganda packets had been delivered, well in advance to the invited delegates, the Jamestown Health Workshop assembled on September 27, 1946.

The committee received a detailed account of this health workshop from Mr. E. F. Engebretson, executive secretary of the North Dakota State Medical Association, who attended as an uninvited observer. On June 18, 1947, Mr. Engebretson testified:

"The meeting began on Friday, September 27. Friday was spent in its entirety in a so-called training program. The sponsoring organizations had invited various Federal and State officials to attend the conference as so-called consultants. Twenty-one of these consultants were in attendance, of which 19 were Federal employees and 2 were employees of the State of North Dakota.

"The training session the first day was not open to the general membership of the Farmers Union or other groups sponsoring the program. Rather, a hand-picked group of leaders from the various local societies were brought in for the purpose of being trained in workshop procedure. This training program was handled entirely by the employees of the Federal Government. In charge of the program, in a general way, was Dr. Mayhew Derryberry, Chief of the Office of Health Education, United States Public Health Service. In charge of the training instructions was a Dr. Hubert Stanley Coffey, Chief of Training, Federal Security Agency. The hand-picked group from the local societies were designated as delegates, and in training them, they were seated around a conference table with the 21 consultants lined up behind them."

After the training program, the indoctrinated delegates were given 30-minute tests to measure their leadership ability by setting forth the immediate health needs of North Dakota. At this point, Witness Engebretson testified:

"It was very interesting to note that when left to themselves, the delegates seemed unable to think of any particular health problems in the State."

We then obtained from the Federal Security Agency a full copy of the instruction sheets used by the training officers at these health workshops. Among the topics listed are: Techniques for the organization of citizen groups. Formation of pressure groups. Methods of bringing about group action.

Testimony demonstrating the efficacy of this indoctrination of delegates by the Federal officials was found in the formal summary of the Jamestown Workshop, as presented by the United States Public Health Service.

One section of the action program, approved by the conference, urged that congressional candidates and incumbents be polled by the committee, on their stand on the national health program, and that their opinions be sent to the State organizations for publication.

This recital presents the complete picture of Government propaganda in action. The Federal employees arrange the meetings, invite the delegates, train the delegates, preside at the meeting, and then frame the formal summary of resolutions and actions.

And all of this is paid for with public moneys never authorized or approved by Congress for these or any like purposes.

Testimony before the committee indicates also that the staff and resources of the Bureau of Research Statistics in the Social Security Board were devoted freely, from time to time, to the preparation of pamphlets and propaganda literature for the CIO, the AFL, and the Physicians' Forum. Much of this material prepared for the CIO and other groups, by the Social Security Board at Government expense, supported socialized medicine in every approach and dismissed contemptuously all arguments controverting the fixed position of the Social Security Board. Our committee concluded from the testimony that most, if not all, of this literature, as distributed by the CIO, the AFL, the Farmers Union, and the Physicians' Forum originated in, and emanated from, the Bureau of Research and Statistics in the Social Security Board. Miss Margaret Klem, Chief of the Medical Economics Section of the Social Security Board, was one of the group of Federal employees who charted, arranged, and conducted the Jamestown Health Workshop. The testimony discloses also that she helped draft the Wagner-Murray-Dingell bill.

At a later date, our committee will submit a detailed report on the activities of the Social Security Board during the last 10 years in behalf of socialized medicine.

Other evidence before the committee reveals that the Bureau of Research Statistics of the Social Security Board also prepared pamphlets and propaganda material to be distributed under the imprint of the CIO. Similar pamphlets were prepared in the same office for distribution, as Government literature through the Department of Agriculture's Interbureau Committee on Postwar Programs. All this material, as presented in our hearings, is similar in tone, content, and objective. It all originates in one spot, in the Social Security Board. It is all paid for, save the actual printing, by a process which our committee deems an improper use of Federal appropriations.

Samples of all these pamphlets and propaganda leaflets are available in the committee's files for examination by the public. Photostatic copies of some of them have been transmitted to the Attorney General, with our request for action in defense of the American taxpayers, who are paying the bill.

The Children's Bureau, Federal Security Agency, was represented in the health workshops movement by Mr. Harry J. Becker, a full-time employee of the Federal Security Agency, in the capacity of health consultant. Mr. Becker, while engaged in his Federal position, also was one of the principal organizers

of the Group Health Association of Washington, D. C., of which he later became president. He is also vice president of Cooperative Health Federation of America, which he helped organize in meetings at Two Harbors, Minn., and Columbus, Ohio, while on the full-time pay roll of the Children's Bureau.

Mr. Becker was a witness before our committee on June 18, 1947. His testimony delineates in some detail the historical development of the movement within the Federal Government to set up, at Federal expense, a Nation-wide campaign in support of the pending legislation.

The committee invites particular attention to the testimony and cross-examination of Mr. Becker, because we feel that the devices and arrangements of Federal employment in this instance provide a typical example of how funds appropriated by Congress for the legitimate expenses of Federal agencies are diverted within the bureaus to full-time propaganda for socialized medicine.

Not only are men and women paid substantial salaries in their Federal positions for their full-time activities in other fields, but in many instances traveling expenses and incidental costs of these pressure-group meetings are paid out of funds of the same Federal agencies.

The committee has, for example, a report from the General Accounting Office, showing that various Federal agencies paid out a total of $1,950 in traveling expenses of Federal employees to and from the Jamestown Health Workshop. This conference took 18 Federal officials away from their desks for a total of 126 man-days.

Another report from the General Accounting Office shows that the Federal Government paid almost $5,000 in traveling expenses of Federal employees for the series of five health workshop conferences and planning meetings held throughout the country before our investigation begun.

Health mission to Tokyo

Plowing deep into these matters, our investigators soon came upon the much-discussed health mission to Tokyo. It, too, is revealing for the light it throws on the operations of the Washington inner circle which is forever pulling the wires for socialized medicine.

In our examination of the Bureau of Research and Statistics in the Social Security Board, we discovered that practically every argument, every pamphlet, every radio broadcast, and every statistical table advocating socialized medicine originated primarily in the Social Security Board. Here is the world-wide nerve center of the movement for socialized medicine. In several of the pamphlets, no matter by whom distributed, the language and the figures were the same. The material is then distributed for popular consumption by whatever organization will lend its official imprint to arguments and briefs of the Social Security Board. That's the basic set-up discovered by our committee, and that's the beginning of the health mission to Tokyo.

In August 1946 a Federal civilian employee from Washington (one Stanchfield) who had been detached temporarily from his job in Washington, moved from Korea to Japan to make a preliminary survey of social security and health needs. Upon his return to Washington early in 1947, Mr. Stanchfield proposed a general health mission to Tokyo. His proposal was presented directly to Mr. Arthur J. Altmeyer, Commissioner of Social Security, not to the War Department.

Next, on March 5, 1947, Mr. Altmeyer outlined the mission in a formal communication to the War Department. In that letter, Mr. Altmeyer designated the particular individuals who should make up the mission, and then went further to suggest that William H. Wandel, Chief of the Program Division, Bureau of Unemployment Security, be appointed Chief of the Social Insurance Division of the Public Health and Welfare Section of the Supreme Command for the Allied Powers in Tokyo. It is perfectly apparent from the letters we have taken from the War Department files that the personnel of this mission and the planning of its program originated in and was dictated from the Social Security Board in Washington.

Next, we found a letter, under date of June 14, 1947, from Mr. Wandel in Tokyo reporting directly to Mr. Falk in Washington on the progress of the work in Tokyo. In one revealing passage of this letter, Mr. Wandel said:

"We think that our need is for someone who is primarily not so much an economic analyst as one versed in health insurance. Health insurance is the major field of social security in Japan. * * * Permanent revision requires amalgamating national health insurance with health insurance on a compulsory basis."

When the Tokyo Health Mission finally was named, it comprised two men from the Public Health Service, one from Mr. Falk's bureau, and one from the Federal Housing Authority. This mission departed for Japan on August 28, 1947, with the understanding that Mr. Altmeyer and possibly Mr. Falk would follow when the work had been sufficiently organized in Tokyo.

One of the members selected for the Tokyo Mission was Dr. B. M. Davis, who is the son of Mr. Michael M. Davis, chairman of the executive committee of the Committee for the Nation's Health. This Committee for the Nation's Health is perhaps the most conspicuous lay organization agitating for socialized medicine in the United States. The father, Mr. Michael M. Davis, long has been a coworker with Messrs. Altmeyer and Falk in the national and international agitation for socialized medicine.

It is significant, also, that the son, Dr. B. M. Davis, was, at the time of his selection for the Tokyo Mission, on duty in England, temporarily detached from his Government job in Washington, to assist in perfecting legislation in England for the complete socialization of all hospital and medical care in that country.

We thus find Dr. Davis barely finishing his assignment in England in time to catch the Tokyo assignment—all at the expense of the American taxpayers.

It is true that Dr. Davis is a member of the staff of the United States Public Health Service. He is a full-time Government employee of the United States, but the record shows that during the past 18 months his principal duty has been in perfecting medical legislation in other nations—first in England and next as a member of the mission to Tokyo. After a brief stay in Tokyo, he returned to England to assist on the final phases of the British program in Parliament.

Because this instance offers a shocking demonstration of bureaucratic intrigue in violation of the purposes and intent of Congress, I brought the matter to the attention of the House Appropriations Committee, with the suggestion that when the next budget comes up from the Social Security Board and the Public Health Service, funds for all those engaged in spreading socialized medicine around the world be stricken from the appropriations bill unless, of course, Congress shall determine to support such world propaganda with funds specifically allocated for that purpose.

In my letter to Chairman JOHN TABER, of the Appropriations Committee, I made eight specific charges against the Tokyo Health Mission. I wish to summarize them here, because they are the nub of our case against the Social Security Board and the United States Public Health Service in relation to all this propaganda supporting socialized medicine.

My charges against the Tokyo Health Mission are as follows:

1. That the health mission to Japan was composed entirely and exclusively of men long identified in the public record as advocates and proponents of socialized medicine not only in the United States but throughout the world.

2. That the real purpose of this mission is to lay the groundwork for a system of socialized medicine in Japan.

3. That the scheme for such a mission originated in the Division of Research and Statistics in the Social Security Board in Washington, and nowhere else.

4. That the nominal request for the mission was engineered through the General Headquarters of the Supreme Commander in Tokyo by Federal employees sent from Washington for that particular purpose.

5. That Gen. Douglas MacArthur does not favor—and does not approve—any plan to establish compulsory socialized medicine in Japan.

6. That the dispatch of this mission to Tokyo for the purpose indicated in Mr. Wandel's letter to Mr. Falk under date of June 14, 1947, is a gross misuse of public funds.

7. That the real purpose of the mission was not to assist Japan in working out her basic problems in health and welfare, but to force upon that country a compulsory system of socialized medicine.

8. That although the questions here involved are of a health and medical nature, the Surgeon General of the United States Army was not consulted in reference to the problems involved.

It is a matter of public knowledge that the Health Mission to Tokyo has now returned to the United States. They came back, be it noted, before Messrs. Altmeyer or Falk could join them in Japan.

We are assured from certain events in the public record, that our subcommittee's letter to the House Appropriations Committee, under date of September 9, 1947, had a decisive influence upon the course and actions of the Tokyo Health Mission. Once the full light of public inquiry and understanding had been focused upon the mission, it soon became a different sort of thing.

We are advised that General MacArthur has not acted on the recommendations submitted by this mission, but has referred them to the American Medical Association in Chicago for consideration and advice.

I wish that I were free to reveal at this time the details of the communications that passed between myself and General MacArthur on this transaction. I cannot properly do so, however, until the final report of our subcommittee. Suffice it to say here that General MacArthur refused to act on any of the Mission's recommendations until they had been weighed and evaluated by the American Medical Association.

I deem it inappropriate for Federal employees, at the expense of the American taxpayer, to travel throughout the world preparing or assisting in the preparation of legislation to be adopted by foreign countries when similar legislation, long pending, has not been approved by the Congress of the United States.

But the issue is far broader than the question of socialized medicine. The record now reveals for public examination the manner in which Government lobbyists operate on the Federal pay roll, how they are always at work to expand their fields of interest, to perpetuate themselves in office, and to impose their ideas and systems upon the American people by organized propaganda paid for entirely by the diversion of public funds from their true purposes to the secret purposes of the top bureaucrats and planners.

This is the fundamental issue from the legislative standpoint—the question whether the Congress of the United States has lost its power to establish and maintain the sort of Government the people want; or whether the bureaucrats are supreme and can give the sort of Government they want, regardless of Congress, regardless of elections, regardless of public opinion.

That's a question that goes to the very roots of popular government. If the bureaucrats are above Congress, and may defy Congress in the way they spend their appropriations, then representative government has become a fiction.

I am certain that the United States has not yet reached the point where it must be submissive to the dictates of a rampant bureaucracy in Washington.

ELECTIONEERING FOR PUBLIC HOUSING

Another phase of our subcommittee's inquiry reached to the Federal Public Housing Authority in California, where the regional managers were charged, in the San Diego area, with using public funds for partisan political activities.

Several days before the 1946 election, political posters appeared in prominent places throughout every housing project in the San Diego area, particularly at bus stops and in front of the project management offices. These posters were captioned "Save your home" and contained alleged statements of certain candidates which were unfavorable to the public housing groups. These statements were made as direct quotations, but our field investigation proved the quotations were inaccurate.

All housing tenants have the first 5 days of each month to pay their rent, and approximately 78 percent of the tenants pay on the fifth day, which in 1946 was the day before the general election. Signs were placed prominently around the management offices, with the obvious intent to impress tenants when paying their rents. Such posters were not only improper Government propaganda, but a violation of the civil service regulations which prohibit political activities by Federal employees.

Much of the publicity and propaganda relating to the Public Housing Authority emanates from an organization known as the National Association of Housing Officials, and the National Public Housing Conference. This association has been very active throughout the country and most of the officials and employees of the Public Housing Authority are also members of the association. This organization also has been used for propaganda purposes in support of the Taft-Ellender-Wagner national housing bill. Federal employees have also used the association to foster and promote State legislation, the purpose of which is to carry on in the public-housing field after the Federal Government has ceased to function in that activity at the conclusion of wartime emergency.

We are continuing our investigation as it relates to publicity and propaganda within the Public Housing Administration, and shall submit a detailed report to Congress in the near future on this special aspect of Federal propaganda.

Such is the challenge of entrenched bureaucracy, once it adopts the techniques of overwhelming Government propaganda to guide the thinking of the citizen-subjects. Historically, the processes of Government propaganda are the devices of dictatorships. Our investigations have demonstrated, I feel, that as the various agencies perfect their propaganda methods, they move inexorably toward the patterns and forms of imperious dictatorship. That's why Government-made opinion, or Federal thought control, is essentially un-American, and a threat to balanced constitutional government.

Have We Learned Our German Lesson?

EXTENSION OF REMARKS
OF
HON. GEORGE G. SADOWSKI
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 4, 1948

Mr. SADOWSKI. Mr. Speaker, under leave to extend my remarks, I wish to include an article written by Dr. Jean Pajus.

Dr. Pajus served as an advisor to the Board of Economic Warfare and Foreign Economic Administration on economic warfare against the Axis during World War II. At the conclusion of the hostilities he went over to Germany as an advisor to the United States Treasury Mission. While there he served as an advisor on cartels to the Economic Division of OMGUS in Berlin.

The article follows:

HAVE WE LEARNED OUR GERMAN LESSON?—SOME FACTS WHICH RAISE THE QUESTION

(By Jean Pajus)

There was a time when we were sure we had learned our lesson about Germany. The time was 3 years ago. We had acquired all the experience any period in history could offer. We knew there was something decidedly rotten in Germany which must be eradicated once and for all.

Germany has been under Allied control for 3 years, and it seems as if all the lessons we have learned went for naught. Who is to blame for it? The people? The Government? The occupation authorities? All three, to be sure, but one cannot escape the conclusion that perhaps the people are less to blame for the rot that remains in Germany because they believed—and rightly so—that the allies meant what they said 3 years ago.

After the First World War, we destroyed military establishments and appointed a military commission to see to it that Germany remain disarmed. But we completely overlooked Germany's ability to utilize her industrial potential not only as a springboard for war, but also as a means to control the economies of her neighbors. Three years ago the people were told that the mistakes made in the twenties would not be repeated, and assurances were given that our policy toward Germany would be based on the following principles:

1. Germany will be encouraged to bring to the fore her democratic forces.

2. Peace from German aggression cannot be obtained without economic measures.

3. The control of Germany's industrial potential must be based on realistic considerations having nothing to do with either the hard or the soft peace philosophies. The idea of control was derived from a recognition of the direct relations of certain types of industrial potential and economic weapons to a national war-making power. This idea was not based on revenge nor on punishment.

4. The first protection against lawlessness is to disarm the lawless person. A second and equally essential protection is to prevent those who are lawless from reacquiring the power and capacity to forge any new weapons with which they can again menace society.

5. A new method of controlling Germany's ability must be devised. It must be distinguished from the orthodox and strictly military problem of regulating Germany's armed forces or initially confiscating her finished munitions and aircraft.

6. If Germany is to live peacefully she must have an economy for peace.

7. The control of Germany's economy must be designed to continue on an indefinite basis until the nations of the world feel that the pacification of the German mind is so assured that special protective devices need no longer be maintained.

8. Germany must never again be allowed to dominate her neighbors economically through patents, know-how, withholding of techniques and machines, or by the use of cartel devices.

9. Germany's neighbors must be encouraged to develop their own industrial economy rather than depend, as was the case in the past, on Germany for their machines.

10. Germany must never again be allowed to use the commercial and trade methods practiced by her in the thirties.

11. Germany must contribute to the reconstruction of Europe.

These basic principles are still valid today. Last summer, when the 16 members of the Marshall plan met in Paris, they unanimously adopted a resolution urging that Germany be fitted into the European economy. But, mindful of the past, these 16 nations stipulated that "the German economy must not be allowed to develop to the detriment of other European countries as it was done in the past."

Echoing these sentiments, Secretary Marshall told the American people on November 17, 1947, that "We must be very careful to see that a revived Germany can never again threaten the European community." Strengthened by such assurances, the American people had good reason to believe that our policy toward Germany was on the right track. That is the reason why they accepted the idea that Germany should participate in the recovery of western Europe.

This was only natural since they firmly believe that Germany was being groomed as a democratic, denazified, and demilitarized state, and that her force of evil had been eliminated from her economic and political life. They believed it because they were publicly told so.

And how democratic is Germany today? Not much can be said about Russian occupied Germany. We know what to expect from the Soviet practice of "unifying" the democratic forces under the leadership of the Communist Party.

We know more about the "democratization" of the United States and British zones. We have seen the public polls conducted by the military authorities in both zones. These polls conclusively show that a majority of the German people do not believe in our brand of democracy and are ready to follow a new leader.

Again, it is difficult to say exactly whose fault it is—the Germans or ours. Congressman SABATH tried to show one reason for the sad state of affairs on July 26, 1947, when he revealed the name of 21 big Nazis occupying the most important public and private posts. These Germans occupied the same or similar posts of prominence during the Hitler regime. On March 2, 1948, the New York Times revealed a new list of 15 prominent Germans in bizonal affairs, and reported that behind them stood a group of Germans who were sabotaging the military government policies "by deliberate bungling, disastrous delays and incitement to disaffection." Since most of these are prominent Nazis, it is only natural that the German people cannot understand our brand of democracy.

But, if the German people are perplexed, what should the American people believe when they hear the Secretary of the Army, Kenneth C. Royall, say:

(a) "We have abolished the pernicious cartels."

(b) "We have removed from positions of influence most of the top leaders who

fomented and conducted the cruel war of oppression."

(c) "We have brought the war criminals before the bar of justice."

Bear in mind that this was said in a speech on January 8, 1948, delivered before the Rotary Club of Denver, Colo. Exactly one month before that, on December 9, 1947, the World Report (now amalgamated with the United States News), made a detailed analysis of Germany's post-war economy and reported that "Little has been accomplished towards the occupation goal of breaking up the 69 trusts that once controlled the German industries." The same article also reported that a plan was already afoot to rebuild the I. G. Farben cartel, at a time when its leaders were being tried for war crimes at Nuremberg. Worse yet, last year the decartelization branch of OMGUS in Germany made a special survey of Germany's major industries in the United States zone. Speaking about the most important commodity in Europe today—coal—it had this to say about the postwar German coal cartel practices: "They do not appear to be greatly different from those performed in the final phase of the war."

And speaking of bewilderment, a few weeks ago the American press reported that General Clay had ordered a new policy on German cartels which practically dealt the death blow to our entire decartelization program. Two outstanding European cartels, the VKF ball-bearing cartel and the Henschel car cartel were specifically exempted from decartelization. A simple question arises: If, as stated by the Secretary of War on January 9, 1948, the cartels had been abolished, how was it possible 4 months later to exempt specifically certain cartels and to abolish all decartelization activities? Does it mean that in 4 months the German cartels were rebuilt?

Or take point B of Secretary Royall's speech. What prominent Germans were removed? Alfred Hugenberg, a member of the Hitler cabinet is today still chairman of the largest steel cartel in Germany—the Vereinigte Stahlwerke; Dr. Ernst Poensgen, founder of the International Steel cartel is active; Heinrich Dinkelbach, the man who paid millions to the Nazi Party chest is today in charge of the iron and steel industry in western Germany; Heinrich Kost, a former prominent Nazi, was appointed recently boss of the coal industry in Germany; Paul Reusch, the closest collaborator of Baron Von Schroeder has an important post in bizonal affairs, etc., ad nauseum. Space does not allow to list all the prominent names. The facts are that the industrial war lords and staunch Hitler supporters, who manipulated the huge industrial war potential under Hitler, are in the saddle again. In this connection, it is no coincidence that Herman Abs, one of the most influential of these war lords—Germany's most brilliant financier, not excluding Schacht and Funk—was proposed as president of the board of the new Trizonal Bank. Abs was the most powerful figure in the Deutsche Bank, the most powerful of the Nazi banks. For a long time our military authorities tried to arrest him, but the British always refused to turn him over, and saw fit to make him one of the chief financial and economic advisors, after Germany's downfall.

The people were told that the German war criminals would be brought before the bar of Justice; but of late we have been witnessing a series of not guilty or mild verdicts coming out of Nuremberg. The scuttling of this program began more than a year ago with the acquittal of Schacht. Next came the acquittal of the most prominent directors of the Krupp munitions combine on the account of conspiracy to wage aggressive war. There is serious talk in Washington about an amnesty for the I. G. Farben war criminals.

In the economic sphere, our present policy toward Germany remains the most baffling. It appears that no matter how little the Germans produce, how much they sabotage, how much black marketeering they practice, how much they vilify and discredit the occupation authorities, the Germans will continue to receive billions from the United States Treasury. Now, granted that the Germans had a bad harvest and do not have all the calories they want—neither do millions of other Europeans—the facts are that during 1947, 6,319,000 heads of cattle disappeared into the German black market; that some months ago the American Military Government authorities discovered that the Germans deliberately underestimated their grain crop by 62 percent; that 50,000 tons of Ruhr coal disappears every day in the German black market.

Germany is a member of the Marshall plan. We always thought that the Marshall plan was intended to help the recovery of western Europe plus Germany. This being the case, it is hard to believe that the Germans should demand about 40 percent of the total sum of $5,300,000,000. Mr. Sumner Welles, former Under Secretary of State, gave the figure of $2,000,000,000. It was reported that the Allied-German differences as regards Germany's request for import aid for the 12 months are not great. In fact, we are told that "because of the high figures involved, some Allied officials appeared distressed that they transpired to the public" (New York Times, March 3, 1948). On April 2, 1948, the same New York Times reported that the final figure would be flexible. Flexible or not, the fact is that Allied officials are making commitments behind the back of the people and Congress.

If Germany should get two billions, how much money would be left for the recovery of the 16-nation members of the Marshall plan? Surely the European recovery program was not intended to give Germany the lion's share. We had some misgivings about Germany's share in the Marshall plan when it was first promulgated. Last year both Secretary Royall and former Under Secretary Dean Acheson casually mentioned the fact that Germany would become the cornerstone of western Europe. It was hard to believe that this was the real intent of the Marshall plan. The 16 nations would not believe it either. But as recently as May 21, 1948, Mr. Wilkinson, who appeared before the Senate Appropriations Committee, gave notice to the 16 nations that they will have to accept the fact that Germany will become the cornerstone of Europe. The New York Times of May 22, 1948, makes it very explicit when it says: "Mr. Wilkinson told the committee that authorities in Germany would not hesitate to bring pressure to bear on Marshall plan countries through the ECA in the event that any of them failed to cooperate toward the revival of German industry."

And speaking about Germany's contribution to the recovery of western Europe, the American people today face, in the words of the Commerce Department, "the most critical industrial problem due to the lack of scrap iron." The Commerce Department reported a few months ago that Germany has at least 10,000,000 tons of available scrap, but we were recently told that the Germans cannot be forced to sell it to the United States because we have no authority to do so. Clearly, there must be something wrong in Germany when this sort of thing is allowed to exist.

A few words must be said about the reparations program. Three years ago we were told that Germany would contribute her share to the recovery of western Europe by delivering to 18 nations the surplus industrial capacity which she cannot use under her peacetime economy. In this connection, 2 years after World War I, Germany paid in reparations 8,000,000,000 marks. Three years after VE-day the 18 nation members of the Inter-Allied Reparations Agency in Brussels are still standing, hat in hand, begging for reparations in capital goods which Germany has in abundance and which she cannot use under the level of industry plan. The reparations program was recently reduced to 682 plants (only 1 percent of the available number of plants). But we are now informed that a program is afoot to do away with the reparations program entirely.

Perhaps the best way to summarize the lesson we have not learned about Germany is, to quote Mr. R. H. Estill, the American chairman of the US-UK control group dealing with Germany's production of coal, on which so much of Germany's economy depends. On May 25, 1948, he told the foreign correspondents that, "call it sabotage or what have you, the management (Mr. Kost & Co.) certainly is not making a concentrated effort to produce coal" (New York Times, May 26, 1948). Mr. Estill also accused the German management of having tricked the US and UK authorities regarding the production figures.

The sum total of it all is that we have embarked upon a policy of rewarding our enemies and punishing our friends. The result will be that we will rebuild Germany at the expense of the only friends we have in western Europe.

These are only a few instances to show what has happened to our policy toward Germany. We are told that all this is necessary because Germany must become the bastion of our western civilization—which is another way of saying that we never learn our lesson.

Wallace Party Said To Illustrate Hypnotism of Soviet Juke Box

EXTENSION OF REMARKS

OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 4, 1948

Mr. MULTER. Mr. Speaker, under leave to extend my remarks in the RECORD I include an article by Sumner Welles that appeared in the New York Herald Tribune on Tuesday, August 3, 1948:

"WALLACE PARTY SAID TO ILLUSTRATE HYPNOTISM OF SOVIET JUKE BOX"—SUMNER WELLES POINTS TO THE GROWING INFLUENCE OF RUSSIAN SEMANTICS ON THE MORE SOGGY-MINDED OF THE LIBERALS AND CITES TWO EXAMPLES

(By Sumner Welles, Former Under Secretary of State)

We cannot afford to ignore the significance of the support given by many Americans to the Progressive Party in spite of their knowledge that the Communists dictated its platform and control the party machinery. It is an alarming fact that a great number of these Americans sincerely believe that peace and a free world will be secured by the adoption of policies laid down by Moscow's agents in this country.

The third party convention proved that Soviet indoctrination has had far-reaching effects in the United States.

The influence that Communist propaganda has had in the realm of semantics is notorious. The meaning of so vitally important a word as "democracy" has already been obscured. Its true meaning of "rule by the people" has been perverted by the consistent use

as a term applicable to the Soviet type of dictatorship. Some Americans are confused. They daily hear from Soviet-inspired sources that the autocracy which the men in the Kremlin are imposing upon the Russian people is genuine democracy and that the freely elected governments of the West represent a form of semifascism.

A DISTINCTION LOST

As this confusion grows, the distinction between liberty and tyranny, which was once clear cut in the minds of the English-speaking peoples, is correspondingly dulled.

Outside of our largest racial minority, the results of Soviet indoctrination are chiefly to be seen among the more soggy-minded of the peace seekers, and among those groups of liberals who concentrate exclusively upon materialistic objectives. These men and women have been so influenced by the Communist line that they minimize the worth of those fundamental guaranties of human liberty established by the Bill of Rights.

Two typical cases of the hypnotism produced by the Soviet juke box have only today come to my attention.

I have read an advance copy of the book of an American professor who writes of his experiences in eastern Europe, where he was recently sent to expound our national culture to the people of a satellite country. He cites with relish the criticisms of American policy that he heard. These he evidently considered unanswerable. Among them were such threadbare examples of Communist propaganda as "Why has the United States intervened by force in Greece?" and "Why has the United States refused to oppose the Fascists in Argentina?"

OMISSIONS ARE CITED

This supposed evangelist of American democracy refrained from pointing out that the United States has not intervened by force in Greece and that without American help the Greek people could not maintain their freedom in the face of Communist aggression. He was unwilling to explain that the Argentine Government was freely elected by the Argentine people and that, while we may deplore some of that Government's domestic policies, under the democratic principles which govern inter-American relations, no American Republic can interfere in Argentina's internal concerns unless the American states jointly decide that her policies endanger hemispheric peace.

THE PARTY LINE

There is no reason to suppose that this professor is not a patriotic citizen and an honest liberal. He is probably now busily promoting civil rights in the United States. Yet to him neither the liberty of the Greeks, nor the sovereign right of the Argentine people to choose their own government seemed to involve principles whose observance is essential to a free world. His criterion was the Communist Party line.

The second case is that of a correspondent who writes that he is a member of "a group of honest citizenry in Los Angeles." He upbraids me for my disapproval of the dictatorship that has recently forced itself upon Costa Rica. He insists that the abrogation of Costa Rica's liberal and democratic constitution; government by decree; the subordination, without appeal, of life and property to the decisions of tribunals installed by the dictatorship; and the imposition of capital levies and the nationalization of banks, railroads, and utilities without any prior expression of the will of the Costa Rican people, are all measures to be applauded on the ground that "radical surgical steps are necessary to cut out cancerous sores from the body of a republic." He believes that through such measures "we can expect the creation of a more liberal social democratic constitution than even the previous one."

A "MORE LIBERAL" SYSTEM

Here is an American citizen asserting that, in a country where democratic processes and respect for individual liberties are traditional, a totalitarian dictatorship is to be welcomed as a means of securing an even "more liberal social democratic" system. The thesis is, of course, similar to that so recently proclaimed by the Communist Party in Czechoslovakia.

We have heard much of the desirability of combating communism by convincing other peoples of the superior advantages of our own democracy. When Americans, such as those I have quoted and those who support the third party, hold in such low esteem the safeguards for individual freedom upon which our institutions are founded, we have reason to wonder whether our democracy is carrying out its proper obligation of teaching its own citizens the value of those human liberties that have made of it the hope of the oppressed for more than a century and a half.

May it be perhaps that some of the enlightenment required is needed here at home?

The Rough Riders

EXTENSION OF REMARKS
OF
HON. RICHARD F. HARLESS
OF ARIZONA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 4, 1948

Mr. HARLESS of Arizona. Mr. Speaker, the Post Office Department recently released to the press a "complete list of new postage stamps to be issued during the remainder of 1948, together with the places and first-day sales of each." Included in that list is the special series of 3-cent stamps commemorative of the fiftieth anniversary of the organization of the Rough Riders, authorized by my House Joint Resolution 305—now Public Law 812, Eightieth Congress, chapter 710, second session. Such Rough Riders stamps will be issued on October 27, 1948, the birthday of Theodore Roosevelt, formerly colonel of the Righ Riders and thereafter the twenty-sixth President of the United States, and the place of the first-day sales will be Prescott, Ariz., the home city of its heroic mayor, Capt. William Owen "Bucky" O'Neill, who was killed in action while gallantly leading his troops at the Battle of San Juan Hill on July 1, 1898, and a picture of whose magnificent equestrian statue by the celebrated sculptor, Gutson Borglum is to be engraved upon such Rough Riders stamps. Under unanimouse consent of the House of Representatives, I am including in the CONGRESSIONAL RECORD an editorial entitled "The Rough Riders" from the June 21, 1948, issue of the Prescott Evening Courier, of Prescott, Yavapai County, Ariz.:

THE ROUGH RIDERS

Tribute to the Rough Riders, who will hold their fiftieth anniversary celebration in Prescott June 24 and 25, was paid in a brief address in the national House of Representatives by Congressman RICHARD HARLESS, who introduced a resolution for the issuance of a memorial Rough Rider stamp, which has been accepted by the House.

Also included in publication in the CONGRESSIONAL RECORD is a poem by James Patrick McGovern, a prominent attorney of Washington, D. C., who found his health in Prescott many years ago.

Congressman HARLESS' remarks follow:

"Mr. Speaker, the fiftieth anniversary of the organization of the Rough Riders—the first volunteer United States Cavalry—will be observed on the 24 and 25 of this month of June 1948, at Prescott, Ariz., the home city of the famed William Owen "Bucky" O'Neill, its mayor and captain of Troop A of that glorious regiment of the Spanish-American War, who was killed in action while gallantly leading his men at the Battle of San Juan Hill on July 1, 1898. A magnificent equestrian statute, by the celebrated sculptor, Gutzon Borglum, to the memory of that hero, stands in Court House Square, in the city of Prescott, and on January 21, 1948, I introduced in the Congress House Joint Resolution 305, authorizing the issuance of a special series of 3-cent postage stamps, commemorative of that fiftieth anniversary, and which shall bear a picture of that statue. The Committee on Post Office and Civil Service, to which such resolution was referred, reported favorably thereon May 27, 1948, without amendment, and recommended that it do pass. That joint resolution passed the House by unanimous vote on June 8, and I hope that it may be enacted into law promptly.

"James Patrick McGovern, of the District of Columbia bar, a captain in the American Expeditionary Forces during the First World War, and the special Washington correspondent of the Arizona Daily Sun, of Flagstaff, Ariz., where he lived as a youth, has written a fitting tribute, in verse, to the Rough Riders, which I now submit for publication in the CONGRESSIONAL RECORD, and elsewhere throughout the Nation, as follows:

" 'THE ROUGH RIDERS

" 'Charge, charge of San Juan Hill, charge, charge again,
Resounds as half a century enshrines
The memory of deeds by supermen,
Whose dauntless valor swept the Spanish lines.
Roosevelt and Wood, for whom life's peak was fame,
O'Neill and Capron, for whom scorn mocked at death,
Men white and red, of every rank and name—
All thrilled with a devotion dear as breath.
True warriors they were, first volunteers.
From mountains and from plains of the broad West,
Virile, bold, and peerless pioneers,
Exploring in a new horizon's quest.
They stormed the heights of glory with white fire;
Forever shall their vibrant hearts inspire.' "

—James Patrick McGovern.

American Chief of UN Mission Proud of Poland

EXTENSION OF REMARKS
OF
HON. GEORGE G. SADOWSKI
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 4, 1948

Mr. SADOWSKI. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include a most interesting and remarkable letter that was written

by Earl H. Bell while in Warsaw for the UN as Chief of Mission of its International Children's Emergency Fund.

WARSAW, POLAND.—Your recent letter reached me a few days ago. Your concern over our welfare is quite unnecessary. We have been here 4 months and are living a very normal life. Kim is thoroughly acclimated now. He is in a Polish Przedszkole (kindergarten). He likes it very much, talks Polish fluently, is learning to sing and dance, and even Polish manners. He has several little friends outside of school with whom he plays. His health is fine.

I know you are interested in Poland and I have so much to tell you I hardly know where to begin. Perhaps the best way is to tell you how an American member of the United Nations staff is treated by and works with the government.

In the first place I am received in the most friendly and cordial manner by all ranks from chauffers to ministers.

My most intimate associates are a working committee of four from the ministries of supply, education, health, and labor, and social welfare. Their position in the civil service is comparable to that of a division head in a bureau at home.

POLES FIRST OF ALL

Some of them are Socialists and some Communists, but they are all first Poles—capable, honest, conscientious, hard-working patriots who jealously love their country and demonstrate it by their willingness to make whatever personal sacrifices are necessary to rebuild their country on a pattern of freedom from fear and want.

In our work I find that they are motivated only by the desire that our program shall be efficiently and honestly administered in accord with the spirit as well as the words of the basic agreement between the Polish Government and the UN children's fund.

While there are violent arguments at high levels in the UN we are demonstrating here that the UN can work together harmoniously.

DIFFERENT SPIRIT

There seems to be a minimum of interministerial power politics, which is amazing to an old American bureaucrat. For instance, when we were discussing how to increase our program the representative of the ministry of health said they would like to have most if not all the increase go for feeding infants under 1 year of age.

I replied that perhaps the ministry of education would not agree since this would mean no increase in their operations.

To my surprise the representative of the ministry of education spoke up and said that they agreed—the total increase should go to infants.

Now for some general things. If anyone had told me of the progress that has been made in the reconstruction of Warsaw during my 11-month absence from Poland I would not have believed them. We drove into Warsaw at night along streets which 11 months before were filled with rubble. Now many of the buildings are restored. Most of the reconstruction has been accomplished by human strength alone, unaided by mechanical power.

How they do it I cannot understand. But I did get a bit of an insight one Sunday recently. I went out with a volunteer group to help clear a street.

There were perhaps a hundred of us. There we stood in the midst of ruins. Ruins as far as we could see—a street filled with rubble 6 or 8 feet deep—wrecked buildings. One hundred people on a Sunday morning started to clear away the millions of tons of debris with nothing but hand shovels and push carts. Hopeless as it seemed, after 4 hours we had made a distinct impression.

REGULAR SUNDAY WORK

That is the way thousands of Poles spend their Sundays. That is the way Poland is being rebuilt. When it is finally rebuilt it will be truly the people's Poland—built by the people of their sweat and tears.

The reconstruction of industry is proceeding even more rapidly because production goods are given highest priority. The coal mines, completely destroyed by the Germans, are now producing coal at more than the prewar rate. No other coal field in Europe can boast of anything like prewar production. Other industries are being restored at a phenomenal rate.

Despite the great shortage of all kinds of consumer goods, inflation is being prevented. Prices have been held and in some instances reduced through control of wages and profits and by increasing production to a rational plan.

There are not enough goods, and wages are low in relation to prices but the Poles recognize that inflation, brought about by higher wages and prices, does not make more goods available. During the last year the production of goods has been increased. Prices lowered and wages increased thus bring about higher prices and real wages.

FOR MOTHERS AND CHILDREN

Poland is making a great effort to care for the children. Over 13 percent of the national budget is devoted to mother and child welfare. Every mother of a child and pregnant woman has free access to medical care. Orphans are given the best care the nation can afford. I am not referring to "afford" in terms of money but of goods.

I know you will be interested in the status of religion in the new Poland. I have seen no evidence of persecution of any church or the suppression of religion. On the contrary, in most of the public schools I saw the cross and other religious symbols above the national insignia. Catholic sisters work in and operate many state-supported schools and orphanages. There is what most of us Americans would believe a belated determination to separate state and church.

But minority religious sects have protection which they never had before, much to the dissatisfaction of some of the clergy who remember the old days when they were allowed to persecute the minority sects.

REJECT MARSHALL PLAN

I know you wonder about the attitude of Poles toward the Marshall plan. That is one thing they are most unanimous about. They want nothing to do with a plan that would build up the aggressors before the victims of the aggressors; that would reestablish economic domination by cartels which in the past proved to be the predecessors of military domination, or at best held east Europe in colonial bondage to Germany.

Poles have suffered too much in the past to be willing to run the chance of being subjected to the old industrial despotism. They want a new deal industrially so much that they are willing to go hungry, ill-clothed, and work with their bare hands to get it—and they are getting it.

They have made progress toward it while other countries were waiting for Congress to pass the Marshall plan.

Here, I am sure, is the same spirit that imposed the Declaration of Independence, made it possible for the ragged patriots of Valley Forge to throw off the yoke of foreign domination, established the social revolution of 1800 and created a civilization from the forests and prairies.

EARL H. BELL.

Change From $10 Bill Real Issue in Campaign of Both Parties

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 4, 1948

Mr. MULTER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include an article by Robert M. Grannis that appeared in the Brooklyn (N. Y.) Eagle on Sunday, August 1, 1948:

CHANGE FROM $10 BILL REAL ISSUE IN CAMPAIGN OF BOTH PARTIES

(By Robert M. Grannis)

Polysyllabic words, intricate figures, and economic principles always throw me in hot weather. Particularly in midsummer, when the suit hangs on me like a bag and the brow from which the hair is receding is as moist as a worried politician's handshake.

No one has to tell me what happens to a $10 bill when my wife hands it to the butcher or the grocer or buys a pair of shoes for junior. The change I can count. But after several mornings of having Eccles with my breakfast bacon, Mr. Truman's special advisory council for lunch, Paul Porter for dinner with a side dish of Bob Taft. I'm wondering if it's worth getting peptic ulcers to find out what really is happening in Washington.

Nevertheless, let's take a look, ulcers or no ulcers.

Having followed the same national road map for nearly 16 years, we have reached a big bump on the main highway.

INFLATION BIG BUMP

The big bump is inflation peak, and the question is, Can the old car negotiate it without crashing? Some say "Yes" and some say "No." Leaders of both parties are terribly embarrassed because they have discovered something that has been right under their noses for a long time. And the experts have been called in. The flow of technical language is terrific.

President Truman, who, in case you haven't heard, is running for President in November, talks in terms of the wonderful ride folks had before they reached the bump. High wages, etc. But he's certain the bump is a Republican responsibility. He dares them to do something about it and drags up characters like Paul Porter, who belongs in the Alice in Wonderland era of our national economy, to point the way. Roll-backs, rationing, and subsidies.

Remember the good old slogans in the good old prebump days? Let's boost wages and keep prices down. And "hold the line" with one hand and subsidize prices with the other.

The Republicans are on the spot. If they follow the suggestions of Mr. Truman and they work, whom will folks vote for in November—the present incumbent, or Mr. Dewey? If they detour around the bump until after election, whom will the people support? It's a mess, all right.

If the GOP and the Democrats could have brains enough to decide on a bipartisan cure for the bump, the darn thing could be removed as a campaign issue. Who's responsible for the bump would be a good substitute issue. Governor Dewey is in favor of not making a detour. Perhaps because he's smarter than the Republican leaders in Congress.

HARRIED BY WALLACE

One thing both parties overlook worries me. They keep an apprehensive eye on the splinter groups rallying behind Henry Wallace, who believes in using wings to fly over things like bumps in the road. They can't understand why Henry gets so much support. The Iowa corn king watches the huddle at the bump and points to the alternate road that isn't there. And some day, if the two major parties keep on squabbling at the expense of the people, the majority might decide to take the dream road and that would be bad.

Right now I want to be told how to get more change out of a $10 bill and it doesn't appear that I'll get an answer this summer. Fewer big words and more action might do it. Certainly drastic action is needed to eliminate the bump, and while I'm not in favor of hasty legislation, maybe we'd better not wait until January, after all.

Address of Hon. Clare Boothe Luce

EXTENSION OF REMARKS
OF

HON. LESLIE C. ARENDS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 4, 1948

Mr. ARENDS. Mr. Speaker, under leave to extend my remarks, I include in the RECORD the following address of Hon. Clare Boothe Luce to the Republican National Convention in Philadelphia on Monday, June 21, 1948:

Ladies and gentlemen of the convention, 4 years ago you did me the great honor of letting me address our Republican convention. I was deeply aware of the privilege and the responsibility that went with it. But it is an even greater thing to be granted the attention of this audience. For everyone in America—indeed, in the whole watching world—is certain that among you are the men and women who are going to pick our next President.

Why is everyone so certain? For three reasons: Our people want a competent President. Our people want a truthful President. Our people want a Constitution-minded President.

Know-how, squareness, Americanism—these three we must have in our next President if we are going to restore confidence in our economic system at home and if we mean to do a constructive job of world leadership.

So our theme tonight is the same as it was 4 years ago; it is an old Republican theme. The Democratic Party, for reasons that we will have a brief look at now, cannot produce such a President. And most of the people know it. Even the Democrats know it. That is why so many of them are hoping against hope that they may be able, at their own convention, to draft a Republican.

Let's waste no time measuring the unfortunate man in the White House against our specifications. Mr. Truman's time is short; his situation is hopeless. Frankly, he is a gone goose. But before he goes we should admit that we owe him several debts of gratitude.

We should be grateful to Mr. Truman that he tried to be Vice President in 1944, and that with the gallant aid of the big city bosses, Kelly and Flynn, Pendergast and Hague, he did not fail. If he had failed, our President today would be Mr. Wallace.

There are those who call Mr. Truman a little man. His party has sired a smaller. Mr. Truman is a giant beside that very dwarf among pigmies—the American who runs down his own country in order to get buttered up by a foreign tyrant.

Yes, providence wrote straight with crooked lines when Pendergast gave us colorless Harry Truman, instead of Red Hank Wallace.

We should also be grateful to Mr. Truman because he has had so little dramatic talent. When there's a slump at the ballot-box office, a real New Deal hero must be able to chew up the scenery. But Mr. Truman is a man of phlegm, not of fire. He just can't read those old Bob Sherwood lines with the oomph they need for the curtain calls in November. This Truman torpor is more than Democratic f. and b. can bear. But it's been a great relief to Mr. Truman's fellow citizens.

Now, nobody could call Mr. Truman's 3 years in office the pause that refreshes. But they have given us a breathing space in which to refresh our memory on a great chunk of recent Democratic Party history. For the first time, many Americans can see clearly why that party, by its very nature, is unable to run the country well.

Consider the make-up of the party at its immediate postwar operational level. It was less a party than a podge. It was a mishmash of die-hard, warring factions.

Take the extreme right, or the Jim Crow wing, of the party. This was controlled by lynch-loving Bourbons, white-shirted race supremists of the Bilbo ilk. At its best conservative, this wing was and is seldom at its best. It is generally waging a last ditch fight on some progressive issue—of national health, housing, education, or labor because its passage will better the lot of our badly underprivileged Negroes, or other racial minorities. At its worst, this wing is the most reactionary and intolerant element in American life. It is anti-Semitic, anti-Catholic, antiforeign. In short, antediluvian.

You could promise heaven to the Jim Crow wing of the Democratic Party. They'd refuse to go along. Heaven isn't 100 percent American.

Then, there is the left, or Moscow wing of the party. This wing, currently in secession, is being master-minded by Stalin's Mortimer Snerd, Henry Wallace. It is also sometimes known as the bat wing. Here one finds most of the economic spoonies and political bubble heads in the Nation. But this buckled-brain fringe is relatively harmless. Its dangerous core is a motley of labor racketeers, native and imported Communists, and foreign agents of the Kremlin.

Then there is the center, or Pendergast wing. This is run by the wampum and boodle boys, the same big city bosses who gave us Harry Truman in one of their more pixilated moments.

Naturally, the three wings of the party, left to their own desires and devices, begin to operate as suicide squads: each demands the purge of the others; or threatens to secede from the party.

How can any Democratic President rule well with and in such political bedlam?

You are reasonable men and women—you would answer that the thing for a President to do when differences exist in his party is to compromise them on basic principles of fair play and justice. But the differences between the Jim Crow and the Moscow wings are too deep, too bitter—one can almost say, too bloody—for reasonable compromise. On what commonly held moral principles of government can Democratic Marcantonio meet Democratic Rankin? Can Talmadge meet Wallace?

If there were ever a political Tower of Babel, it was the modern New Deal Party. There are, however, 3 formulas for keeping power which it has used with success.

The first is the formula of padding the public pay roll. Life with the party must be a little like living in guerrilla territory. Nevertheless, if a man's bread and butter can be made to depend on it, he can take it. Every Government employee delivers on the average of 5 family votes, and in 1945 there were 3,595,734 employees on the Federal pay roll. The feeding of countless hordes of bureaucrats at the public trough is less an ideological principle with the party than a practical necessity.

The second—and great—formula by which a Democratic President can hope to keep the contradictory elements of his own party together in sufficient numbers to reelect him is the formula of confusion and crisis.

He either makes or seizes upon some domestic issue fraught with emotional content. Holding back the facts as long as possible, he kicks up a mountainous dust of debate about it. If this dust is thick enough, his warring factions won't be able to see whose wing is currently being eaten in the White House. And neither will the people be able to see the party-kreigspeil backstage, or take a good clear look at the mounting rolls of Government employees.

The people have long since grown tired of these domestic dust storms. Today they demand that the issues that kicked them up—or supposedly kicked them up, be compromised and settled, according to constitutional methods.

A Democratic President is on the way out when this time comes, unless he is provided by events overseas with a hot foreign issue. It has to be an issue that will send up smoke, maybe battle smoke. The battle smoke of international crisis is even better than the dust of domestic confusion for getting in your eyes, so you won't see why the Democratic Party can't govern peaceably, even in peacetime.

Democratic Presidents are always troubadours of trouble, crooners of catastrophe: They cannot win elections except in the climate of crisis. So the party, by its very composition, has a vested interest in depression at home and war abroad, because the threat of prosperity at home, or peace overseas, will always split it wide open, and so collapse its fortunes.

This is a fact which we Republicans ask all honest liberals to face up to now. We know that there are many, many men and women of good will who have, in the past, sought progress in the Democratic Party, only to have the promises made to their ears repeatedly broken to their hearts. We sympathize with them. But we wish to point out to them, in all sincerity, what the purpose of New Deal demagogs is when they agitate the breasts of the people alternately with dire forebodings of disaster and frantic hopes of utopia. Their purpose was—and is—power.

The arousing of extravagant hopes, or equally extravagant fears: That is the third New Deal formula.

We Republicans will not promise you heaven on earth, or as it was once put, "only a consecrated world." But we can promise you we will do our level, honest, commonsensical best to keep you out of those hells on earth: constant domestic crises and a third world war.

We promise, in short, that we can fulfill the reasonable expectations of reasonable men, by good government at home and sober statesmanship abroad.

On the great issue of war or peace the Democrats are divided, as they are fundamentally always divided on everything. Wallace says that Truman wants war at any cost. Truman says that Wallace wants peace at any price. Both may be right. But our party is not divided about what it believes: We believe neither in war at any cost, nor peace at any price. We Republicans believe that peace can be brought to a great section of the world, by electing a President who will show the simple courage of saying what he means and meaning what he says, both to peoples overseas and to us at home.

It may sometimes be hard for a President to tell the truth. It is always impossible to hide it.

For example, history has already given the final answers to the great question that we the people asked the New Deal in its heyday, and to which we got silence, evasion, or distortion for an answer.

The question then and the question now is primarily whether the war was necessary. By 1940, certainly, the war was necessary.

The question then—and the question now—and the question so long as our Republic endures—is this: Are we, the American people to be trusted by our President with the true facts about our own security, yes or no? Are we no longer fit to shape our own destiny, yes or no? We say "Yes." The Communists say "No." History shows that the New Deal seemed to share the Communist opinion of our popular representative, constitutional form of government.

History shows now that back in '39, administration circles privately thought lend-lease would lead to war: Congress was told it was a peace measure.

History shows now that in '41 commitments were made to Mr. Churchill at the Atlantic Conference: then, the Government denied them.

History shows now that in November of '41, our Navy while escorting British ships, was in a shooting war against German subs: The White House denied it.

And history shows that the State Department felt our demands on Japan would provoke her into an attack: it told us that these demands were a sound basis of peace in the Orient.

The pay-off to such an extraconstitutional foreign policy was Pearl Harbor.

As the war developed, New Deal diplomacy settled—in secret, of course—into its final form: unconditional surrender from Germany and unconditional surrender to Russia.

History shows now that the White House made secret concessions to Soviet Russia at Tehran and Yalta, and Potsdam. At Yalta, that incredibly heroic country, Poland, was sold outright to the Kremlin. And China's sovereignty over Manchuria was snatched away. Unnecessary, disgraceful betrayals. And what was got for them? Stalin's promise to enter the war we had already won against Japan. "I got along fine with Stalin," said the great New Dealer. "I like old Joe," said the little New Dealer last week. Good old Joe. Of course they liked him. Didn't they give him all eastern Europe, Manchuria, the Kuriles, north China, coalitions in Poland, Yugoslavia, and Czechoslovakia? How much more they would have given him if Senator VANDENBERG and Foster Dulles and other Republican voices in the Nation had not put some backbone into the New Deal State Department, we tremble to think. And how much more good old Joe would have taken if a Republican Congress had not kept the bomb, and passed the ERP bill, we can't guess either. Yes, good old Joe Stalin. Bad old Congress.

And the existence of all such commitments and deals were ridiculed and denied at the time, and are today. Republicans who warned 3 or 4 years ago that they existed, and that they would in the long run prove dangerous to world peace, and even to our own security, were publicly pilloried by the White House, no less than the Daily Worker, as Fascists and war mongers.

Fortunately Republicans have never minded being political expendables in our country's cause.

Why, why, many ask themselves today, does not the New Deal trust the people? Why must it indulge so frivolously in complicated moves, evasions, and subterfuges even in the all-important matter of our national safety?

We have given one answer: Public confusion on vital issues was—and is—Democratic weather. A democratic President is doomed to proceed to his goals like a cuttle fish squirting darkness all about him.

But there is a second reason: During its lifetime the New Deal was increasingly infected with the moral disease of expediency. This ethical blight has to some extent hit every form of government in the world. It is responsible for much of the world's miseries. It has become a satanic scourge in Soviet Russia. It is the devilish idea that the ends justify the means.

The Republican and the Democratic Parties both claim, and I think honestly, to be for the same ends; the greatest possible increase of physical well-being, economic security, and political liberty for the American citizen, regardless of color, creed, or condition.

Here's a funny thing—these same goals are also paraded in the propaganda of the Kremlin. It is precisely because they profess the same goals we do that Soviet leaders insist that the USSR is also a democracy.

And in truth, the difference between our democracy and the Soviets does not lie in the ends we claim to seek. It lies in the means by which we and they, in actual fact, try to reach those ends.

We, the people, have always believed that means should correspond to ends; that honest, legal, democratic means were the only safe and proper way to reach good democratic ends. But the Communists hold just the opposite. They hold that in order to reach democratic ends anything goes: Evasion, deceit, subterfuge, sabotage, treachery. And all their horrid progeny—exile, torture, murder, liquidation.

It is a Communist principle to destroy all moral principle—and naturally all religion—on the theory that to do so will bring about prosperous rule of the proletariat more quickly.

A dictator may be all-powerful, as Stalin is in his own country. But Stalin could no more suspend the workings of the moral law, even in Russia, than King Canute could suspend the law of nature when he ordered the tide to halt.

Soviet Russia pursued liberty with the means of slavery. And 180,000,000 Russians have lost all their liberties.

In the New Deal's conduct of our Nation's affairs there were—and still are—many echoes of this diabolic doctrine that the ends justify the means.

You remember the famous phrase, "I hope that your committee will not permit doubt as to constitutionality, however reasonable, to block the suggested legislation." That was one echo.

The philosophy that lofty ends justify underhanded means always goes hand in hand with a contempt for the wisdom of the plain people. And many New Dealers do honestly feel that they cannot trust Americans with the truth, because of their laziness, or indifference, or stupidity.

Harry Hopkins put this attitude in a historic phrase when, defending some covert New Deal measure, he said, "The people are too d— dumb to understand."

Well, the people understand now. They understand now why the New Dealers were attracted—and are still attracted—by the Communists, and the Communists are even more attracted to the New Dealers.

The Communists can do business with any man, rich man, poor man, beggar man, thief, doctor, lawyer, merchant, chief—even a Chief Executive—provided one thing only: That he is willing to use unconstitutional, or simply undemocratic means in the pursuit of his political ends.

The air of expediency is natural to the New Deal Party. This is the air in which native, homegrown American Communists can best thrive.

Let me give you one brilliant example of how this popular New Deal theory that undemocratic means are justified by democratic goals always leads to tyranny, in practice. Speech-making in Oregon last month, Henry Wallace is reported, in the Baltimore Sun, to have made the following statement:

"The Government should buy up land which can't be served by electricity. If people insist on living on such land, then the Government should not permit them to have children."

O, pursuit of happiness, O liberty, O life itself. Must all be liquidated if you and I are so stubborn as to light our lamps with oil, when the New Deal wants us to use electricity?

Here we have the apotheosis of the New Dealer: He pursued plenty by the means of scarcity. He plowed under every third row, he killed little pigs. Now in the name of the almighty, progressive kilowatt, he condemns unborn children to oblivion. Make way, you old-fashioned Republicans. Make way for the New Deal's real heir, the humanitarian with the electric chair.

We Republicans have never ceased, for 16 long years, to warn the people that bad methods never do, in the end, produce good results.

How sad it is to see the effect of those secret treaties made at Tehran, Yalta, and Potsdam, and so long denied in Washington. They have condemned to exile, death, or slavery millions of the very people to whom we sought to give freedom, the Poles, the Balts, the brave people of central and middle Europe who fought for us in the undergrounds.

We see now that a foreign policy which did not meet the Russian challenge on a moral plane—the plane of honesty with our people—this policy is going to cost the American taxpayer dearly—he must now put up billions for the reconstruction and strengthening of western Europe and Asia, and the building up of a strong Military Establishment against the threat of war. The heavy postwar burden put upon our country was made many times heavier, not lighter, because of these secret concessions made to Soviet Russia without the knowledge of the American people.

A simpler way of putting this is to say that the Democratic Party lost faith in the processes demanded by the Constitution of our President. And now the people have lost faith in a Democratic President.

Today, they want a Constitution-minded President. They want a President who can ask, and will ask, as Abraham Lincoln did, even in the midst of the Civil War:

"Why should there not be a patient confidence in the ultimate justice of the people? Is there any better, or equal hope in the world?"

We Republicans say there is no better or equal hope in the world. We believe that the Constitution is the greatest charter of freedom men have ever thought out, written down, embodied into law, and lived by. And nothing that has come out of Germany or Soviet Russia in the past 20 years has made us change that happy opinion. On the contrary, the terror and misery that stalk the rest of the world under totalitarian systems have deepened our conviction that "the Constitution * * * is unquestionably the wisest yet ever presented to man."

In November, the people will shout the words of Jefferson in every polling booth:

"In questions of power, let no more be heard of confidence in man, but bind him down from mischief by the chains of the Constitution."

These are words that no Democratic President has dared to quote with a clear conscience for 16 long years.

The lesson that the American people have learned in these long, long years of the old, old New Deal is this: Competence, truthfulness, and constitutionality are needed in the White House and they cannot be supplied by the Democrats.

It has in many ways been an expensive lesson. But it will have been worth while if we have learned it well.

May our party be worthy to take over the reins of government now. May we be in every way fit to assume the leadership of the Nation that must assume leadership in the world.

Our responsibilities are grave: May we accept them in all gravity and prayerfulness.

It has been said that the affairs of the world are run by the confusion of men and the providence of God. Surely a sound and generous statesmanship will lessen the confusion, and surely prayer will attract a more beneficent providence.

In closing let us recall the words of President Roosevelt—Theodore Roosevelt. They are durable words. Written 38 years ago, they are strangely timely to our ears, as we gather here to choose the next President of the United States.

"Our country—this great Republic—means nothing unless it means the triumph of a real democracy. The triumph of popular government, and in the long run the economic system under which each man shall be guaranteed the opportunity to show the best there is in him. That is why the history of America is now the central fact of the world. The world has set its face hopefully toward our democracy. And oh, my fellow citizens, each one of you carries on your shoulders not only the burden of doing well for the sake of your own country, but the burden of doing well and of seeing that this Nation does well for the sake of mankind."

Mill Pricing in the Steel Industry

EXTENSION OF REMARKS
OF
HON. ROBERT N. McGARVEY
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 4, 1948

Mr. McGARVEY. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following letter and statement:

EDWARD L. HAND & CO.,
Philadelphia, Pa., August 3, 1948.

Hon. ROBERT N. McGARVEY,
House Office Building,
Washington, D. C.

DEAR BOB: Industry, both large and small, is concerned with the ultimate effect of abandoning the multiple basing principle, commonly used so many years.

The complications of cross migration and relocation of business is beyond the comprehension of anyone. The new definition of an 8-year-old law requires legislative attention if concentration of industry is to be avoided, which was the supposed intent of the law, when passed.

A small industry might move near a large customer to meet the conditions confronting him today. Tomorrow the large industry might pay a higher price to favor another supplier. The small manufacturer is at the mercy of such a condition.

Yours very truly,

W. J. FITZPATRICK.

SWING TO MILL PRICING GENERAL—VIRTUAL COMPLETE ABANDONMENT OF MULTIPLE BASING POINT QUOTING IN STEEL INDUSTRY INDICATED BY END OF SUMMER AS ADDITIONAL PRODUCERS FOLLOW UNITED STATES STEEL'S LEAD

With additional steelmakers adopting mill pricing, abandoning the historic basing point system, indications are that before the end of the summer virtually every steel mill in the country, large and small, will be quoting on the new basis.

Impact of the change in pricing method on consumers' costs will be substantial since freight charges formerly absorbed by the mills now will have to be paid by the consumer. This added cost burden, however, will vary between consumers, depending on their proximity to steel production centers. In some cases, buyers may benefit from the change.

ABANDONED RELUCTANTLY

The steel industry abandons basing point pricing reluctantly. Without exception steel executives view the change, forced by recent Supreme Court decisions in the cement and rigid steel conduit cases, as a backward step. The steel men point out that abandonment of the multiple basing point system will:

1. Promote local monopolies.
2. Restrict competition between the steel mills.
3. Force the closing and relocation of mills and factories.
4. Curtail development of low-cost production and distribution.
5. Deny consumers a free choice of suppliers.
6. Lead to geographical concentration of industry.
7. Cost customers more money because of increased transportation charges.
8. Prevent establishment of consumer cost estimates prior to actual purchases.
9. Result in higher prices on finished products to the ultimate consumer.
10. Create confusion and uncertainties in the marketing of steel products which will have chaotic effects on the economy of the Nation.

SEE GROWTH HAMPERED

It is the firm conviction within the steel industry that under mill pricing the industrial growth of the Nation will be hampered. Ben Moreell, president, Jones & Laughlin Steel Corp., in a letter announcing his company's policy, said: "The Nation's basic industries and their customers cannot continue the vigorous growth which is essential to the preservation of our country's industrial strength."

All that the steel companies seek, he said, is the right to compete, and in order to restore this basic principle he held it is essential that Congress amend the laws so there will be no statutory prohibition against charging lower mill prices to some customers than to others, when such lower prices are necessary to permit products to be sold in a distant market to compete with another producer more favorably located.

LEGISLATIVE ACTION

It was apparent last week that both producers and consumers of steel are banking heavily on some legislative action which will permit at least partial restoration of the basing point system. However, indications in Washington were that if anything at all is done along this line, it will be months in the making.

Senator HOMER CAPEHART (Republican, Indiana), chairman of a special subcommittee investigating effects of recent Supreme Court decisions on basing point pricing, last week indicated that length of the special session of Congress would determine whether hearings get under way before fall. If the special session is prolonged 2 or 3 months (which seems unlikely) hearings of the subcommittee probably would get under way. In any event the most that can be expected in the near future are hearings, any possible legislation being deferred until the next Congress.

Meanwhile, full play of the market under the new pricing system will permit more realistic judgment of the effect of the pricing change on the economy. While there is considerable talk of fabricating plants moving closer to steel production, for the most part it is believed fabricators will not be in a hurry to pick up their shops and move. Extent to which truck and water transport can be utilized in offsetting increased rail freight costs is a matter which thousands of fabricators will look into before they decide upon such a costly proceeding as moving their plant—lock, stock, and barrel.

Wage Increases for Employees of Bell Telephone System

EXTENSION OF REMARKS
OF
HON. GEORGE P. MILLER
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 4, 1948

Mr. MILLER of California. Mr. Speaker, officers of the Communications Workers of America, a union representing some 230,000 phone workers across the Nation, inform me that they have been carrying on negotiations with the Nation's telephone industry since early spring, with little success in getting the gigantic Bell System to come through with a third-round increase, as most American corporations have already done.

I should like briefly to review the bargaining relationship which has existed for several years between A. T. & T. and the phone union. In 1946 most corporations agreed to wage increases early in the spring, many of the unions involved being unable to obtain them without going on strike.

Rather than strike the telephone industry then, the phone union, under the leadership of J. A. Beirne, accepted a compromise wage increase settlement somewhat less than that obtained by other workers. A year later, in 1947, the phone industry, despite the granting by other industries of a sizable second round of increases, refused to grant any to telephone workers, forcing them on a 6-week Nation-wide strike before the industry came through with a second round wage increase, again smaller in amount than that obtained by unions in other industries.

In its bargaining this year CWA decided to do everything possible to avoid a strike and has so far displayed admirable restraint in not calling one. Bargaining began with the phone industry early in the year for renewal of contracts set to expire generally in the early part of May. No wage increases were forthcoming even after the General Motors settlement and that in other branches of the automobile industry, steel, oil, rubber, coal, electrical manufacturing, building construction, Government workers.

By now the newspapers report that practically all branches of organized labor, except telephones, have obtained third-round increases amounting generally to about 11 cents to 15 cents an hour.

CWA, as its contracts began to expire, extended some of them and in other cases entered into long-term stabilizing agreements, whereby the question of wages was temporarily set aside subject to reopening twice during the life of these

contracts. About half the 230,000 workers CWA represents are covered by contracts still under negotiation despite the ending of their primary term several months ago.

It seems to me that if we are going to make democracy work we must make one of its foundation stones, free collective bargaining, work also. Free collective bargaining requires a willingness on both sides of the conference table to give and take, be reasonable in their position, to consider each other's viewpoint and to be ready to compromise. It seems to me that the leaders of CWA have done all this. They openly stated they intend to avoid a strike if it is possible. They have followed through on this statement, even though a wage increase is long past due to them. They still have no present intentions of striking, but their patience is beginning to wear thin.

Let us look at the company actions in connection with this. The A. T. & T. is a seven-and-one-half-billion-dollar corporation, the largest business organization in America. It is a controlled industry, supervised partly by State commissions and partly by the Federal Communications Commission. Its recent rate increases have amounted to $137,000,000. It has applications pending before State rate-making bodies for another $80,000,000. The corporation has paid a $9-a-year dividend since the early 1920's, and paid that dividend right through the depression. Its latest report showed a net profit of $2.77 per share a quarter, more than enough to again pay this handsome $9 dividend. It is in the midst of a dial-conversion program, which will give it an opportunity for increasing even more its profit ratio through handling of calls mechanically rather than manually by telephone operators. Incidentally, as this program progresses it will throw thousands of operators out of work.

Despite this exceedingly favorable financial position, a situation likely to become even more pleasant for the owners of the company in the future, the Bell System has been adamant in refusing to grant wage increases to its employees.

Some slight movement in wage increases has just become evident in the manufacturing branch of the industry, but even here company offers so far have been still below the third-round pattern established in other industries. As for the several hundred thousand workers in the operating end of the business, the Bell System still insists that no wage increases are yet justified. Despite rising prices, the historic lag of telephone wages below others, and despite the fact that their 1946 and 1947 increases were not as great as those for workers in other fields, the Bell System, in some obscure manner best known to itself, steadfastly maintains that its workers are not entitled to an increase.

We passed the Taft-Hartley law during this session of Congress, a law which some labor leaders say put difficulties in their way of operation and hamstrung their activities. If American corporations like A. T. & T. continue their refusal to play fair with their workers, perhaps it is time the Congress did something about interfering with company activities, which more often than those of workers bring on economic strife and trouble.

In this special session there is perhaps not enough time to go into this matter thoroughly, but when the Eighty-first Congress convenes, if the Bell System has not mended its ways, we should recommend a complete investigation into its methods of operation, its profit-taking, and its relations with its employees and the unions which represent them. America's gigantic corporations have just as much responsibility in maintaining industrial peace as have America's unions.

Federal Spending Is Greatest Single Cause of Inflation

EXTENSION OF REMARKS
OF
HON. ROBERT F. RICH
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 4, 1948

Mr. RICH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following bulletin of the National Association of State Chambers of Commerce:

FEDERAL SPENDING IS GREATEST SINGLE CAUSE OF INFLATION—PRESIDENT OFFERS EIGHT-POINT PROGRAM TO CHECK INFLATION BUT OVERLOOKS MOST IMPORTANT RECOMMENDATION: CURB GOVERNMENT SPENDING

President Truman has ordered Congress back to Washington to deal with two national problems: Inflation and housing. His message to the Congress, delivered on Tuesday, outlined the things he wants done. The message contained 3,000 words, 1,110 of which were devoted to the problem of inflation and to his 8 proposals for solving that problem. There was not a single word of reference, however, to the most important of all the causes of inflation—the extravagant and unsound spending policies of the Federal Government itself.

None of the President's eight recommendations even hinted of the one remedy which, above all others, could effectively check the disturbing trend toward ever-rising prices—reduction of the cost of government.

On the contrary, the President's message contained no less than 10 recommendations for new Federal outlays, which, if approved by Congress, would at the outset add almost $2,000,000,000 more to the present budget, and eventually at least $9,000,000,000 more.

These proposed new expenditures would entail large increases in Federal employment, in Government purchases of basic materials, and in building space needed for the new offices created by the proposed legislation. These increases would come in the face of desperate Nation-wide shortages of manpower materials, and building space—shortages which contribute largely to current inflationary conditions.

COST OF LIVING VERSUS THE COST OF GOVERNMENT

The President's message dwelt at length on rising prices and the high cost of living.

The cost of living in the United States has risen 73 percent since 1939, according to the latest report of the Bureau of Labor Statistics. This is a very disturbing increase indeed.

But in the same period of time the cost of Federal Government (as measured by its expenditures) has soared from $8,765,338,000 in the fiscal year 1939 to $39,326,000,000 in the fiscal year 1948 (Treasury Bulletin of June 30). This is an increase of 337 percent.

In other words, the cost of Federal Government has increased at a rate four and a half times as fast as the cost of living has increased since 1939.

That is important for this reason: Taxes for all government in the United States today—Federal, State, and local—constitute the largest single item in the budget of the whole American people. It is larger than the Nation's bill for food. It amounts to more than 25 cents of every dollar of the Nation's income. Of the $55,000,000,000 levied and collected in taxes for all government in the United States this year, more than four-fifths goes to Washington.

It can readily be seen that if Congress were to approve new expenditures advocated by the President, taxes needed to meet these new spending burdens would take an even larger slice of the American income dollar than is taken now.

TAXES ARE INTENDED FOR SPENDING

The President's message did, indeed, propose the levying of a new tax—an excess-profits tax. The message stated that the new revenues are intended "to provide a Treasury surplus and provide a brake on inflation."

Students of public finnace know that taxes are imposed by government—any government—for one purpose, and one purpose only: to provide money to spend.

Surely this is confirmed by the new spending recommendations made in the President's message. The excess-profits-tax revenues are intended to finance additional Federal expenditures and nothing else.

INFLATION CAN BE CURBED—IF

The most important contribution toward breaking the inflationary trend can be made by the Federal Government itself, simply by putting its own house in order.

Let us give a few examples of what we mean:

Manpower shortages threaten to retard the Nation's production. Yet the Federal Government is surfeited with manpower. It now has 2,100,000 civilians on its pay rolls and has been hiring additional employees at the rate of almost 500 a day. Chairman HARRY F. BYRD of the Joint Committee on Reduction of Nonessential Federal Expenditures has recommended that Federal personnel be reduced by 30 percent. He has declared that this can be done without impairing essential Government services. Adoption of this recommendation would make available 630,000 workers to help relieve manpower shortages in many parts of the country.

There is a shortage of basic materials—steel, lumber, etc. The President's Economic Advisory Council in January urged a substantial cut in public works construction in order to conserve on materials in short supply. Yet the Government is now embarked on public works projects which will cost the taxpayers more than $2,500,000,000 in the fiscal year 1949—the largest public construction program ever undertaken in a peacetime year. A judicious rescission of a substantial part of the funds appropriated for public works in 1949 would help to solve the problem of essential materials shortages.

Finally, inflation is aggravated by the scarcity of building space and of housing. The United States Government is by far the largest single user of building space in the Nation. Its agencies are constantly competing with private firms and among themselves for office space in every sizable city in the country. Newly created Federal agencies are now said to require 9,000,000 square feet of space in Washington alone. A determination to halt the creation of new Federal agencies and the expansion of old ones, and to weed out and eliminate unessential and overlapping services, would do

much to relieve building-space shortages and make more materials and manpower available for housing construction.

ALVIN A. BURGER,
Research Director, National Association of State Chambers of Commerce.

A Clean Sweep—By Republicans—Needed To End These New-Deal-Born Troubles

EXTENSION OF REMARKS
OF
HON. GEORGE H. BENDER
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 4, 1948

Mr. BENDER. Mr. Speaker, under leave to extend my remarks, I should like to insert in the RECORD the following editorial which appeared in the Cleveland News of August 3, 1948:

A CLEAN SWEEP—BY REPUBLICANS—NEEDED TO END THESE NEW-DEAL-BORN TROUBLES

This is a good day to talk about the clean sweep for a whole new clean order that the people can make next November by voting for Governors Dewey and Warren.

It is becoming painfully clear that a lot of the wretched disorders, suspicions, and dirty international double-dealing at Washington are all the final results of Mr. Roosevelt's original New Deal—changed in some small ways in the days of President Truman, but not in its worst particulars.

What is needed, we repeat, is a clean sweep for a whole new clean order.

An ex-Communist Party member is testifying to disclosures that ought to scare any right-thinking citizen. She is putting the finger on the actual Communists who held good public jobs at Washington at the taxpayers' expense. She is telling what they did. Notably, how they leaked Washington information to Russian Reds sent over here by Moscow to set up such pipe lines.

The first person she accuses of leaking information to her, to give to her Russian playmates to be cabled back to Moscow, doesn't deny he gave her information. Somewhat worse, he admits associating with people he knew were actual Reds, in Washington and New York; he even was married into a pinko family.

Just how he got to a high public post on a board which determined American shipping licenses to Russia—in these days—should mystify and anger the right thinking.

When she gets around to testifying that Lauchlin Currie, one of President Roosevelt's special assistants, and Harry White, who helped set up Bretton Woods, leaked information to Communists on the Federal pay roll, the possibility can be admitted that they didn't know what they were leaking.

Yet it's shocking that such careless talkers got to top key positions in the New Deal government, isn't it? And the inference is lodged that they weren't careful about their associates, either; and, further, that the line was never drawn, in President Roosevelt's time, between a loud-talking New Dealer and New Deal-talking Communist Party members.

We need to sweep out the whole mess. We don't want a Truman hang-over administration which lets the Remingtons and the Whites, whatever they were, stay on the Government pay roll.

Down at Dayton, an imported mob of labor goons has been defying the law all because the United Electrical Workers, which is admittedly full of Communist officers, lost a plant election and wouldn't abide by the result.

Tear gas, stink bombs, sluggings, and intimidation of workers—the story is as bad there as it was in the days of the sit-downers and the worst terrorist picketers.

Neither this union nor its questionable officers nor the labor goons would be able to operate thus lawlessly had they not been started off by the New Deal and its one-sided Wagner law—which tied every employer's hands and shut his mouth until the Taft-Hartley Act tried to make it a less one-sided act.

We need a new crowd which will compel the labor laws to be enforced and not set off terrorists. We'll not get it as long as the old crowd of New Deal labor bosses and Communist union leaders have old friends left in power in Washington.

The promises and program of the Wallace third party, if you study them, will raise the hair on your heads. It's the nearest to a Communist Party that our third parties have ever developed.

But who produced Henry Wallace in our public life and gave him political stature?

Who produced Lee Pressman, the CIO commander in chief of Mr. Roosevelt's days in the White House, and GLEN TAYLOR, and VITO MARCANTONIO, who represents the New York Communists in Congress? It was the Roosevelt-Truman New Deal which produced and protected all of them.

A clean sweep of the whole regime is what the country needs; a bringing in of new leaders untainted and uncompromised by what has been going on for the last 15 years, so much of it under the cover of darkness and secrecy.

Certainly the time is past when we dare go on with an administration which is half American and half still working and pleading for Soviet Russia.

Fortunately, the clean sweep is right at hand—Dewey and Warren; and a Republican Congress to work with them.

Plywood and Plywood Workers Are Helping Solve the Housing Shortage

EXTENSION OF REMARKS
OF
HON. RUSSELL V. MACK
OF WASHINGTON
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 4, 1948

Mr. MACK. Mr. Speaker, during the year 1946 only 437,600 new homes were built in this country. Last year, 1947, we nearly doubled that figure by completing 837,000 housing units. This year, judging from statistics for the first 6 months, we will construct a million homes.

I want to talk to you today briefly about an industry—a comparatively new industry—that has played a great part in achieving this million-new-homes-a-year record. It is the plywood industry.

The Nation for several years has been pleading desperately for more homes. To build these homes more production of building materials was needed. That we might have more homes the Nation asked the men and women of the plywood industry to produce more plywood.

How well the plywood industry responded to that plea for more building material is revealed by the figures of plywood production.

In 1945 the production of fir plywood in this country was 1,200,000,000 square feet. In 1946 it was 1,400,000,000 square feet and in 1947 it was 1,600,000,000 square feet. This year it will be 2,000,000,000 square feet or almost double the production of plywood of a brief 3 years ago. The contemplated output for 1949 is estimated at 2,700,000,000 square feet or far more than twice what it was in 1945.

I doubt if any other industry in America, or in the world, has done such a magnificent and outstanding job in increased production.

You cannot build new homes without building material and when sometime before December 31, 1948, Americans say, "We built a million homes this year" a great deal of credit for this great achievement properly should go to the men and women of the plywood industry of America and to the loggers who supplied the logs to make possible the doubling of plywood production within the brief period of 3 years.

There are in the United States 43 plywood factories that make plywood from Douglas fir. Thirteen of those plywood factories, almost one-third of the total, are in the district which I have the honor to represent in Congress.

But magnificent as has been the job which has been done by the plywood industry in the past 3 years, it is preparing to do even a better one.

During the period since VJ-day, production of the 31 plants in operation in 1945 has been increased 50 percent.

Furthermore, 12 additional factories have been completed to add to the plywood output.

Important, too, is the fact that on July 15, 1948, there were 10 additional plywood plants under construction and others were being projected for the future.

The estimated investment in this great new industry, which has grown up almost entirely within the past 25 years, is now placed at $110,000,000.

The industry employs 13,000 factory workers and provides an annual pay roll of $56,048,000. All this is in addition to the other pay rolls which it has opened among those who supply the industry with raw material and services.

There is another contribution to the national economy which the plywood industry is making which few of us think about. The plywood industry is making our forests go further and last longer.

For every 1,000 feet of log that goes into a lumber sawmill, the operator gets about 750 board feet of lumber. The rest is lost in sawing and slab material.

The same log going through a plywood plant will produce not 750 board feet of coverage material as in the lumber mill, but 1,500 square feet of coverage material, about twice what the lumber sawmill obtains.

Plywood is made of thin layers of wood, laminated together. Three layers of plywood laminated together into a ⅜-inch piece of plywood has greater strength than a 1-inch board of lumber. Thus the plywood industry is giv-

ing us approximately twice as much building material from every tree taken from our forests.

This is important not only to the home building industry but to the Federal Government itself. Uncle Sam is the Nation's greatest owner of timber. Our Federal Government, according to the 1947 annual report of the chief forester, now owns 179,314,756 acres of forest land, or a landed area three times the size of all six New England States combined.

The loggers and plywood workers work and live among the biggest things that grow outdoors, the gigantic and towering trees of our Pacific Northwest forests.

Working among the trees and on the great logs produced from them, these workers have imbibed from the forests something of the strength and hardiness of the trees that they conquer and turn into useful products.

In the war years these workers did a great job in turning out plywood for the war effort—to build Army-Navy housing, to build boats and many other things useful in the war effort.

In peace they have turned their efforts to supplying the material to homes, more homes and then still more homes.

Last year they produced 1,600,000,000 square feet of plywood. This year they will produce 2,000,000,000. Next year their production of plywood will be 2,750,000,000 square feet.

They are doing a job that will make possible the building of a million homes this year and perhaps 1,500,000 next year.

The plywood workers and the loggers and those in allied industries, are doing more than anyone else—more even than lawmakers—to solve the housing shortage.

Request for a Congressional Investigation of Our Policies in Germany

EXTENSION OF REMARKS
OF
HON. GEORGE G. SADOWSKI
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 4, 1948

Mr. SADOWSKI. Mr. Speaker, I have recently received a petition from the Society for the Prevention of World War III, requesting a thorough congressional investigation of our policies in Germany.

It is an undeniable fact that our policy of rebuilding Germany into a great power again is viewed with fear and horror by our former allies and victims of German aggression and brutality. These nations and these people have suffered from German attacks and militarism for the past 200 years.

I understand that copies of this petition have also been sent to Speaker JOE MARTIN and to Senator VANDENBERG. The petition follows:

To the HOUSE OF REPRESENTATIVES,
The Capitol, Washington, D. C.

SIRS: Your petitioners, members of the Society for the Prevention of World War III, a nonprofit organization incorporated in the State of New York, respectfully represent that certain conditions relating to the conduct of our occupation of Germany, and that the policy and activities of our Government relating to German war industries, should be subjected to immediate and thorough investigation by the Congress.

1. Our complaint is based, in general, on the fact that our policy toward Germany has been almost completely discarded and that we are about to re-create the very same forces which embroiled the world in two wars. Specifically our complaint is based on the fact that we have made a mockery out of our denazification and reparations programs, the trial of war criminals, the elimination of Germany's industrial war potential and the handling of the decartelization of the German industries by our military government.

2. The recent dismissals of acquittals of charges against the leaders of I. G. Farben and the Krupp steel firm of participation in the common plan or conspiracy to wage aggressive war, and the inadequate sentences or acquittals of the leaders of the Flick steel combine, violate every concept of human morality and of international law as assembled and decreed in article 6 of the Charter (drawn up by the Allied Powers in 1945).

3. These recent decisions by judges sitting in the all-American Military Tribunal appear to vindicate tragically various charges of a most serious character reflecting upon these Courts, which were made prior to these decisions:

(a) Dispatches from responsible correspondents of the United States newspapers in Germany have stated that the judges of the Military Tribunal were softening in considering evidence against the German industrialists; that reports and rumors were current in Germany of alleged improper conduct of certain members of the American prosecution staff, and that the plea of ignorance of the Nazis' intent to wage aggressive war, on which the four-power tribunal freed H. Horace Greeley Schacht, was being accepted as precedent in the all-American tribunal.

(b) These reports and allegations and the recent decisions in the trials of industrial leaders seem to indicate that the Schacht acquittal was arranged to provide judicial safe havens for these industrialists; Howard Watson Ambruster, author of the book, Treason's Peace, published in 1947, has stated publicly that the rules of the all-American military tribunal were so drawn up as to require or permit the precedent of the Schacht acquittal to rule in these trials, and that impropriety appeared in the selection of the judges sitting in these trials.

(c) In numerous American newspapers, comments have appeared regarding the seriousness of these charges, which have so far gone unanswered and undenied, as stated editorially in the Cleveland News of April 9, 1948.

(d) Other protests at the conduct of these trials and the decisions of the judges have been made on the floor of the Congress, by numerous responsible citizens in the press and by the signers of this petition.

4. The decartelization of German industries and the elimination of war plants was decreed by the Allied Military Government in 1945. This decree has not been implemented and former assistant, Howard C. Petersen, stated before the subcommittee of the Committee on Appropriations that we have eliminated only 5 or 6 war plants.

(a) Step by step the restrictions on restoration of the German chemical and metallurgical industries, which constitute the real German war potential, have been lifted.

(b) On numerous occasions the United States Government has stated its intention to set up safeguards against Germany's economic and military power. One of these essential safeguards has been the prohibition, under the Potsdam Agreement, of the manufacture of aluminum. In March 1948 it was reported that the Germans were granted the permission to manufacture aluminum.

(c) On March 13, 1948, the staff of the United States decartelization group at Berlin addressed a protest to Gen. Lucius D. Clay, commander of our American Military Government in Germany, because of his instructions to desist from further breaking up of German industrial combines. This appears absolutely contrary to the orders given in 1945, and as specifically provided for by the decartelization laws which became effective in the United States and United Kingdom zones on February 12, 1947. General Clay is reported to have ordered these 19 protestants to either desist in carrying out this law as written or to resign their jobs and return to the United States if dissatisfied with his revision of the original policy. In some instances resignations are reported to have taken place.

(d) The I. G. Farben plants are now being operated by former employees and under the guidance of the men on trial at Nuremberg, and the expectation is that when the trials are completed the defendants themselves are to be restored to their former positions, in control of the German war potential. It has officially been admitted that nothing can prevent the resumption of cartel alliances by these industries should control be relaxed.

(e) H. Horace Greeley Schacht, after his acquittal of war crimes charges, was convicted as a Nazi by a German court and sentenced to jail, but it is reported that he has now been transferred to pleasant quarters at Frankfort to act as adviser to General Clay on the restoration of the German economy. The American press has opened its columns to him for the defense of his own views.

(f) Various important war industrialists and industrial financiers who aided in bringing Hitler to power and in the conduct of the war have never been either tried or indicted by the allied or American tribunals, as for example, Kurt Von Schroeder, head of the Stein Bank of Cologne, who on his record is one of the most dangerous war criminals in Germany, was released with a fine of a few hundred marks; Herman J. Abs, director and the guiding brain of the most powerful bank in Nazidom, the Deutsche Bank, who, as a powerful leader, rendered invaluable services to the Nazis; Heinrich Dinkelbach, and scores of others, who were put back into their powerful positions by the occupation authorities (see partial list in CONGRESSIONAL RECORD, July 26, 1947).

(g) The final restoration of the I. G. Farben empire and the German heavy industry is only a matter of time, but it is already apparent that the industrial war lords and stanch Hitler supporters, who manipulated the German war potential are again guiding Germany's economy in Bizonia. It is therefore clear that we are about to repeat the mistakes made by the Allies after World War I when we neglected to set up adequate controls over the German economy.

(h) The most serious aspect of these accusations is the conclusion that the hidden power of Allies and friends of these German war industrialists persist inside the United States and is a controlling influence in our policy relating to the German war potential.

(i) Vigorous protests have been made on the floor of Congress and by many responsible citizens against this restoration of the German war potential. No real answer to these protests has been heard from any source, but the air and press have been filled with inspired falsehoods to the effect that the restoration of these German war industries is essential to the recovery of western Europe, and also for the protection of the United States against Russia.

CONCLUSIONS

5. We submit that all these facts and the allegations and accusations relating to them, as repeatedly and publicly made, are too serious and present too great a menace to the future world peace to remain unchallenged and unanswered. We submit that these charges must be properly investigated. Should these charges be proven, then drastic action should be taken against each and every individual, regardless of his position, for what will appear as participation in a conspiracy against the security of the United States and the future world peace.

Respectfully submitted.

C. MONTEITH GILPIN,
Secretary, Society for the Prevention of World War III, Inc.

Youth Month

EXTENSION OF REMARKS
OF
HON. MICHAEL J. KIRWAN
OF OHIO
IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 4, 1948

Mr. KIRWAN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include herein a letter that I have received from Mr. Gael Sullivan, executive director of the Theatre Owners of America, Inc., urging that we aid the youth of America in observing the month of September as Youth Month.

I believe that it behooves each and every one of us to do our very best to encourage every young man and woman to take the place in our country and its affairs that rightfully belongs to them.

The letter follows:

THEATRE OWNERS OF AMERICA, INC.,
New York, N. Y., August 2, 1948.

Hon. MICHAEL KIRWAN,
House Office Building,
Washington, D. C.

DEAR MIKE: September is Youth Month all over the Nation and we are appealing for your help to put it over. As one of the widely recognized leaders of the Nation, you can give this program for our youth real impact and meaning.

We want this month when we salute our youth to be on the positive side—to stress achievement, not delinquency.

We want in clear terms to tell youth what the Nation offers in work and educational opportunities.

We want to point out the tested values and advantages of our democratic system.

We want to say to youth: "There are rewards for constructive effort and achievement, and your future is not padlocked."

We want to tell them that serving and assisting our Government is an honorable, respected career, whether in the home town or on the national level.

The campaign to give youth "a place in the sun" is being spearheaded by the Theatre Owners of America, an exhibitor organization comprising theatre owners in all parts of the Nation.

It is no self-seeking enterprise. We are merely helping to "carry the ball" on a forward-looking youth project that resulted from the findings of the National Conference on Prevention and Control of Juvenile Delinquency, called by Attorney General Tom Clark.

Every segment of the motion-picture industry has volunteered its full cooperation and time.

This work will be further dramatized when President Truman dedicates a Youth Month stamp on August 11.

We expect, through every possible channel, to set forth the wholesome citizen-building activity of the Nation's youngsters. Newsreels are now busy recording various youth endeavors. Editorial and sports writers, columnists, and working newspapermen have signified their full support.

We are busy contacting radio commentators, magazine writers, church, and welfare groups to give the widest possible focus to the Youth Month celebration.

Tied up with this great effort must be a publicity drive to awaken parents and community leaders to the importance of better home atmosphere, improved schools and housing; improved and expanded recreational and vocational facilities.

I am counting on you to "shoot out" a memo to your entire personnel to help us highlight Youth Month in September. The attached press book may give you an idea of its scope.

For a freer and safer America—let youth know they belong.

All the best,

GAEL SULLIVAN

The President's Message

EXTENSION OF REMARKS
OF
HON. MELVIN PRICE
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 4, 1948

Mr. PRICE of Illinois. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by Mrs. Eleanor Roosevelt from the Washington Daily News for July 31, 1948:

IT TOOK COURAGE FOR HT TO APPEAR BEFORE CONGRESS

(By Eleanor Roosevelt)

HYDE PARK.—It was brought to my attention the other day that motor travel in the East has fallen off about 30 percent this year, and that many restaurants, cabins, and road stands are noticing that people are not spending so much money on meals and knick-knacks as they ordinarily have in the past.

On short trips and day outings more people seem to be taking picnic lunches with them and eating them by the side of the road.

This is one of the results of inflation and high prices. It means that the cost of living is so high that an increasing number of people find costly vacations impossible.

It may well be, as some newspapers have pointed out, that President Truman had an eye to politics when he called the Congress in special session. The point is not, however, whether this accusation is true or not, for it is still true that Congress needed to be called into session and to finish some of its work. It must have taken courage for the President to appear before this Republican-dominated Congress in person. He cannot delude himself into thinking that its Members are friendly toward him. So, it would seem that he really has a sense that certain things are of paramount importance—important enough to tell them to Congress face to face.

One newspaper stated that in his explanation of inflation the President had been superficial. I wonder if the people of the country need much more information on this subject. It has become something that affects their daily lives and they see the results of it every time they go to a store. I must say that some of the things the President said struck me as being very pertinent, such as, "high prices are not taking time off for the election. High prices are not waiting until the next session of Congress."

The first two points Mr. Truman mentioned in his message—the imposing of an excess-profits tax and putting controls on consumer credit—may not be completely effective. They are, nevertheless, two things that have proved their value in the past.

It has been said certain prices that have gone up, such as steel, have not gone up anywhere near as much as farm prices. I have not followed the rise carefully enough to be sure whether this is a correct statement. But I cannot help wondering whether the excessive rise in farm prices is because farm prices were so much below what they should have been and that they had further to go before they could be compared at all with industrial prices.

The whole question is a difficult and confusing one. Nevertheless, I cannot believe that the Congress cannot find a solution if it really would forget political advantage and look upon this as one of the essential problems to have behind us before again recessing.

Indictment of Reds Is Move To Prevent Sabotage of United States

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 4, 1948

Mr. MULTER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include an article by Constantine Brown that appeared in the Brooklyn (N. Y.) Eagle on Friday, July 30, 1948:

INDICTMENT OF REDS IS MOVE TO PREVENT SABOTAGE OF UNITED STATES

(By Constantine Brown)

Indictment of the leadership of the American Communist Party on charges of advocating the overthrow of the Government of the United States is a belated attempt to throttle the one big internal menace to America's security and national defense, but it comes in time to prevent the Communist machine from carrying out its principal mission in this country, which is to cripple America's war effort by sabotage if we ever become embroiled with Soviet Russia.

Ample time was taken in the preparation of the indictments—more than a year was devoted to investigation—and action was taken with extreme deliberation and consideration of a mass of evidence. There can be no contention that the indictments were the result of excessive zeal to purge the United States of Communists or of lack of examination of evidence.

The question of whether the Communist Party will be permitted to function as a fifth column for Soviet Russia within the United States comes now to a head in advance of the outbreak of a shooting war.

It comes also at a time when Soviet Russia—perhaps anticipating the approach of armed conflict—has begun feverishly to tighten its lines and to fasten more securely its hold not only on its satellite states in eastern Europe, which would be essential to Russia's conduct of war, but also on the foreign Communist parties in non-Communist countries, whose work on Russia's behalf has been cut out for them.

In order to avoid confusion of thinking on the whole matter of Communist activity within the United States it must be kept clearly in mind that if the Communist Party were purely and simply a political party, based on an economic and social philosophy which called for rise to power by American constitutional methods and thereafter the application of its radical economic and social doctrines by our traditional legislative methods, there would be no grounds for objection to communism's participation in the American political drama.

The party is not, however, a political activity in the same sense that the Republican and Democratic Parties are political activities. The Communist Party takes its orders from Moscow. Many of its leaders have been trained in Soviet Communist schools, where the burden of their instruction is the technique of revolution and sabotage. It has devoted its efforts to creating chaos in the American economic sphere by fomenting strikes and strike disorders.

The Communist Party leaders are not being prosecuted, therefore, for their purely political opinions. They are not being prosecuted for their thoughts, and their rightful desire to see this country develop along lines of their own liking.

The Communist leaders are being prosecuted, however, because they sit at the top of an extensive machine with its tentacles in every part of the country—which is devoted to the violent overthrow of our form of government, and the subjection of the American people, through their defeat by force of arms if necessary, to the Soviet Communist form of government.

In its last analysis the whole question is not one of communism so much as it is a question of subordination of the American way of life and the American form of government to Russian imperialism, which can never completely dominate the world as long as the United States stands as a rallying point of resistance. Without the American determination to defend democracy and freedom throughout the world the non-Communist nations would be easy subjects for Russia's domination.

The United States represents the chief obstacle to Soviet Communist aims. It has made itself, therefore, the implacable foe of aggressive communism and it is this country which is most sensitive to Communist infiltration.

A start is being made on the extirpation of the Communist espionage and sabotage machine in this country and as this campaign gains in momentum the national defense will be strengthened in direct proportion.

Hampton Roads Attacks Oil Pollution

EXTENSION OF REMARKS

OF

HON. PORTER HARDY, JR.

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 4, 1948

Mr. HARDY. Mr. Speaker, a new public-service activity is expected to be inaugurated in Hampton Roads, Va., this week. Steamship operators will have available to them an accessible facility for easily and inexpensively disposing of bilge and ballast water containing oil refuse. I believe that our port is the first in the world to take this constructive step toward eliminating the serious oil-pollution menace which affects our entire coast line.

Oil pollution of Virginia waterways and beaches has done tremendous damage to our sea-food industry and our beach resorts. Besides this, the accumulation of oil under docks and piers creates a serious fire hazard to water-front commercial property.

The people of the Hampton Roads area decided something had to be done about the situation. The spirit of cooperation which was manifest by Federal, State, and local public agencies and private citizens made it a real pleasure and privilege for me to work with them in seeking a solution to the problem. They set up a working committee and studied the subject with a oneness of purpose and determination which was truly inspiring.

Two Virginia congressional districts were affected. I was especially grateful to our colleague, Mr. BLAND, for his enthusiasm and constructive cooperation. We joined with representatives of the city governments of Norfolk, Portsmouth, Virginia Beach, and Newport News. Chambers of commerce of these cities and of Ocean View, the Hampton Roads Sanitation Commission, the Hampton Roads Maritime Association, the State Port Authority of Virginia, the Army district engineer, the commandant of the Fifth Naval District, the commandant of the Fifth Coast Guard District, and various private firms and individuals gave the problem their thoughtful attention.

The course of action decided upon can truly be said to represent the joint thought and study of an alarmed and determined community. Everyone worked together for the common good.

The service about to be inaugurated will provide a barge to receive the oil-bearing refuse. Ship owners will pay a nominal charge for the service, and revenues from this source together with income from oil reclaimed are expected to pay the cost of providing the service.

Existing law forbids dumping oil-bearing waste in coastal waters. Thus, at present, in order for a ship's master to comply with the law he must incur the heavy expense incident to taking his ship more than 50 miles off shore before discharging the material. The other alternative is to violate the law, ignore the damage caused, and run the risk of apprehension and the imposition of penalties.

Enforcement of the law is extremely difficult and penalties now provided have proven ineffective in controlling the situation. My colleague, Mr. BLAND, has introduced a bill (H. R. 4468) to increase the penalties and we should take early action on this legislation.

This new public-service facility at Hampton Roads will be operated by the Hampton Roads Sanitation Commission. Its manager, Mr. Reid W. Digges, is taking every means at his disposal to enlist the voluntary cooperation of ships' masters who enter the port. I am confident that we shall observe a vast improvement in the oil-pollution situation shortly after the facility begins operation, and I feel that early passage of Mr. BLAND'S bill will accelerate the complete elimination of oil pollution from our waterways.

I congratulate our people for their constructive and cooperative efforts. It was a real pleasure for me to work with them and participate in their discussions and planning. I am glad to have had a part also in securing a Federal appropriation of $50,000 for the furtherance of this work.

The rest of the Nation will be interested in observing the development and progress of the forward steps taken by Hampton Roads. Perhaps our pioneering may show the way for solving this problem nationally.

Hon. Ralph Henry Cameron

EXTENSION OF REMARKS

OF

HON. CLARENCE J. BROWN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 4, 1948

Mr. BROWN of Ohio. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following biographical sketch of Hon. Ralph Henry Cameron by James M. Barney:

I

Among the outstanding pioneer builders of Arizona must always be included the name of the Honorable Ralph Henry Cameron, last Territorial Delegate to Congress and later United States Senator from this State. Cameron, still hale and robust, is a man of genial temperament, likable qualities and friendly disposition. But above all, he is indomitable and persevering in his undertakings and a real fighter for right and justice—truly a worthy representative of the great Cameron clan of bonnie Scotland, famous in song and story, to whom Ralph Cameron claims distant kinship.

II

Born in the historic community of Southport, Maine, young Ralph Cameron was given the education then available in the public schools of his home county, adding to this well-grounded beginning home study and wide reading. At the age of 20 he answered the call of the West and soon found himself in Arizona, where he resided in various of its counties, pursuing such vocations as were then common to the country. Eventually he settled permanently in northern Arizona, making Flagstaff his home and center of business activities.

III

Exploring the famous Grand Canyon country with others in search of mineral wealth, mining locations were made deep down in that stupendous and awe-inspiring gorge. Then began the building—by slow and laborious effort—of what is known in the historical annals of that country as the Cameron Trail, that leads from the rim of the canyon to the bed of the Colorado River thousands of feet below.

Begun as a mining project, Cameron's associates—one by one—became wearied of the undertaking, for it was a heart-breaking venture, only for men of courage and determination. As his companions became discouraged and wanted to quit, Cameron bought them out. For 13 years Cameron packed copper ore out of the Grand Canyon by trail to the rim and from there hauled it overland 73 miles to Flagstaff for shipment. Those were the days of hand drilling, of the pick and shovel, of pack trains and great freighting outfits. Those were the days when the pioneers of Arizona were beginning to develop its natural resources by hard work and pure nerve.

Later Cameron sold out his mining interests, retaining his trail as an attraction for tourists. This resulted in long years of litigation with the Santa Fe Railroad, a powerful corporation in Arizona, which first brought Ralph Cameron into prominence and gave him wide publicity as a fighter who never knew when to quit. The railroad company had acquired the branch line running from Williams, Ariz., to the rim of the Grand Canyon and the upper end of the Cameron Trail. The railroad people, therefore, wanted Ralph Cameron out of the way. But when the knock-down-and-drag-out struggle was over, the Santa Fe henchmen were indeed glad to limp out of the fight and leave Ralph Cameron master of the field of battle and the Cameron Trail—now known as the Bright Angel Trail.

Cameron has mined and prospected in the Colorado River country from Hoover Dam to Bright Angel Trail and knows all about the Colorado River, from personal experience and from first-hand information.

IV

In Coconino County, Ralph Cameron became widely known and extremely popular. On April 22, 1890, he was appointed sheriff of that county and thereafter was twice elected to the same office. In 1896 he married May Spaulding, of San Juan, Wash. In 1906 he was elected to the board of supervisors and became chairman of the board. Both as sheriff and supervisor, Cameron gave efficient and satisfactory service to the people of this county.

He built many roads and trails in the Grand Canyon country and laid out the first wagon road from Flagstaff to Grand View Point over which tourists could travel in visiting the canyon; and he constructed at that time what is known as the Grand View Trail to the bottom of the big chasm. He was also instrumental in arranging the first stage service from Flagstaff to the Grand Canyon and was the first resident of Coconino County to put up money for the building of the railroad line from Williams to the canyon.

V

It is conceded by most thinking people that every great leader of a state or nation is generally credited with some outstanding accomplishment during his lifetime by virtue of which honor and distinction are freely accorded him by his fellow citizens. To Ralph Cameron will always attach the distinctive honor of being Arizona's Delegate to Congress who secured the Territory's statehood enabling act, a task which he accomplished in the first term of his service at the National Capital. That he was able to secure the help of powerful political allies in order to bring the statehood issue to a successful conclusion reflects everlasting credit on Ralph Cameron, since others for decades had labored long and unsuccessfully to reach the same objective. The fight for statehood for Arizona had been started a score of years before and, although many political promises were made during that time, nothing had ever been accomplished.

So when in 1908, destiny beckoned to Ralph Cameron to take the leadership in Arizona's long struggle for statehood he accepted the challenge and became the Republican nominee for Delegate to Congress with the strict understanding that if elected and he failed to obtain statehood for Arizona, he would never again ask for endorsement at the hands of Arizona's voters. With that tacit understanding, Ralph Cameron entered the electoral contest of 1908 against that redoubtable Democratic leader of territorial days, Marcus Aurelius Smith, who had never up to that time, tasted political defeat. Mark Smith had been repeatedly elected as Delegate to Congress on the plank that he would obtain statehood for Arizona—a service he never performed. After a whirlwind campaign—a typically Cameron campaign—the Republican candidate was elected by a magnificent majority over the veteran Democratic leader. Cameron went to Washington and the statehood bill was passed. Ralph Cameron had kept his first promise to the people of Arizona.

VI

In 1920 Arizonans again called upon Ralph Cameron for help. The farmers along the Gila River, especially in the great Casa Grande Valley, wanted the San Carlos Dam built. For years they had spent time and money in fruitless efforts to have a dam constructed on the Gila River in order to conserve the floodwaters that at times came in torrential volume down that erratic and turbulent stream. Ralph Cameron, the old fighter from Coconino County, again laid aside his business affairs and once more offered to go to Washington and have the San Carlos Dam built. He promised the people of Arizona that if they would elect him to the United States Senate, they could rest assured that their dream of a dam on the Gila would be fulfilled. The people took Ralph Cameron at his word and elected him United States Senator. He went to Washington as Arizona's junior Senator and before his term was up the money for the construction of the San Carlos Dam—now called the Coolidge Dam—was appropriated and work upon the dam started. In due time this dam was completed and is today one of the important and substantial units of Arizona's irrigation system. Ralph Cameron had kept his second promise to the people of Arizona.

And, by the way, Ralph Cameron is the only Republican who has ever been elected to Congress from the State of Arizona, a fine tribute to the personal worth and popularity of the man himself. In the National Capital he was affectionately called the "sage-brush Senator" from Arizona.

VII

While Ralph Cameron was in Congress as Delegate and Senator, the following Federal projects and undertakings—all of the greatest benefit to Arizona—were completed:

The Laguna Diversion Dam across the Colorado River, above Yuma, was completed and put in operation.

The town of Parker, located on the Colorado River Indian Reservation, was laid out and lots sold to the public. Parker is now one of the thriving communities in Yuma County.

Appropriations were obtained by Senator Cameron for the building of the suspension bridge across the Little Colorado River at Cameron, Ariz. This bridge, an important link in Arizona's highway system, has enabled travelers to visit northern Arizona.

Senator Cameron obtained for Arizona the veterans' hospital at Tucson, one of the largest institutions of its kind now operated by the Government.

By using, with skill and discretion, his great influence in Washington, Senator Cameron was able to defeat what was known as the Swing-Johnson bill. This unfair measure was intended to deprive Arizona of all water rights in the Colorado River and, if it had passed, would have meant the ruination of this State.

These are only a few of the activities that Ralph Cameron accomplished for Arizona during his years of service in the National Capital.

VIII

For a decade Senator Cameron's business activities have taken him out of Arizona for much of the time. But on his return home some time since, he found Arizona facing the greatest crisis in its history—a crisis brought about by a long-continued drought. Rainless months have followed one after another until the lack of water is threatening the very life of the State. The people of Arizona—especially the residents of the Salt River Valley—demand a solution to these almost intolerable conditions before it is too late. The remedy, they claim, lies in getting water to Arizona's thirsty acres from the Colorado River.

And Ralph Cameron, casting business activities aside, has again come forth with a vital suggestion—that if the people of Arizona send him back to Congress he will get them water—all the water they want—from the Colorado River. So he has become a candidate for the Republican nomination for Congress from Arizona's First Congressional District, making a Cameron promise that, if elected, he will bring water from the Colorado River to central Arizona. A Cameron promise has never been broken in the past—it has always brought results. And the people of Maricopa County—casting bias and partisanship aside—will do well now to ponder seriously Senator Cameron's potential promise—for the destiny of this rich county hangs today in the balance.

Federal Amusement Tax

EXTENSION OF REMARKS
OF
HON. RAY J. MADDEN
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 4, 1948

Mr. MADDEN. Mr. Speaker, considerable opposition to the present Federal amusement tax is evidenced by both the public and cafe owners and the musicians throughout the country.

The following article in the Washington Daily News of Monday, August 2, 1948, brings out the facts regarding the serious hardship which this tax is working on all concerned:

CAFE OWNERS AND MUSICIANS ASSAIL FEDERAL AMUSEMENT TAX

It's the consensus of most parties concerned that the only way to bring the entertainment industry out of its near disastrous slump is for an immediate repeal of the 20 percent Federal amusement tax.

In this instance the hard-hit restaurant and night club proprietors see eye-to-eye with the musicians', waiters', waitresses' and barkeepers' union. The third party directly affected—the ever-paying consumer—most assuredly favors such action.

Classified as a luxury assessment when put into being, it has turned out to be nothing of the sort. What it amounts to is this: If you go into a cafe for dinner and a couple of drinks, the question of whether you'll be taxed or not depends entirely upon the type of entertainment the establishment provides. Wired music, juke boxes, television, and like mediums can be used according to the tax provisions without extra charge to the customer.

Musicians may play for listening with no tax. But the minute the same musicians add any singing to their repertoire, the tax goes into effect. The same holds true if they play for dancing.

The results are obvious. The guy who has to pay the tab has stopped going to places where he has to dish out an extra dollar on every five he actually spends. Consequently the bistro proprietors are keeping their entertainment in no-tax categories.

As Paul Schwarz, president of the local musicians' federation puts it, "The tax will just about put us musicians out of business and on relief. It's ironical that the mechanical devices are not taxed but that the same places are penalized if they dare give a livelihood to musicians. These establishments provide the last employment opportunities to the majority of musicians."

A prominent hotel executive who wishes to remain anonymous goes down the line with Mr. Schwarz. He says not only the tax discriminates against musicians, but it has caused him to shut down his supper club.

The man in the street doesn't hesitate to voice his views on the subject. One called the tax "highway robbery," another said he was "staying away from taverns and buying his own bottle." A hack driver believes an adjustment on the amusement tax would increase his night business "three or four times."

Stage acts, whose appearances are all placed in the luxury or 20 percent category, are squawking that the interpretation limits their rights to earn a living.

An informal poll on the part of this writer shows only 25 percent of the places which used entertainment a year ago are using it today.

All concerned are trying to bring the matter up before Congress in the present session.

Inflation

EXTENSION OF REMARKS
OF
HON. HENRY M. JACKSON
OF WASHINGTON
IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 4, 1948

Mr. JACKSON of Washington. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article from the Denver Post:

INFLATION WEAKENS MIGHTY ARM OF UNITED STATES

(By Roscoe Fleming)

Do you remember the man in the poem, out on the lonely road, who "having once turned his head, turns it no more, because close behind, a frightful fiend doth tread"? Now, there was a gentleman that really was a dope. If any normal man ever saw that close behind, a frightful fiend did tread, he'd break all records for the 100-mile dash.

Or so one would have thought. Now, it isn't so sure. Because the conduct of some of our national political and business leaders makes the guy in the poem seem rational by comparison.

They are trudging phlegmatically along, trying to ignore the reality of the most frightful fiend of our time and the fact that they are at least partly responsible for materializing it.

This fiend is inflation. It is a very special sort of demon. It slides its filching hand into the poor man's purse, and places what it finds there in the profiteer's pocket.

It especially hates pensioners, people living on annuities and on the income from savings, and on insurance; white-collar workers, and in general all poor folk, the two-thirds of our people who live, because they must, on small incomes. It sneers in their faces even as it picks their pockets.

This is that demon we were warned against and begged not to help during the war; from which we were truly told our country was in more danger than from Hitler, Mussolini and Tojo put together.

This demon weakens the mighty arm of Uncle Sam, weakens his ability either to wage war or to maintain peace. Had it not been curbed during the war, our public debt would now be a third of a trillion dollars.

This is that demon which since the war—and particularly since its friends took over Congress—has robbed the ex-GI of his prospective home and the civilian of his hard-won savings, those savings with which he bought Victory bonds to help win the war.

This is that demon which silently, like a thief in the night, is taking from the pockets of all Americans who dont have big incomes, 5 or 10 times as much as the Republicans boast of having saved them in the tax-reduction bill.

In other words, if your income is such that you will pay $10 less taxes in 1948 than in 1947 because of that tax bill, you must hand it right back out, and about $90 more, just to live not quite as well as you did last year. But the Republicans don't boast of that.

This demon prepares the way for eventual recession and panic. He does this by raising the price of goods so high that the people who make them, the great solid body of our buying public, can't afford to buy them. This has been the immediate cause of all panics.

But this demon is more than a fiend and a precursor of panic. He is the best friend communism has on this earth. He goes before, to prepare the way for the Red destroyer that sets the torch to liberty, freedom, and opportunity.

Inflation does this by making poor people, at long last, so sick and hopeless of the struggle to live that they do not care what happens, and figure that no matter who takes over, their lot can be no worse. There is abundant evidence, everywhere communism rules, that they are wrong. But in other lands they have found this out only when it is forever too late. Will the demon eventually so anesthetize Americans?

Our President has called a special session of Congress in part to deal with the demon. His congressional opponents are scoffing. They say he is playing politics. (If so, it is better politics than theirs.) They say the American way of life does not permit our Government to chain the demon.

They are threatening a do-nothing session, a sit-down strike. Little more would be needed to convince the American people that the blunders, and the service to stupidity, cupidity and the demon, of which some of them are guilty, are inherent in their politics and philosophy. Or that such men are not to be trusted with the full control of our Government.

An Anti-Inflation Program

EXTENSION OF REMARKS
OF
HON. JOHN W. BYRNES
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 4, 1948

Mr. BYRNES of Wisconsin. Mr. Speaker, the matter of remedying the rising cost of living is everybody's job. It has always been everybody's job. The principal reason we have failed to solve this problem is that the President has failed to recognize this fact. He has followed the old New Deal line of thinking that every ill can be cured by legislation, Government regulation, and control.

During the special session of Congress last fall, I suggested a plan of action to deal with this problem. It called for voluntary universal action to curb the menace of rising prices. The plan was American because it was based on voluntary cooperative action. The plan was American because it called for the cooperation of capital, labor, agriculture, consumer, and the Government to meet the problem.

It is still not too late to put this plan into operation. I again urge its serious consideration.

On December 15, 1947, I urged that the President originate a program of voluntary cooperation by taking the following action:

First. The President should summon to Washington representatives from every element in our economic structure—industry, small business, labor, agriculture, and finance—to meet in conference with the Council of Economic Advisers to the President and leading Cabinet members representing the executive branch of the Government and the Joint Committee on the Economic Report and the Senate and House Committees on Banking and Currency, representing the legislative branch.

Second. This group should agree upon the basic and contributing causes of the inflation. We must determine causes before we study remedies.

Third. The conclusions of the group as to the causes should be given the very fullest publicity in order that all the people may know the full nature of the enemy they are called upon to combat.

Fourth. The conference should break up into economic groups to determine what it can do in its own self-interest to mitigate or remedy either contributing or basic causes of the inflation. Each group should determine what it will do by itself but also what it would be willing to do on the basis of concessions made by other groups.

Fifth. The full conference should then hammer out a voluntary program to curb inflation to be followed by all the groups involved. The conference should call upon the representatives of the executive branch for action which it believes the President should take to further their program and it should call upon the representatives of the legislative branch for action on the part of Congress which it believes Congress should take in aid of the program.

Sixth. The final program should be publicized and promoted with all the vigor that we possess.

Such a program would be equivalent to an all-out national war against inflation—its causes and effects. Such a program could not fail because it would be based upon the genius and the spirit of America. A united America has never failed. A united America would not fail today to meet the problems of inflation.

Last November I also suggested certain aspects of an anti-inflation program that should be given consideration. I suggested:

First. The amount of inflationary money in circulation must be reduced. The Government must reduce expenditures. The Government must operate with a surplus. This surplus must be used to pay off the national debt held by the banks because this portion of the debt is inflation pure and simple. I further suggested that savings bonds sales to individuals be pushed and the proceeds likewise used to reduce the bank-held debt.

Management should refrain from short-term credits which increase check

money volume and banks should refrain from lending money for purely speculative purposes.

Second. We must take action to alleviate the impact of the huge domestic demand for goods and services.

Installment buying and consumer credit should be restricted. Bank loans except for productive purposes should be discouraged by increasing the reserve requirements of banks. Speculation on the commodity market should be halted.

Individually we should put off purchases of anything that we do not absolutely have to have. We should put our savings in savings bonds.

Third. Every effort should be made to bring our exports and imports into balance. The Government should exercise its power to control exports. Only those goods should be sent abroad during this inflationary period that are absolutely necessary to meet our foreign commitments.

Fourth. We must concentrate on increased production. We must all take part. The Government must provide an atmosphere in which increased production is possible, and this cannot include restrictive price-control measures. It must encourage investment in productive enterprise; our tax structure must be such as to encourage venture capital seeking new and better ways of producing goods. Our farm program must be geared to a program of plenty rather than a program of scarcity. Labor, working with management, must increase its output per man-hour. Management must increase efficiency, engage in industrial research and seek better ways of producing. It must hold the line on prices, cutting them wherever possible, and its savings in increased production should be passed on to its labor and to the consumer.

Mr. Speaker, when I made these proposals last year, I did not claim that they would end inflation overnight. They are not dramatic; they require hard work, thrift, and the cooperation of all. It is, however, the American way of doing things and I for one have confidence in the American system.

I have only one fear and that is that the driving force to initiate this program is lacking at the present time. The program calls for leadership by a Chief Executive who has confidence in the American system. It calls for leadership of a Chief Executive who has a sincere desire to stop the spiral of inflation and who is willing to assume the responsibilities that are his.

I am pleased, Mr. Speaker, to find that in many aspects the proposals that I made last year and that I repeat today are concurred in by the American Federation of Labor and by the Chamber of Commerce of the United States. The fact that these two great organizations—one representing business and the other labor—still have faith in a voluntary program should give us courage.

Mr. Green, president of the A. F. of L., appeared before the resolutions committee of the Republican National Convention the latter part of June and presented his program to cure inflation. I quote:

> We demand an effective and comprehensive program to curb inflation. This program should mobilize the voluntary efforts of all groups of citizens, business, labor, consumers, farmers, and supplement voluntary effort with Government action where and when necessary.
>
> For more than a year inflation has been cutting away the purchasing power of the American people. Large segments of our population, workers, pensioners, annuitants, persons living on small incomes, are seriously affected. Due to high prices, several million families are unable to buy sufficient quantities of the necessities of life. More than 12,000,000 families spent more than they earned in 1947, either to meet high living costs or to buy the family equipment they needed, according to a Federal Reserve Board study just released.
>
> The consumer price index of the Labor Department, after declining from January through March, rose again in April to a new all-time peak, slightly above the previous high point. Prices of the necessities of life will probably continue to rise unless effective measures are taken to check inflation. The demand for American goods under our program for European aid and our increased military appropriations exert an upward pressure on prices which further threatens the standard of living of American workers and other low-income groups. While consumer prices rose 14 percent in 1947 over 1946, incomes of American consumers rose only 10 percent. A program to check this price rise is essential.
>
> Already a number of leading manufacturers have shown their desire to bring about a much needed downward adjustment of prices. Inflation can be checked, however, only by a concerted effort of all groups. Under a free enterprise system the first step should be a vigorous program of voluntary action. Such action must be initiated by the Federal Government calling upon citizens' organizations to develop a joint program and mobilize their efforts to make it effective.
>
> The program of the Republican Party to curb inflation should make the following provisions:
>
> (a) Authorize the economic advisers to call into consultation cooperating committees of business men, labor, agricultural and other groups to develop a joint program to check inflation. The full influence and prestige of the United States Government should be placed behind this voluntary effort.
>
> (b) Strengthen the voluntary allocation program for scarce materials already operating under the United States Department of Commerce.
>
> (c) Follow monetary and fiscal policies which will check abnormal increases in money supply and bank credit.
>
> (d) Carry on a vigorous program to sell United States savings bonds to American consumers.

In its publication Business Action, the Chamber of Commerce of the United States on July 23 presented the following program to meet the problem of inflation:

> 1. Restraint should be exercised by agriculture, business, and labor in the determination of prices and wages. No single type of income—to farmers, workers, or businessmen—can alone be regarded as the cause of increases in the cost of living. All are the result of inflationary factors, although each contributes to the final result.
>
> 2. Intensive study should be given to monetary and fiscal measures designed to reduce the rate of increase in the supply of bank deposits and currency. The appropriate agencies of the Government should make strenuous efforts to develop and apply a monetary policy capable of curbing inflation.
>
> At present opinion is divided in this field. The administration seems never to have faced the implications, for Treasury and Federal Reserve policy, of the possible rejection or failure of its proposed remedies.
>
> Federal Reserve officials are not in agreement concerning the possibility of control with existing powers and there has been little public discussion of the possibility of preserving short-term order and stability in the bond market and curbing expansion in the longer run.
>
> In peacetime, fiscal and monetary measures, rather than direct economic controls, are the most effective means of dealing with inflation.
>
> 3. Strenuous efforts should be made to reduce the expenditures of Federal, State, and local governments, through a search for and the elimination of waste, inefficiency, and unnecessary expense.
>
> Services necessary to national security, safety, health, and productive efficiency should not be impaired and aid programs should not be blindly slashed, but the latter should be carefully scrutinized to ensure that their benefits are commensurate with their costs. Long-term improvements—Federal, State, and local—involving capital outlays should be postponed wherever possible.
>
> 4. Appropriate public and private agencies should give every encouragement to increased savings by consumers and should urge caution in the utilization of all forms of credit.

Mr. Speaker, I agree thoroughly with the program called for by these two organizations. They represent what is to me the only true American answer to the problem of high prices.

If the President is sincere in his expressed desire to curb the menace of inflation he should immediately take steps to put this program into operation.

Labor-Management Relations

EXTENSION OF REMARKS

OF

HON. WAT ARNOLD

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 4, 1948

Mr. ARNOLD. Mr. Speaker, when Congress began considering a revision of laws covering relations between labor and management, the country had for a long time been experiencing the dire effects of very serious work stoppages due to strikes. Something had to be done for the good of the whole economy.

That consideration resulted in the passage of the Labor-Management Relations Act of 1947, known as the Taft-Hartley labor law, which you will recall was extremely controversial at the time it was under discussion and when it was passed.

The act was necessary to bring the relations between labor and management more nearly into balance, which, as I see it, is the prime function of the Federal Government in any instance where the welfare of more than one State is affected.

We have in this country three great pressure groups, legitimate pressure groups, not the intensely organized minority groups which are purely selfish lobbies for a specific piece of legislation. These pressure groups constitute the basic segments of our economy—labor,

agriculture, and business, and by business I include industry and finance, as well as the distributive and service businesses. I consider it the duty of the Federal Government—all government, for that matter—to try to maintain an even balance between the three, for, unless there is balance, our entire economic machine will run down.

From time to time one group or the other may be in the ascendancy. This was true of management for a number of years, and as a result labor's progress was behind that of management and our economic machinery suffered.

In order to right that wrong the National Labor Relations Act was adopted during the mid-thirties. The Congress recognized that labor required some legislation to correct unfair advantages in the hands of management. The law was adopted in the House of Representatives by voice vote, so clearly was the need recognized.

During the subsequent years it developed that the labor relations law needed some overhauling because that law, in practice, was placing too much power in the hands of labor leaders. The Labor-Management Relations Act was designed to correct the weaknesses of the National Labor Relations Act of the thirties.

I think we did a pretty good job. When you compare the task of the Federal Government with that of a baseball umpire, or football referee, and use similar standards to judge our decisions, it looks like we did a very good job in adopting that legislation. Labor leaders, particularly unscrupulous labor leaders, did not relish that legislation. On the other hand, the National Association of Manufacturers is not satisfied with it either.

And the real test of any law is whether the general public is better off after enactment than it was before. The 1947 Labor-Management Relations law passes that test with flying colors.

We are into the new year with more equitable industrial relations prevailing and in prospect than in any year in recent history. Some differences will arise, of course, but the over-all picture for stable industrial relations during 1948 is definitely encouraging. With the exception of the wage issue, which is always present, most of the bitterly fought controversial issues have been handled so as to greatly reduce their potential for friction at the bargaining table.

However, the wage issue will always be present and a vital issue it is. The cost of living is always high. Consumer price indices are nice to talk about and point to, but the cost of living is still high regardless of what the indices indicate. Wages never seem adequate.

The rights of working men and women to seek higher wages, to seek them through organized collective bargaining, and to strike in order to obtain higher wages are not abolished by the 1947 Labor-Management Relations Act. The rights of czars to dictate to union members and locals were, however, restrained, and that was good.

Woodrow Wilson once said, and I quote:

> The history of liberty is the history of limitation of government power, not the increase of it. When we resist, therefore, the concentration of power, we are resisting the processes of death, because concentration of power is what always precedes the destruction of human liberties.

That is what we did when we passed the Labor-Management Relations Act of 1947. We helped resist the concentration of power in the hands of labor leaders. It mattered not that the majority of those leaders were able, wise and unselfish men seeking only to improve the welfare of the workers. What mattered was that some few were unscrupulous and selfish, seeking only to extend their own power. These were the men who were wrecking the labor movement and who were undermining the economy of our Nation.

Briefly, the 1947 Labor-Management Relations Act, more often referred to as the Taft-Hartley labor law, does four things. These are:

First, it places labor and management on a par as to their bargaining powers and makes them both responsible for living up to their signed contracts.

Second, it brings peace to the troubled field of labor relations.

Third, it eliminates undesirable labor practices that had developed under the National Labor Relations Act, such as the jurisdictional strike and the secondary boycott. Such strikes and boycotts, aimed not at "scab" labor but at a rival union, were costly to employer and employee alike, and to the general public, and never added one dime to the pay check of the worker.

Fourth, and finally, the act makes paramount the interest of the general public over that of any minority group, whether employer or employees.

Milions of rank-and-file union members favor the provisions of the 1947 Labor-Management Relations Act. If you ask these workers whether they like the Taft-Hartley Act, they will tell you "No," but the majority of them favor the individual provisions of the act.

Opinion Research Corp., an independent organization, recently conducted a poll of employees. In polling workers, the researchers highlighted the contradiction I have just mentioned that although a majority of the workers said they were opposed to the so-called Taft-Hartley Act as a whole, when polled on specific provisions of the act they overwhelmingly expresed their approval of them. The results of the poll among union members themselves reveals that the majority of union members favor the Taft-Hartley labor law.

The percentage of favorable answers from all workers was somewhat higher in each category than was the percentage from union members only. Among all workers there was a majority favoring every provision. Let me repeat that—among all workers there was a majority favoring every provision. And we must remember that the responsibility of Congress does not extend just to organized labor; that responsibility extends to every man and woman who works for wages or salary.

Why are rank-and-file union members more and more expressing themselves as favoring the provisions of this law? Because it has given the local unions greater control over their own affairs and emphasizes the rights of individual union workers as against the power of union leaders.

In fact, many union leaders, while publicly still opposed to the bill, are privately beginning to acknowledge that it is not nearly so bad as they have painted it. What has brought them to this realization is the shocking and sobering impact of a law recently passed by the Labor Government of England, giving that Government the power to direct where every man between 18 and 50 must work, and also where every woman between 18 and 40 who is not tied down with children must work. The law carries a fine of $500 and 3 months in jail as a penalty. That is a real slave-labor bill, and that term has no application to the 1947 Labor-Management Relations Act.

Let us run down a few provisions of the act and see just what it does for labor.

In the first place, there are many provisions to protect the individual. Take one example: As an individual, a worker may bring an unfair-labor-practice charge against his employer or against his union if he is threatened, discriminated against, or if the union causes him to lose his job for any other reason than nonpayment of dues.

The right of workers to organize and bargain collectively is guaranteed and protected. Employers are prohibited from coercing or intimidating workers when they exercise their rights. In addition, unions are in turn prohibited from coercing or intimidating employees to induce them to join the union.

The check-off is not banned, but if the worker does not consent to this method of payment of union dues, it is not compulsory. Furthermore, there is a protection against excessive or discriminatory dues.

The act provides that an employer or a union may be sued in court for violation of a collective-bargaining agreement. But any money judgment obtained against a union for contract violation applies only against the organization, or its assets. No liability arises against an individual member or his assets.

The constitutional right of an individual to quit work at any time, for any reason, is recognized and protected. Union strikes are legal unless they violate a contract, are called because of a representation or work jurisdiction dispute with another union, involve a secondary boycott, or are found to constitute a national emergency.

A national emergency is a strike or lock-out which a Presidential fact-finding board determines would imperil the national health and safety. If a court grants a Government request for an injunction, such a strike or lock-out would be illegal for a period of 80 days. If the dispute is not settled during the 80-day period, the workers involved would then vote secretly whether to accept the employer's final offer of settlement or to go out on strike. Even in cases of national emergency a strike is only delayed, not prohibited.

The union shop, wherein workers in the bargaining unit are required to join the union within 30 days is permissible if approved by a majority of all eligible employees by secret ballot after union-management agreement. However, the requirement of union membership before accepting a job is not permitted. A union member may not drop his membership if the contract requires him to remain a dues-paying member.

Unions are required, however, to file an affidavit that local and national officers are not members of the Communist Party. If any such officers are party members, or if any union fails to file an affidavit, that union loses its right to appeal to the National Labor Relations Board. Unions must provide membership with a complete financial report each year.

Labor organizations, as such, are prohibited from making political contributions. This same law applies to corporations. Union members may contribute all they want to, and may engage actively in politics.

The law further provides continuing studies in the field of labor-management relations. Recognizing that labor has the right to organize and bargain collectively, and that its only weapon is the right to strike, no one wants to take that right away. However, some way must be worked out whereby labor and management can settle their differences, and protect the basic right of folks to work as well as the right to strike, without resorting to serious and prolonged work stoppages which cause everyone to suffer.

This was a bipartisan effort and when it was finally passed, Democrats and Republicans joined hands in voting for it; in fact it could not have been enacted into law without the Democrat votes. A splendid example of the unity of the Eighteth Congress when the welfare of the Nation was involved in the issue.

Congress Has Thrown Away the Rubber Stamp

EXTENSION OF REMARKS
OF
HON. ALBERT L. REEVES, JR.
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 4, 1948

Mr. REEVES. Mr. Speaker, as a part of my remarks, I include an excellent statement made a few days ago by George S. Benson, president of Harding College, Searcy, Ark., with regard to the record of the Eighteth Congress:

The Eighteth Congress was our first post-war Congress, and it faced mountains of problems. Moreover, it was a Congress of a different party from that of the President. Thus handicapped, the Eighteth Congress worked hard to get as far as it did. By working hard, sometimes despite disagreement with President Truman, the Congress that recently adjourned ran an independent course and made a great record.

During depression days a bewildered Congress took orders straight from the strong man. This was approved by many as the best kind of unity for the Nation. Unity is a fine thing. When purposes are sound and methods are right, unified action can benefit the people. But the United States Congress was not created by the founding fathers to always say "Yes" to the Nation's President.

NO RUBBER STAMP

The whim and fancy of a political leader, no matter how great the leader, may not be to the best interest of our people. That is perhaps why the founding fathers created the three branches of our Government as they did: the legislative to pass the laws, the executive to carry them out, and the judicial to provide justice. Knowing these things many persons wondered whether Congress would ever regain its rightful place.

The Eighteth Congress has done just that. If ever a Congress denied the rubber-stamp process, this one did so. The stature and dignity of Congress appears to be returning. It would hardly be possible for Congress in a nation like our own to please everyone. But every one of us can be thankful that the Eighteth Congress has done much to restore the integrity and strength that our National Legislature should have.

THE PEOPLE'S SAFEGUARD

This Congress did not always say "Yes" to the President. There were times when it said "No." At least four major bills were passed over the veto of the President. The Eighteth Congress was doing things upon its own conviction, following its own best judgment. Doing this, Congress showed that the ultimate welfare of the Nation was its objective.

There was no vindictiveness, but instead a determination to rely upon its own judgment rather than upon that of the Executive alone. Our people can find no quarrel with this, once they think about it. It is only that kind of Congress which will continue to safeguard the welfare of our Nation under the Constitution. We can never afford to forget the importance of Congress as the people's will in this Republic.

MORE THAN 1,000 BILLS

The hard work of the Eighteth Congress is shown by the fact that it passed more than 1,000 bills and conducted numerous investigations. It studied and acted upon nearly 30 major pieces of legislation. Among these was the Taft-Hartley bill—called the slave-labor bill—which has not enslaved but has already shown its workability. Of great significance too was the leadership that Congress showed in world affairs.

The Eighteth Congress led the Nation out of isolationism and into the leadership of freedom-loving nations of the world. Congress did much to retrieve lost prestige for America in the realm of international affairs. I believe every citizen should appreciate the great job the Eighteth Congress did in bringing back the integrity of a legislature which was set up to represent the people. I am grateful to our hard working legislators.

Do-Nothingism Disgusting

EXTENSION OF REMARKS
OF
HON. FRANK M. KARSTEN
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 4, 1948

Mr. KARSTEN of Missouri. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by Peter Edson, from the Washington Daily News of July 31, 1948:

DO-NOTHINGISM DISGUSTING

(By Peter Edson)

It just ain't fair to the human mind, body and spirit, at the fag end of a hot July, to be subjected to the stuff now being dished out in Congress.

When the last of the three political conventions ended in Philadelphia, you could almost hear the cross-country sigh of relief. Along with the rustle of the hot wind in the growing corn you could hear the national whisper. "Well," it said, "thank goodness we don't have to go through that again for another 4 years."

You came wearily back to Washington and what did you find? You found that all three national conventions had merely been moved to the Capitol.

So here you are stuck, with your vacation plans canceled, listening to the same old political speeches by the same old political hacks. The Republicans accuse the Democrats of "playing politics." Of course, the Democrats are playing politics. Of course the Republicans are not playing politics. In a pig's eye they're not.

Cockily confident they'll win the November election, the GOP leadership has openly embarked on a policy of delay and do-nothingism.

The party line seems to be that everything is now just dandy, and the less that's done, the better Republican chances will be.

House Majority Leader CHARLIE HALLECK, of Indiana, gets on the air and says this year's Republican tax cuts reduced the price of everything we buy, "from a haircut to an automobile."

That was the day your wife told you the price of round steak for grinding into hamburgers had gone up from $1 a pound to $1.30. That was also the week in which General Motors announced it was raising the price of all autos 8 percent.

You would think even a Congressman could understand $1.30 a pound for hamburger and that something ought to be done about it.

But no. These master minds like to confuse it all up. So they say the high cost of hamburger is not due to high-priced steers or worn-out old dairy cows, nor to the high cost of corn to fatten them. They ignore completely any thought that high support prices on all major farm products have anything to do with the fact that the cost of food has gone up 47 percent in the last 2 years, since price controls were removed. That would be too simple, too direct.

Instead, they start talking about stabilizing the dollar. They start talking about sterlizing the gold hoard and the debt. They talk about trade balances, export controls, and the need for having the United Kingdom revalue the pound sterling. They talk about controlling the volume and velocity of credit. And they start talking about raising the bank reserve and rediscount rates.

To the average hamburger consumer, if you take all these $2 words and grind them up, what you get is not cheaper hamburger, but political baloney which, at $2 a word, is pretty high.

If that's all they do, they might as well go home now. And stay there. Good riddance. Don't come back. Let the voters elect a brand new bunch of Congressmen in November and send them on to Washington next January, when it will be cool enough to think about changing the Federal Reserve rediscount rate, and trying to understand it without getting mad.

All that's wanted now is a simple little cut in the cost of hamburger, haircuts, and autos.

As for this crowd of Congressmen who refuse to do anything about such matters now, phooey!

Water Pollution—Sold Down the River

EXTENSION OF REMARKS
OF
HON. GEORGE G. SADOWSKI
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 4, 1948

Mr. SADOWSKI. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include a very powerful and sensible editorial which appeared in the July–August issue of Outdoor America, the official publication of the Izaak Walton League of America. This editorial was written by Kenneth A. Reid, executive director.

SOLD DOWN THE RIVER

No subject in the whole conservation field has received so much talk and so little action as water pollution. If there is a subject under the sun that has been investigated to death it is water pollution. Yet after the House committee got through butchering the already weak Barkley-Taft bill (S. 418) the resulting abortion which Congress then passed would spend another one hundred and thirty-odd million dollars over a 5-year period to support and aid technical research to devise and perfect methods of treatment of industrial wastes which are not susceptible to known effective methods of treatment.

The effect of this poisonous declaration of policy by Congress is threefold—and all bad.

1. It admits something that is not so, namely, that for the great majority of industrial wastes there are no known effective methods of treatment.

2. It encourages, and gives a statutory base, for a recalcitrant industry to make such a claim, even though it may (and in most cases does) know how to treat its own wastes.

3. It transfers from industry, where the responsibility belongs, to government, where it does not belong, the job of discovering and developing industrial-waste treatment methods.

It is hard to believe that the House committee members, who framed this amendment, were so naive as to believe that this amendment was needed to make the bill effective. We know that certain die-hard polluters wanted just such language in the bill to relieve them of their proper responsibility. The saddling of that responsibility on government gives them a legal alibi to sit back and do nothing until government, at great and needless expense, attempts to duplicate the knowledge on treatment methods which industry, in most cases, already possesses but does not use because it is not obliged to do so.

If the intent was to enact an industrial polluter's protective measure, the Congress succeeded admirably. In effect, this amendment says to industry, "Don't bother about further research for methods for proper treatment of your industrial wastes. If you don't know how to treat them, simply say so, and Uncle Sam will do the job for you. And, until we are able to give you that information, the law protects you."

Many industries have squarely faced their problem and solved it. Others are in the process of doing so. Still others have been stalling these many years. The natural effect on industry will be a cessation of further research, since that responsibility is transferred to government.

There is no more reason why Congress should accept the responsibility for discovery and development of industrial-waste-treatment methods than for it to take on the responsibility for discovering and telling industry methods of manufacturing its products. Should such a law as the latter be enacted there would be a mighty howl from industry against government interference. There is no howl from industry in this case. The reason is obvious.

In the Senate hearings on the Barkley-Taft bill, the preponderance of testimony favored strengthening the bill. Yet, when the bill came out of the Senate committee, it was watered down by a hamstringing amendment requiring the consent of the affected State before the Federal authority could become operative. When it went to the House committee, all the weakening amendments were retained and the poisonous declaration of policy, discussed above, plus certain appropriations to support it, were added. It is pertinent to inquire why committees of Congress hold hearings if they entirely disregard the preponderant weight of testimony, as was done in this case. Is our Government "a government of the people, by well organized special interests, and for well organized special interests"?

Even after the weakening amendments by the Senate committee, the bill might have been considered a very small step forward. But, after the House committee got through with administering the industrial polluters' prescription, it became a definite step backward and a victory for continued pollution. In effect, it declares a 5-year moratorium on continued industrial pollution—at an expense to the taxpayers of approximately $130,000,000. Congressmen and Senators who prate about economy should hang their heads in shame for authorizing an expenditure of $130,000,000 for a 5-year insurance policy for continuing industrial pollution under the guise of a pollution-control bill. Congress has clearly evaded its responsibility to the public and attempted to administer a dose of soothing syrup while doing the bidding of those who want no interference with the continuance of their present polluting practices.

We wish to make the prediction here that 5 years hence, we will be forced to admit that the present bill was a failure. But we will not only have lost 5 years—we will have gained another costly bureau which will continue indefinitely feeding at the public trough.

KENNETH A. REID,
Executive Director.

Housing Show-Down

EXTENSION OF REMARKS
OF
HON. JOHN E. FOGARTY
OF RHODE ISLAND
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 4, 1948

Mr. FOGARTY. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Washington Post of July 31, 1948:

HOUSING SHOW-DOWN

The arrogance of the Republican runaround on housing is rivaled only by its political inanity. If the GOP leaders in the House were bent upon alienating war veterans and the army of other Americans desperately seeking places to live, they could have chosen no more effective means than their present outright refusal even to consider a housing bill urgently recommended by the President, sponsored by the leader of their party in the Senate and indeed passed by the Senate during its last session. This amounts to an open proclamation that the building and real-estate lobbies completely govern housing policy so far as the House leadership is concerned.

By deciding to recess for 3 days of what was called as an emergency special session. House leaders have effectively barred any chance of discharging their Rules Committee from further consideration of the Taft-Ellender-Wagner bill before August 23—the first discharge day the bill could be forced out by petition. And Republican leaders now assert that they mean to bring the special session to an end before that date. There are already more than 150 signatures on the discharge petition toward the 218 necessary to make it controlling. We hope that Representative HELEN GAHAGAN DOUGLAS is correct in asserting, "They won't dare adjourn if a majority of the House signs."

The country is entitled at the very least to a show-down vote on this measure. It seems to us, therefore, that Walter Reuther, president of the UAW-CIO, was quite justified in demanding from Governor Dewey "an immediate expression of your attitude on this vital issue." The Republican nominee for the Presidency can no longer escape commitment on housing. Continued silence on his part will constitute consent to the conspiracy to kill the Taft-Ellender-Wagner bill. By the exercise of affirmative leadership, he can revive it and bring about its enactment into law, together, as we have already said, with the allocations which would enable the measure to produce the houses.

Inflation

EXTENSION OF REMARKS
OF
HON. J. GLENN BEALL
OF MARYLAND
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 4, 1948

Mr. BEALL. Mr. Speaker, under leave to extend my remarks in the RECORD, I include an editorial appearing in the Cumberland Daily News, Cumberland, Md., on Saturday, July 31, 1948:

BLAME FOR INFLATION TO REST WITH PRESIDENT TRUMAN

Unless we miss our guess, the Republican-controlled Congress is going to unfold the truth about the start of inflation, and in the end place the blame on the doorstep of President Truman.

It has been disclosed that Mr. Truman was handed the key to a deflationary move when Marriner Eccles, a member of the Federal Reserve Board, testified before a congressional committee that some of the proposals the President now makes (and demands that he be given power to put them in motion) were presented him nearly a year ago but he did not, with a Presidential election in the offing have the political courage to accept them. Instead he demoted Mr. Eccles for suggesting the plan to check inflation.

Mr. Eccles has told the Senate committee on banking that the proposals Mr. Truman now advances are, in the face of present conditions, about half deflationary. He said further that it is too late to control inflation, and the country is certainly going to have a bust.

It does little good to talk about inflation without mentioning some of the things which are principally responsible for it—big wage

increases, big exports under the Marshall plan, increased consumption by Americans under the influence of higher earnings. And always back of price controls is the ugly reality of the black market.

It is an established fact that nobody is more to blame for inflation than Mr. Truman himself, unless perhaps it is Mr. Henry A. Wallace. Both of them had the bright idea that it was possible to have big wage increase without corresponding increases in prices. Every intelligent school child knew that wasn't true, and it has proven most untrue in practice.

As an illustration, Mr. Truman, according to accurate records as pointed out by Mark Sullivan in his column on this page today, helped start the inflationary period 18 months ago. Today he finds that it has, because of his false theories, got out of hand, and he is now endeavoring to cover up his odd thinking by attempting to place the blame on the Eightieth Congress, which came into being 11 months after he made his first faulty move.

It will be recalled that in January 1946, a year before the Republicans gained control of the legislative branch of the Government, that Mr. Truman, after earlier adopting a policy of raising wages, intervened in a strike of the CIO steel workers' union and through this intervention, a wage raise of 18½ cents an hour was made. The very next day Mr. Truman disclosed, at a press conference, that the Government pricing agencies had agreed to grant a $5 a ton general increase in the steel industry to compensate for the raise in wages. It resulted in starting the climb of the cost of living. It has continued. Now he wants to pass the buck to Congress. Few will be fooled by his tactics.

Further, spokesmen who were to detail Mr. Truman's plans hesitated to do so. Secretary of the Treasury Snyder backed away from his task when called to testify before the Senate Banking Committee, suggesting that Chairman McCabe, of the Federal Reserve Board, precede him. Mr. McCabe finally agreed, but the testimony he offered did nothing for Mr. Truman's case. He said that for him, price controls would be the last resort. He certainly did not offer anything which would convince the Congress and the American people that Mr. Truman was prepared to lead them out of inflation.

In other words, Mr. Truman was not prepared to submit a concrete program of operation when he called Congress into special session. He and his aides are still groping about in the dark in a desperate effort to hit upon something, and at the time try to dispel a conclusion the American people have already come to, that the whole set-up was a political maneuver of a man striving to ward off defeat at the polls next November.

High Cost of Living

EXTENSION OF REMARKS
OF
HON. JOHN E. FOGARTY
OF RHODE ISLAND
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 4, 1948

Mr. FOGARTY. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following letter:

INTERNATIONAL ASSOCIATION
OF MACHINISTS,
DISTRICT LODGE NO. 64,
Providence, R. I., August 2, 1948.

Hon. JOHN E. FOGARTY,
House Office Building, Washington, D. C.

HONORABLE SIR: It is with great concern over the present economic plight of the common people who face the daily increase in the cost of living and of the inactivity of the present leaders in Congress, that I am writing to you to bring all possible pressure on these people responsible for this inactivity.

Surely, no group of men, regardless of their political beliefs, can deliberately sabotage a program which would grant immediate relief to millions of workers and their families, a program such as has been laid before them by President Truman.

I urge you to use your influence among your fellow colleagues, to the end that the people of this great Nation will be given some form of protection against the present exploitation by profit-hungry businessmen who are certainly not serving the Nation in this great crisis.

Respectfully yours,

JAMES A. ANNABLE,
Business Manager.

Special Session of Congress

EXTENSION OF REMARKS
OF
HON. VITO MARCANTONIO
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 4, 1948

Mr. MARCANTONIO. Mr. Speaker, under leave to extend my remarks, I am including herein a radio speech delivered by me over Mutual Broadcasting System, Monday, August 2, on the special session of Congress:

I wish that this special session of Congress could be on television. The American people would witness a most revealing spectacle. It would convince Americans that there is no real difference between the Republican and Democratic Parties. For instance, if the Senate proceedings of the last few days were on television, you would see an Alphonse-Gaston act being performed by the Republicans and the Dixie Democrats on the issue of civil rights. You would see the politest filibuster that has ever been put on in Congress. Newspapers try to give you the idea that there is a real fight going on here between the Dixie Democrats and the Republicans. However, television would show you that they are both shadow boxing and hitting each other with powder puffs.

The Republicans are pretending to get passed legislation abolishing the poll tax. The Dixie Democrats are putting on a filibuster. The Republicans are doing nothing to break the filibuster. In a day or two you will witness the burying of the anti-poll-tax bill again and a love feast between these two fighters. Yes; you would witness a phony fight if the special session were televised. Now, you may ask, where are the Truman Democrats, who, with Truman, have been going around proclaiming their friendship for civil rights and for the Negro people. They are where they always have been; far, far away from the fight. Television would show you that they are not even near this fixed fight. They have never fought for civil rights; no more than Harry Truman has ever fought for them. President Truman talked big at the Democratic convention about civil rights and his last two Executive orders proved exactly what we Progressives have always said about his big talk; that is, that when it comes to action the Negro people get nothing. His last two Executive orders proposed some more commissions and investigations. The Negro people are tired of being commissioned and investigated. General Bradley has since announced that segregation will continue to be the policy of the armed forces. This announcement exposes the emptiness of President Truman's Executive orders. Yet the Truman Democrats, relying on this last gesture of the President, are playing their usual role in the Senate. They are not lifting a single finger to break the filibuster of their Dixie colleagues. Yes; television would show you the amiable and friendly cooperation of the Republicans with the Dixie Democrats, and with the Truman Democrats nowhere in the scene. You can definitely expect no civil-rights legislation out of this Republican, Dixie-Democrat, and Truman-Democrat Congress. It is the same old merry-go-round; the Republican-Democrat merry-go-round.

How about the high cost of living? You are now paying $1.30 a pound for meat, $1 a pound for butter, and 24 cents a quart for milk. I can tell you right now that this special session of Congress is going to do nothing about it. Why? First of all, we must remember that both parties are controlled by the same big monopolies that destroyed price controls 2 years ago and who do not want price control now.

President Truman has asked for stand-by price controls. Anyone who knows anything about the subject knows that this will not do the job, for what is needed is a roll back of prices to January 1947 levels and real price control with teeth in it; with power given to the Government to seize any industry that refuses to produce at Government fixed prices. Further, President Truman's record is a bad one on this score. In 1946, he removed controls on meat, and in early 1947, he removed all price controls. The Republicans demanded the removal of controls, the National Association of Manufacturers beat the drums against price controls and Truman surrendered. Now, he asks Congress to undo the damage that he himself helped cause. Prices have been going up and up since price controls were removed. Remember who did it. The Republicans and Democrats in Congress, and the President in the White House. How can anyone expect this same combination now to do anything to bring down prices? They will blame each other; but do nothing. It is the same old merry-go-round—the Republican-Democrat merry-go-round.

Let us see what the story is about housing. The Republicans have repeatedly killed housing legislation. This Congress will not pass the Taft-Ellender-Wagner housing bill which would provide housing and give some measure of relief to the suffering millions who find themselves without homes. The Republican leader, Senator TAFT, the other day, disowned his own bill, and stated that it would not be passed at this session. The Democratic record on this score is no better. In the Seventy-ninth Congress it was a combination of Republicans and Democrats that killed the housing bill in committee. In the Eightieth Congress, with a few exceptions, the Democrats have with the Republicans in the House given aid and comfort to the real-estate trusts in sabotaging the public-housing program.

As for housing for veterans, it is to be recalled that it was President Truman himself who scuttled the Patman law by lifting controls and yielding completely to the free-enterprise boys of the Real-Estate Trust. So here again we have the same old merry-go-round, the Republican-Democrat merry-go-round.

However, there is a much more fundamental reason why this Congress or any other Republican-Democratic Congress will never be able to give the people of our Nation housing and relief from inflation. No country can make any progress as long as it

exists on an imperialist war-economy basis. War economy means high prices; war economy means Taft-Hartleyized labor; war economy means no civil rights; war economy means no housing; war economy means no social progress. You can't have housing, you can't have effective price controls as long as the economy of a nation is geared to war. There will bo no housing program, and there will be no control of inflation as long as the Republican-Democratic policy of cold war continues. President Truman himself stated on March 17, when he asked for draft and universal military training, that we must prepare to pay the price. Yes; the price that you are now paying is the high cost of living, ever spiraling inflation, no housing, enslaved labor, and no civil rights.

We are now spending for the present cold war almost twenty-one billions; six hundred and forty-two millions for Army civilian programs abroad; five hundred and fifty-five millions for so-called foreign aid, tax refunds; nine hundred and forty-nine millions for supplemental national defense, cash; two billion two hundred and seventy-five millions for supplemental national defense, contract authorization; six billion seven hundred and five millions for national military, 1949; three billion seven hundred and forty-nine millions for Navy, 1949; and six billion thirty-one millions for Marshall plan, 1949.

It is impossible to say what the future costs will be for the next 2 years. Some estimates go as high as thirty billions a year from 1950 on. You can easily see that the country is being daily placed into a war strait-jacket.

On this cold-war program the Republicans and Democrats do not even make a pretense at disagreement. The record shows that they are in unanimous accord in placing our Nation in a war-economy strait-jacket. It is the program of the big trusts of Wall Street. It is Truman's program. It is Dewey's program. It is a program of Wall Street's Forrestal and Snyder, the two dominating figures of Truman's Cabinet. It is the program of Wall Street's John Foster Dulles and Chase National Bank, the masters of Dewey's Republican Party.

Is it any wonder, therefore, that this Republican-Democratic Congress will not give you housing and will not control inflation? And all for what? Not for defense. We are in no danger of attack. Yes; in no danger of aggression from the Soviet Union, despite the tons of newsprint and the billions of radio words to the contrary. All this suffering and deprivation is for the benefit of the Wall Street trusts who seek to control the world for profit and more profit and at your expense.

We of the Progressive Party are united behind Henry Wallace on a platform of peace based on aid to the needy people of the world through the United Nations, and on collaboration with the Soviet Union. We propose to fight the big trusts who control both old parties, and defeat their plan to embroil this world into another war. The Republican and Democratic Parties stand for an imperialist war economy. I repeat, this means no housing, no relief from high prices, and no civil rights. The record of this Congress is clear proof. We of the Progressive Party stand for peace. We recognize that only a peace economy will bring housing, low prices, freedom, and abundance. That is the big, big difference between us and the Republicans and Democrats.

Americans today have been put on the merry-go-round; on the Wall Street Republican-Democratic merry-go-round of boom, bust, and war. We of the Progressive Party fight to take you off this old merry-go-round and no amount of smear, hysteria, and red-baiting will deter us.

Industry Is Termed a Convert to the Psychology of Inflation

EXTENSION OF REMARKS
OF
HON. JAY LeFEVRE
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 4, 1948

Mr. LeFEVRE. Mr. Speaker, under leave to extend my remarks in the RECORD I include an article by Mark Sullivan which appeared in today's New York Herald Tribune.

Mr. Speaker, this article by Mr. Sullivan brings up a matter which has greatly concerned me ever since the United States Steel Corp. announced its latest price increase. Personally I believe big business is making a grave mistake in advancing their prices at this time. They should consider the effect of their increases on all small business and the consuming public. They would be the first to howl if the Congress approved of rationing and price controls. Everyone in industry should be willing to work on smaller margins of profit due to the continued demand bringing on greater turn-over. In turn, labor is getting an all time high wage, and with full time employment, they too should be willing to cooperate during this critical period.

Mr. Sullivan's article points out that business statistics again and again show price indexes at an all time high. Thank Heaven there is another all time high which in my opinion, will help reduce the cost of living more than any one thing we can accomplish by legislation, and that is the agricultural reports showing this year's grain crops at an all time high. After these crops are harvested we have every reason to feel that this increase in production will reflect in the prices of cereals and the prices of meat.

Mr. Sullivan's article follows:

INDUSTRY IS TERMED A CONVERT TO THE PSYCHOLOGY OF INFLATION—MARK SULLIVAN WARNS THAT THE NEW ATTITUDE OF BUSINESS INDICATES A SPIRIT OF SURRENDER THAT EXPECTS THE TREND TO CONTINUE

(By Mark Sullivan)

WASHINGTON, August 3.—That inflation and cost of living are at a new height is common knowledge. The public learns it at every counter; those who follow business statistics see the price indexes again and again accompanied by a phrase "all-time high." What is less readily noticed but more ominous is that inflation has increased greatly in mass and momentum; the forces and conditions pushing it are stronger, those resisting it have diminished.

An example is the attitude of heads of industry. Some 2 weeks ago, July 16, the United States Steel Corp. raised wages 13 cents an hour. The raise—and this is the important point—was voluntary, without strike or other controversy. Five days later the corporation took the corresponding step and increased the price of steel $9.34 a ton. Previously, in May, the General Motors Corp. raised wages 11 cents an hour, and last month increased the prices of its cars by 8 percent.

This pattern, raise of wages without resistance, accompanied by increase of prices, is now being followed throughout large industry generally; it is ominously familiar. What is significant is the change of attitude on the part of industry heads. In 1945–46 General Motors fought a strike for more than 3 months. During the same period the United States Steel Corp. and the steel industry fought a strike for a month, yielding only under pressure from President Truman and upon simultaneously receiving from the Administration permission to raise the price of steel $5 a ton.

TOOLS FOR FIGHT USED

The change of attitude from 3 years ago until now is the more marked in that at the earlier time resistance to strikes was made difficult by the Wagner Labor Act, which strongly favored unions. Now, an employer, because of the Taft-Hartley law, is able to meet a strike with some approach to equality. Also, 3 years ago, wage raises were formally supported by the Truman administration as a policy.

Whatever the motives for the change in attitude by heads of industry, the sum of them is an acceptance and sharing of the psychology of inflation. Individual industry heads may have felt that they paid dearly for their resistance to inflation 3 years ago. Or that it is useless for them to stand out in opposition to inflation when the Government itself is promoting it—every demand for a wage raise gives one reason, increase of cost of living, principally food, and the high price of food is kept up by the Government policy of price support for farm products.

Some heads of industry have come, however regretfully, to a realistic conclusion—inflation is here; it produces enormous buying power for a public willing to pay any price, they can sell all the goods they can make, so why fight the tide?

NEW ALINEMENT CREATED

The change of the industry heads created a new alinement of groups and forces. Throughout, labor and agriculture have accepted inflation as giving them advantage, while industry resisted it. The prospect of greater momentum for inflation is obvious.

Adoption of a policy by so important a group as heads of industry cannot but be at once a reflection of a general public mood and a cause of it. Acceptance of inflation, in a spirit of "what's the use fighting"? is a spreading phenomenon. Acceptance of the present degree of inflation carries with it inherently a complacency or spirit of surrender which expects more.

This spirit, as it becomes general, and unless it is formidably checked, passes into a definitely marked stage in the classic course of acute inflation. If people generally expect that goods are going to cost more, that the dollar is going to have less purchasing power, they tend to pass into one of the late stages of inflation not far from the final one. In a spirit of either recklessness or despair they begin to feel it is unwise to hold money, that it is better to exchange money for goods. Such a public mood causes increases in prices to become cumulatively rapid.

Housing

EXTENSION OF REMARKS
OF
HON. A. L. MILLER
OF NEBRASKA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 4, 1948

Mr. MILLER of Nebraska. Mr. Speaker, since Congress a year ago took the controls off houses, starts and finishes

have jumped. Private industry will build nearly a million houses in 1948. This is more than in any other year.

In 1946 Congress passed a housing bill and Mr. Wilson Wyatt came as its director. He was given complete power over allocation, prices, subsidies, priorities. He was the Housing Expediter and had unlimited power plus millions of dollars at his command. Yes; he was going to build 2,750,000 houses in 1946 and 1947. What was the result? Less than 500,000 or about one-half the number that private industry will build in 1948.

Mr. Wyatt soon learned that you could not build houses without pipe, brick, lumber, nails, and so forth. Yes; he had the OPA to deal with, some 300 brick plants had closed because of the OPA regulations and prices. All production for legitimate trade was gone, the blackest of black markets had taken over all business. Mr. Wyatt's program died a natural death. There are some now who would revive the creature with all its evils.

Mr. Speaker, President Truman's housing bill would not add one carpenter, bricklayer, or electrician to the labor force. It would not reduce their wages or cause them to produce more. The socialized Federal housing as advocated by Mr. Truman would mean an army of bureaucrats with a host of Government regulations. It would increase inflation.

The President's program would increase the competition for what manpower and materials that are now available. This would increase the cost of housing. It would mean not more houses but more expensive houses. Mr. Speaker, all available materials for houses and the manpower are now being used to the utmost. Some relief in costs could come if the labor produced more. Many complaints come to my office that the bricklayer, for instance, lays half the number of bricks he used to lay but receives twice the pay. This is true all down the construction line. Some of this comes about because of building codes that are outmoded. Some because of union rules under which the worker must comply or lose his job. Would a law cure these evils?

Mr. Speaker, if this country would cut down on our huge exports of lumber, steel, and other items needed for houses, more material would be available and cheaper houses could be built. We just cannot continue to waste, yes, give away our short-supply materials all over the world and not feel the effects at home. In that connection, Mr. Speaker, I was interested in an editorial from London; it states in part:

> Food prices in Britain are only one-half as high as in the United States. British housewives pay 30 cents a pound for butter, 40 cents for rib roasts, 48 cents for bacon, and 4 cents for a pound of bread.
>
> Big subsidies, United States help, and special deals with foreign supplies are the secret of Britain's low prices.

Mr. Speaker, this means that every family in America helps to pay the grocery bill of our English cousins. We gave them four and one-half billion 3 years ago. Now, under the Marshall plan, more billions. A lot of Americans must realize that through the give-away policies of this administration they pay higher taxes so the British and others can buy for less. This country pays the subsidies. It makes for scarce items and inflation at home. The money of the wage earner is here but the goods they produce are sent all over the world. Just how long can this last?

Now, back to housing, Mr. Speaker, I am sure that the members of this House desire to do everything possible to meet the housing need. Any reasonable action will be taken. I have felt that title 6 of the Housing Act should have been renewed. I realize that a racket has grown up among some contractors and builders and instead of getting a loan of 95 percent on the appraised valuation they were getting up to 125 percent. This must be stopped, safeguards can be applied. If a renewal of title 6 will assist in building low-cost rental housing it ought to be reinstated.

Mr. Speaker, it is folly to talk about building more and cheaper houses if our present export and give-away policy continues. It is foolish to talk about cheaper and better houses until labor produces to the extent it is able.

Mr. Speaker, the answer to the housing problem as I see it, is:

First. Less exporting and giving away of the materials needed for houses.

Second. More production at home of items going into housing.

Third. Labor must be more efficient and give an honest day's work for wages paid.

Fourth. Modernizing our out-moded building codes.

Fifth. Renewal of title 6 of the Housing Act.

I am confident that our America, which now has the highest standard of living in all the world, will move steadily forward with more and more people enjoying the benefits of our form of government. It cannot be done if we take the regimented road of government knows best. We cannot regiment and socialize the life of every American family without losing our liberties.

Food Resources—The Foundation of Greatness

EXTENSION OF REMARKS
OF
HON. CLIFFORD R. HOPE
OF KANSAS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 4, 1948

Mr. HOPE. Mr. Speaker, under leave to extend my remarks in the Appendix of the RECORD, I include an editorial from the August issue of the Country Gentleman, entitled "Food Resources—The Foundation of Greatness."

FOOD RESOURCES—THE FOUNDATION OF GREATNESS

It is time for an all-important fact to be recognized. A nation can have a strong and expansive economy only if it has abundant food-producing resources.

The high American standard of living and our thriving industrial system, with its many employment opportunities, both rest upon this foundation. They developed because we had such abundant resources, and their permanence depends on the continued productivity of these resources.

It is a simple economic truth that has long been unheeded because nobody had to think about it. Food has always been plentiful in this country, in the greatest variety to be found anywhere. With the exception of the periods following the two World Wars it has also been relatively cheap—sometimes too cheap for the good of those who produced it. This abundance of food at a moderate cost has had a vital significance. Over the long period in which records have been kept by the United States Department of Agriculture, food has taken an average of only about 24 percent of the spendable personal income. The food bill was more often below than above this figure.

This left a large margin of the people's earnings to be spent for the products of industry. Nowhere else in the world has so much been left, after food needs were met, to be used in raising the general standard of living. It is this broad margin that has made possible the varied development of industry and the diversity of employment that this country enjoys.

To realize the full meaning of this fact one needs only to look at the contrasting situation in other countries. Even in the low-price years before the last war, and with dominions to draw upon, food took more than 35 percent of the spendable income of the English people. As a result England was never able to develop a high internal standard of living comparable to our own and had to rely on the export of a major share of its industrial production. France and Italy, where the food bill takes even more of the personal income (70 percent of the average workingman's earnings according to latest figures), have lagged industrially behind us. South American countries, because of the low quality and rapid exhaustion of their food-producing resources, have found it hard to develop industrially. In China and India, where food absorbs most of the personal income, there is little industry and a tragically low standard of living.

Food is the primary necessity of life. People spend their earnings for it first. Because we have always had plenty of food at a reasonable cost a large surplus of personal income has been available to support the complex industrial system, widespread employment, and all the variety of professions and services that flourish in this country. The food supply in itself constitutes our biggest industry, providing the main source of new wealth, the largest transportation load, and more employment in production, distribution, and services than any other branch of our economy.

This abundance of food-producing resources and the chain of effects it has created have worked to the advantage not only of the nonfarming public but of the producers themselves. American farmers have been able to apply the intelligence, ingenuity, and large-scale production methods that make our agriculture utterly different from the types existing where land and water resources are poor and limited. Moreover, the expanding population engaged in other pursuits has provided them the greatest market with the highest buying power available to farmers anywhere on earth.

The lesson ought to be so plain that nobody in this country is unaware of it. An ample and permanent food supply is a national essential.

Its assurance requires two necessary measures. One is a program that will safeguard farmers while they are producing an adequate supply of food. The other is the con-

servation of our food-producing soil and water resources. These resources are now being depleted at a rate that, in no distant time, will surely undermine the foundation of our economy. An effective national land policy that will conserve and maintain them is to the direct personal interest of every individual in this country. It is one issue on which there should be united support.

Abundant food-producing resources are indispensable to the kind of America that we have and want to keep.

In the Interest of Accuracy

EXTENSION OF REMARKS
OF
HON. LOUIS LUDLOW
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 4, 1948

Mr. LUDLOW. Mr. Speaker, I am asking for this time for a final word on the war referendum resolution. I do so because of two recent references to that proposal which have come to my attention. One of these is by Prof. Robert Phillips, of Purdue University, in a book entitled "American Government and Its Problems." In this book Professor Phillips says:

For several years the sanguine Congressman, Louis Ludlow, labored to secure an amendment to the United States Constitution providing that our Government should never involve us in an "offensive" war against a foreign power unless with permission of the electorate secured in a national referendum. Thus far his proposal does not appear to have met with favor.

One can easily excuse Professor Phillips for not being acquainted with the limitations placed on the war-making power proposed in my resolution which by no means would have prevented "offensive action" without a plebiscite under certain conditions, as he had no personal connection with the events leading up to the introduction of the referendum resolution or the action taken thereon.

But one might well have expected a little closer degree of accuracy on the part of the former Secretary of State, Hon. Cordell Hull, who was one of the leading participants in defeating the referendum resolution. I do not say this in criticism, as I have genuine affection for Mr. Hull, and I am sure he has for me. We have been friends over 40 years. His reciprocal trade agreements plan stamped him as one of the world's greatest statesmen.

In his memoirs now on the bookshelves in all leading book stores Mr. Hull deals at length with the subject. I quote only in small part as follows:

Representative LOUIS LUDLOW, Democrat of Indiana, had introduced in the House in February 1937, a resolution for a constitutional amendment whereby the authority of Congress to declare war would not become effective (except in case of invasion of United States territory) until confirmed by a Nation-wide popular referendum. The resolution having been referred to the Judiciary Committee, which held it without action, LUDLOW sought the signatures of a majority of the House to a petition to bring it before the House as a Committee of the Whole. After months of striving he still lacked sufficient signatures. Then came the sinking of the *Panay* and within 2 days he had the requisite number. Instantly a group of peace organizations threw their influence behind the resolution. Congressmen quickly began to feel the pressure.

Although the President and I realized that much time, perhaps years, must flow before the Ludlow amendment, after passing Congress by a two-thirds majority, could be approved by three-fourths of the State legislatures, we determined to fight it at the outset. We aimed our guns at the vote that would take place on January 10, 1938, to discharge the Judiciary Committee from further consideration of the resolution.

He then describes how the State Department prepared a letter for the President which the latter sent to the Speaker over his signature, pointing out that the proposed amendment "would be impractical in application and incompatible with our form of government and would encourage other nations to believe that they could violate American rights with impunity." This letter was read to the House.

Mr. Hull wrote a similar letter to the chairman of the Foreign Relations Committee and National Chairman Farley telephoned to all of the Democratic Members of the House to enlist their support:

When the measure came up for debate, which was sharp, Mr. Hull adds, Speaker Bankhead left his chair to speak against it. Finally on January 10 the vote was taken and the proposal lost by the close margin of 209 to 188. This episode was a striking illustration of the strength of isolationist sentiment in the United States, since the administration had to exert its whole force to prevent—barely to prevent—approval of a proposal designed to take one of the most vital elements of foreign policy, the authority to declare war, out of the hands of the Government.

He might have added that as the date for the vote approached the President sent Assistant Secretary of War Louis Johnson on a speaking tour across the country to arouse sentiment against it.

Incidentally, Secretary Hull is incorrect in stating that the sinking of the *Panay* brought support enough to complete the signatures of my discharge petition. I know of a number of Members who believed in the principle of the resolution and who intended to support it but changed their minds after that unfortunate event.

I would have hoped that Professor Phillips and Mr. Hull would have read the actual text of the resolution that was voted on before they made their comment. It was read to the House by Representative Hamilton Fish, of New York, whose grandfather was a member of the Lincoln Cabinet, and it is found on page 278 of the CONGRESSIONAL RECORD of January 10, 1938. It was as follows:

SECTION 1. Except in case of attack by armed forces, actual or immediately threatened, upon the United States or its territorial possessions, or by any non-American nation against any country in the Western Hemisphere, the people shall have the sole power by a national referendum to declare war or to engage in warfare overseas. Congress, when it deems a national crisis to exist in conformance with this article, shall by concurrent resolution refer the question to the people.

SEC. 2. Congress shall by law provide for the enforcement of this section.

SEC. 3. This article shall become operative when ratified as an amendment to the Constitution by conventions in the several States, as provided in the Constitution.

It will be observed that under this resolution the power to declare war would remain in Congress not only in case of attack on the United States, as stated by these commentators, but there would be no referendum in case of attack or threatened attack on any nation in the Western Hemisphere by any non-American nation. Please note that even the threat of an attack would suspend the operation of the referendum. This is quite a different proposition from the one described by these critics. The resolution was made this broad so as to protect not only the United States but all of the countries of the Western Hemisphere under the obligations of the Monroe Doctrine.

Looking backward, I cannot escape the belief that the defeat of the resolution was one of the tragedies of all time. The leadership of the greatest and most powerful nation on earth might have deflected the thinking of the world into peaceful channels. Instead we went ahead with tremendous pace in the invention of instruments of destruction, frightful bombing planes and, most awful of all, the atom bomb. We used the atom bomb to wipe out two great cities in Japan without giving the inhabitants time to evacuate. That is a chapter of our history which as one American I deplore. There is no doubt in my mind that potential enemy nations, watching our every move, now have all of our secrets.

It is now too late for war referendums. World peace psychology has been forfeited forever. The nation that wins the next world war will be the one that is quickest on the trigger with its fast bombing planes and atom bombs. Largely by our leadership we have ushered in a new age of world insecurity, but I cannot help thinking what might have been.

Do What?

EXTENSION OF REMARKS
OF
HON. HARVE TIBBOTT
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 4, 1948

Mr. TIBBOTT. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Johnstown Tribune, Monday evening, August 2, 1948. This editorial clearly explains the purpose of this special session of Congress:

DO WHAT?

The hysterical cries to Congress to "Do something! Do something!" are about as helpful as they usually are when mishap impends.

Do what?

Just what can Congress do to avert the consequences of many years of accumulated inflationary pressures?

It can, of course, turn the job over to the President by giving him extraordinary powers over the whole national economy, to regulate, to regiment, and perhaps to stifle productive enterprise. That is the only concrete suggestion that has been made by the national administration and its backers.

Congress does not propose to give the President these powers. It said so at the regular session, and nothing has occurred since then to change its point of view. As a matter of fact, the President was quite aware that Congress would not approve his anti-inflation program when he called it back. And we think a great majority of the public has no wish to return to rationing, price and wage controls, and all the paraphernalia of what the President once called police state economy.

Inflation is not turned on or off like a spigot. It is a product of gradual growth, and it will be cured, if at all, gradually. The cure will require self-restraint on the part of the people themselves—a cessation of wage demands, a willingness to increase the rate of productivity and quit feather-bedding practices, increased production on the farms without unreasonable price supports that give the farmer all, and the consumer none of the fruits of that greater production.

There must be a willingness to quit borrowing to buy unneeded new automobiles and other new equipment, since every borrowed dollar adds to the stream of money in circulation and that stream is already overflowing its banks. There must be a reduction in unnecessary government expenditures, to make up for the extraordinary and necessary expenditures for our foreign policy program. The unproductive Federal pay roll must be reduced.

For too many years the people of this country have been depending on Government to do things for them, and not realizing that in the end they are the ones who must do it—either voluntarily or by government compulsion. It may be, if this attitude continues, that we shall come at last to a semi-totalitarian form of government—perhaps to socialism or some other type of statism—in which Government can tell each of us what we must do, and force us to do it.

But the philosophy of the Republican Party is that we must first exhaust all the possibilities of voluntary cooperation, before those controls are put upon the American people. To these cries of "Do something!" the Congress replies: "Do it yourselves. You have the power, and the ability, and the right." The admonition may be unwelcome to those who subscribe to the theory of statism and State power over the individual. But it is a wholesome bit of advice if we would save the spirit of free enterprise and individual initiative.

No Session Like This One

EXTENSION OF REMARKS

OF

HON. WILLIS W. BRADLEY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 4, 1948

Mr. BRADLEY. Mr. Speaker, I commend the following editorial from the Long Beach Press-Telegram, of Long Beach, Calif., of July 27, 1948, to the membership as a clear expression of the thinking of the people in my own congressional district:

NO SESSION LIKE THIS ONE

Persons with a taste for research have been delving into history for a precedent for the session of the Eightieth Congress which opened yesterday and got down to business today with President Truman's address to a joint session of the Senate and House of Representatives. The closest approach to a precedent they found was the special session called by President Franklin Pierce in 1856. Apparently there is no other instance of Congress having been summoned to Washington after adjournment in an election year.

The parallel between 1948 and 1856 is not complete. President Pierce was not nominated for reelection. He did not call Congress to consider an extensive program, but only to pass the Army appropriation bill which had failed of passage in the regular session. President Truman not only has proposed extensive legislation, but he is asking in large part for legislation over which he and the majority in Congress already have disagreed. His contention is that he is giving the Republicans an opportunity to fulfill promises made by them in their recent convention in Philadelphia. However, the present Congress was not elected on the Philadelphia platform. Republicans in the Eightieth Congress have substantially made good the pledges upon which they were elected in 1946. If he wants to hold the GOP Members of Congress to account for fulfillment of the 1948 platform, he will have to persuade the voters next November to retain him in the White House. All of the signs indicate that the people have decided to elect a new President to serve with the Eighty-first Congress.

After his party lost control of Congress in the 1946 elections, Mr. Truman said he wanted to cooperate with the Republican majority. Perhaps he was sincere in making that statement, but, if so, the record of his vetoes of legislation and his bitter attacks on Congress shows that he changed his mind. His present attitude is disclosed by his choosing to announce his intention to call Congress into session in an aggressively partisan speech in the recent Democratic National Convention. There is no precedent for that strange combination of performing an important Presidential function and playing politics.

It would be natural for the Republicans in Congress to play politics, too, in this ill-advised session. However, the crisis in Europe and the continued inflation in the United States are too serious for Members of Congress, irrespective of party, to go about their work in any spirit but a solemn devotion to their country. The duty of the majority, who have a more recent mandate from the people than Mr. Truman, is to draw up their own legislative program.

Address of Hon. Joseph W. Martin, Jr., of Massachusetts

EXTENSION OF REMARKS

OF

HON. LESLIE C. ARENDS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 4, 1948

Mr. ARENDS. Mr. Speaker, under leave to extend my remarks, I include in the RECORD the following address of Speaker JOSEPH W. MARTIN, JR., over the facilities of the American Broadcasting network, Friday, July 30, 1948:

President Truman called Congress into special session to deal with what he terms a "national emergency." The Congress, through a formal legislative resolution, invited him to present his recommendations in persons before a joint session of the House and Senate. That address contained very little that had not been presented several times before to earlier Democratic Congresses.

Let me emphasize that, notwithstanding the seriousness of our international situation, where we have been given to understand the issue of war or peace is being determined, not a single word was uttered upon that subject. It has been made clear by the President that our special session is not required by the foreign situation.

No Member of Congress, whatever his party, is adverse to returning to Washington, or remaining here as long as necessary to serve the national interest. What many do object to is to be called back because of an emergency or crisis in the political fortunes of the President.

The Constitution confers upon the President full authority to call Congress into extraordinary session. But that power was vested in the President by the founders in the belief and understanding that it would be used wisely—with discretion—never for narrow partisan purposes.

For the first time in more than 100 years, we find Congress in special session at the President's call, in the midst of a decisive Presidential campaign.

Never before in our whole national history has a special session of the Congress been announced by the President from the platform of a national political convention.

Our people are properly concerned and dismayed by this flagrant abuse of the President's emergency powers.

That this extraordinary power may have been invoked for purely partisan purposes brings anxious inquiries from the country.

If one constitutional power may be abused for political advantage, what assurances have the people that other great powers now sought by the Chief Executive would not be subject to like abuse?

Everything in the recent history of the United States—indeed, everything in the recent history of this troubled world—admonishes us today that Congress should examine with utmost caution and deliberation any and every proposal to grant additional discretionary powers to the President.

Emergency powers should be granted by Congress only when there is overwhelming evidence that they will be directed to sound national solutions—by administrators who have a program.

This administration has no program.

It is confused—torn by bitter political strife within its own ranks.

When the committees of Congress began hearings this week on inflation, the administration advised they were not yet ready to present their program.

They want rationing powers, but they say they would not use them—for awhile.

Republicans in Congress, and throughout the country, are well aware that many grave and urgent problems confront this Nation today.

We know that inflation slowly eats away the substance of the people and lowers the standard of living in every American home. Inflation means high prices.

But the administration will not be ready until next week to send a responsible Cabinet officer to Capitol Hill to tell the Congress how they propose to deal with inflation.

Only yesterday the Washington Star, a great independent newspaper in the Nation's Capital, said in an editorial, I quote:

"In view of all the tub-thumping which has accompanied the President's call for a special session of Congress to deal with high prices, one would think that, at the least, some member of his administration other than Paul Porter, whose real job is that of private lawyer, would have been ready to lay specific proposals before the legislators. But the administration is far from ready."

Neither the Treasury nor the Federal Reserve Board was ready to present a program this week.

As the Washington Star concluded in its appraisal of the situation before us today:

"The effect of all this is to * * * discredit the note of urgency which Mr. Truman has sought to inject into his demand for immediate action by the Congress."

Regardless of the motives which impelled the President to call Congress into special session at this time, it is the sworn and sacred duty of Congress to give serious consideration to all proposals designed to aid in solving our serious national problems.

That we shall do.

I can assure you that the Republican Congress and the Republican Party are eager to check inflation and to build more houses.

But I can further assure you that we are not going to be stampeded into adopting methods which have been discredited and proven faulty through bitter and costly experience. We love our country too much to do that, no matter how alluring such proposals may sound in a campaign year.

We know that we cannot solve our great national problems simply by giving Washington bureaucrats unlimited powers. We have seen them at work—and so have the American people. No Republican Congress will make that mistake.

Everyone recognizes that there is a housing shortage. It has been accumulating for 15 years under the hit-or-miss policies of socialistic regimentation.

But I want to point out that at the present time we are constructing approximately 1,000,000 new housing units a year, and that is being done under the free-enterprise system. That is about twice as many new houses each year as were built under the police-state methods which were in force during 1946, when Mr. Truman and a Democratic Congress were in power and had complete charge of the situation. We are building twice as many houses today as we did before President Truman liquidated his own Housing Expediter.

Mr. Truman talks about inflation. We in Congress tried to do something about inflation by curtailing Federal spending, but received no cooperation whatever from his administration.

We know that big Government spending is inflationary. The President's own economic advisers have told us many times that the best way to stop inflation is to reduce Federal spending. That is why we fought to curb spending, even though it meant postponing many projects which may be desirable when funds are available.

The administration responded by thinking up new spending proposals, knowing that we who have a stern sense of our responsibility to the people, would be obliged to turn down those new requests.

That we were right in our economy crusade is indicated by the recent statement of Secretary of the Treasury Snyder, that the next fiscal year may find us in the red again. The fact is that we would be in the red today, except for our budget cuts, amounting to more than $2,500,000,000.

Yet, despite this warning from the Treasury, the President now asks for appropriations for new projects from the special session which ultimately would require a budget of 60 billions a year if all the Truman program were enacted.

Everybody knows that would mean doubling the income taxes, and that would sink America.

Do you wonder that some men in Congress ask aloud if many of these recommendations are not, for the most part, purely political?

Since Congress convened last Monday, the Members have been working hard on various proposals for legislation designed to correct some of our present difficulties. Committees are holding hearings on various bills, and the leadership is prepared to give the right-of-way to such measures as seem to hold hope of solving our problems.

But let me emphasize that we are not going to pass bills simply because Mr. Truman says they should be passed.

Do not forget that the Members of Congress are the direct representatives of the people. We are your voice in government.

Ours is the duty to make certain that the laws enacted are those wanted by the people not by the President.

As Speaker of the House, I say to you, "We shall never surrender to the bureaucrats."

This great American Nation was once described as "a magnificent spectacle of human happiness."

The purpose and program of the Republican Party in 1948 is to recapture that great vision to bring a feeling of security, and steadfast national purpose into every home in the land.

Your Eightieth Congress has made a fine record to date.

It has reduced taxes. That tax reduction was an increase in the take-home pay of every worker in the land.

It has put the brakes on wild and reckless Federal spending, the real generator of inflation.

It gave the country the first balanced budget in 17 long years.

It made a substantial start on reducing the heavy war debt. It has driven the Communists from high places in Washington.

The people applaud this bright record of constructive achievement.

The American people have faith in their Congress.

They regard Congress as the real defender of American freedom—the real protector of the Constitution.

The people are heartened that this Congress will not let them down; will never accept the defeatism of compulsion, regimentation, and controls.

Controls are not the American solution. These new proposals are but a last desperate grasp for power by an administration which already has lost the confidence of the people in its domestic policies.

This Congress will never rubber stamp left-wing schemes for more spending, and more Government control of everything in America.

In less than 2 years since the Republicans were elected to majority control of the House and Senate, Congress has abruptly reversed America's 4-year drift toward state socialism and eventual national bankruptcy. Today the people have a new faith that the American way of life will be maintained. They have a new faith and confidence in the pledged word of a political party, in the face of the most reckless abuse of the Presidential veto power in all our national history, the Eightieth Congress has made a sure beginning toward reestablishing government by law, not by men.

My fellow countrymen, this is not a time for personal bickering and recriminations.

The world cries for peace, blessed peace, that we may have opportunity to rebuild this shattered planet, and bring security, plenty, and happiness to all.

There is only one country that can lead in this great labor—the United States of America.

For that reason we cannot have disunity, racial, religious, or class warfare.

We have great need to be tolerant and charitable in our thinking and in our actions. We must work, be unselfish, determined to keep America strong, united, and solvent.

We cannot follow false ideals. If we fail, the lights of liberty and freedom will be extinguished for all the world, and the black night of tyranny will engulf us all.

We will not fail.

May God help us, and guide us to His wisdom.

The President's Program

EXTENSION OF REMARKS

OF

HON. A. L. MILLER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 4, 1948

Mr. MILLER of Nebraska. Mr. Speaker, I feel the Congress should examine very carefully the suggested program of the President and take any action they feel will help stop the spiral of inflation. We must keep our country on an even keel. While it does seem like a continuation of the Democratic Convention when the President informed the delegates he was calling the Congress back, we as Representatives of the people must rise above partisan politics and try our level best to act in the interests of the people. We must examine very closely and with no thought of our political futures all the suggestions of the President. After all he is President and had a constitutional right to call this special session.

INFLATION

The President has rightly said that inflation is our No. 1 problem. I would suggest, Mr. Speaker, that if the President needs more power to curb installment buying, credits, interests, and rediscount rates that they be granted but only after a careful study by a committee of experts. The Congress should direct how to apply the brakes on inflation. If he has the power now it should be pointed out to him and their use be urged. I do not agree that another OPA, more subsidies, or that a roll back in prices is the answer.

WHAT HAPPENED TO OPA

Mr. Speaker, the President in his predawn acceptance speech in Philadelphia said the Congress sent him such a rotten price-control bill that he had to veto the bill and then they passed a bill almost as bad and he had to sign it because Congress had gone home. He blamed the Republicans. Well, Mr. Speaker, that was the Seventy-ninth Congress, the House, the Senate, and the administration was under complete control of the Democrats.

The President himself took controls off meat just prior to the election in 1946. He decontrolled most everything right after election before this Republican Congress came into existence. Now he seeks to blame Republicans for high prices. Yes, he says the farmers and laboring men are getting the highest income in history and takes the credit, saying they would be most ungrateful if they did not support his party. In the same breath he blames a Republican Eightieth Congress for high prices. This has a hollow, insincere ring.

The President said in about 15 days we could pass his legislative program. It should be remembered that a Democratic administration had 14 years to pass socialized medicine, Federal aid to education, civil rights, raising minimum wages, socialized housing, and labor legislation; they did not do it. Now why expect a Congress called as it has been,

under a political whip, to do in 15 days what his party failed to do in 14 years.

Mr. Speaker, even though the President's proposals seem political, and he asks for supreme dictatorial powers over the people, I do feel that the perils of inflation with its economic chaos must be faced by this body, not as bitter partisans but as conscientious Members of Congress representing the people in an all-out effort to stop the common enemy—inflation. We will differ on how it can be done but by sitting down together as is being done in the proper committees some constructive solution can be reached. Charges and countercharges with name calling is not the answer. Let us consider the President's proposals in a spirit of fair play.

LEADERSHIP NEEDED

It seems to me, Mr. Speaker, that the times cry out for leadership, they call for courage, strength of character, a stoutness of spirit and mind. They call for a ringing and affirmative leadership. This Congress must help supply that type of courage and leadership which will help assure a peaceful world and a domestic tranquility which our people so justly deserve. So, Mr. Speaker, let this Congress get down to a serious, thoughtful spirit of work devoid of politics and do the best job we can for those we represent.

Facts of Civil Rights

EXTENSION OF REMARKS
OF
HON. WAT ARNOLD
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 4, 1948

Mr. ARNOLD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include an item released by King Features Syndicate, Inc., entitled "Facts of Civil Rights":

FACTS OF CIVIL RIGHTS

By what is euphemistically called civil rights in this campaign is meant the Negro question. And let us call it that from here on. Since the Civil War, the Negro question has been a major American problem, inadequately discussed and considered except by southerners who had to live with it and in recent years by the Communists and their fellow travelers and competing liberals who hope to garner votes out of it.

Under our Constitution and within the sanctions of moral law, the legal equality of Negroes and whites cannot be questioned. Historically and traditionally, the question is not so simple either in the North or the South. Those northern Democrats who make such a terrific to-do about racial discrimination in the South are generally liars—they will not live in Negro areas in their cities; they do not entertain Negroes in their homes; they do not hire Negro secretaries or clerks, except political ones, which is part of the vote-getting technique.

In a word, none of them practice in their private lives what they preach for others. It is a simple matter for a resident of Minnesota or Wisconsin to grow powerfully indignant about a problem that does not face him but that does face a citizen of Alabama or Mississippi. Minnesota's Negro population, according to the 1940 census, was 9,928; Wisconsin's, 12,158. Alabama's 983,290; Mississippi's, 1,074,578.

If the Civil War had not ended in the reconstruction era, we should perhaps today not be facing this problem as the principal campaign issue of 1948.

The northern carpet-bagger and his Negro associates left in the South a heritage of bitterness which has continued to the present time. Franklin D. Roosevelt tried to solve this problem by exporting Negroes from the South to the North, placing them on relief rolls and forcing them into industrial enterprises on a quota basis. Thus, in many northern and western areas, the Negro population increased alarmingly.

The northerners met the problems by segregating Negroes into ghettos. Make no mistake about that: In the North the Negro is as segregated as in the South, in spite of the lies northern politicians tell. Harlem is a Negro ghetto; the Bedford district of Brooklyn is a Negro ghetto; the South Side of Chicago is a Negro ghetto. The technique employed in New York is for the whites to clear out as soon as the Negro moves in.

I am not justifying these conditions either on moral or legal grounds; I am only describing conditions as they exist and I am protesting against lies and liars. The politicians who are shrieking civil rights are seeking Negro votes in the northern cities. They are appealing to prejudice and indignation and they are fanning the flames of race antagonism, not because they want to improve the condition of the Negro in Mississippi but because they want the votes of the Negro in Harlem and South Chicago.

The anxiety of the northern Democrats to be recorded as voting for the civil-rights plank of the Democratic platform after a voice vote had passed it, their insistence upon Senator BARKLEY'S announcement of how they voted, was for the consumption of the northern Negro voter. They fear that if they do not get that vote, Wallace, who represents Soviet racial concepts, will.

Were that the entire story, it would be little more than an appeal for the Irish, the Jewish, or the Italian vote. But this Negro question is pitched on a high emotional level and can result in riots and death. It requires thoughtful and considerate handling. It requires sympathy and understanding. It comes upon us acutely when we dare not have internal disturbances. Those who have gambled upon it may also have gambled upon the domestic peace of the United States.

Price Roll-Back Theory Hit by Record of Facts

EXTENSION OF REMARKS
OF
HON. WILLIS W. BRADLEY
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 4, 1948

Mr. BRADLEY. Mr. Speaker, the Press-Telegram of Long Beach, Calif., published, on July 30, 1948, the following editorial which I believe to be a fair and well-founded exposition of the record in so far as the President's recent recommendations for price control and roll-back are concerned:

PRICE ROLL-BACK THEORY HIT BY RECORD OF FACTS

Since President Truman forgets or overlooks so much in his proposal to Congress to help the consumers of the United States by rolling back prices, it is necessary to review the record.

With all due respect for him and the exalted office he occupies, Mr. Truman unquestionably is speaking and acting in this matter, not as President of the Nation, but as a candidate. He talks in generalities that have a certain superficial appeal, but which do not stand the test of analysis. He is advocating a theory of Government control of prices which he himself once described as the method of a police state.

Moreover, as Paul Porter, one of the number of New Deal officeholders who tried unsuccessfully to make OPA work, admitted, when questioned by Members of Congress, the bill for a price roll-back sent from the White House to Capitol Hill is a feeble measure which could have no great effect on the tide of inflation which threatens to engulf the United States. An army of bureaucrats on the beaches waving brooms at the oncoming tide might be a spectacular sight, but every sensible person who stopped to think for a minute would know the forces of nature ruling the tides are not impressed by a demonstration of broom wielders shouting their intention to sweep the waters back whence they are rolling shoreward.

Mr. Porter was not definite about the commodities to be controlled by legislation. He mentioned some for "consideration." He tacitly acknowledged that the expression "roll-back of prices" is inaccurate by his statement that what the administration hopes for is not a reduction of prices, but prevention of still higher prices.

Now for the record: All economists agree that the basic cause of inflation, or the high cost of living, is the prodigious scale of Government expenditures in recent years, partly to finance the war. Coupled with this is the effect of the war in cutting down industrial production for peacetime purposes. Furthermore, the exporting of goods to Europe aggravates the economic consequences of reduced production of peacetime goods.

The next most powerful cause of inflation was the administration's mistakes at the end of the war, when it acted on the theory that an industrial slump was about to hit the country and that it was necessary to stimulate the country's purchasing power. President Truman encouraged at that time a general wage increase of 18½ cents an hour, thereby adding to the already great buying power in the hands of the American people. Resulting strikes further reduced the insufficient volume of goods. The double effect of increased costs of production due to wage increases and curtailed production was explosive in its inflationary consequences. The President likewise declined to use credit and currency control. He removed Marriner S. Eccles from the Federal Reserve Board chairmanship because of Eccles' insistence that credit and currency expansion be stopped.

Finally, it was Mr. Truman who in 1946 bowed to the general rebellion against OPA's ineffective restrictions by ordering a free market in meat, which was fast disappearing from legitimate markets and being monopolized by black markets.

Now Mr. Truman urges Congress to try again the methods the country rejected and which he himself found ineffective and called the methods of a police state. To this inconsistency and head-on conflict with the facts, the President is brought by his political advisers' desperate strategy.

The Eightieth Congress

EXTENSION OF REMARKS
OF
HON. WILLIAM S. HILL
OF COLORADO
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 4, 1948

Mr. HILL. Mr. Speaker, there has been considerable discussion, and undoubtedly it will continue, as to the evaluation of the work accomplished by the regular

sessions of the Eightieth Congress. As part of my remarks, I wish to include in the RECORD excerpts from an address delivered to the National Retail Hardware Association by William R. Noble, Washington representative of this organization, at their forty-ninth annual convention held in Atlantic City, N. J., July 12, 1948.

The economic life of these United States has grown strong and our standard of living progressed beyond that of any other nation due largely to the organization of independent business firms in villages, towns, and cities throughout our Nation. It is the voice of the retail merchants speaking to you on the work of the Eightieth Congress and their opinions and conclusions are worthy of careful consideration at this particular time when direct attacks are being made not on Members of Congress, but on the institution of the Congress as an integral part of our American Government.

The excerpts from the address follow:

This report will attempt to summarize the legislation considered by the Eightieth Congress, particularly during the second session. The summary and discussion will be confined to those measures which the National Retail Hardware Association has considered to be of most interest to the retail-hardware business.

There have been charges and countercharges relative to the actions of the Eightieth Congress ranging all of the way from opinions that it was the worst Congress in history to the viewpoint that it was one of the best, all of which is entirely natural in an election year. In any event, action was taken on a vast number of bills, many of which involved controversial issues and, of course, many other controversial subjects were bypassed at various stages of consideration.

In general, the Eightieth Congress, which completed its regular session on June 20, can be classified as the most sympathetic to the problems of businessmen of any Congress during the past several years. * * *

In its two regular sessions and one special session last fall Congress took action sympathetic to American businessmen as follows: Refused to grant emergency powers as specifically requested by the President to control prices and wages and to control distribution of scarce goods; rejected proposals to put the Government further in business by turning down Government subsidized public housing, Federal-financed education, and national-health programs; rejected efforts to increase the minimum wage and to increase social-security rates and benefits; reduce income-tax rates for all income brackets, and made the community-property principle applicable for tax purposes in all States; passed the Portal-to-Portal Act and the Taft-Hartley Labor Act; relaxed rent controls and exempted controls on new construction; and provided full public hearings on the need for amendment to the Internal Revenue Code, removing income-tax exemption for competing business cooperatives and the need for clarification of the retail exemption in the wage-and-hour law.

NRHA took an active interest in most of this legislation either directly or in cooperation with other business groups, and by influence exerted through industry committees on which we were represented. Our efforts were primarily focused on three general fields of legislation: (1) At every opportunity we opposed reinstatement of government controls; (2) we assumed a leading role in the fight for a corrective amendment to the Internal Revenue Act which permits cooperatives to escape payment of income taxes on business profits, and we favored a reduction in income-tax rates, particularly through adoption of the community property principle for income-tax purposes in all States; and (3) we actively supported the enactment of the portal-to-portal legislation, and we continued to press for an amendment to the retail exemption in the wage-and-hour law to clarify the retail exemption.

The House Small Business Committee conducted a series of hearings on the co-op tax question early last fall with emphasis on the unfair competitive advantages and its effect on the small-business man. These hearings also established the advantages given cooperatives through Government assistance which is not available to independent business establishments with whom the Government sponsored co-ops are in direct competition.

* * * * *

A series of hearings were conducted last fall by committees of both the House and Senate relative to amending the wage-and-hour law. The hearings arose primarily as a result of proposals to raise the minimum wage from the present 40-cent hourly rate to 65 or 75 cents per hour. We presented testimony to these committees urging a clarification of the retail exemption.

During the earlier hearings before the House Labor Committee, the Wage and Hour Administrator strongly opposed what he termed broadening the retail exemption. During the final stages of the hearings before the Senate committee, the Wage and Hour Administrator himself admitted that interpretations under the retail exemption had resulted in a condition of complete confusion as to the status of retail employees under the act. Although the amendment proposed by the Administrator would not completely remove the threat of coverage for the retail hardware trade, his admission of the need for clarification of the exemption should be of material assistance to our efforts to secure corrective legislation next year. The election year conditions also prevented action on this subject during the last session of Congress, as consideration of any amendment to the wage-and-hour law at that time would have opened the controversial issue of increasing the minimum wage.

Statements made by members of both the House and Senate Labor Committees following the hearings indicate that the chances of securing or clarifying amendment to the retail exemption early in the next session of Congress are extremely good. Examples illustrating the absurdity of present interpretations of the Wage and Hour Division in determining whether sales are retail or nonretail, presented by Rivers Peterson in his statement to the Senate Labor Committee, were most effective in establishing the need for a clarifying amendment. Mr. Peterson pointed out in his statement to the committee: "The sale of builders' hardware directly to home owners for minor repairs in his house is considered retail but the sale of the same item to a local carpenter or contractor performing the same work for the home owner have been considered nonretail. The sale of a lawnmower and 100 feet of garden hose to a home owner is retail, but the sale of the same items to the city for use in the city park would be nonretail under interpretations issued by the Wage and Hour Division. Similarly, the sale of a dairy pail to a farmer for use in the house would be retail but if the farmer intended to use the dairy pail in his dairy operation it would be considered nonretail."

We have been asked by staff members of the committees of both the House and Senate to assist in drafting language which will clarify the retail exemption in the wage and hour law. In the meantime, and as a result of the hearings, it is unlikely that officials of the Wage and Hour Division will take further steps at this time to extend the coverage of the wage and hour law in the retail hardware trade, at least pending such action as may be taken in the next session of Congress.

You are all aware of the reduction in income tax rates as a result of the Revenue Act of 1948, which was passed over Presidential veto and became effective May 1 of this year. This new law provides substantial reduction in income tax rates but in the majority of cases taxpayers of substantial income derive greater and more lasting benefits from the income splitting or so-called community property provisions of the Act. Based on average conditions, a single man earning $10,000 a year will receive a reduction as a result of the new law of approximately $225 as compared with a reduction of approximately $575 for a married man with the same income. At the $20,000 level the single man's saving is approximately $500 as compared to a reduction of more than $2,000 for a married man. On an income of $30,000 a single man will save approximately $1,000, whereas a married man will save more than $4,000. * * * In the event it becomes necessary to raise the income tax rates this next year as has been predicted by some Members of Congress, it seems certain that the community property principle will remain unchanged.

Many small-business men operating individually owned establishments found, previous to the passage of the 1948 Revenue Act, that incorporation of their business would provide a substantial tax saving. The split income tax provision of the new law, however, has in most cases wiped out the tax advantage of the corporate form. Of course, many businessmen will still find incorporation desirable for other benefits but will probably find little, if any tax benefit under the present law from incorporation.

The new law also provides substantial benefits in inheritance and gift tax rates. The split property provision of the new tax law, for example, in effect doubles the tax exemption of a man's estate left to his wife. Many businessmen will find it advisable to consult tax counsel as to the possible need for readjustment in his will, trust funds, and other estate matters.

In the final days of the last session of Congress, action was taken on many bills, some of which may be of some interest to the retail hardware business. Postal rate increases will go into effect January 1, 1949, increasing air mail to 6 cents, providing increases for third class mail, increases in bulk rates, a 28 percent increase in parcel post, and substantial increases in rates for registered mail, c. o. d. mail and money order rates. Efforts to pass a Federal financed public housing and slum clearance program failed and the housing bill which was passed provided only for a secondary market for GI mortgages. The foreign aid appropriation, which had been substantially reduced by the House, was practically restored to the original plan through the efforts of Senator VANDENBERG, chairman of the Senate Foreign Relations Committee. The appropriation provides for the expenditure of approximately $421,000,000 per month during the next year under the European Recovery Program. Congress extended through 1949 the present farm price support program with a long term revision of parity and price support formulas taking effect after January 1, 1950. Thus the wartime subsidy and price support farm program is extended unchanged through 1949. As a rider to the draft legislation, Congress authorized the Government to impose priority controls for any production materials needed to implement the national defense program. This would authorize the President to requisition any materials or equipment needed for this purpose.

NRHA has kept in close contact with officials of Federal administrative agencies and with the staffs of various congressional committees, including the Senate and House Small Business Committees. We have taken

an active interest in the establishment of industry advisory committees, particularly the Retail Advisory Committee to the United States Department of Commerce, which may become particularly important with any increase in demand for reinstatement of Government controls.

[From New York Times of July 13, 1948]

CONGRESS PRAISED FOR BUSINESS AID—RETAIL HARDWARE ASSOCIATION DELEGATES HEAR NOBLE HAIL SESSION AS "SYMPATHETIC"

ATLANTIC CITY, N. J., July 12.—The Eightieth Congress, which completed its regular session June 20, was described today as "the most sympathetic to the problems of businessmen of any Congress during the past several years."

This classification was made by William R. Noble, of Washington, resident representative of the National Retail Hardware Association, at the opening session of its forty-ninth congress at the Haddon Hall Hotel.

Noble told the 800 delegates, representing 20,000 independent retail hardware merchants all over the United States, that the opinions expressed regarding the Eightieth Congress ranging from "the worst" to "one of the best," can be expected in an election year.

"In any event," he said, "action was taken on a vast number of bills, many of which involved controversial issues, and, of course many other controversial subjects bypassed at various stages of consideration."

Among the actions taken by Congress sympathetic to American businessmen, Mr. Noble listed:

1. Refusal to grant the President emergency powers to control wages, prices, and distribution of scarce goods.

2. Rejection of proposals to put the Government further in business by turning down Government subsidized public housing, Federal-financed education and national health programs.

3. Passing of the Portal-to-Portal Act and the Taft-Hartley Act, and a reduction of income-tax rates for all income brackets.

Philip R. Jacobson of Mason City, secretary of the Iowa Retail Hardware Association, urged the use of institutional and good-will advertising on a national basis by the association to meet the need for bolstering the advantage of independent ownership.

Rivers Peterson, of Indianapolis, managing director of the association, reported membership in the association at 20,346 as of July 1.

Intelligence Report on Asia

EXTENSION OF REMARKS

OF

HON. WALTER H. JUDD

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 4, 1948

Mr. JUDD. Mr. Speaker, under leave to extend my remarks, I include an article on Communist movements in Asia, by Dr. C. S. Norborg from the biweekly newsletter, American World Intelligence. Dr. Norborg is an exceedingly well-trained and informed man with world-wide sources of information which have proved extraordinarily accurate in the past:

INTELLIGENCE REPORT ON ASIA

Word comes from Haiphong and Saigon that the French General Pierre Salon's occupation army in Indochina is hopelessly bogged down: The dying French Empire has an estimated force of 60,000 troops in action. This force includes soldiers of the Foreign Legion and African colonial troops. To assist this French occupation army, the puppet General Nguyen Van Xuan has raised 40,000 native Annamite soldiers. These soldiers have proved themselves worthless in jungle fighting and are, therefore, kept on garrison duty in the coastal cities.

Hapless General Salon has informed the French Foreign Office that the military situation is impossible, if men and weapons do not arrive on a far greater scale from France. The Schumann government is not in a political or economic position to underwrite such military adventure in Indochina.

The southeast Asia bureau of the Moscow Foreign Office is kept advised of this through its agents in Paris. The Red strategists are also expanding their intelligence network, month by month, throughout central and southern Asia. A most brazen strengthening of the Soviet espionage system happened just last month, when the Soviets opened a legation in Bangkok (Siam) consisting of a staff of 45 hand-picked agents under the shrewd leadership of Minister Serge Niemchina.

The decisive battle for Asia is on. This development was ably predicted in the famous Wedemeyer report, which gave a geopolitical analysis of the Soviet Asiatic strategy in its close cooperation with the native Communist forces, which spread their interconnected and well-informed net throughout all Asia, including American-occupied Tokyo and Nationalist China's Nanking.

Intelligence experts underscore the often overlooked fact that modern short-wave radio makes it a simple matter for Moscow to accomplish in Asia in the next 5 years, what it would have been impossible to do, in earlier years, over a period of a generation or more: to unify a Red front throughout all of east and south Asia.

Today the Soviet lines of communication are spreading out from Urga (Outer Mongolia) and from Kazil Khoto (Tannu Tuva) into strategic inner Mongolia, which is held by the strong Red leader, Ulchi Ocher. Connecting links go on to Manchuria, Chahar, Suiyan, and to the Chinese provinces of Shensi and Shansi. In every strategic area the Soviet intelligence service has established units which keep in constant contact with Moscow. Most active of all is the work in Sinkiang.

Our recent reports emphasize another overlooked fact of the Soviet penetration of Asia, namely, the almost fantastic number of Chinese agents that are at the disposal of Moscow. It now appears that the Soviets made only too excellent use of the war years in Asia to recruit, train, bribe, and discipline thousands of Chinese for the coming postwar conquest of Asia by native fifth columns.

In Indochina, Malaya, Burma, Siam, as well as in China proper, the Moscow experts instructed their underground forces in ideology, intelligence, counterespionage, political tactics, economic sabotage, and military tactics, so that the Red forces could be ready to act, at once, when the white man would give up his empire in an awakened postwar Asia.

The Communist press in Asia was immeasurably strengthened. Its editorials followed the Moscow party line. In Malaya, for example, the paper Min Sheng Pan of Kuala Lumpur editorialized, "British imperialists have ruled Malaya as a colony for a century, destroying her sovereignty and preventing the people from building up a country of their own. They ran for their lives when the Japanese came, but the Malayan Communist Party and the Malayan people resisted the invaders for 3 years and 8 months. Now British imperialism is bankrupt and has to employ direct Fascist methods to control colonial peoples. The people of Malaya should take steps to strengthen their unity and wage a large-scale struggle to hasten the downfall of British imperialism."

Last April, Malaya became the scene of such bloody uprisings and planned guerrilla warfare that observers fear that the general battle for southeast Asia cannot be long delayed.

Everywhere the Soviet propaganda is the same. It contains the following elements: (1) Attack on the white man's colonial history; (2) ridicule of the white man's stamina in standing up to the Japs; (3) bragging about the marvelous underground resistance of the Communists against the Japs; (4) that the white man is a Fascist; and (5) that time has come for the final overthrow of the white man's power, economically and politically.

The other day one of the keenest experts we know on Asia, an American who has lived in the Orient for more than 25 years, pointed out how the Soviets refrain from any mentioning of themselves and their own plans in any Communist propaganda in Asia. They are diabolically careful and clever to let Asia speak to Asia. "Moscow will just come in and gather the ripe fruit when the time comes for a consolidated Red Asia of Soviets," our observer added.

Reports now tell of the ominous uprisings in the provinces of Johore, Pahang, and Perak in Malaya. The picture in Indochina is that of a united nation supporting the veteran nationalist leader Ho-Chi-Minh, who was schooled in the revolutionary strategy by the Third International. From Tibet, the news comes of the pressure brought to bear upon the British to remove the garrisons at Cyangtse and the Chumbi Valley.

In yet another trouble spot in boiling Asia, Kashmir, the Moslems of Lahore, on June 25, were given the following inflammatory speech by their leader Chaudhri Hamidullah Khan, "For the past 18 years we have fought bravely in Kashmir to put an end to Dogra rule. After the British left India, unfortunately Indian fascism came to the help of the bankrupt Dogra feudalism. Our country has been made the scene of general massacre, arson, rape, and vandalism by the Indian freebooters. They are trying to blot us out as a nation. Our goal is to set Kashmir free from Indian domination."

The propaganda pouring out from the Soviet Tashkent radio station leaves little doubt that Moscow would be happy to see the Moslems of the Near East, Pakistan, and the East Indies consolidate and orient themselves toward the new, that is, Soviet Asia. That dream is not likely to be fulfilled, even though the Near East situation is explosive enough to touch off World War III.

In a recent editorial, the American-owned Bangkok Post crystallized the terrifying dilemma which we are facing in Asia, "the vacuum caused by British withdrawal from many areas in Asia is slowly being filled by Russian ideology. The process may be slow, but it seems to be a certain one; and the tragedy of it is that historical reaction seems to be the only alternative."

A pathetic example of this tragedy of historical reaction we have in Siam, where the American Government now deals with Pibul Songgram, who became president by an army coup: This man it was, who made a deal with the Japanese. This man it was who declared war upon the Allies.

In conclusion, this observation: Fifty years ago, in A. D. 1899, the Secretary of State, Mr. John Hay, made this prophetic statement, "The storm center of the world has gradually shifted to China. Whoever understands that mighty empire, socially, politically and economically, and religiously, has a key to politics for the next 500 years."

What Mr. Hay said about China today is valid about all of Asia. Only, we reject that the alternative is either sovietism or reaction.

When one observes how our Zionist fellow citizens pressed both political parties to adopt their demands on Palestine in their platforms, one is impressed by what a group which certainly does not represent more than 1 percent of Americans can accomplish.

Why has the time not come now for American Protestantism, with its tens of millions

of believers, to demand of our Gover ment that this greatest power on earth, the United States, write a Christian manifesto for Asia which will make the Marxist manifesto fade away? Whether we like it or not, American policy on Asia and in Asia is today at a fateful spiritual crossroad: We have sent thousands of Christian missionaries to Asia. They preached the gospel of liberty. We invited tens of thousands of students from Asia to our universities. They brought back to Asia with them the flaming idea of political liberty.

Christian liberty and political liberty. Those are the world-shaking truths that America has preached for generations to Asia. That is the third alternative. Let Americans arise and demand that our Government inspire the world by the dare to act on that third alternative. Nothing less will do in Asia today. Anything less, and Asia is lost to the friendship of the West.

Very sincerely yours,

CHRISTOPHER NORBORG.

The Berlin Crisis: Cause and Remedy

EXTENSION OF REMARKS

OF

HON. JOHN SANBORN

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 4, 1948

Mr. SANBORN. Mr. Speaker, it should be evident to anyone that the Berlin crisis is purely a money crisis. When the war ended, Mr. Morgenthau, then Secretary of the Treasury, and our State Department furnished the Soviet Government in Berlin with plates to print money which we were obligated to redeem in gold or American dollars. We have never been told just how much of this "funny money" the American taxpayers have been forced to redeem, but it is estimated at approximately $1,000,000,000. In many instances Russia paid her soldiers a year in advance so that they could legally pillage Germany of everything Russia wanted, at our expense.

In the effort to end this intolerable situation, the United States has issued new money for Germany which is not interchangeable with Russia "funny money." To force us to accept her money, Russia seized the bank deposits of most firms operating in the American zone, since, for some inexplicable reason, these firms were permitted (or forced) to deposit their money in banks in the Russian zone. Russia has offered to lift the blockade if we again accept her worthless money. There are rumors that our administration may do just that, and try to cover such an infamy by pretending that we have won a diplomatic victory by having the blockade lifted.

MONEY MUST HAVE A VALUE OF ITS OWN

Under a sound monetary system, this Berlin crisis never could have arisen, and we might just as well recognize the fact that until we adopt a sound monetary system, there is not a possible chance for peace or economic stability anywhere in the world. To be sound, stable, and dependable, money must have a value of its own, entirely unaffected by the credit or lack of credit of the countries in which it circulates.

To have these qualities, money must be adequately backed by and redeemable in gold and/or silver at fixed and proper ratio, and with the price of both metals pegged by the method provided in H. R. 7012 and S. 2895.

THE SINGLE GOLD STANDARD

The dollar is worth less right now than at any time since the United States became a Nation, and buys fewer goods and commodities and labor than any time since 1782, thanks to the debauching of the currency under the New Deal's unsound policy of managed economy and managed currency.

There is a movement on to return to the single gold standard, but it should be borne in mind that we were on the single gold standard at the time of the 1929 depression and for 4 years thereafter, so that does not offer the solution. The present purchasing power of the dollar is equivalent to only 37 cents prior to 1934. To make this dollar redeemable in gold at $35 per ounce would instantly make the dollar worth the equivalent of 59 cents prior to 1934.

This would mean that the great New York banks whose vaults are bulging with these synthetic 37-cent dollars could convert them into 59-cent dollars overnight by demanding redemption in gold at $35 per ounce and drain away all of the gold now held by the Treasury. Based on the present purchasing power of the dollar, our Treasury gold should be priced at $56 per ounce.

Aside from silver certificates which are redeemable in silver, our currency is not now redeemable in either gold or silver.

This means that approximately 90 percent of our paper currency is irredeemable—merely a debt—a promise to pay. It may be argued that this currency is backed by Federal reserve notes or United States notes, but they, too, are debts—promises to pay. The situation is not unlike that indulged in by individuals sometimes—kiting checks. It is trite to say, "All that is needed is confidence," but having said that, you have said nothing. You might better say, and with more fidelity, "All that is needed is credulity."

A SOUND MONETARY SYSTEM WILL COST US NOTHING

Now a sound monetary system will cost us nothing. It can be put into operation in less than 90 days, and will, in no way, cause any economic disturbance. On the other hand it will give our people and the people of the world renewed confidence in the integrity of money and governments.

For 90 years the price of gold was pegged at $20.67, and until 1873 the price of silver was pegged at $1.29. All that is required to return to a sound monetary system is to peg the price of gold and silver at prices equivalent to $20.67 and $1.29 prior to 1934 when this debauching of the currency started. Since our present dollar is equivalent to only 37 cents prior to 1934, we would have to peg the price of gold at $56 per ounce and the price of silver at $3.50 per ounce. This does not mean increasing the value of gold but merely adjusting its price to the present depreciated value of the dollar, and restoring the 16 to 1 ratio between silver and gold that was fixed by the Congress in 1837.

When that is done, we should restore the monetary reserves back of our currency to a minimum of 40 percent, and restore to the people the right to redeem our paper currency in gold and/or silver at face value, on demand. We already have legislation on our statute books to facilitate this change back to a sound monetary system (see sec. 311, U. S. Code. Ann. (ch. 8, 28, Stat. 4)).

Since all foreign monies are measured in American dollars, all other nations will be forced to adopt a sound monetary system. Then the world will be on its way to permanent recovery, and the United States will enter into the greatest era of prosperty the world has ever known.

WHAT ABOUT RUSSIA'S GOLD SUPPLY

Back in 1895 when we were ready to return to a sound monetary system under bimetallism, gold was discovered in South Africa and Alaska, and greatly exaggerated reports of these discoveries led many people to think that this new gold would take up the slack and make the remonetization of silver unnecessary, but in 12 short years (1907) our banks were forced to issue script in lieu of redeemable currency, because there was not then, or now, enough gold in the world to serve as an adequate redeemable monetary reserve. At the present time there is just half enough, and the other half will have to be supplied by silver.

Again, the opponents of bimetallism are telling about the huge gold supplies of Russia produced with slave labor. "Bunk!" Such stories are on a par with the story that they also have an abundance of uranium for atomic bombs. If so, why are they working the uranium fields of eastern Germany which are of such inferior quality that they would be ignored in Canada where most of the uranium is produced? There would be no incentive for Russia to ship us her gold if we advance the price to $56. She can sell it in the black markets of the world for more than $100 per ounce.

Once we return to a sound monetary system under which money must be backed by redeemable reserves of gold and silver, Russia will need every single ounce of gold she has to back up her currency if she expects other nations of the world to accept it.

Just remember, the United States has two-thirds of the world's gold, and at $35 per ounce that amounts to only $23,000,000,000. The records of the United State Bureau of the Mint show that during the 456 years that have elapsed since the discovery of America, in 1492, only 1,500,000,000 ounces of gold have been produced in the entire world, and in the same period less than 18,000,000,000 ounces of silver have been produced in the entire world. So do not let anyone frighten you about a hidden hoard of gold or silver. It just does not exist.

If it is felt that there is not sufficient time to consider this subject in the present special session, a special joint monetary committee, consisting of Members of both the House and Senate, should be set up to make a complete study of this matter and be prepared to report to the Congress with recommendations when the Congress convenes again in January.

The Truman Technique

EXTENSION OF REMARKS
OF
HON. JOSEPH P. O'HARA
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 4, 1948

Mr. O'HARA. Mr. Speaker, an excellent editorial appeared in the Minneapolis Morning Tribune on August 2, 1948, which is an analysis of the special session of Congress, in which I am sure my colleagues will be interested.

The article follows:

THE TRUMAN TECHNIQUE

It is strange how fondly President Truman clings to the conviction that we shall surely have a disastrous depression unless the Eightieth Congress deals with inflation in precisely the way that he marks out.

This conviction runs like a silver thread through his comments on inflation. It was conspicuously present in his mid-year economic report to Congress made last week. It underlies his efforts to create a little OPA, with limited controls over prices and wages, as the only way of fending off the dire catastrophe which he perceives ahead of us.

Unless inflation is combated with much the same restrictions and controls which were endured as a wartime expedient, Mr. Truman seems virtually certain that our peacetime economy will shortly fall apart under the pressure of inflation.

Thus the President resorts to the familiar technique of lighting the fires of a great emergency beneath his desired legislation. If the fires generate enough dread of the prophesied disaster, presto, the job is done. The legislation asked will be enacted in a flurry of hysteria, and the consequences can be considered later, in the cold dawn of reason.

This is the technique of fear rather than of logic.

It is the business of keeping the public in such a continual seethe of anxiety and doubt that it will be ready for any cure-all the administration recommends.

The people have been kept in such a ferment for much of the last 16 years, and there are many signs that they are getting tired of seeing the chain-smoking technique applied to Presidential crises.

There is, to be sure, a problem of inflation and it is a serious one. Mr. Truman is not conjuring the inflationary menace out of thin air, like some evil genie. He is simply putting the worst possible face on that menace. He is building up an emergency which will seem to justify his drastic cures.

The Republican leadership in Congress does not deny the problem, but it is not unfamiliar with the Democratic technique of blowing up emergencies for legislative purposes.

Nor has the Republican leadership forgotten how the very OPA controls which Mr. Truman now seeks to revive on a limited scale once put a sharp brake on production and created black markets on a scandalous scale.

The Republican leadership does not want to see bust follow boom any more than the President does. It is quite as desirous as he that a collapse be averted. But it dissents from what Mr. Truman once called police-state methods. In the reply to the President's message last week it said:

"The President already has wide powers to check inflation if he were willing to use them. He has power to cut the amount of Government spending in many fields, to limit Government purchasing in those fields where commodities are short, to limit bank credit and consumer credit."

Mr. Truman sometimes seems to be so deep in the inflation forest that he cannot see the trees. Perhaps he needs to spend less time crying "disaster" for the benefit of Congress and the people, and more time studying the remedies that lie at hand.

Let Us Keep the Record Straight

EXTENSION OF REMARKS
OF
HON. GEORGE A. DONDERO
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 4, 1948

Mr. DONDERO. Mr. Speaker, under leave to extend my remarks in the RECORD, granted by the House of Representatives, I include therein an editorial from the Rochester Era, of Rochester, Mich., edited and published by Oliver C. Swords. The Era is one of the important weekly newspapers in my congressional district. This editorial, couched in few words, contains the record on the subject of the decontrol of prices. It speaks for itself.

No one can overlook the statement made by the President on October 16, 1947, in which he termed price and wage controls "police-state methods," and on January 7, 1948, the President requested that he be entrusted with police-state powers.

WHO WAS IT THAT DECONTROLLED PRICES?

(By Charles L. Egenroad)

WASHINGTON, D. C., July 29.—Lest we forget:

July 24, 1946: Democrat Congress passes resolution decontrolling meat, poultry, dairy products, grain, petroleum, tobacco, and setting up Decontrol Board.

July 25, 1946: Mr. Truman signs bill providing for Decontrol Board.

August 20, 1946: Decontrol Board restores controls on meat, cottonseed, and soybeans, but leaves free from control grains, dairy products and poultry.

September 10, 1946: Decontrol Board applies meat controls to wholesale sales; restores meat to controls at higher prices estimated to add $600,000,000 to Nation's food bill.

October 14, 1946: Mr. Truman in radio address directs decontrol of meat and orders lifting of controls be accelerated.

October 15, 1946: President asks for and gets decontrol of livestock, meat, food, and feed products, as Nation approaches congressional election.

October 16, 1946: Fats and oils are decontrolled, including margarine, shortening, salad dressing, cotton seed, peanuts, and soybean oil.

October 24, 1946: All food products except sugar, sirups, and rice are decontrolled; also cosmetics.

October 30–31, 1946: Radios, lamps, small electric appliances, kitchenware, glassware, and hides, skins, leather, and shoes are decontrolled.

November 5, 1946: Election of the Eightieth Republican Congress.

November 9, 1946. Mr. Truman orders end of price control on everything but sugar, rice, and rent. Wage and salary control abolished by executive order.

January 8, 1947. Mr. Truman presents his economic report to the Eightieth Congress, says: "Farmers must realize that last year's exceptional farm prices will fall somewhat as world food supplies increase and as consumers find a more ample supply of durable goods to purchase. Existing price supports afford protection against a severe price decline."

June 11, 1947: Eightieth Congress asks for termination of sugar rationing.

June 12–30, 1947: Agriculture Secretary Anderson calls off sugar rationing and price control on rice.

October 16, 1947: Mr. Truman calls price and wage controls "police state methods."

November 17, 1947: Mr. Truman suggests to special session of Congress his 10-point plan to combat inflation; calls for controls on certain items; explains—"Price ceilings would not be necessary for staple food and clothing items not in short supply or for any delicacies or luxury.

January 7, 1948: Mr. Truman, in state of Union message, again asks for police-state powers.

May 14, 1948: Mr. Truman publicly reiterates demand for 10-point control program.

What About Public Housing?

EXTENSION OF REMARKS
OF
HON. NOAH M. MASON
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 4, 1948

Mr. MASON. Mr. Speaker, do we need public housing? Do we need more Federal subsidies for housing? Or can private enterprise produce sufficient housing? These are questions that occupy the minds of many Americans today. What about the answers to these questions?

We are short of housing. No one can challenge that fact. But we are not as short of housing as the public housing propagandists assert. They say we lack 10,000,000 units. That is a gross exaggeration. The number of new housing units needed, according to careful housing surveys, is somewhere between two and three million units.

Mr. Speaker, the demand for public housing comes from those who say, "We must have low-cost housing. If private enterprise cannot give us low-cost houses then the Government must." Private builders have always given us low-cost houses. Why cannot they do it now? Why do new houses cost so much today? Here are some of the reasons:

(a) As a result of New Deal inflationary policies the dollar today has a purchasing power of only 50 cents, so a $5,000 house now costs $10,000.

(b) Because building materials are in short supply as a result of war needs and large shipments abroad; therefore, they command higher prices.

(c) Because labor costs have risen even more than material costs—the result of increased wages coupled with decreased labor productivity.

Mr. Speaker, a Nation-wide survey that covered 64 cities in 28 States on the question of the decreased productivity of labor established the following facts:

In 1940 it required 2.2 man-hours to install a toilet; in 1946 it required 3.6

man-hours to do the same work—an increase of 64 percent. In 1940 built-in tubs and showers required 6 man-hours of labor; in 1946 they required 9 man-hours to install—an increase of 50 percent. In 1940 an average of seven radiators were installed per man-day; in 1946 an average of only five radiators was installed per man-day—a decrease of about 30 percent. These are just a few examples of slow-down practices that skyrocket the contractor's building costs and the ultimate costs to the consumer. Neither public housing nor Federal subsidies for housing will cure these things.

Mr. Speaker, the following editorial on the subject, Who gets the houses? gives a very clear analysis of what we may expect if the Taft-Ellender-Wagner housing bill becomes a law. I therefore include it in my remarks.

[From the Chicago Daily Tribune of July 30, 1948]

WHO GETS THE HOUSES?

Among his demands on Congress for the enactment of his program of socialism, Mr. Truman included one for passage of the Taft-Ellender-Wagner housing bill. Enactment of that bill would not add a single dwelling unit to the number that will be built without it. It would merely alter the distribution of the new housing, giving it to people who cannot pay for it, and whose rents must be subsidized if they are to live in it, and taking an equal amount of new shelter away from people able and ready to pay for it.

The T-E-W bill provides a series of Federal aids to finance both owner-occupied homes and rental housing. Some of the devices are continuations of methods in use for the last 15 years, and some are new. Many of the housing aids are also embodied in the Wolcott bill, passed by the House in one of its final preconvention sessions.

What the T-E-W bill provides in addition, aside from some farm housing provisions obviously designed to catch the votes of rural Congressmen, is a vast new program of public housing. The Government would spend a billion dollars acquiring slum-land sites for redevelopment, which public housing authorities could use, and it would subsidize as many as 500,000 public housing dwelling units.

It might be assumed from the political furor over the housing shortage that nothing is being done to remedy it. That is not true. The construction industry is already operating at peak capacity. Building labor is in such demand in Chicago and most other cities that union wage scales mean very little. Contractors who want help frequently have to pay premium wages to get it, in spite of their agreements not to do so. There are also shortages of some building supplies.

Federal appropriations, then, aren't going to supply any more housing. All that public housing projects constructed at this time will do is attract mechanics and materials from private building. Families which want homes and are able to pay for them will have to pay more, or perhaps go without, if the public housing program is pushed. Their taxes will be increased if the T-E-W bill is enacted, to pay for homes for those unable or unwilling to look out for themselves.

The self-supporting people who are hardest up for decent homes at present are the veterans. They were away fighting when rent control was started, freezing the stay at homes in possession of apartments and rental houses. Vast numbers of men who were unmarried, living with their parents when called into service, are now married and in need of homes of their own.

Very few—perhaps a tenth—of the million dwelling units that will be built in the country this year will be for rent. Although new apartments are at present free from rent control, builders have no assurance that they will remain so. Mr. Truman did his best to discourage building of rental housing when he demanded stiffer rent controls. About the only way they could be stiffened would be by putting new construction under control.

Federal statisticians say that the average family today is paying only 12 percent of its income for rent. In the prewar period, 1935–39, it paid 19 percent, and even during that period rents were not high enough to encourage much building of new rental housing. At present building costs, rents would have to rise 50 to 60 percent above their controlled levels to insure widespread revival of building to rent.

Long before any such rent rise took place, however, many people would find their housing needs met out of the existing housing supply. One of the effects of rent control has been to encourage wasteful use of the present housing facilities. Small families and single persons are occupying far more space than they need.

They are doing this because rent control gives them unjustifiable bargains at the expense of landlords. The dollar today will buy less than half as much food as it did in 1935–39, only half as much clothing, but more than three-quarters as much housing. The average family has about twice as many dollars to spend as it had prewar.

Public housing is not going to solve the problem of the home-seeking veteran, unless he is also an insolvent veteran. Public housing is for people unable to support themselves. The veteran wants an apartment more often than he wants, or can afford, a house. The way to get him an apartment is to abolish rent control. That will encourage both new construction and more efficient use of existing rental units.

No politician in this country has the courage to end rent control. Mr. Truman wants more of it. Governor Dewey sponsored a State rent-control act in New York. Even Senator TAFT, the most honest and courageous man in Congress, hasn't come out flatly for wiping it out. Nothing else that Congress can do, however, is going to solve the housing shortage.

American People Must Get Back to Hard Realities

EXTENSION OF REMARKS
OF
HON. CLIFFORD R. HOPE
OF KANSAS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 4, 1948

Mr. HOPE. Mr. Speaker, under leave to extend my remarks in the Appendix of the RECORD, I include a recent radio address by Senator ARTHUR CAPPER:

The special session of Congress called by President Truman has been in session 1 week.

The Russian blockade of Berlin has been in effect a little more than 1 month.

Foreign Minister Bevin of Britain has informed the British Parliament that demobilization of the army may be halted until a peaceful solution of the Berlin crisis seems assured.

Last week, for the second time in its history, the United States registered men for compulsory military service in peacetime. The other peacetime draft, in 1940, was pushed through Congress in preparation for United States participation in World War II.

Last week also Marriner S. Eccles, former Chairman of the Federal Reserve Board—and still a member—told the Senate Committee on Banking and Currency that the United States is due for further monetary inflation—and then a "bust."

It is too late, Mr. Eccles told the Senate committee, to talk of or plan for preventing inflation. We have inflation, he said. Additional powers to the Federal Reserve System to control credit expansion of bank loans, and to regulate consumer credit could be used to prevent additional monetary inflation. But as for preventing inflation—

"It is too late," Mr. Eccles said, in answer to a question by Senator TOBEY, of New Hampshire. "The door has been open so long that the horse is gone."

Incidentally, Mr. Eccles did not consider price controls and rationing of consumer goods as the answer to high prices. Asked about restoration of price and ration controls, Mr. Eccles responded with the nursery rhyme about Humpty-Dumpty—"Who can put Humpty-Dumpty together again?"

I did not realize it at the time, but President Truman may have rendered a real public service when he announced in his acceptance speech at the Democratic National Convention that he would call Congress into special session primarily to enact price control and housing legislation.

Here is the public service that President Truman may have rendered. There are a lot of people, perhaps including President Truman himself, who believe or who have been led to believe that high prices are caused by the removal of price controls following the end of the war, or rather within the year after the end of the shooting war.

In defending itself against the charge of causing high prices through the removal of price controls. Congress through public hearings and public statements, is proceeding to give itself and the people of the United States a few lessons in elementary economics. Especially in the matter of prices, wages, and Government monetary and fiscal policies.

I tried to make it plain in our talk together over WIBW a week ago today that prices are not something that can be considered separately from the things that go to make up prices.

I tried to make it plain that prices paid for goods also are the prices received for goods. And that wages and salaries, incomes and dividends, profits and pensions, and taxes, are paid out of the prices received for goods and services. In the long run all these things cannot be paid except out of prices received.

Along the same line I attempted to show that salaries and wages cannot be increased from $29,000,000,000 a year to $128,000,000,000 a year; that farm incomes cannot be increased from $2,500,000,000 to $18,000,000,000 a year; that the incomes of independent businessmen and professional men cannot be increased $22,000,000,000 a year, unless the prices paid for their products and services are increased enough to provide the dollars to pay these increases in incomes, salaries, and wages.

I say it is high time that we, the American people, quit thinking in terms of walking on rainbows toward the imaginary pot of gold at the end of the rainbow, and do our walking on the ground of hard realities. If we don't walk on the ground of hard realities we are going to fall, and fall hard, sometime in the next few years.

If out of the special session of Congress the American people get some glimmer of realities, after 15 years of blowing economic bubbles, President Truman will have performed a real public service—although that may not have been his purpose in calling the special session.

I note that President Truman, through Paul Porter, one of the former Administrators of OPA, asked Congress last Thursday

to pass a law rolling prices of major cost-of-living commodities back to November of last year.

That recommendation of course has a powerful pocketbook appeal, particularly to the housewives of America. But in the face of realities, it is as fantastic as it is demagogic. Why?

Well, I'll tell you why.

But first I am going to give you a few statements from the testimony of the Chairman of the Federal Reserve Board, given the same day before the Senate Banking and Currency Committee. I might say that the Federal Reserve Board is what is known as an independent agency. It is in reality a permanent committee of the Congress of the United States, created to handle the problems of the banking system, the problems of handling the monetary system of the United States.

The Federal Reserve Board is not a creature of the executive branch of the Federal Government, unless the members of the Board (nominated by the President, approved by the Senate) choose to be the creatures of the Executive. Sometimes they are. Sometimes they are not. Judging from the statements of Chairman Thomas B. McCabe and of Marriner S. Eccles, member and former Chairman, the Board of Governors of the Federal Reserve System at present are not mere creatures of the Executive—of the White House.

I quote the following from Chairman McCabe's formal statement before the Banking and Currency Committee:

"As a net result of war financing, there were increases in the public's holdings of demand deposits and currency from less than $40,000,000,000 in 1940 to one hundred and ten billion at present; of time deposits from less than thirty billion to sixty billion; of United States Government securities, which are readily convertible into money, from a few billion to more than ninety billion.

"The total supply of these forms of money and potential money is now more than three times the prewar total."

Later in his testimony Chairman McCabe said this, and again I quote him directly:

"At present total physical production of all goods and services is probably not over two-thirds greater than at the prewar maximum, while prices have risen about three-fourths." That ends this direct quotation.

There you have an important part of the price picture, my friends.

Total supply of money and potential money has increased three times.

The total physical production of all goods and services is not over two-thirds greater than the prewar maximum.

I ask you, is it any wonder that prices on the whole are three-fourths higher than prewar?

I will say further, that if all the potential money in time and demand deposits and in Government securities for any reason is turned into purchasing power, prices will go still higher.

But, you may well say, food prices have gone up more than three-fourths. They have doubled. For meats they have more than doubled.

That is true. But just see what has happened. The people of America are consuming this year some 145 pounds of meat per capita, compared to 126 pounds prewar. People have the appetite for more meat, and on the whole they have money to supply that appetite—remember wages and salaries have more than doubled since prewar days. President Truman bragged in his acceptance speech at Philadelphia that wages and salaries had more than trebled since the New Deal came into power in 1933.

In his message to the special session, asking price controls to cut down the cost of living, he mentioned the increase in prices only. He did not mention the increases in purchasing power, in the market demand for foodstuffs and other goods.

Incidentally, he forgot in his special message to Congress to brag about the increase in farm income, the increase in business income, the increase in wages and salaries, the increase in national income, the increase in taxes. He just denounced the increase in prices—prices that have to pay for all these other increases.

I will say that the Federal Reserve Board governors, Chairman McCabe and Marriner Eccles, gave much more of the entire pictures.

In addition to the monetary inflation effect on prices, Mr. Eccles also points to these two factors which have decreased the supplies of goods while at the same time increasing the supply of money to aid in the market for the goods:

First, the diversion of scarce materials, especially foodstuffs and things into which steel enters so largely, into export channels to assist in the recovery of Europe—seven or so billion dollars a year financed from the Treasury of the United States.

Second, the huge military preparedness program, 14 billion dollars plus this year, more next year even if there is no shooting war.

These two factors subtract immensely from the quantities of foodstuffs and steel products, particularly, from supplies in our own country; and they add to the supply of dollars available to bid for the goods.

Production of foodstuffs over the rest of the world is getting back toward normal. By next spring prices of most foodstuffs should be relatively lower—perhaps so much lower that farm incomes will be materially affected. But the demands of the military and of Europe for manufactured goods is another story.

Significantly, neither Chairman McCabe nor Mr. Eccles suggested price controls as the way out. They urged restriction of the expansion of bank credit, and regulation of consumer credits, and reductions in Government expenditures, as more needed to slow down the increase in monetary inflation. I could say a lot more about this phase of the problem, but my time is up. Will be with you again next week.

Facts on the Meat Situation by C. P. Ives

EXTENSION OF REMARKS

OF

HON. EDWARD T. MILLER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 4, 1948

Mr. MILLER of Maryland. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by C. P. Ives, in the Baltimore Sun of August 2, 1948:

FACTS ON THE MEAT SITUATION

(By C. P. Ives)

How come cheap hamburg steak is $1.10 a pound and other meats in proportion on up the price curve to practical infinity? Mr. Truman seems to think there's some personal devil involved somewheres around here, and Mr. Tom C. Clark, of the Justice Department, is out with that old antitrust gag about breaking up monopoly to lower food prices.

Actually, meat prices are fixed by multiple-unit, wide-open market competition. There are about 6,000,000 farms in this country on any one of which you are likely to encounter a few head of livestock grown for market.

Before the war there were around 300 slaughtering plants in the country in the federally inspected group alone. During and since the war the number has boomed to around 465, and they are not controlled by one firm. Monopoly as the major cause of high meat prices? Don't be silly, Mr. Clark and Mr. President.

For a slant at the real facts, cut back to the years 1935–39. On January 1 of those years the average number of beef cattle on American farms and ranches was 41,815,000. The human population was around 128,000,000. Average disposable personal income per capita was about $535. The people averaged 126.2 pounds of meat consumption per person per year. The Government index of meat prices was 100.

But in December of 1940, and right here in Baltimore, something explosive happened to the price of meat and other foods. The all-powerful American Farm Bureau Federation, in annual convention at the Lord Baltimore Hotel, passed a resolution calling for higher farm prices. And the Government hastened to comply.

Well, corn started up in due course. And commercial livestock is, as every knowing man knows, just a translated form of corn on the hoof. True, everything else was going up under the initial pressure of the war boom.

By January 1, 1942, beef cattle on farms had risen to 49,712,000 head. But the human population had risen to 134,665,000 souls. Average disposable cash income was up to $863. Meat consumption per capita had risen to 139.6 pounds per person and the meat-price index was up 26 percent.

Now skip to 1946, the year in which the wartime meat-price controls were abandoned. In January of that year, beef cattle on farms numbered 55,739,000. The population had grown to 141,235,000. Average disposable cash income was $1,127. Meat consumption was up to 153.7 pounds per person. What meat there was in the legitimate market was up only about 6 percent, thanks to price ceilings fortified by subsidies. The blackmarket stuff was, of course, higher.

And then in 1947 came the bad news—the very bad news—of a short corn crop. Naturally, less corn means less livestock.

With this as a major reason, beef cattle had dropped as of January 1, 1948, almost 2,000,000 head, or back to 53,399,000. But the human population had boomed to around 145,000,000. Average disposable cash income per person is pushing $1,205. In other words, less meat, but more people with still more purchasing power.

And there was something even more important which had happened in those war years. Not only was population and average income up—the latter way up. But the income of the numerically largest groups had gone up most!

By 1947, 66 percent of the families in the population had had a 36-percent increase in real income. The remaining 34 percent of the families (the highest-income people) had had real income increases of only 25 percent.

The result could be guessed easily enough. The high-income people are relatively few in number and have always had plenty of meat. Their increased income added relatively little to meat demand.

The totally unprecedented pressure that has boosted average meat consumption from 126 pounds before the war to 155.2 pounds last year, comes mostly from the very numerous low-income groups whose 36 percent increase in buying power has enabled them to demand meat at a rate quite beyond their prewar dietary practices.

There it is, Messrs. Clark and Truman, and that's the truth. The high-price policy for farmers and the high-income policy for the low-income nonfarm groups were always attractive, but they make a skittish team. The short corn crop of 1947 threw them out of

step. Now they have collided head-on in all the meat markets of the land. That zooming noise you hear is the price index shooting to 256 (so far) on the mere 143 to 146 pounds of meat per capita that will be available this year—which is still 20 pounds above prewar.

Extra Session

EXTENSION OF REMARKS
OF
HON. WILLIAM J. CROW
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 4, 1948

Mr. CROW. Mr. Speaker, under leave to extend my remarks in the Appendix of the RECORD, I include therein an editorial from the Somerset American, Somerset, Pa.:

EXTRA SESSION

There are columnists who imagine that because President Truman hauled Congress back to Washington to repent of its conduct and get a clear slate after he had rolled over the Far West to do a hide-peeling job on it at every stop, Congress should bow the knee to the President as its master and enact the legislation he demands.

Congress has made its record. Upon what it has done courageously it should be willing to stand. There is no sound reason why it should enact the role of a whimpering idiot just because the President doesn't like the way it has conducted itself.

After all, Congress is representative of the people, has a mandate from the people.

The President is a political accident with no mandate from anybody, yet he seeks brazenly to impose police-state methods upon the American people. He wants the restoration of authority to fix prices and direct industry, measures such as we experienced and lamented during the late war.

The plan announced by the Republicans in Congress to allow the Dixiecrats to provide the voters with information on the President's civil-rights program and adjourn is sound and sensible.

There was and is no occasion for the extra session and the sooner it goes home, the better it will be everybody concerned.

The fear is entertained that unless the Congress enacts some of the police-state legislation the President demands, the Republican nominees will suffer in the November election.

Pray, why?

There is no more reason for the laws the President asks than there was during the regular session of Congress. It was decided then that such laws as he demands were not needed and the situation has not changed.

The President called the extra session because of a personal emergency. His candidacy is in sore straits and he seems to have felt that he could force Congress to help him out.

Congress, as has been noted, has a mandate from the people and has performed according to that mandate.

Congress should leave well enough alone.

EXAMPLE

"Our country is too large to be directed by a single government," said Thomas Jefferson.

Yet Harry S. Truman would have Washington direct the police affairs of the States, contrary to the design of the founding fathers.

The President is insistent that there shall be equality in the armed services and that racial segregation shall be abolished. He would abolish slums in all the cities of America. He would do a host of other wonderful things that may be attractive to voters of one sort or another.

If Mr. Truman would do these things, why hasn't he done them in the field in which he has had opportunities to do them?

The District of Columbia is ruled by the President and Congress. Yet there is racial segregation in the public schools in Washington. There are slums in Washington.

The President would abolish lynching.

In 1947 there was one lynching in the United States. What is the use of a Federal prohibition of lynching when the States without a Federal law have been able to exhibit such a record?

The President is using the word "lynching" in a restricted sense. The preceding statement has used it in the same sense.

There have been many lynchings however, in the broader sense. A lynching is the exercise of force by any group other than is set up by law for the enforcement of law.

Dayton, Ohio, was the scene of lynchings last week. Violence was employed by a labor union to obtain an advantage that had been denied it by a vote of the workers in a struck plant.

There have been many other instances of lawless violence motivated by dictators of the Hitler type who insist on determining the conduct of workers.

There is no freedom where all men are not free.

President Truman is not as greatly opposed to lynching in the broader sense of the word as he would have the unintelligent believe.

The Taft-Hartley Act is an antilynch law. President Truman would have it repealed.

The fact is that the President is more interested in getting elected in November than he is in the cause of righteousness and justice.

The President regards advocacy of antipoll-tax, antilynching, antislum laws more profitable than employment of his powers for the eradication of these things in an area where he has and has had authority. He believes that the purchase of the votes by promises concerning these things more profitable than setting before the people examples of what he would do.

Don't Rob American Soil

EXTENSION OF REMARKS
OF
HON. KARL STEFAN
OF NEBRASKA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 4, 1948

Mr. STEFAN. Mr. Speaker, in parts of Europe when it rains and when the sun shines, wheat yields 90 and 100 bushels to the acre. But the farmers there tell me that to secure such yields they have to put about $60 worth of fertilizer per acre into the ground.

Mr. Ole Hanson, general manager of the Farmers Cooperative Creamery at Orleans, Nebr., sounds a warning to American farmers in a recent statement which I include in my remarks:

ARE WE COMMITTING SUICIDE?

Now don't get excited and take me too literally. But, how about a bunch of thoughtless men dancing around a "golden calf"? Farmers, businessmen, and bankers alike. All trying to get hold of a lot of land so that they can hire someone with an "iron horse" to stir up the soil for them, and raise some wheat, corn, or alfalfa to sell to somebody for cash, of course.

I hope you appreciate what I am driving at: Namely, we are selling our birthright to our land for a mess of potatoes. Our topsoil is disappearing little by little by this kind of farming. If we don't change our method very soon, I fear that we will all be sorry.

Mr. Farmer of the Louisiana tract, won't you please take a lesson from history? I believe you are selling Napoleon's old empire short.

Many, many years ago, millions of happy and contented people lived in the fertile valley of the Nile in Egypt. This valley was exceedingly rich and the people prospered, but, yes, there was a "but" in it, for today this Egyptian fertile valley of the Nile is no more.

Why?

Simple enough the answer—just unwise farming.

The Egyptians were good tillers of the soil all right, but they violated the laws of nature. They took crop after crop from the soil for many generations and exchanged them with foreign countries for life's luxuries, but, they neglected to put anything back on the soil in return.

What were the results?

Depletion of the soil and disaster to the nation, the downfall of a mighty empire.

Mr. Farmer of the Middle West, I think you market crops too often in the wrong way.

You ship out too much alfalfa, corn, and wheat to enrich the soil in other lands, where your unfinished product is turned into finished products for the market.

By doing that, you sell the fertility of your soil little by little and soon you will have nothing left but the title to your land, and you can't eat that, nor sell it.

Why not stop this economic waste?

Why not begin to feed up your own product on your farm and turn natures own life restorer back to your soil where it rightfully belongs?

Get yourself some more good dairy cows, pigs, and chickens, then ship out your surplus in the form of such finished products as butter, eggs, and pork.

Put your waste material back on your land and if you will do this intelligently and manage it properly you and your children for generations to come will always be able to live in the Nile valley of the world.

The Liberty Bell

EXTENSION OF REMARKS
OF
HON. JAMES P. KEM
OF MISSOURI
IN THE SENATE OF THE UNITED STATES
Thursday, August 5, 1948

Mr. KEM. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article entitled "The Liberty Bell," written by Fred Brenckman and published in the National Grange Monthly.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE LIBERTY BELL—HOW IT BECAME AN AMERICAN TRADITION

(By Fred Brenckman)

Its golden tones muted for more than a century, but boasting a glorious past, the historic Liberty Bell, which reposes in Independence Hall at Philadelphia, is the most

priceless relic of the American Republic. Among all the famous bells of the world no other has been associated with events of such vast moment to humanity as the Liberty Bell, the symbol of independence and the prophet of our greatness as a nation. Its defiant clangor was heard on the memorable day when independence was proclaimed; it pealed joyously when the arduous work of the American Revolution was completed; and it was tolled in sorrow when the chief architects of our liberty passed on.

In recounting the history of the Liberty Bell it may be said that Independence Hall was the first statehouse of Pennsylvania. It was erected in 1736. The tower and belfry, which form such a conspicuous feature of Independence Hall, were not added until roughly 15 years after the completion of the building proper.

It was on November 1, 1751, that the superintendents of the statehouse, Isaac Norris, Thomas Leech, and Edward Warner, sent a letter to Robert Charles, agent of the Province in London, ordering the bell. It was specified that the bell should be cast by the best workmen and that it should contain, among other lettering, the following inscription, "Proclaim liberty throughout all the land unto all the inhabitants thereof," which is a quotation from the tenth verse of the twenty-fifth chapter of the Book of Leviticus. In view of the later history of the bell, these words were truly prophetic.

The bell was delivered in Philadelphia in August 1752. It was placed in position in the belfry of the statehouse, but upon being tried for sound it was broken by a stroke of the clapper, even before the ship that brought it had left port. Discouraged, the superintendents of the building wanted to ship the bell back to England to be recast. But the captain of the ship that brought it had a cargo on board, and he declared that he had no room for it. The bell had been cast by Thomas Lister, of Whitechapel, London, and 100 pounds sterling had been sent in advance to pay for it. It weighed 2,080 pounds, or just about a ton.

Up to that time no large bell had ever been cast on this side of the Atlantic. But now two American workmen, John Pass, a native of Malta, and Charles Stow, Jr., whose father was the doorkeeper of the executive council of the province, were authorized to recast the bell. They decided that the metal of the original bell was too brittle, so they added an ounce and a half of copper to each pound of the old bell. But when the new bell was tried, the sound was not satisfactory, too much copper having been added to the metal. Thereupon the bell was again recast by the same workmen and hung in the belfry of the statehouse in the summer of 1753. It was the third bell, cast in Philadelphia, that pealed forth the news of independence in 1776.

As is well known, the Declaration of Independence was adopted and signed on the Fourth of July. It was first read to the public in what is now known as Independence Square at Philadelphia on July 8, 1776.

The platform from which it was proclaimed had been built for an astronomical observatory in 1769. It was a wooden structure, surrounded by a balcony and railing, reached by a stairway from the outside. A diarist of the times describes the event in these words:

"There was a large assembly of people in the yard who had been summoned by the tolling of the Liberty Bell, as there had been many times before on the occasion of some public event. Passing through the assembled crowd the procession of officials, who had charge of proclaiming this state paper to the people, reached the platform, at which the Liberty Bell ceased ringing.

"Col. John Nixon, to whom the high sheriff of Philadelphia had delegated the reading, stood up in silence. He was a strong-voiced and open-featured man. He began reading with the words 'In Congress, July 4, 1776, a declaration of the Representatives of the United States of America' and read through the important document, and it was accepted with general applause and heartfelt satisfaction."

At conclusion of the reading, the bell ringer tolled the Liberty Bell once more.

On the first anniversary of the adoption of the Declaration of Independence, the bell rang again, this time on the Fourth of July, a custom that was continued so long as the bell remained intact.

On September 11, 1777, Washington's army was defeated at the Battle of Brandywine by the superior forces of General Howe, who commanded the British Army. This meant that Philadelphia would soon be occupied by the enemy. All movable supplies that would be of material advantage to the British were, therefore, ordered transported to other places. This order included the Liberty Bell and all the church bells of the city.

The scene now shifts to what was then the quiet town of Bethlehem, Pa., seat of the Moravian Church in America, about 50 miles northwest of Philadelphia in a straight line.

The journal kept at the Brethren's House at Bethlehem contains this entry under the date of September 18: "A continual train of Army wagons came into the place." On September 24 the entry for the day reads:

"The whole of the heavy baggage of the Army, in a continuous train of 700 wagons, direct from camp, arrived under escort of 200 men, commanded by Col. William Polk, of North Carolina. They encamped on the south side of the Lehigh and in one night destroyed all our buckwheat and the fences around the fields. The wagons, after unloading, returned to Trenton for more stores. Among the things brought here were the church bells from Philadelphia and the wagon, in which was loaded the statehouse bell, broke down in the street and had to be unloaded."

The tradition has been handed down that John Jacob Mickley, a patriotic farmer, hauled the bell to Bethlehem, where, as already noted, his wagon broke down, when it was transferred to Frederick Leaser's wagon, who brought it to Allentown. There the Liberty Bell and the chimes of Christ Church were secreted beneath the stone floor of the church erected by the Zion Reformed congregation in 1774.

While there were conflicting stories for many years as to how the Liberty Bell was saved, some claiming that the bell was sunk in the Delaware, and others maintaining that it was sent to Lancaster, the foregoing account is undoubtedly true.

With the lapse of time, the bell came to be looked upon as an object of veneration and was only used on special occasions of rejoicing, or to commemorate some public event of importance.

On September 29, 1824, the bell rang to welcome Lafayette to Independence Hall during his memorable tour of America as the guest of the Nation which he helped to establish. Its sharp tones were heard on February 22, 1832, when the centennial anniversary of the birth of Washington was celebrated. During the same year it tolled the death of Charles Carroll, of Carrollton, the last of the signers of the Declaration of Independence to die.

On July 6, 1835, John Marshall, Chief Justice of the United States, and a veteran of the Revolution, who had spent the winter with Washington's army at nearby Valley Forge, breathed his last in Philadelphia.

Two days later the bell was cracked as it was being tolled in Marshall's memory while his body, with a distinguished escort, was borne through the streets of the city to the wharf, to be sent to his late home in Richmond, Va., by boat. It is interesting to note that this was precisely 59 years after the day when the bell proclaimed liberty to the American people.

The edges of the crack in the bell as it appears today are serrated, revealing marks of a drill. In 1846 it was suggested that the bell should be rung to celebrate Washington's birthday, and the crack was drilled out to separate the parted sides, with the hope that this would improve the sound. But the experiment proved unsuccessful.

The Liberty Bell became the property of Philadelphia when Independence Hall and the spacious square on which it stands were sold to the city for $70,000. That was in 1816, at which time the capital of the State was temporarily established at Lancaster, prior to its removal to Harrisburg.

Today the Liberty Bell is a silent memento of the historic past. But while its tongue is stilled, the old bell is more sacredly treasured than any other bell on earth.

International Wheat Agreement

EXTENSION OF REMARKS
OF
HON. MILTON R. YOUNG
OF NORTH DAKOTA
IN THE SENATE OF THE UNITED STATES
Thursday, August 5, 1948

Mr. YOUNG. Mr. President, I ask unanimous consent to have printed in the RECORD a statement signed by A. S. Goss, master of the National Grange; Allan B. Kline, president of the American Farm Bureau Federation; and James Patton, president of the National Farmers Union, together with a synopsis of questions and answers regarding the international wheat agreement.

There being no objection, the matters referred to were ordered to be printed in the RECORD, as follows:

THE NATIONAL GRANGE,
NATIONAL FARMERS' UNION,
AMERICAN FARM BUREAU FEDERATION,
Washington, D. C., August 4, 1948.

HON. MILTON R. YOUNG,
United States Senate,
Washington, D. C.

DEAR SENATOR YOUNG: We, the heads of the three general farm organizations of the United States, appeal for your support in getting the International Wheat Agreement considered and ratified at this special session of Congress. The principal reasons in support of our appeal are—

(a) That the agreement assures to our wheat farmers the maintenance after World War II of the export markets lost to them after World War I;

(b) That the agreement stabilizes on the international level the world's most important commodity and thus stoutly reinforces our domestic agricultural price-stabilization and support programs:

(c) That the agreement precludes our being compelled by the weight of the stocks of wheat and other grains held by our Government under the commodity-loan programs to return to the extremely costly headaches of acreage reduction, marketing quotas, and all their concomitant and distasteful regulations;

(d) That the agreement guarantees to the United States, over and above our exports to the occupied areas of Germany and Japan and to any nonsignatory importing countries, an annual export market of 185,000,000 bushels compared with annual average exports of wheat, including wheat flour, during the 10-year period 1931–32 to 1940–41

(excluding 1935–36 and 1936–37 when the United States was a net importer) of about 60,000,000 bushels.

(e) That the agreement precludes cutthroat competition between three of the four principal wheat-exporting countries thus greatly reducing the cost to the United States Treasury of the export subsidies required to maintain exports of wheat and wheat-flour when the international price is below the market or support prices in the United States;

(f) That the agreement, in exchange for our guaranty to provide 185,000,000 bushels per year at a uniform ceiling price of $2 per bushel, guarantees an international price for our annual export quota of 185,000,000 bushels at not less than $1.50 per bushel in the first year, $1.40 in the second, $1.30 in the third, $1.20 in the fourth, and $1.10 in the fifth;

(g) That the agreement records, in the case of wheat, the success of the United States fight against bilateral discriminatory agreements; failure to ratify the agreement at the present special session of Congress would be a critical set-back;

(h) That the agreement is an integral part of the economic aspects of our bipartisan foreign policy;

(i) That the agreement contains the first fruits of the leadership the United States has given in international councils in the development of a world-wide program of cooperation between nations to expand production and consumption and thereby avoid a repetition of the economic waste which followed in the wake of the First World War;

(j) That the agreement makes a substantial contribution to the general economic welfare which is so potent an influence in strengthening peaceful and democratic processes;

(k) That the agreement assures, if ratified by the present special session of Congress, much more favorable terms to our wheat farmers than any agreement which could be renegotiated in the foreseeable future (with the sole exception of the United Kingdom, all the countries which participated in the negotiations at the International Wheat Conference held in London in the spring of 1947 were then prepared to sign an agreement which provided a ceiling of $1.80 per bushel; the present agreement provides a ceiling for 5 years of $2 per bushel; clearly the bargaining position of the exporting countries is now, and in all probability will continue to be, much weaker than it was when the agreement was negotiated in February of this year);

(l) That the agreement assures an adequate supply of wheat to the European nations which tried to become self-sufficient after World War I and should thereby prevent a repetition of uneconomic wheat production behind prohibitive tariff walls and would thus permit our wheat to flow in natural channels;

(m) That the agreement will cost the United States Government little or nothing because under the Economic Cooperation Act we are already committed to supply hundreds of millions of bushels of wheat at whatever the cost may be; such deliveries can be applied in most cases against our commitments under the wheat agreement; and

(n) That the agreement can be ratified subject to the condition that Australia and the United Kingdom (both of which declared to the International Wheat Council on July 6 that their withdrawal was solely attributable to the failure of the United States to ratify and that in the absence of any prediction that the United States Senate would ratify the agreement in time to bring it into force in the 1948–49 crop year they felt they had no legal alternative to withdrawal) accede under article XXI to the agreement on its present terms and that the majority of the other importing countries which have not so far ratified, or which have withdrawn also accede by a date to be fixed by the International Wheat Council.

In concluding this appeal to you, Mr. Senator, we should like to emphasize the importance we attach to keeping the wheat agreement within the framework of our nonpartisan foreign economic policy just as we are so keeping all other international economic questions such as those being dealt with by the Food and Agriculture Organization of the United Nations (the FAO).

In the councils of the FAO and the International Federation of Agricultural Producers (the IFAP—a nongovernmental body consisting of the independent farm organizations of 20 countries) the farm organizations of the United States have played a prominent part. Our leadership has been recognized and accepted as objective, fair, and democratic. We cannot overemphasize the importance we attach to the retention of the international good will we have so far succeeded in establishing.

Through the annual conferences of the FAO, and in other international agricultural forums, our Government, strongly supported by the farm organizations of the United States, has advocated the solution of international economic problems, such as the threatened wheat-surplus problem, by multilateral commodity agreements. The world has accepted this approach. The wheat agreement is the first attempt to apply it. We cannot afford as the architects of that agreement to let it fail.

In the hope that it will be helpful to you in considering the arguments for and against the ratification at this time by the United States Senate of the International Wheat Agreement, we enclose a synopsis of the questions which have been raised regarding it and our answers thereto.

Sincerely yours,

A. S. Goss,
Master, the National Grange.
Allan B. Kline,
President, American Farm Bureau Federation.
James Patton,
President, National Farmers Union.

SYNOPSIS OF QUESTIONS AND ANSWERS REGARDING THE INTERNATIONAL WHEAT AGREEMENT SIGNED IN MARCH 1948 BY THE UNITED STATES AND 35 OTHER COUNTRIES

1. Is it not too late to ratify the agreement because several countries, including the United Kingdom and Australia, have withdrawn?

Answer. While it is true that, due to an oversight in drafting, the International Wheat Council was not given authority under the terms of the agreement to extend the period of ratification in the case of exporting countries as it was in the case of importing countries, article XXI prescribes: "Subject to unanimity of the votes cast, any government may accede to this agreement upon conditions as the Council may lay down." Under this accession article the United States and the other countries late in ratifying, and also those countries which have withdrawn, could readily become parties to the agreement on its present terms by the simple procedure of those countries which now constitute the Council passing unanimously a resolution to that effect. The farm organizations of the United States are completely satisfied that the present Council would adopt without any hesitation such a resolution.

2. Does the agreement not mean more Government control and statism?

Answer. The farm organizations of America believe that the acreage reduction, marketing quotas, and unilateral export subsidizing, which failure to ratify the agreement would bring, would lead inevitably to much more governmental regulation and control of not only the wheat farmers, but of the grain and milling trades as well, than the maintenance of the large export trade which the agreement assures.

3. Is the agreement not prejudicial to the interests of the private grain, milling, and feeding trades of the United States?

Answer. The farm organizations have no quarrel to pick with these trades. Indeed, we would have welcomed their assistance in the past, and would welcome it in the future, in framing recommendations to the Congress on price support and other constructive agricultural legislative programs. The terms of the agreement leave each signatory country entirely free to use whatever marketing machinery it thinks best suited to carry out its obligations. Signatory importing countries can, under the terms of the agreement, buy from nonsignatory exporting countries, but they would do so at the risk of being called upon to make good their guaranties to buy at the floor prices the quotas of the signatory exporters. This should provide a strong incentive to buy at prices between the floor and ceiling even when nonsignatory exporters cut prices. Having greatly benefited ourselves by participating in the proceedings of the International Wheat Council, we recommend that the United States delegation to the Council and also its executive committee and its standing technical advisory committee on price equivalents should be reinforced by the appointment of two representatives—one nominated by the grain trade and one by the milling trade. The range between the guaranteed floor and ceiling prices of the agreement increases by 10 cents per bushel per year from 50 cents in 1948–49 to 90 cents in 1952–53. While we frankly confess that in our judgment this range is too wide, there can be no doubt of its offering every inducement to the private export trade to take the maximum advantage of the Government's policy, which we unanimously endorse, of encouraging private versus governmental enterprise.

4. Is the agreement not worthless because of its escape clauses?

Answer. One of the three so-called escape clauses permits the United States and other signatory exporting countries in the event of a short crop to be temporarily relieved of their obligations to supply the whole of their annual quotas at the ceiling price of $2 per bushel. We would naturally resent any hint from any quarter that the United States would invoke this sensible provision to meet unforeseeable contingencies in order to get out of her obligations. The only other so-called escape clause of importance is the one under which, in the event of an emergency with respect to its balance of payments or monetary reserves, an importing country may appeal to the Council for temporary relief. This clause was inserted in the agreement before the Economic Cooperation Act was adopted by the United States Congress to remedy the precarious balance of payments and monetary reserve positions of certain countries of western Europe. We believe that act will achieve its objectives and if it does there should be few if any grounds on which an importing country could successfully invoke the escape clause under reference. Moreover, should that clause be invoked the country concerned must first establish its case through the International Monetary Fund (in the councils of which the United States has an important voice) and then through the International Wheat Council (on which the exporting countries hold half the votes) and then still have to demonstrate that it has not bought any wheat, or any grains substitutable therefor, with negotiable assets from any nonsignatory exporting country.

5. By holding only 370 of the 2,000 votes will the interests of the United States not be at the mercy of foreigners?

Answer. The terms of the agreement—the essence of which is a multilateral long-term contract—protect the important interests of

the United States and of the other signatory countries. The discretion granted to the International Wheat Council—the body set up to administer the agreement—is very much less than that normally delegated by legislation to administrators. There is every reason to suppose that on important issues the interests of Australia, Canada, and the United States will be similar if not identical. These three countries hold 50 percent of the votes and can therefore prevent any decision by the Council inimicable to their interests because all consequential matters require a majority or two-thirds of the votes held by the exporting and importing countries voting separately. Up to a late stage in the negotiations the terms of the draft agreement prescribed that decisions of the Council required a two-thirds affirmative vote by the exporting and importing countries voting separately, thus permitting a veto by a country holding only one-sixth of the total votes. At that time it was expected that, as in the case of the 1942 agreement, Australia, Canada, and the United States would agree each to hold an equal number of votes. Certain of the importing countries protested that such arrangements would give the United Kingdom a veto on too many issues. The United Kingdom accepted a proposal by France to amend the draft agreement to provide for the retention of a veto by the United Kingdom—and also by the United States and Canada—on only a few vital issues. Having observed with consternation the frustrations of the Security Council of the United Nations caused by the excessive use of the veto, we commend rather than censure the wheat agreement for minimizing the right of any country to stand out against an overwhelming majority.

6. Does the agreement not give insufficient protection to the flour-milling industry of the United States?

Answer. During the negotiation of the agreement the representatives of several importing countries persistently argued in favor of prescribing in the agreement the maximum quantity of flour which each importing country could be asked to take. Realizing that on this point the bargaining advantage would lie with the exporting countries when prices were at or near the ceiling and with the importing countries when prices were below that level, the exporting countries, supported by the United Kingdom, argued that this matter should be left for negotiation between the buyer and the seller. The preparatory committee which was asked to make all the necessary preparations to put the agreement into effect on August 1, 1948, unanimously recommended that this admittedly difficult problem should be dealt with simply by instructing the secretary of the Council to record against the guaranteed quantities of the exporting and importing countries concerned the flour sales reported to him by the exporting countries and that these records would be changed only in the unlikely event of the importing country establishing a case that the price its importers had agreed to pay for the flour was inconsistent with the wheat price provisions of the agreement.

7. Are the terms of the International Wheat Agreement not inconsistent with the provisions of the charter of the proposed International Trade Organization?

Answer. The terms of the draft wheat agreement prepared at the London Conference, held in the spring of 1947, were—except that the prices prescribed by it were substantially lower—practically identical to the agreement signed in Washington in March 1948. At the United Nations Conference on Trade and Employment, held recently in Habana, the United Kingdom representative, supported by the representatives of the United States and other countries, repeatedly emphasized the fact that the provisions of chapter VI of the draft ITO charter, which deals with intergovernmental commodity agreements, were based on the provisions of the International Wheat Agreement. The IFAP—on which the three general farm organizations of the United States are represented—would not have supported at the Habana Conference the adoption of chapter VI had its terms been in any way inconsistent with those of the wheat agreement.

8. Will the agreement work in the absence of the Argentine, Russia, and her wheat-exporting satellites?

Answer. The U. S. S. R. was the first country invited to join the International Wheat Council established in Washington in 1942 by the Governments of the United States, the United Kingdom, Canada, Australia, and Argentina. She declined. The U. S. S. R. was invited to attend the London Wheat Conference in 1947 and the Washington Wheat Conference in 1948. No reply was received to either invitation. Owing to the great increase in her population and the semiarid nature of her wheat-growing areas, Russia is not, and cannot in the future be, a natural exporter of wheat. The Argentine participated in the proceedings of both the London and the Washington Wheat Conferences. At the London Conference and again at the Washington Conference, the representatives of Argentina gave as their Government's reason for not joining in the international effort to stabilize the price of wheat the lack of stability of the prices of the things Argentina imported. The other countries decided in London, and again in Washington, that while they would much prefer an agreement in which Argentina was a cooperating member, they would also much prefer an agreement without the Argentine than no agreement. Having been charged for wheat during the past few years by Argentina all the traffic would bear, and having watched her wheat production steadily decline because the farmers of Argentina were given only a fraction of that charge, it seems to us inconceivable that the importing countries would give a preference to Argentina in their wheat purchases. Should the Argentine cut prices as a means of inducing signatory importing countries to buy her wheat the importing countries, if any, tempted to buy it would be effectively restrained by their pledged word to buy from signatory exporting countries their full export quotas at not less than the guaranteed minimum prices. The agricultural changes which reduced the wheat-exporting capacity of Russia are now taking place in Hungary, Rumania, and Yugoslavia. It is not expected that these countries would be able, should they wish to do so, to disturb by their wheat export programs the effective operation of the International Wheat Agreement.

9. Would the agreement not oblige the United States Treasury to pay enormous export subsidies?

Answer. Under the terms of the agreement the United States is obliged, if called upon to do so, to supply up to 185,000,000 bushels of wheat, and flour expressed in terms of wheat, at $2 per bushel. Although we presume that the United States will, in order to protect and maintain its export markets, meet the prices of the other signatory exporting countries she is under no obligation throughout the life of the agreement to sell any wheat at less than $2 per bushel. At the moment the market price of wheat at country points is about 11 cents under the loan-supported price level. Roughly speaking, the United States could at today's market prices meet its obligation to supply wheat at the ceiling price of $2 per bushel with an export subsidy of 20 cents per bushel. In future years with the support price declining, with the expected increase in exportable supplies the rate of export subsidy, if any, should be substantially less. But much more important than the unpredictable precise rate of export subsidy is the fact that in the absence of the export outlets that the wheat agreement guarantees, the price-support program for wheat might well break down and enforce the imposition of acreage restrictions and marketing quotas.

School-Lunch Program

EXTENSION OF REMARKS
OF
HON. JOHN L. McMILLAN
OF SOUTH CAROLINA
IN THE HOUSE OF REPRESENTATIVES

Thursday, August 5, 1948

Mr. McMILLAN of South Carolina. Mr. Speaker and Members of the House, the school-lunch program has proven to be one of the most satisfactory laws ever enacted by the Congress. Our greatest asset is our children. We can expect the future affairs of our country to be handled by the boys and girls who are trying to secure an education, some of whom are making great sacrifices to prepare themselves to take over the burden of our national affairs when we have passed on.

I think the least we could do is to see that they receive proper nourishment and the school-lunch program does more to take care of this situation than any other one thing I can mention at this time.

I am inserting in the RECORD a letter which shows that the school-lunch program has been administered and worked out satisfactorily in my State:

UNITED STATES
DEPARTMENT OF AGRICULTURE,
PRODUCTION AND
MARKETING ADMINISTRATION,
Columbia, S. C., July 20, 1948.

Hon. JOHN L. McMILLAN,
Member of Congress,
House of Representatives,
House Office Building,
Washington, D. C.

DEAR MR. McMILLAN: For your information, I would like to give you a brief summary of the recent price-support operations of the Department of Agriculture on Irish potatoes produced in South Carolina.

Due to weather conditions, the potato crop in South Carolina was extremely short, the total yield being less than half of the yield for 1947. In spite of this short crop, however, the market conditions at the time of harvesting of our potatoes were such that it was necessary for the Department to purchase approximately half of the potatoes harvested in the State. The equivalent of 400 carloads of 300 bags per car was purchased by the Department.

In disposing of these purchased potatoes, the outlets were as follows in round figures:

Outlet:	*Number of cars*
School lunch and charitable institutions	16
Industrial alcohol	123
Livestock feeding demonstrations in South Carolina	243
Potato flour manufacture	9
Sales to the South Carolina penitentiary	7

The most interesting development that came out of the potato situation this year was the use of surplus potatoes in feeding livestock in South Carolina. Arrangements were made between this office and the South Carolina Extension Service for the Government to donate the surplus potatoes as purchased to the extension service for the pur-

pose of conducting these livestock feeding demonstrations throughout the State. There exists practically no experimental work on the feeding of Irish potatoes to livestock. Of course, in actual practice, many individual farmers, particularly in the potato area, had in past years fed potatoes to their livestock. The farmers in this State became very much interested in this demonstration and actually placed orders with the extension service for approximately 600 cars of potatoes which, in turn, the extension service place with us. We were only able to ship to livestock feeders 243 cars. However, arrangements were made through the Department of Agriculture so that an additional 250 cars were shipped into this State from surplus purchases of potatoes in North Carolina.

The reports now coming in from farmers through the county agents in the various counties indicate that the feeding demonstrations were very successful. The potatoes were fed to dairy cattle, beef cattle, hogs and, in some instances, to poultry.

The amount of purchases in hundredweight and the amount of money actually paid to the growers in the various counties of this State are given below:

	Hundredweight	Amount
Horry County	22,879	$65,138.14
Georgetown County	79	225.15
Marion County	41	112.27
Dillon County	32	46.40
Total, Horry area (19 percent)	23,031	65,521.96
Beaufort County	18,121	47,361.50
Colleton County	4,722	11,705.67
Hampton County	924	1,899.17
Allendale County	57	86.92
Total, Beaufort area (20 percent)	23,824	61,053.26
Charleston County	72,669	181,414.32
Dorchester County	500	1,307.90
Berkeley County	226	579.75
Total, Charleston area (61 percent)	73,395	183,301.97
Total for State (100 percent)	120,250	309,877.19

Of course, it is always regrettable when the Government has to step in and support prices by purchases of commodities from the growers. It would be much more satisfactory to everybody concerned if the market would take the product at a reasonable and fair price. However, since the market would not take our potatoes, it can be said that the Government's price support kept many of our potato growers this year from going bankrupt. With the combination of an extremely small crop and no commercial market for the potatoes as occurred this year, it would have meant financial ruin to many of the growers if it had not been for the price-support program.

With kindest regards and best personal wishes, I am,

Very truly yours,

R. W. HAMILTON,
Executive Officer.

Why Meat Prices Get Out of Line

EXTENSION OF REMARKS
OF
HON. REID F. MURRAY
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Thursday, August 5, 1948

Mr. MURRAY of Wisconsin. Mr. Speaker, many, many times I have called the attention of the Congress to the fact that, first, the New Deal agricultural program is antilivestock in its operations; and second, it subsidizes soil-depleting crops.

Section 32 funds are obtained by setting aside 30 percent of the custom receipts from imports, and the announced purpose is to distribute surpluses. Most agricultural products imported are livestock products, and wool imports alone have provided a large percentage of the funds provided.

What happens to the money obtained largely from the wool and the livestock products imported?

Just analyze the following table which is a recent report on this year's operations in the use of section 32 funds:

Exportation and domestic consumption of agricultural commodities; approved programs and obligations by commodities (July 1, 1947, to May 31, 1948)

Approved programs	Amount of approved programs May 31, 1948	Obligations incurred— July 1, 1947 to May 31, 1948	Obligations incurred— During May
Purchase for direct distribution:			
Apple, fresh	$2,445,000	$1,722,675	$92,987
Pear, fresh	393,750	273,296	34,680
Dried fruit	7,750,000	4,009,309	64,478
Dried fig	1,220,000	1,074,384	67,237
Grapefruit juice, canned	3,500,000	2,854,857	214,976
Irish potato	12,250,000	7,083,951	1,793,165
Sweetpotato	1,250,000	963,144	7,036
General vegetable	475,000	123,693	202
Tree, nut	1,280,000	1,076,742	3,243
Egg	11,750,000	3,127,979	2,412,657
Prior year transportation cost	157	157	
Total, purchase	42,313,907	22,310,187	4,690,661
Exportation:			
Cotton	2,600,000	1,988,142	[1] 4,016
Tobacco	8,200,000	400,000	400,000
Total, exportation	10,800,000	2,388,142	395,984
Diversion:			
Cotton:			
Insulation	1,000,000	813,625	
Paper	200,000	190,000	
Pear, fresh	135,000	28,400	[2] 1,008
Irish potato	1,350,000	1,174,707	529,867
Total, diversion	2,685,000	2,206,732	528,859
Administration of marketing agreements and orders	700,000	579,875	60,000
Administration of other sec. 32 programs	1,460,000	1,026,880	77,867
Total, administration	2,160,000	1,606,755	137,867
Grand total	57,958,907	28,511,816	5,753,371

[1] Obligations canceled on shipments not eligible for subsidy payments.
[2] Decrease in obligations due to failure of certain shipments to meet the requirements of the agreement.
Source: U. S. Department of Agriculture, Production and Marketing Administration.

What do you find? First, you note the livestock industry is being used as a pawn to get rid of Virginia apples. Second, you note the livestock industry is being used as a tool in order to get rid of surplus potatoes and other vegetables and fruits. Third, be sure to note the cotton subsidy. Cotton gets under three tents. First, $2,600,000 for export subsidy; second, for insulation to the tune of $1,000,000 for this year; and third, under the guise of paper making. Fourth, then be sure to note the $8,200,000 out of this year's funds that is being spent for subsidizing tobacco exports. Is it surprising the tobacco lobbyist can give $10 to $25 banquets to the faithful? Fifth, you will note that these funds are also being used to administer the marketing agreements. These agreements should be administered by appropriated funds.

Would you believe that a few corporations—the bad corporations that the New Deal always complains about—has had millions of dollars as a subsidy for using cotton? Just try to get someone to deny this if you can.

This, my colleagues, is just one of the many injustices accorded the livestock industry by the present administration.

The livestock industry accounts for a large percentage of the national farm income and it should not be used to continually subsidize cotton, peanuts, and tobacco, and other soil-depleting crops.

Is it surprising that sheep numbers have been reduced by 37 percent, hogs by 40 percent, and cattle numbers by 6,000,000 head? Is it surprising that meat is short in the market place? Do you like to pay taxes to furnish millions of dollars for subsidizing nonfood crops? Do you like to raise hogs and sheep, produce beef, and also milk the cows to provide funds to subsidize in the millions the exportation of cotton and tobacco?

We have a lopsided, unscientific, uneconomic, sectional program that depletes the soil regardless of the vocal expressions to the contrary.

Exposure of Communist Activities

EXTENSION OF REMARKS
OF
HON. ALEXANDER WILEY
OF WISCONSIN
IN THE SENATE OF THE UNITED STATES
Thursday, August 5, 1948

Mr. WILEY. Mr. President, I ask unanimous consent that there be printed in the Appendix of the CONGRESSIONAL RECORD a statement which I have issued on the subject of the exposure of Communist activities in government. In this statement I have attempted to discuss the larger implications of the current investigations that are being made by congressional committees on espionage activities in government.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

COMMUNIST EXPOSÉ PROVES ADMINISTRATION GUILT IN CODDLING REDS

The current shocking exposure of the key Communist, Red sympathizers and fellow-travelers who have occupied immensely important positions in Government demonstrates the folowing facts:

CODDLING OF REDS IS ELECTION ISSUE

1. The issue of the administration's coddling of Reds and Red sympathizers in government is going to be a crucial issue in the coming political campaign. It has become obvious that the present administration, in spite of its pious protests against communism, has served as a fertile breeding ground for Reds during the last 16 years. It is perfectly ridiculous for the administration to be claiming that it is "standing up" to the

Reds in Berlin at the same time that abundant proof is available that this same administration has been making things perfectly easy for Soviet agents in our own country to gather key information, to exercise policy functions, etc.

NO SMOKE SCREENING

2. The exposure of the Communist menace in Government should not be used to take away completely our attention from other significant issues facing the Nation, notably the foreign policy crisis and the issue of inflation. On the other hand, it is obvious that the administration and its apologists are trying to ridicule the present investigation of the Communist menace and to attempt to smear it as a "circus," as "unnecessary," as "repetitious," or to otherwise poison the minds of the American public against those who are conscientiously trying to ferret out Red agents. The administration hopes that it can throw up a smoke screen against this Red investigation. It hopes that by constantly emphasizing high prices (without using any of its powers to control high prices) it can draw the public's attention away from the issue of communism. This anti-Red investigation should not be used as a smoke screen; neither should smoke screens be used against it.

HAMSTRINGING OF FBI

3. There are indications that the FBI has been constantly hamstrung in its efforts to expose key Reds in Government or at the very minimum to have them removed from Government positions. I am sure that had the counsel of J. Edgar Hoover and his organization been respected and followed, these Soviet agents who have now been exposed would long ago have been ejected from the Federal pay roll.

MENACE OF COMMUNISM

4. Once again it has been demonstrated that communism is not just an idle tea-time political philosophy, not something that can be laughed off as the futile activity of a few long-haired radicals. Communism is a world-wide conspiracy, a fanatic irreligious and antireligious crusade, an international espionage movement, which will utilize every last device and tactic in its devil's arsenal in order to gain its objectives. These facts once again underline the importance of legislation to control communism in our midst—legislation similar to the Mundt-Nixon bill, which has now been revised in the Senate Judiciary Committee, of which I am chairman.

MUNDT-NIXON BILL

It is obvious that sufficient time is lacking in the special session to take up this bill. It is further obvious that unless a strongly Republican Senate and House are voted into power in November, an adequate anti-Communist bill may not be enacted by the Congress. Therefore, it is essential that a strongly Republican Senate and House be elected in order that the Eighty-first Congress may take decisive action on this anti-Communist legislation.

It is notable that the present administration's Department of Justice took away three precious weeks in delaying its report on the Mundt-Nixon bill after such report had been requested by the Senate Judiciary Committee. This report on constitutionality was promised by the Department day after day, week after week, and arrived only in the closing days of the Senate session. Thus, the bill was in effect partially sabotaged by the very administration which claims it is anti-Communist in its foreign policy.

CONFIRMING ALL ANTI-RED EVIDENCE

It is important that all of the evidence which has been presented before the congressional committees on the Red network be fully corroborated wherever possible. In the past, the Communists have been successful in smearing these anti-Red investigations because, in part, some evidence in these probes has not been fully confirmed. Therefore, it is essential for the sake of justice and for the sake of the effectiveness of this anti-Red campaign that the fullest care be taken to substantiate all of the charges which have been leveled at individuals and organizations.

There is common talk that the special session was called by the administration as a smoke screen against this exposure of Communists which it knew was in the offing. Such smoke screening must be vigorously smashed.

Tributes to Kenneth W. Simons, Late Editor of Bismarck (N. Dak.) Tribune

EXTENSION OF REMARKS

OF

HON. MILTON R. YOUNG

OF NORTH DAKOTA

IN THE SENATE OF THE UNITED STATES

Thursday, August 5, 1948

Mr. YOUNG. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a statement prepared by myself in tribute to Kenneth W. Simons, deceased, who was for 20 years before his untimely death the editor of the Bismarck (N. Dak.) Tribune, together with a statement prepared by M. J. Connolly, secretary of the North Dakota Automobile Club and assisistant secretary of the Greater North Dakota Association.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

STATEMENT BY HON. MILTON R. YOUNG, OF NORTH DAKOTA

Mr. President, the State of North Dakota lost one of its outstanding citizens last April 20, a man who contributed much to the progress and development of the great State in which he lived.

I speak of Mr. Kenneth W. Simons, who was for 20 years before his untimely death the editor of the Bismarck Tribune—one of the great newspapers of my State, and, indeed, of the Nation.

Professionally, as a newspaperman, Ken Simons was among the most able in the entire country. It was under his leadership that the Bismarck Tribune won the most coveted prize in American journalism—the Pulitzer prize for "the most disinterested and meritorious public service rendered by an American newspaper for the year 1937."

His editorials were oftentimes brilliant pieces of analytic, to-the-point writing. His political comments were keen, accurate. His news writing was on a general plane that few newswriters are able to achieve. Most important, he was a man of vision and ideas, and it was this quality together with his ability to put visions and ideas down on paper and into action that made him the powerful influence he was.

Ken Simons probably will be longest remembered, outside of the newspaper profession, for his contribution to the water development program in North Dakota. He recognized, long before most others, that the exploitation of the State's water resources was the answer to its economic problems. He saw irrigation as the answer to droughts such as that which almost ruined our great State in the thirties.

Recognizing this, Ken Simons did something about it. With the active support and guidance of his publishers, the late George D. Mann, and in more recent years Mrs. Stella I. Mann, he used the columns of the Tribune to tell the people of North Dakota what irrigation could do for them. For years he hammered away on this theme. As a result, Ken Simons served, under three governors, as vice chairman of the State water commission. It won for the Tribune a Pulitzer prize. But more important, it probably was as important as any other single influence in winning for North Dakota the water development we are now having.

The effects of Ken Simons' work and influence will be felt for generations in North Dakota. They will be seen in the Garrison Dam, in the irrigation projects in northwestern North Dakota, and on the Heart River, in the future stability we hope the economy of our State will attain as a result of these projects.

But they will be felt in other ways, too. Because Ken Simons' interest and influence extended to every phase of community life. Wherever the interest and welfare of his State and community were involved, Ken Simons and the Tribune were interested.

I personally knew Ken Simons as a real and valued friend. I knew him as a real progressive of outstanding courage and integrity, and as an independent thinker of sincere intellectual honesty. I knew him as a man of boundless energy and endless interests.

His loss was a great loss not only to his friends but to the community and State which he served so well.

KENNETH W. SIMONS—A TRIBUTE

(By M. J. Connolly)

Kenneth W. Simons was a friend of mine. He made that statement as he introduced me to Col. John S. Seybold of the Army engineers 4 days before his death, which occurred April 20.

Ken Simons was my friend from the day I met him, when as a stripling he came to North Dakota as manager of the Associated Press and came to Medora as the Greater North Dakota Association entertained a congressional tour in the North Dakota Badlands, urging that a portion of this scenic area be set aside as a national playground—preliminary work toward the establishment of the Theodore Roosevelt Memorial National Park. Ken rode horseback all the forenoon. He would have ridden all the afternoon had I not induced him to remain with me to take a "sun-kissed" shower bath and to lie in the shade at the Peaceful Valley Ranch during a lazy afternoon when we had time to get acquainted.

I treasure memories of this visit with Ken, and of hundreds of other visits which went on into the night at his home or mine.

Ken Simons had a remarkable mind. He was a great reader and during a lifetime of interviews with prominent people he got the benefit of the thoughts of others. He was a good listener. He was a student of books and people. He was a keen judge of human nature.

Ken was one of the most independent thinkers I have ever known. All his reading and his contacts influenced him, but only to the extent that they caused him to think. He was never alergic to new ideas, but the ideas had to stand the test of his logical mind. Saying "Yes" and "No" hundreds of times a day gave him plenty of practice in exercising judgment, which I feel he did to a remarkable degree.

I thought Ken Simons reached the right answer for a vast majority of the problems he faced. But I didn't always understand why he reached the conclusions he did. But I was his friend, and when next we met I asked him why—and my admiration for his splendid mentality grew. I also gained a great respect for his innate honesty, decency, and tolerance.

Ken Simons was a strong character. He had strong opinions on many questions and voiced them without fear. He was an able opponent and a great fighter for principle and frequently his ideas clashed with those of other strong-minded men.

I always considered, for instance, that the political column, Pertinax, was one of the

most able columns ever published in the State.

Loyalty was another characteristic of Ken Simons. Publisher George D. Mann, who hired the young AP manager as editor of the Tribune, paid tribute to his loyalty in a clause in his will. That this confidence of Publisher Mann was not misplaced was nationally recognized when in 1937 Ken Simons won the Pulitzer prize for the Tribune as the editor who had done most to serve his home community in the educational work looking toward the establishment of irrigation in North Dakota. While willing to give credit to many other able workers, perhaps, I will be pardoned, as a friend, if I state that in my opinion Ken Simons did more than any other citizen to bring about the big State-wide water development program.

Ken Simons was a crusader who served his State well. He did fine things for other people, and served rather unselfishly. He ran a good race, fought a good fight, and was enriched only by the experience and the satisfaction which comes with the thought of a job well done.

Ken Simons was my friend and I do not deny I am prejudiced. Perhaps you may be one who will say this tribute to Ken's memory proves this, although my endeavor will be only to recite some facts I have actually witnessed of things which I learned first hand.

I introduced Ken to W. W. McLaughlin, head of the irrigation division of USDA, who gave the State invaluable assistance as the educational program for irrigation and water use was launched in the State. It was McLaughlin who suggested the necessity of a State water conservation commission and certain laws. It was Ken Simons who did the big job in getting this legislation written and the first appropriation carried. I wrote the legislature for KFYR that winter. I saw Ken at work. As a matter of fact I may have helped a bit. So, knowing what I know, I feel like giving Ken considerable credit. Ken Simons had opposed Governor LANGER during several elections, still Governor LANGER, now Senator LANGER, appointed Ken Simons to the water commission, where he served as vice chairman under three governors and up to the time of his death.

Gov. John Moses leaned heavily on Ken. Once there was a special session which remained in session after having accomplished its work; remained in fact until the Bismarck Tribune burned the solons until the senate voted to take away the courtesies of the floor and threatened to bring Simons before the bar of the senate. They might have done it, too, except there may have been a fear Ken would have accepted the invitation. The special session adjourned.

There was another time when conditions were so bad during depression days that few saw any way out but to call a special session of the legislature which was being demanded by the political opposition. It was Ken who suggested to Governor Moses that his answer was to be found in a good look at the growing crops and a demand that department heads cut down expenses 18 percent.

When the St. Louis Post-Dispatch started the publicity for "one valley and one plan," it was Ken Simons who carried the ball in North Dakota. There are some today who would say Simons was a Communist for advocating an MVA, but his agitation was for a purpose, and the purpose was served when the Army engineers and the Bureau of Reclamation got together on the unified program for the Pick-Sloan plan. The wedding of the agencies has been called a "shotgun wedding." I have always felt that Ken Simons held the shotgun, but again I may be prejudiced.

Then when it was known North Dakota was to have the great dam at Garrison and the vast Missouri-Souris irrigation projects, there were times when Ken Simons was called upon as the minuteman of the hour. Once an Army plane came from Omaha to Bismarck to take Ken to Washington to alone speak for the State. Again he went with others to secure appropriations for the Missouri-Souris. As a member of the water commission, he was perhaps the best friend in official circles that the reclamation forces have had, but he took more abuse than any member of the board. Of course, he was always the axman for Gov. John Moses and people got the habit of blaming him for decisions of the board under the Aandahl administration under which Ken never did claim to have advisory powers. Governor Aandahl could testify that Ken helped put down one or two revolutions. There were several organized campaigns against Simons. Agitation went forth against him because he favored a Missouri Valley Authority; because he was opposed to a Missouri Valley Authority. But his most active opponents respected Simons as a worthy adversary. Bill Langdon, who writes speeches and news stories for the Army engineers, knew where Simons stood at all times. So did Gen. Lewis A. Pick, as did Commissioner John Page and others who worked with him when Simons was president of the North Dakota Reclamation Association.

I always felt Ken Simons was eminently fair. I knew he was honest, loyal, able, and fearless.

Ken did have a way of irritating people, especially people in the stuffed-shirt class. Many said he was hard to handle and those who said this spoke the truth. Staid people, who voted the way their grandfathers did, will tell you he was erratic, progressive.

Ken did seem to keep things stirred up. Someone did a powerful lot of agitating for the American Legion home-building project at Bismarck. Simons may have been one of the principal agitators. Certainly he handled a lot of publicity. He was a pusher. The project was built. He was capable of planning, too.

And, speaking of planning, I think I know that Ken Simons did almost all the planning, all the writing, all the managing for the campaign which elected John Moses to the United States Senate. And as the governor was a sick man, Ken wrote and delivered his final report to the joint session of the North Dakota Legislature.

I have never known a better political prognosticator than Ken Simons as far as North Dakota is concerned. He guessed right more often than anyone I have ever known. Of course, that is personal, and I'll admit I may be prejudiced.

I always hoped to stick around long enough to see Ken Simons get the thanks and recognition I knew he deserved so well. I guess he was as often criticized by Mandan people as by any section. Still I doubt if any other man, unless it was A. J. Dexter, of the Northern Pacific, who did more toward pushing through the Heart Butte Dam, power and irrigation project, protection for Mandan against floods.

Banker Bill Davidson called Ken long distance to tell him he was going to fight him for the 1,830-foot level for the Garrison Dam. Ken said that when the fight was over and the dam was built to the 1,850 level they would shake hands and admit it had been a good fight. Davidson is still fighting and is making his influence felt. Perhaps, we can say that Ken is still in the fight, for his memory will long remain green and his influence will live after him.

"What builds the Nation's pillars high
And its foundations strong?
What makes it mighty to defy
The foes that round it strong?
No gold, but only men can make
A people great and strong;
Men who, for truth and honor's sake,
Stand fast and suffer long.
Brave men who work while others sleep,
Who dare while others fly—
They build a nation's pillars deep
And lift them to the sky."

Senator Pepper, of Florida

EXTENSION OF REMARKS

OF

HON. JAMES E. MURRAY

OF MONTANA

IN THE SENATE OF THE UNITED STATES

Thursday, August 5, 1948

Mr. MURRAY. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial appearing in the Jewish Floridian, of Miami, Fla., Friday, July 23, 1948. The editorial is in regard to the services of my distinguished colleague the Senator from Florida [Mr. PEPPER].

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

SENATOR CLAUDE PEPPER

(By Harry Simonhoff)

Listening to the Dixiecrats orating about States' rights, our own peculiar civilization, white supremacy, brings back memories of school days. These speeches have overtones of the great debate between Lincoln and Douglas. With eyes closed, one could, readily imagine himself back in the year of Grace, 1848.

Heaven knows we have enough complaints against Mr. Truman. But on the issue of civil rights, he happens to be on the side of the angels. Southern reactionaries resemble Bourbons: they neither learn nor forget. For them, the Russian revolution, the defeat of Hitlerism, the two World Wars were a pure waste. They still dream of a feudal society, with a white oligarchy riding on the backs of a Negro serfdom.

But there is another South, thank Heaven. In this camp are the Ellis Arnalls, the Hugo Blacks, the Ralph McGills, the David Cohns. These progressive spirits would rescue the South from pre-Confederate obscurantism. Their most eloquent spokesman is our own Senator PEPPER.

When CLAUDE PEPPER gets up in the morning, one can readily imagine, he rubs his eyes and asks himself, "Where am I? Washington? The United States Senate? Is it possible, or am I dreaming?" With what humility he carries himself. Not the assumed Uriah Heep pose of the politician who before election puts on a ragged suit and rants how hard he worked to support his pore old mother. PEPPER has a Lincolnesque quality—the humility of the truly great. Whether in a corridor of the National Capital, or in a swanky hotel on Miami Beach, or on his farm at Tallahassee, he is always approachable—even to the humblest.

PEPPER THE LIBERAL

It so happens that our Claude is gifted. As an eloquent speaker he has no peer in Congress. On the stump, he's a masterful campaigner; on the platform, lyrical and forceful; on the floor of the Senate, a logical debater. But his international reputation is not due to his gifts. Goebbels was also talented. It is PEPPER, the liberal, who has captured the imagination of progressive, forward-looking people everywhere. It is PEPPER, the liberal, whom we would like to see President of the United States.

CLAUDE PEPPER comes naturally by his liberalism. Forces shaped his destiny. In college, at Tuscaloosa, he worked his way by helping to wait on tables. At Harvard Law School, he came under the influence of Felix Frankfurter. Under F. D. R., he was a militant New Dealer. In the 1930's, PEPPER was an uncompromising hater of Hitlerism. All his life an enemy of anti-Semitism, he advocated a Jewish Commonwealth in Palestine long before Israel became a state.

Not that PEPPER is a starry-eyed idealist. He is shrewd and canny. He knows the devious ways of practical politics. He is no Hency Wallace who could let the Presidency slip through his fingers. It is the American tradition to be a great idealist and yet conversant with all the tricks of the political game. The biographies of Jefferson, Lincoln, Wilson, and both Roosevelts will demonstrate this quite clearly.

It is because PEPPER is a skillful, resourceful politician, who knows the score, that all the more credit is due him. Any child knows that it is dynamite for a Southern politician to favor rights for the Negro. Yet PEPPER worked to abolish the poll tax; he favored a national antilynch law. He is known to sympathize with the unpopular civil-rights measure. Last year, when in Tallahassee, I heard him address the Florida Legislature. He opposed sending aid to Greece. In so serious a step that might lead to war, our Government should have referred it first to the UN. He did not flinch before the hostile lawmakers, who under their breath were calling him a Communist.

PEPPER has the moral courage to take the unpopular side. He maintained a militant liberalism in the face of strongly mounting reaction that followed the death of F. D. R. A champion of the forgotten man, CLAUDE PEPPER stands out as the greatest figure in history of Florida.

James E. Watson

EXTENSION OF REMARKS

OF

HON. WILLIAM E. JENNER

OF INDIANA

IN THE SENATE OF THE UNITED STATES

Thursday, August 5, 1948

Mr. JENNER. Mr. President, I ask unanimous consent to have inserted in the Appendix of the RECORD a poem in tribute to the late Senator Watson, of Indiana, by Mark E. Winings, of Elwood, Ind.

There being no objection, the poem was ordered to be printed in the RECORD, as follows:

TRIBUTE TO THE HONORABLE JAMES E. WATSON

When the artist paints a picture
Of a long and winding lane,
With a tall and handsome figure
Marching to the Hall of Fame;
Or the poet sets to music
And the author makes you thrill
With the life of James E. Watson
In the town of old Rushville.

There he dwelt in friendly fashion
Sharing friendships, pride, and love;
In communion with his neighbors
All inspired from above—
Proud and boastful of their honor
For they all were much akin;
But they never used his title—
Everybody—called him Jim.

He was one of those good fellows
That you always want to know,
With a charm and warmth of laughter
That will set the heart aglow—
They still meet in congregations
Though the ranks are growing thin;
All defending their religion
And their politics by Jim.

With a magic voice of wisdom
And the logic of the gods,
He espoused a cause eternal
Regardless of the odds—
He believed in two worlds,
This one—and the next—
And he proved it by the Bible,
From where he took his text.

The State and Nation claims him
But a Hoosier, through and through!
Like Riley and the Mortons,
And the Harrisons we knew—
For he helped the wise and foolish,
The sinner and the saint;
And there are some crowns of glory
That no artist dares to paint.

Oh, the story reads like fiction
And it seems to have no end,
For it's hard to tell the story
Who was everybody's friend—
On the battlefields or oceans
Where the bugler sounds his taps,
You will hear some soldier whisper—
"Jim was sure a friend of Pap's."

When the future paints this picture
And the angels set the time
There will be a Master Artist,
Who will write and paint divine—
Then with deft and handy fingers
He will write upon the scroll,
The name of James E. Watson,
"A kindly, generous soul."

—*Mark E. Winings, Elwood, Ind.*

Consumer Credit Out of Hand

EXTENSION OF REMARKS

OF

HON. FRANCIS J. MYERS

OF PENNSYLVANIA

IN THE SENATE OF THE UNITED STATES

Thursday, August 5, 1948

Mr. MYERS. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article by Gregg MacGregor entitled "Consumer Credit Held 'Out of Hand,'" published in the New York Times of August 1, 1948.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CONSUMER CREDIT HELD "OUT OF HAND"—RETURN OF INSTALLMENT CONTROLS WOULD CURB INFLATION SPIRAL, RETAIL EXECUTIVE ASSERTS

(By Gregg MacGregor)

Agreement with the view that national consumer credit is "getting out of hand and adding to the national inflationary spiral" was voiced last week by the credit manager of a department store with an annual volume in excess of $60,000,000.

"Although many credit experts point out that the ratio between consumer credit and the total national consumer income is currently much below the ratio in the 1935-to-1939 period," he declared, "we are still getting into deep waters. We are not in a normal period."

He said it is his belief that the majority of retailers throughout the country agree with him privately, but decline to declare themselves publicly on any form of Government control.

This is true, he said, because of the "blind opposition" by many retailers against controls. An honest opinion frequently causes much internal dissension, he asserted, giving that as the reason for asking that his name be withheld.

LITTLE MAN LIMITED

"The argument has been advanced that reimposition of installment credit controls would limit the buying power of the little man. They say a higher down payment works a discrimination in this respect," he declared.

"They are right, it limits his credit to what he can afford. When down payments are down to the point where installment buying becomes an impulse on the part of the consumer," he emphasized, "trouble is in sight."

The credit official pointed to the small but steady increase of repossessions. Under regulation W, he said, repossessions were negligible, because few people will make a substantial down payment and then lose their merchandise for lack of meeting installments.

He admitted that in theory a store can regulate its own installment credit terms but said that when a competitor eases terms the same terms must be met or sales will be lost.

Charge accounts are a different matter and have never been a large problem to credit men, he asserted. In his opinion those who have charge accounts are usually not as vulnerable to economic changes as the average installment buyer. He added that charge accounts are settled within a comparatively short time.

Current outstanding consumer credit is tying up working capital and worrying many retailers, he said. What will happen to the millions of dollars owed to retailers by consumers if a recession sets in, he asked. An economic reversal will mean the closing or output curtailment of many industrial plants, and this in turn will mean that some people will no longer have the money to pay installment obligations.

"Collections are down sharply from last year," he warned. "This is another danger signal. Any further undue increase in consumer credit will only accelerate the downward momentum of a decline when it comes."

The relationship between consumer credit and inflation is clear, he stated. As inflation brings up the national income the ratio with consumer credit becomes smaller. This, some credit men still insist, means more credit should be extended to bring up the ratio to that of normal times. But any retailer following this theory will wake up with an awful headache, he warned.

Democratic Party Program

EXTENSION OF REMARKS

OF

HON. EDWARD V. ROBERTSON

OF WYOMING

IN THE SENATE OF THE UNITED STATES

Thursday, August 5, 1948

Mr. ROBERTSON of Wyoming. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article entitled "Impulse for Suicide," written by Doris Fleeson and published in the Washington Evening Star of August 4, 1948.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

IMPULSE TO SUICIDE—DEMOCRATIC MEMBERS OF CONGRESS ACT AS IF PARTY IS NOT WORTH FIGHTING FOR

(By Doris Fleeson)

The Democrats' impulse toward suicide is proving too much for President Truman's gallant efforts to overcome.

The President, for all his mistakes in judgment, his lack of prescience and his inability to pick a competent staff, is showing a willingness to fight on against odds.

His party acts not only as if the cause were already lost but as if it were not worth while to make the record show what they were fighting for.

Like a man in the dentist's chair they sit dumbly and wait for the worst to happen. At times they seem even to have got past the point of wincing when the drill hits a nerve

as in the current spy revelations. The impression given is that they are only waiting for it to be over.

LIKE A FUNERAL HOME

Democratic headquarters has all the vivacity of a funeral home.

Democrats in Congress have been taking their own sweet time about attending sessions and few bother to attend the sparse committee hearings the Republicans have allowed or go to the floor. This situation got to be such a scandal that special efforts are now being made to arrange some fireworks for adjournment if not before, with interested parties preparing powerful diatribes that Senators and Representatives seem unable to think up for themselves.

But up to now the Republicans have had it all their own way with no comments from the side lines.

Their Presidential candidate, the "sheltered" Governor of New York, has rested undisturbed in the half-in, half-out position he prefers to take on controversial matters. No rude questions by Democrats have intruded upon him.

The barrage laid down by Republicans against the special session has not been adequately countered. The transparent Republican tactic of moving into a filibuster on civil rights in the Senate has had no Democratic attention. Not a single Democrat was present when the Senate Banking and Currency Committee examined the President's inflation chief of staff, Paul Porter, Monday.

EXCEPTIONS TO INERTIA

There have been exceptions to the inertia. Representative HELEN GAHAGAN DOUGLAS, California Democrat, put Speaker MARTIN on the spot with regard to housing Monday when she swiftly moved for suspension of the rules so the Taft-Ellender-Wagner bill might be considered. The Speaker, plainly annoyed, announced that all such requests had to be cleared through the majority leader and refused to entertain the motion.

Senator PEPPER at the same time was ironically leading Senate Leader WHERRY through the President's recommendations and getting from him admissions that little could be expected regarding them.

Obviously the Republicans have the votes and no legislation could be forced past them. But the opportunity to spotlight their omissions with their reasons therefor is dribbling away.

The spy scare is also beyond Democratic control but there also answers could be made and motives could be spotlighted, including the question of the timing of the hearings which so effectively steal the headlines.

Report to Constituents on Problems of the Eighteth Congress

EXTENSION OF REMARKS

OF

HON. CHET HOLIFIELD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 4, 1948

Mr. HOLIFIELD. Mr. Speaker, during the approaching months I intend to report to my constituents on various important problems with which the Eightieth Congress has been concerned. I expect to report to them under the following envelope title: "Important. A Message From Your Congressman, CHET HOLIFIELD."

Russian Propaganda Feeds on American Feuds

EXTENSION OF REMARKS

OF

HON. JAMES O. EASTLAND

OF MISSISSIPPI

IN THE SENATE OF THE UNITED STATES

Thursday, August 5, 1948

Mr. EASTLAND. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a copy of a letter written to a very noted columnist by the Honorable W. J. Littrell, of Laurel, Miss.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

LAUREL, MISS.

Re Russian Propaganda Feeds on American Feuds.

DEAR SIR: Of all your columns, the good they have done and the criticism they may have brought upon you, the recent one on the above subject merits grave consideration by all our people.

Since the Civil War the people of the South have been held up to ridicule and raped economically by the moneyed interests of other sections, aided and abetted by certain politicians. The South has had no Marshall plan except in reverse.

At Philadelphia the Democratic Party, by a vote of about 3 to 1, repudiated the Constitution of the United States when it refused to approve a resolution from the floor pledging the party to uphold the rights of the various States as provided in the Constitution, thereby going on record as being against article X of the Constitution, which reads:

"The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people."

In what States did the German-American Bund openly parade before World War II? From what States come the Communists of today who are being investigated and arrested? Not from the Southern States that are under attack. Out of the South came Bilbo, Long, and Rankin; but out of the North, Kelly, Pendergast, Haig, Kelly, Wallace, ad infinitum. But what of the statesmen from the South in the past, and what is wrong with such men as Byrd, Russell, Thurmond, Laney, and many more? They are simply from the wrong side of the track—the same side that furnished its share of the founders of this great Nation. The birthplace of our Presidents, Virginia, is as much on the political blacklist as other Southern States.

We hear much about "civil rights," "human rights," etc., but what of relieving human misery in this country? All of these "rights" are of little value to indigent sufferers of disease, such as cancer, polio, etc., dependent solely on charity. It is of little help to provide housing, food, clothing, and doctors for those millions of wage earners. It does not protect the returning veterans against the national swindle on shoddy houses or the used-car racket. Why don't politicians stop the "feuding" by doing something about all these things first, then give us all the civil-rights legislation the Communists can think up, not just for the consumption of the southern people, but for all the people.

Our northern politicians say they want to help the Negroes in the South. If our Federal Government is to be thy brother's keeper, why hasn't it done something about the North American Indians, herded on reservations in poverty and disease, not even citizens of these United States? Poll tax don't keep these Indians from voting. Where do race riots occur? Where do gang murders make history under the nose of the law? Did the mayor of Milwaukee know that only recently at St. Paul an employee was murdered by a mob just because of trying to go to work at his job in a meat-packing plant? Do they know that right in Washington, D. C., more heinous crimes were committed in 1947, by far, than in any previous year? Yet, with one lynching in the South in 1947 (gang murder in the North), they bellow for an antilynching law—they want to create a police state of the South, yet wink at the handling of crime in their own bailiwick and that of the Federal Government. They say Negroes are not given a fair trial because they are not on the jury, yet how many Federal juries in the past have had Negroes? But what do they say of the many States that exclude women from jury service? Just how are Indians given a fair trial either in State or Federal courts?

New Hampshire has a poll-tax law. So why is it that all we hear about is the South? Answer, hate and intolerance toward the South. These same people who are too poor to pay $2 per year as a prerequisite to being a qualified elector are paying $1.50 to $2 per month to maintain membership in a union. It is apathy that keeps people from voting in this country more than any other thing.

I believe Lord Halifax once said that those farthest from India could solve her problems best. Thus it has come to pass in this country. California has her race problem with the Japs and Mexicans, and those people are in better position to work them out than if the South nosed in and tried to dictate, and so it is with all States—they have their problems and should be allowed to solve them.

People in the South have faults, many of them, as do all parts of the country. It is one thing to be "anti" this and that in Minnesota where they have less than 10,000 Negroes, and another thing to say what you would do and think, should you live in a State with 2,000,000 Negroes and not many more whites. Give us no more Negroes than Minnesota and we can easily abolish segregation entirely.

Give us more understanding and less agitation.

Very truly yours,

W. J. LITTRELL.

The Special Session of Congress

EXTENSION OF REMARKS

OF

HON. CLAUDE PEPPER

OF FLORIDA

IN THE SENATE OF THE UNITED STATES

Thursday, August 5, 1948

Mr. PEPPER. Mr. President, I ask unanimous consent to incorporate in the Appendix of the RECORD an editorial from the New York Times of August 1, 1948, entitled "A Week on Capitol Hill."

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

A WEEK ON CAPITOL HILL

On the record to date hardly anybody concerned with the special session of the Eightieth Congress is likely to come out of it with increased prestige. President Truman injured in three ways his own chances of getting desired and needed legislation: first, by his disparaging remarks about Congress during his western trip and later; second, by choosing the incongruous occasion of

the Democratic national convention's final hours to announce the call; third, by laying out a program which could not possibly be enacted in its entirety, even by a Congress ready to roll over and purr at the presidential voice, during the time now available.

The Republicans and a Democratic minority from the South are in no better position. As part of his civil-rights program Mr. Truman asked for an anti-poll-tax bill. The Republicans are within the letter of the program in bringing this bill forward as the first item on the program, but it is difficult to believe that they have done so with the object of bettering our democracy or of gratifying the President. They knew, as did everybody else, that this bill would produce a filibuster, in which Southern Senators, in the name of liberty, would try to invoke minority rule in Congress in order to continue it in the poll-tax States.

The Senate Republicans have frankly admitted that they do not propose to undertake any legislation which would "interfere with the proper conduct" of the fall campaign. The House Republicans have accepted this principle with even greater alacrity. This is human and natural, since the entire membership must contest its seats this fall in each case where reelection is sought, whereas two-thirds of the Senators are secure for two or four years. Still, there is an inevitable conflict between political ambitions and the Nation's needs.

No one would expect, of ccurse, that Congress at this session should deal with problems not already studied and discussed. But there are other problems which have received such consideration. Housing is one such problem. The Taft-Ellender-Wagner bill has passed the Senate and would pass the House if it were not arbitrarily held in committee. Yet Senator TAFT, one of the bill's authors, has specifically announced that he will not press for action at this session. Little time would be required to authorize the promised $65,000,000 loan to the United Nations for its East River Capitol; to revise the displaced persons law, so that Hitler's and Stalin's real victims could be received here; to correct recently created inequities in the pay of Federal employees; and to reverse the unwise decision by which TVA, chief supplier of power to our atomic plants at Oak Ridge, was forbidden to strengthen its system by building a new steam installation.

The Republican majority in the Senate, with the assistance of the liberal Democrats of the North, has the means to break up any poll-tax filibuster. The Republican majorities in the two Houses have the power to do what actually needs to be done, and to do it within another week or two weeks. It may be objected that the control of inflationary trends is a necessity. Here however, we have a legitimate difference of opinion between the two major parties, and there is no possibility that the present congressional majority will attempt to control inflation along the lines Mr. Truman has laid down. The Republicans have their own program, as announced at Philadelphia. If there is a risk in waiting 6 months to put it into effect this is a calculated risk which a political party, under our system of government, has a right to take.

We have no reason to expect too much moral grandeur in candidates for office in a political year. Such candidates are after votes, just as businessmen are after profits and workingmen are after as much pay as they can get. We can, however, ask our candidates to earn their votes, just as we hope businessmen earn their profits and workingmen their wages. And in order to do this they must lift their eyes above the cloak rooms and committee rooms on Capitol Hill to more distant scenes. Our people desire prosperity and peace. They have a sense of justice and a feeling of crisis. The independent vote this fall will be large and it is likely to go to the party and candidate able to rise above partisanship and above personal interest. But no decision on this basis could be made on what the special session has so far accomplished or proposed. This has not been a fruitful week, and if present congressional majority plans are followed, next week will not be fruitful, either. We believe the Republicans will be wise to expand those plans.

Reimposition of Curbs on Consumer Credit

EXTENSION OF REMARKS
OF
HON. FRANCIS J. MYERS
OF PENNSYLVANIA
IN THE SENATE OF THE UNITED STATES
Thursday, August 5, 1948

Mr. MYERS. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial from the Pittsburgh Post-Gazette advocating the reimposition of curbs on consumer credit.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

ONE INFLATION CHECK

To one point of President Truman's counterinflation program, presented Congress last November and probably to be submitted in much the same form at the coming special session, there should be little challenge by the Republicans. This concerns curbs on consumer credit.

Viewed in the perspective of the Nation's whole inflation problem, installment buying is not a critical factor. Since Congress permitted wartime controls on consumer credit to die in November 1947, the rise in such types of purchasing has been little more than a billion and a half dollars, which represents only a drop in the cost-of-living bucket.

Yet, the trend—a percentage jump of 13 points since November—is dangerous, and can be even more dangerous in the future, what with the decline in savings among the lower-income groups likely to increase the rate of credit buying.

A relatively lax credit policy means more dollars enter the market place to compete for the short supply of goods, a condition that reflects itself in higher and higher prices. Further, at this time when the Government is engaged in a huge defense program, installment selling of consumer goods tends to step up the bidding for, and thus the prices of, basic materials.

Actually, most credit men throughout the country have voluntarily tightened up installment terms if for nothing else than their own protection. Nevertheless, there are reckless and irresponsible members of any group, and the prospect of beating competition by liberalizing payment terms is certain to tempt some retailers. And it takes only a handful of them to touch off an inflationary credit war.

Fortunately, consumer credit is one element of inflation which can be controlled without much trouble. All that is needed is for Congress to give the Federal Reserve Board the same powers to set installment rates which it held throughout the war.

Pending before the House Banking Committee is a bill, sponsored by Senator BUCK, of Delaware, that would do just this. Certainly, the Eightieth Congress should adopt so elementary an inflation check without further stalling.

Proposed Nomination of William O. Douglas To Be President

EXTENSION OF REMARKS
OF
HON. GLEN H. TAYLOR
OF IDAHO
IN THE SENATE OF THE UNITED STATES
Thursday, August 5, 1948

Mr. TAYLOR. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a telegram from Chester Bowles, Leon Henderson, and Walter Reuther to Mrs. Elliott Dexter, of Encino, Calif., soliciting her aid in trying to put over the nomination of William O. Douglas as Democratic candidate for President, at the Democratic National Convention, and also the reply which Mrs. Dexter sent to those gentlemen.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

PHILADELPHIA, PA., *July 8, 1948.*

Mrs. ELLIOTT DEXTER,
Encino, Calif.:

A people which found Abraham Lincoln to lead them through their valley of the shadow and which brought forth Franklin D. Roosevelt in the hour of world agony cannot endure that in this crisis their choice for world leadership should be restricted to Dewey, Truman, and Wallace. We require a political and moral leadership which offers hope to all men everywhere by virtue of the equivalence of its professions and its practice. We require, also, a President whose personal qualities symbolize the America that we hope for and struggle to achieve. Such a man is Supreme Court Justice William O. Douglas. In view of the events of the last few days it is clear that the progressive forces in our Nation must unite on William O. Douglas for President. The record shows clearly that this man alone of those now available possesses the moral stature and political wisdom required of the President of the United States. The time is late but the issue is not lost. Mr. Douglas can be the Democratic Party Presidential nominee if sufficient support is evident before Saturday night's caucus of uncommitted Democratic delegates called by James Roosevelt. All stand against the current leadership and can unite upon William O. Douglas for President if Nation-wide sentiment demands this. We call upon you and your friends to indicate support of Mr. Douglas through telegraphic reply to the undersigned. We ask you to send to Leon Henderson at 610 Keystone State Building, Philadelphia, your financial contribution to help in this last ditch struggle to secure a President worthy of our great tradition. Let us fight to win with a man who represents the best in America's greatness. There is no greater cause than this. It is now up to you.

CHESTER BOWLES.
LEON HENDERSON.
WALTER REUTHER.

ENCINO, CALIF., *July 9, 1948.*

LEON HENDERSON,
Philadelphia, Pa.:

Since you listed me as one of Gideon's Angels in the CONGRESSIONAL RECORD of May 5 for the benefit of the Thomas committee I am amazed, but not honored, to receive your telegram asking me to support your present program. It has been the continued lack of cooperation of ADA with the other members of the great progressive cause who stood together under Franklin Roosevelt that

has put this country in the very position which you deplore now that the Democratic Party is drowning. You insult my integrity, my conscience, and my devotion to America to suggest or even imagine that I or any of my friends, whom I feel are as much devoted to America as was Franklin Roosevelt and are Henry Wallace and many great progressive Republicans and Democrats, would now rally to your support. It is amazing that you are now willing to accept such dangerous elements into your party after you have spent the last 2 years hurling invectives against us. When we have simply followed the dictates of our conscience you would have it believed that conscience is just a slick word for Moscow.

It is a strange day when members of your organization in the press and over the radio insult Henry Wallace by saying that he is controlled by the Communist Party or he is getting his orders from Moscow. It was simply because he could not be controlled by any party that in 1944 those who led the worst elements of the Democratic Party threw off Henry Wallace when he was about to be nominated, even after he had openly stated that the poll tax must go as must many other of our most undemocratic practices which still have never been remedied and are now again going back 50 years.

When Jackson found that Henry Wallace was continuing to win despite these statements he pulled a trick and called a recess. Despite the fact that you and those at the convention knew that Henry Wallace was the choice of Franklin Roosevelt these bad elements of the politicians were allowed to switch the delegates to Harry Truman. You now have what you asked for with the result that America has turned into a land of militarism and is in the hands of only the ruthless, greedy minority of international cartel bankers while every civil liberty that belongs to this land has vanished and we have become a police State with only one more step to take and that is the jails and the concentration camps. When Henry Wallace broke with the Democratic Party, and those who believed in America's rightful heritage went with him, we did so because of the Truman doctrine which started the most disgraceful epic in American history. In the last 2 years the only voices which have been raised against the disgraceful foreign policy of this country and the persecution by the Justice Department of perfectly innocent people and the destruction of all civil liberties without any regard for the Constitution and the bill of rights have been the voices of Henry Wallace and of courageous progressives whether in business, agriculture, labor, or the churches. If we did not have the new party, I and millions of others would vote Republican before we would think of voting for Harry Truman who has in every way exceeded the Thomas committee in his Executive order on loyalty checks on Government employees.

Justice William O. Douglas is a splendid man and he is badly needed today in the Supreme Court when even that body of august men seem to have forgotten the difference between antifascism and fascism. In addition he is too good a man to put in such a position when the international imperialists and the same party bosses who were always the greatest scandal even during the New Deal are in complete control of the party in league with many of the Republicans.

If Thomas Jefferson could stand up to being called a Jacobean and a traitor because of his understanding of the French Revolution then I think that we can stand being called subversives or agents of a foreign power for the sake of this great country and for the people of this country who are being so badly abused because of the lack of courage anywhere among the so-called liberals of America. But we, of the New Party, are in the fight to stay and it is a fight which goes far beyond the shores of America. Those of us who do have a vision of what is happening over the entire universe must carry those who have none during these critical times. It is not comfortable, nor secure, nor peaceful to live in these times, but if we wish to survive, we must fight for peace and the brotherhood of man.

NINA C. DEXTER.

The Third Party

EXTENSION OF REMARKS

OF

HON. BRIEN McMAHON

OF CONNECTICUT

IN THE SENATE OF THE UNITED STATES

Thursday, August 5, 1948

Mr. McMAHON. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an interesting article entitled "Truman Following F. D. R.'s Policies; Third Party Hit," written by Alfred Baker Lewis, a member of the American Federation of Teachers.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TRUMAN FOLLOWING FRANKLIN D. ROOSEVELT'S POLICIES—THIRD PARTY HIT—ON ALL ISSUES PRESIDENT HAS SERVED INTERESTS OF WORKERS—COMMUNISTS BACK THIRD PARTY

(By Alfred Baker Lewis, member of Local 189, American Federation of Teachers)

The assertion by the high command of the Communist Party that they were responsible for launching the third-party movement, headed by Mr. Wallace, is no surprise to those who have been following political events closely. Evidently the Communists believe that the third party and Mr. Wallace are so firmly under their control, and that the innocents still following Mr. Wallace, despite the docility and obedience with which he takes orders from the Communists, are so very innocent that their bold assertion of their responsibility for the third-party movement will do their candidate no harm.

Even if the Communist leaders had not boastfully proclaimed their responsibility for playing the tune to which the third party dances, we would know that Mr. Wallace and his third party are the creation of the Communists. Michael Quill, the head of the Transport Workers Union, who was elected head of the New York City CIO Council by Communist votes, because they thought he was safely in their camp, has had the courage to break with them.

REVEALS MACHINATIONS

He has revealed that the Communists decided on a third-party movement, and then called in their fellow travelers and stooges in the labor movement, and gave them orders to support the third party and Mr. Wallace.

Brother Quill, to his credit, put his loyalty to the CIO, which, like the AFL, has denounced the third-party movement, above his friendship for the Communists. Accordingly, he broke with them over this issue and revealed the way in which they attempted to bully their fellow travelers and dupes in the ranks of organized labor into following their line.

The fact is that President Truman has acted in every respect to serve the interests of the workers. He vetoed the Taft-Hartley bill, and the Case bill before that, in a vigorous effort to save for organized labor the rights which it has won under the Wagner Labor Relations Act.

In an attempt to protect the buying power of workers' wages he has urged Congress to give the Government power to curb inflation by allocating scarce raw materials and by imposing price controls if that should be necessary.

He tried by a veto to prevent the Republicans from passing a tax-reduction bill which greatly favors the rich and is bound to cause further inflation and he urged Congress to adopt an excess-profits-tax law to tap for the Government the gigantic increase in profits which is currently pouring into the coffers of our great corporations.

He has urged an extension of the Social Security System to take in people who are not now covered, to provide for cash benefits and medical hospital and surgical care for those who cannot work because they are sick, and to increase the amount of benefits in keeping with the increased cost of living.

But the Republicans have refused to move; on the contrary they passed a law to take about one-half million workers, mostly salesmen, out of the list of social-security beneficiaries.

Truman has recommended legislation to provide more cheap electric light and power by the extension of the Tennessee Valley Authority system of publicly owned power plants to other river valleys. He has urged greater protection of our civil rights by a Federal fair-employment-practice law, by abolition of poll taxes as a requirement for voting in Federal elections, and by an antilynching law, measures which are favored by both AFL and CIO.

BLOCK TRUMAN PLAN

But again the Republicans have blocked every attempt to enact into law a single one of Truman's recommendations for greater protection of civil rights. Truman has urged legislation for Federal aid to housing.

The Senate, at least, passed such a law, but the Republicans in the House of Representatives have buried it because they are more interested in more profits for landlords than in more housing for veterans. He has urged raising the legal minimum wage, but again the Republican majority in Congress has blocked adoption of this reasonable proposal.

While he has urged opposition to communism by making our American democracy more real and genuine, he has wisely opposed the Mundt bill which would tend to drive the Communists underground, because some of its provisions are dangerous to organized labor and a threat to the civil liberties of all of us.

In every respect Truman has carried on the Roosevelt policies in domestic affairs, except that he could only recommend because he has had a reactionary majority in Congress against him.

In foreign affairs, too, Truman has carried on Roosevelt's program. When the Nazis attacked Russia, Roosevelt provided lend-lease aid to the Russians to help them resist aggression without asking whether Russia's Government was democratic or not.

Similarly, when Greece was attacked by Communists and when Turkey was threatened by the Russian Communist Government which demanded part of her territory, Truman urged aid to these countries even though their governments are not as democratic as we would wish. For aggression is aggression whoever are its victims, as Roosevelt knew, and in order to stop war we have to stop aggression.

PRESIDENT BACKS ERP

Similarly Truman has urged and has persuaded Congress to adopt the European recovery plan to provide economic aid for the democratic countries of western Europe. By strengthening their economy and making it possible for them to provide a higher standard of living for their workers, the ERP, first outlined by Secretary of State Marshall, will make it possible for these democratic nations to halt the growth of communism among their own citizens. This is

so because communism thrives on the misery of the masses and tends to die down when that misery is relieved.

But the very fact that the Marshall plan for European recovery will help those nations where political democracy still exists, and the further fact that our aid to Greece and Turkey has strengthened those countries which were marked by the Russian imperialists as their victims, has made Stalin and the Communist dictators of Russia's satellite states very angry. They have opposed and are opposing the ERP with all their might. They are similarly opposing all who advocate and support that plan, especially Truman.

That is why Wallace, and the Communists who are backing him and his third party, are attacking Truman. It is not because Truman has failed to support the interests of the workers and of the ordinary citizens of this country on every domestic issue, for he has.

It is not because he has trampled on our civil rights, for he has recommended greater protection of them. It is simply and solely because Truman opposes Russia's policy of expanding her control over more and more unwilling nations, and the Communists always faithfully support Russia's policy whatever it is, and denounce and oppose all who oppose Russia. They have now gotten Wallace to do the same thing for them.

The Poll-Tax Filibuster

EXTENSION OF REMARKS
OF
HON. CLAUDE PEPPER
OF FLORIDA
IN THE SENATE OF THE UNITED STATES
Thursday, August 5, 1948

Mr. PEPPER. Mr. President, I ask unanimous consent to incorporate in the Appendix of the RECORD an editorial entitled "The Poll-Tax Filibuster," from the New York Times of July 31, 1948.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE POLL-TAX FILIBUSTER

The abolition of the poll tax in seven Southern States cannot be regarded as an emergency. Even the President's Committee on Civil Rights, reporting last year, did not so treat it. The committee recommended prompt State action, failing which it believed that the Nation, either by act of Congress or by constitutional amendment, should remove this final barrier to universal suffrage. Certainly this meant a year or two of grace. But circumstances have brought the matter to a head at this special session. President Truman at Philadelphia openly challenged the Republicans to enact their civil-rights plank, even if they had to beat down a filibuster to do it. Now they have the filibuster. The House has four times passed this measure. The Senate would pass it if it could be brought to a vote. A minority of Senators, not all of them from poll-tax States, is willing to hold up the Nation's business and prevent legislation of a really emergency character in order to prevent a vote.

This situation presents two issues. One of them is majority rule. Is the Senate maintaining its own dignity and meeting its own responsibility when, under the guise of freedom of debate, it permits a legislative question to be decided by one-fourth or less of its membership? The other issue is the poll tax itself. It has been plausibly argued that Congress has no power to legislate in this field without a constitutional amendment. We cannot be sure on this point until an anti-poll-tax bill has been passed and appealed to the Supreme Court. Obviously the filibustering Senators do not believe the Court would annul the law, or they would not be so desperately trying to prevent its passage.

Whatever the constitutional argument, the practical argument for abolishing the poll tax and other limitations on universal suffrage is that Federal officials elected in communities where universal suffrage is denied make or administer laws for all of us. It is of concern to a citizen of New York or Vermont that these officials be democratically chosen. The poll-tax Senators who are now trying to throw a monkey wrench into the machinery of the special session are an excellent illustration of how grave that concern can be. The Republican majority in the Senate has the power to kill this filibuster. It will be untrue to its own principles if it does not do it.

Tribute to Josephus Daniels by L. P. McLendon

EXTENSION OF REMARKS
OF
HON. CLAUDE PEPPER
OF FLORIDA
IN THE SENATE OF THE UNITED STATES
Thursday, August 5, 1948

Mr. PEPPER. Mr. President, I ask unanimous consent to incorporate in the Appendix of the RECORD a very able and deserved tribute by Mr. L. P. McLendon to a great American who recently passed on, the Honorable Josephus Daniels, of North Carolina.

There being no objection, the tribute was ordered to be printed in the RECORD, as follows:

JOSEPHUS DANIELS, "THE OLD RELIABLE"
(By L. P. McLendon)

Mr. Chairman, fellow Democrats, ladies, and gentlemen, the Democrats of North Carolina have a superlative pride in joining with this gathering of members of our party in honoring here today four great Americans. That sentiment is shared by practically all of the people of my State regardless of their political affiliations. North Carolina gave a majority of its votes three times for William Jennings Bryan for President, twice for Woodrow Wilson, and four times for Franklin D. Roosevelt. The people of North Carolina admired Bryan and recognized in him a new leadership in a new political era. They loved Woodrow Wilson, not merely because he lived during a part of his youth in North Carolina, but because they loved his idealism and his nobleness of purpose. They first accepted Roosevelt and then adopted him as their very own because he put into words and into action the very sort of progressive government they had long believed in.

North Carolina's pride in this occasion is heightened by the fact that her own contribution to this quartet of great American Democrats—Josephus Daniels—contributed mightily to the political stature and success of the other three and enjoyed the confidence and genuine friendship of each of them.

Long before 1896 Mr. Daniels was an ardent admirer of Bryan. In 1896 the North Carolina delegates to the National Convention elected Daniels national committeeman and his leadership for the nomination of Bryan and the vote of the North Carolina delegation made Bryan's nomination a certainty. So powerful was Daniels' influence in the nomination of Bryan that William Allen White, prominent Republican newspaperman of that time, referred to Daniels as Bryan's Secretary of War. These men remained fast friends and on two other occasions Daniels worked for Bryan's nomination, and finally they served together as members of Woodrow Wilson's cabinet.

Daniels was among the first leaders of our party to recognize the statesmanship of Woodrow Wilson and to advocate his nomination as the party's standard bearer. He became the publicity manager of the Wilson campaign for the nomination in 1912. The dramatic events of that convention will long be remembered and recounted when ever Democrats assemble. Suffice it to say that Bryan and Daniels were perhaps the two most powerful men in the successful campaign for Wilson's nomination, a fact recognized by Mr. Wilson himself by appointing both men to his cabinet.

When Daniels became Secretary of the Navy in Wilson's Cabinet, Franklin D. Roosevelt, 20 years Daniels' junior, became the Assistant Secretary of the Navy. Then and there was begun another political and personal friendship which was to affect the fortunes of our party. The depth and sincerity of their friendship is attested by the fact that Roosevelt continuously thereafter addressed Daniels as "boss" and commissioned him as ambassador to our neighboring Republic of Mexico. We North Carolinians suspect, at least, that the apprenticeship of Roosevelt under the older and experienced political leader and keen observer, Daniels, was a real factor in the younger man's remarkably unique political career.

And so it may be truly said that Daniels was the one American who bound together this peerless quartet of leaders of our party. The contribution of these four men to the cause of good Government, to the success of the Democratic Party and to the service of the American people will always be an inspiration, not only to the people of America, but as well to the freedom-loving peoples of the world.

Americans who sincerely believe in good government and who want to advance the prosperity of our people and peace on earth may profitably study the life of Josephus Daniels.

Daniels believed with all his heart in a program of progress for the Democratic Party. He disliked the Republican Party, not because that party cannot be liberal and progressive, but because it never has been either liberal or progressive. He was a Democrat because he knew that the Democratic Party was closer to the masses of our people and he knew the aspirations and hopes of the American people have always been for a government administered in their interests. He was therefore a fighter within the party for progressive, forward-looking platforms and leaders. Let me take this occasion to remind you that it was the progressive and liberal leaders of the South who literally compelled the nomination of progressive standard bearers like Bryan, Wilson, and Roosevelt. If and when the South becomes reactionary it will be in the face of the indisputable history of the Democratic Party that it has been successful only when it has given to the voters of America a united front under progressive and liberal leaders. Daniels realized that truth and asserted it over and over. He therefore took his stand with the advance guard. He relished the idea of being the first to contact the enemy. He did not believe in defensive political battles. He did believe that the Democratic Party with a political offensive could always win in a battle of ballots.

This basic political philosophy of Daniels made him a powerful influence in the political life of North Carolina and of our Nation. He had no patience with littleness and meanness within the party. He was a vigorous and tireless worker for his conception of the best

policies and the best leadership for the Democratic Party. He did not always win. When he lost he remained loyal to the party. Believing in the American party system he knew, that to be successful, a political party must keep its organization intact in times of defeat as well as in times of success. For instance, he vigorously opposed the nomination of Gov. Al Smith, but when Smith was nominated he rose in the convention at Houston to make the nomination unanimous. Although North Carolina, in that election, gave the Republican ticket a majority, Daniels fought to the last for the Democratic ticket and every county in the circulation area of his newspaper gave a majority to the Democratic ticket. It was Daniels and many others like him who kept the party together in 1928 and made it possible to present and elect Roosevelt 4 years later.

This same philosophy made Daniels an advocate of the primary election system for the nomination of candidates of our party. He maintained that in primary elections there would always be a disclosure to the people of the character and records of the candidates, and above all an opportunity for the development of real leaders who do not fear to criticize the conduct of public office even by men of the same party. The result, he maintained, is bound to be better administration of public affairs and the choice of leaders in whom the rank and file have confidence and faith.

Daniels' political philosophy was both sound and practical. It can be said without fear of contradiction that his repeated statement of this philosophy in the columns of his newspaper and consistently through numerous political campaigns in North Carolina has been an important factor in keeping the Democratic Party in office continuously for a half century. President Roosevelt once complimented North Carolina by saying that it was "the best balanced State in the American Union." We North Carolinians are too modest to assert that such is the fact. But we can, with justifiable pride, say that no State in the Union can boast a better, cleaner, or sounder government for the past 50 years. Those of you who knew Mr. Daniels only as a national political figure will appreciate him all the more when you understand that among his home folk he was also a fighter, always for the integrity of the Democratic Party and for honest and progressive government.

Roosevelt and Daniels, more than any two men prominent in national political affairs in my lifetime, it seems to me, had a conviction that the continued success of our American form of democratic government demands that the Government must always keep abreast of the need of the people and always ahead of their demands. I do not believe I misinterpret the belief of either of these men by saying that when democratic government lags too far behind the needs of its people, sooner or later they will rise up in angry demand for reform and create the atmosphere in which communism and other antidemocratic philosophies thrive. In this critical hour there is no evidence that the Republican Party has any intention or disposition to recognize the unanswerable logic of Franklin Roosevelt and Josephus Daniels.

In these days filled with complex and difficult international problems it is well to recall that these four men were all sincere believers in the destiny of America as a peacemaker in world affairs. The fact that Bryan's approach to this all-important problem was different from that of Wilson, Roosevelt, and Daniels does not detract from his sincerity or his devotion to the cause of world peace. Throughout the centuries to come Woodrow Wilson's name will stand high on the list of world citizens who blazed the way for the establishment of a system of law for the preservation of the peace of the world. The seed planted by him will some day surely bring forth the fruits of peace. Daniels' administration of the Navy in the First World War will likewise take high rank in history as a demonstration of the efficiency of a democracy in time of trial.

Roosevelt, like Wilson, was not only an American but a world citizen. A man of lesser stature would never have possessed the imagination and vision to bring about the greatest scientific discovery in the history of man—the discovery of atomic energy. We can only speculate as to what he would have accomplished if he had been spared to wrestle with the problems of the postwar world. This much we do know—that he conducted World War II with amazing skill and laid the foundation upon which our Nation now stands as the most powerful nation on earth with the power and the will to promote and preserve the freedom of nations and peoples throughout the world. Daniels as Ambassador to Mexico demonstrated his ability as an Ambassador of good will. Under his guidance, the relations between the United States and Mexico have become more friendly and mutually satisfactory than ever before.

Many people in North Carolina came to refer to Mr. Daniels' newspaper as "The Old Reliable." The term is descriptive of Daniels himself. For almost three quarters of a century Daniels stood in the councils of our party as "the old reliable." There he was, always present, always a fighter for progressive party action, always against the standpatters, always advocating liberal leadership and policies and always a democrat in the finest sense of the term—there he stood—"the old reliable." North Carolina is proud of his courageous leadership and his contribution to the building of a stronger and more dynamic Democratic Party. Our State is proud of his record as a public servant. North Carolina, proud of her distinguished son, is also proud of the recognition this great gathering has accorded his memory today. Sixteen years ago Josephus Daniels originated and organized the first meeting of this kind in honor of William Jennings Bryan. If we could send him a message today it would be—"A great gathering of representatives of the Democratic Party have today added your name to a list of the party's immortals."

A young Confederate lieutenant stood at the feet of his fallen hero, the great soldier and master strategist Stonewall Jackson, and saluting his dead commander, said: "Sir, when you join the spirits of Hannibal, Caesar, and Napoleon tell them we still make war." We North Carolinians would send another message to Josephus Daniels: "When you meet with the spirits of Bryan, Wilson, and Roosevelt tell them that we still make war on the Republican Party and for the preservation of a free America and the liberty of our people."

Mending the Breach

EXTENSION OF REMARKS
OF
HON. JOSEPH R. BRYSON
OF SOUTH CAROLINA
IN THE HOUSE OF REPRESENTATIVES
Thursday, August 5, 1948

Mr. BRYSON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include an article I prepared and which appeared in the Christian Century under date of June 30, 1948, entitled "Mending the Breach":

MENDING THE BREACH

(By JOSEPH R. BRYSON)

In February 1947 the United States Supreme Court ruled, by a bare majority, that public school funds, raised by taxation, may be applied to pay for transportation of children to a parochial school in New Jersey. This decision is clearly in direct contradiction to the letter and intent of the Constitution, the first amendment to which provides that Congress shall make no law respecting an establishment of religion or prohibiting the free exercise thereof. In the language of Thomas Jefferson, this amendment is the "wall of separation between church and state." The Supreme Court has made a serious breach in that wall.

Like the "little cloud out of the sea" which Elijah's servant saw arising, the decision in the Everson case portends a terrible storm, the beginning of an assault upon religious freedom in America. To enable America to weather that storm I have introduced in Congress a proposed amendment to the Constitution, which provides "that neither Congress nor any of the several States shall aid any educational institution wholly or in part under sectarian control." This amendment would prohibit Congress or any of the States from furnishing free transportation or free textbooks or other educational supplies, or from otherwise defraying any expenses, for any person attending a sectarian educational institution.

I

Religious liberty is dependent upon strict separation of church and state. If history teaches any lesson, it teaches that religious domination over government leads to cruelties, compulsions, and oppressions. The founders of our republic, viewing the horrors of the Spanish Inquisition, the systematic destruction of the Huguenots and the oppression practiced by various Reformation groups, were determined that free conscience and free worship should prevail in America.

Even in America, for a time, some of the States taxed all their people for the support of the prevailing religious group. But Jefferson sounded the death knell of religious oppression when he wrote the great Virginia statute of religious liberty:

"Almighty God hath created the mind free; that all attempts to influence it by temporal punishments or burthens, or by civil incapacitations, tend only to beget habits of hypocrisy and meanness, and are a departure from the plan of the Holy Author of our religion, who being Lord both of body and mind, yet chose not to propagate it by coercions on either, as was in his almighty power to do; * * * that to compel a man to furnish contributions of money for the propagation of opinions which he disbelieves, is sinful and tyrannical; that even the forcing him to support this or that teacher of his own religious persuasion, is depriving him of the comfortable liberty of giving his contributions to the particular pastor whose morals he would make his pattern."

And the time-honored Virginia statute provided:

"That no man shall be compelled to frequent or support any religious worship, place, or ministry whatsoever, nor shall be enforced, restrained, molested, or burthened, in his body or goods, nor shall otherwise suffer on account of his religious opinions or belief."

Throughout most of its history, the Supreme Court has given strict interpretation to the first amendment in maintaining religious freedom. In the Pierce case, in 1925, the Court ruled that a compulsory education law is complied with when parents send a child to a private or sectarian school. This is in accord with the fundamental principle of religious freedom. But the point at which this principle is vulnerable, and critically so, is taxation for the support of religious schools. In the free textbook and free transportation cases, the guarantee of the first amendment has received deadly blows.

The first blow was struck in the Louisiana schoolbook case in 1929, when an act of the State of Louisiana provided that public funds

should be used to furnish schoolbooks for the school children of that State, including children attending private and sectarian schools. As in the recent Everson case, the Supreme Court upheld the Louisiana act on the public-purpose ground. The Pierce decision upheld the right of a person to send his child to a private or sectarian school, yet the Louisiana decision made tax assistance to such a school a public purpose—a completely illogical state of affairs.

The second blow against religious freedom was struck in the Everson case. Speaking for the majority of the Court, Justice Black stated that school-bus money could not be called a Government aid to religion on the grounds that it is paid to parents or children and serves the public good. In a strongly worded dissent, however, Justice Rutledge asked, "Does New Jersey's action furnish support for religion by use of the taxing power?" The purpose of paying bus fares, he declared, is to transport Catholic children to a place where they receive primarily religious teaching and guidance. The use of tax money is therefore for a religious purpose and in violation of the traditional American concept of separation of church and state.

There can be no question that aiding the Roman Catholic parochial schools is equivalent to aiding the Roman Catholic Church. Justice Jackson made this point clear when he observed in his dissent in the Everson case: "I should be surprised if any Catholic would deny that the parochial school is a vital, if not the most vital, part of the Roman Catholic Church. * * * Its growth and cohesion, discipline, and loyalty, spring from its schools. Catholic education is the rock on which the whole structure rests, and to render tax aid to its church school is indistinguishable from rendering the same aid to the church itself. * * * The State cannot maintain a church and it can no more tax its citizens to furnish free carriage to those who attend a church. The prohibition against establishment of religion cannot be circumvented by a subsidy, bonus, or reimbursement of expense to individuals for receiving religious instruction and indoctrination."

Commenting on the fact that 16 of the 48 States now provide for transportation assistance to parochial schools, the St. Louis Post-Dispatch said editorially: "The astonishing thing is that after so many years of sturdy and jealously guarded independence, religion is now considered so feeble as to need Government help."

II

It is significant that 3 days after the Supreme Court decision in the New Jersey case, a bill was introduced in the Maryland Legislature to provide free bus transportation for children attending parochial schools in Prince Georges County. Corresponding proposals were placed before the Texas and Indiana Legislatures.

In Idaho, a similar issue was raised when the State legislature passed a new school transportation act. An attempt was made to amend the act to remove the word "public" from before the word "school," in order to leave the way open for parochial schools to benefit. The wording was not changed, because the author of the amendment said he had been assured by the State superintendent of public instruction that "public school" would not be interpreted to work to the disadvantage of parochial schools. In other words, the present arrangement, under which the leading cities of Idaho permit public-school busses to transport church-school students, will not be changed.

More encouraging was the action of the people of Wisconsin, who voted down by a majority of more than 100,000 a proposed amendment to the State constitution which would have provided transportation of children to parochial and private schools as well as to public schools.

The Supreme Court of Iowa last year upheld a district court ruling that children attending private or parochial schools cannot be carried in public-school busses. In his opinion District Judge Harry Narey stated: "All children in the district have a right to attend public school at any time * * *. Should the parent prefer to have the child taught in an accredited private or parochial school he may exercise this option, but in so doing the child becomes a private pupil in a private school whose attendance must be paid for at private expense, at least so long as the public school is maintained and affords substantially the same or equivalent education."

Similarly, the courts of the State of Washington have twice ruled against the free transportation of parochial school pupils. The first case involved a challenge to the 1941 act of the State legislature which granted such transportation. Judge John M. Wilson ruled that the act violated the State constitution, which expressly forbids the appropriation of money or property for "any religious worship, exercise or institution, or the support of any religious establishment." In his decision Judge Wilson cited the Oklahoma Supreme Court decision in the case of *Gurney* v. *Ferguson*, which held that use of public money for transportation of parochial school children is "an expenditure in the furtherance of the maintenance of the school as an organization."

The Supreme Court of Washington upheld Judge Wilson's decision, but in 1945 new legislation was passed and under its provisions a new test case was brought against the Nooksack Valley school district, seeking to compel it to provide free bus service for children attending the Christian Reform School in that vicinity. It was held, however, that the new legislation did not overrule the 1943 State supreme court decision that such transportation is not legal.

In Chester County, Pa., Judge Ernest Harvey ruled that the Kennett Consolidated School could not be forced to provide free transportation for a pupil of St. Patrick's Parochial School in Kennett Square. It was contended in the case in question that the compulsory school attendance law made it mandatory for the State to provide free transportation, but Judge Harvey ruled: "The legislature intended the absence of free transportation to excuse only a child who would otherwise attend a public school in session."

III

In view of the many cases that have come up, and the many more that will undoubtedly come up in the future, there is a clear need for explicit legislation which will resolve the entire issue of aid—in any form—to sectarian institutions. The purpose of my proposed amendment (H. J. Res. 187) is to clarify and extend the first amendment of the Constitution, making it unlawful for Congress or any of the States to permit the furnishing of free textbooks or free transportation to persons attending sectarian schools. The prompt adoption of this proposed amendment is urgently necessary in order to repair the damage already done and to prevent any new assault upon fundamental religious liberties. Unless this or similar legislation is adopted, we may expect abuses to increase in magnitude and to bring serious consequences in our efforts to maintain religious freedom.

It is difficult to reconcile the Supreme Court's decision in the Everson case with its subsequent decision in the McCollum case, in which it ruled out released time for religious instruction in public schools. In the Everson case, expenditure of public funds for sectarian education was involved, while in the McCollum case there was no question of the use of public funds. Here is a paradox. The wall between religion and the state is thus made higher and more impregnable than the wall between the Roman Catholic Church and the state.

Whatever benefits Protestant Christianity expects to derive from attempting to promulgate its faith on public-school time and with public-school facilities are offset by the fact that it is thus widening the breach in the wall that separates church from state. A wall with a breach is not a wall at all; it is a thoroughfare of infiltration. The smallest breach which Protestants make in that wall works chiefly to the advantage of the Roman Catholic Church in its efforts to draw on the Public Treasury. Protestants must be content to ignore the potentialities of the public schools as an avenue of religious instruction, for they cannot do otherwise without compromising their own position in the matter of public-school funds for transportation of parochial-school pupils. The more Protestants agitate against the Supreme Court decision in the McCollum case, the more hollow become their protests against Catholic encroachment in the Everson case.

We must accept Justice Frankfurter's dictum that "separation means separation, not something else." Certainly we cannot give the slightest credence to the charge that the decision in the McCollum case is a triumph for atheism. On the contrary, it is a victory for freedom of thought and freedom of conscience—two principles which lie at the very base of all religious freedoms. We must not allow our religious fervor to blind us to the essential fact that no religious faith is secure when it meshes its authority with that of the state. Separation is not relative. It is absolute, or it is nonexistent. Protestants have more reason to cheer than to fear the Supreme Court decision in the McCollum case.

Protestant energy must be directed, not at fighting for "released time" in its many varieties, but at restoring the principle of absolute separation of church and state where that principle has been weakened or shattered. Let us give our children religious instruction in the home and in the church, without demanding public favors, and let us insist that the Roman Catholic Church, or any church, be required to do the same.

Our public-school system is the bulwark of democracy. In the public schools our children are given an education that teaches them not only how to earn a living but also how to live in accord with those social principles and ideals upon which our Republic was founded. The teaching of religion is left to the will of the parent. The place for religious instruction is in the church and at the family altar, not in the public schools. The Catholic schools, on the other hand, are maintained solely to advance a particular religious faith—a faith which teaches that both the family and the state must bow to the sovereignty of the Roman Catholic Church.

In this connection, I hear again the ringing words of Dr. Charles Clayton Morrison, contributing editor of the Christian Century: "In this open forum of religious liberty, I say, let every church stand upon its own feet. Let it flourish or perish in the spiritual and moral competition provided by our Constitution in this broad domain of freedom. Let every church support itself by its own resources through the voluntary gifts of its members. * * * But let it keep its hands out of the Public Treasury."

In the wall of separation between church and state, a serious breach has appeared. Those who believe in religious freedom must adopt the watch cry of Nehemiah: "Let us build up the wall."

United States Information Program

EXTENSION OF REMARKS
OF
HON. JOHN W. McCORMACK
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Thursday, August 5, 1948

Mr. McCORMACK. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address by the Honorable George V. Allen, Assistant Secretary of State for Public Affairs, at the Mount Holyoke College Institute on the United Nations, South Hadley, Mass., Tuesday, June 29, 1948:

UNITED STATES INFORMATION PROGRAM

I believe it would be useful, at the outset, to point out what is to be included in the subject for our discussion tonight, and what is excluded. We are concerned this evening with the efforts of the United States Government, acting through the Department of State, to send information abroad regarding the policies of the American Government and the way of life, the political principles, and the aspirations of the American people.

The Department does this through such methods of disseminating information as are available, notably through public speeches, newspapers, magazines, books, films, and the radio. These are referred to in the trade as "mass media of information."

The Department of State also has a responsibility for informing the American public of the foreign policy aims of the United States Government, but activity in this field is a domestic operation. Since you are concerned at this meeting with foreign affairs, I shall limit my discussion to the foreign information field.

We are frequently asked in the Department to state the aims of our foreign information program. The answer, I believe, is not difficult to formulate. Our information program is nothing more, nor less, than an instrument—one of the instruments—in achieving the foreign policy of the United States. That policy has today one paramount aim, the preservation of democracy as we understand and have always used the term. We seek the preservation of democracy in the United States and assist the free peoples of the world in preserving their liberties. We hope that in due course other peoples who have lost their liberties will be able to regain them.

The information program is but one of the implements we employ in our efforts to achieve our great foreign-policy objective. I would by no means claim that it is our most important implement. Our financial and economic efforts to assist in the economic recovery of Europe are perhaps our outstanding implementation of foreign policy today. What we are remains more important than what we say we are. Doing is more important than saying, or promising, or boasting. Indeed, so true is this doctrine that we waste our energy, our manpower, and our resources if we say anything at all in our information program except what we are, or what we do, or what we genuinely expect or hope to do.

I have frequently tried to assess why it was that Nazi Germany, the country which devoted more time and effort and money than any other nation to the work of information, or propaganda if you wish, had so little propaganda success. Herr Goebbels, the outstanding protagonist of the propaganda technique, succeeded, during the recent war, in achieving perhaps the greatest single success, as far as gaining a large listener audience is conceived, when he put Lord Haw Haw on radio Berlin. Many of you will recall the eagerness with which Americans tuned their shortwave dials during the war, trying to hear what Haw Haw had to say. During the worst days of the bombing of Britain residents of London still tuned their dials to listen to him. There is no doubt that Goebbels succeeded in getting a great and eager listening audience. The Japanese achieved the same sort of success in the Pacific with a girl called Tokyo Rose. Our soldiers sat in foxholes in Guadalcanal and Guam, scanning their watches to be certain to hear her daily transmissions. If the task of a propagandist is to get listeners, the Nazis and Japanese scored tremendous successes.

But no one has produced any evidence that Haw Haw made the British military or civilian population fight one whit less hard through 6 years of war. Nor did the blandishments of Tokyo Rose have any harmful effect on the fighting spirit of our marines at Tinian. Quite the contrary. The German and Japanese propagandists only succeeded in increasing our determination. Their money and effort were worse than thrown away.

Why did they not succeed? I have asked myself this question often during the past 3 months, since I began considering this subject. The answer, I believe, is relatively simple. The Japanese and Nazis failed because they did not tell the truth. They told a few truths, yes, regarding bombing targets and raid objectives—enough to give a similarity of truth and to attract listeners, but the basic underlying theme of their broadcasts was not truth, and our listeners marked it down as easily recognizable propaganda.

Americans have always felt, rather instinctively, that the best way to conduct an information program is to tell the truth, and only the truth; but I had not realized until going into the question, just why this is so. I am fully convinced that if our information program is not based on truth, we had better close down all our broadcasts and call home all our press attachés from our embassies abroad.

The primary advantage we have over the propaganda efforts of totalitarian states today is the fact that we Americans are not obliged to present ourselves to the world as models of perfection. The United States has so many virtues to overcome its shortcomings that we need not fear the effect of our being truly known abroad.

Totalitarian propagandists must picture their country as a paradise on earth, where everything is perfect, and must proclaim that everything in democratic countries is wicked and debased.

In our information activity, we must present our civilization in its true color if we are to be effective. That color is gray—not lily white. We have the enormous advantage in our information program that we are willing to admit our imperfections and to tell the truth as nearly as we can ascertain it.

If, however, those in the State Department and elsewhere who are in charge of our information work should ever become subject to the daily fear that they might say something objectionable to some official, or suppress unpleasant facts for fear of losing their jobs, the result would eventually be that we would water down our scripts until American broadcasts would become merely the counterparts of that of the totalitarian propaganda. American would be presented to the world as the home only of sweetness and light and the world would be no more convinced by our broadcasts than they are by totalitarian efforts.

I do not pretend that the truth is any easier to ascertain today than it was in the days of jesting Pilate. But we must be motivated always by the effort to find it out, and to state it clearly and boldly as nearly as we can.

As many of you may know, the formalized effort of governments to influence people outside their borders through organized information or propaganda programs is a relatively recent development. The first scheduled short-wave broadcasts in a foreign language by any government, for example, was inaugurated by the Nazis in 1936, I believe, when Herr Goebbels put on a Russian-language program beamed to the U. S. S. R. (Private American broadcasters began broadcasting in Spanish to Latin America as early as 1929, but entirely as a commercial venture without Government sponsorship.)

The British Broadcasting System inaugurated its foreign-language broadcasts in 1938, as I recall, using at first German, Russian, and French. Radio Moscow began to speak in German, French, English, and other languages about the same time.

The American Government's entry into the foreign information field came in 1942, as a result of the war. Two independent agencies of the Government in Washington were given the responsibility for this program. These were the Office of Inter-American Affairs under Mr. Nelson Rockefeller, for Latin America, and the Office of War Information, under Mr. Elmer Davis, for the remainder of the world.

At the close of the war, in the fall of 1945, these two agencies were transferred to the Department of State, and that Department found itself charged, for the first time, with responsibility for our foreign information program. The primary job at the start was a liquidating operation. My predecessor, Mr. William Benton, had the task, for example, of reducing the 13,000 employees in OWI by 90 percent.

There was considerable doubt in the minds of Congress, private information media officials, and others concerning the propriety of the United States Government's continuing in the information field during peacetime. Most people hoped that since Nazi Germany, the government which had perverted information to propaganda purposes, had been defeated, the victorious Allies would continue to associate harmoniously in peace as they had in war, through the newly formed United Nations. It was hoped that misunderstandings and misrepresentations of motives among nations would be reduced to a point where no official information program by the United States would be required. Publishers of American newspapers, magazines, and books, and officials of American radio networks and motion picture studios felt they could do a better job than the Government in telling the American story abroad.

Debate on the subject was at its height in the summer of 1947, when many Members of the United States Congress visited Europe and the Near East. They were amazed at the extent of misunderstanding and willful misrepresentation of the United States which they found abroad. They returned to enact legislation, known as the Smith-Mundt Act, signed January 27, 1948, providing for an official foreign information program as an integral part of the conduct of our foreign relations.

It is under this act that we now operate. Our information work is conducted primarily through three divisions, handling radio, press, and motion pictures. We also disseminate information abroad through 50 United States Government libraries. These libraries are considered primarily as educational institutions and are administered under our separate educational program, but the American newspapers and periodicals displayed on our library tables abroad are predominantly informational in character. (There is considerable question whether educational and informational work can be sharply delineated.

Someone has characterized our entire information program as "adult education.")

The most conspicuous of our official information activities, as far as the American public is concerned, has always been the short-wave radio programs beamed abroad, known as the Voice of America.

Much has been heard recently of the congressional investigations of the Voice of America. I do not propose to dwell on this subject tonight, except to say that I regard the investigations as having served as a highly salutary purpose. They have clarified the atmosphere and have brought to light misunderstandings regarding responsibility and laxness in supervision which ought not to have been allowed to continue. I may add that I have often thought, during these recent congressional hearings, of the opinion expressed, I believe, by Lord Bryce in his monumental study of the American commonwealth, that the single most important contribution made by the American Government to political science has been the congressional investigation. This thought has sustained me through many days of such investigations during the past three weeks.

I wish to refer at this time, however, to another voice, which I would like to call the Voice of Democracy. I do not have in mind any radio program, either domestic or foreign. I refer to the Voice, or the synthesis of the voices, of all mankind throughout the world, who believe in the principles of individual freedom and human liberty.

This Voice should find its principal outlet in the various organs and independent agencies of the United Nations. The American people regard the United Nations as having been founded on the principles of democracy as we understand the term. Woven through the warp and woof of UN and all of its constituent parts, notably in the charter of UNESCO, is the concept that the human mind and spirit should be free from the chains of repressive government.

Perhaps the most frequently discussed of the many human rights and aspirations, is the freedom of speech. (And now we have added to that, in the United States, not only the right to speak, but also the right to speak loudly, since the Supreme Court upheld the right, in principle, of a religious group to use mechanical loud speakers in the propagation of its faith.)

A companion piece to the right of man to speak freely is the equal right of an individual to listen, in this modern age of radio communication. To this we must also list, as David Sarnoff has pointed out, the freedom to look, in these growing days of television.

Membership in the United Nations carries with it an obligation on the part of every member government to permit its citizens the full right to speak and the right to read and to listen and to look at news and ideas depicted in the press, radio, and all other information media without regard to national boundaries. Only in this way can the voice of the world's people, the voice of democracy, be created.

The Secretariat of the United Nations has conceived an excellent plan for a greatly increased information program, to disseminate knowledge of the activities of UN through press, radio, and pictures. This is an excellent project, and the facilities of the American Government, especially in the field of short-wave radio broadcasting, will be made available to UN to the maximum feasible extent, to assist in this most desirable project. But the official voice of the United Nations is not what I have in mind. The voice of democracy today is the combined expression of every newspaper and every radio program, every public speaker and private discussion group, in the United States and in every other nation in the world where man is free to make his opinions heard. Anyone at Lake Success who speaks on behalf of genuine democracy is a part of that voice.

The struggle in the world today, as President Truman has recently indicated, is not a struggle between two powerful nations. It is a struggle between two concepts or ideas. I do not hesitate to place it on the level of a struggle between good and evil, the good represented by human liberty and the evil by the totalitarian police state.

My experience in Iran during the past 2 years has caused me to visualize this conflict more clearly than I had before. Some of my Iranian friends who did not understand the nature of the conflict were quite frank in saying to me, "Why must Iran, a relatively small and weak country, continue to be involved, against its will, in great-power struggles? Why can't we be left alone, to live our own lives without disturbing or being disturbed by anyone? As for the quarrel between the United States and U. S. S. R., a plague on both your houses."

If the contest in the world today were merely another contest between two opposing imperialisms, one could sympathize fully with this attitude. But it is not such a struggle. I make that declaration flatly and bluntly, despite certain groups, even in the United States, who regard the present world difficulties in very much the same light as did my Iranian friends to whom I have referred.

In the struggle between the voice of democracy and the voice of totalitarianism, every human being in the world has an equal stake. There are those who promote fascism and communism on both sides of the iron curtain, and those on both sides who are devoted to freedom and liberty. Every individual in the world has a choice to make. Liberty is challenged today on a scale never approached in modern times. This struggle of ideas will not go away and leave Iran alone, nor will it bypass any other nook and cranny of the globe where there are human beings, motivated by human desires and aspirations. There can be no neutrals in such a struggle, whether the contest is within a single village, a Nation, or the world.

The Voice of America is and must remain a part of the voice of democracy. We must strive, in every possible way, to sustain what our experience, and world experience, has shown to be the best system of government and of society yet devised—the system which protects the individual against the repression of his human liberties by the state.

It is wicked for individuals or groups inside the United States or any other democratic country to utilize the freedoms of democracy in order to agitate for a system of government which offers spurious panaceas of equality, but which would immediately eliminate all such freedoms as soon as it came to power. How shallow it is for certain American citizens to visit the Soviet Union and return to this country puffed up with the fact that they were received on a basis of racial or social equality in the U. S. S. R. I saw the same thing happen to tribesmen in the Middle East.

It is true that Uzbeks and Tajiks and Tartars have the same rights in Moscow as the Russians and Ukrainians and Georgians—the equal privilege of voting and speaking exactly as they are told and of going to Siberia if they breathe a word of criticism of the regime. It is true that democracies have not yet achieved all the equalities to which they aspire, but their vision is not clouded by any false belief that the security of the prison or the equality of the animal is the answer.

The United States information program must make these and other facts clear. At the same time, we must guard constantly, in our fight against the Communist brand of totalitarianism, which is most dangerously active at the moment, against the tendency to get in bed with the Fascist type. We must "play it straight down the middle," devoting every ounce of our energies to the preservation of the human personality and the steady advancement toward the achievement of our goals through democratic processes.

Filibusters in the Senate

EXTENSION OF REMARKS

OF

HON. CLAUDE PEPPER

OF FLORIDA

IN THE SENATE OF THE UNITED STATES

Thursday, August 5, 1948

Mr. PEPPER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "Filibusters in the Senate," published in the Tampa (Fla.) Tribune.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

FILIBUSTERS IN THE SENATE

The United States Senate has a proud tradition of free and democratic debate. But the democratic process is taking an awful beating as southern Senators go blithely along with their filibuster over the proposal to create a permanent Fair Employment Practice Commission.

We have little patience with the filibusterers. By vowing to talk the measure to death, they have employed a device that is the enemy of democratic principles.

But we also haven't any patience with Senator CHAVEZ, of New Mexico, who was guilty of decidedly poor timing in bringing up the bill just now, ahead of legislation that is of greater importance. In addition to tying the Senate's operations in a knot, he has hindered the chances of the bill he was trying to help.

This is not to say that we are opposed to a permanent FEPC. Although we are convinced that the bill now under discussion is impractical and unenforceable, we do concede that a bill which would seek in a conciliatory way to give every American, regardless of race, religion, or national descent, a chance to make a living, would be a good thing. An FEPC based on common understanding of problems, and without drastic compulsions such as possible fines and jail sentences for employers, may be needed. However, legislation affecting vital domestic and international problems is needed more at the moment.

There are two ways out of the present deadlock. One is to break the filibuster by applying cloture, or limitation of debate. This would require a two-thirds favorable vote. The other is for President Truman to exercise leadership in persuading the bill's sponsors to withdraw it until more important matters are settled.

In this critical time, when labor, housing, demobilization, and other domestic problems press for solution and the programs for national security demand action, continuance of a filibuster is utterly ridiculous. Whatever method is employed, the Senate and the administration ought to act instantly.

The Record of Congress and the Issues of the 1948 Campaign

EXTENSION OF REMARKS
OF

HON. MARION T. BENNETT
OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 4, 1948

Mr. BENNETT of Missouri. Mr. Speaker, a writer once said: "A campaign is that period of time during which candidates pelt each other for the public good." Indeed, it is a good old American custom and one which has helped make America great. This is one of the few places in the world where we can still elect our own leaders and fire them at stated intervals if they fall down on the job. It has been my job to represent the Sixth Missouri District in one branch of the Congress during the past 6 years. The people have elected me by increasing majorities at three elections, giving me majorities in each of the 11 counties of the district. As Members of the United States House of Representatives we hold office for only 2 years at a time. That means we must run for reelection every other year. That is tough on the candidate but good for the people. It is a system which keeps Congress close to the needs of the people and aware of the demands of public opinion.

In November 1946, at the last general election, the people of America overwhelmingly voted for a change—a change for the American way of life. The issues in that campaign were summarized by the historic phrase which appeared on billboards across the land, "Had enough? Vote Republican!"

The bill of particulars epitomized by that short statement was a long and sordid story of mismanagement in Washington, D. C. That mismanagement was characterized by confusion, corruption, controls and communism in high places. Sixteen years of New Deal control of Congress had led us from WPA to war, and to a shortage of everything including shortening. Strange to find, after 2 years of peace, there was an increasing scarcity of sugar, meat, automobiles, white shirts, toilet tissue, gasoline, soap, farm machinery, lumber, nylon hosiery, and apparently everything else we thought should be a part of American life, including freedom. In place of the necessities of life, we were given propaganda, black markets, regimentation, bureaucracy, class exploitation, deficit spending, machine politics, labor violence, questionnaires, CIO dictation and political answers to economic questions. Those were the melancholy days of Paul "Porkless" Porter, John "Steakless" Steelman, Chester "Beefless" Bowles, and, yes, "Horsemeat" Harry himself.

Republicans promised to get the Government out of the people's hair and back into the people's hands. Republicans promised lower personal income taxes, a labor law putting labor and management on equal footing before the law, elimination of unnecessary wartime controls, a reduction in Federal spending, a balanced budget and elimination from the public pay rolls of thousands of bureaucrats, especially those with Russian accents or philosophies. Those were the promises. How about the performance?

President Harry Truman, a candidate for reelection on the New Deal Democratic ticket, the Pendergast branch of it, not to be confused with the Dixiecrats of the South or the Moscow branch, headed by Henry Wallace, says, "The Eightieth Congress is the worst Congress in history. It is a do-nothing Congress."

That is a challenge and an issue. Do you approve of the record of the Eightieth Congress, the first Republican Congress in 16 years, or do you want to go back to the days of rubber-stamp Congresses, the kind Mr. Truman would praise—the kind which says "yes" to every proposal for spending, high taxation, extension of bureaucracy, appeasement of Communism at home and abroad, controls on business, labor racketeering, unbalanced budgets, and deficit spending? That is the Truman trail, down which he invites America in 1948.

I want to discuss the record of the Eightieth Congress, what it has done, and what it has refused to do. I will point out why it is necessary to have a Republican President who will cooperate with the Congress, starting in January 1949, in order that the mandate of the people as given in 1946 may be fully carried out. I want to discuss the issue, not only of the Congress, but the collateral issues the President has raised—high prices, labor, and housing—and the issues he would like to forget, Pendergastism, and the failure of his administration to meet the great challenges of our times because of lack of ability, ignorance, cowardice, crookedness, and lust for political office.

MAJOR ACCOMPLISHMENTS OF THE REPUBLICAN MAJORITY IN THE EIGHTIETH CONGRESS

During the short span of its existence, and as of the end of the second session, a total of 9,927 bills and 1,914 resolutions had been introduced in the Eightieth Congress. Of these, 900 had become public laws. The President had vetoed 149 bills. Congress had passed six over his veto, including the Taft-Hartley Labor Act, the income-tax reduction bill, and an increase in old-age pensions and extension of social security to 3,500,000 people not previously covered. It takes two-thirds vote of each branch of Congress, the House and Senate, to override a veto. Republicans do not have that large a majority. Members of the President's own party frequently repudiate his leadership to support the Republican legislative program. Here are the major accomplishments of that program:

First. We freed competitive enterprise. The Republican majority in the Eightieth Congress liberated the people from 76,000 rules, regulations, directives, and orders of the jaw-breaking combinations of alphabetical agencies, thereby releasing the energy and the capacity of the people with resulting all-time highs in employment, production, profits, and wages, and a record $200,000,000,000 annual national income. The President claims credit for this change in conditions and says he should be reelected because of the prosperity he has brought America—while at the same time he says Republicans should be defeated for not returning those controls which had prevented this prosperity until the Republican election victory of 1946.

Second. Congress cut the national debt by $7,000,000,000 to fight inflation.

Third. Congress balanced the Federal budget. The United States Treasury for the first time in 16 years is now using black ink instead of red and is no longer resorting to inflationary deficit spending. We ended the 1948 fiscal year on July 1 with the biggest Treasury surplus in all history—$8,419,469,843, seven times the previous high established 21 years ago. Congress thus stopped deficit financing—fundamental cause of inflation.

Fourth. Congress reduced spendthrift budgets. President Truman's padded budget estimates were cut more than $6,000,000,000 and, in addition, we lopped off more billions in hold-over, wartime appropriations in the greatest, most complex Government financial conversion from war to peace in all time. We are getting away from the false idea that everything must be done by Uncle Sam spending our money; that every problem can be solved by a Washington bureau.

Fifth. Congress cut taxes. The Eightieth Congress reduced taxes $4,800,000,000 despite three Presidential vetoes, with 71 percent of the tax relief going to those with incomes under $5,000. Seven million four hundred thousand small wage earners in the lowest brackets were removed from the tax rolls completely, married couples were allowed to divide their income for tax purposes, and special, additional $600 exemptions were given persons over 65, and the blind.

Sixth. Congress improved labor-management relations, and abolished the portal-to-portal pay racket. We passed over Presidential veto the Taft-Hartley Labor-Management Relations Act providing fair and just procedures for peaceful settlement of labor-management disputes. This act, while in no way decreasing the rights of labor to strike or to bargain collectively, has eliminated many of the causes of strikes and provided a method for settlement of others. The record shows it has worked well. Work stoppages previously averaged 395 per month. They have been cut to an average of 201 under the new law, a reduction of 49 percent. The number of workers involved in new strikes each month from VJ-day until the new labor act was 337,000 per month. The average number of workers so involved since the act is 131,000, a reduction of 61 percent. From VJ-day until the new act, the average number of man-days of idleness caused by work stoppages was 7,213,000 per month. Under the new law this figure has been cut to 2,613,000 per month.

The record shows that under the new law, labor's gains, which have continued,

are made more often in peaceful fashion than by costly strikes, and thus labor has benefited from protection against lost wages and production, and so has the public. During 1946, the blackest year in work stoppages, workers lost 116,000,000 man-days while at present the annual rate is running about a fourth as much. On the basis of higher wage rates, the savings to workers is in excess of a billion dollars per year.

Under the new labor act's sound principles, our country is building a rule of reason for cooperation between employers and employees for their mutual benefit and for the good of all our people. The President demands that this law be repealed and that we return to the law of the jungle in our labor-management relations.

Seventh. Congress exposed Communists. The Eightieth Congress has battled for elimination of Fascists, Communists, and other subversives from the Federal Government, exposed Communists' infiltration in a minority of labor unions and in the Hollywood film industry; reversed the appeasement policy toward the Soviets; caused the jailing of Communists for contempt of Congress; landed top Soviet spies in jail and advanced legislation for public registration of alien-controlled Communists. We have made real progress, in spite of the President's opposition, in getting the Government out of the red and the Reds out of our Government.

Eighth. Congress aided European recovery with safeguards for our own economy insofar as such an inflationary, bipartisan program, made necessary by the threat of communism and failures of Administration handling of foreign policy, can be restrained.

Ninth. Congress strengthened national defense. The Eightieth Congress rescued our disintegrating National Military Establishment by unifying the armed services, by increasing appropriations to a total of $20,500,000,000 plus contract authorizations, with special emphasis upon air and sea power, and revised the Army system of justice in an effort to assure completely fair treatment under military law for officers and enlisted men alike. Congress also authorized $178,000,000 for merchant-marine expansion.

Tenth. Congress passed 188 bills meeting needs of war veterans, including increased compensation for disabled veterans with and without dependents; increased compensation for dependent survivors of war dead; increased subsistence payments to World War II veterans in institutional training; increased allowances for student GI's; increased proportional pay for veterans in on-the-job training, and cashing of GI terminal-leave bonds; higher pensions for Spanish-American War veterans and aids for veterans' housing. All this was done in spite of the President, who, in his message to Congress, January 6, 1947, said, "I believe our program of benefits for veterans is now complete."

Eleventh. Congress generated a building boom. The Eightieth Congress took the housing problem from the bungling New Deal administration and freed the building industry of stifling rules, regulations, and directives; stimulated construction through Government guaranties of building loans; had Government assume a large responsibility for veterans' loans; and gave war veterans priority in home building and rental of new homes. In 1946, under New Deal regimentation, subsidies, and confusion, 437,800 dwelling units were completed; in 1947, under Republican free enterprise and sound Government aid, 835,100 units were completed, and in 1948 a million dwelling units will be completed in the biggest building boom of all time. Yet, the President demands Congress go back to policies which failed when tried.

Twelfth. Congress helped farmers. The Eightieth Congress adopted a long-range agriculture program pledging price support for maximum production of food; provided twice as much money for rural electrification as any previous Congress and $100,000,000 more than the President requested; appropriated more than half a billion dollars for soil conservation, launched the greatest rural-road-building program in history; fostered stability of agriculture through a new, workable Crop Insurance Act; chartered the Commodity Credit Corporation and expanded Government aid in campaigns against livestock diseases and crop deterrents such as weeds and pests.

Thirteenth. Congress expanded social security. The Eightieth Congress passed over Presidential veto a bill increasing payments by $5 per month for the needy, aged, and blind and increasing payments by $3 per month for each dependent child. Congress overrode a Supreme Court decision and Presidential veto which would have extended social-security insurance payments to independent contractors over whom no employer exercises direct control. Congress thereby prevented a raid on the old-age and survivors insurance trust fund by those who had not contributed to it. At this point it is proper to remark that the President in the recent special session gave Congress a long list of social-welfare proposals he wanted enacted, some of a desirable character, and I hope to see the time when we can afford them. It will take many months to consider them thoroughly and they deserve the objective consideration they cannot possibly receive in the heat of a great national campaign. Democrats controlled Congress for 16 years. Now they say that they failed to deal adequately with social security, education, health and housing and blame Republicans for not enacting the programs they failed and refused to enact during 16 years of authority. I am surprised we made as much progress as we did, in face of the opposition and politics-playing of the administration. I agree with Senator ALBEN BARKLEY, of Kentucky, New Deal nominee for Vice President, who said to the Senate in July:

> I have done what I could to cooperate with the majority in bringing about an adjournment because I think if we sit here until after the convention at Philadelphia, or if we sit here between the conventions or after the the two conventions, the entire time of the Congress will be taken up with political bickering and political legislation and political oratory, and I do not want that to be brought about. I want to finish what we can finish and adjourn the Congress, and I have tried my best to cooperate with the leaders on the Republican side to bring about an adjournment.

When Congress returned to the special session it was confronted at once with a filibuster by southern Democrats protesting the President's civil-rights program for minorities. These Dixiecrats did not want Negroes to vote in the South and their speeches prevented anybody else from speaking or the Senate from considering for 2 weeks legislation their President recommended, such is the disunity in the President's party. Even so, the Republicans in the House eventually put through more inflation control and housing legislation and exposed another tremendous Communist spy ring at work in high administration circles, extending right into the White House.

Fourteenth. Congress established a National Heart Institute and provided liberal funds for a National Cancer Institute, to stimulate research upon and cure of these dread killers.

Fifteenth. Congress provided a cost-of-living pay increase for postal and other Federal employees caught between fixed incomes and rising prices. Congress increased some postal rates to offset the cost.

Sixteenth. Congress passed, over Presidential veto, the Reed-Bulwinkle bill, supported by labor and management, providing rates of rail carriers be approved by the Interstate Commerce Commission as being in the public interest, instead of by the political Department of Justice.

Seventeenth. Congress created the Government Reorganization Commission, a bipartisan group headed by former President Herbert Hoover, which is preparing to submit to the next Congress a comprehensive plan to reorganize the chaotic executive branch of government in the interests of efficiency and economy.

Eighteenth. Congress acted to limit Presidents' terms to two, by submitting to the States for ratification, a constitutional amendment.

Nineteenth. Congress aided small business. It created special committees of the Senate and the House which are seeing that small business, the backbone of American industry, gets a fair break, especially in the awarding of Government contracts for national defense and aid to foreign countries.

Twentieth. Congress extended the Reciprocal Trade Act with reasonable safeguards. This act was extended for 1 year with amendments requiring the President to report to Congress and the people when, in secretly making a trade agreement with a foreign country, he exceeds recommendations made by the United States Tariff Commission pursuant to standards prescribed by Congress, for protection of American industries and agriculture.

As I said earlier, the Eightieth Congress passed over 900 important laws.

I have given you 20. I think I have said enough to convince any reasonable person, however, that this was not the worst Congress, a do-nothing Congress, as the President charges; that it was, instead, an active Congress, a good one—one devoted to the public welfare. In the face of stubborn opposition from the White House, it has kept its promises to the people. This integrity in itself is a refreshing contrast to the callously broken campaign pledges of its New Deal predecessors. The Members have been busy, also, in their offices, handling a vast volume of correspondence and requests from their constituents, and in committees investigating many things in preparation for legislation yet to come, for the Eightieth Congress could not, in the less than 2 years of its existence, be reasonably expected to cure all the mistakes of 16 years of hasty, New Deal rubber-stamp legislation. We are giving careful consideration to all those problems affecting your pocketbook and our way of life. We, the people's representatives, are writing the laws now—not the left-wing bureaucrats. We have established solid foundations for a complete restoration of orderly, constitutional government, responsive to the needs of the people. We have reestablished the people's belief in the pledged word of a political party. We have made good on our promises.

This discussion would not be complete without reference to foreign affairs and inflation—our two most critical national problems at the moment.

FOREIGN AFFAIRS

Many of the ills confronting the United States and the world, root causes for high prices and about $30,000,000,000 in aid given to foreign countries since the end of hostilities, stem from the betrayals of American interest by appeasement of Soviet Russia in those sordid, secret, war-breeding conferences at Quebec, Yalta, Tehran, and Potsdam, not only by Mr. Truman but by his predecessor and by that host of Wall Street millionaires, munitions makers, international bankers, and professional military men who constitute his "brain trust" and Cabinet. The Republican Party had no part in making those blunders. We were not there. Our leaders in Congress were not consulted. We have tried in good faith to be bipartisan in our foreign policy, but the policy lacks many of the elements of true bipartisanship. It is becoming a convenient device to get us to share the blame when things go wrong. When things go right the administration claims all the credit. Read the New Deal platform adopted at Philadelphia. They even claim exclusive credit for winning the war.

It is startling that while the President called a special session of Congress he carefully omitted any reference to foreign affairs, delicate though they are. We cannot be blamed if things continue to go wrong. He is handling it. He wants no help, except unquestioning, bipartisan obedience when he asks for more money, more guns, more relief, to cover up the blunders he has created. It is obvious that an administration which harbors so many who see in the Russian way of doing things a better system than our own could not be expected to follow a consistent and firm position in dealing with communism at home or abroad. In January we will have Tom Dewey's firm hand on the steering wheel and things will be different. The President and not the Congress is in direct charge of our foreign affairs. Congress has a responsibility, but the President must call the signals. The Constitution makes him captain of the team. We need a captain who will not play on both sides; who will not send war materials to Russia as he has been doing, and is doing; who will cooperate with the Congress in its efforts to keep America American and avoid world war III.

One of the most costly blunders of the administration has been its failure and inability to plan properly for peace. The administration is afraid of peace. The New Deal was unable to solve the depression of the thirties without war and today has the Nation on a war footing and in priming the economic pump with war expenditures, preparations and headlines, unaware of any method of using our industrial capacity to promote the welfare of our people—apart from the wars and threats of wars which have characterized this and other Democratic administrations. More than 80 percent of our national expenditures now go towards preparation for war, foreign aid, assistance to veterans of past wars and payment on the war debt. I repeat, we desperately need a Republican President who will cooperate with a Republican Congress, working together for peace, prosperity, economy and a higher standard of living which will come with a lifting from the backs of the common people of America, and the world, the crushing burden of the armaments race which dooms all mankind to poverty and atomic war. This can be done under a strengthened world order for peace, law and justice, with a revitalized United Nations no longer the abandoned stepchild of the administration.

America today, due to the inept, vacillating and indecisive handling of our foreign relations has bewildered the world. We, to whom the world turns for inspired leadership, are honor bound to present a concrete policy of American thinking and action. Our foreign policy as presently administered is on a day-to-day basis. A sound and stated foreign policy, clear in its principles and unswerving in its aims to bring about and maintain world peace would be backed wholeheartedly by all our people.

The Republican Congress has delivered on its pledges to the people. It has done so despite obstruction every step of the way by an Administration whose philosophy of government revolves around radicalism, regimentation, all-powerful bureaucracy, class exploitation, government extravagance, stifling and destructive taxation, centralization of power and authority in Washington, coddling of Communists and corrupt big city politics, exemplified by the cesspool of civic corruption from which the present occupant of the White House crawled while the voters slept.

INFLATION

The President, in a desperate attempt to divert attention from the hopelessly divided condition and confusion within his administration and Party, called Congress into special session to act on a host of proposals to fix wages and prices, to expand government spending, increase Federal taxes, socialize medicine and generally regiment the life of every family, as well as agriculture, labor, and industry. His proposals would create an annual budget $20,000,000,000 more than the present one, thus making inflation inevitable and permanent. His proposal to combat inflation is to ration and fix prices and, at the same time, to pour gasoline on the fires of inflation by more government spending. His appointee on the Federal Reserve Board, Marriner S. Eccles, testified to the House that, "This program is unworkable. It does not make economic sense." One thing it does do. It gives you a clear-cut choice on the issue of high prices, and what you want done about them, if anything.

The New Deal has only one remedy for all types of trouble. More power over the people and more expenditures of public funds. To cure a deflation in 1933, it created WPA to shovel out the money. It created the NRA with its blue eagle, giving business exemption from the monopoly laws if it would just raise prices. It was the day of the blue eagle, the green light and the dark-brown taste. A pants presser in New Jersey was put in jail because he insisted on charging 25 cents to press a pair of pants instead of 35 cents, as directed by the NRA. In New York a poultry dealer sold a sick chicken at less than the NRA code price and was arrested, not for selling a sick bird but for selling for too little money. That was the first New Deal attempt at price-fixing and to bring about inflation. It was the sick chicken versus the blue eagle. The sick chicken knocked out the blue eagle in a battle before the Supreme Court. But other devices were dreamed up by the brain trust to increase prices. Gold was devalued and it was made illegal for you to have any. It is all buried in a hole in the ground at Fort Knox, Ky. Money was cheapened and today we have the inevitable results of these policies. Yet, the same remedy is proposed to cure what they attempted to, and did, create. They want more controls and more cheap money. Bernard Baruch says that what is needed now is a reversed policy, less spending, a balanced budget, more production, fewer strikes—those policies the Republican Congress has inaugurated to combat inflation. Understand me. This condition created by 16 years of tampering with our money supply cannot be corrected over night. It may get worse before it gets better. You cannot go on a spree and not pay for it with a headache.

A simple rule of either medicine or economics is that in order to prevent a thing you must control its cause. In

medicine you cannot prevent an illness by misreading the thermometer that is recording the patient's temperature, nor by fixing it so that it cannot rise, nor by throwing it in the river.

Likewise, in economics, you cannot prevent inflation that has already taken place by falsifying the evidence recorded in the market places where people do business, nor by attempting to fix prices, nor by closing markets and tampering with the free exchange of goods and services. Prices are the thermometer of the inflation patient, not the causes of the disease. To fool with the thermometer, and to claim that it protects the health of the patient, is the lowest form of economic quackery and the foulest brand of political snake oil. Even if the quack loudly proclaims his love of the patient and concern about his welfare, it does not make his shenanigans any less futile. Curbing inflation requires the treatment of causes, not condemnation of effects. High prices are not the criminal. They are only his tracks and inflation his name.

The New Deal wrecking crew in Washington has done all it can to hamstring private enterprise in such a way as to build up a clamor for wartime controls in peacetime and to stimulate a boom-and-bust economy. It has fought every effort of Congress to deal with the causes of inflation, which are many. It is pertinent at this point to remember that it was Harry Truman who vetoed, in 1946, the OPA extension bill which called for an orderly end to wartime controls. He, and not Congress, abruptly decontrolled commodities in an attempt too late to pacify irate voters in the 1946 elections. It was Harry Truman who, on October 16, 1947, denounced rationing and price controls in a White House press conference as, "The methods of a police state." These are the same controls he asks your Congress to put back now. I insist that the real, durable answer to inflation will be found not in building another jacket around the boiler in the form of price controls and rationing, and other legislative procedures, but rather in reducing the intensity of the fires under the boiler. Is there any prospect that the present administration will do that, that it wants to, or is capable of doing it? Let us look at the record. Here are some things in addition to those I previously mentioned that the New Deal administration has done which have made inflation inevitable and worse day by day.

First. Following a program of scarcity, killing stock, burning wheat, and throwing little pigs in the river, to increase prices. Republicans opposed this policy from the start.

Second. Permitted prominent New Deal officials to speculate on the commodity market, with inside information, running up the price of commodities. Republicans exposed and stopped this graft.

Third. Engaged in a tremendous Government buying program of things in short supply at home, to give away to the foreigners. Food, for instance, is cheaper in Great Britain than it is here. The reason: United States taxpayers give the British Government $1,000,000,000 annually to subsidize the British food prices. Republicans oppose this misuse of foreign aid.

Fourth. Engaged in deficit spending and creation of printing-press money to meet costs of unproductive Government spending, the chief cause of inflation. Republicans in Congress have stopped this.

Fifth. Opposed peacetime personal-income-tax reduction in 1947, permitting wartime taxes to add to the cost of living, cutting take-home pay and discouraging production. Congress overrode the President's tax veto.

Sixth. The New Deal has encouraged low productivity and has insisted that wage increases can be granted without increasing production costs and prices, keeping hundreds of thousands of people on the dole who should be made to get a job, and by condoning feather-bedding practices, business and labor monopolies. Republicans in Congress have exposed and worked to correct these conditions.

Seventh. The administration has drawn people from farm and factory to work in the political machine in Washington, and branch offices throughout the Nation, when they ought to be in jobs producing goods and wealth. The cost of Government has increased 817 percent under the New Deal, the national debt has grown 1,073 percent, the number of Federal employees 250 percent, and Federal taxes, of all kinds, 4,300 percent. The Republican Congress has taker long steps to correct all these conditions.

Eighth. The administration fostered and supported the OPA which reduced production, hamstrung business and farms, created all kinds of scarcities, black markets, and stimulated inflation. The Republican Congress refuses to revive OPA which the President called a failure and un-American but now wants restored.

Ninth. The New Deal has encouraged labor policies which result in strikes and crippling of production and has opposed all legislation to cure the causes of industrial unrest. The Republican Congress overrode Truman's veto of the Taft-Hartley Act.

Tenth. The New Deal administration has denounced private enterprise, has sought to put Government in competition with it in many fields and has approved every proposal for additional Government spending and extension of bureaucracy. The Congress has reversed this policy.

Eleventh. The President has failed and refused to use the powers granted to the administration by Congress to restrict expansion of credit on which expansion of the money supply is in turn based. The money supply has increased from $54,800,000,000 in 1929 to $164,900,000,000 today. The Republican Congress opposes a cheap money policy and is for a sound currency. Vice President Marshall once said, "What this country needs is a good 5-cent cigar." Republicans believe our greatest need now is a good 5-cent nickel.

All of these administration policies and others which could be mentioned, have had the effect of throwing gasoline on the fires of inflation. The only way to end the "tax, spend, and elect" policies which have reduced the value of the dollar and cut the value of every salary, savings account, Government bond and insurance policy, is to elect a new administration in November. Sixteen years of depression, war, and inflation is enough. Congress must be supported by a Chief Executive who will cooperate in the national interest, and who will not gamble with the people's savings, wages, and lives for partisan political advantage.

There is a passage in Ezekiel which reads: "Then whosoever heareth the sound of the trumpet and taketh not warning, if the sword come and take him away, his blood shall be upon his own head."

My friends, the trumpet is already blowing. Let us hear and heed its clarion call on November 2. Vote Republican and save what is left!

The Republican "Wreckord"

EXTENSION OF REMARKS

OF

HON. AUGUSTINE B. KELLEY

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 5, 1948

Mr. KELLEY. Mr. Speaker, under unanimous consent to extend my remarks, I am including a recent editorial from the Roscoe Ledger, of Roscoe, Pa., entitled "The Republican Wreckord."

Roscoe is in the midst of an industrial area and the people there must work hard for a living. This editorial no doubt reflects the feelings of these thousands of working people. There is a tone of bitterness about it which is not difficult to understand. These are the people who are feeling the brunt of high prices and inadequate housing. Coupled with it is the feeling that their efforts to obtain increased wages to aid them in fighting high living costs are frustrated by the Taft-Hartley Act.

The masses of the people have a complaint, and a just complaint, because the Congress has done none of the things it should have done to assist them in securing better living conditions, better homes, better schools. In fact, almost everything the Congress has done has reacted to their discomfort. If this special session does not act to relieve the burden on the people, the country will know about it. And Mr. Dewey need not look for a victory, for the people will not place in power those who have so flagrantly ignored their needs.

THE REPUBLICAN "WRECKORD"

The strongest attack on the do-nothing policy of the Republican-controlled Eightieth Congress has come from the Republican Party itself. The GOP, in convention assembled,

blasted the Eightieth Congress "wreckord" by admitting that the Congress has done nothing—by adopting a platform promising that this time they would do all the things they promised last time.

It is an alluring set of promises but the voter is not likely to confuse promises with performance. The real platform of the GOP is the "wreckord" of the Eightieth Congress. Here is how it reads:

The Republican Party favors—

Inflation and a rising cost of living because it likes high prices and even higher profits for the privileged few.

Monopoly and would investigate Government agencies for opposing price fixing.

Small tax cuts for low-income families and big tax cuts for the rich who need such aid least in the expectation that such funds will be contributed to the GOP campaign chest.

Illiteracy, overcrowded schools and underpaid teachers.

Bigger and better slums.

Reducing the atomic-energy program to a political football.

The Republican Party opposes—

Extending social-security benefits to those who need such help.

New-fangled projects such as the TVA because it dosn't want to increase public power where the profits from such projects do not go to the privileged few.

Decent homes for veterans at prices they can afford to pay.

Federal action to let working people obtain better medical care through health insurance.

Treating labor as a full partner in our economy and opposes raising the minimum wage to a living wage.

The Republican Party cannot make up its mind about the need for world recovery. Certain powerful factions in the GOP would revert to isolationism and would return to the days of the Smoot-Hawley tariff walls. Other factions manage to follow the international leadership of the Democratic administration along the road to peace, trying to justify such action in their own eyes by the completely unjustified claim that they inaugurated the policy.

The voter will not be fooled again. He will not confuse promises with performance.

Protecting Our Economy Against Inflation

EXTENSION OF REMARKS

OF

HON. WILLIAM H. STEVENSON

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 5, 1948

Mr. STEVENSON. Mr. Speaker, on August 2 I addressed the House stating that Congress should not adjourn this special session until something was done to curb inflation and to stop ever-increasing prices. I suggested that Congress stop the inflation of our national debt and the currency; that bank credits be restrained; and that consumer credit controls be imposed by the President through his emergency powers and by the Federal Reserve System.

The House has today passed Joint Resolution 157 to aid in protecting the Nation's economy against inflationary pressures, by an overwhelming vote. This resolution as passed by the House today authorizes the Board of Governors of the Federal Reserve System to exercise consumer-credit controls; and further authorizes the Board to change the requirements as to reserves in the member banks of the Federal Reserve System in order to prevent injurious credit expansion.

In its report to Congress on the resolution the Committee on Banking and Currency said:

The causes for the depreciation of the dollar are the easy money policies of the Government and the unusually heavy demand by foreign countries for American goods. For years the President and the Federal Reserve System have had the powers to stabilize our economy. Judicious use of these powers from now on can prevent higher prices and can result in economic and financial stability. Under the Anti-Inflation Act passed by the Eightieth Congress the President was given specific powers to control our exports. These export controls can be exercised by the President to adjust exports to domestic stability. At the time that authority was given to the President the Banking and Currency Committee stated that one reason for present high prices is the unusually large foreign demand for American goods that are in short supply in this country.

When Congress terminated the controls over consumer credit it specifically provided that such termination did not affect the authority of the President to reimpose such controls during any national emergency declared by the President.

Joint Resolution 157 as passed by the House today specifically spells out the power and authority of the President to control consumer installment credits.

In the January 1948 issue of Labor's Monthly Survey, published by the American Federation of Labor, the following significant statements were made regarding the cause of present high prices:

The root cause of today's continuing price rise is the inflation of money. Money supply in the United States of America was enormously expanded to finance the war, but even after the war it has gone on increasing at a rate out of all proportion to production of goods. That is the main reason why prices keep rising now. Today the total supply of money is three times that of 1939, while the supply of goods to be bought with the money is only 71 percent higher. The upward pressure of the huge money supply has been so great that prices were breaking through ceilings and black markets were appearing long before OPA expired. This was to be expected. The world food shortage and the foreign relief program increased the demand for scarce goods. These factors contributed to the upward price spiral. Its root cause was the inflated money supply resulting from wartime fiscal policies. Price control cannot dam an ever-flowing flood of money inflation. This has been proven again and again in country after country. We must attack the root cause of inflation, the excess money supply. The powers of the Federal Reserve System should be used to prevent inflation and to provide no more than a reasonable and normal growth in the Nation's money supply.

I hope that with the passage of Joint Resolution 157 in this special session of Congress, we have attacked the root cause of inflation, and that lower prices in the market place will result.

High Prices and the Cost of Living

EXTENSION OF REMARKS

OF

HON. WARREN G. MAGNUSON

OF WASHINGTON

IN THE SENATE OF THE UNITED STATES

Thursday, August 5, 1948

Mr. MAGNUSON. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a letter from Mrs. Elizabeth Vogel, of Seattle, Wash.; a telegram from B. F. Carpenter, president, Automotive Machinists Lodge No. 289, of Seattle; a postal card from Mrs. A. E. Lenhart, of Seattle; a letter from Eric Hvalsoe, of Seattle; a postal card from Emery Johnson, of Bremerton, Wash., and a letter from Harold O. Bucey, financial secretary, Cascade Lodge No. 297, the International Association of Machinists, of Tacoma, Wash. The communications relate to the subject of the high prices and the cost of living.

Following the printing of these communications, I also ask to have printed at the same point in the Appendix a letter which I sent under date of August 3, 1948, to the Senator from New Hampshire [Mr. TOBEY], chairman of the Committee on Banking and Currency.

There being no objection, the matters referred to were ordered to be printed in the RECORD, as follows:

SEATTLE, WASH., *July 31, 1948.*

WARREN MAGNUSON.

DEAR SENATOR: I wish to write in behalf of the ratification of the international wheat agreement. This agreement, as you know, is designed to bring order into international wheat marketing. I earnestly urge you to do your utmost to have this agreement ratified at the special session of Congress.

I am hoping and praying that our representatives will be guided by divine wisdom and not by human will. That they will do their utmost to stop these soaring prices. And also act on the other bills that are so necessary.

If the Republicans do nothing at this special session of Congress, as the commentators are telling us, I and many like me will vote for the Democrats—although I have always been a Republican.

Thanking you, I am

Respectfully yours,

Mrs. ELIZABETH VOGEL.

SEATTLE, WASH., *August 4, 1948.*

Senator MAGNUSON,

Washington, D. C.:

We earnestly request that you do all within your power to have Congress remain in session until they have adopted sound legislation that will defeat the inflationary spiral now in evidence. We are not concerned in who is at fault for past actions but we are vitally concerned about the increased costs of the necessities of life. Also request adequate housing program be launched.

B. F. CARPENTER,
President, Automotive Machinists Lodge, No. 289.

SEATTLE, WASH., *July 31, 1948.*

Senator WARREN G. MAGNUSON,

Washington, D. C.:

DEAR SENATOR: Maybe we don't agree with a lot of things President Truman wants, but still there is a job to do—housing, prices, the

Berlin situation. You Senators and Congressmen are hired (if you want to call it that) by us voters, and there is work to do. If I didn't do my work, I would be fired from my job. Please do what you can to get something out of this special session other than filibustering.

Very truly yours,

LORENE LENHART
(Mrs. A. E. Lenhart).

UNIVERSITY OF WASHINGTON,
Seattle, Wash.

WASHINGTON STATE CONGRESSMEN,
Care of Senator Warren Magnuson,
Washington, D. C.

GENTLEMEN: Suggest that the Washington delegation stay on the job and do some work. It appears that your comrades in the majority are playing "tic-tac-toe" or "cry baby." Why don't they grow up? I'm no Democrat but by God if a joke is going to be made out of the internal situation by the majority party, I'll be Democrat from here on.

An ex-GI,

ERIC HVALSOE.

BREMERTON, WASH.

Senator WARREN G. MAGNUSON,
Senate Office Building,
Washington, D. C.

DEAR SIR: I believe that price controls should never have been abolished. I realize that price controls have many ills but they are better than inflation. Do something now. I want to praise you for your efforts to have the large carrier-conversion job assigned to Puget Sound Naval Shipyard.

EMERY JOHNSON.

INTERNATIONAL ASSOCIATION OF MACHINISTS,
CASCADE LODGE, NO. 297,
Tacoma, Wash., August 2, 1948.

Senator WARREN G. MAGNUSON,
Senate Office Building,
Washington, D. C.

DEAR SIR: I have been instructed to communicate with you immediately in regard to the special session of Congress. Cascade Lodge No. 297, I. A. of M., urges you to stay in session until you have passed measures that will definitely stop inflation and roll back the present prices to where our members can pay them out of their wages.

We are not concerned with who killed the OPA, we have read about the death of the law and know how it come about, but we are concerned with the prices we have to pay now in order to live.

We also urge you to do something about passing an adequate housing bill at this session.

Don't play politics but do something constructive for the people of the country at this session of Congress.

Sincerely yours,

HAROLD O. BUCEY,
Financial Secretary.

Hon. CHARLES W. TOBEY,
Chairman, Banking and Currency Committee, United States Senate,
Washington, D. C.

DEAR SENATOR: Since I am not a member of the Banking and Currency Committee, but am intensely interested in the anti-inflation proposals now before you, I take this means of presenting some observations on this question so intimately related to the welfare of the American people.

Like every other Senator, I have heard from the people back home by letter and telegram. From the temper of these communications, I hazard this prediction: The summer heat in Washington, D. C., is mild compared to the heat many Members of Congress will encounter back home if, in this special session, we fail to act positively and constructively.

Inflation hurts everyone. It ultimately forces the corner grocer out of business. It penalizes the thrifty by reducing the value of their savings. Inflation denies the veteran his chance to own a home. It filches bread, butter, and beans from the table of the workingman. It is a thief which must be apprehended before irreparable harm befalls the community in which it operates. Inflation is high prices—meat at $1.50 per pound.

I believe nothing will be gained by trying to assess blame. Most Members of Congress, many economists, most businessmen, laborers, bankers, and the public generally guessed wrong at some time during the months since VJ-day—guessed wrong as to the ultimate product of forces at work in our economy. Many people who now clamor for Congress to do something, were in the "follies of 1946" singing for removal of controls. Had we all been given the vision to pierce the future, at any time along the road we have traveled, and in unison acted accordingly, we would not today be confronted with prevailing extortionate food bills.

The rush of prices toward an economic collapse can be halted if Congress will act. In acting, our employers—the people—expect us to drive the best possible bargain. In my judgment this means dealing with the problem on all susceptible fronts. Adoption of a single remedy may necessitate application in doses so heavy as to jeopardize the patient's chances for regaining economic health.

The multiple attack on inflation suggested by the President has been "brushed off" in some quarters with this excuse: "Let us stick exclusively to time-tested correctives—control of bank credit through powers of the Federal Reserve Board." I, too, have a healthy regard for the time-tested but would remind these advocates that as recently as 1918, this approach was itself an innovation. Were such arguments to prevail, no new techniques for putting the brakes on inflationary and deflationary spirals could ever be evolved.

To purge our economy of inflationary causes is a delicate process. Certainly the war-created obligations held by banks and other financial institutions cannot be retired overnight. Neither can we drastically reduce exports without simultaneously repudiating our present bipartisan foreign policy—and without denying to businessmen of the Nation the opportunity of reestablishing themselves in foreign markets. Nor can we refuse to build houses for our people to relax pressures on building materials, without at the same time incurring the risk of forcing housing prices still higher—current demand being pitted against a smaller supply. Further, I know of no responsible person in private or public life who has urged elimination of defense expenditures, although they account for over 30 percent of Government spending.

The wholly voluntary approach to inflation, allocation of materials, etc., has not brought results, largely because it has proven impossible to obtain simultaneous and concerted action by workers, businessmen, and consumers. "It is therefore necessary," says the President's Council of Economic Advisers, "that the Government should have and use powers in the interest of economic stability, to supplement the strength of individual actions, to give them common direction, and to prevent their dissipation through mutual conflict of purpose. Only with the support of wise and vigorous Government action can the effectiveness of voluntary actions be assured."

Only the Congress can give the Government the powers implied in this statement. The price of refusal to give those powers is loss of confidence by the American people in the leaders responsible for inaction; but even more to the point, the very people suffering most in the "boom" will bear the heaviest yoke in the "bust."

I stand ready to support a vigorous anti-inflation program. I believe an adequate program will fall within the framework of the President's proposals.

Best personal regards,

Sincerely,

WARREN G. MAGNUSON.

What Wisconsin Farmers Say About Congressman Stevenson's Farm Record in Congress

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EXTENSION OF REMARKS
OF

HON. WILLIAM H. STEVENSON

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 5, 1948

Mr. STEVENSON. Mr. Speaker, for the information of the farmers in my district I want to assure my rural friends that I have always been a supporter of the soil-conservation program, and I have voted consistently in favor of the dairy farmer, and for the various agricultural appropriation bills that have come before Congress ever since I have been a Member of Congress. I have voted for increased appropriations, for conservation and conservation payments, and for conservation of our agricultural land resources.

I have received many letters from farm organizations of Wisconsin commending me for my loyalty and support of the farm and dairy program as carried out by Congress.

The Pure Milk Products Cooperative recently wrote me as follows:

Dear Congressman STEVENSON: We thank you personally for the splendid fight you have made and for your unswerving loyalty to the dairy farmers of Wisconsin and the Nation; and we want to be on record as conveying our most sincere appreciation for your splendid service. We are grateful to you for your service. Our 21,000 dairy farmers want to personally thank you for your loyalty. We want you to know we are deeply appreciative.

The Wisconsin Swiss Cheese Producers' Association has recently written me as follows:

DEAR CONGRESSMAN STEVENSON: We have noted with gratitude your voting record. As a representative of our great dairy State your efforts in behalf of the dairy industry will not go unappreciated by those you represent. We wish to thank you for your integrity and loyalty in behalf of the farmers whose welfare is dependent on their dairy production.

Another cheesemakers' association of Wisconsin recently wrote me as follows:

DEAR CONGRESSMAN STEVENSON: We wish to thank you for your voting record and loyalty in behalf of the dairy industry and the farmers.

The Wisconsin Farm Bureau Federation has written me, saying:

DEAR CONGRESSMAN STEVENSON: Your record on all legislation pertaining to agricultural matters has been excellent. Because of your record we feel that we are justified in expressing our appreciation to you for the excellent job you have done.

The Wisconsin Council of Agriculture Co-Operative has recently written to me, saying:

DEAR CONGRESSMAN STEVENSON: Your work in Congress has been of great value.

Another letter from a Wisconsin dairy cooperative reads as follows:

DEAR CONGRESSMAN STEVENSON: This is one of the most pleasant tasks that we have been assigned. Yesterday we had an advisory board meeting made up of one man from each of our sixty-odd organizations throughout the State of Wisconsin. They represent over 13,000 dairy farmers in Wisconsin. It would have done your heart good to have heard these real dirt farmers express their gratitude and admiration. The enclosed resolution came from the farmers and was not directed by the management. Therefore, it is an exceptional privilege and pleasure for me to transmit the enclosed resolution to you. May I add my own sincere appreciation for the splendid work that you have done.

Barnacles on the Ship of State

EXTENSION OF REMARKS
OF
HON. HOMER D. ANGELL
OF OREGON
IN THE HOUSE OF REPRESENTATIVES
Thursday, August 5, 1948

Mr. ANGELL. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Oregonian of August 3, 1948:

BARNACLES ON THE SHIP OF STATE

Revelations of Elizabeth T. Bentley, insofar as they are authentic and not the imaginings of a frustrated Vassar girl, will sharpen public desire for a new personality in the White House.

Unquestionably, one of the principal factors in American public thinking just now is the suspicion—the knowledge—that abuses have accumulated under the long Roosevelt-Truman regime, and that these abuses cannot be corrected from within. It is the feeling that only a President from the opposite political party can take the action necessary for a house cleaning. And naturally the public desire for such house cleaning greatly strengthens the position of Governor Dewey not only because he heads the opposition party but because, more than any other person in the country, he symbolizes the relentless prosecutor. His record in the New York district attorney's office bears examination, even after the passage of years, so far as getting his man is concerned, and the public wants the truth out of the Federal situation.

It is natural that a lot of questionable persons should have found refuge, and operating headquarters, within the Federal structure, during Mr. Roosevelt's time in office. He was an autocratic President who attempted the impossible—that of keeping watch on everything personally. He attracted to his support all sorts of fringe organizations, and accepted their representatives into the Government. There was tremendous expansion of Federal employment under the New Deal and during the war.

Possibly Mr. Roosevelt was personally strong enough to have done something drastic about this accumulation if he had lived and retained his health. Instead, he was sick for some time, and died. And President Truman has been inadequate from the public's standpoint. Any general self-examination of the employment rolls under his direction would look like criticism of Mr. Roosevelt, and that is forbidden in all present Democratic strategy. But he also has seemed to put obstacles in the way of even the more reasonable congressional inquiries, and in view of his political origin through the Pendergast machine and his recent shift of the party to the northern city machines, the public remains deeply dissatisfied. A ship of state acquires barnacles, and President Truman shows no intention of bringing our ship into fresh water or into drydock.

How deep the dissatisfaction goes—and into what unexpected places—may be judged from the statement of one of the leaders of the Oregon delegation at the Democratic Convention, when the party organization was cracking to pieces.

"Anyhow," he said, "it helps to know that when Dewey is elected he will dump those fellows out of office."

"Do you mean in Washington or back home?" he was asked.

"I mean in Oregon—in the Pacific Northwest. They have been in too long."

Now, patently, the Democratic officeholders of Oregon and the Pacific Northwest are not below the average. Most of them with whom we are acquainted were normal, decent persons, at least when they were young and took the oath of office.

But as the Democratic Party worker forcefully brings to mind, at least by implication, that was a long time ago. And if there can be such a feeling within the party itself, it is a fair conclusion that among independent voters—who are without expectation of personal preferment and consider only the welfare of the country—there must be millions of votes involved, and votes which appear destined for Governor Dewey.

In other words, the charges made by Miss Bentley—and all other charges of the infiltration of traitors and Russian spies within the Government—are particularly disturbing because of our critical international relationships. We cannot afford to have our secrets passed along when we may be involved in a death struggle with Russia at any moment. Nevertheless, the situation in regard to Russian spying is only a phase of the whole situation. The Truman administration is unwilling to admit any misdeeds—any accumulation of borers and parasites. It should have been cleaning out its administration; instead, it has been putting difficulties in the way of what little Congress could hope to do alone.

And the reaction to this is far more widespread than is generally recognized, and far angrier. The public does not understand why the Bentley case should have been revealed through the initiative of Congress rather than through the initiative of the White House. Neither does the Oregonian. We want no witch hunts, but that should not protect the incompetent and the disloyal within our mushroomed Federal structure.

Civil Rights Congress

EXTENSION OF REMARKS
OF
HON. OVERTON BROOKS
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 4, 1948

Mr. BROOKS. Mr. Speaker, I received in this morning's mail a letter from an organization styling itself as the Civil Rights Congress with headquarters in Washington. This organization laments the fact that the Senate on yesterday set aside the consideration of civil rights and antisouthern legislation and it informs Members of Congress that a crowd of 5,000 persons are coming down here to Washington (I assume from New York) for the purpose of protesting this action and forcing Congress to put through antisouthern legislation at this special session.

I am wondering if this organization thinks it can browbeat Congress into action by force of numbers? This method of petitioning the Government by sending huge crowds here to visit the Repsentatives of the people is alien to our philosophy of government. It is an appeal to government by mob and by pressure. It is wrong; and no self-respecting Representative can appreciate this type of effort to influence this Congress. The fact that some of these people coming down here boast of being Communists and alien in their ideas of government can only disgust Members of Congress and make them even more determined to rid all Government agencies of anyone save 100-percent Americans.

Welfare of Indians in Arizona and New Mexico

EXTENSION OF REMARKS
OF
HON. RICHARD F. HARLESS
OF ARIZONA
IN THE HOUSE OF REPRESENTATIVES
Thursday, August 5, 1948

Mr. HARLESS of Arizona. Mr. Speaker, under leave to extend my remarks in the RECORD, I herewith include three letters relative to the problem of caring for the welfare of the Indians in Arizona and New Mexico:

AUGUST 5, 1948.

Hon. WESLEY A. D'EWART,
Chairman, Subcommittee on Indian Affairs, Public Lands Committee, House of Representatives, Washington, D. C.

MY DEAR COLLEAGUE: Pursuant to our conversation this morning with regard to holding a hearing on the Navajo and Hopi Reservations sometime in November or December of this year, I wish further to call to your attention the urgent need of a policy with respect to the welfare of the Indians, particularly the Navajos. It is obvious that the Federal Government has the responsibility of caring for the Indians. In the past, this responsibility has not been fully assumed, and it has placed the States of Arizona and New Mexico in an awkward position.

These Indians are in a class of their own, inasmuch as they have suffered unusual neglect over a long period of time.

Following our conversation, I discussed the matter of Navajo and Hopi welfare with Dr. A. J. Altmeyer, Commissioner of the Social Security Administration and with Mr. William E. Warne, Assistant Secretary of the Interior. Both of these gentleman recognize that there is a real emergency in this problem. I informed them that you had expressed the desire to hold hearings in order to make an early report to the Eighty-first Congress.

At the present time, there are insufficient funds at the disposal of the Bureau of Indian Affairs to care for the welfare needs of the Navajo and Hopi Indians through the winter. Therefore, it would be necessary to have additional funds during the early part of 1949.

I sincerely hope that you will go forward with your plans for holding a hearing on the Navajo and Hopi Reservations during the latter part of this year, in order that the report will be completed and ready for consideration by your committee during January, 1949.

Should your committee convene in November or December on the reservations involved, I trust that you will notify me, so that I may be with you on that occasion.

With kindest personal regards, I am,

Very sincerely yours,

RICHARD F. HARLESS.

AUGUST 5, 1948.

Dr. A. J. ALTMEYER,
Commissioner, Social Security Administration, Washington, D. C.

DEAR DR. ALTMEYER: In line with our telephone conversation today, I wish to reemphasize my comments relative to the desirability of continuing the arrangements made by your office and the congressional delegations of Arizona and New Mexico last January 26 with reference to the assumption by the Federal Government of the expenses involved in Indian welfare in the two States, until a policy can be formulated by Congress.

I know you are well aware of the unique nature of the problems of the Indians in Arizona and New Mexico and that there should be a fixed congressional policy with respect to the Indians in the two States.

After talking to you, I spoke to Mr. William E. Warne, Assistant Secretary of the Interior, and he said that he would be glad to cooperate in every way possible to solve these problems. Although the Department of the Interior is short on funds, I believe that sufficient funds are available to care for the welfare of the Indians in Arizona and New Mexico until Mr. D'Ewart's committee can report to Congress in January of 1949.

I trust that you will hold in abeyance any change of policy until the committee can make a study of the problem and report to Congress.

For the benefit of the Indians of Arizona and New Mexico and in justice to the two States, this matter should be determined by a committee of Congress, and sufficient time should be given for study of this problem by the committee of Congress having jurisdiction.

Assuring you of my desire to cooperate fully with every agency involved in the solution of this problem, I am

Very sincerely yours,

RICHARD F. HARLESS.

AUGUST 5, 1948.

Mr. WILLIAM E. WARNE,
Assistant Secretary of the Interior, Washington, D. C.

MY DEAR MR. WARNE: Confirming our telephone conversation today with reference to the welfare problems of Indians in Arizona and New Mexico, I am submitting herewith copies of letters I have addressed to my colleague, the Honorable WESLEY A. D'EWART, chairman of the Subcommittee on Indian Affairs of the Public Lands Committee of the House and to Dr. A. J. Altmeyer, Commissioner of the Social Security Administration, which are self-explanatory.

Again I wish to emphasize to you the great need of continuing the policy of the Bureau of Indian Affairs of handling the welfare of the Indians in Arizona and New Mexico, until a congressional committee can make a study and report to Congress. I know that you are aware that the problems of the Indians in Arizona and New Mexico are unique and require special study. In justice to the Indians and to the States involved, I sincerely urge that you do everything possible to cooperate with the Social Security Administration and with the States of Arizona and New Mexico, with a view toward having a policy fixed by the Eighty-first Congress during the early part of their first session.

I trust that these matters will be taken into consideration at the time the conference is held with the various agencies involved during the early part of August.

Assuring you of my sincere desire to cooperate in every way possible in all efforts to advance Indian welfare and with kindest personal regards, I am

Very sincerely yours,

RICHARD F. HARLESS.

States' Rights and Civil Rights

EXTENSION OF REMARKS
OF

HON. JAMES O. EASTLAND

OF MISSISSIPPI

IN THE SENATE OF THE UNITED STATES

Thursday, August 5, 1948

Mr. EASTLAND. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article entitled "States' Rights—Civil Rights. What Is It All About?" written by J. A. Thigpen, a representative in the Mississippi Legislature.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATES' RIGHTS—CIVIL RIGHTS—WHAT IS IT ALL ABOUT?

Possibly the most discussed issue before the American people today is the so-called civil-rights program. Due to the peculiar conditions existing in many Northern States caused by the almost equal vote of the Democrats and Republicans, it has come about that the Negroes, most of whom have migrated from the South in this generation, have the balance of power. Because of this situation the politicians in those States have tried to outdo each other in promising benefits to the Negro to get votes. They have promised things that they knew could not be fulfilled and which they had no intention of fulfilling and when election day was over they promptly forgot until next election day. Of course as the next election came on the politicians in Congress would introduce a bill in Congress to outlaw lynching, the poll tax, and a few other bills to get the Negro vote for the next election. Every northern politician knows that there are more Negroes killed in Harlem, New York, or Chicago, or any other of the ghettoes in which they segregate the Negro up North than are lynched in the South in all the Southern States. The poll tax is a tax to get at least a little money from every person whether he owns property or not, to run the schools of the South. A man without property would pay no tax were it not for the poll tax. Every citizen white, black, or yellow is assessed this tax. Every tax must have a penalty attached or some people will not pay them. Ad valorem taxes have the penalty of sale of your property, privilege tax the penalty of closing your business, but you can't cut a man's head off for failure to pay the tax so our forefathers placed the penalty of not allowing a man to vote unless he paid his school tax. The poll tax is not payment for the privilege of voting—we are penalized for not paying the school tax by not allowing us to vote.

As to segregation, God himself ordained segregation when He painted the Negro black, the Chinaman yellow, the Indian red, and the white man white. At the Tower of Babel He confused their language so that they would not become one people but many tribes. They had to find the people who spoke their language to associate with. God segregated the other creation by color—the birds, the beasts, the snakes, the bugs, and what have you. All the rest of the creatures of God obey God's segregation but man supposedly the greatest of His creatures is today doing all in his power to mix up the races. Everyone knows that social intercourse will lead to sexual intercourse and that to a mongrel race. Yet these same people who preach the way to build a great nation is to have intermingling, have dogs or horses or other animals of which they are proud and will proudly show you a long pedigree of pure blood. They do not want their children to associate with the Negro and they do not want to live in the same community or the same street as the Negro, but for political gain they get out and advocate such a course.

God created in every person's innermost recesses a desire to worship Him. That is what differentiates man from the other animals of God's creation. When men do not satiate this desire for worship of God by taking Him into their hearts, they try to satisfy this craving for worship by pleasure which does not satisfy and they are fall guys for the propagandist who shows them something for which they can crusade. Some underdog who needs rescuing—the rescue of the Holy Grail from the heathen or relieving the southern Negro from the terrible scourge of the poll tax. The Communists, the do-gooders have recognized this trait in humans and at this time are playing this civil-rights program up to cover their designs to take over this Nation as a Communist dictatorship.

Since the world began there have been two theories of government. One that the individual was a living soul, that his personality was supreme in his individual sphere and as such was entitled to work out his own destiny without hindrance so long as it did not trespass on the other fellow's freedom of action. That government exists for the individual, to see that he has this freedom to work out his own destiny without hindrance. Otherwise, the government is but to see that one individual does not impose on the individual rights of another. That is democracy.

The other theory of government is that the state is supreme, that the ruler stands in the place of God and that the individual is to obey the dictates of the government rather than the dictates of his own consciousness. That man exists for the state and not the state for man.

Way back in the beginning of history we find Abraham leaving his native land of Ur and going as far as he could on land to the shores of the Mediterranean Sea in order that he might worship God according to the dictates of his own conscience without interference from the central all-powerful state. The last great trek of this kind was when our forefathers left their homes in Europe and sailed uncharted seas to find a place where they could be free from an all-powerful state. There were those who came along though that still had the desire for an all-powerful state. Our forefathers in order to keep down the centralization of power in the hands of a few and the taking away the individual rights of the people to freedom, set up a government of three branches and give them only limited powers. They reserved the rest of the powers to the States. The proponents of centralized government were not dead but have continued in all nations under one guise or another to plan for and work for a centralized world government which would take away the freedom of all the peoples of the world.

So long as our people worshipped God and realized the sancitity of the individual personality, our Nation was in no danger of

becoming a centralized police state. In our generation though, the individual has become lost in the crowd. The time was when each workman did the complete task and was proud of the finished product. It was his creation. Today, under our mass-production methods no one person is responsible for the finished product and therefore cannot feel proud of the finished product as his creation. In the labor unions the leaders set the policy and the ordinary worker realizes that he has no choice. At first he resented this but wages are good and his pay check is larger because of the sinking of his individual rights and freedoms in the great mass of workers, so he acquiesced and gave up the freedom of choice. He must take his union paper, his trade paper, etc. The articles are written by the top and he becomes enmeshed in the propaganda and ceases to do his own thinking. The time was when every man prided himself on doing his own thinking, but today you can read the trade, or union or daily papers and go out and find that the majority of the people are but mouthpieces of the propaganda in these papers.

We cannot catch a fish with a bare hook nor a bird or beast with a bare trap. We must camouflage it so that it looks enticing or we must create a diversion as the pickpocket does to draw the victim's attention elsewhere before we can catch him or take his property. The same is true with liberty. So the proponents are creating a diversion, getting people to crusade for the downtrodden southern Negro so that they can take away our liberties. If under the guise of keeping the Negro from being lynched or from being forced to pay a little of his expenses of sending his children to school, they can get Congress to pass a law sending the Federal authorities into the different States to take over the local government and penalize some whole county for the overt act of some bunch of hoodlums who might kill a Negro, they can take over all local government. Once the Central Government is given the police power the gate is open and they can then take over the local power for any purpose. They can arrest you from Washington about speaking lightly of the President or for any other idea that they choose. If any of these so-called civil-rights bills are passed giving the Central Government police powers in the States, then all freedom is gone in our beloved country.

The southern Negro is better off than the comparable class in any nation of the earth or any nation that has ever existed on the face of the earth. They can own all the property that they will save their money and buy. They can vote under the same conditions as the ruling class by simply paying their school tax. They own more automobiles than the rich class in other nations. They go to schools that are better than the schools that the whites went to when I was a boy. The North must remember that the South was devastated by a war a generation ago and they did not have any Marshall plan to help them. They have had to come back by their own efforts. They get justice in the courts in most instances. There are always cruel-hearted men in every nation and people who mistreat their labor or those less fortunate than they. You have them in the North, too. These are the exception and not the rule, but these propagandists have sold the people of the North on the idea that all southern people mistreat the Negro. It is true that they do not live in as good houses as a general rule as the whites but that same condition exists in the North. The lower class of labor always lives in cheaper houses. The Negro who is only a few centuries removed from cannibalism has advanced further than any comparable race, but no race can be highly civilized overnight. It is a long-drawn-out process of growth. The only result of forced association would be the degrading and mongrelization of the white civilization, as the Negro has not yet grown to that point.

The southern leaders are basing their fight against the so-called civil rights on the grounds of States' rights. They know the real proponents of this program don't give a tinker's damn about the rights of the southern Negro or for that matter any other minority or majority group either. They are just using the southern Negro as a smoke screen to hide their nefarious scheme of taking away the liberties of all our people and making our country a dictatorship with them as the dictators. When and if Congress destroys the rights of the individual States to exercise the police power in those States and permits the bureaucrats at Washington to send police into the different States to enforce antilynching, antipoll tax, fair employment, or any other thing, that very minute all liberty is lost.

It behooves all patriotic Americans to look behind the crusade for civil rights and see that by destroying States' rights they are destroying human rights and placing the lives and fortunes of all our people in the hands of the bureaucrats at Washington. After the powers are granted by Congress it will be too late to howl then. Are Americans going to be the prize dupes of all the ages by swapping away so great a freedom under the guise of civil rights to some of its citizens? Wake up, Americans, and save our liberties before it is too late. Let's preserve States' rights and the American form of government in spite of the fact that the leaders of both the old parties have sold us down the river in their platforms. Make your wishes known before the election in November.

J. A. THIGPEN.

Civil Rights

EXTENSION OF REMARKS
OF
HON. WILLIAM LEWIS
OF KENTUCKY
IN THE HOUSE OF REPRESENTATIVES
Thursday, August 5, 1948

Mr. LEWIS of Kentucky. Mr. Speaker, no one ever chose the race to which he belonged. No one is responsible for the color of his skin any more than he is responsible for the color of his hair. It is well known that there are only five races: the Caucasian, Ethiopian, Malayan, Mongolian, and the Red. No Member of this Congress or any other Congress had anything to do with how he, or she came into this world and all peoples were here for a few years before they knew how they came or to what race they belonged, and no man should be censored or discriminated against because of his race, color, or national origin.

DISCRIMINATION

I repeat that I am opposed to discriminating against anyone because of his race or color. However, there may be—and I think there is—some dispute or controversy as to what constitutes discrimination. Every man and woman of normal mind is guilty of discrimination in many ways. A man who chooses to smoke a more expensive cigar instead of a stogie is guilty of discrimination. Every young man who marries some beautiful young girl instead of some one of the many other beautiful girls of his acquaintance is guilty of discrimination. Would anyone challenge his right to choose? A man or woman may have a very discriminating mind but unless the act of discriminating is unjust or unfair, no one has the right to complain.

SEGREGATION

I have absolutely no prejudice against the Negro race or any member of that race, but I am opposed to Negro children and white children attending the same schools, using the same playgrounds and recreational centers. I believe that Negro schools should be taught by members of their own race while the white schools should be taught by members of their own race. I do not believe this to be unjust or unfair. I think it is best for both races.

Suppose that a certain school district has 100 pupils ranging in age from 6 to 16 years and made up of an equal number of white children and Negro children. Should these children be permitted to attend the same school and sit side by side in the school room? A white boy sitting beside a Negro girl, and a white girl, if you please, sitting beside a Negro boy? They study together, many are in the same grade and are in the same classes. They eat together and drink together, just as if they were all white or all colored. On the playground they run, hop, skip, and jump, play tag, hide-and-seek, and other games together; attend the same social functions just as if they were all Negroes or all white. I am not only opposed to mixed schools but to mixed churches, Sunday schools, prayer meetings, and all of the social functions of the church. I believe it is best for the colored race and for the white race for each to have its own churches and schools. I think the Negro race should have its own churches and its own preachers and its own Sunday schools, its own prayer meetings, and its own social functions, all separate and apart from the white race. I think this is best for both races. In traveling by train I believe that the Negroes should ride, sleep, and eat in separate coaches from the white people. Imagine, if you please, a colored man sleeping in a lower berth in the same coach just opposite a white woman in easy arm's reach of each other. Does not such tend to encourage amalgamation of the races? I do not believe that any Member of this Congress or any other Congress believes in or would advocate amalgamation of the Negro race with the white race. I rather think the large majority of the white race and a like majority of the Negro race are opposed to amalgamation of the two races. Would not such be unfair to both races?

In traveling on trains the facilities and accommodations provided for both races should be equal and any discrimination in this respect would be unfair. I have no objection to both races attending public gatherings at the same time such as races, State fairs, county fairs, public speaking, public games such as baseball, football and basketball, prize fights and public conventions and similar public gatherings.

If we tolerate the association of the two races in the schools of America, in

the churches of America, in the hotels and restaurants, and on the trains for a few hundred years would it be fantastic to suggest that we would no longer have a Negro race or a white race, but instead, a mongrel race?

I also believe that the Negro children of America in every State of the Union should have the same educational opportunities and the same educational advantages as the white children of America, and that each State in the Union should give to the Negro schools the same financial support as is given to the white schools. The State should be careful to furnish to the Negro schools and Negro children the same beautiful playgrounds and recreational centers as it furnishes to the white schools and white children of the State. Every appropriation made by the Congress of the United States and every appropriation made by every State in the Union for educational purposes should be fairly and equitably distributed among the schools of the State without regard to race or color.

SEGREGATION IN THE ARMED FORCES

I am opposed to H. R. 4952, which is designed to prevent segregation of the races in the armed forces. I understand from newspaper reports that General Bradley, Chief of Staff of the United States Army, a man who has had many years of experience in military affairs, and one who was the Field Commander of American troops in Europe during World War II; and who helped to lead and direct our armed forces on the bloody battlefields of French Morocco, Tunisia, France, and Germany, is in favor of segregation in the American armed forces. Surely, the opinion of a man of his military training and his personal experience in leading and directing our military forces in World War II should carry great weight with the Members of this Congress and with the American people generally. I prefer to trust his judgment upon the subject of segregation in the armed forces of America. I believe segregation in the military forces is best for the Negro soldier. What opportunities would a Negro "buck private" have for advancing his rank or grade in a company made up three-fourths of white soldiers and one-fourth of colored soldiers? Would not his opportunities for advancement be much greater in a company made up entirely of Negro soldiers? If segregation in the armed forces can be called discrimination, would it not be discrimination in favor of rather than against the Negro soldier? I think that segregation is best for the Negro soldier in the American armed forces.

POLL TAXES

While I recognize the legal rights of every State in the Union, through its legislative department, to prescribe the qualifications of voters in all State, district, county, and municipal elections, however, I am opposed to the poll-tax laws of the South. While the poll-tax laws of the South require the same qualifications of all voters without regard to race or color, I cannot escape the conviction that such laws were enacted for the sole purpose of preventing a large percentage of the Negroes of the South from voting in all elections. And since there are only seven States in the Union which have poll-tax laws and they are all in the South, and the Senators and Members of the House of Representatives from each of these States are bitterly opposed to the enactment of H. R. 29, this, to some degree, strengthens my belief that one of the main purposes of such laws is the discouragement of Negro voting in such States.

No American citizen should be deprived of the right of suffrage on the ground of illiteracy, poverty, or inability to pay a poll tax. In view of article I, section 2, of the Federal Constitution, which is as follows:

> The House of Representatives shall be composed of Members chosen every second year by the people of the several States, and the electors in each State shall have the qualifications requisite for electors of the most numerous branch of the State legislature.

There may be some room for doubt as to the constitutional authority of the Congress of the United States to prescribe the qualifications of voters in national elections such as the election of President, Vice President, electors for President and Vice President, United States Senators, and Members of the House of Representatives. However, I am inclined to resolve this doubt in favor of H. R. 29, an act making unlawful the requirement for the payment of a poll tax as a prerequisite to voting in a primary or other election for national officers.

ANTILYNCHING

Lynching is only one of the many ways of committing murder, and murder is a violation of the laws of God as well as the laws of man, whether it is committed by one person alone or by two or more persons acting together.

I am opposed to H. R. 5763, a Federal Antilynching Act. In the first place, I seriously doubt the Congress having constitutional authority for making such crimes a Federal violation. However, if I am in error about this then why should Congress single out this one way of committing murder or attempting to commit murder and make it a Federal violation. If Congress can legally make murder by lynching or an attempt to murder by lynching a Federal violation might it not make all crimes when committed by two or more persons acting together a Federal violation? Under section 2 of H. R. 5763 if two or more persons acting together actually lynch another, thereby producing his death, their punishment for such crime is fixed at "a fine not exceeding $10,000 or by imprisonment not exceeding 20 years, or by both such fine and imprisonment." If such two persons were indicted, tried, and convicted under the laws of any State of the Union the punishment would be fixed at life imprisonment and in most States, I believe, they might be given the death penalty for such crime. If the Congress has legal authority to enact such legislation, then, by the same reasoning, might not the Congress make rape, robbery, horse stealing, grand larency, and, in fact, all other crimes Federal violations. Naturally, then, in that case the Federal courts and the State courts would have concurrent jurisdiction over all crimes, and then one could be punished twice for the same act, one time by the Federal courts and one time by the State courts.

Moreover, I do not believe that there is any need for the legislation proposed in this antilynching bill. Undoubtedly, the purpose of this act is to prevent mob violence. In other words, to prevent murder by mob violence. The record shows that there were 115 persons lynched in the United States in 1900. The next highest number in 1 year was 76 in 1910. The next highest number was 61 in 1920. The next highest number was 21 in 1930. The next highest number was six in 1946. In 1947 there was only one lynching in the United States. The above figures show that mob violence has been on the decline for many years, while many other crimes, and in fact, most other crimes have increased during the same period of time.

In conclusion, permit me to say that I am a Republican in politics, and, for the most part, believe in the principles enunciated by the Republican Party, but when it comes to the enactment of laws for the good of the American people, then I am an American first, and as a Member of Congress I will not and would not support any proposed legislation that seeks political advantage of one party over another. In such cases I prefer to let my own conscience be my guide.

Vicious Subsidies

EXTENSION OF REMARKS

OF

HON. HARVE TIBBOTT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 5, 1948

Mr. TIBBOTT. Mr. Speaker, under leave to extend my remarks in the RECORD, I include an editorial from Simpson's Daily Leader Times, Kittanning, Pa.:

VICIOUS SUBSIDIES

The support of agricultural products prices is worthy of comment. The 1948 potato crop has cost thus far this year the taxpayers $16,000,000 and bids fair to cost them more by the end of the year.

The surpluses are bought at an average price of $1.55 per bushel. Probably the total sales will be twice this sum by the end of the year. In 1946 it cost the Government $93,000,000 to maintain the parity, whatever that is, for potatoes alone.

What has the Government done with the potatoes? Some they permitted to rot, some they sold at the remarkable price of 1 cent a hundredweight for livestock feed. In many instances the prices received by the Government did not pay the shipping bill and this added to the loss.

What would the farmers say if the Government gave producers of clothing, for example, a price beyond reason and made the taxpayers pay for it? The tax is only part of the story, for the consumer must pay higher prices for the product than the production warrants.

This is only one example of the vicious subsidies that can be traced to the New Deal. The money cost is heavy and contributes greatly ot the high cost of living that Mr. Truman is so worried about.

But beyond that is the growing dependence upon the State that will issue into totalitarianism unless stopped. Dependence develops, acquiescence develops despotism. The road is before the Government.

The potatoes are cited as one example that may be increased by dozens in products, wages, and unnecessary governmental jobs. Yes, the high cost of living should be attacked. Here is a place to begin.

Proclaim Liberty Throughout All the Land Unto All the Inhabitants Thereof

EXTENSION OF REMARKS
OF
HON. HELEN GAHAGAN DOUGLAS
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 27, 1948

Mrs. DOUGLAS. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address delivered by me at the recent Democratic National Convention on July 13, 1948:

Once again on a hot July day—172 years after the Declaration of Independence—Americans are gathered in Philadelphia to proclaim liberty throughout all the land unto all the inhabitants thereof. The great body of human rights announced in the preamble lives on, more precious and needed today than in 1776.

This is the first convention of the Democratic Party in the atomic age. The impact of atomic energy on an unsettled world gives supreme importance to the decisions which we make. We must seek our decisions with new earnestness and new consecration.

A national convention is the very heart of our political life. It is the crossroads where free people decide which way they will go—how they will write their history.

Millions of Americans are watching this convention. They await not only our choice of candidates for President and Vice President—not only the reading of the Democratic platform—they wait to learn whether the Democratic Party is still the people's party, a vigorous and dynamic force aware of the total needs of men and aware of the terrible responsibility of government in July 1948.

Three weeks ago in this very hall the Republican National Convention met. At a time when the people of the United States—and, indeed, of all the world—had a right to expect statesmanship of the highest caliber, just what did the Republican convention do?

For five sweltering summer days it danced on the grave of a dead President.

The opposition would have us believe that the dominant figure at their recent convention was their Presidential nominee; in fact, they would like to believe that themselves. The dominant figure of that convention was Franklin Delano Roosevelt, and the American people know it.

For five interminable uncomfortable days, with the temperature hovering near the 100 mark, they shivered in the fear that the philosophy of Franklin Delano Roosevelt still lives in the hearts of the American people.

Their fear was well founded. The spirit of Franklin Roosevelt does live. It lives in our hearts tonight. He lives in the hearts of men and women everywhere because he loved people, because he had faith in people and believed in their future, because he worked to fulfill the needs of people.

And because Franklin Roosevelt really believed in the brotherhood of man he stands today as a symbol of the goal men seek.

It will take more than convention double talk to obscure the onslaught of the Republican Party in the Eightieth Congress against the progressive, democratic program of the last decade.

It will take more than convention double talk to make the people forget that the Republican Eightieth Congress did nothing about education, health, housing, the cost of food—the things that make America tick.

The record of the Eightieth Congress shows that the Republicans would destroy the advances we have made. We must go forward—not backward.

The New Deal met the problems and the needs of the thirties. As we approach the fifties, it is in no way adequate. We must go further, much further to new goals of human happiness and well-being. President Roosevelt realized this when he drafted his economic bill of rights in 1944.

We must now secure an economic bill of rights.

This century must concern itself with the welfare of the individual. If we are going to defeat communism, or any other form of totalitarianism, and help lead the way toward a free and democratic society of nations, democracy must offer man not only political freedom but economic security—jobs, homes, and the right to raise families without fear.

The entire effort of this age must be the use of material resources for the enlargement of man's total need and whole personality.

Our resources of coal, steel, and power are all means to an end. They are not ends in themselves. They are tools by which we hope to realize the full potential of human beings.

To think of material things as ends in themselves is to make one of the tragic mistakes that the Communists make—the reduction of life to a grossly materialistic level in which the spirit, the imagination, the full play of personality, the creativeness of man are smothered and betrayed.

To identify democracy solely as a system of economic practices is an insult to America. Democracy is an idea concerning people—their dignity and their worth.

We must set the example of freedom and economic security at home before it can be achieved in the world.

America must retain leadership or accept isolation from the rest of the world—and, as a result of isolation, inevitable economic collapse and war.

Only through the Democratic Party can we hope to realize the kind of forward-looking program that must be sought—and only through the Democratic Party if it be militantly progressive—bringing new ideas, new plans to the new age piled high with perplexities and problems, but limitless in its possibility and opportunity.

The Republican Party, for all its protestations, would go back to pre-New Deal days—back to the jungle warfare of the twenties.

Their concern is not for the enlargement of human dignity, the development of man's personality, the growth of human security. Their concern is with the highest profit level, regardless of what human values may be at stake.

That's why, even on the very eve of a Presidential campaign, the Republican leadership in the Eightieth Congress dared to kill the long-range housing program.

They fail to understand what a home means in terms of democratic living. They are indifferent to the fact that slums corrupt the mind and spirit; breed divorce, delinquency, and disease and—in terms of hard, cold cash—are paid for by bigger jails, reform schools for children, bursting county hospital wards and mental institutions.

The fact that 15,000,000 American families need homes is no threat to democracy—measured by Republican standards.

No wonder that the greatest piece of social legislation ever to be passed—a program that was designed to free people of the fear of sickness, of the fear of unemployment, of the fears that beset old age—was the target for attack in the Eightieth Congress.

No wonder employment-tax rates were frozen in an effort to forestall their need for adequate social-security benefits to meet the increased cost of living.

No wonder that, in complete disregard of their 1944 platform pledge to extend social security, Republicans took almost a million people out from under the protection of the social-security program.

No wonder they cut back the farm-conservation program.

No wonder they attacked and undermined the public-power program—sabotaging the TVA, Grand Coulee, Bonneville Flats, Big Thompson, and the Central Valley in my own State of California—selling out the people's interests to the private utilities.

There was nothing wrong about that—measured in Republican terms.

Of course, the Republicans don't go so far as to boast about their record in reclamation and public power, especially in the far West.

But when it comes to their tax and antilabor bills, that's a different matter.

They are proud of their tax and antilabor legislation.

These measures do indeed stand as a monument to the work of the Eightieth Congress: A Knutson tax law which lifted the burden of our war debt from the shoulders of those enjoying the highest profits in history onto the backs of the veterans, the laborers, the teachers, the pensioners—all those who are scraping the bottom of the barrel now to pay for rent, bread, meat, milk—the necessities of life; a Taft-Hartley antilabor law which seeks to deprive labor of the right to bargain collectively, speak freely, and organize politically.

The Knutson tax law and the Taft-Hartley antilabor law, passed over a Presidential veto, clearly define the basic differences between the Republican and Democratic programs. The Republican Party puts corporations first and the Democratic Party puts people first.

I do not question the sincerity of the Republican Party. I challenge its judgment and its understanding of what it takes to make democratic society work.

While the Republicans were spending the last 2 years figuring out ways to cut taxes for the rich and ways to gag the mouth of labor, inflation was engulfing our entire economy.

I tell you, the housewife is frightened today when she sits down to plan her weekly budget.

We can measure the success or failure of our economic policies by what a dollar bill will buy in the corner grocery store to fill the housewife's market basket. Whether a mother can feed her family without mortgaging their future is a matter of first concern.

One doesn't have to be an economist to know that the more bloated we allow our economy to become, the more drastic the remedies will have to be. To allow prices to continue to rise unchecked until our economy cracks open will be ruinous for everyone.

Even measured by the Republican yardstick, the refusal to meet squarely the issue of inflation in the Eightieth Congress is beyond comprehension.

What if people's savings are being dried up? What if the consumer is in hock to banks, stores, and loan companies to the tune of more than $13,500,000,000—almost double the crushing debt of 1929 that pulled the plug of American purchasing power and toppled us into depression?

Are not profits at the highest point in history and are they not still rising?

What if every insurance policy, bond, and pension is worth one-third less in purchasing power than it was in 1946?

What if ground round steak is a dollar a pound? What if the price of fruits and vegetables doubled in the last year?

What if 60 percent of our families in cities earn less than what is needed for an adequate and balanced diet—a decent and acceptable standard of living?

Here at last we have full peacetime employment and it turns into a mockery because people are being driven deeper and deeper into debt. But the big corporations are not going into the red—so there was no cause for alarm.

Corporate profits were $9,000,000,000 in 1945, $16,000,000,000 in 1946, and $18,000,000,000 in 1947—even after taxes and after wage increases were paid. And are not profits still going higher?

What is wrong with that? What if the threat of malnutrition does hang over the heads of a whole generation of our children?

What if the housewife has to pay 50 percent more to feed her family today than she did 2 years ago when this Republican Congress took over?

To do anything about prices would have been "socialistic." The National Association of Manufacturers and the Republican leadership—in and out of Congress—told us so time and time again. Canada, of course, restored price controls when she saw her food prices getting out of hand, with the result that Canadians today pay half as much for their meat as we do and 10 to 15 to 20 cents less per item for their other foods—including Canadian bacon.

But the Republicans are for rugged individualism even if it costs the consumer billions of dollars—his health and peace of mind; even if it brings collapse to our own economy; even if it threatens our entire international program.

For what happens at home directly affects what happens in the rest of the world. As our prices go up, we not only pay more for food, clothes, machines, services, and raw materials we need, but the countries who buy in our markets pay more, too.

When loans are made to other countries each timetable for reconstruction is thrown off schedule because we have allowed our own economy to run away with us.

Between the time the loan is granted and the time purchases are made in this country, each dollar buys less than had been counted on, while at the same time we are telling these countries to stabilize their own currencies. So we see that the success of our foreign policy is dependent upon the health of our domestic economy.

Because I am a mother I think of the market basket at home and abroad in terms of the health of growing children.

Because I am a woman I measure inflation not only in terms of dollars and cents but in terms of human lives.

During the next 4 months many trumped-up excuses will be given for failure to stop the rising cost of the market basket. Most of these excuses will be coming from isolationists. Isolationism and inflation go hand in hand.

The people who are again ready to parade moldy isolationism are the same people whose economic philosophy is now picking the pockets of every housewife in America.

The vast majority of American people have turned their backs on isolationism.

We not only believe in the United Nations but we know that the idea of the United Nations is the greatest concept that man has ever had.

We know that the Charter of the United Nations, following our own Constitution, sets a new goal—this time for the peoples of the world.

We know that we must give to this infant organization the understanding and support future generations demand.

We know that we must work cooperatively with other nations if we are ever to solve the basic problems of atomic energy and the reduction of armaments and the rebuilding of world trade.

We know that, as the richest and greatest creditor nation, we must bear our burden of the cost of putting devastated nations on their feet.

We want to contribute our knowledge and skill to the end that men can live and work together in freedom.

But the fact remains that there are those in Congress who are still isolationists. They happen to be the leaders of the House of Representatives. They happen to be heads of the most powerful committees. They happen to be Republicans.

We invited the United Nations to make its home in the United States. Over a year ago, the United States signed an agreement to lend the United Nations the money to build a permanent home. At the direction of the Republican leadership, the bill authorizing the United Nations' loan was not permitted to come to the floor of the House for a vote.

At the direction of this same Republican leadership, $2,000,000,000 were cut from the vital European Recovery program.

When the Reciprocal Trade Act, which is the keystone of our foreign economic policy, came up for renewal, the Republican leadership introduced a substitute bill which would have halted the rebuilding of world trade. Only 3 out of 51 Republican Senators and only 15 out of 245 Republican Congressmen voted to continue our reciprocal trade agreements program intact.

After thousands of protests, important changes were made in the Senate and the trade act was renewed, but only for a single year instead of the usual three which are essential. Why? An ominous threat of the Grundy high-tariff policy now hangs over all our international trade negotiations.

And, at the direction of the Republican leadership, a displaced persons bill was finally passed following the worst Nazi tradition of anti-Semitism.

Republicans cut down to a beggardly 6,000 the quota of Jews to be admitted among the 200,000 displaced persons, while at the same time they invited into the United States under the German and Austrian immigration quotas nearly 30,000 ethnic Germans—Volkdeutsche.

Who are the Volkdeutsche? They were Hitler's fifth columns. They were the Germans who lived in the countries surrounding Germany and who were driven back into Germany after we won the war.

Then the Republicans proceeded to take away from the Jews they had condemned to remain in the stinking DP camps of Germany the pathetically small extra calories they had been allotted over the German ration because they had been hungry longer than their German persecutors.

Mr. TABER, the Republican chairman of the Appropriations Committee, said on the floor of the House: "Unless that is done, it is absolutely impossible ever to get these people out of these camps." He did not specify where in heaven's name these miserable remnants of Hitler's sadism were to go.

We are the Nation which chiseled on our Statue of Liberty these words:

"Give me your tired, your poor,
Your huddled masses yearning to breathe free;
Send these, the homeless, tempest-tossed, to me;
I lift my lamp beside the golden door."

In sharp contrast to the thinking that went into the writing of the displaced persons' bill, we have the President's program on civil rights, which will stand as one of the great historic documents in the democratic life of this Nation.

In order to make these rights a reality for every citizen, it is now up to the American people to elect men and women who will vote for them.

There has been much talk of bipartisan foreign policy in which the Democrats and Republicans have cooperated.

This policy has worked—where it has worked—because a minority of the Republicans in Congress have been willing to go along with an almost solid bloc of Democrats in support of the policies we endorse as a people.

This small group of more internationally-minded Republicans is now asking the country to believe that if the administration of all foreign policy is turned over to the Republican Party, they will continue the basic direction of our foreign policy.

How can they?

What will they do with the majority of their own party while they accomplish this miracle? The greater the Republican majority, the greater the power of the Republican leadership in Congress which has again and again shown its isolationist bias.

Only the fact that the Republican Eightieth Congress had as many Democrats as it did saved the bipartisan foreign policy from going on the rocks.

I see the very real danger that we may be wooed back into isolationist patterns of thought and action before we realize what has happened to us.

We cannot have peace by simply writing it into a party platform.

We must stay with it, not just 1 year, but until we have won this battle for survival.

How we as a people are oriented is more important than how we are organized. The test of every economic and social measure should be: Will it make for healthy communities and good people?

The test of every international program must be whether or not it is in the old pattern of expansion or in the new pattern of equilibrium.

It is not enough that men work. Man is not a commodity. Man has a mind and a heart, and we must consider both if we are to preserve free institutions. Representative government is being tested as never before.

It is not enough for us to do all that is possible. We must do that which is impossible.

We cannot turn our backs on man's last hope for peace.

We must work for the unity and effective brotherhood of man without waiting for another war to prove that the current pursuit of power, profit, and all manner of material things is treason to humanity—treason and national suicide.

The fundamental issue today is the same as it was in the days of Thomas Jefferson—the same as it was 16 years ago when the Democratic victory of people over privilege was led by the greatest leader of them all, Franklin D. Roosevelt—the same as it was when the courageous and fearless stand of Andrew Jackson guided a young nation up the road to a great destiny.

As a living memorial to the man who believed that a Nation's wealth is its people, let us rededicate ourselves to the service of the people. In the name of Franklin Delano Roosevelt let us renew our efforts to achieve the peace all men seek and the freedom every man deserves.

Let us truly "proclaim liberty throughout all the land unto all the inhabitants thereof."

Many Among the DP's in the European Camps Are Nazi Collaborationists

EXTENSION OF REMARKS
OF

HON. ARTHUR G. KLEIN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Monday, August 2, 1948

Mr. KLEIN. Mr. Speaker, under leave, I am introducing into the RECORD a further portion of the article by Mr. Abraham G. Duker on the need of screening immigrants to the United States.

An adequate investigation of the Nazi records and other sources as well as a most stringent screening process are essential for America's protection against these subversive elements.

The study on the need for screening displaced persons applying for entry into the United States by Abraham G. Duker proves on the basis of the Nuremberg trials materials that many of the DP's voluntarily served in the German armies and participated in the wanton killing of helpless men, women, and children.

I believe, Mr. Speaker, you will agree that the Justice and State Departments should investigate, and the surviving victims of the atrocities should be called to testify, and all such suspects should be rigorously examined.

It is pertinent to note, Mr. Speaker, that Abraham G. Duker, at the present time a research consultant at the Training Bureau for Jewish Communal Service, has a background which qualifies him as an expert in this field. Born in Poland, Mr. Duker came to this country in 1923; took his bachelor of arts degree at the College of the City of New York in 1930; did graduate work at Columbia University; and was first editor of the Contemporary Jewish Record, now published as Commentary, and editor of the research institute for peace and postwar problems of the American Jewish Committee.

In the United States Army he was a political analyst with the Office of Strategic Services and subsequently served with the United States Chief of Staff, Prosecution of Axis Criminality. He is author of The Situation of the Jews in Poland, Jewish Survival in the World Today, and other books; coauthor of Jews in the Postwar World; on the editorial board of several publications; instructor in modern Jewish history at the Seminary School for Jewish Studies and at the School of Religious Education of the Hebrew Union College.

THEY HELPED TO KILL 434,329 PERSONS

Document L-18, June 30, 1943, an official report on the extermination of 434,329 Jews (a fact frankly proclaimed in the report), states:

"Owing to the great number of Jews and the vast area to be combed out, these actions were performed with the assistance of detachments from the security police, order police, Gendarmerie, and the Ukrainian police, all acting together in numerous single sweeps."

The Ukrainians were equally helpful in rounding up partisans. States the same report:

"The place of communication in the woods near Brody having been discovered by interrogations, the whole of the forest area was surrounded and combed out by detachments of Gendarmerie and Ukrainian police."

In Document 3257-PS, December 2, 1941, a German officer described an action as follows:

"It was done entirely in public with the use of the Ukrainian Militia, and unfortunately in many instances with members of the armed forces taking part voluntarily. * * * The way these actions which included men and old men, women, and children of all ages were carried out was horrible. The great masses executed make this action more gigantic than any similar measure taken so far in the Soviet Union."

A GERMAN TESTIFIES

One of the most gruesome and graphic descriptions of the massacre of the Jews is contained in an affidavit (Doc. 2992-PS) by the German engineer, Hermann Friedrich Graebe, who witnessed the outdoor mass-executions in the Ukrainian towns Rowno (July 13, 1942) and Dubno (October 5, 1942). Graebe's affidavit was quoted by Justice Jackson, the chief British prosecutor, Sir Hartley Shawcross, by the tribunal, and by the Presiding Justice Lawrence at a meeting in London. As in the hundreds of other towns and villages, in Dubno and Rowno also it is the Ukrainians who guided the SS men, searched the ghettos, beat the people, assembled and drove them to the places of slaughter. Graebe writes in regard to Rowno:

"Shortly after 22:00 the ghetto was encircled by a large SS detachment and about three times as many members of the Ukrainian Militia."

It is not proposed to recount here Graebe's narrative of the orgy of blood and torment that followed; the document is available to all who are interested in the human qualities of these political refugees. With respect to the massacre in Dubno, Graebe relates:

"Armed Ukrainian militia drove the people off the trucks under the supervision of an SS man. The militia acted as guards on the trucks and drove them to the pits."

Interested readers are again referred to Graebe's text on the proceeding at the pits, which so aroused Justice Jackson, Sir Hartley Shawcross, and Justice Lawrence. (192).

A Jewish survivor of that town also cites that date as the day on which the ghetto was liquidated. His words follow (this is my only citation from a Jewish source and is used merely to corroborate a non-Nazi German's affidavit about an identical event):

"Came 5 October, 1942, the day of the sorrowful end of the remaining Jews in the Ghetto. * * * The last action was similar to the earlier actions. It was carried out exclusively by Ukrainians, who, acting as German messengers, proceeded singing and joyous from town to town and liquidated the ghettos."

Document 3047-PS, 24 October, 1941, is an account, by Master Sergeant Soennecken, of the massacre of 8,000 Jews in the Ukrainian town Borysow on 19-20 October. Soennecken, incidentally, refers to Russians, but he clearly means Ukrainians. (Rosenberg had indeed complained that many Germans tend to confound the two national groups and mistreat them alike).

"Upon arrival there on Friday I was informed by the head of the Russian security police there, Ehof, who had been installed in his post some time ago by the SD, that on the night from Sunday to Monday all Jews of Borrisow were to be shot. (Incidentally, Ehof was, according to Soennekken, the former Communist mayor of the town.) To my astounded question that it would be impossible to dispatch 8,000 persons into eternity in the course of a single night in a fairly orderly manner, he replied that it was not the first time that he did this and that he would be able to finish the job with his men; he was no longer a layman at this. * * *

The shootings were begun at 3 a. m. First the men were brought out. They were driven to the place of execution in Russian cars, escorted by men of the Russian security police who were detailed for this purpose. Because there were not enough of these men, however, reinforcements were brought in from the neighboring Russian security police offices, such as Zembin, etc. They were provided with the well-known red and white armbands and armed with rifles and automatic pistols. On the Poletzkaia Ulitsa road leading to the airport I saw these cars, at considerable intervals loaded with women and children. These cars were guarded by men of the Russian security police. * * *

"The first contingent, about 20 men, were made to jump into the pits after taking off all but their underwear. They were then shot from above. Of course these dead and half-dead people were lying pell-mell. The next victims had to line them up so as to gain as much space as possible. Then it continued as above. When the bottom row of the mass grave was full, the Jews had to put a layer of sand over the bodies and had to trample upon both sand and bodies. The most horrible scenes are said to have taken place in these mass graves. Shortly before my departure to the front I met two German soldiers, a pfc. and a corporal, who, from curiosity, had witnessed these executions from very close by. They fully confirmed the information sought by me. They added that the Russian policemen were given a great deal of liquor, otherwise they would hardly have been able to perform their difficult task."

Soennecken refers to a gay party that took place on the eve of the executions at which were present the mayor, Dr. Stankewicz, the assistant chief, Kowalewski, and "a large number of security policemen and their wives, fiancées, or girl friends."

No doubt every one of them now bears a new name, passes off as a martyr of Soviet oppression, and answers to all the specifications of a "political refugee."

The story of Borysow was enacted in every one of the hundreds of towns of the Ukraine. And when the Jews were no more, the same present-day martyrs were used to hound partisans, recruit forced laborers, confiscate property, supervise labor gangs, operate the crematoria.

MATERIAL AWARDS

A different type of quislings received their awards in terms of jobs and property. They, too, were recruited among the Lithuanians, Ukrainians, and White Russians. Document Ec. 336, a memorandum by Rosenberg, November 26, 1942, on the treatment of Poles, instructed the Nazi administrators in Poland to take care that "in particular, mayors, district and region chiefs of Polish nationality or pro-Polish leaders of larger industrial plants and estates will be dismissed and replaced by members of other nationalities (Lithuanians, White Russians, Ukrainians)." * * * The Polish school system will not be developed and extended beyond 4 years of primary school. * * * The Polish language is to be used only in those localities which have an undisputed Polish majority. It must neither be put on the same level nor be preferred to the use of Lithuanian, White Ruthenian, or Ukrainian."

By Erich Koch's decree of September 7, 1942, the Ukrainians—"former officials and officers of the Ukraine" (meaning former Communist officials, as this area had been under the Soviets since 1920)—were placed in

charge of assembling and administering all Jewish property "now without proprietor" (i. e., after they had been exterminated).

The Ukrainians were equally helpful in rounding up partisans. Document L-18, cited above, relates:

"The place of communication in the woods near Brody having been discovered by interrogations, the whole of the forest area was surrounded and combed out by detachments of gendarmerie and Ukrainian police."

The partisans operating in the Ukraine suffered not only from the collaborationist militia, who numbered tens of thousands—but also from the Bandera and Melnyk nationalist gangs operating in the woods. These gangs, as has been indicated, had a Fascist ideology and cooperated at first with the Nazis. Only when the Nazis definitely refused to establish an autonomous Ukraine, by 1943, did they cease cooperating, but at the same time they continued to kill Jews and pro-Allied partisans. These gangs were joined also by Ukrainians who were being rounded up for forced labor after the Jews had been exterminated. (In the early period of the Nazi occupation the Ukrainians shared with the Balts, Rumanian, French the privilege of being voluntary laborers.) Members of the former Bandera and Melnyk gangs are also in the western zones, thousands of them, and are now considered bona fide "political refugees."

STATISTICS OF THE WARSAW GHETTO REVOLT

The infamous report on the crushing of the Warsaw Ghetto (1061-PS), which created a stir in Nuremberg when it was made public, gives the number of participating troops as 2,090, and of these 704 are Poles, Ukrainians, and Balts. The following figures of participants in 3 days' operations illustrate to what an extent the crushing of the Ghetto was performed by the newly fangled "political refugees."

April 27, 1943:

"Our strength: From 0700 to 1900 hours—288 German police, 200 Trawniki, 140 Polish police.

"May 4, 1943: Day—German police, 2 officers, 87 men; Waffen SS, 25 men; Trawniki, 200 men; Polish police, 1 officer, 180 men.

"May 13, 1943: Day—German police, 2 officers, 137 men; Trawniki, 270 men; Polish police, 1 officer, 160 men. (Trawniki are mixed collaborationist elements, mostly Balts.)

COLLABORATIONISTS INCORPORATED IN SS

The Baltic and Ukrainian collaborationists proved so loyal to their Nazi masters that the latter incorporated them in the elite corps, in the SS. For a non-German to qualify for membership in the SS, he would need to have proved his total loyalty to Himmler, in short, to be a superkiller. An isolated report (1137-PS, October 19, 1944) lists the following SS attached solely to the air force: 1,383 Russian SS; 5,953 Ukrainian SS; 2,354 White Ruthenian SS; and 1,012 Lithuanian SS auxiliaries. The report adds:

'Ukrainian, Russian, White Ruthenian, and Lithuanian SS were employed from the beginning in the Reich."

Document 309-PS refers to 250 selected Ukrainian SS auxiliaries noncommissioned officers candidates, which had just joined the Galician infantry division after 8 weeks' training.

So pleased were the Nazis with the accomplishments of the collaborationist SS formations that Hans Frank appealed to Hitler to permit him to recruit the politically much calmer Poles of western Galicia in order to establish units similar to the Waffen SS division Galicia created for the Ukrainians (437-PS, p. 15).

In document L-172, in the portion containing materials for the lecture of the chief of the general staff of the armed forces (West) to the Reich, November 7, 1942, the following statement is made in connection with recruiting the collaborationist Red Army Vlassov's, Cossack, and Turkmen divisions. "At the moment, the Reichsfuehrer of the SS is engaged in draining the defensive resources of Estonia and Latvia as well as the Croatian, Moslem, and Macedonian manpower supplies."

The SS were wholly a volunteer corps. Collaborationist SS could attain this rank only after they had proven by deed their total devotion to nazism. In declaring the SS a criminal organization, after reciting the multitude and variety of crimes which this group perpetrated, the International Military Tribunal declared its judgment: "It is impossible to single out any portion of the SS which was not involved in these criminal activities."

COLLABORATIONISTS ACTIVE IN EXTERMINATION CAMPS

Large numbers of collaborationists—SS and others—were assigned to the various extermination camps as guards and tormentors. Rudolf Hoess, the commandant of Auschwitz from May 1940 to December 1943, during which period, on his own admission, 3,000,000 persons were exterminated there, testified at Nuremberg on April 15, 1946:

"We had thousands of guards who could hardly speak German, who came * * * as volunteers and joined these units."

In describing the operations at Treblinka, the largest extermination camp after Auschwitz, SS Dr. Kurt Gerstein relates that as the transports arrived—

"Two hundred Ukrainians tear the doors open and drive the people out of the cars with whips." (Doc. 2170-PS).

The Nazis, as has been indicated, were few, widely distributed, stationed almost entirely in the towns and lost in the maze of villages. To carry out the confiscations, requisitions, recruitment for forced labor, the Nazis used a large force of collaborationists, made of local residents, without whom these tasks could not have been carried out. In Document 2008, August 27, 1943, a German Lieutenant, Adolf Aumann, describes the brutality with which the Ukrainian militia assembled and transported forced laborers to Germany (the Jews had already been exterminated in 1943). He commented that such treatment "is not good propaganda for the Germans in the Ukraine."

Yet these brutalities were carried out by local Ukrainians.

Housing at Grass Roots

EXTENSION OF REMARKS

OF

HON. JACOB K. JAVITS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 5, 1948

Mr. JAVITS. Mr. Speaker, the pinch of housing at the grass roots is what should count in our consideration of housing legislation. The following revealing letter from a housewife, married to a disabled Navy veteran, struggling under terrible conditions with the housing problem should be of interest to every Member. Housing legislation to count must be comprehensive and must afford adequate housing for families such as this which cannot afford to pay over $50 a month rent. The Taft-Ellender-Wagner comprehensive housing bill remains the only approach to a solution of this problem which is before the Congress.

JULY 19, 1948.

Hon. JACOB K. JAVITS,

House of Representatives.

DEAR SIR: We have tried everything in the past 3 years to find housing but we are still residing with my husband's family. Let me explain more in detail. To begin with, let me list the factors which make me feel certain we should qualify for housing.

My husband is a disabled Navy veteran and receives a pension. He is employed on an on-the-job training job under Public Law 16. I am also an ex-SPAR. We have never lived by ourselves since our marriage almost 3 years ago. We have an 18 months old child. The apartment where we live consists of four rooms, kitchen inclusive. My husband, myself, and child share a small bedroom. To say we are crowded is putting it mildly. My father- and mother-in-law share another room and my husband's brother, an ex-marine, has a makeshift bed in the living room. He is rightfully entitled to our room but as conditions are nothing can be done. The crowded conditions and the baby have aggravated things. Due to our prolonged stay my husband's folks would like us to move but because of the baby they have not done anything drastic. In the past, conditions have become so unbearable that I was forced to take the baby and move with my family in Detroit. After a month passed I returned under the condition that we strive to find a place but to no avail. My husband's disability is of the nature which requires peace of mind and a minimum of excitement. He certainly has not followed these rules and consequently he has had several recurrences of attacks. These statements can be verified by his disability award and the doctor where he reports for reexamination. To add to our troubles we live on the fifth floor and it is a walk-up and it is very difficult to carry the child up and down. I must add that the arguments and differences which have occurred between us probably are justified on both sides. Maybe if I were in my husband's folks place I would feel as they do and vice versa, however, I am convinced it is impossible for two families to live together and get along. So the above are the reasons I believe our case should be classified serious enough to warrant placement.

Now, I will state what we have done to try and remedy our situation. We are listed with the New York City Housing Authority and have applications at numerous projects. Everytime we even read about a proposed city project we go to apply. One answer to an inquiry I wrote to a project dates back to 1946. The City Housing Authority must have very rigid rules for qualification, evidently they do not consider our case serious enough for housing. In the past I have written to them explaining our plight even to our living apart but nothing was done. I was told at one project that if we had a roof over our heads to consider ourselves lucky. It is an easy enough statement for someone not sharing these circumstances to make. I have pleaded with New York City Housing Authority to tell us what qualifications we lack if any. In the Amsterdam and Jacob Riis houses a very low income ceiling is in existence, therefore we are out of the income bracket because the combination of my husband's salary, pension and subsistence would bring us over their maximum allowance. The Marcy houses in Brooklyn, however, have a more liberal ceiling and we would be eligible on an income basis there I am sure. The last I heard from them was an acknowledgment of application and told that we would hear from them if we were acceptable, that was in May.

It is my belief that we deserve a place to live after going through a war to help keep this country free. We certainly aren't asking too much to be placed in quarters. So far I would consider our 3 years of marriage merely existing, not living. I know our stay

with my husband's family has been detrimental to our marriage. I feel so sure that we are eligible for housing and I have some very ugly thoughts concerning the New York City housing authorities' method of placement.

As far as private housing is concerned we cannot afford to pay over $50 a month rent and even that amount would require a struggle. We certainly cannot afford a bonus so we are out of luck on that score.

We would appreciate anything at all you could do for us. We really are badly in need of housing facilities please help us.

I remain,

Mrs. B. J. B.

NEW YORK, N. Y.

Federal Civilian Employment

EXTENSION OF REMARKS
OF

HON. ALBERT W. HAWKES

OF NEW JERSEY

IN THE SENATE OF THE UNITED STATES

Thursday, August 5, 1948

Mr. HAWKES. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a statement prepared by Mr. Alvin A. Burger, well-known economist and research director for the Association of State Chambers of Commerce throughout the United States, on the subject, Federal Civilian Employment Keeps Going Up.

I think every representative of the people who is interested in curtailing Government expenses and the elimination of waste in the Government should read this short synopsis of points which have been brought to the attention of the Congress by the distinguished senior Senator from Virginia [Mr. BYRD].

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

FEDERAL CIVILIAN EMPLOYMENT KEEPS GOING UP

Despite repeated disclosures of waste of manpower by the Federal Government over a long period of time, and despite occasional avowals and attempts by congressional committees to do something about it, Federal civilian employment is increasing at the rate of nearly 500 persons a day. (We are talking about civilian employees only—not enlistments in the armed services.)

In December there were 1,995,388 civilian employees on the Federal pay rolls. By the end of May there were 2,066,285.[1] By the end of July the 2,100,000 mark will be reached and probably passed.

This is an increase of about 105,000 in 7 months.

The recruitment of new Government employees will not end this month, or the next, or the next. In fact, Congress-approved appropriations for the coming fiscal year will permit the executive branch to expand Uncle Sam's civilian pay roll army to a possible peak of 2,250,000 between now and June 30, 1949.

This upward trend will continue as indicated unless Congress takes drastic action immediately to bring it to an end.

But if the returning Eightieth Congress decides during the coming weeks to enact public housing, Federal-school aid, price control, and other new domestic spending legislation sought by the President and advocated by so-called liberal elements in both political parties, the present 500-a-day increase in Federal employment will not only not be curbed but will be accelerated.

SENATOR BYRD OFFERS SOME FACTS

Senator HARRY F. BYRD (Democrat, Virginia), chairman of the Joint Committee on Reduction of Nonessential Federal Expenditures, and a recognized authority in Congress on the Federal personnel picture, recently published a comprehensive report on which many arresting facts are set forth. Here are some:

The total number of civilians now employed by the Federal Government is more than twice the number employed at the peak of World War I.

It is more than three and a half times the total of 563,805 employed in 1932 (a figure which was criticized as too high at the time by Presidential candidate Franklin D. Roosevelt, who promised to reduce it by 25 percent).

It is more than twice the total of 926,415 civilians employed in 1939, just prior to the World War II emergency.

In the civilian or peacetime agencies exclusive of the Military Establishment, civilian employment is now more than 80,000 greater than it was at the end of the World War II peak, and more than 165 percent of the peak prior to the war emergency in 1939.

The Military Establishment (Army, Navy, and Air Force) is employing three times as many civilians per man in uniform as it was at the World War II peak.

At average pay of $3,340 per employee, Federal pay-roll expenditures will exceed $7,000,000,000 in the coming year. This is nearly four times as much as the $1,850,000,000 which the Federal Government paid out in the fiscal year 1939 when there were 926,000 civilians on the pay rolls.

30-PERCENT REDUCTION IN EMPLOYMENT RECOMMENDED

Senator BYRD states:

"If the estimated employment for the fiscal year 1949 were reduced 30 percent, or 630,000 employees, the total would still be a half-million greater than it was in the year just prior to the World War II emergency.

"It would appear that a half million additional civilian employees should be sufficient to meet new postwar requirements including the new military expansion, the foreign-aid programs, veterans' services, and so forth.

"I am confident a reduction of this percentage or more could be made without impairment of any essential functions.

"The annual savings would be more than $2,000,000,000." [2]

PERSONNEL CEILINGS FLOUTED

It was only 2 years ago—in June 1946—that a Congress which was fed up with inflated Federal pay rolls, imposed an employment "ceiling" upon the executive branch. Under this ceiling, the Federal departments and agencies were gradually to reduce the number of their employees so that by June 30, 1947, the over-all total would not exceed 1,650,000 persons.

For a while this ceiling mandate legislated by Congress had a good effect. Federal employment began to diminish slowly. But it was not long before many of the agencies began to ignore the ceilings. Violations—both technical and deliberate—took place with sickening frequency. As a result, the personnel reduction goal ordered by Congress was never achieved. Instead, an upward trend was resumed. The will of Congress was defeated.

So now we find the Government hiring new employees at the rate of nearly 500 a day, every day in the month.

EXAMPLES OF PERSONNEL INCREASES

When World War II struck, it was only natural that the Military Establishment should demand, and be granted, large numbers of civilian employees to carry on Army- and Navy-sponsored construction and industrial work. Civilian payrolls of the War and Navy Departments rose to a peak early in 1945, and then, with the war's end, quickly shrunk to transition-to-peacetime levels.

It was only natural also that Government civilian agencies created to perform war-emergency work should require thousands upon thousands of new employees. When the war ended, these agencies were gradually liquidated—albeit reluctantly—and their employees were either discharged or transferred to peacetime or old line departments.

But it also happened that nearly every peacetime department and agency of the Government found reasons or excuses to participate in the war effort. So they, too, requested more employees for the duration. But when the war ended nearly all of them wanted to hang on to their wartime employees, and most of them did.

Here are a few examples showing how some of the larger departments have fared as to personnel since December, 1932:[3]

	December 1932	December 1939	December 1945	April 1948
State Department	4,686	6,249	18,864	21,816
Treasury Department	52,043	53,329	95,643	90,117
Post Office Department	273,583	345,551	447,599	488,059
Interior Department	14,483	45,321	43,135	49,776
Agriculture Department	26,371	69,764	86,209	75,351
Commerce Department	17,816	8,495	29,866	40,146
Veterans' Administration	34,111	38,481	92,867	201,910

SOME REASONS FOR FEDERAL EMPLOYMENT RISE

There are, of course, Government agencies whose workloads have increased substantially as the result of post-war conditions, and which are therefore justified in seeking additional personnel. By and large, however, the persistent growth of the Federal civilian pay-roll army may be attributed to these causes, among others:

The Government's system of promotion and compensation stands squarely in the way of bona fide attempts to reduce employment. Supervisory and administrative personnel are graded and compensated not on the basis of the quality of work performed, but according to the number of employees under their supervision. Hundreds of ambitious department executives strive to keep or even increase their personnel in order to build up their own prestige and earning power.

Every time Congress passes a law setting up a new service, a brand-new pay roll is created to carry out the law's provisions. Once an agency is established for any purpose, it grows and grows and grows.

Emergency created agencies always die hard. Most of them tend to carry on long after the emergency which brought them into being has ended. Take, for example, agencies created during the economic depression 15 years ago: Some of the larger ones still continue in today's boom period, their pay rolls scarcely diminished, if at all. To paraphrase a remark once made by Senator GEORGE, there is nothing so permanent as a temporary Government agency.

[1] These figures, taken from reports of the Joint Congressional Committee on Reduction of Nonessential Federal Expenditures, differ but slightly from totals shown in the personnel reports of the Civil Service Commission.

[2] Memorandum by Senator BYRD on Federal personnel, just released.

[3] From Byrd committee reports on Federal personnel.

It is always easy to add employees to the Federal pay roll, but next to impossible to subtract them from it once they get on.

Good intentions by Congress to reduce Federal employment have often been defeated by lack of adequate information as to departmental pay rolls, appropriations, etc., and by lack of time to study and digest such information as its committees do get. Despite the announced determination of congressional leaders this year to reduce Federal pay rolls, the appropriations approved by Congress for fiscal 1949 will permit the executive branch to maintain an employment level of at least 2,100,000 civilian workers during the coming year, with a possible peak load of 2,250,000.

In conclusion, at should be pointed out that an appropriation once made for departmental pay rolls seldom goes unspent. The following quotation from a statement on June 30 by Chairman EDWARD H. REES, Republican, of Kansas, of the House Post Office and Civil Service Committee, gives proof of this:

"At the end of every fiscal year (Congressman REES said), it has been the policy of the executive branch to make certain that there is no return to the Treasury of unexpended funds on hand. This fiscal year ending June 30 is no exception. During the last 2 months Federal employment has increased by over 35,000 employees. The direct relationship between this increased personnel and the unexpended funds of the departments and agencies is quite obvious. I am advised that many departments and agencies have hired additional thousands of temporary employees during the last 30 days, some at rates of between $25 and $50 a day. * * * I estimate that between forty and fifty million dollars will be unnecessarily spent by the Government before June 30 for needless Federal personnel."

ALVIN A. BURGER,
Research Director.

Everybody Loses

EXTENSION OF REMARKS
OF
HON. HENRY D. LARCADE, JR.
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES
Monday, August 2, 1948

Mr. LARCADE. Mr. Speaker, under previous leave to extend my remarks in the RECORD, I wish to include herein a copy of an article by Mr. Jay Carmody, published in last Sunday's Washington Star, entitled "Extinction on E Street—Everybody Loses in National Theater Controversy, as It Had To Be."

Mr. Speaker, in my opinion, this is a fair example of what happens with respect to racial controversies. Those who initiated this controversy can certainly find no satisfaction in the result of this controversy, and as Mr. Carmody well says, as is usual in all such instances, "everybody loses."

The article follows:

EXTINCTION ON E STREET—EVERYBODY LOSES IN NATIONAL THEATER CONTROVERSY, AS IT HAD TO BE

(By Jay Carmody)

They turned out the lights at the National Theater last night and Washington became the one great capital of the western world in which the living drama is no longer represented.

The E Street institution with 113 years of continuity to its credit has been dark before, but never like this. Previous closings were for the usual seasonal lulls. When this one ends, several weeks hence, the National will be a motion-picture house. True, it could be reconverted overnight to its traditional community function but that has not been the history of such transmutations. In this sphere of human activity, unlike sports, they seldom come back. It is more profitable not to come back, but to go ahead and become a movie house, a radio presentation theater, or, in the immediate future, a television stage.

Sometimes, as in the case of the once-palatial Rialto here, or the more famous Hippodrome in New York, theaters end up as parking lots.

In one way or another, the living drama seems bent upon hurling itself headlong into the machine which has become its relentless pursuer.

THE CONTROVERSY MOVES ON

Controversy closed the National, and having done so has moved on to higher frenzy elsewhere, in areas far more logical. Oddly enough, in the death of the theater, the controversialists find themselves in agreement on one point, namely, that the casualty was profitless.

Every one has lost, which is usually the case in gang wars, mob battles, and even duels fought under circumstances where the ground is inadequate for the duelists to maneuver.

Reason and sanity never had a chance to operate in the solution of the National controversy. It was the theater's misfortune to be the right size for attack in the civil-rights conflict swirling across the Nation.

In some respects the inadequacy of the E Street auditorium as an area for such a conflict has been ludicrously apparent. Yet it was asked to stand for 10,000 polling booths, to substitute for two such vastly more important Washington structures as the Capitol Building and the Supreme Court of the United States. This was asking absurdly too much, and being absurd is not to be recommended as an approach to any problem. Certainly not one as sharp and deep and decisive as civil and human rights.

From the perspective of one with a seat on the aisle of the 2-year show, it has looked at times like an insanely protracted human comedy.

EVEN THE PLAY PROPOSED COMPROMISE

It began, for example, with a play called Joan of Lorraine. It was not a good play, but it had a magical actress in the person of Ingrid Bergman, and its message was that human progress is inevitably a matter of compromise. Yes, compromise. That is what the play argued, but from that point on, no one believed in compromise, not even Miss Bergman, or Maxwell Anderson who wrote the drama. Major poets like Dante write major poems out of the degrading antics of such lesser poets as those who do not believe themselves.

The other side, the theater's management was equally unconvinced by the reach of Anderson's eloquence on the great virtue of compromise.

Theater managements and those who labor in the theater notoriously do not see eye to eye, and this became one of the most celebrated occasions of eloquent mutual denunciation. Of all the arts, the theater is the most highly organized into labor and trades unions. It is the practice of these free-souled groups to issue ultimata to one another, to gouge and extort and quarrel over the spoils until theater prices have become intolerable and the long-suffering public has revolted. Even Broadway's hits, a negligible one or two at the moment, are wondering how long it—and they—can continue.

BOYCOTT THE FATAL WEAPON

It remained for the National controversy to forge the latest and most deadly of the theater's suicidal weapons. This is the boycott. First it was the leaders of the Dramatists' Guild who threatened to boycott the Washington theater. Then Actors' Equity, and later the press agents.

The theater's answer was to boycott right back and now, between them, they have boycotted the theater out of existence.

There never was a time when the whole question of abandoning the theater's policy of segregation was subjected to either sane deliberation, arbitration, or negotiation. Both sides stood off and fired ultimata until it became impossible for the theater's management to retreat with dignity from a traditional policy of nonadmission to Negroes could it have been induced to do so. The Negroes' right to attend the theater, and that of whites as well, simply became lost in the hysteria of the conflict; to the lesser right of actors and playwrights to boycott the theater and the theater's right to turn itself into a motion-picture house.

And so the conflict ends with no legitimate theater left in Washington. The argument moves on over its dead body. If there is a martyr involved, it is not either of the principals but the public, the white and Negro public which might have met in understanding and mutual enjoyment at the theater, if the theater had lived.

It did not live, perhaps because it was made a symbol of something larger than itself.

As such a symbol, it is now extinct—which in itself may be a symbol of today and its conflicts.

American Citizens Who Desire To Bring Their Aged Parents or Adopted Children to This Country Should Be Helped

EXTENSION OF REMARKS
OF
HON. KENNETH B. KEATING
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, August 5, 1948

Mr. KEATING. Mr. Speaker, although we must be extremely careful not to lower our immigration bars to the point where those now here will suffer, there are two limited categories who can be admitted in greater numbers without any injury to our own economy and to the great relief of the distress now felt by many of our citizens.

The first of these groups are the parents of American citizens. They are now in a first preference category, so that no problem arises, for instance, in the case of a country like England, which never fills its quota for immigration to this country. In the case, however, of those countries whose quotas are greatly oversubscribed, even though this preference is granted, it means a wait for many years to come.

My attention was recently directed to the case of a substantial citizen in my district, with a good job and money in the bank, who wants to bring his widowed mother from one of the European countries to live with him. Although she is in a preferred category, she has been told that she faces a wait of 4 or 5 years. She is now 82 years old. The chances, therefore, that she will ever be able to experience the love and affection of her devoted son in her declining years are meager indeed.

The second group for whom one's sympathy is necessarily keen is represented

by the children, many of them orphans, who are the innocent victims of the ravages of war. They may have uncles or aunts, or other relatives, or even friends, in this country who are very willing to go through proceedings for their adoption, either in American or foreign courts, in order to bring them here as their own children. Under existing law, such procedure is ineffectual, since only natural born children fall in a preference category.

These young people will make the best kind of American citizens. It is important that they be brought here during their formative years in order that they may have the benefit of schooling and training in the American brand of democracy. Of no less importance is the fact that they will bring unmeasured joy to the hearts of many American citizens who yearn for the privilege of mothering and fathering such youngsters, now denied them through the restrictions of our present laws.

The very modest increase in our population entailed in this suggestion would in no way increase the pressures on our own economy, which are now admittedly severe. Housing and employment represent the two principal reasons for immigration restrictions. Since these groups would become a part of a single family entity and since they would not be of the employable age, no problem is presented here.

In addition, the number involved, I am told, would be comparatively negligible.

In order to accomplish this objective, I have today introduced a bill to provide nonquota immigration status for the alien parents of American citizens and to expedite the admission to this country of children who have been duly adopted by American citizens.

The need for this legislation is urgent. I appreciate, however, the necessarily limited nature of this special session. If action does not prove feasible at this session, it is my hope that the introduction of this bill may lead to a study of the problem by the appropriate Government departments, as well as the Members of Congress, in order that early steps may be taken upon reconvening, to bring to the hearts of many of our own people the untold happiness which would result from the passage of such a measure.

Platform on Foreign Policy

EXTENSION OF REMARKS
OF
HON. CHESTER E. MERROW
OF NEW HAMPSHIRE
IN THE HOUSE OF REPRESENTATIVES

Thursday, August 5, 1948

Mr. MERROW. Mr. Speaker, under leave to extend my remarks in the RECORD, I include therein a copy of House Concurrent Resolution 190 introduced by me on April 27, 1948:

House Concurrent Resolution 190

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress of the United States that there should be a bipartisan platform on foreign policy, including the following principles:

(1) Because this Republic was brought into being for the prime purpose of laying the foundations for a just and permanent peace, and because every true American is devoted to the achievement of this objective, the United States should firmly dedicate itself and all of its resources to the maintenance of its destiny-given position of leadership for world peace.

(2) Because it is desirable to give the Members of Congress a more potent voice in the development and in the implementation of foreign policy, there should be appointed immediately a select committee to conduct a thorough study of international relations and to carry out a searching investigation of the Department of State and the Foreign Service.

(3) Because the United States must continue to exercise leadership in the establishment of a real, workable, and effective world organization it should, if the defects of the United Nations (chief of which is the veto) cannot be removed and if the Union of Soviet Socialist Republics continues in its refusal to cooperate, abandon the United Nations and form at once a new international organization of liberty-loving democratic nations without the presence of the impeding Soviet Union.

(4) Because diplomatic appeasement, which has failed in the past, leads only to conflict, such appeasement of the Union of Soviet Socialist Republics should cease.

(5) As long as aid to free nations is effective in checking the advance of the Union of Soviet Socialist Republics and preventing the spread of communism, economic assistance to rehabilitate the economies of nations resisting Russian aggression and the spread of communism should be continued by the United States.

(6) If a democratic nation, threatened by a Communist minority which is either directly or indirectly aided, abetted, and controlled by the Union of Soviet Socialist Republics, asks aid of the United States, assistance should be extended, be it economic or military.

(7) The United States should (a) inform the world, and particularly the Union of Soviet Socialist Republics, that it intends to use its force to stop aggression directed at strategic points such as the approaches to the Atlantic, Gibraltar, the nations of western Europe, the Dardanelles, Greece, Turkey, Iran, the Near East, the Persian Gulf area, China, and the islands of the Pacific; (b) state clearly that whenever there is an encroachment on these areas, or any other strategic positions, the integrity of which the United States deems essential to its security and survival, the nation making such encroachment will meet the immediate, sustained, and unrelenting resistance of the United States; and (c) for the self-interest of the United States and the peace of the world, establish a line beyond which an aggressor may not move without encountering the full force and power of the United States.

(8) Because the achievement and the maintenance of adequate preparedness on the sea, on the land, and more especially in the air, and because atomic supremacy and air supremacy by the United States must be realized at all costs, the funds required to keep it the strongest military nation should be appropriated, provision for full and adequate manpower for the armed services should be made, and the armed services should move efficiently and effectively to an early and full realization of this determined objective.

That Dollar You Earned in 1946—All the Livelong Day

EXTENSION OF REMARKS
OF
HON. HOMER D. ANGELL
OF OREGON
IN THE HOUSE OF REPRESENTATIVES

Thursday, August 5, 1948

Mr. ANGELL. Mr. Speaker, with a peacetime budget of over $40,000,000,000 necessitating a tax burden of a little less than a third of the average citizen's income, it is of interest to note how the dollar earned in 1946 is spent, as shown by the following table, and statement entitled "All the Livelong Day":

THAT DOLLAR YOU EARNED IN 1946

New Jersey Taxpayers Association says that the average income dollar earned in 1946 was spent as follows:

	Percent
For government	31.4
For food	18.3
For housing	13.8
For clothes	9.3
For drink, smokes	4.0
For travel	3.6
For recreation	3.3
For medical	2.5
For personal business	2.4
For personal care	1.6
For all other	1.5
For savings	8.3

ALL THE LIVELONG DAY

Henry Suburban reaches out at 7 a. m. of a bright May morning to turn off the alarm clock (price: $6; tax $1.20). Accompanied by the trebling of birds, he climbs wearily out of bed (price: $195; annual personal property tax, 75 cents), walks across the floor of his $8,000 house (annual general property tax, $240), and switches on the electricity (33 cents tax on his $10 monthly bill) which lights the bulb (price: 20 cents; tax, 4 cents).

To music from a bedroom radio (price: $30; tax, $3), Henry shaves with his electric (see above) razor. As a radio newscaster reports that Henry's State is preparing to increase income taxes and impose a general sales tax on everything anyone buys, Henry slaps across his jowls a handful of bay rum (price: $1.30; tax, 26 cents).

He dresses quickly, hurriedly fastening cuff links (price: $3.50; tax, 70 cents), and tie clasp (price: $1.50; tax, 30 cents), puts on his Swiss wrist watch (price: $70; tax, $14[1]), and rushes downstairs. Tucked under one arm is a leather briefcase (price: $18; tax, $3.60) which carries papers from his real estate office, including one deed (property valued at $3,000; stamp tax, $3.30).

In the kitchen he's just in time to snatch two slices of bread from the electric toaster (price: $16; tax, $1.60), lift his coffee from the gas stove (price: $190; tax, $19), and grab a glass of fruit juice from the refrigerator (price: $300; tax, $30).

A glance out of the window shows it's raining, so he calls to his wife (marriage license, $2) to telephone (monthly bill: $12; tax, $2.05) for a taxi. Too many other people want taxis on a wet morning so Henry gets out his own car (price: $1,800; tax, $126[2])

[1] Not counting customs duty.

[2] Plus annual registration of $3; tax of 5 cents on each pound of a new tire; tax of 5 percent on each new part or accessory; State and Federal gasoline tax average: 5½ cents per gallon.

NOTE.—State and local taxes vary. You may pay more or less than Henry Suburban.

and drives (operator's license; $1) to the railroad station.

Henry relaxes at the station with a cigarette (price per pack: 8 cents; Federal tax, 7 cents), lit by a match (tax: 5½ cents per 1,000). Aboard the train, Henry gives the conductor his ticket (price: 85 cents; tax, 13 cents) and settles down to a hand of bridge with three cronies, using of course, a deck of cards (price: 40 cents; tax, 13 cents).

In the city on his way to the office, Henry stops to buy a roll of camera film (price 20 cents; tax, 3 cents) that he promised his son (birth registration: $1), and the lipstick (price: $1; tax, 20 cents) he promised his wife. Because there are friends coming to his house in the evening, he buys a bottle of whisky (price: $2.30; tax, $2.60).

Arriving eventually at the office, Henry sighs (no tax!) and settles to a day's work (annual income: $5,000; Federal and State income tax, $510). If he works hard for the rest of his life, he will be able to provide the Government with a handsome slice of inheritance tax. And if he dies in a State that is fiscally tolerant, he can take comfort in the thought that his casket (provided it costs less than $100—will be exempt from any sales tax.

Mr. Speaker, I have taken these excerpts from the Oregon Business and Tax Research, Inc., bulletin for July 1948.

A Blot on Justice

EXTENSION OF REMARKS
OF
HON. WILLIAM LEMKE
OF NORTH DAKOTA
IN THE HOUSE OF REPRESENTATIVES
Thursday, August 5, 1948

Mr. LEMKE. Mr. Speaker, we always enslave ourselves by enslaving others first. We always lose our liberty by taking it from others first. That is history and history repeats itself.

During the recent war we are told there were many dishonest framed prosecutions of innocent men and women. It is claimed that some of these victims were thrown into jail, and made to linger without trial for months and in some cases years.

This because they did not like someone or because they did not like the Pinks and Reds in our Government. Of course, hatred is always vicious, as well as obnoxious. Intolerance is dispicable. But since when has it become a crime for you not to like certain individuals? However foolish your dislikes may be, yet that is your individual privilege. When has it become proper for the Department of Justice to be turned over to a few Pinks and Reds for persecution?

I close my remarks with an editorial from the Chicago Tribune. The editorial speaks for itself. Here it is:

A BLOT ON JUSTICE

Surviving defendants of the abortive wartime mass sedition trial in Washington are urging that the Republican Party condemn this proceeding. The suggestion has been made that the defendants deserve redress. More particularly, the Republicans are exhorted to take action so that justice may not be sullied by similar persecutions in future.

No less than three indictments were returned before the New Deal Department of Justice was satisfied that it had a charge that made any sense. The accusation was conspiracy to violate the Sedition Act of 1940, specifically by circulating literature with intent to impair the morale of the Army and Navy. A reporter for the Washington Post enticed some 28 defendants to send him samples of their writings. This gave the Roosevelt administration a fictitious cause for establishing the legal presence of all of the defendants in the District of Columbia, although many were previously unknown to one another.

The defendants were a conglomeration of anti-New Dealers, united only in their opposition to communism and to Roosevelt's methods of putting the country into war. A sprinkling of convicted bundists, anti-Semites, and crackpots rounded out the list. All in common suffered from being hauled by a dragnet conspiracy charge to what, for many of them, was a remote part of the country, where the court and jury panel were peculiarly susceptible to administration influence as well as to the war hysteria of the capital.

There they were forced to stand the expense of bail or, if indigent, as some were, to languish in jail for an unconscionable time. The indictment failed to specify a single overt act, violating the requirement of the sixth amendment requiring that an accused "be informed of the nature and cause of the accusation" against him. Prof. Edward S. Corwin, constitutional authority, has remarked, "That any Federal court should have consented to try anybody under an indictment so utterly lacking in specifications touching the when, the where, and the how of the essential charge against him—in this instance the charge of conspiracy—is utterly amazing."

After disorderly hearings of 8 months, a mistrial was declared upon the death of the judge. At length the chief justice of Federal district court, asserting that the defendants had been denied their constitutional rights, dismissed the case and asserted that to permit another trial "would be a travesty on justice."

This disgraceful political show trial, more appropriate to Moscow than to an American court, is unsurpassed among all of the evils charged to the Roosevelt administration. The Republicans owe the country the duty of exposing the motives and methods which gave rise to these proceedings to the end that there may never be a repetition.

Executive Papers—The President and the Congress

EXTENSION OF REMARKS
OF
HON. RAY J. MADDEN
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 4, 1948

Mr. MADDEN. Mr. Speaker, Peter Campbell Brown, executive assistant to the Attorney General of the United States, delivered an address to the New York State Bar Association at Lake Placid, N. Y., on July 1, 1948. His analysis of the constitutional rights of the executive and legislative branches of our Government is outstanding.

I am hereby submitting the text of his speech for the Members of Congress to read:

Gentlemen, this invitation to attend your midsummer meeting is indeed most flattering. White Face Inn on beautiful Lake Placid is indeed most attractive and a welcome relief from the hot city of Washington. I am happy to be here not only for the cool breezes but for the great opportunity to talk to a group of fellow New York State lawyers.

For the past few years I have been uniquely fortunate in being associated in an official capacity with the Federal Government. It has given me an opportunity to see at first hand the many problems which are encountered by public administrators in their daily chores. I have gained a respect for them and the public service which I never would have had, were I to limit myself to reading daily newspapers and listening to the tirades of economy-minded individuals who are constantly attacking anything done by the Government.

The functioning of this country depends upon the daily service performed by millions of sincere and devoted public servants. I agree with the Honorable David E. Lilienthal, who recently stated in a commencement address at the University of Virginia, that each responsible citizen of the United States should devote part of his life to the public service. If this were done, I think there would be an infinitely greater understanding of the problems that are met not only in our Nation's Capital but throughout the various governments of this country and the world.

Most people are led to believe that all events of major consequence in our Nation's Capital are permeated with politics. For example, take the recent Condon incident. The House Committee on Un-American Activities had released a report charging disloyalty on the part of Dr. Edward U. Condon, Director of the Natural Bureau of Standards, and that the subcommittee had thereafter sought to obtain all relevant papers, including the report which had been made by the Federal Bureau of Investigation and furnished to the Department of Commerce. Hon. Averill Harriman, then the Secretary of Commerce, declined to make the information available. The refusal was in keeping with the well-established principle that it is in the public interest to maintain on a confidential basis reports rendered by the Federal Bureau of Investigation and other investigative agencies of the executive branch of the Government.

One reading of the foregoing incident in the newspapers, might be led to conclude that this was a straight political issue which was symbolic of a rift between a Republican-controlled Congress and a Democratic President.

Close observation and study of the Condon episode will show that it was not a partisan political issue. It was an issue which struck deep into the roots of our Government and raised a vital question in constitutional law, namely, the powers of the executive and the legislative branches, respectively, under our Constitution.

The right of the Executive to maintain investigative reports on a confidential basis has long been recognized as his constitutional prerogative. The sound considerations of policy which support the assertion of this prerogative have been well stated on many occasions. In an opinion rendered by the then Attorney General, now Mr. Justice Jackson, on April 30, 1941, addressed to the chairman of the House Committee on Naval Affairs, the Attorney General took the position, with the approval and at the direction of the President, that records of the Federal Bureau of Investigation are confidential documents of the executive branch and that congressional or public access to such records would not be in the public interest.

The opinion pointed out that this view accorded with the conclusion reached by a long line of predecessors in the Office of the Attorney General and was the position taken by the President from time to time since the administration of George Washington.

I should like to relate a few historical incidents, high lighted by a few Supreme

Court cases. You will, I believe, come to the conclusion that the President in office who stoutly defends the executive branch from unwarranted encroachments by the Houses of Congress, renders a service to the Nation and contributes to the preservation of the fundamental principles of the Constitution.

PRESIDENT WASHINGTON'S ADMINISTRATION

The earliest recorded case in our history took place in March 1792, when the House of Representatives passed a resolution appointing a committee to inquire into the causes of the failure of the ill-fated expedition under Major General St. Clair. The committee was granted the power to call for such persons, papers, and records as might be necessary to assist the inquiry.

The expedition of General St. Clair was under the direction of the Secretary of War. The expenditures connected therewith came under the Secretary of the Treasury. The House based its right to investigate by virtue of its control of the expenditure of public moneys. The Secretaries of War and the Treasury appeared before the committee. However, when the committee was bold enough to ask the President for the papers pertaining to the General St. Clair campaign, President Washington called a meeting of his Cabinet. Secretary of State Thomas Jefferson, Alexander Hamilton, Secretary of the Treasury, Henry Knox, Secretary of War, and Edmond Randolph, the Attorney General, were present.

President Washington stated that he had called his Cabinet members together because it was the first example of a demand on the Executive for papers. Washington and his Cabinet members came to the following unanimous conclusions:

"First, that the House might institute inquiries. Second, that it might call for papers generally. Third, that the Executive ought to communicate such papers as the public good would permit, and ought to refuse those, the disclosure of which would injure the public; consequently were to exercise a discretion. Fourth, that neither the committee nor House had a right to call on the head of a department, who and whose papers were under the President alone; but that the committee should instruct their chairman to move the House to address the President." (Writings of Thomas Jefferson, 1905, vol. 1, pp. 303-304.)

The precedent thus set by our first President and his Cabinet was followed in 1796, when President Washington was presented with a resolution of the House of Representatives which requested him to lay before the House a copy of the instructions to the Minister of the United States who negotiated the Jay Treaty with the King of Great Britain, together with the correspondence and documents relative to that treaty. Apparently it was necessary to implement the treaty with an appropriation which the House was called upon to vote. The House insisted on its right to the papers requested, as a condition to appropriating the required funds.

It is well to say at this point that it is frequently a difference in political faith between the Chief Executive and one or both of the Houses of Congress which gives rise to insistent demands for information and papers by one of the Houses and to equally insistent refusals by a President. Thus, Washington started his second term as President with a hostile Republican majority in the lower house, and it was that Republican majority which sought the papers relating to the Jay Treaty. You will recall that Jefferson was the leader of the Republicans and Alexander Hamilton was the leader of the Federalists.

President Washington consulted Alexander Hamilton for suggestions in drafting a reply to the House resolution. Hamilton suggested that the information sought by the House was for the purpose of impeachment. In his message to the House of Representatives refusing the papers, Washington, apparently influenced by Hamilton's suggestion, stated that inspection of the papers asked for could only properly be sought for impeachment purposes, which the House resolution had not expressed.

It may well be that Washington's experience with attempted legislative encroachment upon the executive branch caused him to say in his Farewell Address:

"It is important, likewise, that the habits of thinking in a free country should inspire caution in those intrusted with its administration to confine themselves within their respective constitutional spheres, avoiding in the exercise of the powers of one department to encroach upon another. The spirit of encroachment tends to consolidate the powers of all the departments in one, and thus to create, whatever the form of government, a real despotism."

THOMAS JEFFERSON'S ADMINISTRATION SERVICE OF A SUBPENA ON A CABINET MEMBER

I want to touch briefly on the effect of a subpena which is served by a congressional committee on a Cabinet member or other official of the executive branch.

It may be stated as a general proposition that court decisions establish that information and papers which heads of departments consider confidential, in the public interest, may not be exposed to public view, either in court or to congressional committees.

The case of *Marbury* v. *Madison* (1 Cranch 137, 143, 144 (1803)), with which we are all familiar, defines the limits at which a court must stop when the head of a department invokes the privilege that the information sought from him is confidential and cannot be disclosed. You will recall that William Marbury was one of the "midnight judges" appointed by President Adams, just prior to the assumption of the Presidency by Thomas Jefferson. However, the commission evidencing the appointment had not been issued to Marbury by John Marshall, who was Secretary of State under Adams. James Madison, who succeeded Marshall as Secretary of State, refused to issue the commission to Marbury. Marbury brought suit by mandamus to compel the issuance of the commission. Marshall, having in the meantime been appointed Chief Justice by President Adams, was now called upon to decide the issue. The Court wished to ascertain facts relating to the commission, and to that end summoned Levi Lincoln, the Attorney General, for questioning.

Mr. Lincoln objected to answering. While he respected the Court's jurisdiction, he felt himself delicately situated between his duty to this Court, and the duty he conceived he owed to an executive department. He was acting as Secretary of State at the time when the transaction in question took place. He was, therefore, of the opinion that he was not bound to answer as to any facts which came officially to his knowledge while acting as Secretary of State (p. 143).

The Court said, that if Mr. Lincoln wished time to consider what answers he should make, they would give him time; but they had no doubt he ought to answer. There was nothing confidential required to be disclosed. If there had been, he was not obliged to answer it; and if he thought that anything was communicated to him in confidence, he was not bound to disclose it (p. 144).

After taking time to consider, Mr. Lincoln said that he had no objection to answering the questions proposed except one, to wit: What had been done with the commissions? He did not know that they ever came to the possession of Mr. Madison, nor did he know that they were in the office when Mr. Madison took possession of it. The Court was of the opinion that he was not bound to say what had become of the commissions.

The Court decided that where the head of a department acts in a case requiring the exercise of executive discretion, where he is the mere organ of the executive will, any application to a court to control the conduct of such head of a department would be rejected without hesitation.

One of the most famous cases in our history, which dealt with the efficacy of a subpena issued to the President or to a Cabinet officer, is the Aaron Burr trial for treason, in the Circuit Court of the United States held at Richmond, Va., in 1807.

In the course of that trial, Burr applied to the court for the issuance of a subpena duces tecum upon President Jefferson. Judge Marshall allowed the subpena to issue. It directed President Jefferson to produce a letter which one General Wilkinson had sent the President. The letter was alleged, in an affidavit filed by Mr. Burr, to contain information helpful to his defense. While Judge Marshall's opinion stated that under the Constitution and laws of the United States the President was not exempt from the process of the court in a criminal trial, nevertheless, he also ruled that the President was free to keep from view those portions of the letter which the President deemed confidential in the public interest; the President alone was the judge of what was confidential.

The Court also considered for the first time in our history, the problem of official and private papers, and stated that it would not lightly force official records and papers into public view by subpena. What led the Court to its decision, among other things, was that the letter in question was not in the files of the War Department, or in any other department of the Government. The Court appears to have been largely influenced by Colonel Burr's argument that the President, who had publicly accused Burr of treacherous conduct, in a special message to the Congress, and had been primarily responsible for bringing him to trial and for bringing the weight of the Government behind the prosecution, ought not, in fairness to an accused person on trial for his life, keep from him a private communication which the accused thought would help prove his innocence (ibid. 186).

Jefferson, according to both historians and writers on constitutional law, proved himself, in this one instance, to be a better lawyer than Marshall when he paid no attention to the subpena, did not even reply to the Court's order, but wrote United States Attorney Hay, in charge of the prosecution, that under our framework of government, the judicial branch had no authority to order him, as Chief Executive, to do anything. Jefferson made the letter in question available by delivering it to the Attorney General, with instructions to keep out of Court such portions thereof as the United States Attorney deemed confidential; nevertheless, he made it perfectly clear that he stood ready to resist, by force, if necessary, the unauthorized trespass by the judicial branch upon the independence of the executive.

The immunity from giving testimony and producing papers in court which Jefferson claimed for himself he also claimed for the heads of departments. While Jefferson had no objection to the use at the trial of certain portions of the Wilkinson letter, he vigorously objected to Burr's blanket request for copies of orders which had been issued by the Secretaries of the War and Navy Departments. Those orders covered a correspondence of many months "with such a variety of officers, civil and military, over all the United States as would amount to the laying open the whole executive books." The subpena which had been issued from the District Court apparently required both the President and the Secretaries of War and the Navy to personally attend with certain documents. The two Secretaries did not attend, Jefferson contenting himself with a statement that

if Burr supposed that there were any facts within the knowledge of the heads of departments or of himself which would be useful in his defense, Jefferson would, in furtherance of justice, give the defendant the benefit of the facts by way of deposition to be taken at Washington, the seat of the Government.

Congressional committees, intent at times on seeing papers and documents in the executive branch, have urged the Burr case as a precedent for the amenability of a Cabinet officer to process, by subpena issued by a committee of the House or the Senate. That case, however, has certain definite limitations, as laid down by Judge Marshall. In the first place, Judge Marshall made it clear that if a letter in the possession of the President, material to the trial, contains matter "which it would be imprudent to disclose, which it is not the wish of the Executive to disclose, such matter, if it be not immediately and essentially applicable to the point, will, of course, be suppressed. * * *" In the second place, Marshall held that if the President declared that a letter in his possession ought not to be exhibited in public, he had a privilege to withhold it.

That part of Judge Marshall's decision which claims for the court the right to issue a subpena against the President has been attacked by writers on constitutional law and scholars as unsound, for the reason that the courts cannot ask the President to do anything.

The President, as the chief executive officer of the United States, is in a position to completely disregard the court's subpena or order. Since such disregard brings contempt upon the court, it would appear wise for the court not to issue a futile order or command.

Jefferson, of course, was merely following the precedent which had been established by President Washington when he asserted, in a letter to United States Attorney Hay, that the leading principle of our Constitution is the independence of the legislative, executive, and judiciary of each other. Would the Executive be independent of the judiciary if he were subject to the commands of the latter, and to imprisonment for disobedience?

RUTHERFORD B. HAYES' ADMINISTRATION

A practical application of the principle, that Congress has not the power, under the Constitution, to force the President or heads of departments to divulge information against what the President believes to be the public interest, is found in the case of George F. Seward, who was counsel general of the United States in China during the administration of Rutherford B. Hayes. He appeared before the House Committee on Expenditures in the State Department, which was in charge of investigating his official conduct. A subpena duces tecum had been served upon him to produce certain books and papers. Seward refused. He was brought before the House to show cause at its bar why he should not obey the House through its subpena. The House referred the incident to its Judiciary Committee.

Benjamin F. Butler, chairman of the Judiciary Committee, submitted a report stating that Seward was not in contempt; that in contemplation of law, under our theory of government, all the records of the executive departments were under the control of the President of the United States. Although the House sometimes sent resolutions to a head of a department to produce such books and records, nevertheless, in any doubtful case, no head of a department would bring before a committee of the House any of the records of his office without permission of, or consultation with, the President of the United States. The report pointed out that all resolutions directed to the President of the United States, if properly phrased, would contain the clause: "If in his judgment not inconsistent with the public interest."

Finally, the report stated that the highest exercise of the power calling for documents would be, in the course of justice, by the courts of the United States, but the House wuold not for a moment permit its journals to be taken from its possession by one of its assistant clerks and carried into a court in obedience to a subpena duly issued by the court. The report indicated the perils incident to divulging to any committee of the House "state secrets," to the detriment of the country:

"Somebody must judge upon this point. It clearly cannot be the House or its committee, because they cannot know the importance of having the doings of the executive department kept secret. The head of the executive department, therefore, must be the judge in such case and decide it upon his own responsibility to the people, and to the House, upon a case of impeachment brought against him for so doing, if his acts are causeless, malicious, willfully wrong, or to the detriment of the public interests."

The record of the subsequent proceedings taken in the House shows that the recommendations of the Committee on the Judiciary, that Seward was not in contempt for failure to obey the subpena, were followed.

THEODORE ROOSEVELT'S ADMINISTRATION

President Theodore Roosevelt established the principle that heads of executive departments are subject to the Constitution, to the laws passed by Congress pursuant to the Constitution, and to the directions of the President, but to no other directions whatever.

In 1909, the Senate Judiciary Committee had caused a subpena to be served on Herbert Knox Smith, head of the Bureau of Corporations. When Mr. Smith appeared, the committee informed him that if he did not at once transmit certain papers and documents in his possession, the Senate would order his imprisonment. Mr. Smith reported this to the President and was ordered in writing to turn over to the President all the papers in the case, "so that he (the President) could assist the Senate in the prosecution of its investigation." What happened afterward can best be stated in President Roosevelt's own words:

"I have those papers in my possession, and last night I informed Senator Clark of the Judiciary Committee what I had done. I told him also that the Senate should not have those papers and that Herbert Knox Smith had turned them over to me. The only way the Senate or the committee can get those papers now is through my impeachment, and I so informed Senator Clark last night.

"The Senator informed me that the Senate was only anxious to exercise its prerogatives and that if the papers were of such a nature that they should not be made public the committee was ready to indorse my views. * * * Some of these facts which they want, for what purpose I hardly know, were given to the Government under the seal of secrecy and cannot be divulged, and I will see to it that the word of this Government to the individual is kept sacred."

Roosevelt's challenge to the Senate to impeach him, if it wished to get the papers which he felt should not be made public, was fortified by powerful legal argument. Roosevelt had ordered the Head of the Bureau of Corporations to get a decision from the Attorney General that the papers should not be made public. The Attorney General followed the provision of the act of 1903, when he reasoned that the President was to judge what information should be made public. Faced with the Senate committee's insistence that the Commissioner of Corporations violate both the law and the practices of his predecessors or face imprisonment, the Attorney General suggested that the papers be turned over to the President in order that the latter might thereafter instruct the Commissioner concerning their disposition (27 Op. A. G. 150).

FRANKLIN D. ROOSEVELT'S ADMINISTRATION

The precedents furnished by the late President Franklin D. Roosevelt's administration are several and you will recall that Federal Bureau of Investigation records and reports were refused to congressional committees, in the public interest.

You may recall also that the Director of the Bureau of the Budget refused to testify and to produce the Bureau's files, pursuant to subpena which had been served upon him, because the President had instructed him not to make public the records of the Bureau due to their confidential nature. Public interest was again invoked to prevent disclosure.

In addition the Secretaries of War and Navy were directed not to deliver documents which the committee had requested, on grounds of public interest. The Secretaries, in their own judgment, refused permission to Army and Navy officers to appear and testify because they felt that it would be contrary to the public interests.

We see that the framers of the Constitution had taken pains to insure the independence of the executive branch. Historical precedents covering more than 150 years of Presidential action demonstrate that our Presidents have vigorously asserted that independence.

Under the Constitution the executive power is lodged in the President. The determination of all executive questions belongs in theory and by constitutional right to him. The President is the responsible executive minister of the United States. The authority of each head of a department is a parcel of the executive power of the President. To coerce the head of a department is to coerce the President. This can be accomplished in no other way than by a law, constitutional in its nature, enacted in accordance with the forms of the Constitution. It follows that Congress cannot, under the Constitution, compel heads of departments to make public what the President desires to keep secret, in the public interest. The President alone is the judge of that interest, and is accountable only to his country in his political character, and to his own conscience.

Supreme Court Decision in Cement Cases

EXTENSION OF REMARKS

OF

HON. ELLSWORTH B. FOOTE

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 5, 1948

Mr. FOOTE. Mr. Speaker, under leave to extend my remarks in the Appendix of the RECORD, I wish to include an article appearing in the Washington Times-Herald of Thursday, August 5, 1948, by George E. Sokolsky, which makes some pertinent observations on the effect of the Supreme Court decision in the so-called cement cases, concerning which I addressed the House yesterday:

THESE DAYS

(By George E. Sokolsky)

Often the Federal Trade Commission and our courts follow theory without the slightest regard either for experience or the welfare of the country. Administrative lawyers, who

have come into control of our affairs, seek to remake our way of life without concern over the processes that have made this the greatest unit of production and that have given the American people their unusually high standard of living which represents the widest distribution of goods and services.

The basing point, which has been long in existence in the United States, permits a buyer to obtain materials from any manufacturer of that commodity at a competitive price with the manufacturer closest to the buyer.

Thus, for instance, a steel manufacturer in Pittsburgh can sell to a buyer in Indiana at the same price as a steel manufacturer in Chicago. The difference in the cost of transportation is absorbed by the seller.

The FTC and now the courts say that that is wrong. In the Cement case, the Supreme Court abolished the basing point. There are no loopholes in that decision which the FTC interprets as follows:

"The Court agreed with the Commission that this pricing system not only constitutes an 'unfair method of competition' but also involves unlawful price discrimination.

"It further held, in effect, that identical delivered prices which the system was designed to establish, regardless of wide differences in the cost of transportation from widely scattered plants, automatically created and reflected systematic discriminations in net factory prices * * *."

Curiously, this decision does not increase competition but kills it off. Justice Burton, who dissented, made that clear:

"This is the field where a producer, for his own purposes, and without collusion, often ships his product to a customer who, in terms of freight charges, is located nearer to one or more of the producer's competitors than to the producer himself.

"In selling to such a customer, this producer is at an obvious freight disadvantage. To meet the lower delivered price of his competitor, the producer, therefore, reduces his delivered price in that area by a sum sufficient to absorb his freight disadvantage.

"He might do this for many reasons. For example, this customer might be such a large customer that the volume of his orders would yield such a return to the producer that the producer, by distributing his fixed charges over the resulting increased volume of business, could absorb the freight differential without loss of profit to his business as a whole and without raising any charges to his other customers.

"The securing of this particular business might even enable the producer to reduce his own basic factory price to all his customers. It might make the difference between a profitable and a losing business, resulting in the producer's solvency or bankruptcy."

Of course, that would not worry the theoreticians, not until the steel companies decided to follow the letter of their ruling which upset them no end. In the Morton Salt case, the FTC won another victory in the Supreme Court which will cost the housewife considerable money.

Here the Court decided, following the FTC, that carload discounts may not be given; that is, that the manufacturer may not pass on to the customer reduced costs of operations.

Justices Jackson and Frankfurter dissented from this opinion, Jackson saying:

"The Court uses overtones of hostility to all quantity discounts, which I do not find in the act, but they are translated into a rule which is fatal to any discount the Commission sees fit to attack.

"The law of this case, in a nutshell, is that no quantity discount is valid if the Commission chooses to say it is not. That is not the law which Congress enacted and which this Court has uniformly stated until today."

Another matter, the Rigid Conduit case, comes into this discussion, but I have no room for it here. I need only make the point that these decisions involve increased costs at a time of high prices, that they confuse business processes, that they disorganize the normal relations between buyer and seller, and that they accomplish nothing of benefit to anyone. But they do make the administrative lawyers happy because their theories are upheld by the Supreme Court.

The Great Blunder—The Great Milk Plot

EXTENSION OF REMARKS
OF
HON. RALPH E. CHURCH
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Thursday, August 5, 1948

Mr. CHURCH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorials from the Chicago Daily Tribune of August 5, 1948:

THE GREAT BLUNDER

The Moscow talks promise, if not peace, at least a prolongation of the nervous truce as American troops confront Russian troops along the dividing line in Germany. But the crisis need never have come, nor Germany converted into an incipient battleground, if such western leaders as President Roosevelt and the late Prime Minister Neville Chamberlain of Britain had been statesmen.

We could have avoided the war, or, failing that, have shortened it, and we could have avoided the necessity of an occupation, with all of its consequent errors, by seizing a great opportunity that was presented, first, to Britain, and, later, to us. That was to have encouraged and supported the strong anti-Hitler underground opposition in Germany itself, which existed before and almost up to the end of the war. If that had been done, Germans themselves would in all likelihood have disposed of Hitler and the Nazis, ended the war, assumed responsibility for their own country, obviated any occupation, and removed Germany as an arena of contention between Russia and the west.

How this great chance, with all its promise, was thrown away is told by Prof. Hans Rothfels, formerly of the University of Koenigsberg, now of the University of Chicago, in a recent book, The German Opposition to Hitler. Dr. Rothfels makes clear that the powerful German underground made at least one attempt before the war and three during it to obtain western support to unseat the Hitler regime, only to be rebuffed each time.

The first occurred in 1938, at the time of the Munich crisis, and was supported by such powerful figures as Beck, the army chief of staff; Von Brauchitsch, the commander in chief; Von Witzleben, commander of the Berlin garrison; Von Brockdorff, commander of the Potsdam garrison; Von Weizsacker, secretary of state in the foreign office, and Goerdeler, former mayor of Koenigsberg and Leipzig and chancellor-designate of the "shadow cabinet" that was to take over from Hitler.

The conspirators, assuming that Britain and France would oppose Hitler's designs on Czechoslovakia, revealed to Chamberlain, through the chargé d'affaires of the German Embassy in London, plans to seize Hitler and Berlin. The Germans staked their hope of averting a general war on this plan, but they were undone when Chamberlain flew to Munich and sold Czechoslovakia into Hitler's hands. Lord Halifax, then Foreign Secretary, later told the German chargé who had confided the plot to him, "We were not able to be as frank with you as you were with us. At the time you gave us your message we were already considering sending Chamberlain to Germany."

In October 1939, after the war had started, the underground was able to send an emissary, Von Trott, to the United States via Gibraltar with the obvious connivance of the British Foreign Office, which repented too late its double-cross at Munich. He outlined to the State Department the underground's plans to overthrow Hitler, proposed America's good offices in then obtaining a negotiated peace, and was supported by the pre-Nazi Catholic chancellor, Heinrich Bruning, then living here, who obtained an interview with Roosevelt. After first showing interest, Roosevelt discouraged later contacts.

In June 1942, after America was put into war at Pearl Harbor, Louis Lochner, Associated Press correspondent in Berlin, returned to Washington after German internment. He knew many of the underground leaders and had been asked by them to make every effort to see Roosevelt and to obtain favorable consideration for the coming post-Hitler regime. "After several attempts to see the President had failed," Dr. Rothfels states, "he put his request in writing, stating exactly why he desired a personal interview. The reply that he received was negative, and suggested that he desist because of the 'most embarrassing nature' of his request."

Other attempts were made to obtain western support, but the German opposition, turned down at every hand and the victim of mischance in several attempts to dispose of Hitler, finally, in desperation, sought to end his life in the bomb plot of July 20, 1944. By then the unconditional-surrender formula had been announced by Roosevelt, cutting off, as Dr. Rothfels states, any hope for a bearable peace which the German resistance might still have had, and making the usefulness of further contacts with the west highly questionable. Then the bomb plot miscarried, and most of the men who could have given Germany postwar leadership were caught in the investigation and executed.

The Roosevelt administration and its apologists suppressed as much of the story of the German opposition as they could, for as long as they could, and, when forced eventually to admit its existence, gave out a caricature belittling it and the caliber of the men who composed it. Nor is the reason for this any mystery, for the whole record of Roosevelt's persistent refusal to have anything to do with the underground forces, taken together with the Casablanca program for unconditional surrender, affords good ground for believing that Roosevelt was only incidentally interested in overthrowing Hitler, but was more concerned with provoking, entering, and prolonging a war that would add to his personal luster and extend his tenure of political power.

THE GREAT MILK PLOT

Just a week ago Attorney General Tom Clark announced a great propaganda campaign by his Antitrust Division to discover the malefactors who have put the cost of living so high. Obviously his program to exorcise the devils was tied in with Mr. Truman's anti-inflation crusade. The object was to provide campaign ammunition in the hope of deluding a few voters.

On August 12, 1947, nearly a year ago, Mr. Clark announced for the first time that the Antitrust Division was swinging into action to ferret out conspiracies to maintain or to increase present prices. The Division Chief, John F. Sonnett, an old fixer in the Pearl Harbor investigation, came out to Chicago and went into a mysterious huddle with the Federal grand jury.

Nothing happened for 10 months. Then, presto! Last Saturday, 2 days after Clark proclaimed his search for villains and 3 days

after Truman demanded controls over inflation, the grand jury returned indictments charging eight Chicago milk companies with conspiracy to divide up markets and two of them with fortifying their position as suppliers to chain stores through a system of rebates to their clients. This is nice timing.

The overwhelming volume of milk involved in the marketing arrangements which Clark's Department challenges goes to chain stores. The retail price of milk in the chains is substantially lower than that for home deliveries and frequently lower than that in other retail stores. The administration, which professes to have dedicated itself to lowering prices, says this is a crime.

The great milk case is on a par with Clark's other famous victory, in which he scored a court success on similar grounds against the A. & P. stores, the country's largest sellers of low-priced groceries.

Top Life Insurance Executive Favors Monetary Commission

EXTENSION OF REMARKS
OF
HON. HOWARD H. BUFFETT
OF NEBRASKA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 27, 1948

Mr. BUFFETT. Mr. Speaker, under leave to extend my remarks, I am including a statement by Mr. Thomas I. Parkinson, president, the Equitable Life Assurance Society of the United States, which appeared in the Commercial and Financial Chronicle Thursday, July 15, 1948:

Some time ago we suggested that not since 1896 when free silver was the issue has the soundness of money been so important in a presidential campaign as it is this year. In the platform of 1896 it was declared, "The Republican Party is unreservedly for sound money." We are unalterably opposed to every measure calculated to debase our currency." This was a forthright declaration in the face of a popular cry for the abandonment of gold.

We have long since departed from a gold-supported currency; our money supply now consists of $2,000,000,000 of coins, mostly silver, $26,000,000,000 of paper money which is simply a promise to pay, and $140,000,000,000 of bank deposits on which somebody has a right to draw.

It will be seen that by far the greatest part of our present money supply is in bank credit, and it is the expansion of bank credit which has adulterated our money supply and reduced the purchasing value of the dollar. From this flow high prices, demands for higher wages to meet the increasing cost of living, and the doubts and difficulties of making plans which involve dollar costs and dollar values in the future.

The Republican platform adopted last week declares, "We pledge an attack upon the basic causes of inflation, including the following measures," and outstanding among those measures is a sound currency.

In our present monetary situation it is wholly inaccurate to refer to our whole money supply as currency. The declaration in favor of sound monetary policies and a dollar protected from further depreciation requires something more today than a general declaration in favor of a sound currency. The current platform's declaration will have to be implemented in important ways if it is to assure the adoption of those monetary measures which will stop the depreciation of the dollar.

Perhaps a party platform is not the place to detail those measures but the content of this platform's declaration would indicate either that its draftsmen did not feel too sure of the subject matter with which they were dealing, or were again haunted by the old fear that monetary corrective measures would involve possible deflation which for the moment they fear more than further inflation.

It is the expansion of bank credit during the war and since the war which has given us our huge increase in money supply. We were told that when the Government reduced its debt this expansion of bank credit would be reversed and the money supply reduced. The truth is that since the war ended the Government's marketable debt has been reduced by over $35,000,000,000 and meanwhile the money supply has been increased by over $20,000,000,000. Practically all of this increase in money supply which determines the values of the single dollar has been due to the deliberate policies pursued by the monetary and fiscal authorities of the Federal Government.

There is no promise of betterment of the situation in the mere declaration in favor of a sound currency. The Republican platform recognizes money and monetary policies as causes of inflation; the trouble is it does not recognize them as the principal causes of current inflation in this country.

We simply cannot hope for the control of inflation and high prices until the increase in the money supply is stopped and a stable dollar established. We have for some time taken the position that the measures necessary to accomplish this result should be worked out by a monetary commission representing Congress and the nonofficial public. It seems to us that it would have been good politics for the Republican platform to have declared in favor of the creation of such a monetary commission.

Grover Cleveland once said that it is the average citizen who suffers most from inflation; the businessman or the speculator can adjust himself to the changes which it brings. This is true, and unquestionably it will be the great mass of our people who will suffer if the inflationary trend continues.

If our political leaders understood the inflation problem and realized the extent to which it is really an unsound money problem they would realize also that the mass of the people have an interest in and will support sound monetary measures. The failure in Philadelphia to declare for such measures, or for an immediate study of the whole problem by a monetary commission to develop such measures indicates that the politicians have not informed themselves on the complexities of the monetary question enough to enable them to realize its practical importance and to develop a sound, intelligent monetary plank.

Investigation of the problem is hampered by its innate abstruse character and by the fact that our monetary and fiscal authorities—the Treasury Department and the Federal Reserve Board—are not anxious to spread intelligible information which would expose the dangerous character of our financial operations. When our monetary authorities do not supply us with the necessary leadership and when the bankers who are the practical experts in the monetary field do not get excited about the dangerous trend or its correction we cannot expect our political representatives to be very emphatic.

A drastic attack on inflation means a thorough renovation of our "managed money." It means an end to support of Government bond market prices by means which constantly increase bank credit and our swollen money supply. It means that our monetary authorities must promptly cease the unrestricted purchase by the Federal Reserve of Government bonds held by banks. It is true this will reduce the earning assets of the banks, but it is better for the banks to reduce their earning assets than to go on increasing the number of dollars.

It was not easy for the Republican leaders in 1896 to declare emphatically in favor of a gold-secured currency. It would not now be more difficult and might be similarly politically advantageous to declare emphatically for those measures essential to keeping our money supply and its unit, our dollar, sound and stable.

Government Adds to Scrap Steel Shortage

EXTENSION OF REMARKS
OF
HON. ALVIN F. WEICHEL
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Thursday, August 5, 1948

Mr. WEICHEL. Mr. Speaker, the shortage of scrap in the United States necessary for the production of steel has long been a matter of public concern. With plans being discussed to bring scrap from Germany and with the suggestion that the Maritime Commission chop up the war-built fleet to make scrap, yet this Government is taking scrap out of continental United States. During the war the Navy purchased a large Great Lakes passenger ship, the *Greater Buffalo*, of some 500 feet in length, converted it to an aircraft carrier for the purpose of training, and the ship has been surplus property since the war at a pier in Chicago. Very hurriedly this spring the Maritime Commission offered it for sale for scrapping in continental United States. Not only before the proverbial ink was dry on the award but before the award was actually made the Commission was considering sending the ship to Canada for scrapping. Now I am advised that the Maritime Commission has authorized scrapping in Canada instead of the United States.

It is beyond understanding that the Maritime Commission send ships to foreign countries for scrapping when there is not sufficient scrap in this country to make steel and everyone is trying to bring scrap into the United States from foreign countries.

The former passenger ship is known as the U. S. S. *Sable* and was the former *Greater Buffalo* and was operated in the passenger trade on Lake Erie. It is so large that it cannot get through the Welland Canal. It is more than 100 feet wide at the paddle boxes and the canal cannot accommodate ships of more than 80 feet beam. In order to get the ship out of the Great Lakes to Canada for scrapping it would be necessary to cut it down at Buffalo or some other port.

In view of the shortage of scrap in this country and the fact the sale was made for scrapping in the United States I am requesting the Maritime Commission keep the ship for scrapping in the United States where it now is and where it was supposed to be scrapped according to the offer for sale. The ship is still in the United States and I hereby call upon the Maritime Commission to make this ship available for scrapping in the United States. Investigation and search will be

made into the matter concerning deals made, pending, or to be made by the Maritime Commission with reference to taking scrap to foreign countries which is needed in the United States.

Jacking Up Prices

EXTENSION OF REMARKS
OF
HON. LAWRENCE H. SMITH
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Thursday, August 5, 1948

Mr. SMITH of Wisconsin. Mr. Speaker, recently the Chicago Daily News carried an editorial entitled "Jacking Up Prices." It charged that the Truman administration was engaged in blaming speculators and Republicans for high prices and taking no responsibility for the situation which exists under our present foreign policy where we are delivering huge quantities of commodities overseas.

Mr. Speaker, it appears to me that the causes for high prices in a measure are the loose money policies of the administration and to the unusual foreign demands for American goods. This in addition to the false monetary system devised by the New Deal since it came into power in 1933. Our whole monetary system requires a study and investigation in order to ascertain the real cause for the present-day high-price situation.

Under leave to extend my remarks, I am including the editorial in question and at the same time submitting a statement of scarce items which have gone to Europe under the ERP up to June 1948. These items all affect the cost of living:

Wheat	$127,000,000
Wheat flour	39,900,000
Meat	34,800,000
Coal	60,000,000
Petroleum products	75,700,000
Cotton	42,700,000
Tobacco	18,000,000

[From the Chicago Daily News]

JACKING UP PRICES

During the formulation of the Marshall plan, the Daily News warned repeatedly that insufficient note was being taken of the inflationary aspects of the project. The Truman administration, engaged in blaming speculators, Congress, and Republicans generally for high prices, denied that the gigantic foreign-relief program would have any major impact on domestic prices.

On the Chicago Mercantile Exchange last week, on the day that cheese prices are set by Wisconsin trading, prices went up 2 cents a pound, reflecting, dealers assert, heavy British buying at 4½ cents over the market price.

High prices for cheese divert to cheese factories milk that is ordinarily sold fresh, or made into butter. Thus the entire range of dairy products shares in the price rise.

This is merely one of the visible situations in which the taxpayers pay twice for "economic cooperation" with Europe—once in providing the dollars for foreign purchases in the United States, again when those purchases inflate domestic prices.

Surveys show a considerable number of Europeans believe the ECA was deliberately designed to dump our surplus abroad to prevent a price drop and depression. But dairy experts assert that milk production will reach only 116,000,000,000 pounds this year, as compared with 126,000,000,000 in 1945.

We are now accumulating the experience against which to weigh the case for the extent of future Marshall-plan aid. When our sacrifices to improve living standards abroad are realized, perhaps we shall feel entitled to ask whether the recipients of that aid have done everything possible to assist themselves.

Special Session of the Eightieth Congress

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Thursday, August 5, 1948

Mr. LANE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by Hon. JOHN W. MCCORMACK, from the Newark Sunday News of August 1, 1948:

(By JOHN W. MCCORMACK)

What will the special session of the Eightieth Congress accomplish? The answer to that lies squarely with the Republicans. This special session can, if the Republicans elect to do so, adjourn in 2 weeks with a splendid record of achievement. Or it can, if the Republicans choose, go home tomorrow and face the people with lame excuses.

The Republicans have charged President Truman with politics in calling this special session, yet from their actions thus far in the session I would say that the Republicans are grossly guilty of political deceit of the highest order.

Is it, I ask, politics for the President to summon the Congress to act against runaway prices? Is it politics for the President to recognize the growing urgency for a solution to the aggravated housing situation? Is it politics for the President to demand that old-age pensions, now pitifully inadequate, be increased to at least bare subsistence level?

CHARGES INDIFFERENCE

I am amazed to observe the bland indifference of the Republican leadership in this special session. I am amazed to discover that men of a once great political party can be so blind to reality, so inexcuseably indifferent to the needs of the people.

I am informed that a powerful segment of the Republican majority in this Congress was actually in favor of going home immediately after the President's message. Fear of the political consequences was all that kept certain GOP leaders from giving the adjournment signal. Was not this decision motivated solely by political considerations?

What will this session accomplish?

The answer to that lies with the Republican Party and its leadership.

From Governor Dewey down, it can, if it chooses, do a great deal. It can check inflation. It can control prices so that the average wage earner at least breaks even for his labors after paying the butcher, the baker, and the landlord. It can give our millions of veterans homes instead of the opposition propaganda passed out by the real-estate lobby. It can afford our aged, who must live on pitifully small pensions, enough income to meet a minimum standard for food, clothing, and shelter.

Failing to do these things, promptly and in good faith, the Republican Congress will have repudiated its party's 1948 platform. The Republican Party, indeed, will have repudiated itself before the American people and stand, for once and all, exposed as the agent for vested interests.

In particular, the people are suffering from the high cost of living and of lack of housing. The cry of "politics" will not bring necessary relief to the people on these important matters.

This is the time for action, not promises. This is the time for performance.

The President's Message

EXTENSION OF REMARKS
OF
HON. ROBERT N. McGARVEY
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, August 5, 1948

Mr. McGARVEY. Mr. Speaker, President Truman sounded the death rattle of the Democratic Party at the party's convention in Philadelphia when he announced his intention to call a special session of Congress. As we convene in extraordinary session in honor of the State of Missouri's Turnip Day, the sound still echoes in our ears.

No one in the Democratic Party has yet offered an answer to the vital inquiry as to why the current majority party should accept without question a package of legislative proposals from the leader of the minority and proceed without questioning or hesitation to enact them into law. Nor as President Truman, who was a Member of Congress during the New Deal heyday and is therefore in a very good position to supply the information, offered to tell us why his recommendations were never put into effect during the 15 years when his own party controlled not only the White House but the Congress as well. For let us not forget that what the President states we can accomplish in 15 days, his own party, the tired old New Deal, has consistently promised the people for 15½ years. This indirect compliment to the Republican Party is, of course, unintentional but quite significant.

We do not, however, intend to return it by enacting the President's legislative program. It would be a dismal confession of the failure of the Republican Party and their inability to uphold the confidence of the people. Furthermore, we have the word of no one except President Truman himself that the people of the Republic are anxious to have his proposals enacted into law. And contrary to what has been stated it is not our 1948 campaign platform which he wants enacted. Our platform contained no semisocialistic proposals, long advocated by the managed-economy experts, paternalistic and definitely totalitarian in their essence. Should we adopt such a program, it would announce to the world that America had finished with the philosophy of government which had made us a nation greater than any other on the face of the earth. It would betray the American people as a race morally bankrupt and so weak that they must look to their politicians for what free peoples normally do for themselves.

And where is the money to come from? Has President Truman answered that question yet? Or do the predictions of a deficit for fiscal 1949 not worry him? Is it not odd that all of his proposals require the establishment of huge bureaucracies and the expenditure of vast sums of public funds which, incidentally, we just do not have? We are, I presume, supposed to accept with a straight face the fact that the President's urgent appeal for immediate enactment of 15-year-old money-spending and employment-giving promises is only coincidental to the coming election. Even his price control and rationing program would require the setting up of a vast Federal agency and the wasting of enormous amounts of the taxpayers' money.

And yet, all economic experts agree that one of the primary reasons for inflation is the present size of the Federal budget. Yet not once has this fact been mentioned by the President, nor an appeal for economy directed by him to the many departments and agencies under his control. Instead, he openly boasts of the fact that he prevented Congress from cutting his oversized budget to the amount they wished.

This is the same President, who with a similar turn of thought, boasts to the farmers that he has increased the prices consumers must pay for their products, yet tells the consumers, in the same speech, that the Republicans are to blame for the present high prices. And what is his remedy? Price control and rationing! Controls to divert goods from their normal channels into the black market. Controls to return the wartime days when the housewife, existing under the Government's assurance that she need pay no more than a certain price for food, finds no food at all when she arrives at the store.

For the truth of the matter is that controls are only a stop-gap measure. If the Republicans did not have the welfare of the people at heart, they could enact President Truman's inflation program and prove to the country for all time and without a shadow of a doubt the fallacy that price control and rationing will solve the problem of the high cost of living. It does not even skim the cream off the top of the problem, much less get to the very heart and source of the difficulty. We may have price control at the retail level, but it will never reduce the cost required to manufacture, grow, produce, and market the product sold. And until the administration has the moral courage to attack the high cost of living at its various sources the high prices of goods below the marketing level will continue, price control or no. And the imposition of price controls on products at the retail level would never reduce those costs. On the contrary, we would be forced to maintain price controls, a temporary, wartime measure, indefinitely in order to keep prices in line. There could be no better way to sovietize the American economy, and banish our sacred heritage of freedom and individual liberty. And there could be no better way to bring about a debacle of depression more devastating and lasting than that which we witnessed during the thirties when the tired old New Deal reigned supreme on the strength of promises never kept.

So, let us ask the President and his party when the wisecracks and politics are going to be junked, and commonsense substituted for demagoguery and a complete disregard for the welfare of the people. For the people are not stupid as the Democratic Party seems to think. They can recognize political motives, no matter how disguised and they can realize that the office of the Chief Executive of the Nation as well as their representatives in Congress should not be cheapened by using them to further the political motives of one man. We are in session now and we will be glad to forget the manner in which the session was called, we will forget Turnip Day and the other county politician's witticisms and unwarranted attacks. We only ask that a forgotten pledge of cooperation in the interest of the Nation, which was made to us in January of 1947 before an election loomed, be remembered and that Mr. Truman remember also that America is not a socialistic state and should be governed accordingly. This session is not a challenge to Congress; it is a challenge to the Executive to prove that past mistakes will be rectified and his worthiness to carry on as President of the United States for four more years upheld. This is a chance few Presidents have been given—let him take it if he dares!

The Fake Emergency

EXTENSION OF REMARKS
OF
HON. RALPH E. CHURCH
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Thursday, August 5, 1948

Mr. CHURCH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Chicago Daily Tribune of August 5, 1948:

THE FAKE EMERGENCY

Mr. Truman in issuing his proclamation for the extra session of Congress merely stated that the public interest requires that the Congress be convened. Senator TAFT, who knows something about the Constitution, promptly pointed out that Mr. Truman, in his call, had not cited any extraordinary occasion for the session, as required by section 3 of article II.

Neither in his call nor in his message to Congress did Mr. Truman say that there was an extraordinary occasion or a national emergency. He merely implied that there was one. How sincere or how political he was in giving this impression has been highlighted by a remarkable demand by Mr. Truman at a press conference that Congress should pass legislation to reestablish regulation W, dealing with installment credit controls.

This regulation had been repealed during the regular sessions of the Eightieth Congress. When Chairman WOLCOTT, of the House Banking and Currency Committee, heard of Truman's demand that it be revived by legislation, he read from the law repealing the regulation a proviso that these controls could be invoked in any national emergency declared by the President. The President, he said, "can declare an economic emergency or any other kind of emergency. We made it very clear that the emergency did not have to be incident to war. So I think we can agree that if conditions warranted a special session the President could have used those powers."

Here we have Mr. Truman professing that there is an emergency, but refusing to proclaim an emergency or even to admit it to himself for the purpose of possessing himself of powers he says he needs. The emergency that Mr. Truman has in mind isn't national so much as personal. It is dated November 2.

An Erudite Letter

EXTENSION OF REMARKS
OF
HON. EUGENE J. KEOGH
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, August 5, 1948

Mr. KEOGH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following letter addressed to the editor of the New York Times by former State senator, Leon Fischel. Senator Fischel is recognized as a foremost student of the French people and language but, in addition, has the analytical mind and pen of an experienced legislator and public official whose viewpoint is sought and relied upon by many people of widely varying social and political philosophies. That he "takes on" as eminent an expert as Arthur Krock is a tribute to his courage. The senator's letter follows:

VALUE OF SPECIAL SESSION—ELECTORATE IS ENABLED TO APPRAISE PARTIES IN ACTION, WRITER SAYS

To the EDITOR OF THE NEW YORK TIMES:

Your Mr. Krock some days ago quoted "toujours l'audace" as the Napoleonic military maxim.

"De l'audace, encore de l'audace, et toujours de l'audace," was what Danton proclaimed in 1792, the day after the battle of Valmy, when the "mob of cobblers and tailors" saved the sacred soil of France from foreign invasion.

These mercenaries were in the pay of the coalition of reactionary kings attempting to crush Frenchmen to whom justice and liberty were not merely language in the political platform of a convention but expressions which they believed had to be implemented and exercised so that they might become part of the process of day-by-day living.

Is Mr. Krock irked that President Truman has called a special session of Congress? Could he suggest another method whereby the electorate might be enlightened more expeditiously and effectively as to the basic differences between the Democratic and Republican attitudes toward the vital problems of the day? For once, a real opportunity is afforded to render more than lip service to principle.

CAMPAIGN PROMISES

The public is now able to measure both the willingness and honesty of the personalities within the political parties and of the parties themselves to carry out their political platform. It is somewhat novel to be in a position to do before an election what one promises to do after an election. But since all agree that the times require a new approach, who would cavil at giving it a trial?

The President's speech was not in the Napoleonic vein, Heaven forfend. Mr. Krock must have written this with tongue in cheek. But it was a clarion call by an honest American to his fellow men to protect our system of government from enemies both within and without its borders.

The issues are becoming clear. Congress can now show itself to be more than a forum for the ventilation of ideas. It can crystallize the thinking of the American people into action. Action that will show the world that our democracy when put to the test can be responsive to the wishes of the majority of its citizens.

In the long run, the American public cannot but gain from this special session. My experience while in the legislature has proved to me that the legislative processes have remained incomprehensible in a great many respects to the average citizen. Though not shrouded in mystery, their ramifications only serve to confuse the voter as to why certain laws were passed or failed of enactment.

CLARIFYING PROCESSES

Let there be light on this all-too-frequently obscure aspect of legislative process. Let the parties assume the responsibilities, arduous as they may become, that are the necessary concomitants of the privileges that the party leaders love so well to exercise. Let each legislator, regardless of party, be given an opportunity to take his stand before the American people in a way they can understand.

Let the miasma that has veiled certain activity or lack thereof of the Eightieth Congress be dispelled so that the finger may be squarely pointed at those who have failed to accept the responsibility of their high office.

Not only we, as Americans, but the world at large owes a debt of gratitude to President Truman for convening Congress in special session. Here for everyone to see is the democratic process at work in our land.

May we never cease to have "cobblers and tailors" with the courage and capacity ably to respond to their country's call when its very foundations are being menaced.

LEON FISCHEL.

NEW YORK, *July 28, 1948.*

Cheering News for DP's

EXTENSION OF REMARKS

OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 5, 1948

Mr. MULTER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include an editorial from the New York Herald Tribune of August 3, 1948:

CHEERING NEWS FOR DP'S

The State Department's report on job prospects for displaced persons makes fine reading. There will be jobs for all who can possibly come next year—more jobs than the 100,000 now allowed to come can fill. The State Department has received that many offers from farmers, industrialists, and business firms even before a commission is appointed and the screening of newcomers begun. New York alone estimates that 50,000 can find employment in the State, although that many cannot come here because the law makes specifications about geographical distribution. Many bids are for farm workers and domestic servants to whom the law's specifications about housing should present least difficulty.

The report is good news for the displaced persons who can qualify under a too-restrictive law. Even more important, it betters the prospect for changing that law to cover many more. It furnishes the concrete answer to the fears and begrudgings of those legislators who insisted upon the unjust and unnecessary restrictions. And whether or not the special session acts to liberalize the law, there will still be time before any big-scale immigration can be arranged. With a new Congress, a fresh mandate from the people, a sounder law can surely be written and America's responsibility to help resolve the tragic situation of war's refugees in a clear and final and hopeful fashion be fulfilled.

Who Did They Think Eisenhower Was?

EXTENSION OF REMARKS

OF

HON. GORDON L. McDONOUGH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 5, 1948

Mr. McDONOUGH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Saturday Evening Post:

WHO DID THEY THINK EISENHOWER WAS?

Back in the early stages of the defunct draft-Eisenhower movement, a writer in PM, since metamorphosed as the New York Star, explained that "the social and economic views of General Eisenhower * * * do not overly concern the labor leaders who want him at the head of the Democratic ticket. Their attitude can be summed up in the words of one labor spokesman: 'Working with a thoroughgoing liberal Congress, Eisenhower would have to go along.'"

The same cynical attitude toward Eisenhower as a political figure was shared by the other groups in the movement. His repeated refusals to accept political office were brushed aside as some coy, hard-to-get routine which didn't matter. The Confederates cared little whether or not the general felt as they did about civil rights for Negroes. Mayor Hague and the other city bosses were indifferent to Eisenhower's views on good government or anything else. The Jimmy Roosevelt liberals were equally unconcerned. All these characters were united on only one thing: Ike Eisenhower would make a wonderful label to paste on a package that was rapidly becoming a slow mover. Once in, he would be expected to "go along." In any event, the patronage would be safe.

There is nothing startling about this desire on the part of a hybrid coalition of politicians to ride back into their jobs on the coattails of a great military leader whose popularity is enormous. That part of the affair is no more mysterious than the practice of giving away refrigerators at quiz programs or persuading Miss America to endorse a muffin mix. What does baffle us, however, is the extraordinary estimate of the dignity and character of Dwight Eisenhower by those who actually imagined he could be persuaded to be the candidate of a party which had no interest in his attitudes, his probable ability as a President, or anything about him except that he would look mighty good up there surrounded by a lot of flags and the bands playing Hail to the Chief.

All this added up as a tawdry tribute to a great military commander to whom his country owes genuine honor, and it is likely that Eisenhower saw it that way, too. After all, as one commentator wrote at the time, the general reads the newspapers and could hardly have missed the point of the "draft"—namely, "Come over to Macedonia and help us." A man accustomed to laying out plans of attack and carrying them into effect could hardly have helped wondering what he was supposed to do in January, when Boss Hague came to call, followed by Leon Henderson, Senator Pepper, Max Lerner, seven irate Confederates, four Roosevelt sons, Herman Talmadge, and Winchell, in that order. Even if it were not revolting enough to serve as barker for such a motley group of performers, Ike Eisenhower must often have asked himself, "What price glory?"

If the sponsors of the movement ever asked themselves anything about Eisenhower beyond his campaign possibilities, it isn't in the record. No intimacy with General Eisenhower is needed to cause one to guess that this attitude by those who urged him to run was among the reasons why he didn't care to.

Education in Poland Under Russian-Dominated Regime

EXTENSION OF REMARKS

OF

HON. THOMAS S. GORDON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 5, 1948

Mr. GORDON. Mr. Speaker, I am inserting an article in the Appendix of the RECORD which appeared in the August 4 issue of the Washington Times-Herald. I am calling this material to the attention of Congress because it readily illustrates the methods and type of education now being imposed on the freedom-loving Polish people. It is disheartening to me to see such inroads being made into the Polish educational system by the present Russian-dominated regime. The article itself is an unbiased and factual contribution of what is happening to Poland's schools and it indicates quite clearly to what extent the youth of Poland is being forced to suffer.

As one who has consistently fought to bring the true story of sorrowful present-day Poland to the attention of the Congress, I feel that this article will and should merit our deepest and most earnest consideration.

POLISH REDS CONTROL SCHOOLS, RETURNING D. C. TEACHER SAYS

(By Estelle Gaines)

The Communist Party in Poland has virtually taken over the schools, teaching the susceptible younger generation that in the United States everyone wears the white mask of the Ku Klux Klan, waves a burning cross and plots against the people.

So says Anne Waterman, 22, of 4711 Rodman Street NW., who has just returned from teaching English at the University of Warsaw for nearly 2 years. She got the job through the Polish Embassy here after her graduation from Vassar.

AMERICAN WARMONGERS

Anne, slim, fragil, and brown-haired, came home because it was getting impossible to give a true picture of America to her students. The Red propaganda that all Americans are warmongers and enemies of Poland has taken effect, and Communist sympathizers made things as unpleasant for her as possible.

Recently, whenever she spoke English in public, some fanatical youngster, comparable to the youthful followers of Henry Wallace here, would make loud remarks about capitalists and American imperialistic warmongers, Miss Waterman said.

OLDER POLES AREN'T RED

The older Poles, who love America and our form of democracy, have not been converted to communism but they live in fear of Red retribution unless they submit quietly to the party.

"During the German occupation, every Pole knew that every other Pole was a friend, but under the Communists a Pole doesn't know whom to trust."

As far as she knows, she said, there is no organized underground against the Communists. Most of the professors at the university were not actual members of the party and felt themselves above "politics." However, if things get worse, Miss Waterman expects them to join up as a matter of expediency.

LISTEN TO VOICE OF AMERICA

Poles listen freely to the Voice of America, and some who understand English, to the American Forces Network. Miss Waterman believes the "Voice" does a great deal of good in bringing the real truth to the people, but says more broadcasts are needed.

She said that just before she left, the police were stopping visitors to the American information center, where Poles can read many American periodicals and newspapers. The police asked the visitors their names and addresses and warned them not to "be seen around here again."

LIVED ON BREAD AND SPUDS

Anne learned Polish from her two roommates and in the winter lived off a diet of mostly bread and potatoes. In the summer she said, there was plenty of fresh fruit.

She urged American teachers to try to get jobs in European schools, in order to combat the Communist propaganda. Anne hopes to return to Europe herself with the State Department. Anne is the daughter of Dr. Alan T. Waterman, Navy Department physicist.

"Dixiecrat" Is Wrong Name

EXTENSION OF REMARKS
OF
HON. L. MENDEL RIVERS
OF SOUTH CAROLINA
IN THE HOUSE OF REPRESENTATIVES
Thursday, August 5, 1948

Mr. RIVERS. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the News and Courier, Charleston, S. C., for August 4, 1948:

"DIXIECRAT" IS WRONG NAME

Governor Thurmond is right in pointing out that the States Rights Party, of which he is the choice for Presidential nominee, should not be called the "Dixiecrat" party. The term was coined by a headline writer in search of a handy word that would not require too many letters.

"Dixiecrat" is a misnomer. States' rights, though heard mostly in the South, is not exclusively a southern doctrine. The principles of the States Rights Party, stripped of purely southern elements prompted by the large Negro population, are closer to the beliefs of millions of solid Americans in the North, West and East than the present outpourings of vote-catchers under the labels of Democrat and Republican.

Both the big parties are competing for the "common man" under the masquerade of formerly honorable names. The States righters are rallying around the foundations of the Republic. They are not Dixiecrats. Friends of the movement, which will not die with the November election regardless of the outcome, do it a disservice in clinging to the term.

The Licensed Beverage Industries Corrects Treasury Department

EXTENSION OF REMARKS
OF
HON. EUGENE J. KEOGH
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, August 5, 1948

Mr. KEOGH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement of F. E. M. Whiting, vice admiral, United States Navy, retired, in his capacity as president, Licensed Beverage Industries, Inc. The statement refers to and points up unfortunate deficiencies in the recently released study of the Division of Tax Research of the Treasury Department entitled "Federal Excise Taxes on Alcoholic Beverages." It is fitting that the position of the industry be set forth, and I am, accordingly, pleased to set forth Admiral Whiting's statement in full, as follows:

Failure of the Treasury Department to give proper consideration to all of the factors relating to liquor taxation in its recently released study, Federal Excise Taxes on Alcoholic Beverages, was labeled unfortunate today by Vice Adm. F. E. M. Whiting, United States Navy (retired), president of Licensed Beverage Industries, Inc. Admiral Whiting was referring to the 101-page analysis issued July 19 by the Division of Tax Research of the United States Treasury Department for the purpose, according to the Department, of providing information for use in determining whether the taxes in question should be modified.

Although the study was intended to assist legislators in their deliberations on tax reductions, according to Admiral Whiting, the analysis overlooked and gave inadequate weight to a number of important circumstances which have considerable bearing on distilled spirits taxes.

The LBI president pointed to the following deficiencies in the Treasury Department study:

1. According to the United States Department of Commerce, per capita consumption of distilled spirits fell from 1.39 gallons in 1946 to 1.28 gallons in 1947. Despite this fact, the Treasury Department study stated flatly that the consumption of alcoholic beverages had risen almost continuously since repeal. Further, according to Admiral Whiting, while the Department of Commerce does not issue interim figures, trade reports during the past few months indicate that consumption of distilled spirits has fallen sharply as compared with the same period a year ago.

Last year, according to the Department of Commerce, consumer outlays for distilled spirits fell by approximately $500,000,000, or almost 10 percent.

2. In the Treasury Department analysis no mention is made of the adverse effect the above circumstances are having on the approximately 200,000 retail and wholesale outlets selling distilled spirits.

3. Significantly, Federal excise-tax collections from distilled spirits, as reported by another division of the Treasury Department, show a drop of 15 percent during the first 5 months of this year, as compared with a year ago.

4. The Treasury Department release declares that "roughly half of the retail price of popular-brand liquor" comprises Federal tax. Yet, it goes on "there is no way to determine how illicit liquor operations would be affected by different (presumably lower) tax rates."

Admiral Whiting declared that here was a concrete example of "the right hand not knowing what the left hand was doing."

He based this observation on the report of the Alcohol Tax Unit of the Bureau of Internal Revenue which showed that illicit still seizures by Federal authorities during the month of May 1948 were 13 percent higher than in the same month in 1947. For the 11-month period ending May 1948 seizures increased by 9 percent.

"Obviously, the higher the Federal tax rate on distilled spirits the greater is the incentive to the bootlegger," Admiral Whiting said. "This is merely a matter of sound common business sense. The bootlegger pays no Federal taxes, or State, or local taxes, and enjoys a sharp competitive advantage over the legitimate distillers.

As reported by the Alcohol Tax Unit, the indicated daily producing capacity of the stills seized during the 11-month period ending May 1948, was sufficient to provide an average annual output of 59,000,000 gallons. This would represent an annual tax loss to the Federal Government of almost $530,000,000.

"This figure does not give any recognition to the number of stills not detected by the Federal Government or to the stills seized by State and local enforcement officials," Admiral Whiting said. "Obviously, if all these factors were taken into account the amount the Government is losing on illicit still operations is astronomical. This loss can only be traced to high taxes since bootleggers do not thrive when prices are low."

"The United States Department of Commerce annual per capita consumption figures for distilled spirits show conclusively that today's American is drinking more moderately.

"For example, the highest per capita consumption level reached in this country since repeal, according to the United States Department of Commerce, was 1.39 gallons in the calendar year 1946. In 1850, per capita consumption of distilled spirits was 2.24 gallons, in 1860 the per capita level was 2.86 gallons. During the years 1906 and 1914 the level ranged from 1.43 to 1.51 gallons of distilled spirits per person.

"People today certainly are drinking more moderately than was the case in the last half of the nineteenth century and first two decades of the twentieth century."

A Chapter in Politics That Repeats Itself

EXTENSION OF REMARKS
OF
HON. JOHN DAVIS LODGE
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Thursday, August 5, 1948

Mr. LODGE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by Arthur Krock from today's New York Times:

IN THE NATION—A CHAPTER IN POLITICS THAT REPEATS ITSELF

(By Arthur Krock)

For the second time in 4 years a Republican candidate for President is obliged by patriotic and other responsible considerations to hold to mere skirmishing his offensive operations on a major sector of the campaign battlefront—that dealing with the foreign policy and acts of the executive in power. The candidate is the same citizen, Governor Dewey, who had this experience previously, and once again the Washington dispatches proclaim the event.

In 1944 Mr. Dewey, as the opposition candidate for President, had two promising lines of attack—one, with respect to President Roosevelt's policies toward Soviet Russia in their bearing toward an effective United Nations set-up; the other that Pearl Harbor had happened despite the fact that we had previously broken the Japanese naval code. Usually a Presidential aspirant, with arguments and exhibits like these, could have legitimately assailed the party in power on these grounds. But Mr. Dewey was deprived of the first line of offense when Mr. Roosevelt chose the middle of the campaign of 1944 to announce the primary steps to establish the United Nations, and he lost the second when General Marshall, then Chief of Staff, asked him in the interest of a Nation at war to say nothing about the Japanese code-break, a request necessarily compelling on any man worthy to be President.

Now Mr. Dewey is running again, and the foreign situation is in a state of peril and disorder which many informed critics attribute in part to mistaken administration policies and performances since the anti-Axis Powers met at Tehran. These critics have offered documentation to support their contention with reference to German policy and particularly to the situation in which the western powers find themselves in Berlin.

AS IN 1944

But, as recent Washington dispatches make plain, Mr. Dewey, and Mr. Dulles, his principal adviser, have decided to limit themselves to very general observations about the London conferences that preceded the Potsdam pact and the meeting at Potsdam itself. And once again the reasons are patriotic—this time an agreement on their part that there must be no show of disunity over the German situation which Moscow could use to advantage against the European recovery program and other Allied policies abroad; and that a threat to national security is implicit in any such show of disunity.

Yet those who have discussed this matter with the candidate and his chief adviser are confident that, if the world were not sitting on a powder keg, Mr. Dewey would have very severe things to say about the administration policies and acts that led up to Berlin and the situations in Germany and the Far East. They do not blame the military commanders—Generals Eisenhower and Clay—for signing the compact that failed to reserve for the United States a corridor into and out of Berlin in all circumstances. But they greatly criticize the political authorities who prevailed with the opinion that no specific provision was necessary. And they trace this to the preceding conferences in London.

If the Republicans were free to say what they think, they could argue from this that the current political power, the administration, represented by two Presidents, their Secretaries of State and their Ambassadors at the conferences, failed in its responsibility to give sound counsel and on the contrary gave unsound counsel. They could go on to say that the acutely perilous situation which has resulted makes it even more necessary to turn over the Government to those who were aware of the mistakes when they were made and promise to repair and not to repeat them.

WETTING DOWN THE POWDER

But to do this Mr. Dewey and Mr. Dulles would be moving to split the United States front abroad at a most dangerous point. However strongly they could make their case, it would become the case of Moscow and be turned into propaganda that conceivably could damage the cause of ultimate peace according to the western concept. Mr. Wallace, scorning such considerations, already had demonstrated that.

Hence they have decided for the second successive time in a national campaign to store away what in other circumstances would be heavy ammunition against the party in power, the kind that in periods of peace has decided the result of an election battle. And, though this decision is doubtless distasteful to some Republicans in Congress and to important organs of the party support, it agrees with the view of Senator VANDENBERG, who has steadfastly preserved and even strengthened the bipartisan front on foreign policy.

Mr. Dewey's mention of the London conferences after his conference with Mr. VANDENBERG and Mr. Dulles at Pawling, the first that has come from him, suggests that he will not maintain complete silence on the point. But it is also now obvious that he will limit his discussions of foreign policy to very broad and cautious statements, as in 1944, in acknowledgment of practical necessities and patriotic requirements.

When President Truman attacked the Republicans on domestic policy in his acceptance speech at the Philadelphia convention, and gave them only the faintest of praise for their essential contribution to the bipartisan front, he offered provocation for a less responsible campaign attitude on their part. Fortunately, as it now appears, this provocation is to be ignored.

Partition of Ireland Only Obstacle to Complete Amity Between Great Britain and Ireland

EXTENSION OF REMARKS
OF
HON. WALTER A. LYNCH
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, August 5, 1948

Mr. LYNCH. Mr. Speaker, recently speaking before the Irish Dail, the Minister for External Affairs, the equivalent of our Secretary of State, Mr. Sean MacBride, emphasized the necessity for the elimination of the Irish border in Northern Ireland, if there is ever to be complete harmony and good will between Ireland and Great Britain. Because of the earnestness and complete frankness of the remarks made by Mr. MacBride I feel that they should be brought to the attention of Members of Congress in order that they might gain a better picture of the border question in Ireland and its importance in world affairs.

Speaking in the Irish Dail on the vote for his department, Mr. Sean MacBride, Minister for External Affairs, said:

I do not propose to deal with partition at any length in this debate, but I think that I should take this occasion to emphasize the importance of this issue. The continuance of partition precludes us from taking our rightful place in the affairs of Europe. I believe that the British Government and people are approaching the realization that a statesmanlike policy lies in the direction of securing the complete friendship and cooperation of this island and in the realization that a united and free Ireland is as essential to Britain's welfare as it is to Ireland's.

We, on our part, want to hold out the hand of friendship to Britain, but so long as partition remains, it will inevitably mar the relationship between our two islands. We want and are quite prepared to bury the past provided that the present holds out a realization of our right to national self-determination. The wise and statesmanlike approach on Britain's part is to assist in the removal of this sore and of all other reminders of the unhappy history of our past relationships. One of the difficulties that we have to contend with in relation to partition is that to Britain it is only one of many problems; it is always easier to shelve a problem, especially an uncomfortable one. I should like to urge upon the statesmen of Great Britain the very real urgency and importance of this problem from our point of view. It has often been said, and I think it is commonplace even in British political circles, that the tragedy of Anglo-Irish realtionship lies in the fact that British realization of the realities of our problems always came too late. Nothing can be gained by delaying the adoption of a statesmanlike approach to this very serious problem.

Two points emerge now possibly more clearly than ever before; first, the artificial division of our national territory is something that no generation of Irishmen and that no Irish Government will ever acquiesce in or accept. Secondly, that so long as it continues, partition will constitute a definite obstacle to the kind of relationship between Ireland and Britain which it is in the interest not merely of the two countries but of the world as a whole to bring about.

In earlier debates in this House I have already referred to the economic disadvantages that result from the continued division of our country—economic disadvantages that affect the welfare of our people on both sides of the border. If we in the 26 counties have in the present situation to be a drain on the resources of the United States or on the dollar resources of the sterling area reserve, it is due practically entirely to the fact that the industrial arm of our country has been amputated. On the other hand our people in the 6 northeastern counties have to undergo very heavy taxation and shortages because they are cut off from the agricultural arm of their country. A very large proportion of their exports remain unrequited while they are deprived of substantial markets for their own produce in the rest of Ireland.

It has been urged that the reunification of Ireland would in some way adversely affect the industrial potential of the six counties; that shipyards or other heavy industries would be hit. I do not think that this would be so and I feel certain that we would all be prepared to satisfy our six-county friends on this issue. The industrial potential of the six counties is of as much importance to a united Ireland as it is to Britain. On the contrary, our markets would provide them with an additional outlet; I think, too, that we might be of some assistance in helping the sale of Irish linen abroad. I think that complaints would be far more likely to come from some of our industrialists here who would fear the competition from Belfast. I have great respect and admiration for the business and industrial genius of our fellow countrymen in the northeast. Their enterprise and competition would, I think, benefit the country as a whole.

It has also been suggested that if partition were ended, the religious and civil liberties of the people in the six counties would in some way be endangered. I do not know whether this is a real or an argumentative fear, but in any event, I feel I am expressing the unanimous view of this house in saying that we would be prepared to give them any additional constitutional guaranties that might be reasonably required to lay these fears to rest. There are ample safeguards in our constitution as regards religious and civil liberties. I am certain that we would not hesitate to strengthen these, if necessary, to meet their viewpoint.

I do not think I need dwell more on the question of partition beyond saying that every section of the community in the 26 counties would welcome the representatives of our lost counties, be they Catholic or

Protestant, Republican or Unionist. We have three things in common which are fundamental, especially in this troubled era: One, we all believe in a mode of life founded on Christian principles; two, we are all firm believers in democracy and in the principles of civil liberty; three, lastly, but not leastly, we are all Irish and take pride in that fact.

In dealing with partition I have already dealt with the major problem of Anglo-Irish relationship. Apart from this major problem, I am glad to be able to tell the House that since the estimates of my Department last came up for consideration, there has been an improvement in mutual feelings between our two countries. Not least in helping to promote better understanding have been the steps which are being taken by the British Government to remove some of the startling conflicts of nationality law that existed between our two countries. Under British law as it has existed hitherto, our citizens were regarded as British subjects, whereas, of course, position under Irish law was guided by our constitution and our own nationality act.

A very serious effort to meet our viewpoint was made by Mr. Atlee's government and embodied in the bill which has just passed the British House of Commons. Some of the provisions of the bill as passed by the Commons still fall considerably short of our viewpoint, such, for instance, as the imposition of non-Irish status on our fellow countrymen in the six counties, and clauses dealing with the retention of British nationality. However, the provisions of the bill as adopted by the House of Commons constitute a vast improvement on the position that has existed hitherto.

I welcome the advent of this bill as a constructive step that has already helped to form a link in the chain of better relationship between our two islands. Its importance lies, perhaps, not so much in its actual practical effects as in the indication it gives of a real desire to understand our viewpoint. Therefore, despite the infirmities which it may still possess vis-à-vis our point of view, I heartily welcome it as a piece of constructive and statesmanlike legislation that can only improve relationships between our two islands.

I hasten to say that my welcome to this bill is limited, of course, to it in the form in which it left the House of Commons. I do not think it would be proper for me to discuss the details of this bill or the amendments which were introduced in the House of Lords and subsequently removed by the House of Commons, but I think I can say without impropriety that the amendments introduced in the House of Lords, if adopted, would entirely nullify the good effect this measure would otherwise have on Anglo-Irish relationship. I sincerely hope that the majority in the House of Lords will appreciate the importance of not destroying the value and constructiveness of this step toward better relationship.

I hesitated to deal with this matter in this debate but decided to do so as I was made aware that the opposition and the Deputies in this House were anxious to have the Government's viewpoint. I am glad to be able to add that there is complete identity of views held by the last Government and the present Government. The views of the last Government and of the present Government were, of course, communicated to the British Government.

It might, perhaps, be well that I should refer to a misconception which seems to exist in some quarters in Britain. This misconception is not prevalent, but it does exist, and I would like to dispel it as far as I can. It is that the dominant factor in our political relations with Great Britain is a feeling of traditional ill will toward that country and its people. That is the reverse of the truth. No people has shown itself more ready to lay aside resentments once their causes were removed than our people. It would be more true to say that there is a great fund of potential good will toward Britain in this country; that there is a keen perception among our people of the community of interest that exists between our two countries; that there is a general feeling of sympathy and even admiration aroused by the manner in which the people of Britain faced adversity during the war and are courageously now undertaking the rebuilding of their economy. Difficulties in our relations arise not from any outworn prejudice or barren hatreds but rather from concrete obstacles such as partition, and such as any short-sighted efforts to retain outworn forms of a past era that can only serve as an unfortunate reminder of an unhappy and tragic history. If we are to create a sound framework of our relations with Britain, it must be appreciated that what matters is substance and not form. Political forms have sense and usefulness only insofar as they express political realities. Outworn forms which are only reminders of the historically unhappy past can only act as irritants. As irritants they endanger and frustrate the relationship which they are intended to express and preserve.

The British Crown may well be the traditional rallying point for Britain, Australia, New Zealand, or Canada. If I were an Englishman or an Australian, I probably would feel considerable attachment to the British Crown and would attach value to the traditional forms that go with it. The descendents of British pioneers that built the present commonwealth under a common crown may take an understandable pride in their common British origin. They may well choose to express their association by adopting forms that are part and parcel of British constitutional history. We, in no way criticize their view. They are quite understandable. But there is no parallel between the history of the commonwealth countries and ours.

We are a small country with a very different history, a history which has been one of continual struggle for survival as a nation. We take pride in our history, in our culture, in our race, and in our Nation. We resent anything that takes away from that pride of nationhood or race.

We want to be friendly with our big neighbor not merely because she is a big neighbor, but because we have many things in common. The Crown and the outward forms that belong to British constitutional history are merely reminders of an unhappy past that we want to bury, that have no realities for us and only serve as irritants. I have said all these things frankly as I feel that a clear understanding of this position can only help to bring about more real cooperation. An examination of the history of the last quarter of a century will, I think, show that many of these forms in the past only served to prevent closer understanding.

We have very close relationships indeed with many great countries that are far more distant from us such as the United States, Canada, and Australia. Millions of our people have lived and settled in these countries. No question of forms enters into our relationship and it is always most friendly and useful.

I have spent some considerable time in dealing with our relationship with Britain because of my desire to bring about the realization of our viewpoint in Britain as I think that this is of primary importance. Our relationship with the United States is so obviously close and friendly that I hardly need refer to it.

You Can't Force Unconstitutional Federal Police Powers Down the Throats of the Citizens of Our Great Southland

EXTENSION OF REMARKS
OF
HON. FRANK W. BOYKIN
OF ALABAMA
IN THE HOUSE OF REPRESENTATIVES
Thursday, August 5, 1948

Mr. BOYKIN. Mr. Speaker, I was glad to learn that the Senate late last evening decided to abandon the futile effort to force one segment of the so-called civil-rights program through at this special session of Congress.

Certainly there is no element of an emergency about passing the anti-poll-tax feature of that program.

Mr. Speaker, I am in receipt of a communication from one of America's war heroes. He is a member of one of Alabama's finest families. He is a soldier, lawyer, scholar, and a profound thinker. He wrote the letter to some of America's well-known columnists. It is replete with factual knowledge of the great problem facing our people today.

Mr. Speaker, the argument is so masterfully stated that I am submitting it for the RECORD and hope that my every colleague on both sides of the Capitol will take time out to read this marvelous writing of Mr. Garet Van Antwerp 3d, my dear friend from my own home city of Mobile, Ala.:

MOBILE, ALA., *July 21, 1948.*

MESSRS. JOSEPH and STEWART ALSOP,
Care of New York Herald Tribune, Inc.,
New York, N. Y.

SIRS: Your column recently published concerning the split at the Philadelphia convention between the southern Democrats and their former affiliates from north, east, and west forcefully strikes the writer hereof as an outstanding example of the ignorance, bigotry, and active, yet blind, antipathy felt toward the South as a section, by large numbers of our nonsouthern citizens.

The subject of civil rights and social segregation has, for decades, been a regular, misused political pawn, to the undying shame of our national political chess players. You speak shallowly of the "great process of social change" which is taking place. It is to be noted that you, like many others of your self-appointed columnist-prophets, as usual only faintly scratch the surface of the basic problem.

You are correct in your surmise that there is a great movement afoot, but you fail to recognize that your so-called social change—and, of course, you apply your thinking in that sphere essentially to the white-Negro situation in the Southern States—is merely an indicium of the basic movement.

As history reveals the great reaction against the principles—or we might say, the ideology—of the Roman Empire, so now the world is undergoing a movement of reaction against the principles of a system which has grown upon and controlled the world for the past several hundred years. We are passing through a period of reaction to the ideology of capitalism. (For the record, I wish to assert at this point that I am not anticapitalistic. I firmly believe in the principles of free enterprise and individual freedom and self-government based upon true and honest interpretation of our Con-

stitution.) We do not dislike the Russians because they are Russians, nor do we fear them because we fear war with them. What we dislike and fear about the Russians is the system of which they happen to be the foremost exponents. It is the unseen, unpredictable forces afoot in the world, the abstract ideology opposing that of our system of human relations—it is that which we basically fear.

The outward indicia of this current movement of reaction are many, among them being your "great social change." That such change has, since actually prior to the Civil War been gradually taking place is not to be disputed. That it eventually shall, and I daresay should, become an accomplished fact likewise is not to be disputed. The present violent controversy is not actually over whether or not it should brought about, but rather is over the means and methods, if any, to be used to encourage its being brought about. And that brings us to current events.

The bald fact behind the current controversy is that the present show of pseudo-enthusiasm on the part of our Republican Party and, more emphatically, by the nonsouthern segments of the late National Democratic Party for enforcement of social revolution by Federal fiat is simply a bid for the vote of fringe and radical minority groups of the East and North. That this is the fact is so patent it is scarcely conceivable that any intelligent person would even jokingly deny it. The tragic aspect of the situation is that to use this highly controversial issue as it is now being used—in blind eagerness to gain or retain political power and personal aggrandizement at the expense of the public treasury—is that our own political leaders—and I can no longer apply the term "leaders" to the lecherous bosses of our major political circuses without the feeling of green persimon in my mouth—are wittingly or unwittingly stepping in perfect rhythm to the tune sung by the bosses of the unseen forces at work throughout our land to disrupt and destroy our system. For the sake of convenience, we had as well term these unseen forces totalitarianism as that is the common catch-all appellation generally so applied.

It is difficult to conceive any circumstances of such political chaos—with party pitted against party, group against group, section against section, race against race—which could more notably meet the desires and needs, or more perfectly serve the ends, of the master minds of totalitarianism. With the fate of mankind, even the existence of humanity, hanging in the balance throughout the world, and the unity and undisturbed power of this Nation the one real bulwark left between peace and freedom on the one hand and disintegration and destruction on the other, our leaders create a situation of disruption among our own ranks that might well have been the tailor-made brainchild of the capital of totalitarianism. In fact one cannot help at times to think that possibly this situation was actually planned by totalitarianism, timed for now and brought to pass by a possible combination of direct orders and correct timing of a propaganda tune calculated to cause our leaders to dance to totalitarianism music whether they realize it or not. How infinitely stupid our leaders and agitating news-people must appear in the eyes of the Kremlin's boys. They light the fire and our newsmen, columnists, and orators pour on the gasoline.

Congratulations, Messrs. Alsop.

Now, as for the States rights and civil rights flare-up, what do we have in this controversy? What really lay beneath the party explosion at the Democratic Convention? You spoke of the "odor of the Southern bloc," yet it would really appear your noses are offended by a combination of the offal constituting certain non-Southern segments of the party and of the character of your own thinking and writing. It has long since become annoying to hear and read the vapid and hypocritical observations of self-styled expert critics of the South who probably know and understand as much about the racial conditions and problems of the South as they do the origin and make-up of the cosmic ray.

The most remarkable aspect of the Southern, nonsouthern split at Philadelphia were the two outward issues upon which, without going into the longer range causes, the split was based. The southern delegates advocated a plank which was to be nothing more than a reiteration of one of the most fundamental clauses of the Constitution of the United States, the reservation of States powers. In the event you are not aware of it—or to emphasize it in case you mentally seek to circumvent it, as the nonsouthern Democrats seem to be doing—the ninth and tenth amendments, adopted with the Constitution as a part of the Bill of Rights, read as follows:

"ARTICLE IX

"The enumeration in the Constitution, of certain rights, shall not be construed to deny or disparage others retained by the people.

"ARTICLE X

"The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people."

The southern delegates requested a plank in the party platform simply reiterating article X and pleading the Democratic Party to its strict observance. The nonsouthern element overwhelmingly voted a refusal of such plank, a refusal to commit the party to go on record as supporting one of the most basic of the amendments—a refusal, when expanded, is logically tantamount to a refusal to uphold the Constitution. Upon admission to the armed services of the Nation I, like all other members thereof, took oath to uphold and defend our Constitution. The majority of the delegates at Philadelphia refused to do so. It simply is not conceivable that a citizen is at liberty to select parts of the Constitution to uphold and defend and discard others as he chooses. We are obliged to uphold the Constitution in its entirety or not at all. If the national party refuses to pledge itself to uphold one article of the Constitution, then perforce it will refuse, if demand it made upon it by its southern members to do so, to pledge itself to uphold the Constitution at all. No other conclusion can, consistent with good logic, be reached, and I hope the great South will never aline itself with any organization whose attitude toward the very foundation of our Government is little short of treasonable. In fact, it could be quite easily argued that the action taken by the national party violates section 3, of article III, of the Constitution in that it gives aid and comfort to the enemy. By God, you can wager your last dime it is giving the enemy a whale of a lot of glee and satisfaction, to say the least.

Now, on the other hand, the southern delegates fought, and the nonsouthern elements voted into the platform, a plank calling for complete usurpation by Federal fiat of some of the most important of the powers reserved to the States—the police power, the power to regulate the exercise of the voting privilege (oddly most uninformed persons speak of the right to vote) and the power to regulate domestic business and enterprise (which could be classed as part of the police power). In voting that plank, at least the nonsouthern element was consistent. They refused to pledge themselves to uphold the tenth ammendment and then voted to advocate laws which, if passed, would be in direct violation thereof.

Anyone who is sincerely interested in perpetuation of our form of government based upon the principles underlying the Constitution as it was framed, should be truly alarmed at the open attacks now being made upon that great document, attacks launched by none other than groups who allege themselves to be Americans and supporters of constitutional government. The framers of the Constitution had suffered and fought through many years of struggle against the tyranny of concentration of power in one head. Those men were representatives of truly sovereign states sitting together to find a basis for union and collective action while at the same time retaining in fullest possible measure the sovereign powers of their several States. Those men well knew the suffering and virtual slavery worked upon a people under the yoke of total concentration of governmental power, and this knowledge was probably the greatest influence exerted upon their deliberations and upon the nature of that monumental document which resulted of their days of conference and labor. There were those who favored centralization of power in a federal government, and others who would leave all power to the States and form only a loose federation, fundamentally impotent. Despite the passions of the time—with a terrible war of revolution against tyranny only shortly concluded—those men found common ground of understanding, of give and take and compromise. The fruit of their efforts was the Constitution of the United States, a document forceful in its directness and simplicity of wording, clear in its meaning, yet sufficiently flexible to allow for change. That document expressly delegates certain powers to the Federal Government and expressly denies certain other powers to the States, and then by its express terms reserves to the States respectively, or to the people, all powers not delegated by it to the Federal Government nor denied by it to the States. There is nothing abstruse about the language of the Constitution in that regard, and the reasons for such provision are infinitely cogent. We have prospered and grown under our system of divided powers, and, during the life of our Government, have seen centralized government and dictatorship, one after another rise and fall in ruins. Now there are those among us who say abandon our Constitution, that our form of government, under the flag of which men have known freedom as never before known in history, is outmoded, let us turn to centralization of power, to the system of government we have seen fail over and over again. That, my peculiar friends, is the cry of the New Dealers and is the cry of those "civilized men" of the South you seek to hold up as the enlightened element of our section.

You write as though you believe we now face the real issue. That is the easy way to believe. We face a surface outcropping of the real issue. The issue is a death battle between that system built on totalitarianism and our system based upon constitutional government of, by, and for the people. You say the issue is white versus black, social inertia versus social change. If you are capable of lifting the curtain of apparent shallowness from your thinking you will be forced to accede that totalitarianism is using the surface racial-social issue as a means of attacking the very heart of our system and thus bringing us, in turn, the nearer to eventual totalitarianism. The battle against that basic movement is what our thinking southerners are fighting. We do not fight the Negro. We fight the movement to destroy constitutional government, and those who, in utmost hypocrisy, use the Negro to foster and promote the dangerous progress of that movement. Our southern delegates could not, in honor and loyalty to the principles of our Government, do other than use every means at their disposal in that fight. One is compelled to the conclusion that those who oppose these southerners are doing so

either as the direct tools of the enemies of our system or as their unwitting dupes, shallow, frivolous suckers for the terribly insidious propaganda of totalitarianism.

As for the actual race problem in the South, it is a problem of vast moment, but it is a southern problem. You write of the alteration of northern big-city organizations wrought by the social changes in those cities. If conditions of the Negro in New York and Detroit, for instance, are shining examples of improvement in the status of the Negro, then heaven forbid that we have any repetition of those examples south of the line. However, we assume that your major concern is the effect upon the boss-ruled political factions of the big cities rather than any real improvement in the lot of the Negroes as a race. Your writing constrains one so to assume. Of course, that is precisely the attitude of those alleged Democrats who seek to use the southern race situation to further their individual ends and to override and destroy the Constitution. The hypocrisy of our erstwhile Democratic colleagues is emphasized by the vehemence with which the western and southwestern elements have fought the South on this constitutional issue—incorrectly called race issue. Those western elements shout loud and long about segregation of races in the South. Why, we might rightly wonder, is no mention made of the racial persecution leveled in those Western and Southwestern States at the Japanese and Mexican minorities. Oh, it must simply be that those minorities are such small minorities that the political bosses do not have to worry about their voting potential.

As we stated above we consider the southern white-Negro situation a problem of our section to be solved by our thinking white and colored leaders. The fact that remarkable strides have been made toward such solution in the short eighty-odd years since slavery was finally abolished, is, as usual, lost in the hysterical scramble for minority group votes. There is too much lush political patronage, too many fat Federal jobs at stake to expect sane, level thinking or any semblance of concern for the welfare of the Nation or the people thereof. Despite all of the false concern and clamoring about the lot of the southern Negro, these facts remain: The condition of the southern Negro as a whole has been greatly advanced through the cooperation and sincere effort of all right thinking southerners, white and black; that preemptory Federal laws concerning the race situation in the South can be logically construed only as being violative of the Constitution; that such laws, if passed in defiance of the Constitution, can be enforced only with serious consequences and probable cancellation of 50 years' honest effort to solve the race problem; that full enforcement can be accomplished, if at all, only by final and open adandonment of every principle upon which our Government is founded and the establishment of an out-and-out central Government police force with unlimited powers of arrest, arbitrary trial and punishment. If this is done there is left no protecting bulwark between what was once a free people and the accomplished fact of a police state.

If the majority of people of two-thirds of the States desire that full power and control be given to the Federal Government in such matters as segregation, regulation of voting, etc., the way is open constitutionally to so delegate such powers. In order to provide for such contingencies, the founders of this Government made wise provisions in the Constitution whereby that basic document can be lawfully amended. If the self-styled champions of the minorities are really sincere, let them lay before our people amendments to provide for their aims. They have never undertaken this measure. They evidently do not care except in Presidential election years when they start the race drums to rolling for vote-getting purposes. During the years between elections those great exponents of civil rights, so-called, have little, if anything, to say about the subject. For decades such has been the case. Each election year the old hue and cry has been raised. This year it has reached a crescendo. One faction glutted with power for 16 years frantically searches for votes. The champions of totalitarianism, which is now more potent than ever before, seize upon a situation made to order for their purposes. They pour fuel on through the propaganda pump and spout it through the mouth of our "leaders," and the old hue and cry becomes an overwhelming roar.

As far as the South and the national Democratic Party are concerned, it is now obvious that the South has clung for decades to little more than a party name. The South has injured itself under the "solid South" plan. It is imperative, now, that the South throw off those shackles of tradition and let it be known, as we are doing, that we are not in the bag of any national political organization. It is even more imperative that the South, since all other elements appear to have abandoned calm and rational consideration of the principles of our Constitutional Government, fight to the end that all of our people shall know the implications of the proposed civil-rights laws and expose those proposed laws for what they basically are—and that is a direct attack upon the foundations of our governmental system. The race problem in the South can and will be solved in due time through the mutual efforts of our thinking white and Negro southern people. The progress already made to that end will be tragically set back, and the problem may never reach final solution if any attempt is made to force unconstitutional Federal police laws down the throats of the only people actually capable of eventual attainment of that solution.

Yours truly.

GARET VAN ANTWERP III.

[From the Mobile (Ala.) Register of August 26, 1948]

THESE DAYS

(By George E. Sokolsky)

By what is euphemistically called "civil rights" in this campaign is meant the Negro question. Since the Civil War, the Negro question has been a major American problem inadequately discussed and considered except by Southerners who have had to live with it and in recent years by the Communists and their fellow-travelers and competing liberals who hope to garner votes out of it.

Under our Constitution and within the sanctions of moral law, the legal equality of Negroes and whites cannot be questioned. Historically and traditionally, the question is not so simple either in the North or in the South. Those northern Democrats who make such a terrific to-do about racial discrimination in the South are generally liars—they will not live in Negro areas in their cities; they do not entertain Negroes in their homes; they do not hire Negro secretaries or clerks, except political ones, which is part of the vote-getting technique; they do not encourage association between their children and Negro children.

In a word, none of them practice in their private lives what they preach for others. It is a simple matter for a resident of Minnesota or Wisconsin to grow powerfully indignant about a problem that does not face him but that does face a citizen of Alabama or Mississippi. Minnesota's Negro population, according to the 1940, census, was 9,928; Wisconsin's, 12,158; Alabama's, 983,290; Mississippi's, 1,074,578 (m).

If the Civil War had not ended in the Reconstruction Era, during which Thaddeus Stevens created an unassimilable minority for political advantage, we should perhaps today not be facing this problem as the principal campaign issue of 1948. Perhaps had Abraham Lincoln not been assassinated, the emancipated Negro slave would have been brought into American life without malice, with charity for all.

But that did not happen. Instead the Northern carpetbagger and his Negro associates left in the South a heritage of bitterness which has continued to the present time. Franklin D. Roosevelt tried to solve this problem by exporting Negroes from the South to the North, placing them on relief rolls and forcing them into industrial enterprises on a quota basis. Thus, in many northern and western areas, the Negro population increased startingly.

The northerners met the problem by segregating Negroes into ghettoes. Make no mistake about that: In the North, the Negro is as segregated as in the South, in spite of the lies northern politicians tell. Harlem is a Negro ghetto; the Bedford district of Brooklyn is a Negro ghetto; the South Side of Chicago is a Negro ghetto. The technique employed in New York is for the whites to clear out as soon as the Negro moves in. If you want to see that process at work, you can study it, if you are so inclined, in the east Bronx of New York.

I am not justifying these conditions either on moral or legal grounds; I am only describing conditions as they exist and I am protesting against lies and liars. The politicians who are shrieking civil rights are seeking Negro votes in the northern cities. They are appealing to prejudice and indignation and they are fanning the flames of race antagonism not because they want the votes of the Negro in Mississippi but because they want the votes of the Negro in Harlem and South Chicago.

The anxiety of the northern Democrats to be recorded as voting for the civil rights plank of the Democratic platform after a voice vote had passed it, their insistence upon Senator BARKLEY'S announcement of how they voted, was for the consumption of the northern Negro voter.

This Negro question is pitched on a high emotional level and can result in riots and death. It requires thoughtful and considerate handling. It requires sympathy and understanding. It comes upon us acutely when we dare not have internal disturbances. Those who have gambled upon it may also have gambled upon the domestic peace of the United States.

Incentive

EXTENSION OF REMARKS

OF

HON. LINDLEY BECKWORTH

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 5, 1948

Mr. BECKWORTH. Mr. Speaker, I desire to include in the CONGRESSIONAL RECORD an article entitled "Incentive":

INCENTIVE

In the midst of the clamor and tumult of those who would destroy our American system as outmoded, and perhaps give our institutions a shot of real Communist ideology, it is stimulating to read the little book, Mainspring, by Henry Grady Weaver and published by Talbot Books, Detroit. It is a condensation of a book by Ruth Wilder Lane called the Discovery of Freedom. It is called

a "grass roots story of human progress, what it means to you and me and how not to prevent it." It is the story of freedom to achieve with the deep incentive of hope of reward for skill, thrift, energy, and the determination to triumph over difficulties. The reason Americans have achieved far beyond any other nation, Mr. Weaver thinks, is not because we have had more ability, intellect, or natural resources, but because we "have made more effective use of our human energies than any other people on the face of globe, anywhere or at any time." Human efforts are largely motivated by hope of reward and when idealists, theorists, demagogues, and political tricksters try to change this rule, there is decline and chaos and dictatorship.

Stalin in Russia had to abandon idealistic communism as outlined by Lenin because tough realistic old Joe soon saw that men would not work without incentive. Lenin said that each should work "according to his ability" and each should receive from the state "according to his need." Stalin soon realized that you can't make progress by paying a factory manager the same wage as a ditch digger. And today in Russia we do not have pure communism but a peculiar system of Stalinism, with incentive pay, bonuses, rewards for extraordinary effort, pay on piecework basis, and preferred social position for the captains of industry. This amusing return to many principles of capitalism is told in a pamphlet entitled "Communism in Action," prepared by the Legislative Reference Service of the Library of Congress under the direction of Representative EVERETT M. DIRKSEN, of Illinois, and distributed free by American Wage Earners Foundation, room 605A, 30 North LaSalle Street, Chicago. Under Stalinism a worker is rewarded for success and he is shot or banished for failure.

In America, Mr. Weaver says, "to a greater degree than any other country there has been the opportunity for self-expression, self-development, and advancement on the basis of merit." Perhaps that is why the United States with "less than 7 percent of the earth's population has created more new wealth than all the 2,000,000,000 people in the rest of the world." Mr. Weaver concludes:

"Maybe we would be doing the peoples of the world a greater and more enduring service, if along with each item of food, clothing, money, and equipment, we sent a simple statement of the reasons underlying our ability to make contributions so far out of proportion to our population and natural resources."

Let's preserve and defend the mainspring of free effort with hope of reward.

HUBERT M. HARRISON.

Truman Is Not Fooling the People

EXTENSION OF REMARKS
OF
HON. RALPH HARVEY
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Thursday, August 5, 1948

Mr. HARVEY. Mr. Speaker, under leave to extend my remarks in the Apendix of the RECORD, I include the following editorial from the Richmond (Ind.) Palladium-Item of August 3, 1948:

TRUMAN IS NOT FOOLING THE PEOPLE

The American people are not being fooled by President Truman's great "concern" for them and his attacks on the Congress.

True to form he is demanding anti-inflation measures in the same breath that he urges greater spending and larger appropriations.

The two do not go together, and fortunately, both the people back home and their representatives in the Congress know this.

Only a few days ago those Congressmen were in their home communities mingling with the men and women who are the American people.

They hurried back to Washington at the call of Mr. Truman.

They knew there was no emergency, and so did the President.

So now, despite the effort of Mr. Truman to stir up resentment against the Congress for failing to bow to his demands, that Congress stands between the people and dictatorial pricing and rationing powers asked by Truman.

The Congress is able to do this because the Congress controls legislation. Our representatives are our lawmakers.

When a Chief Executive gets exalted ideas about the powers he should wield, the Congress holds him down to his true size.

If the President is an extravagant spender of the people's money, the Congress cuts his requested appropriations to a level consistent with national needs and ability to pay.

When the executive department of the Government refuses to act against subversive or incompetent employees on its pay rolls, the Congress names committees to make its own findings and give them to the public.

This business of belittling the Congress, as President Truman continues to do, serves to pave the way for dictatorship.

The stumbling block to a dictatorship in the United States is the Congress.

Franklin D. Roosevelt learned this when he tried to pack the Supreme Court in order to get the decisions he wanted.

Men of integrity in both major parties lined up against that unmoral and treacherous proposal and defeated it.

Even when one House of the Congress acts unwisely on legislation, the other of the two Houses serves as a counterbalance.

That is why would-be dictators and enemies of our democratic processes have suggested one house, or unicameral, legislative bodies.

The same is true of those who would replace our two-party system with a coalition of groups to form a united front. That would mean one-party government, and loss by the people of the protection a vigilant, critical Congress now provides.

The backbone of our Government is the Congress. Members come from every district of every State in the Union.

They are close to the people and know the needs of the people. They are our protectors against little men in high office as well as against forces seeking to destroy our Republic.

Price Increases and the Housing Shortage

EXTENSION OF REMARKS
OF
HON. JOHN W. McCORMACK
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Thursday, August 5, 1948

Mr. McCORMACK. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following telegram:

CLEVELAND, OHIO, *August 4, 1948.*
Hon. JOHN W. MCCORMACK,
House Office Building:

Due to pyramiding in prices which are forcing a reduction in standards of millions of the common people and a serious housing shortage. It is imperative that adequate laws be enacted to immediately relieve these serious situations and I urge that immediate public hearings be held to permit testimony from well-informed and interested people. I desire to personally testify before the appropriate committees and will greatly appreciate an early reply advising day and hours I may be heard.

A. F. WHITNEY,
Brotherhood of Railroad Trainmen.

Wallace

EXTENSION OF REMARKS
OF
HON. ROY O. WOODRUFF
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 4, 1948

Mr. WOODRUFF. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following press release by Hon. Samuel B. Pettengill, former Representative from Indiana:

WALLACE

Wallace wants public ownership of "the main levers of the economic system," and then demands that all public employees shall have the right to strike. This is a far cry from Coolidge's famous statement: "The right to strike against the public does not exist for any purpose at any time." The Wallace platform turns its back on Mr. Roosevelt, who also agreed that public employees do not have the right to strike. MacArthur has just ordered public workers in Japan not to strike.

Here are the Wallace-Taylor planks:

"The Progressive Party will initiate such measures of public ownership as may be necessary to put into the hands of the people's representatives the levers of control essential to the operation of an economy of abundance. As a first step, the largest banks, the railroads, the merchant marine, the electric power and gas industry, and industries primarily dependent on Government funds, or Government purchases, must be placed under public ownership."

Then, "We will demand the right for employees in publicly owned industries to organize, to bargain collectively and to strike." Also, "We demand the immediate repeal of the Taft-Hartley Act. * * * The old parties restore the labor injunction as a weapon for breaking strikes and smashing unions."

That's the program.

Railroad workers, under Government ownership, can all go out on strike and tie the Nation into knots. No injunction in the public interest shall issue. Factories can close, farm produce can rot, millions can be thrown out of work.

When Henry is in the White House (how close he got) he will tell the people: This railroad strike is one of the growing pains of an economy of abundance. The people's representatives are collectively bargaining with the representatives of that part of the people on strike to get these people to go back to work for the people. This is a Government by part of the people for part of the people. This is the century of the common man.

Collective bargaining by public employees takes wages and salaries out of the control of Congress. Also the Federal budget and taxes.

Then look at the merchant marine. All ships can be tied to the docks. No food can be shipped to our soldiers overseas. No relief to Europe. "We call for the repudiation of the Marshall plan." This would do it.

Same with the electric power and gas industries. Strikers can hold cities in ransom. No lights, no power, no heat, no law.

Such is the anarchy the Progressive Party would promote.

Responsible leaders of labor oppose Government ownership. The know that the right to strike would not be tolerated under Government ownership. But Wallace says when he is President public employees can strike nevertheless.

In Russia, industry is publicly owned, but there is no right to strike against the public owners. The owners have the guns. Troops have been used by Attlee in England to break strikes in industries publicly owned.

How many votes will this program get this year? How many in 1952?

SAMUEL B. PETTENGILL.

Appropriation for Prosthetic Research a Good Investment

EXTENSION OF REMARKS

OF

HON. EDITH NOURSE ROGERS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 5, 1948

Mrs. ROGERS of Massachusetts. Mr. Speaker, the disabled veterans of our country are still serving the Nation and showing that they can be useful and helpful citizens in civilian life. The amputee veterans have certainly proved their worth and their stamina in the face of their handicaps.

Recently, I heard of the case of Mr. Paul W. Kephart, of 1432 Argall Street, Beloit, Wis. Mr. Kephart lost both of his feet in the early days of action in France. Since then he has made a successful readjustment to civilian life and holds a responsible position with a food concern.

At the end of my remarks, I want to insert a transcript of a broadcast which was made over Station WLS, Chicago, telling how this amputee veteran saved the lives of two persons during an accident on Lake Delavan, Wis. This is just another example of the fine way that these veterans are taking their place in the life of our Nation.

Mr. Kephart has been commander of his local DAV post and has served with the Wisconsin State Department of Veterans. The prosthetic firms have asked him to work for them and he has given of his time to help other veterans who have had the misfortune to lose a leg or an arm. He plays, he states, a better game of golf today than he did before the injury occurred. He bowls and plays basketball and people still stare when he goes to dances.

Mr. Speaker, this is just another example of the wisdom of Congress in passing Public Law 729, which provides $1,000,000 annually to be set aside for prosthetic reesarch. It was cne of the best investments this Government has ever made. I now include the transcript of the radio broadcast at this point:

Survivors of a crash in Wisconsin between two motor launches on Lake Delavan last night have told how a legless Army veteran helped several of them remain afloat until help could arrive.

The crash—in which two Chicagoans drowned—involved an excursion boat, called the *Rocket* and a motor boat operated by William Paschong of Delavan. The *Rocket* carried 12 passengers and the motor boat 11. Survivors say the *Rocket* split the motor launch in half, sinking it almost immediately. One of the motorboat's passengers was Paul Kephart, an amputee. Thrown into the water with the others, he managed to grab a horn on the *Rocket* and pull himself to the deck. There he kept several others who were in the water from danger by holding them up until rescurers came.

Both drowning victims—Mrs. Ruth Kellenbach and Jack Nolan—had been on the *Rocket*. They were hurtled into the water by the impact of the collision.

Injured in the crash were Ilma Roubik of Chicago, Dorothy Paschong of Delavan, and Kephart's wife.

Other passengers included Jim Easterbrook, Beloit College football coach, his wife, Mary, and their son, John. Authorities are checking to find a complete list of the riders. Rescue crews are still searching the lake for the drowning victims.

Civil Rights—In a Democrat Administration?

EXTENSION OF REMARKS

OF

HON. T. MILLET HAND

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 5, 1948

Mr. HAND. Mr. Speaker, my interest in civil rights is no new thing. I worked and fought for them before coming to Congress. Almost my first declaration in the House, early in 1945, was in the interest of FEPC.

On June 9, 1948, I spoke as follows:

CIVIL RIGHTS

Mr. HAND. Mr. Speaker, I appreciate that it is difficult, in these closing and busy days, to completely cover the field of legislation which many of us feel is absolutely necessary. These difficulties are multiplied in the case of civil-rights legislation by the very real threat of a filibuster invariably invoked by southern Democrats at every attempt to affirm the civil rights and social welfare of 13,000,000 American citizens who are not getting a square deal.

Nonetheless, if men of good will keep trying, ultimate success is inevitable. The march of time and the march of social progress will admit no other result.

Anti-poll-tax legislation has long since passed the House. It is now pending before the Senate, and, as I say, under the threat of a filibuster. The antilynching bill, for which I have been working and for which I testified some weeks ago, is on the House Calendar. FEPC legislation has not advanced even that far.

Mr. Speaker, we are going to have to take the bull by the horns, notwithstanding delaying tactics and threats of a filibuster, and put this long-deferred and long-needed legislation through. Further delay is un-American and unfair.

The great majority of enlightened people are against jimcrowism and second-class citizenship. It is nonsense to talk about democracy and to insist upon democratic principles throughout the world, and at the same time continue most undemocratic practices at home.

Mr. Speaker, you are well aware that legislation of this character would pass the House by substantial majorities. Filibustering can be stopped by proper application of the rules. It is time to meet these issues head-on and to solve them.

It is clear that no adequate solution will be accomplished at this session. In my view, it is a matter of urgency that we dispose of it at the next meeting of Congress, and at the very beginning of the session. Since we know that delaying tactics will be used, a very early start is essential.

DEMOCRATS FILIBUSTER AGAIN

Now, of course, we have seen civil rights again blocked by a militant group of southern Democrats. I knew this would happen. The President knew it would happen. His reference to civil rights in the program for the special session was made very briefly at the end of his speech, and clearly with his tongue in his cheek. After all the President is from Missouri, and it is hard for him to get away from his Confederate ancestry.

It is interesting to note that the President recently changed his mind about this being the worst Congress. He finally concluded that the Congress led by Thaddeus Stevens, immediately after the Civil War, was really the worst. But it was that Congress which gave us the foundation for such civil-rights legislation as we have. I wonder if consciously, or unconsciously, that is why he selected it for special criticism.

It must be clear by now that a civil-rights program will never be enacted except under a strong Republican President with a united Republican Congress. When a Republican Administration comes into office in 1949, the Senate rules will be changed to prevent the filibuster, and the necessary legislation can be passed at once.

Mr. Speaker, I am confident that that will be our goal, and that it will be successfully reached.

Housing Shortage

EXTENSION OF REMARKS

OF

HON. JOHN W. McCORMACK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 5, 1948

Mr. McCORMACK. Mr. Speaker, under leave to extend my remarks, I include in the CONGRESSIONAL RECORD a radio address by Mrs. Dorothy Fuldheim, one of the outstanding radio commentators in the United States.

Mrs. Fuldheim calls attention to serious housing shortage which exists and cites instances proving the contention of President Truman and the Democratic Party that action on the vital housing bill is imperative for the best interests of our country.

The address follows:

In the United States of America, in the rich State of Ohio, in the prosperous city of Cleveland, mind you, not in Russia, not in China, not in Yugoslavia, but in these United States of America, in my own city of Cleveland, fair and lovely and with millions of people living in it; with wonderful homes and beautiful gardens; with an orchestra famed throughout the Nation; with a superb collection at the art museum; with parks and streets and the-

aters and great wealth, there is such a dearth of homes, such a lack of houses for rent or for sale within the buying and renting power of the average citizens, that a family with three children sleeps and lives in an old jalopy.

Their washing and ironing and bathing and cooking is done at a sister's home which is too crowded to provide them with sleeping quarters. At night the children sleep in the back seat of the automobile. The father sleeps at the wheel, sitting upright, and the mother stretches out with her head on her husband's lap. Sometimes he leaves the auto and stretches out on the grass. Pretty picture, isn't it? Wonderful way to develop love of country and democracy. Now, mind you, it isn't as though the father of this family were not employed and couldn't afford to pay for a roof over his family's head. Not at all. The bitter truth is that, though he earns a modest salary, he can pay rent (he's a cab driver). But for 7 weeks now he and his family have been looking for a place to rent without success.

This man and his family are the kind of people who will become the victims of political chicanery if Congress adjourns without writing into law some remedies for high prices and for the production of more homes. The Congress has been reconvened by the President for a specific purpose. In doing so the President is entirely within his rights. I should like to draw attention to a fact which a great many people seem to be overlooking. He is still President of the United States and it was scandalous, I thought, for some Members of the Congress to remain seated when he left the congressional Chambers. He is still President of the United States and the office itself is worthy of the highest dignity and esteem.

But to go on with the story of the Cleveland family whose home is an old automobile. Obviously this American citizen can afford to pay rent. But he can't afford to buy a house because of the prohibitive cost. And there are no houses for rent, only for sale. It's one thing to be able to pay $45 or $50 a month for rent, it's another to have enough money saved for a down payment.

Everyone knows that we face a serious, a very grave situation in our price structure. It takes $1.71 to make a purchase today which in 1939 we bought for $1. In other words, a man who earned $100 a month in 1939 must now earn $171 to live on the same standard. An individual who in 1939 earned $200 a month must now, to live in the same fashion, earn $342. A man who earned $500 a month must earn $850 a month. The fundamental difference between the man who earns $100 a month and the man who earns $500 a month is that the $100-a-month individual cannot feed and clothe his family on that amount. The $500-a-month individual can, but his standard of living will decrease considerably. The impact of increased prices hits one every day. Now milk is to go up 2 cents. Taxi fares are up 20 percent. In my city, the express bus demands its pint of blood in the form of 18 cents a trip. Now three tobacco companies manufacturing Philip Morris, Camels, and Luckies simultaneously announce an increase of 1 cent on a package. Why? Is tobacco scarce? And how does it happen that the increase is announced at the same time by the three companies?

What hope is there for lowered prices in an uncontrolled market? We are riding on a balloon which is going to burst open and down we will come. And like Humpty Dumpty, all the King's horses and all the King's men won't be able to put us together again.

Steel has gone up again in spite of the fact that Bethlehem just reported on Thursday that the net profit for the first 6 months of this year was equal to $3.05 a common share compared to $2.81 a share in the first half of 1947. With steel as the pivot industry, everything else will go up. Automobiles already are listed with higher prices. But it is not only the increase in the price of steel that is gnawing away at our economy. It's the scarcity. It is a dismal fact that steel is scarce now, but it will be more scarce. Stock piles for the armed forces will take a good chunk out of our supply, the ERP will take some more, and now there is talk of a $10,000,000,000 armament supply for the western European nations. Obviously this, if it becomes a reality, will not be in the form of money—$10,000,000,000 in money would be simple for us, we have too much gold hoarded anyway. But it would be in the form of guns, planes, bulldozers, jeeps, etc., all of which need steel. Well, even an economy such as that of our own country can't supply such a vast amount of armament, plus the armament we will need for our own increased armies, plus our own civilian needs.

Maybe the bitter hour is arriving when we will discover that we can't have guns and butter too. But all of this will produce further scarcities, which, of course, produces higher prices, which necessitates an increase in wages, which in turn raises prices, though whether that is necessary is questionable. With the increase in the price of steel, how are we going to keep prices down for homes without some legislation?

Let's look at a few typical cities. A house in Boston, which in 1939 sold for $5,558, in June of this year sold for $13,612. In the same length of time in Chicago, homes selling for $5,233 skyrocketed to $13,114. Cleveland is one of the cities where the increase has not been so flagrant. Here prices jumped a little more than a hundred percent. The rise in Los Angeles in the same period of time for a house selling at a little more than $5,000 was 300 percent. Whose wages have gone up 300 percent to keep up with such costs? These increases in the cost of homes are typical throughout our country. If $5,000 homes have gone up to $15,000, how can the lower-income group buy a house? And there are hardly any for rent. So what do they do, take to sleeping in automobiles?

What this country needs is not a 5-cent cigar, but homes cheap enough so that every man can live with some dignity. Over 6,000,000 American families are living in congested quarters, doubled up with another family. A half million families live in trailer camps and in single rooms in boarding houses. Six million more live in terrible slum conditions. Do the gentlemen of the Congress think that these people will view with enthusiasm or with cheers, their avoidance of the most pressing problem of our days?

A lot these people will care about the accusation that the administration is playing politics by reconvening Congress. What they are interested in is the solving of their burning problem. They want, they need, they demand, that a bill be passed which will guarantee them a low rate of interest and large mortgages with small payments. The Taft-Ellender-Wagner bill which was defeated by the real-estate board, with the support of those Members of Congress who are unconscious of the fact that the people come before any sectional interests, would have provided for, in addition to the things just mentioned, slum clearance and research by United States Government agencies to find some method whereby cheaper homes could be built. It is utterly incredible to me that this land, with its ingenuity, its skill, and its know-how, can't invent some technique to produce homes like automobiles are produced by factory production. The Nation which was able to produce the atom bomb can certainly find a way to build cheap homes and plenty of them. The Congress has worried and debated about UNRRA, about ERP, about feeding the Germans, and helping the Chinese. What about worrying a little about Americans who are beside themselves with anxiety, not only because of high prices, but about a place to live in.

The first line of defense for a nation is a well-fed and well-housed population. Even by the farthest stretch of the imagination an automobile, even a 1949 model, much less an ancient model, serving as a home is not a fitting front line.

Come, gentlemen of the Congress, the issue is not whether this is a political maneuver on the part of the administration. This issue transcends partisan lines. Nor is it fitting for a great and powerful party such as the Republican Party to say through the lips of Mr. Brownell, the campaign manager for Governor Dewey, that the Republican Party's platform is to be executed only when a Republican sits in the White House. The Congress is elected by the people, not to elect a particular individual to the Presidency, but to pass needed legislation. If the Republicans want to be elected, the best way they can be assured of election is to pass the kind of legislation that is needed. So far they have not done so. The tentative plans are for Congress to adjourn at the end of next week. Governor Dewey termed the reconvening of Congress a frightful imposition. Undoubtedly it's warm in Washington and the Members of Congress had other plans, but it is also undeniable that for the family without a place to live, for the housewife who pays a dollar a pound for hamburger, to call the reconvening of Congress for the purpose of passing imperative legislation a frightful imposition, as Governor Dewey did, will sound very strange indeed. We pursued a bipartisan policy in our foreign affairs. Why can't we do so in our domestic problems? Are the great American people to be the lamb, led to the slaughter, and laid as a sacrifice on the altar of men's political ambitions?

What Sort of Stakes and What Kind of Emergency Does It Take To Stir the Republican Eightieth Congress To Action?

EXTENSION OF REMARKS

OF

HON. HERMAN P. EBERHARTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 5, 1948

Mr. EBERHARTER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the St. Louis Post-Dispatch of July 20, 1948:

THE STAKES IN INFLATION

In preparing his bill to present to the special session on the control of living costs, President Truman should make the issue as compact as possible. Last fall Congress rejected the President's 10-point program for inflation control. All the points were sound, but two of them have been adequately dealt with already. Some of the others are less pressing than they were months ago.

If Congress can be moved to provide only five main controls, inflation can be curbed. The five essential steps are:

1. Allocation and inventory control of scarce commodities which basically affect the cost of living.

2. Consumer rationing of scarce commodities.

3. Price ceilings on essential commodities in short supply, and wage ceilings to the extent necessary to maintain price controls.

4. The regulation of speculative trading on the grain and produce exchanges.

5. Restraints on installment buying and on the creation of inflationary bank credit.

In the 25 months since Congress let the OPA expire, living costs have risen approximately 1 percent a month. And the increase in living costs has given rise to an effective demand for increased wages.

This is an economic evil which can be repeated over and over, with ever-increasing danger to the national economy. It almost certainly will be repeated until the rearmament and European aid programs are concluded—unless Congress rises to the occasion and gives the Nation the controls which President Truman has been pleading for since early in 1946.

Even if it were possible to avoid a violent crash or recession without invoking controls, the failure to invoke them still would cost, and is costing, the taxpayers billions of dollars.

The Government will spend in the current fiscal year close to $20,000,000,000 for rearmament and foreign aid. By comparing the price level prevailing now with that prevailing when the OPA was allowed to expire, it is readily evident that the Government is spending, in one year alone, between five and six billion dollars more for rearmament and foreign aid than it would spend had the price level of mid-1946 been preserved.

We are bilking ourselves of billions. Worse yet, the constant rise in prices in the United States makes infinitely more difficult the achievement of economic equilibrium in western Europe. Great Britain has practiced heroic self-denial in regulating prices within her own borders, but the problem is constantly complicated by the upward spiral of prices in the United States, which is called upon to supply so much of Britain's imports.

If what is at stake here—economic equilibrium at home and the leadership of nations abroad—cannot move a majority of Congressmen to act, what sort of stakes and what kind of emergency does it take to stir them to action?

Motion Pictures

EXTENSION OF REMARKS
OF
HON. CLARE E. HOFFMAN
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 27, 1948

Mr. HOFFMAN. Mr. Speaker, is the movie industry trying to educate the people, to furnish worthwhile recreation, or is it endeavoring to give us a combination of both?

Some people go to see the pictures because they have nothing else to do; some go for information; some for recreation, or relaxation, but in any event, the American people who view the pictures, young or old, are on the whole decent, respectable individuals. Very, very few, if any, would be guilty of indecency, obscenity, the use of profane language.

Most of the adults are acquainted, more or less directly, with the so-called triangle. Many have had problems of their own, or are familiar with the problems of others. While amusement or relaxation may be the purpose of a majority of the children or of the early afternoon attendants and the younger people at the evening shows, the real paying audience is made up of older people. They go to relax, to forget for a moment some of their pressing problems, to get away from the sordidness of life. At present, the housewife wants a little distraction from the high cost of living. The businessman desires to think of little or nothing—of anything but inflation or foreign policy. He usually would like to sit back and take it easy. He isn't greatly interested in whether someone's wife or someone's husband was successful in the pursuit of some other individual's husband or wife. He would like just a little clean fun on the screen.

But what does he see—too many problem plays, too many plays with too much dialogue, which leaves a bad taste.

The thought which I have neither the time nor the words to express, but which the public may be interested in considering, is quite accurately expressed in an article by Roy Norr in the August issue of Salute. It is entitled "The Man in Hollywood's Hottest Seat." The article is as follows:

THE MAN IN HOLLYWOOD'S HOTTEST SEAT
(By Roy Norr)

The time was September 1945. The place was a New York office. Amid typical movie hoopla—batteries of cameras, flashbulbs bursting in air, studio bigwigs beaming right and left—a ceremony was being held. After two decades of "carrying the ball" for the motion-picture industry, 66-year-old Will Hays had retired as head of the screen's top regulatory body, the Motion Picture Producers and Distributors of America. And dapper, ambitious 49-year-old Eric A. Johnston was taking his place.

With that event the "Hays Office," long known as the guardian of public morals on the screen, became the "Johnston Office." As filmdom's new czar, Johnston inherited his predecessor's powers and perquisites, not to mention his right-hand man, chief censor Joseph Breen. Ushered in with pomp and promise, Johnston seemed the perfect choice for the job. But today, less than 3 years later, there are signs he is shaky on his celluloid throne.

Mike Romanoff, raconteur, restaurateur and columnist of some note, recently expressed the sentiments of more than one Hollywood observer when he told Johnston: "I was once a vacuum-cleaner salesman myself and I can tell you it's nice outdoor work. Go back, Mr. Johnston, before * * * it's too late."

Romanoff's specific reference was to Johnston's typically American beginning. Though born in Washington, the city, Eric has been associated most of his life with Washington, the State—Spokane, to be exact. There, after college and a World War I hitch with the marines, he went about demonstrating and selling vacuum cleaners door-to-door. That started his climb up the business ladder which was climaxed—supposedly—by his coronation as movie czar.

What has Johnston accomplished in Hollywood? His regime has seen a long line of "turkeys"—the poorest entertainment produced in a decade at the highest admission prices on record. It has seen industry leadership turn spineless; crime, horror, and sex pervade the screen; great stars wasted in bad pictures. Eric is not without blame on some of these counts.

Yet his services have far outweighed his failures. He has helped the industry substantially in its foreign negotiations. He met with courage and vigor the issue of clean pictures when he finally woke up to it. He has spoken out without fear or favor against the monstrous extravagances in the industry. When he does leave the movies, insiders believe he's more apt to take a walk than get taken for a ride.

ERIC GOES EAST—THEN WEST

For Johnston always was a young man with high aims and the courage of his beliefs. Back in Spokane he emerged from the vacuum-cleaner period to establish, with his mother, a number of profitable enterprises—electrical supplies, radio, a brick-and-lime business. His companies came to employ from 1,500 to 2,000 men. Eric became a leading local businessman, progressive and successful. In 1942, when the presidency of the United States Chamber of Commerce was offered him, his mother took over and told her son to "Go east, young man" and build a public career if he could.

Eric Johnston proved that he could. Earnest and eloquent, the young Lochinvar from the West swept upon the national scene as a new knight-errant of "a people's capitalism." He saw America still as a land where "little tykes could grow into great tycoons." He was an ingratiating speaker who knew how to win friends and influence people. Though Republican, he leaned toward the New Deal; soon Franklin Delano Roosevelt had the welcome mat laid out for him at the White House. Veteran politicians began to clock him for the Republican Presidential sweepstakes in 1948. Friends predicted a dazzling political future.

Then the movies got him.

Few even in the industry know to this day how Eric Johnston was wooed and won by Hollywood. Most of the big bosses first set eyes on him at one of those "little" dinners at the exclusive University Club in New York, arranged by the United States Chamber of Commerce staff to buck up the drooping spirits of "big business" after Roosevelt's fourth-term election.

Spyros Skouras, president of Twentieth Century-Fox, was host to his fellow movie-magnates (who were plainly awed by their unaccustomed surroundings). Johnston was the guest speaker—and Skouras' candidate for the Will Hays post. Skouras had invited the tycoons to have a look at the new star he was sponsoring for a place in the movie firmament. The filmites were seated humbly at a table in the rear—except for Skouras, who beamed from the speakers' table as his fellow-magnates applauded Eric's remarks. Johnston spoke with not a single note before him. He has a remarkable memory and can repeat a 20-minute speech letter-perfect after reading it twice.

It was love at first sight for the magnates. Here was a man assured and forceful, with a profile that many an actor would envy. What a wide-eyed speechmaker to secure public enthusiasm for the movie moguls! What a Daniel to send into the den of the industry's messy labor relations! Not a Wendell, perhaps, but what a "little Willkie" to have and to hold—one who could drop his card at the State Department, the White House or the Capitol whenever necessary.

In the courtship that followed, the film barons were eager and Eric was coy. They tried to tempt him with gold, but gold could not tempt him—he told them he wasn't worth the salary they first offered. They tried to tempt him with ease; he could be their roving ambassador. But ease didn't tempt him. They tried to tempt him with power; they would extend his responsibility to trade practices as well as to pictures. But power didn't tempt him.

Then they held out a career of public service. Klieg lights focused on his leadership. A photogenic appearance in the newsreels with a public message whenever he wished. A building—commanding a pleasant view of the White House—to be bought or erected for him in Washington. And Eric succumbed, at a salary of $100,000 a year and a sufficient expense account.

THE HOLLYWOOD HONEYMOON BEGINS

Promptly he began extolling Hollywood in terms which awed even the hardened movie-

makers, accustomed to "titanic" for good, "colossal" for so-so, and "epic" for everything.

Johnston made it plain that he had come to the movies to do something big for mankind. "I have been attracted to the motion picture," he told the world, "because it offers unlimited opportunities to work for peace and prosperity at home and abroad." He had joined with such fellow-statesmen as the Balabans, the Cohns, the Schencks, the Skouras, for no less a purpose than to promote international peace and "bring the peoples of the world together" through pictures that would reflect "the American design for living" and prove "America's most natural and convincing ambassadors of good will."

A new day was to dawn for suffering moviegoers. A motion-picture institute was to be established in Washington, D. C., and a vast research program was to be undertaken "involving countless facets to improve the film, the theater, methods, and techniques."

Nothing like it, he exulted, "has ever been attempted in American industry."

If Johnston had consulted censor Breen's files in Hollywood he would have learned for himself that "the American design for living," as reflected in the pictures that soon would reach the screen, was largely homicidal—stalking murder, shrieking horror, bloody crime, relieved now and then by stories of he-men who love to kick the little woman in the teeth. But no advice to this effect, however well documented, could check his eloquence. He hit the headlines, hard, and joy reigned unconfined in the movie camp.

Like a diva blowing kisses, Eric tossed dithyrambs in honor of the film bosses' achievements until they purred with delight. "Eric is great," a trade paper headlined. A big producer declared him the greatest man in the United States and Terry Ramsaye, movie historian and wit, denounced this as a typical movie understatement.

So the honeymoon began.

Unfortunately, however, the honeymoon was brief, as movie honeymoons are wont to be. His Motion Picture Institute died after his first speech; his research into countless facets to improve the film was quickly forgotten. Encouraged by his lavish praises the producers of entirely too many pictures reverted to the tried and true formula—"When in doubt, smut it up."

Critics began comparing the state of the American screen with Johnston's glowing promises. They found production standards "shamefully low," "embarrassingly bad" or worse. They asked why a modest miller from Britain, J. Arthur Rank, had been able to produce better pictures artistically, despite all the slickness and glamour and gold of Hollywood. Never before, they said, had so little been given to so many for so much.

Grumpy editors began to tell Eric, editorially, "to stop talking in technicolor" and get down to "talking turkey" to the moviemakers. Responsible industry figures, who had warned that Johnston was more interested in politics than pictures, muttered of open revolt. His abortive settlement of the studio jurisdictional strike left the big brass with a $60,000,000 headache. Wiseacres hinted that "Dear Eric" would be "Poor Yorick" in the industry long before his contract had expired. Other wits, discovering his partiality for his left profile, sneered, "He'd walk a mile for a camera."

Johnston didn't wait for the storm to break. In June 1946, he struck back through a special interview in Variety, the bible of show business.

"Frankly," he said, "there have been plenty of times I have disagreed with industry executives. But if they want a "yes-man" they don't need me. They can get someone for a couple of hundred dollars a month."

Variety added the warning: "Nothing is more certain than that if Johnston finds himself stymied too often, he will tell the motion-picture industry to get themselves another boy."

Eric was "taking open cognizance," according to the interview, "of increasingly frequent reports being heard of dissatisfaction by certain industry toppers with his administration as president." Nor was it to be overlooked that "Johnston is potential presidential timber in 1948."

ONE BIG, HAPPY FAMILY

The cry of "Timber!" was enough to bring the board of directors of the Motion Picture Association (as the Johnston office had been renamed) to heel. Johnston, it was decided, must be appeased at all costs. To stop wagging tongues, it was determined to extend his 5-year service contract to 7 years.

The new contract was signed with due public ceremony, and the sweet words exchanged, cynics believe, could have been written by one and the same hand.

Said Eric: "My experiences in the past year have strengthened my confidence in the enlightened, imaginative, public-spirited men in this industry. They are men of responsibility and broad vision who desire to bring the screen to its highest fruition."

Said his movie bosses: "Mr. Johnston's deep understanding of the motion picture as an instrument of democratic living, his demonstrated leadership and his farsighted vision have won our admiration and respect."

But this did not end Eric's troubles. For sex had entered the picture.

First, the Catholic Legion of Decency issued figures showing a great increase in "objectionable" films produced by his "enlightened, imaginative, public-spirited" confreres. Martin Quigley, the authentic father of the Motion Picture Production Code and a power in the industry, publicly deplored the "corrosive effects" some of the new pictures were having on young husbands and wives.

Then Duel in the Sun appeared and, despite its beautiful Technicolor, had to be relaundered. How wholesome it was for the kiddies, as originally released, perhaps is best indicated by a review in a leading trade publication. Exhibitors were told, quite simply, that Duel was "very, very hot stuff."

The game of saints and sluts, in which a player made famous by a religious portrayal suddenly was thrown into a sordid role, came to the screen. Ingrid Bergman, cast as a hard-drinking wench in a war-spy film, introduced a new movie kiss in a sequence which the studios promptly named the "nibbling scene." She began with Cary Grant's ear and worked down to his Adam's apple in a tattoo of nibbling little kisses which drew oh's and whistles from all over the house. It made the long, wet kiss a mere peck on the brow.

Eric's difficulties with religious and social opinion reached a climax in Forever Amber. Movieman Howard Dietz, in his year-end review for 1947, put it this way: "Amber was the most-discussed woman of the year: just as she made her screen debut she tripped over the censors and fell flat on her box office."

THE EXHIBITORS REVOLT

Now movie exhibitors, who had looked with high hope on Johnston's entrance into the industry, showed their alarm. The American Theaters Association demanded action "to police the films." The Allied Exhibitors' Association urged that Eric "take definite steps, as Hays did before him." President Zorn, of the United Theater Owners of Illinois, charged that "no small part of the ills that beset the exhibitor can be laid directly at the door of the Johnston office."

Johnston had grandly dismissed, from the very beginning, the work of his predecessor as mere "routine." He paid dearly for his blind spot.

Intention is nine points of the law in movie self-censorship. The production code does permit the entertaining suggestion of seduction and rape—when essential to the plot. It approves of passion—if not made too stimulating. It allows illicit sex—if not presented attractively. Censor Joe Breen knows what he's shouting about when he shouts to a director: "It's not what's in the script, but what's in your mind, that makes this scene dirty."

Back in the Will Hays era it had been a sight to see the boys lined up in similar circumstances, the evidence of public anger rammed down their throats and the threat of punitive taxation burned into their pocketbooks. The awesome rite they followed, called "code reaffirmation" and involving a written promise not to do it again, was something like taking the pledge.

Now, Johnston, too, read the riot act to the producers. He had waked up finally when the flood of bad pictures threatened to engulf him. Most conspicuously, he made a public example of Howard Hughes for using excessive mammary art in advertising his picture, The Outlaw.

Meanwhile Eric's troubles had been extended across the Atlantic. Last year he sailed for England to negotiate dollar payments for United States films displayed there. From Cabinet ministers to newspaper critics, the British rubbed his nose in the muck of American crime pictures.

His success in securing the removal of the ruinous British tax therefore was all the greater. But among his volatile movie bosses he suffered by comparison with Will Hays. Only a few years before his retirement, Hays had quietly negotiated through the State Department the release of a great chunk of frozen movie credits in England—a $50,000,000 melon which the major producers and their satellites distributed among themselves.

Johnston was less fortunate in his dealing with the Senate Committee on Un-American Activities when it trained its guns on the movie industry last fall. His friends were confident that he would mow 'em down, like the late Wendell Willkie in the notorious film "war-mongering" investigation in 1941. But the cinemoguls, who vowed their refusal to be "swayed by hysteria or intimidation from any source," swayed all over the place with contradictory statements.

The Los Angeles Times commented acidly about Johnston's leadership: "He has uncertain control, and experience tells the batter that he can never know where the president of the Motion Picture Association will throw the next one." The hearings left none in the industry proud of the performance.

Nevertheless, on balance, and considering the problems he inherited, Eric Johnston has amply earned his keep. Symptoms of fatty degeneration in the industry and moral halitosis on the screen were evident when he was enticed into the movies. It now is clear that he took much too seriously the make-believe promises from a make-believe world which the controlling film magnates whispered in his ear.

POLITICAL BALLYHOO

A flurry of political activity on his behalf began as soon as he took office—Johnston the Republican dark horse in 1948; Johnston for Vice President; Johnston the favorite son. It marked a dangerous departure from the fundamental policy of the industry. For years the slogan had been: "Keep the film out of politics." Accordingly, the job as Hays' successor had been tendered to (and rejected by) two college presidents.

But with Johnston's coming caution went out the window. "Industry toppers," Variety explained at the time, "hold that Johnston's chances of getting high office gives him added stature in his current dealings on the industry's behalf." Then last summer, Motion Picture Herald took Eric to task for acting

as a keynoter at a Republican meeting. "When the executive head of the organized motion-picture industry makes a platform appearance in politics," thundered the Herald, "he inevitably carries his office with him. The motion-picture industry has no business in politics."

That cooked his political goose with the "toppers." Plans for a series of film shorts, featuring the sprightly film czar in a discussion of national issues and scheduled for release in this election year, were quietly buried.

WHITHER THE SCREEN?

Today the motion-picture industry is in a state of industrial and box-office gloom. Mediocrity rules the screen. After the easy money and lush attendance of the war years, when producers burped with prosperity and distributors reveled in a sellers' market, blight has struck—hard.

Television with its big, big eyes is staring hungrily at the industry, which has had its knuckles rapped by the courts for some of its trade practices. Government threatens the empire controlled by a few scared autocrats. Supermarket operators are looking appraisingly at some of the theaters that may go by the wayside. The life of a film czar is not always a happy one.

Yet the fact remains that the hope of better pictures lies in a lean and hungry box office. Then a wailing siren sounds from the theater. "Bank nites" return and free dishes begin to rattle in the lobbies. The smile of "fat cat" complacency—Sam Goldwyn's phrase—disappears from producers' faces. Exhibitors groan in agony. The cry of "Do something" rings out to the studios. The gilded peons of Hollywood are released from their chains and writers, producers, and directors, freed from the restraints of swivel-chair showmanship, strike out in new directions for new entertainment ideas.

And that's how better pictures are born.

There is no greater aggregation of talent anywhere in the world than exists in Hollywood. Pictures of distinction and significance have been made there. They have been made for "prestige," and they have been made from fright, as when church or state turned against the trinity of sex, crime, and horror on the screen.

But only a flow of new blood into the industry is likely to bring about the conditions under which the production of adult entertainment, gaged to various levels of public intelligence and appreciation, would become the deliberate and consistent policy of Hollywood. The tight hold which a few counting-house showmen, without training, taste, or tradition in the arts, now have on the industry would have to be broken.

The movie industry may have to travel a hard road to recovery. It would not come as a shock to the insiders if Johnston decided to take Mike Romanoff's advice and return to his vacuum cleaners, electrical gadgets, bricks and lime. But it will be on his own decision.

If he goes, he'll go with a bang and not with a whimper.

Mr. Speaker, I have noticed during the past year or two that many books which otherwise would be well worth reading have so much of obscenity, filth, and just plain dirt that I have been puzzled to ascertain the purpose of the writer. One such book, very well written, carrying an extremely interesting story, is that by Baynard Kendrick, and is entitled, "The Flames of Time." As stated, the story is interesting, it is entertaining, it is compelling in that once started you hesitate to lay the book down unfinished. But through it all runs a thread on which is hooked references and insinuations, which years ago would not be placed in any book. These constant references to sex, sexual relations, and everyday instances with which we are all familiar but to which one seldom refers, for many, spoil the story, leave the reader with a bad taste.

I asked a very well-known, widely read and competent reviewer, a man who also handles a Nation-wide radio program, why this method was followed. He laughed at me and said, "Why, don't you know, the authors who follow that method are trying to write a story which contains enough off-color incidents, enough references to sex, to passion, and to crime, so that he may sell it for perhaps $100,000 to the motion-picture industry," who so mistakenly thinks the public has a taste for that kind of thing.

The difficulty with the motion picture industry, he said, is that altogether too many of those who select the plays and plots have dirty minds themselves and having that kind of a mind, they think the people like that kind of sordid nastiness. Perhaps he is right, I do not know. Perhaps some day those who direct the motion-picture industry will discover that the American people like pictures which are clean and wholesome, that they do not care for barroom scenes. They do not care for any of those things which a dissolute, decaying nation sometimes sanction.

It would be a relief if we had at least one picture house in each town or city where only clean pictures, modest actions were portrayed where there were no words, sentences, or phrases of double meaning, where the reward went to the decent, the honest—the attendance would in time educate the producers as to what the American picture audience really wanted.

Truman's Central Error: Fear of Libero-Lefties

EXTENSION OF REMARKS

OF

HON. GORDON L. McDONOUGH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 5, 1948

Mr. McDONOUGH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Saturday Evening Post:

TRUMAN'S CENTRAL ERROR: FEAR OF LIBERO-LEFTIES

There must be times during these hot summer nights when President Truman asks himself how he contrived to get into this mess. If he were asking us, our diagnosis would be that he mistook the yips of the left-wingers for actual voting strength. Instead of dividing their pretentions by two, he should have divided by ten. The President's instincts, we imagine, would have told him to stay with the great American middle class. Instead, he permitted Dave Niles, and some others whom he forgot to drop into a deep well, to trap him into the absurd position of attacking a Congress, just elected by the people, as if it were an enemy of the people.

This is surely one of the reasons why the Democratic Party is being consigned to the morticians by almost everybody. It mistook the past support of Roosevelt and the New Deal for real radical sentiment which had to be appeased. Actually, there is little such sentiment in the country, and Wallace will get most of it—and would get it whatever the Democrats did. There never was much genuine radicalism here. The country supported the New Deal because the middle class thought itself squeezed from the top. It also had an idea that the workingman was having a rough trip and wanted to square things for him. Today, however, the middle class finds itself squeezed from below. Assistant office managers getting $75 a week and forced to pay $23 a day to bricklayers and plasterers think the shoe is on the other foot and would like to see labor leaders taken down a peg. So, believe it or not, would a considerable number of union members who are tired of being pushed around by Communist leaders or by non-Communist leaders who regard their prestige as more important than a man's right to work.

Instead of sensing this automatically through his smellers, President Truman let somebody feed into him intravenously the notion that any effort to curb labor-union leaders, even as mildly as this is attempted in the Taft-Hartley law, could be kissed off as "reactionary" and a plot to deceive the people. Why he thought the White House Janizaries would know more about what was popular than recently elected members of Congress would know is beyond us. Nevertheless, that is what he thought, and that is why the Democratic party is in the unique position of basing its campaign on the theory that the American people have conspired against themselves by electing the Eightieth Congress. If Mr. Truman had counted noses on the Taft-Hartley law alone, he might have learned that, of the 92 Members of Congress who voted for that law and sought renomination, only five were defeated in the 1948 primaries. Of these five, at least two could ascribe their defeats to other causes. Instead, Mr. Truman listened to the boys who belonged to the organizations with the long names—Americans for Totalitarian Liberalism Disguised as Democracy, and so on.

There are other reasons, both in the character of the President and in the fragmentation of his party, for the fact that Harry Truman is in over his head. But a central reason is his failure to be himself. At a time when the people were beginning to think more like haberdashers than like social planners, Harry went with the social planners—at least in his messages to Congress. It was bad guessing, and we're keeping principles out of this.

The American People Have the Largest Income and Worst Housing Shortage of All Time—$20,000 Houses Are Out of Reach of the Low-Income Group

EXTENSION OF REMARKS

OF

HON. HERMAN P. EBERHARTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 5, 1948

Mr. EBERHARTER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the St. Louis Post-Dispatch of July 22, 1948:

HOME-BUILDING SLUMP?

Today's home-building boom is built on easy mortgage credit but credit is getting tighter. Therefore, the boom is in danger of fairly early collapse, long before a fraction of the need for new housing has been met.

With its stake in bank deposit insurance, the Federal Deposit Insurance Corporation is urging caution on its member banks. It has just reminded them that half the real estate loans they already have are based on high prices and many loans would go bad in a decline of business activity.

FHA rules are becoming more stringent. The law under which it could guarantee mortgages on 90 percent of present values recently expired. It has reverted to covering 80 percent of reasonable long-run values, with the result, says Joseph M. Darst, FHA director in St. Louis, that new underwriting of rental housing has become virtually extinct.

Mortgage lenders are pulling in their horns. Many a homeless family has failed to buy either a new or an old house because the down payment has risen to thousands of dollars. Amounts that mortgage lenders will underwrite fall more and more short of present prices.

Another case in point is the $7,500 house designed by Look magazine. Builders who undertook to market it across the country "sent in the same story: 'Customers like my house very much—want one immediately but haven't ready cash—can't get loans—and I can't finance them."

Yet financial institutions are holding more money than they know what to do with. Why, then, should credit for so basic a need as housing become tight?

The reason is that the building industry has relied almost exclusively on easy credit and shirked the task of bringing the cash price of its product in line with what most families can afford to pay. Ever since FHA came on the scene, builders have assumed that "easy monthly payments" were all their industry needed. The National Association of Home Builders is still calling easy credit "the basic requirement" for a high continued building rate.

Living in that comfortable assumption, the industry tolerates handicraft methods and a chain of wastes and monopolies from the workman clear up the line to the building materials manufacturer. Instead of using Government credit facilities as a temporary crutch to keep going while it converted to mass production, it regarded them as a substitute for mass production. So its prices remained chronically high, and the postwar inflation has made them nearly prohibitive.

Today, therefore, the outlook is dark. Raymond M. Foley, the Federal Housing and Home Finance Administrator, described the outlook some months ago at the Home Builders' convention:

"Reduction of costs with lower prices and lower rents is obviously an essential if the private builder is to continue his large production for any long period. Even a no-down-payment market cannot long absorb full production at present prices. Even a system of fully guaranteed lifetime mortgages will not serve as a substitute for prices adjusted to average income."

In other words, $20,000 houses are out of the reach of $5,000-a-year families. Sheer desperation has made many families go into mortgages over their heads, but the risks which lenders dare to take on this unsound basis are running out, so the building boom is in danger of collapse into stagnation. This prospect is shocking enough by itself but it should also be remembered that the failure of a similar boom in the 1920's foreshadowed the 1929–33 depression, and to some extent caused it.

This happens at a time when the American people have the largest incomes and worst housing shortage of all time. What a devastating commentary it is on the building industry and governmental shortsightedness.

Red-Baiting Charges

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, August 5, 1948

Mr. MULTER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include an article by Dorothy Thompson that appeared in the Washington (D. C.) Evening Star on Monday, August 2, 1948:

WALLACEITES' CHARGE OF RED BAITING AGAINST WRITER HELD AVOIDING ISSUE

(By Dorothy Thompson)

"I will not," said Henry Wallace in his convention press conference, "indulge in Red baiting."

I think it time to define this phrase, for it is being used as a means of concealing facts and deceiving the public.

Some time ago I wrote a review of Mr. Wallace's "Toward World Peace." In it I contradicted Mr. Wallace on numerous statements of fact. One of my readers wrote the Wallace headquarters asking for an answer to the charges. Wallace headquarters replied:

"This * * * is another example of the efforts of certain groups in this country to obscure vital issues behind a smoke screen of Red baiting * * *. Mr. Wallace has discussed the true motives behind the use of the Communist label and has exposed these groups whose interests are served by Red baiting."

REPLY HELD CHARACTERISTIC

Here you have a characteristic Communist response to a challenge on fact. Either what I said was so or it was not so. But unable to respond on that ground, the defenders transferred the controversy to a countercharge: I was acting in behalf of certain groups, throwing up a barrage against truth, had sinister motives, and was serving interests.

This tactic is being used to break down confidence in all anti-Communist writers and create the impression that everyone who calls a spade a spade is the agent of Fascist forces. This tactic does throw up a smoke screen, making it difficult to discriminate between Communists and Liberals of any kind, and serving all the forces of confusion. A Red-baiter, if the word has any meaning, is one who lumps all liberal movements together as agents of the Kremlin.

But it is not Red-baiting to assert that the so-called Progressive Party is a Communist-inspired creation, controlled by Communists. This is a statement of demonstrable fact. The roster of convention committees shows that, although there were few Communists on minor committees, the important party rules and platform committees were packed with them, and what issued from both shows that the Communists had their way.

PLATFORM MATCHES THAT OF REDS

Wherever there are Communists in an organization, their tactics is to seek concentration of power. In the Progressive Party rules, representation from the States with the strongest Communist minorities is increased over what they enjoy in other parties. In the national committee, additional members may be chosen by State members, and other opportunities are opened for packing the committee.

The platform committee presented and got adopted a platform which does not differ in one single matter of substance from the tentative platform of the Communist Party, as published in the Daily Worker. W. H. Lawrence, in the New York Times, analyzed the two platforms, point for point, and demonstrated this.

The Progressive Party is soliciting subscriptions for a new publication, the National Gazette Weekly, which "will prove that the truth is now, as it always has been, a vital commodity on the American market."

The first "truth" which this weekly should publish is that its listed contributors, native and foreign, are almost exclusively Communist. By "Communist," I mean they are writers who either are party members or who never diverge from the strict Communist line. They are not "liberals"; they are simon-pure Stalinists. So the Communists will put before the public, in the name of the Progressive Party, another Communist organ.

REFUSED THOMAS DEBATE

I think the American people ought to know these things. Millions of people do not know them. Norman Thomas, commenting on the Wallace convention in the New York Herald Tribune on Thursday, said correctly, "some people just won't believe you when you tell them the Communists are running the (Wallace) show. They won't believe it's fire until they've been burned."

Mr. Thomas, associated all his life with socialistic movements, knows exactly what is going on. It is significant that Mr. Wallace has refused to debate with him, though he has offered to meet President Truman and Mr. Dewey. When I asked a Wallaceite why, he replied, "We don't like Mr. Thomas' manner of debate." I suggest the reasons are, first, that Mr. Thomas knows the score in detail; and, second, that it is impossible for anyone to call him a "tool of sinister catelists."

The last thing that the forces who have pushed Mr. Wallace and Senator TAYLOR into the limelight want is truth, by which I mean publication of plain matters of fact.

Failure of the Special Session

EXTENSION OF REMARKS
OF
HON. GEORGIA L. LUSK
OF NEW MEXICO
IN THE HOUSE OF REPRESENTATIVES
Thursday, August 5, 1948

Mrs. LUSK. Mr. Speaker, undoubtedly the young people of this country are going to take a very active part in this Government's affairs in the future. The veterans returned from service with the expectation of speedy readjustment to civilian life, but they have been bewildered by the confusion that daily mounts and prevents or delays any degree of satisfactory and permanent accomplishment toward security for themselves or their young families.

With the directness characteristic of this generation they are tackling the problem of government. They are not inclined to partisanship in their judgments, but they are politically minded in the sense that they want effective action for good government, now.

As evidence of their interest I am submitting for the RECORD excerpts from the letter of a young constituent who is

at present enrolled in a university, as follows:

It seems that the President has won this round, hands down, among the people who hold the balance of power in the election. If he can only keep it between now and the election, then Mr. Dewey might be in for a real surprise. Truman seemed to have gaged exactly how the Congress would react, and not too many people stop to realize how complicated congressional procedure really is. Truman carried his point, left it pretty indelibly, that this stuff could be passed in 2 weeks if the Congress would buckle down and go to work. Even the papers most anti-Truman are highly critical of the Congress—and none of them are playing the filibuster at all.

The comment around here, and my own personal feelings go pretty well along with it, is about this: that regardless of the motive for which the session was called, there is a pretty serious situation facing the country so far as inflation and housing are concerned; that it was time for something to be done by the only force which has the necessary power and resources to do the job, the Federal Government; that the President handed the Republican Party an opportunity to rise to statesmanship to contrast with the so-called political motive, and it was refused; that at least the President offered a program of action, whether it be good or not, while the Republicans refuse even to consider any kind of a program, much less formulate one of their own; that Dewey lost ground for saying the fight was not his fight when the problems are national and not personal; that Truman at this point will get the votes of the people who are hardest hit by the whole mess. Causes and reasons for the mess are forgotten. They seem like excuses when mentioned by either side. What does stand out is the fact that the economy is shot to hell and something should be done. The Congress—and that means to nearly everyone the Republicans—have had the opportunity to do something, and they have refused to do a thing. It's going to take a hell of a lot of explaining to get around that one; as long as this situation exists, it is not going to be forgotten. And the Democrats are the winners, regardless of anything anyone might say.

I listened to TAFT and HALLECK the other night, and a lot of other people around here did the same thing. Both were so lame in their reasons and excuses, apparently blind to what people are thinking, that they did the cause no good. Truman's reasoned appeal—and it must be called that—created a very fine impression. HALLECK's statement that "* * * this thing will iron itself out, after awhile * * *" sounds pretty feeble to someone who pays no less than $1 a pound for any kind of meat. There is no edible cut of meat in this country which sells for less. Boy, they have really blundered, and have only themselves to blame for what they did.

The Fuels Supply of the Nation—An Editorial Tribute to United States Senator George W. Malone, of Nevada

EXTENSION OF REMARKS
OF
HON. BERTRAND W. GEARHART
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Monday, July 26, 1948

Mr. GEARHART. Mr. Speaker, because of the great national interest in the fuels supply of the Nation, I hand to the Public Printer for inclusion in the CONGRESSIONAL RECORD an editorial from the July 1948 issue of the Texas Oil Journal, on the background and work of Hon. GEORGE W. MALONE, United States Senator for Nevada.

Senator MALONE is chairman of the National Resources Economic Committee set up by the Interior and Insular Affairs Committee of the United States Senate. This committee has already published the Minerals Position of the United States, and is at this time engaged in the preparation of the Fuels Position of the United States, to be published early next year as a result of extensive hearings and investigations.

The Fuels report will include, not only an estimate of the actual and potential petroleum, gas and coal reserves, but the status of the pilot plant work and experiments on the production of synthetic petroleum and gasoline from oil, shale and from coal, as well as the foreign supplies available to us under certain conditions.

Senator MALONE also heads a minerals and materials subcommittee of a special Senate committee appointed to review the Trust and Mandated Pacific areas following the special session of the Eightieth Congress—he expects to visit not only the Trust areas, but the East Indies, the South Seas, Japan, China, and India in the interest of coordinating the data and information on the available sources of such materials.

It will be remembered that the Senator visited the coal, steel, and chemical producing and manufacturing areas of the European Marshall plan countries during October and November in 1947, including the Ruhr and Frankfort mines and plants in Germany and the Birmingham production centers in England—also all of the petroleum-producing areas in the Middle East, including Iran—Abadan in old Persia, Saudi Arabia, and the 1,000-mile proposed oil line into the Mediterranean Sea area in Palestine.

The editorial to which I have just referred, Mr. Speaker, is the following:

The Interstate Oil Compact Commission will be signally honored at its summer meeting in New York on August 30–September 1, when United States Senator GEORGE W. MALONE (Republican of Nevada) appears on the program for an address at the invitation of Gov. Beauford H. Jester, of Texas, who is chairman of the Compact Commission.

Acceptance by Senator MALONE of the invitation of Chairman Jester will bring before this august body of the Nation's petroleum industry one of the most powerful figures in the United States Senate and one of the foremost American authorities on availability, production, and conservation of strategic and critical ores, metals, and minerals.

Because of his recognized ability as a lawmaker, his broad basic knowledge of America's mineral resources, and his high technical training combined with years of active experience, the address of Senator MALONE easily will be the high light of the Compact Commission's 3-day summer program and is expected to attract a large attendance of compact officials and committeemen and a wide representation of top officials of the petroleum industry from all over the United States.

Senator MALONE (who has recently been in Texas, largest oil-producing State, at the invitation of Comdr. Carl Estes, publisher of Texas Oil Journal; and who conferred with Governor Jester and a number of important oil men in Longview, Dallas, Houston, and elsewhere) is the real workhorse of the Senate so far as research and planning for the utilization of natural resources and production is concerned.

He is chairman of the National Resources Economics Committee, a division of the important Senate Committee on Interior and Insular Affairs. He also is chairman of the Subcommittee on Flood Control, Navigation, Dams, and Electric Power, a part of the powerful Public Works Committee of the Senate. He is author of a huge industrial encyclopedia of 11 Western States, an important contribution to industrial and governmental knowledge of natural resources in these States, and in the compilation of which he had the assistance of between 400 and 500 technical and industrial experts.

Senator MALONE is a graduate engineer, and is a member of the American Society of Civil Engineers and of the American Institute of Mining and Metallurgical Engineers. He formerly was managing director of Industrial West Foundation (nonprofit corporation), Industrial Encyclopedia and Industrial Service; served as expert consultant to the Secretary of War; former chairman of the Nevada State Board of Registered Professional Engineers; member of the Colorado River Advisory board, as engineer member of the Colorado River Commission; was advisor to the Secretary of the Interior in construction of the Hoover (Boulder) Dam and wrote report on natural resources of area and use of power (published, 1935); consulting engineer on Central Valley water project (cost $334,000,000) and of board of supervisors, Los Angeles County, Orange County, and Newport Harbor, Calif., on special work relating to flood control, water storage and harbor improvement; and was commissioned as United States Mineral Surveyor in California and Nevada.

The Senator became a powerful figure in his home State of Nevada before being elected to the Senate in 1946. He was State engineer in 1927–35, serving as a member of the Nevada Public Service Commission, member and secretary, Colorado River Commission, State Bond Commission, State Range Commission, State Irrigation Committee, State Planning Board, and National Committee on Conservation and Administration of Public Domain; resigned to resume consultant practice in 1935; was special consultant on strategic and critical minerals and materials, Senate Military Affairs subcommittee and to the Chandler Committee on Examination of Military Establishments; and inspected bases in the Aleutian Islands, Alaska, and the South Seas in 1942–43.

He is a veteran of World War I, having enlisted as a private in 1917, Field Artillery, U. S. Army; sergeant, Fortieth Division, AEF; served in England and France as lieutenant, line officer and regimental intelligence officer, 1918–19. He is a former department commander and national vice commander of the American Legion; and a former president of the Nevada Council of Boy Scouts of America.

In the Eightieth Congress, Senator MALONE introduced a most ably conceived and highly important bill entitled "The Mining Industry and National Security," designed to stimulate the production and conservation of strategic and critical ores, metals, and minerals in the interest of national defense. * * * The Senator's work on this measure drew high praise and recognition from many of his colleagues and from authorities both inside and outside the Government, but the crush of "must" legislation and the hurry to adjourn Congress for the party conventions left the bill without final action. It is hoped to secure action in the special called session.

Senator MALONE, an indefatigable worker, is a stanch advocate of a governmental policy which will make possible and encourage private industry and capital to develop strong and adequate domestic mineral resources. He is intensely interested in petroleum and because of his training and experience and his influential position in Congress, his address before the Oil Compact Commission will be highly significant.

High Cost of Living and Housing Problems

EXTENSION OF REMARKS
OF
HON. HERMAN P. EBERHARTER
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES

Thursday, August 5, 1948

Mr. EBERHARTER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following letters:

UNITED STATES
HOUSE OF REPRESENTATIVES,
Washington, D. C., August 4, 1948.

Hon. JOSEPH W. MARTIN, Jr.,
Speaker of the House of Representatives, Washington, D. C.

DEAR MR. SPEAKER: As every Member of Congress knows, the two most important domestic problems in the minds of the American people today are the high cost of living and housing.

The high cost of living is rapidly eradicating the middle class and creating a new group of poor. The poor, as a result of high prices, are being driven down to a level that can only be called degradation.

The lack of a national housing program and the failure to enact slum-clearance legislation has brought discomfort to hundreds of thousands of families.

These two problems can be cured only by congressional action. The failure of the Congress to take cognizance of the plight of millions of our people will not only be a violation of our oath of office, but also an actual tort against the American way of life.

We, the undersigned Members of the House of Representatives, request that you, as a member of the Republican policy-making body which controls the Congress, use your influence against any effort to adjourn unless a program for national public housing and the lowering of the high cost of living is brought out on the floor of the respective Houses for discussion and vote.

Yours truly.

UNITED STATES
HOUSE OF REPRESENTATIVES,
Washington, D. C., August 4, 1948.

Hon. CHARLES A. HALLECK,
Majority Leader of the House of Representatives, Washington, D. C.

DEAR SIR: As every Member of Congress knows, the two most important domestic problems in the minds of the American people today are the high cost of living and housing.

The high cost of living is rapidly eradicating the middle class and creating a new group of poor. The poor as a result of high prices are being driven down to a level that can only be called degradation.

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We, the undersigned Members of the House of Representatives request that you, as a member of the Republican policy-making body which controls the Congress use your influence against any effort to adjourn unless a program for national public housing and the lowering of the high cost of living is brought out on the floor of the respective Houses for discussion and vote.

Yours truly.

The signatures on the letters to Speaker MARTIN and Majority Leader HALLECK follow: DONALD L. O'TOOLE, EMANUEL CELLER, JOHN E. FOGARTY, JOHN J. DELANEY, JOHN J. ROONEY, WILLIAM T. BYRNE, WALTER B. HUBER, MELVIN PRICE, HERMAN P. EBERHARTER, ABRAHAM J. MULTER, AIME J. FORAND, FRANK BUCHANAN, THOMAS E. MORGAN, A. J. SABATH, CHET HOLIFIELD, ANDREW L. SOMERS, WALTER A. LYNCH, FRANCK HAVENNER, EDWARD J. HART, HENRY M. JACKSON, MICHAEL A. FEIGHAN, RAY J. MADDEN, JOHN LESINSKI, JOHN J. CARROLL, FRANK M. KARSTEN, GEORGE G. SADOWSKI, ARTHUR G. KLEIN, MIKE MANSFIELD, CHARLES B. DEANE, JOHN A. BLATNIK, HELEN GAHAGAN DOUGLAS, MIKE MONRONEY, MARY T. NORTON, THOMAS J. O'BRIEN, THOMAS S. GORDON, HAROLD D. DONOHUE, ROBERT CROSSER, MICHAEL J. KIRWAN, AUGUSTINE B. KELLEY, MARTIN GORSKI, WILLIAM L. DAWSON, EUGENE J. KEOGH.

Resignation of Arthur Prudden Coleman

EXTENSION OF REMARKS
OF
HON. THOMAS S. GORDON
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES

Thursday, August 5, 1948

Mr. GORDON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article that appeared in the Polish Review of July 28, 1948:

Many of you know me personally, from long years of working together in a common cause. Others know me only from hearsay and from newspaper reports of the care which has been stirred up in recent days by my resignation from the Slavic department of Columbia University.

To all of you I address the following statement, clarifying my position in connection with this case. I assure you I have loved my work at Columbia during these 20 years, and Mrs. Coleman, too, has loved her part in it. With the deepest regret we sever our connections with this great institution. That we must take this step, you will readily understand, once you have read my statement below:

"MY REASONS FOR RESIGNING FROM THE SLAVIC DEPARTMENT OF COLUMBIA UNIVERSITY

"On June 1, 1948, Acting President of Columbia Fackenthal announced in the New York Times and other papers that he had accepted from the present Polish regime in Warsaw an initial gift of $5,000 toward the establishment of an Adam Mickiewicz professorship of Polish language and literature and the appointment of Manfred Kridl to this professorship. This action has now been ratified by the trustees of Columbia and President Dwight D. Eisenhower.

"I am opposed to the policy represented by the acceptance of this gift and cannot continue working in a department financed in this manner. I am unalterably against the acceptance by Columbia or any other American university of money from Poland or any of the other satellite governments of Moscow.

"To continue teaching in a department financed by Cominform regimes would be to fall into the error for which we blame the German professors who, by remaining in their chairs in obedient silence, gave tacit approval of the Nazi regime. I do not wish to appear to condone any totalitarian regime, Fascist or Communist.

"As the national secretary-treasurer of the American Association of Teachers of Slavic and East European Languages, I have signed the non-Communist affidavit, giving my word under oath that I do not support any organization that believes in or teaches the overthrow of the United States Government by force. One has but to read any day's batch of the papers issued in Poland today to know that the regime in power in Warsaw would like nothing better than to do just this: to overthrow not only our Government but our whole way of life, under the leadership of the 'glorious Red Army.'

"There are many ways of working toward the overthrow of our Government and one is by academic infiltration. This is the method we see being undertaken with the above gift. I cannot connive in any such business, or seem to approve it, by collaborating amicably with the professor who is to be the recipient of the subsidy.

"I have taught at Columbia 20 years, and in that time, in accordance with the policy laid down by the late Nicholas Murray Butler, have been free to teach whatever I have felt to be the truth. Can one believe this will be the case in the future, as more and more men are brought in, paid by regimes having as one of their main principles Marxian thought-control? I do not think so.

"It will not be long before professors free to think as they please will be outnumbered by those behind whose backs we can see the shadow of some dictator. In some departments the time is close at hand when this will be the case.

"Apparently Columbia is selling its birthright for the Greek gift of totalitarian subvention. I want no part of this.

"ARTHUR PRUDDEN COLEMAN."

Arthur Prudden Coleman was born in Seymour, Conn., on July 19, 1897, the son of Michael Lyon Coleman and Carrie Davis Coleman.

He was educated in the public schools of Seymour and Southington, Conn., and in the Cheshire Academy, in Cheshire, Conn.

During the First World War he enlisted in the United States Navy and served first as a second-class seaman, later attending officers' training school at Yale.

With the ending of the war, he went back to his studies at Wesleyan University, and was graduated with honors in languages in 1920.

He did 1 year of graduate work at Yale, and it was at this time that he began his formal studies in the Slavic field. Because Yale did not at this time have full facilities for Slavic work, Coleman transferred to Columbia, where in June 1922 he took his master of arts degree in Slavic languages and literatures. From this he went on to work for his doctor of philosophy degree, still in the Slavic field, and still at Columbia, where the Honorable John Dyneley Prince, founder of the department, was chairman.

In the years 1923–24 Coleman studied in Charles University, Praha, Czechoslovakia, as a fellow holding a grant from the Czechoslovak Government.

Returning home in the autumn of 1924, Coleman took his final doctoral examination, and in June 1925 was awarded the degree of doctor of philosophy in Slavic. He was the first American of non-Slavic ancestry to receive this degree. While finishing up his work for the degree, Coleman taught French at New Haven High School.

In 1925 (autumn) Coleman accepted a position as professor of French and German at Olivet College, Michigan. The following year he transferred (along with the former president of Olivet) to Battle Creek College, where he was chairman of the department of modern languages.

In the spring of 1928 Coleman returned to the field of his choice, which was Slavic, when he accepted a post as teacher of Polish in extension at Columbia.

In 1930 Coleman was made lecturer in Polish at Columbia, and in 1946 assistant professor of Polish at the same university.

Coleman has written widely on Polish matters.

New Jersey Legislature Recognizes Importance of Having Merchant Shipbuilding Program Immediately

EXTENSION OF REMARKS

OF

HON. CHARLES A. WOLVERTON

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 5, 1948

Mr. WOLVERTON. Mr. Speaker, I submit for the RECORD copy of Joint Resolution 10, Public Laws of 1948, adopted by the Legislature of New Jersey, on July 16, 1948. It is further indication of a widespread interest that is being taken in the subject of proceeding with all possible dispatch in the preparation and adoption of necessary legislation to encourage a comprehensive program of merchant shipbuilding in this country.

The resolution is as follows:

Joint Resolution 10

Joint resolution memorializing the Congress of the United States to proceed with all possible dispatch to the preparation and adoption of necessary legislation designed to encourage and make adequately effectual a comprehensive program of merchant shipbuilding in this country's shipyards and of expanding our merchant marine

Whereas through the sale of our tankers and cargo carriers abroad, the export of our steel, and the failure to grant authority for the construction of needed merchant tonnage at home, our merchant marine and our shipbuilding activities have suffered drastic decline; and

Whereas while our position in world shipping has thus deteriorated, other nations have achieved new highs in ship construction; and

Whereas we have learned that we must depend upon our own resources of ships and shipbuilding for our national defense and security; and

Whereas the present world situation requires that the United States stand fully prepared against any emergency: Therefore be it

Resolved by the Senate and General Assembly of the State of New Jersey:

1. That the Congress of the United States be and is hereby urged to proceed with all possible dispatch to the preparation and adoption of necessary legislation designed to encourage and make adequately effectual a comprehensive program of merchant shipbuilding in this country's shipyards and of expanding our merchant marine.

2. That the secretary of state be and is hereby directed to transmit immediately following the passage of this joint resolution a copy thereof, properly authenticated, to the President of the United States, the President pro tempore of the Senate, the Speaker of the House of Representatives, the Representatives of the State of New Jersey in the Congress, and the Maritime Commission.

3. This joint resolution shall take effect immediately.

Approved July 16, 1948.

Birthday Tribute to Hon. Arthur Capper, of Kansas, by Harry W. Colmery

EXTENSION OF REMARKS

OF

HON. CLYDE M. REED

OF KANSAS

IN THE SENATE OF THE UNITED STATES

Friday, August 6 (legislative day of Thursday, August 5), 1948

Mr. REED. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an address by Mr. Harry W. Colmery, on the occasion of the birthday of our distinguished colleague, ARTHUR CAPPER, July 14, 1948, at Topeka, Kans., in recognition of his 34 years of public service as Governor and United States Senator.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Thank you, Mr. Holbrook.

My fellow citizens of Kansas; friends of ARTHUR CAPPER, everywhere; both those who are gathered here in this pulsating, admiring crowd, and those who, listening over WIBW, are likewise a part of our family circle; and our distinguished friend, ARTHUR CAPPER, United States Senator from Kansas.

As the Eightieth Congress of the United States was approaching its adjournment, Senator CAPPER announced his intention to retire from the United States Senate. As a symbol of the esteem in which Kansas and all of her people hold him, the Topeka Chamber of Commerce gives public recognition to Senator CAPPER for his 34 years of service as Governor and United States Senator, and welcomes him back home to Topeka, as our first citizen.

It is fitting that we should choose this, his birthday party, as the occasion for our tribute. For there is no other gathering at which these smiling faces, these voices of good will, this radiant warmth of recognition, manifesting, as they do here, the freshness of a morning friendship which lasts throughout a full and successful day, reciprocates so well that loyalty, as deeply ingrained as the veins of an oak, which Senator CAPPER has for Kansas and her people.

For 40 years, this annual birthday party, has stood forth as an institution through which Senator CAPPER exemplifies his unselfish service to, and his friendship for, others. But great as it is, his personal presence here today confers dignity upon the custom itself, by reason of his life and example.

Nothing could be more appropriate at the conclusion of his long career of distinguished public service, than to welcome him back to Topeka. For here he came, 64 years ago, a country lad of 19 years, and found his first job, setting type. Here he came, a typical American farm boy, with a high-school education, a personality that radiated friendship, a clear head, a desire to work and a will to do. He asked no one to put a blueprint of opportunity in his hands. All he asked for was a job. On his own, with faith in himself, he saw opportunity yonder on the horizon, and buckled up his belt and "made for it." Here, from humble beginning, he laid the foundation upon which he builded an enviable success in private life, a career of distinguished public service, and a gratifying investment in friendships. His guiding maxim has been that, if he would "be honest with the world, the world would be honest with him"—the fundamental truth of all real prosperity and happiness.

In the appraisal of men, it is rather difficult to define what constitutes a distinction. Nevertheless, it is a distinction to be the longest of your line in any pursuit, profession or vocation, because there are many competitors, and there is always a bomb with the fuze lighted, under your official chair. So it is no mean accomplishment that our friend we honor is the first native-born Governor of Kansas; the oldest living Governor; the oldest public servant of our State; and has the longest record of service of any Republican in the United States Senate.

To have been in close and active participation with the leaders of public thought and affairs over a period of 34 years makes a life of extraordinary education and opportunity. And to have known personally and intimately all of the Presidents of that period, and to have had in a large measure the confidence of the great minds of his time, has been a rare privilege. These, also, are distinctions, which our friend may properly claim.

But these are not the distinctions which make Senator CAPPER a great man. He is great because:

He is good, honest, and clean.

He has played the political game straight for 34 years.

He has the courage to be just.

He considers his duty to be a public duty, to preserve the interest of all the people as against any group or sector.

He is modest, kindly, gentle, and generous, and has no vengeance in his heart.

He is patient and humble, a friend of, and interested in, all the people.

He lets kindly sentiment have a voice in an age where the heart has played too small a part in public life.

He typifies the Kansas blend which has always been in the forefront of progress and of new ideas.

His conscience governs his actions, and, though a partisan Republican, the party is only the instrument through which to serve the people.

He is honest in his purpose and sincere in his convictions, and his mistakes are of the head, and not of the heart.

He is more interested in having his idea accepted than to have himself recognized—the mark of a big man.

He does not spend time thinking about what a big man he is, or trying to make you believe that he is something that he is not. His time is so fully occupied in his purpose to get things done, that he has no hours left for self-contemplation.

He dedicates himself to an ideal and a purpose, leaving the result to Providence. He will never choke himself to death burning his own incense.

He believes that we have a duty to preserve our heritage of freedom and liberty which has given us so much and that that can only be done through the character and integrity of our citizenry.

He believes in the people and the will of the majority.

With all of these qualities, inherent in his life and services, Senator CAPPER needs no eulogy. His name is engraved indelibly upon the hearts of the people of Kansas. His service attests his greatness. He has done his duty and trusted to history for his meed of praise. His record is like a torch. The more it is shaken, the brighter it burns. It is with humility that we appraise him in the past, "for on our future laurels he looks down, himself our highest crown."

Senator CAPPER, we gather here to do you honor because of what you are, and because it is in the unshaken faith of men like you that the world finds that its hopes are mightily strengthened. How abundantly your faith has been justified is readily visible to your eyes.

Paraphrasing the epitaph emblazoned in St. Paul's Cathedral, in London, for its architect, Sir Christopher Wren, we may say to you:

"If you would see your monument, look about you." Follow me as I interpret the inscriptions on its four facades:

First. CAPPER, the great humanitarian: These thousands gathered here to welcome you on your eighty-third birthday, bearing testimony of their personal esteem and affection for you, reveal you as a collector of friendships, and that you never sold or gave away a single one.

Thousands of children whose broken bodies have been made whole, whose twisted limbs have been made straight; who, though bedfast or lame have been made to walk; or, though blind, have been made to see, evidence your generosity and Christian interest in assisting handicapped children to have good health and comfort and a fair chance in life—through the program of the Capper Foundation for Crippled Children.

Those stalwart, disciplined, well-mannered Boy Scouts rendering an unselfish service in their own right, are the symbols of your prospecting for strength of character and high purpose among the Nation's boyhood, through your support of the Jayhawk Council of Boy Scouts and your services as a member of the National Council.

Your compassion for homeless children finds its expression in your service as a member of the board of governors of National Home for Orphan Children at Mooseheart, Ill.

And here, I see the thousands of members and alumni of the Capper Pig and Calf and Poultry Clubs, later developing into a Nation-wide 4-H Club organization, through which you have evidenced your trust in farm boys and girls, instilled in them confidence and self-reliance, encouraged their parents to give them opportunity, and have given stability to and strengthened the life and the economy in our agricultural areas.

Second. CAPPER, the great businessman: I see hundreds of your employees, shop, office, and field; worker and executive, here to say hello, proud of you as their boss and friend. They reflect your fairness, consideration, and willingness to give praise to worthy subordinates for the work they have done. Like the chief artist who weaves the Gobelin tapestries, you are content to stand behind the cloth and let those in front appear to be the chief contributors to the beauty of the fabric—your business.

And here I see the march of your business progress, as with particular genius and hard work, you have advanced from the typesetter, to taking your 700 weekly circulation to the post office in a pushcart, to your present publishing enterprise with its eight farm papers and two daily newspapers, read in 4,000,000 homes, supplemented by two radio stations—not bad for an Anderson County farm boy.

And rounding out this success is your well-balanced conception, buttressed by performance, of your willingness to cooperate and to carry your share of civic and community responsibility.

Third. CAPPER, the great public administrator: A good loser and a true sportsman, you refused to contest your first political defeat, even though you lost by only 29 votes—to come back and be elected the first native governor by the largest majority ever given a governor up to that time.

A forthright leader in matters of policy and a capable and fearless executive, who reflected a great love and loyalty for Kansas, and was ever ready to defend her against the assaults of her enemies.

As a wartime governor, you were a great patriot, speaking with that force of affection which a man feels for his country, declaring that "our national honor must be maintained, our flag must command the respect of every belligerent," and that "the one plain duty of every individual is to give his supreme effort to the cause in which we are engaged," stating that "the man who falters, who stops now to whine about what might have been, is disloyal."

Fourth. CAPPER, the great public legislator: Here I see a man of honest purpose and sincerity of conviction, whose conscience governed his vote and action, who looked upon his duty as a public duty, to serve the interest of all the people above that of any group or sector, and who missed only 10 out of 2,000 roll calls.

A Senator who, with a definite conviction that agriculture is the backbone of the Nation, made it his principal interest and devoted his career primarily to the improvement of American agriculture and the status of the American farmer.

A Senator who believes that men should work out their own salvation, and be rewarded according to their just deserts.

The cosmopolitan character of your guests here today, of every race, class, creed, and social and economic strata, symbolizes the dedication of your service to all men, as the only basis for just and fair dealing.

A Senator who would not compromise on matters of great principle, and who embodied in his public service all his capacity for friendship, and a magnanimity to foe and a generosity to friends which will be talked of as long as manly qualities are honored.

A Senator who has given careful attention to our every request, and rendered valuable service in matters of vital interest to our city.

Senator CAPPER, fourscore and more years, seem wonderful in prospect. But as we behold you who have passed the great climacteric of 80, and examine your record, it fortifies us with hope for the future. We recognize that you have not penned any idle platitudes, but that, in your public service, you have spoken the earnest convictions of an honest heart.

The Topeka Chamber of Commerce, which you have served so long and faithfully, has adopted and spread on its official records, a resolution attesting its appreciation for your splendid service to Kansas and the Nation. It is my distinct honor and privilege, on behalf of its board of directors, to present both, that resolution to you and also this bronze plaque:

"In grateful appreciation of your 34 years of untiring service to the people of Kansas, as Governor and United States Senator."

And with deep and heartfelt gratitude, we, the people, bestow our fervent accolade of approval, "Well done thou good and faithful servant," and bid you enter, for we are happy to have you come back home.

Won't you all join me in a hearty wish to Senator CAPPER for his good health, and an abundance of all those things which make life comfortable and happy.

The Farmers' PAC

EXTENSION OF REMARKS
OF

HON. CHARLES R. ROBERTSON

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 6, 1948

Mr. ROBERTSON. Mr. Speaker, it has wisely been said that politics makes strange bedfellows, and no place is it more effective than in the State of North Dakota. In the last primary election on June 29, former Congressman Usher L. Burdick, a candidate of the Farmers Union PAC, defeated Congressman CHARLES R. ROBERTSON, Republican, for his seat in Congress.

Usher L. Burdick's son, Quentin Burdick, who once ran for Lieutenant Governor on the Nonpartisan League—Republican—ticket, turned over to be secretary of the Democratic Party in North Dakota. With the growth of the Farmers Union leadership politically, young Burdick became their Political Action Committee chairman, serving in a similar capacity for the Farmers Union as Sidney Hillman for the CIO.

Quentin Burdick, son of Usher L. Burdick, who won the Republican political nomination, supported by the Political Action Committee of the Farmers Union, was a delegate to the Wallace convention in Philadelphia this year. This occurred shortly following Usher L. Burdick's election. And according to newspapers, Quentin served on the Wallace platform committee.

And so you see, politics does make strange bedfellows. Too often their efforts are directed for elections, not public service. If Usher L. Burdick wins the fall election he will come to Congress under the label of a Republican because for 33 years the Nonpartisan League has occupied a place on the Republican ballot both in the primaries and in the fall election. He has maintained all along that he was a leaguer and will probably continue to maintain that he is a leaguer. And he peculiarly has some leaguers' support. But the really intellectual leaguers know that they were taken over body and soul by the Political Action Committee of the Farmers Union, headed by Jim Patton, Bill Thatcher, and Glenn Talbott. This is generally recognized by political writers throughout the country.

Under unanimous consent, Mr. Speaker, I include herewith an editorial appearing in the St. Paul Dispatch of July 31, 1948, the subject of which is the Farmers' PAC.

THE FARMERS' PAC

North Dakota farmers are on the warpath again, according to some political experts who have studied the outcome of the recent

Republican primaries in that State. The Nonpartisan League, which led many successful agrarian revolts in the past, has been showing its age, and consequently is being supplanted in large measure by the youthful and vigorous Farmers Union Progressive Alliance.

Theoretically, the league and FUPA combined forces against the conservative Republican organizing committee in the primaries. They succeeded in nominating one of the State's two candidates for Congress and captured a clear majority of the nominations for the lower chamber of the State legislature. Candidates for the State senate are almost evenly divided.

Farmers Union members were particularly resentful of the "ripper" bills aimed by the last legislature at the business activities of the union. The State insurance commissioner, who has tried to outlaw the union's companies was almost defeated for renomination, although Governor Aandahl, also backed by the ROC, won handily.

The FUPA seems to be patterned after the political action committees set up by organized labor in recent elections. It has no corporate existence, although the members pay regular dues. It is staffed by the officers of local or county Farmers Unions. This fosters autonomy and tends to prevent the growth of factionalism. The FUPA gives every sign of becoming a permanent force in North Dakota politics.

Loss of a Great Statesman

EXTENSION OF REMARKS
OF
HON. FRANK A. MATHEWS, JR.
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Friday, August 6, 1948

Mr. MATHEWS. Mr. Speaker, on June 14, 1948, the CONGRESSIONAL RECORD contains the reprint of a speech made almost 9 years ago by the Honorable ALBERT W. HAWKES, senior Senator from New Jersey, entitled "Who Can Preserve Representative Democracy?"

On June 19, 1948, this same Senator made his valedictory speech. He is not running for reelection.

These two speeches should be read by every American interested in preserving all that America has meant. They should be read by anybody who wonders whether the principles of this kind of Americanism can last 9 years longer, by everyone who wonders whether the same principles apply today that applied 9 years ago or 99 years ago, and by everyone who wants to know whether there are still men who can stand by these principles in which they believe regardless of what happens to themselves or their political careers.

The words of the senior Senator of New Jersey will be meaningless to those who claim credit for supporting anything and everything they thought popular today, and tomorrow seek to escape the responsibility of the overbearing taxation, the failure of accomplishment, and the loss of personal liberty which result.

The words of this Senator will be sneered at by those who believe the function of the Government is to distribute material benefits derived from liberty equally between those who accept and those who evade its responsibilities.

At a time when stalwart defenders of true liberty, with all the responsibilities, hardships, spiritual strength, and human dignity that go with it, are needed as much as, if not more than, ever before, it is disheartening and discouraging that we must lose from a public body like the United States Senate the services of the Honorable ALBERT W. HAWKES.

I know however, that Senator HAWKES will continue his valiant battle no matter where he is, where he goes, or what he does. I fervently wish him continued and greater success in his distinguished career.

Controls Won't Help

EXTENSION OF REMARKS
OF
HON. ABE McGREGOR GOFF
OF IDAHO
IN THE HOUSE OF REPRESENTATIVES
Friday, August 6, 1948

Mr. GOFF. Mr. Speaker, under leave to extend my remarks, I am including an editorial from the Idaho Statesman of July 29, 1948, which is a sound and well-worded answer to the President's request for price-control authority. Every Member of Congress is anxious to bring help to the harassed housewife, but most of us are agreed that the granting of the President's request would make the situation worse instead of better. This is particularly true when we consider the lack of judgment and administrative ability he has so clearly demonstrated.

The editorial is as follows:

CONTROLS WON'T HELP

President Truman is not shooting square when he blames the Republican Congress for inflation. And he is playing cheap politics when he implies that in 2 weeks of a special session he has called in spite and anger the Congress could, if it would, rectify inflation by applying price and wage controls.

In the first place, the Republican Congress did not cause inflation. The Republican Congress is not responsible for the war which, along with the New Deal policies of spend-and-elect, ran up the tremendous annual budgets which have set unprecedented billions to circulating in this country.

The Republican Congress did not create the world situation which finds Uncle Sam, prompted by a spirit of humanity mixed with the instinct to help those who may one day help us against a common enemy, wisely sharing millions of tons of food and material with starving and Communist-threatened peoples abroad.

The Republican Congress is not responsible for the domestic shortage of food and materials which, thus created, encourages prices already lifted by an abundance of money in circulation to climb even higher.

The circumstances which contributed to our current high prices were engendered long before the Republican Congress was elected less than 2 years ago. The President's timing is bad, therefore, when he tries to lay the onus of inflation on the newly elected GOP.

And when he suggests price control as the solution for inflation, Mr. Truman is even farther off the beam. The present Republican Congress campaigned on a platform of promises to rid the country of the restrictive controls which had, by 1946, created an economic nightmare of shortages and black markets so horrible as to have encouraged even Mr. Truman to begin talking of lifting controls. The American people elected the current Congress to do two things: To balance the power labor unions were abusing—which it did with the Taft-Hartley law; and to remove price controls—which it also did.

Following the removal of price controls, production has steadily increased in this country. Not enough to keep up with the war-delayed demands of millions of veterans and their new families, and with overseas-aid demands, and with the demands of more spending money than has ever before flooded this country. But enough so that there is considerably more to be had these days, albeit at higher prices, than there was to be had in the days of the OPA.

The President, without explaining how or why, has said the resumption of price controls would solve our inflation problems, or at least keep us from going "bust." We wonder. What encouragement is there about freezing the price of butter at, say, 95 cents a pound that is supposed to induce a dairyman to produce more and more butter to sell at a price he already is complaining is too low for a fair profit? The only real result of controlling the price of butter, or anything else, would simply be—less butter, or less anything else.

Price controls would discourage production—which is the basis of American wealth and welfare. They did before, they would again.

Finally, as Mr. Truman himself said, just about a year ago, price controls are a sign of a police state. And we are quite certain the United States does not yet face an emergency strong enough to require its free people to declare themselves a police state—particularly under Mr. Truman's vacillating guidance.

Address of H. Stewart Potter

EXTENSION OF REMARKS
OF
HON. JOHN C. KUNKEL
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Friday, August 6, 1948

Mr. KUNKEL. Mr. Speaker, under permission to extend my remarks, I include an address made by Mr. H. Stewart Potter, of Halifax, Pa., and Arlington, Va., at the dedication of the beautiful Soldier Memorial Field at Halifax on July 3, 1948. The forward-looking people of Halifax are to be congratulated upon this fine achievement.

The address follows:

Mr. Chairman, General Gilbert, honored guests, ladies and gentlemen, I deeply appreciate your committee inviting me to speak here this afternoon at the dedication of this memorial park. It is an honor indeed. I love Halifax and its people. I am keenly interested in this community. I call this occasion a chapter in the history of Halifax. Today, I am witnessing the fulfillment of one of my dreams—a public recreation park and stadium. I have favored such a recreational center for more than 35 years. Unknown to most of you, my pen, through the columns of the old Halifax Gazette, first advocated such a center as a memorial to our soldier dead—and as a tribute to the living heroes. The granite marker that you citizens had erected on borough property on Armstrong Street back in 1921 is a fine tribute to the

boys who participated in World War I, but how much more fitting is this living memorial. In creating this park the citizens of this community have provided a place where your boys and girls can enjoy good wholesome amusement, not only the boys and girls of today, but the boys and girls of the future.

This park will be used to help develop stronger bodies and clean minds. You will also use this park as a means of instructing your young folks how to live the American way. Knowing the citizens of this community as I do, I have no fear that communism—or any other ism will creep into your midst to destroy the way of life we Americans are privileged to enjoy.

It is time for faith in God and confidence in the ways of divine providence in our midst. It is time for the rebirth of patriotism. A time to esteem the sacrifices and triumph of patriots who have gone before us, to proclaim the good in America which lightens our day, to prepare the way for that greater America which by God's grace shall be the future.

The world is in a state of unrest, and it does not yet appear what the future holds for us. Confusion and strife are prevalent throughout the earth. It is probably to be expected, for you cannot blow out the brains of millions of people and destroy billions of dollars worth of property without causing terrific economic, political, and social dislocations.

We have come here today to do honor not only to the brave boys and girls who fought in World War II, but to honor those earnest young men who left their homes to defend them at Concord, Antietam, San Juan, the Argonne, and in the snows of the Ardennes.

For as long as freemen have lived, worked, worshipped, and reared their families in these valleys, so long have their sons been summoned to arms against those who could covet or destroy them. In generation after generation they have been forced to quit their quiet homes to fight—and sometimes to die—in conflicts visited upon them by issues that seemed remote from their everyday lives.

From the chancelleries of London, Paris, Berlin, Tokyo, Rome, and Moscow, these bitter struggles that have scarred the progress of all mankind eventually spanning the seas to invade the quiet parlors and warm kitchens of your homes. And as these world struggles have wasted the youth and resources of nations, they have also left behind them sorrowing women and empty chairs.

It is easy for us who are living to honor the sacrifices of those who are dead, for it also helps us to assuage the guilt we should feel in their presence. Wars can be prevented just as surely as they are provoked and therefore we who fail to prevent them must share in the guilt of the dead.

Let these words be the prayer of every American:

What builds the Nation's pillars high
And its foundations strong?
What makes it mighty to defy
The foes that round it throng?
Not gold, but only men make
A people great and strong;
Men, who for truth and honor's sake,
Stand fast and suffer long.
Brave men who work while others sleep,
Who dare while others fly—
They build a nation's pillars deep
And lift them to the sky.

While a period of 29 years has elapsed since we left Halifax to take up our residence across the Potomac River from the Nation's Capital City, I want to assure you that Mrs. Potter and I have always kept a warm spot in our hearts for you good folks. We have maintained our legal voting residence here through the years. Some of our finest friends live in this vicinity.

In the language of the poet, let me say:

The moonlight falls the oftest,
The summer days come softest,
In Pennsylvania.

Friendship is the strongest,
Love's light glows the longest,
Yet wrong is always the wrongest,
In Pennsylvania.

Life's burdens bear the lightest,
The home fires burn the brightest,
In Pennsylvania.

The sun shines ever brightest,
The breezes whisper lightest,
In Pennsylvania.

Plain girls are the fewest,
Their young hearts are the truest,
Maidens' eyes are the bluest,
In Pennsylvania.

Looking back over the baseball teams that represented Halifax in the long ago, I so well remember the names of such stars as Danny Ludlow, Bill Taylor, Ike Bowman, Hiram Shultz, Charley Poffenberger, the three Biever boys—Harry, Elmer, and Ike; Claude Ryan, John Prenzel, Frank Brubaker, George and Jim Schroyer, Paul Bowman, Sam Bowman, Chic Rutter, Herbie Boyer, and Harvey Bowman. There were still many others whose names have now been erased from my memory by time. Back in 1908—40 years ago—I had the privilege of being manager of a traveling baseball club representing Halifax. The sole reason for calling us a traveling club was because the town baseball diamond had been sold for building sites and no playing field was available. The traveling was mostly between Halifax and Millersburg, and Elizabethville and Duncannon. The means of travel was by a two-horse covered wagon propelled by a team of horses owned and driven by Charlie Knouff. Few of the town's baseball stars ever made the big show, but an exception was Harry Biever, who pitched in the Tri-State and O. and P. Leagues, and in later years Norry Bowman was in organized baseball. I can well remember the rivalry that existed between Halifax and Millersburg, Dauphin, Elizabethville, Newport, Duncannon, and Liverpool teams, and the number of folks who accompanied the team when it was on the road, cheering the boys when they were winning and sympathizing with them when they lost.

Halifax and surrounding community sent its full quota of men and women to help defend our country in its grave hour of need during World War II, 364 persons being enlisted in its defense. Of this number, 13 paid the supreme sacrifice. Some of these will forever sleep beneath the sod of other lands.

In addition to manpower, many thousands of dollars were invested in war bonds. Many other sacrifices were made in order that the war could be brought to a successful conclusion.

Thank God, today the sky has partly cleared of war clouds and the blue sky of peace is beginning to show on the horizon.

It is now vitally important that the citizens of this community begin thinking and planning for the physical welfare of the residents of Halifax and its environs. You folks need many things here. You have now provided a recreation park. You also need a swimming pool. An important and essential need of the community is that more industries be located here to provide employment for your citizens. You need factories here to employ your men, women, boys, and girls. You should make this a definite must on the list of things to be done in the immediate future. To accomplish this goal, you need a good live chamber of commerce which will proceed to advertise Halifax and which will invite industrialists who are seeking factory sites to pay a visit to Halifax and make a survey of the advantages you have to offer.

Every community needs industry if it expects to grow. It needs to provide employment for its citizens. Gainful employment means happy and contented citizens. It also means more money derived from taxes to help keep the community operating. More industry means more citizens, more stores, more churches, in fact more of everything which will help improve the community.

I personally regret very much that the residents of this community permitted the demise of the community's newspaper, the Halifax Gazette, after the death of its publisher more than a year ago. The Gazette was almost our sole means of contact with you folks. Now, old friends pass away, and it is sometimes weeks before the news reaches us. It was a serious mistake to allow the Gazette to pass into oblivion after 59 years of public service. Every community of this size needs a newspaper. I am seriously afraid that Halifax will never again have another newspaper published here to chronicle the happenings of this community. Progressive businessmen should have formed a corporation and continued the publication of the Gazette. Let me add here that the files of the Gazette—a copy of each issue since the very first—should be purchased from the owner and placed in a vault for safekeeping. They are of tremendous value to the community and should be preserved for posterity.

You folks are to be congratulated in providing funds necessary to erect this memorial park which we are dedicating this afternoon. You have done yourselves proud and deserve a lot of credit. The park should stand through the years as a tribute to the brave boys and girls in whose honor it has been erected.

There is much history in the background of Halifax. One hundred and fifty-four years is a long life. I have often thought that Halifax is watched over by the glittering stars and kissed by the dews of heaven. I trust that in the years which lie ahead the citizens of the community will awaken to their responsibility and put their shoulders to the wheel. Every single citizen should start right now to advertise Halifax and not criticize Halifax. Boost your community instead of knocking it.

No community is any better than its citizenry desire to make it. Halifax is not perfect by any means but there are many towns which are inferior to it. Your slogan here should be "What Halifax makes, makes Halifax."

The community has much to offer prospective industry. It has desirable factory sites; it has desirable land for homesites. It has rail and trucking facilities. In fact the community has about everything needed for factory locations. The borough council should be willing to appropriate funds to advertise Halifax, a community upon which God has bestowed many beauties of His creation. Money spent in legitimate advertising will bring great returns in the future.

While many of you folks do not have the privileges some of us enjoy in being permitted to live in the metropolitan area of a big city, I want to say that the great God of the universe has richly endowed you with rocks and rills and templed hills and the beautiful Susquehanna River with its fertile valleys. You, too, have much to be thankful for as Dauphin Countians, as Pennsylvanians, and as citizens of the greatest Nation in all the world.

With apologies to my friend of many years, Mr. Harry H. Hain, of New Bloomfield, I use this appropriate and beautiful poem which he composed a decade ago. It is entitled "Pennsylvania":

"It seems the joy of heaven,
Just flashes at sunset glow,
Over the Alleghenies
And the rivers down below.

"From Lake Erie to the Delaware,
Over the Mason and Dixon line,
You get a glimpse of Heaven
Each evening at sunset time.

"A commonwealth of landscapes
From meadow to timberline.
Keystone of the great Union
Since Seventeen eighty-nine.

"Kissed by the Atlantic breezes,
From the land of the rising sun,
Home of the Quaker City,
Where the Liberty Bell was rung.

"Checkered with mighty highways
Through mountain, valley and glen,
And beautiful by rivers,
Is that wonderful land of Penn;

"Where States were forged in Union,
And were welded to remain,
At Valley Forge and Gettysburg,
In the land of Anthony Wayne."

Again, I thank you, Mr. Chairman, and may I extend my sincere good wishes to each and every person here assembled.

Sale of State Department Art

EXTENSION OF REMARKS
OF

HON. FRED E. BUSBEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 6, 1948

Mr. BUSBEY. Mr. Speaker, on July 21 of this year Mr. Drew Pearson commented on the sale of the State Department art collection as follows:

The art exhibit which the Congressmen thought was such a waste of money has been sold—at a profit. The State Department bought the collection for $56,000 and has now sold it for $79,658—a profit of more than $23,000 to Uncle Sam.

I am sure that Mr. Pearson would not want to knowingly mislead his readers by a statement that was not truthful and in order to get the correct figures officially I wrote Mr. Otis H. Ellis, assistant chief counsel of the War Assets Administration, Washington, D. C., on July 27, 1948 as follows:

It is my understanding that the 79 oil paintings and 38 water colors purchased by the Department of State were declared surplus by them necessitating their sale through the War Assets Administration.

It is my further understanding that in a sale recently held in New York City the amount of $5,544.45 in cash was realized. Will you please be kind enough to advise me by letter if this amount is correct, and if it is not correct to give me the exact amount of cash realized from this sale. In order that there may be no misunderstanding, I am not interested in what was bid for the paintings and water colors, but simply the amount of cash received.

The reply I received from Mr. Ellis, dated August 3, 1948, gives the names of the purchasers, the picture numbers and the amounts actually paid to the War Assets Administration for the entire collection. I, herewith, make a part of my remarks the actual document received from Mr. Ellis under date of August 3, 1948.

Details of all awards involved in disposal of 117 oil and water color paintings under sale No. (New York) WAX-5025

	Picture No.	Fair value price	Discount	Amount paid
Agricultural and Mechanical College of Texas, College Station, Tex.	1	$700.00	Percent 95	$35.00
Do	103	650.00	95	32.50
Total		1,350.00		67.50
Alabama Polytechnic Institute, Auburn, Ala.	5	450.00	95	22.50
Do	6	650.00	95	32.50
Do	11	500.00	95	25.00
Do	12	1,200.00	95	60.00
Do	13	300.00	95	15.00
Do	15	700.00	95	35.00
Do	19	500.00	95	25.00
Do	20	850.00	95	42.50
Do	22	600.00	95	30.00
Do	24	350.00	95	17.50
Do	25	450.00	95	22.50
Do	27	750.00	95	37.50
Do	29	500.00	95	25.00
Do	31	1,200.00	95	60.00
Do	35	1,000.00	95	50.00
Do	42	500.00	95	25.00
Do	46	2,000.00	95	100.00
Do	52	2,000.00	95	100.00
Do	56	1,000.00	95	50.00
Do	63	1,200.00	95	60.00
Do	69	450.00	95	22.50
Do	71	450.00	95	22.50
Do	77	900.00	95	45.00
Do	79	950.00	95	47.50
Do	82	125.00	95	6.25
Do	88	75.00	95	3.75
Do	93	350.00	95	17.50
Do	97	100.00	95	5.00
Do	101	250.00	95	12.50
Do	104	278.50	95	13.93
Do	106	150.00	95	7.50
Do	108	75.00	95	3.75
Do	111	175.00	95	8.75
Do	112	400.00	95	20.00
Do	114	100.00	95	5.00
Do	116	325.00	95	16.25
Total		21,853.50		1,092.68
Dallas Museum of Fine Arts, Dallas, Tex.	68	400.00	95	20.00
Department of Public instruction, Territory of Hawaii, Honolulu, T. H.	26	500.00	95	25.00
Do	45	2,000.00	95	100.00
Do	58	600.00	95	30.00
Do	60	1,200.00	95	60.00
Do	67	400.00	95	20.00
Total		4,700.00		235.00
Lancaster Free Public Library, Lancaster, Pa.	72	650.00	95	32.50
New Trier Township High School, Winnetka, Ill.	17	1,500.00	95	75.00
Do	47	1,000.00	95	50.00
Total		2,500.00		125.00
New York City Board of Education, Brooklyn, N. Y.	76	450.00	95	22.50
New York Mills High School, New York Mills, N. Y.	40	600.00	95	30.00
Do	73	1,800.00	95	90.00
Do	84	150.00	95	7.50
Total		2,550.00		127.50
Owego public schools, Tioga County, Owego, N. Y.	44	1,350.00	95	67.50
Do	87	750.00	95	37.50
Do	89	100.00	95	5.00
Total		2,200.00		110.00
Rutgers University, New Brunswick, N. J.	8	450.00	95	22.50
Do	21	850.00	95	42.50
Do	43	2,000.00	95	100.00
Do	65	1,000.00	95	50.00
Total		4,300.00		215.00

Details of all awards involved in disposal of 117 oil and water color paintings under sale No. (New York) WAX-5025—Con.

	Picture No.	Fair value price	Discount	Amount paid
University of Georgia, Athens, Ga.	10	$650.00	Percent 95	$32.50
Do	32	850.00	95	42.50
Do	48	700.00	95	35.00
Do	53	900.00	95	45.00
Do	68	300.00	95	15.00
Do	70	350.00	95	17.50
Do	91	150.00	95	7.50
Do	107	300.00	95	15.00
Do	110	175.00	95	8.75
Do	115	550.00	95	27.50
Total		4,925.00		246.25
University of Oklahoma, Norman, Okla.	2	750.00	95	37.50
Do	3	500.00	95	25.00
Do	7	400.00	95	20.00
Do	9	750.00	95	37.50
Do	14	600.00	95	30.00
Do	18	550.00	95	27.50
Do	28	600.00	95	30.00
Do	30	1,500.00	95	75.00
Do	34	1,000.00	95	50.00
Do	39	500.00	95	25.00
Do	41	650.00	95	32.50
Do	49	2,000.00	95	100.00
Do	50	850.00	95	42.50
Do	54	350.00	95	17.50
Do	55	700.00	95	35.00
Do	57	1,000.00	95	50.00
Do	59	1,000.00	95	50.00
Do	61	850.00	95	42.50
Do	62	600.00	95	30.00
Do	64	900.00	95	45.00
Do	75	1,800.00	95	90.00
Do	81	85.00	95	4.25
Do	83	100.00	95	5.00
Do	85	160.00	95	8.00
Do	86	200.00	95	10.00
Do	90	300.00	95	15.00
Do	92	150.00	95	7.50
Do	94	200.00	95	10.00
Do	95	200.00	95	10.00
Do	98	750.00	95	37.50
Do	99	175.00	95	8.75
Do	100	250.00	95	12.50
Do	102	110.00	95	5.50
Do	105	150.00	95	7.50
Do	113	300.00	95	15.00
Do	117	250.00	95	12.50
Total		21,230.00		1,061.50
University of Washington, Seattle, Wash.	4	750.00	95	37.50
Do	16	900.00	95	45.00
Do	23	500.00	95	25.00
Do	38	800.00	95	40.00
Do	74	2,000.00	95	100.00
Do	109	125.00	95	6.25
Total		5,075.00		253.75
Washington County Museum of Fine Arts, Hagerstown, Md.	33	850.00	95	42.50
Do	51	5,000.00	95	250.00
Total		5,850.00		292.50
VETERAN PURCHASERS				
Ernst Appelschutt, 143 Henry St., Brooklyn, N. Y.	80	125.00	None	125.00
Charles Friedman, 35 Brewster Terrace, New Rochelle, N. Y.	36	300.00	None	300.00
Do	37	350.00	None	350.00
Do	78	500.00	None	500.00
Total		1,150.00		1,150.00
Russell Reinke, 14851 Shore Acres Dr., Cleveland, Ohio	96	350.00	None	350.00
Total fair value		79,658.50		
Net amount received or due WAA				5,526.68

One can readily see that the actual cash amount received or due the War Assets

Administration as a result of the sale of this collection was only $5,526.68. It is my opinion that if there were some means of compiling the entire expense to the taxpayers directly chargeable to the sale of these pictures it would be in excess of the actual amount received, instead of, as Mr. Pearson stated in his column of July 21, 1948, "a profit of more that $23,000 to Uncle Sam."

In addition, the thousands and thousands of dollars of overhead and administrative cost of purchasing and handling these pictures while in the possession of the State Department, would make a sum that would be startling to the taxpayers.

I am hopeful that the figures which I received from Mr. Ellis of the War Assets Administration will help Mr. Pearson inform the readers of his column of the correct amount realized from the sale of the State Department art collection.

Freemasonry and Communism

EXTENSION OF REMARKS
OF

HON. HERBERT R. O'CONOR

OF MARYLAND

IN THE SENATE OF THE UNITED STATES

Friday, August 6 (legislative day of Thursday, August 5), 1948

Mr. O'CONOR. Mr. President, I ask unanimous consent to have printed in the RECORD a special committee report adopted by the Grand Lodge of Ancient Free and Accepted Masons of Maryland, entitled "Free Masonry and Communism."

With the threat of communism posed directly at all the principles and institutions which the American people value most highly, it seems to me that this report makes a splendid contribution toward bringing into proper perspective Communist ideologies and objectives and the dangers contained therein for free democratic peoples the world over.

Prepared by a special committee named by Grand Master Harry L. Heuther, the report, a master exposition of the dangers of communism and of steps recommended to combat it, is prefaced with a challenging statement by Mr. Huether as grand master, which deserves the careful attention of every American.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

If the citizens of these United States had a better working knowledge of the status of the average individual in a communistic dominated country and especially what the system of forced labor, which is so common, really means; if people who are devoted to God and who value a free conscience above all else could better know how religion fares in a communistic dominated country; if our people generally, who enjoy the highest living standard of any time or place, could know more about living standards under the communistic scheme; if those who see in the free-enterprise system, as it has been pursued in these United States for more than 150 years as the greatest instrument for material human advancement, could know a little more about industry and management under communism; if those who at some time or other may have found themselves toying with the idea of bringing about a change in our form of constitutional representative government had a better perception of government and governmental methods under communism; if those who have at one time or another felt that a perplexing world required a planned existence, had a broader knowledge of how leisure time is employed under communism; if those who feel that a regulated system of education might be preferable to the free system in the United States had a better perspective of how the educational system operates in a communistic controlled nation, it would halt the march of communism as nothing else could do.

SELECTED EXCERPTS FROM THE SPECIAL COMMITTEE REPORT ON FREEMASONRY AND COMMUNISM

In approaching the subject under discussion, it is quite necessary that we define what we have in mind by the use of the word "communism." The term is used very loosely in these days, so that, frequently, anyone who veers to a broad social philosophy is branded as a Communist, just as one who freely expresses radical, as opposed to conservative, views of government is similarly dubbed. Generalizations of this kind weaken the argument. Free speech and the right to think as one will on matters of government and religion are basic and fundamental rights under our Constitution, and so long as these rights are exercised in an orderly way, they are within its protection, even though the views expressed are contrary to the views of the average American citizen. Free and open discussion of ideas and philosophies which are basically wrong is the most effective way to overcome them. Again, there are many Christian communal experiments which are benevolent in their attitudes and which exist in this country today. These are based upon the principle of mutual helpfulness, and while they are socialistic or communistic in the dictionary sense of those words, they are influences for good, and are not within the scope of the subject which we are discussing. As stated by Grand Master Parker in his paper:

"We are speaking of communism as promulgated by the doctrine of Karl Marx, as furthered by Lenin and Trotzky, and now practiced under the dictatorship of Josef Stalin in the Union of Soviet Socialist Republics."

We are speaking of communism as an organized force, dedicated to the task of overthrowing democratic institutions by force, if need be, and justifying the use of dishonest and underhand methods on the theory that "the end justifies the means."

Furthermore, communism is opposed to all of the things which we, as Masons and as American citizens, hold dear—the right of free speech, the right of assembly, freedom of conscience, the right to worship as one sees fit. All of these are as free to us as the air we breathe. None of these principles, however, has any place in communism. Religion is banned on the theory of Karl Marx that "religion is the opiate of the masses." Communism, therefore, is avowedly atheistic, and is thus basically opposed to the way of life of substantially all of our people. Under a communistic form of government, one may not express his views as to the government which purports to be friendly to him; he may not gather in groups such as this for open discussion; he may not own property; may not travel; may not strike; may not choose his own employment; may not be a friend of a foreigner; and in every way becomes a slave to the government above him. Basically, communism is opposed to every accepted philosophy of life which we, as Americans, embrace.

It stands for the destruction of our American form of government; it stands for the destruction of free enterprise; the destruction of free labor; and it stands for the creation of a Soviet of the United States and ultimate world revolution. It would seem to require no further argument to establish this premise.

The pitiless sunshine of publicity, bringing into the open all of the vicious principles of communism, is the surest way to prevent those principles taking root in the minds of the American people. It behooves us, as Masons and as lovers of democratic processes, to keep continually before our members and before all with whom we come in contact the blighting effect upon our way of life which would result from permitting communism to make any inroads upon our political philosophies.

Secondly, we must not only inform our members of the dangers of communism, but we must stir up in them such a zeal for the preservation of our free institutions that they will not hesitate to express their views whenever the opportunity offers.

Do not be misled by the fact that the number of avowed Communists seems to be small. In the first place, one of the principles of communism is to work under cover. In the next place, by the iron-clad discipline under which communism operates, every Communist works zealously for the objects which communism seeks to promote. Figures released by the Federal Bureau of Investigation state that in 1917, the year that Russia went into control of the Communists, there was only 1 Communist for every 2,277 persons in the country. The same report states that there is 1 Communist in the United States today for every 1,814 persons in the country. Because of its methods, the Communist Party does not need a majority to make itself felt. These figures should give us serious concern.

What we need is an enlightened group of Americans awake to the dangers that lie in wait and willing to make themselves heard in opposition. In a recent paper presented by Brother George M. Armor, of Baltimore Lodge, No. 210, the following statement is made:

"Americans love freedom. We believe that a man should be free to work where he chooses, to open an office or a business, to improve his position. He may speak his mind without fear. His home is sacred. He may read and vote freely. The law, the courts, and the police will protect him, not make him a slave.

"Under communism, there is not a single one of these freedoms. It would impose slavery upon us by force. A secret police would watch our every action. We would live in terror. Freedom to work when and where we please, or to launch a new business, would be gone. This is the actual history of communism where it has ruled. It has been imposed upon the people of Russia, Poland, Rumania, Hungary, Bulgaria, Yugoslavia, Albania, and north China. It is seeking to move in by force or trickery in other lands."

Mr. O'CONOR. Mr. President, the members of the committee who prepared the report are Harry B. Wright, chairman, Harry O. Schroeder, John H. Hessey, George S. Yost, Harry L. Robinson, Daniel Hope.

Along with this report, I ask also to have inserted the attached letter, commending the conduct and accomplishments of the current investigation of alleged Communist activities within the Government by the Senate investigating committee.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

HARRISS & VOSE,
New York, N. Y., August 4, 1948.

Senator HERBERT R. O'CONOR,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: May I offer my hearty congratulations and appreciation on the great patriotic service you and your committee are rendering our country and the world in exposing Communists and anti-Americans who plan to destroy our heritage of constitutional and free government. May God inspire you to carry on this splendid work.

With every good wish.

Sincerely yours,

ROBERT M. HARRISS.

Curing a Hang-Over

EXTENSION OF REMARKS
OF
HON. WAYNE MORSE
OF OREGON
IN THE SENATE OF THE UNITED STATES
Friday, August 6 (legislative day of Thursday, August 5), 1948

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "Curing a Hang-Over," from the Wall Street Journal. There is some very good common sense in the editorial.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

CURING A HANG-OVER

We have been on an inflation spree. For many people a wonderful time was had. Now we are beginning to feel the pangs of a horrible hang-over. And the cure proposed is more of the hair of the dog that bit us.

That is precisely what President Truman prescribes.

Wages, farm income, and business profits are up. The Government has more dollars than it ever had to spend on its services. Everybody—well, almost everybody—has more money than in the days before the war. That's inflation.

The trouble is, Mr. Truman says, that inflation has cut down the purchasing power of money. A dollar won't buy what it once did and so the people who have more dollars aren't actually as well off as they think they ought to be with that many dollars. So, he thinks, what we need to do is to give people more money to make up for the loss in the dollar's purchasing power. Then we could get ahead of the race again.

Mr. Truman suggests that we raise the minimum-wage level, increase social-security payments, enlarge the payments to States for the various projects the Federal Government helps support and start a few new ones. He wants to boost wages to correct inequities. He also wants to spread more Government money around by new public-works projects.

All these new dollars, for instance, have started competing for houses. The price of houses is up. Mr. Truman suggests we make more dollars available to would-be householders, through Government credit, so they can buy the houses they now can't afford.

In short, inflation has sent prices soaring, so the thing to do is to inflate more. The most charitable thing that can be said about this program is that its authors are ignorant of the disease they are treating. If they know what they are prescribing they are practicing economic quackery.

Nothing the President suggests would cure inflation; most of his plans, if carried out, would make it more rampant. Price controls (their fascination proves some people never learn from experience) are like sitting on a safety valve while continuing to stoke the boiler.

All of these things—if we are to take them seriously—stem from inability or unwillingness to recognize that a dollar bill is simply not worth what it was 8 years ago. You get more of them for the work you do and have to pay more of them for the things you buy.

The dollar bill is worth less because the Government made it worth less, first to pay for the war and afterwards to try to offset this deliberate devaluation by giving people more dollars. It was exhilarating at first, as an inflation debauch always is. Now we are paying the penalties of our indulgence, and the responsible officials in the administration can think of nothing to do but to quaff more of the heady wine.

The Congress will be wise to reject this temptation. The only way to cure inflation is to recognize it for what it is, a cheapening of the dollar, and to stop that process—and stop it quickly.

Not because it is likely to be enacted but because it throws a bright light on the Democratic candidate's peculiar mixture of political and economic ideas, other aspects of President Truman's anti-inflation program are interesting.

Mr. Truman wants the power to fix ceiling prices for "scarce commodities which basically affect essential industrial production or the cost of living." Nearly all commodity prices directly or indirectly affect the cost of living and industrial production costs, too. Therefore he is asking for a general price-control power.

Next, he says: "Noninflationary wage increases can and should continue to be made by free collective bargaining." Practically speaking, there is no such animal as a noninflationary wage increase when production is at or near the physical capacity to produce.

Says the message: "The Government should have the authority, however, to limit wage adjustments which would force a break in the price ceiling, except where wage adjustments are essential to remedy hardship, to correct inequities, or to prevent an actual lowering of living standards."

This means that the President and his resuscitated OPA would determine the profits of all employers. Mr. Truman and his running mate, Senator BARKLEY, may wax indignant over this interpretation of their program. But that is precisely how it could be and would be used. For the message itself says: "I have said before and I repeat that many profit margins have been adequate to absorb wage increases without the price increases that have followed."

Let Congress force business into such a strait-jacket and plant expansion now under way would be rapidly curtailed and the launching of new enterprises would cease. The supply of equity capital for venturing, already too small for a normal peacetime economy, would dry up completely.

Civil Rights

EXTENSION OF REMARKS
OF
HON. RICHARD B. RUSSELL
OF GEORGIA
IN THE SENATE OF THE UNITED STATES
Friday, August 6 (legislative day of Thursday, August 5), 1948

Mr. RUSSELL. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a very able discussion on the subject of civil rights, from the pen of Mr. Maynard Kniskern, the Sunday editor of the Springfield (Ohio) Sun. Mr. Kniskern's editorial reveals a fine understanding of this whole subject, and displays a courage that is all too rare in discussing these vital issues before the American people today.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

ISSUE OF CIVIL RIGHTS TODAY HAS LOST ITS ESSENTIAL AND PRIMARY MEANING

(By Maynard Kniskern)

The tragic dissension at the Democratic National Convention has illustrated in vivid miniature what can happen when fellow countrymen sacrifice full comprehension and full perspective to so passionate and ill-timed a cause as "civil rights," as the thorny topic is rather loosely termed. Northerners, especially northern politicians, should never forget that their southern brothers were brought up in a deep sense of history. Very few Americans in other parts of our land, however well educated they may be, normally acquire the intimate and ruling sense of history which even an unschooled southerner inherits as a birthright.

"Civil rights" is a phrase used blithely, glibly, often ignorantly on this side of the Mason and Dixon's line. To the average American it is scarcely more than a political catchword—a battle cry of leftists—and a political catchword is just exactly what "civil rights" should never be. It is a theme that runs all through our constitutional process. It is as old as our Republic and it is heavy with vexation and grief and misunderstanding.

THE FIRST REPOSITORY

1. As a matter of law: The first great repository of civil guaranties is the Bill of Rights—the first 10 amendments to the Constitution. The Bill of Rights, as it has come to be interpreted by the Supreme Court down through the years, specifically protects every United States citizen from the abridgment or usurpation of his rights by the Federal Government. The fourteenth amendment, ratified in the troubled era of reconstruction, has been held by the Court to place the same restraints on State governments—with the "one pervading purpose," observed Mr. Justice Miller in 1873, of protecting freed Negroes.

In 1866, a few weeks before the fourteenth amendment was drafted, Congress passed the Civil Rights Act. It confirmed Negro citizenship by encompassing "all persons born in the United States and not subject to any foreign power." With respect to person and property, those citizens "of every race and color" were held to be equal before law. There were other features of this act, however, which were so highly dubious that President Johnson vetoed it, but Congress overruled him. Meanwhile, however, the same "reconstruction Congress" was canny enough to include the sound features in the upcoming fourteenth amendment.

Shortly before the Republicans lost their congressional majority in 1875 they passed the last of the Force Acts, a law which was intended to supplement existing civil-rights legislation by forbidding operators of hotels, restaurants, theaters, public conveyances, and the like from excluding citizens "of any race, color, or previous condition of servitude." From 1876 to 1883 the Supreme Court, in a series of historic decisions (*U. S.* v. *Reese; U. S.* v. *Cruikshank, U. S.* v. *Harris;* (109 U. S. 3)) held such clauses to be unconstitutional, and declared further that the fourteenth and fifteenth amendments bar States from racial discrimination (as the Bill of Rights bars the Federal Government)

but that there was no law preventing some citizens from discriminating against others on account of race, color, religion, or any other reason. Another extremely important point made by the Court is that such discrimination as the Constitution does prohibit has to do with civil and political rights, not social rights.

SOME NOW HAVE LAWS

Students of current affairs who are of legal training or legal turn of mind (we make no such claim here) might well reflect upon the curious and delicate fact that several States, including Ohio, now have one or more laws bearing upon the social rights of racial groups—fair employment practices, theater admissions, public school and college attendance, travel in public conveyances, and so on. They might reflect also upon the fact that southerners, who are not so eager to mind other people's business as are some nonsoutherners, raise no objection of any sort to such legislation—by States. But because it is social rather than civil legislation, they do object passionately to all proposals that it be carried over into Federal statute.

2. As a matter of politics: It is an unhappy truth that nonsouthern politicians and propagandists are not inclined to distinguish between political and social rights; they lump everything under the heading of "civil rights," and thus manage to confuse issues already in a state of painful disarray. And in the clamor that accompanies a Presidential-election year, the hopelessly confused has also become incendiary.

It should be obvious to even the most liberal Democrat that civil rights has lost its essential and primary meaning in the Democratic platform; it has been installed as a vote-getting vehicle pure and simple, without regard either to its practicability or to the sentiments of those southerners who would be required not merely to swallow civil-rights legislation but, as loyal Americans, to administer it. Their considered and vehement opinion that it cannot be administered in the South, at any rate not in this generation, should have been weighed by Democratic policy makers with an eye to some sort of compromise.

COURTESY IS WITHHELD

But that ordinary courtesy of politics has been withheld from southern Democrats. Some few may have responded, therefore, with foolish act or word; what might better be considered are the southerners by the hundred thousands who are hurt, bewildered, and lost now that their party has seen fit, for what southerners view as reasons of political expediency, to disregard their counsel and convictions.

3. As a matter of morality: This spectacle must surely distress any thoughtful American, whatever his political or regional orientation. In the first place, it is perfectly clear that the South, propelled by its own liberal politicians, its own progressive editors, its own intellectuals, is moving slowly but steadily toward an equitable society. Its leaders know how to deal with ignorance and prejudice—not perceptibly worse in the South than anywhere else—but they find it much harder to deal with the self-elected reformers from other regions whose interference seriously impedes progress by attempting to ram progress down southern throats.

Another heartbreaking obstacle is that state of mind exemplified by a powerful eastern newspaper which, serving a city with its own acute racial and religious tensions and its own noisome slums, can yet somehow find the space to talk about "southern bigotry."

We are all working, or should be, toward what Theologian Reinhold Niebuhr calls a "more tolerable society." Our route of advance in the Midwest is necessarily somewhat different from the route of advance in the East, in the Far West, and in the Southwest; all in turn are somewhat different from the route of advance in the South.

Ohioans would find it odious to have to put up with southern criticism of Ohio's numerous inadequacies and shortcomings, and they would find it detestable if zealous reformers and doctrinaires from the South came up here on their own expense accounts to nag them stridently about the solving of Ohio's many difficulties. Yet southerners have been putting up with just such bizarre and merciless kibitzing since the evil days of carpetbaggers.

CONSENT OF GOVERNED

With a few notorious exceptions—the eighteenth amendment, for example—the legislating of Federal law in the United States has always been predicated on the consent of the governed. To put it another way, the founding fathers and their successors have written into law of the land such principles and purposes as were first enshrined in the hearts of the people. Inevitably there came a time—it is still upon us—when additional refinements of law could not always be adapted with equal consistency to all parts of the country. When we get into social legislation, for instance, we run up against the fact that one section of the Nation, densely populated and highly industrialized for 150 years, presents a social complexion entirely different from another section, sparsely populated and struggling out of a semifeudal, agrarian economy into a modern industrial society.

It would seem that the South is justified in demanding for the States the power of social legislation, and will continue to be so justified until the United States of America is, ethnically as well as socially, a very much more homogeneous Nation than it is at present. The strength of the legal code stems from prior ideals and shared convictions; law cannot compel the observance of ideals and convictions where they are not accepted, save by the application of force; and by applying force it tends to destroy what it is supposed to promote.

There is at least one influential colored minister in Springfield, moreover, who emphatically repudiates all resorts to force in the interests of obtaining equal status for his people. This is a specifically Christian view, and the American Negro is a specifically Christian citizen—in general very much more so than his white brother.

On such ground, we should imagine, such people would have to repudiate the current politicking on civil rights.

IS A MORAL ISSUE

Here we come to the inevitable point that civil rights—when the term is used to include social rights—is a moral issue, not a political issue; and in that same loose frame of reference it is also a regional issue, not a national issue. The tremendous progress made by the South in the past half-century alone, and despite outside interference, may be reason enough for placing full confidence in the ability of southerners to do their part in the total effort toward a more tolerable society.

Then, too, for all the delays and imperfections of Negro citizenship in the United States—and those shortcomings are by no means confined to the South—that citizenship cannot be matched by citizenship in any other nation on earth. Less than a hundred years ago, incredibly enough, these extraordinary people were slaves. What the next hundred years will bring depends less on nonsouthern politicians and reformers than on the citizens of the South, white and colored. The one civil right they appear to need most at this moment in history is the right to work out their own solution. It will not come in a fortnight, but it will come; and it will be an American solution.

Lt. Gen. Robert L. Eichelberger

EXTENSION OF REMARKS

OF

HON. JOHN W. BRICKER

OF OHIO

IN THE SENATE OF THE UNITED STATES

Friday, August 6 (legislative day of Thursday, August 5), 1948

Mr. BRICKER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article, appearing in the New York Times of August 5, 1948, in regard to Lt. Gen. Robert L. Eichelberger, who is now retiring from command of the Eighth Army.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

JAPANESE VOICE SINCERE REGRETS AS ONE OF CONQUERORS DEPARTS—TRIBUTES TO GENERAL EICHELBERGER INCLUDE SINGULAR DINNER GIVEN BY EMPEROR

(By Lindesay Parrott)

TOKYO, August 4—The departure of Lt. Gen. Robert L. Eichelberger for the United States this morning after he had laid down the command of the United States Eighth Army, which he had headed continuously since 1944, has brought out a peculiar paradox in the Allied occupation of Japan.

Ever since General Eichelberger's intentions to return were announced last month, Japanese of all stations of life have been expressing genuine regret at his leaving. Thus perhaps for the first time in history a defeated nation has deplored the departure of a man who as much as any other contributed to its conquest and who, since the nation's surrender, has commanded troops that occupied it.

What apparently is back of the Japanese feeling toward General Eichelberger's departure is the widespread belief that under his administration as Gen. Douglas MacArthur's second in command they have been fairly if firmly treated and that while no nonsense has been tolerated, sympathetic ears have been open to all legitimate complaints.

The tone of the Japanese reaction was set by Emperor Hirohito when immediately after announcement that General Eichelberger would leave he entertained the Eighth Army commander at a luncheon in the palace—the first time the Emperor had formally and publicly received a high officer of the occupation forces in his own quarters.

Between that time and today General Eichelberger has been visited by dozens of Japanese notables who wished to express their regret at his impending departure. Among them have been Premier Hitoshi Ashida, Tsuneo Matsudaira, speaker of the Japanese upper house and former associate of generals in the Allied occupation of Siberia in 1920; the speaker of the lower house and a delegation of prefectural governors charged with expressing the thanks of all perfectural heads for the assistance given to them by the Eighth Army. Dozens of newspaper editorials have echoed the same appreciative viewpoint.

What is perhaps more impressive, however, is the feeling personally expressed to this correspondent by scores of Japanese who never had and never would have the slightest contact with the General or any possibility to gain through his presence or absence in Japan.

"I and all my family feel General Eichelberger's leaving is a loss to Japan," was only one typical observation made to me.

Japanese sentiment was well expressed this morning in an editorial in the English-language daily, Nippon Times. The editorial said that General Eichelberger probably had had more direct working contact with the Japanese people than any other occupation officer, and continued:

"His efforts to help the Japanese overcome the handicaps of their tragic and mistaken past and achieve a worthy position as a democratic nation endeared him to the Japanese people and his broad understanding of their problems aroused their admiration and gratitude.

"It is already a matter of historical record that this occupation is unique in the extent to which the conquering army, through benevolence, has succeeded in winning the friendship and enthusiastic cooperation of a conquered populace. General Eichelberger's personal contribution to this record cannot be overestimated and the example he has set will serve to influence Japanese attitude toward the United States for all time."

General Eichelberger sailed aboard the United States Army transport, *General Buckner*, after an honor guard ceremony. Almost all high-ranking Allied officials, except General MacArthur, were present at the ceremony.

The Eighth Army now is temporarily commanded by Maj. Gen. Charles W. Ryder, but will be taken over by Lt. Gen. Walton H. Walker when the latter arrives here.

Views of the Dairy Industry Committee on Regimentation

EXTENSION OF REMARKS
OF
HON. ALEXANDER WILEY
OF WISCONSIN
IN THE SENATE OF THE UNITED STATES

Friday, August 6 (legislative day of Thursday, August 5), 1948

Mr. WILEY. Mr. President, I believe that every Member of this Chamber has received a letter from the Dairy Industry Committee in which is presented very clearly and concisely the reasons why the American dairy industry opposes any system of regimentation. This letter was sent principally to the Banking Committees of both Houses, but I understand that copies have been made available to all Members of Congress. I believe that the members of the public would also be interested in reading it, and accordingly I ask unanimous consent that it be inserted in the Appendix of the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE DAIRY INDUSTRY COMMITTEE,
Washington, D. C., July 29, 1948.

DEAR SENATOR: The dairy industry is as concerned with the inflationary tendencies that are presently existent as every segment of our national economy. It is for this reason that I am writing you requesting that this committee's comments may become a part of the record at such hearings as will be held on this subject.

Milk is produced on about 75 percent of our 6,000,000 farms located in every State. It is processed, manufactured, and distributed throughout the land. Virtually every American citizen is a daily consumer of some form of dairy products. Consequently, as an industry we are directly concerned with all of our people's welfare. It has been estimated that about 10,000,000 people are dependent upon the dairy industry for their livelihood when you consider those engaged in the various allied industries and the families of the workers. The quantity of milk obtained is in proportion to the number of milking cows available, as well as the feed and labor required to produce the milk. The various dairy products are in turn dependent upon the processing and manufacuring facilities available, as well as the labor required to provide the various products so essential to our dietary needs.

The dairy industry is confronted at the present moment with a paradoxical situation—too few cows to produce all of the milk required by our expanding population. Thus the first problem confronting this industry and consequently the Nation as a whole, is to obtain more cows and consequently more milk. We are making progress in this direction. The second factor has been a shortage of feed, which in turn has resulted in exceptionally high feed prices thus curtailing milk production. Indications are that this situation is improving. The coming harvest will provide adequate feed supplies with a consequent lowered feed cost to make possible increased milk production for the months ahead. The United States Department of Agriculture reports that there will be much greater feed supplies per animal unit than existed last year.

The dairy industry is also confronted with shortages of labor, which in turn have resulted in increased wages for the available labor. We also have the same problem as other industries of paying higher prices for the equipment and supplies required to properly handle and distribute our dairy products. Thus it will be seen that the dairy industry is confronted with the same problem as all industry—increased costs of production, manufacture, and distribution.

In spite of these conditions milk prices have not increased as much as other foods. In fact a check of most of the food items which make up any substantial portion of the housewife's market basket shows that only white bread and a few canned vegetables had a smaller increase in price over prewar than fluid milk. Since 1939 the foods customarily purchased by the average family have increased 104.4 percent while the retail prices of milk have only increased 74 percent. From May to June this year, the wholesale price of dairy products increased only one-half of 1 percent, as compared with increases of other foods of as much as 7 percent. City families paid 70 percent more for all commodities in May 1948 than the 1935–39 average, while the farmer paid 112 percent more for his needs. As of March 1948, the farmer received 164 percent more for all of his products than he did in 1935–39, but during the same period nonagricultural income increased 198 percent.

With this as a background this organization is of the opinion that reestablishment of any maximum price of rationing controls or regulations should not be imposed on the dairy industry for the following reasons:

1. It will tend to decrease production. Farmers work as independent operators and it is traditional that they will devote their energies to the production of that product or crop that will produce the maximum return. Controls on one segment of our agricultural economy will tend to cause the individual producer to transfer his efforts to produce the product that is not under control.

Being a freeman, the farmer will not produce products that do not give him a fair return for his efforts and investment. Controls are thus not conducive to increasing production.

Competitive prices have been the historic means of keeping agricultural production on an even keel in a competitive economy.

2. It will be difficult and expensive to administer. There are about 4,500,000 farms on which milk is produced; there are thousands of manufacturers and processors of milk who put the milk into the various products that our consumers desire, and there are the distributors in every city, town, and hamlet whose business it is to see that every consumer has available the several dairy products he needs.

To properly police such a vast enterprise would require a large staff of Federal, State, and local officials with the consequent expense of maintenance and operation. Such an organization would still be powerless to produce more milk which is the solution.

3. It will tend to encourage black markets. Those with sufficient income will still be able to obtain the products they want. It is a classical example of what happened when controls were in operation during the last war, that at least 50 percent of the butter moved through illicit channels in spite of the various regulations imposed.

4. It will disrupt the normal distribution of products to meet consumer needs. Milk is a highly perishable product that must be utilized in some form each day. Technological processes make it possible to utilize the product in various forms. Placing any restrictive regulation on certain products would tend to force utilization of milk into some unrestricted product. Normal distribution would be disrupted. As an example, butter or cheese would be available in the contiguous area of a butter or cheese manufacturer, but might not be available in a large metropolitan area when and where needed.

In conclusion may I state that the basic causes of inflation affect the dairy industry the same as all industries, and it is our opinion that the basic causes rather than the symptoms of inflation should be attacked. We are actively cooperating with the United States Department of Agriculture and State Extension Services to obtain increased production of milk which we believe will be the basis for stabilizing the price of the dairy products so urgently needed by all of our citizens.

Sincerely yours,

M. H. BRIGHTMAN,
Executive Secretary.

The Special Session

EXTENSION OF REMARKS
OF
HON. CLAUDE PEPPER
OF FLORIDA
IN THE SENATE OF THE UNITED STATES

Friday, August 6 (legislative day of Thursday, August 5), 1948

Mr. PEPPER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a poetic account of the Republican record in the special session of the Eightieth Congress, contributed by a constituent of mine. I also ask to have printed an editorial from the Miami News of July 29, entitled "Speaking of 'Cheap Politics.'"

There being no objection, the matters were ordered to be printed in the RECORD, as follows:

REPUBLICAN RECORD IN THE SPECIAL SESSION, EIGHTIETH CONGRESS

Wall Street calls me safe and sound, labor calls me "Stinky,"
The housewife calls me worse than that—
I'm only safe from "Pinky."

I've been in special session since the middle of July—
The only thing accomplished was to scare you with a spy.
I rigged the game to stop all laws and aggravate the South.
I knew old civil rights would cause a legislative drought!
Until election day rolls round, it's very plain to see
I want to keep the voters as blind as they can be.
True, I put into our platform stirring words for all to read,
And I made some caustic comments on the cost of meat and feed.
I told them "I'se agin it" and I put the blame elsewhere.
In a way I judged would likely put the gals in Harry's hair.
And when we met in session to bring the prices down
I steered the talk to poll tax—then I went underground.
I didn't have to vote at all, 'twas easy as can be
To keep the voters in the dark and not wised up to me.
My platform's full of promises—the things I said I'd do;
A higher income for us all, with costs cut plumb in two;
Aids to health and education, conservation, was my cry—
But I've not done a single thing to be remembered by.
Sure, I promised to the farmers all the things I know they like
And I told the city folks that prices wouldn't take a hike—
But when it came to passing laws to stop the spiral's spree—
Election day must come and go before you hear from me.
Going to blame it all on Harry, going to keep him on the run,
While the country's going haywire, boy oh boy! I'm having fun!
Provocation of the Nation doesn't mean a thing to me—
I'll hide behind my smoke screen so the voters cannot see.

—*Julius Street.*

[From the Miami (Fla.) News of July 29, 1948]

SPEAKING OF CHEAP POLITICS

When President Truman called the special session of Congress, Republican Congressmen accused the President of playing cheap politics. They were highly incensed at being called away from their fence-mending to consider such unimportant matters as the need to combat inflation. It just wasn't fair to call a Congressman back to Washington in the midst of his campaigning to act in the public behalf.

Nevertheless, Congress convened. The Republicans were generous. They listened to the President's speech on Tuesday without so much as a boo or a cat-call. But instead of doing something to halt the increasing threat offered by inflation, the Republicans insist on passage of an anti-poll-tax bill as their first measure of the special session.

And are they worried about the poll tax and its effect on the potential voters in the States which levy such a tax? Not at all. The Republican strategy calls for pressing to a decision on the poll tax so as to bring on a filibuster from certain of the southern Congressmen. Then the Republicans, fine public servants all, can point the finger of scorn at the filibusters and "because no legislative progress can be made," can adjourn the session and return to their orating and hand-shaking among their constituents.

Did someone mention cheap politics?

Why Tolerate Compulsion?

EXTENSION OF REMARKS
OF
HON. HOMER A. RAMEY
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Friday, August 6, 1948

Mr. RAMEY. Mr. Speaker, under leave to revise and extend my remarks, I include therein an editorial from the Sylvania Sentinel, Sylvania, Ohio, on the subject of Why Tolerate Compulsion? Mr. R. G. Corbin, editor of the Sylvania Sentinel, is one of Ohio's most outstanding journalists and authors. He is a courageous statesman who has the courage to speak out in behalf of good government and never fears selfish groups.

WHY TOLERATE COMPULSION?

The last Congress did not act on the proposal to saddle the country with compulsory sickness insurance—a project which would add five or six billion dollars a year to the social security bill of the American people through more deductions from pay roll checks. But that does not mean the scheme is dead. The forces behind it are vocal and well organized, and it is to be expected that they will work harder in the future than in the past.

There might be some justification for political domination of medicine if it were the only way to safeguard our national health. But every objective survey yet made shows that the health standards of our people are among the best on earth, and are steadily improving. Again, compulsory sickness insurance might be justifiable if there were no other way to prepare ourselves for meeting unexpected doctor and hospital bills. But the voluntary plans—of which the largest now has more than 30,000,000 members—have brought this protection within the reach of almost all workers and their families at a remarkably moderate cost. And the fact that the various plans are competing for clients assures that the widest range of benefits at the lowest price is provided.

We must realize that the next logical step beyond compulsory health insurance would be socialized medicine. That view has been expressed by Senator MORSE and others in high positions who have made a study of it. And every country which has tried socialized medicine has run into the same trouble. The over-all cost of medical care has gone up—while the standards of medical service have gone down. What else can be expected when the doctor is subjected to the politician and the bureaucrat? The examples of other nations should alone be sufficient to block every scheme that would endanger free medicine in this country.

TVA Steam Plant

EXTENSION OF REMARKS
OF
HON. JOHN J. SPARKMAN
OF ALABAMA
IN THE SENATE OF THE UNITED STATES
Friday, August 6 (legislative day of Thursday, August 5), 1948

Mr. SPARKMAN. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD, a letter dated August 4, 1948, from Mr. S. R. Finley, general superintendent of the power board of the city of Chattanooga, Tenn., addressed to Hon. JOHN TABER, a Member of the House of Representatives, with reference to power needs in the TVA area, and particularly regarding the proposed construction of the new Johnsonville steam plant in the TVA area.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

AUGUST 2, 1948.

Hon. JOHN TABER,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN TABER: The press account of your comments, following referral to you as Appropriations Committee chairman of the bill presented to Congress to cover an appropriation to begin the TVA's needed steam plant, prompts me to write to you. You are privileged, I grant, as other Members of Congress are, to be somewhat irritated at being called back into special session when you feel there is no need for it. The hot summer weather which makes Washington so unpleasant makes it all the more easy to be irritated. You also have the right of opinion to conclude that the submission of the request for the steam plant under the head of an emergency is dishonest thinking, if in your judgment you believe that.

But I cannot refrain from commenting upon the statement accredited to you in the press about this much-needed steam plant that, "It would make the people outside the area pay the power bills of the people living in the river valley." This statement is not correct nor borne out by the facts and conditions surrounding the Tennessee Valley Authority program and its history. To have such a statement made by a responsible Member of Congress, like yourself, gives credence to it, and I don't believe you wish to be in that position. Our power bills down here are not being paid by people outside the area, and a study of our power relations with the TVA and its financial results will bear this out. We are paying our own power bills, and our payments to TVA for power have borne the expense of furnishing this power and have returned to the Federal Government substantial amounts of the money they have invested in power facilities. Under an act of Congress, recommended by your committee and passed last year, a method was provided for the continuance of this. We are not receiving in our purchases of electricity from the Tennessee Valley Authority any subsidy, instead, our payments for electricity to the Federal Government have been the means of making the TVA project a wise and profitable one for all the people of the United States, not alone for us folks in the Tennessee Valley. There is ample historical evidence that this is a correct statement.

From a power-supply standpoint there can be no question as to the need for the beginning of the construction of this steam plant now. It cannot be disputed that the Federal Government has assumed responsibility for the power supply to this area. Our contractual agreements with the Government do not permit us to obtain an added power supply elsewhere. These agreements were made in good faith by us that they would be continued to be carried out. They are just and equitable agreements, and such an important matter as the power supply to this area should not be trifled with nor made subject to whimsical changes in political philosophy. The TVA has been kept out of politics in its administration, and its growth and development should not be made subject to changes in political party domination.

If not at this special session, I earnestly hope that the next session of Congress will give serious and favorable consideration to the Government's need for this proposed TVA steam plant in order to carry out the obligations that have been assumed by the Government when they contracted with us to furnish this area's power supply.

Yours very truly,

S. R. FINLEY,
General Superintendent.

New York State Mayors Support Slum Clearance and Public Housing

EXTENSION OF REMARKS
OF
HON. JACOB K. JAVITS
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Friday, August 6, 1948

Mr. JAVITS. Mr. Speaker, the effort to attain adequate housing through the enactment of the Taft-Ellender-Wagner bill is so fundamental in the lives of our people that it counts its supporters among those with the greatest responsibilities. The following resolution of the conference of mayors of the State of New York demanding Federal aid for public housing and slum clearance and urban redevelopment bears this out. It is significant to note that the officers of this conference are largely from upState New York, which is traditionally Republican, and emphasizes again the bipartisan character of the support for this legislation:

CONFERENCE OF MAYORS, AND
OTHER MUNICIPAL OFFICIALS OF
THE STATE OF NEW YORK,
Albany, N. Y., August 4, 1948.

Hon. JACOB K. JAVITS,
House of Representatives,
Washington, D. C.

MY DEAR CONGRESSMAN: The New York State conference of mayors passed the following resolution at its annual meeting in June urging the passage of adequate housing and urban redevelopment legislation by Congress:

"Whereas housing is a critical problem in the cities and villages in New York State; and

"Whereas these cities and villages require financial aid for the construction of public housing accommodations and for slum clearance and urban redevelopment: Therefore be it

"*Resolved*, That we, the conference of mayors of New York State, petition the Federal Congress to enact without delay an adequate and comprehensive housing bill."

The meeting was attended by 510 city and village officials representing most of the cities and villages in the State. The resolution was adopted unanimously.

In 1947 the mayors' conference passed a similar resolution.

May we urge you to press for the passage of this legislation at the present session of Congress.

Very sincerely yours,

MORGAN STRONG,
Executive Secretary.

Failures of the Republicans in the Special Session of Congress

EXTENSION OF REMARKS
OF
HON. FRANCIS J. MYERS
OF PENNSYLVANIA
IN THE SENATE OF THE UNITED STATES
Friday, August 6 (legislative day of Thursday, August 5), 1948

Mr. MYERS. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an address delivered by the Senator from Illinois [Mr. LUCAS] over the radio last night.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

I wish every American who hears me tonight could visit Washington now while the Eightieth Congress is in special session. I wish you might see for yourself what is going on here. I am sure you would be shocked by the political maneuvering being carried on by the Republican-controlled Congress. The galleries of the Congress are filled to capacity every day with people who are looking for constructive action on the program requested by the President, but who leave in utter disgust and disappointment.

Republican leaders in Congress have used every means within their power to confuse the American people, to hide the real issues at stake. Their first move was to bring forward the anti-poll-tax bill. This was a bill passed in the House of Representatives in July 1947, and immediately sent to the Senate. No attempt has been made by the Republican leaders from that day on to bring up that bill for consideration until this special session. My friends, this action is not only a sham, but it is downright shameful.

The Republican leadership knew perfectly well that this bill could not pass at this special session of Congress. They knew that when they called up this measure for consideration. They knew that the southern Senators would carry on a filibuster.

Let us look at this special session of Congress frankly, simply, and honestly.

What are the issues?

Is there an emergency which requires a special session of Congress?

Are prices too high? Are prices climbing so fast that it would be dangerous for the country to wait another 8 months before doing something about it?

Is there a housing crisis in America?

My fellow countrymen, I believe you can answer these questions for yourselves. Anybody, especially the housewife who pays a grocery bill or who buys clothing, knows the answer better than any Member of Congress. The truth is that prices are higher at this moment than they have ever been in our national history. Another 8 months of this wild, uncontrolled inflation may well bring a catastrophe for the whole country and for the democratic world which depends upon America.

You know that is true. I know it is true. The Republican leaders know it is true. But what is the Republican reaction? Since the President called this Congress back into session the air has been filled with their cries of anguish. They did not want to return because they were anxious to see high prices and the exorbitant profits which are earned by high prices continue. Notwithstanding the fact that they adopted a platform in their Philadelphia convention, calling for action on high prices, they have done nothing to date and little will be accomplished before we adjourn within the next few days.

Their candidate for President, Gov. Thomas Dewey, said he thought "it would be cruel and inhuman punishment" for President Truman to call a special session.

Well, it is pretty hot in Washington. But the Capitol Building is air conditioned and so are the offices in which Members of the Congress work. So it is not as unbearable as Mr. Dewey would have you believe. The punishment suffered by the Congress by working a few weeks is not half as cruel as the punishment the housewife undergoes every time she visits the corner grocery. It is not as cruel and inhuman as it is for the veteran who cannot find a home for himself and his family. But Governor Dewey has displayed little sympathy for all these unfortunate people. He could do so, you know. He is the Republican candidate for President. I submit he owes it to all of us to say where he stands on these questions. He does not hesitate to talk about foreign policy with Senator VANDENBERG and John Dulles. He does not hesitate to denounce communism at every turn. He does not hesitate to call in farm groups and talk to them at his palatial farm residence in New York. But recently in a debate with Senator TAFT on the floor of the Senate I asked him if Governor Dewey had discussed with him the questions of the high cost of living and inadequate housing, and Senator TAFT replied definitely "No." Dewey continues to remain silent, refusing to give the leaders of the Republican-controlled Congress and the country his position upon these two domestic emergencies.

We all recognize that this is an election year. Of course, our minds are focused on the choice you and all of us will have to make next November, but, as President Truman said in his speech before Congress, "High prices are not taking time off for the election. High prices are not waiting until the next session of Congress. High prices are getting worse. They are getting worse every day. We cannot afford to wait for the next Congress to act." President Truman was right.

My friends, there are at least 14,000,000 white-collar workers in this country who are having a most difficult time keeping up with this senseless, heart-breaking race of continued high prices. They have no fat and pompous lobbyists pleading their cause in Congress. They are the forgotten people of America. I am thinking also of the people who live on pensions, insurance, or the savings of a lifetime. I am thinking also of the teachers, clerks, firemen, and policemen. I am thinking also of the veterans trying in vain to live on meager checks from Washington while they pursue their education. And last, I am thinking also of the vast majority of people in this country who toil with their hands. These people, through their unions and otherwise, constantly battle for wage increases, only to see the benefits they win disappear as prices climb higher and higher.

My friends, unless this economy of ours is leveled off and inflation halted, unless wages and prices are stabilized, the economy of this country will soon burst at the seams. We are now in the period of boom. We are dangerously near the period of bust.

Notwithstanding this, the Republican leadership claims there is no emergency. Yet only today the press reported that cattle and hogs on the Chicago market reached an all-time high. That is part of the meat supply that millions of bread winners on fixed incomes must have in order to maintain an adequate and healthy diet, for themselves and families. My friends, this is the kind of cruel and inhuman punishment that Governor Dewey should talk about.

The Republican leaders in the Eightieth Congress have shown definitely they have no interest in people in the low-income groups. They have demonstrated over and

over again that their chief concern is in the special interest groups and not in the common man. That is not just a political accusation. It has been obvious to all students of American politics for many years, but never has it been displayed so blatantly as it is now. Governor Dewey and the Republican leaders in Congress know perfectly well how desperately inflation is grinding down the vast majority of the American people. They know how dangerous the situation is. But no amount of persuasion, no plea of logic, will force them to admit that this is an emergency. They apparently would rather see Nation-wide bankruptcy, misery, and despair than to have any type or kind of controls.

Two years ago Republicans told the people that removal of controls would bring on high prices for a few weeks and then everything would level off and prices would come down and remain at normal levels. Ah, my friends, how tragically wrong the Republicans were. Prices have never ceased rising since OPA went out of existence in June 1946.

But, my friends, that is water over the dam. The important thing today is this: What are we going to do about it now—this week? The assessment of blame, whether it be against Republicans or Democrats, does not bring down the cost of food, shoes and clothing. The emergency is here. The housewife is interested in the cure and not the cause. What will the Republican leadership do? The responsibility is theirs. Well, it is apparent that all they propose to do is give the President a few pop-gun, anti-inflationary measures which will be miserably inadequate to stop high prices from moving on to further dizzy heights.

In conclusion, I want to emphasize one other phase of this problem, which in many ways is more important than our own daily problems of keeping up with prices.

The Soviet world policy is based, to a very large extent, on the belief that our economy, here in America, is headed for another great collapse—a depression more disastrous than the last. They are certain that when it comes, the United States will no longer stand in the way of Soviet expansion through western Europe, the Far East, and, ultimately, the rest of the world.

We must prove them wrong in this domestic crisis. If we should have another depression, the world's last best hope for peace would be gone. I am certain that from our past history the surest way to bring on a depression in this country is to let prices get out of hand. The higher we let prices go, the farther they will fall when the turning point comes. The higher prices go, the deeper will be the depression which will follow.

Remember this: High prices and peace are bound together. The stability of world peace depends on a stable, prosperous America. We must be prepared to make major sacrifices to defeat any threat of depression. If a depression should come, the peace will be lost and great inroads will be made upon our power and ability to maintain ourselves as a free and independent Nation.

Inflation Control

EXTENSION OF REMARKS
OF
HON. JOHN C. KUNKEL
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Friday, August 6, 1948

Mr. KUNKEL. Mr. Speaker, under permission to extend my remarks, I include a copy of the testimony given by Mr. Paul Porter before the House Banking and Currency Committee on the President's bill to control inflation. I wish to call particular attention to the vagueness and indecision of Mr. Porter's answers and to the clarity and vigor of Chairman WOLCOTT'S questions and analysis.

The testimony follows:

The CHAIRMAN. Mr. Porter, were you Administrator of OPA when the Decontrol Act of 1946 was passed

Mr. PORTER. The Decontrol Act of 1946?

The CHAIRMAN. Yes, sir.

Mr. PORTER. Yes, sir; I believe that act was passed in July of 1946, or was it passed prior to that time? I do not recall now. I think it was in June.

The CHAIRMAN. June 30th of 1946. I am referring now to the bill which the President vetoed.

Mr. PORTER. That is correct; yes, sir.

The CHAIRMAN. Do you recall that some time during the following month, July of 1946, Congress sent another bill down to the President on the question of prices?

Mr. PORTER. Are you talking about——

The CHAIRMAN. I am speaking now about the one he signed.

Mr. PORTER. Yes, sir. That was July 23, as I recall.

The CHAIRMAN. Do you recall the reasons given by the President for the veto of the first decontrol bill?

Mr. PORTER. Yes, sir.

The CHAIRMAN. Do you recall the formula contained in that bill?

Mr. PORTER. The formula?

The CHAIRMAN. Yes, sir; for the control of prices.

Mr. PORTER. As I recall, Mr. Chairman—I have not reviewed the bill recently and I am relying completely upon my recollection—there were a number of different standards spelled out in the original bill which was vetoed.

The CHAIRMAN. With respect to prices the formula was that we would take the 1941 price base, add to that the average production cost, industry-wide, and that would be our new maximum price.

Mr. PORTER. There were other standards, excuse me, I believe, which were contained in the bill, such as a profit on every product.

The CHAIRMAN. That was taken out later. I might say, by way of history of the bill, the bill the President vetoed would have kept control on prices, preventing them from going unreasonably high, and it was our objective, and we felt that we had met that objective in the formula, to encourage the maximum production of goods. The Presidene vetoed that bill.

The President, in his acceptance speech the other night, was very critical of the Congress for not giving him a workable price control bill in 1946. Do you recall whether the Democrats or the Republicans were in control of the Congress at that time?

Mr. PORTER. To the best of my recollection, the election was in November of 1946, in which there was a change.

Mr. KUNKEL. Elections are always in November.

Mr. PORTER. We have some important ones in August.

The CHAIRMAN. I guess we can take cognizance of the fact that the Seventy-ninth Congress, which was the Congress which passed that legislation, was controlled by the Democrats. That was the bill which the President was referring to when he said it was such a rotten bill that he could not sign it; was it not?

Mr. PORTER. I do not know that he used that expression.

The CHAIRMAN. Yes, he used the expression.

Mr. PORTER. I recall that he vetoed the bill.

The CHAIRMAN. You recall that he vetoed it?

Mr. PORTER. Yes, sir.

The CHAIRMAN. After the second bill was passed and signed by the President, do you recall the action taken by the President later that year with respect to controls?

Mr. PORTER. I think he signed that bill, again expressing his dissatisfaction.

The CHAIRMAN. What did he do with respect to price controls later that year? He took them off did he not?

Mr. PORTER. A number of them were taken off, yes, sir.

The CHAIRMAN. Did the President do that, or did the Congress do it?

Mr. PORTER. I think, Mr. WOLCOTT, the statement was made at that time that meat was the principal item, in the fall of 1946, and that the legislation which he had reluctantly approved as being inadequate had proved to be unworkable, and that those were the reasons assigned at that time by the President for doing so.

The CHAIRMAN. You will recall that he made the statement or do you recall that he made the statement when he took the controls off at that time, that the law of supply and demand should now be allowed to operate?

Mr. PORTER. I do not remember that specific statement. I think the hope was expressed that it would.

The CHAIRMAN. In the fall of 1947, he asked for substantially the same program that you are presenting here today. At that time, it was commented upon quite generally, to the effect that the President and his advisers could give us no information as to how these controls could be exercised, specifically. If you are given these controls, under this proposed bill, price controls, allocation controls, priority controls, how do you expect to use them? What commodities will you place under price control for example and to what extent?

Mr. PORTER. Mr. Chairman, as I indicated in my statement, the heads of the departments under whose jurisdiction——

The CHAIRMAN. Well, you are going to be the coordinator, and you are going to advise the President, subject, of course, to this advisory board which is set up, as to what commodities you are going to control. Now, I think, surely, a week after the President sends a message to Congress you should be in a position to give us some indication as to how you are going to use these controls.

Mr. PORTER. Let me state this, Mr. Chairman, for the purpose of the record: You state there is provision in this bill for a coordinator. I have no idea of who that will be.

The CHAIRMAN. I think that in view of the press releases during the last week that we may assume you will be the coordinator.

Mr. PORTER. No, sir; I think that would be a most incorrect assumption. My assignment has been limited to help in the assisting of the drafting of this bill and preparation of the presentation.

The CHAIRMAN. Let us put it this way: Has the President ever indicated to you or anybody in your presence, or do you know what the President has in mind at the present time with respect to the use of these controls, if given to him?

Mr. PORTER. It has been the subject of a considerable discussion, Mr. Chairman, with the members of the Cabinet, and the affected departments, and I can state in general terms——

The CHAIRMAN. Who has he discussed it with in the Congress?

Mr. PORTER. That I do not know.

The CHAIRMAN. You said he had consultations with the Congress.

Mr. PORTER. No; I said with members of his Cabinet and the departments. I do not know what discussions have been made with Members of Congress.

The CHAIRMAN. Pardon me.

Mr. PORTER. But the approach proposed in this bill, as I have indicated, is a selective one. Certainly——

The CHAIRMAN. That was the same thing we had last December, Mr. Porter. What are you going to select to control? That is what we want to know.

Mr. PORTER. I would assume the Secretary of Agriculture would be prepared to tell you in considerable detail—I have discussed it with him—the specific commodities where he thinks prices are, at this point, ready, or should be put under a maximum price regulation.

The CHAIRMAN. What are they?

Mr. PORTER. Certainly meat is the most conspicuous one. The supply situation with respect to other farm commodities, I do not have the detailed information on that. Mr. Brannan is prepared to submit that to the committee in as much detail as it would desire. I would think that any department which was administering these price-control powers would have to present, before issuing a maximum-price regulation, a detailed statement of their justification for so doing. There are a number of food commodities which are in trouble; as I have said, meat is one.

The CHAIRMAN. What are some of the others?

Mr. PORTER. The extent to which fluid milk and dairy products would be controlled is a matter that I would prefer the committee ask Mr. Brannan about, because the Department of Agriculture has been going into that question in great detail.

The CHAIRMAN. You think you might put controls on meat and dairy products, then?

Mr. PORTER. The extent to which controls would be placed on all dairy products, I do not know. But I would think that those would be two items which are important in the cost of living, and should be given immediate attention.

The CHAIRMAN. What other commodities have you talked about placing under price control?

Mr. PORTER. Under the bill the standards provide that you could put no maximum price regulation on any commodity unless it had risen 20 percent above June of 1947. That would not exclude very many commodities, because prices have gone, on the most important commodities, considerably beyond that. I personally think that the apparel and clothing situation is one that should receive immediate attention. Certainly some of your basic nonferrous metals and basic steel should be given immediate consideration, but as to the——

The CHAIRMAN. You say giving consideration. Are you going to put controls on them? That is what we want to find out. Are you going to use these powers after they are given to you, and how are you going to use them? You wrecked our economy the last time you had OPA controls. It was not until we took controls off OPA that we had production, which the President contends and which you contend is absolutely necessary to stabilize our economy. We have got to proceed rather cautiously here to see that we do not do something that will reverse this trend. At the present time, as you have said, industry and agriculture are producing at a maximum rate.

Mr. PORTER. And prices are still going up.

The CHAIRMAN. What are the causes? You have stated what you think are the causes. What I am trying to get at is, How are you going to use the powers that we might give you to remove the causes for high prices?

Mr. PORTER. I certainly would agree, Mr. Chairman, that there is not in contemplation in this bill the putting into effect of the whole broad paraphernalia of OPA controls. That rather you would pick out the critical items which are in short supply and try to prevent further price increases by regulation.

Now, I recognize that there is a great deal of difference of opinion as to whether you can proceed on a selective basis. I personally do not think we have any alternative.

The CHAIRMAN. But you cannot tell us what you are going to select for controls, that is the point I am making.

Mr. PORTER. I have mentioned a few.

The CHAIRMAN. You mentioned meat and dairy products.

Mr. PORTER. A few key commodities, industrial commodities, nonferrous metals—I would not want at this time, with the information I have, Mr. Chairman, to suggest a detailed list of particular commodities.

The CHAIRMAN. Mr. Porter, the President has had since last November—as a matter of fact, since last October—to work out the details of this program, and up to the present time we have had no detailed program presented to us. This is the same program, with a little different language, which he submitted to us last December. Surely in the 7 or 8 months which have transpired between then and now somebody in the administration should be able to tell us what they have in mind with respect to the use of these controls.

Mr. PORTER. As I said, I would not want to particularize by a list of specific commodities. I think that all commodities which have risen beyond 20 percent since June of 1946 should be analyzed on a specific basis.

The CHAIRMAN. Do you think this Congress is going to give the President carte blanche authority to control our economy without knowing how he is going to use those controls?

Mr. PORTER. Mr. Chairman, we are prepared, through the heads of these departments, to get as specific as needed.

The CHAIRMAN. You have talked with them. Can you not give us some indication as to what use you are going to put these controls to?

Mr. PORTER. I would not want to go beyond the statement which I have made, which I think is as specific as I can get at this time. As to the food commodities, which have risen beyond 20 percent and threaten to rise more, and where the regulations are practicable and can be enforced, a maximum price regulation should be enacted to cover, both in the industrial and agricultural field, those commodities.

Now, I don't think it is necessary to go into those that are not essential to the cost of living. I have mentioned clothing and apparel as one item which should be under consideration.

Meat, livestock, dairy products. Certainly the grain situation does not require, in my judgment, because of the supply condition, any immediate consideration of maximum price regulations. The weather factors could change it.

In the case of steel and nonferrous metals, the question, depending upon what this Congress does about the housing program, of building materials, should come in for consideration.

The CHAIRMAN. When you are speaking about the imposition of price controls on these commodities, do you also include the allocation of inventory controls on the same commodities?

Mr. PORTER. I think that you can have, depending upon the distribution pattern and the supply situation, price controls in certain areas without allocation.

The CHAIRMAN. Do you think you could have price controls on meat without allocation controls?

Mr. PORTER. No, sir; I do not.

The CHAIRMAN. Do you think you could have price controls on steel without allocation controls?

Mr. PORTER. Well, I would prefer that Secretary Sawyer give the committee the benefit of his experience under Public Law 395. There are some voluntary allocation controls which are in effect with respect to steel. I think that you could handle steel better on the basis of price control without allocation than you could a commodity where there are more producers.

The CHAIRMAN. Let us get back to the basis for high prices. First, we have an unusually large supply of purchasing power, and some goods are still in short supply.

The next point is the very unusual demand, by foreign countries, for these American goods which are in short supply.

Those are, generally speaking, the causes, are they not?

Mr. PORTER. Yes, sir.

The CHAIRMAN. So, to attack inflation, we must try to remove the causes for inflation. Has the President had any conferences with the Federal Reserve Board looking to a stabilization of the value of the American dollar?

Mr. PORTER. I assume that the matter has been a question of concern. I am not aware of any specific discussion or conference. It is my understanding that Mr. McCabe, the Chairman of the Board, is going to appear before your committee, and I think he could advise you in greater detail than I can on that.

The CHAIRMAN. Do you know whether the President has ever asked the Congress for additional powers, or whether the Federal Reserve has ever asked the Congress for additional powers with respect to that matter?

Mr. PORTER. I think they did last November, yes.

The CHAIRMAN. The request was made by Mr. Eccles for a secondary reserve. I am speaking now of a primary reserve. The secondary reserve program is something new and untried. Now, Mr. Eccles' recommendations were with respect to a secondary reserve.

Do you know whether the Administration has ever asked Congress for additional authority with respect to primary reserve?

Mr. PORTER. I am not aware that they have.

The CHAIRMAN. Well, they have not, as far as I know. Do you know whether they need any additional authority to raise rediscount rates?

Mr. PORTER. Again, that is a question that I think Mr. McCabe can answer more authoritatively. I think that they do have the power to increase rediscount rates.

The CHAIRMAN. Under existing law, the rediscount rates of the Federal Reserve System have been as high as 7 percent. They are 1½ percent now, I understand.

Mr. PORTER. Yes.

The CHAIRMAN. Do you not think that is a rather direct influence on the use of our money and on the ease with which credit can be obtained?

Mr. PORTER. I think it may be a factor, but there are probably other considerations of fiscal policy which motivate the Federal Reserve Board to maintain the rediscount rate.

The CHAIRMAN. Do you think the policy of the Federal Reserve Board with respect to the quoting of the bonds at 101 instead of par has some relationship to the value of our money?

Mr. PORTER. I think it has a stabilizing influence.

The CHAIRMAN. Do you recall why we reduced the reserves in 1946 from 35 and 40 to 25 percent?

Mr. PORTER. No; I do not.

The CHAIRMAN. The President at that time forecast we were going to have a depression. In consequence of that, as a hedge against it, the Democratic Congress reduced the deposit liability from 40 to 35 percent reduced the reserves otherwise from 40 percent to 25 percent. So it is now 25 percent. As far as I know——

Mr. SMITH. Was that not at the request of the President?

The CHAIRMAN. I assume it was. At any rate, it was done by the Democratic Congress. That had a tendency to make money easier, did it not? Did it not naturally follow that the reduced bank reserves from 35 and 40 to 25 had a tendency to make credit easier?

Mr. PORTER. I will agree, Mr. Chairman, that at that particular time there was a wide body of opinion which felt that at the end of hostilities and the reconversion program that there would be the prospect of lessening of industrial activity, and perhaps the threat of widespread unemployment. But that did not happen.

The CHAIRMAN. Then why has not the President asked for a restoration of these reserves, from 25 to 35 and 40? We suggested it last year, but he never asked for it.

Mr. PORTER. As I say, I think you would have to discuss that with the appropriate official of the Federal Reserve Board.

The CHAIRMAN. Is not the President concerned about the relationship between debt and the value of money?

Mr. PORTER. Certainly.

The CHAIRMAN. Then why does he not ask the Congress to do something about the monetization of the debt, by way of, for example, the sterilization of a certain amount of our debt so that it cannot be used as security for Federal Reserve notes?

Mr. PORTER. Well, that is, again, a question of fiscal policy that the Secretary of the Treasury should be asked, rather than myself.

The CHAIRMAN. Why has not the Secretary of the Treasury asked us long before this, if these are the basic reasons?

Mr. PORTER. I think you will have an opportunity——

The CHAIRMAN. I have made speeches since last October, one in particular, calling attention to the basic causes of inflation, chief of which was the easy money policy of the Government. I think we are all in agreement that the easy policy of the Government, whereby industry, agriculture, and everybody can go to a bank and get money for two and a half percent, at a profit to the bank, is one of the basic reasons for inflation, and something that the Federal Reserve Board should take cognizance of. We cannot administer the Federal Reserve Act. We are not going to try to administer the Federal Reserve Act, because it is too extensive. It is a pretty extensive proposition for us to try to administer. As you suggest in this program, that must be a very flexible program. I think this Congress would look with favor upon a program—and we have always looked with favor upon a program—to help the Federal Reserve, if they do not have the authority at the present time, to curtail the flow of credit, because we all agree that it is the volume and velocity of credit and money which has had more influence on prices than anything else. We have been suggesting to the Federal Reserve, we have talked with the Federal Reserve, we have talked with the Treasury, about whether they need any additional authority, and they have never yet asked us for any additional authority with respect to reserve requirements, rediscount rates, the sterilization of any part of our gold hoard or any part of our debt.

Now, the President has got to do something besides give lip service to this inflation problem.

Mr. PORTER. Mr. Chairman, I attempted to point out in my statement that it is my belief that while the policies that you advocate may be important and necessary, I do not believe that one aspect of this alone is going to solve the problem of high prices.

The CHAIRMAN. Let us take up the second one, then, export controls. Last December we gave carte blanche authority to the President to control exports. I think perhaps because of an agreement with Canada—I am told—it might be difficult to control our exports to Canada. But to every other country, exports are under very strict control and the President is not hampered at all in the exercise of that control. We saw to it that he would not be embarrassed by too many standards with respect to export controls. Now, buying for foreign account, with the billions which we have made available, superimposed upon this unusual domestic demand for goods naturally affects prices. What has the President done with respect to the control of exports to balance domestic stability against foreign demand?

Mr. PORTER. I think that the program has been administered with a certain amount of rigidity.

The CHAIRMAN. Let us take that statement.

Mr. PORTER. But consistent with the commitments that we have made to western Europe.

The CHAIRMAN. Let us take that statement. When you were asking, last fall and last spring, for grain control, allocation of controls away from the American distillers, do you know that a situation similar to this confronted us: that in 1946, for example, there were only 666 bushels of rye exported to Canada for distillation purposes. Do you know how many were exported in 1947? Almost 3,000,000 bushels of rye were exported to Canada for whisky-making purposes. At the same time the President was asking us to allocate grain away from our American distilleries he was licensing the export of grain in increasingly large volumes to Canada and the United Kingdom. Do you know how much the exports of grain to the United Kingdom increased in 1947 over 1946? About 2,000,000 bushels in 1946 and more than 7,000,000 in 1947. At the same time the President was asking us for legislation to control the export of grain.

Mr. PORTER. But it is my information that a small proportion of that was used for distilling purposes.

The CHAIRMAN. This is just the grain that we know was exported for whisky-making purposes that I am talking about. And they are Commerce Department figures. When we gave the President authority to control exports last November or December, we made it very plain in our committee reports that he was being given this authority so that he could exercise the responsibility which we said was his, to balance domestic stability against foreign demand.

Now, what use has he made of that authority, and what does he mean by telling us now that this exceptionally large export of commodities is having a direct effect upon domestic prices, and at the same time telling us it is necessary to continue these exports, even outside the European recovery program?

Mr. PORTER. Well, I would assume, Mr. Chairman, that that is a consideration of foreign policy, as I have indicated in my statement, which has high priority.

The CHAIRMAN. Then if it is a question of foreign policy which is making American prices high, why not say so and meet the situation and be honest with the American people and tell them that our foreign policy is keeping our prices high and let it go at that?

Mr. PORTER. If that were the only factor, it would be relatively simple. I certainly would not assert that exports do not have an impact on prices.

The CHAIRMAN. I think we agree that the two basic factors are the easy money policies of the Government and our exports.

Mr. PORTER. I think, Mr. Chairman, that the figures will show that the volume of exports now as compared with our total national product are running at a lower than prewar rate. Obviously it has some significance on the price level, but I do not think it has a decisive one, and I doubt very much if you would affect prices substantially. Even an embargo, which no one has ever suggested, might not.

The CHAIRMAN. Well, it has been suggested, and I think I can say without fear of successful contradiction, that the President and the Federal Reserve Board now have the authority to plunge this country into depression, which means that they may stabilize it with the powers they already have. If they do not have the powers to stabilize our economy, then, they should ask the Congress for them. If the Federal Reserve wants any more authority to raise reserve requirements, if the President wants any more authority to control exports, I do not think this Congress would hesitate to give them that authority. The responsibility has to be placed somewhere.

Mr. PORTER. I think, as I undertook to point out in my statement, Mr. Chairman, that, as you have indicated, in the monetary field, reserve requirements, fiscal policy are a very delicate kind of operation, and that the purpose of this program which is now before the committee is to attempt to achieve stability without the danger of a serious recession.

The CHAIRMAN. On the question of export controls, again, let me read an excerpt from a statement made in an address of the President on November 17, 1947, with respect to export controls. He said—keep in mind that he was discussing the European recovery program at the same time as he was discussing inflation, taking cognizance of the effect which exports might have on domestic prices. He says this: "Those goods which we cannot wisely export must be kept here." What has he done to keep the goods here to meet the domestic demand and to bring the prices down?

Mr. PORTER. Mr. Chairman, I think if you would ask any exporter who has customers abroad, where there is demand for commodities in short supply, that he would tell you that the export licensing controls by the Office of International Trade have been administered rather vigorously.

The CHAIRMAN. But those exporters are not responsible for the stability of the American economy and the President is; is that the point?

Mr. PORTER. My point is that it has been. Mr. Sawyer, as I say—the Office of International Trade is under his jurisdiction—can give you as much detailed information about the Office of International Trade as the committee would care to receive. But it is my impression that it has been difficult to get licenses, by American exporters, for commodities which are in short supply.

The CHAIRMAN. Mr. Porter, last year there must have been licensed—he had the authority last year as well as this year—exports totaling $19,000,000,000. We imported about $8,000,000,000 worth. A differential of about $11,000,000,000. That $11,000,000,000 was financed here in the United States, partly by Government, partly by private enterprise. The controls which the President had over that situation were export controls. Of course, everyone realizes that so long as that wide differential between exports and imports continues, the demand for American goods is going to continue proportionately, and prices are going to be affected proportionately.

Mr. PORTER. That is right.

The CHAIRMAN. It is quite generally agreed also that the instability of foreign currencies had an effect upon the exports from those countries. In other words, western European countries, including Great Britain, had priced themselves out of the American market by overvaluation of their own currencies, and at the present time, although France and Italy have done something about it, I do not think any sane American importer would pay $4.03 for the British pound sterling, unless he

just had to have the goods. What has the President done about trying to correct that situation which has resulted in our having to export goods and dollars to bridge the gap between the legal and the real value of foreign currencies?

Mr. PORTER. I think that the instrumentalities of the World Bank——

The CHAIRMAN. The World Bank is a loaning agency.

Mr. PORTER. That is correct. The stabilization fund, I mean, have not been applied with any widespread degree, to my knowledge.

The CHAIRMAN. Let us say that the international fund has not exercised the leadership in the field of foreign currency stabilization that we had a right to expect of the fund. And it is rather difficult for me to say that, because Mr. Spence and I were at Bretton Woods, and this committee set up that program. So I think if anyone has the right to criticize it, we in this committee have, and I do criticize the fact, I criticize the managers of the fund, for not giving us the leadership with respect to world-currency stabilization that we need at this time.

Now, the monetary fund, having failed, do you not think it was the prerogative, if not the duty of the President, to call an international monetary conference to consider the stability of world currencies, in order that we might increase our imports to bridge the gap between the $8,000,000,000 and the $19,000,000,000?

Mr. PORTER. It seems to me that preceding that, Mr. Chairman, is the question of getting some stable economic and political conditions in those countries. I do not pretend to have the background and information and the expert eyes in this field that you have had, but I would assume that further monetary conferences, until there are stable economic and political conditions in those countries, would accomplish very little.

The CHAIRMAN. I think the answer to that is the fact that Italy and France being realistic about the situation did cut their franc and lira in two and in consequence it is expected that our imports from France and Italy are going to be appreciably greater this year than they were before they were devaluated.

Do you recall the Little Steel price formula?

Mr. PORTER. That is very reminiscent.

The CHAIRMAN. That was the formula which, in substance, said that steel prices could be raised notwithstanding the fact that they were at that time controlled, if production costs and labor costs increased. They could increase the price of steel to offset production costs. Who started that formula? Who broke the line with respect to steel prices?

Mr. PORTER. I doubt if we ever had any rigid line. There has been, as a result of collective-bargaining negotiations——

The CHAIRMAN. It does not make any difference how production costs were increased. Production costs were increased and steel prices were allowed to rise, though under control, to offset those production costs.

Mr. PORTER. That is correct.

The CHAIRMAN. That was the pattern set for industry generally, was it not?

Mr. PORTER. That is correct.

The CHAIRMAN. Who did that?

Mr. PORTER. That was done by the Director of Economic Stabilization, as I recall it.

The CHAIRMAN. Who did he answer to?

Mr. PORTER. In 1945?

The CHAIRMAN. Who did he answer to? He was the right-hand man of the President, was he not?

Mr. PORTER. I presume; yes, he was a Presidential appointee.

The CHAIRMAN. The Congress did not break the line, then, did it?

Mr. PORTER. Well, the line has been a thin and wavering one, but nevertheless, even under the Little Steel formula, where you permitted wage increases because of rising costs of living, there was a relative stability, as long as there was the opportunity to exercise powers of direct price control.

The CHAIRMAN. To refer very briefly to your proposed bill, a copy of which I got this morning and have not yet had an opportunity to study, you recognize in the bill that the prices are the aftermath of World War II.

Mr. PORTER. That is right.

The CHAIRMAN. What you mean by that is they are the result of the Government spending incident to the war and the dislocation caused by the war?

Mr. PORTER. That is correct.

The CHAIRMAN. You ask for consumer-credit controls. I suppose you mean by that a restoration of what we knew as regulation W.

Mr. PORTER. That is correct.

The CHAIRMAN. Promulgated under Executive Order 8843.

Mr. PORTER. That is correct.

The CHAIRMAN. Which we rescinded last year.

Mr. PORTER. That is correct, sir.

The CHAIRMAN. Do you think that there was such an economic emergency in the United States as to justify the President calling Congress into special session?

Mr. PORTER. Yes, sir; indeed I do.

The CHAIRMAN. Do you know that the President now has the authority, or can get the authority, without legislative act, to control consumer credit?

Mr. PORTER. Installment credit?

The CHAIRMAN. Yes.

Mr. PORTER. In the face of the action of Congress specifically repealing?

The CHAIRMAN. Yes.

Mr. PORTER. I have been advised by the Federal Reserve Board that no such power exists—by their counsel.

The CHAIRMAN. Let me read the law. It is about eight lines, and specifically gives the President the authority to reactivate regulation W if he declares an emergency. Let me read it to you. This is Public Law 386 of the Eightieth Congress.

"That after November 1, 1947, the Board of Governors of the Federal Reserve System shall not exercise consumer credit controls pursuant to Executive Order 8843, and no such consumer credit controls shall be exerised after such date, except during the time of war beginning after the date of the enactment of this joint resolution, or any national emergency declared by the President after the date of enactment of this joint resolution." We were very careful not to disturb the basic law under which the President gets his power to control consumer credit, which is the Trading With the Enemy Act of 1917.

Now, the President can at this moment, under this law, declare an economic emergency, or declare any other kind of an emergency, because we do not specify what kind of an emergency he has to declare. We just say "or any national emergency." It seems to me that if there was a national emergency to an extent to justify recall of Congress into special session, that likewise there was national emergency sufficient to justify the Congress reactivating this legislation. So I think we can agree that you do not need any legislation with respect to consumer credit control. For that reason, the Congress has not acted on the recommendations of the President with respect to these controls. We felt that he had that authority.

Mr. KUNKEL. Mr. Chairman, may I ask you a question? Was not that language of the act phrased that way so that there would be no question as to whether a war emergency would have to be involved?

The CHAIRMAN. That is right.

Mr. KUNKEL. The language was carefully drawn with that in mind, to make it clear that the President would have that authority in an emergency, whether the emergency was connected with war or with the threat of war.

The CHAIRMAN. The gentleman is absolutely right. There was a question, in the basic law, as to whether the emergency referred to in the basic law did not relate to war. So we made it very clear in this that the emergency to activate these powers by proclamation did not have to be incident to a war. We made it very clear. We did it deliberately. It was planned that way.

Mr. PORTER. Well, I would assume, if I might comment on that, Mr. Chairman, that if the President had concluded that the problem of high prices could have been solved by the declaration of an emergency pursuant to that statute and the reimposition of credit controls and nothing else, that it would have been unnecessary to call Congress back on the inflation problems. But this program——

The CHAIRMAN. I am going through this to find out why he called us back to meet this situation. As I have already said—and I repeat—the President and the Federal Reserve Board now have the power, under existing law, to plunge this country into a depression or anything short of a depression, by exercise of the controls they already have or can get, without any need for further legislative enactment.

Mr. SMITH. By which you mean, Mr. Chairman, that the President has the power to lower prices to any extent.

The CHAIRMAN. Dr. Smith, I mean that this is a credit expansion, and it is through credit expansion that the value of our dollar is affected to the point where prices continue to go up. That is the contention in the message of the President, I believe. If that is so, the President, by simple request of the Federal Reserve Board, could at least cause the Federal Reserve Board to consider the advisability of raising reserve requirements to a point where nobody could get a dollar of credit in this country. He would not need to be fooling around with consumer credit controls. He could make it impossible for any businessman, industrialist, or farmer, to get a dollar of credit, under controls which he now has or can get.

Mr. PORTER. Certainly nobody would advocate that course.

The CHAIRMAN. Why not? I wouldn't advocate, of course, going that far, but I think we have a right to expect that the orthodox methods of stabilizing our money and our economy will be used before new powers are given to the President. And the orthodox methods by which we have stabilized our currency and met the demand of industry and agriculture has been through the manipulation of reserve requirements and rediscount rates. If they are not there for that purpose, then, they are there for no purpose whatsoever. They are there for that very purpose.

Mr. PORTER. I think the Chairman put his finger on the essential weakness of using one device alone, and that is, if you were to go too far, you would be in real trouble as far as a major depression is concerned.

The CHAIRMAN. Let us see what happened when they did go just part way. In February, when the Government was not buying too much for export at that particular time, when the Federal Reserve started talking about raising reserve requirements, when Mr. Eccles started talking about a secondary reserve, and the ABA put on its program to restrict the use of credit for anything but essential purposes, prices started to go down, and we all hoped that that was the stabilizing recession which we felt was long overdue.

Mr. Eccles quoted bond prices, as I recall it, at 101 to 102, as a part of that program.

The administration was getting panicky because prices were going down. I do not want to say that Mr. Eccles' removal was because he was not in sympathy with the President's proposals to keep prices up, but surely something was basically wrong be-

tween the President and Mr. Eccles. We have never found out about it. I think Mr. Eccles was rather sincere in wanting to use the powers which the Federal Reserve Board had to stabilize prices in our economy, and I think until the contrary is shown, we have a right to assume that the basic trouble between the President and Mr. Eccles was with respect to the lowering of prices or the stabilization of the American dollar, which was a result of the lowering of prices.

Then the Government went into the market and started buying grain. Instead of supporting prices of agricultural commodities, they went in and bought large quantities, not spread over a month's time or 2 months' time, but they bought I do not know how many millions of bushels, in 1 day, which could have no other effect, of course, than to cause prices to go back up. Although the Commodity Credit Corporation and the Department of Agriculture had ample authority to support prices at 90 percent, and, although they could have let them go down to that and the farmer would have been better off, because by increasing the price of commodities to the consumer he was increasing the price of everything which the farmer had to buy. We realized that, but, instead of doing it that way, they went in and bought these huge stocks of grain and other commodities for export, forcing prices back up again.

Finally, the rediscount rate was increased to one and a half, losing altogether the psychological effect of that by the increase in purchasing by the Government for foreign countries. Now, I dare say, Mr. Porter, that if the Federal Reserve and the President, acting together today, were to initiate a stabilization program, there would be a psychological reaction to it to the point where we would be able to stabilize prices, because I think that 50 percent of our inflation is due to psychological reaction. If people think prices are going higher, they are going to buy and force them higher. If they think prices are going lower, they are going to sell and bring them down lower.

The President wants power. He wanted this program in December to prevent prices from going up. He came before the Congress in February of 1948 and demanded the same powers to prevent the prices from going down. How do you reconcile that?

Mr. PORTER. I do not recall specifically what you refer to.

The CHAIRMAN. Well, I do. I think we all recall it.

I refer to the fact that when prices were going down, when we thought this stabilizing recession was starting, in February, the President was reiterating that he needed controls to prevent a depression. That was in 1948.

Mr. MONRONEY. Was there a message on that, Mr. WOLCOTT?

The CHAIRMAN. There were letters or messages of some kind.

Mr. MONRONEY. Did they come before this committee?

The CHAIRMAN. I don't know where they went.

Mr. MONRONEY. Wouldn't this be the committee they would come to?

The CHAIRMAN. They are available. There was a message or letter, or something of that nature, or perhaps press statements. We all remember it very well. We will get the specific language for you.

Mr. BUFFETT. Mr. Chairman, will you yield?

The CHAIRMAN. Yes.

Mr. BUFFETT. I find that, according to the BLS index, on March 15, this year, the cost of food items was lower than it was on September 15 last.

Mr. BUCHANAN. How many points?

Mr. BUFFETT. It went down.

Mr. BUCHANAN. Where is it now?

The CHAIRMAN. It has gone up again.

Mr. PORTER. There is the chart which shows the index. Did you say February?

Mr. BUFFETT. March 15th.

Mr. PORTER. March 15th?

Mr. BUFFETT. Yes. It was actually lower than it was on September 15th of last year.

Mr. PORTER. That would be that point there. [Indicating.] But in spite of that particular variation, the thrust has been continuously upward, as you can see by this chart.

Mr. STRATTON. Mr. Porter, your chart there says something about consumers with moderate incomes in large cities.

Mr. PORTER. This is the same index to which I think Mr. Buffett was referring. It is the BLS index.

Mr. STRATTON. That is not a general index.

Mr. PORTER. That is the one generally referred to as the consumer's retail price index; yes.

The CHAIRMAN. Let us get back to your statement and the statement of the President again.

The President, in his message, asked, in rather unusual language, for wage controls. In what industries do you expect to use wage controls if the power is given to you?

Mr. PORTER. There is no reference, in what is proposed to be set up in the bill, as to the temporary wage board in the event of any collective bargaining agreement where there is a maximum price regulation if the employer does not require a price increase. So wage controls would be limited to those industries or commodities covered by a maximum price regulation where the employer sought a price increase.

The CHAIRMAN. Sought a price increase or was given a price increase?

Mr. PORTER. Sought a price increase by virtue of increased wages.

The CHAIRMAN. Is that the Little Steel formula?

Mr. PORTER. It is analogous to it.

The CHAIRMAN. You are asking us to legislate the policy which broke the line back in 1946.

Mr. PORTER. That is a matter of opinion.

The CHAIRMAN. The President says the Government should have the authority, however, to limit wage adjustments which would force a break in price ceilings, except where wage adjustments are essential to remedy hardship, to correct inequities, or to prevent an actual lowering of the living standards. Does the President want the authority to manipulate prices to remedy hardship, to correct inequities, or to prevent the lowering generally of living standards?

Mr. PORTER. I think those were the standards, generally, Mr. Chairman, that were used and applied by the old War Labor Board.

The CHAIRMAN. Well, we assume that he means that he is talking generally of living standards and hardships and inequities, industry-wide, but I think we have a right to know how he is going to exercise the authority to control wages to correct these hardships and inequities or to prevent an actual lowering of living standards.

Mr. PORTER. I think where you would find a marginal industry which required a price increase—

The CHAIRMAN. Where is there one?

Mr. PORTER. I think you could probably take one of the textile industries as one that comes to mind.

The CHAIRMAN. Do you advocate raising the wages of the textile industry worker?

Mr. PORTER. No, sir.

The CHAIRMAN. Then what do you mean by taking the textile industry as an example?

Mr. PORTER. Well, I mean there are certain industries—one doesn't come to mind at the moment—where there are inequities in the wage structure. If that is arrived at and remedied by the collective bargaining agreement process and the Wage Board would approve such an agreement, then the employer could apply for a price increase.

As to what industries those are, I have no specific one in mind at the moment.

The CHAIRMAN. Surely there must be an example that you could give us as to how you would use this power?

Mr. PORTER. I will be glad to submit for the record the wage rates—

The CHAIRMAN. What do you mean by a "marginal" industry?

Mr. PORTER. Well, you could take where there is a collective bargaining agreement in a small plant, for example—perhaps in lumber or building materials; but offhand the wage levels generally, it would seem to me, if prices could be held, would, or should, remain at about the present levels.

The CHAIRMAN. Do you think that wages are generally too high?

Mr. PORTER. No, sir, I do not. As a matter of fact, I think, as I pointed out in my statement, that price increases in the cost of living, in spite of the third round of wage increases that we have had, have more than taken away the benefits from those wage increases.

The CHAIRMAN. You take the position, I assume, with the President, that there are industries which could absorb wage increases and higher production costs without a rise in prices.

Mr. PORTER. Yes. I have not stated——

The CHAIRMAN. All right. Just a minute. You say "Yes." Then you say, in the same breath, that there are industries which are making excessively large profits. There undoubtedly are. I will agree with you. Would you roll back the prices of the commodities produced by these industries making these excessively large profits which, according to your standards, are excessively large?

Mr. PORTER. It is permissible, in the standards, Mr. Chairman, to get prices back to November of 1947.

The CHAIRMAN. Can you tell us which are the commodities on which you think you will roll prices back?

Mr. PORTER. I would put it this way: I would think that if this bill prevented further increases it would have achieved its purpose.

The CHAIRMAN. Are we coming to the point that you expect to freeze all prices where they are at the present time until you can look at these commodities in their cost-production relationships and until you can make these adjustments?

Mr. PORTER. No, sir; I would not think so.

The CHAIRMAN. Well, what will you do? Will you freeze all prices where they are now? What will you do with your power, if given to you?

Mr. PORTER. I would suggest, Mr. Chairman, that this be a program which would follow the pattern of the old general maximum-price regulation of April of 1942; that it be administered, as I said, on a selective basis, taking both food and industrial commodities and issuing maximum-price regulations covering those.

Now, there is the further authority in the bill—which, I think, is a new device—which provides that in certain areas the Administrator, or the Department, may issue a temporary regulation, and then, if the industry itself wanted to increase prices, they would have to make application to the Department or to the Administrator; and if he did not act upon it within a period of 30 days, or hold a public hearing, the price increase would become effective.

The provision I refer to is contained in the bill; the requirement for a temporary regulation. But even that, I think, would be used selectively.

The CHAIRMAN. You would be given the power, however, under the bill, to freeze prices at their present level generally?

Mr. PORTER. Yes; the power would be there.

The CHAIRMAN. Do you want to discuss marginal requirements and excess-profits taxes?

Mr. PORTER. I would prefer that the Secretary of the Treasury or the Chairman of the Federal Reserve Board discuss those questions with you. The bill is being prepared, as I understand it, and will be submitted.

Mr. BUCHANAN. Mr. Chairman, in view of the fact that we may have a short session on the floor, can we recess and come back?

The CHAIRMAN. We cannot. Would it be agreeable to you to come back tomorrow morning, Mr. Porter?

Mr. PORTER. Yes, sir.

Mr. BUCHANAN. Can we meet this afternoon?

The CHAIRMAN. No. We have a Republican conference this afternoon.

If it is agreeable with the committee, we will recess at this time to reconvene tomorrow morning at 10 o'clock.

(Whereupon, the committee recessed, to reconvene at 10 o'clock a. m., Friday, July 30, 1948.)

Price Control or Free Economy?

EXTENSION OF REMARKS
OF
HON. WINT SMITH
OF KANSAS
IN THE HOUSE OF REPRESENTATIVES
Friday, August 6, 1948

Mr. SMITH of Kansas. Mr. Speaker, former Federal Reserve Board Chairman Eccles declared, in testifying against the President's anti-inflation program, before the House Banking and Currency Committee August 3, 1948, that the only people who wanted price control were the black marketeers and the tax-evaders. He should have added a third group—those who would destroy our system of private enterprise and individual initiative and replace it with a centralized, controlled, regimented, planned economy.

It is true that prices today generally are higher than they were before World War II. Why? We have built, in this country, an agricultural and industrial machine designed to produce the goods and services required to meet the demands of 145,000,000 people. A large part of the machine during the war was necessarily diverted from producing for consumers to producing for war, thereby creating a huge backlog of consumer demand which now must be met. In addition to this backlog of demand, we now—under the present foreign-aid program which we are told is to preserve individual liberty everywhere in the world—are demanding that our productive machine produce goods and services to meet the demands of 600,000,000 people.

If we are to continue that program, we must choose one of two alternatives: Either we pay higher prices for everything we need, as our individual contribution to preserving individual liberty in the United States as well as everywhere else in the world—or we refuse to make that individual contribution, accept price control and its regimentation, thereby losing individual liberty here in the United States.

Everyone today apparently wants to receive 1948 prices for his own production, but wishes to pay only 1939 prices for the other individual's production. It just can't be done—even with price control. Price control never has worked. It is not new. It was tried as long as 4,000 years ago in Babylon and has been tried again and again and again down through history with only one result. It has wrecked every nation that tried to enforce it.

That is amply proved by the history of price control from 2130 B. C. to A. D. 1946, which was prepared 2 years ago at the request of Members of the Congress by Women Investors Research Institute, Inc., of 224 Second Street SE., Washington, D. C., of which Miss Catherine Curtis is president. I am convinced that—if the people of the United States only know the historical effects of price control—they never again will listen to the siren song of those who would impose that form of regimentation upon us. There is no better way for the people to know those facts than to read this history of price control. It is as follows:

THE HISTORY OF PRICE CONTROL FROM 2130 B. C. TO A. D. 1946

"There is no new thing under the sun. Is there a thing whereof it may be said: See, this is new? It hath been long ago, in the ages which were before us." Ecclesiastics, 1:9-10.

A planned economy—with fixed prices or price ceilings—is the oldest type of economy in the world. It necessitates a static, unchanging economy. As the body economic is dynamic and everchanging—due to inventions and technological improvements—this economic system evidently is opposed to the realities of life and the personal freedom of the individual.

One of the outstanding economic historians of today—C. T. Revere—has assayed its fallacies as follows:

"A cardinal weakness of planned economy lies in its tendency to approach its problems as though it were dealing with things instead of people. Statistics laboriously gathered, endless questionnaires going into the most minute details, meticulously compiled into dossiers so voluminous that the patience of Job and the wisdom of Solomon alone could discern their import, are relied upon to furnish the desired solution.

"Perhaps some day bureaucracy will make the interesting discovery that while the Euclidian method has its merits in certain narrow fields, our great social economic and even political problems do not always yield their secrets to mathematical treatment. Strange as it may seem, biology, the way of nature, can point the way more clearly. Nature has laws, as such great scientists as Robert A. Millikan, the two Comptons, and others have contended, that cannot be ignored. Statistics and graphs have their charm for the doctrinaires, but no one yet has been able to chart human emotions, with their cantankerous quirks."

The United States has been almost engulfed with a steady stream of propaganda designed to lead the people to believe that planned economy is something new—that it is the economy that will lead the country into the land of the more abundant life—that it will give the workers particularly more and greater benefits.

Since the price-control resurrection law passed by Congress July 24, 1946, provides the legal machinery through which price control, the keystone of planned economy, can become permanent in this country, it might be well briefly to review the 4,000-year record of planned economy and its ultimate effects upon nations before the United States is led into passively and unknowingly accepting it as its national economy.

BABYLON, 2130 B. C.

Hammurabi (2130-2087 B. C.), a testy old king, promulgated the Code of Hammurabi. This bombastic individual apparently was the Chester Bowles of his day and equally expert in propagandizing the people with such now familiar words as "justice," "security," etc., as the following epilogue from his code indicates:

"Hammurabi the perfect king am I; I brought health to the land; I made the populace to rest in security; I permitted no one to molest them. The great gods proclaim me; and I am the guardian governor, whose scepter is righteousness and whose beneficent protection is spread over my city; in my bosom I carried the people of the land of Akkad; under my protection, I brought their brothers into security; in my wisdom I restrained them, that the strong might not oppress the weak, and that they should give justice to the orphan and the widow.

"Babylon, the city whose foundations are firm as heaven and earth for the pronouncing of judgment in the land, for the rendering of decisions for the land, and for the righting of wrong, my weighty words I have written upon my monument and in the presence of my image as king of righteousness have I established. The king who is preeminent among city kings am I. My words are precious, my wisdom is unrivaled. By the command of Shamash, the great judge of heaven and earth, may I make righteousness to shine forth upon the land. Hammurabi indeed is like a real father to his people. In the days that are yet to come for all future time, may the king who is in the land observe the words of righteousness which I have written upon my monument. May he not alter the judgments of the land which I have rendered.

"Hammurabi the king of righteousness whom Shamash has endowed with justice am I. My words are weighty; my deeds are unrivaled."

Hammurabi went all out for price control. Not only were all commodity prices fixed; he also controlled wages for boatmen, reapers, threshers, shepherds, laborers, artisans, bricklayers, tillers, stone cutters, milkmen, and carpenters. In addition he also regulated builders' fees and warehousing, as well as rental of cows in milk, calves, oxen, wagons, and freight and passenger boats, as the following excerpts from his code show:

"If a builder build a house for a man and complete it, that man shall give him two shekels of silver per sar a house as his wage.

"If a man hire an ox to thresh, 20 ka of grain is its hire.

"If a man hire an oxen, a driver, and a wagon, he shall pay 180 ka of grain per day.

"If a man hire a laborer from the beginning of the year until the fifth month, he shall pay 6 Se of silver per day, from the sixth month until the end of the year he shall pay 5 Se of silver per day.

"If a man hire an artisan the wage is 5 Se of silver.

"The wage of a brickmaker is 5 Se of silver. The wage of a tailor is 5 Se of silver. The wage of a carpenter is 4 Se of silver. The wage of a mason is 4 Se of silver per day.

"If a man hire a boat of 60 gur he shall pay 1/6 of a shekel of silver as its hire per day."

On the basis of historical evidence, these ceilings did not hold "for all future time" as he had boasted they would, because of popular revolt against these tyrannical rules and regulations. While certain parts of the Code of Hammurabi became the basis of other ancient and even present law, revolt against price control reveals one of the fundamental themes of human history—a struggle between regimentation and freedom.

EGYPT, 1700 B. C.

The Book of Genesis reveals that—during the time of Abraham—there was a granary in Egypt where all the people were supposed to be sure of a plentiful supply of corn—but the true story of Joseph shows how control

of the food supply by government reduced a people to slavery.

Joseph gathered and stored for the Pharoah—in years of abundance—one-fifth of the harvests. When famine came, the Egyptians went to Joseph and bought food from him until all their money was gone. Next—they gave him their cattle in exchange for food. Then—after they had bartered away all their cattle they offered first—their land—and finally themselves in exchange for bare subsistence.

Having thus reduced them to slavery as the price of life, Joseph—about 1700 B. C.—gave them seed and put them on the land again. Joseph was certainly no philanthropist—for Flavius Josephus tells the story as follows:

"When famine came, the multitude, sorely oppressed, repaired in crowds to the stores and magazines of the king. The situation of the poorer and common sort was piteous beyond description, for, having laid in but a very scanty store and not being able to obtain a supply without ready money, when that was exhausted, they were reduced to the necessity of exchanging their cattle, slaves, lands, nay, their last little all, to procure grain from the king's granaries to protract a needy, miserable life. When by these means they became totally destitute, they were abandoned to a desolate world, that the king might secure their bartered possessions. But when at length the river overflowed, watered the earth, revived drooping nature, and produced a fertile aspect, Joseph made the tour of the kingdom and, summoning his respective landholders, restored to them such parts as they had sold to the king, on condition of their paying a fifth,[1] as tribute to him by virtue of his prerogative, and then enjoined them to the same diligence in their improvements, as if they were to derive the emoluments resulting from the whole. Transported at the returning prospect of plenty and the restitution of their landed property, the people applied themselves to agriculture with unremitting assiduity; so that by this well-timed act of policy Joseph established his own authority in Egypt and increased the standing revenue of all its succeeding monarchs."

The outstanding result of the Egyptian control of grain crops and their prices was a system of land tenure by which the land became the property of the monarch and was rented from him by the agricultural class.

THE HITTITE CODE, 1385 B. C.

The great Hittite legal code was formulated during the so-called New Empire period (about 1385 B. C.) under King Shuppiliumash and was in two parts, containing about 200 paragraphs. It dealt with assault and battery, slaves, marriages, bandits, land-tenure laws, feudal duties, military service, domestic animals, theft and damages, incendiarism, horticultural laws, laws fixing wages, rentals, and fees for certain services, and laws on adultery and rape.

Laws 150 to 161 fixed wages, rentals, and fees on services. The rental of the plow ox was, for example, 1 shekel per month (151). Another law showed the great discrepancy between the wages of men and women:

"If a man goes and offers himself for wages and undertakes the management of a cart, is lodged in a straw barn, and irrigates a cultivated field, his wages for 2 months are 30 pas (or pecks) of barley. If a woman goes and offers herself for wages in the kitchen (or harvest?), she shall receive as wages for 2 months 12 pas of barley (158)."

Not only were fees fixed, but prices as well. One of the largest sections of the code (172–186) fixed prices not only of livestock, grains, land, wearing apparel, skins, and meat, but also of the services of various types of artisans for different periods of time.

"If anyone hires an artisan, either a potter, a smith, a carpenter, a shoemaker, a tailor, a weaver, or a maker of lace, he shall pay 10 shekels of silver" (176B).

"If anyone employs a skilled bird raiser he shall pay 25 shekels of silver" (177).

The prices for given species of animals differed according to sex and use.

"The price of a plow ox is 15 shekels, of an ordinary full-grown ox 10 shekels, of a full-grown cow 7 shekels, of a 6 months' old bull calf 4 shekels, of a pregnant cow 8 shekels, of a calf 2 shekels" (178).

Similar gradations prevailed for horses, goats, asses, and sheep. The price of a sacred headdress was fixed at 12 shekels, two pairs of breeches 10 shekels, an apron 3; a storm cloak 4, and a turban 1 (182). A considerable range of prices prevailed for the fresh meat and dressed skins of different domestic animals (185–186).

It would seem that supply and demand were either deliberately ignored in the ancient Babylonian and Hittite civilizations or that the cultures were so submissive to customary procedures that variations in supply and demand were not recognized.[2] In spite of the classifications established, the fixed prices also seemed to ignore qualitative variations within the classes.

History again records that the wage, price, and rent laws had to be abolished or drastically revised because of popular pressure. The ancient ruler met with deep-seated resentment against his attempts to block the activities and trade of his citizens. Before the end of the eighth century, B. C., the Hittites had been absorbed by Assyria, primarily because of a break-down in their economic system.

CHINA, 427–387 B. C.

Dr. Chen Huan-Chang, in his book, The Economic Principles of Confucius and His School, points out:

"There are two sets of interests, those of producers and those of consumers. But nothing more markedly affects the interests of both sides at once than prices. Therefore, price is the great problem for society as a whole. According to the Confucian theory, the government should level prices by the adjustment of demand and supply, in order to guarantee the cost of the producer and satisfy the wants of the consumer.

"Its chief aim is to destroy all monopoly so that the independent or small producer can be protected on the one side, and the consumer on the other. It prevents the middleman from making large profits, and gives the seller and buyer full gain. It is the task of the superior man to adjust demand and supply so as to keep prices on a level.

"When Li K'o became the minister of Wei he said that if the price of grain were too high, it would hurt the consumers, and that if it were too low, it would hurt the farmers. If the consumers were hurt the people would emigrate, and if the farmers were hurt, the state would be poor. The bad results of a high price and a low price are the same. Therefore, a good statesman would keep the people from injury and give more encouragement to the farmers."

Dr. Chen summed up the Chinese experiment in price control as follows:

"The failure was the result not of the original law itself, but of the administration of man. The chief difficulty in administering it is that it is not easy for officials to undertake commercial functions along with political duties."

ATHENS, 404–337 B. C.

The Athenians also experimented with price ceilings. This is discussed in a book entitled "Public Economy of the Athenians," by Boeckh. He states:

"In order to prevent as much as possible the accumulation of grain and the withholding it from sale, forestalling it was confined within very narrow bounds. It was not allowed to buy at one time more than 50 backloads (about 75 bushels). The transgression of this law was punished with death. The grain dealers were also not permitted to sell the medimnos of grain at a higher price than 1 obulus (3 cents) more than they had paid for it. These dealers, who were commonly aliens under the protection of the state, enhanced the price, notwithstanding, by overbidding others in the purchase of grain in time of scarcity, and they often sold it the same day on which they purchased it at an advance of a drachma (17.1 cents) on the medimnos. Lysias cannot relate particulars enough respecting the profligacy of these extortioners. They were hated fully as much as the same class in modern times. * * * 'Were they not menaced with the punishment of death,' said he, 'they would hardly be endurable.' While the Ageranomi (Market Masters) had the superintendence of the sale of all other commodities, the state, in order to prevent the extortion of the grain dealers, appointed a particular body of officers called the Sitephylaces (grain inspectors) to have the oversight of this single business. * * * They kept accounts of the grain imported, and besides the oversight of grain, they had also the inspection of meal and bread, that they might be sold according to legal weight and price."

Proof that the Athenian lawmakers found themselves in difficulty can be found in the oration against the grain dealers by Lysias. In speaking of the necessity for capital punishment of price ceilings' violators, he stated:

"But it is necessary, gentlemen of the jury, to chastise them not only for the future; for as things now are they will be hardly endurable. And consider that in consequence of this vocation very many already have stood trial for their life; and so great are the emoluments which they derive from it that they prefer to risk their life every day rather than to cease to draw from you unjust profits. And indeed not even if they entreat you and supplicate, would you justly pity them, but much more rather the citizens who perished on account of their wickedness, and the importers against whom they made a combination. * * * If then you shall condemn them, you shall act justly and you will buy grain cheaper; otherwise dearer."

Here again, history records that—despite capital punishment—price control was unworkable.

ROME, 301–361 A. D.

Early Roman emperors, such as Tiberius, Commodus, and Alexander Severus all attempted partial price control. One of the greatest price-fixing attempts occurred in Rome in A. D. 301 when Diocletian issued what has become known to historians as the Tariff of Prices. This was issued after the deficiteering on the part of an extravagant bureaucracy resulted in continued dilution of Roman money. The following sympathetic appeal from the preamble of Diocletian's edict would indicate that he was even more melodramatic than Chester Bowles, Paul Porter, or any of the contemporary professional "protectors of the poor."

"Who has so hard a heart, or is so bereft of human sympathies that he can be unaware, nay, that he has not seen with his own eyes, that in the sale of wares exchanged in the market place or handled in the daily trade of cities, extravagance in prices has

[1] It would appear from this that Joseph levied a 20-percent withholding tax on the people of Egypt to sustain the spendthrift policies of that country's rulers.

[2] OPA Administrator Porter stated May 10, 1946, before the Senate Banking and Currency Committee, "I would say that we (OPA) are in the business of keeping the law of supply and demand from working. There can be no question about that." The American people do not seem to have yet recognized this fact.

gone so far that the unbridled lust for plunder is held in check neither by abundance of supplies nor by fruitful seasons.

"It is our will, therefore, that the prices of commodities designated in the enclosed schedule be brought to the attention of the whole Empire so that everyone may know that they are not at liberty to exceed them. Whence it is justly our will to decree that nowhere shall merchants dispose of their wares at extortionate rates. Rarely indeed have human transactions been found beneficial to the many, and ever has salutary fear been proven the most equitable feature and regulator of civic duties.

"It is our will that if anyone shall trespass against this decree he shall become liable to capital punishment. No one should deem this a harsh measure, since there is at hand a ready means to avoid its severity by keeping his profits within bounds. Nor shall he be considered innocent, who having goods necessary for daily life and use, shall have determined to hoard them, since the punishment ought to be even heavier for him who causes scarcity than for the ordinary lawbreaker.

"For, if the raging avarice * * * which, without regard for mankind, increases and develops by leaps and bounds, we will not say from year to year, month to month, or day to day, but almost from hour to hour, and even from minute to minute, could be held in check by some regard for moderation, or if the welfare of the people could calmly tolerate this mad license from which, in a situation like this, it suffers in the worst possible fashion from day to day, some ground would appear, perhaps, for concealing the truth and saying nothing; * * * but inasmuch as there is seen only a mad desire without control, to pay no heed to the needs of the many, * * * it seems good to us, as we look into the future, to us who are the fathers of the people, that justice intervene to settle matters impartially, in order that that which, long hoped for, humanity itself could not bring about may be secured for the common government of all by the remedies which our care affords."

In this edict, prices were specified for between 700 and 800 items, practically all the articles which his subjects would have occasion to buy. Wages also were fixed—teachers, advocates, bricklayers, tailors, weavers, physicians—all were included.

"The carpenter and joiner are paid by the day, the teacher by the month, the knife grinder, the tailor, the barber, by the piece, and the coppersmith according to the amount of metal which he uses."

The prices given in the edict were not normal but maximum. As the prevailing prices were so high, however, it is not probable that the maximum prices differed very greatly from them. The net result was failure and the law had to be repealed because of its impotence in correcting the condition of affairs. Lactantius in A. D. 314 writes as follows of Diocletian and his edict:

"After that the many oppressions which he put in practice had brought a general dearth upon the Empire, then he set himself to regulate the prices of all vendible things. There was also much bloodshed upon very slight and trifling accounts; and the people brought provisions no more to markets, since they could not get a reasonable price for them; and this increased the dearth so much, that at last after many had died by it, the law itself was laid aside."

The historian Gibbon relates that 60 years after Diocletian's effort to control the cost of living by fixing prices, the Emperor Julian made a similar attempt, with no greater success. He writes:

"When the luxurious citizens of Antioch complained of the high price of poultry and fish, Julian publicly declared that a frugal city ought to be satisfied with a regular supply of wine, oil, and bread; but he acknowledged that it was the duty of a sovereign to provide for the subsistence of his people. With this salutary view, the Emperor ventured on a very dangerous and doubtful step, of fixing by legal authority the value of corn. He enacted that, in a time of scarcity it should be sold at a price which had seldom been known in the most plentiful years; that his own example might strengthen his laws, he sent into the market 422 moddi, or measures, which were drawn by his order from the granaries of Hierapolis, of Chalcis, and even of Egypt. The consequences might have been foreseen and were soon felt. The imperial wheat was purchased by the rich merchants; the proprietors of land, or of corn, withheld from that city the accustomed supply; and the small quantities that appeared in the market were secretly sold at an advanced and illegal price."

The decree of Diocletian, by the very completeness of the list of articles it controlled, must have been felt in every village and countryside in the imperial domain. The prices of all articles of trade, from a measure of beer and a bunch of watercress to a piece of genuine purple silk and a bar of pure gold—as well as services for the shaving of a man or the shearing of a sheep to the fees of a lawyer for presenting a case—all were set out in detail.

Moscow Talks

EXTENSION OF REMARKS
OF
HON. CHESTER E. MERROW
OF NEW HAMPSHIRE
IN THE HOUSE OF REPRESENTATIVES
Friday, August 6, 1948

Mr. MERROW. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial which appeared in the New Hampshire Morning Union published in Manchester, N. H., on August 5, 1948:

MOSCOW TALKS

After engineering itself into an impossible position with relation to Russia in Europe, the Truman administration is now trying feverishly to get Stalin to help it out. Our trouble in Berlin is due directly to a stupid agreement at Potsdam that provided for a four-power occupation of that city and furnished no access for the three Western Powers across Russian-controlled territory. Berlin today is an island surrounded by the Russian occupation zone which we can cross only with Russian permission. The stupidity of thus putting ourselves at Russia's mercy is quite beyond comprehension.

Under the Balkan peace treaties the Danube was to be free and open to navigation and controlled by international agreement. But as in so many other cases, Russia has flouted this arrangement and treated the Danube as a Russian river. Now we have entered a conference at Belgrade to settle the matter in which Russia and her satellites are a majority and we must accept their decision or go home. Russia has presented a new Danube pact in which the west would be excluded completely from control of the river.

The danger in this whole situation is that it will lead to another Munich in which the west will grant concessions that strengthen Russia's position in the hope of obtaining a temporary peace. For despite optimistic statements that are coming out of Moscow, the hard fact is that Russia's attitude in Berlin and at the Danube Conference has not changed. The same harsh, incorrigible position is maintained.

Nor is there any indication that the Kremlin has abandoned, or will abandon its drive to communize the world. It may accept negotiation and make minor concessions for the present that strengthen its main objective for the future. Just now that objective centers on hitching Germany to the Soviet bloc. If that can be accomplished, reconstruction in western Europe will be wrecked and Russian control of Europe will be assured.

Nor should it be forgotten that it was Russia who wrecked all past four-power conferences because she could not have her way. Stalin will accept a new four-power conference on Germany if he thinks he has the west in a corner where it must yield to his demands. We can have a settlement on Germany any day if we will abandon our economic and political program for western Europe and turn Germany over to Communist control. Such terms we cannot accept.

While no one will desire to close the door to negotiation at any time, we must be alert and not make our position more hazardous than it is. Another Munich will result exactly as the first Munich did. It will encourage the aggressors and makes the showdown inescapable. These Moscow talks, unless we are as sharp as Stalin, may turn out to be the most dangerous turn the European situation has yet taken.

Equity for Labor and Capital

EXTENSION OF REMARKS
OF
HON. ALBERT W. HAWKES
OF NEW JERSEY
IN THE SENATE OF THE UNITED STATES
Friday, August 6 (legislative day of Thursday, August 5), 1948

Mr. HAWKES. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an address I made approximately 10 years ago on the subject, Equity for Labor and Capital.

This speech was made to the Congress of American Industry, held in New York City at the Waldorf-Astoria Hotel, on December 9, 1938, and shows the thoughts I was trying to get over to industry and labor with reference to the spirit of justice and equity which should guide each of these factors so important to the success and preservation of our American system of making a living, with the right to improve one's own standard through his contributions to the success of the American system of free men.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

EQUITY FOR LABOR AND CAPITAL

I have chosen for my subject Equity for Labor and Capital. I purposely put labor before capital, as it is very easily proved that capital or property is the fruit of labor. It might be properly called the stored up or canned fruit of labor—something that is available for use at times when required to build jobs and keep the human endeavors for life and progress going.

The brand of canned capital fruit, known as surplus in corporations, is something that makes available fruit out of season, when the trees of industry are not producing profits. Labor comes first, the same as the tree comes before the fruit—in fact, the tree is responsible for the fruit.

Before I get into my subject I wish to state that I am a believer in our American form

of representative government—the Constitution of the United States, with its included powers of amendment by certain prescribed processes—and in the free-enterprise system of economics, which has made this country the greatest place on earth to live. Nothing that I say herein should be construed by anyone as not squaring with sound economics and our American system and way of living.

I believe that the usefulness and happiness of human beings in this country is in the inverse ratio to the amount of paternalism that is shown to people physically able to work and earn a living. The aged, the sick, and the incapacitated are recognized by all right-thinking people as being our charge, and I do not believe this country will ever deny that the fit and capable are their brother's keeper. But I believe in the last analysis the people of this country will resent part of the fit taking care of another part of the fit through any system invoked by any agency along the lines of paternalism.

I am not going to deal with wages or hours, working conditions, wage incentives, bonuses, group, life, and health insurance, vacations with pay, or even some of the fine plans of forward-thinking companies which have devised or are endeavoring to devise plans that give the workers a participation in profits after the payment to the stockholders of a reasonably sound dividend. Those things will be taken care of by other speakers.

A DOUBLE PROBLEM

It has been said that labor is the No. 1 problem of industry and business. I might be permitted to make an amendment to this statement by saying that labor and capital combined are the No. 1 problem in industry and business, because, after all, industry is made up of two distinct factors, namely, labor, on the one hand, and capital and management on the other. Labor, under our economic system, can do little in establishing a business or making jobs for itself without capital. Capital can do little in establishing a business and making returns for itself without labor. Therefore, labor and capital must find a way to cooperate wholeheartedly and sincerely to produce satisfactory benefits.

Every man and woman of legal working age in this country is a potential laborer. Some labor with their hands; some with their brains; and some a combination of brains and body.

Many men in industry say they never had any real labor problems. They mean they never had labor problems which they were unable to solve through a fair and honest discussion.

I recall the story concerning a United States Supreme Court Justice, who had just celebrated his fiftieth wedding anniversary. He met a Senator and Congressman just after the celebration and one of them said, "Good afternoon, Judge. You are certainly looking fine." And the Justice replied, "I am feeling fine, gentlemen. This is my fiftieth wedding anniversary and we have just had a few very dear friends to luncheon with us. I am a most fortunate man because my wife and I have lived together 50 years in complete harmony, without a cross word." The Senator then said, "Judge, it is wonderful for you to be able to say that. I wish I could." Whereupon the Congressman interposed and said, "Go ahead, Senator. Why don't you? The Judge said it."

Now the Justice did not mean by his remark there never had been any difference of opinion or problems, because problems and differences of opinion come to all people in every human relationship in life. The Justice meant that he and his wife had established a relationship based on faith, confidence, and equity, and when problems and differences of opinion arose they were promptly settled and not permitted to grow into a breach.

If labor and capital could deal on the same basis as the Justice and his wife, there would be no need of laws attempting to control their actions. Such laws usually breed class hatred and bitterness—and class hatred and bitterness have never successfully solved a single important problem in the history of the world.

THE RULE OF EQUITY

Common law in itself is crystallized common sense, resulting from the experience of the majority of human beings from time immemorial. The administration of common law is sometimes bounded by hard and fast rules; and statutory law is still less flexible. Equity is more flexible—it is the soul and spirit of righteousness. Equity has been described as "The spirit and the habit of fairness, justice, and right dealing, which should regulate the intercourse of men with men." Justinian, the great Roman Emperor, described equity, "To live honestly, to harm nobody, to render every man his just due." Perhaps the best definition of all is in the words of the Man of Galilee, "Whatsoever ye would that men should do to you, do ye even so to them."

Equity must come from within labor and capital—it must be born, it cannot be legislated. It is born of right-thinking and good conscience. Equity, the child of these two, should serve as the keystone of cooperative efforts of labor and capital—thereby bringing happiness and satisfaction to those invoking its aid.

Equity must rule human acts so far as humanly possible in this world. This means many new decrees of equity (public opinion) will appear as humanity develops. For instance, humanity has yet to decree that a woman doing a given piece of work as well as a man, should get the same pay. Sex should not determine the rate of pay.

The important thing in the procedure of equity is that humanity cannot absorb great changes too rapidly without damaging many of the good things it has accomplished.

Hence, the tempo of each change is quite as important as the change itself—as related to the successful system we have produced.

MAKING THINGS WORK

The paramount problem confronting capital, management, and labor today is the same as has confronted human beings through all recorded history—namely, to make things work and to give every man his just due. The signers of the Declaration of Independence and the makers of the Constitution of the United States, had this in view when they summarized in the Declaration of Independence the inalienable rights of men as "life, liberty, and the pursuit of happiness." They then endeavored to so frame the Constitution as to carry this announced principle into effect.

If this great principle of equity is abandoned, human relationships—small or great—fall to pieces, with the result that misery and suffering and chaos are brought, not only to those who destroyed this great principle, but to all who live within the boundaries where the destruction takes place.

The world has been looking at the United States of America for more than 150 years, watching the experiment of the American system of representative government. Undoubtedly there have been many who have wished it failure. Many nations have been born and have perished. Dictators have risen and fallen and risen again—but our great country has successfully gone on with its progress in making things work, because the American people have tried to hold fast to the cardinal principle of equity, upon which our country is founded, and I believe the great majority of American citizens are interested in giving every man his just due.

The genius of America has always been to make things work. The steam engine, telegraph, telephone, automobile, radio, airplane, and a thousand other important developments, have been brought into existence for the benefit, comfort, and happiness of mankind.

It is our responsibility now to make things work in human relationship. Just as the engineer is called upon to find out why the engine or machine will not work when it ceases to operate and then to reappraise stresses and strains, considering the particular nature of the work the machine is called upon to do—so we at this time are called upon to make human relationship work satisfactorily.

Labor and capital and management should carefully examine the delicate and intangible thing that holds them together and makes them work, because we are living in a new world era where changes require constant examination and reexamination of those human relationships.

This is our job today—the job of labor and capital and management, as engineers of the human industrial machine of America. Capital cannot function successfully without labor, and labor cannot function successfully without capital. Hence the indispensable cooperation between the two.

WHAT IS A MAN'S JUST DUE?

The first thing management should do is to ascertain, as far as humanly possible, What is the "just due" of each grade of manpower employed in an industry? This is a difficult job and all human minds could never be expected to reach precisely the same conclusion. However, if the great majority of men charged with directing the affairs of industry, business, and agriculture will seek earnestly and in the proper spirit for the truth of what is every man's "just due"—I feel that we can develop sufficient patience and tolerance to enable us to proceed in a cooperative way on a basis of mutuality while we are moving steadily in the direction of the objective—namely, equity for labor and capital.

We all have a very heavy responsibility resting upon us right at this period of our lives—and history will record whether we are equal to the task. We must realize that the price of failure will be disaster to all of us and our country. But I say we shall not fail because I have absolute confidence in the desire of the great majority of those in the industrial and business arena to solve this problem as promptly as possible in a way that is satisfactory to the great mass of the American people. We must and will solve this problem the same as we have solved other problems in the past—the American way for the common good of all.

No man in this country can successfully act in disregard of public opinion. After all, public opinion creates governments and the form of governments, and it changes them at will when it is sufficiently crystallized.

THE CHARACTER OF LABOR

As I consider the many representatives of capital and management whom I know; and the many laboring men whom I also know—I am sure that a cross section of all human beings is pretty much the same. There is just about as much selfishness in one quarter as another. There is just about as much good in one quarter as another. There is just about as much love of country and our form of living in one quarter as another.

I believe the intelligent workingman who has been taught the story of this country and our enterprise system is strongly in favor of it, and that he recognizes the fact that in every country where the system of free enterprise has been destroyed, the rights of "life, liberty, and the pursuit of happiness," have been endangered or taken away. If we can proceed on the basis that the laboring man is just as good a citizen as the capitalist or those engaged in management (and I believe he is), we will make tremendous progress. After all, the court of equity in this case of cooperation between capital, management, and labor, is nothing else than the great American people, who—after hearing the

case—form public opinion, which is the decree of equity. Public opinion, with the power of the American public back of it, can and will enforce its decrees upon any group of people.

THE IMPORTANCE OF LABOR

"He who comes into equity must do so with clean hands"—which means to me that neither capital and management, on the one hand, nor labor, on the other, can expect to get into equity unless its hands are clean. Then when capital and management and labor find themselves before the court of equity they must follow another cardinal rule, which is that "He who asks equity, must do equity."

I believe a small portion of labor and a small portion of capital have been wrong most of the time. But I also believe most of labor and most of capital have endeavored to cooperate most of the time. There is no reason why most of labor and most of capital should not cooperate all the time, if they understand each other thoroughly and completely and each knows that the other is thinking straight, playing the game on the square, and only wants equity—its "just due."

That labor is a dignified and honorable calling will not be disputed by any fair-thinking person. Our great President, Abraham Lincoln, accepted honorary membership in the Workingmen's Association of New York on March 21, 1864, and stated to the committee:

"The honorary membership in your association, as generously tendered, is gratefully accepted."

Then this great man of humility, with malice toward none and charity for all, gave labor a rating of honor and dignity in his speech to them, partly as follows:

"Labor is prior to, and independent, of, capital. Capital is only the fruit of labor, and could never have existed if labor had not first existed. * * * Capital has its rights, which are as worthy of protection as any other rights. Nor is it denied that there is, and probably always will be, a relation between capital and labor, producing mutual benefits. * * * Again, as has already been said, there is not, of necessity, any such thing as the free hired laborer being fixed to that condition for life. Many independent men everywhere in these States, a few years back in their lives, were hired laborers. The prudent penniless beginner in the world labors for wages for a while, saves his surplus with which to buy tools or land for himself, then labors on his own account another while, and at length hires another new beginner to help him. This is the just and generous and prosperous system which opens the way to all—gives hope to all, and consequent energy and progress, and improvement of condition to all. No men living are more worthy to be trusted than those who toil up from poverty—none less inclined to take or touch aught which they have not honestly earned. * * * The strongest bond of human sympathy, outside of the family relation, should be one uniting all working people. * * * Nor should this lead to a war upon property or the owners of property."

And still quoting Lincoln in the same speech to labor:

"Property is the fruit of labor; property is desirable; is a positive good in the world. That some should be rich shows that others may become rich, and hence is just encouragement to industry and enterprise. Let not him who is houseless pull down the house of another, but let him work diligently and build one for himself, thus by example assuring that his own shall be safe from violence when built."

CAPITAL AND MANAGEMENT

Now so much in commendation of labor, and we can turn to a little commendation of capital and management—because, after all, there are thousands of men called captains of industry who, by their life's work, have demonstrated their love of their fellow men and a square deal in their belief. We must remember that our American justice is presumed to rest on the theory that it is better that a hundred guilty men should escape than one innocent man should be punished.

So why should all of labor or all of capital be punished for the sins of a few?

Man can only be custodian of funds. He can only eat so much a day and sleep in a single place at one time and all of those who have accumulated wealth through our free-enterprise system have found that the very plan of life—brief as it is—makes them custodians of funds in an involuntary trusteeship or stewardship. Hundreds of them have spent a large part of their lifetimes trying to make comfortable jobs that give a satisfactory living standard to the men working for them or for the company they represent.

The Rockefeller interests have spent hundreds of millions of dollars in creating jobs for and to benefit mankind through research and other fields. Endicott Johnson have created thousands of good jobs and used their money wisely for the benefit of the people. George Eastman, and many others, gave a substantial part of their wealth to the benefit of mankind. B. Altman, right in this city of New York, gave his store to those who helped him build his business.

I could go on with hundreds of others who have done likewise—but there are so many known cases it seems unnecessary to cite them to prove my conviction that most successful men recognize they can only be custodians of funds in the interest of others.

If this be true, as I believe the records prove, then both sides have much to be said in their favor and little to be said against them. Jobs must either come from the use of private capital or from the use of public funds—and from what I know of the history of the world, I have no hesitation in saying I would rather see funds to create jobs handled by private individuals who created the funds, than by politicians who frequently use funds for a short period of time without the responsibility of having created those funds themselves. The individual who created the funds lives with the job he is doing until he gets his "final summons." The politician frequently has a short tenure of office and regardless of his sincerity, does not have that continuing responsibility.

A MUTUALITY OF INTEREST

This means to me that the important problem lying in front of both sides of industry is adopting a policy that is founded upon true mutuality and then working to create the patience and tolerance that are necessary to find the truth and solve the problem on the basis of equity for all. The interested parties in this discussion are so interwoven in their relationship that their objectives must be the same, if either or both are to be satisfied with the results achieved.

I believe capital and management have been wrong many times in assuming that labor in the past has been happy, when it was dissatisfied. This reminds me of a little story of a Negro circuit preacher who was just closing his year with the congregation. He liked his pulpit and his comfortable little home, and the only way he could remain there another year as the pastor of the church was by having the congregation vote that they wished to keep him. So on the last Sunday of the year he said:

"Brethren and sisters, dis am the last Sabbath in the year, and I must move on unless you vote that you wants me as your pa'son for another year. All those in favor of me remaining for another year, please raise their right hand."

Not a hand went up.

"All right, brethren and sisters, all those in favor of me remaining another year will signify by saying 'Aye'."

Not an "Aye" was heard. Whereupon the parson said:

"Thank you all, very much, brethren and sisters. I's your pa'son for another year, because silence gives consent."

SOME RECOMMENDATIONS FOR MANAGEMENT

I believe a great many of the troubles of the past have come through the assumption that silence gives consent. Therefore, I recommend that every manufacturer who is interested in the continuance of our enterprise system and our form of government make it his business in the future to do the following things:

1. Regardless of fine wages, working hours and other conditions—wherever the size of the company permits, see that at least once a year all the employees of the company have a chance to look at you or some of the upper officers to see that you do not have horns. In large companies, I recommend the heads of the subsidiaries or plant divisions carry this policy into effect.

In our company we feel this contact—meeting the men face to face and showing them we are human beings—is one of the important contributing factors to the fine understanding between the management and the employees. This is illustrated by comments individually made by workingmen in one of our plants following a meeting at which several of the officers of our company attended. Here are some of those comments:

J. H. said: "Enjoyed the talk and can see that he (Mr. HAWKES) is as interested in the workingman as in the rich man. Every man I spoke to enjoyed the talk and the party. These men came to us as perfect strangers and in no time at all we saw they were just one of us."

T. H. said: "I was afraid to meet Mr. HAWKES and the other officials. I thought Mr. HAWKES was very tall and fat. After I saw them I enjoyed being around them. They are just regular men like you and me."

E. M. said: "I figured he would come down, say his speech, hello, and get the hell out. Sure surprised me."

J. R. said: "'Would like to have his salary (referring to Mr. HAWKES), but not his job. Guys like him work too hard."

These remarks show that the men had a fine, friendly feeling toward the management after a personal visit and enjoyable little party.

2. If your company policies do not square with the progress of human relationship in this country, then square them as far as is possible, based on sound economics, and make it your business to see that your men understand them.

3. Don't mislead your employees by bidding for popularity through doing the unusual or economically unsound thing which cannot last and which damages not only the company that tries it but all industry, because human beings still relate and compare what happens to their neighbors with what happens to them.

4. Be sure that no superintendent, foreman, subforeman, or supervisor attempts to be sharp or shrewd in dealing with the manpower of the company.

5. Be certain that no man between you and the men down the line breaks the chain because he misunderstands the company's policy or fails to carry through the instructions of management.

6. The definition of a corporation in the past has been, "An invisible, intangible being, existing only in contemplation of law, without heart and without soul." We must prove that a corporation can have the equivalent of a heart and soul and that the representatives employed to direct its affairs serve as an agency of human beings—if it is to remain a useful agency for the conduct of business.

7. Have your men in the plant understand that the laborer of today is the potential capitalist of tomorrow. That his interests of tomorrow may be identical with others of to-

day, and his acts of today should be so measured that he will be willing to have similar acts from others tomorrow.

One of the most interesting experiences the management of our company has had was when we raised wages at a crucial time, the men—of their own volition—sent a committee to the superintendent to inquire if the company could afford to raise wages, in view of competition, low prices, and lesser volume of business.

Think of this interest in the welfare of the company of which they were a part.

WHERE INDUSTRY CAN SERVE

Industrial management should support the fine movements for the dissemination of correct information regarding our free-enterprise system to the youth of America. The junior achievement movement I believe justifies our support. The plan back of the Institute for Industrial Progress was most excellent. The general educational plans of intelligent, farsighted business managements in training and educating superintendents, foremen, and the men in their plants all contribute a great deal toward this end.

The fine women of this country can play a most important part in backing up industry and business if they (the women) are convinced industry and business are operating along fair and sound lines. Most of those who know about the businesses in which their husbands are engaged believe in the fairness of those particular institutions—whereas, not knowing about other businesses, they frequently are in doubt about them—and being in doubt, are not good sponsors for them.

This avenue, I believe, offers one of the most valuable and hopeful opportunities available to us to bring the truth home to a very large percentage of the population. Women train the minds of youth, and youth of today will be our industry and business of tomorrow.

To keep the Government from stepping into business further than necessary or desired, men must be able to do things by themselves as well as or better than the Government can do those things for them. If men can do the job and labor and capital will cooperate, understand, and respect each other, their combined power will keep government where its founders deemed it could serve its people best. And further, their combined strength will remove from the statute books any bad laws that have been put there and will keep from enactment further bad laws that are incubated in the minds of politicians.

POINTS TO REMEMBER

Remember, next to wages, labor is interested in regular work on a permanent job. Management should endeavor to work out such a system to accomplish this, but that system must square with sound economics or it will fail.

Remember, giving labor its just due in wages and working conditions will increase labor's determination to work, rather than to be satisfied with relief or relief work.

Remember—workingmen standing with the management, will resent the acts of any outside agency or laws that injure business, because they will understand such things injure their interests also. When such understanding arrives, bad laws will be promptly corrected or repealed.

Remember—your men should thoroughly understand your company policies, principles, and objectives—don't leave anything to silence.

Remember—the local community should understand your company principles, policies, and objectives—and, understanding them, should vote the company a good citizen.

Remember—faith, confidence, and mutual respect must be in the picture with good practices. "Faith begets faith"—and confidence begets confidence. Both lead to mutual respect.

Remember—sharp practice anywhere along the line helps destroy faith, confidence, and equity.

Remember—the public is equity's court—and public opinion is equity's decree.

Remember—labor and capital make industry, and with either one removed there is no industry.

Remember—Government only derives its just power from the consent of the governed—and, after all, it is nothing but a creature of the people, unless it gets out of hand and through force becomes the master of the people.

SIGHT BEING RESTORED

Two verses from the Bible are at this time worthy of consideration by both labor and capital—quoting from St. Luke, chapter 6:

"And why beholdest thou the mote that is in thy brother's eye, but perceivest not the beam that is in thine own eye?"

And then again this great question:

"Can the blind lead the blind? Shall they not both fall into the ditch?"

My answer is—the blind on both sides are coming into sight and have already begun to read the decrees of equity on the wall of public opinion. Hence, each with sight and patience can help both to keep out of the ditch. The National Association of Manufacturers and other vital organizations are helping tremendously to restore this sight, and labor and capital are showing daily evidence of their appreciation of the necessity of choosing good leaders who believe in law and order.

"He who comes into equity, must do so with clean hands," and "He who asks equity, must do equity." If understanding cooperation is accomplished between labor and capital—I predict both labor and capital will appreciate that no one-sided law can long bring benefits to the side it favors, because that is not equity.

If the President of the United States believes that the great majority of labor is understanding and trying to do equity, and that the great majority of the captains of industry are cooperating and trying to do equity, then I believe a definite and direct word from him to this effect would be most helpful to the country right now.

In closing let me urge that we all join in fervently expressing the hope that the days to come will justify man's faith in his fellowbeings. That his intelligence, industry, and goodness of heart will prevail over the destructive forces that have threatened his civilization. That he will come to the realization that but one heart beats for all, and that mutual love, respect, and understanding will make "life, liberty, and the pursuit of happiness," a glowing reality.

The Pulp Production in the United States and Imports

EXTENSION OF REMARKS

OF

HON. REID F. MURRAY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Friday, August 6, 1948

Mr. MURRAY of Wisconsin. Mr. Speaker, the production of newsprint in the United States was shown in the CONGRESSIONAL RECORD of August 4, 1948. This record shows that of the newsprint used in the United States in 1948, 82 percent of it was imported and 18 percent produced in the United States.

The United States production and importation is opposite to the newsprint situation. The following official table shows that about 80 percent of the wood pulp used in the United States is produced in the United States:

United States production and general imports of wood pulp, 1930–48

[In short tons]

Year	Production	Imports
1930	4,630,000	1,636,000
1931	4,409,000	1,426,000
1932	3,760,000	1,323,000
1933	4,276,000	1,734,000
1934	4,436,000	1,613,000
1935	4,926,000	1,934,000
1936	5,695,000	2,278,000
1937	6,573,000	2,395,000
1938	5,934,000	1,710,000
1939 [1]	6,993,000	2,027,000
1940	8,960,000	1,225,000
1941	10,375,000	1,158,000
1942	10,783,000	1,237,000
1943	9,680,000	1,306,000
1944	10,108,000	1,072,000
1945	10,167,000	1,754,000
1946	10,607,000	1,795,000
1947	11,952,000	2,303,000
1948: January to March	3,102,000	611,000

[1] Includes data for existing mills not classified as producers of pulp before 1940. In that year data for 6 mills not previously classified as producers of wood pulp were included for first time. An additional mill was included in 1941, and 2 more added in 1943.

Source: Publications of the U. S. Department of Commerce: Foreign Commerce and Navigation of the United States (1930–40), Bureau of Foreign and Domestic Commerce. Same (1941–44), Bureau of the Census. Statistical Abstract of the United States, 1935 and 1947. Summary of Foreign Commerce of the United States, January to December 1945, 1946, and 1947. Industry Report, Pulp and Paper Annual Review (February 1948) and First Quarter Review (May 1948).

Mr. Speaker, the paper and pulp industry is and has been one of the important industries of our country.

Address by Governor Green, of Illinois, at Annual Encampment of One Hundred and Ninth Antiaircraft Artillery Brigade

EXTENSION OF REMARKS

OF

HON. C. WAYLAND BROOKS

OF ILLINOIS

IN THE SENATE OF THE UNITED STATES

Friday, August 6 (legislative day of Thursday, August 5), 1948

Mr. BROOKS. Mr. President, approximately 1,100 civilian soldiers, members of the One Hundred and Ninth Antiaircraft Artillery Brigade, Illinois National Guard, participated in their annual encampment at Fort Sheridan, Ill., beginning July 24.

The brigade under the leadership of Brig. Gen. Julius Klein, at the Governor's Day ceremonies on August 4, was lauded by the Hon. Dwight H. Green, Governor of Illinois, as one of the outstanding organizations in the Illinois National Guard.

I ask unanimous consent that the Governor's address may be printed in the Appendix.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

The opportunity afforded me today to visit with the officers and enlisted men of the antiaircraft artillery branch of the Illinois

National Guard is one that I deeply appreciate.

I am only sorry that all of the citizens of our great State could not join with me in reviewing the training program that you have undertaken at your summer camp here at Fort Sheridan.

The new Illinois National Guard is scarcely 2 years old, yet the rapid progress that has been made in its reorganization already has established it as the greatest in the history of our State.

The troops of the Thirty-third Division and other organizations of the Illinois National Guard in their summer training installation at Camp Ellis, like those stationed here, have made a most favorable impression and they have exhibited real enthusiasm. It is a very healthy sign that although many of you are somewhat new at the business of being soldiers—you are willing and anxious to do your part toward learning your job and making your unit one of the best in the National Guard.

Illinois now ranks second in strength of all the States and Territories and this reflects the untiring, unselfish, and patriotic effort of all the fine officers here today as well as the enlisted men who make up the Illinois National Guard.

When the Illinois National Guard was inducted into Federal service prior to World War II, more than 7 years ago, approximately 10,000 officers and enlisted men were members of the guard. Now our strength already has exceeded the 19,000 mark and during June it was necessary to halt enlistments to keep Illinois within the strength ceiling established by the War Department.

The people of Illinois are proud of the achievements of their Illinois National Guard both in times of peace as well as in time of war. The history of the National Guard dates back to the years before our State was admitted to the Union. In those days the pioneers banded together in militia units to protect themselves from marauding bands of Indians.

In World Wars I and II the history of Illinois troops of the National Guard was one of brilliant performances on the field of combat.

Many of you men here today are getting your first taste of military life. It is to you that Illinois looks now to carry on the traditions of honor and service that are the proud heritage of Illinois soldiers.

Modern warfare has developed new weapons—jet-propelled planes, buzz bombs, and the atomic bomb. The speed with which modern aircraft travel has reduced the size of the earth to the extent that now there is no point in the world more than 48 hours air distance from Chicago.

Thus, you men of the One Hundred and Ninth Antiaircraft Artillery Brigade are training for one of the most important assignments that it would be possible to receive in event of future conflict. Your ultimate objective at this training camp and in your training hours through the year is to function as a team in the accomplishment of the destruction of enemy aircraft, should that mission ever be assigned to you.

As members of the Illinois National Guard you men form a major bulwark of our national security.

When the first steps were taken to reorganize the Illinois National Guard, I as Governor, insisted that the officers to be commissioned be the highest type of men available.

I demanded that the sole basis on which commissions were to be granted would be previous military training and proven efficiency. Those qualifications have been followed in the reorganization program and I feel that they have paid dividends in the form of steady progress.

With Major General Boyle serving as adjutant general, the pioneer work of the guard's reorganization was ably directed by its first commanding officer, Lieutenant General Haffner. His capable successor, Major General Teece, with the fine cooperation of every officer and enlisted man in the guard, has carried the program forward rapidly until it has produced the results we have seen today. This brigade has made marked progress under the leadership of General Klein who is a veteran in Illinois National Guard service.

The State of Illinois will continue to demand that its National Guard shall have the finest officers and best enlisted men. We want you to have the most modern equipment and the most competent instruction in up-to-date military tactics that it is possible to provide.

Many of the units of this antiaircraft artillery brigade are in urgent need of additional armory facilities and it is my hope that the State of Illinois eventually will be able to provide each unit of the National Guard with the necessary armory facilities.

The Illinois Armory Board's construction program was delayed during the war years by the restrictions placed upon all types of building in favor of the war effort. In recent months it was further delayed by a test case in the Illinois Supreme Court. The supreme court, as you all know, in a recent opinion upheld the powers and authority of the armory board. On that basis I am hopeful that immediate action will be forthcoming on the construction program.

Meanwhile it is up to you officers and enlisted men to continue to carry on your duties in the same high spirit of cooperation that has always made the Illinois National Guard the most outstanding in the Nation.

Double Talk

EXTENSION OF REMARKS

OF

HON. HAROLD KNUTSON

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 5, 1948

Mr. KNUTSON. Mr. Speaker, President Truman received his political education in the Pendergast political university and he learned his lessons well, as is attested by his recent radio talk to the Nation when be blamed the Republicans for all the ills that were created by the New Deal.

President Truman's political fortunes had struck a new low and it was necessary to do something about it. Utterly ignoring the fact that he has full authority to act in the inflationary crisis, through which we are passing, he called Congress together in extraordinary session to give him yet more powers. It is reasonable to ask, Why does not he use the powers he now has to check the upward price spiral?

The New Deal is responsible for every contributory factor to the inflation which now afflicts the country, but the people do not know this. Many feel that Congress should give him yet greater powers, which are not necessary, to bring the situation under control.

One of the many who heard his radio talk on inflation wrote me and demanded that Congress do something about the high cost of living. Based upon the President's radio address on the subject, her demand was logical and reasonable. Unfortunately, she did not have all the facts.

I am today writing this constituent and giving her the real facts. For obvious reasons I do not use her name. Her letter follows:

COMMITTEE ON WAYS AND MEANS,
HOUSE OF REPRESENTATIVES,
Washington, D. C., August 6, 1948.

DEAR MADAM: I have read your letter with every sympathy, and am in complete agreement that everything possible should be done to put this inflation into reverse. That is also the attitude of this Congress. Unfortunately, it is not a simple matter to do so.

Under the New Deal our circulation of currency has increased from less than $6,000,000,000 to $28,000,000,000—nearly 500 percent. As the volume of money increased the demand for everything else also increased proportionately. Inflation is caused almost altogether by too much money and too little available of what we need.

Mr. Truman is certainly in no position to complain as he is largely responsible for our present plight. Although we have been unable to get definite figures, we all know that enormous quantities of our production are going abroad when such production is needed at home. That has also helped to create inflated prices. To make matters worse, per capita production in this country is steadily going down. Then we must not forget the repeated wage increases, all of which have to be paid by the consumer.

I have pointed out the large exports which have been made. During the past 2 years the Truman administration has sent nearly 1,200,000,000 bushels of grain principally to European countries. The purpose of these shipments was to help feed starving people in war-torn areas. Grain in this country means an abundant supply of meat, dairy, and poultry products. When unusually large quantities of grain are taken out of the country, it can only mean shortages and higher prices for feed to livestock, and higher prices to the consumers. That is what has happened to us. I might also state that during the past 2 years tremendous amounts of meat, dairy, and poultry products have been shipped out of the country, which has had its effect upon our price levels.

While we are anxious to help feed hungry people, we must not overlook the fact that causing shortages in this country is a primary factor which brings about the inflationary prices for essential food items.

I am personally doing everything that I can to encourage increased production of food and other necessities so as to create an abundance in this country and lower prices to American consumers.

I am told that local plasterers are receiving $30 a day, plus $2 travel pay. Bricklayers, carpenters, and masons are drawing proportionate wage scales. Do you wonder that there is a housing shortage? A person of ordinary means cannot afford to build at those prices.

Another important item in the cost of living, second only to labor, is the burdensome war taxes which must be continued because of the President's profligate spending. Economists estimate the cost at 30 percent of what we buy.

We are told that OPA should be restored. Can it be that the American people have so soon forgotten what happened under OPA? We couldn't get meat, butter, eggs, sugar, and many other necessities, except in the black market, but the President very conveniently forgot to mention all of these things in his radio talk. He didn't tell his hearers that he himself removed the ceiling price on meats because he recognized it was unworkable.

You will recall that last winter the price index took a sudden and violent drop which threw the President and his advisers into a ditter. They feared that if the downward

trend was not checked it would bring on another recession so they hurried to Congress and asked for legislation to hold the price line. President Truman also conveniently forgot this incident in his radio talk.

In 2 months I will be 68 years old but I cannot recall ever having seen such chaotic conditions under Republican rule and I am sure you cannot remember anything like it. It always happens when the Democrats are in and they usually manage to get us in a war for good measure. Then people talk about voting the Democratic ticket. It is beyond my understanding.

The President now has the power to act if he will but declare an emergency. This he does not want to do on the eve of an election, because he lacks the nerve to do the things that are necessary. If he is reelected we can only conclude that the people are satisfied with the way things are going under his guidance. How can we expect very much from a man who didn't have the foresight to secure a corridor to and from Berlin, and it is well within the range of possibility that his folly and failure may force us into another war.

I am indeed sorry to hear that the situation in the St. Cloud trailer camps has not improved. I visited the camps a year or two ago in company with Mrs. C. H. Tanner and Mrs. Harry B. Clark, and at that time wired the Federal Public Housing Authority to improve the conditions existing there. It is my recollection that the city of St. Cloud fixes the rentals at the two camps. I suggest that you check on that. It is also my recollecion that at that time we secured a reduction in rent from $23 to $18 per month, which was to include water and electricity for lighting. I was also promised that the trailers would be winterized.

I trust you will pardon the length of this letter, but long as it is I could have said a great deal more.

With best wishes, I am,

Yours very truly.

I. G. Farben Nazis Must Not Regain Power

EXTENSION OF REMARKS

OF

HON. GEORGE G. SADOWSKI

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, August 6, 1948

Mr. SADOWSKI. Mr. Speaker, recently a few of the German warmakers who put Hitler in power were found guilty of minor offenses and received light sentences. These evil men who have caused so much trouble in the world and are responsible for the killing of millions of people must never be returned to power again. This pledge, we the people of the United States, through our great President Franklin D. Roosevelt, made to all the people of the world while we were engaged in World War II. We as Americans are bound to keep this pledge that we made to the people of the world who suffered so much during the war, or we shall be regarded by them with fear and suspicion. Our future policy toward these German cartellists is the yardstick by which we will measure the number of friends and allies that we shall have. It is the yardstick which shall determine whether there will be peace or war.

At this time I wish to include an article which appeared in Labor, Saturday, August 7, 1948. Labor is a national weekly newspaper owned by 15 recognized standard railroad labor organizations, and is their official Washington weekly newspaper.

COURT CONVICTS FARBEN AND KRUPP MAGNATES OF PLUNDER AND MASS MURDER

Some of the big German industrialists who put Hitler in power were sentenced to prison this week by an American military court at Nurnberg, Germany.

Alfred Krupp, head of the giant Krupp steel and armament works, got 12 years, and 10 of that concern's directors received terms ranging down to 34 months.

Thirteen top officials of I. G. Farben, vast German chemical combine, were handed prison sentences of 18 months to 8 years.

They were convicted of plundering factories in countries conquered by the Nazis, and of abusing and murdering "slave workers" dragged from those countries to toil in the Krupp and Farben plants. The evidence presented against them is horrifying, but too detailed to go into here.

MAY COST US DEARLY

The average American will say: "Well, that's that." Unfortunately this may not be the end of the story. It may have future chapters which, like its past ones, will affect Americans and cost them dearly.

After the First World War, nothing was done to curb the big German industrialists and financiers who supported, and were part of, the Kaiser's militarist machine. As a result, they kept their power, and joined American, British, and other foreign big business in international cartels. Thus they acquired powerful friends in the United States and elsewhere.

These friends helped the German industrialists and financiers arm the Nazis and put Hitler in power, just as they had previously aided Mussolini. They liked the way the German and Italian dictators "put labor unions in their place."

The result of all this was the Second World War, which cost the American people 350,000 dead, a million wounded, and a national debt of nearly $300,000,000,000.

SAME STORY AGAIN?

Is the same story being repeated after the Second World War, at risk of a third conflict? Are American, British and other big business interests again protecting their German friends, and secretly reestablishing the international Cartel Trusts?

No one can prove that yet, but there is reason to fear it is going on. The evidence is being more frankly discussed in some other countries than in the United States.

For example, a Canadian newspaper recently published an article asserting that the members of the American military court, which tried the Farben and Krupp magnates, were picked by Howard Pederson, now Assistant Secretary of the Army, but formerly with Sullivan and Cromwell, a big Wall Street law firm which handled business for German industrialists and financiers.

LOOKED LIKE STALLING

The history of the Farben and Krupp trials looks like a deliberate scheme to "stall" until public opinion cooled off, and comparatively light sentences could be handed out.

At first, the trials were blocked by British interests. Then the American court took over, and has been dawdling along for more than 2 years.

In the end, it gave the German industrialists far lighter punishment than was meted out to the men they put in power. Not long after the war was over a dozen top Nazis and German military officers were sentenced to death, and a dozen others to life in prison.

Socialized Medicine Approved by Democrats

EXTENSION OF REMARKS

OF

HON. LAWRENCE H. SMITH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 4, 1948

Mr. SMITH of Wisconsin. Mr. Speaker, the cat is out of the bag. President Truman and the New Deal want to impose a program of socialized medicine upon the American people. In his message to Congress on July 27 he recommended a comprehensive health program based on health insurance. That sounds very innocent, Mr. Speaker, because everybody is interested in health and insurance, but is it as innocent as it looks? I don't think so.

Now to get behind the real meaning of his language we have to go back to his message of February 7, 1948. Then he said, "Our ultimate aim must be a comprehensive insurance system to protect all our people equally against insecurity and ill health." When he seeks to protect "all our people," he is saying that "all our people" will be forced to take this service. This is absolutely a scheme to compel the people of this country to be subjected to a program of socialized medicine. It would be administered by Washington bureaucrats and will cost the taxpayers billions of dollars every year.

Mr. Speaker, Governor Dewey is opposed to this scheme of socialized medicine, which is a Socialist doctrine. Recently he said:

> This idea which has been shared by the last two occupants of the White House that you can improve medical care by passing a law must be stopped. We must get vast broad educational ideas to the people as to the quality of care that now exists and, as to a greater program that is going forward by men of medicine, we must have a program all can take a share in. Let's get some good public-relations men and get the businessman to do his share and get the lawyers and the labor leaders and everybody else. They are the ones who will lose most of all, if freedom in medicine is ever lost.

The issue between the two major candidates for President of the United States is clear and clean cut. Mr. Truman believes as an ultimate aim there must be a compulsory comprehensive insurance system to apply to all our people. Governor Dewey believes that compulsory socialized medicine is no good. For my part, I believe that the position of the Republican candidate, Governor Dewey, is sound, backed up by theory and experience. I believe the ideas of the Democratic candidate, President Truman, are a distinct threat to the medical and allied professions as we now know them and to our American way of life.

The advances in public health in the United States already may show that our basic institutions are sound. Existing shortcomings—and some are admitted—can be corrected within the framework of our time-tried, time-tested system of nonpolitical medicine. Relying

in the future, as in the past, mainly upon individual initiative and personal cooperation, we may reasonably expect the health of the people of the United States to continue to improve.

Address of Mrs. Charles W. Tillett, Vice Chairman, Democratic National Committee, at Democratic National Convention, Philadelphia, Pa.

EXTENSION OF REMARKS
OF
HON. HELEN GAHAGAN DOUGLAS
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Friday, August 6, 1948

Mrs. DOUGLAS. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address delivered by Mrs. Charles W. Tillett, vice chairman, Democratic National Committee, made at the Democratic National Convention, Philadelphia, Pa., Tuesday afternoon, July 13, 1948:

Four years ago I was honored to address your great convention in Chicago.

The war was still going on. I said then that the women of America had pledged their unwavering support until victory should be achieved.

That pledge was made good. The women of America were steadfast to the end.

They worked, they suffered, they sacrificed. But for their sacrifice they now demand a just return. They want their coin in human good.

I tell you now that the women of America say: "Give us peace. Give us the peace for which we sacrificed. Give us a peace that will endure."

In the villages, the towns, the cities of this country our boys are still coming back home. I have stood in the railroad station of my town and have seen many simple shipping cases resting there, draped with American flags. I have known that each of these flags covered the hopes, the affections, the ambitions, and the sacrifices of some mother, some wife, a sister, a father, or a brother.

These scenes have intensified for me, as I know that similar scenes have made real for you, the knowledge that the supreme duty of our country is to lead the world to lasting peace.

This is the highest concern of our time. It must be the highest concern of this convention.

The United Nations conference occurred at San Francisco in 1945. It was held as the result of the unfaltering determination of that inspiring leader in peace, that courageous leader in war, that enlightened statesman of the world, Franklin Delano Roosevelt.

The great international principles that came out of that conference have moulded our common thinking, and their blessings have been shared by all, regardless of party. The last speech that President Roosevelt wrote before his death, the one that he prepared but did not deliver, concluded with a stirring call that all Americans dedicate themselves to the cause of abiding peace.

There is one American known to us all who has responded to that call with all of his body, mind and soul. I refer to that courageous, determined and faithful servant of the people, President Harry S. Truman.

President Truman has sounded the call that President Roosevelt issued across this entire land. He has worked with ceaseless devotion to repay our debt to our God, to our dead, and to our children.

"Our goal," he has said, "must be—not peace in our time—but peace for all time."

Helping President Truman, as his strong right arm, is that dedicated American who was the organizer of victory over the Axis powers, and who is now the organizer for the whole world of recovery and peace, Secretary of State George C. Marshall.

President Truman has continuously placed the power of his great office behind the United Nations. He has established as the cornerstone of his foreign policy support of that great organization. He knows, as you and I know, that the peace that will endure, the peace that will ease the terror which is in the breast of every woman that her boy will be called to war and killed—that peace will be based on the justice that comes out of consultation and agreement.

Women have learned many things about peace since the writing of the United Nations Charter. They know that we must not be gadget-minded about world peace. The Charter is not something that, when wound up, can be left to do the job alone. Congress must support it as well as the President. But with Republicans in control of Congress, the country never knows, nor is the world ever sure, that Presidential leadership in support of a peaceful solution of world problems will be implemented by congressional action. I remind you that once before, under a Democratic administration, an organization was put underway for world peace, but was frustrated by what the Republicans did.

Three weeks ago, in this very hall, there was a proposal that the Republicans include in their platform a bold and challanging statement. It was proposed that their platform assert that they would implement with appropriations any international commitment made by legislative enactment. But isolationist Members of Congress who were powerful in that Republican convention would not tolerate such a pronouncement. The statement was cut from the platform. Notice was thereby served on the country and the world that Republicans reserve the right to promise internationally with one breath and repudiate internationally with the next.

The American woman is not so uniformed on world affairs that she does not know that an acute area of world tension relates to international trade. If any problem ever needed a peaceful settlement, this one does. Congress has appropriated billions to stimulate European recovery so that European nations can enter the field of international trade, but that same Republican-dominated Congress has refused to do more than grudgingly and half-heartedly extended for 1 year, and with crippling amendments, the laws authorizing reciprocal trade agreements. But support of the United Nations requires support of trade agreements. Without them the European recovery program is bound to fail. We are a Nation that accepts our responsibilities and discharges our obligations. We must put a Congress in office that will make reciprocal trade agreements, that are enlightened and just, a permanent fixture in world affairs. In that way, and only in that way, can we bring to pass the vision of peace created by our brave, noble, and beloved elder statesman Cordell Hull.

The United States is the home of the United Nations. We must give this organization the understanding and devotion that future generations demand of us. The despair and devastation of a weary world must hold us to our course. It is a solemn obligation. And yet, just a few weeks ago, Republican Speaker MARTIN, of the House of Representatives, declined to allow the House to vote on the proposition to lend the United Nations the necessary dollars to build their much-needed permanent home in New York. As late as 3 a. m. on the day the Congress adjourned Democratic Representative SOL BLOOM was pleading with Speaker MARTIN to relent, but he held firm until the bitter end. His stand was endorsed by other powerful Republican leaders. This action on the part of Republican congressional leadership has placed in danger the continuance of this country as the permanent home of the United Nations.

I ask you to remember, please, that the Speaker of the House of Representatives who did this was the same MARTIN, of the famous Martin, Barton, and Fish, who, in President Roosevelt's time, were playing politics with our national security. President Roosevelt, in his famous Madison Square Garden speech, charged and proved that, in a world that had been moving swiftly toward war, this trio had deliberately blocked the rearming of America by their votes and by every other means at their command. We cannot allow such men any longer to control the destinies of America and the world.

Women support the Marshall plan. They know that it is the plan by which American dollars are to be used to enable the democracies of western Europe to regain their hold on hope and faith. They know that the mere promise and expectation of Marshall aid has saved these democracies from being pulled into the awful mire of Communist totalitarianism. Congress solemnly adopted this plan as a dynamic instrument of national policy. The time came to appropriate the necessary dollars. But the House of Representatives attempted to cut so much from the funds needed that the plan, instead of being a means to place Europe on its industrial feet, would have been little more than charity and a hand-out. This was an outrageous breach of faith. It was done under the leadership of the Republican chairman of the Appropriations Committee. We cannot allow to remain in this powerful position a man who is so grasping to save a dollar that he will risk Russia overrunning the democracies of Asia and western Europe, the commencement of a third world war, and the atomic destruction of the world.

The nomination of Mr. Dewey was accomplished by the support of some of the most dangerous isolationists in Congress. One of them, Representative HALLECK, the man who turned the tide by swinging Indiana's 29 votes to him, has this incredible record: He voted against the repeal of the arms embargo; against selective service in 1940; against its extension a year later; against lend-lease; against arming American merchant ships; against the British loan; against reciprocal trade treaties; in favor of cutting a billion or so from the European recovery appropriation. Had this Republican king-maker's will prevailed, the British would have had no American planes or arms to resist Hitler, and America would have had no army when the Japs attacked us at Pearl Harbor; we would not have given lend-lease to our allies, the British would be bankrupt and the current effort to put the European democracies on their feet would be doomed to failure. This is one of the men who is counting on the success of Mr. Dewey in November, because he would then be controlling in the councils of the Nation. I hold that women must fight such a catastrophe with all the power they possess.

I know women and I know that the women of America believe in the purposes and principles of the World Health Organization. It was conceived at the San Francisco Conference and founded more than a year ago. The joint resolution designed to bring our country into this organization was kept from the floor of the House of Representatives by the powerful Rules Committee for many months. The Republican chairman of that committee, when urged to release the measure and give the House a chance to vote on it, cynically replied that he was sorry for the poor children who were sick, but he did not think their condition was our responsibility. More important than those sick children, he

said, was the necessity for a cut in taxes. Such cynical isolationism in the atomic age is cruelly reckless of the humane hopes of women for progress in America and peace in the world.

In all of this I do not fail to recognize the splendid service to the cause of the United Nations that has been rendered by many individual Republicans. But neither they, nor anyone else, can deny that the story of the betrayal by many powerful Republicans of the cause of international cooperation leads inescapably to this one conclusion—internationally the Republican Party cannot be counted on. Their support is shifting and fugitive. When any important question of international cooperation is up for decision, we are filled with anxiety and apprehension. Republican support in such matters each time depends wholly on chance; on what man happens to be in charge of what matter when the subject of world affairs is presented.

I do not believe that the women of this country will be willing to make Republican isolationists the guardians of the peace.

Notwithstanding the utterly predictable course that many powerful Republicans have followed, the result of President Truman's policy to support the United Nations has borne much fruit. Many times in the last 3 years the United Nations has brought about peaceful settlements as substitutes for wars.

First. The Soviet Union was induced to withdraw its troops from Iran.

Second. The British and French were induced to withdraw their troops from Syria and Lebanon.

Then the political independence and the territorial integrity of Greece were aided.

And a truly great piece of work was done in Indonesia. War had been under way between the Dutch and the Indonesians. The Security Council, acting under the peaceful settlements section of the Charter, was able to obtain a truce. Through the splendid work of a good offices committee, composed of one member from Australia, one from Belgium, and the chairman from the United States, 18 principles to guide the setting up of the United States of Indonesia were agreed upon. These 18 principles provided for self-determination, civil liberties, free elections, and a constitutional convention for the organization of a free and independent United States of Indonesia with representation based upon population.

Thus a war has been stopped and progress is now being made toward a peaceful solution of the Indonesian controversy.

Had the peaceful settlements machinery of the United Nations not been available for this Indonesian controversy, a war which was then going on could easily have spread around the entire globe.

These are but a few of the peaceful settlements that the United Nations has been able to accomplish, supported always by the powerful influence of our Government and President Truman.

The plain design and objective of the United Nations, and of our Government in supporting it, is not so much to maintain peace by force as it is to build peace by eliminating those strains and tensions of the world that can result in war if not relieved.

During the 3 years since hostilities ceased, more instruments for constructive international cooperation have been built than ever before in the history of the world. During the present 12 months through which we are now living, this network of international organizations will bring together, in sincere and constructive conference, representatives of the governments of the world at more than 2,500 meetings. Out of these conferences and meetings I firmly believe there will occur the birth, and that there will develop the growth, of international confidence which in turn can produce a world community of real and enduring peace.

During the years that are just ahead the United Nations must have a support from the President and Congress of our country that is firm and constant. In that way, the foundations of a deep and lasting peace will be laid.

The commissions and organs of the United Nations are planning their work with statesmanship and insight.

The Commission on the Status of Women has adopted as its guiding principle that, in the world of today, women have a definite role to play in building a free, healthy, and moral society.

The International Labor Organization is pledged to the improvement of conditions, life, and opportunities of workers all over the world.

The Food and Agriculture Organization has set as its objective increasing the production of food, the raising of nutrition standards, and the betterment of rural conditions everywhere.

The World Health Organization has declared that there shall be extended the benefits of modern medical knowledge and the highest standards of health to all peoples everywhere.

The Human Rights Commission has drafted a declaration to secure basic rights to each individual member of the great human family. This has been done under the leadership of a great American woman, the first woman of the world today, Eleanor Roosevelt.

Women want peace. But women know that we cannot have peace by just wanting it.

Peace must be planned.

Peace must be constructed.

The ideals of the United Nations must be translated into achievement by action. Action that is bold, gallant, and unwavering.

That is the kind of action President Roosevelt gave to the world yesterday.

That is the kind of action President Truman is giving to the world today.

That is the kind of action the Democratic Party will give to the world tomorrow when, in November, the voters of this country give to it the power and responsibility of victory.

"A Little White House"

EXTENSION OF REMARKS

OF

HON. BERTRAND W. GEARHART

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 26, 1948

Mr. GEARHART. Mr. Speaker, in the hope of securing the unanimous support of the membership of each of the major political parties, the gentleman from Kentucky [Mr. GREGORY] and I have introduced companion bills, identical in form, the enactment of either of which would provide an official residence in the District of Columbia for the Vice President of the United States. The bills have been popularly referred to as the little White House bills.

Among the great newspapers of the country which have editorially endorsed this proposal, as contained in the bills, is the Evening Star, of Washington, D. C. In an able and most persuasive editorial, this metropolitan daily, in its issue of August 5, 1948, expressed its approval in the following words:

A "LITTLE WHITE HOUSE"?

There is a lot of merit in the Gearhart-Gregory proposal to establish an official "Little White House" for the Vice President. The idea is not a new one, of course, but the arguments in favor of it have grown with the years. The chances of adoption of the plan are probably better now than at any time in the past.

Although the latest move is bipartisan in nature, it undoubtedly was stimulated by the discussions during the Republican national convention about inadequacy of the salary paid Vice Presidents, and by Governor Dewey's suggestion that they be given greater powers. Governor Warren, the Republican Vice Presidential candidate, will suffer a salary cut of $5,000 a year if he is elected Vice President. Governor Dewey favors increasing the Vice President's pay from twenty to fifty thousand dollars a year and making the job vastly more important than it is now. He told reporters after the convention that, if elected, he would try to institute "historic" reforms in the Vice Presidency, with a view to relieving the President of many burdens. Under the Dewey program, the Vice President would be more of an "Assistant President" than the obscure official he has been too often in years past.

If this plan were to be carried out the proposals to raise the Vice President's salary and to provide him with an official residence in Washington would carry a great deal of weight. The Vice President really is a stand-by President. He should receive enough salary to enable him to live in a style befitting this high position. And it would not be overdoing things to relieve him of the task of house hunting by assuring him of a rent-free home for him and his family while he occupies the No. 2 executive office. If the special session cannot find time to consider the bills introduced by Representatives GEARHART and GREGORY the next Congress should give the matter earnest attention.

Mr. Speaker, echoing the sentiments of the Evening Star, another widely read newspaper, one which is also published in the city of Washington, added on the day following the support of its editorial columns, as follows:

A "LITTLE WHITE HOUSE"

Two Members of Congress, a Democrat from Kentucky and a Republican from California, home States of the two Vice Presidential nominees, are joint authors of a bill for an official residence for the Nation's No. 2 man.

It's a sound proposal—something that should have been done long ago.

California provides Governor Warren an official residence, and if he changes jobs as a result of the election he will take a lower salary when he comes to Washington. He shouldn't be expected to go house-hunting at the same time.

But while we're on the subject of housing, the little folks should not be overlooked, either. Congress should pass the Taft-Ellender-Wagner housing bill, too, but the voice of the real-estate lobby is louder than the voices of the little folks.

The Republicans and the Republic

EXTENSION OF REMARKS

OF

HON. LAWRENCE H. SMITH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 5, 1948

Mr. SMITH of Wisconsin. Mr. Speaker, as part of my remarks I am inserting a most interesting article which appears in Human Events for August 4, 1948, by

Edna Lonigan. It will serve as a challenge to every Republican who is interested in maintaining free government in this country as opposed to socialism, communism, and statism.

THE REPUBLICANS AND THE REPUBLIC

(By Edna Lonigan)

President Truman has recalled Congress to present a program including Government provision of housing, Government control of education, and Government management of the national income through price control and rationing.

The President really crossed the Rubicon to socialism in his acceptance speech at Philadelphia, as Human Events pointed out in its issue of July 21. He there put himself at the head of a movement to set up a welfare state on the European model, in which all power is centered in the hands of a few, and the masses are kept quiescent by subsidies from the public treasury.

The question now is whether the Republicans will openly oppose the President's radical departure from American principles, or whether they will temporize with the idea that the state can bring gifts, and merely promise to spend moderately and administer it all much better.

Under the two-party system, if one major party turns Socialist, as the Democrats have done, then political contests tend to become a race between the two parties in the direction of state dictatorship.

Yet the system of providing welfare through Government aid to certain classes is not a success; it is a total failure. It has been tried many times in many places, and it has always lowered the well-being of the nation which tried it. In the United States this system would destroy our constitutional form of government, and substitute the continental form of democracy, in which embattled classes struggle to the death for control of an all-powerful government.

The Republican Party has not yet clearly revealed its position. Many Republican leaders do not understand the constitutional issue any better than does President Truman. Others know that the peculiar slant of written and spoken discussion over the last 16 years has badly fitted the voters to make intelligent choice. So there is real danger that we shall have no party to take a stand against the groups which are getting used to Government benefits. Then, like Europe, we shall have only a choice between two kinds of collectivism.

Liberalism in Europe did not die in battle. It was not treacherously stabbed in the back. It yielded to the vested interests which grew as Government spending grew. If the Republicans are to defend this country against the loss of liberty through Government benefits, they must do better than any party in Europe was able to do.

II

A nation is a tremendous river of people, pushing and forcing its way through time. It can wear down the hardest granite of cruel circumstance, only to be dispersed in mud and swamps, if the current of its life slows down. That has happened to both Germany and Britain.

As industrialism spread in Germany, in the nineteenth century, it brought a movement for political liberalism. Germany was moving toward limited government, free trade, and voluntary organization, on the then English model.

In the 1870's Bismarck adopted the German new deal policy, making the state responsible for the industrial masses, protecting them against fear and want. The only price the masses seemingly had to pay was to protect the Hohenzollern dynasty against the liberal opposition, by voting the funds for a strong central government. This policy of state beneficence was really not new. It was in the direct line from the great elector. It was Prussian.

The impact of Bismarck's socialism on the mind of western Europe was not in its divergence from German tradition, but in its direct challenge to England and the liberal tradition there. Here was a powerful industrial nation saying, for the first time: "We discard the theories of the British liberals; we laugh at the Manchester School. We will improve on their industrial capitalism but we despise their petty bourgeois political freedom."

With the introduction of State socialism, German liberalism was finished. The Government gave "benefits" to labor, industry, farming, banks. Liberal arguments could not defeat these vested interests.

So the Germans had only a choice between two collectivist groups. One wanted the state controlled by the imperial family, the other by the rising labor oligarchy. But both agreed on State control of industry, labor, farming, banks. No poltical force was left to educate the people constantly in the idea that the State should not control or regulate economic life at all, that the citizens, through the free market, can best direct their own economic destiny.

III

English liberties were not lost in the election of 1945. They were not lost in either world war. The further back we go, the clearer are the signs that the English were surrendering their liberties before Queen Victoria's diamond jubilee. By 1900, the astounding rate of growth in British economic wealth had begun to slow down, while the population curve continued upward. As an inevitable result, real wages declined, and the "social problem" reared its ugly head.

There were two kinds of economic doctors: those who believed in holding more firmly to free experiment as the creative force, when difficulties increased, and those who said, "Let us try the new medicine from Germany. The patient shows a quick improvement. Those who say the people will be permanently enervated can't prove it. If it doesn't work, we can always turn back."

In 1910, Britain adopted the German system of old-age and sickness insurance. By 1924, Britain was taking the lead in socialization, "insuring" workers against unemployment before the German Republic did. Lloyd George had transformed the Liberal Party into a middle-class Socialist Party. It was, of course, the end of the liberals. The Labor Party could promise more.

No party in Britain stood for liberty first. There were many individual liberals, but there was no party constantly warning the people that government cannot give them benefits which they do not pay for themselves. Even before Lloyd George, we see the English gradually building a government bureaucracy; we see the decline in enterprise and the growth of price-fixing. In colleges, graduates of German universities taught that rights were given by the state, and so the state could take them away.

A century ago, Cobden warned the English that they had only one more generation in which to reorganize themselves before American and Prussian industrial gains overtook them. He urged repeal of the corn laws, to buy time for Britain. But in the sixties both America and Germany were distracted by war, and England thought she could hold her lead. When the crisis came, the English people turned to the state.

Liberalism was dead before socialism took over. As the English turned to the philosophy of statism, made glamorous by Prussian professors and generals, as government bureaus and cartels and other vested interests grew, the English lost their independence to the state.

IV

In the last 16 years, we too have seen business, education, labor, and local government in this country become accustomed to gifts from the Federal Government. Our danger is not from a dramatic abandonment of liberalism, but from a leaking away of principles, a little compromise with this spending program and with that, until the Republican Party is as completely enmeshed in its commitments to mass supporters as were the New Dealers.

In such a race the ruthless always win, or as Hayek said, the worst get on top. The winners are those most skillful in finding benefits to attract new classes of supporters. Money is given first to the very poor, but soon farmers and labor are openly given premiums for supporting the party in power. As the government elite grows more skillful it devises benefits by which businessmen, investors, city and State governments, are inveigled into the net of the spending power, to give up their liberty in return for their own money.

The answer to political power built on spending is not to spend less, or to spend it more efficiently, as some Republicans sometimes assert. Any spending program must grow in the direction its nature prescribes—increasing ruthlessness.

The only possible answer to the debauchery of the electorate is to stop all new giving, and to set a terminal date for every existing program beyond the bare minimum traditional for our Federal Government.

The Republicans have fought four campaigns against a socialist government, but they have still to raise real opposition to the socialization of agriculture, the socialization of banking, and the attempts to socialize housing, education, and medicine.

The only way to fight the vested interests built up by a spending government is to organize all the people who have a vested interest in preserving freedom.

Farmers can give up their benefit checks—if everyone else does. Colleges can give up their Federal tuition fees—if spending is stopped and private gifts are available again. Investors can give up their "guaranteed" investments—if the Government can no longer manipulate the money market. Banks need not depend on Government banking business—if competitive business is made free.

If the Republicans yield now to the appeal for spending, or lift a finger to attract mass support, we will have no choice but to travel down the road the Germans entered under Bismarck and the English entered under Lloyd George: the road to totalitarianism. It would be far better from every viewpoint for the Republicans to go down fighting for the principles of freedom, if they must, than to win a "glorious victory" by yielding to European statism in the name of public welfare.

On Need of Screening DP's

EXTENSION OF REMARKS

OF

HON. ARTHUR G. KLEIN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, August 2, 1948

Mr. KLEIN. Mr. Speaker, under leave, I am inserting in the RECORD the third and concluding portion of an article by Mr. Abraham G. Duker on the need for screening immigrants to the United States:

(Part III)

Reference has been made to the armbands which distinguished the collaborationists—killers. A captured film made by an amateur Nazi photographer and shown at the Nuremberg trial showed a large aggregation of women, many of them naked and swollen, being beaten and dragged by the hair by these collaborationists.

COLLABORATIONISTS AIDED IN THEIR ESCAPE TO GERMANY

These collaborationists, who come for the most part from relatively small cities and villages, and are therefore known to the local populations, have naturally fled with the Nazis and are fearful of returning to their places of origin. As a rule, the Nazis during their retreats were not concerned with the fate of the collaborationists and left them to shift for themselves. Exceptions were nevertheless made for loyal Poles and Ukrainians. The following entry is found in Frank's diary (August 5, 1944):

"President von Craushaar submits to the governor general a teletype addressed to Gauleiter Bracht concerning the transport of loyal Poles and Ukrainians back into the Reich. In this teletype it is requested that undisputed passage across the borders into the Reich should be granted to these Poles and Ukrainians if they could identify themselves as loyal Poles and that they should not be recruited for the construction of fortifications. The governor general signs this teletype."

Koerner, deputy chief of military government in the Ukraine, writes as follows about the westward retreat to Germany:

"Greatest immigration of peoples in the Ukraine of all time. Over a million people, 150,000 racial Germans, over a million heads of cattle, thousands of voluntary assistants (Hiwis), and millions of soldiers are moving in a westerly direction." (Document 1198–PS.)

The thousands of voluntary assistants are present day political refugees. What a metamorphosis.

THEY SAVED THEIR FAMILIES

Because of their close association with the Nazis, the eastern collaborationists succeeded in taking along their families. The Nazis did not want children as slave laborers. They only took sturdy adults. The children found in the camps are those of collaborationists. Often collaborationists can be identified precisely because they have their children with them.

It is only reasonable to suppose that these criminal elements would endeavor to escape the wrath of neighbors and the kin of those whom they murdered or mistreated. This is precisely what they did, joining the tens of thousands of their brethren who were already in the Reich, serving it voluntarily in various capacities.

Dr. Karl Gruber, Foreign Minister of Austria, declared on November 15, 1946, at Lake Success that there were many "fascistic elements and criminals" among the displaced persons in Austria. "These elements fled west ahead of the German Army as it retreated from the eastern front and settled in Austria."

What is true of Austria is truer yet of Germany and even Italy. Those in Italy are collaborationists with almost no exceptions. It might be added at this point that the present exposition takes no account of the collaborationist element constituting the bulk of the displaced persons from Slovakia, Yugoslavia (the murderous Ustashis and the Moslems), Rumania, and Hungary. For sheer delight in massacre the Moslem SS, the Ustashis, Slovaks and Hungarians were not inferior to the Balts and Ukrainians.

Still another aspect of the collaborationist saga should be noted. The Poles have excellent reason to hate the Ukrainians for what they did to them during the occupation period. Yet there is a remarkable quiescence on this score. The reason is that both factions found outside Poland know that they are guilty of identical crimes. This does not apply, of course, to Poles who left before 1939, and the genuine slave laborers.

SOVIETS DEPORT DEMOCRATIC ELEMENTS

Yet another factor is to be considered. The Soviets had indeed brutally deported many Balts and Poles to Siberia during 1939–41. Parenthetically it might be noted that the Communist Party—indeed, leftist parties of all descriptions—were banned under the regimes which prevailed in the Baltic States. When the Communists took control they naturally had a field day squaring accounts with their former persecutors. The Nazis, who certainly had no interest in minimizing Bolshevik brutality, placed the number of deportees at about 40,000.

In any event, the deportees to Siberia who may very justly lay claim to being political refugees, are not the ones who are found in the DP camps. Many in the camps and outside them are the ones who dispatched hundreds of thousands of innocent persons to death, contributed to the prolongation of the war by aiding in the extermination of partisans, drove their own peoples to forced labor, starved their own people to feed the Nazis, and plundered the wealth of their respective countries for their own and their masters' enrichment. These people are not refugees from political oppression.

While in the west, where collaboration did not include massacre or torture to the extent practiced in eastern Europe, trials of collaborationists were initiated immediately following liberation, and have continued since with full approval of liberal public opinion. Yet, collaborationists from the east are regarded as martyrs. Never was the crown of martyrs more easily acquired and more unjustly worn.

LAXNESS OF AMERICAN AUTHORITIES

The American authorities have not, in fact, made any attempt, even of a superficial nature, to check on the identity of these political refugees. They have, as a matter of record, released collaborationist murderers who had been recognized as such by survivors. A former American soldier reports that in April 1946 several Jewish survivors recognized in the streets of Fuerth, near Nuremberg, the Ukrainian collaborationist, Stepan Harasimowicz, and had him arrested. Incidentally, like all faithful collaborationists, he had his family with him. Harasimowicz was commandant of the Ukrainian police in Delatyn, Poland. He participated in the massacre of 1,700 Jews of Delatyn on October 14, 1941. Subsequent to that he drove out other Jews to the mass graves and ordered them to wash the dead bodies and to drink the water. The witnesses were requested to execute affidavits, and they did so. Two weeks later they saw Harasimowicz walk about freely in Fuerth. They appealed to Justice Jackson's office. Upon inquiry the C-I-C agent said that, first, the jails are too full, and, besides, he was not at all clear as to what disposition is to be made of men like Harasimowicz. Members of Justice Jackson's staff were repeatedly approached about the problem of collaborationists but were helpless to do anything.

It is extremely doubtful that these collaborationists give their correct names to the authorities. No proper screening is possible unless the names and data given by them can be verified at their places of origin. One might add that the statistics on occupational distribution among the collaborationists, published by various American bodies, are largely worthless, as the collaborationists prepared the statistics themselves with a view to complying to the rumored needs of the various countries considering their admission. Hence probably the large proportion of farmers among them.

WHY SO MANY DP'S RETURNED TO THEIR HOMELAND

Upon the collapse of the Nazis 6,000,000 persons of those who had been brought to Germany made their way back home at once. They did not even stop long enough to avenge themselves on their German oppressors. Having been torn from their homes and families by force, they followed the natural human impulse and returned to kin and hearth. Nearly another million followed soon afterward. These people had committed no crimes and therefore had no qualms about returning home. (Senator COOPER places the repatriated at 8,000,000.) Many of the Jews did the same upon liberation, but finding no homes or kin and being surrounded by a hostile population, had no alternative but to return to the western zones. It is clear that many among those who did not return and refuse to return are doing so because they know very well that their criminal activities are known to their neighbors, not because they believe in democracy.

It is one of the cruel ironies of our day that the victims, the tormented, exploited, and starved have returned to their, in many cases devastated, homes, to poverty and privation, and to totalitarian regimes, while the oppressors and tormentors and exploiters, they who enjoyed the good life under the Nazis, have been acclaimed as apostles of freedom, the living embodiment of the spirit of liberty, and are to be given the supreme boon of admission to the United States by special legislation, which gives them every priority over the real victims.

It is sad to relate that in spite of the facts elucidated above which are self-explanatory, there is not even a hint in the three reports prepared by committees of Congress on the real nature of some of these DP's, namely, those outside of the Jews and those who were found in concentration camps as "detainees" and not as guards and capos. On the contrary, the most pernicious collaborationists, the Balts, are showered with praise.

The problem of the collaborationists-murderers of Eastern Europe is one of morality, of criminal law, of social ethics. It reaches beyond the gullibility of the ill-informed public and the one-sided propagandists. Let every honest American, every one who truly and genuinely cherishes the spirit of freedom that generated and gave meaning effect to the concept "political refugee" beware of giving his support to the killers and tormentors. Let us not confound martyrs with murderers. If these criminals are admitted to this country as political refugees, and moreover given priority as such, the term born in sanctity and nurtured in idealism will have come to an ignominious end in the year 1948 in these United States.

SCREENING IS ESSENTIAL

If admitted, these quislings, collaborationists, and just ordinary murderers will strengthen the Fascists and reactionary wings of the foreign language groups in this country. They will be on hand to furnish instructions in mass murder and Fascist connivings to all ambitious totalitarians, as these people have no scruples at all. They will poison the fair atmosphere of this country. A real and thorough screening is essential. However, effective screening is impossible without thorough studies of the Nazi reports and records, as well as depositions of Jewish DP's and residents of the localities from which the pogromists hail. A special body ought to be established for this purpose, with representatives attached to our consular bodies.

Mr. Truman Ignores Economic Facts in Urging Inflation Checks

EXTENSION OF REMARKS

OF

HON. PAUL W. SHAFER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 5, 1948

Mr. SHAFER. Mr. Speaker, under permission to extend my remarks I include the following timely discussion by

John S. Knight, editor of the Detroit Free Press, of President Truman's demands upon Congress, now in special session:

MR. TRUMAN IGNORES ECONOMIC FACTS IN URGING INFLATION CHECKS

Up on Capitol Hill, a sullen Congress is sitting in special session called by the President of the United States to meet the urgent needs of the people.

Elsewhere in Washington, the city is deserted except for Government officials, forced by the President's action to forego their August vacations, and the usual seersuckered summer tourist trade.

Because of the political factors involved, no one is regarding the special session seriously or anticipates that any constructive action will be taken.

When President Truman used the rostrum of the Democratic National Convention to announce his intention of calling Congress back this summer, he gave the Republicans good reason to cry "politics."

For more than a decade, a Congress dominated by Mr. Truman's own party had failed to find a solution to many of the problems now characterized by the President as urgent.

It is therefore not surprising, although disappointing, that the Republicans were unable to dispose of the many complexities facing the Eightieth Congress in less than the year and a half they have had a majority.

In his fight for reelection, Mr. Truman realizes that he has only two valid issues: High prices and the record of the Eightieth Congress.

It is, of course, possible to make a substantial case against the record of any Congress, no matter which party is in power.

If the Republicans have failed to enact a housing bill, the Democratic record was no better. In fact, the feeble efforts of Wilson Wyatt, Truman's one-time Housing Expediter, were a standing joke in Washington.

If the Republicans have refused to swallow the President's anti-inflation remedies, it is because they are nostrums rather than cures.

With regard to civil rights, the Republican record is immeasurably better than that of Mr. Truman's party.

Mr. Roosevelt talked glibly about these matters but never once did he force the issue on his fellow Democrats from the deep South.

When the President urges repeal of the Taft-Hartley Act, the country must not forget that more Democrats in both the Senate and the House voted for Taft-Hartley than voted against it. In fact the Taft-Hartley Act could never have been passed over the President's veto without strong Democratic support.

On many of the other recommendations contained in the President's special message to Congress, Republicans and Democrats are divided in their support and opposition without regard to party lines.

The frailty of President Truman's position on the high cost of living is that he is dodging the realities of the situation in order to gain a campaign issue.

No one likes high prices, not even the manufacturers who seem to profit most. Ultimately, a constantly spiraling economy leads but to one end—economic disaster for all.

The President would deal with inflation by reinstating the excess profits tax, restoring price controls and restricting credit.

Possibly these measures could be effective, if they were coupled with an all-out attack against inflation on every front.

As Walter Lippmann says so aptly: "There is a simple test by which the public can find out who is trying to deal sincerely and intelligently with inflation.

"Does the candidate begin or end his oration with a clear and stern warning that if his program is effective, it must be painful to farmers, wage earners, businessmen, and bankers?

"Does he put the public on notice that they cannot continue to enjoy the benefits of inflation—that is to say full employment, high wages, booming markets, high profits—and at the same time be able to buy at lower prices everything they are trying to buy?

"If the public man says none of this, if he believes or pretends to believe that he can reduce prevailing prices without reducing current incomes of farmers, workers, and businessmen, if, in other words, he talks as if the people could have their cake and eat it, too, he is deceiving himself."

Mr. Lippmann's devastating sincerity test would flunk Mr. Truman on every count.

It was Truman who thought we could have ceilings on prices without applying the same rule to wages. It is Mr. Truman who is now trying to create the illusion that he, with the help of Congress, can reduce the cost of living without breaking the boom.

The President's failure to recommend an anti-inflation program which is all embracing exposes his insincerity and lack of statesmanship.

Truman wants a campaign issue, not a remedy.

It is to be hoped, as the campaign progresses, that the public will examine the speeches of both Presidential candidates, not so much for what they say as for what they fail to say.

As yet, Governor Dewey's views are unknown. It is unlikely that he will clarify his position until the special session of Congress has been concluded. So far as we are able to determine, he is making no effort to influence its judgment and will not be bound by its acts.

Mr. Truman's record is, of course, open to inspection.

That record is a sorry contradiction in economics. He has tried to control prices without placing similar ceilings on wages. At one time, he denounced controls as the methods of a police state; now he urges their necessity.

The President is for continued Government support of farm products but he omits any reference to their effect on consumer prices.

Housewives are not told that our taxpayers are making it possible for the British housewife to purchase bread at 4 cents a pound, beef rib roast at 40 cents, bacon at 48 cents, and butter at 30 cents a pound.

We don't begrudge the British housewife these lower prices, but it should be understood that when Canada sells Great Britain bacon at 36 cents the United States Government gives Great Britain the dollars with which to pay the bill.

United States gifts of about a billion a year finance British buying abroad. This is money paid by American citizens who are plagued with sky-high prices at home.

We have never heard President Truman denounce the various unions in the building trades whose restrictive practices inflate the cost of housing.

He has recommended no cuts in the ordinary affairs of Government.

He has not cracked down on the Department of Defense for failing to introduce the economies that were anticipated under the Unification of the Services Act.

In short, the President is either lacking in any knowledge of elementary economics or he willfully chooses to deceive the public by disregarding the contributing factors to inflation which are laden with political dynamite.

It is in such a climate of mutual distrust and partisan politics that the Congress has gathered in Washington's midsummer heat to consider the President's wholly inadequate program.

A few days spent in the galleries of the House and Senate are enough to convince any visiting fireman that the only result of this special session will be an unwarranted waste of taxpayers' money.

Mr. Truman wants an issue for his campaign. The Republicans are determined he shall not have it.

"The vigor of our democracy is judged by its ability to take decisive action," says the President.

"Congress would be fully justified in adjourning at once," retorts Senator TAFT.

What they both mean and fully understand is that in accordance with the great game of American politics, nothing will be done until after the November elections.

JOHN S. KNIGHT.

American Taxpayers Finance Stupid Policy in Germany

EXTENSION OF REMARKS

OF

HON. LAWRENCE H. SMITH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 5, 1948

Mr. SMITH of Wisconsin. Mr. Speaker, the American taxpayer is a long-suffering individual. Some day he will rise up and hold Congress responsible for the crazy policy that has been used to destroy industrial plants in Germany. There is positively no excuse for it. The State Department offers an alibi by saying it is part of the agreement made with Russia and other European countries by Roosevelt at Yalta and Truman at Potsdam. The cost of this wanton destruction of property can never be estimated and the American taxpayer will carry the load for generations. Truman should be impeached and the State Department officials who have carried out the program removed from office. This episode in our history will forever shame us and the generations that follow.

Notwithstanding this diabolical crime imposed upon the people of this country, for it is our burden, Mr. Speaker, there are groups within our orders who want to destroy the German people. It is their avowed and sworn objective to reduce the people of Germany to abject slavery. Many of these people are influential private citizens; some of them are in high office. They are out to get revenge. I would remind them of that biblical injunction: "Vengeance is mine, saith the Lord."

Mr. Speaker, several months ago members of the House Committee on Foreign Affairs were advised that the dismantling program in Germany had stopped. Word reaches us now that it has not. I am informed that as late as last June, 54 steel production plants, 31 rolling mills, and 54 pipe-making or assembling factories have been or are being dismantled.

Mr. Speaker, just last week our distinguished colleague, the gentleman from Nebraska [Mr. STEFAN] returned from a trip to Europe. While there he went into Germany on a special mission to a small town by the name of Kamen. One of the cities in Mr. STEFAN's district, Bloomfield, Nebr., decided to adopt a German town and it was Kamen, in the Ruhr. So when he was there he met the mayor and many of the people and they thanked our colleague for the Care packages that had been sent to them by the

people in Bloomfield. In this little town was a factory that manufactured freight car wheels and the mayor, very sadly, told that the occupation authorities had decreed that the wheel plant must be dismantled. This will be a great loss and it would mean unemployment for the workers and that many more people for the Americans to feed.

It is a pressing necessity, Mr. Speaker, that the railroads in Germany be reconstructed if it is to rehabilitate itself. Yet we find, as above, acts of sheer stupidity on the part of the occupation authorities. I am informed that since VE-day a great number of these plants have been destroyed under the dismantling program.

Mr. Speaker, the democratic administration must be held accountable and responsible for the wanton destruction of property that is going on in Germany. The people will not forget.

Mr. Speaker, the taxpayers of the United States are paying the bill to sustain the economy of Germany and of western Europe to the tune of $4,000,000,000 annually. It will not be denied that some plants have been dismantled and now they are on a schedule to be rebuilt, again with American dollars.

There is a considerable question, Mr. Speaker, as to the legality of our action in Germany in connection with the dismantling of industrial plants. This is a new idea and I believe contrary to the rules of war. This country has never embarked on this unchartered sea before and we were participants in the Hague Conventions. It seems to me that we are open to an unlimited number of claims for damages that might total billions of dollars.

Mr. Speaker, on April 6, 1948, I introduced a resolution, House Resolution 520, in which I requested that the House Committee on Foreign Affairs, of which I am a member, conduct a full investigation of the conduct of the occupation of Germany with respect to its economic rehabilitation, first, with special reference to the dismantling program, including all executive agreements under which the dismantled plants are being given away; and, second, with reference to the legality of our occupation activities from the standpoint of international law and the law of the United States.

Mr. Speaker, I urge at this time that the House Committee on Foreign Affairs be authorized to sit and conduct the investigation as contemplated by my resolution.

A Negro Looks at Civil Rights

EXTENSION OF REMARKS
OF
HON. A. WILLIS ROBERTSON
OF VIRGINIA
IN THE SENATE OF THE UNITED STATES

Friday, August 6 (legislative day of Thursday, August 5), 1948

Mr. ROBERTSON of Virginia. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an editorial entitled "A Negro Looks at Civil Rights," published in the Danville (Va.) Register, of August 1, 1948.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

A NEGRO LOOKS AT CIVIL RIGHTS

It is unfortunate that most of the news discussing race relations comes from professional agitators who have, or think they have, something to gain from creating animosity while talking rabidly about discrimination and, in the same voice, good will.

As publisher of a newspaper with a large circulation and a corresponding influence, Davis Lee, Negro publisher of the Telegram, of Newark, N. J., which has some 500,000 Negro readers in the Southern States, grew less willing to accept the preachments of agitators concerning racial relations in the South. He decided to do a bit of investigating personally. Last Sunday he reported to his readers in a comprehensive article on the editorial page. Some excerpts which reflect his objective approach to the problem and provide sound counsel were called to our attention by the Bedford Democrat, which also was impressed by Publisher Lee. Keeping in mind that the comment is that of a distinguished champion of Negro advancement, and that it was printed in New Jersey, the Telegram editorial takes on added significance.

"I have just returned from an extensive tour of the South. In addition to meeting and talking with our agents and distributors who get our newspapers out to the more than 500,000 readers in the South, I met both Negroes and whites in the urban and rural centers.

"Because of these personal observations, studies and contacts, I feel that I can speak with some degree of authority. I am certainly in a better position to voice an opinion than the Negro leader who occupies a suite in downtown New York and bases his opinions on the South from the distorted stories he reads in the Negro press and in the Daily Worker.

"The racial lines in the south are so clearly drawn and defined there can be no confusion. When I am in Virginia or South Carolina I don't wonder if I will be served if I walk into a white restaurant. I know the score. However, I have walked into several right here in New Jersey where we have a civil-rights law, and have been refused service.

"The whites in the south stay with their own and the Negroes do likewise. This one fact has been the economic salvation of the Negro in the South. Atlanta, Ga., compares favorably with Newark in size and population. Negroes there own and control millions of dollars worth of business. All of the Negro business in New Jersey will not amount to as much as our race has in one city in Georgia. This is also true in South Carolina and Virginia.

"New Jersey today boasts of more civil rights legislation than any other State in the Union, and State government itself practices more discrimination than Virginia, North Carolina, South Carolina, or Georgia. New Jersey employs one Negro in the motor-vehicle department. All of the States above mentioned employ plenty.

"No matter what a Negro wants to do, he can do it in the South. In Spartanburg, S. C., Ernest Collins, a young Negro, operates a large funeral home, a taxicab business, a filling station, grocery store, has several busses, runs a large farm and a night club.

"Mr. Collins couldn't do all that in New Jersey or New York. The only bus lines operated by Negroes are in the South. The Safe Bus Co. in Winston-Salem, N. C., owns and operates over a hundred. If a Negro in New Jersey or New York had the money and attempted to obtain a franchise to operate a line he would not only be turned down, but he would be lucky if he didn't get a bullet in the back.

"The attitude of the southerners toward our race is a natural psychological reaction and aftermath of the Civil War. Negroes were the properties of these people.

"Certainly you couldn't expect the South to forget this in 75 or even a 150 years. That feeling has passed from one generation to another, but it is not one of hatred for the Negro. The South just doesn't believe that the Negro has grown up. No section of the country has made more progress in finding a workable solution to the Negro problem than the South. Naturally southerners are resentful when the North attempts to ram a civil-rights program down their throats.

"The entire race program in America is wrong. Our approach is wrong. We expend all our energies, and spend millions of dollars trying to convince white people that we are as good as they are, that we are an equal. Joe Louis is not looked upon as a Negro but the greatest fighter of all time, loved and admired by whites in South Carolina as much as by those in Michigan. He convinced the world, not by propaganda and agitation, but by demonstration.

"Our fight for recognition, justice, civil rights, and equality, should be carried on within the race. Let us demonstrate to the world by our living standards, our conduct, our ability, and intelligence that we are the equal of any man, and when we shall have done this the entire world, including the South, will accept us on our terms. Our present program of threats and agitation makes enemies out of our friends."

The findings of Publisher Lee are just what any well-informed southerner, white or colored, has known all along. The only difference is that Publisher Lee has chosen to state plainly facts which agitation distorts, and which any Negro leader of lesser standing could not declare without subjecting himself to vituperation and charges of being "a white man's Negro."

Both white and colored people of the Nation must come to understand, and quickly, that much of the agitation attempting to break up their friendship and cordial relations is inspired by persons at home and abroad who have no interest whatever in seeing southern whites and Negroes march toward a firmer economic base and to higher economic base and to higher standards of living for both races.

Our Trojan Horse

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Friday, August 6, 1948

Mr. MULTER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include an editorial from the Washington Evening Star of July 26, 1948:

OUR TROJAN HORSE

It would be entirely fitting if the new Progressive Party of Henry Wallace and his Communist followers were to adopt the Trojan horse as its symbol. For the record of the past week end at Philadelphia makes it abundantly clear that this new party, while posing as friend and champion of the people of America, is committed to policies which, if adopted, would spell the almost certain destruction of our political system.

It is hard to identify the true place of Henry Wallace in this new party setting. Perhaps he is its willing tool. Or it may be that he is a dupe, a figurehead subject to

manipulation by the sinister men who are actually in control of the party's policies. But it does not matter greatly, for in the end the result is the same. Whatever the place of Mr. Wallace, the party is the enemy within our gates and there ought to be no hesitation in branding it as such.

Mr. Wallace's acceptance speech is worthy of attention, more so perhaps for what it leaves unsaid than for what it says. One can follow the devious line of this speech from beginning to end and not find anywhere one word or hint of criticism of the Soviet Union. There is denunciation in abundance of our own leaders and our own policies. Mr. Wallace has no word of indorsement, or even of tolerance, for anything that the leaders of either major party have done or tried to do. He simply condemns them and all their works.

But in the eyes of this man, so far as his spoken words go, the Soviet Government is beyond reproach. This self-appointed champion of the people, this advocate of the dignity and freedom of man, passes over without a murmur of protest the Soviet slave-labor camps, the rigged elections, the purges in the satellite states, the broken pledges and the provocations of the Soviet leaders. He ignores the refusal of the Soviets to come to any agreement on the problem of Germany, he closes his eyes to their flat rejection of any workable program for the control of atomic weapons, and he passes over in silence the near-paralysis of the United Nations which has resulted from Soviet abuse of its veto power. Mr. Wallace can see our own shortcomings and he can impute to us a variety of sins of which we are not guilty. But he finds nothing in the long record of Soviet transgressions which he deems worthy of even passing mention.

He tells us that if he were President there would be no crisis in Berlin today. "I assure you," he says, "that without sacrificing a single American principle or public interest, we would have found agreement long before now with the Soviet Government." How would he have done this? Mr. Wallace does not say. Beyond advocating a retreat from Berlin, he sets out no specific policies or methods by which he would succeed where others have failed.

The people of this country need not remain in ignorance of what Mr. Wallace, if he were President, would do, however, for the details are set forth in the new party's platform, to which he subscribes.

First, he and his party would abandon the Marshall plan. This would pave the way for chaos in western Europe and make it easier for the Communists to grab what is left of that unhappy continent. To make certain that this country could not interfere when the Red march begins, Mr. Wallace would discontinue the draft, cut back our preparedness program, surrender our foreign bases, and destroy our stock pile of atom bombs. In short, he would leave the United States defenseless and helpless to exert any influence abroad.

The next phase of the Wallace platform is designed to soften us up from within. The loyalty check would be discarded. Even the security checks of workers in defense plants would go by the board. The Government would be forbidden to interfere in strikes that cripple the Nation, and strikes against the Government itself would be permitted.

The effect of this, and one may well believe that it is the intended effect, would be to open the door to ultimate Communist domination of the economy of the United States. At any rate, this is the pattern that has been followed in Czechoslovakia, in France, in Italy, and in other lands where some native son has been found who would come forward and serve as a front man for his Communist manipulators.

The redeeming aspect of the third party's convention is that it has brought all of this into the open. The aim and purpose can be plainly seen. A vote for Henry Wallace in November will be a vote to open our gates to the Trojan horse that is waiting to come in.

Our Displaced Parents

EXTENSION OF REMARKS
OF
HON. JOHN C. BUTLER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Friday, August 6, 1948

Mr. BUTLER. Mr. Speaker, I want to talk about DP's right here in America. We have talked and talked about the DP's of Europe and we did more than talk. We appropriated millions of dollars for their care and support, and we did not hesitate on making their grants in accordance with their needs. But, here at home we have a group of DP's that should at least be as near to us both as citizens and as Congressmen as the DP's of Europe. I am thinking of our badly neglected fathers and mothers, the parents of us all. Mr. Speaker, their meager appropriations in the way of old-age assistance averaging around $1 per day is ridiculous when we consider that the dollar they receive today is only about 42 cents in buying power compared to the dollar when the Social Security Act was passed by Congress.

When the social security was passed by the Congress, many of us who are now on the majority, decried the inadequacy, the inequality and the regimentation that we said would grow into its administration. Mr. Speaker, our predictions at that time have been fulfilled. The inadequacy has grown by the declining buying power of the dollar making the grant more and more inadequate. The administration by the case workers and investigators have humiliated our elders until many choose to be hungry rather than to submit to the humiliation of their questionnaires and their investigations. The fact that the Federal Government in its matching system pays varying amounts in the different States is a sad commentary on our fair motto, "Equal justice under law."

We, on the Republican side of the aisle, have had much to say on this subject, Mr. Speaker, in the days that have intervened. We have called loudly for a decent American pension to replace this hodgepodge that is termed "old-age assistance." We have been highly critical of the present administration along these lines. We have even gone so far as to make some pretty definite promises to the American people. How many times have we Republicans proclaimed during the very recent passed years, "just let us have a majority in the Congress and we will give you a decent old-age pension to take the place of this farce known as old-age assistance."

Mr. Speaker, they gave us the majority in the Congress. We have had many months in which to give this matter our consideration. Now, a majority of the Members of this body has petitioned the leadership for a $60-per-month Federal pension to take the place of old-age assistance. The responsibility certainly is inescapable. I for one on the majority side of the aisle want to make it crystal clear that I stand for giving this matter our attention. I want us to think of the DP's, the deplorable plight of our displaced parents, in the United States of America. I pray that the leadership of this House will yield to the expressed petition of the majority of the Members of this body. I urge with all of my strength that we shall make good our pledge to enact a decent old-age pension to take the place of old-age assistance, and that we do it before we adjourn.

An Act To Create a National Housing Corporation for Low-Cost Housing Construction in the United States

EXTENSION OF REMARKS
OF
HON. CARROLL D. KEARNS
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Friday, August 6, 1948

NATIONAL HOUSING CORPORATION

Mr. KEARNS. Mr. Speaker, in order to meet the housing emergency, it is suggested that the special session of the Eightieth Congress create a National Housing Corporation with the authority to issue $5,000,000,000 worth of bonds to carry out the purposes of this act.

These funds to be received from the Treasury Department against bonds maturing in 25 years, issued by the National Housing Corporation, hereafter referred to as NHC. The NHC would pay a rate of interest to the Treasury equal to but not in excess of the average interest cost to the Treasury of the national debt.

NHC would have a small staff, perhaps not in excess of 200 employees. The Corporation would deal entirely with the State governments. Each State would create a similar corporation, hereafter referred to as SHC, for the purpose of borrowing from the NHC. The States could borrow from the NHC at a rate of interest of one-fourth of 1 percent in excess of the amount which the NHC pays to the Treasury. For example, if the NHC borrows from the Treasury at the rate of 2 percent, it would charge the States 2¼ percent.

The NHC, as well as the States, would issue bonds with a 25-year maturity. When a State borrows from the NHC it would turn over to the NHC special revenue bonds in the amount of the loan. The NHC would reserve the right to hold the bonds to maturity or until they are redeemed, or sell them to the public, as the agency might determine best.

The State would make available to cities, counties, towns, and municipalities funds for building low-cost housing. The municipality would create a local housing corporation and would issue 25-year special revenue bonds with interest at a rate of one-fourth of 1 per-

cent in excess of the amount paid by the State. These bonds would be turned over to the State housing corporation as security for a loan; the SHC reserving the right to hold or sell the bonds as the SHC might determine best.

In practice it would work as follows:

The State of Pennsylvania might borrow $100,000,000 from the NHC at 2¼ percent interest. The State would then loan, say, $5,000,000 to Erie, Pa., at a rate of 2½ percent. Erie would acquire the necessary land and issue contracts to private construction companies, on competitive bidding, for the construction of a given number of low-cost houses. It is suggested that in no case should a municipality attempt to build less than 100 low-cost houses at a time, in order to secure the best prices on materials.

When the houses are completed, the Erie Housing Corp. would sell them to individuals in that area who are in desperate need of adequate housing.

It is suggested that the Congress direct and limit the cost of these houses to a $5,000, $7,500, or $10,000 range, with 75 percent of all houses to be in the $5,000 class. The Erie Housing Corp. would sell the houses without profit. The mortgages would be placed through local financial institutions, and, as far as possible, on equal basis. These institutions would be responsible for appraisal, and so forth.

The Erie Housing Corp. would require a down payment of 10 per cent. The mortgages would be issued up to 90 percent of purchase price. The mortgage would be amortized over a 20-year period and carry interest at 4 percent.

By buying these houses at cost, the individual would be able to purchase a home without the normal profit mark-up of 20 to 30 percent made by private contractors. On a $5,000 house this mark-up amounts to $1,000 to $1,500. Since the individual buys at cost, he should not be allowed to sell for a period of 5 years. Should he be forced to dispose of his house because of an emergency, arrangements could be made through the Erie Housing Corp. to take over his obligation on a reasonable basis. This would prevent individuals from trying to profit at the expense of the Government.

It is suggested that when the mortgage is placed on the house by the bank or other financial institution the institution have the right to retain that mortgage, guaranteed by the Erie Housing Corp., or of turning that mortgage over to the Erie Housing Corp. and receiving full payment, plus a fee of one-half of 1 percent of the amount involved for services rendered.

It is further suggested that two special provisions be incorporated into the mortgage contract:

First. A sum sufficient to cover a blanket group-insurance policy be added to the monthly payment. The insurance to be placed with a private insurance company—under no circumstances Government.

Second. A sum of $5 a month would be added to monthly payments. This is to be held in reserve against unforeseen emergencies which might arise in any family, such as prolonged sickness or prolonged unemployment. This reserve fund would be held by the Erie Housing Corp. and could be applied against payments only if the corporation was satisfied that a real emergency existed.

The set-up would be something like this:

Monthly payment, including interest, amortization, and fire insurance	$30.00
Death-benefit insurance	2.50
Reserve against emergencies	5.00
Total monthly payment	37.50

The group insurance policy would be drawn in such a manner that if either husband or wife died—and both would have to be in good health at the time the policy was taken out—the survivor would receive the home free and clear, with the insurance company paying the proceeds to the Erie Housing Corp.

As the Erie Housing Corp. received monthly payments or lump sum, they are required to retire bonds held by the State, and the State, in turn, required to retire those held by the NHC, and the NHC required to retire those held by the Treasury. This could be mandatory by law. This operation would not cost the taxpayers one penny. In time it would be a self-liquidating operation.

Each housing corporation could retire their securities at 1 percent premium, even though those securities might be sold to the public. The NHC or a State housing corporation would have the right to sell to the public bonds received by them.

This program would accomplish several things:

First. It would remove housing from Washington domination, and would return it to the local community.

Second. It would remove thousands of employees from the Federal pay roll.

Third. It would take housing out of national politics.

Fourth. The individual who had purchased a house from the municipality in which he lived would feel a greater obligation to maintain the property and to make the monthly payments than he would to an unknown Government in Washington.

Fifth. The municipality would see that the property was maintained at a satisfactory level.

Sixth. Local officials would seek to help the taxpayer home owner in the event he was out of a job. This is a direct blow at communism, totalitarianism, bureaucracy, and inflation.

DIFFICULTIES

First. The principal difficulty in connection with this plan is the same any housing authority would face; the shortage of material and shortage of labor. Building crafts and supply companies must help in the success of the act to ward off controls.

Second. The Congress might suggest that insofar as possible local municipalities use home talent in their own construction to avoid national conflict. This would prevent one community bidding against another for labor.

Third. Local politicians, contractors, building supply houses, and others, in many cases, would seek cuts. The law should be strong enough to prevent this. Anyone guilty of receiving such cuts should be punished by the Federal Government. The punishment should call for a minimum of 5 years in prison or a $25,000 fine, or both.

To meet the housing emergency in larger cities, the State Housing Corporation could make loans to the city for the purpose of remodeling outdated slum buildings, putting in new bathroom facilities, proper ventilation, etc. The municipality could make a grant or a loan to the local landlord for this purpose.

The Eightieth Congress authorizes, without spending a dime, $5,000,000,000 for low-cost housing.

One million houses for the United States of America.

No taxing group's responsibility.

A cushion against a recession.

An act of deflation.

A deficiency bill for amount needed—never in excess of $5,000,000,000.

Price Controls

EXTENSION OF REMARKS
OF

HON. CHARLES A. HALLECK

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 6, 1948

Mr. HALLECK. Mr. Speaker, under leave to extend my remarks, I am inserting in the RECORD an excellent editorial, entitled "Price Controls," which appeared in the Lafayette (Ind.) Journal and Courier.

I earnestly recommend a careful reading of this particular editorial by every Member of Congress and by every citizen. In clear and concise logic it demonstrates the complete unworkability of a system of selective price control that President Truman has recommended.

PRICE CONTROLS

It should be understood that fixing price controls as a means of holding or reducing prices is not the simple matter it may seem to be on the surface. The President, it will be recalled, has asked Congress to give him authority to fix prices as a means of reducing the high cost of living.

It has been officially suggested that should such authority be given, which seems unlikely, petroleum and petroleum products would be among the first to receive consideration. Our economy is so complicated, however, that it would be unfair and improper, probably even unworkable, to limit the price on petroleum and its products. What about all the factors which go into the production of these commodities, all of which influence prices? If a price limit is to be placed on petroleum and its products limits must also be placed upon all wages paid in the industry; upon transportation costs—rail, truck, and pipe line. The cost of steel and other material used in the industry must also be fixed. If prices are fixed without controlling the influencing factors, producers, refiners, and distributors stand to get caught in a squeeze which will force them out of business, eliminating our vital petroleum supplies.

Again, as an example, the price of meat could not be fixed without going all the way down the line to control the price of things that help establish meat prices. In brief, if meat prices are fixed, prices on feed must also be controlled. Too, prices on steel and coal could hardly be fixed without controlling the wages of those employed in these

industries. Something would have to crack, for instance, if steel workers got a raise while steel prices were held under tight Government control.

Experience has proved that price control cannot be a half-way measure. It must take in everything or nothing if it is to work at all. And if there are to be controls, there must be some sort of special agency to enforce it. That means snoopers, probers, enforcers, and other payrollers interfering with our private affairs, and at a cost of millions of dollars.

No, other and better ways must be found to solve our price problem.

Federal Aid to Education

EXTENSION OF REMARKS
OF
HON. MELVIN C. SNYDER
OF WEST VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Friday, August 6, 1948

Mr. SNYDER. Mr. Speaker, one of the bills which should be passed at this special session is Federal aid to education. During the regular session, the aid bill was passed by the Senate and now only needs the approval of the House. If the committee in charge of this bill would report it out, it would receive House approval.

I recognize the reluctance to report out this bill is not based on any objection to Federal aid to education, but because of the warning of the Secretary of the Treasury that the Government will probably have an unbalanced budget at the end of this next fiscal year due to large commitments for military purposes and foreign relief, consequently it was considered unwise to pass the legislation at this time but rather wait until next year when present commitments will be reduced.

I know that there has also been reluctance on the part of some Members to approve this legislation with the present set-up in the Office of Education under the Federal Security Agency. Recent investigations have disclosed an unhealthy condition in that Agency.

Looking at the situation realistically, the measure giving Federal aid to education will be passed by either the Eightieth Congress at this special session or by the Eighty-first Congress next spring. I believe our next President will be Governor Dewey and my information is that he is favorable to the proposed Federal aid bill. I urge the people who now control this matter to bring it out on the floor of the House, let it be passed, and include a provision that it will not become effective until July 1, 1949. This proviso will eliminate any budgetary difficulty. Passing the bill at this time will eliminate the necessity of the bill being processed through committees at the next session and being again considered by the Senate.

Today our Nation is fighting communism. The fight is more serious than people generally believe. The struggle will be persistent and long. The best place to fight alien doctrines and philosophies is in our schools. In the end, the battle will be won or lost in our school system. We can depend upon our teachers to do a good job. Their past record entitles them to that confidence.

High Prices Not Due to Wage Rises Alone

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Friday, August 6, 1948

Mr. MULTER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include an editorial from the Brooklyn (N. Y.) Eagle of Thursday, August 5, 1948:

HIGH PRICES NOT DUE TO WAGE RISES ALONE

A radio report tells us that the oil industry for the first half of 1948 has a billion dollars in profits. This is the highest in the history of the industry.

News releases this week list dozens of corporations with profits double what they were at this time last year. Some few show a slight decline.

We will not go into a statistical breakdown on the subject. We would like to point out one observation on the facts. The propagandists are constantly dinning into the ears of the public that the total cause of high prices is due to wage increases.

The publicity contradicts a simple fact. The increase in profits of the various concerns mentioned in the news releases, and others unnamed, are estimated after taxes and after wage increases have been deducted.

We are not arguing for any share-the-wealth plan. It is quite true that if we were to spread the resources of the wealth around the country and give every one a little it would soon mean sharing poverty rather than wealth. It would not form a solid base for a better distribution of resources.

Nor do we question the legitimacy of the profits that are shooting skyward. A case could be made out against many on the point, no doubt.

The purpose of this piece is to spike the evident untruth that wage increases are the single and universal cause of price increases.

The truth of the matter is that in very few industries have the wage increases allowed the workers to catch up with the cost of living. In many industries over and above the cost of the wage increases a disproportionate increase in profits is shown.

We would like to know how the propagandists explain the gap between the two items.

Inflation: Talk or Cure

EXTENSION OF REMARKS
OF
HON. FRANK BUCHANAN
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Friday, August 6, 1948

Mr. BUCHANAN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by Peter Edson, from the Washington Daily News of August 3, 1948:

INFLATION: TALK OR CURE?

(By Peter Edson)

From the standpoint of straight logic, the Republican case against doing anything about inflation leaves something to be desired. There is too much tendency to talk about causes, rather than cures. Principal arguments advanced by GOP Congressmen are these three:

1. Primary cause of inflation is the large volume of exports and Marshall plan aid, shipping out of this country goods which, if left at home, would increase domestic supplies and so cut prices.

2. A secondary factor is too high Government spending, which increases the supply of money in circulation and so drives prices up.

3. Democratic administration fiscal policies are inflationary.

The President's mid-year economic report to the Congress sheds a little light on all three of these Republican points.

1. The total volume of foreign aid for the year ending June 30, 1949, is $7,000,000,000. This represents less than 3 percent of America's gross national production of goods and service.

About half of this first year's foreign aid consists of goods to be procured outside the United States. This "offshore procurement" constitutes the bulk of commodities in tight supply in the United States, such as petroleum, nonferrous metals, meats, fats and oils, fertilizer, newsprint, and lumber. Finally, the total amount spent for foreign aid this year will be less than was spent in 1947.

These facts should put the inflationary impact of the foreign-aid program in proper perspective.

2. Biggest item of Government spending is for national defense. Last January, budget estimates for the armed services were put at $10,900,000,000. The last Congress, with Republican majorities, mind you, jumped this figure by $3,500,000,000 to $14,400,000,000.

The President's economic report admits that over the next 3 years this stepping up of Government stock piling and procurement programs for the armed services—particularly the Air Force—will put greater strains on short supplies of raw materials.

3. On the matter of Government fiscal policies, Republican spokesmen in Congress have made quite a point about how the GOP has been responsible for balancing the budget for the first time in years, and that this has had an anti-inflationary effect. When all the figures are in, the exact opposite may be proved.

During the first half of the calendar year 1948, the Treasury piled up an $8,000,000,000 surplus. The Republican tax-cut bill, according to present estimates, will cut Government revenues by nearly $5,000,000,000 in the fiscal year ending next July 1. Increased defense expenditures authorized by the last Congress plus the tax cut may therefore put the Treasury back in the red. This would mean nothing would be paid on the national debt. Instead it would get bigger.

The effect of the tax cut, furthermore, is to put more spending money in the hands of the people. This increases the inflationary forces, instead of diminishing them.

In spite of all the logic that can thus be put behind the President's anti-inflationary program, it must be admitted that the program isn't going over. The Congress would rather investigate spy scares than do anything about cutting the cost of living.

Address of India Edwards, Executive Director, Women's Division, Democratic National Convention, Philadelphia, Pa.

EXTENSION OF REMARKS
OF

HON. HELEN GAHAGAN DOUGLAS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 6, 1948

Mrs. DOUGLAS. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address delivered by Mrs. India Edwards, executive director, women's division, Democratic National Committee, at the Democratic National Convention, Philadelphia, July 12, 1948:

Fellow Democrats, you've just heard the eloquent, moving keynote adress of that great staesman, Senator BARKLEY. He has told you of the state of the Union and of the world. Now I want to tell you of the state of the American pocketbook. Let's get right down to cases.

During the war and after the war, the Democrats kept prices under control. Of course, they went up somewhat—that was inevitable. But prices were kept at levels that were fair. They were high enough to allow a fair profit to business. And low enough so we could buy the things we needed.

Here in front of me I have a large box. The lid on this box is like the lid the Democrats kept on prices. We knew then that it was dangerous to remove the lid and we refused to tamper with it. We knew the evils of inflation, and we refused to take a chance. We held prices down under this lid.

But the Republicans were the henchmen of big business—they became the willing accomplices of the lobbyists who swarmed over Washington throwing big expensive parties.

So the Republicans loosened price controls, just as I'm loosening the strings on this box. They lifted the lid, just as I'm lifting this lid. You see what happened when the lid on prices was lifted, prices flew up, sky high.

From here, it looks as though my big balloon, representing prices, is not only out of reach, but out of control. However, that is not true. The balloon is on a long string, securely fastened to the inside of the box. That string was here all the time. When prices started getting out of hand 2 years ago, the Republicans could have pulled prices back into line.

They had the means right in their hands but they would not use them.

They could have taken action to prevent prices from continuing up. But the Republicans refused to act. For 2 years they had the strings in their hands with which to pull prices back into line but they would not pull them. They would not act.

Finally, last year, President Truman called an emergency session of Congress to pass legislation on European Recovery and to pass legislation against inflation.

But the Republicans still refused to act. The cost of living has gone up 28 percent in the last 2 years. Food has zoomed 45 percent and it will continue even higher unless we sweep out the Republicans and elect a Democratic President and a Democratic Congress.

Clothing has gone up 26 percent.

Prices are already out of reach for millions of good American families.

In 1945, under a Democratic administration many families were able to save. Fifteen percent of the total national savings was held by families earning $3,000 and less a year.

But just 1 year later, families earning $3,000 or less were able to save only 3 percent of the Nation's savings.

The reason is obvious—prices were high. People in the lower income group could not save.

This year, according to the Federal Reserve Board, one out of every four families will sepnd more than it earns.

In 1945, people making from $7,500 to $5,000,000 a year—yes, there are individuals in this country who have incomes of $5,000,000 a year—well, those people making $7,500 to $5,000,000 a year held 25 percent of the Nation's savings.

But 1 year later, the savings of this group jumped to 48 percent of the total.

Remember, in that same year, families making only $3,000 or less were able to save only 3 percent of the Nation's savings.

What this means is that under Democratic President Truman and under a Democratic Congress a man could support his family and save something, but under a Democratic President and a Republican Congress, the poor are getting poorer, the rich are getting richer.

I've been talking in percentages about the cost of food and other items going up. Percentages are abstract, and while they are scientific and accurate, they don't tell the story in terms of bread and butter.

I've been checking prices right here in Philadelphia. I wanted to bring you some last-minute news on actual food prices.

I've brought my shopping bag with me tonight and here are some of the things I bought.

I have a piece of round steak. It weighs 1 pound and I paid $1.10 for it.

In June 1946, just 2 years ago, 1 pound of round stead cost 46 cents right here in Philadelphia. The price of round steak has almost tripled in 2 years.

I'd like to ask Senator WHERRY of Nebraska a question. He's a leading Republican. Senator WHERRY, are you listening?

Do you remember what you said in the fall of 1946? I remember perfectly and I'm going to repeat it word for word so that all of America will know what you said, Senator WHERRY.

You said—and I'm quoting: "TAFT! TAFT! Everybody's talking about what TAFT has done to the OPA. I'm the fellow that knocked out meat control, and I've done more to that bill than anybody else."

You, Senator WHERRY, and the Republican Party sold the American people down the river. We're paying more than we can afford for food and we know whom to blame. The Republican Party.

I used round steak as typical of meat. I could just as well have used hot dogs or pork chops or hamburger or chuck roast. The story is the same, the price of meat is sky high.

Now—for something else that's typical: I have here in my shopping bag a pound of oleomargarine. I paid 48 cents a pound for this oleo this morning. Two years ago, when we had effective price control, it would have cost only 24 cents. The price doubled—and I'm talking about oleo not butter.

And now I'd like to ask a question of another leading Republican—Representative TABER of New York. Mr. TABER, do you remember what you said about prices? You said, in 1946, and I'm quoting: "OPA is, at the present time, the promoter of inflation." Then you went to work with your hatchet, which you use so constantly, and helped kill price control. Under price control we paid 52 cents for butter. Now we pay 95 cents. We can thank you, Mr. TABER, and the Republican Party that backs you, for the increases.

This November, you'll be running for reelection. I hope the housewives in your district in New York State will remember how you helped jack up the cost of living. They can vote you out of office, Mr. TABER, and I hope they do.

There are a million and a half more women than men who will be eligible to vote this November. We women can use our votes to fight inflation if we vote Republicans out and Democrats in.

I bought a bottle of milk on my shopping trip today, because milk is a perfect food and a necessity. I paid 23 cents a quart for grade A milk. In 1946, when the Democrats were the majority in Congress, this bottle of milk cost only 15 cents.

Now I'd like to talk to Senator TAFT for a minute. Senator TAFT was the head of the Republican Policy Committee. He was the spokesman for his party.

Senator TAFT, I hope you and your constituents are listening.

Do you remember, Senator TAFT, what you said on July 24, 1946? You said—and I'm quoting from the CONGRESSIONAL RECORD: "If they (meaning consumers) think the price is too high today, they will wait until the price is lower."

I'd like to ask you another question, Senator TAFT. "How long do you think American mothers should wait to give their children milk?" You've raised prices and refused to take action to lower them. And when I say you, I don't mean you alone, Senator TAFT. We know there are many Republicans who, last month in this very convention hall, refused to support you personally. In fact they repudiated the Eightieth Congress by naming two men to head their ticket who had no connection with that Congress. But two years ago, when it came to killing price control, the Republican fraternity lined up right behind you, Senator TAFT.

The families that have been forced to cut their milk order can thank the entire Republican Party, not you alone, Senator TAFT.

I have some other things in my market bag but the story is the same: Food prices going up, up, up, ever since Republicans took over the Congress.

I'd like to talk about something that's as important as food—clothing.

I have a little girl here tonight. Her name is Sally Zimmerman. She lives in Philadelphia. Her name could very easily be Mary Jones of Springfield; Barbara Smith of Montgomery; Henrietta, Grace, Ruth, Marylou, Alice—from anywhere in the U. S. A.

Most families don't spend as much on clothing as on food; but clothing does take a big chunk of everyone's income. Statisticians say that in ordinary times we spend one-fifth of our income for clothing.

Shoes are an important item of clothing. I'd like to tell you what Sally's shoes cost. They are ordinary brown leather oxfords and are a well-known national brand. They're sturdy—the kind of shoes kids need for school. Today, these shoes cost $6. Two years ago, when we had price control, the same shoes cost $4.75.

Have you ever heard of Herbert U. Nelson? Well, if you haven't, he's one of the big lobbyists in Washington. He said, on March 3, 1946—and I quote: "We've got a gang in power who thinks solely of the consumer, and usually in terms of 'protecting' him." You're right, lobbyist Nelson, the Democratic gang did think in terms of protecting the consumer * * * and particularly such consumers as little Sally and her mother and father. You're right, Mr. Nelson, the Democratic Party still is thinking in terms of protecting the consumer.

Unfortunately, the Republicans listened to you, Mr. Nelson, and to the other lobbyists.

The only way that consumers can expect protection is if they elect a majority from

the Democratic gang—as you call it—this November.

The little cotton percale dress that Sally is wearing came from one of Philadelphia's department stores. It cost $4.98. The buyer in that store told us that a similar dress, one that contains an equal amount of material and workmanship, and from the same manufacturer, would have cost only $3.98 2 years ago when we Democrats were in the majority.

I've talked about the price of Sally's dress and her shoes. It's the same with everything. Today the slip that Sally is wearing cost $1.69 cents; in 1946 it would have cost $1. Her little panties now cost 69 cents; 2 years ago it would have cost 59 cents. On July 9, 1946, Robert R. Wason, president of the National Association of Manufacturers, one of the organizations that worked hardest and spent fabulous sums to kill OPA, said—and I quote—"If OPA is finally dead, women will use the other goods they have on their shelves."

Mr. Wason, were you thinking of food or clothing when you said that? How long do you think Sally can wear the clothes she has on tonight? Maybe you don't know it, Mr. Wason, but children grow, and even if their clothes withstand wear they need new ones for size.

Oh, yes, Mr. Wason, when you were successfully high-pressuring the Republicans, you also said, on July 9, 1946, and I again quote, "If OPA is eliminated entirely, prices of automobiles may be expected to reach normal within 6 months."

What is normal, Mr. Wason? That's a question I'd like to ask you and all the other lobbyists who high-pressured the Congress. It's a question I'd like to ask all Republican leaders. I'd also like to ask a question of all American voters—they've heard it before—Had enough? Sure, we've had enough of Republican high prices.

Our President Truman has clearly shown where he stands on the important issue of inflation. He has asked not once but many times for stand-by price controls with which to bring down the cost of living. In November, we must elect a Democratic President and a Democratic Congress.

The Democratic Party is the friend of millions—not of millionaires.

When the Democrats once more are in the majority in the Congress, they will take action.

Just as I am pulling the cord that is at the end of the price balloon, so the Democrats will pull the cards of legislation to halt inflation.

We can pull the price balloon within reach. We can force it back into the box. And, finally, we can put the lid back on prices.

As the director of the women's division of the Democratic National Committee, I represent all Democratic women.

As a housewife and mother, I appeal to all American women to join together to bring down the cost of living. You can do it. Register. Vote. Elect Democrats.

Communists in Government and Who Is Responsible

EXTENSION OF REMARKS

OF

HON. FRED E. BUSBEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 6, 1948

Mr. BUSBEY. Mr. Speaker, under leave to extend my remarks in the RECORD, I include a portion of my testimony given as a witness on Thursday, August 5, 1948, before a hearing of the Committee on Un-American Activities of the House of Representatives:

The people of the United States are wondering just how far the Communists have infiltrated into highly confidential Government positions. For the past several days we have listened to and read with amazement the stories related by former Communist functionaries. One in particular spent the war years in getting secret information to be sent to a foreign government. While we are at a loss to understand why an American would furnish military or otherwise confidential information to the agent of a foreign government we should be more concerned as to how persons of such weak character were placed in Government positions.

I have given considerable thought and study to this question and the only conclusion I have been able to reach is that the fault lies squarely on the shoulders of the Civil Service Commission. What caused me to reach such a conclusion?

To begin with the Civil Service Commission is the employing agency for the Federal Government. One of its duties is to determine the fitness and suitability of those persons seeking Government employment. Loyalty to our form of government was generally presumed, but in the early days of the "preparedness" program the Civil Service Commission no longer presumed applicants for Government positions to be loyal. On May 29, 1940, the Commission issued the following press release:

"The United States Civil Service Commission has decided officially that as a matter of policy it will not certify to any department or agency the name of any person when it has been established that he is a member of the Communist Party, German bund, or any other Communist or Nazi organization."

A restatement of this policy was made by Arthur Flemming, a member of the Civil Service Commission, on December 12, 1940, when he testified before the sucommittee of the Committee on Appropriations, House of Representatives, Seventy-seventh Congress. Mr. Flemming said:

"In connection with all our investigations we are keeping this policy in mind: If we find anybody has had any associations with the Communists or the German Bund, or any other foreign organization of that kind, that person is disqualified immediately. All doubts are being resolved in favor of the Government."

On September 7, 1941, Hon. Martin Dies, chairman of the Committee on Un-American Activities, House of Representatives, charged that Leon Henderson, Price Administrator, had employed at least 50 persons with records of affiliations with Communist-front organizations. Specifically, Mr. Dies named:

Tom Tippett, Assistant Chief, Rent Section, $5,600 per annum.

E. J. Lever, principal field representative, $5,600 per annum.

Mildred Brady, principal specialist, $5,600 per annum.

Robert A. Brady, head consultant, $7,500 per annum.

Dewey H. Palmer, consultant, $20 per day.

I do not intend to enter into a discussion of the Communist-front affiliation of these five persons but I do want to mention something about Mr. Tippett. The record shows Mr. Tippett was a member of the national executive committee of the Conference for Progressive Labor Action. The letterhead of this organization carries the following statement of purpose:

"It aims to inspire the workers to take control of government and industry, to abolish capitalism, and to build a workers' republic."

In addition, Tippett was among the sponsors of a banquet given Ella Reeve Bloor, affectionately referred to by Communists as "Mother Bloor." He was a member of the American Committee for the Defense of Leon Trotsky. He was a staff writer for the Communist Daily Worker. Together with Earl Browder and William Z. Foster, he was a speaker at a meeting of the Workers Party, in Chicago, in 1923. He was a speaker at a meeting of the Communist Trade Union Educational League where he was introduced by Foster. If not an actual Communist, Mr. Tibbett certainly could be classified as having had association with Communists, who, according to Commissioner Flemming, were disqualified immediately. Mr. Tippett was disqualified by the Commission. But Mr. Leon Henderson interceded on behalf of Mr. Tippett and the Civil Service Commission, utterly disregarding their statement of policy to Congress, rated Mr. Tippett eligible. The Commission said that Mr. Tippett had been indiscreet and sometimes unwise in his associations and utterances.

From there on the record of similar actions by the Civil Service Commission in permitting Communists and their fellow-travelers to obtain important Government positions is almost endless and continues to the present day.

I want to submit proof of how the Communists and Communist sympathizers obtain important and confidential positions. On January 6, 1947, I wrote Mr. Arthur S. Flemming, of the Civil Service Commission, asking for information on two persons then employed in the Government service. They were Carl Aldo Marzani and Nathan Gregory Silvermaster. On January 8, 1947, I received the following reply:

UNITED STATES CIVIL SERVICE COMMISSION,
Washington, D. C., January 8, 1947.

Hon. FRED E. BUSBEY,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN BUSBEY: Reference is made to your letter of January 6, 1947, regarding the recommendations and final action taken by the Commission in the cases of Carl A. Marzani and Nathan Gregory Silvermaster.

In the case of Carl A. Marzani, ineligibility was recommended by the rating examiner of the Investigations Division, which recommendation was concurred in by the reviewer and the Chief of the Investigations Division. His case was reviewed by two staff members and the executive director and chief examiner, all of whom recommended ineligibility. The Commission rated Mr. Marzani ineligible, and from this rating, Mr. Marzani appealed and was given a hearing before the Board of Appeals and Review, at which time Messrs. H. C. Barton, Chief of the Presentation Division, Emil Despres of the Board of Analysis, Prof. Edward S. Mason, of the Board of Analysis, and Major D. Thompson of the Army Service Forces, all of whom were fellow employees, with the exception of Mr. H. C. Barton, who was the supervisor under whom Mr. Marzani was employed, and all of whom were with the Office of Strategic Services, testified emphatically regarding Mr. Marzani's loyalty. Thereafter, the Board of Appeals and Review recommended eligibility, and the case was again reviewed by two staff members, one of whom recommended ineligibility and the other eligibility, the eligible rating being concurred in by the executive director and chief examiner. The Commission then rated Mr. Marzani eligible.

Additional information regarding Mr. Marzani has recently come to light, and the entire file regarding Mr. Marzani was referred to the Department of Justice for their consideration. Subsequent to the receipt of your letter of January 6, 1947, a conference was held with the Department of Justice regarding Mr. Marzani's case, at which time the Department of Justice expressed the desire that any information whatsoever regarding him be held in strict confidence.

With regard to the case of Nathan Gregory Silvermaster, this case first came to the attention of the Commission when the Board of Economic Warfare requested his transfer from the Department of Agriculture. While Mr. Silvermaster had been in the Federal service since 1935, he held excepted positions and was not under the Commission's jurisdiction. The rating examiner of the Investigations Division recommended ineligibility, which recommendation was concurred in by the reviewer and the Chief of the Investigations Division. Two staff members reviewed the file and concurred in the recommendation of ineligibility. The Executive Director and Chief Examiner likewise recommended ineligibility. At this point, further investigation was decided upon. Before this was completed, the Board of Economic Warfare advised the Commission that they were no longer interested in Mr. Silvermaster, and the investigation was discontinued because we no longer had jurisdiction.

Mr. Silvermaster's case again came to the attention of the Commission when the Procurement Division of the Treasury Department requested his transfer from the Department of Agriculture. The case was referred to the Loyalty Rating Board for consideration. The Loyalty Rating Board requested further investigation. Upon review of this case, the Loyalty Rating Board examiner recommended ineligibility, and the Loyalty Rating Board concurred in the recommendation of ineligibility.

The Commission, in reviewing this case, relied chiefly upon the testimony contained in the files of the Military Intelligence Division, which revealed that the then Under Secretary of War, Judge Robert P. Patterson, on July 3, 1942, wrote to the Honorable Milo Perkins, Board of Economic Warfare, Washington, D. C., to the effect that "I have personally made an examination of the case and have discussed it with Maj. Gen. G. V. Strong, G–2. I am fully satisfied that the facts do not show anything derogatory to Mr. Silvermaster's character or loyalty to the United States, and that the charges in the report of June 3 are unfounded."

The Commission relied on the further fact that on July 1, 1944, the President's Interdepartmental Committee advised the Department of Agriculture as follows:

"It is the opinion of the committee that the record as submitted does not contain sufficient information to warrant charges pursuant to the statutes which prohibit the retention in government service of a person who is a member of an organization which advocates the overthrow of the government of the United States by force or violence, or who personally so advocates."

The Commission rated Mr. Silvermaster eligible for transfer to the Treasury Department.

Prior to the date of your letter of January 6, 1947, the Commission authorized the review of borderline cases in order that they may be reviewed in the light of present-day standards. The Silvermaster case was included among those to be reviewed. Upon review, the Commission will inform you of any action it may decide to take.

Very sincerely yours,

ARTHUR S. FLEMMING,
Commissioner.

Later I received a letter dated February 24, 1947, in which Mr. Flemming stated:

UNITED STATES CIVIL SERVICE COMMISSION,
Washington, D. C., February 24, 1947.

Hon. FRED E. BUSBEY,
House of Representatives,
Washington, D. C.

DEAR MR. BUSBEY: In a previous communication addressed to you, I indicated that the Commission was reviewing the case of Nathan Gregory Silvermaster and that I would provide you with a report of the action taken as a result of this review.

A majority of the Commission has decided that, inasmuch as Mr. Silvermaster is no longer in the Government service, it is not now necessary for the Commission to reconsider its previous action, but that his name should be flagged so that if he does come into the Government service again the question of his suitability can be given further consideration.

The minutes of the Commission will show that I dissent from this action on the ground that he should, in my judgment, be barred at this time for an indefinite period from Federal employment.

Very sincerely yours,

ARTHUR S. FLEMMING,
Commissioner.

I want to call attention to one especially significant part of Mr. Flemming's letter of January 8, 1947. He said that the Examiner on the Loyalty Rating Board and the Loyalty Rating Board itself recommended ineligibility but that the Civil Service Commission in holding that Silvermaster was qualified for Government employment on the question of loyalty relied chiefly on the recommendation of the Under Secretary of War, Robert P. Patterson, and further relied on the opinion of the interdepartmental committee. Mr. Flemming did not advise me that he knew the basis for Secretary Patterson's recommendation or the opinion of the interdepartmental committee. Therefore, I am bound to conclude that he did not know why such favorable recommendations were made. This case is proof of the fact that the Civil Service Commission ignored the recommendations of its qualified personnel and succumbed to the whims and wishes of those of higher authority.

Before I leave Mr. Flemming's letter of January 8, 1947, I want to call attention to one thing that seems to me is the key to the question as to how persons of questionable loyalty secured Government positions. Mr. Flemming says that the Commission authorized the review of border-line cases in the light of present-day standards.

As I stated earlier, Mr. Flemming told Congress on December 12, 1940, that the policy of the Civil Service Commission was to resolve all doubts in favor of the Government. Several years later when questioned before the same subcommittee as to this statement of policy, Mr. Flemming stated that it was still in effect. If the rule in 1940 and 1943 was to immediately disqualify all persons who had any association with Communists or the German Bund, Mr. Flemming should be called upon to say when the rule was changed and why.

Referring now to Mr. Flemming's letter of February 24, 1947. It is most interesting. He says that inasmuch as Mr. Silvermaster is no longer in the Government service it would not be necessary for the Commission to reconsider its previous action but a majority of the commissioners agreed to flag Mr. Silvermaster. In the event he does enter the Government service again his case will be given further consideration.

Mr. Flemming called my attention to the fact that he dissented with the majority as he thought Mr. Silvermaster should be barred from further Government employment for an indefinite period.

What I would like to know is when Mr. Flemming changed his mind. He should be called before this committee and asked to explain why he agreed that Silvermaster was suitable for Government employment one day and of the opinion he should be barred indefinitely another day, all on the same record. Is not this ample evidence of the inconsistency of the actions of the Civil Service Commission and does it not show that the Civil Service Commission is not the proper Government agency to administer a loyalty program?

If the records of the Civil Service Commission were made available to a committee of Congress we would learn how the Tippetts, the Thomas I. Emersons, the Nathan Gregory Silvermasters, the Josephine Herbsts, the Donald Wheelers, the Carl Marzanis, the Michael Greenbergs, and hundreds of such ilk were approved for Government employment.

Why are we denied access to such information? The Civil Service Commission does not want such record exposed to the light of publicity. They do not want it to become known how totally unqualified they were to administer an adequate loyalty program. One of the most outstanding examples of the ability of the Communists to ensconce themselves in highly confidential Government positions is the case of Carl Aldo Marzani. The Civil Service Commission knew that Marzani had been an organizer for the Communist Party on New York City's East Side; they knew he had signed and circulated Communist Party nominating petitions and in fact they had all the information that was later introduced in the trial of Marzani. Yet the Civil Service Commission put its stamp of approval on Marzani. This, in my opinion, is the grossest kind of malfeasance and the persons who ignored the evidence and recommended and rated Marzani eligible should be indicted.

The record of the Civil Service Commission reveals all too plainly that they placed incompetent and unqualified persons in positions that enabled them to nullify the outstanding work of a corps of able investigators.

On November 29, 1943, from the floor of the House I revealed the instructions issued by the Civil Service Commission to its investigators. Those instructions had the effect of hamstringing the loyalty inquiries. I later learned that these instructions were prepared by Alfred Klein, the chief attorney for the Civil Service Commission. These instructions, evidently concurred in by the Commission, went a long way, in my opinion, toward sabotaging the loyalty investigation program and played a very important part in letting hundreds upon hundreds of Communists into our Federal Government. These instructions that did so much harm to our security program are as follows:

UNITED STATES
CIVIL SERVICE COMMISSION,
Washington, D. C., November 3, 1943.

Regional Directors:

The Manual of Instructions on Loyalty Investigations, which was fully discussed with regional directors and a copy of which was placed in the hands of every regional director and investigator in charge for the guidance of investigators, contained detailed information regarding methods of investigation and questions to be avoided. Previously definite instructions had been issued that no questions should be asked regarding union membership or activities. It has recently come to the attention of the Commission that investigators have been asking persons under investigation, and witnesses, questions which the Commission had specifically directed should not be asked. In order that such offenses be not repeated there is set forth below a list of the things investigators should continually have in mind. Copies of these instructions should be immediately placed in the hands of every investigator.

1. Under no circumstances should any question be asked of an applicant or a witness involving union membership, union associations, or union activities. Not only should the applicant not be asked about membership in a union but any question should be avoided which might elicit from the applicant or from a witness union membership or activities.

2. If in the course of the investigation witnesses say that a certain person is a Communist because he has associated with certain persons in a union known or said to be Communists, the investigator should not ask the applicant about his association with these particular individuals, since the asking of such questions would expose the Commis-

sion to the charge that this is an indirect way of connecting the applicant with union activities. In other words, the question of unionism should not be brought up in any way in an investigation, either directly or indirectly.

3. Do not ask any question whatever involving the applicant's sympathy with Loyalists in Spain. This means that the investigator should avoid not only asking about the applicant's sympathy in the Spanish war but no reference should be made to any such organizations as the Abraham Lincoln Brigade or any other of the many Spanish relief groups. The whole matter of the war in Spain should be scrupulously avoided by the investigator as having any bearing on procommunism.

4. Do not ask any question about membership in the Washington Book Shop or any book shop in any city similar to the Washington Bookshop.

5. In asking an applicant whether he knows a certain individual, that individual should not be characterized in any way so as to show the individual's views or leanings. For illustration, an applicant should not be asked: "Do you know John Jones, reputed to be a Communist?" The question if at all necessary, should be: "Do you know John Jones, and what has been the nature of your association with him?"

6. Do not ask a husband, who is an applicant, questions about his wife and do not ask a wife, who is an applicant, questions about her husband. Ask the applicant only as to matters having to do with himself but not with members of his family or others.

7. During the special interview never argue with the applicant or indicate that you think he is evasive. Simply ask the question and record the answer. If it is your opinion that the applicant is evasive or untruthful you may say so in your report and give the basis for your statement.

8. In speaking to the applicant or to a witness do not characterize an organization as communistic or Fascist. Do not characterize it at all. Do not say: "We have information that you have been active in the International Labor Defense, a Communist organization." Say, rather: "We have information that you have been connected with the International Labor Defense. Have you been associated with this organization and what has been the nature of such association?"

9. Do not ask a witness any question in such form that the witness may derive information regarding the applicant which he otherwise would not have. Remember that your task is to obtain information and not give information. Do not ask a witness whether John Jones, the applicant, is a Communist unless you immediately follow with the question whether John Jones is a Fascist or pro-Nazi. The same applies with respect to the questioning of the applicant.

10. Under no circumstances ask any question or make any statement to the applicant or to a witness relating directly or indirectly to the color, race, creed, or religion of an applicant or witness.

11. Obtain all available information from witnesses which will help establish whether the applicant was a Communist Party line conformist. Do not discuss the Party line with the applicant or with witnesses. Familiarize yourself thoroughly with the Party line test and ask questions which will specifically bring out whether the applicant changed his views at certain periods but do not mention Party line unless the witness offers the information that the applicant did follow the Communist Party line. In that event ask the witness specifically what statement or actions on the part of the applicant he has in mind or knows about which leads him to the conclusion that the applicant was a Party line follower Again, have in mind it is not your function to argue or give information but merely to elicit information. Attached hereto you will find a statement which will help you to understand what is meant by the Communist Party line.

12. Do not ask any question regarding the type of reading matter read by the applicant. This includes especially the Daily Worker and all radical and liberal publications. Remember that the mere fact that a person reads a certain publication is no indication that he believes in the principles advocated by such publication. Citizens are free to read anything they like.

13. Do not ask any question as to so-called mixed parties, that is to say, whether the applicant associates with Negroes or has had Negroes in his home.

14. Do not ask regarding membership or interest in the Lawyers Guild, the American Civil Liberties Union, the Socialist Party, the League of Women Shoppers or the Harry Bridges Defense Committee. This is not a complete list of organizations about which no questions should be asked, but investigators should avoid asking any questions regarding any organization unless it has been authoritatively designated as subversive. If the investigator is in doubt the best policy is not to ask the question.

15. Do not ask general questions regarding the political philosophy of the applicant, such as, whether he believes in capitalism or what his opinion is regarding certain events of a current or historical nature.

16. Do not ask intimate personal questions. Do not ask such questions as come under the category of "snooping."

17. Exercise intelligence. Keep in mind what you are looking for. Remember that you are investigating the loyalty of the applicant to the United States. You are not investigating whether his views are unorthodox or do not conform with those of the majority of the people. What you are looking for is to determine whether there is evidence that the applicant's interest in the welfare of another country transcends his interest in the welfare of the United States. Remember that a question of an improper nature will result in criticism of, and embarrassment to, the Commission. Do not ask any question which is immaterial and has no bearing on the ultimate issue involved.

18. The investigator conducting a loyalty investigation should also conduct any special hearing which may be required. However, newly employed investigators or investigators without experience in loyalty cases should discuss the questions to be asked during the special hearing with their supervisors. Where feasible an investigator thoroughly experienced in loyalty matters should sit in on all special hearings in which derogatory information relative to loyalty is to be discussed.

From time to time you will receive additional instructions as to what to do and what not to do in the course of investigation of loyalty cases. The foregoing instructions are to be rigidly observed and any deviation therefrom will be cause for disciplinary action.

L. A. MOYER,
Executive Director and Chief Examiner.

The Alfred Klein who wrote these instructions is the same Klein whose decision in one case has been so widely quoted. Mr. Klein said: "If I had to express an opinion as to whether the applicant is a Communist, my reply would be in the affirmative. However, I am constrained to recommend that the applicant be rated eligible."

Mr. Klein should be called upon to tell who or what constrained him to recommend eligibility for a person he believed to be a Communist. However, Mr. Klein is one of the men whose opinions on loyalty cases the Civil Service Commission considered essential. Such infantile remarks amply demonstrate the unfitness of this Commission official to judge any case involving loyalty. It is my opinion that it is safe to say that the records of the Civil Service Commission contain many such idiotic remarks by Mr. Klein. Call it malfeasance, misfeasance, nonfeasance, or what you will, it supports my contention that the Civil Service Commission bungled the job of keeping undesirables from the Government service.

Now that these disloyal and potentially disloyal persons did succeed in getting into Government positions, the question arose after VJ-day of how to get them out.

On March 21, 1947, the President issued an Executive order prescribing procedures for the administration of an employees' loyalty program in the executive branch of the Government. This order placed the responsibility on the Federal Bureau of Investigation for conducting all loyalty investigations. It placed the responsibility on the Civil Service Commission to see that disloyal persons were not permitted to obtain Government positions and it placed the responsibility on the head of each department and agency to see that disloyal employees are not retained.

The Executive order also established within the Civil Service Commission a Loyalty Review Board of not less than three impartial persons.

Congress was then asked to appropriate funds to carry out the provisions of this Executive order. To date Congress has appropriated $7,000,000 to the Civil Service Commission to be used exclusively on the loyalty program as enunciated in the President's Executive order. Half of this amount was appropriated for the fiscal year 1948 and the other half for the fiscal year of 1949. Thus we know that the Civil Service Commission has spent at least $3,500,000 during the fiscal year of 1948 in ridding the Government service of persons of questionable loyalty.

Now let's look at the effectiveness of the manner in which this loyalty program has been administered. I'll give but two examples, one case under the jurisdiction of the Civil Service Commission and the other case under the jurisdiction of the head of an agency.

The first case is that of William Remington. This man was permitted to transfer from one Government agency to another without any clearance from the FBI. According to the recent testimony of Miss Elizabeth Bentley she informed the FBI in 1945 of her association and the activities of Remington. Now one of two things occurred—either the Civil Service Commission permitted the transfer of Remington without benefit of a report from the FBI or they permitted the transfer without regard to the information from the FBI. In either case the Civil Service Commission erred.

The other case is that of Jesse Epstein, employed by the Federal Public Housing Committee. Mr. Epstein was identified as a member of the professional unit of the Communist Party in Seattle, Wash. The loyalty board of the Federal Public Housing Authority, acting under the Presidential directive of March 21, 1947, cleared Mr. Epstein and the Loyalty Review Board of the Civil Service Commission approved it.

These two cases, standing alone, show the ineffectiveness of the Civil Service Commission and the Executive order. Further proof is the statement of the chairman of the Loyalty Review Board made several days ago that no Government employee had been removed from the service under the provisions of the Executive order.

The Federal Bureau of Investigation is spending the funds Congress appropriated in the manner contemplated. They have conducted thousands of investigations as provided by the Executive order and they are still making investigations. In view of the recent disclosures before two congressional committees no one can be heard to say that the FBI is without information about the questionable activities of Government employees. But what good has it done?

The Civil Service Commission has failed miserably in its duty and the Executive order has proven to be worthless as an instrument to rid the Government of employees of questionable loyalty.

The Civil Service Commission cannot be heard to say that they did not have sufficient funds to carry out the part assigned to them by the Executive order.

Mr Chairman, I am leading up to simply this: On March 22, 1947, President Truman issued an Executive Order 9835 ostensibly for the purpose of ridding the Federal Government of Communists, Communist sympathizers, fellow-travelers, and anyone considered disloyal or subversive. The following day, Sunday, March 23, 1947, papers were carrying big headlines to the effect that they would be removed and I quote from the Washington Post: "Truman wants disloyal employees fired;" the Times-Herald carried a big headline on the same date, "Truman wants Reds fired from U. S. jobs." In the Washington Star of the same date appeared the headline, "Truman wants FBI to weed out all disloyal Federal workers."

The people of the United States were exceedingly happy over this turn of events and thought the President sincere in his announcement. Under Executive Order 9835 a Loyalty Review Board was set up in the United States Civil Service Commission to handle these cases, but notwithstanding the fact that Congress to date has appropriated over $17,000,000 for this specific purpose in cooperation with the President in the hope that he was sincere in his statement, the results so far are zero. It is my personal opinion that outside of the work done by the FBI and the records they have compiled from the amount that was allotted to them, the money has been squandered and absolutely no results obtained.

It is not surprising to me that this Loyalty Review Board has done nothing because if you will look over the 23 names originally appointed to this Board you will readily come to the conclusion that not a single one of them is qualified to pass on cases of loyalty or security risk. It is my belief that if the President of the United States had been sincere in wanting to rid the Federal Government of the hundreds of undesirables he would have insisted that a board of competent and experienced men in the field of communism be appointed.

It was shameful and disgraceful to have misled the American people into thinking that something was going to be done by the present administration to clean out all of these undesirables in order to detract their minds from the fact that the Civil Service Commission had not performed its duty in declaring these people ineligible and removing them from the pay roll.

I am well aware of the terrific smear campaign carried on against this committee and its members by the Communists of this country in order to discredit the work you have been doing to see that only people whose loyalty cannot be questioned remain on the pay roll. The people of this country owe undying gratitude to this committee for the wonderful work being done at the present time.

It is my further opinion that if President Truman was sincere in his desire to rid our Federal Government of employees from high places in important key positions who are definitely a security risk to the future welfare and security of our Government, in light of present-day conditions, he would want all departments of Government to make available immediately all information in the files of the various departments, the FBI, and the Civil Service Commission, to all proper congressional investigating committees. The fact that he has thrown every possible obstacle in the way of this committee, as well as other committees, from obtaining information that is rightly due them can only lead to one conclusion in my mind and that is that he does not want the truth to come out because it would be embarrassing to the present administration and reflect on the heads of the various departments who, notwithstanding the fact that they have had information given them which is in their files at the present time, have not had the courage to take the necessary steps to sever these individuals from the pay roll or have willfully neglected to do so for political reasons. The investigation your committee is now conducting is far above any partisan consideration. Loyalty to one's country comes ahead of any political party.

One more suggestion and I am through. I think this Committee to Investigate Un-American Activities should constantly appeal to the conscience of other people like Miss Bentley, Professor Budenz, and Mr. Whitaker Chambers to repudiate their Communist comrades and come forward to give testimony in behalf of our country.

In view of the little we have learned of the activities of the Civil Service Commission in placing or allowing to be placed Communists and Communist sympathizers in important Government positions, I am firmly convinced that if President Truman were sincere in his desire to remove from the Government service all persons of questionable loyalty, he would not have delegated any authority under his Executive order to the Civil Service Commission.

Plot Against Frank Buchanan Shows Stripe of Progressives

EXTENSION OF REMARKS

OF

HON. FRANK BUCHANAN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 6, 1948

Mr. BUCHANAN. Mr. Speaker, under leave to extend my remarks, I wish to include an article appearing in the Pittsburgh Post-Gazette of Monday, August 2, 1948, written by John E. Jones, a staff writer on the paper, entitled "Pennsylvania Politics—Plot Against FRANK BUCHANAN Shows Stripe of Progressives":

PENNSYLVANIA POLITICS—PLOT AGAINST FRANK BUCHANAN SHOWS STRIPE OF PROGRESSIVES

(By John E. Jones)

WASHINGTON, August 1.—The fortunes of politics will present a challenge this fall to Representative FRANK BUCHANAN, of McKeesport, and to voters of the Thirty-third Congressional District which he represents.

A Congressman with a reputation for progressive action and voting, Mr. BUCHANAN now finds himself the target of the new fangled political attack designed by followers of Henry A. Wallace.

The McKeesport Representative becomes the focus of a political paradox. So acceptable has his record been to progressives within his own—the Democratic Party—that the Progressive (Wallace) Party of Pennsylvania will try to unseat him in November.

The party which offers peace, abundance, and freedom to voters will enter a congressional candidate in the Thirty-third District to foment political warfare and to endeavor to elect a Republican, hence, conservative, in Mr. BUCHANAN'S place.

Thomas J. Fitzpatrick, president of local 601 of the United Electrical Workers and a notorious leftwinger who doesn't live in the district, will oppose Mr. BUCHANAN. He will try to split the Democratic vote and thus assure a Buchanan defeat.

Allowing that the Wallace party has a right to enter its own candidate in the race, the obvious question remains:

"What does a progressive have to do to win the support of self-styled progressives?"

Mr. BUCHANAN'S voting record in the Eightieth Congress—his first full term—placed him high on the list of Representatives who acted and voted for housing legislation and for the extension of price controls—while they still existed.

He has been one of the foremost Democratic supporters of bills aimed at checking upward price spirals and at alleviating the housing shortage. He has obtained a high rating from Americans for Democratic Action and from the CIO alike on their estimates of Members of this Congress.

He opposed income-tax reductions in the face of postwar profit reserves. He opposed the repeal of regulation W—the Federal Reserve Board's old rule to limit installment buying.

He supported bills in 1947 to extend price controls and sugar rationing. He opposed legislation to permit local authorities to decontrol rents.

On the labor front, he opposed the Taft-Hartley bill and he opposed the Bulwinkle bill that exempts railroad rates from provisions of the antitrust laws.

In foreign affairs, Mr. BUCHANAN'S score was proadministration. He supported ERP; aid to Greece, Turkey and China and he supported the Fellows bill to admit 200,000 displaced persons to this country. Later he supported a move to recommit the Senate bill which contained discriminatory features against Jewish DP's and Poles.

The scope of the McKeesport Congressman's activity does not rest with his voting record. He is regarded in Washington as one of the most effective, although minority, members of the House Banking and Currency Committee which is concerned at this extra session with consumer credit and bank reserve controls.

Mr. BUCHANAN has demonstrated to most observers of the committee a first-hand knowledge of banking practices which has enabled him to check some of the ultraconservative tastes of the Republican leadership.

The committee is now considering a restoration of consumer credit controls which Mr. BUCHANAN wanted Congress to maintain last year.

Why, then, progressive opposition to this progressive-recorded Congressman?

The Progressive Party move to unseat Mr. BUCHANAN is part and parcel of the Communist Party line to split progressive or liberal forces in America; elect a conservative or reactionary Congress; and hasten the day when a new depression, or something, strikes.

Mr. BUCHANAN has become the target of the plot because he has symbolized, to great extent, the efforts of liberal Congressmen in Washington to hold the line against inflation. He is one of three Pennsylvania Congressmen who have been marked for defeat by the Progressives.

In a two-party contest in the Thirty-third District, Mr. BUCHANAN could protect himself. Even if defeated by a Republican opponent, the defeat would at least represent a clear-cut decision along major party lines and preferences.

But in a dog fight with Progressives, Mr. BUCHANAN will need new sources of support next November. Neither he nor the Democrats are sure at this time where that support can be found.

It appears, however, that the Eighty-first Congress, whether it be Republican or Democratic controlled, could use the experience and judgment of FRANK BUCHANAN.

Address of Hon. Frances Perkins, Member of the Civil Service Commission, Democratic National Convention, Philadelphia, Pa.

EXTENSION OF REMARKS
OF
HON. HELEN GAHAGAN DOUGLAS
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES

Friday, August 6, 1948

Mrs. DOUGLAS. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address delivered by Hon. Frances Perkins, member of the Civil Service Commission, formerly Secretary of Labor, made at the Democratic National Convention, Philadelphia, Pa., July 12, 1948:

I am appreciative of the considerable honor which your committee has done me, in asking me to speak briefly before this great and important convention, and I am both grateful to them and full of humility in my attempt to describe some of the underlying principles which I believe are involved in political policy and in political action, not only throughout all time, but in particular, in this year of our Lord one thousand nine hundred and forty-eight.

There has been a tendency in recent times to think of politics as a low pursuit and of politicians as self-serving, but these ideas spring from a dark cynicism, a wholly materialistic philosophy, and a lack of comprehension of the nature of man in his relation to his Creator. Politics fulfills man's essential and permanent function as a social being, as a part of God's creation. Each man is an individual and has his individual life of great importance, but he is also a social being. He strives constantly to build an order of society, a state as we often call it, a nation in which the individual can live secure and in which truth and justice as man is able to perceive them can prevail.

Our forefathers, who founded this great Nation, having thought a great deal about politics and about the function of organized society, and having had the benefit of the knowledge of the long processes of civilization, put it pretty well in the preamble of the Constitution—stating it as their purpose to form a more perfect union, establish justice, insure domestic tranquillity, provide for common defense, promote the welfare, and secure the blessings of liberty to ourselves and our posterity, to ordain and establish the Constitution for the United States of America.

Their politics was no light and cheap function of men. The state is arrived at by political action and it is the organization of government and order which is an essential function of man.

These are not original ideas of mine. They were pronounced by Plato, Aristotle, and St. Thomas Aquinas, and in more modern times by many thoughtful philosophers.

Politics is patriotism, and political conventions, such as this, and such as the one held in this city 3 weeks ago, are patriotic rallies quite as much as they are deliberative bodies, and it is a part of the patriotic duty of all people to take part in the political life of the community in good conscience and with enthusiasm to contribute of the best that they have in themselves.

The political conventions of America seem to puzzle many foreign observers and even in recent months American-born writers who ought to be able to perceive their immense significance themselves. In a sense, although each convention is held under the auspices of a particular party, the whole people of the United States participate in all of them. I certainly participated, and I think most of you did, 3 weeks ago and millions all over the country are participating in this convention. Most people in a free democratic society, such as we live in, and with a constitutional, representative government, rarely think of politics or political principles except in periods of elections when these principles are called sharply to their attention.

This is what a convention does: It brings those who have declared for themselves some political purpose together, to canvass once more those purposes once in each 4 years, associated with each other in friendship, in fun, and by serious conversation and public oratory to explore some of the political ideas and political principles which they hold in common. For politics must be practical, and political activity is a practice in which all men in a democracy must participate. Out of political activity sprang this state, and came the stature of a political nation in a particular time and place. By these laws and statutes men will bring to life a state for a particular period and time.

The state is a dynamic society and this is particularly true of the United States, a dynamic community of human beings joined together in establishing a common purpose. But what is that common purpose?

Yes, freedom and liberty, justice and virtue, peace and order, these are permanent goals. But within short periods of time many other elements of the common purpose change. To find these changing elements which must meet the needs of a particular time and place or to solve a special problem of a special set of circumstances is to describe the meaning of the particular activity of political conventions.

To explore and criticize in the light of modern knowledge and experience, and to insist upon decisions made therefrom being carried out in public office, this is the sum of the purposes arrived at in conventions.

The analysis of modern social and economic problems and their relation to a sound and humane philosophy, these are the problems of a convention.

Conventions are made up, on the whole, of delegates fairly representative of a cross section of American life. No man holds convictions about his principles by a process of reason and logic alone. None of us can reach the courage to take action effectively on matters of which we know only through the operation of reason alone.

The convention, even with its excess of exuberance, and partly because of those excesses, exposes political ideas, brings political ideas into the field of the emotions; then, the emotions, playing over those ideas, bring further conviction and loyalty and the capacity to sacrifice personal and minority views clearly and tolerantly.

To the common purpose, which is arrived at partly by reason and logic, and partly by emotional reaction and conviction, we then bring renewed faith in the democratic process; we express again our belief in the common people, in their genius for decision on these matters and we rededicate ourselves in these conventions to the carrying out of the fundamental purpose of a free society and to the defense of our liberty in this free society, a liberty brought hither by many peoples. We renew our principles. We renew our aims to develop our liberties and to extend them to men of good will. We renew, and we restate our profound knowledge that only men of good will can achieve liberty and hold it.

The convention then is a time when those who are consistently concerned about politics, and not just in campaign years, make estimates of the situation, as the military say. An examination really, of themselves, as individuals, and of special affairs, an examination by the rule of conscience, and having made that estimate, they gather up their group to take a calculated risk and to offer to the people of the United States as a whole a program, a platform, and candidates, which those who were assembled will recommend with their sacred honor as being a right step, a practical step, in improving the lives of our fellow men within this Nation. And also, in these days, when America steps out almost anew into the affairs of the world, a step toward the right and humane solution of the problems of all of the people of the world.

Men owe to one another, since they are social beings, that without which human society could not be preserved. Men could not live together in the same country unless they respect each other, and believe in one another as mutually manifesting truth.

And so in the midst of our political campaigns it is important for us to recognize that each party must examine its own conscience and each party must regard the members of the other parties as also manifesting truth and a desire for service. Whispering campaigns, cynicism about public activities, about political action, abuse, and false accusation have no place in a true political campaign and particularly at this time when political affairs have assumed a world importance never before known in American life. I wish that the Democratic Party might take the lead in inaugurating a vigorous campaign without mud slinging.

This party has held, under public direction, our form of government for 16 years. We hold therefore, many advantages for voters. This party has managed many affairs of the Nation. Surely this party should be the first party, advantaged by its creditable record, by the widespread acceptance of its generous social objectives, and by the customs, and the habits of thinking of the American people. It should be the first party because the names of its leaders are household words, and do not need to be sold by the cheaper forms of advertising.

This party should be the first party because it has taken the leadership, and, therefore, will always have the credit for developing a bipartisan foreign policy which gives assurance to the world of the main outline of the American will to generosity and kindliness. Because of all these things, surely the Democratic Party can admit such human virtues and decent aspirations as its opponents have, and can invite them to a campaign on the issues before the American people without mud slinging, for campaigns are periods of great ideas for all the people as they participate in the thinking and feeling of the occasions.

I spent the Fourth of July close by a small New England town which is celebrating the one hundredth anniversary of its incorporation as a village in 1848. As a part of that celebration the windows of the shops, the libraries, and the church vestibules have all set up exhibits of the life of that community near the time of its founding and throughout the 100 years—most interesting exhibits. I paused long and intently before one window in a quaint old-fashioned brick building, where the local telephone company does business. Some worthy citizen had on display items that he had brought down from his garret, of mementos of the political campaign in which James G. Polk was the candidate. Handbills and posters urging the citizens to vote for Polk, with candle and kerosene torches used in the processions, with excellent portraits and engravings of Polk. What caught my eye and started my meditation on political affairs throughout a hundred years was the slogan printed on the top of every handbill—printed over the pictures of Polk—printed even on the signs which said only "Vote for Polk," a scroll held in the middle of the mouth of a dove and on the slogan the words, "Liberty, virtue, and justice."

Liberty and justice we are still familiar with in political campaigns, but it's been a long time since anyone has said that virtue,

which is a large and inclusive word, was a part of the platform and a part of the promise of any party. Perhaps, we need to revive it in its larger sense for this is what the people of the United States want. They want goodness and they want decency; they want self-respect and the respect of all men for each man and of each man for all the others. They want humaneness—kindness—we call it, mercy.

I was struck by a recent publication of the Gallup poll in which the usual sample of citizens had been asked some questions about what they want in a President. What kind of a man he should be as a man, what kind of an attitude he should have. The opinion of those in this poll was that he should be humane—this is a part of the virtue of modern times—humane and merciful, truthful and upright, honorable and unselfish, patient, able to take it, unpretentious, associating himself humbly but not meekly, humbly in the sense of virtue, with all the people of his country. And this, if I may say so, although I belong to the older generation, is what the young people of this country want.

They want their leaders and those to whom they entrust the sacred order of their Government to be not only men of probity and intelligence; they want them to be men of mercy and generosity, of simplicity, and of humility, and any party which can produce consistently people of that sort will be trusted by the common people to protect their liberty; to follow constitutional processes, to reform that which needs correction in our public life; and to meet the new problems which arise from day to day and from month to month in domestic affairs, and particularly, in these critical days in world affairs, with constructive and creative conscience.

There has never been a time when the principles and the politics of a party, as expressed in its platforms and in its oratory, and demonstrated in the character of its candidates was so important to the people.

This party will inevitably call to the attention of the people its record and what it has done in the 16 years in which it has held the authority of Government. It is due to the people to make a report of what has been done with this public trust, but it is due to the people also to approach them in humility, recognizing that however successful some of its policies have been, that its performance has not been complete. It has had its full complement of error and confusion but many objectives have been achieved. Some objectives have been only partly attained. Some mistakes have been made, some shortcomings demonstrated. Many of these mistakes have been corrected or forgotten, and the people of this country stand in a situation of social progress, of material prosperity, of intellectual and moral integrity and of spiritual security, which is hardly equalled in any nation of the world and hardly known in historic times. All this and freedom, too.

There are many in this convention and there will be thousands of voters who cannot remember because they weren't adult, the confusion, despair, and lack of common moral political purpose of 1931 and 1932. Unemployment and business depression stalked the land when men were afraid to think about their economic and political problems; when they were tempted to call wrong right and evil good; when they doubted the capacity of man to save himself by the grace of God; but the Democratic Party has the right to remind the people that in these 16 years we have gone through that depression and unemployment period; we have gone through the honorably conceived and very difficult recovery period. We have seen the emergence of a world form of moral horror and have combatted its hideous implications for ourselves; we have gone through a modern war made necessary to combat and overcome the moral evil that threatened to engulf the civilized world, and even threatened to touch us, and we have entered into the postwar period in which distress and shattered people, intellectual and political confusions, and political moral problems unknown to our ancestors, have faced us at every turn. This has not been an easy period of 16 years, for those who led this great party and those who operated the Government in the care of all the people. Seldom have those in public life been so tested, so tried, or faced with such supreme difficulties. The American people know this and have in their hearts a true and understanding sympathy for those who operated the Government in their behalf and stood firmly and tried to do the right thing in each new emergency as God gave them to see it.

The American people have risen nobly and courageously and unitedly to meet every one of these problems during this period without partisan bickering. They have shown themselves capable of throwing off the fear which depressed us; of piecing out a new economy when the old seemed destroyed or in decline, by patchwork processes perhaps and by lifting themselves by their bootstraps, but still by finding a way of making things go.

With courage and tenacity the young people of this country entered a war they had never dreamed of being called upon to fight and comported themselves not only with bravery and with intelligence but with a kindliness toward all mankind. When once the fighting quieted down, even momentarily, they had won a new affection for the United States, which the rest of us must live up to in our public affairs.

American business, industry, labor stepped forward to meet the needs of a war economy, giving up profits and opportunities which they never expected to be called upon to give up. We are a world power today because of all these things.

We do believe in our ability under God to maintain a good community. We have progressed from the days when there was mass unemployment—14,000,000 unemployed—to a period in 1948 when last month 61,000,000 people were in work for wages, and better wages, both in the higher and lower levels of remuneration for services rendered, than they have ever known.

We have moved into a period when social justice in the United States in the form of unemployment insurance, old-age security, social provision for the handicapped, good working conditions for the wage earner, with opportunity for leisure and a floor set up against the fall of wages below subsistence level, which promises a continuing improvement in the standards of living—a period of social justice in which the needs and necessities of human beings have been first on the agenda and when the hope of material prosperity has been based upon one concept that it is the people who matter.

There is a crisis, a world crisis, today and it behooves those here to be sober in their analysis of the problem, in their promises and their programs. There is a deep crisis; it is fundamentally a moral crisis, and the influence and force of the United States must be directed to the maintenance of the primary human concepts of truth and honor among individuals within a society and among nations; of cooperation and good will as a solvent of many conflicts; of the example of clean and decent behavior on the part of all the citizens in government in dealings with other nations; and in a firm, unflinching adherence to the principles of justice and right to all people. It is a part of our security, as a people, that we want no power for its own sake, and this must ever be an American slogan.

An American item of creed, if you will, the power to defend that which is right, not only for ourselves, but for all mankind. A power which is tolerant, which is humane, which allows all men and each man to develop his God-given powers under the guidance of his own judgment, and to be free from tyranny and oppression. We will generate that power by our own internal domestic unity, cooperation and good will, and by God's help attempt to use it for the good of all mankind and particularly for that portion of mankind which historical incident brings within our sphere of responsibility.

Those who are to ask others to trust them with the authority of government or with great responsibilities must first know where they are going. They must know their aim, purpose, and objective, and this convention is an admirable time to find and state that problem.

Second, they must know themselves by the analysis of their nature and their own actions, and this in comparison with the highest and most decent standards they are able to conceive. They must know, and our leaders must know, and estimate their own weaknesses as well as their strength.

They must examine the same standards by which they examine their own conscience, and they must know and at least glimpse their destiny of the mankind whom they serve and so strive to take action which will lead toward a future of generosity and mutual service, of intellectual and spiritual development and welfare, and have the knowledge of our country's welfare at heart. They must understand that the people of this Nation can go forward with that integrity which makes it possible for them to trust their political leaders. This is a serious convention. The laws of right and wrong must govern our political actions.

No one in this room tonight can forget, or wants to forget, a great and beloved man whose smiling face, whose nerve in the face of disaster gave hope and encouragement, first to a prostrate nation and later to a harassed and terrified world.

He will long be an unseen, yet apprehended guest, not only at Democratic Party meetings, but in every patriotic gathering of our country. And we here will hold him and what he did in grateful memory—grateful that this party was able to produce and give to the Nation and to the world, the man who was needed, at the time when he was needed.

There are thousands of people all over the country who would like to duplicate the candidate of 1932, but we have to face life as it is. There is no duplicate in this, or any other party.

But there are men and women who have felt the influence of the aspiration and hope of the life which he brought to function so freely in human society. They will strive in the same spirit, strive in the same direction, and aspire as truly to serve the people of this country and of the world.

Two of these men will be nominated in this convention.

I thank you.

Should We Wait to Serve?

EXTENSION OF REMARKS

OF

HON. ED GOSSETT

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 6, 1948

Mr. GOSSETT. Mr. Speaker, Mr. John Ben Shepperd, of Gladewater, Tex., president of the United States Junior Chamber of Commerce, delivered a very fine address on public service to the recent meeting of the East Texas Chamber of Commerce, at Temple, Tex.

At the request of my friend, Mr. Melvin Evans, president of the Texas Junior Chamber of Commerce, and because this

speech is a national appeal to a greater interest in good government, I am asking the privilege of inserting it in the CONGRESSIONAL RECORD.

Indifference and sordid selfishness are constant threats to our national well-being.

The young men of this country should be encouraged in every effort to stimulate civic righteousness and a greater devotion to the public good.

The splendid address of Mr. Shepperd follows:

SHOULD WE WAIT TO SERVE?

As the president of the United States Junior Chamber of Commerce, I am grateful for the opportunity to tell you about a subject which is very close to my heart. That is, my personal crusade to encourage—on the part of our young men—more responsibility and a healthier and more intelligent participation in public affairs as a means of preserving our American way of life.

For that reason, I have labeled this talk, "Should we wait to serve?" I have put it in the form of a question to you who are acknowledged leaders in the fields of business, industry, and finance.

One of the Nation's greatest assets is its manpower. It has been estimated that there are about 17,000,000 adults from 21 to 36 years of age. Approximately 1,500,000 of these young men and women live in Texas.

The importance of this particular asset is high-lighted in times of crisis such as the recent war. Then we suddenly wake up to the fact that we have been too busy to pay much attention to our young men until they are called upon to defend us.

The rest of the time, we are too prone to take them for granted and fail to recognize what a vast reservoir of aggressive, intelligent, and unprejudiced young manpower that is available to fight the battle for freedom 365 days a year.

These are veritable rivers of energy and enthusiasm which can be directed toward improving our communities and our State provided we give them proper counsel and advice.

In all probability, when most young cave men grew strong enough to swing their own axes, they grumbled about the way their elders were running tribal affairs. Down through the ages, the discontent of young men and women has played a dominant role in the changing course of history.

Revolutions aren't stirred up by those in command, those who have land and prosperous businesses. They are the ones most interested in maintaining the status quo. It's the younger members of society—those who aren't satisfied, who want a chance to express themselves more in community and business affairs.

The youth of America are not thinking of revolution. Far from it. Any veteran who served overseas and had a chance to see how other peoples live came home a supersalesman for the American way of life. But make no mistake about it: There are groups in this country today trying to undermine our Government through appeals to our young men and women.

Should they lose faith or become discouraged because they are not given the opportunity to participate in community or public affairs, they might tend to sell America short. Sometimes I get worried about all of us doing that. We go out of our way to be critical. We are too partisan.

To combat this, we must speak up for democracy and let the eagle scream. To protect our democratic system and free enterprise, we must take stock of our heritage. To perfect it, the approach to our problems must be positive. To promote it calls for public education. We must educate our people to think, to take stock, to study—a thorough knowledge of American history is the best manner of promoting a love for its advantages.

The necessity of educating the public was brought forcibly to my attention while on a recent tour of Europe, where I observed the spirit of young men sinking into discouragement and chaos due to lack of security and opportunity for advancement. They had lost hope, ambition, the incentive to produce.

Talking to them about their form of government or the ever-present threat of communism, they would reply, "What can we do about it? Today we may be working on our job—tomorrow our government may move us across the country to an entirely different kind of work. We do not have the opportunity to utilize our training or the experience gained in the war by entering a new business because our government has closed these fields of endeavor to us."

On the way home, the thought occurred to me that our country would be in a tragic state and would be easy prey to communism if our young men—who have their lives before them and have the most to lose if our free-enterprise system were lost—should lose their hope, their ambition, the incentive to produce.

In 1944, the United States Junior Chamber of Commerce passed a resolution asking that a fifth freedom be added to the then recently announced four freedoms and that this freedom be the freedom of opportunity of enterprise.

With this in mind, I launched a campaign which began October 1, known as the fifth freedom tour, which has carried me through all of the 48 States and into 27 foreign countries, this being the two hundred and ninety-seventh speech in an effort to mobilize, not only our 250,000 members, but all young men toward a keener appreciation of the American way of life.

There is no reason why our young men should not be taught from their earliest days to assume and discharge their obligations to the community and to those around them. I say "from their earliest days," for we have learned a lesson during the last war when we suddenly dumped responsibility on young men who had never before been called on to think for themselves and for others. Training for responsibility takes time.

I have advocated adding a fourth "R" to the traditional three "R's." The fourth "R" would be responsibility. The grade schools are the places to start training our youngsters for their future obligations. If we could inculcate our millions of school boys and girls with this fourth "R" we would be building a mighty bulwark against subversive activities in this country.

While the schooling of youngsters must be left to our educators, the training of our young businessmen is your responsibility. The place to start is in your own business. Looking at it from the dollars-and-cents business viewpoint, you stand to gain tremendously from having your young men take a more active interest in the affairs of your business and your community. You must instill the idea of service in your young men. Every time you make a better American out of a young man you strike a definite and tangible blow at subversive forces in America.

Particularly in the field of good government is there a need for active interest on the part of your young men. Shouldn't we do something about our present system which permits a young man to reach voting age without ever giving a thought as to how and why he should exercise his voting privilege? And after many of our young men and women pass their twenty-first birthday they still give little thought or no thought to this important obligation of voting and taking an active role in their government.

Did you ever stop to realize the significance of this lack of interest on the part of so many of our young men and women? You work with these young people every day and take it for granted that because they were born into a democratic society—just as you were—they will automatically learn about and come to appreciate the advantages of that system.

But, as is often the case, when individuals are born to advantages, they are apt to accept them casually and place little value on them. Too often we find our young people apathetic toward the American system of government with the result that they are more interested in Lana Turner's latest romance than in making an intelligent choice of the public officials who will govern them.

I would like to include here a little story which shows how some of our youngsters feel about the free-enterprise system in America. A young student, competing in the finals of the Jaycee-sponsored contest, I Speak for Democracy, recently expressed this in a clear-cut, refreshing way.

She started out her talk by saying, "Did you ever consider that 'American' ends in the words 'I can'?" I can worship where I please, work where I please, say what I please. Why? I am an American. Be sure that no employee of yours ever fails to realize what it means to be an American.

Make capitalism and the American system work and you will prevent communism and every other "ism" from creeping into our Government. But to make it work, you must encourage your young men to say, with sincerity, "I can." Give them the opportunity and they will accept the responsibility for they want to be able to say, "I can."

It isn't only verbal encouragement that those 17,000,000 young people in America between the ages of 21 and 36 need from you business and professional and industrial leaders.

This is not a question of "Do as I say, not as I do." No, that won't work with these young people. As a business leader, you should take your obligation of citizenship as seriously as you take your business obligation. Set an example of good citizenship for your employees and young men. For example, did you know that in the 1946 gubernatorial election in Texas only 32 percent of the eligible voters paid their poll taxes and, of that small number, only 74 percent actually voted?

When we fail to vote, we are permitting well-organized minority groups to gain control of our Government. We are defeating majority rule. Business men too often have adopted the attitude that politics and politicians are crooked and refuse to take an interest in elections. As a result, people who had little, if any, conception of the problems of business are running our politics, put in office by business men who didn't vote or were too busy to devote time to public affairs.

I have great faith in the American people—they can be trusted to do what is right—but they just aren't interested enough in the business of government. You must, in some way, expand this interest. It's good business for you to have as many people as possible take an active interest in good government.

If the free-enterprise system is to survive, then it will survive only because public opinion is in favor of a free-enterprise system over a controlled economy. Therefore, it is high time that you, as business leaders, speak up for our democratic system, that the positive aspects of our economy and our own governmental system be accentuated—rather than pointing out the negative side of foreign "isms."

You must do some deep objective thinking about the advantages of the American system. You must dramatize the fundamentals of that system so that everyone in America will understand what makes us strong. Sell America to yourself—then go out and sell it to the rest of the people.

Start with your own organizations. Bring home to your employees the reasons why Americans enjoy the highest standard of living in the world. Dramatize it—make it live for them.

Point out that America differs from other countries in that its great so-called middle classes are the ones who enjoy that high standard. Let them know that in other nations there are great gulfs between the high- and the low-income groups. Let the American people know that they enjoy their high standards because of the remarkable system under which they live.

I have urged you to take an active interest in your government and that you encourage your young employees to do the same. Let me urge you do something more. You can make a real contribution to our democratic form of government by applying some modern business methods to make that government work.

I am advocating that you business leaders, in the interest of better government, join with other public-spirited citizens in endowing a nonpartisan Better Government Foundation. The aim of the foundation would be to give us all better and more efficient leadership in public affairs and to encourage more active and intelligent participation in government on the part of more of our people.

The business of government—local, State and national—is the biggest in the world. No other business, directly or indirectly, affects so many persons every day of their lives. Yet we have been content to allow as few as 25 percent of our eligible voters in this State to direct the affairs of the remaining citizens. That's not good business procedure, is it?

Our leadership in the important business of government is too often selected in a random, hit-or-miss fashion by this minority of our citizens. Since the business of government is so important, why not set up an endowment foundation, financially independent and not subject to pressure, to study our problems of government as well as ways to broaden the base of participation and extend the privileges of franchise?

Funds for the support of this Better Government Foundation would be solicited from those willing and able to contribute to this cause without expecting any return other than the benefits of better government for all. You, as business leaders, readily can see the savings and general benefits resulting from a more efficient and able administration of government. These benefits would amply repay any investment in this program for better government. With increased participation in public affairs on the part of our citizens, we shall be helping to strengthen our American way of life by making democracy in action work.

Such a foundation not only would conduct campaigns to get more of our people to vote, but also crystallize the issues in order that they might do so intelligently. Special programs could be directed toward younger people, designed to prepare and equip them for the duties and responsibilities in business, in the community and in life.

I hope that you will feel a desire to help train your young men early to be your successors and the Nation's future leaders. By giving them the benefit of your knowledge and experience, you will help them to do better than you have—and in their time, I know they will pass on your knowledge so that their successors may do even better than they.

Here is a little bit of verse, entitled "Every Son Must Rise Above His Father," which aptly states our situation:

"No river ever rises
Higher than its source.
That the Old World "physics"
We break that law, of course.

"Our law is a new one;
Every father's son
Must rise above his father
Before his days are done.

"Must go up head and shoulders,
See more than he saw.
Be better than his father,
That's the unbreakable law.

"The plumber leads his little son
By his rough hand;
Proud to lead a lawyer
And governor of the land.

"The farmer trots a poet
On his big gnarled knee,
Glad to bear more living
Than the best can be

"The carpenter builds a dwelling,
His son plays in the chips;
But he knows his small one
Will build great boats or ships.

"We live in our children,
We train young feet to go
Up hills we dared not dream of,
So America will grow."

Fort Leonard Wood

EXTENSION OF REMARKS
OF
HON. PARKE M. BANTA
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Friday, August 6, 1948

Mr. BANTA. Mr. Speaker, Fort Leonard Wood is situated in my district. It is a military installation which during the war, at least, was splendidly equipped and of sufficient size to provide every necessary facility for making it one of the finest military training centers in the Nation. It has been deactivated since March 1946, and all of us in Missouri have been interested to know whether or not in the opinion of the Department of the Army, it is important to retain it for our future security and national defense. If it is, we want it to be retained, but not on a perpetual inactive basis at the expense of the American taxpayers. I have repeatedly urged that if it is necessary to retain it, that it should be promptly reactivated, and if it is not necessary to retain it, that it should be promptly returned to private ownership.

In this connection, I should like to call to the attention of the Congress an editorial which appeared in the Rolla Daily News, August 3, 1948, which, under leave granted me by the House, I am herewith inserting in the RECORD:

THE FORT WOOD DEBACLE

The Army, it seems, has turned thumbs down on Fort Leonard Wood as a training base for its peacetime soldiers.

Such action, taken by the high command in Washington, seems ridiculous to say the very least, and for a variety of reasons.

Most important reason is that high-ranking officers of World War II, men who knew how and where to train men to fight the greatest of all wars, time and again termed Fort Leonard Wood "the greatest training base in America."

Those officers, including an impressive list of generals who distinguished themselves in battle, all recognized the fact that Fort Wood was an ideal training center, suited to the training of men for combat.

At Fort Wood, these officers found every type of physical equipment, every type of terrain, modern buildings, more-than-adequate storage facilities, and every other type of facility, making it one of the finest such centers in the country.

Many thousands of men, trained at Fort Leonard Wood, fought successfully on every battlefield on earth during the recent conflict. They were well trained, ready for combat when they left the Ozarks training center.

And now, it seems, those identical facilities are "not good enough" for the training of peacetime soldiers.

The same facilities are there—the same buildings, the same training areas, the same varied terrain, the same quartermaster and transportation facilities.

But it isn't good enough for peacetime training.

In the meantime, a $50,000,000 military installation is growing up in weeds and beginning to rot for lack of proper care. Hundreds of thousands of dollars of tax money is being allowed to waste away because a military camp which was one of the best in the world during the recent war is now not good enough for peacetime training.

There is no estimate to the amount of money spent on Fort Leonard Wood during the past 9 years. Millions were poured into the camp to make it the best possible center for training troops.

Now it's not good enough for peacetime uses.

Perhaps other camps will be built, other military establishments constructed, with millions of dollars spent. Then, perhaps, in 9 or 10 years, the Army will decide that this new camp is not good enough, and it will be tossed in the ash pit.

We are solidly for military preparedness and all that goes with it, but we're beginning to see why many economy-minded Congressmen often slash military appropriations to the bone.

Such a debacle as the Fort Leonard Wood situation would make anyone wonder about the necessity of such vast funds.

Just how high is the high command?

Federal Paroles and Hon. Fred E. Busbey, of Illinois

EXTENSION OF REMARKS
OF
HON. CHARLES W. VURSELL
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Friday, August 6, 1948

Mr. VURSELL. Mr. Speaker, the gentleman from the Third Illinois District, Representative FRED BUSBEY, has done a great service to the entire country as well as to the people of Chicago, his home city, in his most courageous endeavor to get at the truth of how it was possible for the four Capone gangsters to secure paroles, and to have them recommitted to prison. He is deserving of an expression of appreciation from this Congress.

It is now a matter of history that Paul Ricca, alias DeLucia; Louis Campagna, Charles Gioe, and Phil D'Andrea, all of the malodorous Capone gang of Chicago, were paroled from Federal prisons on August 13, 1947. It is also a matter of history that, now, Gangsters Campagna and Gioe are back in prison and there is a warrant for Ricca's return to serve the balance of his 10-year sentence. The

gentleman from the Third District of Illinois, Mr. BUSBEY, says the rearrest of D'Andrea is under consideration.

It is unfortunate that a committee of Congress has to take time away from legislative duties to correct the miscarriage of justice by officials of the Federal Parole Board. But it was unusual for the Federal Parole Board to open prison doors for such characters as were sent back to Chicago on August 13, 1947.

Representative BUSBEY had never been a law-enforcement officer and he had no previous experience in battling criminals. In his first term in the House of Representatives he used all his intelligence and energy in a great campaign against enemies of his country engaged in subversive activities. Last year he was assigned to the Committee on Expenditures in the Executive Departments and was given membership on a subcommittee assigned by Chairman CLARE HOFFMAN, of Michigan, to investigate the operations of the Department of Justice under which the Parole Board functions. The release of the gangsters in Mr. BUSBEY'S home city of Chicago was a challenge to him that he did not hesitate to answer.

The men paroled had been convicted of a huge extortion racket. They obtained more than $1,000,000 from reputable businessmen through threats of violence and business disaster. The judge and prosecutor said they were menaces to society and deserved long sentences. Because they had committed gross crimes against numerous labor unions, the court said they must be put away for a long period.

The past history of the men convicted showed they were confirmed criminals. It was an outrage to show them any leniency. It was an affront to the people of his city, Representative BUSBEY said, as well as to the law-abiding citizens of the country, to give paroles to such men as Ricca, Campagna, D'Andrea, and Gioe.

Mr. BUSBEY appealed to Chairman CLARE HOFFMAN, who called the subcommittee into session in Chicago to make inquiry. The revelations of the subcommittee have been startling. The country knows that a great miscarriage of justice was perpetrated when those men were released.

The subcommittee, without objections, held that the paroles should not have been granted and revocation was recommended. The evidence placed before the Congress was due largely to the initiative and intelligent work, as well as to the courage, integrity and good citizenship of Representative BUSBEY. Much credit is also due Chairman CLARE HOFFMAN and the entire subcommittee for the work they have done to date in this investigation.

It is no secret to his colleagues that Representative BUSBEY'S service was given with full knowledge of the risks he was taking. He fearlessly pitted himself against a powerful criminal organization. His conduct in this campaign was equally meritorious to that of his service to his country in the First World War. In the present instance he was pitted against an insidious enemy at home—criminals engaged in guerrilla warfare against the law-abiding element.

Representative BUSBEY'S constituents should be proud of him. Those of his colleagues who have been in touch with him in the past year know that he is deserving of the trust and continued confidence of his constituents. The Congress of the United States needs more Members like Representative BUSBEY.

Fact on Inflation: Federal Reserve Bank Gold Reserve Requirements

EXTENSION OF REMARKS
OF
HON. ADOLPH J. SABATH
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Friday, August 6, 1948

Mr. SABATH. Mr. Speaker, first, the President's proposal to increase reserve requirements of member banks of the Federal Reserve System by itself and alone would not be sufficient to curb inflation. However, it would be useful as one of the elements in the comprehensive inflation-control program as outlined in the eight points of the President's message.

Second, the increase in the gold-reserve requirements of the Federal Reserve banks as now proposed by the House Banking and Currency Committee would make no contribution whatsoever to the fight against inflation, but, if adopted, might be of disastrous consequences to the economy as a whole.

Although at the present time all Federal Reserve banks combined are holding gold-certificate reserves in excess of the proposed new requirements, these reserves are unevenly distributed among the 12 Federal Reserve banks, and the reserve of several banks would be insufficient to cover the new requirements.

According to the testimony presented by Marriner Eccles before the House Banking and Currency Committee, the new proposal might precipitate the kind of money panic which the Federal Reserve System was created to prevent.

Furthermore, the new requirements might jeopardize the ability of some Reserve banks to supply credit to their member banks and compel the Federal Reserve System to abandon support of the Government bond market.

The Republican bill passed yesterday, while completely ineffective in the fight against inflation, might precipitate a run on the currency and the collapse of the bond market.

Legislative Program of the Special Session

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Friday, August 6, 1948

Mr. MULTER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include a letter which I have received from the Reverend Leland B. Henry, chairman of the Inter-Diocesan Committee on Legislation. This committee represents the six Episcopal dioceses in the State of New York.

INTER-DIOCESAN COMMITTEE
ON LEGISLATION,
New York, July 30, 1948.

MY DEAR CONGRESSMAN: The Inter-Diocesan Committee on Legislation represents the six Episcopal dioceses in the State of New York. As chairman of the committee, I am writing you concerning the legislative program of the special session. I am keenly aware of the difficulty of your task in the combined heat of a Washington summer and of a political campaign, but there are three items before the Congress in which we have a definite interest and which we hope may receive favorable action.

1. Housing: the Taft-Ellender-Wagner bill is a carefully drawn, constructive measure, dealing with one of the great social problems of America. It is the result of detailed study over a period of more than 2 years. It has strong bipartisan support, as indicated by the names of its sponsors. We hope that you will use your influence to bring the bill out of the Rules Committee, and that you will support it when it reaches the floor.

2. The United Nations loan: The success of the UN in achieving a truce in Palestine gives new hope to its supporters. The tension in Berlin is a fresh demonstration of the need for a strong international organization to maintain the peace. There would seem to be every reason for passing the bill authorizing a loan of $65,000,000 for the construction of the UN headquarters in New York City. Here again is a measure with the strongest possible bipartisan support, which is merely awaiting favorable action by the House.

3. Displaced persons: After 3 years of study and debate a displaced-persons law was finally passed, which, while a step in the right direction, is discriminatory in its provisions. I hope that it may be possible to amend the law to make it more equitable. Incidentally, State Industrial Commissioner Edward Corsi was quoted in the New York Times July 29, 1948, as saying that "about 50,000 DP's, properly selected by occupation, could be absorbed by industry and agriculture in this State."

Respectfully yours,
LELAND B. HENRY,
Chairman.

Mr. Speaker, I am pleased to note that this House yesterday passed the legislation authorizing the loan to the United Nations.

I hope that this House will, before we adjourn, pass a public housing and slum-clearance bill, and an amendment to the discriminatory displaced-persons law which was so hastily and improvidently passed in the closing days of the last session.

Antidiscrimination Gets Results

EXTENSION OF REMARKS
OF
HON. ARTHUR G. KLEIN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Friday, August 6, 1948

Mr. KLEIN. Mr. Speaker, under leave I am inserting in the CONGRESSIONAL RECORD an article taken from the New York Herald Tribune of August 6 show-

ing how successfully legal inhibitions against overt discrimination in employment have worked out in those States which have adopted fair employment practice laws.

I want to point out, of course, that the New York Herald Tribune is a conservative, fair-minded journal of great editorial influence, the mouthpiece of that portion of the Republican Party which is making a serious effort to live in the twentieth century. It is not a liberal or a socially conscious or a vanguard publication except in the most profound connotation of those words: The New York Herald Tribune, as successfully as any contemporary journal, reflects the fundamental libertarianism, the dedication to human freedom and dignity, on which this great Nation was founded.

When the Herald Tribune publishes an article like this it is not to prove a prejudged position but to examine and report upon a sociopolitical fact.

ANTIDISCRIMINATION GETS RESULTS—A STUDY OF NEW FAIR EMPLOYMENT LAWS' OPERATION IN FOUR EASTERN STATES

(By Kings Ransom)

(Mr. Ransom, a writer for the Des Moines Register and Tribune and the Economist, of London, England, recently passed two weeks in New York, New Jersey, Connecticut, and Massachusetts looking into the antidiscrimination laws.)

Four eastern States and the cities of Chicago, Minneapolis, Milwaukee, Cincinnati and Philadelphia have adopted laws against racial or religious discrimination in employment based on the New York Ives commission report of 1945. Last year twenty-eight other bills based on the New York law (not counting five toothless ones) were introduced in eighteen northern State legislatures. (It normally takes two or three sessions to pass such a law.)

New York's leadership is recognized almost blindly out over the country, where such slight deviations from the New York pattern as substituting a single administrator for a commission are taken by zealots as sabotage. Yet zealots in New York, equally blind, regard Governor Dewey as a late and unreliable convert because he postponed passage from 1944 to 1945 and strengthened the law in the process. He has since supported it with able appointments, substantial funds and full cooperation from other State departments.

How are the new laws working after three years' experience in New York and New Jersey, two years in Massachusetts, one year in Connecticut?

Negroes are the chief beneficiaries but by no means the only ones: Jews, foreign-born and Catholics are often discriminated against, for example.

Opponents of the law feared a deluge of complaints. So far that has not happened. Instead, it is often difficult for State agencies (and even minority pressure groups) to get informants to file formal complaints, and the worst violations of the spirit of the law occur in firms where minority members know the policy and avoid rebuffs by never applying.

Enforcement staffs are not the "hordes of bureaucrats" opponents predicted. There are fewer than 35 complaint investigators in all 4 States combined, and one-hundred-odd antidiscrimination employees of all kinds (roughly 70 of them in New York State), from switchboard operators to commissioners, in investigating, educational, and research subdivisions.

That is not enough to be a noticeable burden on taxpayers, nor to turn employment practices "fair" overnight. But it has been enough to reverse the ominous trend which had been squeezing Negroes out of skilled crafts, denying them entry into many of the newer industries and occupations, confining their leaders to serving "colored only."

The wartime labor shortage had reversed the trend momentarily. Since then, the fair employment practice States have been working out new methods for holding wartime gains and winning new ones—slowly and gently, with prospects for more permanence than those won by northern bayonets in the 1860's and '70's had.

New York State's is the largest operation in terms of budget, staff or number of cases handled, New York has the prestige of primacy and the national spotlight. But Connecticut has the latest and most sweeping law. It covers employees of nonprofit concerns as none of the other State laws do; and the Connecticut law specifically says that the word "discrimination" shall include segregation and separation. The Massachusetts and Connecticut laws permit the commission itself to initiate a complaint.

Connecticut excels in use of psychological research. Smallness of the State makes it possible also for its compact unit to settle a case in one week, where New York's may take 14. In proportion to population, however, Massachusetts and New Jersey have the largest staffs and settle the most complaints.

All four States do a great deal of social survey and educational work organizing unpaid local councils in New York, New Jersey, and Massachusetts to help with this and with getting the word around. In Connecticut they prefer not to start new organizations, but confine themselves to giving training courses to interested people from key existing organizations.

New Jersey and Connecticut have single administrators instead of the clumsy commission form of administration, which New York and Massachusetts took over from the Federal Fair Employment Practices Commission. It should be said that in New York the chairman of the commission, on the basis of a single phrase in the law, plus personal leadership, turns the headless monster of the commission into a working department. The size of the operation in New York makes division of labor between the staff field investigator (who probes the facts) and the investigating commissioner (who negotiates a settlement) a useful administrative device.

Nevertheless, there is a logical inconsistency in having the commissioners simultaneously be representative of the various racial and religious strains (as they have been in practice in all four States by appointing at least one Negro, one Jew, one son of the new immigration, etc.) and administrators representing the whole State. The New Jersey-Connecticut system of a part-time representative commission giving advice and making studies, and in Connecticut actually appointing the administrator and making policy for him, is better political science.

Commissions and staffs in the four States keep in close touch with one another, learning from one another and from the criticisms of the public. Social scientists of the universities and the voluntary associations have been following their work with critical sympathy and solid research of their own. The campaign against discrimination is being handled as a conscious adventure in social pioneering: Modestly, discreetly, yet with soaring hopes.

The nearest thing to a quantitative check on the results so far is an unpublished survey by the National Urban League, Negro social-service agency, which is critical of the administrators as too mild. The survey covers 25 American cities, mostly northern, where the league has executive secretaries equipped to do the field work. It sought to find out how many Negroes are employed in private enterprises for profit (stores, banks, insurance companies, law firms, manufacturing, etc.), in white-collar jobs, technical jobs, professional jobs, and not serving merely in Negro communities. (Negroes had found white-collar jobs in government and nonprofit social agencies long before they could in free enterprise.)

In the 25 cities the survey found 7,734 such Negro employees on January 1, almost all in positions closed to Negroes 6 or 8 years ago. More than half this number are in just four cities—the ones in anti-discrimination-law States:

New York	2,613
Boston	886
Newark	148
Hartford	106

Chicago, with 2,524 additional Negro white-collar, technical, and professional employees, seems at first glance to rival New York, and indeed it is one of the cities with a new fair-employment-practice ordinance. But so far almost all these Negro employees have been mail-order clerks in the large catalog firms out at the edge of town, where they do not meet the public. In all Chicago there were only 3 Negro department-store sales persons outside Negro areas to New York's 382 and little Hartford's 89.

Leave out Chicago as exceptional, and the advanced position of the anti-discrimination-law States is still more striking. In the remaining 24 cities 77 percent of 4,850 Negro white-collar-and-up employees are in the 4 cities of New York, Newark, Hartford, and Boston.

In company after company, in spite of theoretical willingness to employ Negroes, it took the law to get employers past the hump of dreading what customers and other employees might say. Those who are prejudiced are particularly likely to be deferential to authority. So the mere passage of a law with teeth, before any actual attempt to enforce it, brings some changes in employment practices in order to conform.

In all four States the anti-discrimination people are charged by law to try "conference, conciliation, and persuasion" before they turn to enforcement, and to engage in broad educational work to supplement their action on complaints. As the Ives commission put it, in this way most complaints can be settled "on the threshold."

The old Federal FEPC, by persuasion, plus threats to cut off employment service referrals and to cancel priorities or war contracts, used to settle about 1,000 cases a year in the whole country and pile up a backlog of 1,400 unsettled cases. The New York State War Council used to settle "about 95 percent" of more than 300 cases a year, also solely in war industry and Government service.

But the new State anti-discrimination agencies, on combined budgets 20 percent higher than the Federal FEPC had in its palmiest days, are settling 1,200 cases a year in the four States alone and do not give up a single meritorious case, though some drag on and on. They are convinced that powers of enforcement are necessary in the background, but not once so far have they used them. Not once have they gone so far as public administrative hearing on a complaint, which must precede any cease-and-desist order. These orders themselves are not law, but just preliminary to equity court action to enforce the law, with the court free to amend or reject the order.

Elmer Carter, of the New York commission, told of an employer who did not want to settle a complaint as Carter suggested:

"I could see that he was getting embarrassed. His face was red and he looked out of the window. When I assured him that he didn't have to follow this recommendation, that it was in no way compulsory, he asked what the next step would be. I said that I would then recommend it for a hearing, in which case the issue would be reviewed before three commissioners—going over the entire record * * * He asked whether the public would be at the meeting.

"'Yes,' I replied.

"To this he said: 'I don't want a hearing.'"

Embarrassment, not harassment or punishment, is the chief sanction—embarrassment over being caught not living up in deeds to American principles of fairness we all acknowledge in words.

Answer by Mr. Buchanan: "Good Riddance"

EXTENSION OF REMARKS
OF
HON. FRANK BUCHANAN
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Friday, August 6, 1948

Mr. BUCHANAN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following letter and portion of an article by George Dixon from the Washington Times-Herald of August 5, 1948:

WASHINGTON, D. C., *August 5, 1948.*
Hon. FRANK BUCHANAN,
New House Office Building,
Washington, D. C.

DEAR FRANK: I hope by this time that you, in your eloquent way, have taken care of the infamous scoundrels who would defile, defame, and desecrate the beautiful metropolis of McKeesport.

Sincerely,
CHARLES PATRICK CLARK.

[From the Washington Times-Herald of August 5, 1948]

This almost killed Representative JOHN MCDOWELL, of Pennsylvania, No. 2 interrogator of the House Committee on Un-American Activities.

The committee, having commandeered blonde bombshell Bentley, did not wish to lose her. After the morning session it wanted to make sure she would be back in the afternoon to continue her testimony, so Mr. MCDOWELL volunteered to take her to lunch.

They repaired to the dining room at the Congressional Hotel, where Mr. MCDOWELL was his winning conversational self. Miss Bentley asked the solon what part of the country he hailed from and Mr. MCDOWELL said western Pennsylvania.

"Well, I declare," exclaimed the witness. "I used to live out there myself—in McKeesport."

"McKeesport," beamed Mr. MCDOWELL. "That used to be my old district."

It looked as if a beautiful bond had been established.

"Yes," continued Miss Bentley, "McKeesport. Do you know something? That's how I became a Communist."

"What?" gasped Mr. MCDOWELL. "What was there about my old district that could possibly lead you to become a Communist?"

"Oh," replied Miss Bentley, airily, "it was so dirty, so grimy. I don't see how you could stand it."

High Cost of Living

EXTENSION OF REMARKS
OF
HON. HUBERT S. ELLIS
OF WEST VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Friday, August 6, 1948

Mr. ELLIS. Mr. Speaker, in view of the fact that the high cost of living is the chief topic of interest these days, there are certain pertinent facts that cannot be overlooked.

The Bureau of Labor Statistics has stated categorically that food costs represent 40 percent of the average person's outlay and are therefore given a weight of the over-all cost-of-living index.

It is recognized that the most important items in the average person's diet is bread, meat, dairy products, eggs, and poultry. All of these commodities are sold in the free market, and the cost of grain as well as the cost of animals and poultry determines in most parts the ultimate cost to the consumer. With a great supply of grain and meat animals, the price of these basic commodities would go down. The cost and production of all meat animals is dependent largely on the cost and production of grain. With a greater supply of wheat and of beef cattle, the prices of bread and meat would go down. Yet what do we find the administration doing?

On July 24 the United States Department of Agriculture put out a release stating the national goals for 1949 production of several important farm commodities which were being recommended to the States by the Department of Agriculture. What are the recommendations with respect to wheat and with respect to beef cattle? On wheat the Department of Agriculture recommends that the acreage to be seeded in wheat for 1949 be decreased from the 1948 planting by 8 percent. With respect to beef cattle, the Department recommends that the farmers decrease their beef cattle breeding herds by about 517,000 head below the number on farms on January 1, 1948. In other words, our Government is officially trying to decrease production both of wheat and of beef cattle in the very moment when it is talking about excessive high food prices.

All these things point to the fact that the predicament we find ourselves in today both here and abroad is due to 15 years of mismanagement of our Federal affairs on the part of the New Deal administration.

Address by Hon. Raymond E. Baldwin, of Connecticut

EXTENSION OF REMARKS
OF
HON. HORACE SEELY-BROWN, JR.
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Friday, August 6, 1948

Mr. SEELY-BROWN. Mr. Speaker, under leave to extend my remarks, I am pleased to include in the Appendix of the RECORD an excellent address made by the Honorable RAYMOND E. BALDWIN, Senator from the State of Connecticut, before the Republican National Convention on June 22, 1948:

We are met here not merely to name on behalf of the Republican Party a candidate for the Presidency, we are met here on behalf of the American people to name the next President of the United States. More than the vote of our party is at stake in our decision. What is at stake is nothing less that the fate of freedom.

If with mankind at the crossroads we aim to make ourselves and our party merely the instruments of political victory, then, history will record in blood and anguish that we have failed. In that case, we will deserve to fail. I do not believe we will fail. We will not fail because our party is now the custodian of the will and aspirations of 140,000,000 Americans. Failure is not part of the American tradition.

To succeed will require of us vision above the claims of petty self-interest. We have that kind of vision. It will require of us courage beyond the call of party duty. We have that kind of courage.

Above all, it will require of us faith in place of today's uncertainties and confusions. We have that kind of faith. If we give voice and leadership to such vision, such courage, and to such a faith, then we can be sure that history will record, "Well done," and America—an America prosperous and at peace—will rise up to call us blessed.

There is much in the world we face which merits condemnation. Abroad, totalitarianism, having been heroically beaten down on one front, has remobilized under new, more seductive banners. It is on the march on other fronts. The threat of that resurgence reaches to every fireside. Here at home, a national administration, tired and punch-drunk, waves and weaves and wobbles; often failing to make up its mind but never failing to change it; trying with pleasantries and wisecracks to match its little men against this big moment. The threat of that manifest mediocrity clouds the present and puts the future in jeopardy.

It is part of our duty, as representatives of a people who desire better and who deserve better, to condemn in language too clear and specific to be mistaken, these dangers abroad and these weaknesses at home.

But this convention will measure up to its historical opportunity less by what it condemns than by what it confirms. The American people are well versed in the dangers and weaknesses from which they seek to be delivered. What they seek of us is more than a rehash of warmed-over diatribe. Their first concern is not with the past. Their first concern is with the future. That must be our first concern. What have we to offer America?

We can offer, first of all, opportunity. America, as in the days of our pioneering forebears, is still an adventure. It is an unfinished adventure. The American people are not looking for leadership whose first commitment is to the status quo and which has nothing better to offer to Americans than a standstill, mark-time America.

For a decade and a half, opportunity—as America understands opportunity—has been stifled and hamstrung. For a decade and a half the productive know-how of the American people has been in leash to the Government. For a decade and a half we have had an administration in Washington which thought, and still thinks, chiefly in terms of restrictions, directions, and controls. The American people are straining on the leash. It is our responsibility to free them from it. Then America, this era of defeatism behind it, will be again—as it once was—a land of opportunity.

But the opportunity we are here to offer, which the American people expect us to offer, is more than material. It is also moral. As no place else in the world, as nowhere else in history, America has given content and meaning to freedom. But that adventure, the adventure of freedom, is likewise still unfinished. It is not enough that in terms of material blessings we shall be increasingly prosperous. In terms of freedom, and its practice, we must be increasingly right. This is our moral opportunity: To open doors that are shut because of creed, or race, or color;

to wipe out the last vestige of underprivilege and the last vestige of special privilege; to war on poverty and sickness; in short, to dedicate ourselves to the Americanizing of every corner of America. Then we will be prepared to meet totalitarianism wherever its ugliness appears with the unanswerable answer. We will be embarked once more on the great American adventure.

What have we to offer America? We can offer, in the first place, opportunity, and in the second place, teamwork. For much too long, we have had leadership in Washington which made political capital out of disunity, which, aiming to rule, sought first to divide. An America arrayed against itself is not the America we believe in. That is not the America we propose to have. Here, in this convention, that is not the kind of America we represent. We are not here as the puppets of political bosses to vote our "Ja" as the bosses dictate. We are not here as the hated and hating agents of selfish blocs—ready to sacrifice the well-being of all America for the benefit of a few Americans. We are ready to offer a team that is all-American. With the backing of all the people, we are ready to support that team in order that above division, above class conflict, above the disunities which now afflict and hamper us, we can win together against whatever odds.

We can offer in the third place leadership. We do not seek in this convention to find a strong man who can rule America or rule the world. We seek, and we will find, a man who will return the rule of America to the people of America. That is what we mean by leadership, a leadership responsive to the people.

The world has had its fill of one-man rule and paid a disastrous price for it. The basic issue that confronts us here at home, the issue that confronts civilization the world over, is to unseat from places of authority those who presume to know what is best for the people and restore to the people authority to decide for themselves. They alone are fit to make the future. They alone can make a future worth having. We can give, to America, a leadership which will establish once more the people's leadership. We want no other. There can be no better leadership than that.

Finally, we can offer here a program—a program filled with practical hope—for this world in which freedom, the freedom for which we have so often and so lately fought, hangs in a precarious balance. There are four points in such a program.

First, it is a question of strengthening the United Nations. Since man has finally perfected the means of destroying himself, there can be no more urgent problem than to learn how to band together the powers of the world in an effective program for world harmony before we pass our last safe chance. Our task now is to cease to regard our membership in the United Nations as a mere expression of our conscience and begin to regard it as an expression of our will.

The second part of a coordinated national program is concerned with the use of the tremendous sums we have voted for the reconstruction of war-damaged nations. How much we have appropriated is of lesser importance than how we use that which we have agreed to provide. We cannot buy peace. We cannot vote peace. But we believe that we can, with such a program, help build peace.

The third part of a coordinated program is concerned with our own national defense. It is tragic that we must waste any part of our wealth or energies on military preparedness. Men die fast enough without destroying each other. The question for every American is not, "Do we want peace?" it is rather, "How do we get peace?" In that search we cannot leave our people inadequately defended, with the forlorn hope that others will recognize in our weakness the desire for peace and so follow our example.

The fourth, and in many ways the most important part of a coordinated program for peace and prosperity, is the strengthening of our own national economy. High prices and the threat of inflation are no less worrisome to our people today than they were a year ago. They have only been clouded over by other issues. We know that we cannot broaden our living by timidly or selfishly limiting our production or our work. If men do not produce, others cannot buy, and others cannot work.

We cannot have poverty here and defeat poverty abroad. We cannot see freedom lost in the world and keep our own.

This is no longer merely a land of opportunity. It is a world of opportunity. God has given us a great and free nation. He has entrusted us with the physical wealth and strength so we could exert a spiritual and moral leadership for all his people. This Republic will live so long as you give it life. We have in our hands the means to destroy or build the future of the world. The tools are all too alike. The choice—the opportunity—is ours.

We can restore to government the hard work, the moral standards, the tolerance, the freedom that lives in the American farmer and shopowner and housewife and clerk and factory worker. We can make our party the party of "Middle America"; and this Government, our Government.

We are not here seeking to provide for the American people the lesser of two evils. We are not here seeking 4 years of political happy hunting. We are gathered, here, hoping to rebuild a government "of the people, by the people, and for the people." We are here to rebuild a new revitalized, progressive party of youth—a party which the young people of our Nation will want to join to secure the strength and the protection of freedom for many years to come.

Inspired by the love of liberty and acknowledging the divine source of our convictions, our forbears came to this strange and then forbidding land. In the wilderness they cleared a place for a new altar of freedom. The faith that drove them, through peril, toil, and pain, to that achievement was an ancient faith. But they relighted it and gave it such new meaning that men everywhere, to the ends of the earth saw that light and caught that meaning and were gladdened in their hearts and lifted up. Now, around that altar a great and powerful nation has arisen. This Nation, our Nation, is what it is today because down through the long and trying years, devout, farseeing men and women have tended the fires of that faith and with their lives have stood guard at that altar. Their task, so nobly done, so nobly carried forward, now devolves on us. Let us here mightily resolve that their vision will be our vision in order that for ourselves and for the world our America can be what their America has been.

Statement of Illinois Bankers Association

EXTENSION OF REMARKS

OF

HON. ADOLPH J. SABATH

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 6, 1948

Mr. SABATH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following release of Illinois Bankers Association, 105 West Monroe Street, Chicago, Ill.:

The declaration of policy adopted by the fifty-seventh convention of the Illinois Bankers Association, June 4, 1948, contained the following paragraph on credit control:

"In the effort to control the inflationary trend, certain agencies and personalities have magnified the influence of bank operation on the inflationary spiral. We endorse the plan of the American Bankers Association for voluntary credit controls exercised by individual banks, and oppose centralized Federal controls."

In keeping with this declared policy of Illinois bankers, Harry C. Hausman, secretary of the association, in an effort to forestall an apparent temporizing concession to the President's demand for "positive action" against inflation, directed the following letter air mail on August 2 to Messrs. STRATTON and MCMILLEN, Members from Illinois of the House Banking and Currency Committee:

"This morning I wired you as follows:

" 'Please oppose proposal to increase reserve requirements 10 percent. Am writing you at length air mail.'

"Radio and newspapers are rather insistent that the Congress will pass legislation on the President's recommendation to increase the reserve requirements of banks, including nonmember banks of the Federal Reserve System, by 10 percent and to provide for some controls over bank credit, including installment loans.

"In behalf of the banks in Illinois, we want to explain to you our opposition particularly to the proposal to increase the reserves. The general public is not any too well informed about this and it has been made to appear to them that the banks are in some way or other responsible for the inflationary effects that have been demonstrated during the past decade and will be responsible for any acceleration of the inflationary spiral in the future unless bank credits are curtailed and legal reserves increased. The general public is, too, confused as to just what this all means. It does not distinguish between legal reserves and the reserves shown on banks' statements of condition. If I may, I will put our objections in the form of questions which I would greatly appreciate your putting to any of those 'experts' or 'authorities' who come before your committee supporting this proposal.

"Hog prices are now around $31 per hundredweight. In what way are the legal reserves of banks responsible for this price?

"Prime steers are well above $31 as are all other live animals, proportionately, which are delivered to our stockyards. While these food animals are going up, each week grain futures, including all cereals, are going down. What effect, if any, has legal bank reserves either on the increases in animals or the decreases in grains? After all, what we are mostly interested in is how much it costs you and me to buy food and other necessities for our living.

"Recently several of the automobile manufacturers announced increases of 8 percent on the wholesale price of automobiles. Did or did not the present reserve requirements influence these increases?

"The steel companies have announced several increases in the prices of finished steel. What effect, if any, has the legal reserve of banks on these increases?

"The third round of wage increases is now in the process. Do bank reserves have anything to do with that?

"Building costs have gone up to the point where an ordinary house has practically outpriced its market. Did legal bank reserves cause this?

"I could go on and ask questions of this sort and fill several pages and I think that you could add to those that I would think of, but ask these questions of those who come to support this idea and see if they can give you any affirmative answers to them. Then ask them what effect, if any, have the operations of the Commodity Credit Corporation on prices of the things that we buy for

our family and ourselves to eat. What effect, if any, has the Marshall Plan on the prices of not only the things that we eat but the clothes that we wear and the articles we use. Ask them if they are not treating legal bank reserves in the same way as we would have treated them back in the days of the call money market on the stock exchanges. Then they did have something to do with inflation as also did the rediscount rates, but in the meantime, call money doesn't amount to an ant hill. Margins for the purchase of securities have been increased to the point where speculation has been reduced to a minimum.

"Then ask them these questions: If legal reserves are increased, what would they do as responsible bank managers in the investment of bank funds. If Mr. Snyder or Mr. Eccles, for instance, were responsible for the operation of a bank and out of that operation had to meet the pay roll, the cost of supplies, and other operating expenses, including taxes and dividends and a reasonable reserve for losses, and were suddenly confronted with the necessity of reducing their loans and investments by 10 percent, would they not first sell their 'Governments' in order to effect that reduction? If they did sell their 'Governments,' who would buy them? Wouldn't the answer be the Federal Reserve banks? If the Federal Reserve banks bought these 'Governments' on the market, how would they pay for them? Would they not pay for them out of new money which they would print and would not that, therefore, inflate the currency outstanding and completely reverse the process of anti-inflation at which they are aiming? Would they not also be tempted to make speculative loans at a higher rate in order to compensate them for the loss of revenue resulting out of the idleness of 10 percent more of their deposits?

"I think that you will agree that these are not flippant questions, that we have been sold a bill of goods by fast-talking and loose-thinking people who set themselves up as authorities on economics and banking, and that they are hunting for a 'whipping boy' or 'scapegoat,' and that the banks seem to be to them the most likely ones to persecute and blame all of our difficulties on. I am sure that you will agree with me that the answers to these questions will definitely establish in your mind the undesirability and the unfairness of this proposal and will induce you in good conscience to vote against this proposal.

"It will be argued that by increasing the legal reserves the banks will have less funds to lend and thus the expansion of credit will be halted and by that action a phase of inflation will be halted. It is very, very doubtful if this would result. As I mentioned above, the tendency and temptation would be to sell 'Governments' and keep the loans up and particularly those loans which would bring a higher rate of interest and which would in themselves be inflationary. But the fact of the matter, as any of the bank-supervising authorities should know, is that the bankers are looking very carefully into all loan applications today, realizing that inventories and accounts receivable could take quite a tumble, particularly if the prices of farm products go off noticeably. Banks are quite wary today in extending credit and will be from now on until that 'bust,' which Marriner Eccles predicts is on the way and with which probably we will all agree, actually makes its appearance."

On August 3 Secretary Hausman sent the following telegram to Messrs. Stratton and McMillen and also to Jesse P. Wolcott, chairman of the House Banking and Currency Committee, Charles W. Tobey, chairman of the Senate Banking and Currency Committee, and to Harold Stonier, executive manager, American Bankers' Association:

"Illinois Bankers Association greatly concerned over item in this morning's newspapers and radio commentaries to the effect that proposal to increase reserves by 10 percent includes State nonmember banks. Illinois Bankers Association strongly opposed to increase regardless. However, to include State nonmember banks violates all principles of States' rights and is one step toward eliminating dual-banking system. The precedent can lead to most undesirable future results."

Secretary Hausman is also sending a letter to each bankers' association secretary quoting his telegram and urging them to take similar action.

ADA Public Opinion Poll on Special Session of Congress

EXTENSION OF REMARKS
OF
HON. EDWARD A. GARMATZ
OF MARYLAND
IN THE HOUSE OF REPRESENTATIVES

Friday, August 6, 1948

Mr. GARMATZ. Mr. Speaker, under leave to extend my remarks, I include in the Appendix of the RECORD, a letter I received from the Americans for Democratic Action, Baltimore branch, and the results of a survey conducted by them in Baltimore:

AMERICANS FOR DEMOCRATIC ACTION,
Baltimore, Md., August 3, 1948.

The Honorable EDWARD A. GARMATZ,
House Office Building, Washington, D. C.

DEAR MR. GARMATZ: We are enclosing for your information the complete returns from ADA's public-opinion poll on the current special session of Congress. As you can see, the people of Baltimore have indicated their support of three of the President's recent recommendations. We feel that you would want to be informed of this poll and be assured that immediate and vigorous action by you in support of these measures will have strong public support.

We are also enclosing a statement issued by us today giving the position of ADA in respect to these results. The instruction sheets, work sheets, and questionnaire sheets are available in our office for your use if you so desire.

Very truly yours,
WILLIAM BOUCHER III,
President.

BALTIMORE ADA PUBLIC-OPINION POLL, TABULATED RESULTS AUGUST 2, 1948

Question A: Do you approve of the President's action in calling a special session of Congress?

		Percent
Yes	155	54
No	60	21
Don't know	74	25

Question B: Do you think the special session of Congress should take action on:

	Yes	Percent	No	Percent	Don't know	Percent	Total
Rising prices	259	85	26	8	20	7	305
High cost of housing	242	82	27	9	24	9	293
Federal aid to education	201	66	50	16	53	18	303
Civil-rights program	137	47	69	24	85	29	291

NOTE.—Only 16 complete refusals encountered (not interested; don't care to discuss, etc.); 2 refusals after first question.

The following statement was issued by Mr. William Boucher III, president of the Baltimore Chapter of Americans for Democratic Action:

"ADA public-opinion poll completed today shows the people of Baltimore to be vigorous in their approval of action by the present special session of Congress to halt rising prices and correct the present high cost of housing. Strong support for Federal aid to education, and immediate action on the President's civil-rights program was indicated in the same poll. We feel that the overwhelming public sentiment as expressed in the attached figures should be studied by the Maryland Representatives in Congress and should indicate to them the need for an end to political maneuvering and the demand for immediate congressional action. Certainly the Democratic Senators and Congressmen from Maryland can do no less than fight with all their talent and strength to support the President in his request and give life to their recently adopted platform. In view of their support of the President and the platform at the Philadelphia convention they are honor bound to act now. The two Republican Congressmen can be reassured that there is public sentiment to support opposition by them to adjournment of Congress without consideration of and action on the issues covered by this poll. We ask for an indication from our Senators and Congressmen of their stand on the important items supported so clearly by the people. We are confident that the figures represent a true picture of public opinion. The persons to be interviewed were chosen scientifically from all incomes and all sections of Baltimore. Our staff of interviewers were carefully instructed to insure impartiality. We were careful to guard against suggestive questions. We are convinced that the professional help we received plus the precautions to insure an impartial poll have given us an accurate guide of the public opinion in Baltimore."

Any Doubts About Whether the Republican Eightieth Congress Is the Worst in History Are Now Gone

EXTENSION OF REMARKS
OF
HON. HERMAN P. EBERHARTER
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES

Friday, August 6, 1948

Mr. EBERHARTER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article from the Washington Daily News of August 6, 1948, by Peter Edson:

THE "WORST CONGRESS"
(By Peter Edson)

If President Truman had any previous doubts about which was the worst Congress, they should all be gone by now.

For the brush-off which the Republican leadership has given to his anti-inflation proposals was really of hurricane proportions. It swept everything he laid on the table right into the wastebaskets.

If by so doing the Congressmen think they can go home leaving clean desks and clear consciences behind them, they may be headed for an unpleasant surprise. The facts and figures which administration leaders finally got together for presentation to Congress may rise like ghosts out of the scrapheaps into which they were swept, to haunt the homing Congressmen in the months and years ahead. In summary, Congress was warned that a

business crash is inevitable unless something is done to prevent it.

Senator ROBERT A. TAFT'S Joint Committee on the Economic Report, which is supposed to be interested in such matters, did not even consider them. Last spring this committee investigated but did nothing about $5-a-ton steel price increases. The more recent $9-a-ton increases have been ignored completely.

President Truman pointed out in his press conference statement that Senate and House Agriculture committees never even met to see if there was anything they might do to increase food supplies or cut down prices to the consumers.

House Ways and Means and Senate Finance Committees, which handle tax matters, did not meet to consider President Truman's suggestion for the return of excess corporation profits taxes. The House Banking and Currency Committee only went through the motion of holding hearings on the proposed anti-inflation bill. Its credit-control bill eventually may do some good but don't expect it to give you more groceries for less money.

On the other side of the Capitol, Chairman CHARLES W. TOBEY'S Senate Banking and Currency Committee turned in the only praiseworthy record of the special session. It at least tried to get some facts on the anti-inflation case, though it did little enough about them.

Facts which officials presented should have been sufficiently alarming to pull any Congressman out of his political fog.

From Agriculture Department the Tobey Committee heard that further increases in food prices—particularly meat prices already have more than doubled in the last two years—are due this year. The time to have started holding meat prices in line was 6 months ago, he said.

From Commerce Department the committee heard that the problem confronting the country cannot be met by increased production, which is already at capacity levels.

From economic advisers the committee heard that inflation is now working hardship on millions of families. Industrial prices are being pushed to such heights that goods cannot be disposed of. There is danger of an economic explosion. The race upward between prices and wages is unsettling all business conditions. All such spiraling booms have in the past ended in busts.

Not Funny, Mr. President

EXTENSION OF REMARKS
OF
HON. ROY O. WOODRUFF
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Friday, August 6, 1948

Mr. WOODRUFF. Mr. Speaker, the Washington Daily News of August 6, 1948, through its editorial column, under the heading "Not funny, Mr. President," discusses President Truman's charge that the activities of the Senate and House committees investigating Communist activities in this country, and in the Government agencies especially, were simply "red herrings" thrown across the legislative path and should be laughed off as Republican politics. The editorial is timely; it is very much to the point, and extends to the President some valuable advice. It is as follows:

NOT FUNNY, MR. PRESIDENT

President Truman charged congressional hearings on Soviet spy activities are a "red herring" to hide the Republican Congress' failure on other matters. In doing so, he very foolishly accepted a measure of responsibility for an ugly and dangerous situation which previously could not have been charged against him.

Not many people who have followed the testimony in the current hearings will agree with Mr. Truman that the Communist problem in Washington can be laughed off as "Republican politics," in our opinion.

Moreover, the President has further placed himself on the defensive on this issue by denying to the investigating committees information which is pertinent to their inquiries.

The failure of Congress to act upon the President's anti-inflationary program will not in any sense excuse him for his own refusal to cooperate in removing a very real threat to our national security. The issues are not in any way related. Today we are concerned with another problem.

Under Mr. Truman's own loyalty program, laid down by Executive order, it is the announced policy of the Government to bar from positions of trust in "sensitive" agencies any employee whose loyalty may be subject to question.

That policy broke down when William W. Remington was appointed chairman of the Commerce Department's export license committee although it was known he was under investigation for association with a confessed member of a Russian spy ring. That is not something existing only in the mind of Representative KARL E. MUNDT, as Mr. Truman would have us believe. It is an undisputed, unexplained fact. And if the President's loyalty test was not applied in Mr. Remington's case, what reason have we to believe that it has been applied in any other case?

The two congressional investigations, particularly the one being conducted by Senator FERGUSON, have been extremely useful. But neither has more than scratched the surface, in our judgment.

We need a careful, searching inquiry, that will give free access to all pertinent information, conducted by an agency with the ability and the power to purge the Government of all disloyal and unreliable elements. An unofficial civilian commission should be created for this purpose, as a safeguard against the subversion of the Government by enemy agents or dupes.

Such a commission, to command respect and confidence of the public and Congress, should be composed of persons of the caliber of Herbert Hoover, Bernard M. Baruch, Henry L. Stimson, Charles Evans Hughes, Owen D. Roberts, Robert M. La Follette, and James F. Byrnes—men who know government, who respect civil liberties, but who would resolve all doubts in favor of national security.

Let's forget politics when the issue is security.

Inflation

EXTENSION OF REMARKS
OF
HON. MELVIN C. SNYDER
OF WEST VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Friday, August 6, 1948

Mr. SNYDER. Mr. Speaker, notwithstanding the partisan flavor in the call of the Congress into special session, announced by the President at the Democratic National Convention, I believe this call of the President may render a real public service.

The number one problem confronting the American people is inflation, with its resulting high prices. If the attention of the public is focused on high prices and the real basic cause for them, the call of the special session will serve a useful purpose.

We must ever bear in mind that prices paid for goods are the prices received for goods, and the prices include wages, salaries, dividends, profits, and taxes. Wages cannot be increased from $29,000,000,000 a year to $128,000,000,000 a year; farm income from $2,500,000,000 to $18,000,000,000; Government expenditures from $9,000,000,000 to $40,000,000,000, without increasing prices.

The main contributing causes for high prices can be found in our European recovery program, large military expenditures, and the high cost of Government. In the European recovery program promulgated by the President and the State Department, we are sending immense quantites of items in short supply to the nations of western Europe. This creates a scarcity in our domestic market and consequently we have high prices.

In large appropriations for the military service, a demand is being placed upon steel and steel products for war equipment, and this inevitably leaves less for the manufacture of automobiles, refrigerators, and other items containing steel used in our domestic economy.

The high cost of government materially contributes to the high cost of living. During the month of June new civilian employees were hired in the executive branch of the Government at an average rate of 866 a day. When, as a matter of fact, the executive branch of the Government should have been releasing excess employees at that rate.

In the year 1947 the cost of all Government per individual was $371; the cost of food per individual in 1947 was $330. The cost of Government in 1947 was $41 higher per individual than the cost of food. At least 25 percent of the price of food is represented by indirect taxes; on nonfood items the percentage is even higher. If the cost of government was reduced, this reduction would be reflected in food prices.

One of the most realistic ways to reduce high prices is for the administration to cooperate with the Congress in reducing the high cost of government. If we were to enact the legislation requested by the President in calling the special session, it would mean a deficit or going into the red by several billions of dollars, or necessitate additional taxes, that ultimately would cause even higher prices.

This is not a partisan question, because it involves the stability of our economy. I want to do anything I can to bring down high prices and I believe all other Members of the House, regardless of party affiliation, are anxious and willing to take any and every action which will stabilize the value of the American dollar, to the end that prices may be adjusted. But, as stated by Mr. Eccles, former Chairman of the Federal Reserve Board and still a member, price controls and rationing of consumer goods is not the answer to high prices. Other members of the Federal Reserve Board and members of the executive branch of the Government are taking the same position, notwithstanding

the request of the President for such controls. Experts who are qualified to speak on this matter state that the first step to take is to stabilize our currency, reduce the cost of government, and increase production.

I am persuaded that the present administration does not want lower prices. For years the President and the Federal Reserve Board have had the power to stabilize our money. Judicious use of these powers would have prevented the high prices we have today. Judicious use of these powers from now on can prevent high prices, and can and will result in economic and financial stability.

Only a few days ago, the Secretary of Agriculture advised farmers to hold back a substantial portion of the 1948 grain crop so that the enormous fall crops in this country and elsewhere would not drive food prices down. He further advised the wheat farmers to reduce the acreage for 1948 by 6,215,000 acres. That acreage in production would produce approximately 186,000,000 bushels of wheat. That amount of wheat would reduce the cost of wheat to the baker and, in turn, the cost of bread to the consumer.

With a larger production of grain, more livestock can be raised and marketed. Many food item prices are keyed to the price of grain. The more grain we produce, the more reasonable we can buy meat and other food items. It's time to ditch the philosophy which permitted the plowing under of cotton and the killing and destruction of hogs and other livestock for the purpose of making prices high.

At the present time, the Government is purchasing potatoes and spending $25,000,000 of the taxpayers' money every month to buy up potatoes for the purpose of keeping the price of potatoes high.

Let us stabilize our economy by stabilizing our currency; practice rigid economy in government; and encourage full production.

Truman's Political Session of Congress

EXTENSION OF REMARKS
OF

HON. CHARLES W. VURSELL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 6, 1948

Mr. VURSELL. Mr. Speaker, this is the first session of Congress in the history of the Nation when a President, in the midst of a national campaign, has called into special session the Congress of the United States solely for political purposes.

In the regular session the President requested $40,000,000,000, the greatest amount of money ever asked for to run the Government in times of peace. The Congress realized in its first session that this budget and the waste and extravagance of the present administration was one of the major causes of inflation and the present high cost of living.

The President put on the robes of Santa Claus and suggested legislation that would further increase the cost of government from six to nine billion dollars.

In addition he requested the repeal of the Taft-Hartley Act, which in 1 year has reduced work stoppages by 64 percent, and has allowed the laboring men of the Nation to take home $1,000,000,000 extra in wages because of less days lost in strikes. In other words, he would pour gasoline on the fires of inflation, and at the same time tell the people he sought to reduce the cost of government.

He wanted to put the Congress in the position of refusing him, Santa Claus, the right to hand out more presents to the people.

In 1945 instead of his following the advice of Bernard Baruch, adviser to Presidents, and his own Chairman of the Federal Reserve Board, Marriner Eccles, to attempt to stop inflation and stabilize the purchasing power of the currency, he predicted 8,000,000 people would be out of work with a depression that would arrive in 1946, asked the Congress to increase unemployment pay, lifted the Little Steel formula to decontrol wages, recommended a 25-percent advance of wages, encouraged the General Motors strike, and waited for the depression and the unemployment that never came.

Mr. Speaker, in 1946 he vetoed a liberalized price-control bill which was designed to increase production, leaving the country without any controls for 30 days. Another bill on the same pattern was again passed by the Congress which he signed, giving him the right as President to lift control on prices when supply equaled demand.

Later on, when the campaign was going against his party in 1946, on the advice of Mayor Kelley, his Democratic floor leader, JOHN MCCORMACK, of Boston, and his national committeeman, Robert Hannigan, of St. Louis, who rushed down to Washington and urged him to remove all controls for fear his party would meet defeat, he lifted most of the controls before election day, lifted the remainder of them before Congress convened, making a public statement that "controls were no longer necessary, and to keep them on in peacetime was to create a police state." Now he wants to put them back on.

From that day to this he has encouraged inflation, and, in my opinion, deliberately built it up to the danger of the Nation, for the purpose of using it in this campaign, at the same time charging the Republican Congress, which came into power less than two years ago, of being responsible for the very inflation that he and his policies have brought about.

Mr. Speaker, every effort he has made in the last 3 years has resulted in greater inflation. This Congress in the short special session will go as far as it reasonably should go to put on the brakes. If we would go further and provide the controls he requested, we would slow down production on the farms and in every industry in the Nation. We would doubtless go back to OPA controls and rationing, meatless counters throughout the land, less production, general chaos, and black markets.

President Truman has not once told the American people that the exportation of billions of dollars worth of steel, automobiles, tractors, farm machinery, and 600,000,000 bushels of wheat and bread grains given away and shipped to Europe under the Marshall plan during the past year is the real cause of the high cost of living at the present time.

He has not told the people that all the time he has had the power to control, reduce or stop exports to foreign countries. That since the war he has sponsored the giving away of $20,000,000,000 in relief of which over a billion and a half has gone to Russia and her satellite nations. He prefers, for political purposes, to try to make the people believe that a Republican Congress in 18 months time has been responsible for inflation and the high cost of living.

He has not told the people that under the first year of the Marshall plan he has guaranteed to give to the European countries $100,000,000 worth of merchandise including electrical equipment, farm machinery and food, and grains of every kind every week of the 52 weeks of this year, 1948. Think of it, $100,000,000 a week.

It is amazing, under the President's policies of waste and spending and his encouragement of inflation, that it is not worse than it is today.

Recently when the Congress was doing its best in the closing days of the regular session, the President went to the west coast in an 18-car train at the expense of the taxpayers on a political barnstorming trip for the very purpose of trying to destroy the confidence of the people in their elected representatives. On this trip he branded this Congress as the "worst in the history of the nation." He attempted to deceive and destroy the people's confidence in their representatives in the hope of gaining political advantage. He realized he had lost the confidence of the people and his party as later demonstrated at the National Convention, and took this desperate means in an attempt to recoup his lost prestige. It was a measure of his incompetence and lack of stature.

Mr. Speaker, today I want to discuss the record of the Republican Eightieth Congress. Before I do so I want to compare promises made by his party in 1932, and let you decide which party best keeps its promises.

You will recall in 1932 when his party took over this country, in that campaign their leaders and platform promised to reduce the cost of government by 25 percent. They said they would stop the expansion of bureaus and bureaucracy. It then cost $5,000,000,000 to run the Government one year. There were 600,000 people on the Federal pay roll. They increased the bureaus to over 1,200 in number, increased the Federal pay rolls and bureaucracy to the unthinkable number of about 3,500,000 people. They increased the cost of Government 800 percent and President Truman's peacetime budget this year is 8 times $5,000,000,000 or a budget of $40,000,000,000.

They increased the Federal debt to $65,000,000,000 before we entered World War II and that was in peacetime. Under the policy of "tax and tax, spend and spend, elect and elect," they have

not kept a promise made to the people in the 1932 platform.

Mr. Speaker, I want to briefly point out to you the promises we made and prove that we have kept every promise.

First. We promised to reduce the cost of Government.

We cut the President's budget in the first session in 1947 by $5,000,000,000 against the opposition of the President and his leaders in the House and Senate. We cut his budget in 1948 by $2,751,000,000, rescinded other billions and plugged other wastes to a total of $12,400,000,000.

Second. We promised to balance the budget.

By the economies referred to above we balanced the budget and now have in the Treasury a surplus of $8,416,500,000.

Third. We promised to reduce income taxes.

We reduced income taxes $4,800,000,000 of which 71 percent of it went to the little people paying on incomes of less than $5,000. We relieved 7,400,000 from paying any taxes and gave those over 65 years an additional exemption of $500. So much needed to meet the high cost of living in their old age. President Truman said both times that we could not and should not cut the budget and through his influence and his leaders in the House and Senate, they made a desperate fight against the reduction of the cost of Government and we had to pass the tax-reduction bill over his veto.

Fourth. We promised to pass legislation seeking to bring about greater harmony between capital and labor.

This we did as you well know and passed the bill over his veto by approximately 4 to 1 in both the Senate and House. The result has been that labor has written the best contracts for the past year under the Taft-Hartley Act it has ever had. Strikes have been reduced 50 percent, work stoppages by reason of less strikes have been reduced 64 percent, labor has prospered as never before and has taken home approximately $1,000,000,000 more in cash at the end of the first year by reason of less work stoppages.

Fifth. We promised to reduce Federal pay rolls.

Since VJ-day we have reduced Federal pay rolls from over 3,300,000 to a little over 2,000,000. When a Republican President is elected it will be further reduced during the next session.

Sixth. We passed a resolution to prevent any President in the future from serving more than two full terms.

That resolution was passed and is now before the 48 States for ratification.

Seventh. Farm legislation.

We passed a long range farm bill for agriculture which was supported by the Illinois Agriculture Association and the American Federation of Farm Bureaus.

We appropriated $400,000,000 in loans to REA in 1947 and again loans in the amount of $400,000,000 in 1948, in an effort to speed up the extension of REA to the farmers of America. This is more money than was appropriated when the President's party was in control during the past 7 years.

We passed a sound crop-insurance bill; amended the Federal Highway Act to speed up the construction of farm-to-market roads; and appropriated $500,000,000 for soil conservation.

This Congress realizes that agriculture must be kept in a sound and prosperous condition in the interest of the entire Nation.

Eighth. We increased the appropriation for national defense by $3,500,000,000 with which to build the strongest air force in the world.

Ninth. We promised to continue our fight against the spread of communism in America.

If you have listened to the radio and read the papers you know how well we have kept that promise. We investigated "Red Hollywood" in order to stop the poisonous flow of communism throughout the picture shows of the Nation designed to warp the ideals of millions of children and grown-ups.

We have driven 136 people out of the State Department, many others out of other departments and over 500 have resigned to escape the investigation we brought about through the FBI.

We have had no help during the past 6 years in this long fight from the executive department. During the past few weeks we have uncovered a spy ring in Washington that has shaken this administration to its foundation. They have become so concerned that the President has again made a statemnt "that no files touching the loyalty of any employee in the executive department will be given to the committee on Un-American Activities of the House or Senate." Hence, the American people are denied this information about their Government.

Two former Communists who saw the error of their ways and who repented, went to the Government many months ago and told of this spy ring and offered to uncover it, have just been brought to light by the activities of the Republican Congress. Both of these people have named many men high in the Government who cooperated with them before, during, and after the war in giving out dangerous and secret information that was passed on to Russia.

This administration has clamped down censorship on John W. Studebaker, the Federal Commissioner of Education here in Washington, and has prohibited him from openly asking the educators and school teachers of the Nation to instruct their students against the danger of communism in this country. Mr. Studebaker, who for years has done a great job as Federal Commissioner of Education, recently made this open charge and resigned his position. An investigation of this will soon be in progress and all the facts brought to light.

Mr. Speaker, I have named nine of the major promises we made to the people two short years ago. We have kept every promise. From 6 years of hard work and close observation, as a Member of Congress, it is my candid opinion that the administration in power must be driven out of office this November if we are to keep the country sound financially, and if we are to preserve representative, constitutional government, and the freedom it guarantees to every man, woman, and child in America.

I believe on Governor Dewey's record as Governor of New York, we are justified in the belief that when he is elected President of the United States, we will have elected the most competent administrator of the affairs of Government that has probably ever been elected President. With such an administrator and a Congress determined to follow sound policies and efficiency and economy in Government we can save this Nation. This is the most important reason why the Republican Party should and will be swept into power with a landslide come next November.

During these chaotic times the American people must stand together in a mighty effort to reduce our national debt, and put our Government again in a sound financial position—yes, to save representative government and the freedom and liberty of the people of this Nation. That is the goal the people desire to reach, that is the platform, the aim and policy of the Republican Party.

Mr. Speaker, I have given a very brief record of what has happened on the home front affecting the domestic policy and economy of our Nation. For a moment I should like to make brief reference to the mishandling and bungling of our foreign policy which is largely responsible for the threat of war today and the chaotic conditions in Europe and the world.

It would require much time to give a complete picture of how the administration has failed since the close of the war in its foreign policy. I shall make reference to only one general failure to win the peace.

OUR FOREIGN POLICY

This administration has not only failed utterly on the domestic front. It has failed utterly in its foreign policies. At the close of the war through the Chief Executive and the State Department, at Yalta and Potsdam, Russia was in fact placed in the driver's seat in Europe and we builded her up to where she has been able to thwart the peace of Europe and the world.

When we got into the war starting with Pearl Harbor, two things had to be done. First, we had to win the war. Second, we had to win the peace at the close of the war. Through the loss of 400,000 soldiers killed and 1,000,000 wounded and by the struggle and sacrifice of the soldiers who wrote the most courageous pages of valor and heroism history has ever recorded, and through the sacrifice of the men and women on the home front in furnishing the supplies and the money through taxation, at a cost of $300,000,000,000, the soldiers and the plain people of America won the war. The soldiers kept faith with the Nation and did their job. They won the war.

On the other hand, by the incompetence, blundering, and appeasement of Russia at the close of the war, the Chief Executive and the Department of State lost the peace. If we are to be plunged into a war soon or within a few years to come, it must be charged to the blundering incompetency of the administration in power who had peace for the world within its grasp, but lost it at Yalta and Potsdam.

Did Killing the OPA Increase the Cost of Living?

EXTENSION OF REMARKS
OF
HON. EDWARD O. McCOWEN
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Friday, August 6, 1948

Mr. McCOWEN. Mr. Speaker, the question, Did killing the OPA increase the cost of living? has for its answer a thunderous "No."

Those of us who stood for the repeal of the OPA said at the time that if it were repealed the production increase would soon equal and go beyond the demand and then prices would gradually come down. It was only another way of saying, Take off controls, let the law of supply and demand work and prices will become gradually lower because of greatly increased production. Controls were off and the law of supply and demand did work, all right. But no one expected the New Deal administration to unduly increase demand by its control over exports, beyond production. In other words the New Deal said repeal OPA and prices will go up. Prices would have gone down but the New Deal was determined to make its prediction good and did so by seeing to it that exports were greatly increased, thereby increasing the demand and forcing the law of supply and demand to increase prices.

If OPA should have been kept on, why did the President remove it (controls) just before last election? If the New Deal contends that the removal of OPA controls is the cause of the high prices then the New Deal caused those high prices by the President's removal of OPA just before last election. In either way you take it the New Deal is responsible for the high prices, not the Republicans. Take wheat as one example. The administration, by its control of exports, went into the open market in the United States, bought wheat in competition, and sent the wheat to Europe. This caused a much less quantity of wheat to be in the United States and raised the price of wheat here. That increase raised the cost of bread in the United States.

Since farmers will sell wheat when the price gives them more money than to feed it to stock that caused them to sell the stock before they ordinarily would have done so. This caused a shortage in meat and the price went up and up. There you have a concrete example of the situation. What is true in the case of wheat and meat can be shown also to be true in the case of many other things.

Controls will not correct the conditions. They would only cause a black market for chiselers and penalize honest dealers who could not buy enough products to supply the demand. Who wants bare shelves again? Who wants a black market again? What housewife wants to be bothered with ration cards again in time of peace?

Quit giving so much away to Europe; let production here supply American reasonable demands first and prices will go down. Increased production is the only answer.

Old-Age Pensions

EXTENSION OF REMARKS
OF
HON. FRANK B. KEEFE
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Friday, August 6, 1948

Mr. KEEFE. Mr. Speaker, no one can deny that there are hundreds of thousands of people in America who are suffering as a result of high prices. The people who are suffering most are those who are compelled to live on old-age assistance pensions, people with fixed incomes, and certain salaried groups whose monthly wages have not kept pace with the increased cost of living. I think it may safely be said that the thousands of elder citizens who are forced to exist upon so-called old-age pensions are as hard hit by the force of inflation as any group of our people. Because there appears to be some lack of understanding with respect to the present program of old-age assistance, I believe it is of some interest to record clearly just what is being done for our aged people under the Social Security Act.

On June 14, 1948, the Congress enacted Public Law 642, which does not become effective until October 1, 1948. What, then, is the position of the recipients of old-age assistance under existing law? At the present time, the Federal law provides Federal contributions toward the payment of a maximum pension of $45 per month for the aged. The law provides that the Federal Government will pay two-thirds of the first $15 of pension paid to an old-age recipient. This, of course, amounts to $10. The law further provides that of the balance of $30, the Federal Government will provide matching funds amounting to $15, provided that the State and local communities raise and pay the other $15. This means, therefore, that under existing law which limits the amount of pension that can be paid toward which the Federal Government will contribute to $45, the Federal Government will provide $25 of matching funds, and the States and local communities must pay $20. Thus, if the States and local communities meet their responsibility by providing sufficient matching funds, it would be possible to pay each aged recipient of old-age assistance $45 per month.

The difficulty has been that few of the States have provided sufficient matching funds to enable payment of such a pension. There is nothing to prevent the States and local communities from paying any amount above $45 if they so desire. I have before me the statistics showing the amount of old-age assistance payments for the month of May 1948. The average paid in the State of Wisconsin in that month was $37.63. Thus it will be seen that the State of Wisconsin and the counties have not raised sufficient funds to match the available Federal funds under existing law so as to permit the payment of a $45 per month pension to each needy recipient.

Under the law passed June 14, 1948, hereinbefore referred to, the Federal contribution is further liberalized. Effective October 1, 1948, the Federal Government will pay three-fourths of the first $20 of old-age assistance paid to a needy recipient. In order to get this $15, the States and counties have to provide matching funds to the extent of $5. The law increases the maximum that can be paid under the Federal act to $50. The excess of $30 may be paid on a 50–50 matching basis. In other words, it will be possible to pay each old-age assistance recipient a pension of $50 per month, beginning October 1, 1948, provided that the States and counties put up $20 of this amount. If they do, then the Federal Government will contribute $30. It should be clear, therefore, that if the present matching program of the social-security law is continued in effect that the respective States and counties must meet their obligation in order that a $50 pension may be paid. It is of no benefit to the old-age pensioner to have the Federal Government provide additional matching funds if the States and counties fail to provide at the State level their share of matching funds.

There can be no question but that the older citizens of this country are suffering terribly during this period of inflation. And it can readily be seen that the Federal Government is gradually extending its responsibility in this field. I have long contended that the beneficiaries of this program across the country are entitled to receive an old-age assistance allowance paid direct by the Federal Government in an amount that will enable them to live in decency and free from fears of malnutrition and illness. I have repeatedly and consistently condemned this iniquitous matching-fund provision of the Social Security Act, which is so discriminatory in its effects upon the aged people of the country. The average monthly pension in May 1948 in the State of Alabama was $19.41; in Delaware, $25.77; in Kentucky, $16.50; in North Carolina, $18.11; in South Carolina, $19.85; in Virginia, $18.53; from these low pensions, the amount paid range upward to a high of $63.54 in Colorado; $57.12 in California; $55.14 in Massachusetts; $49.49 in New York; and $56.94 in the State of Washington.

It will thus be seen that the character of the care provided for the aged people of the country varies throughout the States of the Union. This intolerable situation will never be corrected until the Federal Government assumes its full responsibility in seeing to it that an adequate system of Federal pensions is provided that will enable our elder citizens to live with some degree of decency.

The Eightieth Congress Did Not Take 750,000 Persons Off of the Social Security Rolls—It Did Not Take Any Off

EXTENSION OF REMARKS
OF

HON. THOMAS A. JENKINS
OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, August 6, 1948

Mr. JENKINS of Ohio. Mr. Speaker, a number of serious misrepresentations with reference to the work of the Eightieth Congress have been made recently. Some of these misrepresentations have been made purposely and some inadvisedly. Some of them have been made by persons high in public life and have, because of that fact, received wide circulation in the press and over the radio.

It shall be my purpose to discuss with you at this time only one of such several items.

President Truman said in his speech of acceptance at the Democratic National Convention at Philadelphia that Congress could not find time to increase or extend social-security benefits but it did find time to take social-security benefits away from 750,000 people.

This statement is very misleading and in effect simply is not true. Now, the facts are that the Ways and Means Committee of the House of Representatives of the Eightieth Congress did find time to give exhaustive study to the matter of extending the coverage of the social-security laws to many thousands of people. That committee prepared and recommended legislation that would have added approximately 3,500,000 additional employees to the list of those now covered. This number would include State and local employees, certain persons engaged in the packing of fruits and vegetables and persons employed by nonprofit institutions, and a large list of other groups and classes. The House of Representatives passed that bill but the Senate was not able to reach it. The Senate did add an amendment to another social-security bill which had passed the House and which provided a Federal increase of $5 per month to those receiving old-age pensions and $5 a month to those receiving blind pensions. It also provided a substantial increase to dependent children. These increases amounted to approximately $184,000,000 per year. The President should have known about this legislation because he vetoed it and his veto was immediately overridden by both Houses of Congress.

The President's statement at the Philadelphia Convention has been misrepresented and expanded upon by the newspapers and commentators until it is commonly reported that the Eightieth Congress took 750,000 or 1,000,000 off of the social-security rolls. One commentator says boldly that the Congressmen did not know what they were doing when they voted to cut 1,000,000 off of the social security rolls.

The President with all of his many duties may not have known that he was giving circulation to a statement that was not justified by the facts but he made the statement purely for political purposes and for that reason he should have known what he was talking about. These news commentators can probably justify their statements by taking the President's statement as a basis for their statements.

The facts are that the Eightieth Congress did not take 750,000 nor 1,000,000 off of the social-security rolls. In fact it did not take anybody off of the rolls for it specifically provided that those who are now on the rolls illegally would be retained upon the theory that many of them were not personally responsible for being on the rolls and some had passed the age of 65. The Congress felt that these aged people should be protected and they are being paid although they did not contribute to the fund. The number that were on the rolls illegally was only a very small number. The figures of 500,000 and 750,000 were used as a guess as to the number that might have been affected if the law would be changed to include a number of groups not now included under social-security coverage and who are anxious to be covered. The figure 1,000,000 does not appear anywhere in the hearings or reports connected with the proposed legislation. This shows that a misrepresentation will by accretion enlarge itself as it goes along.

Let us get the genesis of this whole matter. A few historical facts will show the falsity of these statements against which I am complaining.

The social security law was passed in 1935. It provided in one of its titles that the employers and the employees of certain groups should each pay 1 percent of the pay roll into a fund out of which the employees would be paid social security benefits under certain conditions at a certain time. Congress considered at that time that the terms "employer" and "employee" were very well understood by American industry in all parts of the country. But in order to clarify the only situation that Congress felt might arise, it wrote the following sentence into the law: "The term 'employee' means an officer of a corporation." Congress evidently felt that, with this additional explanation, the common law definition of employer and empoyee would be followed. Congress intended that the employers and employees in all of the groups covered should pay 1 percent of the pay roll into a fund that would be used for the benefit of employees. At that time Congress specifically excluded a large number of employees. The two principal large groups that were excluded were domestic servants and farm laborers.

Since that time many additional groups have been asking to be brought under the protection of the social security law. The Ways and Means Committee of the House of Representatives in the Eightieth Congress prepared a bill which would have brought under the protection of this law 3,500,000 additional persons. The House of Representatives passed this bill and it is now pending in the Senate.

In the administration of the social-security laws, two agencies of the Government were assigned separate and very important tasks. The Treasury was given the task of collecting these payments of 1 percent from the employers and the employees. There are now about 33,000,000 employees who pay 1 percent of their earnings into the social-security fund. A separate agency known as the Social Security Board was set up and assigned the task of determining who are entitled to draw these social-security benefits. This Board was given the task of putting into effect the social-security law and providing the system by which the benefits would be paid to those entitled to them. This was a big task and the Social Security Board, now known as the Social Security Administration, employs a large number of persons in carrying out the purposes of the several sections of the social-security law.

The task of the Treasury was a more exacting one than that of the Board, for the Treasury collected an exact sum of money while the Board was an administrative agency with a number of duties to perform.

Some time after the social-security law went into effect, the Treasury, in order to more thoroughly define the terms employer and employee, promulgated a resolution which reads as follows:

WHO ARE EMPLOYEES

Every individual is an employee if the relationship between him and the person for whom he performs services is the legal relationship of employer and employee.

Generally such relationship exists when the person for whom services are performed has the right to control and direct the individual who performs the services, not only as to the result to be accomplished by the work, but also as to the details and means by which that result is accomplished. That is, an employee is subject to the will and control of the employer not only as to what shall be done but how it shall be done.

While the Treasury and the Congress apparently were satisfied with this regulation, the Social Security Board apparently was not satisfied because this Board assumed to assert itself and take unto itself more power than it was entitled to. Its efforts in this respect were typical of most bureaus except that it is probably the outstanding bureau in the whole Government in its persistence in assuming authority. The Board soon insisted on stressing its authority and paid benefits to many persons who had not contributed 1 cent to the Social Security fund and who under the law were not entitled to receive benefits.

When Congress set up the social-security system it intended that only certain groups should be included. Congress surely did not intend that any person should be paid social-security benefits if that person did not contribute toward the fund. But the Social Security Board with characteristic boldness, in effect, took the position that it had the authority to pay benefits if it felt that certain individuals were entitled to receive them, regardless of whether those individuals had contributed to the fund. This Board put a number of persons on the rolls that

were not entitled under the law to participate. After this practice had continued for some time some of the employers from which the Treasury had sought to collect the 1-percent contribution refused to pay because these employers felt that the persons whom the Board had decided should receive coverage were not legal employees. Litigation ensued in many of the courts of the country. Three cases that proved to be decisive were carried to the Supreme Court. These were *U. S.* v. *Silk* (331 U. S. 704), *Harrison* v. *Grayvan Lines* (331 U. S. 704), *Bartles* v. *Birmingham* (332 U. S. 126).

Each of these cases held in effect that payments could not be made legally until it was shown that the relation of employer and employee was thoroughly established. These cases were all decided about the same time in 1947.

As I have already said it has always been the intention of Congress that the common-law rules governing relationship of employer and employee should obtain in the interpretation of the social security law. Immediately following these decisions, the Social Security Board thought that these decisions gave it a chance to expand its authority. Immediately the Board and the Treasury collaborated to the end that they issued another regulation by which they would be granted discretionary powers which would enable them to practically determine who should be covered and how much the coverage should be, and so forth. This Regulation was published in the Federal Register in the issue of Thursday, November 27, 1947, and was to become effective 30 days thereafter. This Regulation covered several pages of closely printed matter. This was a bold attempt at usurpation of power by the Social Security Board.

For some time there has been a growing public feeling that a great many more persons in several large groups should be included under the social security law. As I have already pointed out, the Ways and Means Committee and the House of Representatives in this, the Eightieth Congress, recommended the inclusion of 3,500,000 additional persons.

In order to prevent this regulation of the Treasury and the Social Security Board from going into effect, the Congress was forced to assert its authority which it did by passing House Joint Resolution 296. This was passed in the recent session of the Eightieth Congress. The action of the House and the Senate was vetoed by the President who seems to be willingly dominated by Mr. Altmeyer, Chairman of the Social Security Board. The President's veto was promptly overridden by both Houses of Congress by a large majority.

It is because the President was not able to impose his personal views upon the Congress that he has used such intemperate language with reference to this matter. By the passage of House Joint Resolution 296, the Congress has courageously maintained the same course that was set out by the Congress which passed the original social-security law and by every Congress that has dealt with the social-security law since that time.

House Joint Resolution 296 simply provides that the relationship of employer and employee under the social-security laws shall be the same relationship that has existed under the common law of our country. As I have already said, this resolution does not take any person off of the social-security roll, but it does prevent the Treasury from forcing collection out of employers who are not obligated and it prevents the Social Security Board from paying benefits to persons out of the fund into which such persons have not made any payments. Such payments by the Board must of necessity be made at the expense of those who have paid into the fund.

This resolution shows that the Congress has the power to say who shall be entitled to coverage. The employers and employees have both shown a splendid spirit in their willingness to pay the assessments levied against them. The employee has gladly paid his 1 percent for he felt he was paying for his own protection. It is only natural that he would resent any attempt to divert his payments to those who had not contributed to the fund.

House Joint Resolution 296 will be heartily approved by the employer and the employee. In fairness to those who are not yet under the protection of the social security laws, I think I can say that they do not want protection for which they do not contribute. They want to be brought legally under the protection of the law and there is no doubt in my mind that this will be done soon after the Eighty-first Congress convenes.

I close as I began by saying that the Eightieth Congress has not taken 750,000 off of the social security pay rolls. It has effectively prevented the Social Security Board from usurping authority to which it was not legally entitled. This furore has been created by the Social Security Board because of its failure to usurp authority.

Another Cold War

EXTENSION OF REMARKS
OF
HON. HOMER D. ANGELL
OF OREGON
IN THE HOUSE OF REPRESENTATIVES
Friday, August 6, 1948

Mr. ANGELL. Mr. Speaker, the following article is an editorial from the Portland Oregonian of July 28, 1948. Pursuant to permission heretofore granted, I include it as part of my remarks:

ANOTHER COLD WAR

It was, to put it mildly, an intricate psychological problem when President Truman entered the House of Representatives yesterday and mounted the podium to face an irritated and watchful Congress.

He had been scolding this same Congress around the country—the subject having proved a popular one among some of his hearers, and less than 2 weeks ago he had accepted the nomination of the Democratic Party with a blistering talk centered on the legislative branch of the Government, and calling it back into session. In what mood, or pretense of mood, would he confront the body which he had been belaboring? How could he expect cooperation from a Republican Congress whose belittlement was his principal campaign issue, and of which, recently, he had been making the most of?

Besides, the Republicans were now the party of the majority of the people. The President who stood before the Congress, and had ordered the session, represented a program repudiated by the congressional elections. A minority leader thus confronted a majority group which he had been attacking.

The answer is apparent to those who read the talk, and particularly to those who listened to descriptions of the scene in the House Chamber. One never would have known that he announced this special session before a party convention and as an obvious political device; gone was the role of prosecutor played on the recent western tour. President Truman was suddenly a quiet and reasonable man making out the best possible case for his thesis that a national emergency exists requiring the majority party to follow the minority Executive's will.

And clearly there is plenty of embarrassment in the situation for the Republican command. The President and his advisers compiled a set of recommendations which contain appeals to virtually everyone not living in heaven—everyone save possibly the deepest residents of the deepest South. He rubbed the lamp for those who want lower prices and higher wages; those who want better houses at less cost; those who want more prosperity but with increased taxes for Federal spending; those who still think the commodity exchanges decide living costs; those who think there is an easy answer in government controls in general, and they are legion; those who are distressed by our national problems of health and education.

The list, in fact, runs on and on. The President was careful to assert and reassert that price controls and a housing act were the immediate occasion for the special session, but he divided and catalogued all the timeless problems of man—implying that they had to be solved before next January or the Republican Party would prove itself made up of a set of lugs. That the Democrats, just emerging from a long, long rule, didn't set all these matters aright when their power was absolute, does not appear to bother the President.

After all, what does he have to lose? When he took the stage at Philadelphia and announced the call for a special session, he was at the bottom of his political fortunes. He couldn't go anywhere but up if he moved at all. Now the session has put him, at least for the time, on the offensive. And there are items on the list, such as housing, which the Republicans cannot put off without injustice.

The Truth About the Taft-Hartley Law

EXTENSION OF REMARKS
OF
HON. FRANK B. KEEFE
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Friday, August 6, 1948

Mr. KEEFE. Mr. Speaker, one of the most important pieces of legislation passed by the Eightieth Congress was the new Labor-Management Relations Act,

more familiarly known as the Taft-Hartley law.

Never, in my memory, has any legislation been subject to more misleading and in some cases deliberately untruthful propaganda.

During the deliberations in Congress this legislation was smeared by its opponents as a slave-labor bill and a death warrant for unionism. It was claimed, without any justification whatsoever, that this bill would deny labor the right to strike and would allow capitalists to crush the workingman beneath their heel.

Now what are the facts? Congress met in January of 1947 confronted with a vivid picture of a nation being torn asunder with industrial strife. The Nation had lost $6,000,000,000 in its standard of living in the year after VJ-day due to strikes. Jurisdictional disputes, secondary boycotts, and other union abuses had been brought forcibly to the attention of the public. Union members found that they were subject, in some cases, to the irresponsible power of dictatorial leaders who controlled completely their right to make a living. The American people had come to realize how a few racketeers, who had muscled into the high places of unionism, could paralyze the entire country by ordering a strike with the stroke of a pen.

THE PEOPLE DEMANDED RELIEF

The people demanded relief from this dangerous condition. The Congress was pressured for drastic action but thanks to the deliberative processes of our national legislative body the extremes were avoided and a middle ground was chosen. The Congress recognized the need for curbing some of the bad practices which were harming the union movement and the country, but felt it equally essential that the fundamental rights of labor—won with years of effort and sacrifice—also required protection.

In this atmosphere the Congress worked out a new labor-relations law that is proving beneficial to labor, management, and the public.

Congress passed the act in June of 1947 over President Truman's indefensible veto. Nearly four-fifths of all the Members of Congress joined in overriding the veto, whereas only a two-thirds majority was necessary to do so. In the final vote on the bill a majority of the participating Democrats joined the well-nigh unanimous Republican membership in support of the measure.

The House of Representatives overrode the President's veto, 331 to 83, only 1 short of 4 to 1. The Senate vote was 68 to 25, or 6 more than a two-thirds majority of the 93 Senators who voted.

DEMOCRATS JOIN REPUBLICANS

Voting in the House of Representatives to override the veto were 225 Republicans and 106 Democrats. Voting to sustain the veto were 11 Republicans, 71 Democrats, and 1 American-Laborite. In the Senate the division by parties was: Republicans for overriding the veto, 48; Democrats, 20. In favor of sustaining the veto were 3 Republicans and 22 Democrats.

For the story on how well the new labor law is operating, it seems well to cover the entire postwar period dating back to VJ-day, August 15, 1945, thereby obtaining a comparison before and after the new law became effective August 22, 1947. From the regular reports of the United States Bureau of Labor Statistics, it is evident that the new law is doing the job of improving labor-management relations as intended by Congress, and demanded by the people.

Since the Labor-Management Relations Act became effective strikes in manufacturing industries, bituminous coal mining, and the private building industry, have decreased substantially. Work stoppages under the old law averaged 395 a month. They have been cut to an average of 201 under the new law. This represents a reduction in strikes of 49 percent.

The number of workers involved in new strikes each month from VJ-day until the new Labor Act was 337,000 each month. The average number of workers so involved since the act is 131,000. This is a reduction of 61 percent under the new law.

From VJ-day until the new act the average number of man-days of idleness caused by work stoppages was 7,213,000 per month. Under the new law this figure has been cut to 2,613,000 per month.

LABOR MAKES GAINS

The record shows that under the new law wages have continued to rise, more leisure time has been made available through a shorter workweek, and average hourly earnings also have increased.

The vital point is that labor is making these gains under the new law through peaceful, collective bargaining, whereas before the new labor act gains were more frequently made through costly strikes. Wage increases through peaceful negotiation are vastly more important to all concerned than wage increases obtained at the expense of lost wages and lost production. Thus, the new labor act is providing a better annual wage for workers and a more constant and increasing supply of things urgently needed as a solvent for high prices.

During 1946, the blackest year in work stoppages, workers lost 116,000,000 man-days, while at present the annual rate is running about a fourth as much. On the basis of higher wage rates, the savings to workers would be in excess of a billion dollars a year.

Under the new labor act's sound principles our country is building a rule of reason for cooperation between employers and employees for their mutual benefit and for the good of all our people.

WORKER'S RIGHTS DEFINED

It preserves in the same language that appears in the Wagner Act, the rights of workers to organize and to bargain collectively, and just as the old act did, it forbids employers to interfere with the employees, or to threaten or coerce them when they exercise these rights.

It forbids unions to beat up workers, or to threaten or coerce workers to force them into a union, or force them to choose one union when they wish to choose another.

It guarantees free speech to both employers and union, allowing them to talk to workers as long as they do not threaten workers or try to bribe them to join or not to join a union.

It forbids employers and unions, by agreement between themselves, to force workers to join the union and to pay dues to it unless the majority of the workers by secret ballot, have voted in favor of the agreement, and even then it forbids depriving a man of his job by denying union membership to him as long as he is willing to pay initiation fees and dues.

It forbids employers to check off union dues unless the worker has voluntarily authorized the employer to do so.

UNION FUNDS PROTECTED

When employers and unions establish funds for the welfare of workers and their families, it requires them to do so under arrangements that will make certain that the money will be used for these purposes and not for other purposes of the union leaders.

It requires unions and employers, when labor contracts come to an end, to negotiate for 60 days before engaging in a strike or lock-out.

It forbids unions, by jurisdictional strikes and boycotts, to try to get control over employees who have not chosen the union as their bargaining agent, or who have chosen another union as their bargaining agent.

It requires unions, in order to be recognized as labor organizations under the Wagner Act, to tell their members how much money they take in, where they get it and what they spend it for, and to disclose what they pay their officers, how much they charge for dues, the grounds on which they suspend or expel members, and other matters that the members are entitled to know.

It exempts foremen and other supervisors from the provisions of the Wagner Act, requires the Board to regard them as employers, not as employees.

It forbids the Labor Board, which administers the Wagner Act, to compel skilled workers to bargain through an industrial union when they wish to bargain through a craft union.

It requires unions, in order to be recognized as labor organizations under the Wagner Act, to file affidavits of their officers saying the officers are not Communists or fellow travelers.

It forbids corporations to use stockholders' money for political purposes and forbids unions to use members' money for political purposes.

It makes unions subject to suits for damages, the same as corporations and other organizations, when they break their contracts or engage in unlawful activities.

PUBLIC SAFETY SAFEGUARDED

It enables the President again to delay for a time strikes that imperil the public health or safety, as he did in the great coal strike early this year.

It makes the Conciliation Service an independent agency, directs it to try to prevent strikes—it cannot forbid strikes—and authorizes it to take a secret ballot of employees before a strike if the union is willing.

It requires unions, as well as employers, to bargain in good faith when employees choose the union as their bargaining agent.

It requires the Labor Board to use fair procedures and to render fair decisions whether the cases involve charges against employers or charges against unions.

It sets up a joint committee of Congress to study labor-management relations. If defects in the law appear we will change the law. We will not stubbornly resist change as the New Dealers did for so long.

Now these are fair provisions. The law is a good law. This law will not prevent all strikes, but it has been proven to be fair and just, and with honest administration it will bring a greater measure of peace to the industrial scene than we have known for many years.

Needs of American Small Business

EXTENSION OF REMARKS
OF
HON. ADOLPH J. SABATH
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES

Friday, August 6, 1948

Mr. SABATH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following letter:

MIDWEST MANUFACTURERS ASSOCIATION,
Kansas City, Mo., August 3, 1948.
Hon. ADOLPH J. SABATH,
House of Representatives,
Washington, D. C.

DEAR MR. SABATH: The urgent needs of American small business in the struggle to maintain their competitive position in industry are becoming increasingly serious day by day.

Recent action by the Congress and congressional small business committees has produced only negligible results for small business, the backbone and strength of our American economy.

During World War II, the Seventy-seventh Congress, without a single dissenting vote, provided protection and encouragement for small business by the enactment of bill 603 (S. 2250). This legislation directed Government agencies whenever and to the extent that such was necessary, as follows:

1. To inventory the productive facilities in the United States, which might be used for war production;

(2) To direct the officers of the Government having procurement powers to the potential productive capacity of small business plants;

3. To determine the extent of subcontracting by prime contractors with Government contracts, and to take appropriate action to bring about the letting by such prime contractors of subcontracts upon fair and equitable terms and in the greatest volume practicable;

4. To take such action as will result in the granting of such Government contracts to business concerns operating small plants;

5. To certify to Smaller War Plants Corporation and Reconstruction Finance Corporation the amount of funds necessary for conversion to war production of any small plant;

6. To certify to Government procurement officers with respect to (A) the competency, (B) the capacity, and (C) the credit of any small business concern or group of such concerns to perform a specific Government procurement contract;

7. To provide assistance by which small business concerns may be supplied with essential raw materials and receive fair and reasonable treatment from all Government agencies;

8. Empowered the Smaller War Plants Corporation to make loans to enable small business concerns to finance plant construction, conversion for expansion, or to finance the acquisition of equipment facilities, machinery, supplies, or material, or to supply such concerns with capital, to be used in the manufacture of articles, equipment, supplies, or materials for war or essential civilian purposes. Such loans in cooperation with lending institutions or otherwise direct;

9. Empowered Smaller War Plants Corporation to enter into contracts with the United States Government and any department, agency, or officer having procurement powers and to arrange for the performance of such contract by letting subcontracts to small business concerns.

Under Public Law 603 some 35,000 to 40,000 small plants registered and participated in securing war contracts, subcontracts, loans, machinery equipment, buildings, materials, engineering assistance, and technical advisory information.

Under Public Law 457 small business was rendered priority assistance in the acquisition of Government-owned surplus materials and machinery.

The expiration of public laws enacted to aid small business and subsequent legislation has virtually wiped out any semblance of help to small business that would aid them in maintaining their competitive position in industry and building of a stronger peacetime economy. Therefore, as president of the Midwest Manufacturers Association, on behalf of small business both in the Midwest and in the entire United States, I urge the following action in this special session of Congress:

1. Creation of a separate Government body or agency to survey the needs of small business and empowered to provide assistance in—

(A) Securing prime Government contracts for qualified small business;

(B) Bringing about the letting of subcontracts to small business by prime Government contractors upon fair and equitable terms and in the greatest volume practicable;

(C) Directing the attention of officers of the Government having procurement powers to the potential productive capacity of plants operated by small business concerns and direction to such officers to provide equal opportunity to qualified small business;

(D) Certifying to Government lending institutions the amount of funds required by small business for the purchase of machinery, equipment, facilities, supplies, and/or materials to compete Government prime contracts and/or performance of subcontracts from contractors with Government prime contracts.

2. The definite allocations of an equitable share of raw materials in short supply to aid in maintaining their productive capacity and maintaining their competitive position in industry.

3. Provide sufficient trained and qualified Government personnel to render engineering and production assistance to small business, both on civilian as well as Government contracts.

4. Provide sufficient personnel to inform and assist small business on technical problems.

5. Reinstate small business priority authority to purchase Government-owned surplus property.

Of all business in these United States, 90 percent is requested by small business.

Your small business constituents at home will look to you, their only source for direct help, to recognize their problems and set in motion at once the necessary action.

Respectfully,
MIDWEST MANUFACTURERS ASSOCIATION,
R. W. MONK, *President.*

P. S.—On behalf of all small business, we will look forward with interest to a reply to this letter and your support in this special session of Congress.

In Commemoration of William Crawford Gorgas

EXTENSION OF REMARKS
OF
HON. LAURIE C. BATTLE
OF ALABAMA
IN THE HOUSE OF REPRESENTATIVES

Friday, August 6, 1948

Mr. BATTLE. Mr. Speaker, there is great interest in my home State of Alabama in public health. A few days ago in my own district the joint health department of Birmingham and Jefferson County moved into its new $1,000,000 public health building in our medical center. But while Alabama is steadily going forward in public health, as in other matters, its citizens do not forget the great men and women of the past that made present accomplishments possible.

Recently there has been organized a Nation-wide committee for the purpose of presenting the achievements of Gen. William Crawford Gorgas of Alabama, for election in 1950 to the New York University Hall of Fame for Great Americans. Dr. O. C. Carmichael, president of the Carnegie Foundation for the Advancement of Teaching is chairman of this committee. Vice chairmen of the committee are Thomas W. Martin, president of the Alabama Power Co.; Dr. James M. McLester, of Birmingham, a former president of the American Medical Association; Dr. John M. Gallalee, president of the University of Alabama; Dr. Raymond Paty, chancelor of the University System of Georgia; Dr. Charles F. Kettering, General Motors Corp. of Detroit; Dr. Seal Harris, prominent author and physician of Birmingham; Dr. Lloyd Noland, of T. C. I. hospital of Fairfield, Ala.; and Gen. Robert E. Noble of Anniston, Ala. Dr. M. Y. Dabney of Birmingham, is serving as secretary-treasurer of this committee.

It is my belief that the United States Post Office Department as well as the New York University Hall of Fame should commemorate this great American. Therefore, I introduced in the House of Representatives on July 29, 1948, House Joint Resolution 439, to authorize the issuance of a stamp commemorative of Dr. William Gorgas of Alabama, who achieved international distinction by conquering yellow fever in the Canal Zone area, thus making possible the building of the Panama Canal. I believe everyone who reviews this great doctor's record will agree that his name deserves this recognition.

William Crawford Gorgas' record should be examined and reexamined

today when there is such a great need in our America and all over the world for people who are lifters rather than leaners—people who can help carry the load rather than be carried. Everybody wants to have fundamental rights but all thinking people know that human rights are built upon human responsibilities. Any rights gained without a like amount of responsibility are gained through pure charity.

So, when so many people are clamoring only about their rights it is well for us to take a few minutes to think about a man who was not concerned with what he could get from mankind but rather with what he could give to mankind. Although this great man was born near Mobile, Ala., his contribution has been so wide-spread that he can rightly be claimed as a citizen of every county in Alabama, every state in the United States and every country in the world.

William Crawford Gorgas was born on October 3, 1854. His father was Gen. Josiah Gorgas, Chief of Ordnance of the Confederate Army and a president of the University of Alabama. His mother was Amelia Gayle, daughter of Judge John Gayle, who was a Governor of Alabama.

In Richmond, the last capital of the Confederacy, young William Gorgas spent the four stirring years of the Civil War. He saw, with his mother, the entrance of the Federal troops within that city. After the defeat of the Confederacy the family moved to Brierfield, Ala., in Bibb County, where his father was manager of a blast furnace for 4 years.

In 1869, when young William's father accepted a position as headmaster of the junior department of the University of the South at Sewanee, Tenn., the boy at the age of 15 began his formal education. The Civil War and the poverty of the South in the reconstruction days had kept the young boy from getting formal schooling previously. Six years after entering school, young Gorgas graduated from the university with a bachelor of arts degree.

His father's example and his experiences during the Civil War at Richmond caused Gorgas to desire a military career after his graduation. After trying his best to get into West Point and finding every door closed to him, he decided against his father's wishes, to enter the Army by way of a medical degree. After 3 years of financial difficulties at Bellevue Hospital Medical College in New York City he graduated in 1876 with a doctor of medicine degree.

Shortly after the beginning of his Army career, the new lieutenant was stricken with yellow fever. Upon recovery he at once sought to find the cause of the disease. But for a long time to Gorgas, as to others, the disease was a complete riddle. There was no understanding of the cause of its sudden appearance, its choice of victims and the complete ineffectiveness of the means of prevention used to control other diseases.

Following the occupation of Habana by American troops in the Spanish-American War, Gorgas was put in charge of a yellow-fever camp in that city. Within a few months he was appointed chief sanitary officer of Habana. The Cuban city was in a most unhealthful condition and yellow fever was the chief concern. Gorgas cleaned up Habana, applying to yellow-fever control the accepted methods of the time. While he was doing this work a medical board headed by Walter Reed was proving that the mosquito was the carrier of yellow fever.

This great Alabaman was a man who never feared new ideas. As soon as the board had made its report he changed from trying to control yellow fever by ordinary sanitation to eliminating the mosquito menace. The task was a most trying one and would have discouraged a man with less courage. But by depriving the insect of its breeding places, Gorgas permanently rid the city of yellow fever. His success in Habana gave him an international reputation as a sanitarian. In recognition of this great service Congress raised his rank to colonel in 1903.

When the plans were being developed for the digging of the Panama Canal it was apparent that there was need for a sanitary expert. William Crawford Gorgas was the natural selection for this job. After long months of planning, he and his assistants began their work in Panama when the work began at Isthmus in 1904. Although the principal reason that the French had failed in their previous attempts to build the canal was because of yellow fever, the short-sighted American authorities in charge of building the Canal did not want to spend money to rid the area of disease. They felt that money spent for this purpose was sheer extravagance. It required a visitation of yellow fever for them to realize that giving medical protection was an absolute necessity if they expected the work to be finished.

As soon as Gorgas was given authority to do so, he began to use the measures that were so successful in Havana. In Panama the problem would have been much more difficult even if he had been given complete cooperation by the authorities, which he was not given. But despite all difficulties within the problem itself and despite all the distractions caused by those who persisted in trying to discredit him, Gorgas stamped out yellow fever in the Canal Zone in 1905. While doing this great job he had the active support of President Theodore Roosevelt, who knew a good man when he saw one. Because of Gorgas' know-how and determination he not only rid the Canal Zone of yellow fever so that the construction of the Canal itself could go on to its successful completion, but he made the cities of Panama and Colon models of sanitation comparable in healthfulness to any city in the United States. At the same time the reputation of our great Alabama citizen had become so widely known that he was regarded as the foremost sanitary expert of the world. In 1914, he was appointed Surgeon General of the Army with the rank of Brigadier General.

It has been said that no soldier ever reached real success who put his own safety before the objectives of his Army. To the greatest possible degree General William Crawford Gorgas dared place his own welfare secondary to the building of the Panama Canal. May all of us be as courageous as this great Alabaman in putting our Nation's welfare before that of ourselves.

Is Dewey Really Playing It Safe?—Captious Fiddling of Special Session of Congress Is a Disturbing Spectacle Reflecting a Complete Lack of Leadership

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EXTENSION OF REMARKS

OF

HON. HERMAN P. EBERHARTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 6, 1948

Mr. EBERHARTER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article from the Washington Daily News of August 5, 1948, by Thomas L. Stokes:

DANGER SIGNALS

(By Thomas L. Stokes)

This may be the time of decision to which we will point back at some future date, maybe sooner than we expect, and say:

"That was when something should have been done. That's when we missed the bus."

There was such a time once before in the memory of many of us, back in the flush days of 1928 and 1929, now a prophetic footnote in history of what was to come afterward in the depression of the thirties.

There were voices crying then that we had better take note of certain tendencies, among them that of the late Senator Carter Glass of Virginia who condemned the reckless speculative orgy of that era and criticized the attitude of some of our leading financiers. He spoke out then as Marriner S. Eccles is speaking out now.

Other voices were raised in that day before yesterday, too, about the failure during the seemingly prosperous twenties to repair certain weak places in our economy. The farm distress in the West preceded the ultimate collapse in the stock market. Low wages in much of our economy gave it a lack of base and threw it out of balance.

Now, aside from the immediate threat of inflation, other sources of tension have developed since the war—lack of sufficient decent housing, inadequate educational and medical facilities, low wages in the fringe of our economy not yet protected by labor unions, discrimination of various sorts because of race, creed, or color which naturally are magnified against the background of a very recent war to save and restore democracy in the world.

Now is the time when we could do something about them. Now is the time when we ought to do something about them.

It is that which makes of this special session of Congress such a disturbing spectacle when you take a look at its captious fiddling. It reflects a complete lack of leadership.

The recently chosen leader of the Republican Party, Governor Dewey, has chosen to sit cautiously on the sidelines, playing very safe. He is reported to be advising with his party leaders in Congress. His course would appear to be timid if the very thin program that the Republican leadership announced is any index of his own views.

It embraced only two major matters, a limited anti-inflation program and housing. While the anti-inflation program fortunately includes bank and consumer-credit control, both of which were urged upon Republican

leaders months ago, it provides none of the other controls that may be badly needed before Congress reassembles in January.

The housing program omits any provision for slum clearance and public housing which is so necessary for those in low-income groups now so tightly strapped, and leaves the comprehensive Taft-Ellender-Wagner bill high and dry in its cubbyhole in the House Rules Committee.

The Civil-Rights Program Should Die

EXTENSION OF REMARKS

OF

HON. W. M. (DON) WHEELER

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 6, 1948

Mr. WHEELER. Mr. Speaker, much has been said both pro and con about the so-called civil-rights program which is being currently used for political purposes. A great deal of demagoguery has been practiced in discussing this program. The whole problem has been minimized by treating it as if it were a problem involving merely the question of human rights and liberties under the law.

There is so very much more involved in the settlement of the racial problem in this country than merely the question as to whether segregation is allowed as such or whether a certain race of people appear to be discriminated against in our electoral system. The whole problem has its economic aspect in that the self-righteous do-gooders of the North have sold so many of our southern Negroes on the idea that they are being mistreated in the South that great numbers of them are moving to the North, East, and West. As they move into these areas they compete with the local whites on the labor market and create more serious problems in the communities where they settle than they had caused in the South where their white neighbors had come to know and understand them through the years of living side by side. The hypocrisy of the North is found in the fact that they don't want the Negroes to move into their midst so in an effort to keep them from doing so, attempt to pass Federal laws under which the Negroes can be told that there would be no point in moving from the South.

It is this self-righteous, holier-than-thou-art attitude on the part of the northerners that is so maddening to the southerner who knows from having lived with the problem that traditions of a people cannot be abolished by legislative decree nor can morals be legislated into a people. The very Northerners who so piously preach equality and berate the South for what they please themselves to call bigotry will never be heard to decry the ghettos of Harlem and other Negro communities in the North. They raise their voices in holy horror at the way they claim the South treats the Negro yet the very ones who yell the loudest live themselves within blocks of areas where Negroes by the hundreds are sleeping in the gutters and alleyways.

In spite of all the hypocritical statements to the contrary, there is no gainsaying the fact that the pushing of the civil rights program has and will continue to hurt the Negro in this country. The Negroes themselves do not want the civil-rights program. Being a part of the problem they realize that the customs and habits of a century and a half cannot be abolished overnight by the passage of one law or a hundred laws. If the proponents of the program would use their heads half as much as their mouths they would realize that the race problem is one that must be solved slowly and painstakingly and that it cannot be wished away by law. Many of the proponents already realize this but they see in the program a means of catering to the minority groups in such a way as to get their votes with false promises and are playing their game of hypocrisy for all it is worth.

The passage of the Trumbull laws right after the War Between the States did not destroy segregation in the South when they had all the force of the Union armies to back them up. By the same token the proposed civil-rights laws, if they are ever passed, will not destroy segregation with the backing of the Federal gestapo as proposed by Mr. Truman in his ill-fated and misguided speech of last February. The FBI can do, and is doing, a fair job of hounding to earth a great many criminals in this country, but if it were expanded five times it could never hound into submission the millions of white people in the Southland who cherish their traditions. If great trouble and another splitting asunder of this great country is to be avoided, then the FBI had better stick to its job of apprehending criminals and not be given the job of attempting to destroy the traditions of the great, noble, and proud people of the Southland.

While the hypocritical politicians concern themselves with the civil-rights program in an attempt to get the votes of minority groups in the large cities of the country, a far more serious problem should be receiving their attention. We have allowed the Communist Party to gain strength in this country by accepting it as just another political party, and our leaders in the executive department have tried to excuse them by saying that it is the constitutional right of any American to belong to any party. It is now clearly evident that those of us who have been opposed to the existence of the Communist Party in this country have been right. The disclosures of the last few days which have shown the existence of thousands of Communists in the executive department and the further complete disclosure of the fact that the Communist Party in this country is not in reality a political party but a fifth column of Russia, is complete justification of the stand I took nearly 2 years ago when I said that the Communist Party should be outlawed in this country so that the traitors would not have the cloak of a political party behind which they could hide to do their dirty work. I said then and I now repeat that a proven Communist in this country should be treated just like any other common traitor. Benedict Arnold was a piker compared to some of the traitors we are harboring in places of responsibility and trust in our Government.

In speaking of the Communist threat to this country it would be remiss of me if I were not to tell you that the whole civil-rights program which is now receiving so much attention is part and parcel of the Communist plan to stir up as much trouble and dissension in this country as possible. They know that the enactment of the civil-rights program would split this country asunder politically and socially in such a way as has not been done since the War Between the States. If they can divide us on social and political issues and then work in such a way as to cause another depression in this country they would be well on their way toward the destruction of the American way of life. This is the most important reason for the civil-rights program being dropped and allowed to die. To continue with the agitation of the race problem in this country would be to play right into the hand of the Communists.

Mr. Speaker, I sincerely hope that the Congress will not now or ever attempt to pass Federal legislation which is embodied in the civil-rights program. The whole program is unconstitutional in that it violates States' rights and destroys local self-government. I am inserting herewith two editorials which I think do a good job of expressing the thinking of an Englishman, Mr. Alistair Cooke, in the Manchester Guardian Weekly, under date of July 15, 1948, and the thinking of a Negro editor, Davis Lee, in the Newark Telegram:

[From the Manchester (England) Guardian Weekly of Thursday, July 15, 1948]

SOUTHERN DEMOCRATS IN REVOLT—CIVIL RIGHTS AND THE NEGRO

(By Alistair Cooke)

RICHMOND, VA., July 10.—A southern threat to bolt the party, when the platform committee stubs its toe on the plank of anti-lynch law, is the quadrennial wolf-cry of Democratic conventions. However, the Democratic revolt against President Truman's leadership that has rent the party and demoralized the South is a full-throated protest of the whole South, not alone of its reactionary wing, against one summary act of the Truman administration: the report of the President's Committee on Civil Rights and his February message to Congress, demanding that the report be enacted into Federal statutes.

The report asked for national laws to prohibit lynching, to end the poll tax everywhere, to set up a permanent Fair Employment Practices Commission, to create a civil-rights division in the Justice Department, and to do away with racial discrimination on trains and buses that cross the Mason and Dixon line.

A fine and upright code, surely. So it is, says a surprisingly large body of southern white citizens, who in the last decade have put up Negroes for places in city government, have supported equal rights of pay and promotion, who have started inter-racial councils on municipal housing and health and education, and who have succeeded in introducing Negro police into more than 40 southern cities; and who have done all this against the strong, unregenerate faith of their fathers. The goals of the President's committee are also the unchanging objectives of most progressive Southern leaders who are now frustrated and disheartened by the timing of the President's report and the method he chose to try to enact it.

THE CHANGES IN THE SOUTH

The time was the peak of a period of unprecedented economic and cultural change in the South. The method looks to them like the method of Federal coercion, which a Republican administration used in the civil-rights legislation it enacted in "the tragic era" of the decade immediately following the Civil War. The objections are the ones to consider. Nothing new can be said for the retrogressive doctrine of white supremacy, except perhaps that its fearful adherents do face, where often the southern liberal does not, the reality of miscegenation in the day when the Negro has equal access to housing, schools, and colleges, trades, professions, and community life. But it is the southern liberals who are the hope of the new South, the best hope probably in the long run for an independent and mature third party. For their liberalism is rooted in social participation, in being challenged to live out the attitudes they take up, often at great personal indignity, whereas the resounding liberals of the North are too often evangelists of the printed word, in big cities that excuse them from paying any practical price for their enjoyment of being holier than the neighbors they can comfortably ignore.

The South, then, say these southerners, has changel more in less time than any other region of the country in its standard of living, in the fight of its poor from farms to cities, in approaching a new balance between agriculture and industry, in outlays for public education and public works, and in applied technology and industrial research. It has raised wages higher, spent more of its public funds on education, than the rest of the Nation; and this year will spend more on Negro education alone than it did 20 years ago on all education.

These changes can be, and are being, featured in handsome chamber of commerce brochures as proof of achieved progress, inviting northern firms to locate their factories in the South. But the southern liberals do not claim so much. They see in them inevitable forces that will shape a new southern society. But in the potency of their thrust an elder South is reeling to find its new cultural and social balance. In such a time, say the southern liberals, it is psychologically fatal to southern society to associate these changes with a crusade for abrupt changes in the status of the Negro. The Negro will thus be forced into the role of destroyer and so of scapegoat. Certainly old-time southern politicians are now aroused to an almost pathological alarm at the death agony of the South, over which they exercised so much power, the South with three dependable classes: The landowning and merchant whites, the laboring rural Negro, and the industrial labor pool of the poor white. In the postwar South they see the mechanical cotton picker a reality, cotton fields being dusted by airplane, and 4,000,000 useful Negro hands decamped forever North and West. They see the towns flooding with poor whites and the new urban Negro in direct and bitter competition for skilled work and with a fair chance of beating the white man at his job. This, say the liberals, is the maddest time to sanctify by law the Negro's laboring advantage in a Federal Fair Employment Practices Commission that would declare the industrial revolution won—for the Negro. The effect of the President's report has been to arrest the liberal movement and put the mildest whites on the defensive. "The committee's report," said the sponsor of the most influential of southern interracial councils, "has set our work back 20 years."

DEEP RESENTMENT

The folly of enforcing equality by Federal fiat follows from these complaints. When the rest of the country tells the South how it must treat the Negro the South once again becomes a solid region, regressing into the barren unity of humiliation. The stricter body of Federal laws that the Republicans wrote in the Trumbull bill after the Civil War appear on paper as mutely splendid as those proposed in the President's Committee report. They threatened the use of land and naval forces to bring the South to heel, as the President's Committee proposes the use of Federal police and the withholding of grants-in-aid so that "the idealism and prestige of our whole people may check the wayward tendencies of a part of them." This sentence, when it is read here in the South, attributes the lot of the Negro to a specific perversion in the southern character and has the same effect on the South as vast American generalizations about the British and their cowering Empire have on a Lancashire millhand. The South had to live through the tragic decade of the Trumbull laws and knew them for what they were: A northern punitive campaign against the defeated Confederacy that exploited both the Negro's good faith and his sycophancy to exhibit the final degradation of his master.

The liberal South retains the acute memory of personal history to remind it how men can act when reform is forced by logic made into law. Their frustration today, which is hardly known to the North and West, springs from the dread of inviting another era of brutality, hypocrisy, and corruption at the very moment when it sees the reforms to which it has given its courage and energy ready to be accepted, if only the South is credited with the decency and wisdom to do the job its own way.

THE NEGRO—NORTH AND SOUTH

(By Davis Lee, publisher of the Newark Telegram, Newark, N. J., a weekly Negro newspaper)

I have just returned from an extensive tour of the South. In addition to meeting and talking with our agents and distributors who get our newspaper out to the more than 500,000 readers in the South, I met both Negroes and whites in the urban and rural centers.

Because of these personal observations, studies, and contacts, I feel that I can speak with some degree of authority. I am certainly in a better position to voice an opinion than the Negro leader who occupies a suite in downtown New York and bases his opinions on the South from the distorted stories he reads in the Negro Press and Daily Worker.

The racial lines in the South are so clearly drawn and defined there can be no confusion. When I am in Virginia or South Carolina I don't wonder if I will be served if I walk into a white restaurant. I know the score. However, I have walked into several right here in New Jersey where we have a civil-rights law, and have been refused service.

The whites in the South stay with their own and the Negroes do likewise. This one fact has been the economic salvation of the Negro in the South. Atlanta, Ga., compares favorably with Newark in size and population. Negroes there own and control millions of dollars worth of business. All the Negro business in New Jersey will not amount to as much as our race has in one city in Georgia. This is also true in South Carolina and Virginia.

New Jersey today boasts of more civil rights legislation than any other State in the Union, and State government itself practices more discrimination than Virginia, North Carolina, South Carolina, or Georgia. New Jersey employs one Negro in the motor vehicle department. All of the States above mentioned employ plenty.

No matter what a Negro wants to do, he can do it in the South. In Spartanburg, S. C., Ernest Collins, a young Negro, operates a large funeral home, a taxicab business, a filling station, grocery store, has several buses, runs a large farm and a night club.

Collins couldn't do all that in New Jersey or New York. The only bus lines operated by Negroes are in the South. The Safe Bus Co. in Winston-Salem, N. C., owns and operates over a hundred. If a Negro in New Jersey or New York had the money and attempted to obtain a franchise to operate a line he would not only be turned down, but he would be lucky if he didn't get a bullet in the back.

Negroes and whites get along much better together in the South than northern agitators would have you believe. Of course, I know that there are some sore spots down there, and we have them up here also. But it is not as bad as it is painted. The trouble in the South stems from dumb, ignorant whites and Negroes, not from the intelligent, better class elements of the two races.

The attitude of the southerners toward our race is a natural psychological reaction and aftermath of the War Between the States. Negroes were the properties of these people. They were not the peers, and were not even considered human in the true sense. The whole economy of the South was built around slavery. The South was forced by bloodshed and much harm to its pride to give up slavery. Overnight these slaves became full-fledged American citizens enjoying the same rights as their former owners.

Certainly you couldn't expect the South to forget this in 75 or even 150 years. That feeling has passed from one generation to another, but it is not one of hatred for the Negro. The South just doesn't believe that the Negro has grown up. No section of the country has made more progress in finding a workable solution to the Negro problem than the South. Naturally southerners are resentful when the North attempts to ram a civil rights program down their throats.

I have pointed out in dozens of editorials that the white people of this country are not only our friends, but they want to see us get ahead as a race. As a matter of fact, we are more prejudiced than those whom we accuse of being prejudiced.

The entire race problem in America is wrong. Our approach is wrong. We expend all our energies, and spend millions of dollars trying to convince white people that we are as good as they are, that we are an equal. Joe Louis is not looked upon as a Negro but the greatest fighter of all time, loved and admired by whites in South Carolina as much as by those in Michigan. He convinced the world, not by propaganda and agitation, but by demonstration.

Our fight for recognition, justice, civil rights and equality, should be carried on within the race. Let us demonstrate to the world by our living standards, our conduct, our ability and intelligence that we are the equal of any man, and when we shall have done this the entire world, including the South, will accept us on our terms. Our present program of threats and agitation makes enemies out of our friends.

A Message to My Constituents

EXTENSION OF REMARKS

OF

HON. JOHN R. MURDOCK

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 4, 1948

Mr. MURDOCK. Mr. Speaker, it is presumed that the people of Arizona, especially central Arizona, are more concerned about water than any other local question. I have given many years of study and effort to this problem. I know

Arizona's tragic need for water from the Colorado River, and I also know the justice as well as the legality of her claim upon a portion of that water out of the main stream of the Colorado River. At the moment I would like to discuss our present situation with regard to main-stream Colorado River water, and its prospects, immediate and long-range.

Since volumes have been spoken and written officially and unofficially on this subject, I can give only my personal view of the larger features of the present situation from this vantage point in Washington and in Congress. Of course, Arizona was getting some water from the main Colorado River prior to the signing of that all-important Colorado River compact by representatives of the 7 Basin States on November 24, 1922, at Santa Fe, N. Mex. The water which Arizona's thirsty land was receiving prior to that time was a small amount on Indian lands south of Parker and a larger amount on the Yuma Valley lands south of Yuma. There is no question about Arizona's rightful claim to that prior appropriation. Therefore, what I have to say here deals only with our call for main-stream water other than the two diversions just mentioned.

Not discussing what Arizona feels she ought to have as a proper proportion of the waters of the Colorado River, it now appears our present legal claim hinges upon the divisions made in the Colorado River compact, or as we usually call it, the Santa Fe compact, together with the Boulder Canyon Project Act of 1928 and the California Limitation Act of her legislature in 1929. What water have we received from the main stream of the Colorado River since the basic legislation just mentioned was adopted?

The Boulder Canyon Project Act is the congressional legislation designed to carry out the Santa Fe compact, the basic Seven-State Treaty, so far as the lower basin is concerned. A suggested division of the firm supply of water for the three States of the lower basin, 7,500,000 acre-feet as provided in the compact, was made by Congress in 1928 as follows: 2,800,000 acre-feet to Arizona, 4,400,000 acre-feet to California, and 300,000 acre-feet to Nevada, annually. In order that California, because of her wealth, power, and influence, might not get more than her share, the congressional act of 1928, conferring such great benefits upon California, required the California Legislature to pass an act of limitation before the congressional act should become effective. In other words, Congress required California to agree that the 4,400,000 acre-feet should be the limit of her "take" of the water out of the Colorado River, in firm supply, apportioned by the compact. And this was made a condition precedent before the Boulder Canyon Project Act should be effective.

To make doubly sure to protect the other States from California, the Congressional Act of 1928 not only required the legislature of California to recognize and accept, on behalf of the State of California, the 4,400,000 acre-feet annually, in firm supply, as the top limit of California's share of apportioned water, but in unmistakable language declared that that act was an irrevocable covenant between California on the one hand and on the other hand the United States Government and all the other six Basin States. The other six States were named, headed by Arizona. There can be no question about 4,400,000 acre-feet annually, in firm supply, of apportioned water, being the accepted limit of California's quota. But what about the other two quotas for Arizona and Nevada?

Nevada has contracted for 300,000 acre-feet—the total suggested by the Congressional Act of 1928—and Arizona has contracted with the Secretary of the Interior for the 2,800,000 acre-feet as suggested by the congressional act of 1928. To my mind there is not a shadow of a doubt but that Arizona is legally entitled by existing law to a firm supply of water out of the main stream of the Colorado River to the amount of 2,800,000 acre-feet annually, if it is physically available. Of course, this amount like all the other water contracts, may be pared down somewhat by certain other necessary considerations. Naturally, Arizona wants to get as much of that water as possible, and that has been the chief objective of our efforts here in Congress, assisted by various organizations at home. Of course, California has resisted us every step of the way. I am convinced that there are those in Southern California who would like to prevent Arizona from getting any of that main-stream water and who have designs and plans to use that water in a less vital way and for their own purposes.

In 1947 a measure was passed that recognizes Arizona's right to 600,000 acre-feet of water as a total for the Gila project in Yuma County. That legislation is on the statute books, and the project is well under way, although it will take some years to complete it. Legislation has also been introduced in both the House and the Senate by all the members of the Arizona delegation which would furnish something over 1,000,000 acre-feet of water annually to central Arizona. Although all four of your delegation have introduced identical measures, this bill is better known in Arizona as S. 1175, on which hearings have been held in the Senate, at which a large number of very competent witnesses from Arizona gave their testimony. What are the chances of passing such legislation?

I recognize that it is going to be a difficult battle, but I sincerely believe that the prospects are improving, and I have hope for the ultimate success for this project and victory for Arizona to that extent. The Senate hearings on S. 1175 contain testimony by witnesses from southern California indicating the extent and strength of their opposition, but in addition to that, these representatives of water agencies in southern California sought to throw the whole controversy into litigation. And Members of Congress from California introduced resolutions, both in the House and in the Senate, to require a Supreme Court decision as to how much water each State may have. A committee of the Senate and a subcommittee of the House Judiciary Committee each held extensive hearings on the resolutions calling for a Supreme Court case. However, no favorable action has been taken on those resolutions in the present Congress.

I have high regard for the Supreme Court, but this is not its job. As it seems now, Congress will not legislate this controversy into the courts. This seems to leave the way clear to press for congressional legislation which will carry out the terms of the compact and extend the provisions of the Boulder Canyon Project Act by subsequent congressional action as originally planned. That is the program on which I have given most of my energy as your Representative in Congress, and it is for favorable action in this legislative way that I shall continue to work while representing any part of Arizona in Congress.

President Truman Appeals to the Republican Leadership To Allow Congress To Consider Really Effective Measures To Stop High Prices

EXTENSION OF REMARKS

OF

HON. HERMAN P. EBERHARTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 6, 1948

Mr. EBERHARTER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement by the President as reported in the Christian Science Monitor of August 5, 1948:

TRUMAN ASSAILS CONGRESS

WASHINGTON.—President Truman's statement on the extra session of Congress:

"It now appears that the Eightieth Congress is determined to take no effective action on the proposals which I have submitted to curb high prices and to protect the average American citizen against the certain prospect of increased living costs.

"I have been informed that the Republican leadership has decided that the Congress will not be allowed to consider really effective measures to stop high prices. Republican leaders reached this decision without obtaining the full information the administration was prepared to offer in connection with my recommendations. In fact, the chairman of the House Committee on Banking and Currency refused a request for three Cabinet members to be given an opportunity to testify before the committee.

"The Secretaries of Agriculture, Commerce, and Interior were and are now prepared to testify. The Secretary of Agriculture was prepared to offer a program directed to the problem of excessive food prices. The Secretary of Commerce was prepared to discuss with the committee the question of shortages of industrial materials and what could be done to correct the situation. The Secretary of the Interior was prepared to submit a program dealing with the proper distribution and prices of coal, heating oil, and other fuels. The committee of the House refused to receive the views of these members of my Cabinet. In the absence of such basic information, I do not see how the committee can make an intelligent decision on issues which so gravely affect the welfare of the

American people and their standards of living.

"Following the same pattern, the Ways and Means Committee of the House refused to give any consideration to the recommendations for an excess-profits tax, which is necessary to offset the inflationary effects of the tax bill passed last spring. The chairman of this committee has not even called a meeting of the committee since the Congress reconvened.

"It would appear that the Republican leaders are unwilling to extend to the Congress an opportunity to vote on the issues of direct price control, the authority to impose allocations and priorities, and the other elements of a balanced program which I submitted to the Congress including provisions to strengthen and reinforce rent control.

"It now appears that so far the Congress has failed to discharge the tasks for which I called it into special session. It is my hope, therefore, that the Republican leadership will reconsider their present plans for quick adjournment and will take actions upon the recommendations I have submitted.

"There is still time for the Congress to fulfill its responsibilities to the American people. Our people will not be satisfied with the feeble compromises that apparently are being concocted."

Facts on Inflation: Are Selective Price Controls Effective?

EXTENSION OF REMARKS
OF
HON. ADOLPH J. SABATH
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Friday, August 6, 1948

Mr. SABATH. Mr. Speaker, the Republican charge: The President's proposal to impose selective price controls on scarce commodities ineffective. Price controls must be imposed either on all commodities or on none at all.

Answer: The very opposite is true. The present situation is totally different from the situation which we had during the war. During the war, we had a terrific discrepancy between purchasing power and civilian supplies and consequently we needed all our controls. Today, production has caught up with demand in many areas and those areas do not require controls. However, in other fields scarcities are still acute, and in those fields we need controls.

That selective price controls can be highly effective is demonstrated by the experience of our neighbor, Canada. Canada has continued the system of selective price controls, and, as a result, Canada's cost of living increased by only 52 percent over that of 1935–39, while the American cost of living has increased 72 percent. Canadian food prices have increased 78 percent while American food prices have increased 114 percent. For every dollar an American spends today for food, clothing, or rent, a Canadian has to spend only 75 cents.

On the same day in June 1948, Canadians paid 53 cents for sirloin steak and Americans had to pay 85 cents; Canadians paid 69 cents for butter, Americans paid 90 cents; Canadians paid 29 cents for hamburger, Americans paid 55 cents.

The Friendship Fleet

EXTENSION OF REMARKS
OF
HON. ALEXANDER WILEY
OF WISCONSIN
IN THE SENATE OF THE UNITED STATES
Saturday, August 7 (legislative day of Thursday, August 5), 1948

Mr. WILEY. Mr. President, I have previously referred in the Senate to the Wisconsin Centennial which is being celebrated this year and to the great centennial exposition in Milwaukee, Wis. I hope that many of my colleagues will be able to visit the Badger State this summer and rest up prior to the November elections. On previous occasions I have called attention to the great beauties and all the other tourist attractions of Wisconsin.

One of the novel features of the centennial celebrations has been the sailing of a centennial friendship fleet overseas carrying with it the warm contributions of the people of my State to the people of the lands from which they were descended.

At this time, I want to ask unanimous consent that there be printed at this point in the CONGRESSIONAL RECORD a letter which I have just sent to General Marshall describing this friendship fleet and urging that its example be followed in other States of the Union and other organizations.

I ask that following that letter there be printed a list of the officials and committees who have done magnificent work in planning for the centennial celebrations in my State. The fruits of their labors can be seen throughout Wisconsin in the magnificent series of celebrations and other observances already held, now being held and to be held.

There being no objection, the matters were ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE,
August 6, 1948.

Gen. GEORGE C. MARSHALL,
Secretary of State,
Washington, D. C.

DEAR MR. SECRETARY: My purpose in writing you is to inquire whether the State Department can take measures to encourage the shipment of relief parcels abroad voluntarily by American citizens and organizations in additional ways than have thus far been attempted. Already tremendous progress has been made along this line.

As I wrote to you the other day, I believe that if the postage-rate reduction on the gift parcels going to western European countries could be extended to countries behind the iron curtain, I believe tremendous good for United States public relations in the Soviet satellite lands could accrue.

Along this same line, you are, of course, familiar with the oustanding record of the Wisconsin Centennial Friendship Fleet sponsored by the Wisconsin Manufacturers Association, which has now sent two ships from the Badger State through the Lakes up the St. Lawrence to Norway and Denmark. The second ship left for Denmark with 700 food packages and 7,000 pounds of clothing for Danish families and institutions. I humbly believe that this record of my own State in sending these ships constituted an inspiring symbol to all the American people and could well be followed in other States.

A third two-way voyage of a Friendship Fleet boat will be made to Holland, Belgium, and Germany, starting from Milwaukee around September 11.

I feel that if the State Department could bring its influence to bear along the lines of encouragement of such voluntary contributions by American organizations and by individual States, that we would be able to better counter Russian propaganda against our country.

The State Department has carried on a vast public-relations program of its own acquainting leading American organizations, fraternal groups, church leaders, etc., with the importance of the Marshall plan and other foreign-relations issues and I feel that if it could devote similar energy to a voluntary contribution program that its efforts could bear much fruit. Never have the American people fallen down when a question of aid to stricken lands and peoples has been presented to them. Always the generous heart of America has responded spontaneously, promptly, adequately.

The record in sending of CARE packages attest to those facts.

But everywhere I hear from individuals and organizations: "What can I do or what can we do to aid United States public relations abroad and to relieve suffering and hardship? How can we go about it?" If your Department and the Department of Commerce could serve as clearing houses, suggesting alternative ways by which the generous heart of America could act, then I believe an even vaster trend of voluntary contributions would develop.

If, in summary, the example of the Wisconsin Centennial Friendship Fleet could serve as a model on which other similar efforts might be made through the cooperation of your Department, then perhaps many of your Department's problems overseas in our relations with foreign peoples and foreign countries would be that much eased.

Thanking you for your consideration of this suggestion and of my previous recommendation for extension of postage-rate reductions to iron-curtain lands, I am

Sincerely yours,

ALEXANDER WILEY.

STATE CENTENIAL OFFICIALS AND COMMITTEES

Governor: Oscar Rennebohm.

State officials: Fred R. Zimmerman, secretary of state; John L. Sonderegger, State treasurer; John E. Martin, attorney general; John Callahan, superintendent of public instruction.

Centennial committee: Assemblyman Ora R. Rice, chairman; Senator R. P. Robinson; Senator John C. McBride; Assemblyman Orin W. Angwall; Assemblyman Arthur L. Padrutt; Mason Dobson, first district; Fred L. Holmes, second district (deceased); J. S. Earll, third district; Albert Pawlak, fourth district; Milton Polland, fifth district; Julius Laack, sixth district; M. G. Eberlein, seventh district; Marshall Graff, eighth district; Walker D. Wyman, ninth district; Howard Underhill, tenth district; E. B. Fred, president, University of Wisconsin; George A. Haberman, labor; Joseph F. Heil, industry; Milo K. Swanton, agriculture; Ernest Swift, conservation and recreation.

Executive committee: Milo K. Swanton, chairman; Ernest F. Swift, vice chairman; Julius A. Laack; Marshall C. Graff; Joseph F. Heil; Senator Robert P. Robinson; Assemblyman Ora R. Rice; E. B. Fred.

State board of agriculture: Ira Inman, Beloit, chairman; Paul C. Schmoldt, Medford, vice chairman; J. Scott Earll, Prairie du Chien; R. J. Douglas, Juda; James Baird, Waukesha; William Seffern, Van Dyne; Harry C. Dix, Menomonie; Milton H. Button, department director.

Centennial exposition staff: Ralph E. Ammon, manager; Jack Reynolds, assistant

manager; Gordon Crump, advertising manager; James W. Henry, publicity assistant; Catherine Mueller, publicity assistant; George Henderson, superintendent of concessions; Martin H. Schey, auditor; Don McDowell, youth activity; R. F. Zimmerman, gate superintendent; C. H. Powell, grandstand superintendent.

Agricultural exhibits: Milo K. Swanton, Madison, chairman; Verlyn Sears, superintendent.

Alice in Dairyland: Gordon B. Reuhl, Madison, cochairman; E. K. Slater, Milwaukee, cochairman; Merrill Richardson, superintendent.

Communications and utilities: Howard Underhill, superior.

Conservation and recreation: Ernest F. Swift, Madison.

Education: Clarence Greiber, Madison, chairman; Prof. William Lammers, Milwaukee, superintendent.

Finance: Julius Spearbraker, Clintonville.

Industry: Joseph F. Heil, Milwaukee, chairman; Fred L. Gratz, Wisconsin Manufacturers' Association, Milwaukee, superintendent.

Labor: Voyta Wrabetz, Madison.

Land-o-Honey: Walter Diehnelt, Menomonee Falls, chairman.

Music: Mrs. Ronald A. Dougan, Beloit, chairman; Herman Smith, Milwaukee; Mrs. Edwin C. Thompson, Madison; William Kugel, Waukesha; H. C. Wegner, Madison.

Drama: Prof. R. E. Gard, Madison.

Art: G. Burton Cumming, Milwaukee, chairman; James Schwalbach, Madison; Miss Charlotte Partridge, Milwaukee.

Professions: J. Scott Earll, Prairie du Chien.

Rural youth: Don McDowell, Madison.

State Historical Society: Dr. Clifford L. Lord, Madison.

Transportation: James R. Law, Madison.

Wisconsin women: Mrs. Herbert Kohler, Kohler.

Issues of Present Campaign

EXTENSION OF REMARKS
OF

HON. WILLIAM S. HILL

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. HILL. Mr. Speaker, I share with everyone the gloom over current foreign events, and I hope that the American people this fall will decide that they have gone far enough down the road of confusion and uncertainty under the leadership of the present administration.

And I am confident that they will give many more New Dealers plenty of leisurely time in which to write their memoirs of "why it happened" and "why we could not tell anybody about it at the time."

We know why much of it happened and how it happened for 15 long years and why everything possible has been done at every turn of events to prevent the American people from learning the truth.

Our political enemies are coming up with new tomes practically every day. And do they make some revealing reading.

They answer the twin questions: "Why are we where we are today?" and "Who put us here?"

During the war the American people made great sacrifices. They met crisis after crisis in true American spirit.

They surrendered to their Federal Government many of the rights so highly valued by every citizen.

They yielded gladly the rights which our forefathers, in writing the Constitution, zealously guarded.

To escape the tyranny of Europe's political dictators, they ran the risk of possible tyranny at home.

For 15 long years those rights have been pre-empted, the prerogatives of Congress have been challenged, and our Chief Executive has tried to do all our thinking.

Now we are told there is another aggressor loose in the world. He is more avaricious and bloodthirsty than Hitler; he is more brazen and contemptible than Mussolini; he is more cunning and cruel than Tojo.

This new threat to world peace, we are told, is the reincarnation of all evil.

Granted. But we Republicans do not have to be told these thing now. We have been screaming from the housetops about them for years.

We are in a grave situation, so the Democratic candidate for re-election to the presidency says. Then is it not logical to ask, "Who put us there?"

Isn't it germane to this whole thing to re-examine the character and abilities of these men who announce these "new" dangers?

Since they have been so long in control of our national and international destinies, are we not entitled to assess these new developments in the light of their mistakes, their errors in judgment, their deficiencies in capacity and stature?

Or are we to be once more juggled around on the brink of a purposeful precipice, confronted with another of their "crucial periods," locked in another condemned and haunted house to which they alone have the key?

God knows we Republicans are realists. We agree that as a Nation we must do whatever is necessary to stop the march of another Hitler.

We agree that we must do whatever is necessary to prevent the catastrophe of a third world war.

Mr. Truman and his advisers in Washington tell us that we must spend about $39,000,000,000 for the management of our National Government.

They also tell us that a special fund of some 20 billions will save the world from communism.

But it isn't the money alone they demand.

They must have back wartime powers.

In short, all over again, we must not only make some sacrifices in the form of heavy taxes and lowered standard of living, but we must forego guaranties of the Constitution, the same guaranties which have kept us from becoming a police state.

I think we are justified in saying, "Hold on a minute."

I think experience entitles us to wonder about their plan, to expose it to a little interrogation.

Has the Democratic candidate for President a true grasp of problems at home and abroad? Has he the ability to formulate our foreign policy or to carry it out?

We Republicans shout, "No."

We are in favor of giving help to those countries that are opposing communism, but we want the people to understand why it is necessary. We want them to know the truth and the whole truth.

We don't want the American people to stagger around in the dark, to wait a few years and then have to pay $3.50 for a book to find out what the State Department was really doing while the public was told a cock-and-bull story.

It is about time that people started to realize that the same group in Washington today that is demanding our money to fight communism helped to build up communism here and everywhere.

The Red revolution in Russia took place in 1917. For 12 years, three successive Republican Presidents refused to recognize the little group who had taken over a whole nation.

In 1933, a Democratic administration extended recognition to the Russian Government—and against the advice of some of its own party stalwarts.

They permitted the spies and the propagandists of the Communists to overrun this country. Americans were denied freedom of movement in Russia, but the Democratic administration denied the Commies nothing over here—up to and including participation and employment in every department of our Federal Government.

A Republican minority fought every step of this devious infiltration by avowed enemies of our form of government.

We knew them for what they are and for what they have always been: Godless, atheistic malefactors of humanity, sworn foes of capitalism and the American way of life.

Remember our conviction that every Russian diplomat was a spy, that every spy was a saboteur?

What happened in those days?

The White House welcomed them to tea parties on the lawn. The Army commissioned Communists as officers in our national defense, gave them possession of our secret plans and our weapons.

Even President Harry Truman vetoed the first bill that gave American workmen the only chance they ever had to throw Communist leaders out of their unions.

In 1944, when a reporter at San Francisco asked Harry Truman, then candidate for Vice President, if he would refuse the support of Communists, he replied:

"We will not refuse the support of anyone who can help elect us."

Sounds a little like a former member of Mr. Truman's Cabinet who is now campaigning for President.

Who gave Russia $13,000,000,000 in lend-lease while American military planes were forbidden to land on Russian soil? Mind, you, our ally would not let us come down on her territory and any plane that did was confiscated.

Many American aviators were shot down over the Rumanian oil fields because they did not have gas enough to return to their bases.

Who agreed to give Russia one-third of Poland, the first country to be sacrificed against Hitler?

Who solemnly guaranteed free elections in the remnant of Poland and then

never lifted a finger to prevent absorption of the whole country by Stalin's supporters?

Who gave Russia half of Korea and the Kurile Islands for a week end's participation in the Japanese war, after the fighting was over?

Who sent Marshall to China to try to influence the Chinese Government to take the Communists into their government?

We know the answer to each one of these questions and so do the American people.

Undoubtedly the New Deal made a dirty political agreement with the Communist Party in America. During the war the Commies went out of existence politically to go into partnership with them. That is history. That is not a partisan charge or accusation. That is the God's honest truth.

Earl Browder, that arch villain of bolshevik plotting, was freed from Federal prison where a United States jury sent him. He came out on a Presidential pardon, returned later to the Kremlin for new orders, and is back here now supposedly selling books.

And you can be sure that it is not copies of the United States Constitution he is peddling.

Mrs. Browder, quite a conspirator in her own right, was readmitted to this country from Canada. Harry Bridges was not deported.

If you did not have a taste for caviar and vodka in those days you were just too, too provincial.

Thank God, the Republicans had courage enough to remain "provincial."

The Democratic Party wants to forget all that now.

It is too late—much too late—for this Democratic administration to be discovering the menace of communism.

To paraphrase an old saying: "You can't lie down with a bear and get up without red lice."

What happened when the war ended and all of the thoughts of mankind centered on an organization to preserve the peace of the world?

Washington did a courtesy to Moscow, gave "Uncle Joe" three votes to our one in the United Nations, gave him veto power over every honest effort to maintain peace in the world.

Now they have in addition the votes of: Poland, Rumania, Yugoslavia, Hungary, and Czechoslovakia.

The most wonderful of all the Administration's "plans" is the payment of $6,000,000,000 to our enemies of the late war, so that they can pay reparations to Russia and replace the industrial plants that Stalin's locusts have dismantled and moved back into Russia.

It is Republican opposition to these dubious economic gestures that has "reined in" the "let's give it away" boys in Washington.

It is the Republican Party alone which will keep from our people the regimentation upon which communism thrives.

It is Republican leadership that has brought about the scrapping of this "appease Russia" policy of our State Department.

They're beginning to see the light in Washington and it's from a lantern we Republicans have been swinging in front of their eyes for years.

On domestic issues, our Chief Executive a few months ago said, "Price control is a method of the police state" or words to that effect—of course there is some merit to this statement—prices cannot be fully regulated except by a police state of inspection and direction.

This administration has violently opposed three fundamental conditions without which the spiral of high prices will continue: First, freedom of production from governmental or bureaucratic control and direction; second, a reduction of Federal expenditures; and third, sound tax reduction legislation. Of course, with an expenditure of foreign relief of more than $5,000,000,000 per year we may need some Federal allocation of scarce material such as steel, and so forth, but such control and direction must be used with care and caution.

On the reducing of Federal expenses I need to cite but one example—Federal civilian employees have been increasing at an average of nearly 500 per day since January 1948. In 1949—estimated—there will be on our pay rolls some 2,100,000 civilian employees, as contrasted to 1939—just previous to the war—929,000 civilian employees and the cost—estimated for 1948—$7,000,000,000, as for 1939, actual, $1,850,000,000.

On tax reduction I need only to call to your attention that all tax reducing legislative proposals have thus far received a Presidential veto.

Of veterans' legislation the Eightieth Congress has not been negligent. Congress passed 188 bills meeting needs of war veterans, increasing pensions and allowances and paying terminal-leave bonds in cash.

Congress freed the people and small business from 76,000 rules, regulations, directives and orders of the bureaucrats, with a resulting all-time high in employment, production, profits and wages, and a record $200,000,000,000 annual national income. The President claims credit for this change in conditions when he says he should be re-elected because of the prosperity—while at the same time he says Republicans should be defeated for not returning those controls which had prevented this prosperity until the Republican election victory of 1946.

Congress cut the national debt by $7,000,000,000, reduced the President's budget by $6,000,000,000, balanced the Federal budget for the first time in 16 years, amassed a surplus of $8,419,469,843, and stopped deficit financing.

You are being told by propagandists whose appreciation for the truth can be seriously doubted that a Republican Congress is starving and severely crippling our western irrigation projects by its "pinch-penny policy" of providing funds. Time does not permit me to consider other projects than our own Colorado Big Thompson construction. What are the facts?

Your Republican Congress has made only two annual appropriations for this project. What are the sums? For this year a total of $20,225,000. For last year a total of $16,650,000 or a total for the two Republican sessions of Congress: $36,875,000—more than half the estimated sum they told us would be required to build this project when we voted a first mortgage on all our homes in the northern Colorado Water Conservancy District to provide our share of the construction cost. Not too stingy would you say?

What did the Democratic-controlled Congresses grant from 1941 to 1947, inclusive? Here are the figures:

From 1941 to 1947, inclusive, they appropriated a total sum of $31,500,000. A Republican-controlled Congress in 2 years provided more than $36,875,000 for this same project.

The figures show that the first session of a Republican Congress more than doubled the amount provided by a previous Democratic-controlled session. And this last session of the Eightieth Congress provided a sum nearly three times the amounts provided by the last Democratic-controlled Congress.

On the Rural Electrification Administration programs we discover that a Republican-controlled Congress—the first session of the Eightieth—provided the sum of $400,000,000 for the fiscal year 1948; while the Democratic Congress for the fiscal year 1947 provided only $250,000,000. Four hundred million dollars was also provided for the fiscal year 1949. Colorado fared equally as well as the national program—receiving in the fiscal year 1948, $5,250,000—which was more than a million dollars above the sum allotted the previous year.

Let no Republican be carried away by propaganda, false statements, or wild prognostications of the dark future that awaits us if a Republican administration should take control of our Government. Let me add that we would have more for actual construction but much less for useless and false propaganda.

At this moment, America stands as the world's last real road block in the path of those who seek to shatter our free-enterprise system and substitute their own. Already, they have made stunning progress—not only abroad but in our own country. They confidently expect our road block will crumble and fall.

It is up to all of us not only to prevent that, but to make the road block even stronger.

That is a big order.

It calls for more brains, imagination, faith, and downright effort than we have ever mustered before—even during the war.

Cars for Amputee Veterans

EXTENSION OF REMARKS

OF

HON. EDITH NOURSE ROGERS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mrs. ROGERS of Massachusetts. Mr. Speaker, the furnishing of cars to amputee veterans has proved to be one of the finest rehabilitation steps yet taken. I am particularly happy that in the closing days of this session we have added an additional $5,000,000 for this purpose.

This sum will make possible the filling of some 3,100 applications for those who have lost the use of their legs. I have been bitterly disappointed not to secure the passage through the House of the bill to provide cars for the arm amputees and the blind. I shall fight for the passage of this bill immediately on the return of Congress.

I would now like to say a word about veterans' housing.

Everyone agrees that the Veterans' Homestead Act of 1948 would really give veterans a break in housing. Everyone agrees that the provisions of the bill would enable veterans' homestead associations to build homes and apartments in their own communities at substantially lower prices and rentals than those which prevail in today's market.

The final cost to the Government is trivial in comparison with other expenditures for far less worthy purposes than the providing of homes for our young war veterans, but the total cash outlay is of manageable proportions. The total outlay involves an amount less than one-fifth of the current rate of new investment in residential building, and probably even less. If countersteps are taken to restrain a small part of the existing demand for nonveteran dwellings, or for nonresidential construction, then clearly no inflationary influences can be attributed to this important aid for veterans. Further, the important cost-saving devices available to the homestead associations, and the reasonable value protection provided as ceilings on loans to individual veterans, will have a salutary and profound influence in helping to bring stability to the entire home realty market at levels below those now prevailing.

It is a keen disappointment to me that the homestead bill was not enacted during the Eightieth Congress. It will be a keen disappointment to the thousands of veterans throughout the country who are in need of homes and who will not be substantially helped by the housing legislation which we have passed. I hope, Mr. Speaker, that when the Eighty-first Congress convenes that one of the first pieces of legislation to be considered will be the homestead bill, for our veterans need housing, and they are deserving of our best consideration. All groups interested in solving the housing problem should get together at the next session and exert every effort to aid our veterans in this field.

Increase of Automobile Prices

EXTENSION OF REMARKS

OF

HON. HERBERT R. O'CONOR

OF MARYLAND

IN THE SENATE OF THE UNITED STATES

Saturday, August 7 (legislative day of Thursday, August 5), 1948

Mr. O'CONOR. Mr. President, previously I have spoken out to urge that definite action be taken at this special session of Congress to affect a reduction in living costs.

No better index to the rise of commodity costs could be cited than that of automobiles. Various commodity costs are reflected in the retail list prices of automobiles; and inasmuch as millions of our citizens require motor transportation daily, the sharp increases in the price of automobiles affect them vitally. In this week's issue of United States News and World Report there is to be found a table headed "Rise of Auto Prices Since 1939." I ask unanimous consent that this table be printed in the CONGRESSIONAL RECORD immediately following my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Rise of auto prices since 1939

[Retail list prices of 4-door sedans, at factory, excluding taxes and charges for transportation, retail handling and delivery]

Make and model	1939	1942	August 1946	July 1948
Plymouth DeLuxe	$726	$889	$1,142	$1,304
Plymouth Special De Luxe	791	935	1,174	1,370
Dodge De Luxe	855	998	1,261	1,422
Dodge Custom	905	1,048	1,325	1,597
DeSoto De Luxe	970	1,103	1,343	1,646
DeSoto Custom	1,023	1,152	1,412	1,706
Chrysler Royal	1,010	1,177	1,452	1,766
Chrysler Windsor	1,075	1,255	1,554	1,826
Chrysler Saratoga	1,443	1,405	1,757	2,078
Chrysler New Yorker	1,298	1,745	1,841	2,188
Ford De Luxe	727	885	1,068	1,375
Ford Super De Luxe	788	930	1,134	1,475
Lincoln Model 73 (with custom interior)	1,553	1,795	2,191	2,975
Mercury	957	1,065	1,333	1,875
Chevrolet Stylemaster	745	840	1,005	1,280
Chevrolet Fleetmaster	789	895	1,076	1,345
Pontiac Torpedo 6	866	985	1,213	[1] 1,641
Pontiac Torpedo 8	970	1,010	1,240	[1] 1,689
Pontiac Streamliner 6	922	1,035	1,285	[1] 1,727
Pontiac Streamliner 8	-------	1,060	1,312	[1] 1,775
Oldsmobile 66	889	1,005	1,251	1,565
Oldsmobile Standard 76	952	1,065	1,337	1,680
Oldsmobile De Luxe 76	-------	1,150	1,440	1,820
Oldsmobile Standard 78	1,043	1,105	1,390	1,735
Oldsmobile De Luxe 78	-------	1,190	1,493	1,875
Oldsmobile 98	-------	1,275	1,565	2,010
Buick Series 40	996	1,120	1,346	1,685
Buick Series 50	1,109	1,280	1,567	1,940
Buick Series 70	1,359	1,465	1,824	2,240
Cadillac Series 61	1,680	1,530	1,935	[1] 2,833
Cadillac Series 62	2,090	1,630	2,105	[1] 2,996
Cadillac Special 60	2,090	2,265	2,799	[1] 3,820
Cadillac Series 75	3,260	3,080	3,926	[1] 4,779
Hudson Super 6	908	1,092	1,360	1,988
Hudson Commodore 6	995	1,181	1,496	2,153
Hudson Super 8	1,174	1,223	1,492	2,093
Hudson Commodore 8	1,079	1,429	1,563	2,253
Nash Series 600	840	918	1,206	1,438
Nash Ambassador 6	985	1,069	1,366	1,748
Packard 8	1,196	1,275	1,682	2,140
Packard De Luxe 8	-------	1,341	1,746	2,395
Packard Super 8	1,732	1,688	2,141	2,659
Packard Custom Super 8	2,156	2,525	2,863	3,532
Studebaker Champion De Luxe	740	804	1,238	1,529
Studebaker Champion Regal De Luxe	800	839	1,304	1,597
Studebaker Commander De Luxe	965	1,044	1,467	1,827
Studebaker Commander Regal De Luxe	-------	1,089	1,581	1,942

[1] Includes handling charges at point of origin and excise taxes.

Principles of Arkansas Student Political League

EXTENSION OF REMARKS

OF

HON. E. C. GATHINGS

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. GATHINGS. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following policies of Arkansas Student Political League which were sent me from the University of Arkansas. The principles of this organization are most laudable:

POLICIES OF ARKANSAS STUDENT POLITICAL LEAGUE

The Arkansas Student Political League referred to as the ASPL was organized at the University of Arkansas in January of 1948, by a group of students interested in better government for the State of Arkansas.

The purpose and principles of the ASPL as set out in the constitution are to strive for the betterment of the University of Arkansas, to foster and support legislation which will improve the standards of education in this State, to recruit young and intelligent leadership in governmental affairs, and to make constructive suggestions to responsible officeholders, to encourage all students of voting age to qualify as legal voters, to encourage intelligent and active participation in politics by all students, and to invite the candidates for public offices to address campus political rallies and to give their platforms and qualifications.

Since its organization the ASPL has sponsored several candidates for public office to speak at the University, and in addition has presented to the candidates for governor of the State a list of questions on controversial issues of primary importance to the citizens of this State for these candidates to answer, for the purpose of publishing these answers in the papers of the State and thus give the voters the opinions and stand on these vital questions of the various candidates thus enabling the people to more intelligently vote for the candidate of his or her choice and the one with the views that coincide most nearly with their own. A plan was carried out to secure absentee ballots for the summer students at the University of Arkansas at no cost to the student and with a minimum of trouble, all for the purpose of securing more active participation in the politics of the State. Over 350 absentee ballots were thus obtained. A radio forum has been sponsored by the ASPL over station KUOK, Siloam Springs, Ark., at which time the platforms of the various candidates for Governor were discussed, giving the voters a chance to fuller understand the issues that confront the State today. Both national political parties have been contacted requesting speakers for this fall, in order that the students may have the opportunity to know more about the candidates running for President. There is also a drive planned to encourage the students and citizens of Arkansas to qualify for voting for the coming year.

Plans are being made to organize new chapters at universities and colleges in Arkansas and the surrounding States. To date a chapter has been formed at Magnolia A. & M. College and definite action has been taken toward establishing a chapter at the Texarkana Division of the University of Texas. Contacts are being made with the campus leaders in other colleges within the State and it is the hope of the ASPL that within a very short time that chapters all over the State will be formed and functioning to bring about better government.

It is the aim of the ASPL to carry forward the principles of the organization and insure the people of the State the good government which they deserve. This can best be achieved by the combined efforts of all students of every college in the State, and the active participation of all people, in the most important of all the functions of a government founded on democratic principles—that of electing those who will serve them in the public offices in this State.

The ASPL is nonpartisan in that it supports no candidate for any office and in no way endorses one candidate over any other. The people simply hear through the ASPL

the thoughts and views of the candidates who present themselves to the people for their approval or rejection in the election process.

Comments by Hon. H. Alexander Smith, of New Jersey, on President Truman's Message

EXTENSION OF REMARKS
OF
HON. H. ALEXANDER SMITH
OF NEW JERSEY
IN THE SENATE OF THE UNITED STATES

Saturday, August 7 (legislative day of Thursday, August 5), 1948

Mr. SMITH. Mr. President, when the Congress reconvened I made a brief statement which I released to the press in New Jersey with regard to the emergency session. Also, subsequently, on August 4, I sent to the editors of the various newspapers in my State of New Jersey a summary of the problems, as I saw them, involved in dealing with inflation. I ask unanimous consent to insert in the Appendix of the RECORD the two statements referred to.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

SENATOR SMITH COMMENTS ON PRESIDENT TRUMAN'S MESSAGE

The President's message to the extra session of the Congress, in my judgment, does not present an extraordinary occasion, which under the Constitution is the justification for convening both Houses. Certainly there is no international crisis that requires the legislative attention of the Congress. Therefore, the question arises as to whether the measures advocated by the President require immediate legislative action.

It is my own considered judgment that, in the absence of some extraordinary emergency, which apparently is contemplated by the Constitution, it is not in the best interest of the American people to hold a session of the Congress between the time of the political conventions called to nominate for the high office of President, and the actual election. At such a time there is real danger that what should be a dignified session of the Congress may well deteriorate into an atmosphere of partisan political turmoil.

The fact remains, however, that the Congress is actually in session in response to the President's call. I feel, therefore, that it would be unwise to adjourn without giving attention to some of these matters, and I believe that a limited program of legislation should be promptly passed, and the Congress should then adjourn. Such a program of action would include:

1. The passage of the Taft-Ellender-Wagner housing bill, which has already passed the Senate and is now pending in the House;
2. The amendment of the cloture rules of the Senate to the end that the way may be cleared for sound civil-rights legislation;
3. The passage of the Federal aid to education bill, which has passed the Senate and is now pending in the House;
4. The amendment of the displaced persons bill to eliminate the discriminatory features;
5. The authorization of the United Nations loan of $65,000,000 to provide for the headquarters in the United States.

In my judgment, these matters could be taken care of within the next 2 weeks, or at the outside, in 3 weeks, and it would be contrary to the best interests of the American people to continue the Congress in session any longer than that.

THE INFLATION PROBLEM

In my brief press release, which I issued immediately after the convening of the Congress and the receiving of the President's message, I purposely left out the subject of inflation and possible cures for it, because of my desire to get at the facts and receive the best possible advice from economists in whom I have confidence.

After conferring with experts in the field, certain steps have been suggested which seem to be sound in their approach, and which I am glad to give publicity to for the benefit of my constituents in New Jersey. These steps are recommended as those which would be of most immediate practical value.

First. The Government, which has control of expenditures, should drastically reduce further construction activities at this time. The figures indicate that public construction for the country as a whole, including Federal, State, and local, has increased as follows since 1946:

Month of—	
June 1946	$172,000,000
December 1946	194,000,000
June 1947	274,000,000
December 1947	223,000,000
May 1948	339,000,000

During this period there was no appreciable change in the volume of military and naval construction, so that has not affected the over-all policy. I can well understand why the administration does not want to apply this particular brake on the inflation spiral in light of the political implications—some of these construction projects affect vitally certain areas of the country where the effect on the pending elections may be important.

Second. It is recommended that the administration should refrain from supporting farm prices at levels above those established by present laws—if and as changing conditions result in extensive declines. Most of our inflation troubles are in the area of foodstuffs, and especially have to do with the meat situation. From studies made, the following facts are deduced.

The sharp rise in farm prices, which occurred in late 1946, was directly related to the failure of the corn crop and the European requirements for grain. The sharp rise in prices of feedstuffs was also reflected in the prices of livestock, poultry, and dairy products. The peak of the movement in grain prices was reached in midwinter and there has been a recession since that time. This is due in part to improved crop conditions in Europe, and recently to the evidence of a good wheat and a large corn crop for this country. Grain prices have been declining and it now appears practically certain that the price of feedstuffs this autumn will be very much below the levels of a year ago, possibly below the levels of 2 years ago.

In light of this condition, there is apt to be pressure to maintain or even raise the present Government price supports, which of course would put a brake on any tendency for prices to fall. Here again, the administration has control of the policy to be adopted, and of course is influenced by the politically important consideration of not antagonizing the farmers.

I am advised that, in spite of a possible easing of grain prices, the prices of livestock and meat will not show any corresponding reduction. Indeed, they may remain at or near present levels. Two factors account for this situation:

(1) The livestock population has been declining and the human population has been increasing, and

(2) The rise in real income among great sections of the population has sharply increased the consumption of meat products. Only a small proportion of the population foregoes meat consumption because of high prices.

As a matter of fact, the present administration has encouraged the decrease in the amount of livestock during the past few years because of the desire to maintain agricultural prices. Also, the high prices for meats have tempted livestock owners to market their products rather than to build up their herds.

Some classes of farm products, especially fruit and vegetables, have ceased to be scarce and pressures exist for Government support at prices above the legal floors. The administration can assist the hard-pressed consumer by resisting such pressures, but again political expediency has its place in the picture.

Third. In the industrial field, the greatest advances in prices have been in building materials and bituminous coal. In both cases, sharply rising costs have been a primary factor. In the case of building materials, the enormous volume of construction activity has resulted in bidding for scarce materials and consequent price advances. The rise has been particularly pronounced in the case of lumber.

In this connection, I quote a significant statement from the Midyear Economic Report of the President, which was released on Saturday last. Incidentally, this statement in the President's own report seems to negative to a large extent his charges that the Eightieth Congress has done nothing to ease the housing situation. His report says (p. 3):

"Residential construction is expected to increase the total supply of dwelling units by more than a million during 1948. This high output has been accompanied by an increase in costs that is outrunning consumers' ability to pay for the housing they need."

The report goes on to say, under the heading "Residential construction" (p. 14):

"About 450,000 new residential units in new buildings were started during the half year. Counting also conversions and alterations, more than a million units will probably be added to the residential supply during 1948."

And then note the following:

"This volume of residential construction is already straining the capacities of the construction industry in many areas and of producers of some construction materials, and is unquestionably competing with other primary national needs."

This raises the question whether any immediate additional housing legislation would be effective or more than a gesture.

Fourth. It is recommended that legislation be passed to restrict the volume of consumer credit. This is being considered now by committees of the Congress, and I expect some legislation along this line.

Fifth. It is further recommended that we increase reserve requirements at the banks, again with the purpose of reducing credits. Legislation may be passed along this line, although I anticipate opposition from the banks. Any such action would almost certainly curtail production, which in the last analysis is the answer to rising costs. Such action might also precipitate too rapid a deflation.

There are other areas in which the Government, by its own action, and without the necessity of legislation, can resist inflation. For example, in the housing field, much can be done by requiring sound appraisals of the real-estate values on guaranteed and insured loans. In the export field, the powers of the Department of Commerce to impose import restrictions can restrict our export of industrial and agricultural products to reasonable limitations. But, beyond this, the Board of Governors of the Federal Reserve System and the Treasury already have great powers, not

fully used, over credit expansion and inflation, as for example:

(a) Control of the discount rate.

(b) Fixing of prices for Government securities.

(c) Open market operations to deflate.

(d) Sell securities from Government accounts.

It has further been suggested that to absorb the excess purchasing power of the people, a widespread campaign might be put on by the Treasury to sell Government bonds, with an attractive interest rate, payable over a period of years, which would induce people to get into the sound habit of saving at least a part of their present high incomes, the proceeds of which would be used to pay off Government short-term loans as they mature.

It is believed by those with whom I have been in conference that an over-all policy of this kind, with more attention by the administration itself to the controls within its power, should do much to ease the present tension.

PRICE CONTROLS

Obviously, however, the President and his advisers are intent on imposing on the people of the United States price controls and rationing. The best advice I can get points out that wartime experience in this and other countries has proved conclusively that a price-control program cannot be effective without wage controls. It seems perfectly obvious that a rising wage spiral must necessarily bring about higher prices, because the costs of the product must be covered in the price received. In peacetime, wage controls are impracticable and unenforceable; consequently, a general price-control program could, at best, merely retard price advances, but this would be almost certain, if we may judge from experience, to impede production, and let me repeat again, that production is the ultimate key to curbing inflation. Wartime experience also showed that a general price-control program had to be accompanied by rationing. A rationing system cannot be put into operation in any short period of time and is impossible of enforcement in many lines of activity. Wartime experience also proved that an attempt to roll back prices inevitably involves hardships for many companies who are behind the procession, and it thus necessitates subsidies if these companies are to survive. Without their survival, of course, production is again decreased.

Selective price controls, leveled at particular commodities in short supply cannot be effective. This obviously applies to the meat situation. An increase in wage costs or in the costs of raw materials would necessitate upward price adjustments. At best, such selective controls might serve as a restraining influence; at worst they would result inevitably in black markets and shifts to substitute commodities. Such controls could not be enforced in the case of meat, the high cost of which most concerns the American housewife. As a matter of fact, meat would again disappear from the market as it did when we tried imposing controls under the OPA.

In making this general statement, I have gone into some detail because I think it is very important for our people to know the complications that are involved when we attempt to deal with inflation. We are in the midst of an expanding economy, and inflation is part of the price we have been compelled to pay because of our policy of assisting the rehabilitation of the countries of Europe.

It is my own considered judgment that prompt courageous action by the administration, irrespective of political consequences, would be the best road toward curbing inflation, and the suggested methods of credit controls which our committees are now considering will be of assistance. We must realize, however, that we cannot have our cake and eat it. Let me add that I am not sympathetic with the "scare" talk that the President incorporated in his message, nor am I afraid of any such run-away inflation as appeared in some of the uneconomically sound countries of Europe immediately following the war. America can survive this crisis if we stop calling names, tighten our belts, and all work together to produce.

Miss Huenefeld's Winning Essay—Farming: a Way of Life

EXTENSION OF REMARKS

OF

HON. E. C. GATHINGS

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. GATHINGS. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article:

FARMING: A WAY OF LIFE

(By Mary Huenefeld)

(Judged second best in Southern Agriculturist's rural life contest is this article written by Mary Huenefeld, of Gregory, Ark., She was awarded $50 and an expense-paid trip to New York and Washington, with Anita Bolinger, grand prize winner, accompanied by Milbrey Frazer Covert, editor of the Youth Department. Look for the story of their trip in the September issue of Southern Agriculturist.)

My mother has always said she had rather we would be "country gentlefolk" than cafe society people. She has done her best to rear us that way.

We know that we will never be rich, but we live happily and well.

There is satisfaction in growing cattle and crops that furnish food, clothing, and other necessities for mankind. Farming is a necessary and vital profession.

The farmer is, in a way, an adventurer. He is constantly gambling with the elements. Weather being the most important factor to the success or failure of a crop, he must understand and take advantage of any breaks he gets in the weather. The author of Wind, Sand, and Stars says that the farmer has more in common with an aviator than he has with a storekeeper or a bank clerk.

Last year, due to the fact that we had a bad drought, my father lost two-thirds of his income. Some years this is the case with floods. But in years when nature is cooperating with the farmer, there is a sense of partnership.

Probably the most satisfying thing to a farmer is his freedom of action. He can do what he wants to when he wants to. He is his own boss and makes his own decisions. He is also free to think as he likes. He has no boss or union leader to tell him for whom he must vote. My parents have always voted just as they thought best.

The farmer and his family always have security. Even in bad years, when droughts, floods, or storms cause his income to be lowered, he still has a home to live in and food to eat. This is true even for the sharecropper. He still has a free home, can raise his own food, and always has fuel (wood) if he is willing to cut and haul it in.

By having his own food, a farmer can maintain a higher nutritional standard than city people with the same income.

Farm homes now can have all the modern conveniences.

The country schools, as a rule, are very good. Ours prepared me adequately for the high school, besides it gave me a very democratic attitude.

Farm people not only have the advantages of country life, but can have the city advantages for the taking.

Country life is not stereotyped and need never be boring. In most farm work, because it is outdoors, the farmer gets many of the same advantages that city people get from planned and costly vacations. For example, I can get just as good a sun tan weeding a garden or herding cows on a horse as "Mrs. Gotrocks" gets lying on an expensive beach. Horseback riding, fishing, swimming, and hunting are just a natural part of farm life.

The friendliness of country people is another thing that makes farm life good.

I thank my lucky stars that I've been reared in the country.

Views on Current Conditions

EXTENSION OF REMARKS

OF

HON. CHARLES W. TOBEY

OF NEW HAMPSHIRE

IN THE SENATE OF THE UNITED STATES

Saturday, August 7 (legislative day of Thursday, August 5), 1948

Mr. TOBEY. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a recent press release expressing my views upon conditions prevailing during the special session of Congress.

There being no objection, the press release was ordered to be printed in the RECORD:

The burden of inflation has become unbearable for countless thousands of people in our country, particularly, those who must live on fixed incomes. The low-wage earners and the office workers are finding it more and more difficult to buy the bare necessities of life. The long-envied American standard of living is becoming lower daily. Measures adopted during earlier sessions of this Congress have not yet succeeded in halting the rising spiral of living costs. These measures were adopted on the theory that the producers, manufacturers and distributors would voluntarily arrive at arrangements to halt that spiral. From time to time certain sellers have shown leadership along those lines but the vast majority have not taken up the ringing challenge to follow their lead. The situation cries out for a remedy. If those who produce, manufacture, and distribute goods cannot find that remedy through the use of voluntary means, the American people acting through their elected representatives must search for a different and more effective cure. That remedy must not be a breadline depression, which would injure every element of our population and destroy the sinews of American strength, at a time when that strength is needed to keep the flame of democracy alive throughout the world.

Those who sincerely argue for complete freedom of enterprise must remember that unless self-restraint is used in the exercise of that freedom, the end result must be anarchy. I have long deplored the philosophy of those sellers who hold that they have a moral right to charge what the market will bear.

The seller must not lose sight of the other party to the transaction, the buyer. Unless the seller exhausts every effort to keep prices at a reasonable level, he invites the danger that the buyer will of necessity or through choice exercise his privilege to refrain from buying. If buyers in large numbers follow this course, goods will soon pile up in the hands of sellers. This will lead to an abrupt

decline in prices and result in considerable loss to the seller. An old maxim states, "Let the buyer beware." For the benefit of producers, manufacturers, and distributors, I would counter with, "Let the seller beware," lest in failing to exercise voluntary restraint in order to bring the sales price of their products within the reach of the mass of people, they cause the economy to collapse about them like a fallen house of cards.

However, in complete fairness, it must be recognized that producers, manufacturers, and distributors, working alone, cannot completely solve the problem of control of inflation. They need the earnest cooperation of other elements of our democracy. Those who perform services which add to the cost of goods to be sold must also exercise restraint in requesting further over-all increases in wages or other compensation received in return for those services.

The solution of the problem in a practical manner is complex and must be proceeded with step by step. Control of consumer credit is an example of one of those steps already taken by the Senate and now awaiting action by the House of Representatives. Other steps to be taken in meeting the problem of inflation remain to be further explored.

As a first step, I invite the producers, manufacturers, and distributors to avail themselves of the Senate Committee on Banking and Currency as a sounding board to state practical plans to curb inflation by voluntary methods. Unless they do so before it is too late, more stringent methods of halting inflation must be adopted for the welfare of the people and the good of the Nation.

A similar invitation is also extended to others who can make a real and sincere contribution to this effort. Working shoulder to shoulder in the past, the American people have found a solution to problems which at times seemed insurmountable. In that same spirit and with divine guidance, we can seek an effective and acceptable solution to this serious problem now confronting the Nation.

Why America Needs Thomas E. Dewey as Next President of the United States

EXTENSION OF REMARKS

OF

HON. ALEXANDER WILEY

OF WISCONSIN

IN THE SENATE OF THE UNITED STATES

Saturday, August 7 (legislative day of Thursday, August 5), 1948

Mr. WILEY. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a statement prepared by me entitled "Tom Dewey—Why America Needs Him as Next President of the United States."

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

TOM DEWEY—WHY AMERICA NEEDS HIM AS NEXT PRESIDENT OF THE UNITED STATES

The American people are eagerly awaiting their opportunity to go to the polls in November in order to elect a new President of the United States. In the next few months, millions of words will be printed in newspapers, in magazines, in leaflets, and will be broadcast over the air regarding the merits of the Republican and Democratic candidates for President and Vice President.

It is not my purpose to take up a lot of my readers' time by presenting any lengthy review of what I regard as the outstanding qualifications of Thomas E. Dewey, of New York, and Earl Warren, of California, to be Chief Executive and Vice President respectively. I believe that our people will be more than familiar with all of the basic facts regarding the careers of these two outstanding Republican leaders.

SUMMARY ON TOM DEWEY

Because I have, however, come to know Tom Dewey, because I have seen him twice nominated for the great office of President of these 48 States, because the people of Wisconsin have become closely familiar with him during several primary and election campaigns, I would like to summarize briefly some of our general conclusions on him:

PLAIN-SPEAKING, SQUARE-SHOOTER

1. Tom Dewey is a plain-speaking, forthright-acting man of the people. There is nothing affected or sham about this straight-shooting, sincere public servant. All of his life, Tom Dewey has lived with plain-speaking, plain-acting folks.

As my readers know, he was born in March of 1902 over a general store in Owosso, Michigan, a town of around 8,000. He grew up in a pleasant, normal atmosphere, of a family of modest income, in a small town. He sold magazines and newspapers, he played football in high school, he worked in a drug store and on a farm. He saved up money for his higher education. He sang in the glee club, he learned the basic truths of life in the "college of hard knocks." He had no silver spoon when he was born, and he has never sought to achieve great wealth. Rather, he has sought to serve the general welfare.

REPRESENTS AMERICA'S YOUTH

2. Tom Dewey represents the force, the vitality, the vigor of America's younger generation. At the start of his prosecuting career, he became a United States attorney—the youngest man ever to hold that post in New York. In his racket-busting and smashing of the crime syndicate in the Empire State, he surrounded himself with young, talented men and women—whose minds were clear, whose approach was new, whose energy was dynamic. The results that they achieved in sending criminals to prison and in cleansing the rats from positions of power, speak for themselves.

America's young generation appreciates such a man, appreciates the fact that here is an individual with no mental cobwebs, with an understanding of youth, with a clear perception that times are changing, and that, as Lincoln said, we must "think anew and act anew."

CLEANSING NATIONAL GOVERNMENT

3. I have referred to racket busting. If there was a tremendous field for cleansing in the city and the State of New York, what a still vaster field is awaiting Tom Dewey in all of these 48 States. For 16 long years the dead hand of New Deal bureaucracy has blighted to some extent private enterprise in every community of this land. The Federal Government is unfortunately filled with many parasites, time chiselers, leftists, alien-minded individuals. What an opportunity for a man of Tom Dewey's personality to cleanse the body politic as he once cleansed New York of its hoodlums and gangsters.

RISING AFTER SET-BACKS

4. Tom Dewey knows what it is to take set-backs and defeats, and yet to come back smiling and bigger in outlook and understanding. In 1944, after making a tremendous campaign for the Presidency, he was defeated, just as he had been defeated in his first bid for the governorship of New York. He lost the latter position by a mere 64,000 votes. He ran behind the Democratic candidate for President but received 46 percent of the total vote. Tom Dewey has arisen from these set-backs, possessing more insight, more determination, finer qualities of leadership than ever before.

WIDELY VARIED BACKGROUND

5. Tom Dewey possesses the background that is needed in the highest position of the land. As an operator of a dairy farm in Pawling, N. Y., as a lawyer, as one who has worked with businessmen and with individuals of all types of organizations and occupations, Tom Dewey has grasped insight into the wide variety of pursuits in this great land of 145,000,000 people.

A TEAM PLAYER

6. The brilliant administration which Tom Dewey has given to the Empire State bespeaks the great team that he mobilized there at Albany. Tom Dewey is a team-worker. He doesn't try to secure mediocrities to work for him in order that he can shine above them. He doesn't ever demote a man simply because a man has made a success in an administrative task, and Dewey might be afraid that he would outshine the Governor himself. On the contrary, Dewey recognizes talent, rewards talent, promotes talent, in the way the American people require if their public service is to be conducted on an ever-higher plane, with ever more fruitful results.

FINE PERSONAL QUALITIES

7. Tom Dewey has the personal qualities for which the Nation is looking in its Chief Executive. His model family is an inspiration to the Nation. Never has the slightest whisper of scandal been heard or spoken or printed about his personal life. He is clean, and honest to the core. He is religious and respects the full freedom of each man to worship according to his own conscience.

REPRESENTS AMERICAN VIRTUES

8. Tom Dewey believes in the traditional virtues of the American way of life—thrift, industry, honesty, efficiency, economy. He has not been tainted by alien ideas or philosophies. His rise to prominence is a classic example of the American way of life in which youths, however humble their beginnings, can rise to the loftiest positions by virtue of their true merit.

REPRESENTS CONSTRUCTIVE CHANGE

9. Tom Dewey represents not only a change, but a change for the better. You and I have heard it said many times that there is a need for a change. Someone has asked "why?"

(a) Well, the first reason for a change is because there is a need for a national audit—an audit of every bureau and agency in the Federal Government; an audit of their operations and personnel. The purpose of that audit is to test their effectiveness and efficiency and advisability on the scales of the public welfare. The purpose, too, is to evaluate our whole national policy in every field of government—to determine where we are going, why, how fast, whether we should change trends or should continue in our present course.

TOO LONG POWER IN FEW HANDS CORRUPTS

(b) The second reason for a national change is the one that was given by Franklin Roosevelt himself when he was campaigning as a candidate against the Republicans in 1932. At that time Mr. Roosevelt quoted President Calvin Coolidge, as follows:

"For one reason or another even a wisely led political party, given a long enough tenure of office, finally fails to express any longer the will of the people, and when it does so fail to express the will of the people, it ceases to be an effective instrument of government. It is far better for such a political party—and certainly better for the State—that it should be relegated to the role of the critic and that the opposing political party should

assume the reins of government. This condition appears to have arrived in America."

After quoting that statement by President Coolidge, Mr. Roosevelt said:

"That, my friends, is the sober conclusion of a cautious public man, not long ago President of the United States, Calvin Coolidge. With every word of it I heartily agree."

GIVING OPPORTUNITY TO NEW LEADERSHIP

(c) A third reason for a change in the administration is to give opportunity to the new leadership which has developed in the Nation since 1933. Tom Dewey stands at the head of that new leadership. As everyone knows, for the last 16 years there has been little, if any, opportunity for this new leadership to express itself and make constructive contributions in view of the Democratic monopoly in the administration.

COMBATING RED MENACE

(d) Another reason for a change is to combat the Communist menace in our land. It is obvious that because of administration obstructions, we are not getting anywhere in the drive to cleanse our Government of red espionage agents, Communist-sympathizers, fellow travelers. The recent spy investigations by Congress show the imperative need for a thorough ridding of the Government of these red termites, especially in this atomic age, when national security could be imperiled.

CONSTRUCTIVE RECORD OF CONGRESS

(e) Still another reason for a change is that the Republican record of the Eightieth Congress meets with the overwhelming favor of the American people. We recognize all of the obstacles which the administration has placed in the way of the Republican Congress as the GOP sought to fulfill the mandate given to it in November 1946.

The Eightieth Congress, in spite of the road blocks set up by the administration, has enacted a constructive record, the like of which has not been seen in Washington for many decades. In every field—foreign affairs, veterans' welfare, national defense, more harmonious labor relations, tax reduction, budget reduction, and ending of deficit financing—in these and countless other fields Republican legislators have kept their trust and their faith with the American people.

NEED FOR ECONOMY

(f) Still another reason for change is the urgent necessity for Federal economy. We know that the administration has been adding employees at the rate of 500 a day recently and there seems to be no end to its hunger to add indefinitely to the taxpayers' burden by piling up unnecessary bureaus and bureaucrats. Right now, amazingly enough, the American people are required to spend more out of every dollar they earn in order to pay for Government—Federal, State, and local—than they have to spend for their own food.

ASSURANCE OF WORLD PEACE

(g) Another reason for change is that only through a change can we be assured of America's staying at peace. The headlines of the crisis in Berlin show that the long record of administration failures of attempted appeasement of the Russians, has led us to our present predicament. With a change of the administration along Republican lines, we will be better able to establish a frank and realistic foreign policy with the Russians which will protect our interests at the same time as preserving the peace through the United Nations.

COMBATING HIGH PRICES

(h) We all recognize that there are many issues challenging the country today—high prices and foreign affairs, principally. The Republican Congress has made important beginnings toward the solution of those problems, but it still has much work to do. Inflation is still causing a serious challenge to the Nation. If the American people will give the GOP the opportunity to meet that challenge through a Republican Congress and a Republican administration, our Government will be able to carry on in the mission desired by 145,000,000 Americans.

TOM DEWEY'S MISSION

That is Tom Dewey's great hope—that he may be the instrument, the servant of the American people on this mission. That, I believe, is the hope, too, of the American electorate—that next January President Dewey will undertake this great mission.

No one of us human beings is perfect. I suppose something can be said about the disadvantages of any particular human being. Yet, when you weigh Tom Dewey on the scales of leadership and service, you find him completely adequate in every respect and wanting in little if anything in the characteristics that America seeks.

DEWEY AND WARREN—TRUE TRUSTEES

Tom Dewey and Earl Warren are trustees of the people's values. Men of character at the head of a Nation give character to a nation. To men of simplicity, of clarity, of directness, of earnest sincerity—no national problem, no challenge is too difficult.

The Republican ticket for the Presidency and Vice Presidency is not only a balanced ticket in the sense that it represents the east and the west coasts united. It is balanced in every other respect by which you can analyze it. Tom Dewey and Earl Warren, two different personalities, but both vital, both outstanding, both deeply loyal to the American system of free enterprise, both representing the very best in American traditions.

CONCLUSION

The people will go to the polls in November, I am sure, to vote for Tom Dewey and Earl Warren, men of action, men of character, Americans in the very finest sense of that wonderful word.

They fulfill the words of Josiah G. Holland:

"God give us men
The time demands
Strong minds,
Great hearts,
True faith,
And willing hands."

The Record of the Democratic Party

EXTENSION OF REMARKS

OF

HON. ELBERT D. THOMAS

OF UTAH

IN THE SENATE OF THE UNITED STATES

Saturday, August 7 (legislative day of Thursday, August 5), 1948

Mr. THOMAS of Utah. Mr. President, I ask unanimous consent to have inserted in the Appendix of the RECORD an address prepared for delivery before the National Education Association at Cleveland, Ohio, on July 8, 1948. Since the occasion called for extemporaneous remarks rather than a prepared address, I ask also to have inserted in the RECORD a transcript of the remarks which I delivered extemporaneously.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE RECORD OF THE DEMOCRATIC PARTY

An audience such as this, assembled under the auspices of the National Education Association, is ideally equipped, in its wide and expert knowledge of history, to make a dispassionate appraisal of the contributions which the two major political parties have made to the progress of our country.

I am confident if you examine the creative epochs in the history of this Nation, you will find the affirmative weight definitely on the Democratic Party's side.

From the time of Jefferson, through all of the Democratic administrations down to Wilson, Franklin Roosevelt, and Harry S. Truman, the Democratic Party has provided the political leadership fitted to the tempo of the times.

During our own lifetime and well within the memory of most of us here tonight, the Wilson administration contributed a record of solid achievement in progressive social legislation that defies challenge from any quarter. Any one of the many important measures enacted during that Democratic administration merits detailed study by all students of history and government. The scope of the statesmanship and the inestimable benefits contained in these measures for all the citizens of the Nation, have been universally acknowledged.

The creation of the Federal Reserve System alone has been acclaimed one of the greatest acts of constructive statesmanship in the entire history of the country. Every citizen in the United States—every business and financial interest in it today—enjoys the fruits of Wilson's untiring labor for that legislation. Some of the most bitter Republican opponents of it, at its inception, were forced in later years to regard it as a masterpiece of statecraft.

But there were many other legislative achievements that give us the measure of that great Democratic leader. The accomplishments in social legislation of the Wilson administration constitute one of the brightest pages in the history of the country.

Let's briefly review a few of them:

The Clayton Act put a curb on the increasing and dangerous concentration of wealth and the vicious system of interlocking directorates. The Federal Trade Commission prohibited unscrupulous competition and protected the small businessman from the giantism and monopoly of vast corporations.

The tariff was reduced to realistic proportions and a responsible Tariff Commission was created, despite the organized pressures of high-priced lobbyists hired by selfish interests.

An income-tax law insured a fair distribution of the cost of Government.

Equal suffrage was extended for women.

The election of United States Senators was put in the hands of the people they served rather than at the disposition of a select few who could demand political favors.

Labor was recognized as an honorable segment of human society and raised from the indignity of a mere commodity.

By the creation of the Farm Loan Banks, farming and agriculture were given their proper places as collateral branches with commerce and industry in the economic structure of the nation.

The tragedy of the First World War interrupted the further domestic reforms that the Democratic Party had pledged. It prevented additional progressive legislation to improve the economic conditions of all classes and to maximize the full resources and productivity of the country.

In a military sense the First World War ceased with the armistice of November 1918. Humanity would learn to its poignant sorrow that it was to be only that—an armistice—for little more than twenty years.

We are all familiar now with the Democratic Wilson's inspired efforts to set the foundations for a lasting peace. Never in the history of mankind had the opportunities for building a better world been more favorable. Never in the history of this Nation had it had a better nor more qualified political leader than the Democrat Wilson.

But never were the results of sincere and unselfish devotion to the cause of international peace so bitterly disappointing.

A Second World War far greater in every dimension than the first would ensue before civilized humanity recognized the validity of the principles for which the Democratic Party under Wilson's leadership fought so valiantly. In that second holocaust another Democratic President would endure a studied campaign of rabid vilification.

We are witnessing today the efforts of the Republican reactionaries and isolationists to discredit and nullify the farsighted statesmanship and programs in our own self-interest in international affairs, offered by a Democratic Administration.

The 1920 election campaign of the Republican Party was craftily designed to disgust the American people with their hard-won victory in the war; and to delude them into a belief that they had been tricked into European involvements that violated American principles. The voters were deluded by the notion that a change of party and political leadership would insure a speedy return to normalcy. That fetching slogan of the Republicans was interpreted by many as a promise of a return to the "good old days." Few seemed to think much about how really good they were nor to whom.

For 12 long years the Nation was to endure that kind of normalcy.

Apologists for the Republican administrations of the twenties have been extremely resourceful—even picturesque at times—in finding words and terminology to explain the economic skidding of the country under Republican leadership, from a doubtful 1926–27 business plateau—in the argot of these pseudo-economists—to the dismal abyss in 1929.

Our poor English language has been tortured to find fit phrases to explain the debacle. Orthodox and classical economists have been praised or damned to fit the apology and the temper of the apologists, and the geniuses of "cyclical" and similar theories have had a glorious holiday in occult research.

But I don't think it is an oversimplification to say, although the economic system of the country that prevailed in the closing years of the nineteen twenties was in the hands of a superexpert Republican engineer-President, the very practical thought that the system itself needed some drastic engineering, entirely escaped the experts.

It took 3 years of steadily deepening economic crisis, with no bottom in sight, before the country was ready to accept the Democratic leadership and the New Deal. The so-called economic principles revered so highly by the Republican administrations were exposed as being not only uneconomic but unprincipled as well.

An angry electorate demanded something more than empty phrases and scientific explanations as an answer to a stagnant economy, with smokeless chimneys denoting idle factories, hoards of nearly starving unemployed, a ruined farm population and the whole melancholy catalog of accumulated ills plaguing the people.

Retrospection clearly shows that the economic sickness that had started in 1920 and was climaxed in 1929, was actually the dying paroxysm of an era. The decade that marked its end had packed into it the accumulated evils of a concept of government that would have stifled democracy and reduced the common man to the level of a common clod, had it been allowed to continue unchecked.

Franklin Roosevelt represented a new economic order that common sense and every instinct of self-preservation demanded.

For 12 years the Republican administrations had callously refused to concern themselves with the desperate economic condition of millions of American citizens.

The economically privileged class that dominated and still dominates the Republican Party, stubbornly clung to a theory of economics that had been proved fallacious and had been completely discredited. They sought to escape responsibility for the plight of the people in a blind belief that mass unemployment and the distress resulting from it were mere phenomena of a cycle and would be automatically adjusted in good time without government interference.

The Democratic administration refused to accept such a theory. It held that the starvation of millions of unemployed American citizens was definitely the concern of government. It held that the care of the sick and old, the providing of opportunities for education, for opportunities of work for the able, and above all, the permanent eradication of the specter of insecurity in the lives and homes of every American, were the clear duties of any democratic government.

It was the Democratic Party's brand of economics that Franklin Roosevelt interpreted and vigorously applied to lift this Nation from the worst depression it had ever known. It was the brand that inspired a program of social legislation that restored democratic government to its proper place as the servant of all the people instead of an agent of a few. It was the brand that enabled the United States to mobilize the greatest productive and fighting machine ever envisioned. It was the kind that would rekindle the hope of democracy throughout the world. It was a brand of economics and government that would make a revision of the textbooks necessary.

But it was not really new. Actually it was a badly needed, modernized, streamlined version of the Jeffersonian brand of economics. It was the Democratic Party's realistic interpretation of the mandate in the Preamble of the Constitution of the United States, which summarized the ideals of the founding fathers: "A more perfect union, justice, domestic tranquility, the common defense, the general welfare, and the blessings of liberty to ourselves and our posterity."

Republican leadership, in its rare moments of larger thought, interprets that general-welfare mandate in the Constitution as a static concept; a high and most worthy impulse, to be sure, but only to be considered in the abstract, never to be allowed to interfere with the power, nor disturb the position of the economically privileged few.

Democratic leadership accepts and avows the mandate interpretation of Jefferson, Madison, Jackson, Wilson, Franklin Roosevelt, and Harry S. Truman. All of these Democratic leaders, by their lives and works, have identified it as a dynamic force, sweeping before it any and all repressive privileges, and initiating and perfecting legislation designed to safeguard and extend the interests of all the people.

There is a significant parallel in the "back to normalcy" Republican slogan of the 1920's and the "save what's left" shibboleth being tossed around by the Republicans in this Presidential campaign year 1948. The parallel is the more marked, because their program is the same today as it was in 1920. It lacks even the saving grace of a new look. But one must admit that it is consistent with their policy of reaction.

The record of the Republican Party leaders throughout the Roosevelt and Truman administrations clearly shows that they have consistently spoken and acted in the tradition of the late nineteenth and early twentieth century Republicanism.

They have endeavored by every known strategy in the political book, and some novel inventions of their own devising, to erect effective barriers against the popular social legislation for all the people which the Democratic administrations led and which the Democratic Party will always lead.

I have discussed the Democratic Party's interpretation of the mandate in the Preamble of the Constitution, particularly that portion of it containing the words "general welfare."

The Republicans claim that their control of the Eightieth Congress constituted a mandate from the people of the United States. They do so by erroneously reading into the election returns of 1946 an expression of the will of the majority of American citizens. I think, in the interests of clarity, we should get our definitions clear. The dictionary tells us that a mandate is:

"An authoritative requirement; a command; order; charge."

In a political sense I can't believe that the elections of 1946 fit that definition. I can't believe that an election in which only 39 percent of the eligible voters went to the polls reflects the precise and recorded will of the majority of the people of this Nation. To my mind it was definitely a minority election or an election by default.

In a larger sense it may well prove to be a salutary lesson for the people of this country. It may show the results of political apathy and indifference. Many had become so used to progressive Democratic government that they forgot they had to go to the polls to keep it.

We have had 2 years' experience with a Republican-controlled Congress. The record is a completely negative one. It can be summarized as being more anxious and occupied in opposing, condemning, and obstructing than in creating or even enlightening.

It is a dismal record of stultification, reaction, and retrogression.

I suggest that it be compared with the creative, positive, and dynamic leadership of the Democratic Party.

The hoary arguments of the Republicans against President Truman's requested legislation are, on close examination, only modernized paraphrases of their same arguments of an earlier century against the building of roads and canals, general education, public health, and the many other measures in the interests of all the people.

The pervading negativism of the Republican-controlled Eightieth Congress is to me an unmistakable portent of the callous indifference of Republican leadership to the challenging responsibilities of the United States in world affairs.

In examining the case-history of the European Recovery program, it is difficult to be temperate in condemning the Republican House Appropriations Committee and the little minds comprising the leadership of that important body. By their cavalier action in the committee and in the House on this vital legislation, they undertook to undo the laborious efforts of over a year's study and work. They exposed an appalling evidence of irresponsibility and callous disregard of the expressed will of the people and the Congress of the United States.

The country enthusiastically endorsed President Truman's characterization of the European recovery program as "the greatest venture in constructive statesmanship ever undertaken * * *." During the year following Secretary of State Marshall's first launching of the plan, it had been debated, weighed, balanced, and perfected by 17 national governments, 2 international conferences, several American research commissions, and by the American Congress.

The program as it was finally perfected represented the studies of the Krug committee, the Harriman committee, the President's Council of Economic Advisors, and the House Select Committee. Members of both Houses added their testimony as a result of roaming

all over Europe to get first-hand data, independent of the executive studies. The reports of these bodies total thousands of pages of text, charts, and graphs. They were supplemented by the opinion of well-informed and responsible private opinion. The financial burden was not a random guess. It represented the best possible estimate of the real measure of the problem which nearly a full year of intensive study by all branches of government and leaders of public opinion could produce.

Finally we saw the measure passed by a House vote of 318 to 75 with an authorized expenditure of $5,300,000,000 for a 12-month period.

It was hailed as the chief hope of democratic forces everywhere in the world, to hold their own against the ruthless onslaught of eastern totalitarianism.

Regardless of the effect of the saner minds in the Senate in repudiating the puerile jealousy and shallow cynicism of the Republican chairman of the House Appropriations Committee in his attempted action to negate ERP, irreparable damage has already been done to the integrity and honor of the Nation.

I have discussed this matter of ERP at this length because to me, it typifies the distemper of the Republican leadership and the lengths to which it will dare to go in its flagrant disdain of the will of the people.

It shows the extent of the maneuvers of the surviving isolationist faction in the Republican Party against the bipartisan foreign policy hammered out during the war and afterward. It is a fearful echo of that other Republican isolationist group that succeeded in scuttling the League of Nations after World War I.

The aroused sentiment of the American people is more effective this time, because it is not merely the word of an American President that is repudiated, but the pledges made by Congress itself. On these pledges the democratic nations of the world have based economic and foreign policies that have exposed them to Russian vengeance. That involves not only American policy, but American prestige, good faith, honor, and leadership.

Now let's briefly survey the record of Harry S. Truman, the standard bearer of the Democratic Party. The details of his early life, his Missouri background, his service as a soldier in World War I, his Missouri judgeship, his record in the Senate and his leadership of the Truman committee have all been pretty well publicized and are known to all of you. It is unnecessary for me to dwell at length upon them here. But I submit that it is important to recognize the deep influence of the Missouri heritage and environment upon President Truman, because it affords insight to his character. The Missouri upbringing has been important to Harry Truman personally and it is no less important now to the Nation. We have now and shall retain in the White House a man who has transplanted from that background the high ideals of self-sacrifice, simplicity, humility, courage, and deep spiritual consciousness, which are at once the characteristics and product of such surroundings.

The environment and circumstances of Harry Truman's boyhood and early manhood developed his character—they did not create it. His pioneer forebears bred it in his blood. That may account for his courage. That may account for his devotion and his dedication to the principles of democracy, of always putting duty above politics, humanity before material considerations, and his fervor for lasting peace abroad and domestic security at home.

Harry Truman's instinctive response to the summons to the White House on that sad evening of April 12, 1945, reveals his whole character. It is wide in its implications. It was selfless. It demonstrates the basic principle of his entire life. When Mrs. Roosevelt told him that President Roosevelt had died, Harry Truman asked humbly:

"What can I do to help you?"

The man from Missouri had come a long way to prepare himself for the responsibilities of leadership, but in the journey he acquired the knowledge, the experience, the courage, the moral and spiritual fortitude to lead the Nation on the path toward world peace and prosperity.

The peace which the world hailed so eagerly in 1945 was soon replaced by the cold war. On the domestic front, the pent-up emotions and selfish designs that had been successfully held in check during the war years were soon to challenge the economic stability of the Nation just at a time when the aggregate of its strength and energy was needed to be directed to the responsibilities of world leadership.

President Truman presented his appraisal of the situation to the people and to the Congress. It could be summarized as a call for unselfish cooperation of all segments of Americans and an appeal for calm judgment. But a determined Republican bloc, encouraged by selfish groups in business and industry set out to sabotage what remained of wartime price control at any cost.

President Truman's veto of the first punitive labor legislation, the Case bill, was sustained after he had restored an uneasy peace to the labor front.

Promptly the President renewed his request to Congress for workable labor legislation, but the Republican controlled Congress was too busy undoing the OPA. Commodity producers, spurred by record earnings, were demanding a completely free-wheeling economy that would double their profits.

The President put the case before the people:

"The real blame * * * lies at the door of the reckless group of selfish men who, in the hope of gaining political advantage, have encouraged sellers to gamble on the destruction of price controls. This group, today, as in the past, is thinking in terms of millions of dollars instead of millions of people. This same group has opposed every effort of this administration to raise the standard of living and increase the opportunity for the common man."

But despite the selfishness and greed and the blatant political heckling and worse, the wisdom and patience of President Truman's leadership paid substantial dividends in 1946. The Nation enjoyed virtually full employment and its production of goods and services was 50 percent greater than in any year before the war. It had been a year of great trial and hard-won success, but with serious problems to be met almost every hour.

The situation on the foreign front steadily worsened. Russia cast off the disguise of friendly cooperation and emerged on her avowed determination of ruthless expansion.

The sad history of the march of Russian terror in Yugoslavia, Poland, Rumania, and finally Czechoslovakia is recent enough in memory. Turkey and Greece would have been added to that roster had not President Truman taken decisive action to protect both countries by what came to be known as the Truman doctrine.

Throughout all of these trying times, President Truman never wavered in his faith in the United Nations, but he never shrank from the responsibility of the United States as the world spokesman for freedom and the necessary quick action to support our position.

Domestically, the chief problem in 1947 was inflation and the stubborn refusal of the Republican Congress to respond to President Truman's urgings for adequate legislation to curb it. But the GOP Congress was more concerned in the oldest political maneuver known—tax reduction. They disregarded the simple arithmetic of the largest public debt and the largest peacetime rearmament program in history; and, of course, they spurned a Democratic President's warnings.

The Republican-dominated Congress enacted the punitive Taft-Hartley bill, which President Truman promptly vetoed. But it was rammed through over his protest.

Let's see if we can set up a sort of trial balance here.

President Truman recommended a program for labor-management harmony.

The Republican Congress gave him the Taft-Hartley law.

President Truman asked for laws to curb monopolies and aid small business.

The Republican Congress did nothing about that but they did try to extend the monopolies of the utility combines and the railroads.

President Truman asked for continued broad rent controls until the housing shortage eased.

Instead the Republican Congress enacted a "gun-point" 15-percent so-called voluntary increase for the landlords.

President Truman sought to handle the housing shortage by a long-range program under a single responsible head.

A Republican Congress rejected it.

President Truman asked for reduction of public debt and a balanced budget.

The Republicans voted a tax reduction they knew would not stand.

President Truman requested a law to insure adequate medical care for the poor as well as the rich; he asked for continued stabilization of farm prices; he asked for an increase in minimum wages from 40 to 65 cents an hour; he asked for a widening of the social-security base to extend the benefits to millions more Americans entitled to them.

The Republican Congress did nothing.

The Republican record of negativism, obstruction, and retrogression continues.

How that party can possibly rationalize its performance is beyond my comprehension.

In conclusion, it is my firm conviction that an unbiased appraisal of our country's history must convince anyone that the Democratic Party has contributed far more constructive, progressive, liberal social legislation than its opponents. It is also my conviction that the long list of achievements of the Democratic Party for the welfare and betterment of all the people, in the last three decades, important and impressive as it is, will be considered less significant than the high moment of our history in 1932, when Americans were shown that politics could be creative and dynamic—that American democratic Government was not an abstract thing, wrapped in dogma and trammeled in law—but rather that it was composed of people—human beings worried by fear and harassed by frustration, yet possessing the prescription for their own cure in their own hands, if only their political leaders had the courage and foresight to use and apply it.

The phenomenal release of the latent energies of the American people under the leadership of the Democratic Party in the period 1932 through 1948 is an irrefutable challenge to the Splengerian prophets of doom. It is an equal challenge to all reactionaries, defeatists, and obstructionists who would impede the forward progress of America.

The honest appraisal of those three decades will produce compelling proof that the Democratic Party had the talent, the ability, the courage, and wisdom and foresight in its leadership to meet the exacting demands of the times.

The Democratic Party possesses those same attributes in abundance today, and offers to the American people, in the person of Harry S. Truman, that same quality of leadership to carry us forward toward peace and prosperity.

The Honorable ELBERT D. THOMAS (United States Senator from Utah). I have been waiting for this night for something like 50 years, because 50 years ago I read an awfully good joke about political parties, and I have not been able to get it off my chest until tonight, and probably when I get the thing started it will come out the wrong way. At any rate, there was a fine old "windbagger" who was practicing his politics for all he was worth, and he met a young fellow and he said to the young fellow, "Well, my boy, what are you, a Democrat or a Republican?"

He said, "I am a Democrat," and the man then said, "Well, now, how can you be a Democrat, knowing the history of your country as you do, how can you be a Democrat?"

The poor kid said, "Well, because I was born that way, I guess," and then the old political practitioner thought he had a glorious opportunity. He said, "What if you had been born a horse thief?"

The young man said, "Oh, then I would have been a Republican." [Applause.]

I'm awfully glad it came out the right way.

Now, we Democrats have such a tremendous handicap over Senator MORSE and the Republicans that I am going to say something to you which is more important tonight than trying to show you how much better my party is than the opposing party. In the first place, I want to say something about your president, Glenn Snow. He was, I am pretty sure, my first master graduate of political science after I got through with the First World War and settled down to teaching. He has been a young man of whom anyone can be proud, and I know how proud you are of him. [Applause.]

He comes from a little town in Utah, about as far away from every place on earth as you can get, down where it's eternal summer excepting when it turns cold, because it is close to California, and I think for him to have been elected president of the National Education Association is one of the greatest compliments to democratic education in the history of our country, and I rejoice with you over the wonderful administration he has had. He carried the Federal aid to education bill through the Senate, only, of course, to suffer the disappointment that has been all of ours for so many years in the House.

Another thing I want to say to you tonight, and this gives us another splendid opportunity to show just exactly what American political parties are and what they mean and how it happens that we in our country have gained through those political parties a type of stability that the rest of the world has not been able to accomplish.

In the first place, the American political parties are purely sentimental affairs. They are not economic, they are not political and there is no such thing as a complete political party in America as far as the two great parties are concerned. There are 49 Democratic parties and about 38 Republican parties. [Laughter.] Every 4 years they put forth a national candidate for President and he is the only person for whom all the people, if they were entitled to, could vote, and he is the only person that we do vote for—the Vice President does not even count even in that because you cannot vote for him separately, and then we don't vote directly, as you know.

Now, with that preliminary statement, I want to point out to you that you have a rabid Democrat on your program tonight and if Republicans can become rabid, you have a rabid Republican—we will tear one another's hearts out, scratch one another morning, noon, and night, but as far as WAYNE MORSE and ELBERT THOMAS are concerned, you will have to search far and long to find them ever voting against each other. [Applause.] He is the kind of a Republican all Democrats admire and ELBERT THOMAS is the kind of Democrat all Republicans fear and tremble at.

Now that having been said, it becomes of course necessary for me to take another two minutes and explain the differences between our two great parties. First of all, without a single exception, not even making an exception of your speaker, the Democratic party is made up of high-minded, patriotic, self-sacrificing, loyal individuals who have carried this great country of ours to the wonderful place it stands today in the sisterhood of nations. The Republican party, as every school boy knows, even if their teachers do not, is boss-ridden, made up of corruptionists led by those who are too dumb to follow, a combination of "tweedle-dum-ers" and "tweedle-dee-ers', "stratobugs" and, with the exception of WAYNE MORSE of Oregon, they are all of one type. [Applause.] I didn't make that up myself—I got it from reading what the rival candidates say of one another in a Republican party. Each one of those words should be put in quotation marks, each sentence is quoted from someone who leads public opinion in the United States. It almost breaks my heart to have to repeat such truths but out of fairness to this noble assembly, it seems necessary to do it.

George Washington, about three years after we had won the Revolutionary War, made the statement that seems to fit the present time. He said, "Our morning dawned with all the brightness of all time and with full promise of glorious success, and now we find ourselves in the fullness of day covered with clouds and with troubles."

Three years ago, when the war ended, everyone in the United States said something closely akin to the words of Washington about our country. We had won a glorious victory as a result of united action. We have the peace to win and whether we are able to win the peace depends upon keeping our country united in the aim for peace. Now war is a rather simple proposition—it's simple in all of its techniques—all you have to do is get the enemy and kill him and you use every method that you can think of to accompish that purpose, but peace is complex—the management of peoples and the management of states in time of peace when individual feelings run high and when those who live by their wits seem to find various ways of accomplishing their purposes, so that we find ourselves today realizing that a shadow hangs over our heads while the dawn was so bright.

This is the second world war we have won and we find what took place in 1920, in spite of it, in spite of the different laws, and in spite of the different habits of the people of our country we find that the stage today is set for another situation such as we had in 1920, the situation that brought more ill to our country, more heartaches to our country than most wars have done.

In 1920 everyone said, "Let's go back to normalcy, we are done with great minds, we are sorry about reform." The exploiter turned in to make the most of things and he made the most of things to such an extent that in some States there was not a single farm left by 1932–33. Now, sad to relate, the country is open to exploitation again. People saved money, they bought bonds during the war—never in the whole history of mankind have so many or so much money been gathered together that can be exploited by those who want to do it; and while in the twenties the sucker lists were probably only 100 names long, the sucker list for the next few years will carry a list of names 1,000 long. I thought that we were going to avoid that sort of thing.

As a reader of American history and American politics, the saddest thing that came to my heart was the speech made by the Republican candidate for President of the United States, a speech given out thoughtlessly because it was unworthy of him—he is too great to have uttered it, but he did utter it, and he said, "Never in the history of our country will there be such a turn-over of persons as will take place next January in Washington."

Turn-over for what—a turn-over for whom?

Can you get rid of the civil servants—who are going to be invited in? Now, that plea was made to workers, "now is the chance for you to wade in and take what you want and I will help you—come ahead."

I personally would not feel so bad about that if the same thing had not occurred in 1920 and if I had not lived through all of those years to realize that my own friends said, "Well, on March 4, 1921, we can go back to the good old days," and we went back and you know the results.

That plea was not American, it was politically immoral and if it's accomplished it will be so destructive of all that we call fine and secure in our country and 10 years from now you will realize the thoughtless ambition for power, energetic control for office, may bring about all of the ill effects that they have always brought about when there have been governmental turn-overs.

Now, of course, we have different laws today than we had in 1920; there has been a forward-looking administration that has supplemented the reforms of Woodrow Wilson's administration, when the Federal Reserve bank was set up which organization made it possible for us to fight the First World War without resorting to borrowing from abroad as we had always done in previous times, and then with the coming of the Roosevelt administration, due to the fact that people had lost faith in their banks and due to the necessity of restoring that faith if we were going to go forward and as a nation that believed in economic stability we had to bring about a technique which made that change against the will of most banks, mind you, just as the Federal Reserve was adopted against the will of most bankers—the Deposit Insurance Corporation was set up against the will of most bankers in 1933, but since that time men, women, and children are not suspicious of their bankers and we can have that change. War Savings bonds are different because they are built up on a theory which grew up as a result of the experiences of the Liberty bonds in the First World War, but still anyone who holds one of those bonds is free to turn the bond into money and invest it in the best gilt-edged investment that a salesman can present, but there again there is one other thing that has happened. We had enacted "blue sky" laws in most of our States, but in 1933 we did not have a National "blue sky" law. Now we have, the Federal Security Exchange Commission, which is supposed to tell the people about organizations that sell their stock to the people and we are saved from that.

These things have all been done by the Democratic administration, things which probably are necessary to have been done because of the depression and because of the war, but the desire to turn back, and to change and to leave alone, to exploit, is one that springs eternal in the hearts of those people in our country who, when they see a loaf of bread and are asked, "What is this?"—if all Democrats were idealists and all Republicans were idealists, the Democrats would reply, "This is something to eat," and the Republicans would reply, "That is something to sell"; who, when a house is put before them and the experience in the Eightieth Congress proves this to be true, "Here is a house," and a Democrat is asked, "What is this for?" and he answers, "Why, it is a place to live"; the Republican is asked, "What is this for?" and he says, "It is a place to sell."

You say, "That is stretching the point a little too much." You say that one party lacks the ability to exploit better than another party, and that is not true. It is probably not true, but look at the Eightieth Congress and see how it works.

The Senate of the United States passed a bill that had my name on it at one time, just like the Federal aid to education bill had my name on it for so many years, and Senator MORSE's name, but the bill about housing had another great Senator's name on it—TAFT, of Ohio—who saw the light, both as to Federal aid to education and who became converted to the housing proposition, and TAFT reformed because he said, "Every boy and girl in the United States needs an equal opportunity, is entitled to an equal opportunity to an education," and he also said that without public aid and without public endeavor we can never go forward and accomplish what should be accomplished in regard to slum clearance, and the taking of the great fringes which exist in all of our cities and turning that fringe real estate into productive, happy real estate. That takes the public—but the real-estate lobby that admits that a house is something to sell rather than something to live in would not let that pass, and now that brings me in a personal way to this: What is the thing that is facing this country and which makes it so completely right for me to quote those two lines of George Washington, because there are two Martins in the Congress of the United States—one of them a Senator from Pennsylvania; the other, the Speaker of the House of Representatives, a Congressman from Massachusetts. These two Martins, like twin brothers, see eye to eye.

MARTIN of Pennsylvania delivered the strongest, most misinformed speech about Federal aid to education of anyone during the Senate debate and MARTIN of Massachusetts, after the Senate had passed the bill, put the bill into cold storage and saw that it stayed there. Who are these two men? Who was the first man to break from his own delegation and rush to the support of Mr. Dewey? MARTIN of Pennsylvania. Who is the second man, although ambitious himself and hoping beyond hope that the lightning would strike, the Republicans would be tied up in a deadlock, and that he would have a chance—MARTIN of Massachusetts, they made for harmony in the nomination of Governor Dewey.

Now, I suppose when the Democratic convention meets we will have similar situations, but here we have one, and that makes the issue for 1948 so pat and so important that everyone who wants to see the reforms continue must, of course, know how to vote.

We want to bring home to you what the Democratic Party has meant to this country, and the Republicans have meant a lot, too, but since the very beginning—and it's an awfully great compliment to Thomas Jefferson to know that the two great parties take their names from his Republican-Democratic Party, and it was Jefferson who was quoted more than anyone else when Fremont ran for the Presidency in 1856 and when Lincoln came into the leadership and made the Republican Party a living vital thing in our country, but from the very beginning built a philosophy upon the theory of human rights and their development, worked out by such men as Jefferson, Franklin, Madison, and the rest of them, put it into the Declaration of Independence and into the Constitution and developed it throughout the years. Then we come down to the great days of Woodrow Wilson and then the wonderful days of Franklin D. Roosevelt [applause]—each time a progressive step forward so that men might be more secure in their lives and more secure in their property. The essence of democracy works in the United States—we are happy that it does work, we are proud of what has been accomplished and we feel hopeful that more will be accomplished.

America needs as she has never needed before, inspired leadership, that no matter what happens on the 2d of November next I trust that that which does happen happens because of the inspiration of the people. [Applause.]

President SNOW. Thank you, Senator THOMAS.

President SNOW. Now, do you understand why I brought these two men to address you? [Applause.]

It is my privilege to announce that during these last few minutes we are going to have short rebuttals on the part of both of these Senators and we are going to ask that Senator THOMAS address you first and give you whatever he cares to in a short rebuttal. Senator THOMAS.

Senator THOMAS. I hate to ruin, in Senator MORSE's presence, Untermeyer's poem, but his whole speech so satisfied me that so far as democratic principles are concerned I think we ought to let it rest right there. [Applause.]

Now, much time has been given over to the platform. I have written two party platforms in my life; one of them was completely rejected because it didn't make all the terms which this Republican platform has made; the other was partially accepted, but immediately forgotten when once it was presented to the convention. Sad to relate, sweet as the words of that platform are, I can see the voting record not only of the permanent Chairman of the Republican Convention, which allowed the platform to become the will of the convention, but also the voting record of the chairman of the platform committee, and we have once more in the history of our country proved that if politicians read Shakespeare oftener, they would be more careful about their platform. You remember the Midsummer-Night's Dream (laughter) when they were passing out the parts to the play, Pyramus and Thisbe, that one little player spoke up and said, "Have you the lion's part ready? If it be, give it to me, because I am slow studying," and then Bottom spoke up, he says, "Give me the lion's part—I will roar you and I will roar you and I will roar you," and then someone said, "Oh, no; you must not roar that way, because you will frighten the duke and his ladies and that would ruin the whole play."

Then Nick Bottom said, "I will roar you as sweetly, as sweetly as a suckling dove." [Applause.]

Platforms are forgotten almost as quickly as the various candidates for the Vice Presidency.

I liked especially the part on international relations and our foreign affairs that Senator MORSE brought out for us, because I should not be here tonight, I had to get myself excused from one of the greatest international assemblies that now meets, the assembly which considers social justice, an assembly which has tried and has succeeded in raising the standard of living for people, not only in our own country but the world over. I came here directly from there.

I mentioned what I mentioned in the beginning of our talk about our political parties not being professional because the representatives from most of the 58 nations at the meeting in San Francisco were men who could not understand political parties in America, because even in those countries which are strictly democratic, the parties are professional. I hope and I trust that our parties never become professional, that they will never rest upon a purely economic basis and that the leaders of those parties are perpetuated as they are in England regardless of their defeats when they go in front of the people. We have, some way or another, worked out in America a type of democracy which no one, who has not studied American growth and development, or has not been a student of government, would assume is possible, but it is here and it is with us and it is great to talk to the leaders of the world about this thing we call American democracy, and here again I cannot help but say what Senator MORSE had already said—"you are the outstanding pillars upon which that greatest experiment in the development of the world rests—American democracy." Your responsibilites are great beyond words and that you are living up to those responsibilities is something which should not only be of concern to everybody in America but which should make us all so exceedingly happy and grateful.

I wish a program of social justice, such as Senator MORSE has described for us, might be fulfilled in our country. He brought to you tonight one of the best illustrations that I can give to show you how men have to have faith in these democratic processes in order to put them over. The resolution about the World Court with Senator MORSE's name on it fell to me as chairman of the Subcommittee of the Foreign Relations Committee to report it out and I managed that bill on the floor of the Senate when we got it passed, but Senator MORSE remembers that the great stalwarts, some who have been praised here tonight because of their wonderful, world-wide appreciation of what America means to the whole world, went back on us that afternoon. They forced into it two meaningless amendments but, worst of all was that they tried to get me to postpone it. I said, "We have been discussing the World Court issue for over a generation and now we are going to pass that amendment if I have to accept 50 of your type of amendments in order to do it, because you cannot vote against it when once the time comes for voting after the way you have been voting."

What this country needs are men who can stand alone and remain unsullied in a sullied world, and thank goodness you have such a man in Senator MORSE. [Applause.]

It is the extremest of extreme of successful debaters, when they can put forth a program that the opponent will not strike down. The question therefore is, how are we going to unite these persons that are in favor of advancing social justice in our country and making this democratic Government function and work for the benefit of all of the people? I don't know how it can unite them. The politics of our country are such that they seem to be ununitable, but I know we can plug away at it, keep at it, be honest with it, and strive to bring about these situations.

I am happy for the inspiration I received from such men as Newton Baker. I was very close to Baker. I belonged to the crowd that Wendel Willkie belonged to in following his leadership, and Willkie was nice enough to say that I taught him the way to understand the theories behind One World—the greatest compliment ever paid me. Willkie was a great man [applause], and so we can go on—the greatness is in the world just as the path of peace is in the world; the way to peace is surely here, greatness is surely with us. American democracy is the guide and our ideal in regard to world peace is always one of the ways we can follow. Probably the greatness of the office will magnify the man that is given it. Many a man is called to the Presidency over whom the people at first shake their heads, only to mourn and be exceedingly sad when they have passed away, and that I hope will be the case with us always, but with the inspiration given us tonight by Senator MORSE, I am happy to know that there is someone in the Republican Party who is thinking straight [applause] and just as it is on the other side, I could get into so many fields because I was chairman of the Military Affairs Committee and I have my own unification bill which was pretty badly slaughtered by the committee that Senator MORSE is on. They didn't give us unification. They gave us three separate branches instead of two in our defense. Senator MORSE knows it, and

he has called attention to it, but we took a step forward anyway and we made some progress. I happen to be, probably more than anyone else, one connected with the committee that dropped out bipartisan consideration of foreign affairs. I made the stand that if we didn't start working for peace during war we would never be able to hold our allies together. We made the point. We got so far that we got a committee of eight of the Foreign Relations Committee appointed to consider our proposals for peace. We met Saturday mornings at the State Department, some of us, going over these various things. I myself said, "The time has come for action," and I forced a vote in our committee of eight. The President of the United States, the Secretary of State, both sent word that it was inadvisable to do anything, but I said, "I want the vote anyway for historical purposes if for nothing else," and we took the vote. Seven of the eight were against doing anything, but one was in favor of doing something, and I know who that one was, but by the time the Connally resolution came out we took the vote again and seven were in favor of doing something and only one was against—Bob La Follette, another great progressive and liberal in everything but international affairs, and now he has seen the light, so that is fine. Bob was the only one that stood out against us then, and we were able to get the Connally resolution over, which marked the beginning of our action in wartime, and by the time the peace came we had a framework of international organization already set up.

Now, I have worked under the leadership of both parties in foreign relations. There was nothing partisan in anything we did in the Military Affairs Committee during the war; there was nothing partisan in anything we did in the Foreign Relations, and I am happy to see that that kind of progress is taking place.

I rejoice over this meeting; I rejoice over the things that have been said; it is hopeful beyond words that members of both political parties at last see the need of putting the welfare of human beings ahead of some of the things which some people will call property rights. [Applause.] With that step taken, you know and I know that our country is destined to be not only a beacon in the world for political freedom but also a beacon to the full world for economic stability, that here we are going to be able to say soon that freemen, free to come, free to go, free to aspire, free to think, free to have, and free to hold constitute the freemen in political society. [Applause.]

American Economics and World Peace

EXTENSION OF REMARKS
OF

HON. ARTHUR CAPPER

OF KANSAS

IN THE SENATE OF THE UNITED STATES

Saturday, August 7 (legislative day of Thursday, August 5), 1948

Mr. CAPPER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an address on the subject American Economics and World Peace, by Hon. Alf M. Landon, of Kansas, before the World Affairs Institute, Estes Park, Colo., August 6, 1948, which appears in the Appendix.

AMERICAN ECONOMICS AND WORLD PEACE

If the President really wants to bring the cost of living under control he could do it without the passage of a single line of new legislation.

If his purpose is really to stop inflation, the program to be adopted immediately would be:

1. Have the Federal Reserve Board clamp the brakes on bank credit expansion. The Federal Reserve Board—for which the President asks greater authority—has plenty of power, under existing law, to bring credit expansion to a halt. The trouble is that it cannot do that without tightening interest rates, and it doesn't have the courage to take that step.

2. Cut Government expenditures to the bone and use the proceeds to pay off bank-held public debt.

3. Order cessation of all Government buying that is not absolutely necessary and all Government construction that can be postponed.

4. Use the power of his office to make clear to the public that inflation has gone just as far as it is going to be permitted to go.

State in the most positive terms that henceforth he is going to use his influence every way possible to reduce Government support of wages and Government support of food prices.

With that kind of deflationary program no need to worry about high business profits.

All of which is pretty meaningless because the country basically does not want a painful program of that kind. Every group wants deflation for the other fellows but not for itself.

After 16 years of superficial New Deal propaganda, people still believe they can eat their cake and have it, too. Therefore, we are inviting economic and political disaster.

America today is the center of the world's gravity and the fortress of freedom. We must prepare ourselves for the long pull of life in an Army camp. I return to an old theme when I say that, as the strongest Nation in the world, we can hardly hope to lead the way to peace unless we can be sound economically. A stable economy is essential to a sound government. But how can we avoid a bust—or as Marriner Eccles put it a "deflation"—in the United States of America when anyone attempting to use reason in the free spending of public funds internationally, is hysterically denounced as an isolationist and anyone attempting to use reason in the free spending of public funds at home is denounced as a reactionary.

Government is like every business—every farm—every individual. There are many daily questions of expenditures of money and labor. They cannot all be decided at once. Decisions must be reached regarding priority. This is always a difficult choice in family and business life.

That is the question that must be constantly decided by the President and the Congress. There are so many things to be done that if we attempt to do too many of them at once we will break the back of the American taxpayer and ruin our country with a funny money economy. Yet that is the policy we are following.

As powerful, as wealthy, and as productive as the United States of America is, we simply cannot finance European economic recovery—the rebuilding of Europe's military establishments—the rebuilding of our own military security—the rebuilding of the Philippines—and at the same time embark on an expanding field of Government spending at home with additional cost of billions of dollars—without ruining ourselves by inflation. There is a limit to what even Americans can do and we have reached that limit.

I fully realize that there are factors to a strong and sound nation other than a stable economy—a comprehensive educational program—decent racial relations—national health programs—government policies—that will keep economic opportunities circulating throughout the entire blood stream. When nations have limited opportunities to a few chosen groups within a people—those nations have crumbled.

In the final analysis, all social legislation depends on a sound and stable national economy. We cannot do all that is both desirable and essential at once, without weakening the whole structure. Our decisions today are based on the unhappy prospect of being compelled to live, for a time at least, in an armed camp.

The British economy is, temporarily at least, no longer a major factor in the world. France never recovered from the first World War, not to speak of the devastation done by the second.

If America is able to maintain a sound economy for another decade, there is a chance that our influence, our surplus goods and the markets we create for the goods of others, will permit something like a world recovery and a restoration of some sort of balance.

If we fail to do so there will be a general collapse, with the Communists endeavoring to take over and an inevitable war resulting.

I do not believe the country is interested in whether President Truman is trying to put the Republican party on the spot—by calling a special session—or in us Republicans attempting to put the President on a spot.

Americans are concerned lest partisan maneuvering interfere with the welfare of our country. In this critical hour I believe it is worth making the attempt to shift from political maneuvering to a settlement of major points of disagreement.

The President, if he had used a different occasion than his party convention for announcing the special session, if he had not recommended both inflationary and deflationary legislation in the same message—would be in a sounder position to ask for that shift on the part of the Republican Congress.

The attitude and thinking of the next President of the United States is more important on inflation than any party platform declaration. For that matter, that is true of most of the platform statements.

However, political party platforms are not as meaningless as frequently supposed. In the first place, it must be borne in mind that it is extremely difficult, in a country of our size with our variety of interests, to write a platform representing fairly all of the issues involved.

Therefore, party policy, as expressed by the conventions, are generally in such terms that the President can interpret them as he sees fit in the light of developing events. In the final analysis, such legislation as the Congress enacts depends on the courage—the vigor—and the intelligence with which it is administered by the President.

This is a critical hour. The foreign situation is very much in a state of flux, particularly as regards European affairs. We have not had a consistent and cohesive foreign policy—bipartisan or otherwise. It is evident that the western powers, and particularly France, are leery about forcing any show-down over the Berlin situation.

The French, in effect, are saying that the Allied position is untenable in Berlin and they don't see any reason for taking any risks of starting a war over Germany. The British are less outspoken on that, but they, too, apparently feel that Truman and Marshall haven't been too smart or adroit in handling the situation.

Even on the basis of the published notes and statements that have been issued by the administration the last couple of weeks, we have been doing a lot of backing and filling.

First, we say we won't negotiate with the Russians on the whole German problem, and now, according to Secretary of State Marshall's statement on July 21, we are prepared to do that.

Also, our original position in the Berlin controversy with the Russians was based on

our obligation to feed the Germans in our zone. Now the Russians come along and say they will feed everybody in Berlin, which certainly left the American people up in the air a few weeks ago. The German heads on the western zones, in effect, supported the Russian position in refusing to go along with our plan for a separate government in western Germany. Now it is announced that some Germans in the western zone are agreeable.

All of this adds up to just one thing: That the administration is constantly acting without sound ground under its feet. It is constantly taking stands and initiating projects without having the people it must depend upon to put these things through fully lined up in favor of them. To me, it just doesn't make sense.

A general just doesn't start off on an operation without being sure that he's got the troops and supplies to execute the operation. But that's what the administration is doing, both on its domestic and foreign policies.

Neither the Western Powers nor the Germans appear to be in accord with what we propose to do. That means either poor diplomatic work or just plain downright bungling and stupidity. It's probably a case of both.

Marshall is plainly inadequate as Secretary of State. We just aren't enjoying diplomacy any more. Our foreign affairs are being run like an army.

We don't deal with people; we issue orders. And that just can't be done in politics, whether domestic or foreign. The Panama fiasco is an illustration.

There is a direct and intimate relation between foreign affairs and the military, but there is also a very distinct difference between the two functions.

Neither Truman nor Marshall, apparently, have any comprehension of that basic and fundamental fact. Secretary Marshall is just a Regular Army soldier who doesn't know any different. In the meantime we and the rest of the world are being wracked and hazed in a welter of war scares and chaotic muddling. Actually, it's nothing new. That has been going on now for several years. The only difference is that things have finally come to a head, and the situation is a lot more sinister and hazardous than ever before.

The lack of confidence in the way our foreign affairs are being run now is a very important factor as far as the western European governments are concerned, and offsets to a considerable extent what we are attempting to do with the European recovery program.

For instance, the American Ambassador to England was having a conference with the British Foreign Minister, when the news was printed of the American Government's note—on disputed questions affecting other countries, including Britain—to Molotov, and neither our Ambassador to England nor Foreign Minister Bevin, knew anything about it until the press dispatches were laid before them. Naturally Ambassador Douglas was indignant almost to the point of resignation.

The western democracies of Europe are on the front lines. If anything happens it will happen to them first and it is natural that they should hesitate to back up an administration that is repeatedly fumbling around like ours.

It is all right for President Truman and Secretary Marshall to talk tough, but those people over there want to know just where that is going to lead before they commit themselves.

We Americans are entitled to demand that the administration lay some cards on the table and tell what it is all about. That is one of the most terrifying aspects of the whole situation. Nobody really knows anything. All we get is rumored hints and a lot of babble.

Our intelligence system is a joke. Hanson Baldwin, an eminent military expert of the New York Times, is taking it apart currently. He makes it very plain that our whole intelligence structure is a shamble of little groups trying to build up little empires of their own.

All that—our steadily accelerating drift to an inflationary bust over a period of 14 years—the pattern of our foreign policies—of course, play squarely into the hands of the Communists.

They are just sitting back and letting us fumble and bumble and hoping that we will continue to scatter our money over so many places that we will be a push-over for them in a few years when our economics are shattered and the morale of our people is wobbly.

If the American foreign policy is to succeed, it must not only be intelligently handled but America must be a sound financial mooring post for the rest of the world to tie to.

The remedies are:

1. Frugal Government spending.

2. Government overhauling its monetary policy—or, more accurately, see to it that the Federal Reserve System stops following policies which are inflationary in the highest degree, while the President is alarmed at that very danger. In 1946 we had an increase in the money supply and bank credit which, measured by peacetime standards, was perfectly fantastic. In 1947—in contrast—it did begin to put on a little deflationary pressure, but it was mighty gentle.

The argument in support of that policy is that unless money rates are continued at an artificially low level through Federal Reserve policy, the interest charge on the public debt will be increased. If there ever was a case of being penny-wise and pound-foolish, that certainly is it. In order to save some dollars on the carrying charges of our public debt, we are endangering the price structure of the whole Nation and thereby undermining the value—the real value—of the entire savings of our people.

3. Some restraint on give-away international spending. It seems to me it is about time the Government got itself straightened out on what it is doing to prices. It comes with ill grace for an administration to complain about the rising costs of food when the administration is contributing to that cost by the way it handles its own purchases. Its lack of an orderly price program has encouraged speculation and driven prices to substantially higher levels. I believe that, in the interest of an honest solution, the administration should let the people know the effect of the so-called bipartisan foreign policy on prices.

The big grain crops of this year would begin leveling off the rise in the cost of living and put a damper on further wage and price rises, if it were not for the give-away policy of pouring foodstuffs into Europe at the very time Europe's crops are good.

Furthermore, both a Republican Congress and a Democratic President cannot continue to support one agricultural price program after another and still expect prices to go down.

4. Impose consumer-credit controls by Presidential proclamation. If our Government—and that means both the President and the Congress—would do all it can in establishing beyond any questions of doubt, a permanent, sound, physical policy—balance the budget—make a substantial payment on the national debt—lower taxes—tighten up on credit—make sensible tariff adjustments—maintain a fixed and sound monetary policy—all that, acting together, would have a corrective influence on the cost of living and would do much to prevent the economic bust that Russia is hoping and waiting for.

Obviously, the more money we pump into circulation through Government spending—regardless of the merits or demerits of the idea—the more we add to inflationary pressure. Obviously we are in a situation more precarious.

The reestablishment of a sound economy in our country calls for statesmanship of the highest order—both in our policies at home and abroad. We watch the unfolding foreign and domestic crises that may mean the deluge for our coveted civilization. I believe that now is the time for that cooperation between the Congress and the President that war itself always crystalizes in all loyal Americans for the sake of our Nation. Now is the time to show the world we can pull together before the storm breaks as well as after it hits.

A sound economy is as vital to our security as planes, tanks, guns, and men.

The whole world today—that is the free world—requires strength and a sound economy in the United States of America. Without it our leadership would fade—the European recovery plan would disappear—world trade would be paralyzed. The Air Corps, the Army, and the Navy—the right arm of the freedom-loving peoples everywhere—would be ineffective. The Kremlin would be afforded propaganda and strength by our failure. Its influence—a menace to us all—would spread.

China Today

EXTENSION OF REMARKS

OF

HON. ELBERT D. THOMAS

OF UTAH

IN THE SENATE OF THE UNITED STATES

Saturday, August 7 (legislative day of Thursday, August 5), 1948

Mr. THOMAS of Utah. Mr. President, I ask unanimous consent to have inserted in the Appendix of the RECORD a short article I prepared for the newspaper PM, dealing with China, and which later appeared therein. PM is now the New York Star.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CHINA TODAY

Right after the Washington Conference began in 1922 China came into the discussions. Someone asked the question—what is China? The answer never has been given. A Chinese diplomatist might say: "China is the country I represent." A member of our State Department might say: "China is a country which has a seat in the United Nations." But these answers mean very little.

China is a country of 400,000,000 people attempting to keep body and soul together, united for a moment or two to defeat Japan, but now divided even worse than ever. Yet anyone who knows China will say she is a land of hope and great promise. China, India, and Russia are passing through the greatest social, political, and economic revolutions any people have ever endured in the entire history of the world. The greatest need is to find some stability on which to build. By stability, I mean some element in life which holds people together.

Throughout the ages, China has persisted because she got closer to democracy and private-property economy than any other great civilization. We must find the something in the economic life of China which the Chinaman can call his own—a bit of land, a bit of gold or silver, a priceless jewel or salable piece of art. Even in communistic China they are dividing up the land. A divsion of land which results in individual ownership will, of course, destroy communistic ideas.

China is no longer the great self-sufficing civilization that she was when she deemed all of the rest of the world barbarian. She, too, has become cosmopolitan and her hopes are outside of the old Chinese self-satisfaction. She has gotten pretty well over her disdain of the foreigner. She does not even consider the old exploiting nations of the West her enemy. She now stands free of extraterritoriality restrictions and the United States has negotiated with her a commercial treaty based upon friendship and mutuality which recognizes her as an equal in the sisterhood of nations. She still has a dislike of Japan and a fear of Japanese revival. Strange to relate, there is not among the Chinese people the same fear of Russia that we find almost universal among western nations. Korea is fast becoming an entity. China, contrary to all Chinese ideals, may be in the grip of war lords for some time to come. This may result in another period for China which can be characterized as a period of "contending states." That will be the opposite of political unity.

In contrast, Japan is a unit despite her defeat and loss of much prestige. She has no hangover nor delusion, as Germany did after World War I, that she was not defeated. We shall never see among the Japanese the gathering together of the steel helmets which marked the beginning of Hitler and his regime. Japan, in her heart, was as much antimilitaristic as was China. Her culture and her outlook are both Chinese. Long before she surrendered she had become convinced that her leaders were apostate and were leading Japan to the destruction which came. Her Emperor was taught in the Peers School that a break with America meant the end of Japan. Among the thoughtful Japanese there is almost an I-told-you-so attitude. Japan is happy to be relieved of the military strain. Oh yes, she can be aroused to again unite for war if our leadership teaches her that. If we cannot convince her of the worth of peace and dollar democracy she may pass through a period of civil strife. But if we build upon the unity that is there, if we build upon the hopes that are in the hearts of the Japanese people we can develop a friendly neighbor who can be a guide for a united China and a friend of nonmilitaristic Western thought.

Peace in Asia can no more be built around antagonism between Japan and China than peace in Europe can be built around the developing of antagonisms between European states. We cannot have world peace without peace in Asia. We are liked by the Japanese people today. We are liked by the Chinese until they feel that we may be building a new Japan for selfish nationalistic purposes. Our sincerity and our honesty in standing for peace in the sisterhood of nations and in using our private property, dollar democracy to develop wealth and trade and individual dealings between people—in other words, making the spirit of our trade in friendship one of mutuality—may be the key to overcoming the deadly antagonisms between the Chinese and the Japanese which are the bane of peace in Asia. As a result of our victory in Japan, we stand as Asia's hope. Never in the history of mankind has a nation had imposed upon it the responsibility which we face in Asia.

Supply of Anhydrous Ammonia

EXTENSION OF REMARKS
OF
HON. HERBERT R. O'CONOR
OF MARYLAND
IN THE SENATE OF THE UNITED STATES

Saturday, August 7 (legislative day of Thursday, August 5), 1948

Mr. O'CONOR. Mr. President, I believe Members of the Senate will be interested in the communication from one of Maryland's oldest and foremost fertilizer companies, with regard to provisions in the Foreign Aid Appropriation Act of 1949, Public Law 793, section 205, concerning preference given to certain manufacturers of sulfate of ammonia for fertilizers.

The net effect of the setting aside of 10 percent anhydrous ammonia for domestic usage, it is stated, is that in certain areas of the West more nitrogenous fertilizer materials will be available to farmers than they can either purchase or use, while farmers in the South and East are lacking required amounts of such materials.

I ask unanimous consent that the letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE BAUGH & SONS CO.,
Baltimore, Md., July 30, 1948.

Hon. HERBERT R. O'CONOR,
Senate Office Building,
Washington, D. C.

DEAR SENATOR O'CONOR: In the closing session of the Congress an amendment (No. 39) was tacked on to the Foreign Aid Appropriation Act, 1949 (H. R. 6801), by Senator MORSE which directed the Department of the Army to set aside 10 percent of its anhydrous ammonia for domestic usage under the administration of the Department of Commerce with preference given to certain manufacturers of sulphate of ammonia for fertilizers. The amendment passed and has now become section 205 of Public Law 793.

It is this 10 percent for domestic use with which we are concerned and invite your particular attention. In volume this 10 percent amounts to around 30,000 tons of anhydrous ammonia, which is equivalent to about 120,000 tons of sulphate of ammonia, which is quite a sizable and very important tonnage of fertilizer material.

By way of background information the material furnished by the Army in the form of anhydrous ammonia will be shipped from Army production points at Etters, Tex.; West Henderson, Ky.; and Morgantown, W. Va., for conversion into sulphate of ammonia at certain locations in the far West and the South, with preference given to certain producers referred to as emergency cases.

From remarks printed in the CONGRESSIONAL RECORD, it seems that Senators who questioned the amendment, Senator RUSSELL in particular, were of the opinion that it was for the benefit of American farmers in general. It seems that the conferees on the part of the Senate (BRIDGES, GURNEY, BROOKS, REED, HAYDEN, and THOMAS) also were of that opinion.

However, actually, it appears that in effect the amendment is designed and being administered to relieve certain manufacturers of synthetic ammonium sulphate on the west coast, rather than farmers in general. Under Distribution Order D-1, as published in the Federal Register for Saturday, July 24, 1948, page 4253, the bulk of the Army material will go to converting plants at Salem, Oreg. (Columbia Metals Co.), and at Berkeley, Calif. (Best Fertilizer Co.). The end result will be to make available to farmers in that area more nitrogenous fertilizer materials than they can either purchase or use, while farmers in the South and East are lacking essential quantities of such materials for top-dressing purposes.

The territory served from our various factories embraces the States of Maryland, Delaware, Virginia, West Virginia, North Carolina, Ohio, New York, and New Jersey, where large quantities of nitrogen materials are used by the farmers in these States, and our direct concern is to see that their best interests are protected in the allocation and distribution of these materials.

Therefore, we would appreciate your careful consideration of any discussions or further legislation affecting these bills, as other sections of the country will also be interested in the distribution of these materials and it is very important that the farmers in our area should not be discriminated against.

We believe something should be done to emphasize congressional intent that the benefits accruing from that amendment were for all our farmers according to need rather than to satisfy a few high-cost, uneconomic fertilizer manufacturing operations. Even though farmers from the South and East might be allowed to purchase some of the west coast production, the high cost added to the enormous transportation charges would result in exhorbitant charges to the consumers who actually need the material.

We understand that the Department of Agriculture is very much interested in this matter and is working with the Department of Commerce for the purpose of getting the best possible allocation and distribution of this material.

If you desire further information or any additional essential facts we shall be pleased to hear from you and will appreciate any assistance you may be in a position to render.

Very truly yours,
THE BAUGH & SONS CO.,
W. S. RUPP,
Vice President.

The Eightieth Congress

EXTENSION OF REMARKS
OF
HON. ARTHUR CAPPER
OF KANSAS
IN THE SENATE OF THE UNITED STATES

Saturday, August 7 (legislative day of Thursday, August 5), 1948

Mr. CAPPER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article on the Eightieth Congress by Dr. Clinton N. Howard, to be published in Progress magazine, the official publication of the International Reform Federation for August.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE EIGHTIETH CONGRESS—"THE WORST CONGRESS SINCE WASHINGTON"

That is the judgment expressed by the President, and disputed by his opponents. Today the book is closed, and tomorrow history will record its answer: "Weighed in the balances and found wanting."

There are, however, component parts of the Eightieth Congress which may well be

charged with being worse than the whole, both in the Senate and in the House. Take, for example, the Senate Committee on Interstate and Foreign Commerce and its inaction on the bill to prohibit the transportation in interstate commerce of advertisements of alcoholic beverages introduced in the Senate by Senator CAPPER, of Kansas.

Here was a bill which was accorded two of the most outstanding hearings in the history of the Senate, filling the great caucus room of the Senate with the representatives of 25 national organizations and a majority of the Protestant Church organizations in the United States, if not all of them. It was computed that its sponsors represented 50,000,000 of the adult population. The hearing was magnificently marshaled by Bishop Wilbur Hammaker, the big giant of Methodism.

This bill was introduced by Senator CAPPER, one of the most outstanding members in years of service and representing in a peculiar way the great agricultural interests of the Nation over a long period of years, and chairman of the Agricultural Committee. He is without a doubt the best known and one of the most capable Senators that august body has had in this generation. In addition to representing the great State of Kansas for 30 years in the Senate, he is one of the greatest businessmen in the field of journalism that the country has ever known.

TOP MAN IN BUSINESS WORLD

Despite his phenomenal financial success without the aid of liquor advertising, and his refusal throughout his long career to accept any of the more than $100,000,000 annually spent by the distillers in advertising, in any of nine daily papers, farm journals, and magazines, he sought to crown his career in the Senate by the introduction of a bill that would forbid the transportation of liquor advertising in interstate commerce, leaving the entire 48 States to the exploitation by the distillers and brewers, who are now collecting from the American people, by the estimate of the Department of Commerce, the vast sum of $9,000,000,000 plus, every year, with tragic results to the social, moral, and financial life of the people.

After long delay, as the result of high pressure and countless petitions, the Interstate and Foreign Commerce Committee, composed of 12 members representing both political parties, granted hearings on this Capper bill, on May 12 and 13, 1947, when a total of 64 witnesses were heard.

GOVERNMENT BY COMMITTEE

Attending this grand opening was a single one of the 12 members, the chairman of the subcommittee, who was violently opposed to the bill. Many of the witnesses who had come from distant parts of the country to testify in favor of the bill, and the hundreds who filled the mammoth caucus room, were amazed at the seeming indifference of the committee with two or three others coming in for a few minutes during the course of the 2 days' hearing.

This was followed by a second hearing, with a similar result, the chairman of the full committee graciously coming in just before the close of the hearing on the last day.

MOUNTAIN AND MOUSE

All of this testimony, printed in two reports of nearly 400 pages, was printed at Government expense and given wide distribution among the organizations represented, and petitions continued to come in from all parts of the country from church, social, educational or reform organizations as well as long lists of individuals. This activity was urged upon them by their official publications week after week.

What happened? So far as we have been able to learn the Capper bill was not even considered by the committee or a vote thereon taken. A subcommittee was appointed to draft a substitute, which the two members composing it did. This bill, introduced by Senator CLYDE REED, was a miserable compromise, not asked for by the dry forces or seriously opposed by the wet witnesses. In fact that second hearing gave almost its entire attention to the Capper bill.

ASHCAN POLITICS

The subcommittee reported this substitute favorably, with no organization or individual asking for it, and it was defeated by a vote of the committee, and the whole proposal thrown into the ashcan, with all of the work of the organizations in urging its passage, all the prepared arguments presented, all of the cost in transportation and hotels incurred by the witnesses, all the cost of printing the testimony by the Government counting for naught. It was a complete surrender to the liquor power of the Nation, who may now continue their $100,000,000 (distilled liquors only) campaign, and send their flaming and misleading ads across the State lines into territory both wet and dry.

The infamous imposition upon the church and abstinent population, even in States where the vast proportion of the population are living in territory voted dry by the people, is a part of the record of what the President has called "the worst Congress since Washington."

THE 12 SPIES

We will let the President support his own impeachment of the Congress as a whole, but we submit that the worst record made by a committee since Joshua sent the 12 spies into the land of Canaan, is the record of the Interstate and Foreign Commerce Committee in the Senate, and the record of the Committee on Banking and Currency, of which JESSE P. WOLCOTT is chairman, in the House. The record of these two committees does not represent democracy, they represent despotism of the most reactionary, dangerous, and rank kind. While we are straining at the gnat of communism abroad we are swallowing the camel of committee despotism at home. Hitler and Stalin represent despotic government at its worst abroad, the Interstate and Foreign Commerce Committee in the Senate, and the Banking and Currency Committee in the House are the worst example of despotism in a democratic form of government since the fall of Adam.

The majority of both of these committees and their chairmen are Republicans and their constituents would render their country a distinct service if they were left at home, particularly JESSE WOLCOTT, who comes from a group of rural counties in the Seventh Congressional District of Michigan. The defeat of the housing bill, lying dormant in the committee of which he, WOLCOTT, is chairman, can be charged to this one man. The defeat of the Flanders bill, passed by the Senate and asked for by the President, to place a limitation on the food grains destroyed by the liquor interest for the benefit of the starving millions in Europe can be laid at the door of the same JESSE WOLCOTT who has denied his Banking and Currency Committee the democratic right to vote upon it.

"Hang Jeff Davis on a sour-apple tree, as we go marching on!"

Growth of Idea of a Federated Europe

EXTENSION OF REMARKS

OF

HON. J. WILLIAM FULBRIGHT

OF ARKANSAS

IN THE SENATE OF THE UNITED STATES

Saturday, August 7 (legislative day of Thursday, August 5), 1948

Mr. FULBRIGHT. Mr. President, I ask unanimous consent to insert in the Appendix of the RECORD a newspaper article entitled "Idea of Federated Europe Continues To Gain Support," by DeWitt Mackenzie, published in the August 5, 1948, issue of the Arkansas Democrat, together with an editorial entitled "ERP and European Unity," published in the August 7, 1948, issue of the New York Times. They both concern European unity, which I consider to be one of the most important questions at this time.

There being no objection, the matters were ordered to be printed in the RECORD, as follows:

[From the Arkansas Democrat of August 5, 1948]

IDEA OF FEDERATED EUROPE CONTINUES TO GAIN SUPPORT

(By DeWitt Mackenzie)

For close to 150 years idealistic statesmen have dreamed of and labored for a United States of Europe, but ironically enough it has taken the frightful menace of communism to start this vision on its way to partial materialization.

That seems like a queer twist of fate, but maybe it's not so strange after all. Atheists turn to prayer in extremities, and men of many minds band together for mutual defense in time of danger. Anyway, western Europe has started a swing toward a confederation of democracies which are making concessions in sovereignty for the common welfare.

We were given two further notable indications of this trend yesterday. Italy's free thinking, outspoken Foreign Minister, Count Carlo Sforza, stated that in order to effect a European union his country is ready to take the lead in accepting "curtailment of its political sovereignty, even in the most unexpected aspects." About the same time French Foreign Minister Paul Reynaud said he hoped Britain would come out in full support of a United States of Europe next autumn, after the dominions conference in London.

There is no indication of whether these two statements were coincidental or concerted. It would be interesting to know. In any event, they aim at the same objective.

Of course these pronouncements aren't the first positive development along this line. There was the sensational formation of the five-nation western European union some 5 months ago, when Britain, France, Belgium, Holland, and Luxemburg formed an alliance which was haled by many observers as giving a decided filip to the idea of a union for the whole of western Europe, and received the blessings of the United States.

This western European combine neatly complemented the union of 16 European countries which had banded together in support of the Marshall plan. Indeed, time may demonstrate that America's European recovery project provided the nucleus for a United States of western Europe—and perhaps finally of all Europe in the happy days when communism had had its run and the Continent has returned to freedom.

Italy's adherence to the western European bloc so openly is a striking development in view of her powerful Communist Party which at one time seemed about to deliver her into the hands of Moscow; Count Sforza yesterday urged union now as the only cure for the Continent's economic and political ills and as the sole hope of peace. His stand for unity was strengthened last week when the Italian Senate, in approving the Marshall plan accords, urged their early development into effective union. Only Communists and fellow-travelers Socialists offered opposition.

The 74-year-old Sforza, still square shouldered and vigorous despite his years—is a blue-blood aristocrat of great wealth who is a liberal, pursues Republican politics, and

long has been advocate of European unity. After Mussolini came to power Sforza went into voluntary exile, traveling about Europe, Asia, South America, and the United States writing and lecturing. He was a critic of both fascism and monarchy.

Reynaud has some encouragement in expressing hope that Britain will give full support to a United States of Europe. While the British Government has been cautious about committing itself in this matter, Prime Minister Attlee has said that he personally favors a federated Europe. Foreign Secretary Bevin has gone so far as to point out that the Western European Union (which he fathered) is the hard core of western Europe and that other nations are free to join.

And one cannot stop without recalling that England's famous Winston Churchill long has been going up and down the land, lending his powerful voice to the idea of a United States of Europe.

[From the New York Times of August 7, 1948]

ERP AND EUROPEAN UNITY

Three diplomats spending 3 hours in the Kremlin, as the representatives of the United States, Great Britain, and France did yesterday, may reflect a turning in the tide of Europe's and the world's affairs. Let us hope so. But we must not overlook less dramatic incidents. When Foreign Minister Carlo Sforza stated a few days ago that Italy was ready to take the lead in surrendering national sovereignty for European unity the future may have been in these words as well as in the ones uttered in the Kremlin. For Sforza spoke not for himself alone, but for the country. The Italian Senate's vote of approval of the ERP accords was accompanied by a strong recommendation that the program should be made the basis of an effective union among the participating states. This official action gives weight to Count Sforza's statement that there is no cure for the ills of Europe save the abolition of customs frontiers and customs duties.

Unless competition, anti-economic distribution of tasks and functions, restraints on trade and movement—these are the "autarchies," Count Sforza says, that cause the misery of Europe. It is fitting and significant that the nation that invented and tried out the ruinous autarchy called fascism should now aspire to lead the movement to break down national frontiers. Italians know better than most people the crushing cost of inflated nationalism and make-believe self-sufficiency. They beat the drums for European unity because they are returning to their old tradition and because they need to belong to a large free-trade area. But so do their neighbors. It is this necessity, plus a sense of common weakness and common danger, that cuts through the fibroid growths that divide them and makes the idea of federation the most magnetic idea in western Europe today.

One reason for this, of course, is the European recovery program. In the American view, as Mr. Paul Hoffman emphasized in his recent discussions with the European directors, the cooperative aspects of this great enterprise are more important than the benefits to any one country. We have made it very clear that on the economic side, at least, the participating countries are expected to work out over-all rather than separate plans for recovery, the fact that aid is available for projects of multilateral scope in preference to narrowly national developments is slowly laying the foundation for an integrated structure.

Even more important, perhaps, is the effect of the ERP on the nations outside the direct beneficiaries. The Marshall plan was not originally intended to apply to western Europe alone. After Mr. Molotov had rejected it for Russia and the states within the Soviet orbit, the European committee representing the cooperating nations was the first to point out that their task was rendered doubly difficult by this artificial division. Proceeding on the assumption that it had to be broken down, they went too far, in the opinion of some economists, in basing their calculations on the resumption of trade between east and west.

But if western recovery is difficult without commerce with the east, eastern recovery is impossible without trade outlets in the west. This is why the Economic Commission for Europe, at the suggestion of Russia, was ordered last week to map out a plan for economic cooperation and an expansion of trade among all the continental countries. The resolution to this effect was worked out by France and Poland, in itself an unusual sign of east-west collaboration, and adopted unanimously by the 18 nations of the United Nations Economic and Social Council.

This is a remarkable development. To say that it is the first step toward the economic organization of Europe as a whole may be wishful thinking, but it can be hailed as the first open recognition on the part of all the nations concerned that one-half of Europe cannot live without the other. And certainly it proves the irresistible attraction of ERP and therefore the soundness of the policy on which it is based.

Moscow is finding it difficult to unify eastern Europe by force, and nobody imagines it will be easy to draw the free nations of the west into a voluntary working partnership. To bring all of the continental states together, even into the loose economic pattern of prewar days, will be a labor of Hercules. But the point is that a western movement toward some form of unity is already started, and the magnetism of this movement begins to be felt in the east. The impetus given to this process by ERP may well turn out to be the most lasting byproduct of the Marshall plan.

Contributions of the Democratic Party to the West

EXTENSION OF REMARKS

OF

HON. ELBERT D. THOMAS

OF UTAH

IN THE SENATE OF THE UNITED STATES

Saturday, August 7 (legislative day of Thursday, August 5), 1948

Mr. THOMAS of Utah. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an outstanding address entitled "Contributions of the Democratic Party to the West," delivered by Gov. Herbert B. Maw, of Utah, at the concluding session of the Democratic National Convention in Philadelphia, July 14, 1948.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

I have been asked to represent the West in my address to this convention and to point out the contributions of our party in meeting western problems. We who live in the States where from 50 to 85 percent of the land is owned by the Federal Government are vitally affected by the political philosophy of that Government. As we have witnessed our progress being threatened by a Republican Congress during the past 2 years we have come more and more to realize how great have been the contributions of the Democratic Party to that great section of our Nation which lies beyond the Rockies. During 14 years we learned what it means to a people living in an area of inadequate rainfall to have a government that will bring water to the land, a government that will save our soil from erosion, a government that will rehabilitate our ranges and forests, a government that will help us to help ourselves. We discovered that such benefits have not always been enjoyed by western peoples, but they were a part of a program that was promised by a great man who was running for President in 1932; a man who said, "Elect me and I'll give you a New Deal," and were provided by a Congress which believed in the fundamental doctrines of the political party that nominated that man. We were therefore profoundly shocked when we sat at our radios and heard the leadership of the Republican Party declare from this very platform in the midst of loud applause that they considered those years when Franklin D. Roosevelt was President—the years during which the Government was doing so much for the West—to be a period of national stagnation. Most westerners did not expect them to go so far as to declare that the Republican leadership intended to destroy all that the New Deal stood for—the New Deal which gave to the West its greatest period of prosperity. Even members of their own party did not think that they would glorify the political doctrines of Herbert Hoover and point to them as the epitome of Republican achievement. Even they expected that their leaders had learned something during the past 20 years. Before the curtain was run down in their convention, tens of thousands of western Republicans had made up their minds that if the Republican Party had no more to offer than the outmoded doctrines that threw us into a depression the only hope for the West was a Democratic victory.

The western States are in the main sparsely settled, though population increases along the Pacific coast in recent years have been tremendous. Individually, they have not carried too much political or congressional weight, and have been unable to numerically hold their own against other areas of like size who might oppose their expansion. The only hope of large sections of the West is in a President and a Congress that will deal with it on merit and not according to the dictates of strong groups who would rather exploit it than develop it. Never since the pioneers turned their faces to the setting sun and plodded with ox teams across the plains and mountains to settle a new section were we accorded sympathetic understanding by Washington until Franklin D. Roosevelt became President of the United States. It was then that the West came into its own. Congress working closely with the President caught the vision of the great possibilities for all Americans out there. They decided that the natural resources of that western empire should be developed for the national good—that the forests, the vineyards, and orchards, the rich mines, and the cattle ranges should thereafter enjoy the sustaining influence of the Federal Government. Overnight new hope came to a discouraged population which had been struggling to survive the onslaught of a Republican depression.

It was the Democratic Party that agreed with us that water and cheap power were prerequisites to western development, so a Democratic administration built for us the Bonneville, Grand Coulee, and other great dams. On each dam was constructed hydroelectric power plants, and the stored water was carried through canals to parched deserts. Thus there was started an expansion of western reclamation. New farms and new industries sprang up. Prosperity was in the making. Our Democratic leadership in Washington visualized the value of soil conservation and decided to stop erosion and the wasting of good public lands. They discovered that not less than 100,000,000 acres of cultivated lands in the United States—enough to sustain 33,000,000 people had been ruined beyond recovery by the elements and so they proceeded to rehabilitate the soil. They set up a Soil Conservation Service,

worked to control erosion and to increase productivity of the soil, and to get water to the land. They developed new methods to control forest fires, reseed grazing lands, and destroy pests and obnoxious weeds. They made ranges and deserts productive and profitable. Act after act to help the West was passed by Democratic Congresses and signed by a Democratic President during the 14 years following 1933.

They saw the struggle of the western farm to survive, and became concerned when they learned that often prices for farm products were so low that it was cheaper for the farmer to let his crops rot in the ground than to harvest them. Suddenly there came forth from Congress a parity program that guaranteed to the farmer just prices for what he raised, and a Farm Mortgage Act which enabled him to refinance his obligations and save his lands and a Commodity Exchange Act that improved his marketing conditions. To the farmer living in remote areas were taken the conveniences of modern living through the rural electrification program. These and many other projects were provided so that the farmers of the West were lifted from a state of depression and discouragement to one of security and prosperity the like of which they had never experienced before.

When the Democrats came into office people in every State of the West were unemployed and destitute. Heads of families could not provide for their children. Banks were daily closing wiping out the life's savings of many loyal Americans. Distress was universal. Instantly our party met that emergency. A social-security program was enacted giving food, clothing, and shelter to the aged and needy. A bank holiday saved the banks and a Federal Deposit Insurance Act protected the savings of the people. The Democratic Party, which believes that Government should help those who cannot help themselves, thus gave hope and security to the Nation. It gave to labor a 40-hour week and a minimum-wage law, and better working conditions and higher salaries and recognized the principle of collective bargaining. It established health programs for all the people and old-age retirement and social security for most of them. The helping hand of Government was extended to all classes of society in the Nation.

During a period of 14 years our party gave to the West and its people prosperity and security and put it in a position for large-scale industrial expansion.

Yet these are the things that the Republican Party has pledged itself to destroy, for these are plainly and simply New Deal projects, conceived and enacted into law by a New Deal Congress and proposed or approved by a New Deal President. Before they have finished with this campaign they'll discover that they bit off more than they could chew when they got the whole New Deal program into their mouth. It seems to me that they are in for a severe attack of indigestion.

Most all of the legislation referred to above—public power, aid to farmers, protection for the wage earner and social security were opposed by the men who are now the leaders in Congress. How cleverly are these congressional leaders maneuvering to carry out their threat to deprive the people of the benefits of the New Deal, without letting the people know what they are doing. Under the guise of economy they are squeezing the life blood out of reclamation in the West, even though they know that the cost of western reclamation is paid back to the Government in full and that hydroelectric power costs are paid back with interest. The legislative record of the Eightieth Congress reveals a studied effort to abrogate basic tenets of the Nation's public power policies through crippling efficient operation of the Bonneville Power Administration, seriously curtailing essential customer service, and what is most shocking of all, limiting construction facilities on public power projects to those that are approved by private utilities. Under the Republican program future public power expansion in the Northwest will be determined, not by what the people want and need but by what the private utility monopolies decide they shall have. A 40-percent cut in appropriations to the Bonneville Power Administration during the first session of the Eightieth Congress followed by a 16-percent cut during the second session together with restrictive regulations imposed by Congress has proved to be an effective first step toward destroying the public power phase of the New Deal program in the Pacific Northwest. With its demise would vanish the dream of an industrial empire in Oregon and Washington.

The working people were always close to the heart of President Roosevelt so labor was singled out by his enemies who now control Congress as one of the first groups to feel the sting of the Republican attack on the New Deal. Under a pretense that they wanted to help the workingman they clamped down on him. The Taft-Hartley Act will be followed by other measures, if the announced intentions of the Republican Party are carried through, and all of the many advantages and benefits given to labor by the New Deal will be taken from them.

Bill after bill which was written to cripple and handicap service after service that was created by the Democratic administration to lift this country out of the mire of depression was introduced at the Eightieth Congress. Of course only a few of them were passed. It would not have been wise for them to go too far just prior to an election. But their intentions have been clearly announced—their course of action definitely prescribed.

Where will they strike next? Will it be at the Federal Depositors Insurance Act that stopped the runs on banks during the dark days of the depression and has since guaranteed to the small depositors of the Nation that their money shall remain secure in local banks for their use? Or will they attack the soil conservation legislation that has meant so much to the agricultural and livestock industries of the West? Or could it be that the former will be the next victim? How much longer will he be permitted to enjoy the benefits of a parity program and the marketing act and the other New Deal advantages which have lifted his state from one of poverty to independence? When will they remove minimum wages and health services? How long will old-age security legislation and farm loans be allowed to stand? These are each a part of the Democratic program and are included in that group of accomplishments which have been referred to by Republican leaders as stagnating.

Ladies and gentlemen have you ever considered the extent to which your own life, your security and your prosperity would be affected if the Republican Party should be successful in their announced plan to invalidate the New Deal? If you have not, I suggest that you do so before election day. Otherwise it might be too late. Speakers at the Republican Convention repeatedly apologized for not having gone further with their scuttling of President Roosevelt's program, and explained that the reason why they were held back was because a Democratic President time after time vetoed their legislation. But even as they spoke millions of Americans thanked their God that there was in the White House a man who had the courage and integrity to veto their bills and check them in their mad endeavor.

In view of what has happened in Washington during the past 2 years, does any veteran really believe that a Republican Congress will give to him low-cost housing over the protest of the well-organized builders' lobby? Does any teacher or parent or school official think that such a Republican Congress will ever appropriate money to subsidize education? Could any small-business man contend that he has any future under a Congress that would remove over a Presidential veto the railroads from the provisions of the antitrust laws and thereby open the door for monopolies to stifle competition?

I do not know what Americans in other areas believe, but in the West we are not being deceived. We can see the handwriting on the wall. We appreciate what Democratic Presidents and Democratic Congresses have done for us. Our living conditions and opportunities have been so much improved because of them that we will not forget. We will be ready at the next election and we will do our part to put an end to the destructive objectives of the Republican Party by electing a Democratic President and Democratic Members of Congress who will sustain the Democratic Party doctrine that government shall serve all of the people and help all classes to help themselves.

Federal Aid to Education

EXTENSION OF REMARKS
OF
HON. HERBERT R. O'CONOR
OF MARYLAND
IN THE SENATE OF THE UNITED STATES
Saturday, August 7 (legislative day of Thursday, August 5), 1948

Mr. O'CONOR. Mr. President, with reference to the controversial question of Federal aid to education, the viewpoint of many Marylanders is presented in an editorial published in the Maryland Tax Digest, published by the Maryland Public Expenditure Council, of which J. L. Stanton is executive director and A. Chesley Wilson is editor. Their statement gives in a brief but clear manner some financial aspects of the proposals which are pertinent, and I ask that it be published in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

FEDERAL AID TO EDUCATION

When President Truman announced in Philadelphia that he was calling a special midsummer session of the Congress, the Federal aid-to-education proposal was among the emergency measures listed for presentation to the lawmakers.

Probably no single proposal of recent years better illustrates the fallacy of aid from the Federal Government as far as Maryland is concerned.

Briefly, this measure calls for the appropriation of $300,000,000 for the first year to launch a Federal program aimed at the equalization of educational opportunities for children throughout the country. This is to be accomplished by providing funds for State and local governments unable to properly finance adequate educational programs with local funds. It is also to aid teachers. This is to be carried out without any Federal control or interference in the operation of schools by State and local bodies.

Under the elaborate set-up for the distribution of the aid, Maryland is classed among the wealthier States and would receive minimum assistance. This would amount to $5 per pupil per year, or a total of $2,135,000. The State's contribution in taxes toward the $300,000,000 fund would be $3,424,000.

A certain measure of control of the State's educational system is carried in the regulations proposed for distributing the fund. Grounds for the growth and expansion of that initial control are furnished by a re-

cent opinion of the United States Supreme Court: "The Government has the right to regulate that which it subsidizes."

The people of Maryland have demonstrated clearly their willingness and ability to take care of the educational needs of the children of this State. A recent compilation shows that 35 percent of Maryland's revenue, or more than $23,000,000 will be spent for educational purposes this year. A better perspective of the increasing importance on education here is obtained when it is pointed out that less than $7,000,000 was spent on education in the school year 1939–40, which was 19 percent of the State's revenue for that period.

Nationally, the story is somewhat different, but it is significant that among the poorer States the Federal plan has been received with little enthusiasm. The Mississippi Legislature has gone so far as to pass a resolution opposing the Federal plan. It is also somewhat contradictory that the so-called poorer States for the most part have surpluses in their State treasuries which they have not seen fit to expend on improving their educational systems.

It would seem that the Federal Government, with huge commitments abroad, the greatest peacetime military program in our history, and a debt in excess of $250,000,000,000 could safely let the educational program remain with the State and local governments.

Col. Edward Rickenbacker

EXTENSION OF REMARKS

OF

HON. JOHN W. BRICKER

OF OHIO

IN THE SENATE OF THE UNITED STATES

Saturday, August 7 (legislative day of Thursday, August 5), 1948

Mr. BRICKER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD the remarks made by George E. Stringfellow at the commencement exercises at the College of South Jersey, at Camden, N. J., on June 11, 1948, in presenting Col. Edward V. Rickenbacker on the occasion of his citation for the degree of doctor of laws, the citation read by Dr. Arthur E. Armitage on the same occasion, and the address by Colonel Rickenbacker accepting the degree.

There being no objection, the remarks and citation were ordered to be printed in the RECORD, as follows:

REMARKS BY GEORGE E. STRINGFELLOW IN PRESENTING COL. EDWARD VERNON RICKENBACKER

Dr. Armitage, members of your distinguished faculty, ladies and gentlemen, I'm happy to present Col. Eddie Rickenbacker to you and in doing so I could present him as a noted mechanical engineer, a designer of airplanes and automobiles, the ace of World War I, the hero of World War II, a person who has been honored by his own and many foreign governments, as president of one of the largest air transport companies in the world, as a lecturer, author, and philosopher, as a man who has been honored by the leading educational institutions of the world. However, I prefer to present him as a good citizen for I can think of no greater compliment one can pay to another than to say that he is a good citizen, for that embodies all that's honorable and decent.

One of the reasons why Eddie Rickenbacker is a good citizen is that he has granite in his character which inspires him to do the right thing even though it might not be popular at the time, and he has steel in his backbone which gives him the courage to carry on.

It is, therefore, my pleasure to present Col. Eddie Rickenbacker—a good citizen.

CITATION BY DR. ARTHUR E. ARMITAGE IN PRESENTING HON. EDWARD VERNON RICKENBACKER FOR THE DEGREE OF DOCTOR OF LAWS

Edward Vernon Rickenbacker stands before us as one who rose with two infant industries, those of the automobile and of the airplane, and played a heroic and major role in each. In the realm of the automobile, he was recognized as the greatest racer of his day; in the realm of the air, he became in World War I America's ace of aces, whose name will be remembered as long as the narrative of history is recorded and as long as men thrill to the deeds of the brave.

But the College of South Jersey is honoring him not solely because of what the world has already recognized in him and not because greatness was thrust upon him, but rather because he rose to greatness the hard way, through his own effort; because he has shown to those who have the will to learn what knowledge, even of technical subjects like mechanical engineering and drafting, can be acquired through a correspondence course and long hours of study when the rest of the world is at sleep or at play; because, when he was in England in 1917 organizing the famous Sunbeam racing team, within the month he rushed, as an enlisted man, to his country's defense; because, when his fame as a racer thrust a staff sergeant's job upon him as driver for General Pershing, he sought less comfortable and less safe duty by transferring to the Air Force, when merely to leave the ground in what planes America had was a venture and a gamble; because within a few months, although he became the chief engineering officer of the Ninety-fourth Aero Squadron and could have sought comparatively safe haven on the ground, he flew at the head of his men and won the world's highest honor, the Congressional Medal, for courage and daring beyond the line of duty, so that as a result, the feats of Immelmann and Von Richtofen were for the nonce somewhat dimmed; because his name will ever rank among the Allies with those of Lieutenant Colonel Bishop and Georges Guynemer; because the feats of his Ninety-fourth were as famous as the Charge of the Light Brigade, though less celebrated in story; because unheralded and unsung until he was reported lost in the Pacific, he flew on special missions to all the combat fronts of the Second World War; because he had become so legendary a hero to his fellow countrymen that news of his rescue filled them with joy and thanksgiving as did Guadalcanal and Surabachi; and because by his deeds, his self-sacrifice, and his devotion he has shown that a man can become a part of every one of us and engage our love and gratitude—because of all these—the intangible things—the College of South Jersey has chosen him as the one whom at this time it most wishes to honor and to present to its graduates about to set forth into a world of action where often "ignorant armies clash by night."

It is, therefore, my honor and privilege, to present Edward Vernon Rickenbacker for the conferring upon him of the honorary degree of doctor of laws.

BRIDGES TO PROGRESS

(Address by Capt. Eddie Rickenbacker, president and general manager, Eastern Air Lines, Inc.)

I am indeed happy to be with you tonight, principally because it is such an eventful occasion in the lives of many of you, and also it gives me the opportunity to lay stress on one of my first recollections of Camden. This dates back to 1926 when I learned about the dedication and opening of the Delaware River Bridge which, at that time, was the longest suspension bridge in the world.

Many of you older people will recall that President Coolidge was there. He did not have much to say, which was not unusual.

My old friend, Will Rogers, was also present. He had a great deal to say, and that, too, was not unusual. During his remarks he jokingly said, "Now that we have a bridge, we can get out of Camden when we want to."

Throughout the years that remark has remained alive in my memory. And for the simple reason that ever since my boyhood days in Columbus, Ohio, I have had a deep respect for bridge builders, and a keen appreciation of bridges.

You see, in a small way, my father was a bridge builder. In fact, he was killed in a bridge-building accident when I was about 12 years old.

You may wonder why I, at this time and place, talk to you about bridge dedications and bridge builders of long ago. But if you will bear with me, I shall shortly make my reasons very plain.

Let me first take you back to an evening more than two-score years ago in my childhood home in Columbus. It was just after supper time. I was working with my father's tools in the small woodshed back of our home. In fact, I was trying to build a perpetual-motion machine.

With boy-like simplicity, I thought I had the problem solved to build a machine that would win me enduring fame and fortune.

Even my father, who worked nights driving piles on a bridge-construction job, did not know about my invention. But one night he came into the toolshed before he went to work and found me tinkering with the machine.

He asked me what I was doing. And I told him—proudly—that I was building a perpetual-motion machine.

But instead of sharing my pride—as I thought he would—my father wanted to know what the machine was intended to do—what its purpose was.

When I told him that it had no purpose, only to run on and on forever in perpetual motion, he threw an arm around my shoulder and said that, to him, I was building a machine backward.

He explained that the first thing a builder of machines has to figure out is what kind of work he wants his machine to do, and then go ahead and design a machine to do that specific job.

Then my father described the pile driver he ran—a simple mechanism. All a pile driver does is to lift a weight up and drop it down on the top of long, stout lengths of lumber. "But," he said, "that weight drives pilings into the river bed, and on top of those pilings men build bridges."

As long as I live, I will remember the thoughts my father left with me that night. This is what he said:

"There's no mystery, no magic, no perpetual motion in a pile driver, but simple as it is, a pile driver helps to make perpetual motion because it builds supports for a bridge to stand on.

"People will cross that bridge—all kinds of people—farmers, mechanics, and children on their way to work, going to school, or to play.

"Wagons will cross the bridge—remember there were no automobiles in those days—carrying food and merchandise to the railroad trains. Trains will carry the freight to the seaports. Ships will cross the oceans and carry food and merchandise to the far corners of the earth.

"Then the ships will come back from across the ocean and they will bring cargoes of merchandise to the trains. The trains will unload it into the wagons, and the wagons will come back across the bridges—the important bridges my simple pile driver helped to build.

"You see how it makes a complete cycle—an endless chain—and all because somebody

invented a machine that does nothing but lift a weight and drop it down, to drive pilings into waterways so that bridges can stand on them."

Bridges, ladies and gentlemen, are two-direction thoroughfares. Things go over them, true. But things also come over them. And, in the decades that have passed since it was thrown open to traffic, the Delaware River Bridge, has been a means to help Camden contribute to the growth of the rest of the world, as well as being instrumental in its expansion, the same as all other bridges have been to the immediate centers which they serve.

But there are different kinds of bridges. Man builds bridges that carry things, but he also builds bridges that carry thoughts.

One kind carries the merchandise of men—cars, cargoes, and passengers. The other kind carries the products of the minds of men—ideas, knowledge, and inspiration.

In 1926, the same year the new Camden bridge was opened, another kind of bridge to learning was established here, namely the South Jersey Law School.

And, over the years, it is difficult to say which has done the most for the community, the Nation, and the world—the visible bridge for transporting merchandise across the river, or the invisible bridge for the education of men that leads both out and up in terms of human time, as well as global space. Both are bridges to progress.

The builder of this second bridge—the man who kept hammering until he had established a vitally needed bridge—head of local learning and education is none other than your own Dr. Arthur E. Armitage.

It was through coordinating his head, his hands, and his heart that he was able to build out of a mere dream this college, which, year by year, enhances its prestige among the young and growing seats of learning in the United States.

During the many years, President Armitage served as secretary of the Young Men's Christian Association, he was in close touch with the aims and ambitions of the young people of Camden to make their way in the world.

He was thus aware of the fact that, excepting the Glassboro State Normal School, there was no institution of higher learning in New Jersey south of Trenton.

The outcome was that hundreds of South Jersey boys and girls, because of economic pressures at home, were unable to obtain education above a high-school level, because they could not have the toll-fare to cross the long bridges to distant learning.

In due course, the school was granted the right to confer the degree of bachelor of laws. Dr. Armitage thought he had accomplished his aim, only to find that in the building of mental bridges educators propose, while officials dispose, because in the fall of 1927 the New Jersey State Board of Education decreed that 2 years of college were required as a prerequisite to law-school entrance.

Thus, the college department of the law school was born. During the next few years the courses in the college department were limited to prelegal work, but in 1933 the college expanded to include in its curriculum the subjects both required and elective for a liberal arts education.

Then, in the year 1937, the College of South Jersey was incorporated and the law school was absorbed as a department of the college.

I mention this record progress and expansion—a success story known to most of you—because it reveals our good friend, Dr. Armitage, as expert, untiring, and efficient in driving the piling on which this bridge to learning and to progress stands.

He has had a generous measure of assistance and support, of course. But, at the same time—when we today look at the expanding groups of buildings and the splendid campus—let us not forget that the foundation for this great institution was created by Dr. Armitage, who, two short decades ago, began the building of a bridge to carry the life-giving traffic of thoughts, ideas, and inspiration.

Since its early days almost 2,000 students have crossed this bridge to learning and progress, and the significant fact is that if it had not been for Dr. Armitage's work the great majority of them might never have had a college education.

If you want to make a true evaluation of the worth of this institution, just remember that many of the leaders of the New Jersey bar and bench, as well as State lawmakers and other State and local officials, might never have reached their opportunity to serve if it had not been for the realization of Dr. Armitage's dream to fill a need for higher education in this part of the State.

I say with deep sincerity that institutions of this kind—the more the better, the larger the better—are needed to explain and expand the American way of life. This means the system of free enterprise and freedom of opportunity.

Some observers believe that a large number of the men and women of this Nation are trying to make up their minds as to whether they want to modify the American economic system or not, and what steps, if any, they will take in that direction.

Unfortunately, the voters have never had a chance to cast their vote directly for or against the American way of life.

We have had all kinds of referendums and proposals for or against specific issues.

All too often, people have thought that they were voting for or against planned production, keeping prices down, the ever-normal granary, encouraging new industry, redistribute the wealth, spreading jobs, protecting home industry, and other issues that melted into high-sounding campaign slogans but meant nothing in the ballot box, legislative halls, or executive policies.

I believe that one of the healthiest things that could happen in this country would be an out and out specific referendum on the continuation of the American way of free enterprise, free markets, fair competition, the right of owning and keeping your property, and limited Government regulation as against Government control.

Such a campaign—such a vote—with no other issues involved—nothing before the voter but the question, Do you want the American way of life?—could not help but open all avenues for a thorough discussion of all the pros and cons.

When the voters went to the polls we would have an electorate that would understand its proper position of partnership.

Every man and woman of voting age would have a chance to understand their shares of interest in free enterprise, unlimited—to decide if they want to be free American shareholders or enslaved Communist share croppers.

We need a campaign of education—a mass campaign—to reach the millions, for our problems of creating an understanding of this country are numerous.

This is a vast country and we have a rapidly increasing population. Not only that but, during the past generation, the migration of people to large cities where they have no roots, no ties, and no sense of belonging to the community, has increased these problems greatly.

And people who are confused are more inclined to listen to the promises of a demagogue than to the logic of a thinker, unless the lesson is driven home with ABC simplicity.

For instance, right here in Camden, you have a bristling industrial center in a setting of extensive rural and agricultural activity.

You also have a large number of small independent business men. Now, when it comes to the worth of the American way, you usually find that farmers, and small independent merchants, have pretty good conceptions of American economics—the way our free market functions, the benefits of competition, and so on. They see them operating every day. Consequently, the system continually sells itself to them.

But that is not enough. For, there is the industrial worker, as well as a large segment of the so-called white-collar people, who have become so immersed in their own specialized mode of living that they no longer have this daily contact.

The truth is that most of them cannot even see the way our economic system affects the business which gives them a living.

Now, you ask, and rightly so, why do these conditions exist? The chief reason is that our system has no inherent machinery within itself for dramatizing, depicting and evaluating itself to the general public.

The American economic system—in contrast with most of its European or Asiatic competitors—has neither a public relations department nor a propaganda bureau.

Communists in this country have so-called educators to teach the blessings of communism but beyond old-time textbooks in poorly equipped schools, Uncle Sam has no mass spokesman.

In brief, there has been no organized effort to answer the people's questions about free enterprise and to present the positive side of the argument.

We have had nothing but a great super-vacuum. And, remember, the major reason subversive propaganda has been so effective in America is because nature hates a vacuum.

As J. Edgar Hoover says: "for every Communist Party member there are 10 others ready to do the party's work. These include their satellites, their fellow-travelers and their so-called progressive and phony liberal allies."

You need not go to college or to law school to learn that, on controversial issues, if the affirmative side refuses to speak, the negative side will fill the void.

That is why the Communists have been able to inflict damage upon this country—in planting lies, in promoting class warfare, in fomenting dissension and strife.

Many honest Americans—with only one side of the evidence on which to form their opinions—have fallen victim to Communist propaganda and trick reasoning. This raises the question, "Is there any danger to the welfare of the American way of life and to American people in this situation?"

Yes, there is this danger. With the confusion that exists today, it is possible that we may unwittingly modify our economic system—little by little, law by law, decree by decree, until the American way is no longer free, but a political toll pike.

Stop, look, and think. A real war goes on throughout the world today between political and economic slave-raiders and defenders of the freedom of the individual.

It is not a cold war—on the part of the Communists at least—but an active, aggressive annihilation of our freedom.

Since our land is the world's great stronghold of free economy and freemen, you can take it for granted that the decisive battle of the world-wide struggle will be settled here.

The result may depend as much on economic events and educational strength as on political issues.

It may depend, ultimately, on whether or not the American people are educated to understand and fight for the American way and its privileges.

That is the principle that we have to hammer home. You cannot be part free and part chained.

American men and women understand the problems that lie ahead.

They must be given adequate information, understanding, and knowledge to preserve their free economy and their freedom.

The best way, the most decisive way to air the issues is to throw them into an open campaign with complete discussion of all the points involved.

And when the campaign is over, let millions of voters go to the polls to register whether they would rather be shareholders in America or share croppers under communism.

I have no doubt what the outcome would be. I am confident that an overwhelming majority of Americans will support the American way of life of material production, spiritual security, and educational expansion.

If we of America are strong, energetic, wise, and productive—if we set an example by creating peace, unity, and prosperity, it will create in the other peoples of the world the desire to follow our example.

In this manner, and this alone, can we help them to recover their stability and productiveness, and save ourselves from being reduced to their standard of living through our inability to continue to give our all-out support to them, for our own resources cannot last forever.

Through our will to do—our will to swing constructive piledrivers—we can build the piers for a bridge of freedom and faith that will span the world.

We will help to create the era of progress and international good will my father visualized that night in Columbus some two-score years ago.

You have two great bridges to progress here in Camden. One bridge carries the merchandise of men—cars, cargoes, and passengers. The other bridge carries the products of the minds of men—ideas, knowledge, and inspiration.

It is impossible to say which type of bridge is the most important in the peaceful progress of local, State, National, and world affairs—but I want to assure you, that if either fails, nothing can save us from disintegrating as so many other countries have throughout the world.

In closing, may I urge those of you who are leaving this great institution of learning to remember that no matter how deep the ditches you may encounter—and you cannot escape them—they will never be so great that you cannot span them by building the right kind of bridges.

With the opportunities that you have before you—and they are still unlimited in this great land of ours—never lose sight of the heritage of freedom handed down to you by your forefathers, and through your efforts and intelligence as the leaders of tomorrow, not only maintain and preserve these opportunities, but create more and greater ones for the generations to come.

United Nations Delegates at Lake Success Should Be on Guard Against Consideration of Arab Refugees as Separate Problem Without Consideration of Economic and Military Security of Israel

EXTENSION OF REMARKS
OF
HON. EMANUEL CELLER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

Mr. CELLER. Mr. Speaker, the British are shedding crocodile tears over the Arab refugees who deliberately uprooted themselves from their homes in Palestine and fled to Transjordan, Syria, and other Arab countries. Their plight is directly due to Britain, who officered, supplied, and financed the Arab troops which invaded Palestine. Britain, as much as the Arabs, is responsible for the suffering. Now, Britain asks that Israel readmit these Arab refugees. Britain plays the game of heads I win and tails you lose.

Her sudden solicitude for the Arabs fools no one. During her quarter of a century of mandatory power over them, she kept them in the abysmal depths of ignorance, poverty, and disease.

Any mass readmission of Arabs would introduce a dangerous fifth column into Israel. The economic responsibility for these unfortunates should fall primarily on those who were responsible for their plight—namely, Great Britain and the Arab nations. Secondly, relief should come on a Red Cross level from the Arab Red Crescent societies, or other appropriate organizations. During World War II the Red Cross helped the enemy, but the Allies, including the United States, did not return any prisoners of war, and did not return those in flight to the enemy countries from which they fled, during the war's duration.

Israel is fighting a war. She should not be asked to return these refugees until peace has been declared and her position as a nation has been accepted and respected by the Arabs, and until she can with economic safety accept them without loss of military advantage.

There is presently only an interruption of the war in the Holy Land. Peace between the warring nations has not been declared. Humane repatriation is fine and high sounding, but the Israelis cannot at present disregard the military effect. The return of these Arabs would put the Israelis at a decided military disadvantage. Israel is still beset by Arab armies. Their guns are poised and aimed at the Jews. The Arab Legion shelled Jewish positions on Mount Zion in Jerusalem on August 4, while Egyptians opened fire south of the city. On August 5, the Arab Legion blazed away at Jews on the road, west of Jerusalem. Arab guns sprayed Jewish quarters at the Jaffa gate. Iraq forces, from reports of August 6, violated the truce in the Beesan Valley and in the Gilboa mountains by firing not only upon Jews but also on United Nations observers. The United Nations Commission has protested the Arabs' act of war in their refusal to permit the flow of sweet water into Jerusalem by way of the Latrun pumping station. And in the meantime, Britain transferred to Egypt considerable military equipment from British stores at Rafa on the Egyptian-Palestine frontier. At the same time, the British are guilty of the unwarranted detention of 11,000 Jewish refugees on the island fortress of Cypress. With one breath, Britain prates on humane terms of the plight of the Arab DP's, while refusing to consider the plight of the Jewish refugees.

Arab countries are perplexed with the problem of sheltering their own people. They have created a disadvantage for themselves which Britain now asks Israel to dissipate. The Arab refugees contain many men of military age, and Britain expects Israel to welcome back those who would fight her.

In the meanwhile, hundreds of Jews are being killed and maimed in Cairo riots and the police look on complacently. Rabbis have been dragged to slaughterhouses, strung up on beams and butchered. A number of Jews have had their eyes pierced. All Jews living in the vicinity of King Farouk's palace and government buildings were ordered to vacate their homes in 48 hours. They have disappeared and nothing has been heard from them. They are either in concentration camps or have been killed.

The situation of the Jews in the Middle East is highly alarming. Pogroms and anti-Jewish terrorism are encouraged by Arab officials by a do-nothing attitude.

In addition, there is the question of reparations. The British-inspired Arabs have looted, burned, maimed, and killed. The damage to property and limb are incalculable. Shall the knaves go unpunished? Reparations must be exacted.

All facets of this problem must be considered as a whole. The mass exodus of Arabs from Palestine is only one facet. Count Bernadotte, abetted by the British, would raise the question of these homeless Arabs at Lake Success as a separate issue. I demand that our United States delegates be on their guard and not fall into the British trap. The British are smarting under their military defeat. They seek to bolster their prestige by a political victory. Also, Britain would like to place an impossible military and economic burden on Israel, by the return of these Arabs. Britain could more easily curb a weakened Israel.

Certainly, our United Nations delegates should refuse to discuss the Arab refugee problem as a separate issue, detached from the Arab-Jewish problem as a whole.

The return of these refugees must be conditioned upon:

First. Economic stability and military security of Israel.

Second. Establishment of long-range peace between Arabs and Jews, by and among themselves.

Third. Guaranteed security of Jewish minorities in Middle East countries.

Fourth. Reparations for Arab-British aggression.

The Man Who Built Idlewild

EXTENSION OF REMARKS
OF
HON. RALPH A. GAMBLE
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, August 5, 1948

Mr. GAMBLE. Mr. Speaker, under leave granted to extend my remarks in the RECORD, I include the attached editorial from the Daily Times, published in Mamaroneck, N. Y., Friday, July 30, 1948, entitled "The Man Who Built Idlewild":

THE MAN WHO BUILT IDLEWILD

New York City, as a highlighted feature of its golden jubilee, will tomorrow formally dedicate its new international airport, better known to the flying fraternity as Idlewild. The field will be the largest and the best

equipped in the world. Important personages, including the President of the United States and the Governor of New York State, will share in the dedication ceremonies.

But one man who should be there will not be present. And yet he is the person who had more to do with the actual development of the large Long Island area as the world's foremost airport than any other single individual. We refer to Jay Downer, of Larchmont, former chief engineer of the Westchester County Park Commission, whose illness necessitates representation of himself at tomorrow's dedication exercises by his wife.

Westchester may take vicarious pride in this new project of the metropolis because it was constructed by one who had much of his training in this county. As far back as 1912 Mr. Downer was named as chief engineer of the Bronx River Parkway Commission, building the pioneer parkway of America, pattern for thousands of such modern thoroughfares. For years, in fact, commissions and engineers came from abroad to study the Bronx River Parkway design and construction, and that of the Westchester County Parkway System, the logical expansion which followed construction of the original parkway.

Except for World War I service, Mr. Downer was connected with Westchester's parkways and parks until 1935, serving also for a period as our county engineer. Later he became highway consultant for the National Resources Committee, engineer member of the Board of Design of the New York World's Fair in 1939, and a director of Rockefeller Center.

It was in 1942 that the then Mayor F. H. LaGuardia and Park Commissioner Robert Moses of New York City reached out to pick the Westchester man to design and supervise the construction of the huge Idlewild Airport. Novel engineering problems had to be overcome, there were varied and highly controversial labor issues to be met, changing aeronautical standards required almost monthly shifts in planning.

Through almost 6 years full personal responsibility for construction of Idlewild during wartime restrictions rested upon Mr. Downer's shoulders, but so efficient did he prove that at one time Mayor LaGuardia suggested seriously that the new project bear the name of "Downer Airport."

So, it is regrettable that tomorrow as the glamour and the spotlights dwell upon many who participate in the dedication ceremonies, the man who built Idlewild will not be among those present. Yet while his actual presence will be missed, something greater will be there for all to see. For it is what man accomplishes, it is in this case in the extension of vision and spirit into brick and stone and broad 2-mile-long runways, that one's genius and personality is best recalled. Thus it is that Jay Downer has perpetuated his skill for the benefit of mankind.

Address by William C. Walsh, President of the Maryland State Bar Association

EXTENSION OF REMARKS
OF
HON. HERBERT R. O'CONOR
OF MARYLAND
IN THE SENATE OF THE UNITED STATES
Saturday, August 7 (legislative day of Thursday, August 5), 1948

Mr. O'CONOR. Mr. President, at the recent convention of the Maryland State Bar Association in Atlantic City, N. J., the Honorable William C. Walsh, former attorney general of Maryland and former member of our court of appeals, was honored by his fellow practitioners by election to the presidency of the Maryland State Bar Association.

Because of this deserved honor to one who has served his State so well, and because, also, of the high personal esteem in which General Walsh is held by myself and his fellow attorneys generally, I ask unanimous consent to have inserted in the Appendix of the CONGRESSIONAL RECORD excerpts from his first official address to the members of the bar association, dealing with vital problems in the field of jurisprudence and affecting the general public as well as the legal profession.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

EXCERPTS FROM ADDRESS OF HON. WILLIAM C. WALSH, PRESIDENT, MARYLAND STATE BAR ASSOCIATION

Our association is pledged to promote reform in the law, to facilitate the administration of justice and to uphold the standards of the legal profession. I suggest that we should also exercise such influence as we can in public affairs. No doubt every age faces a crisis of some sort or other, but it is certainly no exaggeration to say that at the present time this country and the world at large are facing the most critical situation which has existed in modern times, or perhaps at any time in history.

The minds of men are full of strange theories and new ideologies, and change is the order of the day. Despite the fact that the United States has, in less than 165 years, become the most powerful and prosperous country in the world, and that its population enjoys the greatest freedom and the highest standard of living the world has ever seen, there are some in our midst who want to radically change the system under which this has been accomplished.

We face a contest between communism and democracy and we hear on every side that the way to fight communism and its theories, is to make democracy work. And we are told that the way to make democracy work is to undermine the reliance of the people by making them more and more dependent upon the Government and to substitute unbridled license and selfishness and disregard of the public welfare for ordered liberty under the law.

I think it is time someone began to tell the American people that democracy has worked in this country, and to point out that under our system we have more liberty and more widespread prosperity than the citizens of any other nation have ever enjoyed. What we have already accomplished is a complete answer to communism, which offers the people nothing save slavery and poverty, and the thing to do is to advise the people of this country and of other countries that our system has worked and should be followed and not that we should try to improve our system by adopting any of the errors of communism or socialism.

Let us continue to meet changing conditions and to seek improvements as we have done in the past, but let us also keep these changes and improvements within the fundamental framework of the American Constitution. Let us carry on our efforts to increase and broaden the blessings of liberty and prosperity, but let us not permit these efforts to destroy the very things which have made this country and its people the greatest nation in history.

There was a time when the lawyers of the country exercised a potent influence in public affairs. I believe the time to renew that influence has arrived. We are, by training and education, better versed than is any other class of our citizens in the Constitution of our country and in the principles on which that Constitution is based, and I urge this Association to lift up its voice whenever the occasion offers in defense of the liberties and opportunities which that document guarantees to the American people.

Congress Makes a Come-Back

EXTENSION OF REMARKS
OF
HON. ROBERT F. RICH
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

Mr. RICH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by George S. Benson, president of Harding College:

LOOKING AHEAD

CONGRESS MAKES A COME-BACK

(By George S. Benson, president, Harding College, Searcy, Ark.)

The Eightieth Congress was our first postwar Congress, and it faced mountains of problems. Moreover it was a Congress of a different party from that of the President. Thus handicapped, the Eightieth Congress worked hard to get as far as it did. By working hard, sometimes despite disagreement with President Truman, the Congress that recently adjourned ran an independent course and made a great record.

During depression days a bewildered Congress took orders straight from the strong man. This was approved by many as the best kind of unity for the Nation. Unity is a fine thing. When purposes are sound and methods are right, unified action can benefit the people. But the United States Congress was not created by the founding fathers to always say "Yes" to the Nation's President.

No rubber stamp

The whim and fancy of a political leader, no matter how great the leader, may not be to the best interest of our people. That is perhaps why the founding fathers created the three branches of our Government as they did: the legislative to pass the laws, the executive to carry them out, and the judicial to provide justice. Knowing these things, many persons wondered whether Congress would ever regain its rightful place.

The Eightieth Congress has done just that. If ever a Congress denied the rubber stamp process, this one did so. The stature and dignity of Congress appears to be returning. It would hardly be possible for Congress in a nation like our own to please everyone. But every one of us can be thankful that the Eightieth Congress has done much to restore the integrity and strength that our national legislature should have.

The people's safeguard

This Congress did not always say "Yes" to the President. There were times when it said "No." At least four major bills were passed over the veto of the President. Congress did not do this just to nettle Mr. Truman. The Eightieth Congress was doing things upon its own conviction, following its own best judgment. Doing this, Congress showed that the ultimate welfare of the Nation was its objective.

There was no vindictiveness, but instead a determination to rely upon its own judgment rather than upon that of the Executive alone. Our people can find no quarrel with this, once they think about it. It is only that kind of Congress which will continue to safeguard the welfare of our Nation under the Constitution. We can never afford to forget the importance of Congress as the people's will in this Republic.

More than 1,000 bills

The hard work of the Eightieth Congress is shown by the fact that it passed more than 1,000 bills and conducted numerous investigations. It studied and acted upon nearly 30 major pieces of legislation. Among these was the Taft-Hartley bill—called the "slave labor bill"—which has not enslaved but has already shown its workability. Of great significance too was the leadership that Congress showed in world affairs.

The Eightieth Congress led the Nation out of isolationism and into the leadership of freedom-loving nations of the world. Congress did much to retrieve lost prestige for America in the realm of international affairs. I believe every citizen should appreciate the great job the Eightieth Congress did in bringing back the integrity of a legislature which was set up to represent the people. I am grateful to our hard-working legislators.

NO IRON CURTAIN

The communistic attitude is getting to be pretty well known to Americans. Even the iron curtain has not been able to hold behind its barriers the ideas and thoughts of men. We have come to understand what the Russian Communists think by watching the actions of their American comrades. Everybody knows the Communist Party in this country watches Moscow closely. We can believe that Moscow keeps them in line, too.

Everybody knows also that the Communist Party in the United States is not very powerful. In terms of what it can do legally as a party, the average American gives it very little attention. However, what the party would do if it thought it could get away with it—that is another thing. In this respect, homegrown Communist opinion is very enlightening.

Outside the law

Recently, William Z. Foster, top man for the Communists in America, told the Senate his party would not support the Nation in event of war with Russia. He was testifying before the Judiciary Committee on the Mundt-Nixon bill, which would put strict controls on Communists. Foster defiantly told the committee that if the bill should become law the party would not register with the Department of Justice as required.

Foster shouted that Russia would never attack the United States. His reason: Russia is not an imperialistic nation. At the same time, he said that America has embarked upon an imperialistic program, the greatest in history. (Imperialism means the practice of seeking control or dominion over other lands and peoples.) The way the American Communists have the situation sized up bears no kinship to the plain truth in international affairs.

Who's imperialistic?

Any school boy knows that America has no ambitions for the control and domination of other countries. On the other hand, what Russia is doing in eastern Europe looks like the most obvious kind of "taking over." It is this same William Z. Foster who once wrote that the Communist Party would take over the United States Government and liquidate the free-enterprise system, along with the Republican and Democratic Parties and our religious institutions.

The rankest kind of imperialism known today may be seen in the Communist International, to which all world Communists are responsible. This world organization exists for the purpose of satisfying the imperialistic ambitions of Russia's political rulers. It works by boring from within. It uses Communists wherever they are. It plots the overthrow of other governments by force. It incites revolutions wherever Communists stand to gain.

Watch their tactics

What would the Communist Party in this country do in event of war? It would cause as much dissension and create as much friction as it could. In fact, it has done this already, both in peace and in war. Communists will continue to do everything possible, by whatever methods, to hamper domestic peace and prosperity. They seek to set worker against employer, to create costly strikes and walk-outs that cost the American public and workers billions of dollars.

The Communists did these during the recent war. No good may be expected from them, either in time of war or peace. As good American citizens we must study their tactics, so that when we see the fruits of communistic skulduggery we can identify the tree from whence it came. As Communist tactics and ideas are made clear, every one of us will have more appreciation for our own way of life.

HOW TO LOSE OUT

The Government lost $2,000,000 a day while running the Nation's railroads in World War I. That's not hay! The Government operators got rid of that money even though they found it necessary to jump the freight rates 110 percent. This sad experience gives you a real-life picture of what happens in America under Government management of an industry. Every time we try it in America, the Nation as a whole is the loser.

Compare that record with the railroad management's record in World War II. This time we kept private operation and management. There was no increase in freight rates, and the railroads paid $4,000,000 a day to the Federal Government in taxes. This means that under private management, our people were ahead at least $6,000,000 a day.

That's over $2,000,000,000 a year!

To suffer most

Not long ago 21 railroad unions came out with a proposal that the Government take over the railroads permanently. Surely, somebody is terribly misguided or misinformed. If our union people will study the records of Government management in this and other countries, they will make no such demands. Actually, the railroad unions themselves would be the groups to suffer most under Government management.

They call it nationalization in England. No matter what you would call it in America, Government ownership of the railroads would mean the beginning of the end for the system of free and private enterprise. Our workers have a huge stake in the American way. If private ownership of industry is worth saving, then we must do everything we can to stave off these tendencies toward socialism and communism.

Best service, more pay

Railroads in the United States and one Canadian line are the only railroads in the world that are not government owned or government controlled. Where do you have the best railroads and the best service? In America. Our railroads offer better service at lower cost than you'll find in any other nation in the world. This is true even though the pay envelope of the American railroad worker is far greater than that of railroad workers in other nations.

It would be much wiser for our unions to call for less Government strangulation in the form of taxes, not for more control. It is quite possible for a slow strangulation process to bring on complete Government control of railroads. We must not permit that. Our workers must continue to receive the good wages and benefits that come from railroads controlled by the railroad industry, not by an agency of the Government.

Experience, not folly

Operating expenses of railroads have soared during the past 30 years. Yet, the railroads under private ownership have increased their efficiency, to serve the public better at lower cost. Two things have resulted from this efficiency: higher wages and lower costs to the shipping and traveling public. Nobody would expect Government-managed railroads to do these things. And they wouldn't.

Under Government operation there is no call for initiative. Competition is not allowed to play its part in keeping us on our toes. We have high standards of living in America simply because we have freedom to act and to look opportunities in the face. We invest savings and earnings, not tax money, for better tools and modernization. Our ways have paid off. A look at nations around us shows the folly of government ownership.

AN AMERICAN'S FAITH

This year at the commencement exercises of Harding College a notable address was delivered. It was no ordinary speech. The burden of its message was so significant, and the appeal so earnest, that I wish the audience had been many times larger. I am therefore taking this method of passing to you a portion of this solid and thoughtful address. It was made by Mr. Lamar Fleming, Jr., of Houston, Tex.

"This historic responsibility is new to us. * * * But those who view accomplishments in the atomic laboratories and the development of other terrible means of destruction must recognize that no one on earth longer has the power to decide whether he will live alone. That power of decision has passed to those who are evil enough to * * * use terrible new weapons for their evil designs—unless mankind combines to prevent them from so doing.

Our call from destiny

"If we accept that, being sons of God, we are brothers to all mankind, and that we are the only nation strong enough to lead mankind to combine for suppression of violence and recovery of peace, we cannot reject the role to which our destiny calls us. We will cherish the memory of more placid days, when this responsibility was not upon us, but we cannot reject our destiny.

"We must enter this role in humility, conscious of our shortcomings and determined to overcome them to the best of our ability. We must search our souls. We must do more than conquer the resistance to truth which springs from our animal instincts. We must chastise all who seek to inflame and prey upon our group grievances, greeds, and hatreds. We must remind ourselves constantly that our duty of human brotherhood is no less to distant peoples * * * than to our neighbors in our home towns.

Men of good will

"We must realize that peace and well-being will not return to them nor remain with us unless we achieve the ability to work together in a brotherly and mutually helpful company, each placing the common good above the greeds and ambitions of any person, group, or nation. We must include peoples temporarily prevented from cooperation toward the common good and must pray for the day when their chains will be removed, and they will be free to join our company.

"Above all, we must require of this great undertaking that it function by the standards of millions of individual consciences, which are the communion of sons and daughters with their Spiritual Father—not by group, party, or national ethics, in which conscience gives way to animal instincts, fears, and passions of the herd, and responsibility is spread so thin that no one feels it as his own. This calls for a profound spiritual revival, in us and in all men and women of good will.

Well of goodness

"The years we approach hold for us great uncertainties, great responsibilities, great sacrifices. The men and women of this class cannot expect your lives to be of ease and security, nor can you want such lives. Your lives will be lives of great adventure, great responsibility, and great opportunity

to serve mankind. What your generation can do with this opportunity rests with you and with God.

"I have faith that all men and women everywhere have something in common between them, that is fundamentally good, and that time and great effort and patience will restore the mutual flow of this goodness and understanding between them, not merely in your lifetimes but also in mine. I have great faith that the well of goodness in the Americans of your generation will be full enough to start the mutual flow."

Democrats Opposed Truman, Too

EXTENSION OF REMARKS
OF
HON. RALPH A. GAMBLE
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Thursday, August 5, 1948

Mr. GAMBLE. Mr. Speaker, under leave granted to extend my remarks in the RECORD, I include the attached editorial from the Daily Times, published in Mamaroneck, N. Y., Wednesday, July 28, 1948, entitled "Democrats Opposed Truman, Too":

DEMOCRATS OPPOSED TRUMAN TOO

If President Truman can in his political campaign indict the Eightieth Congress for errors of omission and of commission, as he has plainly indicated will be his strategy, how can he at the same time urge reelection of members of his party to Congress? For the fact is that many of his own party in Congress have voted with the Republicans. Does he want these Democrats retired to private life?

Consider, for example, the law barring outside salesmen and similar employees from social-security coverage. Mr. Truman thought this a bad law and vetoed it. But 56 percent of the Democrats in the House and 74 percent of the Democrats in the Senate voted to override his veto.

Consider the tax reduction bill of 1948. President Truman thought this was bad and vetoed it. But 27 of the 37 Democratic Senators and 82 of the 166 Democratic Representatives voted to override the veto.

Consider the administration-opposed bill to give to the States title to off-shore oil. On that 80 percent of the Democrats in the House voted in favor.

Consider the bill which admits displaced persons to this country, along restrictive lines which President Truman opposed. Nearly half of the Democrat Senators voted against a change in the restrictions which the President suggested.

Consider the Taft-Hartley Labor-Management law. The President vetoed that. But more than 60 percent of the Democrats in the House and more than 45 percent of the Democrats in the Senate voted to override that veto.

Consider the anti-poll-tax bill passed by the House after public recommendation of the law had come from President Truman. More than 55 percent of the Democrats in the House voted against that bill.

Consider the Taft price-control formula in 1946 which President Truman denounced. Two out of every five Democratic Senators voted for that formula.

Consider the OPA extension bill of June 1946, which President Truman vetoed because of restrictions. Two out of every five Democratic Representatives voted to override the veto.

These are merely highlights, but they should offer sufficient evidence that the record of the Eightieth Congress which President Truman attacks is borne in large part by the Democratic Members in both Senate and House. How, then, can President Truman in his own candidacy for office dissociate his campaign from that of these Senators and Representatives who seek reelection on the same Democratic ticket?

Are we to be told that there are two kinds of Democrats and that we must vote for one kind and against the other? In that case who draws the line of demarcation between the sheep and the goats?

Inflation—Exports Are Not the Cause of High Prices

EXTENSION OF REMARKS
OF
HON. HELEN GAHAGAN DOUGLAS
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mrs. DOUGLAS. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to call to the attention of the Members the fallacies in the argument that exports are the cause of high prices.

The Republicans say that if it weren't for exports, we wouldn't have high prices.

This is not true because 1947 exports were only 4.1 percent of our national product. The first quarter of 1948, they had fallen to 2.5 percent of our national product, and for the whole of this year, they will average only 3 percent of our national product. This includes our natural business with South America and the rest of the world, our foreign-aid exports, interim aid, and everything else.

Our net exports, that is the amount we export more than we import, have been decreasing. In dollar figures, with rising prices, in terms of commodities, our exports abroad are going down even more rapidly. I point out to the Republicans who have refused in this special session to enact a comprehensive program to control inflation that while exports have been declining, prices have been rising rapidly and benefits that we sought in the ERP have been undermined by these rising prices.

When the Republicans claim that our exports exert an inflationary influence on our 250,000,000,000 gross national product, they are trying to prove that a 3-inch tail can wag an 8-foot dog.

They attempt to blame foreign-aid exports for our current high-price situation when these exports are only a fraction of our total exports and when total exports are only a fraction of our gross national product.

RELATION OF UNITED STATES EXPORTS TO DOMESTIC PRICE TRENDS

To measure the impact of foreign aid on the domestic economy we must examine the relation of the export surplus to the total gross national product, that is, we want to see what our net exports are in relation to all goods and services produced. By export surplus we mean the difference between the total shipments of goods from this country and total imports. Total gross national product represents the total value of all goods and services produced. This relationship is summarized below:

United States gross national product, exports including reexports, general imports of merchandise, and the net export-import balance in relation to gross national product, 1936–38, 1946, 1947, and first quarter 1948, at annual rate

[In billions of dollars]

	Gross national product	Exports	Imports	Net export-import balance	Ratio of net export-import surplus to gross national product
1936–38	85.8	3.0	2.5	+0.5	0.58
1946	203.7	10.2	4.9	+5.3	2.6
1947	231.8	[1] 15.3	5.7	+9.6	4.1
First quarter 1948	244.3	[1] 13.3	7.2	+6.1	2.5
1948, estimated	250	14.2	7.0	+7.4	3.0

[1] Including civilian supplies to our armed forces overseas for distribution in the occupied areas.

As will be noted, there has been a sharp decline in the first quarter of this year in the ratio of the export surplus to the gross national product due to the significant decline in our exports and a substantial increase in imports. This means that while production has been increasing, our net exports have been decreasing; this has meant a significant decline in any inflationary impact which can be ascribed to exports. And while exports have been declining, prices have been rising rapidly.

	1947			1948		
	June	September	December	January	March	June
Consumer price index (1935–39=100)	157.1	163.8	167.0	168.8	166.9	171.7
Wholesale price index (1926=100)	147.7	157.4	163.2	165.7	161.4	166.2

These price increases are not the result of exports when exports represent a small percentage of total production and when they have been declining rapidly.

Exports in April and May of this year remained at about the same level as during the first quarter. With the passage of the foreign aid appropriation bill, it is expected that in the third and fourth quarters of this year exports will rise somewhat, but there is every indication that for the year as a whole exports may be as much as 5 to 10 percent below 1947 levels. Imports, on the other hand, are expected to increase by more than 10 percent. Gross national product is currently running at about an annual rate of $250,000,000,000. Assuming that figure to represent the expected 1948 rate and that the export surplus will be approximately $7,400,000,000, the expected ratio of export surplus to gross national product may be roughly about 3 percent for the year. This represents a very considerable decline from the ratio of 4 percent which obtained during 1947.

While our net exports represent something of the order of 3 percent of the value of all goods and services produced since the war the volume of goods available for domestic consumption has made extraordinary gains. We are consuming approximately 20 percent more food than before the war on a per capita basis. More than twice the amount of steel is available today for the domestic market than before the war. Domestic production as a whole is nearly doubled in volume.

For figures showing United States production, exports, and amounts available for domestic consumption of leading commodities, see pages 515–517 of the hearings before the subcommittee, House of Representatives, on the foreign aid appropriations bill for 1949. This table covers nonagricultural commodities. A similar table is available on pages 385–387 for agricultural commodities.

Some months ago the Council of Economic Advisers, in its report on the impact of foreign aid on the domestic economy, had the following to say about the impact of the export surplus on domestic prices:

After the war physical reconversion of the American economy to a peacetime basis proceeded, in the main, with smoothness and rapidity. Employment ran at practically maximum levels throughout 1946, and the gross national product exceeded any previous peacetime year. Yet there were many production bottlenecks and commodity shortages. On the other hand, deferred demands were great, and the financial resources to support them were ample. As a result, there was a threat of serious price inflation, and, when price controls lapsed in the middle of 1946, the threat became a reality.

While the total exports of goods and services and the export surplus were high during the second half of 1946, it is clear that these export factors exerted a minor and secondary influence upon the upward surge of prices. With a gross national product of $204,000,000,000 in 1946, the fact that the export surplus for that year was $1,600,000,000 higher than in 1945 could not have been very appreciably responsible for what happened to prices in the second half of 1946.

By the second quarter of 1947 the gross national product was at an annual rate of more than $226,000,000,000, and the export surplus was at an annual rate of $13,000,000,000, or about $5,000,000,000 a year higher than in 1946. In spite of the increase in the export surplus, prices remained relatively stable from March to June 1947. The increase in exports undoubtedly affected the price level during this period, but mainly by way of preventing a decline which might otherwise have occurred in many prices.

At the end of June prices resumed their rise, while the export surplus was declining from the record annual rate of $13,000,000,000 in the second quarter to an estimated $10,300,000,000 in the third quarter. The effects of increased pay rolls, cashing of terminal-leave bonds, increased construction activity, and a generally optimistic business attitude more than offset the decline in exports. Forces not related primarily to foreign trade induced important price increases for coal and steel, which in turn gave impetus to price rises elsewhere. Moreover, when the price declines which were anticipated earlier in the year did not materialize, the effect was to bring into markets buyers who had been postponing purchases.

While the general impact of foreign demand has been diminishing in recent months, sharp increases in grain prices have been in large part the result of international factors. This increase stemmed from the very short domestic corn crop and the poor European grain crop, and spread to livestock and other food products. The large foreign requirements have undoubtedly been a factor in the price rise of these products. But even for food the sharpness of the rise would not have been possible without an intense domestic demand based upon the very high income level.

The setting of foreign buying in its proper perspective leads to the conclusion that, looking at the economy generally, price inflation in this country has arisen mainly from other sources. But it also leads to the conclusion that specific supply shortages present dangers of further inflationary pressure.

Foreign trade is a normal and necessary part of American business. It is essential to a healthy American economy. It is needed not only to bring us the normal necessities of our dinner table like coffee, tea, and cocoa, but also raw materials upon which our whole business economy depends.

UNITED STATES DEPENDENCE ON IMPORTS

In the May 17, 1947, issue of the Saturday Evening Post, W. Averell Harriman, then Secretary of Commerce, published an article entitled "We've Got to Import to Live." This article summarized the growing dependence of the United States on imports. He pointed out that we are dependent almost entirely on imports for the commodities which are the key to our atomic energy developments. The development not only of the jet engine, but of other modern industrial equipment as well, is dependent on the use of ferro-alloys, many of which are obtainable only from abroad in the requisite quantities, for our production of new alloy steels capable of resisting great internal heats. In fact, ours is a hard-steel economy; and hard steels require ferro-alloy imports. We are badly short of many of the most significant ferro-alloying and specialized minerals—chromite, antimony, manganese, nickel, tungsten, and vanadium. Before the war we were exporters of copper and lead. During the war we drew heavily on our resources and we now find ourselves greatly short of both of these commodities which are basic to our industrial economy. We have also become increasingly dependent on zinc, petroleum, and iron-ore imports.

CHROMIUM

The United States, by far the largest world user of chromium, possesses no significant commercial reserves of this metal and is therefore almost wholly dependent on foreign supplies of metallurgical-grade ores.

MANGANESE

In 1947, over 90 percent of our requirements were imported.

NICKEL

The United States is almost wholly dependent on foreign sources for its nickel requirements.

TUNGSTEN

Domestic production of tungsten concentrates is inadequate to meet United States requirements which for the 6 years 1947–52 are expected to average 8,000 to 10,000 tons annually, possibly half of which might be supplied by domestic mines if relatively high prices are maintained.

ANTIMONY

Domestic reserves of antimony are exceedingly small.

COPPER

United States production of copper is insufficient to meet present demand. * * * Consequently large imports are required.

LEAD

Domestic mine pproduction plus secondary recovery from 1947 to 1952 cannot be expected at best to exceed an average of 800,000 to 850,000 short tons annually. Against this supply, domestic demand in an unrestricted full-employment economy will average at least 1,200,000 tons.

TIN

The United States supply of virgin tin is derived from metal imports.

ZINC

The termination of a net export position in the middle 1930's followed by an increasing dependence of United States zinc consumers on imports is a measure of the progressive depletion of domestic ore reserves.

(Above quotations taken from Krug Report, National Resources and Foreign Aid, October 9, 1947.)

Mr. Speaker, I wish to quote here what Mr. Leon H. Keyserling, Vice Chairman, Council of Economic Advisers, had to say on inflation and foreign aid in his testimony before the Senate Banking and Currency Committee:

The very first point to be made involves firm, unalterable recognition that we must conquer inflation while meeting our essential obligations as a Nation, and not by avoiding these obligations. Sufficient examples of this are the foreign-aid and preparedness programs. Even if these programs were complicating the inflation problem far more than they in fact are, we would have to carry these programs forward nonetheless. To be sure, if we abandoned foreign aid, and preparedness, and agricultural price supports, and the good living standards that come with good wages, and the goal of maintaining maximum employment and production, and many other things that make our Nation what it is, we would then have no problem of inflation. But we would lose infinitely more than we would gain.

It is true that if we decide to divert more of our resources to a particular purpose, such as foreign aid or preparedness, we will for the time being not have those same resources available for other purposes. But there is no good reason why a decision on grounds of national policy to divert manpower and other productive resources to one purpose rather than to another should prevent us from dealing more equitably with our people at home or from checking the economic maladjustments which are now under way. During the war, we diverted about half of our output to noncivilian use, and yet through affirmative economic policies we actually raised civilian standards of living and ended the war on a fairly promising footing for lasting economic prosperity. Growing maladjustments have developed since then, not because we have undertaken certain essential programs such as foreign aid and preparedness, but because we have done so little to deal with the disruptive forces which have been released by the actions of men and can likewise be contained by the actions of men.

Mr. Speaker, the Republican argument that foreign aid and trade are responsible for high prices is not being used and will not be used among our businessmen. This argument has been cooked up for those low-income groups who are suffering today because of the Republicans' refusal to control domestic inflation.

I say Republican inflation advisedly. The Republicans fought to remove price

controls because they wanted no ceilings on profits. The Republicans refuse to reinstate the controls that are necessary to protect the average family in America from depression because the Republican campaign is dependent on contributions from high-price profiteers.

The Republican National Committee in asking for contributions baldly states that the increase in take-home pay provided by their tax-cut program was not peanuts and goes on to remind Republicans that the elephant cannot win campaigns on peanuts and that those who have benefited by the Republican tax program ought to make a large contribution in the coming campaign.

This is not fabrication, Mr. Speaker. From the Republican News, a publication sponsored by the Republican National Committee, under the title, and I quote "Do Not Throw Peanuts to the Elephant," we find this language:

Many of our friends feel that, entirely apart from other important considerations, the least they can do to express their appreciation is to contribute a substantial part of their tax savings for this year to insure the reelection of the Congress which made this possible.

Don't delay, contribute today.

Don't throw peanuts to the elephant.

Don't count on winning by throwing peanuts to the elephant. The Republican Congress did more than provide a few peanuts for the harassed taxpayer.

The stakes are too high to take any chances on not winning.

I will let the voters interpret what the stakes are for the Republican Party, Mr. Speaker.

The stakes for the American people, whether they be Republican or Democrat, are a sound and stable economy and peace. In order to attain these goals, we must be good neighbors at home and good neighbors in the world. That means shouldering our responsibilities jointly and living up to our obligations as a Nation, fully aware of the great contribution our Nation must make to insure the future of our children and our children's children.

Price Control Background

EXTENSION OF REMARKS
OF
HON. RALPH A. GAMBLE
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, August 5, 1948

Mr. GAMBLE. Mr. Speaker, under leave granted to extend my remarks in the RECORD, I include the attached editorial from the Daily Times, published in Mamaroneck, N. Y., Tuesday, July 27, 1948, entitled "Price Control Background":

PRICE CONTROL BACKGROUND

With shrewd political foresight, President Truman has chosen to challenge a Republican-dominated Congress upon an issue which is certain to play an important role in the forthcoming campaign—the high cost of living. Proposed cure is a resumption of price controls.

Before reaching any decision as to the worthiness of that recommendation it might be well to review the background. For if we fail to learn by experience, then we shall deserve any failures which may accrue.

We had in this country control over prices for more than 5½ years, begining 8 months before Pearl Harbor and continuing on major items until November of 1946. Many may have forgotten that it was President Truman himself who on the latter date lifted ceilings from prices, wages, and salaries.

In April 1941, when President Roosevelt by Executive order vested control over prices in Leon Henderson, the consumers' price index of the United States Bureau of Labor Statistics stood at 102.2. It had been at 98.6 when the European war began in 1939. On November 15, 1946, when ceilings had been lifted from everything excepting rents, sugar, and rice, this index was at 152.2. In the 5 months preceding that cessation of controls the average increase had been 3.8 points per month. Which would indicate that not even price controls are sufficient to halt higher cost of living.

The first price control law—Mr. Henderson carried on without legislative authorization for 9 months—came in January of 1942. It provided for farm prices at an estimated average of 116 percent of parity. Three months later President Roosevelt demanded a revision upwards on behalf of the farmer and in October 1942, Congress passed the Stabilization Act which in effect raised the ceilings on farm produce. By that time the price index had risen to 119.

Throughout the war price controls continued, along with frozen wages and salaries. However, in the case of wages and salaries exceptions were allowed to correct "hardships and inequalities" and it was significant that many such cases of "hardship" developed in which members of large labor unions were involved.

In June of 1946 Congress extended price controls but with sharp restrictions. Because of the restrictions, President Truman vetoed the bill and for a short period we were without controls. A month later President Truman signed a second price-control measure, less restrictive. But during the entire year of 1946 there developed a marked scarcity or entire absence from the market of many commodities which made their way instead into the black markets. And of such commodities as appeared in legitimate markets, the quality was notoriously poor. Naturally people who had accepted wartime privations began to grumble and their cries reached the White House.

On October 14, 1946, with fine cuts of meat practically unobtainable in legitimate markets, President Truman lifted ceilings from meat and livestock. This, it may be remembered, was just before elections of that year. The gesture, considered political by many, did not save Mr. Truman's party from defeat.

Aware of the public attitude as so vigorously voiced in the election, President Truman on November 9 lifted ceilings on wages and salaries and also on prices excepting the three items, rents, sugar, and rice. At that time the Consumers' Price Index had risen to 152.2, as mentioned above. Thus, during the life of price controls we saw the index rise from 102.2 to 152.2, roughly a 50 percent increase in living costs. But even this is a conservative figure, for because of scarcity or absence of low-cost commodities, deterioration in quality and black-market prices actually paid, the President's Committee on the Cost of Living estimated that the official index was too low by from three to four points in the 1941–44 period. It isn't the ceiling price that determines cost of living; rather, it is what a family actually pays. And if the family must go into the black market for supplies, then ceiling prices do not reflect accurately the family's real living costs.

Since the lifting in November of 1946 of price ceilings the consumers' price index has risen to 171.7 (the June 15, 1948, figure). This is an increase over the period of 18.5 points or less than one point a month. By way of comparison, note that for the last 5 months of price controls the average monthly increase of the index was 3.8 points. Obviously, a plausible argument could be advanced that the increase in the cost of living has not been so rapid since the lifting of ceilings as it was during the last few months of price controls.

The real point at issue, then, is not whether the cost of living should be stabilized or lowered. Almost everyone wants that. Rather, the question is one of method: Will price controls, which did not prove effective in 1946, be any more successful in 1948?

History of Price Control

EXTENSION OF REMARKS
OF
HON. WINT SMITH
OF KANSAS
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

Mr. SMITH of Kansas. Mr. Speaker, the History of Price Control from 2130 B. C. to 1946 A. D. continues:

The price-fixing decree of Diocletian was a failure and was abandoned within 5 years. It cast economy into too rigid a mold, and the result was, in the west at least, disintegation. The western Roman Empire never recovered from the crisis of the third century. By the fourth century money had fallen to the degraded position of ponderata, when it was customary to assay and weigh each piece. And by the seventh century, the weights themselves had been so frequently degraded that it was no longer possible to make a specific bargain for money. There was no law to define the weight of a pound or an ounce, and no power to enforce the law if one existed. Under these circumstances money became extinct. Nor was it the only institution that perished—for all institutions had perished.

There was no government except the sword, there was no law; there were no certain weights and measures. Exchanges were made in kind, or for slaves, or bags of corn, or lumps of metal, which men weighed or counted to one another, holding the thing to be sold in one hand, the thing to be bought in the other.

There is no more fitting close for this chapter on the failure of the Romans to cope with money and price ceilings than by quoting the words of one Antoninus Augustus, "'Money had more to do with the distemper of the Roman Empire than the Huns or the Vandals."

GREAT BRITAIN, 1199–1815

Simon Litmar, who made a detailed study of the history of price control in Great Britain, states:

"An attempt to control both the wholesale and the retail price of wine by fixing a maximum was made by the British Government in 1199. The measure failed and in 1330, after a long period of ineffectiveness a new law was passed which required the merchants to sell at a 'reasonable' price, the latter to be based on import price, plus expenses. This new measure of control proved as futile as the old one.

"The first attempt to regulate the price of wheat and bread was made in 1202. The most important ordinance on the matter was 51 Henry III. This ordinance fixed changing weights for the farthing load to correspond to 6-penny varieties in the price of a quarter of wheat from 12 pence to 12 shil-

lings. The law was enforced locally on sundry occasions, but fell gradually into disuse."

Not until 1815, however, were the last laws fixing the price of bread repealed, after a continuous existence of five and a half centuries. The official document recommending their repeal enumerates the ways in which these laws have worked out to show that their repeal is in the interest of the public welfare.

"The English corn laws from 1804 to 1846 furnish probably the best known instance of Government attempts to stabilize prices in more modern times. The corn statutes of these years are simply a record of the impotence of legislation to maintain the price of a commodity at a high point when all the natural economic causes in operation are opposed to it." (Encyclopedia Britannica 11th ed., vol. 7, p. 177.)

BELGIUM, 1584–1585

John Fiske, in one of his essays, ascribes the downfall of the city of Antwerp in 1585 to the bungling price-fixing legislation of the government. He says:

"The turning point of the great Dutch revolution, so far as it concerned the provinces which now constitute Belgium, was the famous siege and capture of Antwerp. The siege was long and the resistance obstinate and the city would probably not have been captured if famine had not come to the assistance of the besiegers. It is interesting to inquire what steps the civic authorities had taken to prevent such a calamity. Finding that speculators were accumulating and hoarding up provisions in anticipation of a season of high prices, they affixed a very low maximum price to everything which could be eaten, and prescribed severe penalties for all who should attempt to take more than the sum by law decreed. The consequences of this policy was twofold. It was a long time before the Duke of Parma, who was besieging the city, succeeded in so blockading the Scheldt as to prevent ships laden with eatables from coming in below. Corn and preserved meats might have been hurried into the beleaguered city by thousands of tons. But no merchant would run the risk of having his ships sunk by the Duke's batteries merely for the sake of finding a market no better than many others which could be reached with no risk at all. The business of Government is to legislate for men as they are, not as it is supposed they ought to be. If provisions had brought a high price in Antwerp they would have been carried thither. As it was the city by its own stupidity blockaded itself far more effectually than the Duke of Parma could have done.

"In the second place the enforced lowness of prices prevented any general retrenchment on the part of the citizens. Nobody felt it necessary to economize. So the city lived in high spirit until all at once provisions gave out and the Government had to step in again to palliate the distress which it had wrought."

INDIA, 1770

The famines of India are prominent features in her history. William Hunter in his book entitled "Annals of Rural Bengal," writes:

"Lower Bengal gathers in three harvests each year; in the spring, in the early autumn, and in December, the last being the great rice crop, the harvest on which the sustenance of the people depends. The December crop failed utterly in 1770 and fully a third of the population died. This disaster stands out in the contemporary records in appalling proportions. It forms indeed the key to the history of Bengal during the succeeding 40 years.

"In 1770 the government, by interdicting what it was pleased to term the monopoly of grain, prevented prices from rising at once to their natural rates. The province had a certain amount of food in it and this food had to last 9 months. Private enterprise, if left to itself, would have stored up the general supply at the harvest with a view to realizing a larger profit at a later period in the scarcity.

"Prices would in consequence have immediately risen, compelling the population to reduce their consumption from the very beginning of the dearth. The general stock would thus have been husbanded and the pressure equally spread over the whole 9 months instead of being concentrated upon the last 6."

FRANCE, 1789–93

The bloody phase of the French Revolution is associated with attempts at establishing and maintaining price control. After a period of deficiteering and tampering with the currency, the French found themselves in a period of rising prices. Their smugness and ill-based faith in their ability to flaunt age-old economic laws can be found in a statement before the French Assembly in 1791:

"The laws of political economy, however applicable in other times, are not applicable to this particular period, and, however operative in other nations, are not now so in France; the ordinary rules of political economy are perhaps suited to the minions of despotism but not to the free and enlightened inhabitants of France at the close of the eighteenth century."

Such a statement has a familiar ring. Today we are told that while price ceilings have failed in other instances and in other times, such will not be the case in this country. There is no valid basis for such a contention. Just because this is the United States and because this is 1946 does not mean that "it can't happen here." In his book Fiat Money Inflation in France, Andrew Dickson White relates:

"The third outgrowth of the vast issue of flat money was the maximum. As far back as November 1792 the Terrorist associate of Robespierre, St. Just, in view of the steady rise of prices of the necessaries of life, had proposed a scheme by which these prices should be established by law, at a rate proportionate to the wages of the working classes. This plan lingered in men's minds, taking shape in various resolutions and decrees, until the whole culminated on September 29, 1793, in the law of the maximum.

"While all this legislation was high-handed, it was not careless. Even statesmen of the greatest strength, having once been drawn into this flood, were borne on into excesses which, a little earlier, would have appalled them. Committees of experts were appointed to study the whole subject of prices, and at last there were adopted the great 'four rules' which seemed to statesmen of that time a masterly solution of the whole difficulty.

"First, the price of each article of necessity was to be fixed at one and one-third its price in 1790. Secondly, all transportation was to be added at a fixed rate per league. Thirdly, 5 percent was to be added for the profit of the wholesaler. Fourthly, 10 percent was to be added for the profit of the retailer. Nothing could look more reasonable. Great was the jubilation."

Being experts in revolutionary technique, the Jacobins chose to place iron control upon 39 necessities of life under the agency called Committee of Public Safety. They planned to coerce farmers, traders, merchants, and the public into a state-controlled economy for the benefit of the revolutionary party. However, as has been repeatedly the case down through the ages, the fiercest and most sustained opposition came from the farmers, who refused to become the pawns of a party machine.

The picture of what happened to the French revolutionary price control system runs true to pattern. Production came to a halt, hoarding multiplied, and bribery of officials became commonplace in every French village. In the meantime the people with special pull or with money were able to secure products in a vast black market. In spite of rough enforcement by tough administrators, the revolutionary price control office could not prevent the paralysis of the organs of supply and transport.

Bourne, in his book, Food Control and Price Fixing in Revolutionary France, writes:

"The arguments in the convention relative to the matter ran the whole gamut from the principle of economic liberty advocated by the economists of the day to the radical abstractions of Robespierre and his followers, who swept commerce aside by maintaining that 'the food necessary to man is sacred as life itself,' and 'the fruits of the earth, like the atmosphere, belong to all men.'

"One of the most interesting of the many suggestions made in the convention was that of Barbaroux who advocated 'a plan to form local associations to collect and circulate information about the crops. In other words, for coercion he would substitute cooperation, believing that the French citizens, farmers and merchants included, would not turn a deaf ear to an appeal for common action against the oncoming peril' (famine). Price fixing finally became one of the characteristic features of the reign of terror, and when Robespierre and his councilors passed through the streets of Paris in the carts of the executioners, the mob jeered, saying 'there goes the dirty maximum.'"

The history of France's efforts to maintain price ceilings differs from other countries because of the proposal to enlist the aid of both producer and consumer in the effort of the government to control the food supply in the interest of the people's welfare. Nevertheless, the system failed in France as elsewhere, primarily because supplies were withheld from the market places.

UNITED STATES, 1633 TO 1946

On March 29, 1946, OPA Administrator Paul Porter testified before the Banking and Currency Committee of the House. Representative SMITH, of Ohio, asked if he knew of a single instance in history where price control had been effective in controlling inflation. Mr. Porter replied he did not know about previous price control experiments. "OPA is only 4 years old in this country," he said. "Because it hasn't worked in the past in other countries, doesn't mean we can't make it work here."

In making such a statement, is Mr. Porter guilty of mental juvenile delinquency? He may be excused for a lack of knowledge of the history of other nations and civilizations, but can he be excused for ignorance of the history of his own country? He is the one responsible for the administration of a law which determines the flow of our lifeblood. In this capacity, he should at least know the history of the mistakes of his own countrymen.

In view of the volumes that have been written on attempted price control in the United States since colonial times, Mr. Porter should know that price control was tried in all of the following States (or Territories which later became States) at various times. This is only a partial list of important price-control attempts. There are others too numerous to mention.

1. New England, 1620.
2. Virginia, 1631.
3. Michigan, 1627.
4. Maryland, 1636–1773.
5. Massachusetts, 1659–1777.
6. South Carolina, 1687.
7. New Hampshire, 1707.
8. Louisiana, 1717.
9. Georgia, 1754–68.
10. Illinois, 1764.
11. Connecticut, 1776.

12. Massachusetts, 1776–79.
13. Maine, 1777.
14. New Jersey, 1777.
15. Pennsylvania, 1777.
16. Rhode Island, 1777.
17. New York, 1778.
18. Mississippi, 1861.
19. Florida, 1861.
20. North Carolina, 1862.
21. Confederate States, 1862.
22. Alabama, 1864.
23. Utah, 1868.
24. Connecticut, 1887.

In his book, the History of New England, John Winthrop states that, in 1633:

"The scarcity of workmen have caused them to raise their wages to an excessive rate, so as a carpenter would have three shillings the day, a laborer two shillings and six pence, etc.; and accordingly those who had commodities to sell, advanced their prices sometimes double to what they cost in England, so as it grew to a general complaint, which the court, taking knowledge of, as also of some further evils, which were sprung out of the excessive rates of wages, they made an order that carpenters, masons, etc., should take but 2 shillings the day, and laborers but 18 pence, and that no commodity should be sold at above 4 pence in the shilling more than it cost for ready money in England; oil, wine, etc., and cheese, in regard to the hazard of bringing, etc. (excepted)."

William Weeden, in his book, Economic and Social History of New England, 1620–1789, writes:

"The colonial history of the United States affords many instances of the failure of fixed prices to remedy the evils they were designed to cure. The Governor and the council of New England fixed the price of beaver at 6 shillings in fair exchange for English goods at 30 percent profit, with the freight added. The scarcity of corn which was selling at 10 shillings 'the strike' led to the prohibition of its sale to the Indians. Under the pressure of this prohibition the price of beaver advanced to 10 shillings and 20 shillings per pound, the natives having refused to part with beaver unless given corn. The court was obliged to remove the fixed rate and the price which ruled was 20 shillings. An equally fruitless attempt was made to regulate the price of labor. These regulations were enforced for about 6 months and then were repealed."

Led by Connecticut and Massachusetts, the New England States went in for regulating prices early in the Revolutionary War. This emergency measure was motivated quite as much by the fact that the continental currency lost its monetary value as by the self-evident fact that British blockade created a severe shortage of consumers' goods. The inevitable result was that the 1774 price level soon broke down, and as early as the spring of 1777 Connecticut, Rhode Island and New Hampshire were forced to raise the level for maximum prices. In Rhode Island, however, the town of Providence objected strenuously. It directed its representatives in the legislature to fight such measures, as they created scarcity and produced animosity.

In Connecticut, Governor Trumbull warned in a public statement:

"If we affix a low price to provisions and articles of importation, we shall find that the farmer will cease to till the ground for more than is necessary for his own subsistence, and the merchant will not risk his fortune on a small and precarious prospect of gain."

The governor apparently was really advocating what later generations prefer to call "controlled inflation". The modern devices of economic deception—called farm subsidies—were then unknown in this country.

Soon the States, including New York, Pennsylvania and New Jersey, began to labor under keen misgivings, however, that price control—as such—was a deceptive technique. This discovery led to an interstate convention being called in New Haven in January, 1778. The war was still raging and the longed-for victory for independence still seemed far away. In a stampede of economic panic, the delegates voted, therefore, to adopt a price advance of 75 percent above the 1774 price level.

What was meant to be a radical cure threatened to become a disaster, since a runaway inflation soon began to encompass the national economic life. The Continental Congress very quickly realized that it had to reverse its policy in order to avert sure economic doom. In its meeting of April 8, 1778, it declared, therefore, to the sorely tried war-torn nation:

"It hath been found by experience that limitations on the prices of commodities is not only ineffective for the purpose proposed, but likewise productive of very evil consequence to the great detriment of the public service and grievous oppression of individuals."

The courageous and wise pronouncement by the Continental Congress had a reassuring effect upon the States. In fact, so much so that price fixing was permitted to lapse for about a year. During this period, the American people discovered that price fixing could not serve as a safeguard against the heavy inflation which their just war of independence gave them to carry as an additional price for freedom. They recognized this as an economic fact which proved that, measured in money values, they all were becoming poorer as together they were winning their freedom.

In 1779, the last brief attempt was made at price fixing as a remedy to control a deeply wounded war economy. On May 25, 1779, the town of Boston adopted a price schedule for 15 articles on a month-to-month basis. And in July of the same year, a State convention at Concord adopted a general price level, stipulating that "violators were to have their names published in the newspapers as enemies of the country." The background for this threat against violators was, of course, the fact that the very outcome of the whole war hung in the balance.

And as soon as the fortunes of war turned, the States rid themselves of the fruitless and scarcity-producing price-control system, which they had grasped in a moment of panic. It is to the undying glory of the men and women of the Revolutionary period that a whole year before Cornwallis surrendered at Yorktown, all the States had already repealed their price-control laws.

That the American passion for economic freedom has deep roots in our history becomes clear when one reads the words of the president of Princeton—John Witherspoon—in a letter to George Washington:

"Fixing the prices of commodities has been attempted by law in several States among us, and it has increased the evil it was meant to remedy, as the same practice has done since the beginning of the world."

The United States Department of Agriculture—summing up a study of price control which that agency completed in 1922—stated:

"The history of government limitation of price seems to teach one clear lesson: That, in attempting to ease the burdens of the people in a time of high prices, by artificially setting a limit to them, the people are not relieved—but only exchange one set of ills for another which is greater.

"Among these ills are:

"1. The withholding of goods from the market, because, consumers being in the majority, price-fixing is usually in their interest;

"2. The dividing of the community into two hostile camps, one only of which considers that the government acts in its interests;

"3. The practical difficulties of enforcing such limitation in prices which—in the very nature of the case requires the cooperation of both producer and consumer to make it effective."

This is the same Department of Agriculture which—24 years later—has been given and has accepted the responsibility, under the Price Control Resurrection law, for food price control in the United States.

Recent world history offers additional proof of the economic weaknesses of the controlled, or collectivist state.

Russia, under Lenin and Trotsky, in 1917 established a government-controlled collectivist state. Italy, under Mussolini in the early twenties, followed with some slight variations. Germany, in the early thirties, accepted Hitler's national socialism and its controlled economy. During the same period Japan adopted rigid controls and complete regimentation, while the United States continued to operate under the individual initiative, private enterprise system.

World War II established that 180,000,000 Russians, after nearly 25 years of controlled economy and regimentation, were no match for 4,000,000 independent Finns, but could, and did, meet and repel the onslaught of the German military machine after they had been equipped with food and war matériel by the private enterprise system of the United States.

That same American system of private enterprise, while feeding and arming the allied nations, produced the individual initiative, the industrial production, the food, the money, the unlimited war matériel that overwhelmed and subdued the combined strength of the German-, Italian-, and Japanese-controlled economy, regimented war machines.

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Special note

We wish to take this opportunity to express to Victor L. Lea, former Chief of the Division of Fats and Oils, Food Section, Office of Price Administration, our appreciation for his valuable assistance and cooperation in the preparation of the historical data.

Political Left-Overs

EXTENSION OF REMARKS
OF
HON. RALPH A. GAMBLE
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Thursday, August 5, 1948

Mr. GAMBLE. Mr. Speaker, under leave granted to extend my remarks in the RECORD, I include the attached editorial from the Daily Times, published in Mamaroneck, N. Y., Monday, July 26, 1948, entitled "Political Left-Overs."

POLITICAL LEFT-OVERS

For the first time since 1856—nearly a century ago—Congress has been called back into session during a Presidential election year. With the call issued by President Truman in connection with his acceptance speech, before a partisan convention and at a time when politics was paramount, no evidence exists that the action is aught but a political move of desperation. What if anything can be accomplished under such circumstances is doubtful.

There were left-overs from the last session of the Eightieth Congress, admittedly. But many of them were of such controversial nature, some touching upon foreign relations, that it was held best at the time to postpone action until after the election. As it is, the reconvened session may very well leave to foreign interpreters the impression that we are a divided America, an impression which can well weaken our position abroad in crucial times.

We have in this category of left-overs such items as a revision of the bill for admission of displaced persons, action on the international wheat agreement, the "loan" for United Nations headquarters, the charter of the International Trade Organization, the Mundt-Nixon bill for control of Communists, and the matter of statehood for Alaska. Action at this time on any or all of these measures could conceivably have foreign reactions.

On the domestic front, still awaiting action when Congress adjourned on June 20 was the proposal to impose price controls to slow down inflation, the Taft-Ellender-Wagner housing bill, President Truman's 10-point civil rights program which created such a furor at the Democratic National Convention, the bill for Federal aid to education, extension of social security, a bill for the National Science Foundation, action on universal military training—differing from the selective service which was voted—the tidelands oil bill to give States title to land under navigable waters within their borders, and the repeal of the Federal tax on colored oleomargarine.

Here, on both foreign and domestic issues, are sufficient jobs to keep a new Congress busy for a full year. That the reconvened Eightieth Congress can hope to handle any substantial portion of the program is not to be expected by any realist.

It will be best, perhaps, to expect of this summer session that it will live up to the motives which inspired its call—namely, plain partisan politics. Little more is in view.

The Meaning of Statutes—What Congress Says or What the Court Says

EXTENSION OF REMARKS
OF
HON. FRANCIS E. WALTER
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. WALTER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address by Hon. Robert A. Jackson, Associate Justice of the Supreme Court, before the American Law Institute on May 20, 1948:

THE MEANING OF STATUTES—WHAT CONGRESS SAYS OR WHAT THE COURT SAYS

(By Robert H. Jackson, Associate Justice of the Supreme Court of the United States)

It is an honor to greet this body of lawyers and a pleasure to see old personal friends as you gather for a work session in the Nation's Capital. It is altogether appropriate, of course, that a member of the Supreme Court participate in the welcoming rites. You represent the legal profession in a great undertaking to restate the law; I am sure it has not escaped your attention that the institution of which I am a member is actively engaged in the same enterprise. [Laughter.] The consideration that you show me on this occasion I take to be an example of the fine sportsmanship which should prevail among competitors. [Laughter.]

I was told by your president that "too elaborate an address is unnecessary." Your president is a master of the art of dressing up his desire for brevity in the cloak of forbearance for the speaker. But I shall say a few of the things that are on my mind, in spite of the admonition.

Some of us who began attending these sessions close to a quarter of a century ago look back on those days with a certain nostalgia. Perhaps we were all a little naive; perhaps I was more naive than the others. But as I remember it now, what may be called the "climate of opinion" at those earlier gatherings was quite different than it is today. The labor on the restatement of the law was commenced on the assumption that the body of private law as embodied in court decisions was reasonably settled and fairly stable—at least, that most of it would hold good while the restatement was being formulated. Of course, we knew that from time to time particular decisions would be overruled and that some rules of law would and ought to be changed by legislation. But we did not anticipate any fundamental change in the attitude of courts to the law itself, or toward its development with traditional regard for its continuity which is a characteristic of the common law method.

A SYSTEM OF LAWS DICTATED BY IDEOLOGICAL THEORIES

A few days ago, however, Lord Macmillan, known pleasantly to many of us, in lecturing on law and custom at St. Andrews University, said something that may awaken a response in you. It was this:

"The lover of our ancient laws and institutions, which we have inherited from our fathers, cannot but look on with some dismay at the process which we see daily in operation around us whereby the customary common law of the land, which has served us so well in the past, is being more and more superseded by a system of laws which have no regard for the usages and customs of the people, but are dictated by ideological theories.

"There will soon be little of the common law left either in England or in Scotland, and the statute book and the vast volumes of statutory rules and orders will take its place. The work of our courts is more and more concerned with the interpretation of often unintelligible legislation, and less and less concerned with the discussion and development of legal principles. Advocacy has consequently lost much of its intellectual interest and scope."

IMPATIENCE WITH GRADUAL GROWTH UNDER THE JUDICIAL PROCESS

When I read that, I could not help but think of our own Mr. Justice Cardozo, whose reverence for the common law and common-law methods was so poignantly expressed in his address at our third annual meeting almost 25 years ago. On that occasion he compared the common law to a magical coat described by one of Swift's characters—a coat which, it was said, would grow in the same proportions as the body of the wearer. Mr. Justice Cardozo said with some feeling that the common law had done just that—and that it was "still a good coat—far too good to be thrown away."

It is not easy from where I sit to judge whether Lord Macmillan's present fears or Judge Cardozo's earlier hopes represent current conditions in this country as a whole. The Supreme Court, except incidentally and not too successfully, was never an expounder of the common law. By *Erie Railroad* v. *Thompkins* (304 U. S. 64), and related cases, and by its practice of declining to review State-law questions in diversity cases, the Supreme Court has closed its own door to independent speculation as to common-law principles. What, therefore, appears to me as a decline in the place of the common law in our scheme of things may be a Washington disturbance which does not reach State courts or other Federal courts. But I suspect it is a part of a more or less world-wide impatience with a gradual and deliberate pace of growth under the judicial process.

The titanic struggle for power now being waged between nations and between classes within the nations is as much one to change legal systems as to change political or economic systems. This involves far more than changing rules of property to achieve greater socialization, far more than imposing a continental system of judicial procedure, far more than setting up a secret political police force. It goes to the very nature of the court itself and would alter the foundation on which our western civilization has built its legal systems.

COMMUNIST CONCEPT OF THE ROLE OF COURTS

The concept which dominates all Communist teaching has been stated by Soviet authority in these simple words: "The court

has been, and still remains, as it ought to be according to its nature, namely, one of the organs of governmental power, a weapon in the hands of the ruling class for the purpose of safeguarding its interests."

The most striking feature of this concept is its primitive mingling in the court of the two functions that western civilization years ago divided between the courts and the legislature. This is not surprising, for it comes to us from a country whose legal institutions are at least 300 years behind the western world in legal development and which has had little experience with representative legislatures. It comes from a people whom the Renaissance, the Reformation and the great democratic awakening that followed our own and the French Revolution, have never touched. Their history has no Magna Charta, no bill of rights. Their heroes include no Lord Chief Justice Coke to remind the Czar that he rules "under God and the law," no Jefferson, no Montesquieux. Lenin, Stalin, and their compatriots stepped into a system of customary law deeply influenced by centuries of absolutism, and their view of the function of a court, instead of being an advance over ours, is simply an adherence to an old authoritarian practice.

LEGAL SYSTEM BASED ON JUDICIAL ACCEPTANCE OF LEGISLATION

Of course, we democratic peoples recognize that the policy of the law is, and should be, made by what you may call a "ruling class." Under our own system, legislation is shaped by a majority of the representatives of majorities of electors in the various constituencies. Our concept of the court presupposes its acceptance of decisions on policy by the legislative majorities that from time to time prevail, except where an overriding policy is set forth in the Constitution.

But when a ruling majority has put its commands in statutory form, we have considered that the interpretation of their fair meaning and their application to individual cases should be made by judges as independent of politics as humanly possible and not serving the interests of the class for whom, or a majority by whom, legislation is enacted.

The danger of the competition between our western and the eastern concept of courts is that the latter is so much easier to apply. To carry out the Soviet conception requires a judge only to know which side he is on. But to observe the democratic separation of functions so as to leave policy making to the political bodies and make the function of interpretation a professional matter, requires training, constant intellectual effort, deliberation, and detachment. And it is guided and aided by the experience of generations of common law judges found in the precedents.

COURTS OWE OBLIGATION OF FIDELITY TO THE LEGISLATIVE BODIES

But as the courts are obligated by the principles of our representative government to independence in construing the language of statutes, so they owe a similar obligation of fidelity to the legislative bodies in applying their policies. If the separation of functions is to be observed, it is necessary that the utmost clarity prevail in the communication of the legislative will as to policy. I read from time to time of laws enacted by Congress of which it is said it will require several years to learn how the courts will apply them and what meaning courts will give to them. Then, too, I occasionally learn of a statute that means one thing one year and another the next. This seems to be accepted as necessary and usual, but it really indicates that there is something wrong in the process by which law is communicated in this country. It will not do to blame all of this confusion on bad draftsmanship, appropriate as that criticism may be at times. It will not do to blame it all on the English language for its inexactness and lack of precision.

The unfortunate fact is that neither Congress in the choice of language it will use, nor the courts in the meanings they will ascribe to Congress, have really effective guidance from consistently accepted principles of interpretation. Of course, a complete and automatic code of interpretation is not possible. But in its 150 years of interpreting Federal statutes, the Supreme Court has been less willing to commit itself to considered guides to interpretation than have many of the State courts. Neither has Congress undertaken to formulate any comprehensive rules on this subject. For the individual justice to be left so much at large presents opportunity and temptation to adopt interpretations that fit his predilections as to what he would like the statute to mean if he were a legislator. Indeed, sometimes there is not much else to guide him.

PROBLEMS ARISING IN THE JUDICIAL INTERPRETATION OF STATUTES

The subject is too large and complicated for comprehensive treatment on this occasion. It involves inconsistent practices on such vexing problems as these: When will reenactment of a statute carry adoption of previous administrative regulations or court decision? When will consideration of a statute without changing it mean congressional approval of prior judicial interpretation? Statutes that impose criminal and civil penalties or create liabilities, or all of these, are sometimes said to be construed strictly, sometimes liberally, and sometimes a middle course is taken. Should there be a prescribed, uniform approach to such statutes and, if so, what should it be?

What attitudes should be taken toward statutes that contravene common-law doctrine, in a Federal system where there is no general Federal common law? How far will we go to construe a law so as to avoid raising a constitutional question? How shall our construction differ in the case of what lately is called "humanitarian legislation" from other enactments, which by contrast must be regarded as "inhumanitarian"—the tax laws perhaps—and how shall we as judges distinguish the one from the other?

RESORT TO LEGISLATIVE HISTORY IS OF DUBIOUS HELP

I, like other opinion writers, have resorted not infrequently to legislative history as a guide to the meaning of statutes. I am coming to think it is a badly overdone practice, of dubious help to true interpretation and one which poses serious practical problems for a large part of the legal profession. The British courts, with their long accumulation of experience, consider parliamentary proceedings too treacherous a ground for interpretation of statutes and refuse to go back of an act itself to search for unenacted meanings. They thus follow Mr. Justice Holmes' statement, made, however, before he joined the Supreme Court, that "We do not inquire what the legislature meant, we ask only what the statute means."

And, after all, should a statute mean to a court what was in the minds but not put into the words of men behind it, or should it mean what its language reasonably conveys to those who are expected to obey it?

The Constitution evidently intended Congress itself to reduce the conflicting and tentative views of its members to an agreed formula. It was expected to speak its will with considerable formality, after deliberation assured by three readings in each House. Its exact language requires executive approval, or enough support to override a veto. How far, then, should this formal text and context be qualified or amplified by expressions of one or several Congressmen in reports or debates which did not find place in the enactment itself?

There is a tendency to decrease the measure of the ambiguity which originally justified resort to legislative history. But even if the ambiguity is genuine and substantial, do we find more solid ground by going back of it? It is a poor cause that cannot find some plausible support in legislative history, which often includes tentative rather than final views of legislators or leaves misinterpretation unanswered lest more definite statements imperil the chance of passage.

A FORMAL STATUTE NO LONGER A SAFE GUIDE FOR LAWYER'S ADVICE

The custom of remaking statutes to fit their histories has gone so far that a formal act, read three times and voted on by Congress and approved by the President, is no longer a safe basis on which a lawyer may advise his client, or a lower court decide a case. This has very practical consequences to the profession. The lawyer must consult all of the committee reports on the bill, and on all its antecedents, and all that its supporters and opponents said in debate, and then predict what part of the conflicting views will likely appeal to a majority of the court. Only the lawyers of the capital or the most prosperous offices in the large cities can have all the necessary legislative material available. The average law office cannot afford to collect, house, and index all this material. Its use by the court puts knowledge of the law practically out of reach of all except the Government and a few law offices.

POLICY CONTROVERSIES WHICH GENERATED THE ACT ARE BROUGHT INTO THE COURT

But perhaps the most unfortunate consequence of resort to legislative history is that it introduces the policy controversies that generated the act into the deliberations of the court itself.

There is no greater aid to law enforcement, and to the judicial process generally, than clear understanding of what the law requires. This, no doubt, is what led Mr. Justice Cardozo to describe your restatement project as a "high enterprise." Confusion or conflict in comprehending the meaning of the law, while sometimes inevitable, should be reduced by every possible device. When Congress has in mind one thing, and its enactments are given different meanings in the courts, it results in repealers and amendments, sometimes retroactive and in confusion, litigation and controversies that weaken and discredit not only the judicial process but the law in general, and government itself.

Yet, as matters stand today, I do not see how Congress can know, even roughly, the effect that will ultimately be given to any language it may use. And I do not see how the bar can, with any large measure of confidence, advise clients in complicated business transactions what their liabilities or duties are.

STATEMENT OF BASIC PRINCIPLES OF STATUTORY CONSTRUCTION NEEDED

Though it would not dispel all the doubts which are inherent in the situation, it would help give objectivity to the process of interpretation and assurance to drafting of statutes, if we could have general acceptance by the bench as well as the bar of a few basic principles of statutory construction. Perhaps the Institute could devise a disinterested restatement that would commend itself as an acceptable standard for enactment by Congress, or for application by the courts.

Perhaps the situation requires an approach such as was adopted in devising the Federal rules. Do not misunderstand me—I am not now naive enough to think that if any such course were agreed upon nothing would be left to what Mr. Justice Cardozo called those "tentative gropings, those cautious experiments, those provisional hypotheses, that are part of the judicial process." I know that such full agreement is beyond the power of even this distinguished group of lawyers. And I suspect that, even if that millennium

did arrive, we judges would perhaps slowly, but ever so surely, demonstrate that either because of its legislative history or despite it, "millennium" in fact, or in judicial contemplation at least, means much less than a thousand years.

Nevertheless, the problem confronts judges, and particularly Federal judges, every day; and it is worthy of any effort you might deem proper to make its eventual solution more likely and more immediate.

But I must not further offend against your president's injunction against an elaborate speech.

It is a fine thing that we have these meetings of our profession. Here we can haul each other over the coals and focus attention on trends of ill omen for the profession. And not least important is the fact that we can liquidate our conflicts and worries in social sessions. There, in those more mellow moments, we may continue discussion of this, or of less baffling subjects.

Anti-Inflation Program

EXTENSION OF REMARKS
OF
HON. CHARLES W. TOBEY
OF NEW HAMPSHIRE
IN THE SENATE OF THE UNITED STATES
Saturday, August 7 (legislative day of Thursday, August 5), 1948

Mr. TOBEY. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a recent press release expressing my views upon the bare minimum means which should be taken by Congress at this time to curb inflation.

There being no objection, the press release was ordered to be printed in the RECORD, as follows:

At the conclusion of the current hearings of the Senate Committee on Banking and Currency on anti-inflation proposals of the President, I want to take this opportunity to express my individual views on the serious problem we face.

As I have repeatedly stated since the President called Congress into special session to consider the heart-rending spectacle of rapidly soaring prices which directly affect every American, I have tried to consider every proposal in a nonpartisan manner. I started with no preconceived ideas; I end with no hard and fast conclusions. Rather have I listened with great attention to the fine presentation of facts and figures which the best minds in the country have given us in the limited time available.

Although I am unalterably opposed to price controls and rationing in a peacetime competitive economy, I am reluctantly of the opinion that the Republican Party should enact titles III and IV of the administration bill in the absence of an alternative plan. I trust that the President is aware of the tremendous import of these provisions and would fairly and vigorously use them. I, too, well remember, however, that he is the same President who, by his contradictory tactics, was responsible for the too rapid release of vital controls at the end of the war.

Addressing myself to the price-wage controls provision, I must state that I am not in any way convinced that it is workable. Particularly an illusion is the so-called wage-control section; with wages a major factor in the determination of prices, effective wage controls should be imposed, with a workable procedure for adjustments, particularly for those workers who are not adequately represented by strong collective-bargaining units. As to the remainder of the provisions in title III, I emphatically state that price controls cannot be conceived as a panacea. However, the President should be given stand-by authority as he has requested, the use of that authority being contingent upon definite findings of fact and adequate standards. Then the President stands completely responsible before the people, since he insists that this is the positive answer. Although I am not convinced, I state again that no alternative plan has been offered and I cannot with good conscience cry "politics" and go home.

The priorities and allocations provisions in title IV are perhaps more reasonable and equitable for fair distribution to the people of the country of vital products in short supply. Meat and steel are two such products which come quickly to mind. Although I once again cannot accept this provision unqualifiedly, I feel that the power should be given to the President on an emergency basis.

As a long-range proposition for the economic stability of the country, I am in favor of the raising of bank-reserve requirements as outlined by the Federal Reserve Board. However, nonmember banks must be included, in my opinion. Consumer-credit controls are also desirable for the present, as I have repeatedly stated. I must reiterate that this proposed legislation in the credit field, if enacted alone, will not, in my judgment, bring down prices in the short run. The American consumer must not in any way be hoodwinked into believing that it will.

In summary then, I do not wish to be a stumbling block in the face of reasonable evidence presented by competent men. The homes of the country are tragically burdened by excessively high living costs. Something constructive should be done.

Gold Reserves

EXTENSION OF REMARKS
OF
HON. FRANK BUCHANAN
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

Mr. BUCHANAN. Mr. Speaker, in answer to the statement of Mr. WOLCOTT, chairman of the House Banking and Currency Committee, which appears on page 9888, of the RECORD of August 5, and which reads as follows:

I would not discuss this at length were it not for the statements made by the gentleman from Texas [Mr. PATMAN], the gentleman from Oklahoma [Mr. MONRONEY], the gentleman from New York [Mr. MULTER], and the gentleman from Pennsylvania [Mr. BUCHANAN], which might indicate that the action taken by the Committee on Banking and Currency of the House and the action which we hope will be taken by the House today, will have a disastrous effect upon Government bonds.

I, offer for the RECORD the statement before the House Banking and Currency Committee on Tuesday, August 3, 1948, pages 465 to 475 of the committee hearings of the Honorable Marriner Eccles, vice chairman of the Board of Governors of the Federal Reserve System.

GOLD RESERVES

Mr. TALLE. But the change was made from 40 percent and 35 percent to an even 25 percent for both, in June of 1945. Would it not be desirable to move back to the larger percentages, under present conditions?

Mr. ECCLES. I do not think that would be desirable. I think it would do no immediate good and may well give the public a feeling that it was an anti-inflation action that was not effective and it would not do any good for the present.

At the present time the reserve requirements, if they were increased—the gold reserve requirements—if they were increased to 25 and 40, respectively, on currency and bank deposits with the Federal Reserve banks, it would require $16,069,000,000. The excess of gold now held by all of the banks of the Federal Reserve System is $5,717,000,000. But, as a practical matter, the excess amount is $4,642,000,000, because in practice we have found that you cannot get closer to 3 percent of the limit, within the limit. There is an operating ratio. So that I would say that if we increased the reserve requirements to 35 percent and 40 percent, you would have $4,600,000,000 of excess reserves. Therefore, there would be no pressure whatsoever upon the ability of the Reserve banks to expand currency to meet the public demand for currency, or to purchase Government securities in the market, or to make loans to member banks in order to provide reserves.

If the excess amount that I have mentioned disappeared, as it was used up, through an expansion of currency, or if inflation continued, or through an expansion of the purchase of Governments (bonds) by the Federal Reserve System in the support of the (bond) market, then, you would be up against this problem: The Federal Reserve System would be entirely unable to help the Government in its refunding operations, would be entirely unable to support the Government market, and we would likewise be unable to meet the increased demand for currency from the member banks whose customers required currency, and we would have to come back to Congress, as we did before, and say to the Congress: "You must reduce the (gold) reserve requirement because if you do not reduce the (gold) reserve requirement, the responsibility for a collapse in the Government bond market that should eventuate, or our inability to supply the banks with currency, and, in turn, their inability to be able to furnish it to their customers would seriously impair the whole banking system," and I am sure that the Congress would merely reduce the requirement again. But it does not make very much sense, it seems to me, to try to control the expansion and the contraction through the medium of an indirect gold standard. That is really what we are trying to do, and when we say we want to impose that reserve requirement, there is a much more honest and a much more direct way of dealing with the problem. It would amount to this: as the excess reserve got close to the limits, the smart people, the people that understood the restrictions, would immediately say: "Well the Federal Reserve System Open Market Committee now is limited, in its purchase of Governments. They will not be able to buy more than another billion dollars or another $500,000,000. Their limit is there. Or perhaps $2,000,000,000." So the big boys, the insurance companies, and others, might say, "I think we had better sell our securities to the Federal Reserve System while we know that they are able to support the market," and you may well have enough sale of Government (bonds) that they would use the excess reserve they held rapidly, whereas others would not use it at all, but the very fact that it had a limitation, the very limitation itself, could induce a lot of selling of Government bonds, which certainly would be undesirable and unnecessary, and I see no value whatever in changing to that, except if the Congress indirectly wanted to say to the Reserve System, "You shall not support the bond market." Or if they wanted to say,

"We are going to put you in a position where you cannot support the public credit."

I say the much more honest way to do that is to say, "Do not support the 2½ percent rate," and the other way is to not vote for appropriations or for tax reductions that create budgetary deficits, but support budgetary surpluses, so that the question of the Government being able to take care of its refunding can be accomplished without any help from the Reserve System. That is really the direct way of getting at it.

This is a Mr. Spar idea. I think Mr. Burgess also makes a point of it. I disagree fully and completely with both of them, and although Allen Sproul and I disagree on some things, we agree completely and fully on this issue, and so do all of the economists of the Reserve Board and the economists of the banks and all the presidents. And the people who talk about this one are what I call a few gold-standard money cranks.

Mr. TALLE. I recall when the change was made in 1945, that it was agreed by some people that deflation was just around the corner and that lower reserves would permit a greater expansion than the higher one. Just as now some people are arguing that what we face now is an expanding inflation, and that it would be better to bring the figures back.

Mr. ECCLES. That is fine, but let us bring the public debt down. The idea is you want to go back with these figures but you do not want to go back with the public debt. The action of Congress just recently would indicate that there is no intention of reducing the public debt, and, therefore, it is no time now to change the item. When you reduce the public debt substantially, then, you can talk about changing the ratio that was reduced in order to help meet the expansion of the public debt.

There is just one other point I would like to make—and this is a practical operating point: Unfortunately, each of the Reserve banks is required to carry gold against their particular note issues—gold and Government (bonds) and against their particular issue of currency. That, in one sense, we have 12 central banks. Some day I hope that can be changed. I argued before the appropriate Committee of Congress in 1945, and this committee eliminated, as I recall, these requirements. Senator Glass, in the Senate took a good deal of pride in the bill and continued to insist upon the gold requirements. We argued that there should be the one currency, and that the currency of the various Reserve banks should be interchangeable. We showed that it would save hundreds of thousands of dollars a year in the shipment of currency. We got nowhere. But now the very fact that we have, in 12 separate compartments, currency issues, gold reserve requirements, and Government bond portfolios, means that some banks may have a deficiency in gold, where others have a large excess.

Now, as a matter of fact, if you should increase reserve requirements to the 35 percent—gold reserve requirement, that is—and the 40 percent, respectively, and we maintained a 3 percent operating margin, as of July 31, there would be four banks that would be deficient in gold reserves, even though the 12 banks had an excess of $4,600,000,000. That would make it an extremely inconvenient operating job for no useful purpose.

Mr. TALLE. Are the deficits large?

Mr. ECCLES. No; they are not large.

Mr. TALLE. I think for June they amounted to a little over $105,000,000.

Mr. ECCLES. Well, they are not large. In fact, they are comparatively small. New York, as an example, one bank, has almost half of the entire excess. I have a statement with the arguments on this issue that I would like to put in the record.

The CHAIRMAN. You may put it in the record.

Excess gold certificate reserves over requirements of 35 percent gold certificates against deposits and 40 percent against Federal Reserve notes, July 31, 1948

[In thousands of dollars]

	Total required reserves (35 and 40 percent)	Excess of gold certificate reserves
Boston	894,530	−16,063
New York	4,550,294	2,534,050
Philadelphia	997,087	75,232
Cleveland	1,362,301	152,012
Richmond	960,567	112,849
Atlanta	830,445	243,526
Chicago	2,889,077	1,521,868
St. Louis	699,706	−60,623
Minneapolis	439,810	51,992
Kansas City	708,449	154,123
Dallas	579,575	−1,472
San Francisco	1,777,952	949,514
Total	16,689,793	5,717,008

Resolutions of Reserve Officers' Association

EXTENSION OF REMARKS
OF
HON. ROBERT L. F. SIKES
OF FLORIDA
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

Mr. SIKES. Mr. Speaker, I take pleasure in submitting for the information of the Congress, the resolutions adopted by the twenty-second national convention of the Reserve Officers' Association:

RESOLUTIONS ADOPTED BY ROA'S TWENTY-SECOND NATIONAL CONVENTION

COLORADO DEPARTMENT, DENVER CHAPTER

Be it resolved, That the ROA convention assembled at Denver June 16–19, 1948, sincerely and wholeheartedly thank the Colorado department and the Denver chapter for their all-out effort in entertaining the 1948 Reserve Officers Association national convention.

ELECTED OFFICERS—NATIONAL HEADQUARTERS

Resolved by the ROA, That the delegates in attendance extend their thanks to the several elective officers of the association who have served during the past year. Their devotion to duty, their willingness to give time and energy to the affairs of the association and to the cause of national security is appreciated;

Further resolved, That the association congratulates and commends the present leadership of national headquarters for their accomplishments in the advancement of the Reserve program and the affairs of the association.

Further resolved, That the association extends its thanks and good wishes to the staff of national headquarters for their loyalty, sustained interest, and cooperative spirit as manifested in their work and in their voluntary willingness to accept readjustments in salary so that the expenses of the association could be kept within the anticipated income.

ARMED SERVICES COMMITTEES

The ROA extends to the members of the Armed Services Committees of the Senate and House of Representatives of the Congress of the United States our deepest appreciation for their intelligent and untiring efforts in furtherance of national defense during the current session of the Congress. A copy of this resolution shall be sent to each member of said committees by the national headquarters.

COMMENDATION, H. R. 2744

Whereas the bill designated in the House as H. R. 2744 has passed both the House of Representatives and the Senate including title III amended which provides for retirement pay for civilian components:

Be it resolved, That the ROA extend its appreciation and congratulations to the Departments of the Army, Navy, and Air Force for cooperation and assistance in preparing and presenting this valuable legislation as an incentive for long-term and efficient service in the civilian components.

Also that copies of this resolution be furnished to the secretaries of each of the three departments.

RESERVE UNITS

Resolved, That the ROA call upon the Department of Defense for a directive requiring the immediate organization of reserve units in every community in the country to which there would be assigned all of the available reserve officers and men who live in the communities so organized.

THE NEBLETT PLAN

Resolved, That this convention commend Col. William H. Neblett for his leadership during the past year. His initiative in proposing new plans for the National Security has excited the enthusiasm of our membership, and it is believed that the plans should be given detailed and careful study. It is therefore further resolved, that the plan so presented in the address of Colonel Neblett to the convention be referred to the National Executive Committee, and National Council for study, and any action which they deem advisable, including submission to the armed forces committees of the Congress and the Department of Defense.

NATIONAL DEFENSE ACT

Whereas the draft of a new National Defense Act has been proposed by the Department of Connecticut: Be it

Resolved, That the ROA submit this draft to the executive committee of the Reserve Officers Association of the United States for careful study in conjunction with the plan of the National President ROA for a single unified citizen military force.

RESERVE PROGRAM

Be it resolved, That the complete implementation of the Reserve program be predicated on present conditions without reference to and unaffected by pending legislation for UMT, or the status of the National Guard program.

PAY READJUSTMENT ACT

Be it resolved by the ROA, That a pay readjustment act for officers of the services be adopted by the Congress of the United States at the earliest possible date.

NAVAL RESERVE ACT

Resolved by the ROA, That this organization indorses the Naval Reserve Act of 1948, popularly known as the Roper Report, and recommends its enactment by the Congress as the basic law governing the Naval and Marine Corps Reserve.

ENLISTED RESERVE ASSOCIATION

Resolved, That the ROA sponsor, assist, encourage, and in every practicable way promote the growth and expansion of the Enlisted Reserve Association and that close liaison between the two organizations be maintained through the three national junior vice presidents of the Reserve Officers Asscciation.

UNIVERSAL MILITARY TRAINING

Whereas the national defense is primarily dependent upon the civilian components of the armed services, including the National Guard, the Organized Reserves, the Air, Navy, and Marine Reserves; and

Whereas voluntary recruiting cannot provide the manpower for the civilian components; and

Whereas temporary selective service is an emergency measure only and does not provide a long-term flow of soldiers, sailors, and airmen for the civilian components, and

Whereas universal military training is the best means by which these components can obtain the necessary manpower to be prepared for any national emergency: Therefore, be it

Resolved by the ROA, That the Congress should immediately enact a universal military training bill.

ROA RESOLUTIONS

Resolved, That the executive director compile in booklet form, for appropriate distribution the important resolutions of the twentieth, twenty-first, and twenty-second conventions, which constitute the announced policy and program of this association, to the end that the members, and the friends of the association may have this material for study and use.

IDENTIFICATION CARDS

Be it resolved, That the ROA national headquarters arrange with the Department of the Army and Department of the Air Force for immediate issuance of proper identification cards for the use of Reserve officers.

COMPOSITE GROUPS

Be it resolved by the ROA, Having learned from the address of the Chief of Staff, June 18, 1948, that composite groups are to be eliminated, desires to express its approval of this action.

Whereas the Department of the Army and Department of Air have not completed an adequate peacetime Reserve program; and

Whereas during this period of reorganization many officers of superior military knowledge and ability are becoming overage in grade; and

Whereas in the interest of national defense it is vitally necessary to keep these officers in a branch of the service in which they have wartime experience to stimulate and maintain the interest of all Reserve officers: Now, be it

Resolved, That the ROA go on record as urging the Department of the Army and the Department of the Air to institute without delay regulations necessary whereby a board of officers be appointed in each locality, this board to have authority to review the records of such officers and recommend justified promotions.

RESERVE TRAINING

Be it resolved by the ROA, That existing armories, airfields, and other facilities of the armed forces should be made available for Reserve training by all branches of the armed services, regardless of the component or service to which such facility is allocated.

APPRECIATION OF MISSION

Be it resolved, That the ROA support inclusion in the training curriculum of all Reserve forces of discussion and lectures presenting an appreciation of the mission of each of the three services and opportunities for joint training wherever possible.

UNIFORM ALLOWANCE

Be it resolved, That the ROA support legislation authorizing continued payment of initial uniform allowance for newly commissioned officers and a periodic uniform maintenance allowance for Army and Air Force Reserve officers similar to that now paid by the Navy.

RESERVE PROMOTION POLICY

Whereas the interim promotion policy for Reserve Officers is vague, ineffective and applies only to those officers fortunate enough to be assigned to a TO/E organization; and

Whereas this results in a discrimination against those officers of superior military knowledge and ability who, because of the limited number of TO/E units in each locality, are assigned to composite groups; and

Whereas these officers are expected to attend periods of instructions, complete a minimum number of service correspondence school courses, display great interest in Reserve affairs, serve on active duty and give of their time in an amount greatly in excess of the moneys that will be received under the recently enacted inactive duty training pay law; and

Whereas such lack of uniformity is detrimental to the national defense; and

Whereas promotion in grade is the greatest reward that can be bestowed upon those officers who so willingly give of their services and time in the interest of national defense: Now, therefore, be it

Resolved, That the ROA go on record as urging the Department of the Army and the Department of the Air Force to institute without further delay such regulations as are necessary to formulate a definite Reserve promotion policy. This policy to include the minimum requirements of military efficiency, ability, amount of active duty time, number of correspondence school courses successfully completed, time in grade or age at which promotion will be automatic, provided efficiency and other requirements are met. This regulation is designed to place the civilian components of the Department of the Army and the Department of Air Force in parity with the Regular Establishments.

MILITARY LEAVE

Whereas it is essential for national security that all members of the civilian components in the employ of States, and other political subdivisions as well as private business being encouraged to remain active in the services; and

Whereas to assist in their training it is desirable that members of the civilian components be given appropriate military leave in addition to some vacation time with pay; and

Whereas there are enlisted men of the armed forces who are also Reserve officers, who do not receive military leave for active duty training as officers: *Be it resolved,* That the appropriate action be taken and heartily endorsed by the ROA to institute an educational campaign to further this program.

EQUALIZATION OF BENEFITS

Be it resolved by the ROA, That the Congress of the United States be requested to grant the same protection and benefits to military personnel who suffer disability for those ordered to active duty for less than 30 days as is now granted to those ordered to duty for more than 30 days.

(NOTE.—Legislation such as proposed H. R. 1058 and S. 335 (80th Cong.) which would amend the act of June 15, 1936, that supplement par. 10 of AR 35-3420 dated February 1946, would correct this inequality.)

DISTRIBUTION OF FUNDS

Be it resolved by the ROA, That the Secretary of Defense be urged to undertake prompt action within the armed forces to bring about an allocation and distribution of accumulated funds which comprise the undistributed profits from the operation of now inactive officers' clubs and from the operation of post exchanges during World War II; be it further

Resolved, That these funds be used to provide housing facilities and equipment to be used for recreational and instructional purposes and for training functions on a subsequent self-sustaining basis for Reserve officers.

SPACE—FACILITIES

Whereas many organized Reserve units, especially of the Army and Air Force, lack armories, administrative headquarters, and other facilities: Be it

Resolved by ROA, That it is recommended that immediate action be taken by the Department of Defense to prevent sale or other disposal of armed services installations until the needs of Reserve units have been fully met; and be it further

Resolved, That district engineers and other authorities responsible for leasing of space for Reserve units give higher priority to this activity to eliminate delays that have prevailed to give Reserve units the facilities they need for adequate training.

SUPPLIES—EQUIPMENT

Be it resolved by ROA, That higher priorities for supplies and equipment for Reserve units be redefined and a more equitable distribution of equipment to these units be effected without delay.

DEPARTMENT OF DEFENSE

Be it resolved by ROA, To recommend to the Congress that assistant secretaries for civilian components be appointed in the Departments of Army, Navy, and Air Force; and be it further

Resolved, That the officer of the executive for Reserve and Reserve Officers Training Corps affairs in the Department of the Army and in the Department of the Air Force be directly subordinate to the Chief of Staff; and be it further

Resolved, That an Organized Reserve Bureau be established in the Department of the Army and in the Department of the Air Force.

OVERSEAS TRAINING

Whereas there has been called to the attention of the ROA the apparent need for the establishment of a training program and an office in Europe for Reserve officers affairs,

Be it resolved by the ROA, That we refer the implementation of a training program and the establishment of such an office for Reserve officer affairs to the executive committee of the ROA and the executive of Reserve affairs of the Armed Services, for their careful thought, study, and consideration.

ALIEN VETERANS

Resolved by the ROA, That we approve the passage by Congress of H. R. 5780, permitting honorably discharged alien veterans to enter and remain in the United States on the principle that a man who fights for the United States is good enough to live in the United States.

MILITARY JUSTICE

Resolved by the ROA, That we approve the principles of the bill, H. R. 2575, pertaining to military justice recently passed by the House of Representatives, and now pending in the Senate, our approval including but not limited to that portion of the bill providing for an independent Judge Advocates Corps, as defined and considered in the House Report No. 1034 accompanying H. R. 2575, and we urge the Senate to pass this bill. (Note: This bill was approved by Congress during the convention.)

COMMUNISM

Whereas the creeping paralysis of communism has caused the subjugation of more than 100,000,000 peoples in Europe and some 200,000,000 peoples in Asia alone since VE-day; and

Whereas the current fifth column in America is estimated to be composed of 6,000,000 members of Communist and Communist-front organizations seeking by subversive and other treasonable means to soften up this Nation: Now, therefore, be it

Resolved, That the ROA encourages its departments and chapters to engage upon those educational and other constructive measures which will both expose and reduce this vicious threat to national security and world peace.

TRAINING PAY

Whereas the inactive duty training pay law for the Army and Air Reserves has been passed by Congress; and

Whereas there has been no appropriation of funds by the Congress for the implementation of this law; and

Whereas, the National Guard and Navy Reserves are now receiving inactive duty training pay; be it

Resolved by ROA, That the Congress be requested to appropriate without delay the necessary funds to put the inactive duty training pay law for the Army and Air Reserves into effect.

AIR FORCE TRAINING

Whereas many Air Reserve pilots in outlying areas are being dropped because of noncompliance with reserve training requirements; and

Whereas there is furnished only sufficient training personnel and training equipment to adequately serve the large areas: Be it

Resolved, That the ROA go on record as urging the Air Force to decentralize and make available without delay sufficient air instruction personnel and sufficient equipment so that officers in outlying areas may retain their flying status more readily and more conveniently.

Britain Spends Your Money

EXTENSION OF REMARKS

OF

HON. LEON H. GAVIN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. GAVIN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Bristol (Pa.) Courier of August 4, 1948:

BRITAIN SPENDS YOUR MONEY

On June 19 Congress got together on the Marshall plan and agreed to turn over to President Truman $6,030,710,228 of your money for him to give away in Europe—our first installment of the European recovery program expected to total twenty billions in 4 years.

A few days later, the Socialist government in Great Britain made an announcement which, on the face of it, seemed to have no connection with the action of Congress. The labor government put its "cradle-to-grave" social-security system into operation, effective July 5.

This new social-security program for Great Britain commits the government to do the following:

Pay all doctors' bills for all the British people; give them free hospital, surgical, and specialist treatment; provide all medicines free; supply free eyeglasses, hearing aids, artificial limbs and other such appliances; give free dental care, along with free false teeth; give sick benefits to all, at the rate of $5.20 a week for single men, $9.90 to married couples with one child, and so forth; maternity allowances of $109.60 to working mothers and $32 for unemployed mothers for each baby; a $1-a-week allowance for all children, regardless of father's status; industrial injury benefits starting at $11 a week for 26 weeks for single persons, more for married; old-age pensions of $5.20; death grants of $80 for funeral expenses; and special payments for widows and orphans.

Obviously, this is going to cost the British Government a great deal of money. How much, no one can say. The program is so garbled with insurance terms that the estimates don't make sense.

Besides, the actual dollars-and-cents cost of the program will be but a drop in the bucket to the devastating damage which such a collectivist program will do to the spirit of self-reliance, integrity and enterprise which led the British people, in an earlier generation, to dominate the world.

The really interesting question about the cost, however, is this: "Where does the British Government expect to get the money?"

The government itself is, by any economic yardstick, "busted." No one will lend it any more money—it hasn't been trying to pay its debts since the First World War. Its own finances are too tangled to be workable. Even with its ventures in nationalizing industries, in which it swaps printing-press bonds for valuable properties such as banks, mines, railroads, and so forth, it still has no surplus with which to pay for these new gifts to its people.

Government budgets have been operating at a deficit since the war, so far as domestic taxes versus expenses are concerned.

So, where is the money coming from?

The answer is easy—painfully easy.

The British Government expects the American people to foot the bill. They expect you to dig down in your jeans, or into the sugar bowl in the kitchen, for extra hidden taxes on everything you buy. You are helping foot the bill for the liberality of the British Socialists every time your tax deduction is made out of your wages by your boss. You will foot some more of the bill when you settle up your income taxes next January.

That's the reason why the British Socialists didn't dare announce an effective date for their program until they were certain that the Marshall plan would get by Congress in a sufficient size to pay for their social-security scheme.

Original estimates were that the British Government would get about one-third of the 4-year Marshall plan. Thus far, in the first-year $6,000,000,000 appropriation, the allotments to various countries have been piecemeal, so that the exact share for Britain isn't clear. But she's right up at the top. Last figures were that she and France were running neck and neck for first place.

The facts speak for themselves. All the denials in the world won't change them.

You, as an American citizen and taxpayer, are being forced to pay over part of your money to help the tottering Socialist regime in England try to buy its way back into the confidence and support of the British electorate.

Do you feel that you owe Great Britain anything after canceling $20,000,000,000 of loans to her after the First World War, after giving her much more than that in lend-lease, after helping rescue her from defeat by the Germans and the Japs, and after giving her $4,000,000,000 only 2 years ago?

Nobody has got around to asking how you feel about having your money grabbed by your Government and given over to the British, to finance their schemes in socialism. As a matter of fact, there seems to be a sort of conspiracy of silence in this country to try to keep the American people from realizing that this is the biggest single purpose of the Marshall plan. But that's a fact. England, who ought by now to be getting back on her own feet, is receiving far more of the ERP allocations than is Germany, which is prostrate; or than Italy, which is struggling desperately; or than any of the war-devastated nations shown so often in the newsreels.

Probably the reason why it was decided long ago to soft-pedal the fact that the lion's share of the Marshall plan goes to England has to do with the unhappy results of the British loan we made back in 1946. That scheme didn't work so well; it left a bad taste.

We gave England $4,000,000,000 as a 50-year loan. It was supposed to last her 5 years, and she spent it in 18 months. No one seriously thinks today she will ever repay it. Another proposed "loan" of that nature would be laughed out of Congress.

What did the British Socialists do with that money? They used it first to help nationalize industry—not directly, but by freeing other funds for that purpose. They used it second to cut their own taxes. Their first budget under our $4,000,000,000 loan, as a result, was $3,000,000,000 in the red. On the floor of Parliament it was said that the American purchases under the loan were largely for movies and tobacco.

This first loan was a terrible mistake—not so much from our point of view, for after all we could afford to lose the money if we had to—but from the point of view of the British people. Why? Because it made them think that socialism was working out—that there was actually something in the screw-ball ideas invented long ago by Karl Marx and others.

As noted above, the British Socialist Government squandered the money—your money—in 18 months. Then it woke up in a jam. Once more it was broke. Meanwhile, it had made a mess of everything it touched in Great Britain. Its grip on the British people was slipping. Something new and dramatic was needed to reestablish public support. Hence the need to put the Beveridge "cradle-to-grave" scheme into operation.

Their friends in the Truman administration didn't dare ask Congress for a new British loan, after what had happened to the first one. Therefore the new loan was wrapped up and hidden in the Marshall plan, which was sold to the American people as a program of keeping babies from starving in the bombed areas of Germany, Italy, and other war-devastated nations.

But you are paying the bills. You are paying for extravagant social benefits, some of them completely silly, for people whom you never met in England—and people who haven't done much for you, recently, except take your money with a good deal of grumbling about it.

You are helping to subsidize a form of government in Great Britain which you wouldn't tolerate in your own country—a form which would have collapsed before this, if you hadn't been paying its bills; a form, incidentally, which is far closer to that now used in Russia than anything else on earth.

And your money is being used for the political purpose of trying to fool the British voters into thinking that their form of socialism is workable, practical, and already becoming so wealthy that it can pay their personal expenses for them.

How do you like it?

Hierarchy of "Musts"

EXTENSION OF REMARKS

OF

HON. HELEN GAHAGAN DOUGLAS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mrs. DOUGLAS. Mr. Speaker, under permission to extend my remarks in the RECORD, I wish to include the following very fine editorial, printed in the Los Angeles Daily News on Thursday, July 29, 1948:

HIERARCHY OF MUSTS

Americans have learned to be tolerant of a certain amount of nonsense and hokum in political campaigns. They even wink at a measure of plain lying if it is wrapped in attractive propaganda. This attitude will be continued to some extent in the coming campaign.

There are certain things the voters should know, however, so that whatever tolerance they care to manifest for buncombe may be moderated more closely in accord with the facts of life.

America is confronted with a series of threats that stand as challenges to our sound judgment. They are challenges that may be met only partially on a partisan or even on a political basis. They can't be ignored and they can't be dodged without considerable danger to our economy.

This is no new crossroads or new crisis. It is simply a case of a stepped-up tempo in some old ones that we have sought to exorcise by words, by wishful thinking, or by pretending they weren't really there.

The first challenge to our sense and our well-being is the threat of war. Without in any way proposing that we appease or mollify the men in the Kremlin, who neither give nor ask quarter, it can be said in all candor that a war waged for anythig short of survival would be disastrous.

That would not be because we have any reason to fear defeat. If those with low I. Q.'s need reassurance on that score let it be said here and now that America can lick Russia thoroughly. But, suppose we licked Russia? What have we won? Who wins an earthquake? Would a defeat of the Soviet Union, no matter how thorough and lasting, solve the problems confronting the United States? Would we be any happier? Would our honor be more secure?

Would a million dead men and two million crippled men, most of them extremely young, bring us anything approaching Utopia? Would ruined and leveled cities do it? Would Nation-wide impoverishment do it?

This is not and is not intended to be an argument against defense or any kind of intelligent preparedness. It is an argument against the madness called war which is opposed more ardently by the rank and file who have been through it than by anyone else. It is intended to suggest that the No. 1 question facing us is whether we can devise by legislative or other means some way to keep the small cliques in power in front of and behind the iron curtain from plunging us into something that would devastate most of the civilized world.

Next on the priority list for America to ponder and act on without delay is inflation. If we permit the cost of living to run away from normal controls—and Congress seems to have done something like that—it will spell poverty for millions. It will spell unemployment. It will spell an unrest that will drive vast masses of the population toward any "ism" or blatant leader that can promise relief. It will wind up in a depression that will be deeper, wider, and more terrible than any we have known.

That's not scare talk. That's the kind of things they are saying to each other in Wall Street. Organs of financial interests are saying it in print. Financial editors are predicting that the Republicans will be elected and that the next President will have prosperity blow up right in his face. We are not anti-Republican enough to want that to happen just to prove we should not have a Republican President.

We must find a way to control inflation, to prevent more of it, and to turn the spiral of prices, whether for commodities, services, or labor, back to a level nearer the norm on the basis of past experience and in the light of the general well-being.

The third item on the list of "musts" is housing. Because they do not see the need for more homes too many persons who are well housed do not realize its existence. They go so far as to deny it. The real situation is not pretty. Briefly it is this: In every large city in the East and Middle West shacktowns and trailer camps have sprung up. They are visible from trains and busses and local authorities do not know what to do about them.

These shacktowns and camps are not just something that a few million dollars could correct in a few weeks. They call for large scale outlay. They call for planning. They call for many social adjustments. Leaving rents virtually uncontrolled and leaving housing entirely to private industry have not brought the results the leaders of free enterprise promised. We wish they had. We still believe in free enterprise. But free enterprise must be pushed a little—not pushed around but straight ahead. It must be helped.

An America of shacktowns means disease. It means crime. It means deteriorating morals. It means lower real-estate values.

The President has called the Congress into special session to wrestle with these challenges and others. Congress calls it a political trick. If Congress really wishes for a political triumph let it act on them, and do something about them and the people will make a decision about who deserves the credit. They will put it about where it belongs.

The time has come for us to act democracy as well as talk it.

Changes in the Republican Platform Forecast the Inability of Governor Dewey To Lead the Republican Congress

EXTENSION OF REMARKS
OF
HON. JOHN E. FOGARTY
OF RHODE ISLAND
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

Mr. FOGARTY. Mr. Speaker, the titular head of the Republican Party by reason of his defeat for the Presidency in 1944 and his nomination for another try in 1948 has been conspicuous by his silence at this special session of Congress. Although he has sent emissaries to Washington to remind the Republican Members of Congress to mind their manners and to listen respectfully to President Truman's program to combat high prices and the housing shortage, Governor Dewey has remained silent on these critical problems. He has promised to cover inflation in his campaign speeches, but by his silence he has admitted his inability to persuade the Republican leaders of the Eightieth Congress to take any effective action to help the people.

Perhaps Governor Dewey is justified in maintaining his silence. The open rebuff at the hands of the Republican leaders of his efforts to amend the discriminatory Displaced Persons Act may be proof that Dewey could never be more than a figurehead in the Republican Party. There is other evidence that this is so.

At Philadelphia a subcommittee was put in charge of preparing a tentative draft of the 1948 Republican platform. This tentative draft contained many fine promises—most of them utterly inconsistent with the reactionary record of the Republican Eightieth Congress. When this draft was finally adopted by the Republican Convention, however, many of its most significant provisions had been mangled beyond recognition. The hand of old high-tariff Joe Grundy was omnipresent. Indeed, it was accurately observed that the old obstructionist 1940 firm of Martin, Barton and Fish had been reorganized with Grundy as the senior member. The 1948 stationery now reads Grundy, Martin, Dewey and Pew. Mr. Speaker, I made a comparison of the tentative draft of the Republican platform with the final draft, and the changes indicate pretty well that the special interests continue to control the Republican Party today just as they have always done in the past. These changes in the Republican platform forecast the inability of Governor Dewey or anyone else to lead the Republican Party or the Republican Congress to higher ground.

Mr. Speaker, some of the principal changes to which I refer include the following:

First. Atomic energy: The Republican Party had the first opportunity to prepare a platform of governmental principles since the arrival of the atomic age.

In accord with the practice of the Eightieth Congress in making a football out of atomic energy—first in respect of the nomination of David Lilienthal, and, second, in the juggling of the terms of the members of the Atomic Energy Commission—the Resolutions Committee struck out of the subcommittee draft the single, solitary reference to atomic energy. There is no promise of continued civilian control and development to the public benefit. The Republican Party clearly demonstrates that it is still living in the prehistoric day of the dinosaurs.

Second. Public power: The Resolutions Committee struck out the pledge of the subcommittee to make adequate appropriations for the progressive development of the Nation's water power resources. The sell-out to the private utilities is completely consistent with the record of the Eightieth Congress in cutting appropriations for the development and distribution of public power for the benefit of all the people.

Third. Taberism: The subcommittee draft made the following statement about the attempted scuttling of the Marshall plan by the House Committee on Appropriations: "We will implement with appropriations any commitment made by legislative enactment." The isolationists of the Republican Party had their day in the Resolutions Committee, which struck out this commitment. This constitutes an admission that, once the campaign is over, Mr. TABER again will be the real power in formulating Republican foreign policy.

Fourth. Reciprocal-trade agreements: The subcommittee draft contained two specific statements in support of reciprocal-trade agreements. In the Resolutions Committee, however, the Smoot-Hawley high-tariff influence of Pennsylvania's boss, Joe Grundy, prevailed, and the final draft of the GOP platform supports only a system of reciprocal trade without commitment to the Hull program of reciprocal-trade agreements. This is the traditional Republican addiction to protectionism at the expense of stagnation of our trade and commerce, incorporated in the Gearhart bill on reciprocal trade as passed by the House, which Secretary Marshall found so objectionable that he advised Congress,

"Under the circumstances I think our national interests would be better served to permit the Trade Agreements Act to expire than for H. R. 6556 to be enacted." Fortunately, some of the worst provisions were taken out in the Senate, but the bill finally sent by Congress was signed by the President with a statement of regret over the failure to renew the Reciprocal Trade Agreements Act for the customary 3-year period and the new, complicated, time-consuming and unnecessary procedure for the negotiation of reciprocal-trade agreements. So, we can only hope, with justifiable apprehension, that the Dewey deal with Grundy and Martin for the timely switch of the Pennsylvania delegation to the Dewey bandwagon does not ring the death knell for reciprocal-trade agreements.

Fifth. Taxes: The subcommittee draft suggested that in reducing taxes one of the considerations should be to relieve persons of limited income who suffer from inflation. The Resolutions Committee and the convention rejected any such suggestion of concern for low-come taxpayers. In view of the Knutson rich-relief income tax reduction bill, it would have been mockery to do anything else. The full committee, moreover, added a suggestion of repeal of the Federal estate and gift taxes, which have already been reduced by 30 percent by a technical section tucked away in the so-called income-tax bill.

Sixth. Social security: In 1944 the Republican Party pledged to abandon its opposition to social security and advocated "extension of existing old-age insurance and unemployment insurance systems to all employees not already covered." The 1948 drafting subcommittee, apparently aware of the record of the Eightieth Congress in depriving nearly 1,000,000 workers and their families of social-security protection, over the veto of President Truman, limited the 1948 pledge to extension of old-age insurance "to cover all employed persons." Even this was more than the resolutions committee could accept, and the commitment to extend coverage to all employed persons was deleted.

Seventh. Federal aid to education: Federal aid to the States on a "just basis to increase educational opportunities without Federal control" came to the same end in the resolutions committee and in the Republican convention as did Senator TAFT'S bill for Federal aid to education in the Eightieth Congress. The tentative plank was abandoned.

Eighth. Tidelands: Although not in the subcommittee draft, the resolutions committee made an express concession to the most powerful lobby to appear on the Washington scene in recent years. The abandonment of the interest of all the people in the mineral resources beyond our coast line to special interests in general—and the oil companies in particular—which admittedly failed in the Eightieth Congress because of the threat of veto by President Truman, has now been solemnly promised by the Republican national convention.

While GOP disregard for the everyday problems of the average American family is reaffirmed in the failure to outline a practicable program against the high cost of living, or to do anything about housing, these little-noticed changes in the tentative platform prepared by the drafting subcommittee stress that the Old Guard of the Republican Congress still are in control on anything that really counts. There are a couple of new faces on the billboards, but the men who put them up are the same disciples of reaction.

The candidates, regardless of their personal view, are wed by the shackles of the Republican platform, which is, and must be, the record of the Eightieth Congress. Governor Dewey has described it as a "magnificent statement of principles. You unanimously adopted it. I proudly support it." In his acceptance speech Governor Warren finally broke down and said something nice about the Republican Congress—something that he had conspicuously omitted throughout his campaign for first place on the ticket.

The issues are clear. The American people will not reject the progressive leadership of President Truman for a couple of candidates who apparently can do nothing more than mimic the reactionary record of the Eightieth Congress.

The Canadian Experience Is the Best Proof of the Effectiveness of the President's Proposal To Impose Selective Price Controls on Scarce Commodities

EXTENSION OF REMARKS

OF

HON. FRANK M. KARSTEN

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. KARSTEN of Missouri. Mr. Speaker, President Truman's program for selective price controls has been challenged by the Republicans. In my opinion the Canadian experience is the best answer to this opposition.

The Republicans charge the President's proposal to impose selective price controls on scarce commodities is ineffective. Price controls must be imposed either on all commodities or on none at all.

The very opposite is true. The present situation is totally different from the situation which we had during the war. During the war, we had a terrific discrepancy between purchasing power and civilian supplies and consequently we needed all our controls. Today, production has caught up with demand in many areas and those areas do not require controls. However, in other fields scarcities are still acute, and in those fields we need controls.

That selective price controls can be highly effective is demonstrated by the experience of our neighbor, Canada. Canada has continued the system of selective price controls, and, as a result, Canada's cost of living increased by only 52 percent over that of 1935–39, while the American cost of living has increased 72 percent. Canadian food prices have increased 78 percent while American food prices have increased 114 percent. For every dollar an American spends today for food, clothing or rent, a Canadian has to spend only 75 cents.

On the same day in June 1948, Canadians paid 53 cents for sirloin steak and Americans had to pay 85 cents; Canadians paid 69 cents for butter, Americans paid 90 cents; Canadians paid 29 cents for hamburger, Americans paid 55 cents.

The Increase in Gold Reserve Requirements of the Federal Reserve Bank, as Passed by the House, Might Be Disastrous

EXTENSION OF REMARKS

OF

HON. MELVIN PRICE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. PRICE of Illinois. Mr. Speaker, the limited bill passed by the House for the restriction of bank credit is both an ineffective and dangerous anti-inflation measure to the economy as a whole.

The President's proposal to increase reserve requirements of member banks of the Federal Reserve System by itself and alone would not be sufficient to curb inflation. However, it would be useful as one of the elements in the comprehensive inflation-control program as outlined in the eight points of the President's message.

The increase in the gold reserve requirements of the Federal Reserve Banks as now proposed by the House Banking and Currency Committee would make no contribution whatsoever to the fight against inflation, but if adopted, might be of disastrous consequences to the economy as a whole.

Although at the present time all Federal Reserve banks combined are holding gold certificate reserves in excess of the proposed new requirements, these reserves are unevenly distributed among the 12 Federal Reserve banks, and the reserve of several banks would be insufficient to cover the new requirements.

According to the testimony presented by Marriner Eccles before the House Banking and Currency Committee, the new proposal might precipitate the kind of money panic which the Federal Reserve System was created to prevent.

Furthermore, the new requirements might jeopardize the ability of some Reserve Banks to supply credit to their member banks and compel the Federal Reserve System to abandon support of the Government-bond market.

The Republican proposal, while completely ineffective in the fight against inflation, might precipitate a run on the currency and the collapse of the bond market.

Agricultural Conditions

EXTENSION OF REMARKS
OF

HON. JOHN SHERMAN COOPER

OF KENTUCKY

IN THE SENATE OF THE UNITED STATES

Saturday, August 7 (legislative day of Thursday, August 5), 1948

Mr. COOPER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an address by me before the Kentucky Farm Bureau in Louisville, Ky., January 9, 1948.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

President Allen and members of the Kentucky Farm Bureau, it is a great honor to be your guests today and to speak to you for a short time.

Last year the 1,300,000 people in Kentucky who live on 240,000 farms produced agricultural products valued at $550,000,000.

In wealth and production and above all in the character of its farm population, agriculture is the dominant force in the economy and life of Kentucky.

During the recent war, American farmers, comprising only 15 percent of the country's labor force, increased their production by more than one-third. They were handicapped by inadequate manpower, equipment, and transportation, but by working long hours and without stoppage, they fed our industrial workers, armed forces, and in part, our allies. It was an unmatched and never-to-be-forgotten example of hard work, cooperation, and patriotism.

The war has passed, and with it has gone the common objective which evoked a great cooperative effort, but the necessities and requirements of the war years have not passed. The task of the American farmer has not ended, nor is it even diminished. I wish that every American citizen could comprehend fully the magnitude of the responsibilities of the American farmer in today's world.

Since the beginning of the war, and despite its casualties, the population of the world has increased by 200,000,000 people. But, with this great increase of human beings who must have food, there is less food than before the war.

The war dislocated the producers of food. It destroyed the capacity of devastated countries to build or repair farm machinery and to manufacture fertilizers. It struck at the morale and the health of millions of people. As a result, excepting the United States, Canada, Australia, Russia, and some South American countries, the capacity of the great food-producing countries of the world to provide even a minimum amount of food for their millions has been reduced. It is a tragic and disquieting fact that today, in 1948, there is not enough food in the world for the people of the world.

At the close of the war, 36 nations, including the United States, united to form an organization known as the International Emergency Food Council, which is now to become a part of the Food and Agriculture Section of the United Nations organization. Hon. Clinton Anderson, Secretary of Agriculture, represents the United States on the IEFC, and another American, Mr. Dennis Fitzgerald, is its secretary. The chief function of the IEFC is to estimate yearly the minimum food requirements and the food production of each of the 36 member countries and to allocate export quotas of food from countries having a surplus of production to the deficit countries.

In the latest survey made by the IEFC it was estimated that the deficit countries, that is, those which cannot produce enough for their needs, will in 1948, require the import of 38,000,000 tons of food to eke out a minimum ration, and that 17,000,000 to 18,000,000 tons of the deficit can only be supplied by the United States. In the year ending June 30, 1947, 18,500,000 tons of food were exported from the United States to deficit countries.

During the present fiscal year, ending June 30, 1948, the United States proposes to export 520,000,000 bushels of its total grain crop of 1,400,000,000 bushels, and the Commodity Credit Corporation has already purchased 400,000,000 bushels for that purpose.

These figures give some idea of the magnitude of the world responsibility of the American farmer, but the requirements for export do not tell the full story of his task.

In addition to the unprecedented demand for export, we must supply the increased food demand of our own people. Our population has increased in the last decade by 10,000,000 people. The current national income of the American people, swollen by production for foreign and domestic demand deferred by war, has reached the staggering sum of $200,000,000,000. Armed with this tremendous purchasing power, the people consumed in 1947, 17 percent more food than before the war. As an example, the average individual consumption of meat in the year 1947 was 155 pounds per person, compared with a prewar consumption of 126 pounds per person. The story is the same for poultry, milk, and butter. If the present high rate of employment and consequent high national income continues, domestic consumption of food will, of course, increase. There is also reason to believe that foreign demands will continue for several years. Estimates given by the 16 European nations cooperating under the Marshall plan state that through the years 1948–51, food imports and fertilizer from the American continent valued at $13,717,000,000 will be required.

I have emphasized these tremendous demands, domestic and foreign, that are being made upon the American farmer for definite and specific reasons.

The first reason is, strictly speaking, not within the scope of my subject, but because a few uninformed people blame the farmer for the cost of food, I want to point out the fundamental causes of the inflation which plagues us today. Those who make the criticism may not realize that the average per capita farm income of all persons living on farms for the year 1947 was $725 compared to the average nonfarm income of $1,480, and that in previous years an even greater disparity prevailed. They may not consider that the farmer must use his income, to pay higher labor costs and higher prices for the commodities he uses. They may forget that the price the consumer pays, is not the price the farmer receives, and that in the journey from farmer to consumer the costs and profit of transportation, labor, processing and distribution are added.

The real causes of the higher cost of food and other commodities are fundamental, and are not determined by the imposition or the absence of any governmental controls. Inflation arises because there is more money and more credit than there are goods to purchase.

Upon the monetary side, there is existent in the United States today a volume of money and credit of over 200 billion dollars, 3 to 4 times larger, than before the war. This volume was created by debts and deficits incurred during the war.

Upon the supply side some commodities are short because we are not yet producing enough for our own needs, as in the case of steel. Others are short because of tremendous exports, as in the case of grain. The present prices of grain, grain products, meat, poultry, eggs, milk, and butter cannot be charged to the American farmer for, with the possible exception of meat, he is producing more than enough for the needs of this Nation.

It is my opinion, and I believe that it is justified by the facts, that the price of these products can be traced directly to the fact that we are exporting tremendous quantities of grain. Can anyone doubt, that if the 520,000,000 bushels that we will export in this fiscal year, or any considerable part of it, could be used here for food and for feeding purposes that the prices of grain, bread, meat, poultry, eggs, butter, and milk would not be greatly reduced?

I want it clearly understood that I do not criticize the necessary export of grain to needy countries for relief or rehabilitation, but I want it as plainly understood that I do criticize with all of my strength the attempt that has been made in some quarters to make it appear that the export of grain has little or no connection with the price of food. I am happy to report that during the special session of Congress, I heard Secretary of Agriculture Anderson, Secretary of Commerce Harriman and Mr. Fitzgerald, Secretary of the IEFC, and others who testified before the Senate committee, state frankly that the export of grain was one of the causes of high prices of meat.

I believe strongly that it is a matter of justice to the American farmer, who is sometimes charged with the responsibility for prices, that these facts should be frankly admitted.

I believe further that the success of the Marshall plan will depend on the extent to which it is supported by public opinion, grounded on true facts. It is essential that the people know that the continued export of great quantities of food and other commodities will require substantial sacrifices on their part in prices and shortages.

My chief reason, however, for emphasizing the requirements that are being placed upon the American farmer, and the dependence of our own people and the people of the world upon his continued production, is to point out that the welfare of agriculture is not a matter of concern to the farmer and farm people alone, but a matter of national concern.

Some people view farm legislation as special preferential legislation, but, to the contrary, legislation which protects and conserves soil resources and tends to stabilize prices and production is in the national interest.

You have asked me to discuss with you farm legislation which the Congress will enact during the present session. Naturally I cannot state with definiteness the exact measures that may be enacted, or the exact form that they will take. Therefore, I shall attempt to describe what I believe to be the attitude of the Congress toward your problems, and to outline generally the important fields of legislation.

In my 1 year in the Congress, I have found a diversity of opinion upon practically every question of importance. This diversity of opinion is not limited along party lines, but is found within party lines. I believe that I can truthfully say that there is greater unanimity upon farm problems than in any other field.

This unanimity grows from the ever-increasing awareness that the welfare of agriculture is not a group interest but a matter of national interest. It comes from the realization that 15 percent of the Nation's workers are charged with the responsibility of feeding all of the people of the Nation, and many other millions throughout the world. It comes from the knowledge that

when domestic and foreign demands are reduced, we must be prepared to protect agriculture and the Nation against a repetition of the experiences of the years following the First World War and the early thirties.

During the first session of the Eightieth Congress, the chief objective was to bring order to the fiscal affairs of the Nation, that its credit might be preserved, that surpluses instead of deficits would be available for the retirement of debt, for funds for foreign relief, funds for such social programs as might be approved, and for ultimate tax reduction. We succeeded in the objective of assuring fiscal stability. Expenditures were reduced for the first time in years, the first surplus in 17 years was achieved, and the first debt payment from tax revenues was made. But even in this first year of fiscal stabilization, I believe that fair provision was made for the American farmer. If you will make a careful study and analysis of the appropriations made for functions which concern the American farmer, I believe that you will agree that he received fair treatment from the Congress.

Throughout the session it was recognized that the action taken was of a transitional nature, and that a long-term program of greater permanency must be adopted. With that end in mind, Senator AIKEN, chairman of the Senate Committee on Agriculture, joined with Senators THYE and YOUNG, also members of the committee, in introducing and securing the passage of a resolution which provided that a Senate committee be established to formulate a comprehensive farm program. Similar action was taken in the House, and for the last several months the two committees visited many sections of the country and heard hundreds of farmers and leaders of farm organizations. Their purpose was to learn from farmers themselves, rather than from governmental officials, the type of farm program that should be adopted. Your former President, the able and distinguished Hon. Edward O'Neil, was one of those who testified and his views presenting your program have been confirmed by a preponderance of the testimony heard. The House committee paid a short visit to Hopkinsville and Hon. CLIFFORD HOPE, chairman of the committee, told me that it was one of the most helpful and interesting visits of the trip.

These committees have not yet made their formal and full report, and I cannot tell you with certainty the form that it will take, but from conversations with individual members, from reading the preliminary report of the House committee, and sampling the opinion of a number of Members of Congress who are greatly interested in Agriculture, I am enabled to believe with conviction that farm legislation of a long-term nature will be passed by the Congress during this session.

First, I feel sure that the importance of soil conservation will be confirmed and greater provision made for its continuance. In this period of expanding production and increased demands for food and fiber, we are struck by the imperative necessity of soil conservation. In an effort to supply food and fiber the American farmer cultivated in 1947, 77,000,000 acres of wheat and 86,000,000 acres of corn. Competent agriculturists believe that this average is very close to the limit that can be safely tilled. Even with this tremendous acreage and the blessing of wonderful crop weather for 8 years, it has been necessary to literally mine the soil to meet unprecedented needs. Even with the continuance of favorable factors, we cannot supply these needs indefinitely. If this mining of the soil is continued, it will jeopardize the future health and wealth of this Nation. We are a young nation, but it has been estimated that we have already destroyed the topsoil of 282,000,000 acres, and that we are now in the process of destroying the topsoil of an additional 700,000,000 acres. These considerations lead directly to the conclusion that soil conservation is a matter of national interest, as well as farm interest, and that its cost must be borne in part by the Nation. In this Congress this premise will be emphasized and supported in several ways. I have been told by members of the Committee on Agriculture that increased attention will be given to the withdrawal of marginal lands from cultivation through reforesting. I know that reclamation projects which bring new lands into cultivation, and the Tennessee Valley Authority, which emphasizes soil conservation, will be supported. In view of the misleading statements that have been made, it is worth while to mention that last year the Eightieth Congress made the largest appropriation in history, $132,000,000, for reclamation projects. Perhaps of chief interest to you in the subject of soil conservation is the question as to whether or not Soil Conservation functions and appropriations will be continued. Good progress has been made in the Nation and in Kentucky. I am informed by the appropriate Government departments that as of July 1, 1947, 189 soil-conservation districts had been organized, covering nearly 18,000,000 acres on 178,000 of Kentucky's farms. Over 140,000 Kentucky farms have carried out one or more conservation practices, such as liming, terracing, contour farming, ditching, and other measures of improvement. I have no doubt that the program will be continued and strengthened, and that every effort will be made to secure an increased and adequate appropriation for the coming year. There is a strong movement to consolidate the various agencies administering this program, at least in its educational aspects, in the interest of economy and efficiency. This movement has the support of the Farm Bureau. These programs have been administered by farmers in a democratic way. I hope that in the same tradition and spirit of self-government and devotion to their best interests, that the farmers will decide this question and decide the form that such consolidation should take.

If the present great demand for agricultural products could continue we would not need to worry too much about emergency programs, quotas, or support prices. The great task would be to produce and to protect soil. The present situation points up the importance of a prosperous industrial economy which will demand increasing amounts of food and fiber and the importance of export markets. Farmers know this and there is an increasing understanding of the interdependence of agriculture, labor, and capital.

The best thing and the most important thing that could happen to American agriculture is that the present high level of domestic employment and income should continue and export outlets developed.

We cannot be assured that the present favorable conditions will continue, and it is likely that as food production increases in other countries, exports will decrease.

If this occurs the expanded productive capacity built up in the war and postwar years will aggravate the problems for which our prewar measures were not wholly adequate.

How can we protect ourselves? A great part of the machinery is available. It is necessary that it be not destroyed, but that it be made more effective.

First, research must be encouraged. Every effort should be made to strengthen the services of the land-grant colleges; our own University of Kenutcky in its extension work; our county agents; the machinery provided by the Bureau of Plant Industry, Soils and Agricultural Engineering; the Bureau of Animal Husbandry; and the facilities of the Research and Marketing Act, in the field of research. Research is needed to find new uses for farm products, so that demand may be stabilized and increased. Research is needed to point the way to lowered costs of production.

The war period was characterized by reduced costs of production, through the use of machinery, better farming practice, lime, fertilizer, better stock, more electrification, greatly resulting from increased research. The REA fits into this program.

Electrified farms are more productive, more profitable, and save labor. It should be noted that loans in the approximate sum of $40,000,000 have been made available to rural electrification cooperatives in Kentucky and that 43.8 percent of its farms, and 112,000 customers are now served.

When foreign demand slackens, and prices recede, reduced costs in production and marketing will pay off. I have found a great approval in Congress of research activities and of the Rural Electrification Administration.

Looking to the future, the second great field which requires action is that centering upon price support. As you know, the Steagall amendment to the Agricultural Act of 1938, which extended the provisions of the act to additional crops at increased levels of parity, will expire at the end of this year.

It has not been necessary to invoke the parity formula except in the cases of a few commodities, but I believe the Congress will extend the price-support program to provide a cushion in case of a downward trend that might reach the disaster proportions of a decade ago. Various proposals have been made for the revision of the parity formula, and I am not able to say which will be adopted. Among others, there is a suggestion that support prices might take into consideration the carry-over crops so that large and unmanageable surpluses would not build up. If such a factor should be considered, it seems to me that it would be necessary to give special consideration to tobacco because it is not a 1-year carry-over crop and because of its special problems. I will carefully watch this matter.

The support of farm credit, and farm cooperatives also enter into this building up of insurance measures for the future, but I cannot discuss them in the detail that they deserve.

I emphasize again that farmers, the Nation, and Congress will be blind and foolish indeed if we do not learn from the experiences of the past and provide these measures of insurance.

In the world field, the rehabilitation of Europe and the general agreement on tariffs and trade signed at Geneva on October 30, will offer a start toward better trade relations, which could lead the world into safer political and economic relations.

Tobacco is the great cash crop of Kentucky. The 1947-48 Burley crop is valued at $175,000,000, or more than the total farm income of 1939. I know that all of you appreciate the importance of developing export outlets for our surplus tobacco. During the war American soldiers in England, Europe, and other sections of the globe gave Kentucky tobacco millions of dollars of free advertising. The people of those countries developed a taste for our tobacco which can be capitalized by increased exports upon their rehabilitation. It is agreed that tobacco should be employed by our Government now as an incentive to the increased production of food and coal in Europe and occupied countries. The Congress has given official recognition to the principle of incentive goods by incorporating in the foreign-relief bill passed at the special session a provision that 5 percent of the appropriated funds could be used for the purchase of incentive goods. While the

supplemental appropriation for the occupational cost of Germany did not specifically provide for the purchase of incentive goods, the report filed by the committee recommended that tobacco be supplied for use in occupied territory. These steps lead me to believe that any legislation enacted in furtherance of the Marshall plan will contain provisions for the inclusion of incentive goods, notably tobacco. I am very happy that at the last session of Congress that I had the honor of introducing an amendment to the Department of Agriculture appropriation bill, upon behalf of myself and Senator BARKLEY, which resulted in restoring $75,000 of the appropriation of the Office of Foreign Agricultural Relations. This Office promotes the export of surplus farm commodities and has been very helpful in finding foreign markets for our surplus tobacco.

In such a discussion as this I know that I have only touched upon the many fields of legislation which affect the farmer.

I recognize the importance of social measures which will raise the standard of living and provide greater opportunities for our farm population, and which will encourage young people and our returned soldiers to make a profession of farming. It is essential to our national life that the small farmholders be strengthened and that their families be provided opportunities for better health, education, and security comparable to the opportunities available to other segments of our citizenship.

This Nation is faced with great obligations, and some priority must be assigned to its revenues and resources, but with respect to these measures of opportunity I hope that forward steps will be taken during this session of Congress.

A bill providing for Federal aid to education and to our teachers, in whose introduction I joined, has been reported favorably to the Senate and will be acted upon by that body at this session.

Several bills providing for greater health security are now being considered by congressional committees. I do not favor the measure advocated by the President which provides for compulsory insurance under strong Federal control, but I believe there is a possibility that a measure providing aid to the States may be enacted.

Every farmer is interested in farm-to-market roads. In 1944, Congress authorized that $1,500,000,000 be appropriated in yearly installments of $500,000,000 to aid the States in the building of primary, urban, and farm-to-market roads. Kentucky has made good use of its funds, and stands at the very top in plans programed, approved, and in contracts let. Its apportionment of $10,146,149 during 1947, has been programed to spend $9,644,328, aiding in the construction of 687 miles of road.

The present program will soon expire and it is essential that during this session of Congress, legislation be enacted to continue Federal aid for our roads. As chairman of the Subcommittee on Public Roads, which committee, with the House committee, is charged with this responsibility, I hope to have a part in this program.

I cannot close without calling your attention to some general problems which affect all of us, not merely as members of an occupational group, but as citizens of the Nation.

Every American citizen is troubled with the high cost of living and with the danger of increased inflation. Neither politics nor name calling will solve the problem. It arises from fundamental causes which cannot be permanently cured until production meets demand. In this period, when production is catching up, an effort is being made to arrest inflation by voluntary methods rather than by strict governmental controls which the people dislike and which could discourage the production which is so sorely needed.

Let me assume to urge you to cooperate faithfully with this program and in this great effort to halt an inflation which could destroy all the gains that we have made. I am sure that you do not want, nor do I favor Government controls upon the farmer.

Another great undertaking to which I hope you will give your support is the execution of the Marshall plan. Agriculture, labor, and industry in the United States cannot remain prosperous unless the world is healthy. Aside from material and humanitarian reasons a rehabilitated democratic Europe is the best insurance against war and for our own security. Several years ago, I might have concurred in the view of those who oppose aid, but today we must be willing to make sacrifices to promote the peace of the world, for that is the greatest objective of mankind.

In what I have said today, I hope you will not get the opinion that the Congress will not critically review the requests of all sectors of our economy, including agriculture. I do not believe that you would want the Congress or your Representatives to do that, for I think that you will agree with me that it is the duty of the Congress not to serve any special group, but to attempt to do that which is best for all the people.

I have been concerned by some of the demands that are made upon Congress, without seeming regard to their effect upon the Nation or its people.

I am concerned by the proposals that have been made, that, in this 1 year, we adopt the Marshall plan and spend $6,800,000,000, that we continue an abnormally high budget of $40,000,000,000, that we embark upon programs that would cost several billions more, and that at the same time we reduce taxes.

These proposals are inconsistent in their very nature. They cannot be carried out. They will cause inflation. We cannot have all of them at one time. We must be honest with ourselves and with the people.

In this year of decision we must determine our primary obligations and concentrate on those obligations. I believe that those primary obligations are the support of measures which will promote world peace and which will strengthen our domestic economy of agriculture, labor, and industry.

It has been a great pleasure to speak to you. I could not state my opinion of you and the regard in which you are held, better than in the words of your former president in his valedictory at Chicago. He said: "Your organization has won the respect and esteem of Congress to a degree that is most gratifying. The kindness and courtesy which congressional committees invariably extend to all Farm Bureau witnesses reflect the high regard in which our organization is held in Washington. Senators and Congressmen, as well as other officials of Government, have unquestionably been impressed with the fact that farm people are generally dependable witnesses. They are invariably fair in their approach, not only to legislation affecting agriculture, but also to issues affecting other groups."

I congratulate this organization for its long, determined fight for legislation which has redounded to the national wealth and interest. I congratulate you and salute you for your magnificent work during the war and today in providing food for the world. I congratulate you for your never-failing appreciation and support of the traditions and principles of our Government.

All of us can congratulate ourselves that in a generally unhappy world, we are privileged to be citizens of this country, whose system of government and of competitive enterprises, maligned as it may be by a few of our people, is still the last best hope on earth.

Government Support Has Little or Nothing To Do With the Present High Level of Food Prices

EXTENSION OF REMARKS

OF

HON. THOMAS E. MORGAN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. MORGAN. Mr. Speaker, the Republican Members of Congress apparently are trying to blow hot and cold on the issue of high prices. They seek credit for continuation of the Democratic program of price support for the farmer, but at the same time they charge that these policies are responsible for the soaring cost of living. The Republicans should decide which of these inconsistent positions they want to take, although the actual truth is that the support program has little or nothing to do with the present high level of food prices.

The Republicans charge that nothing can be done about the high cost of living as long as the Government continues its present farm price support program.

Government support actually has little or nothing to do with the present high level of food prices.

Under existing legislation, price support for farm products becomes effective only when prices on the open market fall below 90 percent of parity. At the present time the market price of practically all farm products are higher than the support-price levels because the supply of farm products is still substantially smaller than the demand.

The only important exception is potatoes. Potato requirements during the war were about 50,000,000 bushels greater than the average production in prewar years. In order to stimulate production, potatoes were brought under the price-support program. However, except for 1944, potato crops have been exceptionally large since the price-support program began. Starting in 1947, acreage goals were established for commercial potato farms, and producers who exceeded these goals are not eligible for support. Although potato acreage has been reduced by 36 percent over the last 5 years, production has remained high because of increased yield per acre.

Since 1946 the Department of Agriculture has demanded that the present mandatory price-support provisions be replaced by a more flexible program. The Steagall amendment, the present legal basis for the mandatory price support at 90 percent of parity, will expire on December 31, 1948. However, under the Agriculture Act of 1948, passed by the Republican Eightieth Congress, the 90 percent price support level will be continued until the entire 1948 crop has been marketed and only thereafter will support prices be reduced to a level between 60 percent and 90 percent of parity.

Federal Aid to Education

EXTENSION OF REMARKS
OF
HON. EDWARD O. McCOWEN
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

Mr. McCOWEN. Mr. Speaker, although a number of different bills providing Federal assistance to the States for the purpose of financing a minimum foundation education program and of more nearly equalizing educational opportunities were introduced into the House and Senate not one succeeded in passing in the Eightieth Congress. It might be stated that more than 150 Federal-aid-to-education bills have been passed by the Congress since 1802, but not one of them was for general public school purposes.

The Federal-aid-to-education-without-Federal-control bill, H. R. 2953, which I sponsored during the Eightieth Congress was reported favorably from the subcommittee of the Committee on Education and Labor, but it was impossible to get a meeting of the full committee to consider this particular bill. There seemed to be a general opinion that if the bill could have been voted on by the full committee and reported favorably to the House that it would very likely have been enacted into law.

The bill, H. R. 2953, particularly safeguarded the control of educational policy now exercised by the States. It did this in a number of ways which I shall not take the time to enumerate. I shall say, however, that no Federal department, agency, officer, or employee of the United States could exercise any direction, supervision, or control over or prescribe any requirements with respect to any school or any State educational institution or agency with respect to the administration, the personnel, the instruction, the methods of instruction, or the materials of instruction under the provisions of this bill. Federal control was specifically prohibited.

There was not the slightest tendency in the bill in any statement toward the union of church and state. Federal funds were to go directly from the United States Treasury to the treasuries of the respective States to be spent strictly under the States' own laws and exactly the way each State spent its own school funds. Since the main provisions of the bill are generally well understood, they will not be repeated at this time.

Every reasonable effort was made to get the bill enacted into law. When it is recalled that approximately $6,000,000,000 was provided for Europe and vast amounts of money for many other purposes, does it not seem that the much smaller amount of $300,000,000 per year could have been given to the public schools of the United States?

In conclusion, I would like to point out that Federal aid without Federal control for public schools came nearer to being enacted into law in the Eightieth Congress than at any time heretofore.

Address by Hon. Edward Martin, of Pennsylvania, Nominating Gov. Thomas E. Dewey at the Republican National Convention

EXTENSION OF REMARKS
OF
HON. EDWARD MARTIN
OF PENNSYLVANIA
IN THE SENATE OF THE UNITED STATES
Saturday, August 7 (legislative day of Thursday, August 5), 1948

Mr. MARTIN. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD my address nominating Gov. Thomas E. Dewey as candidate for President at the Republican National Convention in Philadelphia.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

This is the greatest honor of my life. I am about to nominate the next President of the United States.

It is appropriate that this nomination, in the most critical time of our history, should be made in this historic city of Philadelphia. Here the Articles of Confederation were adopted. Here was written the Declaration of Independence. Here was framed the Constitution. Nearby, at Valley Forge, American patriotism had its first real test in suffering and sacrifice. Here, 92 years ago, the Republican Party held its first national convention. In that time of crisis our party preserved the Union. Once more we meet to save America. Fortunately, our party is prepared.

From the east coast to the west it has developed new leaders—the kind that make a party and a nation great. It is our task to select from among them all that one man who is best qualified to be President and who can best lead us to victory.

By every test there is one man who towers above all others. Every man and woman who hears my voice knows whom I mean. He has the American people behind him. He has the fighting vigor to wage a winning campaign. He can carry the crushing burdens of the Presidency.

Our candidate must have experience and ability. He must understand and believe in party responsibility. He must continue building the Republican Party as a solid foundation for social progress, prosperity, and human freedom.

The Republican Party needs that kind of leadership today. That kind of leadership I offer you now.

For many years the biggest State of the Union was controlled by an alliance of Tammany Hall corruption and left-wing radicalism. It became the spawning place of the New Deal.

Then, in the darkest days of the 1930's, there arose in New York City a young man born and raised in Michigan, in our great Midwest. He gave stirring leadership to the fight against organized crime and political corruption. He gave Tammany Hall the worst licking it ever had in its whole history.

His name and fame were on the lips of all the Nation. Here was recognized a man with infinite capacity to grow. Along with that determination, that firm pursuit of justice, he had other qualities. He picked able assistants; welded them into a hard-hitting team; won them as his loyal friends and associates; kept them unswerving through the years. He has the warmth and human qualities so necessary to inspire the loyalty and devotion needed to rebuild a party, run a great State, and now to lead the greatest Nation in the world.

Through years of expanding friendship and confidence, he developed a party program. Then in 1942, the years of effort were rewarded. The people of New York elected him the State's first Republican Governor in 20 years.

Four years ago, our party turned to him to lead its national campaign in time of war. Two years ago, he was reelected Governor of New York by nearly 700,000 votes, the greatest majority ever given any Governor.

It is not enough for a nominee to be a great party leader. Above all, he must be a great President. He must be a man of understanding and broad vision in world affairs.

Over the years, the man of whom I speak has consistently led the way toward the building of a foreign policy that makes sense. He vigorously pointed the way in shaping a program of aid to Europe on a practical, businesslike, productive basis. No man in America today is better prepared as President to set up a top-notch State Department and give it the loyal, intelligent backing that will carry the world toward peace.

Our next President must be America's greatest administrator. He must be a master of the art of government. He must have ability to get things done, and get them done well. He must have experience and wisdom in choosing big men for big jobs, getting along with them and getting results. He must know how to listen and to learn, how to accept advice as well as to give orders. He must know the value of a dollar and he must know the value of a billion dollars. He must know how to produce the utmost benefit from such vast sums for the people. He must take over our $40,000,000,000-a-year Government and whip this monstrosity into sensible shape.

He must have human sympathy and enlightened vision. He must understand the people's aspirations for security, health, education, and social progress.

We in the Republican Party have the man who possesses all these qualities.

It was my good fortune as Governor of Pennsylvania to be closely associated with the Governor of New York for 4 years. We conferred frequently. During that time I learned to know his fine qualities of leadership. I learned of his great administrative talent, of his ability to get along with the legislative branch, and to work in harmony with the other leaders of his party.

Over these years, a warm friendship has grown up between us. It is a friendship that has been strengthened because we have the same ideals of government, the ideals of honest, competent, economical service to the people.

The record of his accomplishment is breath taking. Taxes were cut 40 percent; debt cut 25 percent, yet the State built up a half-billion-dollar surplus, State aid to education was increased by 80 percent. A $100,000,000 bonus was paid to veterans.

New York made an enviable record in veterans' emergency housing and other veterans' legislation.

Under his leadership, New York reorganized its welfare services; took new strides in public health. Through all the war and reconversion, a record of industrial peace was made—the best no-strike record of any industrial State. Abuses in workmen's compensation were wiped out. Vigorous programs were enacted for the control of livestock diseases. Legislation was enacted to wipe out inequalities in the opportunity for employment and to protect every man's right to earn a livelihood; and to assure equal pay to men and women for equal work.

These are but a few high lights of the amazing record of a great Republican governor. It was made possible by outstanding

administrative talent working with and through a political party.

There are four qualities in which our candidate for President must excel:

1. Courageous vigor that can campaign and win for the entire Republican ticket.

2. Mature leadership that recognizes party responsibility.

3. Statesmanship that can give leadership for peace in a troubled world.

4. Administrative capacity—and this is essential—for it is only through this that other qualities can be made effective.

These requirements, as I list them, fit one man so sharply and so precisely, that his name has been in all your minds as I spoke of them.

This candidate has all these qualities so necessary for the next President of the United States. He has them in full measure.

We have known him a long time. Through all that time he has grown in the confidence of the party and the people. Today we have reason to be thankful that he started so young on the national scene, and that he has already led us in a great national campaign. He emerges today in a robust maturity ripened by years of high responsibility—still a young man in the prime of vitality—fit to lead a Nation that is still young, still expanding, still going places.

It is the greatest honor of my life to present to this convention a man who for years has belonged to all America, tried, tested, and true, America's next President—Thomas E. Dewey.

Public Housing No Way To Solve Slum Problem

EXTENSION OF REMARKS
OF
HON. RALPH W. GWINN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

Mr. GWINN of New York. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by Melchior Palyi:

PUBLIC HOUSING NO WAY TO SOLVE SLUM PROBLEM

(By Melchior Palyi)

The United States Government has a $20,000,000,000 stake in housing through ownership and mortgage guaranties. Now it is proposed to overcome the shortage of housing for low-income families by more Government spending. The idea is that slums should be cleared and the slum dwellers housed in new Government-housing projects.

Who is a slum dweller? Suppose we define eligibility for Government housing in terms of incomes under $2,000. If so, every family receiving an income less than that is entitled to new housing with the rent reduced by way of Government subsidy. But the people with $2,100 income are not entitled to it. They will remain in older and less desirable housing than those in the lower-income bracket. Wherever the limit is drawn, it leads to this same uneconomical and unsocial result—a premium is placed on earning less, or convincing the housing officials that one earns less. The higher the limit is drawn, the more families would fall into the privileged class of subsidy receivers. Even at the modest income of $2,000 and below, some 12,000,000 families would become eligible for housing, at a total cost to the taxpayer of more than $150,000,000,000, using the per unit estimates of the Taft-Ellender-Wagner housing bill. Even prorated over a long period, this additional burden would just about bankrupt the United States. And construction resources would be siphoned out of the market for private housing.

Does this mean there is nothing we can do for the underprivileged family which is financially unable to provide itself with decent housing? There is a great deal we can do without further inflation of the national debt and without political control of housing which is implied in Government ownership.

The Bureau of Census reports that in the last 7 years we have made unparalleled progress in improving our housing situation. The 1947 housing survey showed 93.2 percent of all urban homes to be in satisfactory repair, as compared to 88.6 percent in 1940. Every year of prosperity will whittle the substandard housing count further. Both quantitatively and qualitatively American housing is at an all-time high and getting better every year, although this fact is somewhat obscured by population growth and migrations, as well as by artificial forces, such as income inflation and rent control.

Furthermore, the city of Baltimore is proving that enforcement of the existing city housing laws can go a long way in eliminating slum conditions. Block by block, the city is compelling property owners to meet minimum housing standards. The elimination of junk, broken fences, and odd buildings in the yards alone has brought surprising results. The advantage of rehabilitation is that it does not reduce the supply of housing at this time of excess demand.

Where whole neighborhoods are too deteriorated for rehabilitation, the local government can buy up slum tracts, clear them and sell the land for private redevelopment on a closely regulated reuse plan. Many cities already have such legislation; Indianapolis and Chicago, to mention two, have put the programs in motion. In short, public housing is unnecessary because its major objectives can be accomplished without it, and at lower cost as well as without the corruption, inefficiency, and waste which are bound to accompany bureaucratic encroachment into a basic economic function.

Congress Should Do All Possible To Prevent Further Inflation

EXTENSION OF REMARKS
OF
HON. LINDLEY BECKWORTH
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

Mr. BECKWORTH. Mr. Speaker, in my opinion Congress is making an error in failing to take action designed to do something more about the upward swing of prices. Everybody knows what chaos could come if we have run-away inflation.

Practically all of my relatives are low-income people. It is this type of individual with whose affairs and financial struggles I have been and am most familiar. Furthermore, as the father of three children, I feel I am aware of the difficulties which more and more are confronting parents who are trying to rear children. Necessary food and clothes that children must have are swiftly getting completely out of reach for the average American family with several children. No doubt the thing to be most alarmed about is not the present price structure—bad and serious as it is—but the trend which has been characterizing this country's prices for several years. What will the situation be a year from now? What will the situation be 2 years from now? What will the situation be 3 years from now if the present skyward trend of prices continues? Shortsighted national policy today coupled with inaction in connection with our rapidly growing and expanding inflationary spiral, could bring on the same kind of national difficulty we faced when the depression overtook us in 1929.

I am for free enterprise and individual initiative as much as any human being could be. If it were not for free enterprise and the reward of individual initiative, the kind of family from which I come—plain farm people, many of whom have rented land—on both sides of the house—my mother's family and my father's family—would never have had a chance in the world. On the other hand, when economic trends of a dangerous nature over which no one individual has control or is responsible for confront us, it becomes a national duty to see that such a trend is coped with, and, if possible, to see that solutions to the problems which arise thereby are found. Therefore, as one Member of Congress who represents small farmers and many wage earners as well as people who are in the higher income brackets, I feel it would be wise for the Congress to accept most seriously at this time the responsibility of trying to do something about the price situation which rapidly is becoming worse. In my opinion what we do today will determine what our situation will be tomorrow; inaction today could be very costly.

Should the FCC Grant Radio Time to Atheists Every Time a Religious Program Is Presented Over the Air?

EXTENSION OF REMARKS
OF
HON. CHARLES J. KERSTEN
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

Mr. KERSTEN of Wisconsin. Mr. Speaker, atheists have no more standing to ask for equal time with religious programs over the air than violators of the moral law would have the right to expound immoral ideas on an equal basis with time granted to those who defend the moral law.

The general rule of the Federal Communications Commission that equity should be observed by radio stations in granting equal opportunity to opponents on different sides of a controversial public question is a good one. However, there may be difficulty at times in determining what is a controversial public question.

Recently the FCC exhibited a strange attitude when it refused to grant Station WHAM at Rochester, N. Y., an application for a 3-year renewal and gave it only a temporary renewal until September 1, pending further study. The reason apparently was because WHAM refused to lend its facilities to an atheist program that sought radio time after a religious program in which an acknowledgment of the existence of God was shown to be fundamental to our form of government. FCC is wondering whether WHAM did not violate its regulation in failing to give the atheist program equal time with the religious program.

If FCC gives way to the proponents of the atheist side of this controversy it will be falling into a dangerous sophistry that seems to be increasing these days.

The difference between the case of the atheists and that of the radio station in this matter is much like the difference between the Soviet Constitution and the Constitution of the United States on the subject of freedom of religion. Article 124 of the Constitution of the U. S. S. R. reads, in part, as follows:

> Freedom of religious worship and freedom of antireligious propaganda is recognized for all citizens.

The first amendment of the Constitution of the United States reads, in part, as follows:

> Congress shall make no laws respecting the establishment of religion or prohibiting the free exercise thereof.

The Soviet Constitution puts religion and atheism on an equal basis. The American Constitution makes no reference to atheism whatsoever. Atheism is foreign to our basic philosophy of government. There is no controversial public question in our philosophy of government as between religion and atheism. The framers of our form of government assumed the existence of God and frequently referred to Him. The question of the existence of God was beyond controversy in the minds of the founders of our government.

If it be argued that the phrase in our Constitution, "the free exercise thereof," includes the guaranty of the freedom to teach atheism, such a conclusion is not warranted. The Constitution guarantees the free exercise of religion. Religion is the relationship between man and God. Atheism denies the existence of God, and, therefore, any such relationship. Hence atheism is not a religion at all. It may well be that individuals have a legal right under the freedom of speech to advocate atheism all they wish. But this does not make atheism a "controversial" public question. The great body of men from the beginning of history down to the present time have put the question of the existence of God beyond controversy. Men have similarly put beyond controversy the question of the wrongness of deliberate murder. No one will contend that the radio stations would have to give to "Murder, Inc." the same radio time as they gave to the police department in its efforts to protect human lives.

I wish to include in my remarks a very excellent analysis of the case of Station WHAM by Mr. Edward J. Heffron in the July issue of Columbia magazine. The article follows:

ATHEISM BIDS FOR A PLACE ON THE AIR

(By Edward J. Heffron)

On May 1 the Federal Communications Commission declined to grant the usual 3-year license renewal to a radio station because it had refused time for an atheist broadcast. Instead, it authorized a temporary renewal, good for only 4 months, which said in effect that it wanted more time to study the case.

The average religionist may be disposed to say, "Of course atheism isn't entitled to the same rights as theism," and let it go at that. He may even condemn FCC for hesitating over the matter.

I submit that the problem is not so simple, and I should like to explain why.

First of all, we should understand why it is that FCC has anything to do with the matter at all. If Columbia published an article urging a return to God and deploring the evils of godlessness, and then declined to publish a rejoinder submitted by an atheist, no Government agency would so much as look at the matter. The reason is that everyone is free to publish in this country, no Government license being necessary to that end, so if the atheist finds his rights are not accommodated in the columns of this magazine, no one denies him the right to start one of his own. There are 140,000,000 people in this country; there is room for 140,000,000 publications, or 10 times that number if you will—and all with equal opportunities.

But the radio spectrum is limited. The number of available 1–A frequencies is very small indeed; and even the gross number of frequencies, of whatever class, falls far short of the present demand. It would fall shorter still if broadcasters, like publishers, were free to espouse one editorial position to the exclusion of all others (e. g., one station can now accommodate the legitimate demands of labor and management; if that station were to limit its broadcasts to the views of management, labor would undoubtedly seek an outlet of its own, thus increasing the demand).

RADIO MUST SERVE PUBLIC INTEREST

Because the number of all frequencies, and particularly of the most desirable frequencies (for the benefit of any who want to be technical about the matter, let me say that I really mean frequency plus power plus protection) because these numbers are limited, thus making truly free competition impossible, Congress provided that radio should be a licensed business, thus distinguishing it from the press. As a necessary corollary of this arrangement, it provided that broadcasters may not serve their private interests primarily, but must first serve the interests of the public. (If, in serving the public, they can also make a profit, that's all right; but they may not lawfully sacrifice public service to private profit.)

Congress created the Federal Communications Commission to see to this, and provided that the Commission should grant licenses for not more than 3 years—and after that renewals—but only upon a showing of service of the "public interest, convenience, or necessity."

As a consequence the Commission holds that each broadcaster must serve the interests of the public as a whole. And it further holds that any station which devotes its time to the presentation of only one side of a controversial public question, to the exclusion of other sides, is not serving the public as a whole.

Where this threatens to lead us, in the matter of atheist broadcasts, it is now easy to see; but before going into that application of the principle, I'd like to say a word about the principle itself. It is really a great safeguard of the rights of minorities. One may be sure that most broadcasters will not consistently present only such views as are at variance with the views of the majority, still less attack the majority without right of reply, for that would cost them money. But in given areas broadcasters would not necessarily hurt their revenues by ignoring or castigating Catholics, Jews,. Negroes, workers, et al. In fact they might even improve them. Since there are usually no more frequencies available whereon the minority might evenly defend itself, its only protection is the "public interest, convenience, or necessity" regulation of the Communications Commission.

Catholics and labor unions have reason to know this. Some years ago, the Commission's predecessor, the Federal Radio Commission, invoked the self-same principle to deny renewal of license to a notorious anti-Catholic broadcaster, the Rev. Bob Shuler. A few years ago FCC held that if a station was not giving labor a sufficient break via sustaining time, it would have to sell time to the unions. I know of no specific cases where Jews, Negroes, and other minority groups were similarly safeguarded; but of course they benefited by the necessary implications of these two cases.

So much for the background of the case which was the basis of FCC's action on May 1, the case of Robert Harold Scott.

In March 1945 Mr. Scott, a professed atheist of Palto Alto, Calif., filed a petition requesting that FCC revoke the licenses of three California stations—KPO and KFRC of San Francisco, and KQW of San Jose. He charged that these stations had broadcast indirect arguments against atheism, by way of church services, prayers, Bible readings, and other kinds of religious programs, as well as direct statements and arguments against atheism, but that they had refused either to give or sell him time to broadcast talks in favor of atheism.

In a decision rendered July 19, 1946, the Commission held: "* * * the issue here involved is one of broad scope and is not restricted to the three stations which are the subject of Mr. Scott's complaint. We therefore do not feel that we would be warranted on the basis of this single complaint in selecting these three stations as the subject of a hearing looking toward termination of their licenses." So it denied the Scott petition. But it said, "lest our dismissal of Mr. Scott's petition be misconstrued, we feel that we should make our position entirely clear." And it proceeded to hand down a five-page opinion which culminated in this declaration: "The criterion of the public interest in the field of broadcasting clearly precludes a policy of making radio wholly unavailable as a medium for the expression of any view which falls within the scope of the constitutional guarantee of freedom of speech," and it left no doubt that atheism was such a view.

In effect, FCC told the three California stations that it didn't want to penalize them for a policy that had been pursued by nearly all American radio stations, that it would let them off with a warning. And it made clear that this was a warning to all the stations of the country.

There were a few editorial criticisms in the Catholic press, including an editorial in Columbia; Dorothy Thompson had an excellent article in the Ladies' Home Journal; and George Sokolsky had a piece in his syndicated column. But there were no great reverberations.

A few months later the Very Reverend Ignatius Smith, O. P., of Catholic University, delivered a sermon at a meeting of the Holy Name Society in Rochester, N. Y. His remarks, broadcast by Station WHAM, included the following:

"While so many other nations have declared war on God we have from the beginning acknowledged Him as the Sovereign Lord of men and nations. * * * Our Nation is great because it began in partnership with God, and officially, has maintained that companionship through the years. We are great because we have continued to recognize, officially, God as the Author of human rights and of the freedoms these rights demand. On these sublime facts rests our national greatness in the past and today. On the continuation of this godliness in our Nation will depend the continuation of our greatness. * * * If the godlessness, the irreligion of so many dozens of millions of our people continues to grow, our greatness is doomed and our future is damned. We cannot separate God from government or godliness from national life and expect to survive, to say nothing of to preserve our greatness. We must learn to fear those who repudiate God's rights in America because human rights are ignored where divine rights are neglected. * * * We [Catholics] are battling for the sovereignty of God if for no other reason because we know that apostasy from God means apostasy from sound thinking; this means apostasy from brotherhood; this means apostasy from hope; this means the loss of liberty. * * * We pledge to the Nation those virtues which it needs and which are not likely to be lived without religious belief and worship. * * * We can be destroyed by godless and immoral living. * * * Let bigotry and ungodly and undemocratic racial and class discrimination continue to divide our people and we are doomed. * * * Let us continue to condone, in the manner of freedom, disregard for God, for worship, and for prayer, and we are doomed."

STATION'S LICENSE TEMPORARILY RENEWED

Thereupon, Arthur G. Cromwell, president of the Rochester Society of Freethinkers and father of Vashti McCollum, demanded that WHAM give him time to answer Father Smith. WHAM declined, so Mr. Cromwell complained to FCC. The Commission agreed to entertain his complaint but advised him that it would not be considered until WHAM's license came up for renewal. It came up for renewal on May 1, 1948, when the Commission voted 3 to 2 against granting the station's application for a 3-year renewal, and compromised on a temporary renewal to September 1, pending further study.

Reexamination of the Robert Harold Scott opinion is therefore very much in order. I'd like to consider it in three parts: (1) Three pieces of mischievous obiter dicta; (2) a possible interpretation of the opinion as a whole that would seem to me to be acceptable; and (3) reasons for annuling the opinion if this interpretation is not supported.

In one extraordinary passage, the Scott opinion argues that "the conception of the nature of the Divine Being is as varied as religious denominations and sects and even differs with the individuals belonging to the same denominations or sects." It adds: "So diverse are these conceptions that it may be fairly said, even as to professed believers, that the God of one man does not exist for another. And so strongly may one believe in his own particular conception of a God that he may easily be led to say 'Only my God exists, and therefore he who denies my God is an atheist, irrespective of his professed belief in a God.'"

Dorothy Thompson nailed this one beautifully when she simply passed over its absurd relativism and said, "The issue * * * is not whether some groups might call others of differing religious views 'atheist.' Mr. Scott calls himself an atheist." It was precisely on the basis of his professed atheism that he demanded radio time, and that, his demand having been rejected, he filed his complaint.

But the opinion gets even wilder. In a series of what seem to have been intended, incredibly enough, as balanced antitheses, it points out that "God is variously thought of as a 'Spirit, infinite, eternal, and unchangeable,' and as having a tangible form resembling [sic] man who, in turn, was created in His image; as consisting of a trinity and a single Godhead; as a divine law giver, laying down infallible natural and moral laws by which man is governed, and as a God who concerns Himself with the personal affairs of individuals however petty; as a God to whom each person is individually accountable and as a God to be approached only through ordained intermediaries; a God of the powerful who divinely appoints [sic] kings and other rulers of men, and as a God of the meek and lowly; as a God of stern justice and a God of mercy; as a God to be worshipped or appeased primarily through ritual and as a God to be served primarily through service to one's fellow man; as a God whose rewards and punishments are mainly reserved for a future life and as a God who also rewards or punishes through spiritual enrichment or impoverishment of man's present existence."

"These," we are told, "are only a few of the many differing (which here means mutually contradictory, of course) conceptions which might be cited by way of illustration." All of which is presumably supposed to prove that the Christian regards the Jew as an atheist, the Trinitarian the Unitarian, the Catholic the Protestant, the Evangelical the Liberal, the Presbyterian the Baptist, and so ad infinitum—and vice versa, too.

Actually, if one were to accept this jumbled theology and admit, with the Commission, that "the God of one man does not exist for another," that in the eyes of each one of us all other citizens are atheists, and if we were to say that all atheists are entitled to time on the air, then obviously every last man Jack of us has rights to radio time which the broadcaster, poor fellow, can deny only at his peril.

Fortunately these observations are mere dicta, as the lawyers say. There is another dictum which I think deserves notice before getting on to the main argument. The opinion declares that "Underlying the conception of freedom of speech is not only the recognition of the importance of the free flow of ideas and information to the effective functioning of democratic forms of government and ways of life but also belief that immunity from criticism is dangerous. * * * Immunity from criticism cannot be granted to religion without at the same time granting it to those who use the guise of religion to further their ends of personal profit or power, to promote their own particular political or economic philosophies, or to give vent to their personal frustrations and hatreds." This is to disadvantage the genuine because of the shortcomings of the imitations. It as much as says that it is impossible to distinguish between the legitimate preacher of religion and the rabblerouser who chooses to cloak himself in the habiliments of religion. But the worst aspect of it is that it seems to be something of an incitement to religious wrangling over the air, contrary to the rule of law laid down in the Shuler case. There the Court, in affirming the Commission's decision not to renew Bob Shuler's license, on the ground that he had been using his station largely for attacks on the Catholic Church, said: "If it be considered that one in possession of a permit to broadcast * * * may, without let or hindrance from any source, use these facilities, reaching out as they do, from one corner of the country to the other, to * * * offend the religious susceptibilities of thousands, inspire political distrust, and civic discord * * * and be answerable for slander only at the instance of the one offended, then this great science, instead of a boon, will become a scourge, and the Nation a theater for the display of individual passions and the collision of personal interests."

However, the main questions with respect to this opinion are these: Does it hold that atheist programs are as much entitled to time on the air as religious programs? Every time a broadcaster allows his facilities to be used for a direct criticism of godlessness or for an indirect argument of the same character (which Mr. Scott defined, according to the opinion, as "church services, prayers, Bible readings, and other kinds of religious programs"), must he provide comparable time for the local atheist to broadcast his answer?

I believe it is possible to support one reading of the opinion which will provide a negative answer to both these questions. At one point it declares: "We recognize that in passing upon requests for time, a station licensee is constantly confronted with most difficult problems. Since the demands for time may far exceed the amount available for broadcasting, a licensee must inevitably make a selection among those seeking it for the expression of their views. In making a selection with fairness, the licensee must, of course, consider the extent of the interest of the people in his service area in a particular subject to be discussed, as well as the qualifications of the person selected to discuss it. Every idea does not rise to the dignity of a "public controversy", and every organization, regardless of membership or the seriousness of its purpose, is not per se entitled to time on the air.

Everything hinges here on what FCC means by "the extent of the interest of the people in [the broadcaster's] service area in a particular subject to be discussed." If by "subject" they mean in this context, "religion", then if there are enough listeners interested in religion it would seem, from the rest of the opinion, that the broadcaster would have to give them religion, both pro and con, both theist and atheist. That, I submit, would be unacceptable. But if FCC is willing to allow the broadcaster enough leeway to interpret "subject" to mean "atheism," then in those communities where atheists are a negligible handful it would seem that the broadcaster would not be obliged to provide time for them—except as provided in the next two sentences of the opinion.

These two sentences read: "But an organization or idea may be projected into the realm of controversy by virtue of being attacked. The holders of a belief should not be denied the right to answer attacks upon them or their belief solely because they are few in number." I don't think anyone can object to this if by "attacks" is meant misrepresentations of the atheist's case in general or criticism of local atheists by name or by clear implication. But if "attacks" means what the opinion calls "indirect arguments" against atheism—that is, "church services, prayers, Bible readings, and other kinds of religious programs"—it would really mean that the atheist had a right to broadcast a religious disaffirmation every time someone broadcast a religious affirmation. This, again, seems to me to be unacceptable.

The opinion also says: "The fact that a licensee's duty to make time available for the presentation of opposing views on current controversial issues of public importance may not extend to all possible differences of opinion within the ambit of human contemplation cannot serve as the basis for any rigid policy that time shall be denied for the presentation of views which may have a high degree of unpopularity."

If this means merely that the broadcaster is not justified in laying down a hard and fast rule that he will never allow an atheist

to approach his microphone, even though the atheist may have been wronged over the air, I think we might accept it.

It seems to me that such interpretation as I have here outlined is the only construction of the opinion that could be accepted by those who believe—as our founding fathers believed—that our democratic liberties are rooted in God and will vanish apart from Him. I'll admit that it's taken some doing to arrive at such a construction. Some might even call it tortured construction. Maybe it is. Certainly it's very "iffy." All I wanted to point out is that it is, in my opinion, just barely possible to make such an exegesis. If FCC would be willing to accept such an interpretation, I for one, would be willing to settle for it.

What I would prefer, however, is that the opinion be overruled. I think it should be, and here are my reasons:

Let us begin by agreeing with FCC's view that broadcasts of controversial public issues should not be limited to the expression of any one side. I have already suggested why I believe this to be essential to the protection of minority rights, and therefore to peace and order and "the pursuit of happiness" in our democracy. But let us recognize that all controversial points are not necessarily controversial public issues.

Here I am arguing that the phrase "controversial public issues" has a meaning different from the sum of the literal meanings of the three words of which it is composed. Just as "public affairs" does not mean any old affair that happens in public—street cleaning is a public affair, in that sense—I contend that "controversial public issues" does not comprehend all issues on which individuals may publicly disagree.

The followers of Wilbur Glenn Voliva, in Zion City, Ill., maintain that the earth is flat. They are American citizens and there is nothing in the Constitution which forbids them to hold such a view. Is the roundness versus the flatness of the earth therefore a controversial public issue? If the broadcaster presents a talk by one of the local geography teachers which implies that the earth is round, must he provide time for rebuttal to any disciple of Voliva who happens to live in his service area?

There is nothing in the Constitution which forbids an American citizen to embrace the economic and political views of communism—or of national socialism or fascism. Every time a citizen says a friendly word over the air about democracy, must the broadcaster be prepared to put his microphone at the disposal of Communists, Nazis, Fascists?

There are laws forbidding the practice of nudism, free love, polygamy, perversion, euthanasia; but I know of no ordinances which make it unlawful for one to believe in these practices. Is the citizen who so believes entitled to radio time to present his case every time some broadcaster says a kind word about modesty, the family, monogamy, the natural moral law, the fifth commandment?

The answers to these questions are, I take it, pretty obvious; but no more obvious than the answer to this one: Every time a schoolboy or a Congressman or a Fourth of July orator quotes from the Declaration of Independence "that all men are created equal, that they are endowed by their Creator with certain unalienable rights. * * * that to secure these rights, governments are instituted among men * * * and for the support of this declaration, with a firm reliance on the protection of divine providence, we [the founding fathers] mutually pledge to each other our lives, our fortunes, and our sacred honor"—every time someone refers to these stirring words over the air, must the broadcaster give time to the free thinkers to argue there is no Creator?

I say, "No." All these matters are controversial issues in the sense of controverted issues, and they are obviously not mere private matters; but I argue that they are still not controversial public issues. God is officially recognized in the Declaration of Independence as the source and fountainhead of our liberties, as the bedrock of American democracy. The Father of Our Country said, "Religion and morality are indispensable supports" of good government. We sing of God in The Star-Spangled Banner, in My Country 'Tis of Thee, in The Battle Hymn of the Republic, in America—the Beautiful, and in God Bless America. Our coins proclaim, "In God We Trust." As the Supreme Court said in the case of *Holy Trinity Church* v. *United States*, "This is a religious people. This is historically true." No, theism is not a controversial public issue; it is an officially accepted public proposition.

It is on this basis that I think the Robert Harold Scott opinion should be overruled. Which is not necessarily to say that the broadcaster may not give time to the atheists in his community if there are enough of them to warrant such consideration or even to deny that he ought to give them time if the case for atheism is misrepresented or if an individual atheist is condemned by name. It is simply to say that the broadcaster should not be compelled, by FCC fiat, to consider the atheist entitled to a disaffirmation every time radio broadcasts an affirmation. I do not say the atheist is a second-class citizen, but I think he's got to learn to put up with God on the air as he has learned to put up with God on our coins; and I deplore the fact that FCC has retarded this adjustment.

Some time between now and September 1, the men of FCC are going to have to give a lot of consideration to this question. They will need, and I am sure they will want, as much counsel and guidance as they can get. And I'm sure they'll get plenty from the professional atheists, the civil liberties champions, and the numerous advocates of license under the guise of free speech, academic freedom, and freedom of religion. I only hope the apostles of reason will not be, as they so frequently are, asleep at the switch.

FCC's decision in the WHAM case will be, in a very real sense, its first clear-cut and precedent-making decision on this question. The opinion in the Scott case favored Scott, but the decision and order did not. Hence many people felt the opinion was largely a trial balloon. Now FCC will really have to decide something, and decide it with some measure of finality. I hope that, in making this momentous determination, they will not be unmindful of the thought so eloquently expressed by Dorothy Thompson in the Ladies' Home Journal: "Woe unto the nation that destroys its altars! For new altars will surely be built, to idols with terrible faces and bloody hands, carrying whips and swords. Such is the judgment of history, ancient and modern. Men have a right to disbelieve without being punished by worldly principalities and powers for that fact. But the state should think twice before it goes out of its way to provide them opportunities to attack the faith of others."

Statement on Housing by Hon. Kenneth S. Wherry, of Nebraska

EXTENSION OF REMARKS

OF

HON. KENNETH S. WHERRY

OF NEBRASKA

IN THE SENATE OF THE UNITED STATES

Saturday, August 7 (legislative day of Thursday, August 5), 1948

Mr. WHERRY. Mr. President, I ask unanimous consent that a statement on housing, which I intended to make but did not have an opportunity to make, be printed in the Appendix of the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

The Housing Act of 1948 is designed to attack the existing housing emergency as well as to provide a broadened long-range program of low-cost housing in the home ownership and rental fields. It will encourage now, an accelerated production of low-cost homes. It will encourage now, an expanded production of rental housing units. It will immediately liberalize home financing for veterans. From a long range point of view, the bill modernizes and broadens FHA housing insurance programs. The bill seeks the economies in construction costs attendant upon improved and standardized building codes and standardized dimensions for building materials. The bill encourages cost reductions through mass production of prefabricated houses as well as homes of conventional construction.

LOW-COST HOUSING

The bill will facilitate the financing of homes in the $5,000 to $6,500 price range. The FHA title I mortgage insurance maximum is increased from $3,000 to $4,500. According to a survey of construction costs by the Bureau of Labor Statistics last year, 20 percent of the new housing construction in the country fell within a price range that would be covered by the new mortgage limitation in title I. A new provision is added to mortgage insurance under FHA title II under which 90 to 95 percent loans are permitted up to a mortgage maximum of $6,000. According to the survey above mentioned 43 percent of new housing construction fell within the authorized mortgage limitation of this provision. Mass production of prefabricated houses will be encouraged by the financial assistance afforded by certain provisions of FHA, title VI. Another provision of title VI is designed to encourage on-site mass production of homes of conventional construction.

RENTAL HOUSING

One of the acute problems in the housing emergency is the shortage of rental housing. To stimulate the immediate production of rental housing accommodations $800,000,000 of title VI FHA mortgage insurance is authorized for such housing construction. A longer term approach to this problem is provided under a $1,000,000,000 yield-insurance program. Rentals charged under the yield-insurance program would be FHA approved and so set that they will meet the needs for dwellings of families of moderate income. Each of these insurance programs are supported by premiums charged so that the amounts involved reflect only contingent liabilities of the Government. Provision is made for the production of rental housing units for families of lower income in localities or metropolitan areas where there is a field for new dwellings at such rental. Projects of nonprofit cooperative ownership housing corporations and nonprofit corporations can likewise be financed in this field under a mortgage which may be insured up to 90 percent, and in case the cooperative is a veterans' cooperative up to 95 percent. (Sec. 207 amendments.)

VETERANS HOUSING

The bill makes eligible for purchase by the Government secondary market in the Federal National Mortgage Association, insured mortgages covering Government war housing. By regulations of the Housing and Home Finance Agency, veterans are given first preference in the purchase of this housing. This housing constitutes probably the lowest-cost housing available for veteran ownership, and the provisions of this bill should stimulate the acquisition of this housing by

veterans. The Government secondary market is also broadened with respect to GI-home loans in that 50 percent of the lenders portfolio of such loans insured after April 30, 1948, are made eligible for sale to the Federal National Mortgage Association. As noted in the preceding section veterans cooperate housing projects are accorded a preferential 95 percent insured mortgage. While not involved in this legislation, attention may be called to the fact that the Housing and Rent Act of 1948 gives veterans a priority for the purchase of all newly constructed housing and priority for occupancy in all newly constructed rental housing.

CONCLUSION

This country is experiencing a housing boom which promises to reach over a million units this year, a building record never before equaled in this or any other country. The provisions of this bill are designed to keep this momentum going. While a full use is being made of existing supplies of labor and materials it is believed that the financial incentives offered in this bill will attract labor and materials into an even greater production of housing units through emphasis on lower cost construction.

Americans Don't Want Peacetime Conscription

EXTENSION OF REMARKS
OF
HON. WILLIAM LANGER
OF NORTH DAKOTA
IN THE SENATE OF THE UNITED STATES

Saturday, August 7 (legislative day of Thursday, August 5), 1948

Mr. LANGER. Mr. President, I ask unanimous consent that a statement prepared by me on the subject, Americans Don't Want Peacetime Conscription, be printed in the Appendix of the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

AMERICANS DON'T WANT PEACETIME CONSCRIPTION

My friends, if there is any European practice that Americans don't want, it is peacetime conscription. The drafting of young men in peacetime has been the curse of Europe ever since the days of Napoleon. It has robbed every nation in Europe of its young manpower during the period of greatest productivity and sooner or later has lined up armies of conscripts to fight and kill each other over trivial issues. The cost in destruction has kept European standards of living from even approaching ours.

No, we don't want peacetime conscription over here!

For nearly 4 years this administration has been trying to put through Congress a bill for universal military training. The Army was working for it. Big business put on a tremendous lobbying effort and most of the metropolitan newspapers were lined up in support of it. Yet this particular application of peacetime conscription has just been defeated in Congress for the fourth time.

Who do you suppose defeated it? It was the informal cooperation of a great variety of national groups of opinion that defeated it.

In the first place, the churches were against it, both Catholic and Protestant. When these great moral forces agree on a policy, they have tremendous power. They have been adamant against peacetime conscription.

The second great body of opposition came from the educators. A handful of eastern university presidents wanted conscription to back our policy of global intervention with the bodies of our young men but when a showdown came at a conference of university presidents, the vote after a hot debate was against it nearly three to one. And the same proportion or better prevails among the high-school principals and superintendents, and the grade-school teachers, who are the closest to the people. They know it is bad for the country and the plain people don't want it.

Then, organized labor is against it. The CIO and the A. F. of L. have found it difficult to agree on many things but they knew from the start that they were against peacetime conscription. They had seen how it worked in France, where the government broke strikes by ordering the strikers into the Army, and they didn't want that tyranny over labor to be started here. They know peacetime conscription is the last step before fascism.

And, of course, the farm organizations are against it. Farmers everywhere hate war, and the farmers of America are no exception. They love freedom. They hate being pushed around. And when the hearings on UMT were held this spring before the Senate Armed Services Committee, I was proud that, among the great organizations that testified in opposition were the National Grange, the National Farm Bureau Federation and the National Farmers Union.

I hardly need to add that the active peace organizations are against it. They know that governments with armies at their command are going to want to use them to get power or territory or maybe oil. I believe that this has become understood largely because of the splendid educational work of Mr. Frederick J. Libby and the National Council for Prevention of War, which for over 25 years has been the leader in this battle for peace. Peacetime conscription confers dangerous powers upon politicians and generals. An ambitious leader sometimes thinks it necessary to go to war in order to divert his people from their very real grievances at home.

Some Congressmen have thought that the opposition of these great national bodies came only from the top, that the rank-and-file were not interested. But I noticed that during the past month the geenral conference of the Methodist Church with 800 delegates representing 8,000,000 members declared almost unanimously against any peacetime conscription, and this included the present draft bill. I noticed that the Northern Baptist Convention, composed of 5,000 delegates representing a membership of as many millions, took exactly the same position. So did the great Presbyterian Convention and the Southern Baptist Convention and the Unitarian Convention. It is this practical unanimity among the members of national organizations that has made it impossible for big business and the big brass to impose peacetime conscription on the American people.

You may ask me, then, how it happens that the Senate has just passed a peacetime conscription bill called the draft bill. It is only because the Army whipped up an artificial war hysteria and people were jittery about what might happen before Congress gets back next January.

Not only was this war hysteria whipped up artificially for the express purpose of pushing a peacetime conscription bill through Congress before the people woke up, but in preparation for it, the National Guard and the organized Reserves for 3 years have been treated like stepchildren. The requirements imposed on volunteers have been stepped up until half those who applied could be rejected. Whereas the draft bill calls for 2 years' service, volunteers were accepted by the Army for nothing less than 3 years. The intellectual requirements have been raised to a point where, so the papers reported, the Chairman of the House Armed Services Committee himself was unable to answer five out of six of the questions GIs have been expected to answer.

In order further to confuse the American people, a new draft bill has been introduced every few days. There have been different bills in the Senate from those that were offered in the House. Many of us became convinced that the Army chiefs themselves don't know what they want except that they want peacetime conscription at any price.

I was 1 of 10 Senators that voted against this un-American system. I know that the draft bill is not needed to get a fine army, provided the obstacles to enlistment are removed and reasonable incentives are provided to make service in the American Army attractive.

I spoke on the radio recently against conscription and for human rights, and you would be surprised at the tremendous volume of approving letters that have poured into my office as the result of my opposition to the draft legislation that has just passed the Senate. Letters and telegrams have come literally in bucketfuls.

The House of Representatives has not yet acted on the draft bill. It will take up the question tomorrow or Tuesday. You should wire Speaker MARTIN to see to it that the House Rules Committee buries it tomorrow "without benefit of clergy." Then a simple bill can be introduced by the Armed Services Committee, stepping up the pay for GI's to a more reasonable figure comparable with the pay of civilians, reducing the intellectual requirements to somewhere near what they were during the war, permitting volunteers to enlist for a 2-year term instead of 3 years, and giving the National Guard and Reserves a square deal.

If the Rules Committee fails to quash the draft bill, then wire Speaker MARTIN and your Representaties to do so. The draft is not needed. It will upset 10,000,000 homes in order to secure 250,000 soldiers. A willing and contented army, obtained in the true American way, will be a finer army than the draft bill can give us. You can lick this draft bill but send your telegrams to Speaker JOE MARTIN and not to me.

We must maintain freedom in America. It is freedom's last home on earth. If we lose it here, God pity the world.

There is also now pending before the Senate Judiciary Committee the notorious Mundt-Nixon bill. Our American tradition allows us to speak our minds as we wish, to hear what we wish, to criticize the policies of our Government, and to join with others to advance our views.

Only with such rights can the people govern themselves. Without these rights we can neither inform others nor learn from them. We cannot solve problems if we silence those who offer solutions. We cannot have reforms if we suppress reformers. In our democracy ideas and reforms, initially unpopular, are constantly being woven into the fabric of our society.

For these reasons, the first amendment to our Constitution provides that Congress can make no law to abridge freedom of speech, press, or assembly.

The Mundt-Nixon bill would end these rights, so vital to our democracy. It would make criminals of persons seeking to effect changes in our Government by constitutional and orderly means. It would destroy organizations merely because they advocate change in social or economic conditions. For the first time, the Federal Government would, by penal law, brand groups of persons as subversive merely because their views are disapproved by the public officials temporarily in power.

The proponents of the bill tell us that it is directed only against some enemy within our gates which owes allegiance to a foreign

power, and that it merely exposes these enemies without restraining freedom of speech and assembly.

These are not the facts, nor do we need this bill for these alleged purposes. We already have a plethora of statutes against treason, sedition, espionage, and the advocacy of the overthrow of the Government by force and violence. Our statutes already require the exposure by registration of agents of foreign powers. If these statutes have technical defects, they can be improved by technical amendments.

The truth is that the Mundt-Nixon bill is not directed against internal enemies; it is not directed against dangerous actions; it is not even primarily directed against communism. It is a blatant attempt to restrain the effectual advocacy of changes in the status quo.

The bill permits the suppression of organizations and the blacklisting of their members. The organizations which can be suppressed under the bill are described by definitions which are so vague and indefinite that they can be applied to almost any group whose views do not meet with the favor of conservative politicians. Furthermore, these definitions rely heavily on the views expressed by organizations that permit blacklisting of individuals not on the basis of their own acts or views but merely for a guilt derived entirely from association.

Thus almost any farm or labor union, for example, could be branded as a Communist-front organization under the definitions of the bill simply because it advocates certain views which are also advanced by the Communist Party. For example, advocacy of public housing, price control, repeal of the Taft-Hartley law, removal of racial discriminations, and extension of social security. The organizations of millions of Americans who, like myself, oppose the draft, could be labeled subversive because, perchance, the Communist Party likewise opposes the draft.

The evils of the bill are compounded by the circumstance that the Attorney General, always a prominent politician of the party in executive power, is authorized to determine under these loose definitions which organizations, including opposing political parties, are to be stigmatized as disloyal. And this determination would be made without benefit of jury or the presumption of innocence or the rules of evidence which prevail in court for the trial of the most petty offense.

Nor is it true that the bill only exposes and does not outlaw or suppress organizations. It is impossible for any organization to register under the bill and thereafter survive, since registration will be regarded as a confession of disloyalty and will likewise expose its members to economic and social blacklisting. Yet if an organization subject to the bill does not register, it and its members may incur severe crimial punishment. Accordingly, an organization found, under the vague standards of the bill, to be Communist, can neither register nor refrain from registering. It must either go out of existence altogether or become an underground organization hounded by Federal police for the very fact of existing.

It is gratifying that so many of our leading citizens and organizations recognize that the Mundt-Nixon bill is a threat to America's freedom. The labor movement, represented by the A. F. of L., the CIO, and the Railroad Brotherhoods, opposes the bill, as does the National Association for the Advancement of the Colored People, the Board of Christian Social Relations of the Episcopal Diocese of Newark, the Friends Committee on National Legislation, the National Council of Jewish Women, the Women's International League for Peace and Freedom, the American Civil Liberties Union, the National Lawyers' Guild, Americans for Democratic Action, and a host of others.

The Mundt-Nixon bill is therefore, inconsistent with and a threat of a free government. I cannot believe that the people of this Nation will not recognize it as a measure of a police state.

Address by Hon. John Sherman Cooper, of Kentucky, to the Kentucky Society of New York

EXTENSION OF REMARKS
OF

HON. JOHN SHERMAN COOPER

OF KENTUCKY

IN THE SENATE OF THE UNITED STATES

Saturday, August 7 (legislative day of Thursday, August 5), 1948

Mr. COOPER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an address by me at the annual meeting of the Kentucky Society of New York, in New York City, May 19, 1948.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

I deeply appreciate and I am greatly honored by your invitation to be your guest and to speak to you for a little while this evening.

In talking to your president, about a subject for the evening, I found him very generous. The only limitations which he imposed were the direct limitation that I should not talk too long and the indirect suggestion that I should avoid partisan politics.

Of course, to debar a Kentuckian from talking about politics is a great invasion of his freedom of speech, right of assembly, the right of petition and redress, and leaves him practically speechless. This restriction came as a kind of disappointment, as I had looked forward to finding here a political climate and atmosphere more favorable than a Kentucky Republican sometimes finds at home.

Actually, one of the great experiences of my life has been the opportunity that I have had to visit every section of Kentucky and to meet and know its people. I have found everywhere the great courtesy and consideration which are the hallmarks of the Kentuckian.

Of course I shall talk of Kentucky and I know that everything that I shall say has been said before and in a happier and clearer manner. We would not be true Kentuckians if we were not proud of our State and did not believe that its history, traditions and folklore make it a land set apart from others.

If we should view it without imagination, without a sense of history, and in the colorless light of material statistics, it might be difficult to establish our assumption.

We could say with truth that we are the largest producer of bluegrass, hemp, and asphalt, and the fourth largest producer of coal in the Nation, and yet be forced to admit that in industrial development we lag behind many other Southern States. Though we say with exact certainty that we produce in greatest volume products which contribute to the amenities and the pleasures of living—there will be souls without understanding who will not consider it important.

We can speak of a rich culture and of its native contributions; of Jouett, West, Duveneck, Hart, and Shryock, artists, sculptors and architects; of Audubon, Shaler, Linney, Fitch, and McDowell, scientists and naturalists; of Allen, Fox, Johnston, Cawein, Stuart, O'Hara, writers and poets; and of Prentice, Cobb and Watterson, journalists. If the work of our people who have written and sung of Kentucky is colored with romanticism and fails to give Kentucky the epical treatment that it deserves, we cannot object, for we, too, think and speak and sing of it in the same mystic and romantic manner.

Kentucky has sent an unusual number of her sons and daughters into the political life of the Nation. In every national election between 1824 and 1864, with a single exception, a Kentuckian was the choice of one or more of the chief political parties, either for the office of President or Vice President. One native son, Lincoln, and one citizen, Taylor, became President, four became Vice President, and Jefferson Davis was to serve as the lone President of the Confederacy.

Kentuckians have served as Speakers of the House of Representatives for a greater total of years than the citizens of any other State, and in the Congress there have been few Americans who have matched the eloquence, the influence, and the statesmanship of Clay, Breckinridge, and Crittenden. Nine of her sons have reached the Supreme Court of the United States, and today three of its nine members, including the Chief Justice, are Kentuckians. For a century and a half, Kentucky has been truly named the mother of Governors, for from her soil 107 have gone to serve 28 commonwealths and territories.

I shall not attempt to speak of its women, its Calloway, its Mary Breckinridge, its Laura Clay, its Roberts, Johnston, Rice, and of their courage, beauty, and social consciousness, for if I should say too little, it would be understatement, and if I should say too much or speak gracelessly, I would disappoint.

And yet with all the achievements of 150 years, there are defects in education, health, and other fields, which give us pause and lead some of our own people and people of other States to criticize the substance and fabric of our progress.

These criticisms should lead us to question objectively, and to inquire into the fundamentals of Kentucky life.

When the first cable to Europe was completed, and the first message sent, it is said that Emerson bore the news to his friend Thoreau that "a message had been sent by cable to Europe." Thoreau, with deeper perception, asked, "What did the message say?" We can similarly ask, What is the message that Kentucky history has borne to the Nation?

What are the elements, the characteristics of the Kentuckian? Who is he, and what manner of man is he? At home, he may not have reached that level of material accomplishment, of social progress, of social security, or planned mediocrity which seems to occupy our interest today. He may not be always conscious of his own attributes and characteristics, but in the perspective of history, I do not believe that I exaggerate or oversimplify when I say that his background, his interests, and his influence are important, because they have expressed principles upon which our concept of the free men and representative government are based.

He is the first and the continuing pioneer of the land. In defiance of an edict of King George III issued in 1763, that no person should immigrate beyond the Appalachians, Dr. Walker, Gist, Boone, Finley, Harrod, and the long hunters penetrated into Kentucky and wrested it from the Iroquois and Cherokees. When the Revolution was over, young veterans turned their tired faces from Yorktown, King Mountain, and Cowpens and began the long journey by Cumberland Gap and the Ohio River to that land which Dr. Walker had called "beautiful but devoid of inhabitants."

In an island of isolation, separated from the eastern seaboard by the mountains, threatened from the north and the west by the British and Cherokees, and with the

ever-impending danger that the Mississippi River would be closed to them, the restless souls and energies of these pioneers demanded the expansion which was to bring into the Union an area larger than that encompassed by the Thirteen Colonies and the entire eastern seaboard.

In 1778 and '79, George Rogers Clark, just 26 years old, led 250 Kentuckians from the Falls of the Ohio to the West and in one of the bravest campaigns in history, established the American frontier upon the Mississippi.

Kentucky pioneers recognized the imperative necessity that the Mississippi should be free and in a large measure, it was their insistence which brought about the Louisiana Purchase. The list of States created from the Louisiana Purchase is eloquent testimony of their wisdom: Louisiana, Missouri, Arkansas, Iowa, Minnesota, Kansas, Nebraska, Colorado, North Dakota, South Dakota, Montana, Wyoming, and Oklahama. Later, at Tippecanoe, at the Thames, and at New Orleans, they furnished the riflemen, and the bulk of men who, in bloody battle, made secure for the Nation the Northwest and the Purchase.

A second quality of the Kentuckian is his fierce love of freedom. At the very beginning of pioneer life Kentuckians repudiated a movement for the organization and domination of the State, its lands, and its government by the Transylvania Committee, a private organization. Later, when they found the institutions of Virginia too formal and restrictive for their needs and customs, they set in motion the conventions which made Kentucky County of Virginia the second new State in the Union.

In these first constitutions of 1792 and 1799, they were careful to incorporate a bill of rights of 28 sections guaranteeing that every Kentuckian should have the right of free speech, worship, due process of law, assembly, free press, and the right to bear arms in defense of himself and country.

Their understanding of individual freedom and civil rights was not that understanding which is so loudly expressed today—a demand for rights even though the demands deny the rights of others—but it was a universal concept of individual liberty for all persons. When, in 1790, the Congress of the United States passed the Alien and Sedition Act, empowering the President by proclamation to restrain the civil liberties of aliens, it was the Kentucky Legislature, encouraged by Thomas Jefferson, which adopted the famous Kentucky resolutions protesting the action of Congress. In the resolutions it was stated that this Commonwealth is determined to submit undelegated and consequently unlimited powers in no man, or body of men, on earth.'

It was only natural that this belief in individual freedom and the spirit of self-reliance forged in hard and difficult circumstances in which men and women lived, should foster an accompanying belief in the equality of men.

The Kentuckian may be reserved, diffident, backward, but in his attitude and demeanor there is no subservience. It never occurs to the resident of the mountains, the Bluegrass, the Pennyrile, or the Purchase that he is not as good as any other man. This is a characteristic that residents of other States do not always understand, and they are surprised sometimes to find pride and resentment in those to whom they would seek to extend the private or public paternalism and the new material social order which intrigue other peoples and sections of the Nation.

The sympathy of Kentuckians went out to the French in their struggle for freedom, and it is historically true early political leaders and clubs were influenced by the French philosophy of equalitarianism. It is, however, more practical to believe that the sympathetic feeling held for France by the mass of the people grew from their love of equality.

This belief in equality held by Kentuckians has contributed to the political structure of this Nation. Our Constitution was the first in all the world to grant the right to vote to all men, who at the time were free, without restriction, and today all men, of all creeds and color, vote in Kentucky. For the first time representation was based upon number, every man being treated as an individual rather than by his wealth, or his education, or station in life. In 1850, when the third Constitution was being written, the members of the Convention considered equal suffrage for women and invited Miss Laura Clay to address the Convention.

There is no doubt in the mind of the Kentuckian that he, his family, his State, his country, his community, stand as equals with all others.

A fourth quality of the Kentuckian is his understanding of the relationship between freedom and law.

The Kentuckian learned by hard experience that liberty and freedom live only under law. Chafing first under the restrictions of Virginia, and then of the Federal Government, disliking outside direction, possessed of an impatience with all restraint which moved Boone to say that he "no longer cared for Kentucky because its people had grown too easy of life," it was not surprising that in its early history, some were attracted by the intrigues of George Rogers Clark with the French, by those of Wilkinson and Sebastian with the Spanish, and by Burr, all concerned with the purpose of establishing a separate and freer nation in the West.

The majority of Kentucky delegates to the Virginia convention voted against the ratification of the Federal Constitution, and the Kentucky resolutions first voiced the doctrine of nullification.

The circumstances under which they lived forced them at times to act in advance of action by the law, and there was bred an extra-legal attitude, which persisted for generations.

But against these more drastic demonstrations of individuality outside the community and the law, two ameliorating forces were working.

One was political. The 10 conventions seeking statehood, the act of statehood, the adoption of two constitutions with their protecting bill of rights, the establishment of the courts, the participation in wars for the Union, the wise leadership of Humphrey Marshall, of Daviess, of Breckinridge, of Shelby, the philosophical discussions of political clubs, notably the Danville Club, struck deeper roots than the separatists knew, and tied freedom to law. The election of Jefferson expressed the political beliefs of the West, and cemented Kentucky emotionally to the Union. In the 30 years that followed, the leadership of Henry Clay bound intellectually the loyalties of Kentucky to the Union.

The second force against separatism and unbridled freedom, was the development of Kentucky's community life. In the seven difficult years following the adoption of a constitution, when 1,500 settlers were killed by Indians, the people raised the first instruments of civilization and culture. Schools, colleges, the press, the church, began their ameliorating influences, and there developed a love of home, of country, of State, and of section that is epitomized in the immortal song of Stephen Foster, "My Old Kentucky Home."

The two loyalties, one for State and one for the Union, were to clash but once and for a last time in a tragic war which still holds our interest today. In that war the division of loyalties was matched in the division of families, serving under the leadership of two Kentuckians, Lincoln and Davis, who led the causes of North and South.

As a State, Kentucky stood by the Union, and by that action renounced forever the doctrine of nullification, and yielded herself forever to the principle of liberty and freedom under the Constitution and the law.

Finally, Kentuckians know that liberty under law and the institutions of a free government, are worth preserving and must be continually preserved even if the struggle shall demand the sword.

In early pioneer years, when 1,500 settlers were killed by Indians, as they struggled to establish their homes, 300 Kentuckians went with Clark to win the West.

In the second war of independence, 7,000 Kentuckian volunteers were with Shelby and Johnson on the Thames, and her riflemen with their long rifles joined the Tennesseeans in Jackson's victory at New Orleans. They were at the Alamo and at San Jacinto where Texas won her independence. A flag, made by Kentucky women, was carried by Kentucky riflemen.

McKee, young Clay, Jefferson Davis, and Zachary Taylor are symbols of those who were at Monterey, Cerro Gordo, and Buena Vista, and the small villages in Kentucky which today bear Spanish names mark the return of the soldiers of the Mexican War. In the War Between the States, Kentucky furnished more troops to the North and South in proportion to its population than did any other State to either army.

In the Spanish-American War it oversubscribed its quota of volunteers; in World War I it furnished the only county in the United States, Breathitt, where volunteers made unnecessary the draft; and in World War II, before selective service became effective, it gave a greater number of volunteers to the service in proportion to its population than did any other State.

In battle, our people have been separated only once, and then not for long. On the battlefield of Chickamauga stands a statue erected by Kentucky to its dead. It is an unusual statue, different from that of all other States, because it commemorates the dead of both northern and southern armies. Its inscription reads, "As we are united in life, let them be united in death. Let one monument perpetuate their deeds, and one people, forgetful of all asperities, forever hold in grateful remembrance all the glories of that terrible conflict which made all men free and preserved every star on the Nation's flag."

I have not wanted to be fulsome or extravagant, nor do I desire to detract from the loyal devotion of every other section of the Nation. But as note today the cynicism of men toward the principles of free government and the worth and value of its maintenance, I have wanted to point out these qualities of Kentuckians which have influenced and will continue to influence the democratic and free development of the Nation.

The principles of free government and of free men are under attack today, not directly, but indirectly; not by the courageous, but by the glancing blow.

Since the very beginning of life the noblest concept of mankind has been that man may be free in body, in mind, and in spirit. There may be food and drink, material security, the refinements of civilization and the power and majesty of government, but the soul must die unless it is free.

In our Declaration of Independence and our Constitution mere men were not presumptuous enough to assume to confer these spiritual rights upon other men. They declared only that they would secure them against other nations, other men, the tyranny of the Government and its minorities and its majorities.

Our life has become complex. The aspirations and hopes of the people grow continually. It is difficult for them to find expression in an industrial society. Appealing to

these unsatisfied desires, men are turning back from the progress made in centuries of struggle to a new kind of tyranny, the totality of the state.

We see statism in its worst aspects in Russia and the unhappy countries under its control, but it moves throughout the world. It is here. Wherever it is, or whatever may be the extent of its development, it is based upon power, force, and coercion, ideas inconsistent with the ideas of freedom.

Here and everywhere there is always the promise of benefits to be conferred by the state, followed by ever-expanding power which ultimately limits freedom. Such a system cannot live in the arguments of reason. It must exist by direct force, or indirectly by surrender to pressure groups. Justice gives way to favoritism, principle to expediency, and truth to propaganda. The last and worst consequences reveal themselves in the intellectual and spiritual life of men. The final end is a sort of mass consciousness destructive of personal responsibility.

In an industrial society there must be adjustments, and measures of security must complement the principle of opportunity. But we must have the vision and the will to make adjustments without losing the qualities of individual freedom and responsibility which set this country apart and make it the hope of the world.

Our system is at grips with communism, a system of force, either for peace or for war.

We cannot match it by surrendering to it. We cannot match it in the initial stages of force. We cannot match it in propaganda. Our greatest world influence will come from our own unashamed practice of individual and economic freedom. It has a quality which has always triumphed and will again triumph if it is but used.

It is the slow but eternal appeal to man's sense of justice, to his personal and spiritual responsibility.

I have dared to say that Kentuckians believe in and have practiced these principles throughout their history, and it is that belief and practice which marks their greatest contribution to the Nation.

Men today are impatient, but Kentuckians have a sense and love of tradition growing from their experience and their recognition of the continuity of the struggle of life. It is for that reason that we look to the past as well as to the future.

It is for that reason that we respect our families and our fathers. A century and a half has passed since they entered the quiet valley of our State, and no man lives today who knew them or heard their voices. Yet, in our noblest and best moments, they speak to us in all that we possess and in all that we are, and in all the future holds for us. I do not know what the days will bring, or when and how we will again be tested. I know that we will meet the test, and that when the day comes, the brave and gentle spirits of our fathers will be around us., their hands will slip into our hands and we shall hear them say "You cannot fail. You are our children."

The Communists' 1944 Endorsement of Mr. Truman

EXTENSION OF REMARKS

OF

HON. CARL T. CURTIS

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. CURTIS. Mr. Speaker, there are perhaps many reasons why the President does not like to have Congress investigate communism in the Government. The information published in the Daily Worker on August 12, 1944, may have a bearing on this situation.

In that paper there is a special election article called the Decisive Three Months written by Eugene Dennis, the well-known Communist leader. Mr. Dennis speaks officially for the Communists. The gist of the whole article, written back there in 1944, was an endorsement by the Communists of Mr. Roosevelt and Mr. Truman. This Communist article says:

> The question is put whether or not labor and the people, the cause of progress, suffered by Wallace's defeat for the Vice Presidential nomination?
>
> The answer to this is a categoric no.
>
> It is true that Wallace, a staunch supporter of Roosevelt's policies and the leading choice of the popular forces, failed to secure the Vice Presidential nomination. But it is also a fact that the nominee selected is a win-the-war candidate and is a consistent supporter of Roosevelt's war and postwar policies. This can hardly be judged as a defeat for labor and the popular forces!

Apparently the Communists were very well satisfied with the selection of Harry Truman for Vice President. This official Communist article also says:

> Roosevelt and the camp of national unity have been strengthened and not weakened by Truman's nomination.

This article referred to is just full of advice and directions to the Communists of the United States as to how they could be more effective in bringing about the election of the late Mr. Roosevelt and Harry Truman. They say:

> The Democratic ticket headed by Roosevelt and Truman continues the national leadership dedicated to speedily winning the war and forging a just peace. It is a ticket representative not only of the Democratic Party but of important and wider sections of the camp of national unity.

Now, of course, the apologists for the New Deal's sinking ship will say that Mr. Truman was not responsible for this Communist endorsement and that he should not be held accountable for it. Well, here is what the Communists say about that in their same article:

> We Communists must refrain from taking such unilateral actions as that of endorsing candidates, unless this is done in full agreement with the given candidate and with our collaborators.

Mr. Speaker, I think that it will be quite evident to the voters of America that Mr. Truman never got very mad at the Communists until he lost their political support and they supported Wallace. Since then he has called them a lot of names. The record of the administration for keeping Communists in high office, especially in policy-making places, is well established. The evidence on that score is being added to day by day.

This matter is not merely material for a political argument, it reveals a grave tragedy. At the time our Nation was making every sacrifice to win two wars, at the very time that the brave American boys were advancing from island to island and from beachhead to beachhead, the Communists in the New Deal Government in Washington were destroying the peace, using the resources and might of this Nation to aid Stalin. This sorry world picture did not come about accidently. It is the result of the terrible failures of the administration.

In recent days evidence has been laid before the country that one Alger Hiss is a Communist. It is well known that Mr. Hiss has held many important positions in our Government and that he helped shape the policy. He was the man that the New Deal sent to San Francisco to make the arrangements and lay the ground work for the San Francisco Conference for the formation of the United Nations. The evidence indicates that at that time Mr. Hiss was an agent of Mr. Stalin. One thing is clear, about my record in Congress and that is that I have opposed communism at every turn. On November 28, 1945, I told the Congress:

> Mr. Speaker, if the efforts of General MacArthur, General Wedemeyer, and General Marshall, our new Ambassador to China, are going to be successful in maintaining peace, their efforts must not be sabotaged by underlings in the State Department. The Secretary of State owes it to his country and to his President, who is responsible for our foreign policy, to have the Federal Bureau of Investigation thoroughly investigate such men of his Department as Alger Hiss and others and make that record public.

The retaining of Alger Hiss in key positions in the Government certainly was not an oversight. Many others besides myself were making like demands upon the administration.

In 1946 I served on the special committee to investigate the conduct of elections. That committee found that the Communist Party did take part in the congressional elections in several States. We further found that the Communist Party did not file a financial report as required by law. Now, the Democratic Party had to file a copy of their receipts and expenditures, the Republicans had to do it and every other party had to do it. The Communists totally disregarded the law. By unanimous action of this special committee this matter was referred to the Attorney General of the United States. Did Mr. Truman's Attorney General take action against the Communists for this violation? No. I checked with the Department of Justice within the last 2 or 3 days and no action was ever brought up against the Communists for this violation. In order to be fair let it be said that if there were legal technicalities that indicated a prosecution could not be successful, at least the Attorney General could have reported back to Congress and asked for some amendments to the law so that the Communist Party would not have been treated any better than the other political parties. I wonder how the Democrats over the country like the idea of being required to file a report on the money they take in and the money they spend and no such requirement is made of the Communist Party.

A well founded report has come in to the effect that when this matter was laid before the Attorney General it was referred not to the criminal section or prosecuting section but to the section on

civil rights. Just why laws should be enforced against Democrats and Republicans at the same time the Communists are being coddled and favored by the New Deal administration is quite hard to understand. Maybe the Communists were telling the truth when they said as I referred to in a previous quotation, that they would refrain from endorsing any candidate unless it is done with full agreement of the candidate and their collaborators. What kind of an agreement did they have with Mr. Roosevelt and Mr. Truman back in 1944? Is there some good reason why the President wants to pass this off as the mere dragging out of a "red herring"?

The Record of the Democratic Party

EXTENSION OF REMARKS
OF

HON. FRANCIS J. MYERS

OF PENNSYLVANIA

IN THE SENATE OF THE UNITED STATES

Saturday, August 7 (legislative day of Thursday, August 5), 1948

Mr. MYERS. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article prepared by me in regard to the record of the Democratic Party, published in the Philadelphia Bulletin of July 11.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SENATOR MYERS ACCLAIMS DEMOCRATS' RECORD

(By FRANCIS J. MYERS, United States Senator from Pennsylvania)

It has been 12 years since the Democratic Party held its first national political convention in Philadelphia in 1936. Democratic control of the executive branch of the Federal Government now is going into its sixteenth consecutive year. As delegates and alternate delegates from all over the United States and its possessions gather here to decide on the party's candidates for President and Vice President in this year of decision—perhaps the most fateful since the Nation was born—one fact stands out with clarity and force.

The Democratic Party must go before the people and seek their support and a vote of continuing confidence on the basis of its record of accomplishment since 1932. This record of fulfillment of pledges made to the American people in previous successful campaigns is the best possible guaranty of the party's good faith and ability and willingness to carry out the platform pledges that will be made in 1948.

As Democrats, we are content to stand on that record. Although there have been mistakes and countless irritations, I believe that the improvement of living standards and economic justice resulting from legislation passed during the Roosevelt and Truman administrations cannot be matched in the whole history of our country since the first Constitutional Convention established a new nation here in Philadelphia.

Much of this program now is beyond the reach of partisan destructiveness and will endure for many years as a monument to the Democratic Party and its leaders—Presidents Roosevelt and Truman.

REVIEWS STATE OF UNION

What is the state of the Union as we go into this crucial Presidential election after 16 years of Democratic control of the executive branch and 14 years of control of Congress?

Let us review briefly the condition of the country in January 1933, when the Democrats, under the leadership of Franklin D. Roosevelt, took over the reins of government from a faltering leadership. We were in the depths of the worst economic depression in our history. More than 12,000,000 were unemployed. The Nation's banks were closed.

Thousands of factories and mills were idle. Business was stagnated. Mortgages on farms and homes were being foreclosed in unprecedented numbers. Sheriff sales were at an all-time high.

With the calm assurance symbolized in his remark that "We have nothing to fear but fear itself," President Roosevelt and a Democratic Congress set about the task of reviving the economy and restoring public confidence.

Since that day, we have conquered a great depression and emerged victorious from the most terrible war in our history.

FREEDOM UNIMPAIRED

We have emerged from this war not only with our freedom unimpaired but stronger than ever before in our history.

We have accomplished the transition from an economy geared to global war to an economy of production for peace with a minimum of dislocation.

Not only have we maintained the high levels of profits, production, and employment achieved during the war, but we have exceeded them.

All segments of our economy have benefited, the farmer, labor, small business, and big business.

Farm income has more than tripled since 1932.

Corporate profits, after taxes, were seventeen billions in 1947. They unquestionably will exceed twenty billions after taxes in 1948 if current rates of earnings are maintained.

The average annual gross national production under the Truman administration has been more than $212,000,000,000. This compares with an average of $93,800,000 in the boom years of 1925–28.

SIXTY MILLION AT WORK

Civilian employment has averaged 55,400,000 during the Truman administration. It has reached the total of 60,000,000 at work.

The average for the years 1929–33 was 42,300,000 at work.

The average real disposable income per each individual in the United States today is $1,249 compared with only $744 during the years 1929–33. Even with the increase in the cost of living following the war, due primarily in my opinion to the failure of Congress to give President Truman authority to impose controls if necessary, and to the premature abandonment by Congress of genuine price control, that is an improvement.

Although the municipal government in Philadelphia was for many years hostile to the acceptance of help from the Federal Government for such projects as public housing, rehabilitation of the water system and slum clearance or to the idea of Federal long term, low interest rate loans for the financing of essential public improvements, the impact of measures taken by the national administrations to revive prosperity and increase purchasing power throughout the country have had a tremendous effect here. It is true that we lost hundreds of millions of dollars that rightfully belonged in Philadelphia. The Federal grants and loans that Philadelphia allowed to go by default were snapped up eagerly by other cities. Although Philadelphians paid their share, and more, of Federal taxes, other areas of the country benefited from tax dollars collected here. In addition, our failure to take advantage of Federal assistance at a time of low construction costs has made it necessary to pay for all of these necessary improvements wholly from local and State funds at a time of high construction costs.

OFFICIAL ATTITUDE CHANGED

It is significant that the attitude of Philadelphia's city officials has undergone a complete reversal since those days of early hostility and that they now are numbered among the most outspoken supporters of Federal assistance for such projects as airport development, low-income public housing, slum clearance and other public works.

This is in part a tribute to the successful working out of federally assisted projects already established here. More than 35,000 persons now are living in housing projects administered by the Philadelphia Housing Authority. This includes approximately 13,000 persons in low income housing units, and 22,000 in permanent war housing, temporary war housing, and veterans' housing projects. An additional 19,500 units of low income public housing for Philadelphia was contemplated but the provisions that would have made them possible were eliminated from the housing bill passed by the last Congress.

Philadelphia has acquired a "new look" since the first Democratic convention here in 1936 as a result of these and other federally financed measures for the assistance not only of low income groups and slum dwellers but of private builders and businessmen generally. Thousands of homes have been built by private builders and bought by middle income groups through FHA mortgage financing.

BUSINESS EXPANDED

Business establishments have expanded and in many cases staved off bankruptcy with the assistance of the Reconstruction Finance Corporation and the various war-loan agencies of the Federal Government. The International Airport was built with WPA labor. Many of the improvements in Fairmount Park and in other parks were accomplished with WPA labor. Many new public schools were constructed with the help of funds supplied by the Public Works Authority and the Federal Works Administration.

Labor's right to organize and to bargain collectively for higher wages and better working conditions were written into the fundamental law of the land.

Bank depositors were protected against loss through the Federal Deposit Insurance Corporation.

Millions were protected against an old age of dependence and pauperism through social security.

Millions were tided over temporary periods of unemployment through the operation of unemployment compensation insurance.

FOREIGN POLICY PRAISED

The recognition that the Federal Government has an obligation to aid in providing opportunities for employment to American workers was written into the law of the land.

In the field of foreign affairs, Democratic national administrations acted courageously to see to it that we were not forced to face a combination of powerful and hostile dictators without allies. This farsighted leadership gave us time to prepare and to build up our own Army, Navy, and Air Force.

One of the major accomplishments of the Democratic administration, which was hamstrung by crippling amendments by the last Congress was the development of the reciprocal trade agreements program initiated and nursed by former Secretary of State Cordell Hull.

That briefly and sketchily is the Democratic record. It is a record in which we can take pride. It is a record we offer to the American people as the surest guarantee that we will carry out our campaign pledges in 1948.

Nations must be dynamic to survive. We most look forward and strive constantly for new goals of progress and social betterment

for our people, or we will retrogress and become weak. We of the Democratic Party, in this year of decision, 1948, are looking to the future.

War Record of Lt. Merrill H. Tilghman III

EXTENSION OF REMARKS
OF
HON. EDWARD MARTIN
OF PENNSYLVANIA
IN THE SENATE OF THE UNITED STATES
Saturday, August 7 (legislative day of Thursday, August 5), 1948

Mr. MARTIN. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD the war record of Lt. Merrill H. Tilghman III, of Wayne, Pa., who was buried in Arlington National Cemetery on July 27, 1948.

There being no objection, the record was ordered to be printed in the RECORD, as follows:

Funeral services were held July 27 for Lt. Merrill H. Tilghman III at Arlington National Cemetery, Fort Myer, Va.

Lieutenant Tilghman, a resident of Wayne, Pa., was a Field Artillery officer, 27 years of age, killed in action at Anzio on May 24, 1944. A veteran of those first spearhead invasions of Africa and Sicily, he held battle stars for five major campaigns, including some of the bitterest fighting of the war. He also held the Purple Heart. His promotion to first lieutenant took place on the field of battle in October 1943, a few months after the Sicilian exploit.

The citation accompanying the Bronze Star award for the latter reads:

"For valorous conduct in connection with military operations against an enemy of the United States. On August 4, 1943, near San Stefano, Sicily, an enemy artillery barrage, falling on the battery area, set afire a 2½-ton ammunition truck.

"The high explosive and smoke shells began exploding and in turn ignited the camouflage net on a nearby kitchen truck. Despite the enemy artillery shells that continued to fall nearby, and ammunition that was exploding only 30 yards away, Lieutenant Tilghman ran to the truck, disengaged it from a wrecked trailer, and with the vehicle's top burning, drove it to a place of safety where he extinguished the flames."

Lieutenant Tilghman was a graduate of Haverford School, Amherst College, and received his master's degree at the University of Pennsylvania. He was employed with the legal department of the Pennsylvania Railroad when he entered the service. He received his commission as second lieutenant at Fort Sill, Okla., in September 1942, and went overseas the following month, participating in the initial invasion of Africa.

Lieutenant Tilghman's parents reside at 466 Audubon Avenue, Wayne, Pa.

The Civil-Rights Program

EXTENSION OF REMARKS
OF
HON. WILLIAM LANGER
OF NORTH DAKOTA
IN THE SENATE OF THE UNITED STATES
Saturday, August 7 (legislative day of Thursday, August 5), 1948

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an address regarding the privileges Americans enjoy, broadcast by me on June 7, 1948, over the facilities of the American Broadcasting Co.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

Fellow Americans, everybody I talk to says he loves liberty, freedom, democracy, the Declaration of Independence, the Bill of Rights, the Constitution, and all the rights that go with it.

The Freedom Train has spent months crossing and recrossing this land of ours. Millions of men, women, and children—those who are in the majority in this country, and some in the minority—who were permitted to see all these treasured papers, filed past the exhibits hour after hour and day after day.

The peace for which we fight in time of war and the peace we hope to maintain between wars, hot or cold, is a peace of all the people, maintained on the basis of harmony within our borders, and harmony with our neighbors in one world.

There was a pianist of some note who explained that harmony on the keyboard is obtained by blending the tones from the white keys and the black keys. Harmony is the absence of discord. Discord promotes strife and the common welfare thus becomes a costly thing to maintain.

Today the air is filled with discussion of such terms as "communistic," "fascistic," "subversive," "disloyal," and others, and almost everyone has his own idea of how to cure these cankers on the body politic; but cures are not brought about by the tonic of expediency nor the remedy of evasion and avoidance. Only the elixir of compliance without mental reservation injected into the blood stream of national life will ever bring us the domestic tranquillity, adequate assurance of full compliance with the necessity for the common defense, promotion of the general welfare, and the blessings of liberty, as set forth in the Declaration of Independence.

It was said of Thomas Jefferson, the author of our Declaration of Independence, that while he and his associates were at work upon this fiery document, just outside his study window were the slaves who had still to wait almost another 100 years before they themselves were to be made freemen.

I am not speaking my views on this occasion, now, any more than at any time in the past, simply because they are timely but because I believe that when I raised my right hand and placed my other hand upon the Bible, I, as did all the other Members of the Congress, along with the President of the United States, took an oath of office to defend the same Constitution of the United States against enemies from within as well as from without.

This is an election year; a time when precampaign promises are most numerous. The ink has not yet dried on the civil-rights proposals of the President's committee who challenged the discriminatory practices against minorities of our own people. This committee of devoutly earnest men and women, representing all segments of the population, set forth in clear language its analysis of the abuses against our less fortunate brethren who are the outcasts of our society.

As a signatory power to the Charter of the United Nations, with particular reference to article 55, we are committed to "universal respect for, and observance of, human rights and fundamental freedoms for all without distinction as to race, sex, language, or religion." The President's Committee on Civil Rights declared that in order to carry out our international obligations and to rid ourselves of the economic wastage and the moral dry rot resulting from prejudice, discrimination, and rank violation of our civil liberties, America must move forward along three fronts—the legislative, the executive, and the judicial.

The President has countersigned the recommendations of his committee and he has proposed to the Congress that there be action on Capitol Hill during the present session. The President's program is quite understandable and calls only for the same things that you and I must agree we want for ourselves, and certainly it will go full length toward eliminating all "isms" in the United States except Americanism. I was not a member of the President's Committee on Civil Rights though I endorsed every word of what the committee had to say. I now am fighting for the committee's program along the same three fronts—the legislative, the executive, and the judicial—to secure the God-granted rights assured to all in the Constitution, which I swore to uphold and defend. Since the time the President's committee's proposals came to the Congress, there seems to have been a general abatement of the campaign on the part of the executive branch for adoption of its principles. It seems that the President and his political party chairman and a number of the Members of Congress from below the Mason-Dixon line are not in complete agreement on what parts of the committee's document shall be chosen for adoption or rejection. And so we have only inertia where action should be the watchword.

The President's committee dislikes the unwholesome practice of lynching as a terrorist device reinforcing all the other disabilities placed upon the Negro. For more than a quarter of the century since the time when James Weldon Johnson began his fight on lynching, antilynch bills have been repeatedly passed by the House only to die by way of a filibuster in the Senate. This year it can be different. An antilynch bill already has passed the House and all that is needed today is for the majority, in complete control of the Senate, to place the necessary accent upon the bill and it will have to go on the statute books, because the President has already said "amen" to his own committee's agenda. It is just that simple.

Yet, out of all of the points included in the Civil Rights Committee's slate for progress, statehood for Hawaii appears to be about the only proposal the Congress cares to take seriously. We are still at grips with the problem of enfranchisement of 100,000 Indians in New Mexico and Arizona. This was a plank in the committee's platform.

This month the main political conventions will open for business in the City of Brotherly Love, a most appropriate locale where a report might be made that the President's civil-rights measures have been or have not been enacted into law and where an end to segregation and unfair labor practices against minorities and lynching and all the other hideous actions can be reported as having been ended. But I am afraid the President, who is off on a so-called nonpolitical tour, and the Congress that is still off on a political "tear," have left themselves little time in which to write "well done" to legislation advancing the general cause of life, liberty, and the pursuit of happiness. Some of our minorities are veterans, as are their dependents, yet we have not been able to afford decent housing for these citizens. Can we then bear hope that any other minorities will receive more than "lip service" from strutting protagonists who protest their love of all mankind, especially a few months before November?

The rules of the United States Senate provide that a two-thirds vote can limit discussion on any measure. The majority leadership can muster a two-thirds vote at its convenience. Such vote could, and I am sure would, guarantee passage of Mr. Truman's

civil-rights program. It could, likewise, assure inclusion of nonsegregation provisions in a new national draft act, without which we still would be wanting for a democratic army.

Unless something happens on the civil-rights front before the major political conventions, I am convinced that the platforms adopted after the conventions will still be of the usual sweetness-and-light variety. Here and now we have opportunity for the legislative branch and the executive branch to stand up and be counted and to prove the full worthiness of their words with deeds.

I call upon each of you who believes in the principles of the civil-rights program, not only to write or wire the President, but as many of the Members of the Senate and House as you can, immediately. Do not ask merely for passage of the program but insist upon knowing without delay why the program was not approved months ago, and insist upon every provision of the program and not the anti-poll-tax plank or the antilynching plank alone.

Some persons are saying that if the Congress passes the draft act with civil-rights provisions, there will not be enough time left to hold a political convention. On the other hand, it might be said that if Congress does not pass a draft act with such safety clauses, the political convention may not be of any great consequence, to some who opposed the proposition. Others would remind you that Congress, by law, must wind up its session by July 31; this is true, but Congress and the President can agree to change the law applicable to the present session and to extend the time of the session until they have attended to this very vital issue. I am willing and anxious to see the Congress remain in session until we have clarified the meaning of the word "democracy" and until we have breathed the breath of life into the phrase, "pursuit of happiness," and until we have underscored the guaranties to personal safety and freedom of all our people from fear internally. All posterity of our minorities and our majorities can be bequeathed no greater heritage than that they can be born into a world of new freedom endowed with full assurance that the blessings of liberty mean what they say, and that the general welfare can be brought into full focus in the cause of the common defense when the hour of peril shall have arisen again and 100-percent support of all our people will need to be marshaled to repel the threats to their children.

During the fiscal year 1943–44, 69.4 percent of the reported cases of discrimination in this country originated with business Houses. Government, itself, added materially to discrimination by originating 24.5 percent of the cases while labor unions were responsible for 6.1 percent of such cases, and of those who were discriminated against, 96.7 percent were so discriminated against because they were Negroes, 72.7 percent because they were Jews, and 71.9 percent were discriminated against because they were Mexican-Americans.

The direct result of racial discrimination constitutes a hazard to national health. It has been found that the life expectancy of the Negro is 10 years less than that of the white man and that maternal deaths among Negro women are more than double that of white women. Some of the underlying causes of these conditions include the poor economic status of the Negroes, discrimination of medical facilities, and a shortage of trained, Negro personnel to administer the needs of their own race, which constitutes more than 10 percent of our total population.

I am proposing a series of amendments designed to prevent segregation in the armed forces, to prohibit inductees from paying poll taxes, to provide the protection of antilynch provisions of law, to compel contractors supplying goods and services for use by or for inductees to agree not to practice discrimination in employment because of color, race, or national origin. I shall continue to insist upon acceptance of my amendments until they have been approved or rejected. I believe that in taking such position I am living up to the full stipulation of my oath of office, without any mental reservation. Of course, those who oppose adoption of these amendments are fearful that once they become law, the same provisions will be broadened in civil life in that the Chinese wall of resistance to the march of progress, as the creator intended it, finally must crumble into dust.

In a poll of majority Members of the Senate, it has been found that the greatest number among those who favor civil rights legislation prefer to see action on the antilynching bill, already through the House. This plainly means that the bill is already at the threshold of final enactment, and that the Senate having discharged its duty, the bill becomes the property of the President who, some months ago, endorsed his own civil-rights committee's program to outlaw lynching on a Federal basis. I ask each of you to send separate letters or telegrams, addressed to your Senators, specifically calling for antilynching legislation. The time is short and the Senators will want to be hearing from you, I feel sure.

It cannot be said by anyone that I am making a bid for votes for myself. My term of office has yet to run more than 4 years; therefore, I am not a candidate. If I were seeking reelection at the moment, my position would be exactly what it is today, and which can be well summed up in the President's own words in his message on the four points in the "American Faith" when he said, "We believe that all men are created equal and that they have the right to equal justice under law."

Old-Age Assistance

EXTENSION OF REMARKS
OF
HON. JOHN C. BUTLER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. BUTLER. Mr. Speaker, I desire to extend in the RECORD, for the attention of the Congress and the public as well, an article which appeared in the Minneapolis News of August 4. This article indicates that the increase in benefits for the aged provided in our amendments to the Social Security Act in this session, may not result in giving relief to our needy aged at all. The article is self-explanatory and is as follows:

FEDERAL OLD-AGE INCREASE TO SAVE COUNTY MONEY

The action by the Eightieth Congress to increase old-age-assistance grants will have no effect in Hennepin County, according to Ed. Kienitz, executive secretary of the county welfare department.

The reason for this, Kienitz explained, is that at present, 70 percent of the old-age-assistance recipients in the county are now receiving the top grant of $50 monthly.

However, the additional moneys voted by Congress will save Hennepin county about $22,500 monthly during the balance of this year.

New aid to dependent children, also voted by Congress, will give the county approximately $1,253 more per month for this type of aid.

Mr. Speaker, it was the intent of the Congress that the additional money provided for old-age assistance to the States should be used by the State to provide more money for those who are in need. It was not intended to be used by the States to reduce the amounts they are now providing. This news from the great State of Minnesota is appalling. It only goes to show an additional reason why we should have an adequate, decent, American old-age pension paid direct by the Federal Government.

My Day

EXTENSION OF REMARKS
OF
HON. FRANCIS J. MYERS
OF PENNSYLVANIA
IN THE SENATE OF THE UNITED STATES

Saturday, August 7 (legislative day of Thursday, August 5), 1948

Mr. MYERS. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an article entitled "My Day," by Eleanor Roosevelt, from the Pittsburgh Press of August 2.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MY DAY

(By Eleanor Roosevelt)

HYDE PARK (Sunday).—Yesterday morning I left Hyde Park about 8:45 to drive to Sugar Notch, near Wilkes-Barre, Pa., attended the memorial ceremonies there in honor of my husband, and was home again by 9:15 p. m.

The people of this little mining town, when they heard of my husband's death 3 years ago, placed his name, with a gold star beside it, at the head of their honor roll. At the time, this story was carried in the press because Sugar Notch was the first place in the United States to do so.

Later its citizens made a pilgrimage to Hyde Park to place a record of their memorial on my husband's desk, and now they have erected near their courthouse a memorial to him which I unveiled yesterday.

SAME HYMN FEATURES SERVICE

The people of the little town and some nearby areas gathered in the street for the occasion. Congressman Flood presided and the ceremonies were well arranged and carried through by John A. Riley, chairman of the Roosevelt Memorial Committee.

I was glad that I was able to be there. As the anthracite men's choir sang The Battle Hymn of the Republic, I could not help being reminded that this same American song was sung at the recent unveiling of the statue of my husband in Grosvenor Square, in London.

The memorials in different parts of the world, to a man whom the people of various nations have felt was a personal friend in times of trouble, are reminders not of that man alone but of the things for which he stood.

In the case of Sugar Notch, the memorial is to all the men of that area who died in the various wars that have made and kept us free and a united Nation. For that reason it is even more important to think not only of the men themselves and their sacrifice, but of the objectives which were served and for which they laid down their lives.

PEACE HOPES COME FIRST

There was no man who fought in this last war who did not hope that he was preventing future wars. That was one of my husband's great hopes and purposes. That was why the plans for the United Nations were made while the war was still going on.

He knew better than most people what the difficulties would be in uniting the people of the world and making them work for peace. He had had the experience in his own life of trying to keep the United States a united nation working for common objectives.

First we had met a tremendous domestic financial crisis. If all of us had not worked together, it would have been difficult to conquer the problems that we faced in 1932 and 1933. But, together, we succeeded not only in recovering from the great depression, but in preparing ourselves to fight our greatest war.

It remains to be seen whether the real war memorial to our war dead of which all the other memorials are only reminders—the building of a peace—can be accomplished by us.

Federal Grants to the States

EXTENSION OF REMARKS
OF
HON. JOHN SHERMAN COOPER
OF KENTUCKY
IN THE SENATE OF THE UNITED STATES

Saturday, August 7 (legislative day of Thursday, August 5), 1948

Mr. COOPER. Mr. President, I ask unanimous consent to have inserted in the Appendix of the RECORD an address by me at a meeting of the Kentucky cooperatives of the Rural Electrification Administration at Louisville, Ky., on April 12, 1948.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Today, a great deal of thoughtful study is being given to the policy and practice of Federal grants-in-aid to the States, and to the measure of Federal control of local affairs which such aid often implies. It is certain that such aid is necessary in many fields, but it must also be recognized that a loose and irresponsible extension of the policy of granting Federal aid with Federal controls could seriously endanger the fiscal stability of the Federal Government and destroy local governmental and individual responsibility and initiative. Whatever the limits of Federal aid may be, the people of the United States should be pleased to know that the REA program can be supported and justified upon grounds of sound principle and upon its demonstrated success.

In principle the Federal Government is extending aid to those rural areas to which private enterprise either cannot or has not seen fit to extend its service. Again, in terms of principle, your affairs and business are not directed from Washington or even from Frankfort. Rather, in the best tradition of local self-government, your affairs are directed and managed by private citizens whom you select.

If we apply the test of achievement, I cannot think of any program, inaugurated by the Government for the benefit of the people, whose progress can be more easily and indisputably measured and judged, than the program of the Rural Electrification Administration.

Its primary purpose is to provide electric service to people living in rural communities who otherwise would not be served at all or, at best, would not be served for many years. The progress which has been made toward this goal, in a short span of 13 years, is a remarkable achievement.

In 1935, at the time of the creation of the Rural Electrification Administration, only 11 percent of the farms of the Nation received electric service from central stations. At the end of the last fiscal year, July 1, 1947, it was estimated that 3,574,641 farms, or 61 percent of the Nation's total, were electrified, and that over one-half of the farms which had been added were connected to REA lines.

In 1935, 8,480 farms representing only 3 percent of Kentucky's total received electric service. Today 104,434 Kentucky farms, or 44 percent of the total, are served, and 83,000 by REA lines.

I believe that it is a logical and fair conclusion that the 600-percent increase in the Nation's electrified farms and the 1,400-percent increase in Kentucky's electrified farms since 1935, can only be attributed to the REA program, either by its direct action, or by its stimulation of private power companies.

These bare statistics are known by you who are directly interested in rural electrification but I think it worth while to give them emphasis, so that the progress that is being made, and the structure upon which it rests, are made increasingly clear to people everywhere.

It should be emphasized again and again that the Federal Government does not give money to the State or cooperative in aid of this program, but that it lends money—money which must be repaid to the Government with interest at 2 percent, in a maximum term of 35 years. And thei you should emphasize that the money is being repaid to the Federal Government, and that the record of repayment is more favorable than that of most private and public institutions. One of the greatest compliments that can be paid to REA and to its local directors is to look at its balance sheet.

In the Nation, it has loaned nearly $837,000,000 to 1,031 borrowers, chiefly cooperatives, and only one foreclosure has been necessary; $154,000,000 in interest and principal has been repaid, and $23,000,000 of principal payments have been paid prior to maturity date.

The Kentucky record is even more favorable. Here, $27,000,000 has been advanced to 26 borrowers, all cooperatives, and not a single borrower is in default; 21 of your cooperatives are making principal payments in advance of their maturity.

If there are those who view the REA with suspicion as an extension of Federal control into local fields, or if there are those on the other side, who approve greater Federal authority and believe that REA is a step in that direction, I point out that both are grievously wrong and are confounded by the record of the program. It has demonstrated clearly, above all other things, that Federal aid is needed in certain fields, to meet needs and provide opportunities which the States, local government, and private enterprise cannot successfully or fully supply, but it has proved also that management and direction, and Government is best when it is decentralized, on the ground, and chosen by democratic methods. In passing, I cannot resist directing the attention of the people to one of your practices, certainly unique today—the practice of your directors serving without pay.

Looking to the future, it is probable that some of your hardest work is ahead of you. Approximately 2,280,000 farms, or some 35 percent of the Nation's total, are yet unelectrified. Many of these lie in areas isolated from sources of power, or in areas which are difficult and expensive to reach with transmission and distribution systems. It is reasonable to anticipate that a considerable volume of loan funds for cooperatives and other borrowers will be needed to reach these last areas. The funds must be appropriated by the Congress and it follows that you are interested in the action of Congress with respect to REA appropriations. I want to take a few minutes to tell you something of what is being done now to provide funds for the fiscal year beginning July 1, 1948, and ending June 30, 1949, which is called fiscal year 1949.

For background, it might be of interest to you to know that the total appropriations to REA to this year are $1,300,428,288. From that sum, the REA has approved about $1,200,000,000 in loans and has actually advanced about $835,680,000 to its borrowers.

Last year, the REA requested the Congress to appropriate $400,000,000 for loan funds and was given $225,000,000.

This year the sum of $400,000,000 was again requested, but it was reduced to $300,000,000 by the Bureau of the Budget, before the budget was presented to the Congress.

The House of Representatives has passed the appropriation bill for the Department of Agriculture and, overriding the Bureau of the Budget, appropriated to the REA its full request for loan funds, $400,000,000. In addition, it appropriated an additional $175,000,000 as a deficiency appropriation to round out the full $400,000,000 requested last year.

Hearings begin before the Senate Committee on Appropriations on April 17, and while I cannot predict their action, I have every reason to anticipate that the appropriation made by the House will be substantially maintained. If this is done, the effect of the bill will be to make available in the coming fiscal year a total sum of $575,000,000 for loan authorized systems. This is certainly a very generous amount, especially when we consider that the total loans authorized by the REA in 12 years amount to $1,200,000,000.

The House also approved the sum of $5,000,000 for administration, matching last year's appropriation, and increased from $68,000 to $100,000 the appropriation to the Department of Agriculture for research in farm electrification. If these sums are maintained even in reasonable approximation, I believe that you will agree that REA has received fair treatment.

Before I pass from this point I hope you will allow me to make a few comments on the general subject of appropriations. The Congress holds the REA program in high regard. It does so because of sympathy with its objectives, because of its decentralized and self-governing structure and because of the care, economy, and good judgment you have shown in managing your own business. Its confidence has been strengthened by the fact that you have been able to justify your requests for appropriations with accurate facts and a record of achievement. It is your best recommendation. You can never afford to lose it by making extreme, unreasonable, or unwise requests for appropriations, or by substituting the arguments of reason for propaganda. Some agencies have done this and have hurt their cause. It is analogous to the well-known example of the individual who slowly but surely builds up a good reputation and then loses it in a few foolish and unwise acts. I know that you will not do this.

In this connection I would like to say that you are greatly aided in Washington by the National Rural Electric Cooperative Association under the leadership of Hon. Clyde T. Ellis, executive manager, who formerly served in Congress. As you know, your national organization, among other duties, carries on

research and gathers facts which it presents to the proper congressional committees on matters affecting your interests, and to the Members of Congress through its magazine.

I have seen some of its work in bringing testimony before the Public Works Committee where we have been conducting hearings on TVA, and I was interested in its factual approach. In fact, I questioned several of the witnesses at length to inquire if any effort had been made to propagandize or mislead them or the people of the area for which they spoke, and I am happy to state that there was no evidence at all of such action. These are the things which promote confidence and lead me to commend the work of your organization in Washington.

While Kentucky has made great progress in farm, rural community, and rural business electrification, it is only fair to point out other less favorable aspects of our program. Only 9 of the 46 States in the REA program have a smaller proportion of electrified farms than has Kentucky, and six of these are Western States whose coal or water, sources of power, are less plentiful than in Kentucky. All of the States which bound us, with the exception of Tennessee, are farther advanced in their electrification program.

With respect to rates, it is my information that the average rural rate in Kentucky is the highest of all the Southeastern States. I will not attempt to assign the reasons for these conditions, for I realize that they are technical matters and involve factors which are in your province and the province of the expert. Inadequate sources of power, lack of competition, the rough topography of parts of our State which increases construction costs, the 25-year amortization period in Kentucky, which is a shorter term than that prevailing in the greater part of the States, undoubtedly have their effect on rates. The amortization period should be extended by your State government.

I raise these matters as challenges to you to join together in cooperative study and effort to find and correct their causes.

Rural electric cooperatives are always interested in sources of power. A number of cooperatives and communities in Kentucky have manifested great interest in the marketing and use of power that will become available upon the completion of the Wolf Creek, Dale Hollow, and Center Hill Dams, now being constructed by the Army engineers in the Cumberland River Basin.

Section 5 of the Flood Control Act of 1944 provides that power available from dams built by the Army engineers shall be marketed by the Secretary of the Interior and that he shall give preference to public bodies and cooperatives.

It has been known that the Tennessee Valley Authority has been interested in acquiring the power, and that certain Kentucky cooperatives do not favor the total acquisition of the power by the TVA and would like to build transmission lines to serve the areas with which they are concerned.

I have talked to Mr. Krug, Secretary of the Interior, about the matter and he informs me that arrangements are now under way to sell the power that will be developed at these dams to the TVA. The reasons which he gave me in support of this course of action are several. I am informed that 19 of the 64 Kentucky and Tennessee counties in the Cumberland River Basin are in the Tennessee River Basin, that the TVA service area embraces 70 percent of the Cumberland Basin, and that it is now furnishing about 80 percent of the electricity consumed in the Cumberland Basin.

Mr. Krug stated to me that it is his belief that it will be economical for the TVA to market the power because of its existing facilities, both of equipment and in engineering staff, and because it will provide for the TVA reserves needed to assure a more constant supply of power. He told me that it is the intention of his Department that every effort will be made to meet every need of Kentucky cooperatives that can be economically served. Like assurance has been given me by the TVA.

Again I must make it plain that these matters are so broad in their scope and of such a technical nature that it is difficult for me to comment upon them with accuracy and authority. My chief desire is to do what I can, within the limits of reason, economy, and efficiency to assure that my own State, Kentucky, shares fairly in these new sources of power. I hope that I will have the benefit of your advice in this matter and I assure you I will use every energy to protect the interests of Kentucky and its people.

I am going to digress for a few minutes to discuss with you the hearings which are now being held by a subcommittee of the Senate Committee on Public Works, of which I am a member, on a bill introduced by Senator McKellar, which would change materially the status of TVA. There are many provisions in the bill, but there is one which is chief and central and whose purpose overshadows all others. Section 26 of the present TVA Act provides in substance that the annual receipts from the sale of power may, after the payment of appropriate sums to the Federal Government in repayment of money advanced to the TVA, be held by the TVA and plowed back or reinvested in capital outlays, such as the construction of power facilities and transmission lines to meet new needs and requirements. It is this provision that gives to TVA its flexibility to adjust itself to new construction and needs similar to the flexibility of a private power company. It is the heart of the TVA. The bill which we are considering would require that all of the proceeds be returned each year to the Treasury and that appropriations be then made in advance for every specific development planned, or which might develop. No principle of accounting or of debt payment is involved, because the TVA does account for its expenditures and is required by law to make regular debt payments.

I do not have the time now, nor is this the place to discuss the entire philosophy of the TVA. When I first went to the Senate, I did not have the information upon which to base any fixed opinion about the operations of TVA but I wanted to learn something about it.

Last year when a committee of which I was a member began hearings upon the nomination of Mr. Gordon Clapp to be Chairman of the Board of TVA, my mind was open. At the conclusion of 13 days of testimony, I had developed two opinions. The first was that Mr. Clapp was an able, conscientious, and reliable public servant. My second conclusion was that the TVA project is one whose experience is valuable and will continue to be valuable to us, not merely because of its daily operations, but in the determination of many questions relating to the entire field of public power. We have invested $800,000,000 in TVA. It must either be continued or stopped, or its activities so circumscribed that it cannot properly perform its function. Obviously it will not be stopped, so the question comes down to its efficient operation. I reserve the right and the responsibility as a Member of Congress to examine and review its activities to determine if its operations can be improved, but I will not vote to destroy it.

Although I have talked too long, I have not been able to speak of the many personal and human benefits that have come to farm people through the Rural Electrification Administration. I can only say that I am happy that all of our people can now share in these advantages.

Before I close, I do want to speak to you as a farm group and of your responsibilities at this particular time. No one can ever forget the part played by the American farmer in the recent war. Comprising only 15 percent of the Nation's labor force, handicapped by inadequate manpower and equipment, you worked long hours and fed this Nation, its armies, and, in part, our allies. It was an unmatched example of devotion and patriotism. Your task is not finished.

The population of this country has increased by 10,000,000 people and our population, armed with increased purchasing power, has increased its food consumption by 17 percent. The population of the world has increased by 200,000,000, who seek just the minimum amount of food necessary for life. It is a tragic fact that today there is not enough food in the world for its people. Only the United States, Canada, Australia, Russia, and the Argentine have the capacity to meet this need in any important degree and the greatest burden falls upon us. Last year and this year we will export over 500,000,000 bushels of grain to hungry people throughout the world. These facts have brought home to the American people a realization of their own dependence and the dependence of the people of the world for mere survival, upon the American farmer. I would not minimize the part played by any other group in our economy, but every other group can reflect upon the fact that they are absolutely dependent upon the farmer. Today he is the most important person in our economy.

The Congress realizes that food must come from the soil, and we will appropriate sufficient funds to protect and conserve the soil, the very life of the Nation. They realize your shortage of manpower and your need for electric power to take the place of men who do not produce but only consume food, and we are going to appropriate sufficient money to REA and to power developments to promote the rapid extension of power facilities. They realize that production must be continued for many years, and we are going to maintain the parity principle so that your plans and your means and ability to continue to produce will not be destroyed. It is in your interest that we do this, but in a more fundamental sense, it is in our interest, in the interest of our survival and the attainment of world peace.

The appropriations made by the House for soil conservation, extension work, AAA research, and REA have in main been generous and adequate. There are certain appropriations relating to extension work and forestry which we hope to correct in the Senate.

Parallel with appropriations, action will be taken to either continue for a time the present farm program or to adopt a permanent farm program.

In conclusion, let me urge upon you the assumption of the responsibilities that fall upon all of us by reason of the uncertain times in which we live.

I have received many letters asking the question, "Do you believe that we are going into war?" It is a question that we cannot answer for others, but we can answer for ourselves by saying that we will do everything in our power that can be honorably done to avoid war. I hope that the Congress, the administration, and the people will never allow fear, hysteria or propaganda to sweep them into that state of mind which regards war as inevitable. When such a state of mind obtains, the power to consider critically our own action, to strive for every avenue of peace, and to make calm judgments, vanishes. The Congress, the President and the administration will never have the moral right to assume that war is inevitable or to assume that every step has been taken to

avoid war. It is our responsibility to constantly review our policy and duty to take every possible step that can be taken with honor to avoid a war which could destroy civilization. Every policy should be accepted only if it will promote peace. We have taken certain steps. We approved the Marshall plan to bolster the countries of western Europe so that they may be able to stand on a basis of equal footing with an aggressor until that time when their economic recovery will permit a normal reestablishment of trade and peaceful relations.

It will be necessary to take such steps at home as are necessary for our own security and defense and to persuade an aggressor that we will defend ourselves.

Beyond that, I believe personally that the Nation should not assume that every avenue of agreement with Russia is closed, and that we should seek unceasingly through negotiations and the strengthening of the United Nations to find a basis of peace. Unless we can do this, we must maintain an armed camp, or ultimately fight, and live in an atmosphere of fear or uncertainty. I am not willing to believe that we do not have the reason, the intelligence and the moral force to find a better solution.

Representative government cannot match a totalitarian government in propaganda or in the initial stages of force. But we have something that they do not have and can never have, and which always triumphs ultimately. It is reason, ideas, and an appeal to the spiritual values of mankind. Our action must always be consistent with these basic values.

In closing, let me say that I have appreciated the opportunity to talk to you. I admire the work that you have done. I respect your stability, your sound viewpoint, your patriotic citizenship, your unswerving loyalty to our form of government.

I do not claim to know everything about all of your problems. I am deeply interested in them and you may rest assured that in every sound proposal of yours you will have my open, sincere, and energetic support.

Universal Military Training

EXTENSION OF REMARKS
OF

HON. WILLIAM LANGER

OF NORTH DAKOTA

IN THE SENATE OF THE UNITED STATES

Saturday, August 7 (legislative day of Thursday, August 5), 1948

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an address regarding universal military training broadcast by me over the facilities of the American Broadcasting Co. on June 13 last.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

So that there will be no misunderstanding of my views, I first wish to state emphatically that I am against universal military training.

The program for universal military training brings acutely to the foreground a number of major questions, some of them of critical importance to this Nation.

Foremost among these questions is that of civil rights.

To understand this matter in its true historical perspective, it is necessary to bypass all of the usual arguments as to whether the Negro and other minorities may safely be entrusted with all of the rights of citizenship, many of which they do not possess. I say they may safely be so entrusted and that, by and large, all Americans of any race or color possess the instincts to lead a decent and worth-while life, adding their mite of service to the general good of the American community as a whole. Assertions to the contrary are the product of pure spleen and prejudice. From the Christian viewpoint, certainly, such claims are immoral and contrary to all of the tenets by which Christianity has sought to redeem the world and substitute the spirit of love and tolerance for the hatred and bias which man has inherited from his savage ancestors.

Be this as it may, however, there is an even more practical and demanding issue in the sense of its absolute immediacy—that is, the threat of communism to the world.

We may ask ourselves this simple question: Why do we want military training at all? It is expensive and a drain upon the entire physical resource of our Nation. It withdraws boys from schools, colleges, laboratories, and workshops at the most valuable and impressionable period of their lives. This is the period when the ability to absorb knowledge is perhaps at its greatest point. Thus, we not only sacrifice a great portion of the country's wealth, which could be used to provide a better life for everyone, but we also sacrifice in the interests of the Nation one of the most valuable periods in the lives of our young manhood. It is this youth who will make up the next generation and who will determine whether America is still to continue in a position of leadership in the world. To subtract from the lives of these boys 6 months or a year which might be devoted to self-improvement or to learning, is even more costly to America than the physical costs of maintaining this big universal training plan.

America is not a militaristic nation and never has been. If it feels itself goaded into this unprecedented peacetime military training program, and finds it necessary to pay this high price in order to guard its future security, it must ask itself why. Why do some feel it necessary to pay this high price in order to guard our future security? Against what are we protecting ourselves?

All of these questions, of course, can be answered simply. Our potential enemy, and the only potential enemy strong enough to contest our security in this world, is communism. It is through a fear of communism and of the means by which it has wrecked entire nations and seeks to crush the remaining free world, that we have girded our loins and are placing our Nation in battle array.

If there is no fear of communism and no Communist enemy whose deadly red eyes glare at us everywhere on this earth from the shadows, then all this talk of universal training, of Army, Air Force, and naval appropriations, is sheer militaristic saber rattling. Then it is a criminal squandering of the Nation's resources and a wanton misuse of the assets of this country by our officials, publicists, and leading minds.

Why do I bring this up at this point? Because if communism is really the enemy and is really the cause for this great rearmament and training program, then we must understand the nature of the attack which we believe is being made upon us. We must understand how to defeat it. If within the Universal Military Training Act itself is to be found the ugly face of the Communist monster, then we will not be defending ourselves against communism by this act, but sowing the seeds for its further growth. If by this act of universal military training we further strain the relations between various groups of Americans, and if by means through which this act is implemented, we build among large groups of Americans a feeling of resentment, of deep and justified anger, of the Negroes, Mexicans, Indians, or others concerned—we have committed an act of unpardonable injury to the future of this Nation we love and whose founding principles we believe to be the hope of the world.

There are some 16,000,000 Negroes in the United States, 400,000 Indians, thousands of Japanese and Chinese, and we have been warned by their leaders that they will not submit tamely to segregation within the fighting forces of the United States. If they are to be called upon to do their own proper share in defending the United States and the principles for which it stands, they have a right to ask themselves whether or not these principles are truly democratic.

If men are to find themselves subject to the vilest discrimination and to the un-Christian charge of inferiority, even during the period when they are sacrificing their young lives in the defense of American policies which refute that very discrimination, then inevitably they will turn to some other doctrine which promises them relief from this intolerable and degrading situation.

It is on this practical level that we must now assay the question of racial discrimination in the universal military training program, for what is the use of arming ourselves to the teeth to fight communism in Europe and Asia when we are building the very machinery to bring it, like a huge, ugly and unreachable Trojan horse, into the midst of our own Nation.

You may bear prejudice toward the Negro and other Americans of dark skin. You may talk of their rights with contempt, and embrace in this sense one of the most evil and anti-Christian doctrines which have ever been intended to plague men. There are perhaps 17,000,000 or 18,000,000 of these dark-skinned Americans, all told. Let me ask you on the practical level, how you propose to face the situation if anger, hatred, and resentment over their cruel lot causes them to lose faith in the purposes of this Nation and the system by which it has risen to greatness.

Do not think that these people will not turn to Communist promises of full equality of opportunity and full equality under the law. Let me warn you: They are turning to the lure of communism as steel filings to some giant magnet. They find the Communist promises of equal citizenship in the glittering Communist paradise which is being painted for them by the emissaries of bolshevism, almost irresistible. Many of them—too many of them—see in the promises and claims of the Communist spellbinders the only possible release for them and for their children from the cruel chains of segregation, inequality, and enforced inferiority which has prevented them by main force from enjoying the rights and opportunities all Americans are guaranteed under the Constitution.

Do you know what such a large body of radical-minded, disgruntled, bitter citizens can mean to the future of our Nation? You may dismiss them with contempt as the Romanovs did the rumblings of the embittered peasants, but it was from these lowly and despised serfs that the terrible revolutionary power came to overthrow the Romanov dynasty and to create the central power form which is now an almost impregnable citadel for the Communist monster. Who do you think was to blame for totalitarian communism—the despised peasants who revolted and followed blindly after the Bolshevik leaders, who promised them a new paradise in which they and their children would be free from the cruelties and privations of serfdom and second-class citizenship—or was it not the ruling classes of Russia themselves, who were so blind and so unwise as to believe that they could withhold forever from men their normal, minimum rights without risk?

And let us look further. What has caused the danger of Red communism in China? Do you think it was because the Chinese suddenly felt the urge to overthrow their time-

honored traditions and their ancient belief in the freedom of the spirit and mind?

No, it was because the Chinese suffered almost unendurable privations and poverty, because their young men felt that they lacked opportunity, because they lost faith in the qualities of the old order. Starvation, second-class citizenship and lack of opportunity are the open doors to communism. Far more than all the schemes and arguments used by the emissaries of the Kremlin as an incentive to communism, is human suffering itself. And even more compelling in this regard than pure physical privation, is the suffering of the mind and spirit, the terrible feeling of degradation, humiliation and resentment which comes when a man feels all around him the contempt and hatred of his fellows.

Do you really think that you can safely perpetuate such a system, doing violence to all the proclaimed principles of American life, within the Universal Training Act, and do so without grave hurt to the Nation?

Will you not also ask yourselves this question: Are we to be alone in the world and to fight an eventual war in which the darker races and the Communists are to combine against us?

If we are to do this, we are certain to find the one and a quarter billion people of Asia as our sworn enemies. We will find the dark-skinned people of South America, our next-door neighbors, our enemies, too. Right today, all of these peoples, the South Americans included, are gazing with the gravest concern at our actions in depriving great groups of Americans of their civil rights, based purely upon a type of racial hatred which is much too close to Hitler's philosophy for comfort. The Chinese, Indians, and South Americans have expressed themselves openly on this subject. They are watching us with suspicious and questioning eyes. In India, that great subcontinent, with its 400,000,000 people, who are due inevitably to be a force in the world, there already have been anti-American riots, as there have been also in China. These have been based altogether upon the belief that Americans are seeking to build a world not of freedom, but of racial privilege, in which the dark men will have no natural rights.

This is a hideous nightmare which could spell eventual disaster to this Nation, and it is time that we took stock of what we are doing, not alone from the moral view, which is apt to be disregarded, but from the purely practical view of our own absolute needs.

If we have nothing better to offer the peoples of the world than a type of bias and exploitation of the rights of our colored citizens, simply because they happened to be born dark, then no one will believe us when we claim that we are fighting for freedom and decency and individual rights against the dark evil of totalitarian Communist doctrine. They will believe our claims to be fraudulent and of the same expedient quality as those made by the totalitarians themselves. As has been proved in the past, they will turn in desperation to glib promises of betterment once they have lost faith in the great tradition of equality and personal freedom which is our offering to the world.

For the pattern of freedom, decency, and absolute equity under the law, is a fragile and easily broken thing. If you break it in the case of the Negro so as to deprive him of his natural right as a man and an American, you have smashed a hole in the protecting wall of principle which guarantees the lives and freedom of all of us. Through this hole the surging forces of communism can pour in to obtain a strong, powerful foothold in this country. Once this breach is made, other and additional cracks in the weakened wall will appear.

If ever there was a time to resist segregation and the deprivation of Americans of their full rights as citizens, that time is now in the implementation of the Universal Training Act.

If men are called to serve under the act they should be reassured that whatever disabilities and prejudices may exist in the hearts of their fellow Americans, these do not have the sanction of national law, and that the Nation as a whole stands immovable upon its own founding principles, that all men are equal under the law, that the Americanism of Washington, Lincoln, and Theodore Roosevelt is a living and vital expression of morality and justice, and that it is the hope of men throughout the world and not their enemy.

At this crucial moment, when we are loud in our claims that we are trying to build a better world, a world in which tyranny and deprivation will disappear, let us tell our dark-skinned citizens, and through them all the peoples of the earth, that at least as far as the Universal Training Act is concerned, America intends to respect the rights of every citizen, and to measure him according to his individual worth and his individual contribution to the success, power, and strength of the Nation.

If we are to make our democracy work, we must make it live. If it is to succeed in capturing the hearts and souls of men in the harsh struggle against world totalitarian doctrine, it must do so not only by the strength of its arms and the shining quality of its promises, but by the power and force of its example.

The Wheat Situation in Pennsylvania

EXTENSION OF REMARKS

OF

HON. FRANCIS J. MYERS

OF PENNSYLVANIA

IN THE SENATE OF THE UNITED STATES

Saturday, August 7 (legislative day of Thursday, August 5), 1948

Mr. MYERS. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a statement regarding the wheat situation in Pennsylvania.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

INFORMATION FOR FARMERS—$16,000,000 WHEAT FAILURE SPURS CROP INSURANCE SALES

To All County Agricultural Conservation Committees:

County agricultural conservation committees in Lancaster, Chester, Berks, Columbia and Lycoming Counties are organizing their annual sales campaign of wheat farmers under the crop-insurance program as enacted by the Eightieth Congress. Previously the crop-insurance program extended to all Pennsylvania counties where 50 or more farmers designated their wish to enroll in the program, but under the revised act the program has been confined to 200 counties in the Nation and 5 counties in Pennsylvania, with Lancaster carrying tobacco insurance and Chester carrying corn insurance in addition to their wheat-insurance program.

The failure of the 1948 wheat crop has spurred interest in the crop insurance this year, according to the Production and Marketing Committee, whose facilities have been placed under contract with the Crop Insurance Corporation as sales agents. The crop losses reports are being filed daily with the Pennsylvania office of the corporation and total to date 240 from the five participating experimental counties. Last year when Pennsylvania had 45 counties in the crop-insurance program only 252 losses were reported out of a total of 11,955 contracting farmers. There are 3,583 wheat-insurance policies in force for 1948 in the 5 counties.

The present failure of Pennsylvania's wheat crop has not been estimated by the Crop Reporting Office of the Bureau of Agricultural Economics. The signs of loss developed rapidly and were not detected until farmers entered the field with combines and binders to harvest the crop. Signs of wheat stem rust, attributable for much of the loss, was not expected to affect the crop when the July 1 crop report was made. Other causes like poor pollination, European corn borer and Hessian fly were also not detected earlier. Now it appears that the loss which affects about 75 percent of the Pennsylvania crop grown in the southeastern counties of the State will approximate 50 percent. Based on the July 1 estimate of 21,640,000 bushels which is about 3,000,000 bushels above the average, it now appears that a total loss of about 8,000,000,000, bushels would cost Pennsylvania farmers more than $16,000,000 this year.

Many farmers who carried the 3-year contracts under the old crop-insurance program are now requesting coverage for this year's crop, since their contract had run only 2 years when the old program was abolished by Congress and the new experimental program was established to operate only in the counties designated. County conservation committees have no jurisdiction to honor these 3-year contracts for crop losses except in the counties authorized by Congress for the experimental program.

JOHN A. SMITH,
Secretary, Pennsylvania State Committee.

The Poll Tax

EXTENSION OF REMARKS

OF

HON. JOHN J. SPARKMAN

OF ALABAMA

IN THE SENATE OF THE UNITED STATES

Saturday, August 7 (legislative day of Thursday, August 5), 1948

Mr. SPARKMAN. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a news article relating to the address by my colleague, the senior Senator from Alabama [Mr. HILL] on the anti-poll-tax bill. The article is from the Birmingham Age-Herald of August 4.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

(By James Free)

WASHINGTON, August 3.—Alabama's senior Senator LISTER HILL today delivered the longest speech yet made in this extra session of the Congress—a 6-hour-and-13-minute address in opposition to the proposed anti-poll-tax bill. Senator HILL's oration exceeded by 2 hours and 34 minutes the 3-hour-and-39-minute speech made in the Senate Monday by Senator A. WILLIS ROBERTSON, Virginia, also against the poll tax measure.

The Alabamian finished strong and said afterward, "I could have spoken for another 3 or 4 hours, but I wanted to give some of the other Senators a chance to express their opinion on this matter."

He added that he expects to speak again, if necessary, to prevent passage of the anti-poll tax bill or any other civil-rights bill that the Congress may take up.

He concluded at 6:52 p. m., eastern standard time, having begun at 12:39 p. m., eastern standard time. He started in a low conversational tone that was audible plainly in the galleries, and gradually worked up to

a vigorous, eloquent appeal for national unity and elimination of partisan politics in consideration of the poll-tax proposal.

When he concluded, the Alabamian received congratulations of many Senate colleagues on both sides of the aisle. Senator JOHN C. STENNIS (Democrat, of Mississippi), told HILL that the Alabamian's speech was "the best I've heard since I came to the Senate last year."

Senator HILL concerned himself primarily with constitutional aspects of the proposed poll-tax repeal measure.

He said that the Constitution "plainly" left qualifications for voting up to the States and that, through such a step as an anti-poll-tax bill, the Congress would be attempting to change the Constitution of the United States through legislation rather than by constitutional amendment. HILL said that he personally hoped that many of the States would modify their poll-tax requirements, but that any changes should be made by States and not through Federal statutes.

Before taking the floor, HILL pointed out that the southerners making speeches against the poll-tax bill were, in no sense, preventing the Senate from taking up other business.

"Any time the Republican majority wishes to," he said, "they can move to set the poll-tax bill aside and take up any other bill. They haven't done anything like this of course, because they haven't got any other legislation ready.

"It should be remembered that the Republicans have had the floor during the past few days almost as much as the Democrats have. They could proceed with other business any time they saw fit to do so."

The Senate quit at 9:16 p. m., eastern standard time, until noon tomorrow when Senator MORSE (Republican of Oregon) will have the floor.

Civil Rights

EXTENSION OF REMARKS
OF

HON. THOMAS J. LANE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, August 6, 1948

Mr. LANE. Mr. Speaker, under leave to extend my remarks in the RECORD I include my remarks on civil rights over Station WMEX, Boston, Mass., Thursday evening, August 5, 1948:

Fellow Americans, it seems strange that we, in the year 1948, should be faced with the problem of civil liberties.

We thought that issue had been solved in 1791, when the Bill of Rights was adopted.

But that great charter means nothing if the people fail to practice what it preaches. We live in times of stress, when men seek to excuse their mistakes by blaming others.

Underlying all this are the vague fears which lead to intolerance.

Whenever anyone discriminates against another human being because of his race, color, or religion, he is betraying the fundamental American belief that "Man is endowed by his Creator with certain inalienable rights.

"Among these are life, liberty, and the pursuit of happiness."

Even though he may not know it, the person is guilty of intolerance, does more harm to our society than one who lives in another country and opposes our way of life.

We are on guard against the Fascists and Communists. But what are we going to do about the person who calls himself an American, even while his conduct is un-American? The bigot strikes against the unity of our Nation. Either he never learned the true meaning of our American heritage or has forgotten it.

In any case, he is dangerous, because he sets American against American.

This gives aid and comfort to those who seek our downfall. Intolerance is treason.

In the world of today ideas have power, as well as things. Americans must have inner strength, the moral rearmament that comes from a clear understanding of our faith and works.

It is a time to refresh ourselves at the fountainhead of freedom and then go on toward a realization of the goals which the founding fathers set before us.

The protection of civil rights is a problem which affects everyone. If we sit back indifferently when others are victims of intolerance, we should not be surprised if we, in turn, become its target.

One break in the dike can lead to a flood. Prejudice, no matter how small, must be counterattacked by truth and justice.

In the task of protecting our civil liberties, we have made mistakes, but we have also made considerable progress. The right of suffrage is being extended—slowly but surely.

Today the occurrence of a single act of violence is enough to arouse the conscience of the Nation, leading to demands for stronger protection.

This is a healthy sign. But there are cases, without violence, where people are quietly discriminated against. These are the walls which we must level.

Our American heritage emphasizes the importance of the individual person. Rich or poor, educated or illiterate, Protestant, Catholic, or Jew, white, brown, or black, each is entitled to the same dignity and integrity.

For each of us to be secure in his individual rights, each man must respect the rights of others.

We are still in the process of building social institutions that will guarantee equality of opportunity to all men and women.

While differing in race, religion, political views, or social position, we are united in the belief that freedom builds respect and cooperation.

We are finding a way to compromise differences without domination.

It is this variety, based on real tolerance, which is the source of our progress.

The men who founded our Nation, faced the problem of establishing a balance between personal liberty and group authority.

The common interests of the people must be protected by laws and procedures established by majority rule. But majorities, without any control, can be as ruthless as dictators.

Seeing this, and fearing it, our forefathers framed a Bill of Rights which placed certain personal liberties beyond the reach of popular majorities.

The people permanently denied to the Federal Government the power to interfere with fundamental, or inalienable, rights and freedoms.

Among these inalienable rights are life, liberty, and the pursuit of happiness.

To secure these rights, governments are instituted among men. So reads the Declaration of Independence.

In other words, Government is the referee in those conflicts which arise when some people or groups try to push their freedoms too far, interfering with the rights of others, or causing harm to the public welfare.

In the complex, industrial life of today, we are being confronted with new situations, and new problems, which require conciliation.

There is no copybook solution for any one of them. We must try to understand the other side on every issue, and through patience and fair play arrive at mutual agreement.

There are four primary rights which are necessary to the well-being of the individual and to the progress of society:

1. The right to safety and security of the person. Under this, the citizen is assured that he is safe from bondage, lawless violence, and unjust arrest and punishment.

2. The right to citizenship and its privileges. Every mature and responsible person must have an equal voice in the Government.

3. The right to freedom of conscience and expression. We believe in the ability of the people to make sound judgments. To do this they must have access to all the pertinent facts and to the various interpretations of these facts.

Our forefathers suffered torture and death for the right to worship God according to the varied dictates of conscience. As a result complete religious freedom in America is a fact.

4. The right to equality of opportunity. The opportunity of each individual to obtain useful employment, and to have access to services in the fields of education, housing, health, recreation, and transportation, whether available free or at a price, must be provided without discrimination. Without this the individual cannot develop his potentialities, and cannot share in the fruits of society.

These are the goals. On the road to them we have sometimes strayed from the course.

We once had slavery, religious persecution, and mob rule. In certain areas we still have unfair employment practices.

By honestly facing them we have eliminated most and will eliminate the rest.

We must practice tolerance, day in and day out in order to reach the goal of civil rights for all.

The Negro, especially in the South, is the chief victim of intolerance.

However, the biggest single forward surge of Negroes into the main stream of American life in the past 10 years has been their movement into the ranks of organized labor.

It is also encouraging to note the abandonment of segregated schools in cities like Trenton and Gary; the lifting of restrictions against Negro doctors by hospitals in St. Louis and Gary; the establishment of interracial churches in many communities; the admission of colored players on the baseball teams of Brooklyn and Cleveland; and the employment of more than 60 Negro teachers by 25 white or predominantly white colleges.

More recent was the order of the President to eliminate discrimination in the armed forces.

The poll tax, however, is a legal obstacle to full suffrage in most southern States.

It limits white as well as Negro suffrage. A poll tax places the payment of a fee between the voter and the ballot box.

In some States it adds up from year to year. It was estimated on the floor of the House of Representatives on July 21, 1947 that: "In the Presidential election of 1944, 10 percent of the potential voters used the ballot in the seven poll-tax States, as compared with 33 percent for the free-voting States."

Some of the standards of eligibility in our naturalization laws have nothing to do with a person's fitness to become a citizen.

These standards are based solely on race or national origin, and penalize some residents who may otherwise have all the attributes necessary for American citizenship.

We have removed some of these barriers. Before World War II, the Chinese had been barred from immigration and naturalization by the Chinese exclusion laws.

Other groups, such as Filipinos, Western Hemisphere Indians, and people native to India, were denied citizenship.

The largest group of American residents presently subject to this form of discrimination are those born in Japan.

The bar to landholding, the alien land law, most seriously impairs the alien's economic opportunities.

The first of these laws, enacted by California in 1913, made it illegal for aliens ineligible for citizenship, either to buy agricultural land or lease it for a period exceeding three years.

Other Western States passed similar laws. The present California law is much more strict.

In effect, it forbids American citizens of Japanese ancestry to support their ineligible alien parents with money derived from the beneficial use of land.

The moral impact of this discrimination is indicated by the words of a Japanese-American veteran of World War II, who said to the President's Committee Investigating the Problem of Civil Rights: "I would like to say that most of us fought as we did because we felt that, in spite of the way we had been kicked around.

"America was still the land of opportunity for all of us. I know my mother sent five of her sons. Every one volunteered for combat. One was killed. The rest of us were wounded.

"We have over 30 individual decorations and medals among us. Well, my mother wants to become a citizen. It is for people like my mother and for a lot of Americans of good will throughout the United States who have a lot of confidence in us and our loyalty that we did the job that we did."

The right to freedom of conscience and expression is being abused by the agents and sympathizers of totalitarian states.

The principle of disclosure is the best way to deal with those who would destroy our democracy by revolution or by encouraging disunity and limiting the civil rights of some groups.

Censorship is not the answer. Rather, let the people know who is behind the various moves to sway their opinions.

Congress has already made use of the principle of disclosure in both the economic and political spheres. The Securities and Exchange Commission, the Federal Trade Commission and the Pure Food and Drug Administration make available to the public, information about sponsors of economic wares.

The Federal Communications Commission, the Post Office Department, the clerk of the House of Representatives, and the Secretary of the Senate, are required to collect information about those who attempt to influence public opinion.

Hundreds of lobbyists are now required to disclose their efforts to influence Congress, under the Congressional Reorganization Act.

The Foreign Agents Registration Act forces certain citizens and aliens alike to register with the Department of Justice the facts about their sponsorship and activities.

Fortunately, we in Massachusetts have a good record in maintaining civil liberties, with the possible exception of job discrimination.

However, ours is one of the six States in the Union which have passed laws directed against discrimination in private employment.

It is a sign that we are alert to the danger and are determined to protect all of our people against it.

There is no partisanship on this issue. Leaders of all major political parties recognize that civil liberties must be extended and strengthened.

All Americans worthy of the name must guard against ignorance and prejudice in their own attitudes and their own conduct as well as in others.

Apart from legislation necessary to carry out the program, a long-term campaign of public education is needed to inform the people of the civil rights to which they are entitled and which they owe to one another.

The Government has the immediate responsibility for an internal civil-rights campaign for its 2,000,000 employees.

Moreover, in the armed forces, an opportunity exists to educate men and women while they are in service.

Federal, State, and local governments, together with private agencies, can accomplish much.

But in the final analysis the job is up to you and me as individuals.

The United States will be a more prosperous and a far happier society in which to live if we accord to every law-abiding citizen the respect, and the rights which we demand for ourselves.

Address by Hon. John Sherman Cooper, of Kentucky, to the National Federation of Women's Republican Clubs

EXTENSION OF REMARKS

OF

HON. JOHN SHERMAN COOPER

OF KENTUCKY

IN THE SENATE OF THE UNITED STATES

Saturday, August 7 (legislative day of Thursday, August 5), 1948

Mr. COOPER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a speech made by me at the national convention of the National Federation of Women's Republican Clubs, at Louisville, Ky., on March 6, 1948.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

I have been in Washington only 1 year. It follows that I do not have a background of previous service against which to relate my present views upon the two major parties and the Government of the United States. But, my impressions do represent the interest of one who looks for the first time at an absorbing scene.

The most certain conviction that I hold after 1 year in the Congress is that there can be no stability in the Government of the United States, in either domestic or foreign policy, until the present administration is totally repudiated and defeated. The reasons for that conviction should be evident to everyone. They are found in the divisions within the Democratic Party which make impossible any consistent policy based upon fundamental principles. In the Congress today and in the membership of the party are found the conservative or traditional Southern Democrats who bitterly hate the control of Federal Government, New Dealers and extreme left-wingers for whom the extension of Government control is the answer to every problem, the middle-of-the-roaders who will go along with either group for the sake of party harmony, the vocal self-designated liberals, who are fascinated only by change and who with characteristic illiberalism would force change upon the people, whether or not they want it; the corrupt city machines whose only interest is patronage and protection; the pressure groups who do not ask but who demand that they be favored even at the expense of the whole people. Until recently, there was the Communist fringe, now in full cry after Mr. Wallace, until late, an oracle of the administration.

The slightest consideration of the character and interests of these groups makes us know that they could not possibly have any unity of common faiths and principles. They have been held together for 15 years by coercive devices of power, of spending, of patronage, of callous surrender to pressure groups, processes which have led this country away from its character as a free representative Government, and toward an all-powerful centralized Government.

The devices of Statism are the same wherever practiced in the world. There comes first the attractive promise of material and social gains, to be planned and assured by the Government; then, the imposition of controls upon the people; the creation of a vast body of administrators, judges, and policy to manage the controls, and to punish the people if they break synthetic laws which enforce them. Incidentally these employees vote. Always, there must follow taxing and spending for the distribution of benefits and favors, and inevitable debt. Such a system can survive only by a never-ending expansion of its power to coerce and control. To hold such power it must favor pressure groups to secure their votes. In this immoral political system, justice gives way to favoritism and law to expediency. Propaganda, cleverness, glibness, substitute for honesty and truth.

Central control is the system which in its best aspects provides the governments which we see in England and France, and in its worst and extreme development the police states of Russia and the unfortunate countries within its sphere of power.

It has been denied and will be denied that there is just basis for the charge that the administration of the last 15 years has moved this country consciously or unconsciously toward statism. In answer I point out that the devices which it has employed, admittedly in milder form, are characteristics of centralized control throughout the world.

The truest and oldest liberal tradition of all time—that liberty is the supreme political end of man—has been under fire every day as the administration has sought to extend its controls over the individual, his person, his busines, his farm, his labor. Only last November, with the war 2 years past, President Truman asked the Congress to give him full control over every business enterprise, every farm, and every individual in the United States.

There is nothing new in what I have been saying to you. It has been said again and again. Yet, I have deliberately chosen to emphasize that the struggle between two totally different concepts of government is still joined and has not been decided.

In 1946, a Republican Congress was elected and we hoped that the American people had made a definite choice of the type of government they wanted. The events of the last session lead me to believe that they have not made such a choice.

The Congress had not been in session long before it was condemned by the Democratic leadership, pressure groups, a considerable portion of the press and radio, and even by members of our own party as a do-nothing Congress. The Congress did move slowly for 3 months because it was in the process of restoring its constitutional function as a law-making body, which for 14 years had been surrendered to the executive branch of the Government. In these years, must bills were written in the executive branch of the Government, and rushed to passage, often without adequate hearings or consideration. The story is told that on one occasion when the printed bill was not before the Senate the then Senate majority leader, Mr. Robinson, lifted a folded newspaper, and the unknown bill was passed by a resounding chorus of Democratic "ayes." If it is true, I do not have to speak of the depths to which representative government descended on that day. The Eightieth Congress held extensive hearings upon every important bill, gave every interested group the chance to be heard, and wrote the bills. I call attention to the careful hearings given to the labor-management bill, the tax bill, and the Greek-Turkish loan. It was the careful consideration of the last measure under the leadership

of Senator VANDENBERG which prevented it from being an absolute repudiation of the United Nations which was implicit in the speech of President Truman. The leadership of Senator VANDENBERG has been the most important factor in giving consistency to our foreign policy. Yet, it is important to note that this return to the legislative process, absolutely necessary in a government of law, meets with great opposition. It is the opposition of pressure groups, whose proposals will not stand up under examination, the opposition of those who want executive powers, the opposition of those who have been charmed by the emergencies, the fanfare, the drama of government by executive edict.

Two years ago, the people were outraged by the continuance of wartime controls. The Republican Party advocated and was responsible for their removal and stands on the same ground today. The President's course was dictated by expediency. In 1946, he said that price controls should not be lifted. In October, he decontrolled meat in an effort to save an election. In November and December he directed the abandonment of practically all controls saying "we have now reached the point where many of our shortages have disappeared and in many other cases supply is rapidly approaching demand." Last fall he denounced controls as the method of a police state. A few weeks later he asked the Congress to grant him the wartime controls which he had denounced.

The events of the past 2 months demonstrate the utter fallacy of his proposals. It was reported that his Cabinet was divided and that he himself had not made up his mind until the day before he delivered his message. It is certain that the Democratic leadership in Congress has not pressed for controls and does not want them. Yet when the President delivered his message, again part of the people and certain sections of the press snapped at government by edict, embraced his proposals without mature consideration, and demanded that Congress reimpose controls. It would appear sometimes that we are more interested in symptoms than causes, pain killers than cures. There can be no doubt that today's inflation grows from the practices of State control—waste and deficit financing which have diluted and cheapened our money, controls which have discouraged production, and a labor-industry policy which encouraged the stoppage of production.

Last year the Republican Party began to attack these fundamental causes, and again met the opposition of the administration and segments of the people. For the first time in 16 years, it reduced expenditures, balanced the budget, and made payments upon the debt from tax revenues. This action was resisted with all the power of the President, and the governmental departments at Washington. The administration would not sacrifice a penny in its spending although it was asking the American people to sacrifice billions in aid to other countries. In fact, the President asked for billions to finance new inflationary programs. At home, many people, misled by the propaganda which issues from governmental departments, objected to our efforts to reduce expenditures.

The Republican Party passed a labor-industry bill after 5 months of exhaustive debates and hearings. It is designed to use peaceful means and reason rather than force in the solution of labor disputes, and to keep production going. It supports a fundamental principle that no group shall be more powerful than all the people. Yet, it was vetoed by the President, who by his admission had only studied it 3 days. It was denounced as a slave-labor bill by an administration which just a year before had actually proposed that freemen who had struck should be drafted into the military service.

Enough for examples. They demonstrate that there has not yet been a clear understanding of the issues which divide the Republican Party and the present Democratic administration, or a clean-cut decision upon these issues.

This year we will elect a Republican President and increase the Republican majority in both Houses of the Congress. If victory is to be more than a mere postponement of a struggle that must be made later and again and again, we should make this election a determination of great basic issues. It should be more than a mere rejection of the inadequate personalities and the inept policies of the present administration. It should be a rejection of their cause, which is the movement toward powerful Federal control. It should be a conscious and positive affirmation of the American principles of representative government under law, of justice, of the expansion of the political and economic opportunities and liberty of the individual.

When we win, the principles in which we believe must be translated into action. I have spent some time in pointing out the defects of our opponents. We are not without blame ourselves.

In the first session of the Eightieth Congress a part of our difficulties grew from the announcement by some Republican leaders of a party program before it had been considered by all Republicans in the Congress. We cannot forget that our individual views may not always be the views of the people. It is a fundamental principle of government by the people that many opinions shall be voiced, considered, modified, rejected or accepted, and finally fused into a composite opinion which represents as best as is possible, the will of the people.

I hope that in its platform this year, and in its action in Congress after election, the Republican majority and the leadership will make the effort to find, to express and to carry out the composite will of the people.

From time to time it is said that the Republican Party is more interested in maintaining the status quo, and in the preservation of property rights, than in individuals. I do not believe it to be true. Yet it cannot be doubted that many people so believe and that their belief has been fortified by the criticism of sincere Republicans in Congress who challenge the status quo.

There are not just a few Republicans in Congress who believe that our party could be more vigorous in its approach to human problems. There are a great number in both Senate and House and their voices will be heard in the future.

The Republican Party was born out of a concern for human beings. Its spiritual and political leader, Abraham Lincoln, was interested above all things in human beings. Our type of government and the Christianity on which it rests is concerned with the individual. We criticize the Democratic Party because it has shifted emphasis from the individual to the State. The aspirations and the hopes of the people grow continually. It is difficult for them to find expression in an industrial society without a use of governmental power that would eventually destroy the quality of our system and the responsibility of the people. The Democratic administration has depended on governmental power for solution. We must find the answer in the expansion of political liberty and economic opportunity.

Finally, its party must become wholeheartedly the party of peace. The foreign policy of the Administration has been marked with inconsistency, dissension, loose fiscal practices, in its surrender of principle for the sake of expedience as has its domestic policy. The Republican Party has been bipartisan with respect to the United Nations, relief for needy nations, and the Marshall plan. It did not join in, nor does it subscribe to the decisions at Yalta, or Tehran, or to the abandonment of the Baltic states, and eastern Poland. Mr. Truman should not be surprised at the defection of Mr. Wallace. Mr. Wallace is following consistently a policy of Russian appeasement which was developed by a Democratic administration at Yalta and Teheran.

It is my own belief that we must assume our international responsibilities, that we must strive to strengthen the United Nations, that we must work toward the goal of disarmament, and that by a demonstrated will for peace we seek the support of world opinion.

Our greatest influence for democratic government will come from our own unashamed belief and practice of system of individual and economic freedom.

The record of the last 15 years indicates that these goals cannot be realized by the Democratic Party. They must be realized by the Republican Party.

A few days ago, I read these words. "The great community of the United States arose in a defiance of coercion, and grew strong and productive on the principles of voluntary free activity. Its solidarity is not that of men obediently following a pattern but that of men trying to work together at something useful; making mistakes, paying the price, trying again, finding in effort the techniques of mutuality, following the good as each man saw it, learning year by year to see it better, discovering by experience how the good of each involves the good of all. That process has no ending, it is the true American message to a stricken and despondent world."

You and all of us who claim to have a special interest in the party and in the continuation of democratic, free government, have a tremendous responsibility. It is our duty to inform and to lead.

It is a difficult task because we do not appeal to prejudice, to selfish interest, to passion, or by the spurious promises of the all-powerful state. Ours must be the slow but eternal appeal to man's sense of justice, right, and personal responsibility. I can think of no task which offers greater challenge to such a group as this to whom I speak today.

We have the judgment of history that our principles are right.

Investigation of Communist Activities

EXTENSION OF REMARKS
OF
HON. JOHN C. KUNKEL
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

Mr. KUNKEL. Mr. Speaker, I do not want to jump at any conclusions respecting the guilt or innocence of those involved in the recent disclosures concerning Communist infiltration into the Government. Since the national security is involved, I feel strongly that the whole matter should be investigated from all angles in order to make sure our national interests are protected. It is serious—deadly serious. Mr. Truman's attitude and actions in making a laughing matter of the entire affair and in refusing to disclose evidence requested to the congressional investigating committees is most dangerous. The President should at least conduct an open and aboveboard investigation of his own, even if he is not willing to cooperate with the Congress for the public good.

Two appropriate comments on this subject are included in the following editorials from the Harrisburg Evening News of August 6, 1948, and from the Washington News of the same date:

[From the Harrisburg (Pa.) Evening News of August 6, 1948]

WHY FRET ABOUT IT?

President Truman's caustic comment on the spy investigation as a herring drawn to divert public attention from Congress' delinquencies seems most impolitic. Its effect may be to persuade the American people to think that the President is embarrassed by the revelations rather than delighted, as he ought to be, that the suspects are being listed, even if some are no longer in Government service.

If there is anything the Chief Executive should want it is the confidence of the people that he is as determined as they that every Government employee of questionable loyalty be disclosed and ridden rail fashion off his job.

There may be truth that nothing is being disclosed with which the FBI was not familiar or that was not told to the grand jury in New York which investigated communism, but the public was not aware of all of this business until a congressional committee turned on the light.

Well might the public ask was not this disclosure made by the Government rather than by Congress. It looks as though a hush-hush policy was being followed. If so, one can understand why President Truman is fretful about the hearings.

[From the Washington Daily News of August 6, 1948]

NOT FUNNY, MR. PRESIDENT

President Truman charged congressional hearings on Soviet spy activities are a "red herring" to hide the Republican Congress' failure on other matters. In doing so, he very foolishly accepted a measure of responsibility for an ugly and dangerous situation which previously could not have been charged against him.

Not many people who have followed the testimony in the current hearings will agree with Mr. Truman that the Communist problem in Washington can be laughed off as Republican politics, in our opinion.

Moreover, the President has further placed himself on the defensive on this issue by denying to the investigating committees information which is pertinent to their inquiries.

The failure of Congress to act upon the President's anti-inflationary program will not in any sense excuse him for his own refusal to cooperate in removing a very real threat to our national security. The issues are not in any way related. Today we are concerned with another problem.

Under Mr. Truman's own loyalty program, laid down by Executive order, it is the announced policy of the Government to bar from positions of trust in "sensitive" agencies any employee whose loyalty may be subject to question.

That policy broke down when William W. Remington was appointed chairman of the Commerce Department's export license committee although it was known he was under investigation for association with a confessed member of a Russian spy ring. That is not something existing only in the mind of Representative KARL E. MUNDT, as Mr. Truman would have us believe. It is an undisputed unexplained fact. And if the President's loyalty test was not applied in Mr. Remington's case, what reason have we to believe that it has been applied in any other case?

The two congressional investigations, particularly the one being conducted by Senator FERGUSON, have been extremely useful. But neither has more than scratched the surface, in our judgment.

We need a careful, searching inquiry, that will give free access to all pertinent information, conducted by an agency with the ability and the power to purge the Government of all disloyal and unreliable elements. An unofficial civilian commission should be created for this purpose, as a safeguard against the subversion of the Government by enemy agents or dupes.

Such a commission, to command respect and confidence of the public and Congress, should be composed of persons of the caliber of Herbert Hoover, Bernard M. Baruch, Henry L. Stimson, Charles Evans Hughes, Owen D. Roberts, Robert M. La Follette, and James F. Byrnes—men who know government, who respect civil liberties, but who would resolve all doubts in favor of national security.

Let's forget politics when the issue is security.

Address of Hon. Henry A. Wallace

EXTENSION OF REMARKS

OF

HON. VITO MARCANTONIO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. MARCANTONIO. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following text of a radio address by Henry A. Wallace over the National Broadcasting Co. network on Thursday, July 29, 1948:

The Congress has reassembled in Washington. It has been called into special session by President Truman to create the illusion that it is the Congress, and the Congress alone, which is responsible for the sorry state of our national affairs.

President Truman did not call this present special session with any expectation of getting legislation which would serve the American people. He called it in the mistaken belief that he could make Congress the scapegoat for his own inadequate and often dangerous leadership.

Mr. Truman knew that a Congress which had worked hand-in-glove with his administration in scuttling price controls, in setting the stage for antilabor legislation, in whipping up false Red scares, and in giving service to international big business, rather than to the people at home and abroad—Mr. Truman knew that such a Congress would not suddenly reform in the heat of midsummer in Washington.

He was completely confident that nothing of real significance would happen. If he had not been confident, he would not have proposed, nor would his backers have permitted him to propose legislation which faintly imitates the measures for which progressives have been fighting these past 2 years.

As a professional politician, as a graduate of the Pendergast machine, as a close student of the utterly corrupt Democratic Party machinery, Mr. Truman was completely confident that he could hoodwink millions of Americans with the gesture of calling a special session.

This was a coldly calculated maneuver to create the election-year impression that there is a real struggle between the two old parties.

Nothing would please me more than to find honest reasons for believing that the President wants to fight for progressive measures. But the evidence is all to the contrary. The insincerity of this performance—this convocation of a special session—is apparent when one realizes the things which Mr. Truman might have done, could still do, but will not do to provide real leadership in solving some of the major problems of the people. Mr. Truman could pick up the Presidential pen from his desk and provide genuine leadership.

This very day he could request and receive the resignations of his own lieutenants, who are so largely responsible for milk at 24 cents a quart, meat at $1.30 a pound, and once low-priced automobiles at $2,000.

He could remove the banker, John Snyder, as Secretary of the Treasury. It was Mr. Snyder who first broke the dike. It was Mr. Snyder who set off the postwar inflation when he granted the steel monopoly a $5-a-ton increase while OPA was still on the statute books.

He could remove the myriads of Wall Street and military representatives with whom he has completely undermined the Roosevelt policy of using government to serve the people. There is James Forrestal, the Secretary of Defense, a leading architect of the cold war, who is a graduate of Dillon, Read, the investment banking house so concerned with rebuilding the industrial empire of the Nazi cartelists. He could remove Mr. Forrestal, whose insatiable appetite for bigger and better arms programs is a leading source of the inflation about which the President purports to worry.

From the State Department alone he could evict such leading representatives of the big business philosophy as the Under Secretary of State, Robert Lovett, formerly of the investment banking firm of Brown Bros., Harriman; and Assistant Secretary of State, Charles Saltzman, former vice president of the New York Stock Exchange.

From the key defense posts under Forrestal he could remove all those men who are sensitive to the desires of big business for even greater, more profitable arms, munitions, and aircraft contracts. There is the industrialist Secretary of the Air Force, W. Stuart Symington, and his assistant, Cornelius Vanderbilt Whitney; there is the Secretary of the Army, Kenneth Royall, who serves as chairman of the board and a director and officer of a number of corporations; and the Under Secretary of the Army, Gen. William Draper, Jr., another graduate of the Dillon, Read investment banking firm.

In the past 3 years it has become almost impossible to go to any key office in Washington without meeting an industrialist, a banker, or a general. These are not evil men, but they are unfitted by their personal interests to hold the key administrative posts in a Government which should be of the people, by the people, and for the people. These men have dominated the administration. They led him into the policy of the cold war; into the scuttling of necessary economic controls after VJ-day; and if they remain quiet now, it is to enable their man, Mr. Truman, to build a myth that he is fighting valiantly in the people's interests. They share his confidence that nothing will result except the perpetuation of an illusion that there is a difference between the monopoly parties.

If Mr. Truman were sincere about fighting inflation he would rid himself of the men whose advice led him to feed the fires of inflation. He has not replaced them. He has not reprimanded them when they have contradicted his own statements. He has kept them in the most important posts of our national government. In keeping these men he is showing the same insincerity which leads him to speak against commodity speculation and retain on his personal staff the proven speculator, Brig. Gen. Wallace Graham.

But the most appalling evidence of the President's insincerity in presenting his pseudo-liberal program to Congress is found in his own actions on the much-discussed civil-rights program.

With the same pen that could eliminate the Wall Street domination of the executive department, Mr. Truman—tonight—could end segregation in the armed forces.

This past week, as the Congress convened in Washington to receive his message, the President took a step which mocked the hopes of all democracy-loving Americans and most particularly the 15,000,000 Negro Americans who are this Nation's most subjugated minority. He issued an Executive order which ostensibly afforded a new status to the Negro soldier, sailor, airman, and marine. This order—though it created headlines and through headlines and illusion—did not end Jim Crow, did not abolish segregation in the armed forces. Mr. Truman's Chief of Staff has already made it clear that the new order will not end segregation in the armed forces. The fault is not with the Chief of Staff but with President Truman. Mr. Truman used the language of the southern bourbon, the language of the defenders of the Jim Crow tradition, by calling for equal opportunity and equal treatment. The southern bourbons have always mouthed phrases like separate but equal facilities in their defense of Jim Crow, though the words separate and equal are inherently contradictory. Mr. Truman used language which appeased his Secretary of the Army, Kenneth Royall, who threatened to resign if segregation in the Army were abolished. He used language which appeased those arch defenders of the caste system, the generals of the Army.

In another heartless dodge this week he appointed a commission to investigate that which has been investigated time and time again—discrimination in Federal employment. He resurrected the nauseating practice of the British imperialists and other oppressors from time immemorial—the device of the investigating commission. The colonial peoples of the world will understand Mr. Truman's dodge. The people of Israel, who saw 21 investigations used to delay justice for them, will understand. And the Negro people of the United States will see through this shabby political performance.

The emergencies in housing, inflated prices, in health and education which the President now recognizes so dramatically existed when the regular session of Congress adjourned in June. If the President were sincere he would have called the special session on the day he signed the antisemitic, anti-Catholic displaced persons bill. If he were sincere he would not have signed that bill. He would have thrown it back in the faces of Congress and told them to come back into session after the political conventions— to come back and pass a decent bill which would admit the homeless of all races, national origins, and creeds.

The sad, simple, shocking fact is that Mr. Truman's call for a special session did not come from a deep conviction that he must serve the people. It came from a belated conviction that he must do something dramatic to fool the people in an effort to split the progressive forces.

But what looks like a short-run political success will prove the final undoing of the Janus-faced one-party system. The special session will demonstrate that even if the President were sincerely dedicated to serving the general welfare he could not succeed, tied as he is to a corrupt, machine-ridden, monopoly-controlled political party.

The special session of the Congress—though it will not take action to curb monopoly and serve the fundamental interests of the people—is not without value. It will dramatize the need for the political realinement which is taking place; the alinement which will put reactionary votes in the Dewey column and progressive votes in the Progressive column. It will dramatize the fact that the only wasted votes in November will be those cast for the Truman ticket. It will demonstrate that no party can long exist half Hague and half free.

The special session, like the civil-rights program before it, resulted from the demonstrations that the American people are determined to maintain their traditional freedoms, their living standards, and to end the cold war.

While both old parties recognize this demand, their battle is a sham. Both pretend that they want to stop inflation and contend that they only disagree on methods. The Republicans say the way to stop inflation is to reduce Government spending, yet they overwhelmingly support the huge appropriations for unproductive arms, which saps the strength of our economy and promotes inflation.

The Democrats speak of controls—of price and wage controls and consumer-credit controls. But the kind of selective controls which Mr. Truman proposes would not halt run-away prices. The Truman program is a sham and it stands in marked contrast to a real anti-inflation program like that introduced in the last session of Congress by Senator GLEN TAYLOR.

Even if Mr. Truman's program were enacted by the Congress fuel oil which should cost you at most 9 cents per gallon would still be costing you 13 cents per gallon. And the price of beef, which could be cut 20 cents a pound without reducing the farmers' net income, would stand where it is or go even higher. The prices of other commodities would probably continue to rise if the Truman plan of selective controls were enacted into law. There is no provision for an immediate freezing of prices. It relies on the establishment of an administrative machine which would take several months to assemble.

The fundamental fact for every wage earner, farmer, housewife, and independent businessman to recognize is that the Republicans and Democrats both agree on the basic policies which cause inflation.

They agree on the bipartisan policy of the cold war—on the program for militarizing our economy. They have demonstrated their agreement on the policy of turning the Government over to the representatives of international big business.

Jim Forrestal's Mr. Truman and Winthrop Aldrich's Tom Dewey may disagree on who should get the lion's share of profits from inflation. They may reflect disagreements between Forrestal's Dillon, Read and Aldrich's Chase National, between one investment banking house and another, between one industrial empire and another, but there is no disagreement which will lead either political servant to policies which will genuinely serve the American people.

Both parties have said that partisan politics must stop at the water's edge; that our foreign policy is not subject to fundamental debate. With such an attitude neither of the old parties can cope with our domestic problems, because in this world today it is the cold war which dictates our manner of living. It is this policy on which they agree—the policy of guns instead of butter, of tanks instead of tractors, of bullets instead of medicine which make inflation inevitable.

If any further proof were needed that the cold war is the basic cause of inflation and that neither the Truman administration nor the Republican Party is interested in tackling inflation, the events of the last few months would supply it.

Early this year, after the break in commodity markets, there were many predictions that the inflation was at an end. The big business interests who pull the strings of government didn't like the prospect. They called on their man Truman to do something about it. He did. He gave the inflation wheel another whirl.

In his crisis message of March 17 in which he asked for the draft and UMT and in which he paved the way for increased military appropriations, Mr. Truman not only failed to call for price curbs but went so far as to say that we must be prepared to "pay the price" for meeting his crisis.

As I warned at the time, and as all the leading financial papers pointed out, the Truman March 17 program was bound to support, not curb inflation. The inflationary wave he set off then has continued unchecked. In the last few months alone the price of meat has risen 10 to 20 cents a pound, the price of steel $10 to $30 a ton; and the price of automobiles from $100 to $200 each.

The monopolists have permitted Mr. Truman to make a show of combatting inflation, because they know that their present power in Congress makes effective action impossible; and because they are worried lest the wrath of the people express itself in votes for the one party—the Progressive Party—which is dedicated to the fundamental job of controlling monopolists.

As part of the sham battle, the Republicans and Democrats are leveling charges at one another. Last evening Senator TAFT charged that Mr. Truman is trying to "regiment" the country and to set up a police state with his special session program.

The fact is that both old parties are trying to regiment the country, to initiate a police state, but Truman's program has little to do with it.

The other day the Federal Trade Commission—an independent Government agency not yet corrupted by bipartisan appointees—sent a special message to Congress warning that the growth of monopoly threatened this country with collectivism—with the extinction of competitive enterprise.

This warning will fall on deaf ears. The bipartisan Congress and the bipartisan administration will not tackle the fundamental problems of monopoly control of our economy, because both old parties are the servants of monopoly.

Eight months ago in another special session called by Truman the Congress passed and Truman signed a law giving the monopoly corporations power to establish cartels for the control of basic raw materials. This law gives big steel and big oil the power to regiment all of American business dependent on oil and steel. It gives them the power to create further shortages and through shortages to raise prices.

At the last session of Congress a bill was passed and signed by the President which gave to Secretary of Defense Forrestal the power to determine priorities for steel. This was a major step in the creeping coup d'etat by which the bankers and militarists are gaining control over our civilian economy. They were thwarted in World War II by Roosevelt, but they have been assisted by Truman.

The National Association of Manufacturers and its political stooges, both Republican and Democratic, who cry "communism" every time a measure essential to protect the people is proposed, are the real advocates of collectivization. The only political party in the United States today which is dedicated to preserving independent business enterprise and to protecting workers, farmers, and consumers from monopoly is the new party, the Progressive Party.

The men who cry loudest against regimentation here at home are blatantly demanding regimentation in western Europe. The truth is that they are ardent advocates of regimentation both at home and abroad. Today Averell Harriman, Democrat, and Paul Hoffman, Republican, are in Europe trying to force reluctant governments to adopt detailed 4-year plans for production and foreign trade—plans which will serve international big business rather than the great mass of people either here or abroad. The attempted regimentation of Europe is being carried out under the

same bipartisan auspices as the relatively silent regimentation of America.

Already our foreign trade is being curtailed by a mass of red tape and stringent licensing requirements which favor large corporate interests to the growing exclusion of independent traders.

Today the Government run by the generals and big business controls as much as one-fourth of all the goods made in our country. It is only the beginning. The Republicans, who sound like economic anarchists, and the Democrats, who sound like economic radicals, are jointly following in action the tried and tested methods of the European cartelists who regimented Germany and most of Europe in bringing on World War II.

The industrialists and bankers, the international big businessmen, have set the stage to absolve themselves of guilt for bringing us to the verge of another war by acquitting in mock war crimes trials their German counterparts. Only this morning most of the world was shocked to learn that an American military tribunal has absolved the top officials of IG Farben, the industrial monopoly which provided Hitler with his chemicals and poison gas. Previously Krupp, the steel and tank king, and Stinnes, the big Ruhr operator, were given clean bills of health—were freed to help recreate the very prewar cartels we were pledged to eliminate.

I must warn the American people to guard against new bipartisan tricks in this special session of Congress. I must warn against the possible passage by Congress and the signing by Truman of legislation which will not stop inflation, but only increase the power of the monopolists and militarists.

I must warn of the rabbits which Congress and the administration may pull out of their hats—Russian-menace rabbits, Red-menace rabbits, Thomas-committee rabbits. They may try again, as they have done before, to hypnotize us with these hysterical sideshows while they take the next steps in the drive toward war.

The American people have had enough red herrings; they are entitled to more red meat. But the bipartisans will continue the cold war, will continue the basic cause of inflation until the people demonstrate their independence of the old parties of the monopolists and militarists.

I speak of the Progressive Party. I speak of the party which stands for an America where 60,000,000 people are producing houses, not bombers; autos, not machine guns; washing machines, not tanks—an America where prices are going down and wages are going up.

Today the Government with its war policy directly and indirectly gives employment to more than 5,000,000 men. If these 5,000,000 Americans were working for peace instead of war, prices would be going down right now. But that would mean that both the Republicans and Democrats would have to forego the luxury of using the red menace as their chief political asset. They would have to abandon their friends in the great corporations. They would have to turn their backs on scarcity, monopoly, and war and embrace the philosophy of abundance and peace. Neither old party will do this. This is why the Progressive Party is so all-important.

The legislation proposed for this special session of Congress by the Progressive Party would stop inflation, would advance civil rights, would serve the people.

The real progressives have consistently fought for the people; in and out of Congress. As a member of Mr. Truman's Cabinet I opposed the premature lifting of controls which paved the way for killing OPA. Senator TAYLOR stood almost alone in combatting the antilabor hysteria bred by President Truman at the time of the railroad strike—the hysteria which led to Taft-Hartley. In the House of Representatives the men who have allied themselves with the Progressive Party—as well as a few who are progressives at heart but who are still wearing old party labels—have consistently fought for the kind of price and economic controls which would benefit the people, not the corporations. We Progressives have consistently fought against the bipartisan policy of "cold war"—the root of inflation and fear; against the policy of "cold war" which drains the resources we need for housing, health, education, and social security.

Many of those who have formed the new Progressive Party, the antimonopoly party, the human-rights party, have fought at risk of prison terms and in face of threatened violence to break down the bars of segregation. The Progressive Party has not and will not equivocate in fighting for full justice for all Americans.

This is the talk-big, do-little Congress. The Republicans talk big about ending the poll tax and lynch law, but they do not mean it. The Democrats talk big about ending inflation and building houses. They do not mean it either. It is all shadow boxing. They have not landed a single solid blow. Only the Progressive Party packs a real wallop.

We have both the old parties screaming with anguish and using their servants of the press to launch vicious attacks on the Progressive Party. But we glory in their abuse. It is a measure of the essential worth of our program to curb monopoly and strike at the very roots of the people's problems.

If you ask me as an economist, as a businessmen, as a farmer what you can do to protect yourself against the mounting inflation, I can give no easy get-rick-quick formula. If you ask me as a citizen what you can do about housing shortages, about security for your old age, about civil rights, about all of the pressing problems of the day, I can give only one honest answer:

Use your ballot. It is your only real weapon against mounting inflation, eventual depression, and war. Use your ballot to help build the Progressive Party. It is the only party which has a real program for solving the fundamental problems of the people.

Why Labor Should Be Interested in the 1948 Election

EXTENSION OF REMARKS
OF
HON. FRANCIS J. MYERS
OF PENNSYLVANIA
IN THE SENATE OF THE UNITED STATES

Saturday, August 7 (legislative day of Thursday, August 5), 1948

Mr. MYERS. Mr. President, the Members of the Congress have accustomed themselves to speak in language which the average citizen sometimes finds complicated or roundabout. Too often our real meaning is actually obscured by our verbiage. All of us should from time to time listen to how very simple people talk about the problems we discuss here in our National Legislature.

Today I received a copy of a one-page letter written by a 21-year-old girl who works in a textile mill in Pennsylvania. In very few words this young woman sums up a great deal of sound economics and social philosophy. The letter was written in connection with a contest staged by the Penn-Appalachian Joint Board of the Textile Workers Union of America, CIO, which has its headquarters at Wilkes-Barre, Pa. Miss Catherine Micho, who won the first prize, was awarded a trip to Washington to watch the Congress of the United States in action.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

WHY LABOR SHOULD BE INTERESTED IN THE 1948 ELECTION

Today the labor in the United States is at a critical point. As it is, the Government has some control over the unions.

If the wrong men or women are elected into Congress, we will be helpless. Our unions will be broken up. Many will lose their jobs. Our wages will be cut. We will have to work twice as hard as we are now.

If the right men and women are elected into Congress, we will be able to fight for our rights. They will aid us in every way as possible. They will see that such laws as the Taft-Hartley bill are done away with. They will see to it that our rights are as good as any manufacturer's.

We should elect someone that will fight for reduction in prices and taxes. They will also fight for our equal rights. We must vote for the people that are reliable and honest.

Our recent union-shop elections show that we are interested in our unions. We know that since the unions are here, they have aided us in many ways. They fought for higher wages, insurance, seniority rights, and greater improvements in working conditions.

All unions must get together in the coming election and vote for the right persons, if they wish to be established forever in this country. Why should the manufacturers be always the main cheese? Give us a chance.

CATHERINE MITCHO,
Stockton, Pa., TWUA-CIO, Local 181.

Assistance for the State of Israel

EXTENSION OF REMARKS
OF
HON. ANDREW L. SOMERS
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. SOMERS. Mr. Speaker, it has been my privilege to introduce a number of measures before the House over the past 8 years in connection with the problem of America's policy toward the Hebrew people, a nation now reborn on its ancient soil in Israel. I have only recenty proposed that the United States Government lend $150,000,000 to the new state of Israel. At this time I would like to outline a five-point program which I consider essential for the United States Government to adopt in its relations with the Israeli government and the people of that newly created state.

This program I offer in the best interests of our country. It is not only our moral obligation to a people which fought at our Allies' side during the war against the Axis; it is not only our duty to the United Nations; it is regard for our own interest as Americans that prompts me to formulate these five points, which I deem the minimum requirements for a sane, just and enlightened American foreign policy in the Middle East:

First. I urge again that the United States Government lend $150,000,000 to

the state of Israel for reconstructing and development, to assist in the economic problems entailed in the rapid absorption of hundreds of thousands of displaced, as well as reconstruction of war ravages.

Second. I call upon our Government to grant full de jure recognition to the state of Israel, to exchange official diplomatic missions with the Israeli Government, and to sponsor the admission of Israel as an equal member of the United Nations.

Third. I ask that the embargo on arms and men which has been imposed on the new state of Israel be lifted. Ever since the embargo has been in effect, I have sponsored a resolution to protect the citizenship of Americans who wanted to go and fight for freedom in Palestine. Yet, this is only a temporary expedient. The embargo has been imposed not merely on the shipment of arms to Israel, but on the movement of people to that country. It is my opinion that the psychological effect of raising the embargo would end any conceivable threat against the new state from Britain directly, or indirectly through British-sponsored Arab attacks. Our raising the embargo would force Britain to release the 11,000 Hebrews who are confied in concentration camps in Cyprus.

Fourth. I again urge, as I urged 9 months ago, that American ships transport all stateless Hebrews from the displaced persons camps in our occupied zones in Europe to the land they have determined to live in: Palestine. It has always been my opinion that these stateless Hebrews were actually citizens of Palestine by their own choice and determination, and that only British force has prevented them from reaching their home territory. I have never favored smuggling Jews to Palestine; but have insisted that they go openly and proudly as is their right. I want the United States Government to send them, to provide the ships and other facilities necessary. This will end the moral crime of the DP camps. This will end the heavy burden of expense on America for maintaining the camps, and the scandal of our taking over Hitler's role of keeping Jews in cages.

Fifth. Finally, I urge that Congress go on record as favoring the incorporation of the city of Jerusalem into the territory of Israel. It is impossible to conceive of France without Paris or of England without London. It is just as impossible to have an Israel without Jerusalem as its capital. One-seventh of the Hebrew population of Israel lives in Jerusalem. They are entitled to security; they want to belong to Israel. Israel must have Jerusalem if unrest and disturbances are not to persist indefinitely in the Holy Land. There is no international regime possible in Jerusalem, no matter how much certain great powers wish there were. The regime that controls Jerusalem will be, in the final analysis, either British—through Abdullah—or Israeli. There is no doubt in my mind where the sentiment of the American people lie in such a choice, and where we must throw our weight, in the interests of a lasting solution to Palestine questions.

I do not approach the question of America's interest in Palestine as a newcomer. Before Pearl Harbor I had the privilege of introducing the resolution before the House calling for the creation of an army of stateless and Palestinian Jews to fight against the Axis as part of the Allied forces. My reasons for supporting this idea were twofold: to increase the strength of the Allied forces in the field, and to give the reborn Hebrew nation training and experience for an army which I foresaw would one day be necessary for them. The Jewish Brigade was created, acquitting itself with valor throughout the war. Its veterans are the backbone of Israel's defense.

Even prior to creation of Israel, when people laughed and said it was an idle dream, I called on the United States Government to recognize a Hebrew republic. I sought to commit American foreign policy to the Hebrew cause and to avoid confusions of the sort we have witnessed in recent months.

To me the speedy rescue of displaced persons has always been a matter of top priority. I worked as a private citizen to assist in raising money so that displaced persons could be moved via underground channels to Palestine, hoping that if thousands of American citizens took the initiative our Government could then be persuaded to follow officially.

In this session I introduced House Joint Resolution 407 calling on the Government to provide vessels to transport all Hebrew DP's to Palestine so that the abominable camps could be closed by October 1 of this year. It is my fervent hope that, spurred on by this resolution, American ships flying the American flag will arrive in Haifa harbor carrying the new citizens of Israel from the DP camps of Europe and Cyprus. I want to see all Jewish DP camps in the American zone closed before another winter. The arrival of these people in Israel will be Israel's greatest defense against invasion.

In 1945 I made a trip to England to see Mr. Bevin and Mr. Attlee. I talked with them at length about British policy in Palestine. But I soon recognized the futility of negotiating with the British or of relying on their promises. I saw that the rebirth of a nation on Palestinian soil would have to be the work of the Hebrew people themselves, and I sought to give them as much American aid as possible.

Throughout my long interest in the Palestine problem as it related to America's foreign policy, I have supported measures designed to provide a decent and honorable solution. In fact, I have made it my concern to maintain a steady pressure wherever it would do most good in order to direct our Government's course of action along the lines I believed essential if America were one day to have a firm, strong ally in the Middle East. I have been opposed to expressions of wordy sympathy—I have demanded practical deeds by our citizens and our Government as the only means of forcing the British Empire to retreat and give the Hebrews the effective support for victory.

It is my intention to go to Israel this summer and to make a survey on the scene. I propose to confer with the leaders of the Israeli Government and determine what the new state needs from America and what America can do to solidify a permanent two-way alliance with the new free people of Israel. I shall report my findings to the Congress and introduce such legislation as is necessary to carry them out.

The five-point program which I have here suggested at the beginning of these remarks is a program which all Americans can support in the certainty that they are working for the highest interests of our country. The $150,000,000 loan which I propose will strengthen Israel's economy. The full diplomatic recognition and admission of Israel into the United Nations will link this country intimately with its most loyal ally in the Middle East. Raising the arms embargo will put an end to the hopes of the warmakers in the Middle East that they can resume their aggressions against Israel and destroy the precarious peace in that strategic zone. Repatriation of Hebrew DP's on American ships from the DP camps to the shores of Israel will discharge our obligation, close the camps, and give additional manpower to the developing power of free Israel. Recognition that Jerusalem is and must be an integral part of Israel, indeed is naturally its capital city, will be final notice to the intriguers and agitators of the Middle East that they cannot expect to carry on their trickery against Israel, against America's strategic interests, or against the peace of the world from the vantage point of the Holy City.

It is my sincere belief that if these five points are implemented by our Government the threat of continued warfare in the Middle East will be for all practical purposes eliminated. America will have made a great contribution in support of the United Nations and toward peace in one of the danger zones of our world. We will have an increasingly powerful ally on the eastern shore of the Mediterranean. And, above all, we will have aided the solution of one of the oldest problems in western history, a solution which we and our children's children will be rightfully proud to have brought about.

Mr. Speaker, we will see the solution to the so-called Jewish problem in equity and justice, if we abandon the hypocrisy which evil forces have injected into our Middle East policy and proceed to give full and proud backing to the Hebrew struggle. I am certain that Israel shall be victorious. I want my country to participate in this historic achievement.

Congressman George MacKinnon Filing Statement

EXTENSION OF REMARKS

OF

HON. GEORGE MacKINNON

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. MACKINNON. Mr. Speaker, under leave to extend my remarks, I include my

statement of July 24, 1948, on filing for reelection as Representative in Congress from the Third Minnesota District.

STATEMENT OF REPRESENTATIVE GEORGE MACKINNON ON FILING FOR REELECTION AS MEMBER OF CONGRESS, THIRD MINNESOTA DISTRICT

ENDORSED UNANIMOUSLY FOR REELECTION

Having been unanimously endorsed for reelection as Third District Congressman by all the official Republican Party organizations in the Third Congressional District, I have today filed for renomination on the Republican ticket.

PROMISES FULFILLED

The Eightieth Congress has lived up to the promises it made to the Nation in the 1946 campaign. These were fourfold, first to cut unnecessary strikes, second to cut taxes, third to balance the budget, and fourth to remove controls. All these promises have been fulfilled.

NEW LABOR LAW

Under the new labor law strikes have been cut 4,600,000 man-days per month, which amounts to over 55,000,000 man-days a year. This is a 64-percent cut in idleness due to strikes. It represents an annual saving to workers of about $1,000,000,000 a year. And official statistics released by the United States Bureau of Labor Statistics show conclusively that labor's bargaining position has not been harmed. In this connection I was instrumental in Congress with others on the Education and Labor Committee in—

1. Establishing labor's bill of rights which guarantees democratic procedures and gives union members security in their union, access to union financial records, and job opportunity if union membership is denied them in violation of their civil rights.

2. I also worked with others to protect the principle of union security through the union shop and a bargaining area coextensive with the employers bargaining organization.

3. In committee I offered the amendment to remove railroad workers from the Taft-Hartley Act. This was adopted. It preserved their rights and procedures under the Railway Labor Act.

PLEDGES OPEN MIND

If abuses on the part of management or labor arise under the administration of the new labor law I will be alert to support modification of the law in the public interest so the Nation will not suffer a repetition of the spectacle we have just gone through where gross abuses were allowed to continue unchecked until the national situation became intolerable.

INFLATION RESULT OF DEMOCRATIC LONG-TERM POLICIES

Our present inflation is the result of long-term policies of the present Truman administration which dates back to the time when President Truman accepted Henry Wallace's unsound advice that wage increases would not bring price increases. Unsound Government purchasing policies have also contributed to the evil. The cure for inflation is sound long-term policies and it is apparent that these cannot be obtained from the Truman administration. Price and wage controls, as proposed by the President, would only deal with the effects of inflation. Their relief would be only temporary and they would bring the greater evils of scarcities, black markets, and diminished purchasing power. The President's so-called anti-inflation program is at best only a temporary expedient which would produce limited benefits until after the November election and then the evils would be magnified. To cure inflation we must have sound money, sound governmental spending policies, reasonable taxes, and an increase in production to equal or exceed demand.

FOREIGN RECOVERY

As stated in my 1946 campaign I have supported the foreign recovery program and believe that the expenditures and hardships which that program entails are small beside the greater expenditures and hardships we would be forced to bear if communism were to be successful in its world-wide aggressions.

EXPERIENCE COUNTS

I consider it a high honor to have been chosen to represent the Third District in Congress and am submitting my candidacy to the electorate with the knowledge that the additional seniority and experience that goes with reelection will make it possible for me to express a more influential voice for all the people of the district and for all the people of the Nation.

Higher Pay Is Buying Less

EXTENSION OF REMARKS
OF
HON. WALTER B. HUBER
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

Mr. HUBER. Mr. Speaker, many statements have been made both in and out of Congress regarding the ever-increasing cost of living. Reams of reports have been sent out by economists who have analyzed the situation.

In glancing through my home-town paper, the Akron Beacon Journal of August 5, I was pleasantly surprised to find an article by my old friend, Clyde Mann, of the Beacon Journal staff, dramatizing the hardship that the workingman is suffering. This is the best report I have seen to date, and I am inserting it in the RECORD.

I see no reason to inject politics in my remarks at this time, although I have definite views with regard to the cause of existing unreasonable high prices. I can only say that the cure rests with this Congress. I urge my colleagues to forget politics and name calling, to forget efforts to fix the blame, to forget this mad scramble to adjourn, and to stay on the job and put out the fire of inflation even if it takes until Christmas.

I remember the boom-and-bust days of the twenties and we must not let it happen again. Depressions are not inevitable, they can be prevented with just a little foresight and horse sense. So let us all stay on the job and tackle the problems of inflation, housing, and other emergency matters with which we are confronted.

Let us do the job now.

HIGHER PAY IS BUYING LESS—RUBBER WAGE EARNERS LOSE HCL BATTLE

(By Clyde Mann)

Rubber workers are losing ground steadily in the hot race between the cost of living and the pay envelope.

Three wage increases have pushed the pay level in industry to the highest point ever reached. The wage scale of the rubber industry is one of the highest in the Nation.

But most of the more than 70,000 rubber wage earners in the Akron area are not as well off now as when the war ended.

For one thing, the cost of living today is the highest in history. And second, the rubber worker has chosen to stay on the 36-hour workweek, which cuts his weekly take-home pay.

The fact that he was better off during the war will not be startling news to the thousands of men and women deeply worried about the speed with which their pay disappears every week.

Neither is the problem of how to make income meet the zooming cost of living confined to the production workers. They make up the largest single economic unit in the area and as such receive and spend the biggest slice of the area income.

But thousands of white-collar workers, school teachers, clerks, Federal, State, city, and county employees, and professional people also have to count every penny these days. And the plight of the pensioners and those on retirement income is even worse.

The average rubber worker is taking home less pay now than he did in 1946, despite the three wage increases that have boosted his hourly income a total of 41 cents since that year.

The plight of the rubber-plant employee can be stated very simply. He is getting the highest hourly rate ever paid in the industry. But he is working shorter hours and the huge jumps made in living costs have wiped out all the profits in the pay increases.

With a complete new round of price boosts now in progress, the rubber worker actually was better off in February 1945 than he is today.

Then he was earning an average of $1.19 an hour, working 48 hours a week or more and getting overtime pay after 40 hours. Weekly, he was taking home $70, on an average.

He was paying 39 cents a pound for steak and 30 cents for pork chops. He could buy an 8-year-old car for $295. If he had a garden that spring he could buy tomato stakes for 5 cents each.

The cost-of-living index measured by the Bureau of Labor Statistics early in 1945 was 126.9.

Today he's earning $1.70 an hour, on the average. He's getting no overtime pay and 36 hours a week work at the most. He's taking home an average of $59 a week.

He's paying 89 cents a pound for steak and 69 cents for pork chops. An 8-year-old car will cost him $800 or more. And if he still has that garden, he will pay 11 cents for tomato stakes.

The cost of living, according to BLS, is now 171.7 and climbing.

The rubber worker says that he should be taking home at least $94 a week to keep his family budget balanced.

He points to Federal statistics which show that it costs 123 percent more to feed a family now than it did in 1939.

Clothing for the average family has gone up 97 percent, furniture and household furnishings, 91 percent, BLS reports.

A suit of medium grade which cost $27.50 in 1939 now sells for $55. A pair of men's shoes costing $5.50 in 1939 now costs $12.95. The cotton work shirt that sold for 70 cents 9 years ago is now retailing for $1.95.

Before the war a refrigerator sold for $174. Today a similar model will cost $225.

Today the two-piece living room suite that sold for $139 in 1939 will cost about $150 to be reupholstered and rebuilt. A new one will cost $239.

Axminster rugs have gone up from $31.50 to $70, a sewing machine from $104 to $165.

According to Federal statistics rent has been held down firmly by Government controls.

But at present it is rising point by point. It's 12 percent higher now than it was in 1939.

Prices for new homes are up 100 percent since before the war. With labor and material costs increasing, new home prices are expected to go still higher.

Federal Funds for Public School Building Construction

EXTENSION OF REMARKS
OF
HON. EDWARD O. McCOWEN
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Friday, August 6, 1948

Mr. McCOWEN. Mr. Speaker, I am introducing a bill today to provide Federal funds to assist the States in the acquisition and construction of plant facilities for public schools.

Of course, I am aware of the fact that this bill cannot be passed at this special session of the Eightieth Congress. But, conditions could come about that would cause another special session of the Eightieth Congress, in which there would be time to have the bill enacted into law.

I fully appreciate the fact that this is not at all probable or likely. The bill is not being introduced with that purpose in mind. It is being introduced for the purpose of calling the attention of the Members of the House of Representatives and the public in general to the fact that school buildings in the United States, speaking generally, have deteriorated very greatly since before World War II and improvements were impossible during the war. In the years since the end of the war, costs have been so high that it has been impossible to do much in the way of school-building construction because of the small amount of total wealth in many of the rural and village districts, in particular, in the United States, making it so that districts could not be bonded sufficiently for school-building construction. School population has increased in hundreds of localities tremendously and the buildings have become overcrowded and entirely inadequate for even fairly efficient school purposes.

Another reason for calling the attention of the Congress to this matter at this time is because it is quite likely that there will be a considerable amount of unemployment during the next 2 years, and the construction of new school buildings will help provide employment for many thousands.

Very briefly stated, this bill provides for a 5-year program and for the appropriation of $200,000,000 for the first year ending June 30, 1950, and the sum of $100,000,000 for each of the 4 succeeding fiscal years. The funds are to be given on a 50–50 basis.

Since no State would be compelled to take advantage of this law, it cannot be said that the provisions of the law are being forced on any State. But, it is very unlikely that any State would refuse to take advantage of the law if it should be enacted because even the wealthiest of the States have very great need for new school buildings; and each of the wealthy States have many districts in them that are not financially able to build school buildings adequate for their needs.

Since money for school buildings was provided by the Federal Government under the PWA and the WPA Administrations in the 1930's, there is good precedent for this legislation.

This bill is being introduced strictly on my own initiative. It is to be hoped, however, that a general demand will arise for this type of important legislation by the next Congress. A new bill to be introduced in the Eighty-first Congress after January 3, 1949, may carry a different amount of money and may contain a different period of time for construction. But, in the main, the thought will be the same.

It is to be hoped that the United States Office of Education will undertake immediately to discover the real needs of each State through the respective State departments of education, so that this data as to needs may be correctly stated and a bill introduced accordingly.

The Congressional Smear—First Investigations

EXTENSION OF REMARKS
OF
HON. GEORGE G. SADOWSKI
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

Mr. SADOWSKI. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include an editorial that appeared in the Washington Post this morning:

MUNDT'S ADMISSION

Representative MUNDT let the tiger out of the bag in his statement about the object of the House spy inquiry of which he is acting chairman. He said the object is to "expose, call attention of the proper authorities to the spying, write letters, make press statements, and try to needle Tom Clark into action." In other words, the committee's action is a vote of no confidence in the Executive in the discharge of his constitutional duty faithfully to execute the laws. So the House committee is going over the grounds covered by the grand jury in New York which after a 3-year $1,000,000 investigation returned no indictments against the persons who are being put on the grid in Congress. In effect the committee is usurping the functions of a grand jury. We ask, in all seriousness, whether this the way of a government of powers divided among the executive, the legislature, and the judiciary. Beware, warned Jefferson, of the tyranny of the legislature.

The President calls the inquiry a red herring. To some extent, of course, he is right, as is clear to anybody who listens to the House proceedings. Examples: "He is a Republican, isn't he?" "He is a Democrat, isn't he?" But the Presidential ascription does justice neither to the seriousness of the issue of Communist activity in our midst nor to the flagrant disregard of proper procedure in investigating it. Communists, in our opinion, would stop at nothing in serving their Red masters. They are inverted theologians, thoroughly amoral, ever ready to sabotage and destroy. It is the presence of these vipers in our midst, together with our critical relations with Moscow, that accounts for the Red scare and the advantage that the investigators are taking of it.

But it is the purpose of the law to reach out and prosecute termites. And it is the job of the FBI to get the evidence to convict. As to the law, Governor Dewey, in the Dewey-Stassen debate May 17, said, "There are 27 acts already that outlaw every conceivable form of subversion." As to the FBI, no institution in the capital today operates in such favor from the appropriating body. But what the House committee is doing is telling the American people that neither their courts nor the FBI is giving them protection. This is dangerous procedure—highly dangerous. The legislators' lack of trust in the courts is bound to evoke, if the people take the committee seriously, the same lack of trust in the courts on the part of the people. What is worse, the committee itself is giving an example itself of lawlessness by ignoring due process.

Representative McDOWELL sought to extract from Mr. Alger Hiss Wednesday an admission that he had had a fair hearing. Mr. Hiss' reply was to the point:

"Mr. McDOWELL, I think I have been treated today with great consideration by this committee. I am not happy that I didn't have a chance to meet with the committee privately before there was such a great public press display of what I consider completely unfounded charges against me. Denials do not always catch up with charges."

The answer made an impression which the Representative sought to offset by what was circumstantially a prevarication. "The committee," he said, "does not know in advance what a witness is going to say." Now, Mr. McDOWELL, even if you don't know, why didn't you make sure by listening to witnesses in camera? The answer is that any such protection for the individual would fly in the face of the declared object of Representative MUNDT to let the espionage cases be decided in the court of public opinion, to let the people determine whether the committee is right, or Attorney General Tom Clark is right. In other words, if the courts won't convict, then a form of lynch rule must prevail. A fine example to provide for the American people—taught as they are to regard justice as the end of government.

National Income Statistics

EXTENSION OF REMARKS
OF
HON. GEORGE MacKINNON
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

Mr. MacKINNON. Mr. Speaker, under leave to extend my remarks, I include an article which appeared in Finance and Commerce, Minneapolis, Minn., July 15, 1948. This article makes some very interesting observations with respect to the present division of our national income among workers and investors.

LABOR'S SHARE OF OUR NATIONAL INCOME RISING—INVESTOR'S SHARE HAS DWINDLED ALARMINGLY, UTILITY EXPERT FINDS

NEW YORK.—Labor's share of America's national income measured in dollars, has risen by leaps and bounds since 1929 while the investors' share has dwindled to an alarming figure, according to a survey, based on official Government statistics, compiled by John A. Ritchie, chairman of the board of the Fifth Avenue Coach Co., which in brief, summarizes the findings of this New York utility executive who has just completed an authenticated survey of the trend of the national income from 1929, peak of the so-called prosperity period and harbinger of the depression, up to and including 1947.

Similarly, the real value—the purchasing power—of labor's share has increased far

beyond the rise in the cost of living, while the purchasing power of the investors' portion has dropped sharply.

Although carefully abstaining from interpretation of its factual content, the survey is by itself an answer to the claim of certain labor leaders that corporate profits are far outdistancing the gains of the American workingman.

Thus, while corporate profits amounted to $17,400,000,000 last year, or 8.6 percent of the national income, labor's share in wages and salaries from private business totaled $105,200,000,000 which represented 52 percent of the national income.

Wages and salaries showed a dollar gain of 132.71 percent over 1929, while dividends increased by only 16.78 percent. Only $6,800,000,000 was paid out to investors in dividends. All the remainder was retained for capital expansion, improvements, and reserves—to increase and improve production, seek out new markets, create new jobs, and make more secure the jobs already held.

In real value—purchasing power—labor's share in 1947 was 81 percent greater than in 1929, while dividends paid investors last year were reduced in purchasing power by 9.18 percent over the same period.

The real value of the 1947 dollar, based on prices prevailing in 1939 (when World War II broke out) was 63 cents. Thus, wages and salaries last year increased, in real buying power, to $66,276,000,000 compared with $36,617,000,000 in 1929, while the purchasing power of dividends shrunk from $4,717,000,000 to $4,284,000,000 in the same period.

Shipping Rates

EXTENSION OF REMARKS
OF
HON. ALVIN F. WEICHEL
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

Mr. WEICHEL. Mr. Speaker, I want to include a statement from the Department of Justice which will have a bearing on American shipping:

Attorney General Tom C. Clark today announced the filing of a civil action in United States District Court for the District of New Jersey, Newark, N. J., charging the Far East Conference and 25 shipping lines with a conspiracy to monopolize the direct cargo-carrying trade from ports on the Atlantic and Gulf coasts of the United States to ports in Japan, Korea, Formosa, Siberia, Manchuria, China, Indo-China, and the Philippine Islands.

Nineteen of the shipping lines named as defendants are foreign lines and six are American flag lines. The names and places of incorporation of the defendant shipping lines are as follows:

The Bank Line, Ltd. (Scotland).
The China Mutual Steam Navigation Co., Ltd. (England).
Dampskibsselskabet af 1912 A/S (Denmark).
A/S Dampskibsselskabet Svendborg (Denmark).
The De La Rama Steamship Co., Inc. (Philippines).
Ellerman & Bucknall Steamship Co., Ltd. (Great Britain).
Fearnley & Eger (Norway).
A. F. Klaveness & Co. A/S (Norway).
Isthmian Steamship Co. (Delaware).
Skibsaktieselskapet Igadi (Norway).
A/S Besco (Norway).
Aktieselskapet Ivarans Rederi (Norway).
Lancashire Shipping Co., Ltd. (United Kingdom).
American President Lines, Ltd. (Delaware).
Lykes Bros. Steamship Co., Inc. (Louisiana).
Nederlandsche Stoomvaart Maatschappij "Ocean" N. V. (Philippines).
M. V. Nonsuco, Inc. (Philippines).
The Ocean Steamship Co., Ltd. (Great Britain).
Prince Line, Ltd. (England).
Silver Line, Ltd. (England).
States Marine Corp. (New York).
Swedish East Asiatic Co., Ltd. (Philippines).
United States Lines Co. (New Jersey).
Waterman Steamship Corp. (Alabama).
Wilhelmsens Dampskibsaktieselskab (Norway).

The defendant shipping lines are members of the Far East Conference, organized under section 15 of the Shipping Act of 1916, as amended. The Government charges that the defendants have required shippers to agree to patronize the lines of conference members exclusively under pain of penalties calculated to deter the shippers from patronizing any steamship line not operated by a member of the conference; that by means of such contracts the defendants have secured control of virtually all the commercial cargo transported in the trade involved and are excluding competition from such trade.

In announcing the action, the Attorney General declared that the exaction of such a contract by a group comprising the dominant lines in a trade effectively forecloses competitors from engaging in a substantial part of the foreign trade of the United States.

"Such a denial of opportunity to independent shipping lines to compete for traffic, within the rules of fair play enforced by the Maritime Commission, does violence to our American ideal of competitive enterprise," he said.

Herbert A. Bergson, Assistant Attorney General in charge of the Antitrust Division said: "Under the exclusive patronage contract system, the shipper is compelled to agree to confine his dealings exclusively to the lines of conference members in order to get the benefit of so-called 'contract' rates, which are substantially lower than regular tariff rates.

"The enjoyment of such lower rates is not related in any way to the volume of freight shipped but is conditioned entirely upon the shipper's agreement to employ conference lines exclusively. Any shipper who enters into such an agreement and subsequently patronizes a nonconference line thereby incurs oppressive penalties and fines.

"This system effectively ties the shippers to the conference lines and excludes independent competition which would probably result in rates even lower than the contract rates. The system is identical in purpose and effect to the deferred rebate system which was specifically outlawed by the Congress in 1916 as a monopolistic abuse."

It was pointed out by the Department of Justice that since carriers with foreign flags are in an overwhelming majority in the conference, and since some of the conferences have gone so far as to delegate to themselves the power to fix rates, by majority vote, there are involved in this litigation questions of serious import to the United States. The goods, the rates on which are subject to the jurisdiction of the conference, include relief shipments not only by the American Government but by American religious and charitable organizations.

If the Government is successful in this litigation, all United States shipping companies participating in the various shipping conferences will be benefited through the elimination of a measure of foreign control over American flag ships.

The case was prepared by Joseph E. McDowell, trial attorney, and Carolyn R. Just, attorney, under the supervision of James E. Kilday, Special Assistant to the Attorney General in charge of the Antitrust Division's Transportation Section.

Who Are You To Prattle About Freedom?

EXTENSION OF REMARKS
OF
HON. ROBERT F. RICH
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

Mr. RICH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement:

Who are you to prattle about freedom?

You were born American, you say? So what of that. By no choice of your own were you born free. By no act of your own have you kept free.

Since the day of your birth you have known only free men, men free to work with you—men free to think with you, men free to grieve with you—men free to sing your songs, men free to love the things you love. Not once have you or yours felt an oppressor's curse. So—who are you to prattle about liberty? How dare you try to tell your children what it means. You've known no thing with which to contrast liberty. You've known no thing by which to measure freedom's distance from the depths of tryranny.

No booted brute has ever crashed your door at night to drag you from your family to a firing squad.

No hateful neighbor by false witness ever sent you to the tortures of a concentration camp.

No grudging food control has once denied your own those crusts they needed to retain their strength.

No bayonet has ever driven you, half starved, to sweat long hours at hateful work beyond your power to endure.

No tyrant—once adored—has torn from you your children—at a tender age—to shape them into godless brutes who would some day defame the memory of their mother and of you.

In other countries crafty leaders told all men, not long ago, it couldn't happen there.

You've had your troubles, some perhaps quite hard to bear. So have we all.

But all around you there have always been men free to lend you strength to carry on, free men to help you to the hope of better days.

And better days have come for you, as they can surely come where men are free.

When famine threatens war-cursed nations do they turn to despots for relief?

Or do they turn to your kind land, where generous men are free to give, and never fail mankind in need?

Think you that your America, with her great heart, save under whips of tyrants born to rape and kill, would once permit her worthy own to starve?

Beware the leader who too loudly claims that he alone would keep faith with humanity.

All tyrants in the making have claimed that.

Some neighbors you have loved.

Some men you have not trusted, dared not trust.

But none could crush you.

None could hold you when you chose to move.

Yes, you have been free.

For that you take no credit, please.

For that please now thank God, and those brave souls who fled from foreign tyrannies and built for you a land of law, to help you

guard your liberty against the treachery of ever-lustful men, against the blunderings of honest men and fools.

Are you gone soft in your enjoyment of the fruits of liberty, by far the richest ever known to man?

Those who invent for, those who produce for you, grow heartsick at what seems to them to be your blind indifference.

Depressed, they lose their will to serve your Nation's destiny, as their rewards for sacrificial labor disappear through legal strategems devised by leaders who in turn are followers of aliens sworn to weaken and destroy your industries and all your Nation's power.

Men forfeit leisures, plant new gardens, only when assured they may possess the yield, assured it will not go by force to wasteful purposes of men who neither plow nor plant.

The dust of honored graves stirs restlessly these fateful hours as troubled spirits rise to warn that there is time, but none to spare.

So dedicate today your every strength responsive to each neighbor's call for help against the creeping curse of communistic larcenists.

And as you gird give thanks again, in soberness and prayer, that others gone before you fortified your freedom with traditions strong, to help you guard your liberty if but follow their clear light.

Would you be likewise thanked by grateful children who some day must shoulder all your burdens and plod on?

Then make you double sure that you turn back at once those lustful men who would persuade you now again to close your eyes while they, by cunning, rob you of the things for which your fathers fought, that you might have your chance to keep your children free.

Why learn from alien tyranny too late what your departed freedom meant to you?

Why feel, some early day, the lasting scorn of children now your friends?

Would you have children know you missed your chance to pass along to them that freedom your more thoughful fathers did not fail to pass to you?

Take one long look deep into a youngster's eager eyes before you seal his fate.

Then pledge to him your faith, your high resolve, to live and act American!

JNO. W. ANDERSON.

Taxpayers Are To Foot More of the Bill for Truman's Campaign

EXTENSION OF REMARKS
OF
HON. HUBERT S. ELLIS
OF WEST VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

Mr. ELLIS. Mr. Speaker, under leave to extend my remarks in the Appendix of the RECORD, I include an editorial from the Chicago Tribune of August 1. The editorial follows:

SMOKE SCREEN

A day after Mr. Truman had dressed down Congress because his party's policies had made prices high and housing expensive, his Attorney General, Tom Clark, announced that the Antitrust Division had started a crusade against collusive action on food, clothing, and housing prices. Three new field offices are being established for this purpose and eight existing offices are being enlarged.

This means that the taxpayers are to foot more of the bill for Truman's campaign. The party war chest is in sickly condition and part of the trick of compelling the taxpayers to finance the campaign consisted of calling back Congress for an expensive extra session so that the New Dealers may use it as a sounding board and whipping boy. Now the public is to pay for more bureaucrats and more branch campaign headquarters to put on a propaganda campaign to represent prices as the product of a sinister plot.

You can lay to it that Republicans will be found at the bottom of any villainy the New Deal publicity foundry can invent.

If Mr. Clark wants to find out why prices are high, all he has to do is to review the whole course of New Deal domestic policy since Mr. Roosevelt started out to cheapen the dollar, plow up crops, and kill pigs to raise prices. He will, in this investigation, come upon the war and discover the dimensions of the New Deal debt. He will also note the postwar program of huge military expenditures and appropriations for foreign aid. Added together, all of these have produced enormous purchasing power without a matching volume of goods—what is called inflation.

Since the discovery of these economic facts of life would not assist the Truman campaign, Clark will naturally direct his search in other directions. We note that one of his new field offices is to be at Kansas City, Kans., bordering on its larger Missouri neighbor. While he is in the vicinity he might investigate who blew the courthouse safe and stole the evidence in the 1946 Democratic primary vote frauds, perpetrated by Truman's pals in the Pendergast machine. That way something useful might materialize, though, in view of Clark's record, we are not raising our expectations too high.

Draft Repeal or Totalitarianism?

EXTENSION OF REMARKS
OF
HON. THOMAS E. MARTIN
OF IOWA
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

Mr. MARTIN of Iowa. Mr. Speaker, when the President recommended and urged enactment of the draft law, he wanted that law either because of the imminence of war or because he desired to expand his own powers as Commander in Chief of the armed forces in peacetime. Congress has granted this extension of the President's power by the enactment of the draft law, effective for 2 years, because of the imminence of war if I judged the debate correctly. During the debate on the draft bill, I contended that the lust for power and the recommendations of military leaders in their ambition for power lay back of the hue and cry for the draft, because the total lack of development of every other phase of preparedness belied the imminence of war.

Subsequent developments uphold my view of the true motive of the proponents of the draft. I listened closely to the President's address before the special session of Congress July 27 and I have read his address carefully. The only preparedness item mentioned by the President was UMT and that was mentioned only incidentally. UMT is a long range preparedness policy and not a policy designed to meet an immediate war emergency.

Adequate stock piles of strategic and critical materials, a healthy mining industry in America, the maintenance and preservation of a balanced supply of weapons and ammunition, and the dispersion and distribution of industrial development away from a few highly concentrated areas have been ignored by the President, and yet our total lack of preparedness in those fields will cause untold and unnecessary death and destruction in any future war. The special session of Congress is rapidly drawing to a close and still no message or appeal has come from President Truman or the Army, Navy, and air services for building these essential defenses. Either President Truman and his administration are grossly derelict in their duty to build these defenses if war is imminent or they stand convicted of desiring the draft only for the extension of their power over the citizens of our own land. Congress was persuaded to approve the draft because of the threat or the imminence of war whereas the true purpose of the President and other proponents of the draft was the increase of the powers of the President and the military leaders in peacetime. This concentration of power is a serious threat to the principles that made our Nation great and is a real surrender by Congress to a dangerous trend. Extension of the President's power was specifically withheld from him by our Constitution. At the earliest possible date, Congress should therefore repeal the draft law and place the armed services and the President back in their proper role as servants of the people before we drift step by step into totalitarianism and the complete subjugation of the individual citizens to the power and direction of the Federal Government.

Amendments of the Labor-Management Relations Act of 1947

EXTENSION OF REMARKS
OF
HON. KENNETH B. KEATING
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

Mr. KEATING. Mr. Speaker, it has consistently been my position that, although I do not favor the repeal of the Labor-Management Relations Act of 1947, I recognize that in practice, from time to time, it will be evident that various amendments should be enacted.

Last July, for instance, I introduced H. R. 4419, designed to except from the prohibitions and penalties contained in that part of the law governing political expenditures, any outlays made either by a corporation or a labor organization in connection with the publication or distribution of a newspaper or news magazine, regularly published at stated intervals, not less frequently than monthly. The purpose of this provision was primarily to insure that no legitimate labor newspaper should be interfered with in any way in the presentation of its editorial views regarding issues or candidates for public office. I am sure that there is much support for this legislation, which I am hopeful will receive favorable consideration in the next Congress.

Another situation has been brought to my attention which I consider most un-

fortunate. An impression seems to have been raised in the minds of some union members that the requirement for the filing of a non-Communist affidavit by the officers of labor organizations, in order to obtain representation in proceedings before the National Labor Relations Board is, in some way, a reflection upon these members. In other words, while the vast body of patriotic working men and women in this country have no objection, indeed, vigorously endorse the idea that their labor unions should be completely free from domination by subversive elements, some of them have raised the question, perhaps with justification, why the same requirement was not exacted from an employer before he was permitted to use the facilities of the Board.

This argument has impressed me. Certainly it was far removed from my thoughts in voting for this measure, by any implication or stretch of the imagination, to infer that there was any distinction in patriotism or loyalty to our country between employers and employees. The vast body of both groups render their allegiance only to the flag of our country. Unfortunately, in both groups also are to be found a tiny minority who, through lack of appreciation of the blessings of our American way of life, or from even more sinister motives, have elected to align themselves with those elements which seek to destroy us.

In order that there may be no possibility that any invidious distinction be drawn in this respect, I have today introduced a bill to make applicable to the employer the same provisions of the law relating to the filing of a non-Communist affidavit which now apply to a labor organization, as the representative of its employee members.

I realize that the shortness of the present special session will not make possible any action on this bill in this Congress. It is my hope, however, that its introduction may serve to focus the attention of the joint Senate-House committee upon this problem to the end that early action may be taken in the next Congress.

There are other respects in which I feel sure the study of this committee will result in the conviction that changes should be made. One in particular seems to me to be the provision which requires, in all cases, the holding of an election as a condition to the making of an agreement requiring membership in a labor organization as a condition of employment.

It seems to be unnecessary to hold elections in all of those cases where the result is a foregone conclusion. It simply puts employers, employees, and their union representatives to a great deal of unnecessary trouble and the Government to a substantial expense. I am impressed with the argument of those who contend that a labor organization, once selected to represent the employees of a plant, should continue to do so until a majority of those employees have indicated, by appropriate action, that they wish to have such authority rescinded.

I am hopeful that legislation to improve this situation will also receive early and favorable action at the next session.

The Labor-Management Relations Act of 1947 has served to reduce substantially the loss in man-hours through work stoppages and has given to the working men and women a greater voice in the affairs of their own organizations. It has greatly benefited the employee, the employer, and the consuming public. We should, however, stand ready and eager at all times to lend an attentive and sympathetic ear to those who may urge specific and constructive suggestions to improve this legislation and make possible the complete fulfillment of its desirable objectives.

Black Canyon Irrigation Project, Idaho

EXTENSION OF REMARKS
OF
HON. JOHN SANBORN
OF IDAHO
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

Mr. SANBORN. Mr. Speaker, so many instances have come to my attention where the present departments of Government have misused the administration of their offices and have put out false propaganda for political effect that I would like to call your attention to a specific instance which is being perpetrated in the State of Idaho.

I believe the letters and clipping will reveal the story. I received 57 protesting letters and I am including 3 of them together with my reply. I am also including a clipping and letter from the editor of the local paper together with my reply:

DEAR CONGRESSMAN SANBORN: On returning from the service I purchased a piece of land near Middleton, Idaho, under the Black Canyon pump unit of the Boise irrigation district, with the understanding there was water for it. I put down a well and started a dwelling. This drained my bank account pretty low. Now, to my disappointment, there's no water. My rent expires here this fall. I will be forced to move to this dry land. It will be pretty hard to make a living for my family of seven without water. I have $7,000 worth of machinery which will also stand unused.

Will you please give the restoration of the $175,000 for the lateral system all your consideration. We are counting on you.

Yours very truly.

DEAR CONGRESSMAN SANBORN: We are writing you in regard to the Black Canyon pumping unit. We understand that if Congress does not grant us the $175,000 appropriation that we have previously asked for, we wouldn't be able to get water for a long time.

We are one out of at least 100 families that are planning on making our home in this unit north of Middleton and unless we get water on this land soon, we will be unable to continue, as we have invested about all of our life savings in this land. We have now a nice well, couple of new buildings, a nice dairy herd and all the land is levelled ready for water and we must soon realize an income off of this land if we are to continue.

We will be very grateful to you as our Congressman to get us this appropriation.

Sincerely yours.

DEAR CONGRESSMAN SANBORN: Our secretary of the Black Canyon Settlers Association called a meeting last evening to inform us that we would not have water for irrigation in 1949, which was a blow to us settlers.

Mr. Adams, the reclamation engineer, was present and explained that the House of Representatives had failed to appropriate the amount of money to finish the lateral work, which would be $175,000 or more.

Most of the land has people living on it now, with all they have in money tied up in improvements and have the ground plowed and ready for the 1949 crop. Some have dairy herds and no chance to raise feed for them, which will force them to sell their cattle and in many cases leave their homes, and seek employment if they can find it.

As for our condition, we bought a man's right to 80 acres last fall. Said land was State land and we have a sales certificate from the State land department with so much to pay each year. How can we meet the payment without water? We have had a well drilled, 200 feet deep, which cost us $1,275. We have the land ready for the 1949 crop, have buildings on it, have spent about $2,500 hard-earned cash on the land.

I went to the reclamation office before I bought the land to see when we would have water, and they told us to make our plans for water early in 1949. Now here we are and as it now stands, no hopes for water.

I am 69 and my wife 67. My mother is with us and she is 87. Our cash is tied up in a dry farm with a yearly payment to meet. Yes, we can take the old-age pension, but (not for us) we have never called for help. All we ask for is a chance to help ourselves. Give us water and we will do the rest. Please help us with water so we can help ourselves.

We are in one of the garden spots of the United States and with water nothing in the agricultural line is impossible here, but we must have water. Will you please use your greatest influence in our behalf.

We most sincerely thank you.

Respectfully.

DEAR SIR: The letters that I have received from you and others on the Black Canyon irrigation district are indeed distressing. Such a condition should never arise. I have pioneered on irrigated land ahead of the water and know what it means to stake everything on the assurance that water will be on hand in the coming spring. I can fully appreciate your consternation when the bureau notified you that because the Congress cut the appropriation by $175,000 you are going to be left high and dry for another year after they had assured you that you could count on water next spring. To me it is an outrageous, unthinkable thing that Mike Straus and the Bureau and the Interior Department would play politics with your situation regardless of the suffering they may cause you by so doing. They are so intent on fastening the tentacles of their growing Federal power monopoly on our economy that they have lost interest in reclamation unless they can use it to promote their power program.

They have promoted through the Budget Bureau a request that this special session appropriate $56,000,000 additional money but it is all for power development. They were telling you that your laterals could not be built because Congress had cut the appropriation by $175,000 but they were not concerned enough about you to include the story of your plight in their request and ask for your relief. There was not a word about it. They have said nothing to Congress about it. You surely must wonder why.

Congress, in the last regular session made two appropriations for the Payette division of the Boise project, one of $800,000 in the spring as an emergency appropriation to give a group of settlers water in 1948. This appropriation was necessary and granted in full by Congress because the Bureau had made a previous miscalculation. The other appropriation was for $1,525,000, making a grand total of $2,325,000. That included your district as well as the Cascade Dam and so forth. The request for the last appropriation had been for $1,700,000. The difference

is $175,000. That is where that sum comes into the picture. This Congress has appropriated a great deal more for reclamation than any previous Congress. However, in an effort to get the Bureau to render better dollar value and to reduce their over-staffing to more efficient numbers, budget requests were trimmed generally but in no case enough to create a condition such as yours.

It is impossible for Congress to appropriate such sums as this $1,525,000 in such a way as to designate in every little detail how it must be spent. Congress must depend on the cooperation and honesty of the Bureau in carrying out its intentions. If they go all out for politics instead, this is what you get.

It is my understanding that there is no reason why the cut of $175,000 should fall on you other than the whim of the administrators of this fund to have you rise in indignant protest against a Republican Congress. There are other places on the project where a possible delay caused by the lack of this $175,000 would not be important but that would not hurt you and would not create the proper reaction.

Your able Congressman ABE MCGREGOR GOFF has done a wonderful job in promoting your interests under difficult conditions and so has your conscientious, hard-working Senator HENRY C. DWORSHAK. I am proud to work with them. I am joining them in demanding that Mr. Straus and his bureau stop playing politics with you, but, instead, use the money appropriated by Congress for this project in such a way that he can take care of you as the Bureau has promised. Congress intended that this appropriation would be used where it would help most. The Bureau has the money. We will do our best to see that you do not suffer.

Some members of the Committee on Interior Appropriations are planning to visit your district about September 7. I hope to be with them.

Very truly yours,

JOHN SANBORN.

[From the Boise Valley Herald, of Middleton, Idaho]

A hundred and twenty-five Black Canyon settlers filled the Sand Hollow community hall last night to remonstrate with Congress over the delay in providing the final $175,000 for the completion of their already much too long delayed irrigation project. The part of the project affected by this spirit of congressional crawfishin' economy, lies north and northeast of Middleton. It comprises 100 farm units. The trunk-line ditches are ready for the water; and provisions have already been made for financing the construction of the wasteways and the contract has been let, we understand for this construction.

Unless the $175,000 is allowed on or before August 5, the very vital lateral-system part of the project will be in default and the long-awaiting settlers will not be able to proceed with their work for next year's crops.

The last night meeting passed a resolution petitioning Congress to correct its error it made in its effort to economize, and replace the amount once promised, but now held in abeyance, so that the settlers can go forward with their work.

DEAR CONGRESSMAN SANBORN: I assume that you are aware that the United States Government entered into a contract with what we know locally as the Black Canyon irrigation district to construct its project for the purpose of supplying water for crop-growing within the limits of its metes and bounds. I assume you are aware that the settlers, as their part of fulfilling that contract, have had to plan ahead (for years ahead) and be in readiness to apply themselves and their working resources to the limit of their economic ability as well as their physical ability, and that by far the major part of that planning—which in most cases is for the balance of their life expectancy—is predicated on that contract in which the United States Government pledges its honor and its credit to fulfill.

I assume, Congressman SANBORN, that you accept the premise that when a contract is entered into relative to any project that the obligations apply to the project as a unit, a whole, and not merely to a part or a fraction of the whole.

Whether or not there was a time limit set for the completion of the project, it was a reasonable and prudent assumption that the completion of the secondary or minor part of the work would proceed with the same directness that had been given to its primary or trunk-line part, and that it devolved upon the settlers to lay their plans and order their work accordingly.

The above observations being obvious, it seems to me equally obvious that it is the duty of every Congressman to do all he can do to see to it that the Government proceeds to fulfill its part of the Black Canyon project.

Respectfully,

PUBLISHER, BOISE VALLEY HERALD.

DEAR SIR: I have read your letter and enclosed clipping regarding the remonstrance meeting. Obviously you took the representations of the Bureau at face value, which you should have been able to do. However, in this case it was a gross misrepresentation and caused you to blame a Congress that had been much more generous with reclamation than any previous Congress. It was a little regrettable to speak of "this spirit of congressional crawfishin' economy." This Congress, in its two regular sessions, appropriated $3,222,000 for this project alone. It was the Bureau and not Congress that decided to withhold funds from this particular work and to use this budget cut of $175,000 as an excuse in order to enflame the people against a Republican Congress. You can see what an impression they can make if the facts are not known.

This is not the only instance where they are guilty of doing this. Politics has no place in such a spot and especially so when it involves resultant hardship and suffering. It should not be condoned under any circumstances.

I am enclosing a copy of a letter that I have sent out to those who have appealed to me for help. I believe the settlers will be provided with this development.

Very truly yours,

JOHN SANBORN.

Commander Krum Appraises Work of Eightieth Congress for Veterans

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EXTENSION OF REMARKS

OF

HON. LAWRENCE H. SMITH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. SMITH of Wisconsin. Mr. Speaker, under leave to extend my remarks, I include an article by Commander Tyrrell Krum, Times-Herald veterans' editor, in which he credits the Eightieth Congress with doing a great job for the veterans of this country:

VETERANS' AFFAIRS

(By Tyrrell Krum, lieutenant commander, U. S. Naval Reserve, retired)

One of these fine days the Eightieth Congress of the United States will wind up its affairs once and for all and set sail for home. There, for the ensuing months, a big majority of the Members will be concentrated on getting themselves reelected.

The Eightieth Congress did a great job on behalf of our grand army of war veterans, and one which will go down in the history of veterans' affairs. There wasn't—I hasten to explain—very much done in the way of new legislation, but there was a great deal of straightening out of details of vital features voted in the past.

In this, we are glad and proud to have played a role. We fought consistently for the increase in GI educational subsistence. We exposed the facts behind the slashing of GI job-training wages-plus subsistence ceilings which caused so much despair and depression among veterans and their families everywhere.

And it was on our direct petitioning to Congress that the ceilings were raised again and the total subsistence paid students was increased.

The CONGRESSIONAL RECORD of the Eightieth Congress shows what was done, and it is something of which one can be proud.

We also fought for the increases in the disability pensions paid men and women who returned from war service ill in health and mind from their wartime experiences. And we fought for the recent increases in death compensation paid widows and orphans and dependent parents of men who failed to come back from war or who died from the effects of their wartime service.

Now, where does the Congress go from here? That is, what will be their job when the next Congress comes to town?

I have some very definite thoughts on this matter which I offer to the old Congress while it's still here. At least, it's something which might well be drawn into the minds of those who will be coming back.

In the first place, we must remember that the time is getting around when we are nearing the end of the so-called readjustment period following World War II. The GI bill was purely a readjustment measure. In fact—even though it is repetitious to write the word again—the GI bill is officially known in the lawbooks as the "Servicemen's Readjustment Act of 1944."

It is fairly easy to figure out that the GI bill—passed exactly 4 years ago—is now well along the way to have done the major share of its job. And—in spite of the handicaps set up by the Veterans' Administration—the bill has worked out pretty well.

But how long are we going to have a readjustment period and when and where will we begin to cut back to normal times again?

I think that the whole subject of the veterans' readjustment should become the No. 1 item for congressional consideration when the new session gets under way. Veterans' benefits—plus administrative cost for operating the VA—run in the neighborhood of eight billion dollars a year.

That, my friends, is just about one-fourth of our national annual budget.

We should go over the whole thing carefully. We should examine into the entire set-up at the Veterans' Administration. We should take up veterans' affairs as a major point of interest and a first-line item of national interest.

The war is far behind us. But we still have a great responsibility. We must not continue veterans' benefits which clearly are outmoded and a burden on the taxpayers. We must fight with all our force for those veterans' benefits which should be carried on.

We hope that the people of this country will send a lot of veterans to Congress this coming session. Because they—only those men and women who have been in the uniform of their country—really know the veterans' problem. Only a veteran knows how a veteran's mind operates.

It is just good common sense that only veterans can do the job—both on behalf of

veterans and on behalf of the taxpayer. There must be kept a balance of interest between the two.

Because the veterans' affairs picture in this country is the biggest thing we have before us, especially when we still face the danger of a war which might come at any time or may be dodged for a long time to come.

Democrats Fail To Pin High Prices on GOP

EXTENSION OF REMARKS

OF

HON. RALPH A. GAMBLE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 5, 1948

Mr. GAMBLE. Mr. Speaker, under leave to extend my remarks, I include in the CONGRESSIONAL RECORD the attached article from the New York Sun, Thursday, July 22, 1948, entitled "Democrats Fail To Pin High Prices on GOP":

DEMOCRATS FAIL TO PIN HIGH PRICES ON GOP—UNITED STATES STATISTICS SHOW RISE WAS FAR GREATER UNDER DEMOCRATIC REGIME THAN SINCE REPUBLICAN CONGRESS TOOK OVER

(By Phelps Adams)

Democratic attempts to blame the Republican Congress for present-day high prices ran afoul of the facts today as Republicans prepared to air the issue thoroughly on the floors of the Senate and the House during the special session which begins next Monday.

While the Democratic platform adopted at Philadelphia last week declares that "the Republican Eightieth Congress is directly responsible for the existing and ever-increasing high cost of living," the records of the Bureau of Labor Statistics in the Department of Labor appear to refute the statement.

According to these records, the cost-of-living index stood at 97.6 at the end of 1932, when the Democratic administration came into control of both branches of the Federal Government. Fourteen years later, when the Republican Congress took over in January, 1947, the BLS index stood at 153.3. Under the Democrats the cost of living had risen 57 percent.

Since Republican control of Congress began, the cost-of-living index has mounted to 170.5—a rise of 11 percent in prices under the Republicans. Thus, living costs went up five times as far under the Democrats as they have since the Republicans came into power on Capitol Hill.

BLUNDER BY TRUMAN

Especially embarrassing to the Democrats as they face this major issue of the Presidential campaign, is the blunder which President Truman made in the course of his acceptance speech at Philadelphia. Declaring that special privilege had controlled the Republican Party ever since its inception, and that this was concretely proved in the Eightieth Congress, he proceeded to examine some of the sins of omission and commission in the record of that Congress, choosing price control as the first target for his attack.

"Time and time again," he said, "I recommended the extension of price control before it expired on June 30, 1946. I asked for that extension in 1946. That price-control legislation didn't come to my desk until June 30, 1946, on the day on which it was supposed to expire, and it was such a rotten bill that I couldn't sign it.

"Thirty days after that they sent me one that was just as bad, and I had to sign it because they quit and went home."

The delegates cheered, delighted that the President had really pinned it on the Republican Eightieth Congress. The only catch in it was, of course, that the Eightieth Congress had not yet come into office, and had not, in fact, even been elected at that time.

WAS DEMOCRATIC CONGRESS

The Congress which did all these horrible things about which Mr. Truman protested was the Seventy-ninth. It was not a Republican Congress. It was controlled by the Democrats, who held substantial majorities in both Houses.

It was this Seventy-ninth Congress which wrote into the bill the provision denying the OPA the right to force anyone to sell a product at a loss, and it was this provision which made the bill so rotten in the President's eyes that he vetoed it.

It was the President's veto of that bill, of course, which wiped out the OPA and all price controls instantly, without any advance preparation and without warning. When the new "just-as-bad" law was passed 30 days later by the same Democratic Congress, the OPA was restored to power, but the President was given the right to end meat and other price controls at his pleasure.

Just before election day, in November 1946, the White House was besieged by telegrams from Democratic candidates demanding that meat controls be lifted and warning that the Democrats would be defeated if this were not done. Yielding too late to these pleas from the members of his own party, the President—not the Republicans—did abolish meat controls by Executive order despite the fact that at a press conference only a few days earlier he had said flatly that he would not do so. Later, just after election, he abolished all remaining price and wage controls except on rice, sugar, and rents, and although he had the power, under the law, to reimpose them at any time up to June 30, 1947, he never did so.

OFFERS NOVEL THEORY

Riding in the dining car of a Washington-bound train after the adjournment of the Democratic Convention in Philadelphia, last week, a Democratic Senator who has fought many a battle for the administration was discussing the price-control issue in tones loud enough to be heard several tables away.

To all those within his hearing he advanced the opinion that the real truth of the matter is that the American people themselves abolished price controls, because they simply would not tolerate an OPA, with its attendant black markets, in peacetimes, any more than they would tolerate prohibition with its attendant bootlegging.

Probably the Senator came as close to the truth as anyone ever will in the course of the furious congressional debate that will be heard on this issue as the session progresses.

Inflation

EXTENSION OF REMARKS

OF

HON. OVERTON BROOKS

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. BROOKS. Mr. Speaker, it is apparent to everyone that the old law of supply and demand is not working during these critical days. Prices keep on going higher and higher—until they are beyond the reach of the average consumer. They seem to be pyramiding upward often with no relation to the normal laws of economics. This means, Mr. Speaker, that there is much speculation in this country—speculation in the commodity markets and among the groups which ordinarily take advantage of the unwary and careless buyer.

The housewife is having a difficult time. The wage earner is having a more difficult time. Food, clothing, and housing has reached an all-time high, according to the figures of the Department of Agriculture released this week. Price of everything needed to sustain body and soul has increased to the point that the small man is reaching the end of his rope.

Much of this increase is, in my judgment, due to speculation. I believe more speculation is going on in this country today than occurred immediately prior to the historic market crash of 1929. Profits of certain corporations are unconscionable. Each day records figures which make all-time records in corporate profits. The consumer is paying the bill, and is paying in profits which reach record proportions.

In the meantime people are digging into their savings. They are reducing their diets; and if this continues, of course, the amount of work they can do will be reduced accordingly. It will serve no useful purpose to place the blame on one cause or another. What we must do is to bring the balloon prices back in line. We must make our dollars count.

Housing Legislation

EXTENSION OF REMARKS

OF

HON. JOHN A. BLATNIK

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. BLATNIK. Mr. Speaker, the housing situation in the United States is a national disgrace. Three million families are living doubled up with relatives and friends due to the housing shortage; nearly 50 percent of these homeless families belong to veterans of World War II. It has been estimated that 40 percent of all city homes and two-thirds of all farm dwellings are substandard. America needs a constructive housing program to eliminate the immediate housing shortage, and meet our long-term housing requirements. The Taft-Ellender-Wagner Housing bill, with its provisions to build 15,000,000 new homes during the next 10 years, would establish such a program, and is the only logical answer to the housing problem.

Under leave to extend my remarks in the Appendix of the RECORD, I include an editorial which appeared in the August 3, 1948, edition of the Philadelphia Inquirer, and which urges the passage of the TEW housing bill:

CONGRESS SHOULD PASS HOUSING BILL

It would be folly to expect Congress, in the short space of the present special session, to give consideration to all the problems

touched upon by President Truman's hodgepodge program. There is simply no time for the study that would be required.

One subject, however, is an outstanding exception. That is housing.

This problem has been already exhaustively investigated by both Houses of Congress. At least three congressional committees have conducted full-scale hearings on housing relief, and one committee traveled all over the country studying the subject.

There is surely not one aspect of housing needs that has not been examined in Washington. The conclusions reached by various experts in the field have gone into the makeup of the Taft-Ellender-Wagner bill to promote low-cost housing.

The Senate has already passed the bill. It is locked up in the House Committee on Banking and Currency, and there are many indications that the House would promptly approve it if the committee would only release it.

There is no excuse for adjourning the present session without favorable action on the Taft-Ellender-Wagner law. On many other proposals before Congress the Members can find reason for doing nothing at this time.

But they will not be able to convince the people that they are doing the right thing by killing off housing relief.

Too many persons have suffered acutely by reason of the housing shortage and the high prices of available houses and apartments to shrug away this subject.

One of the greatest double-crosses of our times has been perpetrated upon the American people in the matter of housing relief.

There is hardly a politician, from President on down, who has not promised to do something, since the day the war ended, to solve the housing problem. The problem is as unsolved as ever.

The Truman administration has mangled the subject of housing relief. It has periodically promised the construction of millions of homes and has gone through the motions of appointing housing commissions and expediters, but those millions of homes remain unbuilt.

Unable to work out anything on its own, the administration has all but washed its hands of the problem and turned it over to Congress. That body has had an exceptional opportunity to demonstrate its determination to accomplish something where the President failed, by pushing to passage the Taft-Ellender-Wagner law.

Opponents of Government-stimulated low-cost housing, however, spearheaded by an indefatigable real-estate lobby, have managed thus far to keep that law from passage.

The results are visible on all sides, in the continuing scarcity of homes, particularly in the low-cost field. Veterans who returned to the accompainment of promises that homes would be found for them are still living doubled up in houses other than their own. Rental dwellings are almost impossible to locate in many sections and home seekers are frequently compelled to buy houses priced above their means, simply because they have no other choice.

Favorite argument of the real-estate lobby in opposing the TEW bill was to the effect that the housing problem would solve itself, without Government aid. But it has not worked out that way.

So it is now objected that the housing bill would be "inflationary," which is a fashionable term for almost anything that is disliked. If this objection is valid it would hold against virtually every public improvement, too, and we might find highway and sewer construction labeled inflationary.

The Taft-Ellender-Wagner bill would help thousands of families to obtain decent homes at moderate cost. It is urgently needed. It could be passed quickly, without any further debate. The Republican majority in the House will be making a grave mistake—a political mistake—if it permits this bill to die.

International Airport or Whistle Stop?

EXTENSION OF REMARKS
OF
HON. HOMER D. ANGELL
OF OREGON
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

Mr. ANGELL. Mr. Speaker, I have been deeply concerned for a long time with the problem of securing direct air service to the Hawaiian Islands from the Pacific Northwest. I appeared before the Commission at the hearings held in Portland, Oreg., in my district, last year, urging that this certificate be issued. I am glad that the Northwest Airlines has been granted a 5-year certificate for direct service, for which we have been fighting.

Portland is the hub of my congressional district and is the air terminal for the Pacific Northwest. It has a direct air route through the Columbia River gorge east and is the only large city in the Northwest so favored. Immediate steps should be taken to make certain that it will have coterminal status in this new air line route. If facilities are not already available in the Portland airport to permit its use for the large type planes such as the DC–6's it should be made so without delay.

I include as a part of my remarks the following editorial from the Portland Journal in its issue for August 3 entitled "International Airport or Whistle Stop?":

INTERNATIONAL AIRPORT OR WHISTLE STOP?

Now that Northwest Airlines has been granted a 5-year certificate for direct service to Hawaii from the Pacific Northwest, the question of Portland's coterminal status arises.

Fear is expressed in some quarters that Portland municipal airport cannot attain coterminal status, because its 5,500-foot main runway can't handle the heavy four-motored equipment necessary for the 2,400-mile hop.

This fear is well-founded, insofar as the new DC-6's and Boeing Stratocruisers are concerned. The former is now certified by the Civil Aeronautics Administration for 6,900-foot runways, with a gross load of 93,000 pounds and standard weather conditions. The latter can use 6,000-foot runways with a gross load of 140,000 pounds. It would therefore be necessary for either of these types to reduce their pay loads in order to use Portland Airport and comply with CAA regulations.

The DC-4, with which Northwest Airlines expects to start its new Hawaiian service, is something else again. Matson ran nonscheduled experimental flights to Hawaii from Portland with its DC-4's, and had no trouble, finding the 5,500-foot runway adequate for gross loads of 74,000 pounds.

So the answer seems to be that Portland Municipal Airport will be handicaped, rather than eliminated from coterminal status—until it lengthens and/or parallels its existing runways.

The port of Portland is fully aware of this situation. And it is seriously considering extension of the main northwest-southeast runway or construction of a longer parallel runway.

The point that should be driven home now is that these improvements should be taken out of the serious-consideration stage and started immediately. And while the port authorities are at it they should start right now on engineering studies designed to provide Portland with an alternate flood-free airport capable of handling heavy transports.

Portland has won a long, hard fight for international air terminal status. It would be inexcusable to endanger or limit that status by failure to provide the airport facilities to handle the new overseas equipment—particularly when Federal aid can be had.

There isn't much time. Northwest Airlines, which already serves the Orient from Seattle and Minneapolis, via Alaska and the Aleutians, will start its Hawaiian service with DC-4's in 60 to 90 days. But it will receive delivery of the first of 10 new Stratocruisers shortly after the first of the year. Portland should be ready to accommodate them.

And that suggests another project for the Portland Chamber of Commerce.

Why not go after a Portland leg of Northwest Airlines' existing service to the Orient? Northwest has four flights to the Orient each week, originating in Seattle. All, or part, of them should originate in Portland.

Portland can be a real international airport or a whistle stop. It's up to us.

Summary of Legislation Passed by the Republican Eightieth Congress

EXTENSION OF REMARKS
OF
HON. WILLIAM W. BLACKNEY
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

Mr. BLACKNEY. Mr. Speaker, I am including herein a summary of some of the important legislation passed by the Eightieth Congress.

Certain people seemingly are very desirous of showing that the Eightieth Congress did not pass any constructive legislation worth while. The record shows, however, that the Eightieth Congress was one of the most constructive Congresses in recent years, and that the legislation passed in that Congress was of vital importance to the American people. I desire to give a brief summary of some of the legislation enacted by this Congress. Space will not permit, however, of my enumerating all of the important legislation which was passed. I shall itemize a few of the laws passed by the Eightieth Congress:

First. Public debt: The Eightieth Congress reduced the national debt by $7,000,000,000.

Second. Budgets: It reduced the Presidential budgets by more than $6,000,000,000, thus eliminating many unnecessary proposed appropriations.

Third. Balanced Federal budget: The Federal Treasury, for the first time in 16 years, is using black ink instead of red, and is no longer resorting to inflationary deficit spending. Fiscal 1948 ended with the biggest Treasury surplus in all history—$8,400,000,000, seven times the previous high established 21 years ago.

Fourth. Cut taxes: The Eightieth Congress reduced taxes $4,800,000,000, despite three presidential vetoes, with 71 percent of the tax relief going to those with incomes under $5,000. Seven million four hundred thousand earners in the lowest brackets were removed from the tax roll; married couples were

allowed to divide their income for tax purposes, and special relief was provided for persons over 65 years and for the blind.

Fifth. Aid to foreign nations: The Eightieth Congress appropriated $9,500,000,000 for relief to impoverished humanity in foreign countries, to help reestablish their national economies and to restrain Communist aggression; created an Economic Cooperative Administration to administer foreign aid. For the first time, therefore, the American taxpayer will be furnished an accounting of our expenditures abroad. Heretofore, no accounting was provided the American people. Senator VANDENBERG, who has been vitally interested in the United Nations Organization, states that our foreign-aid program is of vital importance to the perpetuity of the United Nations Organization with its hope of lasting peace.

Sixth. Freed competitive enterprise: The Eightieth Congress liberated the people from 76,000 rules, regulations, directives, and orders, thereby releasing the energy and the capacity of the people, with resulting all-time highs in employment, production, profits, and wages, and a record $200,000,000,000 annual national income.

Seventh. Exposed Communists: The Eightieth Congress has accomplished a great deal in the elimination of Communists from the Federal Government. The recent committee hearings in Washington, both by the Un-American committee and the Senator Ferguson committee, shows the wisdom of Congress in its anti-Communist attack. Testimony to the two committees mentioned above clearly discloses that several high Government officials in confidential positions were acting as spies for certain European countries.

Eighth. Strengthened national defense: The Eightieth Congress rescued our disintegrating National Military Establishment by unifying the armed services; by making cash appropriations and contract authorizations totaling $24,000,000,000. Special emphasis was placed upon the development and increase of our air power; by authorizing $178,000,000 for merchant marine expansion; and by revising Army justice in an effort to assure completely fair treatment under Army law for officers and enlisted men.

Ninth. Veterans' legislation: The Congress passed 188 bills meeting needs of war veterans, including increased compensation for disabled veterans with and without dependents; increased compensation for dependent survivors of war dead; increased subsistence payments to World War II veterans in institutional training; increased allowances for student GI's; increased proportional pay for veterans in on-the-job training; provided higher pensions for Spanish-American War veterans; and provided aids for veteran housing.

The Eightieth Congress also provided, under the Blackney terminal leave law, for cashing of GI terminal-leave bonds. The Blackney terminal leave bond bill, H. R. 4017, therefore became Public Law 254, Eightieth Congress. It now enables several million veterans who held more than 9,000,000 terminal-leave bonds, worth approximately $2,500,000,000, to cash the same, should they desire. In cashing these bonds the veterans received in cash the face value of the bond, plus accrued interest, which the banks of our country redeemed without any cost to the veteran. This bill was passed to alleviate the inequities previously existing affecting terminal-leave bonds, because under the old law the officers received their terminal leave in cash, but the enlisted men received 5-year nonnegotiable bonds. It was my judgment that if we could spend billions of dollars abroad, I could see no reason why we should not pay our debts to those veterans who so faithfully defended our country. The passage of this law and redeeming of the bonds will reduce the national debt and save the taxpayers of our country in excess of $60,000,000 in interest annually.

Tenth. Record home building: The Eightieth Congress freed the building industry of stifling rules, reguiations, and directives; stimulated construction through Government guaranties of building loans; had the Government assume a large part of responsibility for veterans loans. To show you the progress of building, in 1946 only 437,800 dwelling units were completed. In 1947, under the Eightieth Congress, 835,100 units were completed, and with the increased building occurring in 1948 a million dwelling units will be completed this year, the largest building boom of all time.

Eleventh. Helped farmers: The Eightieth Congress adopted a long-range agricultural program, pledging price support for maximum production of food; provided twice as much money for rural electrification as any previous Congress; appropriated more than $500,000,000 for soil conservation; launched the greatest rural road-building program in history; fostered stability in agriculture through a new workable Crop Insurance Act; chartered Commodity Credit Corporation; and greatly expanded Government aid in campaigns against livestock foot-and-mouth disease, and crop deterrents, such as weeds, insects, and other pests.

Twelfth. Expanded social security: The Eightieth Congress passed, over Presidential veto, a bill increasing payments by $5 per month for the needy, aged, and the blind, and increasing payments by $3 per month for each dependent child, thereby adding $184,000,000 annually to social-security payments received by 3,500,000 needy dependent children, the aged, and the blind.

Thirteenth. National Heart Institute: The Eightieth Congress established a National Heart Institute within the United States Public Health Service, to fight America's No. 1 killer, diseases of the heart and circulation; provided $500,000 for the Research Institute, to combat these diseases which affect 1 person in 16, cause 1 out of every 3 deaths, and result in a loss of 152,000,000 working days a year.

Fourteenth. National Cancer Institute. The Eightieth Congress provided $28,400,000 for the study of the disease of cancer, and to disseminate knowledge on how to reduce its terrible toll in lives.

Fifteenth. Increased pay for postal and Federal employees: The Eightieth Congress gave to 478,000 postal workers a pay increase of $450 a year each, and to 840,000 civil-service employees an increase of $330 each; increased some postal rates as a partial offset to the $600,000,000 cost of the pay raise.

Sixteenth. Aided small business: The Eightieth Congress created special committees of the Senate and House of Representatives which are seeing that small businesses, the backbone of American industry, get a fair break, especially in the awarding of Government contracts for national defense and aid to foreign countries.

Seventeenth. Extended Reciprocal Trade Act: The Eightieth Congress extended for 1 year the Reciprocal Trade Agreements Act, with amendments requiring the President to report to Congress and the people when, in secretly making a trade agreement with a foreign country, he exceeds recommendations made by the United States Tariff Commission, pursuant to standards prescribed by Congress for protection of American industries and agriculture.

The Eightieth Congress passed hundreds of other measures that are benefiting every segment of our population and creating wholesome conditions for prosperity and happiness; measures aiding industries, agriculture, and mining; supplying long-needed banking legislation; strengthening the Federal Reserve Banks operation; reorganizing the Reconstruction Finance Corporation, and in other ways making for a sound national program.

SPECIAL SESSION

The Eightieth Congress, now in special session, is making an intensive study of food prices and inflationary tendencies, and will pass a bill which, we hope, will alleviate many of the existing inequitable prices.

Also, the Congress is studying closely the housing problem in the hopes that they may be able to make provisions for increasing the already greatly increased housing program.

Conditions in Mental Hospitals

EXTENSION OF REMARKS

OF

HON. PHILIP J. PHILBIN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. PHILBIN. Mr. Speaker, under leave to revise and extend my remarks, I include herein at the request of my friend and constituent, Mrs. Estelle E. Marshall, of Leominster, Mass., the following brief statement on conditions in mental hospitals, taken from one of her recent letters to me:

I just heard an address on the subject of conditions in mental institutions wherein the speaker stated that he was positive that at least 10 percent of the people who were incarcerated in mental hospitals should be free. That statement agrees with the views of an outstanding doctor who believes that a

much higher percentage should be free. That is surely a frightful situation and so wholly unnecesary in a land of not only freedom, but the most intelligent and wisest statesmen, philosophers, and able thinkers who need not succumb to any such tomfoolery, chicanery and plain stupidity, to say nothing of robbing the taxpayer of untold millions of dollars. However, as another doctor says, until the taxpayers refuse to pay the enormous sums required for heaping us pell-mell into these bedlams, the practice will continue.

Mrs. Marshall has been interested for some time in reforming conditions affecting mental hospitals throughout the country and at her request, I am privileged to submit her views.

Naval Aviation

EXTENSION OF REMARKS
OF

HON. CHESTER E. MERROW

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. MERROW. Mr. Speaker, in discussing air power, we often fail to depict the importance of the naval air arm as a necessary prerequisite to the achievement of air supremacy. While the air force was laying plans for the minimum peacetime air protection of the United States, which resulted in the proposed 70-group program, the Navy simultaneously developed a program of naval aviation which it deemed essential to carry out its missions. The Navy plan for aviation calls for a force of approximately 14,500 planes. In considering naval aviation the term 14,500-plane Navy is used. This is employed because the various components of the Navy must be expanded if we are to have the necessary support for the 14,500 planes.

Unfortunately the program for naval aviation has not been described as clearly, and the requirements for naval aviation are not as familiar to the country as the requirements for the 70-group air force. It must be borne in mind, however, that the plane program for the Navy is as important to ultimate achievement of air supremacy as the 70-group program. Without an efficient striking naval air arm, we cannot hope to attain complete control of the air. A 14,500-plane Navy has been approved by the Joint Chiefs of Staff on the same basis as the 70-group program for the Air Force. Just as the 70-group program of 20,541 planes constitutes the number of aircraft to give the irreducible minimum air protection by the Air Force, so the 14,500-plane Navy will give the irreducible minimum air protection by the naval air arm. A total of 35,000 planes is all too small a number for the protection of the United States.

NAVAL PROGRAM ACCELERATED

Originally the Navy planned to realize its program of a 14,500-plane Navy over a period of 6 years. It was estimated that in 1954 the cost of such a Navy including aviation, would level off to approximately $8,000,000,000 a year. The appropriations until then were to be on a sliding scale.

Since the submission of the original naval budget for 1949, the world picture has become much worse. In view of the increasing international tension, the Navy has decided to bring into actual readiness for operation the 14,500 plane Navy as soon as possible rather than wait for a period of years for this achievement. It was determined that beginning in July 1948 the Navy would start to build up to a 14,500-plane inventory to be completed by July 1, 1949. In order to do so it is necessary to take out of storage 3,000 obsolescent aircraft. The Navy has the original structure and most of the personnel to implement a 14,500-plane Navy next year. It is imperative, however, to replace obsolescent aircraft with modern planes. Since this change in planning has become essential because of Soviet aggression, increased international tension, the general deterioration of world relations, and the necessity for national security, Congress—if it views realistically the disturbing international picture—must increase immediately the appropriations for the Navy. Much more money must be provided in the future than was authorized by the Congress for the current fiscal year.

MONEY VOTED FOR THE NAVY

In the bill acted upon by the House on April 15—this later became law—the money allotted to the Navy amounted to $903,000,000. One hundred and fifty million dollars of this is assigned for liquidation of obligations already consummated. Seven hundred and fifty-three million dollars in new funds were provided for contractual authorizations for new planes and related equipment. This amount of money is insufficient and much more should be made immediately available for procurement if the Navy is to realize a modern up-to-date 14,500-plane program. True, an inventory of 14,500 planes can be realized by July 1, 1949, but a large number of these aircraft will be obsolete.

NEW AIRCRAFT REQUIREMENTS

The financial requirements for new aircraft have greatly increased as a result of more complete and detailed cost break-downs. The original estimates for the development of a 14,500-plane Navy were far too low. More realistic schedules have been prepared for the annual deliveries necessary if the Navy is to achieve its program. The cost of planes has increased tremendously due to to the high prices of all materials.

For the current fiscal year 1949, approximately 1,093 planes are to be delivered to the Navy. The money for all but about 60 of these planes was authorized in the 1948 budget. In the budget estimates for the fiscal year 1949, provision was made for 1,050 planes to be delivered in 1950. The 1949 appropriation estimates, as approved by the House of Representatives on the 15th of April, and later agreed to by the Senate, contain $753,000,000 for the procurement of 1,535 new aircraft and related equipment in 1949 with deliveries in 1950. The actual appropriation for the construction of new aircraft is $738,700,000. The difference between this and the $753,000,000 is for pilotless aircraft, industrial mobilization, salaries, and so forth. Even this appropriation is not sufficient.

Authorization of procurement and delivery of planes should be as follows:

Authorization:	
1949	1,535
1950	3,810
1951	3,810
1952	3,760
1953	3,760
Deliveries:	
1949	1,093
1950	1,537
1951	3,622
1952	4,046
1953	3,791
1954	3,760

It is estimated that after the Naval Air Force is made modern by replacement of obsolete and over-age aircraft that an annual procurement level of about 3,300 aircraft will be required. Naval aircraft become obsolete every 5 years. According to the best figures available $1,970,000,000 will be required annually for procurement of the 3,300 naval planes necessary to replace the air force of the Navy every 5 years.

APPROPRIATIONS FOR PROCUREMENT

In order to bring into existence the procurement program I have outlined, much money must be allotted for this purpose. Funds for the procurement or purchase of the required planes to be delivered during the four fiscal years beginning with 1950 are estimated as follows:

Fiscal year	Number aircraft	Cost
1949	1,535	$738,700,000
1950	3,810	2,346,000,000
1951	3,810	2,250,000,000
1952	3,760	2,210,000,000
1953	3,760	2,190,000,000

From the above we can readily see that if we are to achieve a 14,500 up-to-date plane Navy that it will be necessary to appropriate for the next fiscal year about three times as much as we have appropriated for the construction of new aircraft this year. We should have made a greater start in beginning to achieve the 14,500-plane Navy by increasing the 1949 budget procurement figures to $1,351,074,000 as was suggested. This would have been an increase of $598,074,000 above the $753,000,000 recently approved by the House. In other words, the Congress should have voted approximately an additional $600,000,000 for naval procurement to start the 14,500-plane Navy. Had we done this the aircraft procurement would have been increased for the current fiscal year by 1,467 planes or a total of 3,002. Since this was not done much more money will have to be appropriated in subsequent years if the Navy realizes its 14,500 modern plane Navy goal by 1953.

The total over-all appropriation for the Navy for 1949 was $4,817,000,000. This will have to be substantially increased in the years that are ahead. The

best estimates available indicate that naval appropriations of $8,000,000,000 annually will be necessary when we finally achieve the 14,500-plane Navy and keep it up to date.

The figures I have given in the table above are for the construction of aircraft only. When the figure $738,700,000 is compared with the figures for 1950, 1951, 1952, and 1953, the comparison speaks eloquently for the necessity of immediate action to realize what is deemed the minimum naval air strength to carry out naval missions.

The following figures are estimates for the total naval air arm beginning with the fiscal year 1949 and ending in 1953. They include the construction of aircraft and related equipment, electronics and instruments, maintenance and operation, research and development, but exclude personnel and carriers:

Fiscal year—	*Total*
1949	$1,338,000,000
1950	3,443,749,400
1951	3,341,000,000
1952	3,361,000,000
1953	3,401,000,000

CONTROL OF THE AIR

I wish to state as forcibly as I know how that if we are to achieve United States air supremacy, we must have an air force equal to any air force or combination of air forces in the world. If we are to develop air power so that our voice can be heard and our will respected in the sections of the planet where there are American interests, then it is necessary to bring into being immediately the 70-group air force program and the 14,500-plane Navy.

Since in the event of another conflict, the first attack will come from the air, it necessarily follows that the defense must originate from the air. In all probability, Navy planes will strike first because they are on carriers which are mobile and can be brought within close proximity to any shore. When we have appropriated sufficient funds to provide 20,451 planes for the Air Force and to create a 14,500-plane Navy, we will have a striking force of approximately 35,000 planes. This is only the minimum air protection for the United States. It is not air supremacy. Should we be attacked, vast and immediate expansion would be necessary. With the 70-group program of the Air Force and the 14,500-plane Navy, we would have the basis on which to build air supremacy. We would have the starting point for winning the next war.

We must be realistic; first things must be placed first. Air power, overwhelming and invincible, must be created at all costs. A strong and all-powerful United States is the surest guaranty for the perpetuation of a society of free nations. By adopting and acting upon the principle of sufficient preparedness, by the appropriation of funds to carry out this purpose, and by insisting that the armed services achieve complete air supremacy, we will be able to win the long-protracted struggle in which we are engaged for the achievement of an enduring peace.

Henry Wallace: A Divided Mind

EXTENSION OF REMARKS
OF
HON. OLIN D. JOHNSTON
OF SOUTH CAROLINA
IN THE SENATE OF THE UNITED STATES

Saturday, August 7 (legislative day of Thursday, August 5), 1948

Mr. JOHNSTON of South Carolina. Mr. President, I ask unanimous consent that there be printed in the Appendix of the RECORD an article entitled "Henry Wallace: A Divided Mind," by Gardner Jackson, from the Atlantic magazine for August 1948.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

HENRY WALLACE: A DIVIDED MIND

(By Gardner Jackson)

I

Less than a year after Henry A. Wallace was appointed Secretary of Agriculture one of his principal ghost writers told me he felt uncomfortable collaborating with the new Secretary. "He's unlike anyone with whom I've worked before," said this writer, who had been in the Department of Agriculture several years before Wallace took it over. "He gives me an eerie feeling that he really isn't listening when I talk with him. He may be listening with his brain, but certainly not with his guts. He doesn't seem to know how to have a belly laugh—least of all at himself. He gives me a strong impression of considering himself a man of destiny, a person answering calls the rest of us don't hear."

These remarks of the ghost writer throw light on Wallace's decision to embark upon his present campaign. Wallace obviously is pursuing what he deems to be his destiny. If this were not so, it is reasonably certain there would have been no third-party campaign—or new-party campaign, as he and his associates label it.

The central committee of the U. S. A. Communist Party at its October 1947 meeting could have laid its most devious and high-powered plans for the campaign. It could have been assured of ample supplies of money with which to retain skilled artificers of screen, radio, and print. All would have availed little had the "confused liberal" not seen his destiny along a road paralleling the one charted by the Communist high command. At best a campaign without Wallace—with a less well-known figure—would have been such a fizzle the newsprints would have relegated it to a few stickfuls in the back pages.

The campaign, then, is a Wallace-seeking-his-destiny campaign. It is not a Communist Party campaign, despite the closeness with which he has hewn to the Kremlin's party line and despite the number of party members and party-liners manning the machinery of the campaign. Wallace turned a deaf ear to many of his friends and former associates who pleaded with him not to take the step. But their earnest arguments were deflected by the Communist and other voices, both from outside and from within himself, which impel Wallace on.

Sir Willmott Lewis, emeritus Washington correspondent of the London Times, may have given a clue to the Wallace enigma in responding to a query on the campaign. "One of my British friends," Sir Willmott remarked, "commenced to declaim on what a singular fellow Wallace is. I quickly interrupted him. 'No, no!' I said. 'You're wrong. The trouble is he's plural.'" Trying to figure out which self of Wallace's plural nature is listening to what call has long been a Washington preoccupation.

Wallace brought to the New Deal Cabinet in 1933 a wide and practical agricultural experience in the rich corn-hog State of Iowa. He was steeped in the tradition of his grandfather and father, whose strong character and imaginative thinking helped so much to develop the State. He himself enhanced the family reputation by distinguished experiments in genetics—the best-known being that which resulted in a greatly improved hybrid seed corn. He also had contributed notable thinking on the social and economic problems of farming. Roosevelt had more than ample grounds for selecting Wallace on the basis of his accomplishments alone.

Wallace became a hero and symbol for liberals when they were working in the Government with him, when they were projecting their ideas into and through him—and when they were shielding his reputation from the tarnishing effects of his various sorties into the occult typified by the Roerich affair and his fascination with numerology and Navajo Indian medicine men. Only a handful of Wallace's former associates are with him in his present crusade. A majority of the others—though they are as deeply disturbed at the incredible mishandling of American foreign policy by the Truman administration as Wallace—have lost confidence in him.

Their loss of confidence is not based on fear of risking their jobs and salaries if they should go with Wallace—a charge he made publicly when asked why so few of his former colleagues are in his camp. This callous accusation reveals either a complete lack of feeling for past relationships, or the exaltation of martyrdom, which persuades him that every former friend who now opposes him is animated by base motives. I believe it is a combination of both.

II

The first considerable talk I had with Wallace concerned the fight a number of us in the Agricultural Adjustment Administration were making to keep the price of milk to the consumer within reason while increasing the income of the dairy farmer. The milk industry—National Dairy Products, Inc., its big processing and distributing members and affiliates in the major cities, and leaders of the milk marketing associations supplying those cities—bitterly resisted our efforts to hold margins down. Early in the fall of 1934 the leaders of the industry held a secret meeting in Philadelphia to perfect plans designed to eliminate from the AAA some of us active in the tussle, and to force Wallace out of the secretaryship if he wouldn't go along.

The plan was to supplant Wallace with Chester C. Davis, who was then Administrator and who had perceptibly cooled towards our program. Through a lawyer representing one of the big processors, I learned details of the meeting. I wrote Wallace a personal note apprising him of the designs being laid to get his scalp and the scalps of certain of his lieutenants. The next day he asked me to come to his office. I was at the time Assistant Consumers' Counsel and had violated strict administrative procedure by addressing a note personally to him. He sat silent gazing into the distance while I unfolded my warning.

When I finished he roused himself from his reverie and said, "I don't understand you—you and your friend Justice Brandeis. When you see something you think is wrong, you want to do something about it right away. You want to act quickly. I'm not like that. I'd rather sit under a tree and let the cycle of time help heal the situation." As he said this he made a circular motion

with his right arm. Then he ended the conversation by adding, "I know in Rex [Tugwell] and Chester [Davis] I've got two ill-matched horses in harness together. I may have to let one of them go when we get a bit farther down the road. I can't tell now which it will be." Not a word from him evaluating the views of Tugwell and Davis—only a casual observation that he might have to make a political choice between them.

Approximately 6 months later he had made his decision. A number of us, including Jerome Frank, the AAA general counsel and an intimate of Tugwell's, were given peremptory dismissal notes by Administrator Davis. Davis did not dare dismiss Tugwell because of the latter's intimacy with Roosevelt. Tugwell was, however, transferred from the Department to head the newly established Resettlement Administration. A legal opinion by Frank supporting enforcement of more equitable distribution of benefit payments to sharecroppers in the cotton South was the pretext Davis used in addition to the milk controversy. Most of us couldn't believe that Wallace had sanctioned the action. Only 2 days before, he had upheld us in a long-drawn-out struggle with the Administrator over a basic principle; namely, that in all marketing agreements and codes entered into during the economic emergency, with the antitrust laws in abeyance, the Government should have the right to examine the books and record of the industry involved.

Late in the day of our dismissal Wallace sent word that he would see two of the people on the dismissal list. Jerome Frank and a member of his legal staff, Alger Hiss, were delegated for the interview. Wallace haltingly greeted them (and, through them, others on the list) as "the best fighters in a good cause" he had ever worked with. But he said that he had to fire them. Frank asked him why he hadn't talked it over with us beforehand as his friends and assistants instead of letting Davis wield the ax—we might not have agreed with his reasoning, but we would at least have seen how he arrived at the judgment. He replied that he just couldn't face us.

Despite this denial of normal human amenities between friends and coworkers—not to mention a sacrifice of principles for political expediency—many of us continued to back Wallace. We had put too much of ourselves into him to let go of him. We rejoiced in his nomination and election to the Vice Presidency. We did whatever we could to uphold his hand as chairman of the Board of Economic Warfare in the fundamental controversy with the head of the Reconstruction Finance Corporation, Jesse Jones, over procurement and stock-piling policies on critical war materials. The leader of the BEW's side of that explosive fight was not Wallace. It was Milo Perkins, executive director of the BEW, whose vision and courage carried Wallace into actions he himself would not have taken.

Dismissed by Roosevelt from the BEW post—along with Jones—at the climax of that battle, Wallace took on more than ever, in the eyes of many liberals, the aspect of a crusading Galahad. But the machine politicians of the Democratic Party, who gagged when Roosevelt forced Wallace down their throats as Vice Presidential candidate in the 1940 convention, had by this time determined he was a political liability. With the approach of the 1944 convention it was clear they had persuaded the President of this also.

Nor were the machine politicians the only ones wanting to dump Wallace. It is ironic to recall that a couple of months before the convention C. B. Baldwin, Wallace's present campaign manager, was ready to throw Wallace overboard. Baldwin was then the executive vice chairman of the National Citizens Political Action Committee. Clark Foreman, Wallace's present campaign treasurer, and others active at the top levels of the NCPAC had come to the same conclusion. So had Sidney Hillman and some of his CIO-PAC assistants. Baldwin participated in a conference at the White House with Roosevelt to try to come to agreement on a substitute. Only because CIO President Philip Murray went to bat for Wallace with a crack down on Hillman, Baldwin, and the others was a serious division of forces behind Wallace averted. Because of Murray's action the demonstration that night at the Chicago 1944 convention came within a hair of nominating Wallace instead of Truman. It was prevented from doing so only by Convention Chairman Samuel D. Jackson's abrupt adjournment of the session.

I talked a number of times with Wallace during that convention. It was there, I believe, that he felt for the first time his developing power as a spellbinder. His speech to the convention was the best political speech he had ever made. He was no longer the diffident, inarticulate geneticist torn between his search for the truths of the natural sciences and his search for personal security in supernaturalism. He was well on the way to becoming a rabble-rouser drinking in the response of the crowd and learning how to elicit that response to satisfy his thirst—a complete metamorphosis of his outward self.

III

The next significant stage in Wallace's evolution into his present crusade was his acceptance of the consolation prize Roosevelt offered him, the Secretaryship of Commerce. When rumbles began in the Senate against his confirmation, particularly if the Reconstruction Finance Corporation (renamed the Federal Loan Agency) remained in his domain as Secretary, he let it be known in high moral terms, to friend and foe, that he would not take the job unless it included the RFC. That multi-billion-dollar agency, first established by Herbert Hoover in a vain attempt to prevent the debacle of the speculative banking economy during the last years of his administration, was in Wallace's mind a potential instrument of major social amelioration and change. In the end, confronted with an adamant Senate, he accepted confirmation to the Commerce post stripped of control over the RFC. He had once again made a moral declaration and abandoned it in the pinch.

Wallace's endorsement of the unbelievable Johannes Steel, radio commentator, for Congress in 1946, plus his praise of Vito Marcantonio as having "the best voting record in the House," caused some of us finally to stop giving Wallace the benefit of the doubt. Steel entered the primaries in the Nineteenth District, New York City, against the Democratic incumbent, ARTHUR G. KLEIN, whose voting record, from a liberal point of view, was well above average.

Nothing that happened after he took Steel to his bosom surprised us. His letter to President Truman on the Baruch atomic energy program for the United Nations and his Madison Square Garden speech in September 1946 might have been anticipated. It was almost inevitable that his atomic energy letter would distort the facts, and that, when confronted by Mr. Baruch and his associates with demonstrable errors, he would agree to revise what he had said and then never do so. And it is significant that he omitted some sentences adverse to Soviet policies and tactics in his Madison Square Garden speech when the booing grew.

Even before the Steel endorsement there had been a clear top-off on Wallace's changing frame of mind. In a speech before the Congress of American-Soviet Friendship at Madison Square Garden on November 8, 1942, while he was still Vice President, he voiced his loss of faith in political or bill-of-rights democracy. He agreed with those in the United States who believe that we have overemphasized that type of democracy. "Carried to its extreme form," he declared, "it leads to rugged individualism, exploitation, impractical emphasis on States' rights and even to anarchy." Then he added, "Russia, perceiving some of the abuses of excessive political democracy, has placed strong emphasis on economic democracy. This, carried to an extreme, demands that all power be centered in one man and his bureaucratic helpers. Somewhere there is a practical balance between economic and political democracy."

Despite the qualifications with which he sought to surround this abnegation of faith in political or bill-of-rights democracy, it can fairly be interpreted as an announcement by him that in our present stage of evolution the peoples of the world cannot be trusted to carry on their struggle as free men for a better life—that at least a moderate application of the methods and procedures of authoritarianism or dictatorship is required for their own good. The key to his whole new party campaign is to be found here.

In many of his campaign speeches he has tried to deny this. One of these speeches—at Evansville, Ind., April 6, a month after the Czech crisis—reworded his state of mind with special clarity. "Though I detest the whole idea of dictatorships," he declared, "there is a great difference between the Fascist dictatorship, which tries to perpetuate itself for its own profit, power, and glory, and the dictatorship in the Soviet Union, which has as its goal an economy of abundance for all its people and the eventual dissolution of the dictatorship. The Fascist dictatorship must expand its working area. It must seek new sources of raw materials, new markets for its goods, and new people to exploit. This necessity is not inherent in the dictatorship in Russia. The Russians have no necessity to expand their borders, nor will they for many decades to come, except as external threats and pressures compel them to seek military security."

In that rationalization he closed his eyes to the facts of Russian imperialism. Of more significance, he turned his back on the sameness of the methods and processes of all dictatorships—the brutal destruction of individuals, singly and en masse. He rejected the findings of the best minds of the ages, from Plato to John Dewey, that the means to an end inexorably shape the end, and he slammed the door against those who believe that bloody dictatorship is more evil when clothed in moral protestations than when it asserts itself as naked might.

A number of liberal Senators, both Democratic and Republican, after trying to get behind the veil of Wallace's destiny-yearning while he was presiding over the Senate, reached substantially this opinion about him: That he had made up his mind that governmental collectivism is inevitable throughout the world, including this country and the Western Hemisphere; that the Soviet brand of this wave of the future is preferable to other brands; and that he himself is specially designated to ride that wave and channel its course when it rolls across our land. Their opinion is supported, it seems to me, by steadily mounting evidence.

IV

For some of us who worked with him in years past, the most shocking experience comes in comparing the positions he is taking in this campaign (including those set forth in his campaign book, Towards World Peace) with the positions he took in action while in government. A typical example is his fervent and self-righteous outcry, on every campaign occasion, over discrimination against the Negroes and over exploitation of the lowly and downtrodden as exemplified by the sharecroppers. But his record as Secretary of Agriculture on that score was bad enough to invite the present opposition of

Walter White, secretary of the National Association for the Advancement of Colored People, and of other Negro leaders.

He didn't really start to redress the gross administration inequities under the AAA Act suffered by the sharecroppers in the South until many months after he had dismissed our group. And that purge was in part because we tried to do something about that distressing situation Nor did his elevation to the Vice Presidency seem to encourage him to take a more forthright stand on this issue which is now part of his stock in trade. He literally ran away—physically, down the Senate Office Building corridors—according to members of a delegation who waited 3 hours for him beyond their appointment time to tell him why they felt that a Negro sharecropper from Virginia, Odell Waller, had been unjustly sentenced to execution for murder. Wallace, as members of the delegation describe the incident, slipped out of his inner office door just as the delegation was leaving the outer office. One of the delegation, Mary McLeod Bethune, noted Negro woman leader, gave chase calling "Mr. Wallace, this is a great tragedy. We must talk to you." To which the Vice President, according to members of the delegation, replied over his shoulder, "There's nothing I can do," as he disappeared around the corner. Harassed by the widespread publication of this episode in the Negro press, Wallace has said it didn't happen. But, despite their joint efforts in a personal interview, he and his manager have been unable to persuade Mrs. Bethune to give them a letter denying the occurrence. Nor have any other members of the delegation been found to deny it.

Even more recently—during his Secretaryship of Commerce—Wallace's attitudes and actions on this problem of discrimination aroused the outspoken hostility of Negro organizations and their leaders. He insisted that segregation policies in the National Airport restaurant, under his jurisdiction, could not be changed because it is located across the District of Columbia line in Virginia and is operated by a private concessionaire who sets the policies. Secretary of War Stimson, confronted with the same circumstances as to location and operation, by concession, of the cafeterias in the War Department's Pentagon Building, found no difficulty in establishing a nonsegregation policy.

The deep resentment of non-Communist Negroes toward Wallace is shown in the following paragraph from an editorial in the February 1948 issue of the Crisis, monthly publication of the National Association for the Advancement of Colored People:

"Under his Secretaryship, the Department of Commerce was more than ordinarily ridden with humiliating separation of workers because of color, and limitation of promotion for the same reason. While in the latter months of 1947, just before the announcement of his candidacy, Mr. Wallace was railing against segregation and refusing to speak to separated audiences, for 5 or 6 years prior to that time he had dodged speaking before conventions of the NAACP, the organization which has had 'no segregation' as its war cry since it was formed. While turning aside NAACP invitations, Mr. Wallace found time to speak several times at Tuskegee, an institution where white and colored guest speakers are sent to separate guest houses."

Admittedly, this is a difficult issue, but Wallace's glorification of his running mate, Democratic Senator GLEN H. TAYLOR, of Idaho, for inviting rough handling and arrest by the Birmingham police, when the Senator tried in May to enter a Negro entrance to an auditorium there, is in contrast with his own performance. Wallace's inadequacy on this issue is not likely to be wiped out by the between-the-lines confession in his California speaking tour, in May, that he hadn't done all he should have done on the problem when he was in Government.

A similarly sharp reversal of position is found in his stand on the equal-rights amendment advocated by the Woman's Party. For several years prior to his new-party campaign he championed that proposal. I was with him on an inspection of the White Motor Co. war plant in Cleveland in the winter of 1943 when he experienced a reaction from the women workers which greatly impressed him and threw him more strongly on the equal-rights amendment side.

He was addressing several thousand workers in the plant yard, a large proportion of them women. With gestures from the truck serving as his rostrum, he was describing the outpouring of improved kitchen and household appliances which would come after the war from many of the factories then turning out war materials. He was picturing a new life of leisure for the housewife. "So," he declared, "when you go back into your homes * * *." At that point the women hissed and booed resoundingly. His arm was upraised in gesture when this happened. He kept it there for an instant or two as he shifted his face away from the microphone to look with a stunned expression at the crowd. Then he added, "if you want to," at which the women clapped and cheered. "That means something," he said with feeling as we rode back in a taxi to the hotel. It was not surprising to note him among the Woman's Party supporters soon after that.

But in his May 8 campaign speech at the Commodore Hotel, New York City, to the founding conference of the New York State Women for Wallace, he again about-faced. After analyzing the economic and legal disabilities of women, and proposing remedial legislation, he declared, "I oppose the so-called Equal Rights Amendment which would destroy all existing legislation for the protection of women."

In several of his speeches he has played upon the evil of the Franco dictatorship in Spain and what he says is this country's encouragement of it through trade and diplomatic relations. During the Spanish civil war, as I came to know well while trying to help Loyalist Ambassador de los Rios, Wallace was the least responsive of the cabinet members who were approached to exercise influence on specific problems in behalf of the Loyalist government, such as arranging the servicing of that government's funds in New York City and the campaign to have the arms embargo lifted. His attitude was in sharp contrast to that of Secretary Morgenthau and Secretary Ickes. Wallace apparently did not then see Franco as the menace he now considers him.

These and numerous other about-faces might be discounted as the ordinary inconsistencies of an ambitious politician. It might be said that when, for example, he bemoaned in one of his Middle West campaign speeches the difficulty of getting the United States Agricultural Extension Service to give attention to the needs of the small farmers, he was merely having a to-be-expected politician's black-out of memory regarding his own responsibility for the condition out of which he now seeks to make political capital. In the framework of political exigencies, according to this mode of interpretation, he should not now be held to account for having failed to make a single significant move, as Secretary of Agriculture, to put into effect his early promise that he would divorce the tax-supported Extension Service from actual control, in several major agricultural States, by the American Farm Bureau Federation, a private farm organization representing in those States the big, corporate, absentee-ownership type of farming, the so-called master farmers. Wallace flies back and forth across the country, however, as no ordinary politician but as a candidate fired solely by deep humanitarianism and the desire to spread ideas designed to bring about universal peace and prosperity.

v

The techniques of his mass meetings at Madison Square Garden and elsewhere are designed to play on people's emotions and cloud their judgment—the single spotlight in the darkened auditorium focused on the lone speaker (the holy leader) surrounded by a battery of microphones on a platform in the center of the vast essemblage rising tier on tier on all sides of it; the organized chants through a loud-speaker system proclaiming the urgency of the need and the self-sacrificing courage of the savior eager to lead humanity to salvation; the spotlight ceremony of lighting the path of the savior when he threads his way among the multitude to and from the platform amid the exulting cheers of his followers. These techniques are a far cry from the old torchlight parades and other traditional methods employed by Theodore Roosevelt in his 1912 Bull Moose effort to reach the White House and by senior Bob La Follette in his 1924 campaign. They are borrowed from the Sportpalast in Berlin and the Red Square in Moscow and are modern technology applied to make the individual sink his identity in the herd.

Wallace's speeches, furnished to him primarily by Lew Frank, Jr., a peace mobilizer till Hitler moved against Russia; the tautlarynxed manner in which Wallace utters them in his new incarnation as messiah; and the increasing anxiety of hordes of his listeners combine to make his audiences completely overlook Wallace's reckless distortions and frequent errors.

A typical example was his accusation of Laurence A. Steinhardt, United States Ambassador to Czechoslovakia, of having instigated a rightist plot against the Benes-Masaryk regime which, Wallace asserted, was one of the chief factors causing the Communist coup and Masaryk's death there. Faced with Steinhardt's denial and citation of the fact that he was absent from Czechoslovakia at the time, Wallace refused to retract his palpably false charge and retreated into the weak contention that Steinhardt's earlier expression of hope that Czechoslovakia would reconsider and participate in the Marshall plan (the ERP) was a deliberate incitation of the rightist revolt against Benes and Masaryk.

Illuminating the anguish-beclouded state of mind of Wallace's followers is the Gallup poll of April, which showed that 47 percent of those who professed an intention at that time to vote for Wallace were still supporting the ERP though he had long since denounced it as a scheme of Wall Street.

Wallace has been taking in large sums of money on his speaking trips. The New York Post on June 4 carried a report from a correspondent who had covered Wallace's Western trip, estimating that in collections and admissions to his meetings Wallace had brought into his campaign coffers about $390,000. This was a 25-day trip, starting with a Madison Square Garden meeting where he collected $100,000. In addition to these sources of funds Wallace's campaign has had large contributions ranging from $1,000 to $5,000 from wealthy individuals typified by Mrs. Elinor Gimble. Howard Norton in the Baltimore Sun of May 12 reported a contribution of $10,000 to the campaign from the Greek-American Committee for Wallace; a pledge of $25,000 from the Armenian-American Committee; and one of $10,000 from local 65 of the Retail, Wholesale, and Department Store Union, CIO. I estimate that between $3,000,000 and $4,000,000 will be spent in the Wallace crusade.

No newspaper reporter dealing with the Wallace campaign whom I was able to find in checking the facts for this article gainsays the validity of a considerable portion of Wallace's attack upon the Truman administration's foregn policy—which is Wallace's only significant appeal for support. Many of these reporters agree with him on his opposition to universal military training. Many of them agree with him on his opposition to reimposition of selective service. A sizable proportion of them sympathize with his opposition to the so-called Truman doctrine

in Greece. And not one of them dissents from his shouting to high heaven about the Truman administration's side-stepping the United Nations. But not one of them is for him. They conversationally blast the rough stuff pulled on Baldwin and some of the other Wallace contingent at Evansville, Ind., the denial of hotel rooms to Wallace and his group because of the Negro singer, Paul Robeson, at Indianapolis, the dismissal of Wallace supporters at Evansville College and elsewhere, and all similarly stupid conduct of superpatriots.

But by the same token, they condemn the provocative exaggeration of Wallace's attacks, his avoidance of direct answers to their questions, and the framed-up stunts by people running his campaign. A little-known example of the latter was the meeting for him of Johns Hopkins University students. The PCA had rented Levering Hall on the campus for a noon meeting for Wallace. That morning posters appeared on trees on the campus proclaiming that the university authorities had withdrawn use of Levering Hall and that the meeting would accordingly be held in an adjoining street. A sound truck blared the same announcement as it cruised along the streets around the campus. The ennouncement was untrue but it created the type of martyrdom atmosphere Wallace and his promoters desire. In his speech Wallace said he expected to be denied facilities in the West but had not expected it in the East. He thus personally furthered the untruth.

Newspapermen naturally resent Wallace's charge, repeated over and over, that the newspapers print nothing but slander concerning him and his campaign. Almost daily he slurs the conscientious attempts of a majority of them to report the facts accurately and interpret them with sober reflection. Some of those with whom I talked think Wallace has become so habituated to belaboring devils that he now believes they actually exist.

VI

Over one aspect of his present manifestations there is sharp difference of opinion among reporters assigned to his campaign. That is his insistent assertion that he knows only one or two Communists in this country and doesn't know how to identify the American brand of non-card-displaying Communists in general. Some say this is palpably a pose on his part. They point out that he got a thorough education in the functioning of the Communist mind during his trip to Europe in the fall of 1947. They contend that he simply wants to keep his eyes closed to the nature of the people in large part manning the machinery of his new party.

Others believe he is so enveloped in what they think now amounts almost to a paranoic fog that he really doesn't recognize Communists or party-liners when he encounters them. Reporters entertaining this opinion credit him with an unstudied reaction when he said, some weeks after the appointment had been made, that he didn't know former CIO General Counsel Lee Pressman had been selected as secretary of the new party platform committee. His astonishment on that occasion was, according to this view, merely another piece of evidence proving Wallace has put himself so completely in the hands of others that he doesn't know from day to day what his party decisions and maneuvers are.

As this is written (June), estimates of the vote Wallace is likely to get range from three to ten million. James A. Farley sets the figure at 5,000,000. Wallace himself, in confidential discussions with his associates, expresses his hope to get at least 4,000,000—thus to equal Senior Bob La Follette's 1924 total. In these discussions he bluntly proclaims his wish that the Republicans take over the White House.

He expects and intends to make his greatest inroads in the Democratic fold. He was really not "playing make-believe" when he said in March that Senator ROBERT A. TAFT was his favorite candidate. He convinced himself that the Democratic Party is in literal fact under Truman a "war party." He really believes that the President is surrounded by advisers and Cabinet members who are collaborating with certain industrialists and financiers in a cold-blooded program of war matériel production for the sake of maintaining the lush profit level of the war years. He has come to the astounding conclusion that when the Republicans take over the White House they will be less eager to maintain lush profit levels and will consequently not be a "war party." The implication of his stand is that the Republicans will be able speedily to ease the strain between the Soviet Union and the United States and achieve peace. He hopes for a large Wallace vote partly to help insure a Republican victory and partly to give him and his following leverage with the victors.

Wallace's following includes no significant organization support other than the PCA, the Communist Party, and the Communist-led CIO unions. The Townsendites, for whose votes he has made a special play, failed at a recent convention in Washington, D. C., to adopt a resolution endorsing him. The bulk of his following is composed of tens of thousands of men and women whose consciences have been outraged by the postwar materialistic fixation in the United States. He is a symbol for these multitudes whose fears for their sons and daughters are deep and justified in a bitterly divided atomic (and bacterial warfare) world.

True, conditions are rotten-ripe for his use—with the tragic bungling of the Palestine problem and the appalling fiasco of the Soviet-United States exchange of notes in May as his made-to-order examples—and Wallace is trading on them in words and methods calculated to exacerbate the very conditions he professes to want to remedy. Many of these independent voters are so distressed at the performance of the Truman administration, especially in foreign policy, that they are even willing to swallow maneuvers of the new party which are quite likely to displace liberal Members of Congress with reactionary conservatives.

Wallace is apt to get his largest vote among the women, among church people—particularly in rural towns, "the river Baptists," as old-time politicians call them—and among college and university students. He himself thinks he will draw most heavily in the highly industrialized areas, but there are signs he is overoptimistic about this. The polls—typified by that of the Boston Globe for Massachusetts—show that Wallaces's probable vote has slumped from the 11 percent he was credited with after he announced his candidacy.

Whether or not the slump is recovered, it is certain he will receive enough of a vote to serve as a portent that Wallace has introduced into this country for the first time the European type of politics. He is not sanguine about a continuation of his New Party after the election. Despite the way in which his Communist-disciplined audiences have regularly emptied their pockets for him and the way in which his wealthy backers have drawn large checks for the cause, he sees little prospect of money after November to keep the New Party going. Moreover, he is sufficiently versed in the realities of political parties to recognize that patronage is essential to hold them together. What is more likely is the development of a genuine third-party movement out of the political wreckage Wallace is doing so much to create—a movement broadly based in the labor unions and not just in the Communist-led unions; a movement such as is envisioned in a resolution adopted at its spring meeting by the board of the United Automobile Workers under the guidance of Walter Reuther.

So, as many of the former associates and friends of Wallace sadly watch him immolate himself in the present crusade, they at least have the consolation of knowing that he is unwittingly preparing the ground for a political growth more in keeping with the bill-of-rights concept of democracy than the one he is so bitterly trying to nourish.

Worcester's One Hundredth Birthday

EXTENSION OF REMARKS

OF

HON. HAROLD D. DONOHUE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. DONOHUE. Mr. Speaker, recently the people of my home city of Worcester, Mass., set aside the week of July 25 to August 1, 1948, as a period of celebration marking the one hundredth anniversary of its incorporation as a city. The theme of the festive functions was a combined grateful bow to the past and confident salute to the future, with the serious underlying note of profiting from revealed errors in a program for continued development.

As an international friendship gesture, the distinguished mayor and his gracious and charming wife, Mrs. Edwards, of Worcester, England, were the special guests of our own distinguished Mayor Sullivan and the citizens of Worcester, Mass, and because of their congeniality and democratic manner were truly ambassadors of good will.

The purpose and color of the opening day of centennial week celebration are graphically presented in two editorials, one, entitled "We of Today Build the Future," appearing in the Worcester Sunday Telegram of July 25, 1948, and the other entitled "Centennial Keynote Well Expressed," appearing in the Worcester Evening Gazette of July 26, 1948. I ask unanimous consent to include them in the RECORD. The editorials follow:

[From the Worcester (Mass.) Sunday Telegram of July 25, 1948]

WE OF TODAY BUILD THE FUTURE

There is a gala and festive spirit in the city of Worcester today with the opening of its long-awaited Centennial Week. The ringing of the church bells, the colorful red, white, and blue decorations on downtown stores and a variety of first-day events give promise of a big week ahead.

It will indeed be a week of gay celebration, with something to appeal to every man, woman, and child in our city. Worcester should have a wonderful time attending the large industrial exposition, band concerts, sports events, plane flights, and the fireworks and other displays which have been arranged.

Worcester is properly celebrating its first hundred years as an incorporated city in the typical tradition that we Americans love. There is a thrill for our citizens in the thought that here they really belong and do have their place in the very heart of the Commonwealth. There will be few who will not feel a sense of pride in their city, and most of us will be tempted to boast a bit about the many virtues of Worcester.

Mayor Edwards, of Worcester, England, may be pardoned if he wonders at our youthful exuberance in marking a mere hundred

years. His own city dates back to around 679. Worcester, Mass., is by comparison a mere youngster. The English mayor's presence serves, however, as a reminder that our Worcester has antecedents dating back to the same origins as the Worcester on the Severn. The really important thing, though, is not so much the relative ages of the cities, but the fact that each has had a glorious past that equips them so well to meet the challenge of the future.

For our celebration this week, gala as it is, will be nothing more than a passing good time if we do not take the opportunity to search the past and scan the present to guide us into a greater future. This must be the real meaning of the centennial slogan, "Honoring the Past—Greeting the Future." It is good to set aside an entire week when the citizens may look back at a century of achievement, feel pride in their accomplishments, and look ahead with confidence.

The recent centennial section of the Sunday Telegram chronicled in detail the amazing development of Worcester from a small city of 12,000 in 1848 to its present population of nearly 200,000. It was clearly no accident that Worcester became the third largest New England city, and the largest industrial city in the world not on a waterway.

Worcester grew because it had men of courage, vision, and ingenuity who, nurtured in the New England tradition of independence and self-sufficiency, did great things. Worcester is the industrial and cultural city it is today because there once lived here men who translated ideas into action. The dynamic personalities who lived and breathed during Worcester's early years were not building merely for themselves. The heritage of our present came directly because these men had an eye on a future.

Here is why we honor such names as Stephen Salisbury II, Stephen Salisbury, III, W. T. Merrifield, Ichabod Washburn, Benjamin Goddard, William Crompton, Lucius J. Knowles, William A. Wheeler, Samuel Flagg, Osgood Bradley, and many others who laid the foundations of our growth by a diversified industry. Too numerous to mention here are the scores of early men and women who labored in the past century to keep Worcester's civic and cultural development in pace with the economic strides.

These early pioneers did their job well. There is reason to be justly proud of the bustling city we of the year 1948 enjoy. The municipal auditorium is this generation's tribute to those who have served their city and country in war. The Worcester Art Museum and such educational centers as Worcester Polytechnic Institute, Clark University, Holy Cross, and Assumption Colleges show this generation is keeping aloft a cultural torch. The annual music festival is already a tradition.

It is a matter of pride and satisfaction that many nationalities and persons of all creeds and colors live in harmony in Worcester. The city, for the most part, must have been well-governed, for Mr. Chandler Bullock has pointed out there has been a noticeable lack of major scandals in its political history.

Yet, as we take pride in all this, and celebrate with festivities, it must be remembered that the Worcester of 2048 depends largely on how we of today solve our problems. Cities can disappear and bog down economically even more quickly than they can grow if self-satisfaction and smugness replace vision and initiative.

For it is not disloyal, even during a centennial, to suggest that Worcester is not a perfect city. It still has many problems to solve. It has a fine and well-managed airport, but it took a long time to get it while other cities seemed to show greater vision as to the meaning of the air age. Its library problem is still unsolved, although an important step forward on the site was taken last week. Many of its schools are antiquated and overcrowded. There are parks and playgrounds to be improved. A housing shortage must still be solved. And the traffic headache and parking problems demand action if the city is to maintain its growth. The city is spending a paltry sum on intelligent planning for the future.

There are big things ahead as Worcester now marks its first hundred years. The coming months will bring a national election, undoubted crises in world affairs, more draft uncertainties and a galaxy of problems to engage our attention. Worcester, as in the past, may be expected to take these things in stride. As it marks its centennial year, however, it must determine to hand on to posterity a better Worcester. For it must be remembered that in the bicentennial edition of the Telegram and Gazette the names of the 1948 pioneers will be our own. Each Worcester citizen today has a chance to help build that future.

[From the Worcester (Mass.) Evening Gazette of July 26, 1948]

CENTENNIAL KEYNOTE WELL EXPRESSED

The impressive start given Worcester's centennial in yesterday's exercises struck a fine keynote for the rest of the week's celebration.

Worcester is being honored this week by the presence of distinguished visitors, and at the same time is recognizing the accomplishments of its own citizens in building the community to its present stature.

Governor Bradford, in his excellent address last night on city hall plaza, caught the spirit of the occasion when he pointed out that this city was built upon freedom and enterprise. Its beginnings were difficult and perilous. Yet the development has been steady and substantial. The Governor made a most significant comment on the fact that while in some other countries a community of many races and faiths would be a hotbed of strife, the contrary is true in Worcester.

George R. Stobbs, in his fine historical review at the centennial dinner, likewise emphasized the importance of the background. That background, he made clear, is chiefly in the determination, skill, integrity, and wisdom of the men and women who built the city's beginnings. The fruit of their devotion and ambition is seen now not only in the structure of our industry but in the wealth of culture and educational opportunity here.

Last night's exercises underlined, amid the natural atmosphere of gayety and celebration, the true note of seriousness in this centennial. Worcester is honoring the past, and the people and things which built that past. But, in greeting the future, it can seize the inspiration of this week's events to achieve new and greater things.

Worcester, as Governor Bradford and Mr. Stobbs both pointed out, has grown from its 12,000 population in 1848 to some 200,000 in 1948. That growth is a mark of accomplishment. But greatness lies more in character and purpose than in size, and the centennial opening made that important truth clear to all.

Petroleum Inquiry

EXTENSION OF REMARKS
OF
HON. CHARLES A. WOLVERTON
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

Mr. WOLVERTON. Mr. Speaker, I should like to call the attention of the House to the fact that I am filing on behalf of the Committee on Interstate and Foreign Commerce a report on the general petroleum outlook. I think that the Members will find this report of great interest to them, as we approach the fall harvesting and the winter fuel-oil seasons.

As the Members know, for many months the Committee on Interstate and Foreign Commerce has been examining into the fuel situation, and the committee this last June was directed further by the House to study the picture with a view toward recommending a national fuel policy.

While the committee has continued in session straight through the recess and into these last 2 weeks, obviously it is not yet in position to make the carefully considered and vitally important recommendations concerning the over-all fuel situation which will follow the further deliberations of this fall.

I have felt, however, that a presentation of the outlook for this coming year as it now appears, of the extent to which the steel shortage may be responsible for any petroleum shortage, of the general matter of steel and export allocation controls, and of the petroleum industry price and profit position, would be of assistance to the Members at this time.

Facts on Inflation

EXTENSION OF REMARKS
OF
HON. LAWRENCE H. SMITH
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

Mr. SMITH of Wisconsin. Mr. Speaker, too little has been said or reported about the causes of inflation and who is responsible for it. Mr. Truman was in a position to do something about it last January if he had followed the advice of Marriner Eccles of the Federal Reserve Board, but he chose to ignore it.

Mr. David Lawrence brings home the truth of the President's dereliction in this matter. Read his challenging article:

FACTS ON INFLATION COME TO LIGHT

(By David Lawrence)

WASHINGTON.—The truth about the inflationary situation is slowly emerging, and it isn't a pleasant story.

The Federal Reserve Board last January warned the President—Marriner Eccles, former chairman, has now testified—that the boom could be and should be controlled and credit curbs applied but Mr. Truman deleted the recommendation from his message to Congress and demoted Mr. Eccles.

Many people in Washington suspected this at the time. Basically there was a substantial amount of agreement with Mr. Eccles' ideas but everyone knew also that a curb on credit would start a depression and perhaps a severe one.

This being a Presidential year, naturally the President and his administration didn't want to start deflation and bring on a depression.

Mr. Truman has ample powers now to set deflationary moves into operation. But

he doesn't want to accept the responsibility for unemployment and bankruptcies that may ensue.

The Republicans are going to use their opportunities at the present session to bring out in public hearings the failure of Mr. Truman to use the control powers he already has.

Mr. Truman's anti-inflation proposals are going to be thoroughly riddled before Congress gets through with its 15-day session. The talk of credit controls is already making the financial markets somewhat uneasy. But the fact is that the bankers are strenuously opposed to an increase in the reserve requirements and favor instead a raising of the rediscount rate. This, in turn, might force commercial interest rates somewhat.

The bankers feel that to increase reserves may operate unevenly in impairing the Nation's lending system at a time when high inventories and pay rolls require most businesses to use more working capital than ever before.

The debate in Congress will bring out a good many things that have hitherto been more or less soft-pedaled about the credit situation. Also it will focus attention on the manner in which wage rises have forced prices upward. It is significant that Mr. Truman's recommendations on wage control are limited to a few items that would be placed under price ceilings. Obviously, unless there is comprehensive wage control, there cannot be much influence in keeping prices down. But again Mr. Truman doesn't want to appear as favoring wage controls because he is anxious to hold the labor-union vote. So it's just politics that is being played now as the economic problems of the Nation grow more and more complex.

Public Housing

EXTENSION OF REMARKS

OF

HON. HOMER D. ANGELL

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. ANGELL. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorials from the Oregon Daily Journal of August 4, 1948:

POLITICS, IT'S WONDERFUL

It's more or less inadvertent, apparently, but Representative ANGELL, of Oregon, in discussing the housing crisis, has put his finger on the fundamental fact concerning the current special session of the Congress.

It's a political session, all right, but that should not prevent the Congress from dealing with the critical issues which have already gone through the crucible of party leadership and committee action and have thus been cleared for action.

Mr. ANGELL mentions specifically the Taft-Ellender-Wagner bill which passed the Senate, then was high-handedly held up by the House Rules Committee. An effort is being made to blast it out of committee by petition, but 218 signatures are required and prospects aren't too bright.

What Representative ANGELL did not say was that there are several other paramount issues which could be brought to a vote any day before adjournment.

One is the $65,000,000 United Nations building loan which passed the Senate BC (before the conventions) then got lost in the shuffle. The House Foreign Affairs Committee is reported ready to give it the green light, so it may get by. Another is the Federal aid-to-education bill which also passed the Senate and is pending in the House, where States'-righters and those opposed to helping private and parochial schools have it smothered.

Still another measure, the anti-poll-tax bill, passed the House before Congressmen dashed off for Philadelphia. It could come to a vote in the Senate immediately, but Dixiecrats have the whole Truman civil-rights program jammed up in a filibuster-type debate and there is no likelihood whatever that Republican leaders will do anything but sit back and chuckle.

With one minor exception action on inflation-control legislation—most important of all issues begging for congressional attention—is highly improbable. A bill tightening up on credit by boosting bank-reserve requirements is slated for introduction in the House and the Senate seems willing to go along. But as for the President's 11-point anti-inflation program, it's out the window. Out the window also are flood relief, additional reclamation and power appropriations, international wheat agreements, and other matters.

It seems advisable, therefore, not to hold your breath until the special session acts on any of these vital matters. The UN building loan and the bank credit bill may get by. But that's all.

Meanwhile, if your blood pressure will stand it, reflect upon these two things:

No. 1: Not all, but most of the items on which the Congress will not act are in the Republican as well as the Democratic platforms.

No. 2: If the Congress adjourns Saturday without acting on pending legislation, it will have to start all over again in January when the Eighty-first Congress meets. That's because lapsed bills have to be reintroduced, hearings held all over again, committee action obtained.

Politics is wonderful—and very expensive.

PUBLIC HOUSING

(By HOMER D. ANGELL, United States Representative, Oregon)

The difficult problem facing low-income groups to secure adequate and proper housing, food, and clothing in the inflationary period in which we find ourselves is one of the most acute with which we have to deal.

While it is generally admitted that the President's call for the special session was purely political, having been made in his acceptance speech at the political convention of his party, nevertheless I hope that the Congress will do everything possible to pass legislation which will help solve not only the housing problem but also high cost of living and other critical issues. In the few weeks that will be available it will not be possible to solve any long-range issues which have not already gone through the crucible of party leadership and committee action, and cleared for consideration.

In the brief space available to me, I will discuss only the housing situation. When World War II struck it was necessary to marshal all of our materials and manpower for the production of the war essentials, which required sidetracking dwelling construction with the exception of temporary structures needed for housing war workers. With the return of the GI's we found ourselves facing a critical shortage of housing, not only for the veterans and their new families, but for other low-income groups who, by reason of their homes having deteriorated, having been sold or destroyed, were in critical need of roofs over their heads.

The recent survey made by the United States Bureau of Census shows that housing needs were intensified in the Portland area by the misuse of the larger housing units, being occupied by only one or two people whereas the accommodations were adequate for many more.

The Congress has provided by legislation preferences for veterans, long-range low-interest loans, allocation and conservation of materials for house construction, with the result that considerable headway has been made in bridging the gap in housing. One difficulty facing us is that we are operating on an approximate 50-cent dollar, which means that a prewar $3,500 five-room cottage now costs in excess of $8,000. It is impossible to provide a similar structure at the old price unless the Government or other public agency takes the burden of subdizing the excess cost. That has been the hurdle which confronted advocates of the Taft-Ellender-Wagner bill providing for long-range housing.

Under the present program of private construction about 15 percent of the new dwellings, both houses and apartments, are built for rental, which means there are fewer than 150,000 new rental units yearly. A considerably larger number than that will be sold and will therefore no longer be available for rent. The backlog of old houses is about exhausted by sale or deterioration. Last year approximately 15,700,000 dwellings were being rented under the Federal control law and it is estimated now the number is less than 14,000,000. Part of the decrease is due to decontrols.

The best estimates reveal that there will be spent by the building industry this year $16,400,000,000 for all types of construction, including housing. This will be $2,500,000,000 in excess of last year. For residences alone the outlay is estimated to be $6,200,000,000, as compared with $5,300,000,000 for 1947. Unfortunately, during the closing days of the Congress, Senator Ellender objected to the consideration of the bill extending title VI of the housing act which under its operations would permit approximately 100-percent guarantees for veteran housing. The Congress should reenact this provision immediately.

There should be a meeting on common ground between the public housing advocates and those who plead for private construction so that legislation may be enacted which will permit low-cost housing on a favorable amortization plan which will enable veterans and others with low income to provide modest, modern five- or six-room homes within the range of our pocketbooks. I hope the Congress even at his special session may bring about such a solution.

During the closing days of the last session of the Congress I made vigorous pleas for the legislation which would have permitted 25-year loans with low interest and amortization to the flood victims of the Columbia River disaster. Unfortunately, the legislation bumped against the long-range housing program which had been held up, with the result that we were unable to get favorable action.

An Inspiring Deed

EXTENSION OF REMARKS

OF

HON. HAROLD D. DONOHUE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. DONOHUE. Mr. Speaker, occasionally, while our well-meaning, learned lecturers are cannonading the walls of assembly halls in gusty explanation of the need for juvenile delinquency corrective programs, a purposeful, patriotic citizen devotes himself quietly and de-

terminedly to an actual accomplishment on behalf of the children within his own community.

Such is the case with respect to a public-spirited citizen of my home city of Worcester, Mass., whose persistent efforts finally resulted in the availability of a playground for the children in a city area where it was vitally needed.

The Worcester Evening Gazette, of August 4, 1948, editorially recognized the humaneness and energy of this gentleman, Mr. Freeman M. Saltus, publisher of the Labor News.

I should like to include this editorial as an inspiration in the art of practical accomplishment. Mr. Saltus has been accorded well-deserved tribute. May many follow his example.

The editorial follows:

NAME FOR A PLAYGROUND ON SALEM STREET

For about a year now, a playground has occupied the site where the old Salem Street School used to stand. Today that playground is being formally dedicated, and its name now becames the Freeman M. Saltus Play Area. The name and a bronze plaque are, of course, a deserved tribute to the publisher of the Labor News, who was active in the successful effort to have the playground established.

Probably no section of the city was in greater need of a place for youngsters to play than was the Salem-Orange-Myrtle block. One great problem was to find the proper space. But even after it became evident that the abandoned school could be torn down to make room for the play area, time and energy had to be devoted to making the idea effective. Those who, with Mr. Saltus, kept after the proposition until it became a reality performed an excellent public service.

In its first year, the playground has demonstrated its value many times over. Upwards of a hundred children use its slides, ball courts and other facilities—children who previously had been forced to play in narrow streets and backyards or nowhere. To build and equip the playground cost the city in the neighborhood of $5,000. It is a fine investment.

Veterans' Legislation in the Eightieth Congress

EXTENSION OF REMARKS

OF

HON. EDWARD MARTIN

OF PENNSYLVANIA

IN THE SENATE OF THE UNITED STATES

Saturday, August 7 (legislative day of Thursday, August 5), 1948

Mr. MARTIN. Mr. President, I ask unanimous consent to have printed in the RECORD a statement prepared by me regarding veterans' legislation in the Eightieth Congress, together with a memorandum regarding veterans' legislation prepared by the Legislative Reference Service of the Library of Congress.

There being no objection, the matters were ordered to be printed in the RECORD, as follows:

Mr. President, early in the first session of the Eightieth Congress we had before us the statement of the President in his message of January 6, 1947, with reference to veterans' legislation.

In that message the President told Congress and the Nation that "except for minor adjustments, I believe our program of benefits for the veterans is now complete."

We had also for our guidance the Republican Statement of Principles, Policies, and Objectives. That statement included a pledge, as follows:

"A grateful Nation demands that those who fought in its defense, their widows and orphans, must never be forgotten. The best medical care and rehabilitation, education, and training for all desiring it, and efficient assistance in securing homes, farms, businesses, and real jobs must be provided for the veteran."

The Republican Congress in its first session, as well as the second session, fulfilled that pledge. It matched performance with its party promise. It did not sweep aside the Nation's obligation to its veterans with mere minor adjustments, as suggested by the President in his message.

I would like to review briefly some of the legislation enacted by the Eightieth Congress to aid the veteran and to enable him to take the rightful, normal place in civilian life to which he is so richly entitled by his service and sacrifice.

I want to refer first to the bill providing for the cashing of terminal-leave bonds held by the veterans. This was passed to correct an injustice under which enlisted men were required to wait 5 years to receive their pay for terminal leave while officers were paid in cash.

You will recall that when the Republican Congress proposed to pay off these bonds, there was vigorous opposition from the administration. The Treasury Department threw up a smoke screen of economic theories designed to prepare the way for a possible Presidential veto. But with the certainty that Congress would summarily override any veto of the bill, the President signed it.

The action of the Republican Congress not only enabled veterans to receive their leave pay in cash if they so desired, but it also made it possible to reduce the national debt by $1,800,000,000, the amount of the bonds issued. In addition, it made possible a saving to the Government of about $60,000,000 a year in interest charges.

In its first session alone the Republican Congress appropriated $9,000,000,000 for veterans benefits. This was done despite reports filed by the then Director of Veterans' Administration against scores of measures introduced into Congress affecting veterans. In these reports it was stated that the proposed legislation was not in accord with the President's program.

Mr. President, it is not my purpose to recite the long list of measures passed for the benefit of veterans and their dependents at this time, but a brief summary of the highlights includes the following:

Increasing minimum monthly allowances for subsistence in cases of vocational rehabilitation of disabled veterans.

Increasing the revolving fund from $1,500,000 to $3,000,000 for the purpose of making loans to veterans of World War II undertaking vocational training.

Adding farm training to educational and training programs for which the Government will pay full tuition and subsistence allowances under the GI bill of rights.

Appropriation of $5,000,000 for automobiles for veteran amputees.

Increasing by 20 percent pensions payable to veterans of the Spanish-American and Civil Wars, Philippine Insurrection and Boxer Rebellion, and their dependents.

Appropriation of $35,500,000 to convert surplus military and other war housing to temporary re-use dwelling units for veterans.

Amending the Federal Home Loan Bank Act to permit banks to accept 25-year mortgages, thus making many GI home loans eligible as collateral.

Repealing the time limit for reinstatement of national service life insurance.

Extending for an additional 5-year period the privilege of renewing 5-year level premium term insurance for World War I veterans. Authorizing financial assistance to disabled veterans in the construction of specially designed homes required by the nature of their service-connected disabilities.

Raising the ceiling on wages and allowances payable to veterans in on-the-job training.

Increasing compensation for dependent survivors of war dead, covering widows, orphans and parents.

Providing additional compensation for veterans who have dependents and who are entitled to compensation for service-connected disabilities rated at not less than 60 percent.

Amending the Civil Service Code to prevent discrimination against physically handicapped veterans in Government positions.

Authorizing $1,000,000 annual appropriation for prosthetic appliance research.

Authorizing a secondary market for GI mortgage loans in the Federal National Mortgage Association, making it possible for veterans to obtain 100-percent guaranteed or insured financing in home purchases.

Making veterans' housing cooperatives and nonprofit housing corporations eligible for Government-insured financing up to 95 percent of the value of the project.

Before the present special session of Congress adjourns we will have passed a housing bill giving further recognition to the needs of the veteran. A provision of this bill expands the secondary market for guaranteed or insured mortgages made after April 30 of this year.

Mr. President, these are only a few of the 188 laws enacted by the Eightieth Congress benefiting the veterans and their dependents.

The list is most impressive because it provides for such a wide range of needs, particularly for the disabled and physically handicapped.

Mr. President, these enactments by the Eightieth Congress comprise a proud record. They are in line with the traditional policy of the Republican Party as the friend of the veteran. Throughout its history the Republican Party has recognized the care of the wounded and disabled, the widows, orphans, and their dependents as a sacred trust.

Through the years we have fulfilled that trust faithfully and generously.

Our pledge to the veterans has been reiterated and emphasized in the 1948 platform of the Republican Party which reads as follows:

"Recognizing the Nation's solemn obligation to all veterans, we propose a realistic and adequate adjustment of benefits on a cost-of-living basis for service-connected disabled veterans and their dependents, and for the widows, orphans, and dependents of veterans who died in the service of their country. All disabled veterans should have ample opportunity for suitable, self-sustaining employment.

"We demand good-faith compliance with veterans' preference in Federal service with simplification and codification of the hundreds of piecemal Federal laws affecting veterans, and efficient and businesslike management of the Veterans' Administration. We pledge the highest possible standards of medical care and hospitalization."

Mr. President, that pledge will be kept by the Republican Party with unwavering fidelity and in strict adherence to its historic policy of the past.

Mr. President, I attach hereto a compilation, prepared by the Legislative Reference Service of the Library of Congress, listing the legislation relating to veterans enacted by the Eightieth Congress.

"LEGISLATION RELATING TO VETERANS ENACTED DURING THE EIGHTIETH CONGRESS, FIRST SESSION

"Public Law 5, approved February 21, 1947: Authorizes the issuance, originally, of national service life insurance on any of the plans provided in the National Service Life Insurance Act (under existing law the 5-year level premium term plan must remain in force 1 year before conversion to a permanent plan). Provides that in cases where the insured is unable by reason of incompetency or other disability to apply for conversion within the term period of his insurance, such insurance shall be automatically converted to the ordinary life plan unless the insured has elected some other plan (under existing law such persons would lose their insurance upon expiration of the term period).

"Public Law 20, approved March 22, 1947: The Urgent Deficiency Appropriation Act appropriates (1) $165,000,000 for administration, medical, hospital, and domiciliary services, (2) $1,000,000 for military and naval insurance, and (3) $200,000 to increase the vocational rehabilitation fund. Title II makes reductions in the Veterans' Administration, as follows: $71,631, adjusted serviee and dependent pay; $11,155.97, military and naval family allowance; $8,469.39, hospital facilities and services; $6,441.71, vocational rehabilitation.

"Public Law 25, approved March 29, 1947: Provides a deficiency appropriation of $48,272,500 to meet increased pay costs in the administration, medical, hospital, and domiciliary services.

"Public Law 26, approved March 31, 1947: Amends section 600 (c) of the Servicemen's Readjustment Act by changing the name of the 'Veterans' Personnel Division, National Selective Service System' to 'Office of Selective Service Records.'

"Public Law 34, approved April 15, 1947: Amends section 301 of the World War Veterans' Act (U. S. C. 38:512) by extending for an additional 5-year period the privilege of renewing 5-year level-premium term United States Government life insurance policies.

"Public Law 40, approved April 28, 1947: Extends the farm labor supply program and requires the Secretary of Agriculture and the Secretary of Labor to keep records, etc., for the efficient administration of the State unemployment compensation laws and the Servicemen's Readjustment Act of 1944.

"Public Law 46, approved May 1, 1947: First Deficiency Appropriation Act, 1947, appropriates $1,801,894,500 for miscellaneous items under Veterans' Administration.

"Public Law 82, approved May 31, 1947: Amends the Act (58 Stat. 747) relating to credit for military or naval service in connection with certain homestead entries to permit husband and wife who are both entitled to service credit to aggregate their periods of service and count them as one for homestead-entry purposes.

"Public Law 83, approved May 31, 1947: Authorizes the Administrator of Veterans' Affairs to grant to States, local units, and public-service companies, easements and rights-of-way in Federal lands under his supervision and control.

"Public Law 85, approved May 31, 1947: Authorizes an additional $35,500,000 to the amount already authorized for housing units for distressed families of servicemen and for veterans and their families. (Appropriation made July 29, 1947, see Public Law 256, below.)

"Public Law 91, approved June 14, 1947: Continues, until June 30, 1948, the authority of the Administrator of Veterans' Affairs to establish regional offices, contact units, etc., in the Republic of the Philippines.

"Public Law 94, approved June 14, 1947: Extends from June 30, 1947 to June 30, 1948, the authority of the Administrator of Veterans' Affairs to enter into leases for periods of 5 years under section 100 of the Servicemen's Readjustment Act.

"Public Law 111, approved June 25, 1947: Authorizes the erection in the District of Columbia of a memorial to the dead of the First Infantry Division.

"Public Law 115, approved June 25, 1947: Increases from $1,500,000 to $3,000,000 the amount authorized as a revolving fund for loans to veterans for vocational rehabilitation courses.

"Public Law 122, approved June 27, 1947: The Second Urgent Deficiency Appropriation Act, 1947, appropriates $28,400,000 for administrations, medical, hospital, and domiciliary services under the Veterans' Administration.

"Public Law 126, approved June 28, 1947: Extends through December 31, 1947 the provision for admitting into the United States alien financées or fiancés of members of the armed forces of the United States.

"Public Law 129, approved June 30, 1947: Repeals the Veterans' Emergency Housing Act of 1946, except section 10 (liberalizing mortgage insurance provisions of the National Housing Act for builders of residential properties) which remains in effect until March 31, 1948. Allocations made or committed, or priorities granted for delivery, to veterans of World War II shall remain in full force and effect. Authorizes the Federal Administrator to insure loans to finance housing for World War II veterans at moderate prices or rentals within their reasonable ability to pay.

"Public Law 148, approved July 1, 1947: Authorizes transfer of ownership of the United States in or to historic military cemeteries to the States wherein located together with responsibility for their perpetual care and maintenance.

"Public Law 154, approved July 1, 1947: Provides for seniority benefits for members of the District of Columbia Metropolitan Police force and Fire Department who served in the armed forces between May 1, 1940, and December 31, 1946.

"Public Law 157, approved July 1, 1947: Authorizes the erection in the District of Columbia of a memorial to the men of the Marine Corps who have given their lives to their country.

"Public Law 161, approved July 3, 1947: Emergency Appropriation Act, 1948; authorizes the Administrator of Veterans' Affairs to disburse, during July 1947, one-twelfth of the amount provided for the Veterans' Administration in the independent offices appropriation bill (H. R. 3839) as passed by the House. Continues available, until June 30, 1948, the authority and funds provided for under Public Law 663, Seventy-ninth Congress, for automobiles, etc., for disabled veterans. (See also Public Law 271, below.)

"Public Law 205, approved July 21, 1947: Allows credit for active military service in determining eligibility for, and the amount of, benefits from the District of Columbia policemen and firemen's relief fund.

"Public Law 213, approved July 22, 1947: Prohibits the exclusion on racial grounds of an alien who married before August 22, 1947, an American citizen with World War II military service.

"Public Law 216, approved July 23, 1947: Incorporates the organization AMVETS (American Veterans of World War II).

"Public Law 237, approved July 25, 1947: District of Columbia Appropriation Act, 1948; appropriates $107,100 'to provide services to veterans and war workers.'

"Public Law 239, approved July 25, 1947: Terminates or curtails various emergency and war measures, including the following measures which provide benefits for veterans: (1) Loans, readjustment, and education allowances under the Servicemen's Readjustment Act, (2) certain insurance benefits under section 201 of the Social Security Act of 1946, (3) reciprocal services to veterans of allied nations, (4) period of eligibility for vocational rehabilitation under the act of March 24, 1943, (5) war period for certain wartime rates of disability or death compensation, and (6) effective period of insurance provisions under the Soldiers' and Sailors' Civil Relief Act.

"Public Law 241, approved July 25, 1947: Extends the benefits of the Missing Persons Act to members of the organized military forces of the Government of the Commonwealth of the Philippines.

"Public Law 252, approved July 26, 1947: Amends the District of Columbia Unemployment Compensation Act by providing that military service shall not be deemed to break the continuity of an employer's employment experience.

"Public Law 254, approved July 26, 1947: Amends the Armed Forces Leave Act of 1946, (1) to permit applicants to elect payment for terminal leave in cash in lieu of payment in bonds, (2) to provide that bonds issued under the act shall be redeemable at any time after September 1, 1947, and (3) to extend for 1 year (to September 1, 1948) the time allowed for filing applications for terminal leave pay.

"Public Law 256, approved July 29, 1947: The Supplemental Government Corporations Appropriation Act, 1948, approriates an additional $35,500,000 for the National Housing Administrator to provide housing for distressed families of servicemen and veterans. (See Public Law 85, above.)

"Public Law 269, approved July 30, 1947: Independent Offices Appropriation Act, 1948, appropriates a total of $6,964,457,080 for the Veterans' Administration; and reduces the amount for hospital and domiciliary facilities, $50,000,000.

"Public Law 270, approved July 30, 1947: Increases the rates of pension payable to Spanish-American War and Civil War veterans and their dependents.

"Public Law 271, approved July 30, 1947: The Supplemental Appropriation Act, 1948, appropriates an additional $5,000,000 "for automobiles and other conveyances for disabled veterans,' in accordance with Public Law 663, Seventy-ninth Congress. (See also Public Law 161, above.)

"Public Law 275, approved July 30, 1947: Authorizes the President to permit the United States Marine Corps band to attend the National Convention of the American Legion, in New York, August 28–31, and the National convention of the Veterans of Foreign Wars, in Cleveland, September 4–9, 1947.

"Public Law 288, approved July 30, 1947: Authorizes the Veterans' Administration to acquire certain land as a site for the proposed Veterans' Administration facility at Clarksburg, W. Va.

"Public Law 299, approved July 31, 1947: Second Supplemental Appropriation Act, 1948, appropriates $50,000 for the permanent design and construction of memorials and cemeteries in foreign countries.

"Public Law 304, approved July 31, 1947: Includes State homes for veterans in the group of organizations to which the loan or gift of condemned or obsolete guns, etc., may be made by the Secretary of War and the Secretary of the Navy.

"Public Law 306, approved August 1, 1947: Provides for gold-star lapel buttons for widows, parents, and next of kin of members of the armed forces who lost their lives in action in World War II.

"Public Law 314, approved August 1, 1947: Extends provisions authorizing acceptance of decorations from foreign governments by members of the armed forces to acceptance from neutral governments by a former member of the armed forces holding any office of profit or trust under the United States.

"Public Law 316, approved August 1, 1947: Amends section 200 of the act of June 29, 1936, so as to permit recognition of retired officers and enlisted men as representatives of veterans' organizations in the presentation of claims to the Veterans' Administration.

"Public Law 325, approved August 4, 1947: Amends section 14 of the Veterans' Preference Act of 1944 concerning the discharge or suspension of a preference eligible, to require the administrative officer to whom the Civil Service Commission submits its recommendations to take the corrective action finally recommended by the Commission.

"Public Law 327, approved August 4, 1947: Establishes a Marine Corps Memorial Commission for the erection of an appropriate memorial in Chicago, Ill., to the members of the United States Marine Corps who have given their lives in the service of their country.

"Public Law 338, approved August 4, 1947: Increases the minimum monthly allowance payable for subsistence in case of vocational rehabilitation of World War II veterans in service-connected cases where the disability is rated more than 30 percent, to the following sums: Without a dependent $115 (now $105), with a dependent $125 (now $115), plus the following amounts for additional dependents: $20 (now $10) for one child and $15 (now $7) for each additional child.

"Public Law 342, approved August 4, 1947: Provides for the utilization of surplus War Department-owned military real property as national cemeteries.

"Public Law 349, approved August 4, 1947: Removes certain contractual restrictions so as to enable certain members of the Osage Tribe of Indians to obtain loans under Title III of the Servicemen's Readjustment Act.

"Public Law 350, approved August 4, 1947: Amends the Armed Forces Leave Act of 1946. Provides that members of the armed forces absent after August 31, 1946, on account of sickness or wounds or awaiting action on disability retirement proceedings may receive pay and allowances during their absence regardless of whether the period is in excess of the number of days' leave.

"Public Law 367, approved August 5, 1947: Abates the income tax of members of the armed forces dying between December 7, 1941 and January 1, 1948, for any year of service ending on or after December 7, 1941. Credits or refunds may be made, upon application filed before January 1, 1949, for overpayments of such taxes.

"Public Law 368, approved August 5, 1947: Amends the act providing for the return of the remains of persons who died on or after September 3, 1939, as a result of World War II activities and who are buried outside the continental United States, so as to provide for: (1) shipment of identified remains to the homeland of the decedent or his next of kin, (2) disposition of group and mass burials which include one or more identified remains, and (3) establishment of military cemeteries overseas for the burial of unknown dead.

"Public Law 372, approved August 6, 1947: Authorizes Federal savings and loan associations to invest 15 percent of their assets in loans insured under title I of the National Housing Act (relating to housing renovation and modernization), loans guaranteed under the Servicemen's Readjustment Act (except business loans not secured by a lien on real estate), or in other loans for property alteration, repair, or improvement, such loans not to exceed $1,500 in amount.

"Public Law 377, approved August 6, 1947: Provides that "institutional on-farm training" shall be included in the education and training program for veterans. Full-time training must include supervised work on a farm or other institution and 200 hours per year of organized group instruction at an institution.

"VETERANS' LEGISLATION ENACTED DURING THE SECOND SESSION OF THE EIGHTIETH CONGRESS

"Public Law 396, approved January 19, 1948 (62 Stat. 3): Extends veterans preference in Government service to mothers of veterans widowed and not remarried, or divorced or legally separated from the father (and the veteran being the only child of the mother) of: (1) deceased ex-servicemen or ex-servicewomen who lost their lives on active duty, or (2) service-connected permanently and totally disabled ex-servicemen and ex-servicewomen.

"Public Law 398, approved January 19, 1948 (62 Stat. 4, ch. 3): Increases by 20 percent all monthly rates of pension payable to veterans of the Indian wars, and their dependents.

"Public Law 402, sec. 1007, approved January 27, 1948 (62 Stat. 14, sec. 1007): Provides that the United States Information and Educational Exchange Act shall not be construed so as to affect the Veterans' Preference Act of 1944.

"Public Law 411, approved February 14, 1948 (62 Stat. 19–20): Increases the rate of subsistence allowance payable to veterans pursuing full-time courses of educational training, as follows: from $65 to $75 a month for veterans without a dependent, and from $90 to $105 for those with one, and $90 to $120 for those with more than one dependent.

"Public Law 421, approved February 27, 1948 (62 Stat. 37, ch. 76): Authorizes the Secretary of the Air Force and the Secretary of the Treasury (as well as Secretaries of the Army and the Navy) to lend or give to veterans' associations, condemned or obsolete material in their Departments.

"Public Law 422, approved February 27, 1948 (62 Stat. 37, ch. 77): Continued for 1 month (until April 1, 1948) veterans' preferences in housing. (See also Public Law 464, below.)

"Public Law 429, approved March 3, 1948 (62 Stat. 49, ch. 90): Extends from 5 to 7 years the period after death of the insured within which application may be made for gratuitous benefits under the National Service Life Insurance Act.

"Public Law 438, approved March 9, 1948 (62 Stat. 71, ch. 105): Awards the Congressional Medal of Honor to the unknown American who lost his life during World War II, and is interred in Arlington under act of June 24, 1948.

"Public Law 450, approved March 24, 1948 (62 Stat. 84, ch. 141): Extends through December 31, 1948, the provision for admitting alien fiancées or fiancés of members of the armed forces.

"Public Law 452, approved March 24, 1948 (62 Stat. 84, ch. 143): Provides for selection of superintendents of national cemeteries from among members of the armed forces who have been honorably separated and who have been disabled in line of duty.

"Public Law 458, approved March 25, 1948 (62 Stat. 87, ch. 150): Ratified the administrative promotions made between September 15, 1940, and January 1, 1948, of postal employees on military furlough from the field postal service.

"Public Law 463, approved March 29, 1948 (62 Stat. 93, ch. 160): Provides for payment of $200 in cash to each member of the Klamath Tribe of Indians honorably discharged from service in the armed forces.

"Public Law 464, approved March 30, 1948 (62 Stat. 93–100): Housing and Rent Act of 1948. Among other amendments to the act of 1947, continues, until April 1, 1949, provisions for veterans' preferences in new housing.

"Public Law 512, approved May 4, 1948 (62 Stat. 208–209): Increases the monthly subsistence allowance payable to veterans for on-the-job training from $175 to $210 for those without dependents and from $200 to $270 for those with one, and $200 to $290 for those with more than one dependent.

"Public Law 519, approved May 10, 1948 (62 Stat. 218): First Deficiency Appropriation Act, 1948. Appropriates $3,000,000 for administration, medical, hospital, and domiciliary services.

"Public Law 526, approved May 14, 1948 (62 Stat. 234, ch. 289): Specifies, in enumerating the classes of persons eligible for burial in national cemeteries, honorably discharged veterans, their widows or widowers, and minor children.

"Public Law 531, approved May 18, 1948 (62 Stat. 237, ch. 299): Increases the annual amount of Federal aid to State or Territorial homes for disabled soldiers and sailors from $300 to $500 per person through June 30, 1951.

"Public Law 539, approved May 19, 1948 (62 Stat. 241, ch. 312): Extends to February 3, 1950, the time limit for making application for mustering-out pay by veterans discharged prior to February 3, 1944.

"Public Law 567, approved June 1, 1948: Authorizes aliens who have served in the armed forces of the United States during World War I or between September 1, 1939, and December 31, 1946, to become citizens through naturalization without requiring a declaration of intention, certificate of arrival, or period of residence, and without consideration as to age.

"Public Law 577, approved June 3, 1948: Authorizes the Veterans' Administration to acquire Camp White Hospital, Medford, Oreg., and Schick General Hospital, Clinton, Iowa, for use as domiciliary facilities.

"Public Law 591, approved June 3, 1948: Allows service credit for certain enlisted men of the Coast Guard who acted as policemen and guards at the Ivigtut cryolite mine, Greenland, during 1940 and 1941.

"Public Law 596, approved June 3, 1948: Permits World War II veterans to credit their war service, not in excess of 2 years, toward residence requirements under the Homestead Act of May 26, 1934.

"Public Law 599, approved June 3, 1948: Authorizes increased allowances (not exceeding $8 a day) for the escorts of repatriated war dead.

"Public Law 625, sections 108 (a) and 308 (a), approved June 12, 1948: Women's Armed Services Integration Act of 1948—Requires that officers appointed in the Women's Army Corps of the Regular Army, and in the Regular Air Force, shall have served honorably in the active Federal service as commissioned officers in the armed forces of the United States between July 1, 1943, and June 12, 1948.

"Public Law 640, approved June 14, 1948: Treasury Department Appropriation Act—Excerpts from the restriction on use of the appropriation for typewriting machines, typewriters purchased for veterans under public laws administered by the Veterans' Administration.

"Public Law 660, approved June 16, 1948: Provides for an allowance of expenses incurred by Veterans' Administration beneficiaries and their attendants in authorized travel for vocational-rehabilitation purposes.

"Public Law 678, approved June 19, 1948: Defines the term 'peace' so as to extend the medical care and other benefits provided by the act of June 15, 1936, to members of the National Guard, Organized Reserves, Reserve Officers Training Corps, and Citizens' Military Training Camps who are injured or contract disease during training periods prior to the official termination of the war.

"Public Law 689, approved June 19, 1948: Amends the Lanham Act to permit veterans to purchase, for their own occupancy, at a price not in excess of the cost of construction, permanent housing structures (of not more than four-family units) being disposed of by the Housing and Home Finance Administrator.

"Public Law 702, approved June 19, 1948: Authorizes the Veterans' Administrator to furnish assistance (up to $10,000) to a veteran in acquiring specially adapted housing required because of permanent and total service-connected disability due to spinal-cord disease or paralysis.

"Public Law 704, approved June 19, 1948: Authorizes enlargement of Gettysburg National Cemetery by the acquisition of certain land, such land to be reserved for the burial of veterans of World Wars I and II.

"Public Law 706, approved June 19, 1948: Exempts hospitalized servicemen and veterans from admissions tax (under Internal Revenue Code, section 1700 (a) (1) when admitted free of charge.

"Public Law 707, approved June 19, 1948: Credits the military service of Members of Congress for purposes of civil-service retirement.

"Public Law 710, approved June 19, 1948: Amends the Armed Forces Leave Act to permit payments to be made to surviving brothers and sisters, and nieces and nephews, of deceased members and former members of the armed forces.

"Public Law 729, approved June 19, 1948: Authorizes an annual appropriation of $1,000,000 to the Veterans' Administration for research in the development of improvements of all forms of prosthetic and orthopedic appliances and sensory devices.

"Public Law 739, approved June 22, 1948: Preserves seniority rights of 10-point preference eligibles in the postal service transferring from the position of letter carrier necessitated by reason of a disability incurred in active duty in the armed forces.

"Public Law 741, approved June 22, 1948: Amends the Veterans' Preference Act of 1944, so as to require Federal agencies to comply with any recommendation by the Civil Service Commission made on the basis of the appeal of a preference eligible, employee, or former employee.

"Public Law 748, approved June 24, 1948: Establishes a presumption of service-connection in the case of any person who serves 6 months or more in the military or naval service and within 1 year after honorable discharge therefrom, contracts a tropical or chronic disease.

"Public Law 751, approved June 24, 1948: Confers upon the State of Iowa jurisdiction over Fort Des Moines Veterans' Village (thereby giving the inhabitants, approximately 900 families, mostly veterans, the right to vote).

"Public Law 762, approved June 24, 1948: Authorizes pensions for dependent unremarried widows (60 years of age or over) of veterans of the Spanish-American War, including the Boxer Rebellion and the Philippine Insurrection, when date of marriage is after December 31, 1937; also authorizes payment of additional pension for children provided the widow married the veteran 10 years prior to his death.

"Public Law 785, approved June 25, 1948: Second Deficiency Appropriation Act, 1948: Appropriates under the head Veterans' Administration, an additional $245,000 for soldiers' and sailors' civil relief, and $1,500,000 for automobiles and other conveyances for disabled veterans.

"Public Law 796, approved June 28, 1948: Requests that preference be given to World War II veterans and servicemen who are students at educational institutions to which has been relinquished, by the Housing and Home Finance Administrator, temporary housing on land owned or controlled by the institution.

"Public Law 802, approved June 28, 1948: Permits a veteran of World War II, who because of a disability incurred in military service is unable to perform the duties of a position for which he has taken a civil-service examination to have his name entered on a list of eligibles for which like examinations are required without loss of seniority rights.

"Public Law 838, approved June 29, 1948: Authorizes renewal of level premium term insurance under the National Service Life Insurance Act for a second 5-year period.

"Public Law 850, approved June 30, 1948: Provides that postal employees separated from the field service under a war transfer to receive training preparatory to military duty shall be credited with service preceding the transfer as well as the time engaged in training and military service for purposes of salary classification.

"Public Law 862, approved June 30, 1948: Supplemental Independent Offices Appropriation Act—appropriates a total of $5,125,309,000 for various items under the Veterans' Administration.

"Public Law 864, approved July 1, 1948: The Reconstruction Finance Corporation is authorized to provide a secondary market for veterans' home loan mortgages. The market is not to exceed $840,000,000 and shall be limited to mortgages insured after April 30, 1948.

"Public Law 865, approved July 1, 1948: Authorizes $25,785,000 for grants-in-aid to the Philippines to provide medical care and treatment (including construction and equipping of hospitals) for veterans.

"Public Law 868, approved July 1, 1948: Increases the amount of wartime service-connected death compensation payable to dependents as follows: Widow but no child $75, widow with one child, $100 (with $15 for each additional child); no widow but one child, $58, or two children, $82, or three children $106, with $20 for each additional child, total amount equally divided; one dependent parent $60, two, $35 each.

"Public Law 876, approved July 2, 1948: Rates of compensation for disabilities incurred in active military or naval service in peacetime shall be equal to 80 percent of the rates payable for similar disabilities incurred in time of war.

"Public Law 877, approved July 2, 1948: Grants additional compensation to veterans who have a service-connected disability of not less than 60 percent and who have dependents as follows (first figure is wartime rate, and second figure is peacetime rate): (1) For total disability—wife but no child ($21 or $16.80); wife and one child ($35 or $28); wife and two children ($45.50 or $36.40); wife and three or more children ($56 or $44.80); no wife but one child ($14 or $11.20), two children ($24.50 or $19.60), and three or more children ($35 or $28), and in addition ($17.50 or $14) for each dependent parent; (2) for partial disability—an amount having the same ratio to the amounts above as his disability bears to total disability.

"Public Law 888, approved July 2, 1948: Provides that unremarried widowed mothers of ex-servicemen be entitled to preference in Government employment regardless of whether they were widows at the time of death or disability of an ex-serviceman son, or whether such son was the only child (amending Public Law 396, above)."

Peace Assured by True World Government

EXTENSION OF REMARKS
OF
HON. ROBERT CROSSER
OF OHIO
IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 4, 1948

Mr. CROSSER. Mr. Speaker, ever since the dawn of human history selfishness has been responsible for injustice and oppression.

Because of their failure to recognize and realize the oneness of all life, men have mistakenly tried to force other beings into submission and to subordinate them to what they believe to be their own limited, narrow and circumscribed personal selves.

It has been well said that the degree of real culture manifested by a person, a community, or the world is indicated or measured by the extent to which selfishness has been eliminated from consciousness. In fact unselfishness and true culture may be considered synonymous.

As people grow in understanding they begin to see more and more clearly that principle is the essence of all life and that the law of action of principle is universal in its application to all life, to all existence. The action of principle is always universally right, just. It is, therefore, the supreme power of and in the universe.

The true purpose of mankind, then, is to discover and act in accord with universal law, or in other words in harmony with the certain action of principle.

Primitive man ignorantly believed himself to be a being limited, separate and apart from other beings.

Because of this erroneous belief in the separateness of their existence, many people conduct themselves in accordance with whatever whim may possess them for the time being. Unavoidably, then, because such people do not believe in a unifying, universal law affecting all alike, there is conflict and distress among them.

One phase of the belief in separate personal selves is conceit or egotism, which is responsible for much of the delay in the progress of civilization. Because the error and foolishness of the belief in manlike gods and other superstitions has finally become apparent to some people who have a sense of mental superiority and self-importance, they next mistakenly assert that there exists no all-sufficient power in the universe. Such people, then, failing to recognize that real creation is eternal and perfect, nevertheless imagine themselves to be creators. They fail to realize that all man can do is to discover, that is, become conscious of principle and its law. To the extent that men manifest, that is to say, individualize all-inclusive principle and its uniform law, to that extent does the reign of justice, the rule of right, prevail.

It is important then, in human affairs, that all persons should have equal opportunity to take part in deciding what is to be considered the right, the law in regard to matters affecting the general welfare.

In other words, all persons have equal rights in deciding what laws shall control the people. That is to say that democracy must prevail. Now, certain laws immediately affect only the local community, and such laws should express the will of the people of the community and therefore be binding on all persons in such community. There are, on the other hand, certain problems which affect all the people of a nation, and to meet and deal with such problems laws should be enacted in accordance with the will of all of the people of

the nation. This would not mean a surrender of sovereignty by the community government to the National Government as is sometimes erroneously claimed, but on the contrary such national government is necessary to promote the welfare of all the people of the Nation. Likewise if we are to put an end to world anarchy then we must also have a world government to promote the welfare of all the people of the world by assuring peace among the nations of the world. The establishment of such a government would not constitute a surrender of sovereignty by the United States Government nor by any other nation.

Such a world government must be established as an independent organization, and, being world-wide in its jurisdiction, its decisions must be absolutely supreme and final in all cases in which it exercises its constitutional authority.

All the doubts and fears now expressed in regard to the establishment of such a world government were urged likewise in regard to the establishment of our National Government, under the name of the United States of America. The 13 independent governments which helped to prepare the Constitution of the United States did not all approve the new Government when its Constitution was finally submitted to them by the Constitutional Convention. Time and experience have shown, however, that the doubters were wrong. So it will be in regard to a world government when it is firmly established. That government, like all governments, regardless of the extent of their jurisdiction, should be established upon the principles of democracy. The word "democracy" is derived from the two Greek words, demos, meaning "the people," and kratein, "to rule," and therefore means the rule of the people. Only by democracy can men's rights and welfare be assured.

The world government should have a constitution which would strictly limit its authority to the preservation and maintenance of peace among all the nations of the world. It should not be allowed to interfere with the domestic policies of any nation. The world government should have a governing body consisting of a number of representatives from each country of the world, bearing the same proportion to the total membership of such body as the population of such country bears to the population of the whole world, just as the United States House of Representatives is constituted.

The world government should be furnished with a force sufficient to overcome and defeat any nation or combination of nations which might refuse obedience to the constitutional decisions of the world government.

All of the nations of the world should be prohibited from having military, naval, or any other kinds of force, except a police force large enough to preserve domestic order within the boundaries of such country. A force sufficient to preserve domestic order is all that should be tolerated in the possession of any nation.

It should also be made an offense against the constitution and laws of the World Government for any nation to provide for the conscription of men for military service. The persons constituting the World Government's military force, provided to compel complete obedience to the World Government's decisions, should consist of volunteers. Such volunteers should be paid a salary or wage sufficiently large to attract men of high quality to service in the military or police force of the World Government.

In order to avoid, as much as possible, all jealousies and rivalries, the persons constituting the military force should be selected from each nation in numbers bearing the same proportion to the World Government's total military force as the nation's population bears to the total population of the world.

To assure prompt action for the purpose of preventing trouble from arising, the World Government should have the right to send investigators into any country in the world where it has reason to believe that a violation of its regulations or decisions is occurring or is about to occur. Any invasion or violation of the territory of one nation by another should require immediate corrective action by the World Government. The offending nation should be ordered to stop, whether or not it might feel justified in its action, just as in our municipal affairs the police prevent the use of force by one person against another, whether or not the person with whom the police interferes feels that he is right in regard to the matter in controversy. So it must be with groups of individuals called nations. Their disputes must be settled in accordance with the same principle upon which disputes between persons are settled, in other words, by the rule of reason and not by force.

It is urged, by those who, for political advantage, appeal to the vanity of their countrymen, that the proposal I have explained constitutes a surrender of sovereignty on the part of all nations, including our own. Those urging this objection, in dramatic indignation, argue that we must exercise absolute control in the settlement of all disputes in which our country may be involved.

The fact is, that according to the principles of the most scientific form of government, namely, democracy, there is no surrender of sovereignty at all. The basic and ultimate unit of democracy, whether in community governments, in nations, or finally in the world, is the individual. The individual's rights are inborn in him. Governments cannot create rights. They can only recognize existing rights, rights existing according to the laws of nature.

Thomas Jefferson said:

> The God that gave us life, gave us liberty at the same time; the hand of force may destroy but cannot disjoin them.

That certainly supports the contention I have just been making, that the rights of the individual exist and did exist before human governments were ever established. It is proper, therefore, that the individual should regard himself as having important rights, not only as a member of the smallest kind of government, namely the municipal government, but also that he has rights as a member of the proposed largest government; that is, the world government.

The rights and obligations of persons residing within the small unit of government, called the municipality, are of importance generally only to the people residing therein. Next we have, in the order of importance, the State or province, and the individual has certain specific rights and obligations in common with all other individuals residing within the boundaries of such State or province. Finally, the individual has rights in common with all individuals in the world, which can only be assured and upheld by a world government receiving its authority directly from all of the people of the world, acting as citizens of the world.

The exercise of his individual rights, by one of the world's population, in regard to matters within the constitutional authority of the world government, would have as much authority as would have the exercise of his rights as a citizen of a small community. His rights and obligations as a citizen of the world have not been exercised by the individual heretofore, but it is now wrongly called a proposed surrender of national sovereignty because it is planned to assert rights which have existed eternally but which heretofore have not been exercised.

All of the individuals in the world have the common right to prevent strife between nations. That right has not been exercised heretofore. It has been unused but it is now proposed to create the world government as an agency of all the people of the world, in order to enforce their right to prevent strife between nations and to so prevent suffering throughout the world.

Let us hear no more, then, about the surrender of sovereignty. The people of the world have never granted away, nor have ever vested in any nation their sovereign common right to prevent the mass slaughter of human beings in senseless wars between nations. The universal cry of all mankind is for the dethronement of brute force as the controlling power in the world and for the establishment, in its stead, of the reign of reason and justice as supreme authority in human affairs.

With the banishment from the earth of the horrible specter, brute force, with its misrule and with the establishment, in its stead, of the rule of reason and right, mankind will then realize the joys and blessings foretold by the poets and seers who have gone before.

Away then with the prattle about our surrender of sovereignty. Let us banish from the earth the notion that any one nation, on any pretext, must have the power to boss the rest of the world. Let us have the vision and courage to brush aside such baseless contentions and objections and proceed at once to establish a real world government, such as we have just explained.

When there will have been established the world government, unhampered by illogical reservations, such as that permitting a single nation, by its vote, to

block proper action by the world government to prevent war, then will become realities—the joys, the bliss, and happiness foretold for mankind by the philosophers and sages of days gone by.

When the war drum beats no longer,
And the battle flags are furled.

Then will be realized by mankind the undiscovered grandeur of creation and the unimagined splendor of true civilization.

When there shall have been established the world government, which we have just briefly discussed, then will be answered the prayer expressed by Robert Burns in the last stanza of his immortal poem, entitled "A Man's a Man For A' That," which I quote as follows:

Then let us pray that come it may,
As come it will for a' that,
That sense and worth, o'er a' the earth,
Will bear the gree an' a' that.
For a' that an' a' that,
It's comin' yet, for a' that,—
That man to man, the warl' o'er,
Shall brithers be for a' that.

De Luxe Vancouver Trailer Units Vacant Despite Purported Housing Emergency

EXTENSION OF REMARKS
OF
HON. HOMER D. ANGELL
OF OREGON
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

Mr. ANGELL. Mr. Speaker, I include as part of these remarks the following article from the Oregonian of August 1:

DE LUXE VANCOUVER TRAILER UNITS VACANT DESPITE PURPORTED HOUSING EMERGENCY

(By Wilma Morrison)

Vancouver housing authority is wondering what has happened to the flood housing emergency and where are the families, desperate for temporary shelter.

The city across the Columbia has set up what comparison will show is the most de luxe and beautifully located trailer project in the area, and so far only 31 families have moved into what is designed ultimately to be a 488-trailer village. What is more, there are at present 29 vacant apartments of row-house type located at the Fruit Valley project between Vancouver and the Columbia.

Twenty-five more of these apartments of one, two, or three bedroom size will be reconditioned and available this week. Remainder of the 140 which the authority had planned to turn over to flood evacuees will be reconditioned only if there is evidence of demand, it was said.

DEMAND EVIDENCE WAITED

The same goes for the trailer project at the east end of the McLoughlin Heights project. If there are no takers soon for these new four- and six-person capacity units, the authority will not finish the elaborate installations now in progress.

Vancouver housing officials did not say what will become of the shiny new trailers not already placed, if greater demand does not materialize. Assumption can only be that they will be offered to Portland.

Why Vancouver's housing authority got all new trailers while Portland, for the most part, got badly worn ones, is also a question unanswered.

A visit to the McLoughlin Heights project will convince observers that there are trailer camps—and trailer towns. This one, in spite of the toilet and washroom handicap it shares with all trailer installations, has every sign of becoming an attractive and well-run community.

In the first place, all 488 trailers are brand new, just off the assembly lines of 15 of the country's top trailer manufacturers. Coming from various plants, they have various interior plans, but all have essential conveniences and artistically planned interiors. Most have good-sized electric refrigerators, gas stoves, latest spring-filled upholstery, chrome and bright plastic in kitchen section.

Cost of many of the large units at retail would be more than $3,000 each.

Rentals are $26 a month for two-bed size and $28 for four-bed units. Rentals at the Fruit Valley apartments are $32.75 and $35.50. Trailer rentals include water and garbage disposal, leave lights and gas to be paid by tenant.

Important to prospective renters is the announcement made Saturday by Mrs. Katherine Walker, tenant selection supervisor at the Vancouver Housing Authority, that they are not insisting at this point on fitting trailers to the size of families. If a couple and baby want one of the large three-bed units for $28 they can have it.

TWO TRAILERS ALLOWED

If a larger family wants to rent two adjoining trailers, the second one goes for an additional $8 a month.

Inspection of a typical three-bed trailer in which a Portland automobile mechanic, his wife, and three small children are living shows across one end a davenport of best construction. Next to it, the dining part consists of a fold-down table of Chinese-red plastic and chrome with overstuffed seats on either side covered in same material as davenport. (These seats slide downward to make the second bed.)

Next to this is the kitchen with half partition. White, three-foot electric refrigerator is built into one wall with stainless steel sink opposite and wall above of Chinese-red plastic. The gas stove is at right angles to the sink and refrigerator, against the wall which shuts the front end of trailer off into separate bedroom. Cupboard space is as much as in many small apartments. Four good-sized closets constitute more space than in many two-room apartments. This unit also has air conditioning.

TEMPORARY HOME IDEAL

Vancouver housing officials who have prided themselves on what they call a realistic attitude toward their temporary housing; the attitude that it must be kept up and all community services maintained as long as there is need for it—think it is a mistake to generalize about trailer housing.

No family would choose to live indefinitely in a trailer house, said Mrs. Walker, but as a temporary measure it can be made pretty attractive.

The Vancouver project meets very well standards of any householder as far as environment goes. It is backed by tall fir trees and a natural park area. A good grade school is less than one-half mile away, across one street. Back of the grade school is a recreation building with staff. One mile away is the big McLoughlin Heights recreation center, considered outstanding of its kind in the country.

A sizable food center is a few blocks away from the south side of the project. Bus service is every 15 minutes.

Layout of the trailers is as convenient and unregimented as is possible, with lavatory units for men and women, one to each 25 trailers. Laundry units with meter washing machines are 1 to 50 trailers and each has a large fenced yard with metal clothes poles and lines.

PLAYGROUND SCHEDULED

When the authority finds out how many children can be expected, the trailer project will have its own playground with play equipment.

Gravel walks are going in around the utility buildings, and each trailer has its barred and padlocked storage box at the back, along with large new garbage can.

Boon to housekeepers, especially those with children, is the fact many smaller trailers are placed one on either end of a red-cement foundation which gives patio effect and play place in dry weather. (These foundations formerly held row houses, torn down since the war.)

BUS SERVICE LISTED

Another important item is the fact the trailer project is at the edge and a part of the well-kept and policed McLoughlin Heights project whose homes, though temporary buildings, are anything but slum housing.

Why applications for the trailers and the apartments at Fruit Valley have been so few, the authority does not know, although transportation seems a likely major reason. Vancouver and the Heights sound a long way from downtown Portland. Actually it is 45 minutes by busses, which run every 15 minutes, and hundreds of Vancouver people are commuting each day. The Heights bus takes 15 minutes to the Vancouver-Portland terminal and the intercity bus takes 30 minutes to Portland's bus station at SW. Sixth Avenue and Yamhill Street.

For those persons who have to be at work by 7 a. m. the situation is not so easy, for Vancouver busses do not run frequently before 7.

Still a Bankrupt Foreign Policy

EXTENSION OF REMARKS
OF
HON. LAWRENCE H. SMITH
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

Mr. SMITH of Wisconsin. Mr. Speaker, as part of my remarks, I include an article by Mr. Walter Lippmann on the subject of the Berlin fiasco. Our foreign policy is still a bankrupt one.

The article is as follows:

IN ORDER TO REPAIR THE DAMAGE

(By Walter Lippmann)

Even though, as now it seems possible, we manage to stay in Berlin without having to fight a war about it, we still have suffered a serious diplomatic set-back. The price of peace with honor is to recede from a position to which we were spectacularly committed—from the German policy which Mr. Bevin and Mr. Marshall adopted, and imposed on M. Bidault, at the London conference which ended early in June. The London agreements called for a provisional government for western Germany in Frankfurt, operating under a constitution drafted by a German constituent assembly, and approved by the three western military governors.

Though the London agreements did not preclude an eventual four-power agreement about the whole of Germany, they did assume that the three powers alone could and would be able to present the Russians with an accomplished fact, namely, a western German state which was self-supporting within the European recovery program and politically alined with the West against the East.

This German policy would have collapsed even if the Russians had not put the squeeze on us in Berlin. For the Germans them-

selves refused to carry it out. The French Government, which we pushed into approving it, was undermined and the French Foreign Minister, M. Bidault, who was made to feel he had to defend it, has been overthrown. Now, with Mr. Bevin leading the retreat, we are going to do the very thing which the London agreements assumed we would not do: We are conceding the main point, which is that four-power negotiations about the whole of Germany may be resumed before we have created a western German state.

The Russians have won a cheap and easy diplomatic victory by seizing and exploiting the opportunity which we so unwisely and so unnecessarily provided for them. They have been enabled to force us out of a theoretical position which we held only on paper, in the London agreements, but had never established and consolidated in western Germany and in Europe.

So in June and July we have suffered a damaging, though not necessarily an irreparable, diplomatic reverse. From the announcement of the Marshall plan in June 1947, until after the Italian election, the Soviets were fighting a rear-guard action in western Europe, and there were many impressive signs that their grip on eastern Europe was weakening, and that they knew it. But about a month ago they recovered the diplomatic initiative. At least temporarily there was a sudden and sharp reversal, and the western powers were thrown back on the defensive.

The sequence of events shows plainly that it was the London agreements about Germany which placed us in an untenable position, which gave the Russians not only the pretext but the opportunity and the means for a powerful and effective diplomatic counter-offensive. In the London agreements we had, with a good deal of fanfare, committed ourselves to a German policy which we could not carry out because it had no genuine support anywhere on the European continent, which would not have worked if it had been carried out because it is an economic impossibility, which, if the Germans were willing to carry it out, would have ended inexorably either in a world war or in a German-Russian deal at the expense of the rest of Europe.

We must, of course, regret that we have had to retreat under Soviet pressure, and in the midst of the spectacular crisis in Berlin. But we need have no regrets that we must revise the policy. It has never reflected the real views and the true judgment of the Americans who are supposed to make our foreign policy. Nor is it consistent with the ideals, principles, and plans of our bipartisan policy for European revival, security, and settlement.

The prime mover of this German policy, though it was negotiated by the American Ambassador in London, was General Clay, seconded by his advisers in Berlin, his immediate superiors in the Pentagon, notably Mr. Draper and Mr. Royall, and by British officials in Germany and in the foreign office. The basic conception of the policy is in direct contradiction with the understanding reached by Mr. Marshall, Mr. Dulles, and Mr. Bidault when they were together in Moscow in the early spring of 1947.

The understanding was that a German settlement must be fitted into a European settlement, and that restoration of German government must follow, not precede the construction of a framework of European unity.

Mr. Marshall's foreign policy—not only the recovery program but his sponsorship of western union—meant that there would be no German government before western Europe was sufficiently organized, united, and rehabilitated to collaborate with a loose confederation of the German states. But Mr. Marshall never succeeded in making himself the master of our German policy. General Clay, like General MacArthur, has been a proconsul, as respects the State Department very nearly an independent sovereign with whom the department could now and then negotiate, to whom it has never been able to issue orders. This situation developed under Secretary Byrnes, who, partly because of his preoccupation with the satellite treaties, partly because of his admiration for General Clay, was never able or willing to bring German policy under the control of the State Department.

It was supposed that Mr. Marshall—being himself a general of enormous prestige—would not fail to assert his authority over all the generals. But Mr. Marshall has not done that, and as a result our German policy, which is crucial to the success of our foreign policy, has never as yet been made in the State Department. Perhaps it will now be made there. Perhaps our predicament in Berlin, and the hair-raising measures needed to bail ourselves out of it, will at long last have convinced Mr. Marshall, who passed over the public admonitions of Mr. Dewey and Mr. Dulles on this very point, that he cannot have a European policy and let the military authorities in Berlin make their own German policy.

If so, something good may yet come out of the Berlin affair. For if once we can extricate ourselves from the Berlin predicament, and find our way out of the blind alley of the London agreements, the basic trend of events in Europe, which is in our favor, may help us to repair most of the damage of the past few years.

There is litle doubt, it seems to me, that the Communist power is unable to expand into western Europe, and it is highly probable that the Soviet power in eastern Europe is no longer at high tide, and is receding. In Bulgaria, in Yugoslavia, in North Greece, in Finland, in Trieste, in Czechoslovakia, the sgns of recession are many. They are confirmed by the softening of the Russian demands on Austria, and unmistakably, I think by the immensely significant, though it has been generally ignored, modification of the Soviet position on Germany which was announced at Warsaw on June 24. The underlying trend is favorable, but only if we know how to favor it by a diplomatic policy which makes us in fact, not the Russians only and by default, the advocates of a general European settlement which restores Europe to the Europeans.

Program of Aeronautical Training for the Youth of America

EXTENSION OF REMARKS

OF

HON. ROBERT TRIPP ROSS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. ROSS. Mr. Speaker, I have introduced today a bill to provide for a program of aviation training for the youth of our Nation. The introduction of this bill is in line with my speech entitled "Youth Flight Training," delivered in the House on May 19.

From the viewpoint of national interest and security the progressive development of aviation is extremely desirable as a means of building up a large reservoir of young people with technical knowledge and flying experience who will assist in the healthy expansion and growth of an essential aviation industry in its numerous commercial and military ramifications.

It is undeniable that the striking aviation advancement of recent years has reoriented our national thinking to new conceptions of global geography, domestic and international trade, and political relations. With the obvious prospect for a substantial individual use of aircraft, there is a growing need for more general preparatory training for flying. Possible future military needs also make it mandatory that the youth of America be given an opportunity for practical study in the fundamentals of the science of aeronautics, not only for the protection of the principles of democracy, but for the continued leadership of our Nation in air commerce.

The sudden and tremendous expansion of aviation training made necessary during the recent war was inevitably expensive in every way. Such high emergency expenditures by the Government can be tempered by meeting the future aviation needs of the Nation through an orderly and progressive system of aviation training beginning at the grade-school level in every State. It is in these schools that the intelligent appreciation and understanding of the international, social, and political implications of airpower and its vital contribution to better relationship by the peoples of the world can and should commence. With congressional foresight today, the future of American aviation can be fostered and developed to a new and almost limitless economic frontier for tomorrow.

A bill to provide for a program of aeronautical training for the youth of America to insure a better understanding of the international, social, and political implications of airpower and its vital place in the future of world developments and to provide a trained backlog of pilots and technically qualified young manpower to meet the requirements of a national emergency

Be it enacted, etc., That this act may be cited as the "Youth Flight Training Act of 1948."

SEC. 2. The Civil Aeronautics Administration (hereinafter referred to as the Administration) is authorized to inaugurate and conduct a program of assistance and guidance to elementary and secondary schools of the Nation in conducting courses in aviation subjects and flight training for youths from 16 to 20 years of age.

SEC. 3. Such program or training shall be conducted pursuant to such standards and regulations prescribed by the Administration from time to time: *Provided*, That in the administration of the act, such program or training may be conducted either through the use of the personnel and facilities of the Administration or by contracts with approved ground- and flight-training schools, educational institutions and other persons cooperating with the Administration in the conduct of such program and training (as defined in section 1 (27) of the Civil Aeronautics Act of 1938, as amended).

SEC. 4. For the purpose of carrying out its functions under this act, the Administration is authorized to exercise all powers conferred upon it by the Civil Aeronautics Act of 1938, as amended, and to appoint and fix a fair and reasonable compensation for experienced ground and flight instructors, airmen, medical, and other professional experts and examiners in training without regard to the provisions of other laws applicable to the employment and compensation of officers and employees of the United States.

SEC. 5. The Administration shall consult with any executive department or independent establishment of the Federal Government or State government in carrying out the purposes of this act and such agencies are hereby requested to cooperate with the Administration and may lend or transfer to the Administration, by contract or otherwise, or by request of the Administration may lend to ground and flight-training schools and educational institutions or other persons cooperating with the Administration in the conduct of such program and training, technical advisors, aircraft and other property or equipment, lands, facilities, and equipment under its control or in excess of its own requirements.

SEC. 6. There is hereby authorized to be appropriated from time to time such sums as may be necessary for the purpose of carrying out the provisions of this act. This act shall expire on July 1, 1953, and all contracts, leases, or other obligations entered into under this act shall expire on or prior to such date: *Provided*, That no alien shall receive training under the provisions of this act.

Jersey Standard's Infamy

EXTENSION OF REMARKS
OF
HON. GEORGE G. SADOWSKI
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

Mr. SADOWSKI. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include the following article that appeared in the New York Post of August 5, 1948:

JERSEY STANDARD'S INFAMY

Mighty Standard Oil of New Jersey, the world's largest corporation, has been virtually convicted of treason in the United States courts.

It might not read that way in the news stories, but consider the implications of the recent Federal district court's ruling that while Standard could retain patents purchased from I. G. Farben in 1929, it would have to forfeit its claim to the patents allegedly taken over from the gangster German cartel in 1939.

This decision was tantamount to saying that Jersey Standard collaborated with the enemy during the war when it claimed to own certain patents which were really the property of Farben.

The story goes something like this:

Back in 1939, wily Farben executives realized that the day was fast approaching when the United States Government would seize their patents in America as enemy property unless precautionary measures were taken to conceal their German ownership.

Farben hastily called in its American junior partner, Jersey Standard, and went through various motions on paper which seemed to make Standard the owner of United States Farben property.

Dr. August von Knieriem, chief counsel for Farben, annoted his copy of the sham transaction with the words "Nachkriegs Camouflage" (postwar camouflage)—added evidence that Jersey Standard was obediently engaging in a colossal attempt to deceive its native country.

The United States was not easily deceived. During the war, it seized all of Jersey Standard's patents which it had reason to believe were the faintly disguised property of Farben.

Patents acted on by the Government included not only those which had ostensibly become Standard's in 1939 but some oil-refining patents which Standard had bought from Farben in 1929. The Government charged that these were being used in violation of the antitrust act. Standard relinquished them without necessarily admitting the Government's accusations.

After the war, Jersey Standard sued to regain the German patents from the Government, including those which it had nefariously plotted in 1939 to hold for Farben.

Using words like "sham," "furtiveness," and "deceit," the courts have supported the Government's contention that Jersey Standard has no claim to the patents covered by the '39 deal.

But the ruling which returns to Standard, under certain conditions, many of the patents purchased from Farben in 1929 illustrates that our antitrust laws must be strengthened.

Although it seems apparent that Standard bought these patents with clear intent to restrict the production of synthetic oil at home and thus assure its own dominance in the oil industry, existing laws apparently are not tough enough to take the patents away from Jersey Standard.

It would seem that if any corporation uses its exclusive control of a vital processing secret to limit competition, our laws should require the Government to take over the patent and offer it to all comers. Surely, a monopolistic wielding of a patent right should disqualify the corporation from its possession.

But it seems more than obvious that if we are to prevent foreign, and perhaps potentially hostile, firms from exerting undue control over our economy by entering into restrictive agreements with domestic corporations, we should require that the rights to any foreign patent purchased in this country must be made available to all United States industries.

The Government would probably have to set up a free-enterprise corporation to make sure that overseas patents contribute to maximum and unrestricted United States production.

This is the lesson of Jersey Standard's infamy.

He Has Given America Far More Than He Has Taken

EXTENSION OF REMARKS
OF
HON. GORDON CANFIELD
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

Mr. CANFIELD. Mr. Speaker, it has been my privilege on many occasions, both on the floor of this Chamber and elsewhere, to pay tribute to a great American and distinguished statesman, the Honorable EVERETT M. DIRKSEN, of Illinois, and to express the regret that we all feel on his retirement from this body.

The loss which we will sustain on his leaving is well summed up in the following editorial which appeared August 4 in the Herald-News of Passaic, N. J., under the heading, "Congress Losing a Great Statesman":

CONGRESS LOSING A GREAT STATESMAN

A distinguished and very capable legislator from Illinois delivered last week what may go into the RECORD as his last address to Congress.

Representative EVERETT MCKINLEY DIRKSEN, at 52, is living refutation of the too-often-repeated and groundless charge that the average Member of Congress is a pompous fuddyduddy.

Some Members, certainly, are misfits in Congress. They legislate with one eye on their districts and the other on the rest of the country. Cold terror grips them when the time comes to vote and be recorded. They are of little real value either to themselves or their constituents.

But they are the exceptions, not the rule.

EVERETT DIRKSEN, a Republican with as many friends on the Democratic side of the House aisle as he has on his own, is leaving Congress at the end of this, his eighth, term because of failing eyesight, brought on by overwork.

Everyone in Congress knows that to be true. Democrats who in New Deal days tried to unseat him and failed, know that he could be reelected without campaigning, if he consented to accept renomination.

Mr. DIRKSEN came to Congress in 1933, and within two or three terms emerged as one of the truly strong men of the House. In recent years he has been an authoritative spokesman for the Republican leadership. More importantly, he has been a great legislator.

He is one of the best informed members of the appropriations and District of Columbia Committees, on which he serves, and his advice is sought by both Republicans and Democrats serving on other committees.

His Communism in Action, one of the most dispassionate, scholarly and at once devastating studies of its kind ever written, is a monumental piece of work. Congress thought it should be read by every American and appropriated money for printing and distributing hundreds of thousands of copies of it at Government expense.

Nearly every important measure that has passed the House in the last decade bears his imprimatur in the form of a Dirksen amendment.

The Dirksen amendment is always a clarifying, perfecting change, written by a keen student of the bill under discussion, and aimed successfully at having it accomplish precisely what it is supposed to accomplish.

The Republican Party can ill afford to lose EVERETT DIRKSEN at this time. The Democrats will miss him too, but the Nation will be the biggest loser.

He has given America far more than he has taken.

President Truman's Special-Session Call

EXTENSION OF REMARKS
OF
HON. HOMER A. RAMEY
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

Mr. RAMEY. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by George E. Sokolsky:

THESE DAYS

(By George E. Sokolsky)

The powers of the President of the United States are enormous. Although the authors of the Constitution sought to limit those powers by various checks and balances, the authority of the President has, in 161 years, expanded until he can, if he desires, be the most powerful ruler in the world.

This expansion has been accelerated by two wars and a series of emergencies between.

Heretofore, Presidents have restrained themselves in the use of their powers, recognizing the spirit of our system, which is basically that the policy of government is

determined by the Congress, while the administration is in the hands of the President.

Not one of them, not even Franklin D. Roosevelt, ever used all his powers to promote his personal political fortunes. Roosevelt ran four times, but during his campaigns he only occasionally forgot that at such a time he was a candidate as well as a President.

Harry Truman has called the present special session of Congress only for the purpose of embarrassing his opponent, Thomas E. Dewey. Obviously, Dewey cannot control the Eightieth Congress, which is only adequately Republican in the House of Representatives. In the Senate, the Republicans have only a nominal majority for organization purposes.

Actually, that majority often sank to so low a figure that Republican leadership had to depend on Democrats to put their program through.

Until Governor Dewey is elected President, his influence over even the Republican Members of Congress must be indirect.

As a matter of practice, no party ever controls either House of Congress unless it can pass measures over the President's veto. Every bill that was passed over Harry Truman's veto was passed by a large quota of Democratic votes.

Harry Truman knows that, just as Herbert Hoover knew how weak the Presidency can be with a President of one party and a Congress of another.

Yet, Truman has devoted himself to the denunciation of the Eightieth Congress as the worst in American history, which is silly to anyone who has ever read any American history, which Harry Truman may never have done.

At any rate, he has reconvoked this "worst Congress" to do what it has refused to do for 2 years, namely, to carry through Harry Truman's omnibus program, which can wreck the economy of the United States.

In a word, he convokes the "worst Congress" to carry out his worst program.

Neither Truman nor any of his advisers want Congress to pass his program. They would not know what to do with such a program or where to get the money to carry it through or how to administer it.

It is simply a public relations program, designed to satisfy every pressure group but not to serve America.

Yet it has tremendous nuisance value. Neither the Democratic nor the Republican Party is prepared to tell the pressure groups to be damned. They, therefore, play on the fringes of the impossible. So Harry Truman throws the book at them and demands that they go ahead full steam.

If they don't he will accuse them of betraying the interests of each special group—Negroes, veterans, farmers, labor leaders, Zionists, anti-Zionists, anyone you can think of.

If they do, conditions will become unstable and he will accuse the Eightieth Congress of ruining the United States. Either way, he will put the responsibility on Tom Dewey, who, having no direct power until he is elected, cannot lawfully do anything either legislatively or administratively.

So that is the trick, and a cheap, snide one it is. Nothing beneficial for the country will be accomplished by it. In fact, in the face of a world crisis, a general election places heavy spiritual burdens upon the country and makes the conduct of administration difficult.

Truman at such a time divides the country, angers large segments of its people, creates emotional disturbances, and all for the purpose of partisan politics. No other President has heretofore made the abuse of Congress his principal weapon.

Truman is driven to this course by his fear of Henry Wallace, who has become a ghastly complex in his life. If Wallace has done this country no other harm, he has wrought havoc in his psychological effect upon its President.

Comparison of Programs for the Special Session of the President and Philip Murray, President of the CIO

EXTENSION OF REMARKS
OF
HON. WILLIAM J. CROW
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

Mr. CROW. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement:

CONGRESS MUST ACT ON DAY'S PROBLEMS

HERE IS THE TEXT OF A PROGRAM FOR CONGRESS PRESENTED TO PRESIDENT TRUMAN LAST WEEK BY CIO PRESIDENT PHILIP MURRAY

The special session of Congress must act upon the pressing problems of the day. Legislation on these problems has been formulated in most cases and, in all cases, can be passed without delay. The Congress of Industrial Organizations suggests that the President request legislation of this session on the following subjects:

1. Control of the cost of living by legislation which (a) freezes prices at recent levels, and (b) curbs by taxation the lust of huge corporations for exorbitant profits. The drive against monopolies must be intensified.

2. A comprehensive housing program, including public housing, slum clearance, low rent and rural projects, as set forth in the Taft-Ellender-Wagner bill now before the House Rules Committee.

3. Repeal of the Taft-Hartley Act which experience shows as a promoter of industrial discord.

4. A wage bill providing for an immediate minimum of 75 cents, with increases by industry committee action up to $1 per hour, as provided in the Thomas-McCormack bill.

5. Federal aid to education, as provided in S. 472 now pending before the House Labor Committee.

6. Civil-rights legislation, including FEPC, antipoll tax, and antilynching and antisegregation in the military, as proposed in the platforms of the two parties.

7. Improvement of our social-security program by the extension and increase by 50 percent of the benefits, as provided in the McGrath bill.

8. A national-health program on social insurance principles.

9. Adjustment of veterans' benefits to meet the price increases which imperil their living standards and opportunities.

10. Amendment to the Displaced Persons Act to remove discrimination against religious groups.

11. A farm program, geared to a full economy, including price support, farm credit, soil conservation, and improvement of rural-living standards.

12. Approval of the United Nations building loan, now before the House of Representatives.

HOW CLOSELY PRESIDENT TRUMAN'S STATEMENTS IN HIS MESSAGE TO CONGRESS PARALLEL PHILIP MURRAY'S CIO DEMANDS UPON HIM

1 (a). I recommend that price control be authorized for scarce commodities which basically affect essential industrial production or the cost of living.

1 (b). I recommend that an excess profits tax be reestablished.

2. I have recommended time and time again that the Congress pass a comprehensive housing bill. This Congress can complete action on this comprehensive housing bill in a few days. And I strongly urge that it do so.

3. The next Congress should take * * * up immediately * * * a fair and sound labor-management relations law—in place of the Taft-Hartley law, which has proved to be unfair and unsound and which should be repealed.

4. I urgently recommend that the minimum wage be raised to at least 75 cents an hour.

5. The Congress should provide Federal assistance to the States in meeting the present crisis in education.

6. I again urge upon the Congress the measures I recommended last February to protect and extend basic civil rights of citizenship and human liberty.

7. I urge also that action be taken by the Congress to relieve * * * the people who depend upon the benefits being paid under the old-age and survivors-insurance system. * * * I urge that (benefits) be increased by at least 50 percent (and) that the protection of this system * * * be extended to the millions who are not now covered.

8. The next Congress should take * * * up immediately a comprehensive health program, based on health insurance.

10. The Displaced Persons Act * * * should be promptly amended to wipe out * * * discriminations.

11. The next Congress should take * * * up immediately * * * a real long-range farm program.

12. Legislation can and should be passed at once to authorize a loan by the United States Government to the United Nations, for the construction of its headquarters buildings in New York City.

General Pershing—Soldier of Liberty

EXTENSION OF REMARKS
OF
HON. SOL BLOOM
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

Mr. BLOOM. Mr. Speaker, under leave to extend my remarks in the RECORD, I should like to insert an editorial entitled "General Pershing—Soldier of Liberty." This editorial appeared in all Hearst newspapers from coast to coast, and was written by my friend, Harry H. Schlacht.

The editorial follows:

GENERAL PERSHING—SOLDIER OF LIBERTY

(By Harry H. Schlacht)

As he died to make men holy
So he fought to make men free.

Our Nation mourns the death of Gen. John J. Pershing, our supreme commander of World War I.

To live in hearts we leave behind is not to die.

None of the beautiful eulogies, none of the tender tributes spoken or written by man, can add one leaf to his laurel wreath, one star to his crown of glory, one inch to his lofty eminence.

He was a soldier of human liberty.

The historian who is to come after us to record the events of this age will linger in reverent admiration over the career of this great American.

He was a product of our democracy.

No nobler example of the rise and progress of a humble citizen to greatness and a nation's gratitude, is anywhere presented to us than that of Gen. John J. Pershing.

The glory of his achievements is an epic. The epic of his gallantry will live in the patriotic literature of civilization.

He fulfilled our promises. He sustained our traditions. He added to the majesty of our country.

General Pershing was a great American He was a soldier's soldier. He was a symbol of American courage. He was a representative of a great race.

He was a man of whom any civilization could be justly proud.

Beyond the sea where men enjoy liberty, beyond the ages where men will live as free men, there will descend upon his memory the benediction of their heartfelt prayers.

Today his spirit mingles with those who died that this Nation might be born, with those who felt that this Nation might be saved, with those who made the supreme sacrifice, that our flag might float in the sunlight of liberty.

He is lifted aloft amidst the chanting music of the angels to the land of eternal day.

General Pershing's body will rest in Arlington Cemetery, near the grave of the Unknown Soldier who fought under him.

Kissed by the sun of the day, watched by the stars of the night, will float the Stars and Stripes in salute to him who fought for it.

May his spirit ever guide us with a truer and nobler courage, to stand as soldiers should stand, in the battle for the preservation of our liberties.

In the sublime words of Vergil, in his Aeneid, let us say: "While the rivers run into the sea, while the mountain's shadows move over the slopes, while heaven feeds the stars, ever shall thy honor, thy name, and thy praises endure."

Broadcast of George E. Reedy

EXTENSION OF REMARKS

OF

HON. FRANK B. KEEFE

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. KEEFE. Mr. Speaker, the Arrowhead radio network services a large part of Wisconsin and Minnesota. Its Washington manager and news commentator is George E. Reedy, one of the foremost newspaper and radio newsmen in the Nation's Capital. Mr. Reedy is objective, factual, honest, and fair and his comments have never been challenged as purely partisan. Recently Mr. Reedy interviewed Hon. JOSEPH MARTIN in the Speaker's office in the Capitol. This interview was recorded and forms part of a broadcast by Mr. Reedy over the Arrowhead network. I include it as part of these remarks.

Good evening, this is George Reedy, your Arrowhead network reporter in Washington—the Nation's and news Capitol of the world.

I have a little success story for you tonight, folks. It's about a guy named Joe. The son of a village blacksmith, a newsboy at 5 years of age, owner and publisher of a small-town newspaper at 24. He's 63 years old today—and a bachelor—and administers one of the most important posts in the Congress of the United States. But I'd like to start at the beginning.

About all that "little" Joe ever did, was brush the flies off the horses while his old man did the shoeing. Little Joe never actually worked at his father's trade. But he grew up to have his old man's squat build.

And in the politician business which Joe took up, he has always worked in the manner of a blacksmith—a nail here, a nail there, working most of the time close to the ground.

It was as good a method as any. The voters in his district began sending him to Congress in 1924, and they've kept it up without a break ever since. His Republican Party was beaten to a whisper by Franklin Roosevelt, but his people kept on sending Joe back.

In 1938 he took over the leadership of his defeated GOP in the House. The New Dealers foiled—and jeered—him, but Joe kept in there pitching. Hard and consistent work, plus ability to make friends, as well as to lead, had put the totally unpretentious JOE MARTIN in an office frequently described as second only to the Presidency.

Mr. MARTIN—JOSEPH W. MARTIN, JR., that is—has a host of friends. He is a friendly man. Politically he is astute, and he knows the game from the ground up. He was chosen Speaker of the House, without opposition on the Republican side, in 1947, when the Republicans took over the House.

This meant he became a principal leader, in a Congress which had to make a constructive and satisfactory record, a record on which the Republican Party could go to the people in the national election this year.

Before adjournment this summer, a remarkable record had been set up. A new labor-management law—the Taft-Hartley—had been passed over a Presidential veto. An income-tax-reduction bill had been put through, and the portal-to-portal pay bill was enacted into law, too.

Speaker MARTIN has held the Republicans well into line. Where they have needed Democratic assistance to pass some of their measures over a veto, Mr. MARTIN has been able to get it.

After the 1946 congressional elections, in which the Republicans were land-slided into control of both House and Senate, President Truman announced he would cooperate with the Republican Congress, and expressed hope it would cooperate with him.

Mr. MARTIN, speaking for the Republicans of the House, promptly said the Republicans would cooperate too. It all sounded very pleasant, and in the interest of good government. But it hasn't worked out that way.

Mr. Truman would have none of the Republican labor and tax laws; and he opposed reductions of appropriations beyond the budget he sent to Capitol Hill. The Republican Congress, for its part, turned thumbs down on the many New Deal social bills and proposals which Mr. Truman recommended be passed.

Mr. MARTIN, however, has kept his feet on the ground. He has been able to get things done on the domestic side, despite the opposition of Mr. Truman. And he has accomplished a lot, too, on the side of foreign policy, lining up Republicans for the European recovery program; for the aid to Greece, and Turkey, and Italy, when many of them were ready to balk.

JOE MARTIN is of Scotch-Irish blood, and his home—has been all his life—in North Attleboro, Mass., where he still owns and operates the Evening Chronicle. In Washington, JOE MARTIN lives at the famed Hay-Adams House, across Lafayette Park from the White House.

He never shuts off his phone at night, with the result that he is frequently awakened early in the morning by correspondents and others seeking news, or just in need of conversation. He doesn't mind. "I go right back to sleep," he says.

JOE MARTIN is casual, genial, and he wears well.

I am talking to you folks from the Speaker's office, the office of Speaker JOE MARTIN—he is "Joe" to his friends and constituents, he is "Mr. Speaker" to the correspondents in the Nation's Capitol—and they are his friends too. The Speaker's office has a high, vaulted ceiling, and elaborate crystal chandelier; thick red rug, and pictures of staring, bearded, long-dead Congressmen.

Sitting across the spacious desk from me at another microphone, is the Speaker himself—Mr. JOSEPH W. MARTIN, JR.

Mr. Speaker, I know the many thousands of listeners in the audiences of the stations of the Arrowhead Network would appreciate hearing from you, the answers to several questions I've prepared. For instance:

There is a general impression that the President called this session of Congress, to gain "political" advantage for the Democratic Party. Do you think he has succeeded?

Mr. MARTIN. No, George. I don't believe the President will make any political hay from the special session. In the first instance, the call was so obviously a political move that it has been accepted on that basis by the general public.

And, incidentally, it has been universally condemned. We do see several things beneficial to the country relative to inflation and housing—these things we will do before we adjourn.

Mr. REEDY. Well, Mr. Speaker, the Republicans, of course, already have a working majority in the House. Do you believe that that majority will be increased—or decreased—to any great extent in the coming elections?

Mr. MARTIN. Yes, George. We are going to make gains in this coming election. Some people think the gains will run as high as 20 to 25 notwithstanding the fact that we already have a substantial majority.

Mr. REEDY. Mr. Speaker, President Truman has indicated his intention of making the Taft-Hartley Labor Act a major issue in the campaign. Do you think that he will be able to pick up large blocs of labor votes on that issue?

Mr. MARTIN. No; the labor vote cannot be delivered by any group of individuals. Labor is more independent in its voting than many people believe.

Mr. REEDY. Mr. Speaker, do you think the Wallace third party will be able to show much strength in the November elections—and establish itself as a permanent political party?

Mr. MARTIN. Well, George, of course the campaign developments will determine in large measure what will be the strength of the third party. At the moment, I think it will run much larger than most people anticipate. Whether they become a permanent third party, will, in a large measure, depend not only on the vote in November—but on other developments which come within the Democratic Party.

Mr. REEDY. Mr. Speaker, assuming that Mr. Dewey is elected in November, and the Republicans maintain control of the House and Senate, what do you believe is the major task facing your party at the next session?

Mr. MARTIN. Well, George, we are going to inherit, of course, a good many difficulties, a good many problems very serious in nature both at home and abroad. I think that the first thing we have got to do, is put the country on a sound, solid basis both at home and abroad. We must have economic policies that will keep America financially strong; true American ideals so that we can bring more prosperity and happiness to the people of America, and that we may—through that healthy condition—be able to do our full part toward the people in other countries of the world.

America has got tremendous responsibilities ahead, and we have got to be strong and solvent in order to accomplish what we should do for the world. Wisely led, America, in my judgment, can look forward to years of greater happiness and a more glorious future than this country has ever had.

Mr. REEDY. Mr. Speaker, to switch to the international field. Do you think there are any prospects of this country coming to some sort of an understanding with Russia—at

least some kind of an understanding that will maintain peace for a long time to come?

Mr. MARTIN. That, of course, George, is a difficult question to answer. But I say we must devote every effort to reach an understanding. Another war would be disastrous to everybody—America, and everybody in the world. It must be avoided if humanly possible. The best statesmanship of America must be directed to that end.

Mr. REEDY. The press, Mr. Speaker, has recently been filled with statements by public officials that this country is headed for a major bust. In other words, a depression. Do you think that is a real danger? And if so, what do you think we should do about it?

Mr. MARTIN. Yes, George. Of course there is a real danger. After many years of great prosperity a bust is always generally anticipated, but it need not come. Wise, fair, and honest economic policies can prevent a major crash, and that is, too, one of our greatest tasks in the next administration.

Mr. REEDY. There are two things that just occurred to me, Mr. Speaker. One of them was with reference to the current exposé or spy investigations being conducted by two congressional committees on Capitol Hill. I wonder if you would care to comment on that?

Mr. MARTIN. Yes, George. I don't mind commenting on that at all. You, yourself, can well remember that for the last 10 or 12 years, I have seen this danger. I have pointed it out frequently in many of my talks and tried to arouse the American people to these dangers.

As a matter of fact, in those days, many of the commentators and columnists and many of the newspapers that are now decrying the situation, brushed us off and thought we were seeing things.

Now, obviously, it is a real danger and a real menace to the country. People have got to awaken to the fact that their liberty can be threatened by this menace here in America. We are not so much afraid of them coming from abroad, but we are afraid of those boring from within the United States in leading Government positions where they can influence our positions both in the economic field at home, and our foreign relations.

These hearings have been very illuminating, and indicate the American people have got to wake up to the fact that they have got to clean these Reds and fellow-travelers out of the Government and make this country a real American country.

Mr. REEDY. Thank you very much, Mr. Speaker. And now, folks, until this very same time next week, this is George Reedy, your Arrowhead network reporter in the Nation's and the news Capital of the world, saying good night from Washington.

Still Time To Act on Margarine

EXTENSION OF REMARKS

OF

HON. AIME J. FORAND

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. FORAND. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Washington Daily News of August 5, 1948:

STILL TIME TO ACT ON MARGARINE

The Republican leadership in Congress has decided to hurry action on a limited bill to restrict credit and on a modified housing program, and try to adjourn this week-end or early next week.

This is just a reminder that the margarine-tax repeal bill is on the calendar of the Senate and can be called up at any time. This was a session called for the purpose of trying to combat the high cost of living. Everybody wants something done about that. Here, then, the Senate has within its grasp the power to relieve 40,000,000 households from the burden of paying discriminatory and excessive taxes on a wholesome and much-needed substitute for high-priced butter.

There's still time for the Senators to quit paying lip service to a worthy measure and act on it.

Truman and Barkley Both Voted Against Abolishing the Poll Tax

EXTENSION OF REMARKS

OF

HON. ALBERT L. REEVES, JR.

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. REEVES. Mr. Speaker, it came as a surprise to read that both Mr. Truman and Senator BARKLEY voted to retain the poll tax, and not abolish it, on the only occasion on which the subject was considered by the Senate. John O'Donnell tells the story in his column in the Washington Times-Herald for August 6, 1948. As a part of my remarks I include a portion of his article as follows:

CAPITOL STUFF

(By John O'Donnell)

Some of our solicitous and helpful readers are writing in to suggest that this Washington weather must be getting us down, that we're becoming a sourpuss, a bilious old meanie and reveal a surly temper when we look with a sour eye on Harry Truman's current breast beating for civil rights and abolition of the poll tax.

Well, we'll break down and admit the worst. We think Truman's so-called civil-rights program is strictly political, that he's beating the drums for it now merely to lure the radical fringe of the New Deal away from Wallace and back into the Roosevelt-Truman fold and that under his hide Harry Truman of Missouri feels the same today on these issues as he did when he was in the Senate.

And on this point we suggest that political minds be improved by getting down the back volumes of the CONGRESSIONAL RECORD and rereading the proceedings in the Senate on the hot afternoon of August 25, 1942.

We had millions of men in uniform at that time and the big question was in providing methods by which the service men and women could vote in the coming general elections in November.

That afternoon Republican Senator C. WAYLAND BROOKS, of Illinois, called up his amendment to the soldiers' vote bill.

The Brooks amendment read:

"No person in military service in time of war shall be required as a condition of voting in any election for President, Vice President, elector for President or Vice President, or for Senators or Members of the House of Representatives to pay any poll tax or other tax or make any other payment to any State or political subdivision thereof."

The Brooks amendment passed, 33 to 20.

But how do you think the then Senator from Missouri voted? A lusty, booming "No."

And how do you think his present running mate of the Democratic Presidential ticket, the Honorable "Dear ALBEN" BARKLEY, of Kentucky, voted? A rich, sonorous "Nay."

The liberal Democrats that afternoon went along with a solid Republican front to put the anti-poll-tax measure across. Democrats such as Senator (now United States Judge) Bone, of Washington; the late David I. Walsh, of Massachusetts; McCarran, of Nevada; Jim Mead, of New York; Bob Reynolds, of North Carolina, joined up with GOP Senators Taft, Bridges, Brooks, Lodge, Vandenberg, Wiley, and the rest to kill the poll-tax restrictions on soldier voting.

But not Truman and BARKLEY. They stuck with Georgia's DICK RUSSELL (the Dixiecrat favorite at the Philadelphia convention) and the rest of the poll-tax supporters—TOM CONNALLY, of Texas; MCKELLAR, of Tennessee; ANDREWS, of Florida; GEORGE, of Georgia, and the others.

Now this flip-flop by Truman on the poll-tax issue doesn't mean that High Tax Harry, the Democratic Presidential candidate of 1948, has changed his fundamental view since the days when he was Harry the Pendergast boy from Missouri up in the United States Senate. It means that Harry, the politician, has got a bad case of the jitters, is dismayed (as well he should be) at the utter collapse and confusion of his administration and can't even remember today his stand on important issues only a few years back.

Civil-Rights Issue

EXTENSION OF REMARKS

OF

HON. THOMAS G. ABERNETHY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. ABERNETHY. Mr. Speaker, under leave to extend my remarks in the Appendix of the RECORD, I would like to include a statement on the civil-rights issue by George E. Sokolsky which appeared in the New York Sun. Incidentally, Mr. Speaker, this article was called to my attention by one of my most valuable constituents, Mr. J. T. Rone, of Ethel, Miss. I commend the same to the serious consideration of those who advocate the so-called civil-rights bill.

The statement of Mr. Sokolsky, as it appeared in the New York Sun, is as follows:

CIVIL-RIGHTS CRY SCORED AS PHONY

(By George E. Sokolsky)

By what is euphemistically called civil rights in this campaign is meant the Negro question. And let us call it that from here on. Since the Civil War the Negro question has been a major American problem inadequately discussed and considered except by southerners who had to live with it and in recent years by the Communists and their fellow-travelers and competing liberals who hope to garner votes out of it.

Under our Constitution and within the sanctions of moral law, the legal equality of Negroes and whites cannot be questioned. Historically and traditionally the question is not so simple either in the North or South. Those northern Democrats who make such a terrific to-do about racial discrimination in the South will not live in Negro areas in their cities; they do not entertain Negroes in their homes; they do not hire Negro secretaries or clerks, except political ones which is a part of the vote-getting technique; they do not encourage association between their children and Negro children.

In a word, none of them practice in their private lives what they preach for others.

It is a simple matter for a resident of Minnesota or Wisconsin to grow powerfully indignant about a problem that does not face him but that does face a citizen of Alabama or Mississippi. Minnesota's Negro population, according to the 1940 census, was 9,928; Wisconsin's, 12,158; Alabama's, 983,290; Mississippi's, 1,074,578.

If the Civil War had not ended in the reconstruction era, during which Thaddeus Stevens created an unassimilable minority for political advantage, we should perhaps today not be facing this problem as the principal campaign issue of 1948. Perhaps, had Abraham Lincoln not been assassinated, the emancipated Negro slave would have been brought into American life without malice, with charity for all.

But that did not happen. Instead, the northern carpetbagger and his Negro associates left in the South a heritage of bitterness which has continued to the present time. Franklin D. Roosevelt tried to solve this problem by exporting Negroes from the South to the North, placing them on relief rolls, and forcing them into industrial enterprises on a quota basis. Thus, in many northern and western areas the Negro population increased startlingly.

The northerners met the problem by segregating Negroes into ghettoes. Make no mistake about that: In the North the Negro is as segregated as in the South. Harlem is a Negro ghetto; the Bedford district of Brooklyn is a Negro ghetto; the South Side of Chicago is a Negro ghetto. The technique employed in New York is for the whites to clear out as soon as the Negro moves in. If you want to see that process at work, you can study it, if you are so inclined, in the east Bronx of New York.

I am not justifying these conditions either on moral or legal grounds; I am only describing conditions as they exist, and I am protesting against lies and liars. The politicians who are shrieking civil rights are seeking Negro votes in the northern cities. They are appealing to prejudice and indignation and they are fanning the flames of race antagonisms not because they want to improve the condition of the Negro in Mississippi but because they want the votes of the Negro in Harlem and south Chicago.

The anxiety of the northern Democrats to be recorded as voting for the civil-rights plank of the Democratic platform, after a voice vote had passed it, their insistence upon Senator BARKLEY'S announcement of how they voted was for the consumption of the northern Negro voter. They fear that if they do not get that vote, Wallace, who represents Soviet racial concepts, will.

Were that the entire story, it would be little more than an appeal for the Irish, the Jewish, or the Italian vote. But this Negro question is pitched on a high emotional level and can result in riots and death. It requires thoughtful and considerate handling. It requires sympathy and understanding. It comes upon us acutely when we dare not have internal disturbances. Those who have gambled upon it may also have gambled upon the domestic peace of the United States.

The Consumer's Pocketbook

EXTENSION OF REMARKS

OF

HON. GEORGE P. MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. MILLER of California. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following radio address by Hugh B. Mitchell, of Bremerton, Wash., on July 29, 1948:

It's good to be here in Bremerton. It's good to be home in Puget Sound country. I say that with feeling, for I have just recently returned from Philadelphia and the Democratic National Convention, and the heat and humidity of a climate that doesn't compare with ours.

At the Democratic National Convention we adopted a platform with specific recommendations for action.

It was my privilege to serve with Senator Myers, of Pennsylvania; Senator Green, of Rhode Island; Senator Lucas, of Illinois; Mayor Humphrey, of Minneapolis; and other national leaders who were fellow members of the preliminary platform drafting committee. As we worked on platform wording all day, and often all night, we were conscious of a responsibility to the American people. We believed we were not merely compiling words, but drafting a program of action.

The Republicans have a platform, too—now being tested in the special session of Congress.

The American people in 1948 have the chance to see how the political platform system works. They will be able to rebuke the political party which makes empty promises.

That is why the eyes and ears of the Nation are turned toward the special session of Congress.

President Truman has made a reasoned and forthright demand for legislative action—action to deal with the most urgent problems before the Nation.

I believe the great majority of citizens here and elsewhere throughout the country endorse the President's stand. His was an act of the highest courage and statesmanship.

Of course there are cries of "politics." But no cry of "politics" can dispel the hard fact that these problems are here—that they must be dealt with promptly. To linger and delay is to court economic hardship and disaster.

The President placed inflation control first on the list of legislative tasks to be done. Specific measures to curb high living costs are first in the order of urgency. The American people today are caught in a terrific high-price squeeze. This price squeeze threatens to become tighter and tighter until it may choke the whole economy.

The facts and figures tell a dreary, discouraging tale. The consumers' price index of the Department of Labor has climbed 72 percent above the 1935–39 average. Since price control was discarded in 1946, prices for consumer goods have risen almost 30 percent.

These figures are conservative. Taken as a national average, they do not reflect local differences. In the Seattle-Bremerton area the cost of living shows up substantially higher than for the Nation at large. And food costs, a major item in the family budget, run far ahead of the price average for all consumer items.

Nor do statistics tell the actual story of the day-to-day problem of the average family—the alarming drain on family resources, the extra work to make ends meet, the lagging wages of the family breadwinner in the face of rising household costs. The pitifully small wage increases for Government workers, for example, do not even begin to meet the high-price demands on family living. The pay raises granted by Congress to Federal workers are only token increases but the families of these Federal workers cannot live on tokens.

The Republican-controlled Eightieth Congress, shamed by the results of its earlier indiscretion in letting prices run wild, has clamped down on the statistical services of the Department of Labor—services which constitute a barometer of our economic condition. The Congress apparently hopes to conceal from the American people the economic facts of life. Funds for the important services of the Department of Labor have been cut to the bone, and the Department has been ripped to pieces.

Smashing the price barometer does not change the economic weather. Every housewife, every wage earner, every salaried worker, knows what the Republicans in Congress would like the Nation to forget—that prices are moving steadily up and up toward the danger zone. The cost of living is the highest in history, and there is no relief in sight unless the Congress acts and acts promptly.

High prices have flattened the pocketbooks of American consumers. High prices have cut the pay envelopes of wage earners and eaten up family savings. Many household essentials are now bought on credit. The startling increase in consumer credit means that as high prices cut into the family pocketbook, the wages of tomorrow must be pledged to buy the necessities of today.

The responsibility for action lies with the present Republican Congress. It has an opportunity to act in the special session called by the President. The Congress may refuse to act but it cannot dodge the responsibility for inaction. If it does not act, it must face the consequences. This Republican Congress will have to answer to the American people in November.

Judging from the responses to date, the Republican leadership will not heed the President's recommendations. Republican leaders whine and wail that the President plays politics. They simply cannot grasp the size of the problem and the magnitude of the danger confronting the Nation.

Some of these Republicans want to adjourn the session at once. Others say they will consider the Executive request for legislative action.

Consideration is not enough. Consideration without action is useless. The Eightieth Congress has had 2 years to consider the problems of inflation. The studies have been made. Needed only is the will to act—to act promptly—to act for the welfare of the whole Nation.

The stark ugly truth reflected in the antics of the Republican leadership is this: Rather than establish the minimum and necessary inflation controls proposed by the President, the Republicans prefer to take a desperate gamble with economic depression.

The Republicans have been gambling for the past two years. But now time is running out for the American people. We can gamble no more.

When the Republicans took control of the Congress in 1946, they knew that if price controls could be junked overnight, prices would shoot up and billions would be transferred at one stroke from the pockets of American consumers to the pockets of those for whom the Republican Party was working.

Of course this terrific inflationary gamble threatened to bring economic ruin in its wake. But why expect the Republican majority to put human need before dollars?

Before the American people had time to turn around from the toil and struggle of war, and readjust their ways of living to peace, their modest savings were eaten up and their wages were cut in half because prices were allowed to run riot. By discarding price control the Republican Party started a wild scramble to cash in on the need and hunger for peacetime goods before production could be reorganized to meet the pilled-up demand.

Time and again as a member of the Banking and Currency Committee of the United States Senate I tried to reason with the opponents of price control. They said blandly that the end of controls would bring a splurge of goods, and prices would soon settle down through the normal processes of competition.

Today we have the goods, the shelves are full, but prices have not settled down. Prices are high and going higher. This

means that less and less goods will move from the store shelves into the home, and the pipe lines of industry will be clogged all the way back to the producer. The end result of growing inflation is economic disaster.

American consumers and wage earners carry more than the burden of high prices thrust onto them by the Republicans.

They carry the burden of the Taft-Hartley Act which was framed by the Republican Party and its big-business advisers to harass and hinder unions, to weaken the bargaining power of organized labor.

They carry the burden of higher rents and slums and overcrowded housing because the majority in Congress heeded the persuasions of the real-estate lobby and refused to budge on housing legislation.

They carry the burdens of power shortages and loss of new farms and industries because the majority in Congress heeded the persuasions of the private power lobby and put all manner of obstacles in the path of western development.

They carry the burdens of unfair tax laws which favor the well-to-do and give no real relief to the tax bill of the average family.

On the subject of taxation, let me say that the Republican Party drove down the tax rates for the wealthy to achieve a deliberate and coldblooded aim—added campaign contributions. A fund-raising pamphlet issued by the Republican National Committee bluntly states:

"Don't count on winning this year by throwing peanuts to the elephant. The Republican Congress did more than provide a few peanuts for the harassed taxpayer. Many of our friends feel that, entirely apart from other considerations, the least they can do is to contribute a substantial part of their tax savings for this year."

As our esteemed Senator BARKLEY commented, this was "a bill for services rendered." These were services rendered by the Republican Party for its wealthy friends. The people at large got from the Republican Party only a bill of pains and penalties.

The American people deserve a better destiny than the Republicans hold in store for them. After the sacrifice and suffering of war our people are entitled to a decent share of the fruits of peace. We should be able to look ahead with confidence and work toward a prosperous and happy future for ourselves and our children.

The limited inflation controls sought by the President and the Democratic Party are necessary today only because the Republican Party failed to permit an orderly adjustment of prices in the transition from war to peace. The Republican Party refused to see that the end of battle did not spell the end of all problems. It refused to see that we could not produce for peace overnight any more than we could prepare for war overnight.

But the Republican Party let prices go suddenly free and now we face the difficult and unpleasant task of rectifying their errors and making up for their failures. If you want a hard job, just try to make up for Republican Party failures.

In the light of the past record, it looks like the Republican congressional leaders will sit on their hands and do nothing about inflation and the high cost of living. Their only activity will be to hurl the old complaints they made in fighting price control 2 years ago. They will try to shift the blame to President Truman for their own ill-advised handiwork.

The American people know now what the issues are and where the responsibility lies. Time is running out, as I have said, while the fires of inflation burn more strongly than ever. Republican refusal to act in the special session leaves us only the records of the ballot box in November.

Then, the American people will have something very definite to say about their own future. They will give a mandate that will not be misinterpreted and betrayed, as the Republican Party has done with the mandate of 1946. For this time the voters of America will place their mandate in the trust of those upon whom they can rely to carry it out. They will return a Democratic President and elect a Democratic majority in Congress.

A "Yes" or "No" Answer Was Called for Here

EXTENSION OF REMARKS
OF
HON. JAMES C. DAVIS
OF GEORGIA
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

Mr. DAVIS of Georgia. Mr. Speaker, Elizabeth T. Bentley, a self-confessed former member of the Communist Party and former Soviet spy, in her testimony before a congressional committee last week referred to one Mary Watkins Price, now of Greensboro, N. C., as one of those implicated by the amazing and startling testimony of Miss Bentley.

A Greensboro newspaper, the Greensboro Record, undertook to find out if this Miss Price is a member of the Communist Party. Their representative was unable to get this information, according to the Greensboro Record. The Atlanta Journal published an editorial in a recent issue carrying some very pertinent remarks concerning Miss Price's evasion of the two simple questions: "Are you a Communist?" and "Have you ever been a Communist?" Under leave previously granted, I insert this editorial from the Atlanta Journal herewith.

A "YES" OR "NO" ANSWER WAS CALLED FOR HERE

A "yes" or "no" answer is becoming increasingly difficult for some people to give, these days. Latest among those unable to answer simple questions with a straightforward monosyllabic answer is Miss Mary Watkins Price, chairman of the Progressive (Henry Wallace) Party in North Carolina, who was implicated last week in Communist espionage activities by Elizabeth T. Bentley, a self-confessed former Soviet spy.

Miss Bentley charged that Miss Price, while the latter was serving as confidential secretary to Columnist Walter Lippman, took information from Mr. Lippmann's private files and turned it over to Communist leaders in this country. Miss Price, from her home in Greensboro, N. C., first shunted aside the charge by describing it as "the most fantastic thing I've ever heard." Later in a formal statement she contended that Miss Bentley's charge was "an obvious effort to discredit the great new Progressive Party," and added gratuitously that big business had long controlled the state and its political life and that it would "apparently go to any lengths to try to maintain that control."

The Greensboro Record then asked Miss Price two simple questions and requested a "yes" or "no" answer. The questions: "Are you a Communist?" and "Have you ever been a Communist? A "yes" or "no" answer to those questions should require no great degree of intelligence. But here is Miss Price's answer: "Let's not get into all that. I have contacted my lawyer. He will say anything further that needs to be said."

We have no knowledge of whether Miss Bentley's story is true in its entirety, partly true, or a fabric of the whole cloth. But we do know that Miss Price had an opportunity to state frankly and promptly whether or not she was a Communist and that she did not so state. She further had an opportunity to deny Miss Bentley's charges but chose instead merely to brush them aside as "fantastic" while, at the same time, taking a verbal swing at "big business" which, apparently, she wants to charge with discrediting the Progressive Party.

It is not big business that discredits the Progressive Party; it is the Progressive Party's intimates—the Communists—who are performing that favor with no need of assistance. Miss Price may be no more a Communist, or a former Communist, than Henry Wallace, but, like Henry, she is letting the Communists use her, wittingly or unwittingly. And, in the last analysis, if it can achieve that result, the Communist Party probably doesn't care whether her name is on the party rolls or not.

Communist Taint Will Hurt the Progressive Party Chances

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

Mr. MULTER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include an article by Ernest Lindley that appeared in the Brooklyn (N. Y.) Eagle of August 5, 1948:

NEWS BEHIND THE NEWS—COMMUNIST TAINT WILL HURT PROGRESSIVE PARTY CHANCES

(By Ernest Lindley)

As was expected, the Communist Party of the United States has formally endorsed the Wallace-Taylor ticket. Two or three months ago there were rumors in left-wing circles that the Communists might throw Wallace overboard. If these had any real basis, it might have been in passing doubt among the Communists about their ability to dominate completely the third party.

The general Communist trend in recent months has been away from united or "people's" front tactics. In eastern Europe the political leaders of other parties who joined with the Communists after the war have gradually been liquidated. And the Comintern is on the warpath against outright Communists of long standing if they betray nationalistic tendencies not to accept the full dictation of Moscow.

It is quite probable that if the American Communists had not been able to shape the Wallace movement to their satisfaction they would have withdrawn from it. Their grip on it was clearly demonstrated, however, at the third-party convention in Philadelphia. The efforts of a few unconsoled delegates to indicate that the Soviet Union's behavior since the war was not above criticism were speedily crushed. A set of rules was put through which materially help the Communists in maintaining the control of the third party in the future.

It is hard to believe that the Wallace movement contains anyone so blind as not to recognize Communist domination of the third party convention and machinery as a fact. Undoubtedly it does contain some who regard this as a passing phase, who were willing to accept the aid of the Communists in launching the third party this year in the belief or hope that by 1952 non-Communists can control it.

Nevertheless, the Progressive Party carries the now obvious and unmistakable Communist taint. It moves into the campaign with a foreign policy plank which might have been written by Molotov. These will drive back to the major parties many citizens who might otherwise be inclined to cast protest votes.

For additional reasons, it is unlikely that the Wallace-Taylor ticket will get as much of the vote of two minority groups as was deemed probable only a short time ago. The strong stand on civil rights taken by both major parties in their platforms, and by President Truman and Governor Dewey individually, will tend to hold the Negro vote. The stronger stand with respect to Palestine taken by the administration and advocated generally by Governor Dewey will tend to hold the Zionist vote away from the third party.

The latest Gallup poll gives Wallace 5 percent of the total popular vote. This would be between 2,500,000 and 3,000,000 votes. In the light of the factors listed above, Wallace's anticipated vote is more likely to shrink than to grow between now and election time.

Excess Profits

EXTENSION OF REMARKS
OF
HON. ELLSWORTH B. BUCK
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. BUCK. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Washington Post of August 7, 1948:

EXCESS PROFITS

Although there is not the slightest chance that Congress will pass the administration's excess-profits-tax bill, its introducion focuses attention on the question of the effectiveness of this kind of tax as a means of curing inflation. The Washington Post believes that the arguments for prompt repeal of the wartime excess-profits tax are as valid today as they were in 1945 when the Secretary of the Treasury, who was then Fred M. Vinson, declared that it was too erratic a tax engine to turn loose for even one full year of the postwar period.

It was true then and it is true today that a tax of this nature discourages new investment and thus retards industrial expansion. During the war, with efforts concentrated on production for war, the inhibiting effect of the excess-profits tax was welcomed as a means of holding down production of goods not essential to the war effort. After the war ended, the necessity of speeding up reconversion called for removal of a tax of this kind. And that removal has contributed importantly to the present high state of industrial activity.

The Washington Post recently pointed out that reimposition of excess-profits taxes might—indeed, almost certainly would—result in a reversion to the wartime practice of distributing a greater share of earnings in the form of salaries and other emoluments to officers and workers. Resistance to demands for further wage increases would be weakened, incentives to increase productive efficiency, stimulated by hope of profits, would be impaired, and the end result might well be higher rather than lower prices for a reduced volume of goods.

If there were convincing evidence that current profits point to unscrupulous profiteering, reimposition of excess profits taxes would be justified, despite the dangerous potentialities of such a method of control. But there is no such evidence; on the contrary, the Department of Commerce states that after allowance for inventory-valuation adjustments 1947 corporate profits before taxes represented about the same proportion of total income originating in corporate business as they did in 1929 and were below the comparable wartime peak. Moreover, profits after taxes either before or after inventory-valuation adjustment represented a lower percentage of income originating in corporate business in 1947 than in 1929. For the present year to date, profit levels are slightly above the average of 1947 but below the level of the last quarter of 1947. It is also worth noting that profits after Federal taxes per dollar of sales were lower in the first quarter of 1948 than they were in 1947 in case of all but very large corporations that presumably benefit from the economies of large-scale production.

The next Congress might well undertake an analysis of the profits statements of large corporations whose price policies set the standards for competitors and whose prices are to some extent subject to managerial control. But this is not the time for launching such an inquiry, which, incidentally, should percede (not follow) comprehensive adjustments of the corporation tax system that are unquestionably needed. Even Marriner Eccles, who was one of the few public men to oppose abolition of excess profits taxation when the administration proposed it in 1945, objects to reimposition of the tax at the present time. He concludes that it is too difficult an undertaking during a short congressional session. Moreover, he favors a general revision of the tax structure instead of piecemeal changes.

It must also be kept in mind that a large proportion of profits from corporate enterprise has been used to build up inventories and to finance improvements and extensions. As the report of the Council of Economic Advisers states: "It is significant that the major source of corporate funds has continued to be those sums retained from current receipts as offsets to depreciation and depletion charges and as undistributed earnings. Indications are that this source will be even more important in 1948 as a whole than during last year." In other words, the funds required to keep our industries operating at high and increasing capacity are being provided to a large extent from company profits. If any considerable proportion of those funds were to be taken over by the Treasury, many concerns would be severely handicapped and the public would suffer accordingly from the resultant decrease of production.

The proposed excess-profits-tax measure to be sure, recognizes the danger. For it proposes to charge off the cost of emergency facilities through tax reductions within a 5-year period, but only after a special committee appointed by the President had approved the undertaking.

The Facts About Inflation

EXTENSION OF REMARKS
OF
HON. FRANK B. KEEFE
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. KEEFE. Mr. Speaker, the people of the congressional district which I have the honor to represent are gravely concerned about high prices. They are disturbed by the dwindling purchasing power of their dollars and perplexed about the causes of this situation. They are rightfully demanding that something be done about it.

It is not difficult to understand why they are bewildered. One needs only to read the newspapers or listen to the radio commentators to get a dozen conflicting answers to the question of what caused high prices and what should be done to lower them.

Certainly, the President contributed nothing to clarify this complex picture when, at Philadelphia, he attempted to make the Republican Congress the whipping boy for the current economic ills of the Nation.

The President has had ample opportunity to inform the American people as to the real causes of inflation.

If he wanted to be honest about it, he would have explained that we are now paying for the economic policies the New Deal employed as a cure for the depression of the 1930's.

He would have told the people truthfully and frankly that there is no honorable way to escape payment for the most costly war in all history.

He would have said we cannot feed the people of the world without paying the price for this generosity.

He would have said that we must pay, and pay dearly, for having lost the peace at Tehran, Yalta, and Potsdam.

He would have said that payment must be made in the form of high taxes to keep the hordes of New Deal bureaucrats on the public pay rolls.

He would have admitted that his own actions back in 1945 broke the price-control dam and released the flood of inflation that now threatens to engulf the Nation.

Instead he has misused the high office of the Presidency in a desperate effort to bolster his sinking political fortunes. He has endeavored to mislead and confuse the people by falsely blaming Congress for high prices. He has attempted to make the people believe that the Republicans killed price control.

Just for the record, let us examine the facts.

In his Executive order of October 30, 1945, the President predicted vast unemployment would follow cessation of the war effort and asserted that it was imperative that employers grant immediate wage increases to maintain wartime take-home pay and thereby sustain purchasing power. To accomplish this he ordered the War Labor Board to immediately approve wage increases generally throughout industry and instructed the Office of Price Administration to give prompt consideration to all applications for price increases that would be necessitated by reason of these wage increases.

The impact of this order upon the price and ration-control program was, of course, disastrous. The program was in bad shape when the Congress was asked in June of 1946 to extend the Price Control Act for another year. The Congress responded on June 28 with H. R. 6042, a measure designed to decontrol prices gradually and cushion the shock of the transition period.

June 29, 1946, the President vetoed H. R. 6042 and the then Democratic-controlled Congress sustained the veto.

The President's rash action threw the Nation suddenly into a period of uncontrolled prices at a time when this was bound to have ill effects.

Belatedly, the Democratic Congress produced a second OPA bill on July 24 which the President signed July 25, extending price control to June 30, 1947.

The President has tried to spread the impression to the country that the Republicans scuttled OPA by giving him an unsatisfactory price-control bill. The facts are that he himself torpedoed the program with his wage increase order in 1945 and got the final OPA bill, which he says was a bad bill, from the Democratic-controlled Seventy-ninth Congress, not the Republican Eightieth Congress.

Without wage stabilization the price control and rationing program simply went from bad to worse, and just before the 1946 fall elections the President addressed the Nation by radio announcing the immediate decontrol of meat and ordering the lifting of all controls at an accelerated pace.

It was the President, who on November 9, 1946, personally ended price control on everything but sugar, rice and rent.

In his statement directing abandonment of controls, he said:

I am convinced that the time has come when these controls can serve no useful purpose. I am, indeed, convinced that their further continuance would do the Nation's economy more harm than good.

He also stated:

The law of supply and demand, operating in the market place, will from now on, serve the people better than would continued regulation of prices by the Government.

Candidate Truman apparently forgot that statement when in his address to the special session of Congress, July 27, 1948, he said:

There are still some people who repeat the old argument which was used by those who killed price control 2 years ago. They said that if we would only take controls off production would increase, prices would go down, and there would be more for everybody at a lower cost.

He said further:

The record shows unmistakably that this argument was false.

Well, let us look at the record and see if we can ascertain where the President was mistaken when he himself used this argument in November of 1946.

To do this we must turn back to the New Deal year of 1934, when the Brain Trust recklessly tried to repeal the economic law of supply and demand and came up with the fantastic theory of economy of scarcity. You will remember when little pigs were slaughtered, crops were plowed under, and drastic restrictions were placed upon acreage which could be planted in corn and wheat. The object was to force prices up. To further this upward pressure the Democratic administration diluted the money supply by reducing the gold content of the dollar and by artificially pumping billions of dollars into our available supply of currency.

Currency in circulation amounted to $5,500,000,000 in 1933, $7,600,000,000 in 1939—before we became involved in war—and has increased to around $27,000,000,000 today. For the same period bank deposits and currency outside of banks increased from $42,500,000,000 in 1933 and $64,000,000,000 in 1939 to $166,000,000,000 in 1947.

The administration did this by deficit spending—spending billions of dollars more than it received in revenue. The additional money was raised by selling bonds, which, in turn, became the basis of additional currency and additional bank credits. Thus, the Democratic administration produced high prices by two methods—cutting down production and increasing the supply of dollars. When we became involved in the war we were compelled to borrow hundreds of billions of dollars more to finance our military operations all over the world. The war expenditures were, of course, necessary. More than 352 billions were poured out from 1941 to 1945 for war materials alone.

The American Federation of Labor in its monthly survey for January 1948 points out how this vast increase of money supply affects our economy. Let me quote:

The root cause of today's continuing price rise is the inflation of money. Money supply in the United States of America was enormously expanded to finance the war; but even after the war it has gone on increasing at a rate out of all proportion to production of goods. This is the main reason why prices keep rising now, 2 years after VJ-day. From 1939 to 1941, the supply of money and the supply of goods (production) were increasing at about the same rate. This balance between money and goods is essential to keep prices stable; in these prewar years prices changed relatively little. But in wartime, the banks created huge new supplies of money to finance war production, and the munitions made with this money were blown up on battlefields. So today the total supply of money is three times that of 1939 (up 200 percent), while the supply of goods to be bought with the money is only 71 percent higher.

When there is an oversupply of money in relation to goods, it takes more money (that is, a higher price) to buy the same amount of goods. The economic laws of supply and demand operate for money just as they do for anything else. The way this works out in industry is easy to understand; if a man has twice as much money to spend for something he wants badly, the person who sells it can get a higher price—and does. After reconversion from war work, businessmen wanted scarce raw materials badly—cotton, metals, lumber, wheat, etc., to keep their plants in operation. Hundreds of firms were trying to buy them. Banks had plenty of money to lend at low interest rates. Business borrowed. Bank loans to business rose 70 percent in the 17 months ending November 1947; total private credit rose faster than at any time since 1920. With this easy money plus their own funds from war profits, businesses bid higher and higher prices for scarce materials; each trying to get enough for capacity operation. Prices went up and up. Soaring cotton prices raised the price of cloth and clothing; high-cost metals meant high-priced autos, washing machines, metal products; high lumber meant high cost homes. High wheat raised the price of bread, etc. Workers and other consumers had to pay 28 percent more for living expenses; they could not make ends meet. Unions demanded enough wage increases to meet the price rise. Companies used wage demands as an excuse for larger price increases. More money in consumers' pockets made it easy for business to sell goods at higher prices to the final consumer. The world food shortage and the foreign-relief program increased the demand for scarce goods. All these factors contributed to the upward price spiral. Its root cause was inflated money supply resulting from wartime fiscal policies.

The upward pressure of the huge money supply has been so great that prices were breaking through ceilings and black markets were appearing long before OPA expired. This was to be expected. Price control cannot dam an ever-growing flood of money inflation. This has been proved again and again, in country after country. We must attack the root cause of inflation, the excess money supply.

The President has access to these facts and knows the real cause of high prices. He also knows that since the end of the war he has asked the Congress to appropriate billions of dollars for foreign aid. He knows that this foreign aid program is contributing to the inflationary pressures here at home.

He is also well aware of the fact that the Government policy of supporting farm prices is helping to keep food costs at the high level they have reached since the end of the war.

His Secretary of Agriculture, Mr. Brannan, told the Senate Banking Committee on August 4 of this year that the Government paid out $170,169,000 during the 1943–47 crop years to keep potato prices high. Mr. Brannan said the Government is now losing $4,000,000 a week to keep surplus potatoes off the market, thus continuing the New Deal theory of the economy of scarcity and high prices.

The President knows this program is an important factor in today's high food price level.

At Philadelphia, during the Democratic convention, he boasted that the Democrats were responsible for high farm prices. He also claimed credit for high wages and then tries to blame Republicans for high prices, which must inevitably result from high wages and high farm prices.

Candidate Truman could also explain from personal knowledge of the facts why it is necessary for America to rearm today at a cost to the taxpayers of $20,000,000,000 a year. His party gave away victory at Tehran and Yalta for which this Nation had paid such a terrible price in human life and wealth. He was personally in charge at Potsdam, appeasing good old Joe.

At a staggering cost, our soldiers and war workers won the shooting war, but the Democratic administration, through secret diplomacy, lost the peace. Today, Russia, truculent and imperialistic, threatens the peace of the world. How much more this Democratic blundering will cost us only the future can tell.

In all his attempts to shift the blame for inflation, Mr. Truman has said nothing about one of the most important steps that the Federal Government could take to curb inflation, and that is reduce the excessively high cost of Government. Upon taking control of the Congress in 1947, the Republicans put forth every effort to carry out the mandate of the people to trim Government costs. In this effort the Congress was blocked and

thwarted at every turn by a hostile President and a carping and sniping Democratic minority in the House and Senate. In spite of all the obstacles, the Republican majority succeeded during the last 2 years in balancing the budget, trimmed at least $5,000,000,000 from President's budget requests, reduced the public debt, and made a start on the necessary task of reducing costly bureaucracy in Washington.

I think the facts show conclusively that the Democratic Party and President Truman must accept a large share of the responsibility for the inflation we are experiencing today. However, the suffering that the people of the Nation are experiencing as a result cannot be restricted and is being shared by all of us. It will require the cooperation of everyone, Republicans and Democrats alike, if we are to save this Nation from the economic collapse for which Joe Stalin is said to be waiting.

Instead of trying to put the blame for the Nation's troubles exclusively upon the Republicans it would be of greater benefit to the people if the President and his party would acknowledge some mistakes were made and join forces to solve our problems in a statesmanlike way.

I am frank to acknowledge that I do not know of any magic cure-all for this complex situation. I do think that we should move as promptly as possible to revitalize our currency; as a nation we should live within our income; we should do all in our power to increase the production of useful goods; we should do everything we can to help foreign countries but be realistic enough to give thought to the welfare of America and Americans as well.

Price Increases and Wage Increases in the Steel Industry

EXTENSION OF REMARKS
OF

HON. FRANK BUCHANAN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. BUCHANAN. Mr. Speaker, within recent weeks, several important American periodicals, many Republican politicians, and practically every company raising prices have asserted that the increases were made necessary by union demands for higher wages, and that, save for this pressure by organized workers, there would be very little of the inflation now raging across our land.

There is no necessity for me to defend the policies or practices of the labor movement; it is fully capable of presenting its own case. Nor do I wish simply to turn the finger in the other direction and accuse management of full responsibility for our economic ills. I am concerned with the more practical aspect of the problem. We were called back into this special session to do something to check inflation. Before we can stop a disease, particularly a self-nurturing one like the wage-price spiral, it is indispensable that we learn something about what caused it to start in the first place, and what is keeping it going. A brief look at the record will be helpful.

The steel industry is basic to our entire economy. It gives direct employment to more than 600,000 workers, and indirect employment to millions. Changes in steel wages have an immediate effect throughout the land. I will therefore concentrate my observations on the problem with reference to the basic steel industry.

Steel prices and wages remained relatively stable during hostilities. Base steel prices scarcely changed at all from 1939 to the end of 1945. This, however, did not mean that the steel industry was not prospering during these years. Far from it. Sales rose from 34,955,175 tons in 1939 to 46,602,322 tons in 1945, and corporate income rose more than proportionately.

Steelworkers' earnings also rose during this period. Only a small part of the increase, however, was due to increased wages. The basic wage rate for the steel industry in 1939 was 62.5 cents per hour and in 1941, 72.5 cents, and in 1945, 78 cents. The major part of the additional income received by steelworkers resulted from increased hours at overtime pay.

The first general increase in the price of finished steel in 7 years took place in February of 1946. The steel industry at that time stated that this price increase was made necessary by reason of labor's demand for higher wages, and indeed it was because of the wage hike at that time that the still-existing OPA granted a price increase. So on the surface, at least, it looks as if labor started the game of leapfrog. First, there came the 18½-cent-per-hour wage increase and this was accompanied by what was announced as a $5-a-ton price increase but what actually was an increase of $6.18 according to Steel magazine. And it should be remembered that OPA was considering a price increase before labor asked for a wage increase. Let us look a little deeper into the matter. Was labor simply trying to get more of the corporate income pie in 1946, and did that set off the rat race which followed?

Here is the record. In April of 1945, according to the Bureau of Labor Statistics, average hourly earnings in the steel industry were $1.99 per hour, average hours worked per week 47, and average weekly take-home pay $56.32. By December of 1945, because of down grading and the ending of overtime, the average hourly earnings dropped to $1.155, average hours worked per week dropped to 41 and average weekly take-home pay to $47.33. Weekly wages then fell $8.99 or 15.96 percent, from a month before VE-day to a few months after VJ-day. And it is important to remember that it is the weekly take-home pay that buys the meat and milk and pays for the rent.

Labor's demand for wage increase was not based on greediness or a desire to improve its position with reference to the other elements in our society. Labor simply wanted to make up for lost ground. In fact, it had to, for without a wage increase in the early part of 1946, labor could have survived only by accepting a drastic lowering of its living standards. For while take-home pay was being reduced, prices representing the cost of living were rising. In April 1945, the Consumers' Price Index stood at 127.1. It rose to 129.9 in December of that year, and to 130.9 by April of 1946.

The 18½-cent-an-hour rise simply restored part of the balance. Weekly worker income still was considerably below wartime levels.

The steel industry was not content to plod along at the wartime earnings, particularly since the excess profits tax had been repealed. It, therefore, used the 18½-cent-an-hour increase granted in February of 1946 as an excuse to lift prices to an extent which more than made up for higher labor and other costs. This steel price rise, in turn, immediately was compounded throughout all American industry. Each subsequent processor raised the prices of his finished articles by an amount far greater than necessary to make up for his increased costs. And, of course, during this period, the OPA died.

By March of 1947 the cost of living had risen to 156.3. In that month, steelworkers' average hourly earnings were $1.33 per hour, average hours per week 38.9, and average weekly take-home pay, $51.77. The weekly take-home pay, and I must emphasize again, this is what counts, was still substantially below the April 1945 figure of $56.32. Real wages or purchasing power, therefore, in March of 1947 were 31.05 percent below real wages of April 1945.

What had happened to the steel prices during this period? Why, they went up again, of course. In February of 1946, there was a price rise of $6.18. This was intended to make up for the 18½-cent-per-hour price increase. By December of 1946 it became obvious that the wage earners' economic position had worsened to such an extent that a wage increase must be granted when the existing contracts expired the following spring. The steel industry, therefore, having no OPA to oppose its will, decided to make an anticipatory price increase. It did this to the extent of $5.37 per ton of finished steel. This was imposed in driblets over the period from December 1946 to March 1947. In late April of 1947, the steel industry concluded contracts with the steelworkers' union resulting in an increase of 12½ cents per hour, plus provisions for the elimination of inequities, increased vacation allowances for certain employees, and other fringe issues. This raised steelworkers' earnings to an average of $1.436 per hour, or $56.26 per week of 39.2 hours in May 1947.

This increase was immediately seized upon by the industry as an excuse for a further price increase. Of course, it had already increased its prices in the anticipation of a wage increase, but now that the wage increase was granted, the industry succumbed to the temptation to start the inflation spiral all over again. In August of 1947, therefore, it raised prices by $5.59 per ton. This again spread through our entire economy, helping to bring about an increase in the cost of living. And it soon became evident that labor again was on the short end of the stick and that unless prices

stopped rising, it would have to ask for another wage increase. Labor at this time was like Lewis Carroll's Alice in Wonderland who had to run as fast as her legs could carry her just to stay in the same place.

The steel companies were well aware of the plight into which they had driven their employees. I must back-track a moment here. The steelworkers' union realized that what this country needed above all else was stability. It was anxious to stop the wage-price spiral. It tried to do this by writing a contract on April 30, 1947, that was to run for 2 years instead of the customary 1. The wage clause could be opened at the expiration of 12 months, but failure to agree upon a change would mean that the old wage rates would remain in effect, together with all the other sections of the contract for the full 2 years. It was hoped that by this means a brake would be put upon inflation. Nothing of the kind occurred. Instead, the steel companies decided once more to anticipate increased costs. And beginning in October 1947, and continuing to February 1948, they raised prices by another $5.73 a ton, bringing the increases in base prices since the beginning of 1946 to a total of $22.87, or 39.25 percent. This, of course, again was immediately reflected throughout our economy and by April of 1947 the cost of living rose to 169.3, a rise of 13 points in 13 months.

Steel labor asked for, but did not receive, a wage increase in the spring of 1948. Instead, the steel companies announced that they would fight inflation by reducing prices. Unlike another experiment of recent memory, this was not noble in motive. Most of the companies stated that they were cutting prices by $1.25 a ton. Actually the industry cut prices, as reported in Steel magazine, by an average of 87 cents a ton. Look at the picture then. There had been a 2-year price increase of $22.87, or 39.25 percent per ton, which boosted the inflationary pressure. Compared with this was an anti-inflation price cut of 87 cents.

Of course, it did not work. The 87-cent reduction did not even appreciably mitigate the onerous effects of the $5.73 per ton increase exacted only a few months earlier.

It soon became obvious that something again had to be done about steelworkers' wages. Other industries were raising the rates of their employees and steelworkers were being put more and more at a disadvantage with respect to the wage-price picture. In July, therefore, the steel industry granted its employees, through the steelworkers' union, a 13-cent-an-hour wage boost. This amounts to an increase of about 9 percent. A few days later, the industry announced price rises of 9.6 percent plus a restoration of the so-called $1.25 cut made a few months earlier. All of this, according to the companies' announcements, aggregated $9.34 a ton.

Corporate figures, however, are sometimes tricky. The April 1948 reduction was actually 87 cents a ton, not $1.25. Nevertheless, the companies took back the full $1.25. Furthermore, $9.34 equals 11.64 percent of the then obtaining composite steel price. A couple of days later, the individual companies reported the new prices item by item. And this shows a much greater increase. For example, hot-rolled bars—of which 8,000,000 tons were produced in 1947—were increased by $10 a ton or 14.1 percent to 17.5 percent. Hot-rolled sheets with a 7,500,000-ton production in 1947 were also increased $10 a ton, or 11 percent to 18.2 percent. Cold-rolled sheets with 5,500,000-ton production in 1944 were increased $11 a ton or 15.9 percent. Structural shapes with a 4,500,000-ton production in 1947 were increased $10 a ton or 14.9 percent to 18.2 percent. And, oh yes, on a couple insignificant items productionwise the increase was 1.3 percent and 2.15 percent. Iron Age and the New York Times reported that the total increase was really 16.2 percent or $10.53 a ton on the average for finished steel.

Look at that. Wages increased 9 percent, prices increased 16.2 percent. Yet all of the steel industry's employment costs including social-security taxes and pensions and everything else attributable to labor equals only 40 cents on the dollar. The compensatory increase, even granting that labor was to blame, should have been only at a rate of 40 percent of the wage price. Instead, the steel companies made it 180 percent.

The surplus, of course, simply meant more profits for the companies, even if the increased cost of coal and freight is taken into effect. From April 1945, or February 1946, when the first price rise took place, to July 1948, the steel industry raised base prices a total of $31.34 a ton which is equal to a rise of 53.78 percent. There had been even greater increases since extras were substantially upped during this period. At the present time wages are only 164.3 cents per hour or $63.42 per week—giving full effect to the 13-cent-an-hour increase which has not yet been reported by BLS. The weekly take-home pay in April 1945 was $56.32—for a 47-hour week. Weekly wages, therefore, had risen a net of $7.10 or 12.61 percent, compared with a price rise of 53.78 percent.

It is easy enough to see how inflation started and what is keeping it going. The record of the steel industry is pretty much the record of the industry as a whole. Business Week magazine for July 31 said:

> A sampling of the second-quarter income statements that have come in makes it plain that most companies have just wound up the most profitable half year in their history and most of them expect to do just as well in the second half.

Business Week also says:

> Unless something goes seriously wrong in the next 5 months, United States corporations will probably clear a cool $20,000,000,000 net profit this year. That will be about $2,500,000,000 above the 1947 record, and it will be about four times 1939.

I might point out how that in reporting the steel companies' earnings Business Week missed a statistical trick employed by some companies to conceal earnings. For example, United States Steel's net for the June quarter was given as $32,586,000. Actually the real net profit for this 3-month period is $39,485,677. The difference is accounted for by a special depreciation charge to cover replacement cost of facilities. These extra charges cannot be listed as costs under Federal income-tax laws, and are really profits.

After all the pulling and hauling of the last 3 years, the real income of labor is still far below that of the war years, while the net profits of industry are far above. Even if the net-profits figures are weighted by the decreased purchasing power of the dollar, industrial profits are still enormously higher than they ever were before.

There is no denying that some inflation would have been inevitable regardless of management or labor policies. But the record is clear that inflation was accelerated and intensified by the desire of American business to reap enormous profits as quickly as possible with no regard whatsoever for the consequences.

Labor, as the record shows, has been the victim and not the perpetrator of inflation. Labor, as the record shows, was willing to take its loss provided there was no further spread of this economic disease. Management's refusal to cooperate made impossible the success of this plan.

The way to fight inflation is to get to the causes. An excess-profits tax and price control will not bring back to the dollar its former value, but these measures will put an end to the extension of inflation. They will not remove the first cause, but they will stop the self-nurturing phase. On the basis of these facts, the present Congress cannot go home without at least enacting excess-profits and price-control legislation.

One Million Half-Sick Veterans Indicated by Tropical Disease

EXTENSION OF REMARKS

OF

HON. CHARLES B. DEANE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. DEANE. Mr. Speaker, through the courtesy of the Winston-Salem Journal and Sentinel I am today given the opportunity to extend my remarks and include an outstanding newspaper article by Chester S. Davis, a member of the staff of the Winston-Salem Journal-Sentinel concerning the serious implications of undiagnosed amebic dysentery. This news article discusses the outstanding research work being carried on by Dr. Thomas T. Mackie, professor of preventive medicine at the Bowman Gray Medical School of Wake Forest College in Winston-Salem.

The Members are invited to carefully read this article. The findings of Dr. Mackie and his associates might seem to indicate that 1,000,000 of our veterans are suffering from amebic dysentery. Indeed, it may be true that many millions of Americans may have the same disease.

This article by Mr. Davis presents a challenging undertaking and it behooves the Congress and the Federal Government to take greater interest in what

is considered by Dr. Mackie, one of the outstanding medical experts on tropical diseases in the world, as a serious national problem.

The article follows:

ONE MILLION HALF-SICK VETERANS INDICATED BY TROPICAL CLINIC—UNDIAGNOSED AMOEBIC DYSENTERY BECOMES A NATIONAL PROBLEM—HAMPERED BY LACK OF TRAINED MEN, VA PLANS "PILOT PLANT" HERE

(By Chester S. Davis)

One million veterans on the streets of America today are walking casualties because of a single tropical disease—the dread, intestine-riddling amoebic dysentery.

Behind these veterans stands a vague mass of humanity—perhaps as many as 15,000,000 men and women—who are half whipped mentally and physically by this same chronic, debilitating, parasitic infection.

The fact that amoebic dysentery already is deep in the bowels of our people is important. But the appalling fact is that these former servicemen (and at least 1 out of 10 of the rest of us) do not stand even a gambler's chance of obtaining a correct diagnosis and proper treatment.

Our doctors, untrained in tropical medicine, are failing to diagnose amoebic dysentery in 9 cases out of 10. Our medical schools, apparently unaware that amoebic dysentery and one or two other tropical-type diseases constitute a national health problem, are not training their graduates to meet this challenge. As a result the Veterans' Administration—the agency responsible for treating service-connected sickness—has been hamstrung by the lack of available medical know-how.

These conclusions are shaped from evidence drawn out of the files of the Veterans' Administration's tropical-disease clinic in Winston-Salem, N. C. Over the past 18 months this clinic has found a 40-percent incidence of amoebic dysentery among the 330 veterans examined. This is a frightening rate of infection, particularly since amoebic dysentery has been listed as one of our rarer diseases. The fact that such an infection rate does exist in North Carolina points obviously to a national medical problem of tremendous proportions.

The tropical diseases have been a problem in the United States for generations. Malaria, amœbic and bacillary dysentery and the hookworm still are endemic in large sections of the South. And there have been years when the plague, cholera, typhus and yellow fever blasted through this country in flaming epidemics. Even such exotics as the yaws, leprosy and filariasis were something more than medical curiosities 50 years ago.

But good plumbing, sound methods of treating drinking water and a generous share of that unknown factor best described as luck permitted us either to bring these diseases under control or to drive them back into the hot and humid countries whence they came.

By 1940 there were no more than 25 doctors in the United States who were specially trained to deal with the diseases of the tropics. In 1940 only the medical school of Tulane University offered a graduate curriculum in tropical medicine.

THE WAR EXPERIENCE

By quick and skillful use of the few qualified men available the Army and Navy fashioned a medical program which enabled an estimated 8,000,000 men to fight World War II in areas which were murderous because of disease.

Some 1,500 doctors and technicians were schooled in tropical medicine during the frantic early months of the war and then sent overseas to guard the troops from infection and to treat them once they were stricken. These "tropical Johnnies" did a magnificent job.

Still, in World War II disease was far more dangerous than the shooting enemy. Malaria alone hospitalized 10 men for every 1 man killed or wounded in action.

The Army medical records themselves are misleading since they record only the hospital cases. Statistically their errors are on the conservative side. According to these inadequate records, the top 10 tropical-type diseases for the period 1942-45 were:

	Cases
1. Dysentery and diarrhea (the soldier's occupational diseases)	756, 849
2. Malaria (many types; some mild, some deadly)	572, 950
3. Infectious hepatitis (a vague classification referring to inflamation of the liver; frequently caused by a sewage-borne virus but can result from factors as diverse as amoebic dysentery and acute alcoholism)	191, 574
4. Dengue (an acute, relatively common though rarely fatal mosquito-borne disease)	121, 608
5. Hookworm (Old World type)	19, 943
6. Filariasis (a chronic, mosquito-borne disease which, in aggravated cases, produces grotesque swellings aptly described as elephantiasis)	13, 009
7. Sandfly fever (a fly-spread fever resembling influenza)	12, 634
8. Scrub typhus (a typhus fever spread by mites not unlike our chiggers)	7, 421
9. Amoebic dysentery (more about this later)	4, 504
10. Schistosomiasis (a parasitic infection carried by fresh water snails, a common disease in Puerto Rico)	1, 672

It is not surprising that such a massive infection as this should send whispers of panic rustling through the United States late in 1945. A casual leafing through back newspaper and magazine files will turn up a dozen stories analyzing the risk of secondary infections being brought to this country by the returning troops.

But when no epidemics occurred the early fears were forgotten and, so far as tropical medicine was concerned, we drifted back into a state of near hibernation.

Today there probably are no more than 12 fully trained men actively practicing tropical medicine in the United States. Most of these specialists are in the Army, Navy, Public Health Service, or in the universities. The several thousand doctors and technicians schooled in parasitology by the war have drifted out of the field.

THE NORTH CAROLINA FINDINGS

That brings us to the present and it also takes us to the door of the Tropical Disease Clinic operated by Dr. Thomas T. Mackie, professor of preventive medicine at the Bowman Gray Medical School of Wake Forest College. Before we pass through that door and start rummaging in the laboratory files we might pause a moment to consider Dr. Mackie's credentials.

This smooth-spoken New Englander is a man of youthful enthusiasm and he belts a long golf ball. He is distinguished both in appearance and reputation. He studied at Harvard (A. B.), Columbia (M. D.), and did graduate work at the London School of Hygiene and Tropical Medicine (where he met and married Dr. Janet Welch Mackie, a "tropical Janie" whose formal training has been sharpened by some 15 years' field work in Africa and in South and Central America).

During the 1930's Dr. Tom Mackie taught at Columbia University and conducted clinical investigation in the fields of parasitology and nutrition. Since 1940, when the American Foundation of Tropical Medicine was created as an advisory group to help prepare for a war in the tropics, Dr. Mackie has acted either as the foundation's executive director or president.

During the four war years Col. Tom Mackie was one of the top officers in the Army's tropical-medicine program, serving as Chief of the Division of Parasitology at the Army Medical School. Moreover, he headed the United States Typhus Commission sent to the China-Burma-India theater to study the dangerous problem of scrub typhus in 1944.

In July 1946, Dr. Mackie joined the staff of the Bowman Gray School of Medicine. At about this time he took on additional responsibilities as one of the very few consultants of the Veterans' Administration on tropical diseases.

The tropical disease clinic was founded in Winston-Salem in April 1947, to serve the Fourth Region (North Carolina, West Virginia, Virginia, Maryland and the District of Columbia) of the Veterans' Administration.

So much for the credentials. Now let's turn to the facts found in Dr. Mackie's files and consider the dismal story they tell.

In the past 18 months 330 veterans have been examined in this clinic—veterans who for the most part simply had vague, undiagnosed complaints that refused to respond to treatment elsewhere. Of these men 134 (40.6 percent) had amebic dysentery. A smaller group, 39 men (11.8 percent), were infested with Old World hookworm. Four cases of filariasis and three cases of schistosomiasis were spotted and treated. In less than 1 percent of the cases had these diseases previously been diagnosed although most of the infestations already were 4 and 5 years old.

The New World hookworm (necator americanus) is endemic in large sections of the southern United States. The Old World type (ancylostoma) is not a native (though a few specimens have been found deep in coal mines) and it is a more dangerous parasite, fewer worms accomplishing greater intestinal damage.

Not so long ago Dr. Mackie examined a young veteran who had served with the 126th Infantry Regiment of the Thirty-second Division on New Guinea, Goodenough Island, Morotai, Leyte, and Luzon. This boy—like so many others infested with amebae or worms—had been in and out of hospitals, both before and after his discharge from the Army. The standard diagnosis was "relapsing malaria and war neurosis."

Several months ago the boy drifted into the tropical disease clinic. He was anemic and tired and his mental attitude was that of a whipped man. Hookworms were discovered after proper laboratory examination and he was treated and cured.

The VA rating board refused to grant this veteran disability on the ground the infestation was not service-connected. The board pointed out that the boy lived on a farm in the heart of a section of North Carolina where the native hookworm is endemic. The board subsequently changed its decision when Dr. Mackie proved that the worm was of the Old World type and not a native of this country. Since the end of the war every single adult hookworm examined at the tropical disease clinic has been of the Old World type.

Entirely apart from the health problem of veterans infested with these worms (and they may number well over 100,000) there is the danger that this pathogenic parasite will establish itself in areas as yet not equipped with plumbing and proceed to fatten on the blood of the technologically retarded, of whom there are a gracious plenty in the Southern States.

Amebic dysentery is a more dangerous problem. Here the trouble maker is the endamoeba histolytica, a single-celled protozoa (a rudimentary sort of microscopic animal life), which thrives in the colon of man, favoring, oddly enough, the right-hand side.

The amoebas somehow are able to damage the intestinal wall and they ooze into breaches in the cells, repeating the process until, in aggravated cases, the intestine is riddled with small buttonlike ulcers. At this stage the painful bloody flux is a common symptom.

In some instances the amoebae bore into intestinal blood vessels and are swept on to the liver, where they cause inflammation, abscessing and, not infrequently, death. This condition—amebic hepatitis or abscess—sometimes is mistakenly diagnosed as cancer of the colon.

Most often the body is able to defend itself against the amoebae and certain of the invaders, by no means licked, but somewhat tamed on the basis of mutual tolerance, curl up and surround themselves with hard shells. These cysts are passed in the feces in nature's constant effort to spread life and—in this case—to find another host.

(It might be inserted here, parenthetically, that carriers of typhoid—the "Typhoid Marys"—are subject to stringent regulation. Yet nothing whatever has been said, or done, about the millions of unaware "Amoebic Alberts"—the medical twin of "Typhoid Mary.")

Ordinarily, the disease progresses slowly, at least in the initial stages. Dr. Mackie recalls a patient who apparently picked up amoebic dysentery in 1917 while in a German prison camp. This man, a sea captain, held the disease in check for many years, but during the mid 1930's he began to suffer cramps. The first diagnosis was a diseased gall bladder and that organ was removed. The cramps continued. The captain was then told that he had cirrhosis of the liver; too much alcohol, the doctor said, which was not a bad guess, considering that the patient was a sea captain. In this case the doctor apologized to a teetotaling seafarer.

The third diagnosis, made a year or two later, was cancer of the colon. Fortunately, the captain's large intestine escaped the knife, when a laboratory examination determined that the endamoeba histolytica was the cause of the trouble.

At the other extreme are the cases of amoebic dysentery which flare up with dramatic and fatal suddenness. In August of 1933 two dangerously acute cases were diagnosed in Chicago. Before the year was out 1,409 widely scattered cases had been traced to two of Chicago's better hotels. In this epidemic there were 98 deaths.

Subsequent investigation determined that these cases resulted from faulty plumbing which permitted hotel guests to drink house sewage. It might be noted that 42 members of the hotels' staffs—most of them preparing or serving food—were found to be cyst passers.

Amoebic dysentery is not a newcomer to the United States. The treatises on tropical infection estimate that even before World War II something under 10 percent of our people were infected. The difference today is one of degree, and Dr. Mackie's records indicate that it is an important difference.

The only diagnosis is to find the amoeba in the stool of the victim. This requires that the doctor in charge of the case order the examination and also that his technician be competent to handle that difficult job.

The unpleasant fact seems to be that most doctors are not ordering this laboratory test. And in the relatively rare instances where a stool examination is done, Dr. Mackie is finding that the technicians, either because of inadequate specimens or inability to master the technique, are returning negative reports in 90 percent of the cases.

The case histories in the files of the tropical disease clinic tell the same story over and over again with a deadly repetitiousness. Here is a typical example:

Jonathan Worth (a fictitious name) entered the Army in December 1942, and, after a brief training period, was shipped to the Pacific theater. He served in Australia, New Guinea, the Admiralty Islands, Leyte, Luzon, and Japan. He was discharged in November 1945.

During his stretch in service Jonathan believed that he escaped malaria and he did not recall any bouts with dysentery or diarrhea. However, he was bothered by something he vaguely described as "stomach trouble."

Not long after his separation, Jonathan began to lose weight. He tired quickly and was easily irritated and his coloring faded and became sallow.

In January 1946 he visited a VA hospital for a thorough physical check. A blood smear was taken and the parasite of vivax malaria was spotted. Jonathan also had an infection of roundworms. He was treated on both scores and dismissed.

In the autumn of 1946 he returned to college but it was a wasted effort. He simply did not have the strength to carry the work.

In December 1946 Jonathan Worth visited one of this Nation's most renowned private clinics for a physical examination. He was put through the mill and released with the diagnosis, "relapsing malaria and war neurosis."

Months later, still convinced that something besides nerves and malaria was troubling him, Jonathan Worth appeared at the tropical disease clinic. A stool examination established that he had an active case of amebic dysentery. He was treated and he promptly began to gain weight. His hangdog outlook, general fatigue, irritability, and his anemia and sallow complexion vanished.

A STAGGERING UNITED STATES PROBLEM

Most of the men examined by Dr. Mackie and found to have amebic dysentery fall into this same pattern. The majority of them have had malaria and their symptoms have been similar to those of Jonathan Worth. Their records are studded with the same pat diagnosis: "relapsing malaria and nerves," "malaria and neuropsychiatric," "relapsing malaria and neurasthenia."

The fact that this diagnosis is repeated time and again as these men are shunted from hospital to hospital is proof that our doctors do not understand even the fundamentals of tropical medicine.

The malaria being found today, 4 years since most of these men first came down with the disease, is the simple vivax malaria which is persistent but which, according to Dr. Mackie, is no more dangerous than the common cold. The virulent malarias kill or are cured quickly. They do not keep returning. Except for the lazy doctors, malaria is no answer in these cases.

Neither is psychoneurosis an answer. It again is the last resort of the untrained doctor who uses "war nerves" to explain symptoms for which he cannot otherwise account.

Amebic dysentery, like many another tropical disease, produces symptoms—lassitude, irritability, lack of interest—which are found among certain classes of mental cases.

Until the doctors learn that the combination of relapsing malaria and war nerves is a red flag signaling a stool examination, those busy men will continue to fill our mental clinics with patients who are physically sick and who need a physician's care, not formal psychiatric treatment.

These cases examined in the tropical-disease clinic thus far are limited in number. Most of the men examined have been residents of North Carolina. But when the record indicates a 40-percent incidence of amebic dysentery and a 12-percent incidence of hookworm among the unhealthy and undiagnosed servicemen of a single State, you wonder: What about the veterans in Nebraska and in New York and California? What about the infection rates to be found in the general population since the end of the war?

Three years ago, when our armies began to break up, the troops flowed back into the United States from some of the worst pest holes in the Tropics, the Army and Navy did not have the medical machinery necessary to check each man thoroughly before he was released to civilian life.

Top medical men of the Veterans' Administration recognized the possibility that a large percentage of returning veterans later would seek hospital treatment because of tropical infections. In setting up a program to handle such cases the VA attempted to obtain the services of specially trained men to serve as consultants in the field of tropical disease. They could not provide even one consultant for each of the 13 VA branch offices in this country. Qualified men were not to be had.

Dr. Paul Magnuson, chief medical officer of the VA, would like to conduct some large-scale clinical investigations and determine exactly the incidence of amebiasis and hookworm among veterans nationally. Such a survey is essential. But once again you come against the hard fact that trained men necessary to carry out the investigation are all but impossible to find.

Dr. Tom Mackie on his own volition has begun a large-scale investigation of amebic infection among the civilian population of Winston-Salem, which will supplement the data being collected at the tropical disease clinic. It is too early to report the results. The early indications are that when the results are published they will curl the hair of those men who look on amebiasis as an unusual disease.

PROBLEM IS NOT BEING MET

At the present time the tropical disease clinic is the only unit in the entire medical machine of the Veterans' Administration which specializes in the parasitic infections. This clinic—capable of processing 10 to 12 men a week—is hopelessly inadequate in the face of a patient load which probably exceeds 1,000,000 former servicemen.

Dr. Magnuson and his staff recognize that the tropical-disease problem is not being met. The VA is considering using the tropical disease clinic in Winston-Salem as a major pilot plant operation. If such a pilot plant is set up on a relatively large scale it would be an invaluable place to train doctors and technicians in the practice of tropical medicine. These men later could staff regional clinics spotted throughout the country.

This autumn the Bowman Gray School of Medicine will open the doors of its spanking new tropical disease institute. This will be the second medical school in the United States offering a graduate curriculum in tropical medicine. The VA hopes to send a few (about 12) of its doctors and technicians to this institute for training.

Hospital space provides another problem. The VA has found the money to build hospitals for the mental cases, but there is no evidence that the more numerous tropical disease victims are receiving similar attention.

The routine treatment for amebic dysentery calls for 9 to 10 days in a hospital bed while a series of drugs are administered. In the past few months the tropical disease clinic has diagnosed at least 50 new cases of amebiasis. Those men still are standing in line waiting for a hospital bed.

The fact that men suffering from undiagnosed parasitic infections can find beds in existing veterans hospitals is not an answer. You need only examine the records of the tropical disease clinic to learn that most of the amebic dysentery cases diagnosed in the clinic previously had visited these hospitals.

This is not an indictment of the medical profession. You scarcely can expect men with little or no training in tropical medicine to

diagnose and treat diseases which they have been taught, at least by implication, are rare and seldom encountered in routine practice.

But these facts do indict our medical schools. The evidence indicates that 1 out of every 10 patients now visiting our doctors have amebic dysentery. Yet only a small fraction (about 1 percent) of these cases are being diagnosed. In the past the medical schools have not trained their graduates to cope with diseases of this type and they are not doing so today.

A HUGE UNNECESSARY COST

The price of this failure can be totted up in something more than terms of health. We undoubtedly are paying out huge sums in pensions to men stricken with undiagnosed infections of amebiasis and hookworm. As the years pass this toll will mount and it will be accompanied by a high-climbing price paid to hospitalize the aggravated cases.

There are the indirect costs, too. The price paid in time lost from the job and in the on-the-job inefficiency which is a byproduct of an energy-sapping disease. These indirect costs also are mounting as the infection spreads to more of our people.

In the United States we have been taught that a failure in education can be a costly failure. That infamous protozoa, the endamoeba histolytica, provides a vivid case in point.

Address of Hon. Hugh D. Scott, Jr., of Pennsylvania

EXTENSION OF REMARKS

OF

HON. WILLIAM J. MILLER

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. MILLER of Connecticut. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address by the Honorable HUGH D. SCOTT, JR., chairman of the Republican National Committee, at the Hartford Club, Hartford, Conn., Thursday, August 5, 1948, on the occasion of a testimonial dinner given in honor of Harold E. Mitchell, Republican National Committeeman:

I am delighted to be with the good Republicans of Connecticut tonight, to report on the progress of America's great crusade to elect Thomas E. Dewey as President and Earl Warren as Vice President of the United States.

This is a decisive campaign in the history of the United States. The forces of freedom and of orderly constitutional government are aroused, united, and determined. We believe in our cause and together we shall gain for the American people, this November, one of their most important victories.

In the busy weeks that have passed since our great convention in Philadelphia (the only really free convention held this year), we have made notable progress at headquarters in Washington, and throughout the States. Our national organization is functioning at steadily increasing tempo; and at the Washington headquarters we are organized and staffed for a campaign in tune with the times, in harmony with the great issues at stake, and in coordination with all groups devoted to the restoration of good government to this good land of ours.

This is a crusade of fundamental Americanism. We are out to redeem American constitutional government from the hands of reckless, spendthrift bureaucrats.

We are pledged that Federal finances shall be established on a sound, businesslike basis to give the American people the kind of government they want—not the kind the bureaucrats want—at a cost the people can afford to pay.

In this historic effort, we are counting surely on Connecticut to be overwhelmingly in the Republican column when the votes are counted next November 2. You of Connecticut, "the land of steady habits," will help us to end spendthrift government in Washington, "the land of steady debits."

We have given much thought to the basic policies of our national campaign.

We are determined to carry to the entire Nation an affirmative campaign—a campaign based on the fundamentals of our time-tested constitutional order.

We shall have no time for mud slinging or name calling.

We are looking not backward to the disgraceful era of New Dealism, but forward to constructive achievement through restoration of the republican form of government.

The progress of this mighty America is not advanced by invective or billingsgate, but by work in a common purpose.

We have a great work before us—to reclaim the government of 144,000,000 people from the hands of an entrenched clique of power-grasping bureaucrats, who appear bent upon applying the methods and systems of European collectivism to our American Government.

Our platform at Philadelphia began with a pledge to "uphold as a beacon light for mankind everywhere the inspiring American tradition of liberty, opportunity, and justice for all."

That is the essence of our platform, and that is the ultimate meaning of this great crusade in which we are all now engaged.

The American people know well enough what an indescribable mess these last 15 years of experimental statism have left, not only in Washington, but in every community in these United States.

We have had 15 long years of government by guess, of rule at random, of distress through directives.

The biggest reality before us today is the Federal debt of $253,000,000,000—a tinder box of inflation—which only sound policies and conscientious administration could manage over the coming years in a way to insure a strong and prosperous America in a peaceful world.

Governor Dewey is sound. You here in Connecticut know his record in Albany. He is conscientious, a faithful public servant, young, able, vigorous, truly devoted to the America which gave him such great opportunities for public service. He is a man of these times. He and Governor Warren are what I have before described as "a dream-boat of a ticket."

Our party came into being nearly a century ago to promote the cause of human freedom. It has never failed those fundamental principles of freedom which called it into being.

Today we are threatened by a new form of human slavery; slavery to government debt, to inflation, to all the ills which flow from imprudent management of a God-given wealth and plenty.

A nation, no less than an individual or a family, is subject to the immutable laws of thrift and prudence. There are moral forces in this world which no man, nor no nation, can escape. When a nation squanders its substance through weak or ineffective governmental policies, it is guilty of misconduct, if not of actual misfeasance in office.

The penalty for us is a burdensome national debt, a debt which today calls for more interest every year than we needed before the New Deal to carry the entire Federal budget, including the Army and the Navy. To say that "we owe it to ourselves" doesn't help as you dish it out to the tax collector.

High prices are an inescapable consequence of Government-made inflation. In June 1948, for example, Mr. Truman's new additions to the public pay roll increased by 26,004. This means that 866 tax-supported employees were taken on each day in June by the gentleman who grieves about the high cost of everything, including government.

We have been traveling the broad, easy inflation highway for 15 long years. It is a distinct betrayal of public responsibility; more, it is an act of deliberate deceit to suggest that the evil work of 15 spendthrift years may be undone now by a special session of Congress in 15 days. The President knows the causes lie deep and will not use the remedies already in his hands.

Our platform pledged an honest and sincere effort to curb inflation. Our party today is engaged in that effort. We pledged—

1. "Progressive reduction of the cost of government through elimination of waste."

That is why the Republican Congress, now in special session at the call of the Democratic National Convention, will not enact the new spending proposals urged upon it. We do not expect to add to your high cost of living by increasing your tax burden on the President's political say-so.

If all the new programs suggested last week were enacted, we soon should have a Federal budget of considerably more than $60,000,000,000 a year, instead of the forty-three billions authorized for the current fiscal year. We will block these loose spending proposals in Washington.

2. Our second pledge against inflation was this: "Stimulation of production as the surest way to lower prices."

That means simply that when we take over the Administrative arm of Government, we are going to take the bureaucrats off the necks of our farmers, businessmen, and workers.

It is not in the American tradition for citizens to spend half their time filling out Government forms in triplicate, or to stand around for days on end waiting for permission to buy a carload of lumber or steel with which to build a new home, factory, or barn. With less Government forms will come more building forms for more and more increased construction.

Our third pledge to fight inflation was this: A pledge which has been in every Republican platform since the formation of our party. It is only three short words, "a sound currency."

Until we can make our money stand steady we cannot expect to restore an equilibrium between money and goods.

Our fourth pledge against inflation was about equally brief and pointed—"Reduction of the public debt."

Can we do these things in 15 days with a hostile veto-happy President in the White House? You know that we cannot.

These are honest, American measures of Federal policy. They could be put into operation tomorrow by an Administration really intent upon checking high prices.

We do not propose to set up a dozen new control agencies and hundreds of new job holders to regulate, supervise, ration and regiment every aspect of American life.

At the present rate of Federal operations, with more than 2,000,000 people on the civil rolls of the Government, the average civil service payroller represents a Government expenditure of $21,500 a year.

But during the last 12 years of our Republican Administration in Washington, when we carried only about 560,000 people on the Federal rolls, each Government worker represented an average expenditure of only $8,036 a year.

That's a thumb-nail picture of what the spendthrift bureaucrats have been doing to the American people for the last 15 years. That's the stuff that inflation is made of.

Not only have the bureaucrats saddled us with four payrollers for every one employed by the Republicans; they have almost tripled the average Government expenditure per payroller each year.

Such, then is the task before us, fellow Republicans. During the last 3 years the Washington bureaucrats have developed a new theory of Government spending.

They tell us that if you spend one of your own hard-earned dollars, that's inflationary.

But if the same dollar is taxed away from you, before you ever get your pay envelope, and the Government then spends it, that's not inflationary.

That curious economic doctrine is far removed from the principles of plain speaking and honest dealing with the people. We are determined to give no quarter to such deceitful double-talk in this great campaign of 1948.

We do not look upon the American people as children to be guided, managed and deceivd by government.

Our Philadelphia platform pledges, on the other hand—"Maximum voluntary cooperation between citizens, and minimum dependence upon law."

The American people have behind them a tradition of more than 300 years of freedom and self-government.

The duty of the Republican Party today is to give expression to the inborn yearning of our people for a government which will maintain peace and order, with a minimum of interference and meddling in the intimate daily concerns of the citizen.

Our people are mature and self-reliant. They can plan better for themselves than the Government can plan for them. They know what they want in government. They want less government, better government, sound government; they want efficient government, administered by prudent men who have faith and confidence in the American way of life. Above all, they want honest government, and at less cost, with less confusion, less bureaucracy and less red tape.

The Republican Congress Makes Good

EXTENSION OF REMARKS

OF

HON. FRANK B. KEEFE

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. KEEFE. Mr. Speaker, in November of 1946, the American people, disturbed by the disastrous results of 14 years of New Deal maladministration in Washington, discharged the Democratic Congress and called upon the Republican Party to rescue the Nation from ruin.

With full appreciation of the terrific task before it, the Republican Party accepted the mandate of the people and took charge of the Congress in January of 1947.

During the period which has elapsed since the 1946 elections, the Republican Congress has been thwarted and blocked at every turn by a hostile President, who remained in charge of the executive branch only by the grace of the constitutional provision for the selection of a Chief Executive on a quadrennial instead of a biennial basis.

Despite this handicap the Republican Congress discharged its responsibilities to the American people with courage, foresight, and understanding.

For the record, here are some of the major accomplishments of the Eightieth Congress:

Freed competitive enterprise: Liberated the people from 76,000 rules, regulations, directives, and orders, thereby releasing the energy and the capacity of the people with resulting all-time highs in employment, production, profits, and wages, and a record $200,000,000,000 annual national income.

BUDGET IS BALANCED

Balanced Federal budget: The Federal Treasury for the first time in 16 years is using black ink instead of red and is no longer resorting to inflationary deficit spending. Fiscal 1948 ended with the biggest Treasury surplus in all history—$8,419,469,843, seven times the previous high established 21 years ago.

Cut national debt: Prudently shaved $7,000,000,000 off the public debt.

Pruned spendthrift budgets: Cut President Truman's padded budgets more than $6,000,000,000 and lopped off more billions in hold-over war-time appropriations in the greatest, most complex government financial conversion from war to peace in all time.

Cut taxes: Reduced taxes $4,800,000,000 despite three Presidential vetoes, with 71 percent of the tax relief going to those with incomes under $5,000, 7,400,000 wage earners in the lowest brackets removed from the tax roll, married couples allowed to divide their income for tax purposes and special relief for persons over 65, and the blind.

Improved labor-management relations: Passed over Presidential veto the Taft-Hartley Labor-Management Act providing fair and just procedures for peaceful settlement of labor-management disputes; protecting the rights of workers to unionize and control their unions, to bargain collectively and to strike; restoring constitutional rights of employers, and safeguarding all the people against widespread work and production stoppages that imperil the national welfare.

Exposed Communists: Battled for elimination of Communists, Fascists, and other subversives from the Federal Government; exposed Communists' infiltration in a minority of labor unions and in the Hollywood film industry; caused jailing of Communists for contempt of Congress; landed top Soviet Russia agents in jail and advanced legislation for public registration of alien-controlled Communists.

FOREIGN-AID PROGRAM

Aided foreign nations: Appropriated $9,579,657,128—$2,377,573,900 in first session and $7,202,083,228 in second session including $1,000,000,000 for reconstruction loans—for relief to impoverished humanity in foreign countries, to help reestablish their national economies and to restrain Communists' aggression; created an economic cooperation administration to administer foreign aid; kept all Congressional commitments to United Nations.

Joined International Refugee Organization and gave it $71,073,900 to carry on.

Enacted a bill to admit 205,000 displaced persons in next 2 years and permit 15,000 refugees already in the United States to remain.

Strengthened national defense: Rescued our disintegrating national Military Establishment by unifying the armed services, by forcing adoption of a plan of action, by increasing appropriations to a total of $20,500,000,000, plus contract authorizations, with special emphasis upon air power, and by adopting a temporary selective-service act; provided for development of better weapons, including atomic bombs; authorized $178,000,000 for merchant marine expansion, and revised army justice in an effort to assure completely fair treatment under army law for officers and enlisted men.

HELP FOR VETERANS

Cared for veterans: Passed 188 bills meeting needs of war veterans, including increased compensation for disabled veterans with and without dependents; increased compensation for dependent survivors of war dead; increased subsistence payments to World War II veterans in institutional training; increased allowances for student GI's; increased proportional pay for veterans in on-the-job training, and cashing of GI terminal-leave bonds; higher pensions for Spanish-American War veterans, and aids for veterans' housing.

Generated building boom: Took housing problem from the bungling New Deal administration; freed the building industry of stifling rules, regulations, and directives; stimulated construction through Government guarantees of building loans; had Government assume large part of responsibility for veterans' loans and gave war veterans priority in home building and rental of new homes. In 1946, under New Deal regimentation and confusion 437,800 dwelling units were completed; in 1947, under Republican free enterprise and sound Government aid, 835,100 units were completed, and in 1948 a million dwelling units will be completed in the biggest building boom of all time.

Helped farmers: Adopted long-range agriculture program pledging price support for maximum production of food; provided twice as much money for rural electrification as any previous Congress; appropriated more than $500,000,000 for soil conservation; launched greatest rural road-building program in history; fostered stability of agriculture through a new, workable crop insurance act; chartered Commodity Credit Corporation, and greatly expanded Government aid in campaigns against livestock foot-and-mouth disease and crop deterrents such as weeds, insects, and other pests.

Forwarded reclamation, river and harbor improvements, flood control; rescued the vitally needed, Republican-inaugurated reclamation program for the West from President Truman's disastrous money-freeze order of August 1946, and appropriated more money for reclamation ($389,804,000) than any previous Congress; likewise made record-breaking appropriations for river and harbor improvements ($285,500,000) and flood control ($712,063,000) all being essential to

expansion and protection of our national economy.

SOCIAL SECURITY EXPANDED

Expanded social security: Passed over Presidential veto a bill increasing payments by $5 per month for the needy aged and the blind, and increasing payments by $3 per month for each dependent child, thereby adding $184,000,000 annually to social-security payments received by 3,500,000 needy dependent children, the aged, and the blind; and exempting from social-security insurance payments newspaper and magazine vendors and other independent contractors over whom no employer exercises direct control, thereby preventing an impairment of the old-age and survivors insurance trust fund built up by those who had paid taxes over the years.

Established a National Heart Institute within the United States Public Health Service to fight America's No. 1 killer, diseases of the heart and circulation; provided $500,000 for the research institute to combat these diseases, which affect 1 person in 16, cause 1 out of every 3 deaths, and result in a loss of 152,000,000 workdays a year.

Provided $28,400,000 for the National Cancer Institute to study the disease of cancer and to disseminate knowledge on how to reduce its terrible toll in lives.

Provided a cost-of-living pay increase for postal and other Federal employees. Despite President Truman's opposition as expressed in a budget message to Congress, we gave 478,000 postal workers a pay increase of $450 a year each and 840,000 civil-service employees a boost of $330 each; increased some postal rates as a partial offset to the $600,000,000 cost of the pay rise.

Facilitated the making of equitable and nondiscriminatory transportation rates. Passed over Presidential veto the Reed-Bulwinkle bill, exempting railroads from antitrust suits for rate agreements, provided the rates are approved by the Interstate Commerce Commission as being in the public interest.

IMPROVED EMPLOYMENT SERVICES

Improved United States Employment Service: Enacted over Presidential veto a bill transferring and improving the United States Employment Service from the Department of Labor to the Federal Security Agency.

Created Government Reorganization Commission: Established a bipartisan commission, headed by former President Herbert Hoover, which is preparing for submission to the next Congress a comprehensive plan for reorganization of the administrative branch of the Government in the interests of efficiency and economy—a major operation on the sprawling, tax-eating bureaucracy.

Acted to limit President's terms: Submitted to the States for ratification a constitutional amendment limiting Presidents to two terms.

Authorized voluntary trade agreements: Empowered the President, upon advice of the Attorney General, to approve voluntary agreements among business firms to ration and channel commodities in short supply to the most essential purposes domestically and to meet foreign commitments.

Extended export controls: Temporarily extended and strengthened the President's authority to control exports in line with United States policy to favor cooperating nations and withhold sinews of war from noncooperating countries.

Aided small businesses: Created special committees of the Senate and House of Representatives which are seeing that small businesses, the backbone of American industry, get a fair break, especially in the awarding of Government contracts for national defense and aid to foreign nations.

Extended Reciprocal Trade Act with reasonable safeguards: Extended for 1 year the Reciprocal Trade Agreements Act, with amendments requiring the President to report to Congress and the people when, in secretly making a trade agreement with a foreign country, he exceeds recommendations made by the United States Tariff Commission pursuant to standards prescribed by Congress for protection of American industries and agriculture.

LEGISLATION BENEFITS ALL

The Republican Congress passed hundreds of other measures that are benefiting every segment of our population and creating wholesome conditions for prosperity and happiness; measures buttressing industries, agriculture, and mining; supplying long-needed banking legislation; strengthening the Federal Reserve banks' operation; reorganizing the Reconstruction Finance Corporation and in other ways making for sound national progress.

Scores of investigations of charges of fraud, corruption, and weary incompetence by the tired, warring, quarreling, bolt-ridden Democrat administration were made. Scandalous situations were exposed, including:

Gambling in the grain and other commodity markets by persons in positions to know when the Government was buying for shipment abroad—gambling that helped raise the cost of living for all our people;

Irregularities in negotiation of war contracts;

Attempts by the administration high-ups, including the President, to pervert the nonpartisan Republican-created vast reclamation program that is so vital to the West into a political football.

And, worst of all, a stubborn resistance by administration officials to a purging of Communists, pinkoes, and other subversives from the Government household was revealed.

We reorganized the congressional legislative machinery, telescoped many committees into a few and staffed them with specialists in their responsibilities.

We created a joint congressional committee which is keeping constant watch on all factors entering into the cost of living and making recommendations.

We sent our own committees across the country and thus gathered first-hand information, and we sent special committees to Europe, the Middle East, and the Far East for study and report on conditions that required action by Congress.

Fumbling and bungling by the New Dealers in our foreign relations, with their parade of Secretaries of State, have produced confusion in foreign policies that has delayed durable peace and is having an expensive impact upon our domestic economy.

CAUSE OF HIGH PRICES

Many of the ills confronting the United States and the world, root causes for high prices, about $30,000,000,000 in aid given to foreign countries since the cessation of hostilities and rebuilding of our national defenses, stem from the betrayals at Quebec, Yalta, Tehran, and Potsdam.

The Republican Party had no part in making those blunders. Our leaders in Congress were not consulted when the tottering structure for peace was being built. On many of the foreign policies the so-called bipartisan policy, has been a myth because our Republican leaders were not consulted.

Responsibility for the bankrupt diplomacy cannot be escaped by the Truman administration on the ground that it is the product of bipartisan policy.

It is obvious that an administration which harbors so many who see in the Russian way of doing things a better system than our own could not be expected to follow a consistent and firm position in dealing with communism at home or abroad.

Loan to the State of Israel

EXTENSION OF REMARKS

OF

HON. JOHN A. BLATNIK

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. BLATNIK. Mr. Speaker, I should like to extend my remarks regarding the resolution which my very good friend and colleague, ANDREW L. SOMERS, of New York, has just submitted today, calling upon the President to direct the Export-Import Bank to extend a loan of $150,000,000 to the state of Israel.

I know that I speak for an overwhelming majority of the American people, reflected in the attitude of many Members of Congress, when I say that America's interests are deeply involved in the independence and security of the state of Israel. It is vitally essential that we make this money available at once because of the great strategic stake which we have in the Middle East, a stake which is being eyed closely today by the eastern powers.

It is a well-known fact that the most modern and most effective military power in the whole Middle East today is the new state of Israel. This is a fact which most of our so-called military experts in the State Department are rather foolishly realizing at this late date; for it is no secret that they were the very men who advised that the Arabs were

the favorites in this struggle and, therefore, openly condoned the arms embargo on Palestine and the withdrawal of any and all support for the beleaguered and fighting Hebrews in Palestine. But today they will admit that they were betting on the wrong horse and they find themselves in the ticklish situation of completely reversing their policy and trying to convince the people of Israel that in all good faith we want them as our partners in the Middle East. This loan, which Mr. SOMERS has asked for today, coming at this moment, when the people of Israel are in dire need of economic capital and are burdened with the great problem of repatriation of their people from the camps of Europe, is a good way to begin to show our good faith.

One of the very few men who has for years understood and believed in the success and effectiveness of the Hebrew fighting for his homeland on his home ground, has been my good friend, the distinguished Representative from New York [Mr. SOMERS]. His vision and foresight in backing the cause of the Hebrew people is clearly seen by his long record in Congress on their behalf. And his backing has not been mere sentiment. As far back as 1940, Mr. SOMERS introduced the first bill asking for concrete legislation that was ever asked for in Congress for the Hebrew nation. At that time it was a resolution asking for the creation of a Hebrew military force in Palestine to fight against the common enemy. Even at that time Mr. SOMERS realized that the Hebrew population of Palestine and its prospective citizens scattered in Europe had to obtain military training and be accorded the right to fight against Hitler, knowing full well that the day would soon come when they would have to defend their own national freedom in Palestine. At that time Mr. SOMERS was in touch with Palestine patriots who, during those crucial and fateful years, came to talk with Members of Congress and with leaders in the American Government and asked them to believe that there would be a free Hebrew republic one day and that it would be able to defend itself and eventually become our most valuable ally in Asia Minor. Mr. SOMERS not only took Peter Bergson seriously, but he became the leader of a group of Americans who fought for aid to the Hebrew nation in their struggle for independence and freedom.

Today, of course, America is convinced that the state of Israel is a nation to be reckoned with because of their impressive defense of their state since its inception in May of 1948, against the aggressions of seven Arab League states. But, in the years prior to 1948, Mr. SOMERS was among those who realized that the underground fighters who resisted the British tyranny in their country were not terrorists but rather patriots and future citizens of a free country. The heroic war of Hebrew liberation, forced the British to relinquish their occupation of the Holy Land and give it over to the United Nations.

The people of America have always been deeply moved by the rightness and justice of the Hebrew cause, but they have been mostly impressed by the fact that any society which loves freedom so earnestly must be courted as an ally, not only for its contributions to humanity but also because of its effectiveness in defending and maintaining those contributions which are a part of our way of life.

In closing I want to say that it is particularly fitting that the United States was the first to recognize the State of Israel and it naturally follows that we will not allow this new born nation to suffer unncessarily at this crucial point in their history. At the same time, the United States has embarked on a policy of rehabilitation for all of Europe and it seems logical to ask that this small loan, which can be the beginning of a new phase in our relationship with the democratic state of Israel, be granted immediately.

Virginia Veteran Laws

EXTENSION OF REMARKS
OF
HON. PORTER HARDY, JR.
OF VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

Mr. HARDY. Mr. Speaker, Mr. Donald E. Reece has prepared a comprehensive outline of veterans' rights and benefits as provided by the laws of the Commonwealth of Virginia. Mr. Reece is national service officer of the Disabled American Veterans and has his office at 211 Campbell Avenue, Roanoke, Va. For the ready reference of veterans in Virginia, I submit for the RECORD Mr. Reece's compilation:

VIRGINIA VETERAN LAWS
(By Donald E. Reece)

BURIAL ALLOWANCES AND ALLIED BENEFITS

An appropriation is made to Confederate memorial associations for the care of graves of Confederate soldiers.

CIVIL RELIEF AND ALLIED BENEFITS

A soldier in actual military service, or a mariner, or a seaman being at sea, may dispose of his personal estate as he might have done prior to statutory regulation.

Disability of minority is waived for a veteran to contract under the GI bill of rights.

Acknowledgment is made of legal instruments executed by members of the armed forces.

Provision is made for administration of estates of members of the armed forces missing in action, etc.

An owner of a motor vehicle in the armed services may authorize a member of his immediate family to transfer title.

Presumption of formal execution of wills made by persons in military service is provided.

Protection is afforded to persons acting under power of attorney granted by members of the armed forces.

CIVIL RIGHTS

Absentee registration and voting is provided for members of the armed forces.

CLAIMS, ASSISTANCE IN OBTAINING BENEFITS; SAFEKEEPING OF PAPERS

Clerks of courts and the registrar of the Bureau of Vital Statistics are required to furnish, without charge, to veterans, their dependents or representatives, certified copies of vital records, orders relating to guardianship, etc., for use in presenting claims to the United States Veterans' Administration. The fee for a certified copy of the record of discharge papers is limited to 50 cents.

Clerks of courts shall record, free of charge, the discharge certificate of any veteran of any war in which the United States has been engaged.

The fee for recording discharge papers of World War veterans in the World War Memorial Record is limited to 35 cents.

An appropriation is made for the preparation and prosecution of claims against the Veterans' Administration and other Federal agencies on behalf of disabled war veterans and their dependents, and the surviving dependents of deceased war veterans.

A division of War Veterans' Claims has been created under the Attorney General to render assistance to veterans, their widows and orphans with annual appropriations provided.

EDUCATIONAL BENEFITS; QUALIFICATION FOR THE PROFESSIONS AND TRADES

Teachers have certain obligations under State scholarships discharged by active military service.

EDUCATIONAL OPPORTUNITIES FOR CHILDREN OF VETERANS

Educational aid is extended to children of persons killed or totally and permanently disabled as a result of service in World Wars I and II in an amount not exceeding $200 per year.

EMPLOYMENT PREFERENCES, PRIVILEGES, ETC.

Benefit rights are preserved under the Unemployment Compensation Act.

Five- and ten-point preference is granted to veterans of World Wars I and II in State employment examinations.

Removal of disability of holding office under or receiving pension from the United States Government is provided, thus permitting members of the armed forces and veterans to hold State office.

State, county, and municipal officers and employees are restored to former positions after discharge from the armed forces.

War service credit is granted under the State retirement system.

EXEMPTION FROM EXECUTION, GARNISHMENT, ETC.

Money received as Confederate pension is exempt from levy, garnishment, or attachment.

GUARDIANSHIP

A trustee may be appointed for an incompetent veteran where it appears that one is needed for the purpose of receiving and administering benefits of compensation and insurance payable by the United States Government, or negotiating sales or rental of lands in behalf of said veteran.

HOMES

Any housing authority which may be created may develop and operate low-cost nonprofit housing projects for World War II veterans.

Confederate veterans and their wives, and munitions workers may be admitted to the Lee Camp Soldiers' Home.

A Confederate Memorial Park has been dedicated to the perpetual occupancy and use of the R. E. Lee Camp Home for Confederate veterans.

HOSPITAL BENEFITS

Incompetent veterans may be committed and transferred to State or Federal hospitals.

MEMORIALS

Any county, city, or town may appropriate money for erecting a memorial to veterans.

PENSIONS

Pensions are paid to Confederate veterans, their widows, hospital matrons, and servants.

RECORDS, RELICS, ETC.

Induction and discharge records from draft boards of World War II veterans have been given to clerks of courts.

The Confederate Memorial Institute is keeping and preserving the three Confederate flags delivered to Virginia by the State of Michigan.

Rosters of camps of Confederate veterans have been recorded by clerks of courts.

A World War II history commission has been created to edit and publish information and material on the State's contribution.

RELIEF AND REHABILITATION

Life insurance companies may invest funds in loans secured by mortgages on real estate to the extent guaranteed under the GI bill of rights.

Local units may levy taxes for aid to Confederate veterans or their widows.

The division of rehabilitation, State department of education, provides vocational training to veterans not entitled to same from the Veterans' Administration.

TAX EXEMPTIONS; EXEMPTION FROM LICENSE FEES, RENEWALS, ETC.

Pensions received from the United States or the State on account of military or naval service of the recipient or relative are exempt from income tax.

Licenses to practice law may be granted certain veterans of World War II.

Veterans' organizations are exempt from inheritance tax.

Abatement of penalties and interest on certain taxes of members of the armed forces is provided.

Motor vehicle operators' licenses are extended during service in the armed forces, with refund on unused portion of fee paid and transfer of title.

The unused portion of the annual truck licenses may be applied on a new license after demobilization.

Veterans of World War II are exempt from poll tax for 3 years prior to discharge.

Payment of poll tax is made by the State out of the armed service poll-tax fund on members of the armed forces.

Insurance agents' and solicitors' licenses are renewed following military service.

Real and personal property of veterans' organizations is exempt from taxation.

UNIFORMS

Rights of veterans have been established with respect to the uniform, insignia, etc., of the United States Army, Navy, or Marine Corps.

VETERANS' ORGANIZATIONS

Provision has been made for the registration of names, badges, etc., of veterans' organizations. The unauthorized use or wearing of such insignia is a misdemeanor and is punishable by a fine not exceeding $100, or in case of default, 60 days in jail.

Armory privileges are extended to veterans' organizations.

Quarters in the State office building are provided for all war veterans' organizations.

Property which passes to veterans' organizations is exempt from inheritance and gift taxes.

Housing

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. MULTER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following letter I have received from Morgan Strong, executive secretary of the Conference of Mayors and Other Municipal Officials of the State of New York, in which is set forth a resolution adopted at the annual meeting of that organization:

CONFERENCE OF MAYORS AND
OTHER MUNICIPAL OFFICIALS
OF THE STATE OF NEW YORK,
Albany, N. Y., August 4, 1948.

Hon. ABRAHAM J. MULTER,
House of Representatives,
Washington, D. C.

MY DEAR CONGRESSMAN: The New York State Conference of Mayors passed the following resolution at its annual meeting in June urging the passage of adequate housing and urban redevelopment legislation by Congress:

"Whereas housing is a critical problem in the cities and villages in New York State; and

"Whereas these cities and villages require financial aid for the construction of public housing accommodations and for slum clearance and urban redevelopment: Therefore be it

"*Resolved*, That we, the Conference of Mayors of New York State, petition the Federal Congress to enact without delay an adequate and comprehensive housing bill."

The meeting was attended by 510 city and village officials representing most of the cities and villages in the State. The resolution was adopted unanimously.

In 1947 the mayors' conference passed a similar resolution.

May we urge you to press for the passage of this legislation at the present session of Congress?

Very sincerely yours,
MORGAN STRONG,
Executive Secretary.

Why No Lighter-Than-Air Craft?

EXTENSION OF REMARKS
OF
HON. ALVIN F. WEICHEL
OF OHIO
IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 4, 1948

Mr. WEICHEL. Mr. Speaker, for many years there has been an effort to have study, research, and development of lighter-than-air ships. While there has been some study by the armed forces, yet there has been no peacetime study, research, or development with reference to use of lighter-than-air craft for commercial purposes or use in time of war. It seems that every suggestion as to such study has met with opposition by the executive side of the Government.

The Congressional Aviation Policy Board believe that study should be given to lighter-than-air craft for the benefit of the people of the United States. The Senate and House passed such legislation suggested by the Congressional Aviation Policy Board, yet the President of the United States says there should be no study and I am including his remarks.

Mr. Speaker, it is a pity that because of some secret maneuvers, there is no study, operation, or development of lighter-than-air craft that might possibly benefit the people of America as well as be of assistance in time of war. Who are the secret advisers that have been able to stop the study, experiment, and development of lighter-than-air craft for the United States, especially when it has been testified that Russia has great supplies of helium, and further when the Secretary of Defense says:

The Departments of the Army and Air Force do not feel that the subject matter of the bill comes within the purview of their operations, and the Department of the Navy has informed this office that they have no plans, at the present time, for the development of lighter-than-air rigid airships for either commercial or war use.

THE WHITE HOUSE,
Washington, July 31, 1948.

Hon. ALVIN F. WEICHEL,
Chairman, Committee on Merchant Marine and Fisheries, House of Representatives, Washington, D. C.

MY DEAR CONGRESSMAN: This will acknowledge your letter of July 14 to Mr. Ross with respect to the President's veto of H. R. 6628, a bill to authorize the Maritime Commission to study the commercial possibility of rigid airships.

In announcing the President's veto of this measure Mr. Ross explained that among the factors which the President took into consideration was the negative conclusion concerning Government financing of this type of research reached by the Air Coordinating Committee in its survey of the problem 2 years ago. The committee concluded that a practical test of commercial possibilities would cost at least $40,000,000 and that the military and commercial possibilities appeared too limited to justify any such expenditure at that time. This conclusion was considered to be equally relevant at the present time, particularly in view of the current size of the Federal budget and the need for economy wherever possible.

In addition the President took into consideration the fact that the bill placed in the Maritime Commission responsibility for a survey which was properly the concern of the aviation agencies of the Government. The economic, engineering, and safety problems of lighter-than-air rigid aircraft are obviously more closely related to other methods of air transport than to surface vessels. As Mr. Ross indicated at the time, the President found no sound reason for placing in a nonaviation agency, which was not equipped for the purpose, the responsibility for development of a special and experimental type of air transport.

With respect to your request for copies of the recommendations received from the various departments and agencies, you are aware, I am sure, that this correspondence constitutes a privileged communication between the departments and the President. As a matter of policy, it is not believed appropriate that such agency recommendations to the President be made available.

Sincerely yours,
MATTHEW J. CONNELLY,
Secretary to the President.

The President and the Civil-Rights Issue

EXTENSION OF REMARKS
OF
HON. HOMER A. RAMEY
OF OHIO
IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. RAMEY. Mr. Speaker, under leave to extend my remarks in the REC-

ORD, I include the following article by John O'Donnell:

CAPITOL STUFF

(By John O'Donnell)

Some of our solicitous and helpful readers are writing in to suggest that this Washington weather must be getting us down, that we're becoming a sourpuss, a bilious old meanie and reveal a surly temper when we look with a sour eye on Harry Truman's current breastbeating for civil rights and abolition of the poll tax.

Well, we'll break down and admit the worst. We think Truman's so-called civil-rights program is strictly poltical, that he's beating the drums for it now merely to lure the radical fringe of the New Deal away from Wallace and back into the Roosevelt-Truman fold and that under his hide Harry Truman of Missouri feels the same today on these issues as he did when he was in the Senate.

And on this point we suggest that political minds be improved by getting down the back volumes of the CONGRESSIONAL RECORD and rereading the proceedings in the Senate on the hot afternoon of August 25, 1942.

We had millions of men in uniform at that time and the big question was in providing methods by which the service men and women could vote in the coming general elections in November.

That afternoon, Republican Senator C. WAYLAND BROOKS, of Illinois, called up his amendment to the soldiers vote bill.

The Brooks amendment read:

"No person in military service in time of war shall be required as a condition of voting in any election for President, Vice President, elector for President or Vice President or for Senators or Members of the House of Representatives to pay any poll tax or other tax or make any other payment to any State or political subdivision thereof."

The Brooks amendment passed, 33 to 20.

But how do you think the then Senator from Missouri voted? A lusty, booming "No."

And, how do you think his present running mate on the Democratic Presidential ticket, the Honorable "Dear ALBEN" BARKLEY, of Kentucky, voted? A rich, sonorous "nay."

The liberal Democrats that afternoon went along with a solid Republican front to put the anti-poll-tax measure across. Democrats such as Senator (now United States judge) Bone, of Washington, the late David I. Walsh, of Massachusetts, McCarran, of Nevada, Jim Mead, of New York, Bob Reynolds, of North Carolina, joined up with GOP Senators Taft, Bridges, Brooks, Lodge, Vandenberg, Wiley and the rest to kill the poll-tax restrictions in soldier voting.

But not Truman and BARKLEY. They stuck with Georgia's DICK RUSSELL (the Dixiecrat favorite at the Philadelphia convention) and the rest of the poll-tax supporters—TOM CONNALLY, of Texas, MCKELLAR, of Tennessee, ANDREWS, of Florida, GEORGE of Georgia, and the others.

Now this flip-flop by Truman on the poll-tax issue doesn't mean that High Tax Harry, the Democratic Presidential candidate of 1948, has changed his fundamental view since the days when he was Harry the Pendergast boy from Missouri up in the United States Senate. It means that Harry, the politician, has got a bad case of the jitters, is dismayed (as well he should be) at the utter collapse and confusion of his administration, and can't even remember today his stand on important issues only a few years back.

It's of a piece with that letter we printed Monday—the letter to the St. Louis Star-Times, March 6, 1944, in which then Senator Truman angrily (and properly) resented the attempt by the late President Roosevelt to browbeat Congress into adopting his particular tax plan and scolded the legislative branch—just as President Truman is scolding the Congress today.

On Capitol Hill, the boys just give Truman a scornful brush-off. But Truman as Senator, took pen in hand and wrote—

"A little more common sense in the administration approach to things that have to be done and a little less demagogery for the purpose of appealing to the ignorant and uninformed."

But Truman the President remembers nothing of Truman the Senator and has learned nothing since he moved from Capitol Hill to 1600 Pennsylvania Avenue. At this White House conference, blasting away at the congressional revelations of Red infiltration high in the Democratic administration, he gets off this crack at the co-equal legislative branch of the Government:

"The public hearings underway are serving no useful purpose. On the contrary, they are doing irreparable harm to certain persons, seriously impairing the morale of Federal employees, and undermining public confidence in Government."

In the first place it's none of a Chief Executive's business how the Congress of the United States goes about its business of collecting information on which to base legislative action. Truman is right when he says that the hearings "are doing irreparable harm" to certain persons. Among those certain persons are Presidential candidate Truman and the traitors, pinkos, fellow travelers, dupes, and lunatics brought to Washington since March 1933. When Truman says the hearings are undermining public confidence in the Government he's wrong or, more probably doesn't know the difference between the Government of the United States and the political administration which at the moment happens to be running it.

No one has lost any confidence in the Government, Mr. President. But if you say that the citizens have lost all confidence and respect for the administration which F. D. R. and you have controlled—then, brother, you said a mouthful.

Aid to China

EXTENSION OF REMARKS

OF

HON. STYLES BRIDGES

OF NEW HAMPSHIRE

IN THE SENATE OF THE UNITED STATES

Saturday, August 7 (legislative day of Thursday, August 5), 1948

Mr. BRIDGES. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a statement prepared by me and correspondence relating thereto.

There being no objection, the statement and correspondence were ordered to be printed in the RECORD, as follows:

Mr. President, as the Congress well knows, the Government of China has been engaged since the war's end in a struggle for its very existence against Chinese Communists who have been supplied with arms, ammunition, and technical advice by the Soviet Union. The Nationalist Government, which was our ally during the war, has lost to the Communists the northern half of its territories. During the long period of this fateful struggle the United States has been lax in filling its moral commitments to the Chinese Nation. It is the feeling of many of us that our Nation has lost a tremendous advantage through our laxness because we have allowed the Soviet Union to gain by default so strong a position in the East.

To remedy the deplorable trend of events in China, this Congress has taken action to provide military supplies to the Nationalist Government. The action of the Congress was taken to correct the long policy of inaction in China which the administration has espoused.

I would like at this time to present a series of letters which I ask be printed in the RECORD following these remarks. These letters, Mr. Fresident, are documentation of the fact that the administration has continued its policy of inaction and delay in China over the months since the Congress expressed in unmistakable terms its desire that $125,000,000 be made available to the Chinese Government for sorely needed military equipment.

Briefly, the record is this: By extraordinary action the Congress made available to the President on April 3 funds for the assistance of the Chinese armies. It was not until July 23 that the first dollar grant was extended to the Chinese.

The Chinese military aid was authorized in the Foreign Assistance Act which was signed into law on April 3, 1948. Under the terms of that act the Reconstruction Finance Corporation was authorized and instructed to advance money both for China and for the European recovery program. The urgency of the China situation had been stressed throughout the congressional discussion of the bill and there can have been no doubt on the part of the administration that Congress intended immediate action to make available military supplies which the Chinese might request.

The record shows, however, that the administration acted with great dispatch on the European recovery program while it delayed for months to make funds available to China. To illustrate, by June 30, 1948, procurement and authorizations for OEEC countries and Trieste totaled $738,000,000. By June 30, 1948, no aid at all had been extended to China. No aid was extended to China until July 23 and the amount of grants certified to date stands under $9,000,000, which is roughly one-fourteenth spent in the first 4 months of the $125,000,000 appropriated for a year.

The letters which I have asked to be inserted in the RECORD indicate the following chronology of delay on the part of the administration:

1. On April 3, 1948, I addressed a letter to Secretary of Defense Forrestal asking that he furnish the Appropriations Committee for its hearings a statement of the amount and character of military assistance which the Nationalist Government of China needs at this time. The Secretary replied that such a study was being carried out.

2. On April 3, $13,500,000 was made available by law for assistance to the Chinese on such terms as they might request. It was intended that this assistance should be of a military nature.

3. The first action on the part of the President occurred on June 2, nearly 2 months later, when he allocated the Reconstruction Finance Corporation advance to the Secretary of the Treasury. At the same time he informed the Secretary of State of the terms under which the grants would be made available to the Chinese.

4. On June 28 I wrote a letter to the Secretary of State calling for a full explanation of the fact that the Chinese Government had not even been informed at that time of the terms under which they could apply for the military assistance provided in congressional action 3 months previously. On that same date the Department of State dispatched a note to the Chinese Ambassador informing him of the terms under which the grants would be made. Three days later, on July 1, the Chinese Ambassador acknowledged receipt of the note. My letter to the Secretary was answered July 1 in a highly unsatisfactory manner by the Department counselor.

5. On July 1, following the conference of the Appropriations Committee on the Foreign Aid Appropriation Act, Congressman JOHN

TABER, chairman of the House Committee on Appropriations, and I, as chairman of the Senate Committee on Appropriations, wrote a letter to the President informing him that the conference expressed a clear desire that the $125,000,000 appropriated "should be matched to the military requirements of China in accordance with the general proposals" made by the Army when its spokesmen appeared before the Appropriations Committees. The President replied on July 28 that he had "directed the Secretary of Defense to render appropriate assistance to the Chinese Government in the acquisition of such military supplies as the Chinese Government may request."

6. On July 28, the President sent directives to the Secretary of State, the Secretary of the Treasury, and the Secretary of Defense which made it possible for Army, Navy, and other Government departments and agencies to participate in the program of shipping military supplies to the Chinese. Without this aid it would have been enormously expensive and inefficient for private Chinese procurement agents to buy arms and ammunitions from American suppliers.

Mr. President, no one in the Congress is more gratified than I am that the program of aiding the Chinese Government to withstand Communist military forces is finally under way. Our policy of inaction during the years since the war's end has had disastrous consequences in the Far East. The advantage which the Soviet Union has gained might well spell the difference between survival and defeat if the forces of totalitarianism and democratic government are ever thrown into open conflict. It is, however, inexcusable that this delay of nearly 4 months should have occurred between the time when the Congress made money available to aid the Chinese armies and the date when the administration made its first payment to the Chinese.

The policy which this Government has pursued in China in the last few years cannot by any stretch of language be termed a bipartisan policy. The views of the administration and the views of the Eightieth Congress have been in open conflict. To this date the policy of the administration has prevailed. The Chinese have been abandoned to their own devices to carry out a struggle with Communists backed by the ruthless and powerful Soviet state.

It is my hope that a new policy has begun in China, a policy that has been forced by congressional action. It is my hope that the tactics of deliberate delay which the administration has shown in relations with the Chinese Government are at an end. It is my hope that the Chinese Government at last will have the support of American arms and ammunitions to wage for itself and for all freemen its battles against communism. The hopes which I express here today are shared, I am sure, by the majority of the Members of this body and by the American people.

APRIL 3, 1948.

Hon. JAMES FORRESTAL,
Secretary of Defense,
Washington, D. C.

MY DEAR MR. SECRETARY: The Foreign Assistance Act of 1948, which was approved by the Congress April 2, authorizes an appropriation of $125,000,000 for grants-in-aid to China. In the conference report of the managers on the part of the House and the Senate it is declared that the $125,000,000 should be provided allowing for aid of military character.

Since this committee now must consider the appropriation to be made, it is requested that you furnish to the committee a statement of the amount and character of military assistance which the Nationalist Government of China needs at this time.

In determining the appropriation that is to be earmarked for military assistance, this committee desires access to such information as you may have received from requests by the Nationalist Government, reports by our Army advisory group in China, or general surveys of the Chinese military situation made by the Department of National Defense.

It is recognized, of course, that the terms of the Senate bill 2202 place the initiative with the Nationalist Government in requesting grants-in-aid for military purposes out of the money appropriated. It is the apparent intent of Congress, however, to hold out to China an offer of American assistance that is reasonable when measured against the known needs of the Nationalist Government in its struggle against the Russian-supported Communists in China.

Sincerely yours,

STYLES BRIDGES.

THE WHITE HOUSE,
Washington, June 2, 1948.

The Honorable the SECRETARY OF STATE,

MY DEAR SECRETARY: I am in general in accord with the position expressed in your memorandum to me of May 14, 1948, regarding the provision of additional aid to China as authorized by section 404 (b) of the China Aid Act of 1948. It is my desire that the grants to China under this section of the act be made under the following procedures:

1. The Chinese Government will, from time to time, submit to the Department of State requests for payment with respect to commodities or services procured by it, supported by invoices or other appropriate documentation evidencing the transactions.

2. The Department of State will examine the documentation submitted by the Chinese Government to determine that the request is not in excess of the total represented by the invoices or other supporting data, and will authorize the Treasury to make the appropriate payments to the Chinese Government.

3. The Secretary of State will request from the Chinese Government monthly reports showing in as much detail as possible the purposes for which expenditures have been made out of the funds provided to it under the authority of section 404 (b) of the act.

Attached is a copy of my letter to the Secretary of the Treasury informing him of this procedure and making an allocation of $13,500,000 to carry out the provisions of section 404 (b) of the China Aid Act of 1948.

Sincerely yours,

HARRY S. TRUMAN.

THE WHITE HOUSE,
Washington, June 2, 1948.

The Honorable SECRETARY OF THE TREASURY.

MY DEAR MR. SECRETARY: Pursuant to the authority of section 404 (b) and section 406 of the China Aid Act of 1948 (title IV, Public Law 472, 80th Cong.), I hereby allocate to you the sum of $13,500,000 out of the funds advanced by the Reconstruction Finance Corporation to carry out the provisions of the said China Aid Act of 1948. Please take the necessary steps to effect this allocation.

Out of the funds allocated hereunder disbursements are to be made by you to the Chinese Government upon certification by the Department of State that the amounts requested are supported by invoices submitted by the Chinese Government, which the Department has examined to determine that the request is not in excess of the total represented by these invoices. A record of these disbursements should be forwarded monthly to the Department of State.

The Secretary of State will further advise the Chinese Government to furnish him monthly reports showing in as much detail as practicable the purposes for which expenditures have been made out of the funds made available under the authority of section 404 (b) of the China Aid Act of 1948.

At such time as appropriations may become available for the purpose of carrying out section 404 (b) of the China Aid Act of 1948, further allocations will be made out of such appropriations, to be disbursed in accordance with the terms of this letter.

Sincerely yours,

HARRY S. TRUMAN.

JUNE 28, 1948.

The Honorable GEORGE C. MARSHALL,
The Secretary of State,
Washington, D. C.

MY DEAR MR. SECRETARY: Because of the urgent need of the Chinese Government for military supplies and economic aid, and the vital interest of the American people in the maintenance of Chinese independence, the Congress of the United States, on April 3, 1948, authorized and directed the Reconstruction Finance Corporation to advance $50,000,000 for the purposes of the China Aid Act.

From April 3, 1948, to the present day, the Department of State has failed to use any portion of this sum for the purchase of military supplies by the Chinese Government. There has been a general laxness throughout Government in freeing the advances for China aid to be used by the Chinese Government. Although the advance of the Reconstruction Finance Corporation for European recovery was made available in April, the funds for China military aid, which were provided in the same legislation, were not released until the middle of June. Moreover, none of this money has been expended to aid China since its expenditure was authorized.

The facts are as follows:

The China Aid Act passed by the Congress on April 3, 1948, authorized, in section 404 (b), appropriation of a sum not to exceed $125,000,000 for additional (military) aid to China through grants "on such terms as the President may determine and without regard to the provisions of the Economic Cooperation Act of 1948."

In section 406 of the same act the Reconstruction Finance Corporation was authorized and directed to make advances, not to exceed in the aggregate $50,000,000 to carry out the provisions of the China Aid Act of 1948, in such manner and in such amounts as the President shall determine.

This sum of $50,000,000 was intended to cover advances upon the economic and military aid, pending an appropriation by Congress. On April 5, 1948, officials of the State Department informed Chinese officials that of this sum $36,500,000 would be for the economic-aid program and $13,500,000 for the special (military) aid.

Since April 5, 1948, the Chinese Government has repeatedly attempted to obtain from the Department of State a statement of the necessary procedure for utilizing the $13,500,000, as well as the total sum of $125,000,000. No reply has yet been given by the Department of State, in spite of the fact that on June 10, at the open hearing of the Senate Appropriations Committee, the Assistant Secretary of State, Mr. Thorp, presented to the committee a letter, dated June 2, 1948, outlining the procedure for the utilization of the special-aid fund. (A copy of the letter of the President is attached hereto.)

Because the Department of State and other agencies of the Government have delayed in making these funds available for expenditure, the Chinese Government for nearly 3 months has been prevented from utilizing the military aid authorized by the Congress on April 3.

In view of the extremely serious military situation in China, where Chinese Government Armies with insufficient supplies are

being attacked by more than 2,000,000 well-armed Communists, the delay of the Department of State in this matter is clearly contrary to the vital interests of the American people.

It is my desire that you furnish to the Senate Committee on Appropriations a full explanation of the slow action by the Department of State in this very urgent situation. The committee would like assurance, also, that immediate action will be taken to carry out the wishes of Congress that were expressed in the enactment of Public Law 472 last April.

Sincerely yours,

STYLES BRIDGES.

JULY 1, 1948.

The Honorable STYLES BRIDGES,
United States Senate.

MY DEAR SENATOR BRIDGES: The receipt is acknowledged of your letter of June 28, 1948, in regard to the extension of aid to China as authorized by Public Law 472, in which you ask for an "explanation of the slow action by the Department of State" and request assurance that immediate action will be taken to carry out the wishes of the Congress as expressed in the enactment of Public Law 472.

The China Aid Act of 1948 (title IV of the Foreign Assistance Act of 1948) authorized the appropriation of $463,000,000 for assistance to China to remain available for obligation for the period of 1 year. Of this total, $338,000,000 was authorized to be appropriated for economic-type assistance, which would be administered by the Administrator for Economic Cooperation. The sum of $125,000,000 was authorized to be appropriated for additional aid to China through grants, on such terms as the President might determine and without regard to the provisions of the Economic Cooperation Act of 1948.

On April 30, 1948, after consultation with the Administrator for Economic Cooperation and subsequent negotiation with Chinese Government representatives, the Secretary of State exchanged notes with the Chinese Ambassador, which until July 3, 1948, would provide a legal basis for the implementation of section 404 (a) of the China Aid Act of 1948. Prior to this exchange of notes, the Acting Secretary of State addressed a letter to the Director of the Bureau of the Budget recommending that the $50,000,000 advance by the Reconstruction Finance Corporation authorized under section 406 of the China Aid Act of 1948 be divided as follows: $36,500,000 to the Administrator for Economic Cooperation to provide initial economic assistance to China and $13,500,000 to be reserved as part of the additional aid through grants to the Chinese Government to be transferred in accordance with the terms decided upon by the President.

Accordingly, $36,500,000 has been made available to the Administrator for Economic Cooperation for use in the program of economic assistance. Most of these funds have been committed for commodities which have either arrived in China or are in the process of being shipped to China.

Following detailed discussion by representatives of the Bureau of the Budget, the Treasury Department, and the Department of State of the question of the terms to govern the transfer of the funds under the $125,000,000 grants in additional aid authorized in section 404 (b) of the China Aid Act of 1948, the Secretary of State submitted a memorandum dated May 14, 1948, to the President in which he recommended that the President delegate his powers under section 404 (b) of the act to the Secretary of the Treasury. On May 18 the Under Secretary of State forwarded a letter to the Director of the Bureau of the Budget enclosing a draft letter of allocation setting forth these terms and asking for Presidential approval thereof.

During the hearings on the China Aid Act of 1948 before the House Appropriations Committee, members of the committee indicated to representatives of the Department of State and the Economic Cooperation Administration concern over what was regarded as a lack of adequate control of the expenditure of the $125,000,000 grants to be made available to the Chinese Government in accordance with the provisions of the China Aid Act of 1948. On May 24, 1948, the committee in executive session asked the Under Secretary of State for a statement of the arrangements to be prescribed by the President for the transfer of these $125,000,000 grants to the Chinese Government. Statements by members of the committee indicated that the terms which had been set forth in the draft letter of allocation forwarded to the Director of the Bureau of the Budget by the Under Secretary of State on May 18 would not conform to the wishes of the committee in this respect. The Bureau of the Budget, therefore, in consultation with the Department of State, revised the terms contained in the draft letter of allocation and forwarded the revised terms to the chairman of the House Appropriations Committee in a letter dated May 26, 1948. The chairman was informed that the President had not yet issued any determination of the terms for these grants and that no payments had yet been authorized from the advances made available for this purpose under section 406 of the China Aid Act of 1948. He was also informed that the arrangements presently contemplated included procedures which were set forth in the letter.

Under date of June 2, 1948, the President addressed a letter to the Secretary of State outlining the procedures under which the $125,000,000 grants authorized in section 404 (b) of the China Aid Act of 1948 were to be made available to the Chinese Government and stating that the Secretary of the Treasury had been informed of these procedures and that an allocation of $13,500,000 had been made to him to carry out the provisions of section 404 (b) of the China Aid Act of 1948.

The Department of State had already prepared a note to the Chinese Ambassador communicating to him the above-mentioned terms and was on the verge of transmitting this note when indications were received that the House of Representatives was considering a foreign-aid appropriation bill which contained a proviso that the administration of the China-aid program conform with the objectives of assistance to Greece and Turkey. This would have required the imposition of terms different from those called for in the enabling legislation and would thus have made impossible the use of the terms decided upon by the President, as set forth in his letter of June 2, 1948, to the Secretary of State. On June 4, 1948, the House of Representatives passed the foreign-aid appropriation bill (H. R. 6801) containing the above-described proviso, reducing the total amount of aid for China from $463,000,000 to $400,000,000 and making no provision for an earmark of $125,000,000 for additional aid through grants. The Department of State did not, therefore, consider that it could communicate terms to the Chinese Government regarding these $125,000,000 grants which would be clearly inapplicable and inappropriate in the light of the action of the House of Representatives. Consequently, further action in this regard was held in abeyance pending the passage of legislation by the Congress appropriating funds for implementation of the China Aid Act of 1948.

The views of the Department on the reductions in the estimates and on the proposed controls are contained in the letter of June 10, 1948, addressed to you by the Under Secretary of State.

On June 15, 1948, the Senate approved certain amendments to the foreign-aid appropriation bill, 1949, one of which removed the Greek-Turkey proviso contained in the House bill and thus made the $125,000,000 grants available in accordance with the terms of the enabling legislation. On June 19, 1948, the foreign-aid appropriation bill, 1949, was sent to conference. The conference report shows that the total amount of aid to China was reduced from $463,000,000 to $400,000,000, that the Greek-Turkey proviso was removed from the bill and that the $125,000,000 grants were thus to be made available to China in accordance with section 404 (b) of the China Aid Act of 1948. The Foreign Aid Appropriation Act, 1949, was then passed by the Congress on the same day.

The President signed the Foreign Aid Appropriation Act, 1949, on June 28, 1948. On the following day the Department of State forwarded a note, dated June 28, 1948, to the Chinese Ambassador communicating the terms prescribed by the President governing the transfer of the $125,000,000 grants under section 404 (b) of the China Aid Act of 1948 and informing him that implementation of this section of the act would be promptly undertaken upon the receipt of a note indicating the Chinese Government's agreement to these terms. A copy of this note is attached for your information.

At the same time the Department of State forwarded copies of this note to the Secretary of the Treasury, the Secretary of Defense, and the Director of the Bureau of the Budget. In the letter transmitting a copy of this note, the Director of the Bureau of the Budget was asked to take the necessary action to have allocated to the Secretary of the Treasury the funds authorized under section 404 (b) of the China Aid Act of 1948 and appropriated by the Congress in the Foreign Aid Appropriation Act, 1949.

I am certain that you will recognize from the foregoing description of the circumstances relating to the $125,000,000 grants under the China Aid Act of 1948 that the Department of State has taken and is taking all possible steps to carry out the wishes of the Congress as expressed in the enactment of the China Aid Act of 1948 and the Foreign Aid Appropriation Act, 1949.

Sincerely yours,

CHARLES E. BOHLEN,
Counselor.

(Enclosure: Note to the Chinese Ambassador, dated June 28, 1948.)

JUNE 28, 1948.

His Excellency Dr. V. K. WELLINGTON KOO,
Chinese Ambassador.

EXCELLENCY: I have the honor to inform you that, in accordance with the authorization contained in section 404 (b) of the China Aid Act of 1948 (title IV of the Foreign Assistance Act of 1948) and subject to the provisions of the act appropriating funds thereunder, the Government of the United States is prepared, for the period of 1 year following the date of enactment of the act, to extend to the Government of the Republic of China additional aid through grants in the amount of $125,000,000 which have been appropriated for this purpose by the Congress in the Foreign Aid Appropriation Act of 1949. As stated in section 404 (b) of the China Aid Act of 1948, this aid is to be extended on such terms as the President of the United States may determine and without regard to the provisions of the Economic Cooperation Act of 1948.

Pursuant to the authorization under the act, the President of the United States has determined that the extension of additional

aid under these grants shall be governed by the following terms:

1. The Government of the Republic of China shall, through its authorized representatives in Washington, present from time to time to the Secretary of State formal written requests for payment with respect to commodities or services procured or to be procured by it, supported by invoices, contracts, or other appropriate documentation evidencing the transactions.

2. The Secretary of State shall upon the receipt of such requests, supported by invoices, contracts, or other appropriate documentation evidencing the transactions, authorize the Secretary of the Treasury to make the appropriate payments to the Government of the Republic of China.

3. The Government of the Republic of China shall furnish the Secretary of State monthly reports showing in as much detail as practicable the purposes for which expenditures have been made out of funds provided to it under the authority of section 404 (b) of the China Aid Act of 1948.

I should appreciate receiving notification of your Government's agreement to the terms set forth above for the extension of this additional aid under section 404 (b) of the China Aid Act of 1948. Upon the receipt of a note indicating your Government's acceptance of these terms, the implementation of this section of the act may be promptly undertaken.

Accept, Excellency, the renewed assurances of my highest consideration.

For the Secretary of State:

ROBERT A. LOVETT,
Under Secretary.

JULY 1, 1948.

The PRESIDENT,
The White House,
Washington, D. C.

DEAR MR. PRESIDENT: During the hearings on China aid before the Senate and House Committees on Appropriations this spring testimony was taken in executive session on the military needs of China. Gen. Albert C. Wedemeyer, appearing with Secretary of the Army Kenneth C. Royall, made certain proposals for the expenditure of $125,000,000 for military requirements. The Congress has subsequently voted appropriations of $125,000,000 in the Foreign Aid Appropriation Act.

During the conference between the Senate and House conferees on the bill it was the unanimous decision that the chairmen of the committees should communicate with you and express the desire that the administration check the expenditure of this $125,000,000 very carefully. There was a clear expression in the conference of a desire that this money should be matched to the military requirements of China in accordance with the general proposals made by Secretary Royall and General Wedemeyer.

Respectfully yours,

STYLES BRIDGES,
Chairman, Senate Committee on Appropriations.
JOHN TABER,
Chairman, House Committee on Appropriations.

THE WHITE HOUSE,
Washington, July 16, 1948.

The Honorable the SECRETARY OF THE TREASURY.

MY DEAR MR. SECRETARY: Pursuant to the authority contained in the China Aid Act of 1948 (title IV of Public Law 472, 80th Cong.), I hereby make the following allocations from the sums appropriated for aid to China by the Foreign Aid Appropriation Act, 1949 (Public Law 793, 80th Cong):

(1) To the Economic Cooperation Administration, the sum of $238,500,000, to be consolidated with the previous allocation of $36,500,000 made to that agency pursuant to my letter of April 30, 1948. These funds are to be utilized by the Economic Cooperation Administration for carrying out the provisions of the China Aid Act of 1948 pursuant to Executive Order 9943, approved April 9, 1948.

(2) To the Secretary of the Treasury, the sum of $111,500,000, to be consolidated with the previous allocation of $13,500,000 made pursuant to my letter of June 2, 1948. These funds are for the purpose of carrying out the provisions of section 404 (b) of the China Aid Act of 1948 and are to be disbursed in accordance with the terms set forth in my letter of June 2, 1948.

This letter will supersede my letter of July 3, 1948, allocating to you the sum of $125,000,000 for aid to China from the Foreign Aid Appropriation Act, 1949 (Public Law 793, 80th Cong.).

Will you please arrange for the necessary transfer of funds and advise the Economic Cooperation Administrator and the Secretary of State when this has been done. A copy of this letter is being sent to those officials.

Sincerely yours,

HARRY S. TRUMAN.

THE WHITE HOUSE,
Washington, July 28, 1948.

The Honorable the SECRETARY OF STATE.

MY DEAR MR. SECRETARY: My letter of June 2, 1948, addressed to you concerning the provision of additional aid to China as authorized by section 404 (b) of the China Aid Act of 1948 is amended to read in pertinent part as follows:

"It is my desire that the grants to China under this section of the act, which grants are hereby made, shall be paid under the following procedures:

"1. The Chinese Government will from time to time submit to the Department of State requests for payment with respect to commodities or services procured or ordered by it, supported by purchase orders, contracts, invoices, or other appropriate documentation evidencing the transactions.

"2. The Department of State will examine the documentation submitted by the Chinese Government to determine that the request is not in excess of the total represented by the supporting data and will authorize the Treasury to make the appropriate payments to the Chinese Government. The Treasury Department shall make the payments in accordance with such authorization.

"3. In those cases in which the Chinese Government wishes to arrange for the procurement or furnishing of supplies or services by any department, agency, or establishment of the United States Government, subject to the approval of the Secretary of State as to the availability of funds prior to the procurement or furnishing of such supplies or services and pursuant to sections 403 and 113 (a) of the Foreign Assistance Act of 1948, such department, agency, or establishment is authorized to submit to the Department of State requests for reimbursement of appropriations or for advance payments. On the basis of such requests, the Department of State will authorize the Treasury Department to make reimbursements or advance payments to such department, agency, or establishment.

"4. The Secretary of State will request from the Chinese Government monthly reports showing in as much detail as possible the purposes for which expenditures have been made out of the funds provided to it under the authority of section 404 (b) of the act."

Attached is a copy of my letter to the Secretary of the Treasury advising him of this decision.

Sincerely yours,

HARRY S. TRUMAN.

THE WHITE HOUSE,
Washington, July 28, 1948.

The Honorable the SECRETARY OF THE TREASURY.

MY DEAR MR. SECRETARY: My letters of allocation under section 404 (b) of the China Aid Act of 1948 (title IV, Public Law 472, 80th Cong.), dated June 2 and July 16, 1948, are hereby amended in pertinent part to conform with the attached letter addressed to the Secretary of State establishing procedures under which payments under that act shall be made.

Sincerely yours,

HARRY S. TRUMAN.

THE WHITE HOUSE,
Washington, July 28, 1948.

The Honorable the SECRETARY OF NATIONAL DEFENSE.

MY DEAR MR. SECRETARY: I enclose copies of letters addressed by me to the Secretary of State and to the Secretary of the Treasury setting forth the procedures to be applied to the additional aid to China authorized by section 404 (b) of the China Aid Act of 1948. I also enclose a copy of a memorandum addressed to me by the Secretary of State with reference to facilitating the procurement of military supplies by the Chinese Government. There are further enclosed copies of an exchange of letters on the same subject with Chairmen BRIDGES and TABER, of the Senate and House Appropriations Committees.

Will you please take such action as may be appropriate in the circumstances to facilitate the acquisition by the Chinese Government of such military supplies as the Chinese Government may request, either by making available existing stocks of the National Defense Establishment or by arranging for the procurement of such supplies on behalf of that Government?

Sincerely yours,

HARRY S. TRUMAN.

THE WHITE HOUSE,
Washington, July 28, 1948.

Hon. STYLES BRIDGES,
Chairman, Committee on Appropriations,
United States Senate,
Washington, D. C.

MY DEAR SENATOR BRIDGES: Thank you for your letter sent jointly with Chairman TABER, House Appropriations Committee, further expressing the views of the Senate-House conferees with respect to the expenditure of the $125,000,000 authorized for grants to China under section 404 (b) of the China Aid Act.

I have instructed the Secretary of State to check the supporting data submitted by the Chinese Government in connection with requested payments to assure that no authorization for payment is issued in excess of appropriated funds. In addition I have directed the Secretary of Defense to render appropriate assistance to the Chinese Government in the acquisition of such military supplies as the Chinese Government may request. Accordingly, due consideration will be given to the general proposals made by Secretary of the Army Royall and General Wedemeyer to the Senate and House Appropriations Committees.

All administrative checks and controls related to this program will, of course, have to be carried out in a manner consistent with the clearly stated desire of the Congress that assistance furnished under this program shall not be construed as an expressed or implied assumption by the United States of any responsibility for policies, acts, or undertakings of the Republic of China or for conditions which may prevail in China at any time.

I have sent a similar letter to Chairman TABER, House Appropriations Committee.

Sincerely yours,

HARRY S. TRUMAN.

Why I Like the Mundt-Nixon Bill

EXTENSION OF REMARKS
OF
HON. KARL E. MUNDT
OF SOUTH DAKOTA
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

Mr. MUNDT. Mr. Speaker, under leave granted me by the House, I take this opportunity of calling attention to an interesting article by Godfrey Schmidt entitled "Why I Like the Mundt-Nixon Bill" appearing in the July issue of the monthly magazine Information:

WHY I LIKE THE MUNDT-NIXON BILL

(By Godfrey Schmidt)

"The Devil's first trick is his incognito," wrote Denis de Rougemont. Likewise, it is the Communist's cleverest wile to convince us that he does not exist. That is why he scurries about his nefarious purposes under the cover of civil liberties. He offers incense to liberty, and he gets smoke in people's eyes so they can't see him. He battens on the intellectual confusions of the people who have no faint notion of the respective spheres of liberty and authority. He may have heard of Lincoln's dilemma: "Must a government of necessity be too strong for the liberties of its people or too weak to maintain its own existence?" He wants Russia to be strong. He does what he can to make Czechoslovakia weak—until it is weak enough to be clutched. Then he even drops the pretense of civil liberties. For his ministry of interior can then arrest people, and afterward his ministry of justice can execute them. From the point of view of statistical averages, you don't have to arrest and execute very many. With a few horrible examples, you can frighten the majority while you work on them with your ministry of information. What you can't stifle by propaganda you can suppress by censor. In the end you will mold a docile electorate before whom you can perpetrate the spectacle of a rigged election. You can even manage a Communist dictatorship with a coalition government as long as you hold some key ministries and as long as you mislead the people with slogans like "Divide the land"; "Higher wages"; "Lower prices"; "Give us bread"; "Down with imperialist capitalists"; "Power for the workers," etc.

LIBERTY'S PRICE

I like the Mundt-Nixon bill because it erects a rampart from which we can more easily be eternally vigilant. It provides a way for being democratic without being stupid. It cuts a middle path between the horns of Lincoln's dilemma. I see no reason why alert Americans should have to wait until Communist politicos infest strategic positions in the United States before recognizing communism as a clear and present danger, even here.

NOT SUSTAINED

In this connection I don't appreciate the relevance of twaddle to the effect that you can't prosecute or persecute an idea. Communism in the United States is not simply an idea. Moreover, false ideas are prosecuted and persecuted whenever they are stripped from their trappings of half truth and hypocrisy. One of the reasons why some people dislike anything but license in the area of civil liberties is that they can't or won't distinguish between good and evil ideologies—or between good and evil, error and truth.

After social reforms, the very best way of fighting against communism is to deprive it of its incognito. I know of no reason why we can't join social reform with the Mundt-Nixon bill. As a matter of fact, in this election your politicians are vying with each other in their proposals of social reform. But that is no reason why we should bait the hook of the Reds who would have us believe that democracies do not have the power to effectively defend themselves against the secret marauders of civil liberties.

THE UNDERGROUND

The politically naive and immature keep saying: "If you do that to the Communists, they'll go underground." Poor, simple soul, don't you realize that in countries like this they are always underground? The part of them that you can see is make-believe, pretense. It's the part that you don't see, because it is hidden under the incognito, that you would fear if you did see it. If you take them at face value, you are doing precisely what they want you to do. When they drop the incognito so that you can believe what you see, it's too late. Then you are in the same fix as Czechoslovakia or Poland or Rumania. And even then they are underground—with their secret police, their snide terrorism, their devious propaganda. The monument to young Pavel Morozov, the boy who informed on his father and mother and thus sent them to execution, means that they bore secretly even into that closest of all communities: the family.

Some of the criticisms of the Mundt-Nixon bill have been so general that I ask myself whether their authors have read the bill itself.

MORE SANCTIONS

Section 5 makes violation of the act, as proved by court conviction, punishable by loss of citizenship. People may differ as to whether such punishment is condign. Personally, I think it is too severe. But I must confess that reasonable men of good will who have a proper appreciation of the danger which communism involves, and of the evil fascination which it has for some people, might differ from me in this respect.

DISSECTION

Let us be more specific, taking the bill apart section by significant section.

Section 1 simply gives the bill a title "Subversive Activities Control Bill, 1948."

Section 2 is a summary, in the form of legislative findings, of the nature of the Communist totalitarian peril. With dispassionate accuracy it makes out an irrefutable statement of the necessity for legislation of this type:

"The system of government known as totalitarian dictatorship is characterized by the existence of a single political party, organized on a dictatorial * * * basis * * * (it) results in the destruction of free democratic institutions, the ruthless suppression of all opposition to the party in power, the complete subordination of the rights of individuals to the state * * * control over the people through fear, terrorism and brutality. * * * A world Communist movement which in its origins, its development, and its present practice is a world-wide revolutionary political movement whose purpose it is by treachery, deceit, infiltration * * * to establish a Communist totalitarian dictatorship in all the countries of the world. * * * The recent success of Communist methods in other countries and the nature * * * of the world Communist movement itself present a clear and present danger to the security of the United States."

A country which has foresworn some 37 treaty or international obligations, which has sabotaged the UNO, which has its quislings in practically every country of the world, which has spilled its tyranny and aggrandizement over 13 neighboring countries, some of which were its allies—such a country seems to me to have out-Hitlered Hitler. If the latter's clear and present danger could evoke the retort of war, I think it is rather moderate to oppose Mr. Stalin's American intrigues with the Mundt-Nixon bill.

THE HEART OF THE BILL

Section 3 makes certain definitions: "Communist political organization" and "Communist-front organization." There is no substitute for a cereful reading of these crucial definitions. They are too long for full quotation or discussion in an article of this scope. In my view they are accurately, prudently, and effectively contrived. The Communist political organization is tied by every definition to control by the foreign government or foreign governmental or political organization which directs the world Communist movement. Soviet Russia is not mentioned. It is very clearly aimed at. Some 10 considerations are formulated for the guidance of those charged with interpreting the definition. Among these considerations are: the extent to which its policies are under the direction and control of the world Communist movement; the extent to which its views and policies are the same as those of such foreign government; the extent to which it receives financial or other aid, directly or indirectly, from * * * such foreign government; the extent to which it reports to such foreign government, etc. The net effect of these various considerations is that they could not possibly be applied to any party except one controlled by Moscow.

A Communist-front organization is one as to which in view of certain formulated considerations it is reasonable to conclude that * * * it is under the control of a Communist political organization.

I have reread these salient definitions many times, and can find no serious fault with them. On the contrary I think they are exhibits of fine legislative prudence and statesmanship.

PENALTIES

Section 4 of the bill makes it unlawful for any person to promote establishment in the United States of a totalitarian dictatorship controlled by any foreign government, foreign organization, or foreign individual. Violators are subject to fines up to $10,000, or imprisonment up to 10 years, or both.

Perhaps the most serious criticism which can be leveled at the bill is that it provides no statute of limitations for offenses under this section.

Section 6 makes it unlawful for any member of the Communist political organization to seek or accept Federal office or employment without revealing that he is a member of such organization. No one could be convicted under this section unless it could be proved that he knowingly participated in a Communist political organization which he believed or had reasonable grounds for believing was the type of organization defined by the bill. Also, every Government officer or employee is forbidden to employ anyone whom he knows to be a member of a Communist political organization.

RED AGENTS

Section 7 forbids Communist agents who move from country to country from applying for or renewing passports if they are members of a Communist political organization (not a mere front organization). Government officials are forbidden to issue or renew such passports.

Section 8 requires each Communist political organization and each Communist-front organization to register with the Attorney General, to make accounting of all moneys received and spent annually and to list the

names and addresses of officers. A Communist political organization must, in addition, register its members during the preceding 12 months.

Section 9 opens to public inspection all registration statements filed under the act. And section 10 proscribes the act of remaining a member of an organization found by the Attorney General to be a Communist political organization, if that organization has not registered as required by the proposed act.

Section 11 requires the labeling of propaganda sponsored by Communist organizations.

THE PRIVILEGES

Section 12 forbids tax exemption to persons who give money to a registered organization or to an organization which the Attorney General has ordered to register. The activities of such organizations are not tax exempt.

Section 13 gives to the Attorney General power to investigate and to decide whether or not an organization is a Communist political organization or a Communist-front organization. Hearings must be public and must comply with due process.

RIGHT OF APPEAL

Section 14 provides for appeals to the United States Court of Appeals for the District of Columbia with review by the Supreme Court of the United States in a proper case.

It is unfortunate, I think, that the power to investigate and the power to prosecute is lodged with an official (the Attorney General) who is also called upon to discharge a quasi-judicial function. My own preference is for independent tribunals if they are to have the responsibility of quasi-adjudication. But the predominant pattern of American administrative law has long justified such blending of function. There was precisely this type of commingling of function in the National Labor Relations Board under the Wagner Act.

Finally, section 15 prescribes penalties: Fines of from two to five thousand dollars and/or imprisonment of from 2 to 5 years for officers of a Communist political organization or a Communist-front which does not register or which falsifies in doing so.

SANE AND SOUND

Except for the three respects to which I called attention, this bill seems to me to be a sane, moderate, effective, and necessary legislative tool for the control of a very serious problem confronting not only America but the world at large. The merits of the bill far outweigh its defects. The defects can easily be corrected.

OPPONENTS

Of course, the William Z. Fosters and the Henry Wallaces do not like the bill. Wallace misrepresents it by pretending to see in the bill an attack upon strikes. (The same Mr. Wallace seems to see nothing but peaceful intentions in Mr. Joseph Stalin.) Mr. Foster, who is the head of the Communist Party in America today, tries to make us believe that the bill is a monstrous misrepresentation of the benign and humanitarian aims of communism. The man who wrote Toward Soviet America in 1932 saw America in the light of Communist ideology and aspiration. He could hardly be depended upon to see the Communist profanation of America in the light of patriotic duty.

MERE SELF-DEFENSE

The Mundt bill is an act of rational and appropriate self-defense. Even if it pretends to no credentials of glory, I can find in it none of the blemishes of damnation which its critics say they see in it. And I think that I have a sturdy and a wholesome respect for the sacredness of the human person and for the Pauline notion of liberty under law.

Berlin Crisis Blamed on New Deal Blunders

EXTENSION OF REMARKS

OF

HON. JOHN SANBORN

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. SANBORN. Mr. Speaker, in substantiation of my statement in the CONGRESSIONAL RECORD of August 4, 1948, regarding the Berlin crisis, I want to extend my remarks to include the following article which was carried in the August issue of the Steuben News:

BERLIN CRISIS BLAMED ON NEW DEAL BLUNDERS—MONEY FIASCO MAIN CAUSE OF RED REPRISAL

(By Leslie Gould)

A blunder by the Roosevelt-Truman administration on occupation currency in Germany set the stage for the current Russian siege of Berlin, with its danger of setting the spark for world war III.

This blunder was in turning over to the Russians the plates for printing American occupational German marks, convertible into dollars, but not into rubles.

The Russians printed upward of $200,000,000 of these marks, which were identical with the American-issued currency.

The flooding of Germany with these marks contributed to the black markets and inflation in Germany, climaxing in the just decreed 90 percent devaluation of the German currency.

BLOCKADE IS RED REPRISAL

It was this devaluation that brought the Russian reprisal—the blocking of all but air travel into Berlin.

The scandal on the American Government's handing over to the Soviet the plates for printing the marks was first disclosed in the New York Journal-American in 1944.

How serious this blunder on the German currency is, may be judged by the way the War Department still endeavors to cover up the true facts on this scandalous situation.

All inquiries as to just how much currency was printed by the Russians from the American plates and how much was redeemed by the United States get nowhere. Just a lot of double talk.

The War Department even refused this writer information given reluctantly a year ago to a congressional committee. The effort still is to cover up, gloss over, and create an impression that it wasn't so bad.

It is one of those things that the powers that be would like to have forgotten. So they aren't talking. This is obviously on order from the top.

This was one of a series of blunders first by President Roosevelt and later by President Truman in dealing with Stalin.

THE INITIAL BLUNDER

The initial blunder was holding back the American invasion army until the Russians could reach Berlin and take over the surrounding territory.

The others were at Yalta by Roosevelt and at Potsdam by Truman.

Roosevelt and Truman operated on the mistaken theory that you can work with and trust the Russians and that Stalin's word is good. Even today Truman calls Stalin "Old Joe" and a "decent fellow."

In this blundering they agreed to make Berlin an island in Soviet-controlled territory and compounded this boner by failing to provide in writing for an international corridor into Berlin.

This left American, British, and French forces in Berlin at the mercy of the Soviets, who are run by a dictatorship as absolute and foul as that of Hitler.

SURROUNDED BY REDS

There are approximately 10,000 Allied combat troops in Berlin surrounded by 70,000 Russians.

There are 2,750,000 Berliners in the Allied zone, also at the mercy of the Soviet. The Russians control all highway and rail traffic in and out of Berlin. These have been blockaded in a tough move by the Communists to starve out the Allied forces or force the American, British, and French to grant them a share in the rich Ruhr Valley.

The prize in this international poker game is Germany, for the side that controls Germany and its potentially great industrial plant will dominate Europe.

For Europe, it has been found, cannot live or recover from the war without a producing Germany. Europe is dependent on Germany's coal, coke, and steel.

Unable to unite Germany, because of the diplomats, and military blunders dictated largely by Roosevelt and Truman, the Allies are endeavoring to organize Western Germany as an economic unit. Western Germany comprises about 76 percent of the country and a little less of the population.

This comprises the heart of German industry, but the Russians in their 24 percent of Germany control the food-producing regions and some industry.

This makes for a lopsided economy, further aggravated by inflation and the dismantling of German factories and their shipment to Russia.

The German currency was first inflated by Hitler and later by the occupying nations. This was where the Roosevelt-Truman Administration made its colossal blunder of turning over to the Russians the plates for printing American occupational marks.

These marks had the same purchasing value as the German marks issued under Hitler and until the scandal was exposed were convertible into dollars at the rate of 10 for a dollar. The Russians did not make this currency convertible into rubles.

Giving the Russians the plates had the same effect as if the Secretary of the Treasury turned over to a gang of counterfeiters the plates from which dollar bills are printed.

This is a very touchy subject in Washington, but until convertibility in dollars was stopped the United States Army redeemed $380,000,000 in Allied military currency in excess of appropriated funds and most of it was printed by the Russians.

As far as can be found out, the Russians still have the plates. Originally, a dash after the serial number permitted identification of the Russian printed marks, but a mysterious change in the American plates no longer made this possible.

This ridiculous appeasement of Stalin fanned the inflation in Germany and broadened the black market, until something had to be done. This something was the just announced devaluation of the German mark through issuance of a new Deutsche mark.

EXCHANGE 10 FOR 1

One new Deutsche mark is being exchanged for 10 old Reichsmarks. A limit was placed on the number of old marks that could be exchanged initially. Black marketeers will be caught, as the holders of large amounts must prove the money was legitimately earned.

The move put the Russians on the spot. They had been the chief supplier of black market marks, largely from the printing plates handed them by Roosevelt. To prevent a wholesale lumping of old marks in the Russian territory, the Soviet also had to

issue a new currency. They did this by putting stickers on the old marks.

In retaliation, "decent old Joe" Stalin ordered the blockade of Berlin.

If this results in a shooting war, the blame rests with the New Deal administration, for its blunders on the currency, on holding back the invasion army and on making Berlin an island in Soviet-controlled territory.

In money, the blunders are costing American taxpayers billions of dollars. Germany, alone, is taking more than a billion dollars a year.—(From New York Journal-American.)

Open the Files, Mr. President

EXTENSION OF REMARKS
OF
HON. HOMER D. ANGELL
OF OREGON
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

Mr. ANGELL. Mr. President, pursuant to leave granted heretofore, I include as part of my remarks a timely editorial from the Washington News of August 7, 1948. The editorial follows:

OPEN THE FILES, MR. PRESIDENT

When he was confronted by an issue, Al Smith used to say: "Let's look at the record."

In the same spot, President Truman is denying Congress access to official files.

During his career in Washington there has been little in Mr. Truman's conduct and attitude to suggest his one-time association with the Pendergast machine in Kansas City.

But he is handling this Communist spy case in the Pendergast way—by withholding pertinent records, by pooh-poohing sworn testimony, and by shouting, "red herring."

That is the attitude of every official unwilling to explain and defend official conduct. But it is one that ill becomes the President of the United States.

On March 13, 1948, President Truman directed the heads of the departments and agencies of the executive branch of the Government to keep confidential all reports and files relative to the loyalty of Government employees. That order is preventing congressional committees from ascertaining how Communists and alleged agents of Soviet Russia worm their way into key positions in our Government.

This order goes much too far.

We wonder how Senator Harry Truman would have reacted to such an iron curtain injunction against him when he was fearlessly investigating wartime expenditures, had a similar Executive order closed vital doors to his committee.

The Harry Truman of those days would have raised the roof, in our opinion.

We do not think that Mr. Truman, the man, has changed since becoming President.

We do think he has been getting some bum advice.

Certain steps in a loyalty investigation should not be made public, or future investigations will be hampered, if not made impossible. A great deal of the information obtained must be treated in the strictest confidence, particularly as to its sources.

But the conclusions of such agencies as the FBI, the Civil Service Commission and the reports made by these agencies and others to department heads are pertinent, in fact vital, to the present inquiry. How else can Congress judge whether these agencies are doing the job they are expected to do? If that cannot be ascertained, how can Congress make intelligent appropriations or amend inadequate legislation?

The Ferguson committee has been doing a careful objective job—in contrast with the not infrequent unsupported sensationalism of the House Committee on Un-American Activities. So we are sure that if the President will meet the Ferguson committee halfway an agreement can be reached in the interest of national security which will not result in injustices to any individuals.

A satisfactory investigation cannot be made if all records and reports on loyalty investigations are denied the committee.

The State of Washington and Its Problems

EXTENSION OF REMARKS
OF
HON. RUSSELL V. MACK
OF WASHINGTON
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

Mr. MACK. Mr. Speaker, the State of Washington is a great State. In area it is larger than all six New England States combined. But, in population, Washington has only one-fourth as many people as New England.

The population in our State of Washington, however, is increasing rapidly. The Federal Census Bureau estimates the population growth of Washington for the 7 years between 1940 and 1947 at 28 percent. During that period, only three States in the Union grew faster—California, Oregon, and Arizona.

This growth will continue. The State of Washington possesses the natural assets that will make it continue to grow. These natural assets include first, an abundance of cheap hydroelectrical power; second, millions of acres of land which, when irrigated, becomes the most fertile and productive in the world and water is now being placed on this land; and third, seaports that are nearest to the rapidly developing trade with the Orient.

The greatest economic fact in the life of the State of Washington is the Columbia River. Locked in the bosom of the Columbia is more cheap hydroelectricity than in any river in the world.

Every industry, big or little, must have some form of energy to turn the wheels of its machinery. The known sources of energy are coal, oil, gas, and electricity. Of these, electricity is the most efficient, the most dependable, and the least costly. No region in the world has such a potentially great supply of this cheapest and best form of energy—electricity—as the valley of the Columbia.

We have barely scratched the surface of the possibilities of electrical development that lie in the waters of the Columbia.

Plans of the United States Army engineers call for the development, ultimately, of 24 great power dams on the Columbia. To date, only one of these dams, Bonneville, has been fully completed as to electrical production.

The Bonneville Dam now produces about 500,000 kilowatts of electricity from its nine generators.

The Grand Coulee Dam, from nine generators already installed, is now producing about 1,000,000 kilowatts of electricity. Each of these generators is twice as large as those at Bonneville. But the Grand Coulee Dam power job is only half done. While nine generators are in operation, nine more are still to be installed. Of these nine, three now are being put into place, three others are in process of manufacture, and money still must be appropriated by Congress to build and install the last three. Congress should and will appropriate the money next spring for these last three generators.

On the Columbia River, a few miles below Walla Walla, Wash., a third great Columbia River power dam, the McNary, is under construction. It will carry nine generators, each as large as those at Grand Coulee. These nine McNary Dam generators will produce approximately 1,000,000 kilowatts of electricity.

The power installations at Coulee Dam will be finished and the McNary Dam completed by 1952. When these three dams are completed, we will have available in the Columbia River Valley one and one-half times as much electricity as we now have. Instead of getting about 1,500,000 kilowatts as we now do from the Columbia River, we will be developing by 1952 a total of about 3,500,000 kilowatts.

These extra and additional 2,000,000 kilowatts will mean not only that the farm and city housewives of southwestern Washington can use new electrical appliances to lighten their labors, but that also there will be enough additional electricity to supply power to many new pay-roll, job-creating industries that will locate in our midst. More power means more industries and more industries mean more jobs.

But even when the Bonneville, Grand Coulee, and McNary Dams have been completed, the job will only be partly done. Twenty-four dams are to be built on this river. When the first three are finished we must continue to work to have the remaining 21 additional dams built and put into operation.

This Congress, of which I am a Member, has appropriated more money for the development of Columbia River power than any Congress in all the history of the Nation. I am proud to have played a part in obtaining those appropriations, thereby proving by what was done and not merely by promises, that I am wholeheartedly working to the best of my ability to develop this great river for the benefits of our region and of the Nation.

But it is not enough just to develop great pools of power on the Columbia River. We must deliver that power to the consuming population centers, to the cities of southwestern Washington.

I am happy that my district, the southwestern Washington district, was granted, at my request, more than $5,000,000 for new power lines and substations to carry power to almost every city and community of the entire area. As a result of these new power lines and substations, many of which already are under construction and more of which soon will be started, nearly all of the cities of my district will have more power available to them. Several communities soon will have double the power supply they had when I came to Congress, 13 months ago.

FLOOD CONTROL

But the development of greater supplies of power for southwest Washington is not the only problem that the Congressman from southwest Washington faces.

Previous Congresses had neglected doing anything about the flood-control problems of the lower Columbia River. As a result of this neglect, hundreds of thousands of dollars of damage was done to the farms and settlements of the lower Columbia River in the disastrous Columbia River floods of May and June of this year.

But the flood-control problems of this region are no longer to be neglected. I have secured the promise of the United States Army engineers that they will make a survey this fall of the needs for bigger and stronger dikes all along the low-land regions of the Columbia River. These Army engineers will recommend to the Congress by February of next year, a whole program for building dikes of such height, width, length, and strength as are needed to safeguard Vancouver, Kalama, Woodland, Kelso, Longview, Puget Island, and the areas about those cities, from dangers of floods.

As you, the Members of this Congress know, I repeatedly have called your attention to the need for bigger and better dikes throughout the lower Columbia River Valley. I am happy to know that at long last we are going to get action and results. I am happy that I have been able to play a part in obtaining that action.

RIVERS AND HARBORS

When I first came to Congress in June 1947, I discovered, much to my amazement, that little or nothing had been done during recent years to improve any of the rivers and harbors in my southwestern Washington district.

It seemed to me that the State of Washington might be on the eve of a great development of trade with the Orient. I felt that if our ports of southwestern Washington were to get the benefits of that trade that our ports must be improved.

I surveyed the port problems of my district. I found that practically nothing had been done for several years to improve these ports or even to call the attention of Congress to the need of developing these ports.

That I might be of greater assistance in improving our southwestern Washington ports and of help in getting something done about flood control in our area, I asked that I be appointed to the Public Works Committee, which handles such problems. I was elected to that committee.

During the 13 months since I have been in Congress I have asked and you of Congress have appropriated funds for harbor improvements at Longview, Olympia, Willapa Harbor, and Bakers Bay.

In addition to this, the Congress authorized a much-needed harbor development at Westport, Wash., needed to save valuable property from being swept into the sea.

The Public Works Committee also passed a resolution, introduced by me, for the survey by the engineers of a project which will be of great value to Shelton. Shelton citizens had been seeking this survey for years, but previously had never been able to obtain any action on their request.

In addition, I worked with Congressmen ANGELL and NORBLAD, of Oregon, for a resurvey of a plan for widening and deepening the channel at the mouth of the Columbia River. The Public Works Committee has ordered that survey made this summer by the United States Army engineers. If the engineers find the widening and deepening of this channel a worthy project, and I believe they will, Bakers Bay, Longview, and Vancouver, Wash., and Portland, and Astoria, Oreg., will benefit greatly.

As a member of this powerful Public Works Committee, I am in a good position to advise the committee and Congress about an area that has more port and flood-control problems than any congressional district among the 435 into which the country is divided.

WHITE PASS HIGHWAY

Years ago, the State of Washington and the Federal Government started construction of a new mountain pass highway across the State from Yakima to Marys Corner, midway between Chehalis and Longview.

This new highway would provide the shortest all-year highway between the east side and west side of the State. Also it would be one of the most scenic. Progress on this road, which should have been completed years ago, has been slow, because of lack of adequate funds.

The recent Congress appropriated more money for such roads than any preceding Congress. As a result, work on the White Pass will go forward more rapidly. We can look forward to the completion of this highway in the not distant future.

TAXES ARE REDUCED

President Truman has consistently opposed reduction of the heavy income taxes. I disagree with him on this. I believe income taxes should be reduced. I voted to reduce them. When the President vetoed the income-tax-reduction bill, I voted to override his veto.

Under the Truman income-tax law the head of a family of four who had annual earnings of $2,500 paid an income tax of $95. Under the income-tax-reduction bill we passed over the President's veto that man's tax will be $16.60. He saves $78.40.

Under the old law the family of four with an income of $3,000 a year paid an income tax of $190. That family now pays $99.60, or saves $90.40.

The President, and those who support his income-tax theories, hold that it is inflationary for a citizen to keep his own money and spend it on himself and his own family. They hold it is not inflationary for the Government—the politicians—to take away a citizen's money in taxes and then for the Government to spend it. In my opinion, it is no more inflationary for a man to spend his own money than it is for the Government to take it away from him and for the politicians to spend it.

The new income-tax law, which we passed over the President's veto, also, helps every citizen who is over 65 years of age.

Under the Truman income-tax law the person over 65 years of age had to pay an income tax on every dollar he earned more than $500 a year.

The single man, age 65 or older, paid an income tax on all his earnings that were above $500 a year. In the bill which we passed over the President's veto the same person is allowed a $1,200 exemption. The single person, aged 65, who earns $1,200 or more a year makes a saving of more than $100 a year under the new law, which we passed over the President's veto.

Under the former Truman law, a man and wife, both of whom were 65 years of age or older, paid an income tax on all income that was above $1,000 a year. Under the law we passed over President Truman's veto this couple pays no taxes until their income exceeds $2,400.

This income-tax law which we passed over the President's veto saved American income-tax payers $4,500,000,000. Of that $4,500,000,000, 71 percent, almost three-fourths, went to those with incomes of $5,000 a year or less.

COMMITTEES VISIT WEST

Today I want to express, not only for myself but also for the citizens of my district, their thanks and mine to three committees of the House of Representatives which during the past year visited my district.

These were the Committees on Public Works, Public Lands, and Appropriations. There is nothing like seeing things for yourself. Of all the things which I have done in Congress during the past year to help my State and the Pacific Northwest, nothing has done our region more good than my success in getting these three committees to visit our region. You met our people. You saw our problems. You understand us better. I have heard many of you who visited us say that because of that visit you know the State of Washington and its problems better than you ever did before. That you should have come and seen our State and its problems for yourself is good for us, good for you, and good for the Nation. I hope you will come again and again. Our people always will be delighted to welcome you.

All my experiences and contacts with the Government during my first 13 months as a Congressman increase my conviction that there are too many people on the Federal pay rolls. This not only increases the cost of Government. It also adds to the confusion and makes it increasingly difficult for the average citizen to carry on his business with his Government.

Our Federal Government has too many agencies that duplicate the work of other agencies; and many of these, I am convinced, can be and should be eliminated in order to save money for the taxpayers, and to make our Government simpler, more efficient, and less confusing.

The extent to which our Federal Government has become involved in overlapping and duplicated agencies is revealed by a report of the Accounting Of-

fice, which says that we have 29 agencies engaged in lending Government money, 3 insuring deposits, 24 in the acquisition of land, 16 in wildlife preservation, 10 in government construction, 9 in credit and finance, 12 in home and community planning, 28 in welfare matters, 14 in forestry matters, 4 in bank examinations, and 65 in gathering statistics.

Surely no sensible man can believe that all this duplication of effort is either needed or is wise.

This overlapping of bureaus, with three, four, five, or more bureaus doing the work one bureau could do much better and with less confusion and less cost, is an inexcusable waste of taxpayers' money.

The taxpayers willingly will pay every cent of money that is needed to maintain a strong and efficient government. The money they pay in taxes, however, comes from the sweat of their labor, and they do not want to see it wasted.

The President Can Act To Help in Palestine

EXTENSION OF REMARKS
OF
HON. JACOB K. JAVITS
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

Mr. JAVITS. Mr. Speaker, the following letter was transmitted to the President by the Honorable JAMES G. FULTON, of Pennsylvania, and by me on this subject:

AUGUST 6, 1948.

The PRESIDENT,
The White House.

Mr. PRESIDENT: At this time when you called the Congress to meet in extraordinary session for the purpose of considering certain urgent questions falling within its jurisdiction, we have the honor to address to you this letter dealing with an urgent question exclusively within the province of the Executive—the policy of the United States toward the State of Israel.

Israel is in a critical state with immigration of the unhappy Jewish DP's of Europe hampered or prevented, its working population largely mobilized in its security forces, and its commerce and industry well nigh paralyzed by the uncertainties of the existing situation.

The Chief Executive, by his timely action, can do much to resolve these doubts. By his own order or direction, the Executive can effect the following:

1. Grant to Israel full (de jure) recognition thereby supporting its territorial integrity and providing the basis for a treaty of commerce and trade.

2. Instruct the State Department to withdraw its objections to the application of the State of Israel for a loan from the Export-Import Bank to aid in the resettlement of displaced persons and the development of its economy. Such a loan should and would meet the usual requirements of the Export-Import Bank.

3. Instruct the United States Representative to the United Nations to propose forthwith in the Security Council the admission of Israel to the United Nations, and to use the best efforts of the United States to secure Israel's admission at the next meeting of the General Assembly in September.

On the question of the future relations of the United States with the state of Israel, the Republican and Democratic Parties platforms find themselves in substantial accord. Since the means for giving effect to this policy lie in your hands as Chief Executive, we urge you to take speedy action in order to implement the above objectives. Strengthened by the certainty that these objectives enjoy bipartisan approval and secure in the knowledge that they can be accomplished forthwith by Executive action, we hope that you will see fit to put into immediate effect these pledges with all the urgency which the situation requires.

Respectfully,

JAMES G. FULTON,
Member of Congress,
Thirty-first District, Pennsylvania.
J. K. JAVITS,
Member of Congress,
Twenty-first District, New York.

Tendency of Government To Take Over Private Enterprise

EXTENSION OF REMARKS
OF
HON. NORRIS POULSON
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

Mr. POULSON. Mr. Speaker, the tendency of the Government to take over private industry is still on the rampage. One of the latest methods is to try and have the Army and Navy take it over which, of course, on the surface does not bring violent protest, but it is simply a case of a wolf in sheep's clothing as it accomplishes the same net result.

I am referring to the absorption of the activities of the Western Union Telegraph Co., and I quote from a letter written by a veteran employee of many years and a prominent man in union circles. I shall not divulge his name but shall quote that portion of his letter which tells the story:

For many years past, the Federal Government, as you know, has operated and extended their Army and Navy communications systems and encouraged the use of those facilities by other Government departments for ordinary telegrams, which, of course, resulted in a considerable loss of revenues to Western Union.

We, as employees, did not object too strenuously, as the argument was to maintain an Army and Navy communications system for national defense and wartime, but we are now confronted with another source of competition by a Federally owned and operated creature known as Public Buildings Administration or PBA which is now competing with the Army and Navy as well as Western Union, thus duplicating the Government communications system, which is already quite adequate.

As you are quite familiar, I know, Western Union and its employees have been fighting for our very existence and in our opinion we should not find ourselves with another bureau to absorb additional revenues at needless expense to the taxpayers, especially at a time when Congress felt that a merger of privately owned communications systems was in order in the interests of economy and operation.

We do not like, of course, but we are not complaining too loud as to the use of the Army and Navy systems by the Government departments for ordinary telegrams but we certainly feel that somewhere along the line of the PBA system some economics could be effected by its abolishment of the communications system within that Department and transfer the teletype equipment to the Army, Navy, or Coast Guard systems as teletype equipment is indeed scarce. It could be sold to private industry if declared surplus.

For your information, the PBA folks are really trying to divert the Government telegrams from the Army signal center here in Los Angeles which would indicate considerable rivalry between the competing forces within the Federal Government much to the disgust of the Federal employees, as they are quite familiar with the present Army signal center which appeared adequate to them without another Federal creature dipping in.

I have many friends in the local Federal building and after observing our steadily reduced revenues, called upon them to see what has happened. It may be an indication of future developments or another step to absorb private industry and try to operate Western Union eventually as a Government-owned utility following the socialistic line of thought.

It must be quite expensive to the Government to operate this unnecessary system as surely their volume of handlings of the PBA system cannot justify the expense as I understand they are now arranging a messenger pick-up and delivery schedule between the local PBA address and the Federal building which is about one and one-half mile apart.

I know the present Congress is economy minded as certain departments have felt the ax but we wonder why such a sad condition should be tolerated as indicated in the PBA competing with free enterprise and the already adequately established communications systems within the Government.

I therefore appeal to you my dear sir in the interests of free enterprise and private industry to take a look into this matter or refer it to the proper department as surely it is not good business for the taxpayers to be forced to permit such a wasteful loss in competing with departments in the Government to the detriment of privately owned industry.

The Western Union is still suffering from the unfair and excessive wartime tax of 25 percent which also adds to our problems and is the source of bitter complaints from our patrons and diverts business from our lines.

Note on Cost of Living

EXTENSION OF REMARKS
OF
HON. HOMER D. ANGELL
OF OREGON
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

Mr. ANGELL. Mr. Speaker, pursuant to permission granted for extension of remarks relative to inflation, I include as part of my remarks an editorial published in the Washington News under date of August 7, 1948, which is most pertinent at this time. The editorial follows:

COST-OF-LIVING NOTE

The Department of Agriculture reports it has bought 13,000,000 bushels of potatoes so far this year under the price-support law. It will buy another 9,000,000 bushels in the next 6 weeks.

To date the potatoes have cost the Government $2.25 to $2.72 a bushel but, in accordance with the parity formula, the price is going up to a top of $3.50. Total spent to

date is $19,000,000. Before the year is out the cost will run close to $30,000,000.

This case, of course, comes out of taxes.

Once bought, these potatoes must be kept off the dinner table.

The Department says it isn't exactly throwing any of the potatoes away.

It has sold most of them for alcohol at 9 cents a bushel and for animal feed at from less than a cent to 18 cents a bushel.

The housewife, meanwhile, is paying around $3.50 a bushel for eating potatoes, this price varying somewhat according to locality.

Thus the Government uses the citizen's tax money to run up the citizen's grocery bill.

Is this a part of the Government's so-called campaign to fight inflation?

Who Is To Blame for High Prices?

EXTENSION OF REMARKS

OF

HON. JOHN SANBORN

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. SANBORN. Mr. Speaker, a dispatch from Chicago yesterday quoted hogs at an all-time high of $31.50 per hundred pounds. The Secretary of Agriculture says meat prices will go still higher. President Truman blames the Republican Party for high prices—and he will get away with it, too, unless we Republicans tell the American people the truth and show them that the New Deal administration is entirely to blame.

During the past 15 years the administration's unsound monetary and fiscal policies has so debauched our currency that the 1948 dollar has a purchasing power equal to only 57 cents prior to 1934. On that basis, $31.50 is equal to only $13.50 before they started debauching our currency. Under their Marxist plan of managed economy and managed currency, the dollar lost 41 percent of its value in 1934 when the amount of gold constituting $1 was reduced from 23.22 grains to 13.71 grains, and another 37½ percent in 1945, when monetary reserves were reduced 37½ percent. And the end is not yet, for right now the dollar is losing more than 1 percent of its value every month. Of course, there were other contributing causes—regimentation, price controls, grain exports, and scores of other inanities, but the principal cause was a deliberate debauching of the currency.

Remedies now proposed by the President and the Congress—such as curtailment of credit and installment buying are merely temporary expedients, and will probably do more harm than good, because such acts blind us to the real causes and delays the adoption of the proper remedy.

Until money is made sound, stable, and dependable, nothing can be sound, stable, and dependable. Two identical bills—S. 2895 introduced in the Senate by Mr. ECTON, of Montana, and H. R. 7012 introduced in the House of Representatives by me provide the only real and lasting remedy, and can be put into operation in 30 days without cost to the taxpayers and without any economic disturbances.

The proposed roll-back of prices will effect only the producers of raw materials—farmers, lumberman, and miners, and since the drive is directed particularly against food prices, the farmer will be made the goat. In all seriousness, I implore my colleagues to give thoughtful consideration to a sound monetary policy. If we fail to do this the American people will not hold us blameless.

Out of Envy and Frustration

EXTENSION OF REMARKS

OF

HON. JAMES C. DAVIS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. DAVIS of Georgia. Mr. Speaker, Editor Ralph McGill, of the Atlanta Constitution, carried an editorial in a recent issue of that newspaper on communism. It presents certain facts regarding Communists in an interesting manner, and under leave previously granted, I insert this editorial herewith:

OUT OF ENVY AND FRUSTRATION

(By Ralph McGill)

Homer B. Chase, the local Communist Fuehrer, is due back from New York any day now, having been summoned there along with the rest of the mob to see what the orders from Moscow would be on the indictment and arrest of the Nation's leading Communists.

Any day now, as soon as the legal department gets to operating, they may be picking up Homer. This will please him in a way, because he is an adolescent, despite his years, typical of many in the movement, who find in it sublimation for their personal frustration and failures. They move in a semisecret world in which they imagine themselves great persons, arousing even greater forces which will one day bring the world to revolution. It compensates for their obvious inadequacies and their envy of more normal persons and answers the desire to be "big shots."

HORRIBLE

Rebecca West, watching these young punks shrieking over Wallace, drooling over the love song sung by the cowboy candidate for Vice President, saw them for what they were—a lot of bobby soxers mentally, but wearing long hair and a thin armor of sophistication, wishing to God they could have normal "dates," honestly admit liking movies, baseball, football, and dances, and somehow get away from all the phony intellectual clique which gets so tiresome even to them.

She said it was important to remember that youth can be horrible, too, just as there are many horrible middle-aged and old persons.

PROOF

These little Communists-Fascists prove young people can be horrible. Hitler proved it before them, as did Mussolini, and as did the Soviets, with their regimented youth movements which are taught a venomous hatred for everyone not just like them.

So you can understand Homer, when he drives his car and a truck driver pulls in front of him, referring to the truck driver as a Fascist illegitimate. To him the truck driver knew him and pulled in front of him on purpose and Homer can hardly wait for the day when all Fascist truck drivers will be put in their place.

Youth can be pretty horrible—but also pretty dangerous.

TYPICAL

This type runs the errands and does the minor chores for communism in every country. But in every country where communism has taken over the adolescent punks are shoved out of the way and the really tough guys take over. Usually, the punks turn up in their own slave-labor camps.

You get a better illustration of it from Miss Elizabeth Bentley, the former Soviet spy who recently testified in Washington.

She was one of those highly idealistic young women, graduate of Vassar, who seek love and, failing, send their frustrated energies seeking the higher service. She wound up running errands for the tough-minded Soviets who know how to take young oafs with cases of psychological maladjustments and make use of them. So do many others use those who can't come of age mentally, morally or spiritually.

IDEALISM

This streak of idealism or purity always expresses itself. Sometimes it leads to homosexual associations. Hermann Goering loved animals. Hitler was a mystic who wanted to purify the world by killing all persons he deemed unworthy of associating with the master race. Almost all of Hitler's crowd was made up of these psychological maladjusted persons.

They have got to find a way of sublimation for personal frustration and grievances. It is interesting to note, for example, that Homer Chase failed at work, couldn't stay married and now represents the Soviet Communists. He is a native of conservative New Hampshire. Don West, who was a Communist in the days when Homer was just out of his prime, and who won't say that he still isn't a Communist, is mightily admired by Homer. So Don must be in good standing. Don is a native Georgian who was a poor boy. He went Communist. We had a fellow named Burke around some months ago. He had been a poor boy in Montgomery. He was one of the organizers of the late and unlamented Columbians.

A lot of boys with no money and with poverty all around them have the courage to work out of it and not be defeated by it.

Some few, out of envy and frustration, become Communists, Columbians, Nazis, and Ku Kluxers, and spend their lives in hate and envy of others. It all depends on who gets them first. Homer Chase and Don West are the perfect Ku Klux mentality. The Commies just happened to get them first.

Republicans Twiddle Thumbs on Inflation and Housing Crisis

EXTENSION OF REMARKS

OF

HON. GEORGE G. SADOWSKI

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. SADOWSKI. Mr. Speaker, the Republican Party and its side-kick, the National Association of Manufacturers, have refused to face the facts of inflation. With exorbitant prices and profits, the major cause of inflation now threatening to ruin our economy, the GOPsters have done nothing to combat this dangerous trend.

Two years ago our people had war-savings bonds, bank-savings accounts, and cash in their pockets.

Since the Republicans took over the Congress, after the elections of 1946—in a brief period of 2 years—the people have had to cash in their war bonds and spend their cash and bank savings in order to live.

Exorbitant price increases and soaring profits have so reduced the actual purchasing power of the factory workers that, despite some wage increases, they cannot make ends meet.

These greedy price boosts by big business have been piled on the consumers' backs with utter disregard for the inflation disaster which can wreck the Nation.

Inflationary prices have gone so high that even if a factory worker averages $52 per week his real earnings and purchasing power is only $28 per week.

In 1939 corporate profits, after taxes, were $5,000,000,000. In 1948 the estimated corporate profits, after taxes, are $20,000,000,000, an increase of 300 percent.

In 1939 corporate dividend payments were $3,800,000,000, in 1948 they will be $7,500,000,000—just twice as much; but in 1939 undistributed profits were only $1,200,000,000. In 1948 they will be $12,-200,000,000 or more than 10 times as large.

Rental incomes in 1939 were $14,700,-000,000; in 1948 they will be $53,600,-000,000, an increase of almost 265 percent.

The headline in the Detroit Free Press Thursday, July 29, 1948, says "GM profits set another record—$110,282,260 net listed for second quarter—sales pass billion." And GM raised the price of cars 8 percent on July 25, 1948, in spite of these tremendous profits. Then later Ford announced their price boosts.

Since the Republicans killed price controls, and passed the Republican tax relief bills for the rich and greedy, the total revenue of steel firms was upped by $1,586,517,894. The recent increases effected by United States Steel and its satellites will soak the American public another $588,953,871.

The Republican elephant has learned nothing since the good old Hoover days. It is still the obedient servant of 5 percent of the people—the Wall Street bankers, the vested interests, the monopolists and cartelists, and the millionaires.

They rant about communism and close their eyes to the inflation robbery that is taking place at home.

Cannot they see that poverty, social agitation, industrial unrest feed on failure to keep our economic system in proper balance so that everybody has a chance, both economically and politically?

This Republican Congress has failed to enact adequate housing, education, and health legislation, or to expand social security, old age pensions, and civil rights.

President Truman has asked the Congress for all of these things. He is keeping his pledge and is faithful to the Democratic platform. But where are Governor Dewey and Governor Warren, the Republican nominees for President and Vice President? They are the leaders of the Republican Party. Not a peep out of them. Not a word from them to the Republican Congress which they control, instructing the Republican Congressmen to take constructive action on President Truman's recommendations.

What other conclusion can we reach except that they were faking and fooling the people when they met in convention at Philadelphia. No, there is no sincerity in the Republican Party, and Mr. Dewey is just a bulldog for big-business monopolists, the same as Hoover was. It is the same do-nothing Republican policy.

I charge that the GOP has snubbed the American people when it ignores the facts on inflation, profiteering, and housing. This wild inflation orgy is their baby. The Democrats were able to control inflation during the war when pressure was unbelievable.

The Republican Party leaders, at the direction of the National Association of Manufacturers, were responsible in June 1946 for the destruction of the original controls which had limited price rises to only 5 percent over a 3-year period of intense inflationary pressures.

The Republican leadership has made it clear that its heart still clings to Wall Street, that its overwhelming concern is not with the welfare of the working people of America but with the profits of the meat packers, the steel monopoly, and the great corporations which dominate the National Association of Manufacturers.

This Republican Congress was elected on a "beef" ticket. The Republicans decried meat controls as a menace. They led the American people to believe that there was plenty of meat to go around; that if meat controls were lifted the economic law of supply and demand would adjust prices and give the average American the opportunity to buy meat at a reasonable price.

They scrapped meat controls, but the economic law of supply and demand failed to adjust prices. While there was plenty of meat, prices skyrocketed beyond the reach of the average American family; and so, in order for the average American to get meat, he either paid through the nose to get it, at the sacrifice of other needs, or did without meat.

The Republicans worked with the meat packers in 1946, and they are still the "beef trust" Congress. They will do nothing to hurt the big meat-packers trust.

They do not want to talk about inflation. I want to tell the Republicans that the housewife need only look in her market basket to find that $15 only buys about $7 worth of food. That is why the housewives have declared war on inflation and are now organizing and telephoning to each other to bring about price reduction which the Republicans refused to do.

They all know that the Republicans refused to take action to bring adjustable controls which would keep prices, wages, and profits in balance, and which would prevent a sudden crash such as occurred during the Hoover administration.

What is true of meats is equally true of other commodities from which controls were lifted. Living costs constantly rose, which, in turn, necessitated higher wage demands, and the vicious spiral of inflation ensued. Were it not for organized labor, which is ever vigilant of rising living costs and struggling with management to adjust wages in order to try to meet the higher costs, a serious economic depression, not recession, would now be upon us.

The Eightieth Congress, dominated by the thinking of NAM, the United States Chamber of Commerce, and other vested interests, thought labor was getting too much and was becoming too powerful, and must be curbed. It passed the Taft-Hartley law that has caused considerable resentment in labor circles. This law will yet come back to plague the Republican Party in the coming elections.

Outside of promising meats to the meat-hungry American people, the Republican Party, in the last congressional elections, successfully used the communism bogey, by threatening the American people that Stalin is around the corner ready to take over America—a trick which failed them in the previous Presidential elections. They tried to smear the Democratic Party and Roosevelt with communism each time he ran for President, but the American people refused to be fooled and reelected him.

Now they are doing the same to President Truman. Instead of acting on the President's recommendations, they have brought out the red herrings.

I charge that the Republicans are responsible for this inflation and profiteering, and I respectfully refer you to the articles written by Blair Moody in the Detroit News on the fight over price controls during the time that this matter was up for debate in Congress.

The GOP had the opportunity during the past 2 years to act by passing progressive legislation in the interest of the people. The reactionary GOP did everything to thwart such legislation, instead of taking advantage to prove to the people that they had given the old guard and the vested interests the gang plank. Instead, it passed antilabor legislation such as the Taft-Hartley law.

The best guide for the American voter to go by, in order to vote intelligently in the coming election, is not only to look at the record of the Republican Congress during the past 2 years, although this would of itself be sufficient to turn them out of office. The voters should look behind the scenes and note the persons and organizations with whom Tom Dewey and the Republican Party are associated. They will find the same crowd of reactionaries, economic royalists, organizations like the NAM, men like Sewell Avery, Tom Girdler, and others like them, who are trying to entrench themselves in Government to serve the vested interests.

The people will remember that the President asked for a decent long-range low-cost housing program; for aid to education; to raise the minimum wage from 40 cents to 75 cents; to increase

social-security benefits; no racial or religious discrimination on displaced persons; an expanded electrical power program to give cheap electricity; to protect and extend civil rights of citizenship and human liberty; a comprehensive health program; a stronger reciprocal-trade program; legislation to strengthen the antitrust laws; and a comprehensive program to stop inflation and profiteering.

The President reminded the Republicans that an economic collapse in America means world-wide depression.

To all of this the Republicans have said "No," and after a 13-day session they packed up and went home.

They inspired this inflation which has raised prices $26,000,000,000 in 1947, and an expected $35,000,000,000 in 1948. Since they killed controls, inflation has cost the average family $1,400, and the dollar will now purchase less than at any time in 165 years.

On housing, President Truman told Congress in his state of the Union message on January 6, 1947:

To reach our long-range goal of adequate housing for all our people, comprehensive housing legislation is urgently required * * * for rebuilding the blighted areas of our cities to * * * establish positive incentives for the investment of billions of dollars of private capital in large-scale rental housing projects * * * provide for rural areas and for the construction, over a 4-year period, of half a million units of public low-rental housing.

Again, in his state of the Union message to Congress on January 7, 1948, President Truman returned to his housing program, declaring:

Within the next decade we must see that every American family has a decent home. As an immediate step we need the long-range housing program which I have recommended on many occasions.

Again in his economic report to Congress on January 14, 1948, President Truman reiterated the imperative need for action on housing.

Again in a special message on housing sent to Congress on February 23, 1948, President Truman said:

We have learned much about the ways to meet the housing shortage. * * * We should act now * * * through farsighted legislation.

Again in an address before the Los Angeles Press Club on June 14, 1948, President Truman declared:

The Congress ought to stay in session until we get action on the housing bill. * * * It is vitally important for the welfare of the country that we have proper housing at a cost at which men and women can afford * * * at a cost which will not take everything these GI's have.

So the President called Congress into special session on July 26, 1948, to take action. The Republicans met for 13 days and did nothing.

The dangers of inflation were apparent as the Eightieth Congress began its first session January 6, 1947. In his state of the Union message then President Truman warned:

An important present source of danger to our economy is the possibility that prices might be raised to such an extent that the consuming public could not purchase the tremendous volume of goods and services.

Inflation had got out of hand by the fall of 1947. In his message to the special session of Congress November 17, President Truman outlined a 10-point program.

Again in his state of the Union message January 7, 1948, President Truman urged adoption by Congress of his 10-point defense against inflation.

Again President Truman set forth his program to combat the high cost of living in the economic report to Congress January 14, 1948.

Again, President Truman called for action against inflation in his speech to the American Society of Newspaper Editors April 17, 1948, in Washington.

So, in the special session called on July 26, 1948, the President begged and pleaded for action. The Republicans met for 13 days, and did nothing.

On taxes, President Truman, in his State of the Union message to Congress on January 7, 1948, proposed tax relief "for those who need it most" in these words:

I recommend * * * a cost-of-living tax credit be extended to our people consisting of a credit of $40 for each individual taxpayer and an additional credit of $40 for each dependent. * * * This reduction should be made up by increasing the tax on corporate profits. * * * This is the proper method of tax relief at this time. It gives relief to those who need it most without cutting the total tax revenue of the Government.

On civil rights, President Truman said in his special message February 2, 1948:

If we wish to inspire the peoples of the world whose freedom is in jeopardy, if we wish to restore hope to those who have already lost their civil liberties, if we wish to fulfill the promise that is ours, we must correct the remaining imperfections in our practice of democracy.

We know the way. We need only the will.

A 10-point civil-rights program was sent to Congress by President Truman.

So, what did the Republicans do? The Republican-controlled Congress passed—after three Presidential vetoes—a rich man's tax reduction. Under this relief measure, a family of four, with annual earnings of $2,500, got only a $78.40 tax cut, instead of the $160 proposed by President Truman.

But a family of four with an annual income of $50,000 got a $7,533.08 tax reduction from the Republicans. And on civil rights, they did nothing.

President Truman urged Congress repeatedly to increase the present minimum wage of 40 cents an hour. The President said in his state of the Union message January 6, 1947:

The solution of labor-management difficulties is to be found not only in legislation dealing directly with labor relations, but also in a program designed to remove the causes of insecurity felt by many workers in our industrial society. In this connection, the Congress should consider * * * provision for a fair minimum wage.

Again, in his economic report to Congress January 8, 1947, the President urged:

On the wage side, the Congress should extend the coverage of the Fair Labor Standards Act to classes of workers in interstate commerce now excluded, and should raise the minimum wage in view of the substantial rise in the cost of living and in the national production since it was enacted.

Again, President Truman declared, in his State of the Union message January 7, 1948:

Another basic element of a strong economic system is the well-being of wage earners. We have learned that the well-being of workers depends on high production and consequent high employment. We have learned equally well that the welfare of industry and agriculture depends on high incomes for our workers. * * * I recommend lifting the minimum wage to 75 cents an hour.

To all of these pleadings, the Republicans turned a deaf ear.

The Republicans passed the Taft-Hartley Act, giving labor its worst setback in more than a decade. They also emasculated the Labor Department, cuttings its appropriations by more than one-half.

President Truman called for expansion of social-security laws repeatedly. He said in his Economic Report to the Congress January 8, 1947:

I recommend that the Congress * * * extend the benefits of old-age and survivors insurance to the occupational groups now excluded, and include under unemployment compensation the employees of all establishments, regardless of size, in the industries now covered by the Unemployment Compensation Tax Act. * * *

Our present social-insurance system is financed by employee and employer contributions. * * * From an economic point of view, it would be desirable to finance a part of the social-security system out of the general budget.

Again in his state of the Union message January 7, 1948, the President said:

We should now extend unemployment compensation, old-age benefits and survivors' benefits to millions who are not now protected. We should also raise the level of benefits.

President Truman, in a special message to Congress May 24, 1948, urged:

That the Congress take early action on the following recommendations: (1) More adequate benefits under old-age and survivors insurance. (2) Extended coverage for old-age and survivors insurance. (3) Extended coverage for unemployment insurance. (4) Insurance against loss of earnings due to illness or disability. (5) Improved public assistance for the needy.

And again he pleaded for action in the special session on July 26, 1948.

The Republicans did nothing. Instead, the Republicans passed legislation depriving 750,000 persons of social-security benefits.

On health, President Truman said in his state of the Union message January 6, 1947:

Of all our national resources, none is of more basic value than the health of our people. Over a year ago I presented to the Congress my views on a national program. * * * I urge this Congress * * * to enact the most important recommendation of the program—to provide adequate medical care to all who need it, not as charity, but on the basis of payments made by the beneficiaries of the program.

President Truman sent a special message on health to Congress May 19, 1947. He said:

I say again that such a health program must include: (1) Adequate public-health

services, including an expanded maternal and child-health program. (2) Additional medical research and medical education. (3) More hospitals and more doctors—in all areas of the country where they are needed. (4) Insurance against the costs of medical care. (5) Protection against loss of earnings during illness.

Again President Truman said in his state of the Union message January 7, 1948:

The greatest gap in our social-security structure is the lack of adequate provisions for the Nation's health. * * * Our ultimate aim must be a comprehensive insurance system to protect all our people equally against insecurity and ill health.

Again on June 14, 1948, the President said:

I have had a health program. I sent the Congress a special message on health—on health and health insurance, and it had plenty of time to hold hearings * * * to debate it, to go into it, and they have done nothing about it. * * * The ordinary fellow who gets from $2,400 to $5,000 a year, and has to raise a family and keep up a home, can't afford to have his family get sick, because he can't afford medical care at the prices he has to be served at now. * * *

A healthy nation is a great nation, and unless we maintain the health of this Nation, we will not have a great nation.

Again he stressed the need to the special session, the Republicans did nothing.

On education, President Truman said in his budget message to Congress January 3, 1947:

I have long been on record for basic legislation under which the Federal Government will supplement the resources of the States to assist them to equalize educational opportunities and achieve satisfactory educational standards.

Again, in his state of the Union message January 7, 1948:

Our educational systems face a financial crisis. It is deplorable that in a Nation as rich as ours, there are millions of children who do not have adequate schoolhouses or enough teachers. * * * The Federal Government has a responsibility for providing financial aid to meet this crisis.

President Truman told the Greater Los Angeles Press Club June 14, 1948:

I appointed a commission to make a survey of the educational situation in this country. That commission made a formidable report, and pointed out exactly what the conditions in the schools in this country are today; and I made a recommendation to the Congress that the Federal Government make a contribution to the support of the schools of the Nation.

No action. No action. It's the most disgraceful thing in this country that the teachers * * * are not adequately paid. There are conditions in nearly all public schools in the country where the teacher has so many pupils under her care that she doesn't have time to learn all their names. Something must be done about that.

Again, the Republicans did nothing.

No true liberal should cast a vote for the Republicans until such time as the Republican Party repudiates the old guard, the Wall Street bankers, and the big business monopolists, and shows a sincere interest in the welfare of the average American citizen.

Progressive Party Platform—Keynote, Acceptance Speeches, and Address by Hon. Glen H. Taylor, of Idaho

EXTENSION OF REMARKS
OF

HON. GLEN H. TAYLOR

OF IDAHO

IN THE SENATE OF THE UNITED STATES

Saturday, August 7 (legislative day of Thursday, August 5), 1948

Mr. TAYLOR. Mr. President, several days ago acceptance speeches, platforms, keynote addresses, and other documents of the Democratic and Republican conventions were inserted in the CONGRESSIONAL RECORD. I ask unanimous consent to have printed in the RECORD the platform of the Progressive Party, together with acceptance speeches by Henry Wallace and myself, the keynote speech of Charles P. Howard, and a radio address I delivered over the ABC network on July 31 in answer to the President's message.

There being no objection, the platform and speeches were ordered to be printed in the RECORD, as follows:

PEACE, FREEDOM, AND ABUNDANCE

(The platform of the Progressive Party as adopted at the founding convention, Philadelphia, July 23–25, 1948)

PREAMBLE

Three years after the end of the Second World War, the drums are beating for a third. Civil liberties are being destroyed. Millions cry out for relief from unbearably high prices. The American way of life is in danger.

The root cause of this crisis is big-business control of our economy and Government.

With toil and enterprise the American people have created from their rich sources the world's greatest productive machine. This machine no longer belongs to the people. Its ownership is concentrated in the hands of a few and its products used for their enrichment.

Never before have so few owned so much at the expense of so many.

Ten years ago Franklin Delano Roosevelt warned: "The liberty of a democracy is not safe if the people tolerate the growth of private power to a point where it becomes stronger than their democratic state. That in its essence, is fascism."

Today that private power has constituted itself an invisible government which pulls the strings of its puppet Republican and Democratic Parties. Two sets of candidates compete for votes under the outworn emblems of the old parties. But both represent a single program—a program of monopoly, profits through war preparations, lower living standards, and suppression of dissent.

For generations the common man of America has resisted this concentration of economic and poltical power in the hands of a few. The greatest of America's poltitical leaders have led the people into battle against the money power, the railroads, the trusts, the economic royalists.

We of the Progressive Party are the present-day descendants of these people's movements and fighting leaders. We are the political heirs of Jefferson, Jackson, and Lincoln—of Frederick Douglass, Altgeld, and Debs—of "Fighting Bob" La Follette, George Norris, and Franklin Roosevelt.

Throughout our history new parties have arisen when the old parties have betrayed the people. As Jefferson headed a new party to defeat the reactionaries of his day, and as Lincoln led a new party to victory over the slave owners, so today the people, inspired and led by Henry Wallace, have created a new party to secure peace, freedom, and abundance.

With the firm conviction that the principles of the Declaration of Independence and of the Constitution of the United States set forth all fundamental freedoms for all people and secure the safety and well-being of our country, the Progressive Party pledges itself to safeguard these principles to the American people.

Betrayal by the old parties

The American people want peace. But the old parties, obedient to the dictates of monopoly and the military, prepare for war in the name of peace.

They refuse to negotiate a settlement of differences with the Soviet Union.

They rejected the United Nations as an instrument for promoting world peace and reconstruction.

They use the Marshall plan to rebuild Nazi Germany as a war base and to subjugate the economies of other European countries to American big business.

They finance and arm corrupt, Fascist governments in China, Greece, Turkey, and elsewhere, through the Truman doctrine, wasting billions in American resources and squandering America's heritage as the enemy of despotism.

They encircle the globe with military bases which other peoples cannot but view as threats to their freedom and security.

They protect the war-making industrial and financial barons of Nazi Germany and imperial Japan, and restore them to power.

They stock-pile atomic bombs.

They pass legislation to admit displaced persons, discriminating against Catholics, Jews, and other victims of Hitler.

They impose a peacetime draft and move toward universal military training.

They fill policy-making positions in Government with generals and Wall Street bankers.

Peace cannot be won—but profits can—by spending ever-increasing billions of the people's money in war preparations.

Yet these are the policies of the two old parties—policies profaning the name of peace.

The American people cherish freedom.

But the old parties, acting for the forces of special privilege, conspire to destroy traditional American freedoms.

They deny the Negro people the rights of citizenship. They impose a universal policy of Jim Crow and enforce it with every weapon of terror. They refuse to outlaw its most bestial expression—the crime of lynching.

They refuse to abolish the poll tax, and year after year they deny the right to vote to Negroes and millions of white people in the South.

They aim to reduce nationality groups to a position of social, economic, and political inferiority.

They connive to bar the Progressive Party from the ballot.

They move to outlaw the Communist Party as a decisive step in their assault on the democratic rights of labor, of national racial and political minorities, and of all those who oppose their drive to war. In this they repeat the history of Nazi Germany, Fascist Italy, and Franco Spain.

They support the House Committee on Un-American Activities in its vilification and persecution of citizens in total disregard of the Bill of Rights.

They build the Federal Bureau of Investigation into a political police with secret dossiers on millions of Americans.

They seek to regiment the thinking of the American people and to suppress political dissent.

They strive to enact such measures as the Mundt-Nixon bill, which are as destructive of democracy as were the alien and sedition laws against which Jefferson fought.

They concoct a spurious loyalty program to create an atmosphere of fear and hysteria in government and industry.

They shackle American labor with the Taft-Hartley Act at the express command of big business, while encouraging exorbitant profits through uncontrolled inflation.

They restore the labor injunction as a weapon for breaking strikes and smashing unions.

This is the record of the two old parties—a record profaning the American ideal of freedom.

The American people want abundance.

But the old parties refuse to enact effective price and rent controls, making the people victims of a disastrous inflation which dissipates the savings of millions of families and depresses their living standards.

They ignore the housing problem, although more than half the Nation's families, including millions of veterans, are homeless or living in rural and urban slums.

They refuse social-security protection to millions and allow only meager benefits to the rest.

They block national health legislation, even though millions of men, women, and children are without adequate medical care.

They foster the concentration of private economic power.

They replace progressive government officials, the supporters of Franklin Roosevelt, with spokesmen of big business.

They pass tax legislation for the greedy, giving only insignificant reductions to the needy.

These are the acts of the old parties—acts profaning the American dream of abundance.

No glittering party platforms or election promises of the Democratic and Republican Parties can hide their betrayal of the needs of the American people.

Nor can they act otherwise. For both parties, as the record of the Eightieth Congress makes clear, are the champions of big business.

The Republican platform admits it.

The Democratic platform attempts to conceal it.

But the very composition of the Democratic leadership exposes the demagogy of its platform. It is a party of machine politicians and southern Bourbons who veto in Congress the liberal planks won in convention.

Such platforms, conceived in hypocrisy and lack of principle, deserve nothing but contempt.

Principles of the Progressive Party

The Progressive Party is born in the deep conviction that the national wealth and natural resources of our country belong to the people who inhabit it and must be employed in their behalf; that freedom and opportunity must be secured equally to all; that the brotherhood of man can be achieved and the scourge of war ended.

The Progressive Party holds that basic to the organization of world peace is a return to the purpose of Franklin Roosevelt to seek areas of international agreement rather than disagreement. It was his conviction that within the framework of the United Nations different social and economic systems can and must live together. If peace is to be achieved, capitalist United States and Communist Russia must establish good relations and work together.

The Progressive Party holds that it is the first duty of a just government to secure for all the people, regardless of race, creed, color, sex, national background, political belief, or station in life, the inalienable rights proclaimed in the Declaration of Independence and guaranteed by the Bill of Rights. The Government must actively protect these rights against the encroachments of public and private agencies.

The Progressive Party holds that a just government must use its powers to promote an abundant life for its people. This is the basic idea of Franklin Roosevelt's economic bill of rights. Heretofore every attempt to give effect to this principle has failed because big business dominates the key sectors of the economy. Antitrust laws and Government regulation cannot break this domination. Therefore the people, through their democratically elected representatives, must take control of the main levers of the economic system. Public ownership of these levers will enable the people to plan the use of their productive resources so as to develop the limitless potential of modern technology and to create a true American commonwealth free from poverty and insecurity.

The Progressive Party believes that only through peaceful understanding can the world make progress toward reconstruction and higher standards of living; that peace is the essential condition for safe-guarding and extending our traditional freedoms; that only by preserving liberty and by planning an abundant life for all can we eliminate the sources of world conflict. Peace, freedom, and abundance—the goals of the Progressive Party—are indivisible.

Only the Progressive Party can destroy the power of private monopoly and restore the Government to the American people. For ours is a party uncorrupted by privilege, committed to no special interests, free from machine control, and open to all Americans of all races, colors, and creeds.

The Progressive Party is a party of action. We seek through the democratic process and through day-by-day activity to lead the American people toward the fulfillment of these principles.

We ask support for the following program:

PEACE

American-Soviet agreement

Henry Wallace in his open letter suggested, and Premier Stalin in his reply accepted, a basis for sincere peace discussions. The exchange showed that specific areas of agreement can be found if the principles of noninterference in the internal affairs of other nations and acceptance of the right of peoples to choose their own form of government and economic system are mutually respected.

The Progressive Party therefore demands negotiation and discussion with the Soviet Union to find areas of agreement to win the peace.

The Progressive Party believes that enduring peace among the peoples of the world community is possible only through world law. Continued anarchy among nations in the atomic age threatens our civilization and humanity itself with annihilation. The only ultimate alternative to war is the abandonment of the principle of the coercion of sovereignties by sovereignties and the adoption of the principle of the just enforcement upon individuals of world federal law, enacted by a world federal legislature with limited but adequate powers to safeguard the common defense and the general welfare of all mankind.

Such a structure of peace through government can be evolved by making of the United Nations an effective agency of cooperation among nations. This can be done by restoring the unity of the great powers as they work together for common purposes. Since the death of Franklin Roosevelt this principle has been betrayed to a degree which not only paralyzes the United Nations but threatens the world with another war in which there can be no victors and few survivors.

Beyond an effective United Nations lies the further possibility of genuine world government. Responsibility for ending the tragic prospect of war is a joint responsibility of the Soviet Union and the United States. We hope for more political liberty and economic democracy throughout the world. We believe that war between east and west will mean fascism and death for all. We insist that peace is the prerequisite of survival.

We believe with Henry Wallace that "there is no misunderstanding or difficulty between the United States of America and U. S. S. R. which can be settled by force or fear, and there is no difference which cannot be settled by peaceful, hopeful negotiation. There is no American principle or public interest, and there is no Russian principle or public interest, which would have to be sacrificed to end the cold war and open up the century of peace which the century of the common man demands."

We denounce anti-Soviet hysteria as a mask for monopoly, militarism, and reaction. We demand that a new leadership of the peace-seeking people of our Nation—which has vastly greater responsibility for peace than Russia because it has vastly greater power for war—undertake in good faith and carry to an honorable conclusion, without appeasement or sabre-rattling on either side, a determined effort to settle current controversies and enable men and women everywhere to look forward with confidence to the common task of building a creative and lasting peace for all the world.

END THE DRIVE TO WAR

The Progressive Party calls for the repeal of the peacetime draft and the rejection of universal military training.

We call for the immediate cessation of the piling up of armament expenditures beyond reasonable peacetime requirements for national defense.

We demand the repudiation of the Truman doctrine and an end to military and economic intervention in support of reactionary and Fascist regimes in China, Greece, Turkey, the Middle East, and Latin America. We demand that the United States completely sever diplomatic and economic relations with Franco Spain.

We call for the abandonment of military bases designed to encircle and intimidate other nations.

We demand the repeal of the provisions of the National Security Act which are mobilizing the Nation for war, preparing a labor draft, and organizing a monopoly-militarist dictatorship.

These measures will express the American people's determination to avoid provocation and aggression. They will be our contribution to the reduction of mistrust and the creation of a general atmosphere in which peace can be established.

UNITED NATIONS

The Progressive Party will work to realize Franklin Roosevelt's ideal of the United Nations as a world family of nations, by defending its Charter and seeking to prevent its transformation into the diplomatic or military instrument of any one power or group of powers.

We call for the establishment of a United Nations reconstruction and development fund to promote international recovery by providing assistance to the needy nations of Europe, Africa, and Asia, without political conditions and with priorities to those peoples that suffered most from Axis aggression.

We call for the repudiation of the Marshall plan.

We urge the full use of the Economic and Social Council and other agencies of the United Nations to wipe out disease and starvation, to promote the development of culture and science, and to develop the peaceful application of atomic energy.

We demand that the United States delegation to the United Nations stop protecting Fascist Spain and press for effective economic and diplomatic sanctions against Franco's dictatorship.

Disarmament

The Progressive Party will work through the United Nations for a world disarmament agreement to outlaw the atomic bomb, bacteriological warfare, and all other instruments of mass destruction; to destroy existing stock piles of atomic bombs, and to establish United Nations controls, including inspection, over the production of atomic energy; and to reduce conventional armaments drastically, in accordance with resolutions already passed by the United Nations General Assembly.

Germany and Japan

The Progressive Party calls for cooperation with our wartime allies to conclude peace treaties promptly with a unified Germany and with Japan. The essentials for a German settlement are denazification and democratization, punishment of war criminals, land reform, decartelization, nationalization of heavy industry, Big-Four control of the Ruhr, reparations to the victims of Nazi aggression, and definitive recognition of the Oder-Neisse line as the western boundary of Poland. On this basis, we advocate the speedy conclusion of a peace treaty and a simultaneous withdrawal of all occupation troops.

Similar principles should govern a settlement with Japan.

State of Israel

The Progressive Party demands the immediate de jure recognition of the state of Israel.

We call for admission of Israel to the United Nations.

We call for a Presidential proclamation lifting the arms embargo in favor of the state of Israel.

We pledge our support for and call upon the Government of the United States to safeguard the sovereignty, autonomy, political independence, and territorial integrity of the state of Israel in accordance with the boundaries laid down by the resolution of the General Assembly of the United Nations of November 29, 1947.

We support the prompt extension to Israel of generous financial assistance without political conditions.

We oppose any attempt to interfere with Israel in its sovereign right to control its own immigration policy.

We call upon the United States Government to provide immediate shipping and other facilities for the transportation of Jewish displaced persons in Europe who desire to emigrate to Israel.

We support, within the framework of the United Nations, the internationalization of Jerusalem and the protection of the holy places.

We appeal to the Arab workers, farmers, and small merchants to accept the United Nations' decision for a Jewish and Arab state as being in their best interest. We urge them not to permit themselves to be used as tools in a war against Israel on behalf of British and American monopolies, for the latter are the enemies of both Arabs and Jews.

The Far East

The Progressive Party supports the struggle of the peoples of Asia to achieve independence and to move from feudalism into the modern era. We condemn the bipartisan policy of military and economic intervention to crush these people's movements. World peace and prosperity cannot be attained unless the people of China, Indonesia, Indochina, Malaya, and other Asian lands win their struggle for independence and take their place as equals in the family of nations.

We call for the immediate withdrawal of American troops and abandonment of bases in China.

We demand cessation of financial and military aid to the Chiang Kai-shek dictatorship.

We follow the policy of Franklin Roosevelt in encouraging the creation of a democratic coalition government in China. We urge support for and the granting of large scale economic assistance to such a government.

We support the efforts of the people of Korea to establish national unity and the kind of government they desire. We demand an early joint withdrawal of occupation troops.

Colonial and dependent peoples

We believe that people everywhere in the world have the right to self-determination. The people of Puerto Rico have the right to independence. The people of the United States have an obligation toward the people of Puerto Rico to see that they are started on the road toward economic security and prosperity.

We demand the repeal of the Bell Trade Act relating to the Philippines and the abrogation of other unequal trade treaties with economically weaker peoples.

We urge action by the people of the United States and cooperation with other countries in the United Nations to abolish the colonial system in all its forms and to realize the principle of self-determination for the peoples of Africa, Asia, the West Indies, and other colonial areas.

We support the aspirations for unified homelands of traditionally oppressed and dispersed people such as the Irish and Armenians.

Latin America

The Progressive Party urges a return to, and the strengthening of, Franklin Roosevelt's good-neighbor policy in our relations with republics to the south.

We demand the abandonment of the Inter-American military program.

We call for economic assistance without political conditions to further the independent economic development of the Latin-American and Carribbean countries.

Displaced persons

The Progressive Party calls for the repeal of the anti-Catholic, anti-Semitic Displaced Persons Act of 1948 which permits the entry into the United States of Fascists and collaborators. We call for the enactment of legislation to open our doors in the true American tradition to the victims of Fascist persecution.

FREEDOM

End discrimination

The Progressive Party condemns segregation and discrimination in all its forms and in all places.

We demand full equality for the Negro people, the Jewish people, Spanish-speaking Americans, Italian Americans, Japanese Americans, and all other nationality groups.

We call for a Presidential proclamation ending segregation and all forms of discrimination in the armed services and Federal employment.

We demand Federal antilynch, antidiscrimination, and fair-employment-practices legislation, and legislation abolishing segregation in interstate travel.

We call for immediate passage of anti-poll-tax legislation, enactment of a universal suffrage law to permit all citizens to vote in Federal elections, and the full use of Federal enforcement powers to assure free exercise of the right of franchise.

We call for a civil-rights act for the District of Columbia to eliminate racial segregation and discrimination in the Nation's Capital.

We demand the ending of segregation and discrimination in the Panama Canal Zone and all Territories, possessions, and trusteeships.

We demand that Indians, the earliest Americans, be given full citizenship without loss of reservation rights and be permitted to administer their own affairs.

We will develop special programs to raise the low standards of health, housing, and educational facilities for Negroes, Indians, and nationality groups, and will deny Federal funds to any State or local authority which withholds opportunities or benefits for reasons of race, creed, color, sex, or national origin.

We will initiate a Federal program of education, in cooperation with State, local, and private agencies to combat racial and religious prejudice.

We support the enactment of legislation making it a Federal crime to disseminate anti-Semitic, anti-Negro, and all racist propaganda by mail, radio, motion picture, or other means of communication.

We call for a constitutional amendment which will effectively prohibit every form of discrimination against women—economic, educational, legal, and political.

We pledge to respect the freedom of conscience of sincere conscientious objectors to war. We demand amnesty for conscientious objectors imprisoned in World War II.

The right of political association and expression

The Progressive Party will fight for the constitutional rights of Communists and all other political groups to express their views as the first line in the defense of the liberties of a democratic people.

We oppose the use of violence or intimidation, under cover of law or otherwise, by any individual or group, including the violence and intimidation now being committed by those who are attempting to suppress political dissent.

We pledge an all-out fight against the Mundt-Nixon bill and all similar legislation designed to impose thought control, restrict freedom of opinion, and establish a police state in America.

We demand the abolition of the House Un-American Activities Committee and similar State committees, and we mean to right the wrongs which these committees have perpetrated upon thousands of loyal Americans working for the realization of democratic ideals.

We pledge to eliminate the current "loyalty" purge program and to reestablish standards for Government service that respect the rights of Federal employees to freedom of association and opinion and to engage in political activity.

We demand the full right of teachers and students to participate freely and fully in the social, civic and political life of the Nation and of the local community.

We demand that the Federal Bureau of Investigation and other Government agencies desist from investigating, or interfering with, the political beliefs and lawful activities of Americans.

We demand an end to the present practices of congressional committees—such as the House Labor Committee—in persecuting trade unionists and political leaders at the behest of big business.

We demand an end to the present campaign of deportation against foreign-born trade unionists and political leaders, and will actively protect the civil rights of naturalized citizens and the foreign born.

Nationality groups

The Progressive Party recognizes the varied contributions of all nationality groups to American cultural, economic, and social life, and considers them a source of strength for the democratic development of our country.

We advocate the right of the foreign born to obtain citizenship without discrimination.

We advocate the repeal of discriminatory immigration laws based upon race, national origin, religion, or political belief.

We recognize the just claims of the Japanese Americans for indemnity for the losses suffered during their wartime internment, which was an outrageous violation of our fundamental concepts of justice.

We support legislation facilitating naturalization of Filipinos, Koreans, Japanese, Chinese, and other national groups now discriminated against by law.

We support legislation facilitating naturalization of merchant seamen with a record of war service.

Democracy in the armed forces

The Progressive Party demands abolition of Jim Crow in the armed forces.

We demand abolition of social inequalities between officers and enlisted personnel.

We call for basic revision in the procedure of military justice, including the more adequate participation of enlisted men in courts martial.

We urge that admission to West Point and Annapolis be based on the candidates' qualifications, determined by open competitive examinations, and that an increasing percentage of young men admitted be drawn from the ranks.

Representative government

The Progressive Party proposes a constitutional amendment providing for the direct election of the President and Vice President by popular vote.

We call for home rule and the granting of full suffrage to the disfranchised citizens of the District of Columbia.

We favor the immediate admisison of Hawaii and Alaska as the forty-ninth and fiftieth States of the Union.

We urge that all general and primary election days be declared holidays to enable all citizens to vote.

Separation of church and state

The Progressive Party intends to maintain the traditional American separation of church and state and protect the freedom of secular education.

ABUNDANCE

High cost of living

The living standards of the American people are under bipartisan attack through uncontrolled inflation. The only effective method of combating inflation is to take the profits out of inflation.

The Progressive Party calls for legislation which will impose controls that will reduce and keep down the prices of food, shelter, clothing, other essentials of life, and basic materials. Such controls should squeeze out excessive profits, provide for the payment of subsidies to farmers wherever necessary to maintain fair agricultural prices, and allocate materials and goods in short supply.

We call for removal by the President of the housing expediter who is administering rent control in the interest of the real-estate lobby.

We call for strengthening rent control, providing protection against evictions, and eliminating the present "hardship" regulations which are a bonanza for the large realty interests.

Economic planning

The Progressive Party believes in the principle of democratic economic planning and rejects the boom-and-bust philosophy of the old parties.

We mean to establish a council of economic planning to develop plans for assuring high production, full employment, and a rising standard of living.

We mean to develop, on the TVA pattern, regional planning authorities in the major river valleys the country over to achieve cheap power, rural electrification, soil conservation, flood control, and reforestation, and to accelerate the growth of undeveloped areas, particularly in the South and West.

We mean to promote, through public ownership and long-range planning, the peaceful use of atomic energy to realize its great potential as a source of power and as a tool in science, medicine, and technology.

Only through the planned development of all our resources will the full benefit of the Nation's wealth and productivity be secured for the people.

Breaking the grip of monopoly

Monopoly's grip on the economy must be broken if democracy is to survive and economic planning become possible. Experience has shown that antitrust laws and Government regulation are not by themselves sufficient to halt the growth of monopoly. The only solution is public ownership of key areas of the economy.

The Progressive Party will initiate such measures of public ownership as may be necessary to put into the hands of the people's representatives the levers of control essential to the operation of an economy of abundance. As a first step, the largest banks, the railroads, the merchant marine, the electric power and gas industry, and industries primarily dependent on Government funds or Government purchases such as the aircraft, the synthetic rubber and synthetic oil industries must be placed under public ownership.

We mean to strengthen and vigorously enforce the antitrust laws to curb monopoly in the rest of the economy.

We call for the immediate abolition of discriminatory freight rates, which help to keep the South and West in bondage to Wall Street.

Tideland oil resources belong to the people, and we fight the efforts of the oil companies to steal them. We support Federal control of such resources.

We demand the repeal of the Bulwinkle law which exempts railroads from antitrust prosecution.

We call for the repeal of the Miller-Tydings legislation which eliminated retail competition in branded goods, excluding these from the coverage of the antitrust laws.

Labor

The Progressive Party recognizes that from the earliest period of its history the organized labor movement has taken leadership in the struggle for democratic and humanitarian objectives. Organized labor remains the mainspring of America's democratic striving, and the just needs of labor are of special concern to the Progressive Party.

We hold that every American who works for a living has an inalienable right to an income sufficient to provide him and his family with a high standard of living. Unless the rights of labor to organize, to bargain collectively, and to strike are secure, a rising standard of living cannot be realized.

We demand the immediate repeal of the Taft-Hartley Act and the reinstatement of the principles of the Wagner and Norris-LaGuardia Acts. These last measures are essential to restore labor's equality in collective bargaining and to prevent business from using government to establish a dictatorship over labor by injunction.

We will demand the right for employees in publicly owned industries to organize, to bargain collectively, and to strike.

We call for the establishment of collective bargaining machinery for Federal employees.

We support the legitimate demands of all wage and salary earners, including Federal employees, for wage and salary increases and improved working conditions. We demand the enactment of a minimum wage of $1 an hour, extension of the Fair Labor Standards Act to cover all workers, enforcement of equal pay for equal work, regardless of age or sex, and the elimination of any regional wage differential.

We oppose governmental strike-breaking through seizure of struck industries under the pretext of Federal operation while profits continue to go to private employers.

We urge the enactment and stringent enforcement of Federal and State laws establishing adequate safety and health standards for miners, longshoremen, railroad workers, merchant seamen, and all other workers in hazardous industries.

We pledge drastic amendment of the Railway Labor Act to make certain that the railroad workers enjoy genuine collective bargaining and the right to strike. We call for amendment of the Railroad Retirement Act to grant railroad workers pensions of $100 minimum after 30 years service or when they become 60 years old.

We call for Federal legislation to improve railroad working conditions by establishing a 40-hour, 5-day week for nonoperating and terminal employees, a 6-hour day for roadmen, and train limit and full crew provisions.

We actively support measures to repair and improve the living standards of the 12,000,000 white collar and professional employees, who have suffered particularly under the inflation.

We call for an end to the second-class citizenship of our Nation's 2,500,000 agricultural wage worker and the thousands of food-processing workers who are excluded from the protection of social and labor legislation. We stand for legislation to protect the right of agricultural workers to bargain collectively. We call for extension of social security and fair labor standards coverage to all agricultural and food-processing workers.

We demand an immediate end to the arbitrary security orders issued by the Department of National Defense which blacklist employees in private industries under Government contracts.

Agriculture

The Progressive Party recognizes that the welfare of farmers is closely tied to the living standards of consumers. We reject the eat-less policy of the old parties, and proclaim our intention to develop, within the framework of an economy of planned abundance, a long-range program of full agricultural production, combined with necessary safeguards for the security of farmers and for the conservation of our natural resources.

We stand for the family-type farm as the basic unit of American agriculture. The Farmers Home Administration (formerly Farm Security Administration) must be expanded to provide ample low-cost credit to assist tenants, share croppers, and returned veterans to become farm owners. Marginal farmers must be assisted to become efficient producers. Where farming is incapable of yielding an adequate family income, supplementary employment on needed conservation and public-works projects must be provided.

We propose as a major goal of Federal farm programs that all farm families be enabled to earn an income of not less than $3,000 a year. We repudiate the program of big business, which would eliminate as many as two-thirds of the Nation's farmers.

We call for a 5-year program of price supports for all major crops at not less than 90 percent of parity—parity to be calculated according to an up-to-date formula. Dairy products and certain specialties should be supported at higher rates than 90 percent.

We demand that all essential crops be insured against hazards which are beyond the control of the individual farmer.

We support the principle of direct payments to farmers for soil-conservation practices, crop adjustment, and rodent control.

We favor the principle of compensating payments and production subsidies when needed to encourage a high level of consumption without jeopardizing farm income. We also call for assistance to low-income consumers through such programs as the food-stamp plan and the school-hot-lunch program.

We favor international commodity agreements and a world food board under the United Nations Food and Agriculture Organization to stabilize world markets and to move farm surpluses to deficient areas.

We call for a long-range national land policy designed to discourage the growth of corporation farms and absentee ownership. This policy is especially important in the South to promote the proper development of

its resources and to provide land for the landless. Priority in the purchase of land made available by river-valley projects must be given to tenants, sharecroppers, and small farmers.

We regard it as of utmost importance that programs of conservation, production, marketing, and price support be administered by democratically elected farmer committeemen, as in the triple-A program.

We stand for the principle of a graduated land tax and for the 160-acre limitation in the use of public irrigation.

We support farmer and consumer cooperatives as a highly important answer to the problem of monopoly control over markets and supplies. We oppose the tax drive being staged by big business against cooperatives.

We favor immediate flood-control projects and universal electrification of all farms. REA lines and generating facilities should be rapidly expanded, and river-valley projects for power and irrigation should be undertaken as promptly as possible.

Independent business

The Progressive Party believes that independent businessmen can survive only in an economy free from monopoly domination, where workers and farmers receive incomes sufficient to permit them to purchase the goods they need.

We propose to encourage and safeguard independent business by providing adequate working capital and development loans at low interest rates, granting tax relief, and giving independent and small business a fair share of Government contracts. We propose to make available to independent business, through an expanded Government research program, the know-how essential to efficient operation.

Housing

The new party charges that private enterprise, under monopoly control, has failed to house the American people. It is the responsibility of democratic government to guarantee the right of every family to a decent home at a price it can afford to pay.

We demand a Federal emergency housing program to build within the next 2 years 4,000,000 low-rent and low-cost dwellings for homeless and doubled-up families, with priority to veterans.

We recognize that to accomplish this objective it will be necessary to curb nonessential construction, to allocate scarce materials, and to reduce the cost of land, money, and building materials.

We pledge an attack on the chronic housing shortage and the slums through a long-range program to build 25,000,000 new homes during the next 10 years. This program will include public subsidized housing for low-income families.

We pledge that as a part of our general program of economic planning the building industry will be reorganized and rationalized, capacity to produce presently scarce materials will be expanded, and year-round employment will be guaranteed to workers in the building trades.

Government—Federal, State, and local—has the responsibility to insure that communities are well planned, with homes conveniently located near places of employment and with adequate provision for health, education, recreation, and culture.

We pledge the abolition of discrimination and segregation in housing.

Security and health

The Progressive Party demands the extension of social security protection to every man, woman, and child in the United States.

We recognize the service which the Townsend plan has performed in bringing to national attention the tragic plight of the senior citizens of America, and we condemn the bipartisan conspiracy in Congress over the past 10 years against providing adequate old-age pensions.

We pledge our active support for a national old-age pension of $100 a month to all persons at 60 years of age, based on right and not on a pauperizing need basis.

We call for a Federal program of adequate disability and sickness benefits and increased unemployment benefits, protecting all workers and their standards of living.

We call for maternity benefits for working mothers for 13 weeks, including the period before and after childbirth, and the granting of childrens' allowances to families with children under 18.

We favor adequate public assistance for all persons in need, with Federal grants-in-aid proportionate to the needs and financial ability of the States, pending the enactment of a comprehensive Federal social-security program.

We support the right of every American to good health through a national system of health insurance, giving freedom of choice to patient and practitioner, and providing adequate medical and dental care for all.

We favor the expenditure of Federal funds in support of an effective program for public health and preventive medicine and a program of dental care.

We favor the expenditure of Federal funds for the promotion of medical and dental education and research.

We look forward to the eventual transfer of the entire cost of the security and health program to the Government as an essential public service.

Women

The Progressive Party proposes to secure the rights of women and children and to guarantee the security of the American family as a happy and democratic unit and as the mainstay of our Nation.

We propose to raise women to first-class citizens by removing all restrictions—social, economic, and political—without jeopardizing the existing protective legislation vital to women as mothers or future mothers.

We propose to extend fair labor standards for women, to guarantee them healthful working conditions, equal job security with men, and their jobs back after the birth of children.

We propose to guarantee medical care for mother and child prior to, during and after birth, through a national system of health insurance.

We propose a program of Federal assistance for the establishment of day care centers for all children.

Young people

The Progressive Party believes young people are the Nation's most valuable asset; their full potentialities can be realized only by implementing our complete program for peace, freedom, and abundance. We challenge the failure of the old parties to meet the special problems of youth.

We call for the right to vote at 18.

We call for the enforcement and extension of child labor laws.

We call for Federal and State expenditures for recreational facilities, particularly in needy rural communities.

Veterans

The Progressive Party recognizes the veterans' special sacrifices and contributions in the Nation's most critical period.

We demand priority for veterans in obtaining homes.

We call for a Federal bonus to veterans based on length of service.

We demand the expansion of the Veterans' Administration program and increased GI benefits and allowances and the elimination of discrimination.

We demand that the coverage of the GI bill of rights and other servicemen's benefits be extended to war widows and to merchant seamen with war service.

We call for the prompt refund of the overcharges collected from veterans by national service life insurance.

We demand that the Government enforce the right of Negro veterans in the South to file terminal-leave applications and to collect their benefits.

We call for increased benefits for disabled veterans and a program to guarantee them jobs at decent wages.

Taxation

The Progressive Party demands the overhaul of the tax structure according to the democratic principle of ability to pay. We propose to employ taxation as a flexible instrument to promote full employment and economic stability.

We propose to exempt from personal income taxes all families and individuals whose income falls below the minimum required for a decent standard of living. We propose that income from capital gains be taxed at the same graduated rate as ordinary income.

We propose to enact effective excess profits and undistributed profits taxation.

We propose to curb tax dodging by closing existing loopholes.

We propose to work toward the progressive elimination of Federal excise taxes on the basic necessities of life.

We oppose all State and local sales taxes.

Education

The Progressive Party proposes to guarantee, free from segregation and discrimination, the inalienable right to a good education to every man, woman, and child in America. Essential to good education are the recognized principles of academic freedom—in particular, the principle of free inquiry into and discussion of controversial issues by teachers and students.

We call for the establishment of an integrated Federal grant-in-aid program to build new schools, libraries, raise teachers' and librarians' salaries, improve primary and secondary schools, and assist municipalities and States to establish free colleges.

We call for a system of Federal scholarships, fellowships, and cost-of-living grants, free from limitations or quotas based on race, creed, color, sex, or national origin, in order to enable all those with necessary qualifications, but without adequate means of support to obtain higher education in institutions of their own choice.

We call for a national program of adult education in cooperation with State and local authorities.

We oppose segregation in education and support legal action on behalf of Negro students and other minorities aimed at securing their admission to State-supported graduate and professional schools which now exclude them by law.

We call for a department of education, fine arts, and sciences, with a secretary of Cabinet rank.

Culture

The Progressive Party recognizes culture as a potentially powerful force in the moral and spiritual life of a people, and, through the people, in the growth of democracy and the preservation of peace, and realizes that the culture of a democracy must, like its government, be of, by, and for the people.

We pledge ourselves to establish a department of government that shall be known as the Department of Culture whose functions shall be the promotion of all the arts as an expression of the spirit of the American people, and toward the enrichment of the people's lives, to make the arts available to all.

Promotion of science

The Progressive Party calls for the enactment of legislation to promote science, including human and social sciences, so that

scientific knowledge may be enlarged and used for the benefit of all people.

We condemn the militarization of science and the imposition of military control over scientific expression and communication.

We support measures for public control of patents and licensing provisions to insure that new inventions will be used for the benefit of the people.

A REAL CHOICE IN 1948

The Progressive Party has taken root as the party of the common man. It has arisen in response to, and draws growing strength from, the demand of millions of men and women for the simple democratic right to vote for candidates and a program which satisfies their needs. It gives voters a real choice.

Purposeful and deeply meant, the program of the Progressive Party carries forward the policies of Franklin Roosevelt and the aspirations of Wendell Willkie and holds forth the promise of a reborn democracy ready to play its part in one world. The American people want such a program. They will support it.

Under the leadership of Henry A. Wallace and Glen H. Taylor, a great new people's movement is on the march. Under the guidance of Divine Providence, the Progressive Party, with strong and active faith, moves forward to peace, freedom, and abundance.

ACCEPTANCE SPEECH BY HENRY A. WALLACE, PROGRESSIVE PARTY FOUNDING CONVENTION, SATURDAY, JULY 24, 1948, SHIBE PARK, PHILADELPHIA, PA.

Four years and four days ago, as Vice President of the United States and head of the Iowa delegation to the Democratic Convention, I rose to second the nomination of Franklin Roosevelt, and said:

"The future belongs to those who go down the line unswervingly for the liberal principles of both political democracy and economic democracy, regardless of race, color, or religion. * * * Roosevelt can and will lead the United States, in cooperation with the rest of the world, toward that type of peace which will prevent world war III."

That was 4 years ago. Do you remember that summer of casualty lists and the wreckage still smoldering on the beaches of Normandy? A time of dying and destruction—and, yet, something more.

For in that time, you remember, every one of us held a dream. At the lathe, in the fields in early morning, at the kitchen window, sweating out a barrage in the line, every one of us dreamed of a time when the sound of peace would come back to the land, and there would be no more fear, and men would begin to build again.

And in that dark time, you remember, Franklin Roosevelt looked beyond the horizon and gave us a vision of peace—an economic bill of rights: The right to work for every man willing. The right of every family to a decent home. The right to protection from the fears of old age and sickness. The right to a good education. All the rights which spell security for every man, woman, and child, from the cradle to the grave.

It was the dream that all of us had, and Roosevelt put it into words, and we loved him for it.

Two years later the war was over and Franklin Roosevelt was dead.

And what followed was the great betrayal.

Instead of the dream we have inherited disillusion.

Instead of the promised years of harvest, the years of the locust are upon us.

In Hyde Park they buried our President—and in Washington they buried our dreams.

One day after Roosevelt died, Harry Truman entered the White House.

And 46 days later, Herbert Hoover was there.

It was a time of comings and goings.

Into the Government came the ghosts of the great depression—the banking-house boys and the oil-well diplomats.

In marched the generals—and out went the men who had built the TVA and the Grand Coulee, the men who had planned social security and built Federal housing, the men who had dug the farmer out of the Dust Bowl, and the workman out of the sweatshop.

A time of comings and goings, the shadows of the past coming in fast and the lights going out slowly, the exodus of the torchbearers of the New Deal.

I was still in the Cabinet—hoping that we might yet return, somehow, to the course Franklin Roosevelt had charted for the Nation in peace. And in that great hope, 2 years ago this month, I wrote to the President.

I warned him that we had fallen upon cynical counsel, that the bankers and the brokers and the big brass had launched us upon a dangerous policy—the get-tough policy.

I said then that "our postwar actions have not yet been adjusted to the lessons gained from experience of allied cooperation during the war and the facts of the atomic age."

I said that it would be fruitless to seek solutions for specific problems without establishing an atmosphere of mutual trust and confidence—and I warned that our get-tougher policy would only produce a get-tougher policy. That warning was before the crises in Greece, in Italy, in Palestine, in Czechoslovakia. That warning was 2 years ago—2 years before Berlin.

You have read your papers. In the 2 years since the people who planned for living were eased out of Washington, and the ghosts who plan for destruction were invited in—in those two short years during which the Department of State has been subtly annexed to the Pentagon, and the hand of military has come to guide the pen of the diplomat—we have ricocheted from crisis to crisis.

The get-tough policy has spawned its inevitable breed—the get-tougher policy.

And what harvest do we have of all our hoping, what fruits of the hard-won victory? Not peace—but the sword; not an economic bill of rights—but a mounting bill of wrongs.

Not life—but tens of thousands of deaths—on unnecessary battlefields in Greece, in Palestine, in China.

One world, yes—frozen in one fear.

The world's eyes today focus upon the burning spot of the cold war—Berlin.

Berlin need not have happened. Berlin did not happen. Berlin was caused.

When we were set on the road of the get-tough policy, I warned that its end was inevitable. Berlin is becoming that end.

There is no reason why the peace of a world should hang on the actions of a handful of military men stationed in Germany.

In all earnestness, I assure you that if I were President there would be no crisis in Berlin today. I assure you that without sacrificing a single American principle or public interest we would have found agreement long before now with the Soviet Government, and with our other wartime allies.

Long before now we could have embarked upon a policy for Germany upon which a sound foundation could be built for peace throughout Europe.

It is not by accident that Germany has become, once again, the heart of a crisis.

Germany will be the core of every world crisis until we have come to an agreement with the Soviet Union. We have been maneuvered into a policy whose specific purpose has been this, and only this: To revive the power of the industrialists and cartelists who heiled Hitler and financed his fascism, and who were the wellspring of his war chest.

In the western zone of Germany today, we are told, there is enjoyed peace with justice.

This so-called just peace is not just. It is a peace which rebuilds the war-making potential of German industry in the western zone.

This justice is being dispensed by local judges, of whom 70 percent are former Nazi officials. German war industry is on the rise again—and its managers are the same Krupp and I. G. Farben men who made Germany into Hitlerland.

There is no peace, no justice—for either allies or former enemies in our German policy. It is a child born of lust for power and profit.

With a Germany groomed and muscled as the easternmost outpost of another war, we cannot make a peace. Nor can the world which watches helplessly.

I repeat. If I were President there would be no crisis in Berlin. Do you remember when—only 2 months ago—our Ambassador to Moscow sent a note to the Kremlin? It was a note which seemed to be an invitation to sit around the table of reason—an invitation to talk over the problems which have created this continued state of crisis? Do you remember how the Russians responded with what seemed like real eagerness. You remember that day. It was as if somebody had suddenly declared peace. Sit down and talk it over, we said—that's the way. But what happened?

Within 24 hours our administration, having consulted its carbon-copy opposite party, slammed the door it had itself swung open.

On that day I addressed an open letter to Premier Stalin. I detailed a program which would have safeguarded the interests of both nations and preserved the peace. Ten days later, when Stalin responded to that open letter, the "get tough" boys slammed the door again. Since that time there have been no more approaches, except toward conflict. There are two sides to every curtain.

And so Germany still festers at the heart of all peacemaking—yet by closing the door to peace talks with Russian leaders nothing remains but the fruitless discussions of minor officials in Berlin.

I say the peace of the world is far too fragile to be shuttled back and forth through a narrow air corridor in freighter planes.

I say the lives of our children and our children's parents are far too precious to be left to the tempers of second lieutenants at road barriers where zone meets zone, or to the generals who are quoted calmly as favoring a "show of strength."

I say that if reasonable men, men without special interests, peace-loving men—if Franklin Roosevelt were in Washington today—there would be no crisis in Berlin. Long before this the leaders of both nations would have rooted out the causes for conflict.

We hear it said that we should have a show-down in Berlin. But what is the show-down about? What is the American public interest which will be served by a show-down? There may be some private interests, some interests of Dillon, Read and international bankers. But there is no public interest. Dillon, Read's distinguished alumni, Secretary Forrestal and General Draper and Dewey's Wall Street lawyer, John F. Dulles, are major advisers on this issue, but I have yet to meet the American in shop, or field, or college, or independent business who wants to give up his life to defend Dillon, Read.

I think we should look coldly at some of the facts which confront us if the cold war developed into a hot war:

There is not a single nation on the European continent prepared to put an Army into the field to defend Anglo-Saxon, that is, British and American policies.

We can buy generals with dollars, but we can't buy wartime armies. These generals won't die in battle. Soldiers would. We can support—and we are supporting—armies during this time of cold war, but we can't

purchase suicide. We can buy governments, but we can't buy people.

It is said that we must have a show-down or lose prestige. Truman may lose prestige. Dulles may lose prestige. But the American people won't lose prestige by demanding fundamental discussions looking to peace. Our prestige in Germany went sinking when we divided Germany and established the western sector as an American and British Puerto Rico—as a colony. When we did that we gave up Berlin politically and we can't lose anything by giving it up militarily in a search for peace.

We who are met here tonight—who are met here at a time of crisis—are talking to the people of the United States and the world on behalf of the everlasting principles of the founding fathers of our country.

We who are gathered here tonight recall the crisis of 150 years ago when Thomas Jefferson was attacked here in the city of Philadelphia—attacked because he spoke courageously for the peaceful settlement of alleged differences between the United States and France.

It was a time of terror unsurpassed till now.

Thomas Jefferson was slandered as the tool of French revolutionaries bought with French gold.

One hundred and fifty years ago Thomas Jefferson took leadership in forming a new party—a successful new party which overcame the odds of a hostile press, of wealth, and vested interests arrayed against it, and of a Government which sought to undermine the new movement by jailing its leaders.

The party Jefferson founded 150 years ago was buried here in Philadelphia last week. It could not survive the Pawleys, the Hagues, the Crumps, the racists and bigots, the generals, the admirals, the Wall Street alumni. A party founded by a Jefferson died in the arms of a Truman.

But the spirit which animated that party in the days of Jefferson has been captured anew. It has been captured by those who have met here this week end with a firm resolve to keep our tradition of freedom that we may fulfill the promises of an abundant, peaceful life for all men.

Four score and seven years ago the successful candidate of another new party took office in Washington.

Lincoln, with the emancipation proclamation, fulfilled the promise of the new party which he led to victory. He headed a government of the people, by the people, and for the people. In the generations which followed his party became a party of the corporations, by the corporations, and for the corporations. The party of a Lincoln has been reduced to the party of a Dewey.

But we here tonight—we of the Progressive Party—we here dedicate ourselves to the complete fulfillment of Lincoln's promise; we consecrate ourselves to a second emancipation; an emancipation that will achieve for the Negro and all Americans of every race, creed, and national origin, a full, free, and complete citizenship everywhere in these United States.

We ally ourselves against those who turn to nightmares the people's dreams of peace and equality.

We ally ourselves to stand against the kings of privilege who own the old parties—the corrupted parties, the parties whose founders rebelled in times past, even as we do today, against those whose private greed jeopardizes the general welfare.

We stand against their cold war and their Red smear, under cover of which they steal our resources, strike terror into our hearts, and attempt to control our thoughts and dominate the life of man everywhere in the world.

We stand together to stop the disasters—economic, political, and military—which their policies must breed.

Only those who take the spirit of Jefferson and Lincoln and apply it to the present world situation can bring the peace and security which will end fear and unleash creative force beyond the power of man to imagine.

It was in the spirit of Jefferson and Lincoln that Roosevelt challenged the money changers in his first inaugural address 15 years ago. It was in the spirit of Jefferson and Lincoln that he told the Wall Street crowd in 1940 that they had met their master. In the spirt of Jefferson and Lincoln, he outlined the "four freedoms" and the economic bill of rights.

It was in the spirit of Jefferson and Lincoln that he addressed that great Senator, George Norris, and said: "I go along with you because it is my honest belief that you follow in their footsteps—radical, like Jefferson; idealist, like Lincoln; wild, like Theodore Roosevelt; theorist, like Wilson—dare to be all of these as you have in bygone years."

Franklin Roosevelt did not fear; he reveled in the names hurled by those who feared the shape of his vision. We, of the new party—Progressive Party—shall cherish the adjectives and mound of hate thrown at us. They are a measure of the fear in the temples of the money changers and the clubs of the military. The base metal of vituperation cannot withstand the attack of truth.

We of the Progressive Party must—and will—carry on where Roosevelt and Norris and LaGuardia left off. They preserved for us all that was most precious—the old-fashioned Americanism that was built for us by Jefferson, Jackson, Lincoln, Theodore Roosevelt, and Woodrow Wilson.

There are some who say they agree with our objectives, but we are ahead of our times. But we are the land of pioneers and trail blazers. Though we have reached the end of the old trails to the West, a new wilderness rises before us. The wilderness of poverty and sickness and fear. Once again America has need of frontiersmen. A new frontier awaits us—no longer West to the Pacific—but forward across the wilderness of poverty, and sickness, and fear. We move, as the Pilgrim ships moved, as the Conestoga wagons moved, not ahead of our time, but in the very tide. And always before us, the bright star, the dream of the promised land, of what this Nation might be.

But the American dream is no utopian vision. We do not plan rocket ships for week-end trips to Mars. The dream is the hard and simple truth of what can be done. In one fleet of heavy bombers lies wealth and skill that could have saved Vanport from the floodwaters, that could have taken a million veterans out of trailer camps and chicken coops. We can build new schools to rescue our children from the firetraps where they now crowd two at a desk. We can end the murderous tyranny of sickness and disease. The dream is nothing but the facts. The facts are that we spend $20,000,000,000 a year for cold war. The facts are that world health authorities, given one-tenth of this sum, could in 1 year with $2,000,000,000—wipe from the face of the earth tuberculosis, typhoid, malaria, and cholera.

The cold war has already brought death to millions of Americans.

Look at your friends. Read the papers. Here are casualty lists. Millions—sick of cancer, tuberculosis, of pellagra, of heart disease, and polio. We can prevent and cure not only these diseases but a vast host of others by devoting our science as enthusiastically to peace as to war.

A nation that is shaped for life, not death, can save these lives—your lives, the lives of your families. Together we must rise up and write an end to the casualty lists of the cold war. This is the American way—to conquer the forces of nature—not our fellow men.

Within the past month other men, candidates of the graveyard parties, have stood in this city, have flexed their muscles, and have declared their intention to continue the cold war whose heaviest tolls have been taken here at home. Both have said that "partisan politics must stop at the water's edge." They have declared their agreement. It is an agreement which would doom the Nation and the world.

It is the policies which operate beyond the water's edge; the policies which demand heavy arms, and draft acts, and the waste of resources and skills in producing for disaster—it is those policies which determine the real wages for American workers, prices for American consumers, and the life-span of all the people of the world.

Yes, other candidates have stood before the American people to declare that they have made no commitments to obtain their nominations. But they have committed themselves; they have committed themselves to the policies of the "big brass" and "big gold"; to the policies of militarization and imperialism; to the policies which cast a shroud over the life-giving, life-saving course Franklin Roosevelt had charted for his post-war world.

I tell you frankly that in obtaining the nomination of the Progressive Party—a nomination I accept with pride—I have made commitments. I have made them in every section of this land. I have made them in great halls and sports arenas, in huge open air meetings and in small gatherings. I have made commitments in the basement of a Negro church and in union halls and on picket lines. I have made commitments. I have made them freely. I shall abide by them. I repeat them with pride:

I am committed to the policy of placing human rights above property rights.

I am committed to using the power of our democracy to control rigorously and, wherever necessary, to remove from private to public hands, the power of huge corporate monopolies and international big business.

I am committed to peaceful negotiations with the Soviet Government. I am committed to do everything I can through the new party to save the lives of those who are now to be drafted through the establishment of peace without sacrificing any American principle or public interest.

I am committed to appointing to positions in the Cabinet and Administration men whose training and private interests cannot conflict with their public responsibilities.

I am committed to building and strengthening the United Nations as an instrument which can peacefully resolve differences between nations.

I am committed to using the power and prestige of the United States to help the peoples of the world, not their exploiters and rulers; to help the suffering, frustrated people in the colonial areas of the world even as we help older civilizations which have felt the full destructive force of war.

I am committed to planning as carefully and thoroughly for production for peace as the militarists and bankers plan and plot for war. For many of today's 60,000,000 jobs are cold war jobs, unstable jobs, suicide jobs. I am committed to making 60,000,000—and more—jobs of producing for peace—house building jobs, school building jobs, the jobs of building dams and power plants and highways and clinics.

I am committed to a program of progressive capitalism—a program which will protect from the tenacles of monopolists the initiative and creative and productive powers of truly independent enterprise.

I am committed to fighting, with everything I have, the ugly practice of stifling with Taft-Hartley injunctions and the power of government the free trade union organizations of our workers. I am committed to

rooting out the causes of industrial conflict and antilabor practices; to returning us to the basoic principles of the National Labor Relations Act and to strengthening the democratic organizations which give our workers safeguards against economic and political injustice.

I am pledged to fight the murderers who block, impede, and stifle legislation and appropriations which would eliminate segregation and provide health and education facilities to bridge the gap of 10 years life expectancy between a Negro child and a white child born this day.

I am pledged to licking inflation by stopping the cold war, the ruthless profiteering of monopolies, and the waste of resources which could give us an abundance of the goods of peace.

I am committed to helping lift the heavy hand of fear from our elder citizens, whose minds and bodies have served to build this America, and whose reward must be the economic security which will enable them to spend their days with the peace of mind that comes from work well done and appreciated. And I am committed to those programs—principally the program for peace, which will lift from our young people the dread of war and drafts and unemployment and which will replace these fears with hope born of security and the equal opportunity to develop fully their individual talents and careers.

I am committed—as I have been my whole life through—to advancing those programs for agriculture which will increase the productivity of our land and better the lives of our farmers and their families.

I am committed to stopping the creation of fear; to using all my powers to prevent the fear makers from clogging the minds of the people with the "red" issue. The American people want and deserve fewer "red" issues and more red meat. Millions know and millions more must see that it is not the Kremlin, not the Communists who have sent milk to 24 cents a quart and meat to $1.30 a pound; that it is the "red" issue and not the Reds who did this to us.

Yes, I am committed and I am confident the new party will commit itself to the principle of using our democratic process to the end that all men may enjoy the benefits made possible by modern science.

And I am committed to and do renounce the support of those who practice hate and preach prejudice, of those who would limit the civil rights of others, of those who would restrict the use of the ballot, of those who advocate force and violence, and I am committed to accept and do accept the support of those who favor the program for peace I have outlined here, the support of all those who truly believe in democracy.

ACCEPTANCE SPEECH BY HON. GLEN H. TAYLOR, OF IDAHO, PROGRESSIVE PARTY FOUNDING CONVENTION, SATURDAY, JULY 24, 1948, SHIBE PARK, PHILADELPHIA, PA.

I accept the nomination as Vice Presidential candidate of this new party.

I accept it as an honor, and I accept it as a challenge.

I am proud to be associated with Henry Wallace in the founding of this new party, and I am proud to be his running mate on the Progressive Party ticket.

I accept the nomination as a challenge.

A challenge not only for me but through me for the great and growing host of American people who see clearly that they must do battle with the forces that would bankrupt America by spending billions upon countless billions in a futile effort to bribe whole nations into becoming our mercenaries in a senseless struggle for world domination.

We know these forces.

We have given them many names in these two days of our meeting here in Philadelphia.

We have known them for a long time—the forces of greed that have kept back the development of my West and your South—the forces that had to wait for Roosevelt's death to take over the Democratic Party as they had long invested the inner sanctums of the Republican Party.

But monopoly, the trusts, big business, the big corporations, and the bigger bankers behind them—whatever name you give them down the years—these we have known and fought because they let the plain people of America have so little out of life.

We fought them because they kept the farmer at the brink of ruin, the laborer almost an indentured servant, the small-business man a tolerated guest.

But today the fight is not over how to live but whether to live.

The fight against these forces of greed is no longer a struggle for better existence, but a struggle for survival for all the world.

Today the forces of greed have embarked America on a policy of preparing for a war of extinction.

I say to you, my friends, that is the only issue: whether we shall live out our lives and the lives of our children in peace or whether we shall perish.

It is as simple and straightforward as that.

It is life or death.

It is peace or war.

Most of us are familiar with the name of Sumner Welles, Assistant Secretary of State under Cordell Hull in the Roosevelt Cabinet.

In his latest book entitled "We Need Not Fail," Mr. Welles makes this point-blank accusation, and I quote:

"This bankruptcy of the Security Council has been due to no Soviet veto. It has been due exclusively to the policies of selfish and short-sighted expediency pursued by Great Britain and, still more, by the United States."

Such a terrible indictment by this great statesman—mind you, he is no Red, not even pink, in fact, he is a blue-blood and rather conservative—but what he has to say should be of great concern to millions of Americans who place their hopes in the United Nations.

I am one of these.

I have fought for the United Nations since its inception.

The fact that our bipartisan get-tough Wall Street cartelist foreign policy makers would scuttle the United Nations to further their cold war makes me furious.

It increases my determination to fight all the harder in the framework of this great new party for the peace and freedom and abundance we have promised.

This great spending scheme, now known as the European Recovery Administration, is not a plan to aid friendly nations to recover economically.

It is not even a plan to feed hungry people.

It is a cynical scheme to enable our cartelists and exploiters to filch billions of dollars from the pockets of American taxpayers for a scheme to corner world markets.

The State Department sent out teams of speakers to sell you the Marshall plan.

Some of them went to church groups and women's clubs and appealed to their Christian principles and mothers' hearts.

"We must have the Marshall plan," they told these good people, "to prevent starvation in Europe—to feed hungry babies."

Other groups of speakers went to businessmen's organizations and told them, "Now don't let anybody kid you, the Marshall Plan will enable us to corner the markets of the world."

The idea is to use the taxpayers' money to send free samples all around the world.

French markets are flooded with American refrigerators while French factories that produce such items are closed or their production is curtailed and French workers are deprived of jobs.

In other words, the American taxpayer has paid for his Frigidaire but it isn't in his kitchen for his wife to use—it has been sent abroad.

Something like $300,000,000 worth of tobacco is included as part of the Marshall plan samples.

Did you ever hear of a hungry baby eating tobacco?

Of course, it is good business if the Europeans get used to our nice mild tobacco. It would be very unpleasant for them to have to go back to Turkish tobacco.

Of course, that would make it difficult for the Turks to survive but then we have them on relief so why worry about that?

We are sending them a lot of Coca-Cola under the Marshall plan.

My wife doesn't feel that Coca-Cola is the best diet for babies, but maybe she is just old-fashioned.

Here is the plain truth of the situation.

The New York Times, of May 5, carried an article with this heading "Europe feels pang of overproducing."

The article goes on to say that production is being curbed in many lines—that food is actually spoiling in Holland and Italy.

I say to you that the so-called Marshall plan is the greatest fraud, the greatest steal ever perpetrated in all history and it was put over with a program of calculated falsehood and deceit.

The Marshall plan appropriation itself carried an item of $10,000,000 to be divided among certain big newspapers and magazines for their part in selling the Marshall plan.

In other words, the taxpayers have paid $10,000,000 to help sell the Marshall plan to themselves.

We have a huge armament program fastened upon us—not because our leaders fear Russia—they hate Russia.

Yes, this multi-billion-dollar armament program is another device to promote scarcity at home, keep prices high, help our monopolists, intimidate their victims all over the world and, of course, it means fabulous profits for the armament makers—a very small and select clique.

Few businesses are prepared to turn out tanks and cannons and B-29's.

Of course, the little fellows will get some around the edges to popularize the program.

All this is justified with the warning that all Russia understands is force—must get tough.

Who tells us this?

Well, sir, there is Admiral Leahy, the President's right-hand adviser and former bosom pal of old Fascist Marshal Petain—Mr. Forrestal, Secretary of National Defense, former president of Dillon, Read.

And Dillon, Read was most active in setting up the cartel arrangements between our monopolists and the German monopolists.

Incidentally, Dillon, Read is the principal financial agent of Texaco and Standard Oil.

Texaco and Standard Oil control the Arabian-American Oil Co.

Then there is Mr. Draper, Under Secretary of the Army—former Dillon, Read vice president—the man who did most of the contact work in setting up the German-American cartels.

And then there is Mr. Dulles, who did most of the legal work of setting up those same cartels.

Mr. Dulles who will be Secretary of State should Mr. Dewey become President.

We are going to win this election.

I know we will win it because I do not believe that God in his mercy will inflict this terrible atomic ordeal on mankind.

The only possible way it can be averted is to banish the warmongers from high places and replace them with a man of good will.

The only such man available is Henry A. Wallace.

When we have won this victory we will do many things besides reaching an honorable and just understanding with Russia.

We intend to house our people, take care of our aged, educate our young, banish the

darkness with great power developments, control monopolies by nationalizing the biggest ones, rigidly enforcing the antitrust laws against the others.

We intend to see that the channels of credit are reopened to small businessmen.

Repeal the Taft-Hartley law and enact a dollar-an-hour minimum wage.

We intend to make this a nation of citizens with equal opportunity, and pending the time when we come to power we shall carry on our campaign for civil rights as we have in the past, by example and not merely by words.

We shall insist upon holding nonsegregated meetings in every corner of this Nation.

As for me, I am going back to Birmingham and their Jim Crow police chief, who was a delegate to the Democratic National Convention, will have to put up or shut up.

They will either have to throw me in jail for 180 days as they threatened they would if I came back to Birmingham or they will have to eat crow—Jim Crow.

TEXT OF ADDRESS BY CHARLES P. HOWARD, KEYNOTE SPEAKER AT OPENING SESSION OF PROGRESSIVE PARTY FOUNDING CONVENTION, PHILADELPHIA, PA., JULY 23, 1948

Now, at last, the people of America come to convention.

We meet in a historic hall, still haunted by the ghosts of a Republican circus and a Democratic funeral.

Listen closely and you can still hear the echoes of the back-room deal and the machine-made sell-out.

We meet in a hall still littered with the phony promises of bargain-basement politicians and corporation counsels.

Well, the carbon-copy conventions are over. The money changers are gone from this temple. Now, at last, we have come to say what the people need, what the people demand, and what the people shall have.

I look across this hall, and I see no one here tonight to answer the roll call for Dupont or the House or Morgan. I see no delegate who will rise to speak for the Ku Klux Klan. I see no delegates from the Hague machine and the Kelly machine, the Pew machine or the Grundy machine.

We are not the party of the mechanical smile or the Missouri compromise.

We are giving away no door prizes.

Our delegates have come from the Pittsburgh foundries and the Portland shipyards. Before me are men who own small plants and small stores. Before me are housewives and typists, preachers from the cottonfield churches of Georgia, school teachers, grocers, doctors, lawyers, factory workers, and farmers. We are not a convention of ward heelers.

This is really only the second convention to meet in this election. The Republicans and the Democrats were merely two sections of the same convention.

Since the death of Franklin Delano Roosevelt we have seen our Government become a closed corporation. We have seen the big money boys move in and take over. We have seen legislation by lobby and policy by profiteers. Time and time again they have rammed through laws not for the people of Denver and Scranton, but for the profits of Dupont and Standard Oil. We have seen a year that will be written down in history as a time of flood, and fear—and the Eightieth Congress. Here is the miserable record:

They have killed the OPA. For the first time since the depression American families have come to know the full and bitter meaning of "Give us this day our daily bread."

They have passed bill after bill in the private interest. To name only one—the Bulwinkle bill. It protects the railroads from the antitrust laws, and jacks up the price of every commuter's ticket.

They have knifed our labor unions with the Taft-Hartley slave law. They have turned the clock back to the time of the open shop and the sweat shop, the court injunction, and the company thug.

They have lifted the ceilings on rents and killed the plans for low-cost housing.

Whenever a bill came up for the benefit of the people—whether it was Federal help for schools, or national health insurance, or the extension of social security—the congressional order of the day was kill, kill, kill.

They killed the antilynch bill. They killed the anti-poll-tax bill. They killed the fair-employment-practices bill. They killed every proposal to wipe out Jim Crow from the United States Army.

This killing was the joint handiwork of Republicans and Democrats, a majority of both parties, plotting together in a Congressional Murder, Inc.

And the final hypocrisy is that these very men met in this very hall and drew up civil-rights planks for their party platforms. Civil-rights planks. How many times have they both courted us with the same shabby promise, and how many times have they both betrayed us? I remember 30 years of promise and 30 years of betrayal.

Mr. Truman has called a special session of Congress to consider emergency legislation. Suddently, he can't wait. For 2 years he has been playing post office with the Eightieth Congress—and pin-the-tail-on-the-donkey with the people. He has been long on say-so and short on do-so. With one side of his mouth he vetoed the Taft-Hartley Act, with the other he called for the injunctions that broke two railroad strikes and two mine strikes—and that both parties applauded.

They have never once relinquished the idea of human slavery. Slavery has always been a profitable business. What was once the slave quarter and the auction block has become the Jim Crow coach and the starvation wage. This slavery of the Negro people is not a thing to be wiped out by campaign oratory or a passing promise. It is a sickness deep in the very bone of the country. Its fever sores are the ghettoes of Harlem and the South Side of Chicago, the thousand cities and towns across the land where a Negro cannot eat in a restaurant, sleep in a hotel, go to a movie, be treated in a hospital—where even children's games are Jim Crow.

We have heard the civil-rights promises of the old parties, but we have learned to read between the lines—and between the lines we read betrayal. What else can we expect from the men who year after year have ruled this country with a national policy of Jim Crow—backed by the nighstick and the hangman's rope?

Mr. Truman has called a special session of Congress. But it is not necessary to convene Congress to test the sincerity of the Democratic civil-rights proposals or Mr. Truman's sincerity. It is very simple—as simple as this: "Mr. Truman, I ask you, as commander in chief of the armed forces, to sit down now and pick up your pen. Pick up your pen and write. Write the Executive order which will abolish Jim Crow from the United States Army."

We have been blinded with promises for too many years. Our eyes are open now. We believe only what we see. We have seen Henry Wallace go into the South and insist on speaking—and speak—to nonsegregated audiences. We have seen GLEN TAYLOR, a United States Senator, defy Jim Crow in Alabama and go to jail—arrested by a police chief who later turned up as a delegate to the Democratic National Convention.

But most of all, we of the new party see ourselves. We see ourselves not picking up political crumbs, but helping to create political policies. The new party says to the Negro people: "Come help us make this Nation what you would have it."

The plain fact that I stand here before you tonight defines our party.

For the first time in my life, I am experiencing human dignity.

And this human dignity which I know for the first time, here and now, was not given me by the old parties—for their way is the denial of decency in the name of profit. Not only here, to me—but far beyond our borders, to millions of people—for our domestic policy is only the reflection of our foreign policy. And our foreign policy is the brain child of banking-house diplomats, and banking-house brass, of John Foster Dulles and James Forrestal, of Robert Murphy and Gen. William Draper.

These are men who were the executives of investment houses and Wall Street law firms that put up the money for Hitler's steel trusts, that represented I. G. Farben, the Nazi chemical cartel, and the German bankers. The forces that shaped these men and their advisers are no secret. These men who have lived and worked always in the thin air of the corporation board room, an atmosphere as far removed from the roots of American life as the stock ticker is from the pay envelope.

And that is why, at this moment, there are at least three places on this earth where American guns are killing innocent people. American guns are murdering the very men who fought beside us on the Burma Road and the mountains of China. The men who turned the tide against Rommel at Alamein—now they receive their reward in the form of bombs on Tel-Aviv. British bombs paid for with American money.

Because every time a bomb falls in Palestine or China, an American corporation rings up a profit on the cash register. Because our State Department's interest is not in protecting lives—but in protecting pipe lines. That is why destruction is the order of the day. The corporation men of our State Department have never found a more profitable business than destruction.

Look at any spot on the map for proof. Look at Germany. Most of all, look at Germany.

Who are the men in power there today? I will name you a few. Robert Pferdemenges. What was he? A chief Nazi industrialist. What is he now? Head of the state of Wurttemberg-Baden. And another, Reinhold Maier. What was he? Member of the German Parliament in 1933 which voted Hitler into office. Maier—the man who said, "We feel ourselves at one with the views expressed by Hitler." What is now? Government advisor in the British zone.

Who put them there? Men like Gen. William Draper. What was he? A vice president of the investment bankers, Dillon, Read & Co. What is he now? Under Secretary of the Army, boss of General Clay in Berlin.

Our denazification courts have been working overtime whitewashing the Nazi munition makers of Krupp and I. G. Farben. Most of the judges who cleared these men were appointed by former Assistant Secretary of War Patterson. And who was Patterson? A member of the law firm that represented I. G. Farben—the chemical cartel that put up most of the money to finance Hitler.

We have left almost intact the German steel industry that has twice infected the world with war. We have allocated the lion's share of the Marshall plan moneys to rebuild the Nazi industry that made war against us.

We have been repaid for our efforts in Germany by generous compliments and deep gratitude. I will quote you this, "The Marshall plan is an excellent start toward rebuilding Europe's economy. The western world is moving entirely in the right direction, and for this I give the greatest credit to American politics." That salute was paid us by Dr. Hjalmar Schacht, former Reichsbank president and Nazi finance minister, speaking from his prison cell where he escaped the Nuremburg gallows.

Our ships crossing the Atlantic carry supplies to the German industrialists—and our ships coming home carry the coffins of the GI's they killed.

At the end of the war we had a reservoir of good will all over the world. Three years of Truman and Dulles have drained it dry. In Burma and in Africa, in the hills of Greece and the streets of Jerusalem, the name of the United States is spoken now in accusation and anger.

I have had some experience with war. I was 4 years old in 1898, but I remember my mother standing at the kitchen window, waiting for news of my father who was fighting in Cuba. I remember the days in France, where I fought as an officer, in the First World War. And I remember my three sons, going down one by one to the mailbox to get their draft notices. And day after day my wife and I sat in the kitchen and ate our supper at a table with three empty chairs. I had time to think then—and I realized then that war does not begin on any hour or any day. War does not begin by congressional declaration. War begins slowly, day by day. And those draft notices which came to our mailbox in Des Moines had journeyed a far distance. They were postmarked in Madrid and registered in Munich. There were a hundred times when we could have prevented the delivery of those draft notices.

And now, once again, the President's greetings are in the mail. And they bear postmarks of corruption in China and betrayal in Israel, and murder in Greece. They bear the mark of every Nazi we have restored to power in Germany.

We are told that all of our get-tough policy is necessary. We are told that warships in the Mediterranean are necessary, that bomber bases in Africa are necessary. We are told that there is a dire threat to our security, and that we must arm to the teeth to protect ourselves from the Soviet Union. I say—we of the New Party say—that another war will mean the end of civilization. I say—that we of the New Party say—that there is no difference between the United States and the Soviet Union too big to be settled at the conference table. And we say that the last best hope of earth is the belief that human beings can join together to prevent their destruction.

We are told that the Soviet Union refuses to cooperate in planning for peace. But what are the facts? In the late spring of this year, our Ambassador to Moscow, Walter Bedell Smith, delivered a note to the Russians saying that the door was always open for discussion of differences. One morning the paper told us the news that the Russians were willing to sit down and talk peace. It was the first sunlight in months of darkness. In Moscow, crowds hoisted American correspondents to their shoulders. They brought out American flags.

On the morning busses and commuter trains we smiled and nodded and said, "That's good." Around the world, people gathered to wait for the news, and the streets were bright with hope. But by early evening, the word from Dillon, Read was, "No peace," and the obedient hand of Truman slammed the door.

And the darkness came down again.

That very night Henry Wallace wrote to Josef Stalin a letter proposing a program for peace. And once again the Russians agreed that there could be peace, and offered to talk things over. And once again the word from our State Department was "No." And now in Berlin we reap the bitter fruits of that spring planting.

I repeat, what is at stake is the very survival of civilization—is the life of our own sons. I repeat that our crisis can be solved *only* at the conference table, and never on the battlefield. The White House has said that it is tired of talking over differences, and I say that we are tired of dying over them. The diplomats of the carbon-copy parties have proved that they are not interested in seeking peace. And that is why we of the new party say that the choice is Wallace or war.

Two things lie at the heart of democracy—choice and change. And these are the very things upon which the new party has been founded. For we had come to the time when the merger of two old parties had made displaced citizens of those who opposed their policy.

It is not an easy thing to strike out on a new trail. How well I know. For 30 years I was a Republican. Thirty years of living on second-hand promises that never came through. I served as chairman of a division of the Iowa State Republican committee. All my ways have been the traditional ways—I am proud of my record of service in the Shriners and the Elks and the chamber of commerce. I was the first founder and commander of the Des Moines Abraham Lincoln post of the American Legion.

It was not an easy thing to break with the old party and take up with the new. How many nights I lay awake and tried to deny the simple truth—tried to find reasons for holding back from joining with the only party that held a promise for the future. I knew I could not go on with the party that is no longer Lincoln's; that has passed wholly into the control of the very corporations which deny my people jobs and advancement. I realized that it was my very love for the American tradition that should lead me into the ranks of this new party. For this new party is in the the greatest tradition. It is the tradition of Americans to leave the old paths and strike out boldly for the new. That was the spirit that led Daniel Boone across the mountains, that led Frederick Douglass into the underground railroad—the spirit that drove the immigrants along the western trails. Americans have always pushed toward a frontier. Today there is a new frontier. It is in the program of Henry Wallace and the new party.

In Henry Wallace we see once again the image of the mountain men who visioned a great nation where there was only desert and forest.

Once again we offer to Americans the precious right of choice. The old parties offer you runaway prices—we offer you restoration of price control and a roll-back from dollar butter and 25-cent milk. They offer you a Jim Crow America—we say that those who perpetuate Jim Crow are criminals and we propose to fight them with everything we have.

They offer you packing-crate houses and park benches to live in—we offer an immediate emergency housing program to build 8,000,000 homes for veterans and working people.

We offer you a national health insurance program, a $100-a-month minimum old age pension, the raising of the minimum legal wage to $1 an hour, the repeal of the Taft-Hartley Act, the repeal of the draft and compulsory military training.

This hall is alive with hope. The very air breathes promise. We are preparing to set out from here as earlier pioneers set out from Independence and Fort Dodge. The wagon train to Freedom is making up now. And just as these were 100 years ago, there are now those who will try to frighten you, to dissuade you from the frontier. The witch-hunt and the loyalty check are designed to keep you from the new party, and to keep you from the polls.

We are afraid. We stand with Roger Williams, who, 250 years ago, defied the un-New England activities committee, saying: "I plead the cause of innocence against the bloody tenet of persecution for cause of conscience." We stand with Thomas Jefferson, who said: "Nothing is unchanging but the inherent rights of man." We stand with Frederick Douglass, who said: "Those who profess to favor freedom and yet depreciate agitation are men who want crops without plowing up the ground, who want rain without thunder and lightning, who want the ocean without the roar of its many waters." We stand with Abraham Lincoln, who said: "This Nation, with its institutions belongs to the people who inhabit it."—and who said: "We, even we here, may nobly save or meanly lose the last best hope of earth." We say, with Franklin D. Roosevelt, "Thank God, we are young enough in spirit to dream dreams and see visions; to believe that one day a generation may possess this land blessed beyond anything we now know."

The new trails await us. The frontier awaits us. The rebirth of this Nation awaits our coming. And we are on the march.

SPEECH DELIVERED BY HON. GLEN H. TAYLOR, OF IDAHO, VICE PRESIDENTIAL CANDIDATE ON THE PROGRESSIVE PARTY TICKET, OVER THE ABC NETWORK, ORIGINATING AT GRAND RAPIDS, MICH., SATURDAY, JULY 31, 1948

Shortly after I took my seat in the Senate in 1945, I was interviewed by a writer preparing a magazine article. As he was going out the door, at the conclusion of the interview, he turned back to ask one final question. He said, "Senator TAYLOR, what is your basic faith?" Now, I had never been asked that question before, and I had to think a moment. Then I answered, "Well, sir, my basic faith is in the ultimate good judgment of the American people."

I deliberately put in that word, "ultimate," because of my deep conviction that it is very, very difficult for the average American citizen to get the truth, and, of course, anyone must first know the truth in order to be able to render an intelligent decision.

I think it is a monument to the intelligence and common sense of the American people that they do so often come up with the right decision despite the way the press distorts the news with misleading headlines, omission of news contrary to the big business point of view, and deliberate falsehoods which are fed to the people by syndicated writers and the editorial columns. While some of the news stories concerning our Progressive Party Convention at Philadelphia were objective and honest and fair, I am forced to state that some of the syndicated columnists have reached an all-time low in the way they have deliberately misrepresented the events which transpired at that convention.

Their flat statements that Communists were in control, for example, had no foundation in fact. They write such things because they know that is what their bosses want them to write. In view of the degeneration of the press into a tool of special interests, we can be thankful for the development of radio. It has been a great instrument in helping bring truth to the American people, and, although many liberal commentators have been forced off the air in the last few years, it is still possible for dissenters to make their voice heard—witness my speaking to you at this moment through the courtesy of the American Broadcasting Co.

I believe that television will be an even greater instrument for the enlightenment of the American people. Neither an editorializing columnist or a radio commentator can distort the facts when the people can both see and hear what is transpiring. I have talked to a considerable number of people who saw the new party convention by way of television, and after having actually seen and heard what transpired there, they have invariably been furious at what they have read in the newspapers and some of the biased misleading statements of certain radio commentators. The American press generally has played up, sensationalized, and distorted every disagreement with Russia, which is equally true of certain radio commentators.

No opportunity is being overlooked to belittle, misrepresent, and vilify the aims, objectives, and leadership of the newly formed Progressive Party. For these reasons, I am

especially grateful for this opportunity to speak directly to the American people.

Well, the special session of Congress—the so-called turnip session—has finished its first week. On Monday the Senate met and passed a resolution informing the President that we were in session and awaiting his pleasure. This momentous announcement took about 10 minutes, then the Senate adjourned until Tuesday.

On Tuesday the Senate met and listened to the President's special message, and then the Senate adjourned until Wednesday. On Wednesday the Senate met and listened to a number of speeches about everything in general and nothing in particular, and adjourned until Thursday. On Thursday the Senate met, and Senator WHERRY, the acting majority leader, announced we would take up consideration of the anti-poll-tax bill, whereupon the southerners started a filibuster. Also, on Thursday, the Banking and Currency Committee, of which I am a member, met to consider anti-inflation legislation.

Chairman TOBEY had considerable difficulty getting high Government officials to appear to testify because the Democratic administration was not prepared, in spite of the fact that we had been called back primarily to consider anti-inflation legislation.

The morning session of the committee was fairly well attended by Republicans and Democrats but when the afternoon session of the committee convened, not one Democratic Senator put in his appearance. The reason was simple. Every Democratic Senator on the Banking and Currency Committee is a southerner and they were more interested in their filibuster to keep Americans from voting than they were in anti-inflation legislation to keep prices down so Americans can continue to eat.

At the end of Thursday's session of the Senate, a very amicable unanimous-consent agreement was arranged whereby the southern filibusterer who had the floor was granted the privilege of retaining the floor on Friday. If I had been on the floor of the Senate instead of tied up in the Banking and Currency Committee, I would have objected to such an agreement. Recently, when I talked at length against the militarization of America and drafting of American boys in peacetime, there were no sociable unanimous consents and no adjournment.

The Senate stayed in continuous session and at the first opportunity and by indulging in shady parliamentary tactics, my efforts to stand up against the Wall Street monopolists and the generals who are running our country, was brought to an end.

On Friday of this week, the filibuster against civil rights continued unabated. Friday morning's Washington Post carried this heading: "Poll-tax bill starts polite filibuster. Southerners lacking in old fiery attack. Republicans go along." That is what it says. That is the truth. This is a bipartisan filibuster.

Neither the Democrats nor the Republicans dare enact the legislation to carry out their campaign promises contained in their new platform so recently adopted at Philadelphia. Their bosses won't permit it and they have the same bosses—big business monopolists, cartelists, armament manufacturers getting rich off the cold war. These behind-the-scenes manipulators are reasonable people.

They realize that promises must be made in platforms, but they will not permit those promises to be carried out. So the plan is to let the southerners filibuster a few days or a week or two and then adjourn Congress. Senator ROBERTSON of Wyoming is quoted as saying that Mr. Dewey passed the word along that we should stick around a few days and then go home. Yes; that is the sorry picture. Both Democrats and Republicans made it perfectly clear that they intend to bury every important issue with talk.

They have begun to lay down a barrage of talk to cover their failures—a flood of words to prevent one constructive deed and to obscure issues. The trade-mark of the special session is not politics but words—words that won't even grow turnips, let alone produce houses, lower prices, or abolish the poll tax.

It has been said that another great crash and depression is just what Mr. Stalin is waiting for—just what he wants. That may be true. I don't know. But I do know that we of the Progressive Party do not want that to happen. We want to preserve our American way of life. We want to preserve our institutions in order that American citizens with initiative may enjoy the privilege of going in business for themselves.

We want to preserve our democratic form of government. We are not at all certain that our economy or even our democracy can withstand the great economic upheaval toward which we are rushing because of the monopolistic and militaristic policies of the bipartisan coalition.

The wreckers of Hoover's time flung the Communist epithet at Roosevelt in a frantic effort to stem the tide of popular resentment that engulfed them. The bipartisan wreckers of today are the very people whose greedy grab for profits is threatening to end our American dream in the greatest catastrophe of all times.

These same exploiters now try to brand as Communist-inspired and Communist-controlled this great people's movement which has come to life in a spontaneous meeting of average citizens, common people, working men and women, farmers, teachers, doctors, lawyers, small-business men, representing all that is good and fine in this great and good country of ours.

Side by side with inflation is the menace to our democracy that has certainly grown from the continued denial to millions of our citizens of their basic civil rights. Just as the fruits of our top-heavy prosperity are today unevenly divided, so are the fruits of our democracy and our lopsided economy cannot continue to bear the strain of an even more lopsided democracy that denies to so many people basic rights enjoyed by others.

But the bipartisan coalition refuses to recognize the dangers and refuses to take action. Just as the reactionary Congress under Hoover failed to take action. People demanded action then and got it. The people demand action now but they won't get it from this Congress and they won't get action from either of the old parties because they cannot act. He who pays the fiddler calls the tune.

The subservience of the Republican Party to the monopolists and special-interest groups of this country is well known to the people. Even the recent Gallup poll bears out that fact. The statement is made and not denied that the Democrats are expecting both Mr. Forrestal, our Wall Street Secretary of National Defense, and Mr. Harriman, our big-business Secretary of Commerce, to contribute half a million dollars each.

I am determined to be faithful to the trust placed in me by the people. That is why I was forced to join with Henry Wallace. How can you possibly serve the people in a party owned lock, stock, and barrel by Forrestal and Harriman and their warmongering profit-greedy crowd.

But let's get back to the special session. There is method and deliberation in the flood of words going on there. It could not continue without the gentleman's agreement of the Republican Party and the President's Democratic Party. Make no mistake about it.

The filibuster over the poll tax is a filibuster of both old parties. It is not a filibuster on the poll tax alone. It is a filibuster against price control and housing and security as well. And it is a filibuster which exists only because both parties want it to exist. It is the guaranty that the Democrats can preserve State rights over human rights, and the Republicans profits over prosperity.

For behind the polite filibuster now taking place on the floor of the Senate is the compact of both Democrats and Republicans to saddle America with the costs of a cold war with heavy arms expenditures with a peacetime draft. They have voted for guns, not butter. And the men who now control both old parties will not introduce equality into the caste-ridden Army, nor will they surrender any part of their power to control prices and reap the greatest profits in their history. They recognize the need to make concessions only in words and platforms, but not in fact.

The real filibuster started on Monday with the President's Executive orders on civil rights in the armed forces and Federal employment. Those Executive orders hit the headlines but if we read more than the headlines we wonder why he had not issued such orders at any time in the last 3 years as we in the Progressive Party insistently pointed out in our first founding convention last week.

When you read the Executive orders you find a promise and not a fulfillment. Here is no end to discrimination and segregation in the armed forces. Here is only talk about the end of discrimination. Instead of action you have the appointment of a committee to investigate. How many committees of investigation does it take before we shall have an end to discrimination? How many investigations do we need to tell us what is already so plain?

The President's committee to investigate the need of a draft and universal military training urged the necessity of making our Army democratic by bringing an end to segregation and discrimination but not one of its recommendations was included in the draft bill.

What is the purpose of another committee of investigation if not to postpone and delay the end of discrimination for our Negro citizens who are also called upon to die in the names of freedom and equality and democracy? The Executive order does not eliminate segregation and places no deadline for action to stop discrimination. It is small wonder that the New York Times reported an official as saying that the President's order was a pretty good political approach which should not too greatly affront the Southern Democrats.

No real action can be expected from this Executive order. It was not meant to produce action, as Gen. Omar Bradley, the President's Chief of Staff, made clear the next day. General Bradley announced categorically that segregation would not be abolished in the Army until it was abolished in the Nation as a whole. He added that people needed to be told that the Army was not interested in reforms. The Chief of Staff told us once again that the Commander in Chief did not mean what he said. He has also told the American people exactly who is boss when it comes to putting such an order into effect.

He has emphatically told the country and the President that the brass hats will run the Army in the same old way. But this is not the first time that we have seen the President's orders spelled out to mean the opposite by his supposed subordinates. Early this year, when the President sent his civil-rights message to Congress, he said that he had instructed the Secretary of the Armed Forces to do away with discrimination and segregation as soon as possible, but when Mr. Royall, Secretary of the Army, testified before the Senate Armed Services Committee later, he said the President didn't mean what he said.

He went further. He threatened the President. He said that if he received any such

orders he would resign before he would carry them out. Whom shall we believe? The President and his words or Secretary Royall and General Bradley's lack of action? If the President really means to end discrimination and segregation why has he failed to discipline Secretary Royall and General Bradley for openly disregarding and flouting his orders? Certainly he has not hesitated to discipline others in the administration who went counter to his beliefs.

Indeed, he has not hesitated to fire faithful servants for no reason at all. Witness Marriner Eccles, Wilson Wyatt, and James Landis. Their only sin was that they tried to do a good job. The plain fact of the matter is that Mr. Truman does not control his administration but his administration is controlled by the military men and Wall Streeters. From the evidence to date it is becoming clear that neither party intends to stop the poll-tax filibuster. It is a polite filibuster by agreement of both old parties.

It is a convenient device. It hides the real intentions of the Republicans and conceals the evasions of the Democrats. By permitting the filibuster to continue the Republicans can shift the blame for inaction on prices, housing, and other issues to the Democrats. By failing to press for breaking of the filibuster, the Democrats are relieved of their responsibilities for having called the turnip session of the Congress.

Strategists of both old parties can sit back and relax while the taxpayers have the cost of the special session heaped on top of the costs of the Marshall plan and the big armaments program. That is exactly what they are doing. That is exactly what was predicted and that is why when the first Southern Democrat arose on the floor of the Senate on Thursday afternoon; he rose with a smile and was greeted with smiles by all his colleagues. It's in the bag.

May I quote from an AP dispatch describing the opening session. It says: "No word was edged with roughness, no political differences entered on the pleasant scene of cheer and good will. Gallery fans who came to witness a political roaring and gnashing of teeth went away disappointed. Smiles wreathed the Senators' faces except for Senator TAYLOR, who is Henry Wallace's running mate. The countenance of the Progressive Party's Vice Presidential candidate was serious and bordered on the glum. He did not join in the backslapping and general carefree spirit which seemed to prevail."

That is a pretty fair description. I am not in the club any more. It is all right to talk about democracy, freedom, competition, private enterprise, and civil rights; but when it becomes apparent that a Senator takes his obligations seriously and really means to do something about it, that's a horse of another color.

The polite filibuster makes it obvious that neither old party wants seriously to do anything to stop inflation. We in the Progressive Party have forced both old parties to adopt liberal-sounding platforms. Now it is up to the people to make them both perform. The Republicans have announced they will do nothing in this session. Mr. Dewey, their contender, sits in Albany, afraid to breath a word. Their leaders in both Houses have flatly stated they will do nothing.

At least they are more frank than the President and his party, for the Democrats, despite their talk, will also do nothing unless they are forced to by an aroused people. The simple fact is that there can be no end to inflation, there can be no abundance of good things at reasonable prices here at home until we bring an end to the fabulous spending for foreign-aid programs and useless armaments.

The plain fact of the matter is that the sinister forces which control both the old parties don't want an end to inflation. They are enjoying the most fantastic profits ever known in the history of the world. They mean to continue enjoying those profits even if it means taking it out of the hide of the taxpayers.

That is the real reason for the so-called Marshall plan and this huge armament program. At the beginning of the year we were faced with a terrible crisis, terrible, that is, for the monopolists. We had reached the point where you would have been able to buy a $1,500 automobile for $1,500. Supply was catching up with demand.

You would have been able to get a $125 ice box for $125 instead of $325. That was unthinkable to the monopolists. So with the aid of the press, which they own or control, the bipartisan coalition really got down to brass tacks and did some hard work for their monopoly bosses. They put over the Marshall plan by telling the average good American that it was designed to feed hungry people and at the same time telling businessmen that its real purpose was to help get markets for American industry, which, of course, was the truth. All of the special-interest groups got their hands in this great grab bag up to the arm pit. Instead of sending grain exclusively, which could have been milled in Europe, thereby giving employment to unemployed Europeans and aiding European recovery, great quantities of flour were sent in order that the Milling Trust could get its cut out of these endless billions of taxpayers' money.

Nearly $300,000,000 worth of tobacco was included to insure southern votes for this great robbery of the American people, and a nice big consignment of Coca-Cola. Using the Marshall plan as a lever, we forced the French to lower their tariff on ice boxes. Now we are flooding the French market and their factories producing such items are going out of business or curtailing production. This, of course, in the name of aiding European recovery. Simple arithmetic showed the boys that even the billions to be spent for the Marshall plan didn't take up all the slack.

There would still be enough for home consumption and prices would have to come down. The big armament program was the final answer. Admiral Zacharias, one of our foremost authorities on such matters, recently said that we now had enough atomic bombs to destroy the whole world. We didn't have to take them any place—just explode them and the resulting radioactivity would be so great that there would be no place on earth habitable.

Now if we have enough atomic bombs to kill everyone on earth including ourselves, then why produce airplanes and tanks and guns if not to insure profits for the armament manufacturers, channel scarce materials into useless war production and keep prices up for all the monopolists. If we can kill everybody on earth with one big explosion, why draft our boys? They had to do that to keep their armament program from being utterly ridiculous.

The people would question the sanity of building planes and tanks and guns if you didn't have anybody to fly the planes, man the tanks and carry the guns. So we have departed from our long traditions of being a non-militaristic Nation. We are drafting our boys and using the Hitler method of maintaining prosperity and armament economy.

It is not enough to produce guns when people are crying out for the good things of life but the great danger is that once we start down this road, there is no turning back. Profits and jobs depend on making guns. Unless we can stop this ghastly performance by electing a man of peace in 1948, I am afraid our way of life is gone for good. The Germans had no great leader to step forward and protest militarization of their country.

Americans are more fortunate. They have a man willing to face the abuse, the red-baiting, the vilification and ridicule and speak out against this madness. We are fortunate indeed to have Henry Wallace to lead us at the most dangerous moment in all our history.

Hitler and Goebbels used Russia as a bogeyman to scare the people into sacrificing their liberties. Our exploiters and would-be Fascists are using the same technique. They tell us that Russia is all to blame for the tension in the world, and yet in his latest book, entitled "We Need Not Fail," a great American statesman and one of Roosevelt's trusted lieutenants, has this to say, and I quote:

"This bankruptcy of the Security Council has been due to no Soviet veto. It has been due exclusively to the policies of selfish and short-sighted expedience pursued by Great Britain and still more by the United States."

I wish that I didn't have to subject myself to the Red-baiting and vilification of our kept press that I am forced to endure, but I can see no other way if I am to be true to the trust the people have reposed in me. The plain fact of the matter is that the same people control America today that were most instrumental in putting Hitler into power—Secretary of National Defense James Forrestal, who was formerly president of Dillon, Read, the Wall Street banking house most active in financing Hitler to power. Draper, Under Secretary of the Army, vice president of Dillon, Read, did the actual contact work in setting up the cartel areas between our monopolists and Hitler's monopolists.

Dulles, the architect of our foreign policy, did most of the legal master minding. Admiral Leahy, the President's most intimate adviser, a Fascist sympathizer and friend of old Quisling, Marshall Petain.

It is not my object to glorify Russia, but I must ask in all earnestness, "Can we expect the Russians to have confidence in a government headed by such people, and it will still be headed by the same kind of people if Mr. Dewey is elected?"

We are supporting Fascists and reactionaries all over the world. The amount of our aid to Holland and France, for example, just about equals the cost of their imperialistic adventures in reconquering Indonesians and Indo-Chinese.

In Greece there were 13,000 guerrillas when we first started interfering. We spent $300,000,000 in a year and at the end of that time there were 26,000 guerrillas. I say to you people that never in history was such a great fraud perpetrated as that which is being imposed upon the American people today and you are paying for being deceived. The Marshall plan appropriation carried an item of $10,000,000 to be divided between two great newspapers and four magazines for their part in helping sell the Marshall plan, and yet in one of those two newspapers some truth appeared, accidently I presume, because the item I refer to was only in one early edition.

In later editions this article was deleted, but the rest of the page was the same. On May 5 the following heading appeared over an article in a great New York newspaper: "Europe feels pang of overproducing."

Then it goes on to say that food is spoiling in Holland; that Belgium and Luxemburg are curtailing production in steel, fertilizer, cement, window glass, textiles, and machine tools. In the magazine, United States News and World Report, of May 14, in discussing the Marshall plan there appears this statement:

"Surpluses are beginning to show here and there—Italian fruit and German textiles are examples. These things are spoiling and are setting in warehouses."

In that same issue is this very enlightening statement. It says armament in any case is

to be revised as a major industry sustaining the boom that had begun to sag.

Armaments, if carried forward on the basis of plans being approved by Congress, will continue for at least 5 years to be a major United States industry.

Do you people think for one moment that, if armament manufacture is a major United States industry for 5 years, you will ever be able to get rid of it? You might just as well talk about abolishing agriculture.

This article in the United States News and World Report also has this to say: "Living standards of the public will be influenced, too. Just as civilian supply was about to catch up with demand the military steps in to take a larger share of goods and manpower.

"Armament spending will take steel, aluminum, copper, and other materials that otherwise could go to civilian industry to be used to produce goods for civilian industry. Armament, too, will draw on manpower that otherwise could be employed in civilian industry.

"As a result, people in general will enjoy fewer goods than they might otherwise have enjoyed. They will be expected to gain in satisfaction, however, from the feeling of security that money spent on armaments can give."

Does it make you people feel secure?

To know that we are spending fabulous amounts on airplanes, tanks, and guns and that your sons are being drafted and we are continuing to make atomic bombs—doesn't all this make you feel secure in spite of the fact that Admiral Zacharias tells us that by exploding the atomic bombs we now have we can render the whole earth uninhabitable.

I don't know what the outcome of this political campaign is going to be.

I know that I will be fortunate if I retain my liberty and freedom of action because we have gone a long way down the road toward fascism and the one-party state with our bipartisan coalition controlled by the same people or their American counterparts which ended freedom and brought destruction to Germany.

At any rate you are being warned before it is too late. You will have an opportunity I hope to vote against these people and policies that threaten ruin to our great Nation.

I know that you are almost hopelessly snowed under with a flood of propaganda, much of which is paid for with your own money as I have pointed out. But I still have confidence, as I said at the beginning of this broadcast, confidence in the ultimate good judgment of the American people.

Whether this fantastic scheme to enrich a few at the risk of world war and very likely the extinction of mankind, whether the enormity of this scheme can be grasped by the American people before it is too late, I don't know.

All I know is that when I am convinced that something should be done, I start doing it to the best of my ability.

I don't stop to consider whether I will be successful or what the consequences may be to me politically or personally.

My philosophy of believing in the ultimate good judgment of the American people and in taking action to further my beliefs regardless of political consequences led me to join in founding this new peoples' party.

I knew that a merciless Red-baiting campaign would be waged against us, but I am accustomed to the Red smear.

In 1938 I ran for Congress. Because I spoke out in favor of a Columbia Valley Authority to develop our great Northwest, the power companies and other vested interests smeared me Red through the columns of their subservient press. I indignantly and righteously denied the charge. I was defeated in the primary.

In 1940 I was nominated to the Senate. Again I was assailed as being communistic. I denied it but I was defeated in the general election by 14,000 votes. Again in 1942 I won the nomination and again the Red smear. I denied it but lost by 4,000 votes. In 1944 I again won the senatorial nomination—for the third time.

Again the monopoly crowd howled Communist. Our Democratic Party leaders said, "Jump on that. Don't let them get away with that. It's murder." But I was fed up. I said, "Oh, to thunder with them." I never once mentioned the charge of communism. I just went to the people and told them what I stood for and I was elected.

Perhaps with that lesson in mind I should ignore the Red baiting being directed against me today. However, circumstances are different. The Red hysteria is unfortunately greater now than it was then. So, I feel that perhaps I am justified in making a statement.

I am no Communist. Most of my adult life has been spent managing my own business. It was a modest enterprise, to be sure, and I was long convinced that I could have fared much better financially if I had been willing to sacrifice my independence and work for a wage.

I preferred to manage my own affairs and exercise my own initiative. I have a wonderful family—a lovely wife and three fine sons. I want these boys of mine to have the same opportunity that I enjoyed to have a business of their own if they have the desire and the capacity. I am a firm believer in genuine free enterprise.

By that I do not mean that I believe monopolies can rightfully be called free enterprise and that they must be brought under control if genuine free enterprise with competition as the life of trade is to be preserved in this great country.

It is significant to note in this connection that on the same day the Progressive Party platform was adopted with a strong plank on monopoly control, the Federal Trade Commission came out with a warning that private enterprise was in grave danger of joining the dodo because of monopoly control in this country.

I also believe passionately in democracy and the right of men to rule themselves through their elected representatives. If I didn't have such strong convictions about these matters I certainly would not risk my personal safety by invading the strongholds of segregation and discrimination. I know that this new Progressive Party is not dominated by Communists.

I am convinced that there is no danger of it being dominated by Communists. Any possible danger of such an eventuality would of course be further minimized if the so-called liberals still outside our party would overcome their fear of being Red-baited and join with us this great people's movement.

I also say to you people that if at any time I should become convinced that this new party or any party with which I might be associated was Communist-dominated and its policies were inimical to the best interests of America and our way of life, I would withdraw and give my reasons for so doing. The truth is, of course, that this whole Red smear is a device to avoid discussing issues.

Personally, I shall continue to fight for a better America free from monopoly control, free from corrupt politicians, free from the un-Christian curse of discrimination and segregation, an America in which our old people can live in comfort and security as pledged in the Progressive Party platform, an America of decent homes and job security, an America where an enterprising man can go in business for himself and rise according to his ability, an America with better schools and better hospitals, an America of peace, abundance, and security.

Watch That Gold

EXTENSION OF REMARKS
OF
HON. JOHN SANBORN
OF IDAHO
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

Mr. SANBORN. Mr. Speaker, I want to take this opportunity to call to the attention of my colleagues and the American people the following news item which was carried on the front page of the Washington Times-Herald of August 5, 1948:

NINE COTTON MILLS SLIDE DOWN TO 4-DAY WEEK

BOSTON, August 4.—Lack of orders and the world monetary situation caused nine large New England cotton mills today to go on a 4-day week.

Since we can expect to read many similar items with increasing frequency, it would be well to analyze just what this means and what is responsible for such a situation. In reality, American industry and American labor are being forced to compete with foreign slave labor or labor paid much below the American scale of wages, not only without benefit of the tariff, but under a condition where foreign imports are actually subsidized with American gold. That is free trade with a vengeance.

THIS IS HOW IT WORKS

In the first place, the so-called Reciprocal Trade Act permits the President to eliminate 75 percent of the tariffs on imports. Then foreign nations are permitted to buy our gold at the lowest price in the history of this country, because our gold price of $35 per ounce is equivalent to only $12.95 prior to 1934. This is a result of the debauching of our currency under the New Deal's unsound policy of managed economy and managed currency which has so depreciated our dollar that it now has a purchasing power equal to only 37 cents prior to 1934.

Take, for example, a shipment of pottery or other goods from Czechoslovakia, a Russian satellite nation, which sells at New York for $10,000. By demanding payment in gold, this $10,000 instantly becomes $16,000 or more, since, based on the present value of our dollar, our gold price should be $56 per ounce instead of $35 per ounce, and in many parts of the world gold is selling for more than $100 per ounce.

The dollar shortage in European countries is the only thing that prevents them from draining away all of our gold at much below its real value.

However, the vaults of the international bankers in New York and elsewhere are bulging with these synthetic 37-cent dollars, and if we should be misled by the 42 so-called economists who advocate a return to the single gold standard and the redemption of currency in gold at $35 per ounce, we can expect to see our Treasury drained of all its gold overnight, for if they are permitted to convert these depreciated dollars into gold on this basis, their 37-cent dollars will instantly become 59-cent dollars.

Our currency should be made redeemable, but since there is not enough gold in the world to supply an adequate redeemable monetary reserve, silver must be joined with gold at fixed and proper ratio, and the price of both metals pegged as provided in Senate bill 2895 and H. R. 7012. This means that if we would have peace and economic stability, we must return to the monetary system of bimetallism which time and experience proved to be the most perfect monetary system the world has ever known.

THEY WOULD HAVE THEIR CAKE AND EAT IT TOO

Those responsible for our funny, money-free trade policy are spending hundreds of millions of American dollars to build factories in foreign countries where they can manufacture goods with low-wage labor, evade American income and other taxes, and flood our markets with those goods under our present free-trade policy. Thus far, we have not noticed the heavy influx of foreign goods because of the backlog of demand built up under the war years, but once that demand is satisfied, we can expect to see more and more smokeless chimneys over American factories as is evidenced by the above news item.

But the greedy international bankers, who hope to have their cake and eat it, too, will kill the goose that lays the golden eggs, for the American market will cease to be the best market in the world if they are permitted to pursue this policy which would eventually bring about the unemployment of millions of American workers.

Anyone who knows anything should realize that free trade is possible only between nations and peoples that enjoy the same standard of living. The United States has but 6 percent of the world's population and 6 percent of the land area of the world. Free trade will not bring the other 94 percent of the world's people up to our standard of living, but drag us down to theirs.

When the American people wake up to what is happening to our economy they will demand adequate tariffs fast enough against these foreign factories built with American dollars for the purpose of exploiting the American people. Why should not the American people protect the American market for American producers? We created this market ourselves. We took it from no one. It is a tribute to free competitive enterprise under a free government which shows the folly of regimentation, managed economy, price-fixing, and other accouterments of the totalitarian state, whether you call it Fascist, Communist, Socialist, or Collectivist.

The other 94 percent of the world's population have 94 percent of the world's land area in which to build a sound economy of their own after they cease to follow the isms and ideologies of an illusory utopia pictured for them by Karl Marx, Cecil Rhodes, Lenin, Stalin, and Henry Wallace. It is time that we return to constitutional government and the American way of life, and repudiate those who would have us follow foreign isms and ideologies.

IN THE MEANTIME, WATCH THAT GOLD

We have two-thirds of the world's gold supply, approximately $23,000,000,000. But Europeans, living in countries asking for our dollars under the Marshall plan, have investments and cash in the United States amounting to the huge total of $26,000,000,000. If they should suddenly decide to convert these holdings into gold at $35 per ounce, they could not only demand and take all of our gold, but could demand $3,000,000,000 additional in gold that we do not have and cannot deliver. All gold and silver now owned by the United States Treasury should be frozen and kept here at home until we adopt a sound monetary system.

He Helped Make Westchester

EXTENSION OF REMARKS
OF
HON. RALPH A. GAMBLE
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, August 4, 1948

Mr. GAMBLE. Mr. Speaker, Friday, July 16, 1948, marked the anniversary of the death 15 years ago of William L. Ward, the man who, more than any other individual, made Westchester County, which I have the honor to represent, the greatest county in the world. He was my friend and my leader for whom I had the greatest admiration and respect. Politically, he was a genius. He was called the boss of Westchester and a benevolent despot. Under leave granted to me, I include as a part of these remarks an editorial from the Daily Times of Mamaroneck, N. Y., of Friday, July 16, 1948, regarding Mr. Ward, entitled "He Helped Make Westchester," together with a news article from the same paper and on the same day entitled "Works and Spirit of William L. Ward Live on in Westchester":

[From the Mamaroneck (N. Y.) Daily Times of July 16, 1948]

HE HELPED MAKE WESTCHESTER

Today marks the fifteenth anniversary of the death of William L. Ward. To a new generation his name may mean little, for much has happened in even the short span of years since he left us. That is why, to keep alive the memory of one of Westchester's greatest friends, we publish today accounts of his career and tributes from some of his closest friends and political associates, to be found elsewhere in this issue.

It is not given to many men to leave upon the face of their communities such permanent marks of their deeds. But William L. Ward left more in Westchester than the parkways, the humanitarian institutions, the civic projects he fostered. He left behind a blazed trail for others to follow, that they might carry on his concepts of government. He initiated a system of government under which we are still regulated; he instilled into officeholders a sense of civic responsibility which has not yet died; he established a dominant political organization wherein the impetus he gave is still evident. For he was, above all, a political realist, and knew that one must utilize the tools at hand to achieve results.

If history be, as has been said, merely the chronological recordings of events set in motion by men, then it may be observed that much of the modern history of Westchester County and its cities, towns, and villages stems from ideas which sprang from the brain of this remarkable man.

For he, more than any other individual, made Westchester what it is today.

Words mean so very little in tribute. They may be carved upon the tombstone but even the most eloquent lack the conviction of actual accomplishment. That is why we say the real monument to Mr. Ward lies around us, in the conveniences and comforts, in the health and beauty, in the opportunities for gracious living and religious upbringing of our children which we enjoy in Westchester, and toward which he contributed largely for more than 40 years.

Today, on this anniversary of his passing, we may well pause to lay our verbal wreaths upon his grave and to express briefly our appreciation.

"Boss" Ward of Westchester may have left us but his works live on.

[From the Mamaroneck (N. Y.) Daily Times of July 16, 1948]

WORKS AND SPIRIT OF WILLIAM L. WARD LIVE ON IN WESTCHESTER; PARKS, PARKWAYS, WELFARE BUILDINGS STAND AS WARD MONUMENTS

"BOSS" USED POWER TO IMPROVE COUNTY

(By Hugh W. Robertson)

William Lukens Ward died 15 years ago today.

To a new generation, their interests diverted by a depression, the New Deal and World War II in the intervening period, he is but a shadowy background in local history. But to older residents, especially to those who came into contact frequently with him. Westchester still reflects in all that has made it the outstanding county of the Nation the spirit of "Boss Ward," benevolent despot and political genius.

Westchester County is, geographically, a small area of about 450 square miles. Yet in its population, its voting strength, its automobile registrations, its telephones, its assessed valuations, its conveniences for living, its budgets and its bonded debt, it exceeds any one of a dozen States of the Union. In its parkways, its humanitarian institutions, its trunk-line sanitary systems, highways, schools, recreational areas and the like, it surpasses many more States.

It was William L. Ward who, more than any other individual, made Westchester that way.

Though much of the county's prominence is due, naturally, to its proximity to the greatest city of the world, it required brains and ingenuity and foresight to take advantage of that natural asset and develop it properly. For in competition at all times with Westchester have been Nassau and Suffolk on Long Island, Staten Island across the bay, and New Jersey and Rockland County across the Hudson.

Foresaw development

In private life, William L. Ward followed the steps of his father in the manufacture of bolts and nuts in a Port Chester factory. But it was through politics—sometimes power politics—that he achieved the authority he wished, with which to build this county into what his vision told him it could be made.

He foresaw the inevitable development of New York City's Suburbia and planned so that as expansion came, so came regulation and supervision and the attractiveness of opportunities for gracious living within the metropolitan area.

Political power he did not desire for his own personal interests. He never held but one public elective office, that of a Congressman for one term, and even that term was later denied him in a long-drawn contest after the 2 years had expired. He was averse to public recognition of his work and sub-

mitted only once to a testimonial dinner for himself.

But for what power he could grasp which would give him the right to make over Westchester he was greedy. For he was determined that his beloved county should not be made another Bronx. Instead it was to be, as realtors say, a high-class residential suburb.

In the course of his accomplishment he found it necessary to go beyond county political confines. He soon learned that to protect Westchester's interests it would be necessary to exert State and even national influence.

That is why for years at State conventions, and occasionally at national, the query went out: "What does Boss Ward think?" That was why he became chairman of the executive committee of the Republican State committee—a post which brought him eventually, and as reported, to the smoke-filled room at which Warren G. Harding was nominated for the Presidency. But always, in whatever capacity he appeared, it was the interests of Westchester which were ever paramount.

Span of two generations

With only brief minor interludes, Mr. Ward was in reality the boss of Westchester from 1896 until his death on July 16, 1933, a span of two generations. No other in Westchester history—and in few other places—has ever held such undisputed power for so long.

He was an intimate of Harding and of Coolidge and of Hoover. He often found it pleasant and beneficial to take a boat across Long Island Sound to visit Theodore Roosevelt at Oyster Bay—although the two differed in the Bull Moose split—and he was a frequent visitor at the White House, whence also came calls for advice upon occasion for the occupants.

By coincidence, young Ward, 37, found himself in opposition in his early political efforts to the grandfather of the present GOP chairman of Westchester, Tom Platt, State leader of the Republican Party. The grandson, Livingston Platt, now rules the county GOP forces.

It was with the elder Platt's political foe, Judge William H. Robertson, that young Ward alined himself, served the abortive congressional term—it was later held he had not been properly nominated—and then succeeded Judge Robertson as county leader.

The county was then, and had been for many years, Democratic. But in 1896 under his leadership it went Republican for McKinley, and with one exception it has gone for Republican Presidential candidates ever since, even in the heyday of F. D. R. and the New Deal, giving Wendell Willkie the largest majority of all the 3,000 or more counties of the Nation and even larger than the majority in 10 of the 12 States which Willkie carried. That exception was in 1912 when Wilson got a plurality but not a majority over the Republicans and Bull Moose candidates.

Charter idea his

There were fights, of course, within and without the party, for young Ward had to prove his right to the spurs and to the crown. Meanwhile, as his political strength grew, he turned more and more of his energies into upbuilding Westchester, utilizing politics as necessary, but keeping it secondary.

Much of his effort was toward a county charter, one which would stabilize and unify governmental agencies, a success which came, oddly, only after his death in 1933. The framework of county government today, erected after his death, represents ideas and opinions he advanced years before.

From the old Bronx Parkway Commission, he secured the nucleus of the Westchester County Park Commission. Finding water fronts held almost solidly by private interests, he began by condemnation in public interests and by purchase where possible the development of beaches and parks.

He ordered great through-traffic parkways longitudinally and shorter cross-ribs to connect them. Altogether, within 7 years authority was obtained for the expenditure of $60,000,000 in our parkways and park system.

In this period after World War I the most substantial steps for Westchester, as it is today, were taken. In addition to the 165 miles of fine boulevards, the Hutchinson, Saw Mill, Cross-County, Central Westchester, Bronx extension and other fast-speed traffic routes, he overhauled the State and county highway and bridge systems.

He planned and built bathing beaches—Glen Island and Croton Point and Kingsland Point; and swimming pools, Wilsons Woods and Tibbetts Brook; and the four county-owned golf courses, far better than some private links, Maplemoor, Saxon Woods, Sprain Lake, and Mohansic, the last on lands obtained from the State for the nominal $1 cost.

Approved airport study

He had visions of what has now become our county airport and approved when the late V. Everitt Macy, head of the County Park Commission, nearly 20 years ago sent Jay Downer, the commission's chief engineeer, to Europe to study airports and draft plans for one in Westchester.

He ordered built the county center at White Plains and lived to see there grand opera from the Metropolitan. Once he said it was a prime ambition to see 5,000 children in the center all singing at the same time.

He supervised the purchase from private interests of an old amusement park at Rye Beach and saw to it that a modern $2,000,000 Playland, one of the cleanest and most beautiful public recreation centers of America, was constructed. So keen was his interest that when troubled with insomnia in his later years he would dress and drive down to stroll along the paths of Playland and admire its architecture under the moonlight.

He aided in acquisition of State and privately owned lands for the two largest park areas of the county, increasingly popular this year with family picnic parties, Blue Mountain Reservation and Poundridge Reservation, the latter bearing his name as a memorial—Ward-Poundridge. It is one of two such memorial parks, the other being V. Everitt Macy Park at Woodlands in Ardsley, honoring the millionaire philanthropist who served under War administrations as superintendent of the poor, public welfare commissioner and president of the park commission.

Sites acquired

These and smaller parks were obtained, improved and operated, along with rights-of-way for routes yet to be built, including the Pelham-Port Chester, the Sprain Lake, the Briarcliff-Peekskill, the Mamaroneck, and the continuation of the Cross-County from Huguenot Woods in New Rochelle to Playland.

In matters of sanitation and health, welfare and relief, he was equally vigorous. Some $55,000,000 was expended or authorized for construction of a pioneering trunk-sewer system into which could flow municipal disposal lines.

Grasslands Hospital, used by the Federal Government during World War I, was reconverted into one of the finest hospitals in the East, and enlarged. "Sunshine Cottage" for tubercular children set a new mark in treatment. And a new county home for aged and indigent was built alongside, as well as modern penal buildings, one for the county penitentiary and the other for the county jail along with a prison farm.

Occasionally Mr. Ward met with a setback. One was on prohibition, which he favored, although not himself a teetotaler.

Always he sought to perpetuate good government in the county after his passing by selection of strong aides.

When he wanted a good health commissioner he went to Albany and plucked the State Health Commissioner for the Westchester job. For a new probation director he went to Providence and took the State director of probation from Rhode Island. When he set up in the budget committee of the supervisors a strong control over expenditures he stole from the State of New York William B. Folger for county budget director, an accomplishment still hailed by many as the finest day's work he ever did for Westchester.

With a sense of fair play, he introduced prominent Democrats of the country into his commissions and departments, and even in distribution of pick-and-shovel patronage there was always under him a rule that Democratic leadership got a minority of the jobs for allocation to their party workers. But not too many.

In social service, he and V. Everitt Macy and the present public welfare commissioner, Ruth Taylor, initiated in Westchester many of the reforms later borrowed by Governor Alfred E. Smith, expanded and extended at Albany under Franklin D. Roosevelt, and carried by him to Washington later as the nucleus of his social welfare program.

For a monument to him, look about you in Westchester, at the fine parkways and parks, beaches and pools, picnic areas and playgrounds, trunk-line sewers and hospitals, forest preserves and bridle paths, the county center and the golf courses. They stem from his vision and his energy.

This is but a sketchy outline of a few of the high lights which featured the public career of William Lukens Ward. There is not space within this entire newspaper to chronicle all that he did for the Westchester he loved.

"The best politics," he was wont to say, "is good government, and all you need for that is honest officials."

LEADER A BIG MAN MENTALLY, PHYSICALLY

(By Edward J. Hughes, editor, the Port Chester Daily Item)

William L. Ward isn't dead.

Not really.

To be sure, he left 15 years ago today to join his Quaker fathers in the great meeting beyond the skies.

But he is still here, too.

And that is not just a grandiloquent way of say he "lives in the soul as well as in the structure of government in Westchester County, which he loved and ruled for more than three decades, always dreaming and working and fighting to make it better and more beautiful than it was when he came into it as a boy."

William L. Ward still is very colorfully and dynamically alive in the minds and hearts of those who knew him and worked with him.

And it is because he was that sort of man, indestructible and unforgetable in the eyes of his contemporaries, that this effort to picture him for latter-day Westchesterites may be interesting and, to an extent, useful. For to know the story of William L. Ward, the man, is to better comprehend the character and better appreciate the ideals of the vast community he dominated so long by the driving power of his spirit.

"Boss" Ward or Bill Ward wasn't just another shrewd, guileful, skillful political leader, though he had all of those qualities in extraordinary measure.

He was first of all a big man, a strong man, mentally and physically and spiritually.

One was not surprised to learn that he had been a famous oarsman in his undergraduate days at Columbia—he had a diploma from the School of Mines.

One-time ballplayer

And even as an old man he carried the unmistakable evidence of a one-time baseball player—the gnarled, battered finger joints of one who had caught many a hot liner barehanded or with the unpadded gloves of the game's early days.

Many people have offered many explanations of Mr. Ward's major successes in business and in politics.

Some have said Bill Ward always had money, implying that all things are possible for those who have money. But Bill Ward, though his father before him also was a successful manufacturer of bolts and nuts, did not always have money—he was a Quaker boy, and Quakers don't believe in soft living, so Bill Ward had to make his own way. He established his own factory and knew, by actually doing the work, every job in the place.

Some have said that, because he was prosperous and prominent in business, Mr. Ward had so many influential friends he very easily became the boss of the Republican Party in Westchester and a boss of that party in New York State and in the Nation. The truth was that Mr. Ward's political ascendancy was made possible by little fellows rather than by the "big guns" of republicanism, whom he frequently fought.

At home with all

And that brings us to our own idea of how Bill Ward got to be the great man he undeniably was. We saw in him that rarest of all types of genius: The ability to understand the other fellow, his problems, his needs, and his ambitions, no matter what his economic or social background.

He had worn overalls like one accustomed to wearing them.

He had changed to well-tailored business clothes and, with an easy grace, had entered the offices of great industrialists to convince them that Russell, Burdsall & Ward Empire bolts and nuts were the best in the world—with the result that more automobiles, more plows, more ships, and more of other basic machinery in this and many other countries have been held together by Empire products than by those of any other bolt and nut manufacturer.

In faultless evening dress, he had attended state dinners in the White House. There he drank champagne.

With equally easy grace, he had sat in a Port Chester taproom with old cronies among his factory hands or his humbler political followers to munch sandwiches and sip beer.

He had attended, and enjoyed, garden parties at homes of the great—among them his particular friend, the late President Theodore Roosevelt.

But he also had attended, and enjoyed with unaffected gusto, the clambakes of groups like the James S. Merritt Association of Port Chester. "Jim" Merritt, butcher, real-estate operator, and insurance broker, was the beloved Republican leader of Port Chester along about the turn of the century. Each year his association had a clambake and outing at old Rye Beach.

Coolidge story told

In white clambake hats, the boys all paraded behind a brass band on Port Chester's main street before boarding horse-drawn carry-alls or the then amazingly modern trolley cars for the beach. Among the most chipper of the paraders and the lustiest of the fun-makers at the bake was, for many years, Bill Ward.

You see, he was completely at home anywhere, with anyone.

Once our editor sent us to ask him about a visit he had made to the White House when it was occupied by Calvin Coolidge. We were expected to get a story to the effect that the President of the United States and our illustrious fellow townsman had conferred on some momentous problem of government or politics.

Mr. Ward listened intently while we explained our mission. Then, after a moment of silence, and with a twinkle in the "cold gray eyes" which weren't really cold at all when you got to know him, he said:

"I give you my word this is all that happened during my visit to the White House—but you must never tell the story while Coolidge and Ward are around. I was invited to dinner and to spend the night. Only the President was at home. He and I had a very simple dinner. We talked, just like you probably talked at your dinner last night, about how hot it was. He said it was always cooler in Vermont. I said it usually was cooler in Port Chester.

"We finished eating. He suggested we sit on the porch. We did. I smoked a cigar—my own. He didn't smoke. It was nice out there. We sat for about an hour, relaxed and comfortable. He didn't say anything. Neither did I.

"Finally he stood up and said, 'William, you don't talk much, do you?' and I said, 'No, Mr. President, I don't.' Then he said, 'Let's go to bed.' And we went. The next morning we had breakfast together. He said, 'Good morning'; I said, 'Good morning'; we ate, and then we shook hands and I left."

Greatness of simplicity

And it wasn't hard for us to believe that that was really the whole story. For the Ward we knew and the Coolidge we have read about were much alike—it was the things which were unsaid between them that night in the White House which gave deep satisfaction to both of them. They were friends. Each had the greatness of simplicity. Each loved America—and each knew the other did.

Like Mr. Coolidge, Mr. Ward never lost his love for the folks among whom he had grown up and the countryside that always had been his home. Through most of his active life, he was given to walking, whenever he could spare the time, from his Comly Avenue home, the great gray castle said to have been named "Portland" because it was the first concrete house built in America, to the bolt and nut factory on Midland Avenue. In later years his chauffeur-driven car would trail him at a discreet distance.

The walking was ostensibly for his health—but it was also a way of looking over the town, to see where streets needed paving or a park should be placed; moreover, and most important, it was a way of casually meeting old friends—Lt. "Sport" Devanny of the police department, "Roccie" Marino, the barber, among many. Out of those contacts came information which brought aid and comfort to lots of families who never knew the course of the benefactions. No one ever asked Mr. Ward about a thing like that—if any other person knew, that person was his wise and gracious secretary, Miss Julie V. Jordan, and she could be as tight-lipped as her employer.

A man of contrasts and paradoxes was this "Boss" Ward—he could be ruthlessly tough, he could be completely kind, he could talk, he could be silent, he could walk with the great and meet the humble as one of them. He liked to explain it all this way: "My business is making bolts and nuts to hold things together and make 'em useful. My hobby has been holding men and women together in the job of making life better for all of us.

Peaceful inside

The last time we saw him he was seated in a big chair in his living room. A wild storm was raging outside. Inside it was peaceful. One sensed that this old man had been through many storms of many kinds—and had come through with head high, unswerved by the shifting winds, unawed and undaunted by beating rains. One felt that he had stood, as stood his great stone house, unshakable in the midst of tumult—a feudal baron in his mountain castle, ruling a broad domain.

Then he spoke: "I am an old man. I may not be around much longer. When I go, don't let anyone tell you any high-falutin' things about me. I've just been very fortunate—I've liked folks and they've liked me and we've been able to work together."

What we've written may seem "high falutin' "—but it isn't, really, for William L. Ward was a truly great son of Westchester and of America.

TRIBUTES PAID ON FIFTEENTH ANNIVERSARY OF DEATH

"MOST UNUSUAL LEADER," SAYS REFEREE YOUNG

(By J. Addison Young, official referee)

I knew Mr. Ward intimately from the time I first ran for district attorney in 1901. For many years he appointed me as a member of his well-remembered executive committee of the Republican county committee. This committee met quite often and its members became very well acquainted with each other.

I owe very much to his friendship and loyalty to me during all the years of our association. He was a most unusual leader. It is rare to find a political leader who does not wish political preferment or financial advantages for himself. Mr. Ward desired neither. In a conversation which I had with him during these years, I asked him once why he had spent so much of his valuable time in the interest of the county and his political party, and he replied that his one chief desire in managing the affairs of the county as a leader was to make Westchester County the best place to live in the country.

The parks, golf courses, beach resorts and wonderful boulevards which we enjoy largely as the result of his efforts show how fully he realized his ambition. With this in mind, I have often thought that the park in Poundridge which bears his name is the best possible tribute to his memory.

CLOSE PRAISES VISION, SERVICE TO COUNTY

(By Frederick P. Close, official referee)

Viewed through the perspective of the years we begin to more fully realize the genius for government possessed by our late and still lamented leader, William L. Ward. His outstanding characteristic was his vision of the necessity of preparing now for the needs of the future.

County government to him was not static, but a progressive, growing government, ever increasing the facilities of government for the benefit of the people of the county. He was ever watchful that such increased facilities and indeed all government in the county was conducted with courtesy, efficiently and as economically as could be consistent with the service the people of the county were entitled to receive.

If we turn our minds back to the early years of the present century we will see Westchester County situated, geographically, on the door step of the largest and most rapidly expanding city in the United States. But Westchester County had done little or nothing to take advantage of its fortunate situation.

It was Mr. Ward who foresaw the necessity of parkways, parks, of play fields and beaches, of broad thoroughfares geared to handle the greatly increased traffic that the belt-line production of automobiles was to bring to our county in the then not too distant future. It was Mr. Ward who first realized that the authority of local municipalities must be impinged so that trunk sewers and sewage-disposal plants might be constructed.

Missionary work recalled

It was Mr. Ward who first urged local communities to furnish recreational facilities to their residents and who created the county recreation commission to do missionary work in that field and to give assistance and ad-

vice to forward-looking towns and villages who saw the necessity and the need and sought to satisfy both.

He conceived the county center and hoped to make it the cultural center of the county. He foresaw that if Westchester County was to progress in government, it must discard the combined legislative and executive functions possessed by the loosely organized, unwieldy, and sprawling board of supervisors and create a county executive with centralized power, authority, and responsibility.

It was his vision that foresaw the service that could be furnished to the people of Westchester by the establishment of the county hospital, the expansion of the welfare department, the establishment of the children's court, and the creation of the probation department.

All of these improvements in county government and many, many more that could be enumerated are now accepted as a matter of course, but those who had any part in the government of the county when these changes were wrought know that they were not brought about without bitter opposition on the part of those who had no vision or for partisan or personal reasons refused to open their mind to the vision.

Esteem evidence of debt

The people of Westchester owe a debt to William L. Ward that they can never repay. However, the universal esteem, increasing as the years pass, in which his memory is held, furnishes evidence that they realize their obligation, and this appreciation is the only coin he would ever want or accept in payment.

His was an unselfish leadership without thought of anything except to make his party the synonym for courteous, honest, progressive, and efficient government and to make Westchester County the most desirable place in the world to live.

COURAGE, LOYALTY, HONESTY, RECALLED BY BLEAKLEY

(By William F. Bleakley, former supreme court justice and former county executive)

On July 16, 1948, Mr. William L. Ward will have been dead 15 years. To those of us who knew him intimately it seems but a short time. Our close association with him taught us to love and respect him. His ideals and his methods have lived after him. Constantly in seeking a solution we ask ourselves what would Mr. Ward do under the circumstances.

The qualities that made him famous as a political leader were courage, sagacity, loyalty, sound judgment, and honesty of purpose. He had an advantage over most political leaders in that politics was not a business with him. Being a man of independent means he gave his time and money to the promotion of the welfare of Westchester County. He believed that this could best be done by assuming the leadership of the dominant party.

It was he who conceived the development of our parkways. His theory was that the natural increase in the value of property would produce the revenue sufficient to pay the cost of the parkways. His judgment was justified. Westchester, under his guidance, became the most-discussed county in the United States. Praise came from every section of the country. He developed a system of parks serving every part of the county. The county center and playland have enabled the county to furnish the opportunities for culture and entertaining recreation. The greatest monument to his foresight is the development of Grasslands, the center of public welfare, ideal from the point of view of location and administration.

A request from him was equivalent to a command. Men did things for him because they had a deep affection for him and confidence in his integrity. He inquired diligently as to the qualities of men for public office. He was not satisfied alone with their reputation—he looked deeply into the question of their character. He was loyal to his party, but his county came first, and his party and his leadership were but means to an end. The development of Westchester County is a monument to his endeavors. Only a park bears his name, but his reputation lives on.

WALLIN CALLS HIS LOVE FOR COUNTY UNBOUNDED

(By William J. Wallin, former mayor of Yonkers)

It has been truly said and it is worthy of frequent repetition that a democracy cannot rise above its leadership.

It is also true that a courageous statesmanlike and unselfish leader can greatly raise the level of the commonwealth within the framework of a democracy.

William L. Ward was such a leader.

He wielded all the power of the unchallenged political boss of Westchester County for more than a generation. His love for Westchester was unbounded.

It was due chiefly to the leadership of William L. Ward that Westchester took the first place in the country and set a pattern for the rest of the country in many fields, then unplowed, but now so cultivated that the people accept them as if they had always been as they now are.

Public welfare, public health, parks and parkways are outstanding examples of this.

No narrow partisan

Mr. Ward was a staunch Republican, one having deep knowledge of the place and need of a party organization with strict discipline in its ranks, if our democracy is to work, and the rule of the majority—the keystone of democracy—is to bind the structure in unity.

But Mr. Ward was no narrow partisan. Almost without exception, the nominations for high office went to outstanding men who became a credit to the county and the Republican organization.

Mr. Ward insisted on order and decency in the county. To the elected official, be he Republican or Democrat, he gave support while in office. While actively seeking through his organization to nominate the organization's choice for judge and district attorney, once elected he brooked no interference, political or otherwise, with the performance of their duties.

Mr. Ward rose above partisanship where the public interest was involved and was quick to see the good in his political opponents and their plans for the public good. An outstanding example may be briefly related.

Mr. V. Everitt Macy was nominated by the Democratic Party as its candidate for county superintendent of the poor—commonly called the poormaster. A none too good home for the poor was located at Eastview. The local poormaster doled out a pittance to the poor.

After a strenous campaign, Mr. Macy was elected over Mr. Ward's opposition in this predominantly Republican county.

Mr. Ward, following his customary practice, gave assurances to Mr. Macy of his support while in office and invited Mr. Macy to see him in relation to plans and budget needs.

Reelection supported

The vision which Mr. Macy had of the welfare program now existing and then but a seeming dream, entranced Mr. Ward, who not only then gave Mr. Macy his support, but 3 years later fought against determined organization opposition to secure Mr. Macy the Republican nomination for county superintendent of the poor.

Following Mr. Macy's reelection and for many years, Mr. Ward's influence and loyal support of the Macy welfare program requiring complete changes in the concept of poor relief, changes in the laws, and large appropriations, were prime factors in bringing the program into being—a program which has been expanded and adopted in its main features throughout much if not all of the country.

Mr. Ward was a friendly man, but forthright in word and deed. He detested falsehood, sham, and hypocrisy. He lived the Quaker faith of his ancestors—love for God and all mankind, the doing of justice and withal, humility.

A great debt of gratitude is due to Ward of Westchester as he was known throughout the country and as he was proud to be known.

Mr. Ward had a sure conviction that the strength and vitality of a democracy can come solely from the grass roots, and that only the practice of democracy in the local governments could supply and store the life blood of democracy for the State and Nation. His political life was governed by this philosophy and he put it into practice to the glory of Westchester. He found in this work an abiding satisfaction and joy.

A grateful Westchester may well pay homage to the memory of its most useful citizen.

The Probe That Failed

EXTENSION OF REMARKS

OF

HON. HELEN GAHAGAN DOUGLAS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mrs. DOUGLAS. Mr. Speaker, under permission to extend my remarks in the RECORD, I wish to include the following editorial by Robert E. G. Harris which appeared in the Los Angeles Daily News on Monday, July 19, 1948:

THE PROBE THAT FAILED

In the first place it's rather odd and productive of several questions that the grand jury should be entering the local congressional campaign.

Also it's a bit hard to understand why the grand jury, having poked its nose uninvited into the Fourteenth Congressional District ballot miscount, hasn't been able to come forward with anything more constructive than a mild recommendation favoring further inquiry into the methods of selection and supervision of precinct voting officials.

Beneath the surface of the grand jury hubbub about the Douglas-Braden congressional contest you can detect that someone has been engaging in a powerful lot of wishful thinking. Here, in other words, was what looked like a heaven-sent opportunity. Suggest fraud, hint at criminality, make it appear DOUGLAS supporters were trying to steal the primaries, and you've set the proper mood of civic revlusion for a Braden victory in November.

Fortunately this wish-fulfillment seems to be frustrated. But the wishers can still wish, can't they? And they can still plant a seed or two—seeds of suspicion and doubt—which may germinate later on.

Actually what happened in the Fourteenth District primary last month was that a few precinct voting officials didn't count straight. On the Republican side the race between Democratic Representative HELEN GAHAGAN DOUGLAS and candidate Wallace Braden was close—very close. First returns indicated Mrs. DOUGLAS had won. This would have assured her election, inasmuch as she had captured the Democratic nomination.

A recount of 30 precincts, however, disclosed errors in tabulating the ballots and

Braden was certified as winner of the Republican nomination by 152 votes.

According to Acting Registrar of Voters Benjamin Hite the disparity occurred as the result of honest error and, in some cases, from ignorance by election board members of the proper tallying procedure.

Under normal circumstances this recount and admission of error should have ended the matter except for recommendations as to future safeguards. Nevertheless it didn't end the matter. The Los Angeles County grand jury decided to step in and to instruct its criminal complaints committee to take over.

Admittedly the grand jury has turned up a mare's nest. No fraud has been uncovered. There is no evidence that dead people were voted or fraudulent ballots were cast.

The grand-jury investigation merely has confirmed Hite's findings that certain precinct officials in the fourteenth district lacked simple skill in simple arithmetic.

Apparently dissatisfied with such an unspectacular conclusion, grand-jury officials then proceeded to issue a statement, heavy with implications. This statement was to the effect that in one precinct 2,522 votes originally were attested as having been cast, whereas the recount disclosed the precinct has a total of only 161 voters.

Registrar Hite exploded this statement by pointing out that the figure 2,522 could have resulted from precinct officials mistakenly counting every one of the votes of "X" on each of the 161 ballots and totaling them. Certainly it's asking too much even of a fervid imagination to believe any precinct election board would sit idly (and culpably) by while a polling place was being mobbed by 2,361 more voters than were listed on the register. The worst election frauds in the Nation's history were never marked by anything that brazen.

Now that the grand jury has made its little sally into congressional campaigning it might be a good time to look into the matter of voting machines. These machines cost money. But they make the ballot more effective. They obviate the possibility of mistakes such as occurred in the fourteenth district mix-up. The voter can register his will on these machines by pulling a lever. The machine then automatically records each vote and adds up the total. All precinct officials have to do is to read the numbers and record them on the reporting sheets.

Hence if Los Angeles and the State of California want to do something constructive they will provide means whereby voters who aren't particularly literate and election officials who can't add up a column of numbers can still be a part of the democratic process.

Meanwhile the grand jury can find a lot of rotten things to investigate if it will bother to look around.—R. E. G. H.

Internship Program In the Department of Medicine and Surgery of the Veterans' Administration

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EXTENSION OF REMARKS

OF

HON. EDITH NOURSE ROGERS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mrs. ROGERS of Massachusetts. Mr. Speaker, the Congress, this year, passed Public Law 722, permitting the establishment of a system of internship programs in the Department of Medicine and Surgery of the Veterans' Administration. This law has great possibilities for improving the quality of medical service to our disabled veterans. I desire to include at this point a recent statement prepared by the Veterans' Administration showing the program which will be carried forward under this recently enacted law:

VETERANS' ADMINISTRATION

A limited number of internships in Veterans' Administration hospitals will be offered qualified medical graduates, Veterans' Administration announced today.

The internships will be limited to the 75 VA hospitals now offering residency training programs in cooperation with 59 class A medical schools over the country. They will be further limited to those hospitals which have bachelor quarters available on the station grounds. A survey is in progress to determine what housing is available.

Two types of internships will be available:

1. Straight, for surgery, general medicine, and other straight subjects; and

2. Rotating, in which interns study, under a rotating schedule, surgery, general medicine, and other related subjects. Arrangements will be made for affiliated training in other than VA hospitals for obstetrics and pediatrics. Such affiliated training may not involve more than 20 percent of a year. The hospital at which such affiliated training is secured must be approved for internship by the Council on Medical Education and Hospitals of the American Medical Association.

Mixed internships will not be offered.

Internships will be for 1 year, subject to reappointment for 1 year, if desired and recommended by the local dean's committee. The deans' committees, composed of members of university faculties or prominent local doctors, supervise the residency training program and will also supervise internship training.

Annual pay for interns will not exceed $1,800 a year. Quarters, subsistence, and laundry will be furnished. The stipend for interns at each hospital will be determined by VA's chief medical director on recommendations of the deans' committees and in conformance with the existing scale of remuneration for interns in the locality.

Interns will be appointed in the VA in accordance with the national policy for all medical schools and hospitals, once each year on November 15, their tour of duty to begin the following July 1 or January 1 following July 1.

The new program is under the supervision of Dr. Paul B. Magnuson, VA's chief medical director, and Dr. Edward Harvey Cushing, assistant medical director for research and education in VA's Department of Medicine and Surgery. Dr. Cushing, formerly associate clinical professor at Western Reserve University, Cleveland, Ohio, handled many of the details in establishing VA's residency training program and is in charge of VA's research activities into the causes and cures of little-known diseases among veterans.

The 75 VA hospitals which now have residency training programs and the universities or other agencies with which they are affiliated are:

VETERANS' ADMINISTRATION AND UNIVERSITY

North Little Rock, Ark.: University of Arkansas.

Los Angeles (Sawtelle), Calif.: College of Medical Evangelists, Southern California, University of Southern California at Los Angeles.

Palo Alto, Calif.: College of Medical Evangelists, Southern California, University of Southern California at Los Angeles.

San Fernando, Calif.: College of Medical Evangelists, Southern California, University of California at Los Angeles.

San Francisco, Calif.: University of Southern California at Los Angeles and Stanford University.

Van Nuys (Birmingham), Calif.: College of Medical Evangelists, Southern California, University of Southern California at Los Angeles.

(Residency training also is offered at the mental hygiene clinic, in the VA regional office, 1380 South Sepulveda Boulevard, Los Angeles.)

(Residency training also is offered at the mental hygiene clinic, in the VA regional office at 49 Fourth Street, San Francisco, Calif.)

Fort Logan, Colo.: University of Colorado.

Fort Lyon, Colo.: University of Colorado.

(Residency training also is offered at the mental hygiene clinic, in the VA regional office at 1108 Fifteenth Street, Denver, Colo.)

Newington, Conn.: Yale University.

Washington, D. C.: Georgetown University, George Washington University, Howard University.

(Residency training also is offered at the mental hygiene clinic, in the VA regional office, 1825 H Street NW., Washington, D. C.)

Coral Gables, Fla.: Veterans' Administration.

Augusta, Ga.: University of Georgia.

Chamblee, Ga.: Emory University.

Downey, Ill.: Northwestern University and Loyola University.

Hines, Ill.: University of Illinois, Northwestern University, Loyola University.

(Residency training also is offered at the mental hygiene clinic, in the regional office, 366 West Adams Street, Chicago, Ill.)

Indianapolis, Ind.: University of Indiana.

Marion, Ind.: University of Indiana.

Des Moines, Iowa: University of Iowa.

Knoxville, Iowa: University of Iowa.

Topeka, Kans.: University of Kansas, Veterans' Administration.

Wadsworth, Kans.: University of Kansas.

Wichita, Kans.: University of Kansas.

Lexington, Ky.: University of Louisville.

Louisville, Ky.: University of Louisville.

New Orleans, La.: Louisiana State University, Tulane University.

Fort Howard, Md.: Johns Hopkins University.

Perry Point, Md.: Johns Hopkins University, University of Maryland.

(Residency training also is offered at the mental hygiene clinic, in the VA regional office, St. Paul and Fayette Streets, Baltimore, Md.)

Bedford, Mass.: Boston University, Harvard University, Tufts University.

Framingham, Mass.: Boston University, Harvard University, Tufts University.

Northampton, Mass.: Yale University.

Rutland Heights, Mass.: Boston University, Harvard University, Tufts University.

West Roxbury, Mass.: Boston University, Harvard University, Tufts University.

(Residency training also is offered at the mental hygiene clinic, in the VA regional office, 17 Court Street, Boston, Mass.)

Dearborn, Mich.: Wayne University.

Fort Custer, Mich.: University of Michigan.

Minneapolis, Minn.: University of Minnesota.

St, Cloud, Minn.: University of Minnesota.

Gulfport, Miss.: Louisiana State University, Tulane University.

Excelsior Springs, Mo.: University of Kansas.

Jefferson Barracks, Mo.: St. Louis University, Washington University.

(Residency training also is offered at the mental hygiene clinic, in the VA regional office, 415 Pine Street, St. Louis, Mo.)

Lincoln, Nebr.: Veterans' Administration.

Lyons, N. J.: New York Medical College.

Albuquerque, N. Mex.: University of Colorado.

Batavia, N. Y.: University of Buffalo, Rochester University.

Bath, N. Y.: Rochester University.

Bronx, N. Y.: Columbia University, Cornell, Long Island University, New York Medical College, New York University.

Canandaigua, N. Y.: Rochester University.

Castle Point, N. Y.: Columbia University, Cornell, Long Island University, New York Medical College, New York University.

Northport, N. Y.: Long Island Medical Group.

Staten Island, N. Y.: Veterans' Administration.

Sunmount, N. Y.: Veterans' Administration.

(Residency training also is offered at the mental hygiene clinic, in the VA regional office, 252 Seventh Street, New York City.)

Oteen, N. C.: Georgetown University, George Washington University, Howard University, University of Virginia.

(Residency training also is offered at the mental hygiene clinic, in the VA regional office, 310 West Fourth Street, Winston-Salem, N. C.)

Brecksville, Ohio: Western Reserve University.

Chillicothe, Ohio: Ohio State University.

Cleveland, Ohio: Western Reserve University.

Dayton, Ohio: University of Cincinnati.

Oklahoma City, Okla.: University of Oklahoma.

Portland, Oreg.: University of Oregon.

Aspinwall, Pa.: University of Pittsburgh.

Coatesville, Pa.: Jefferson Medical College, University of Pennsylvania, Temple University, Woman's Medical School.

(Residency training also is offered at the mental hygiene clinic, in the VA regional office, 128 North Broad Street, Philadelphia, Pa.)

Columbia, S. C.: University of South Carolina.

Memphis, Tenn.: Veterans' Administration.

Nashville, Tenn.: Vanderbilt University.

Dallas, Tex.: Southwestern Medical College.

Legion, Tex.: Veterans' Administration.

McKinney, Tex.: Southwestern Medical College.

Temple, Tex.: Veterans' Administration.

Waco, Tex.: Southwestern Medical College.

(Residency training also is offered at the mental hygiene clinic, in the VA regional office, Love Field, Dallas, Tex.)

Salt Lake City, Utah: University of Utah.

White River Junction, Vt.: Dartmouth Medical School.

Richmond, Va.: Medical College of Virginia.

Roanoke, Va.: University of Virginia.

American Lake, Wash.: Veterans' Administration.

Walla Walla, Wash.: Veterans' Administration.

Tomah, Wis.: University of Wisconsin.

Wood, Wis.: Marquette University.

Many of these hospitals provide residency training in but one or two of the medical specialties, and are frequently affiliated with other hospitals on the above lists. Training at mental hygiene clinics in regional offices is confined to psychiatry and is in each instance an affiliate program to a hospital program.

Those interested in residency training or internship should make application to the dean's committee at the university cooperating with VA in the program, or to the manager of the hospital in the area in which they prefer to serve.

Clarksburg Did It

EXTENSION OF REMARKS
OF

HON. EDWARD G. ROHRBOUGH

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. ROHRBOUGH. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include the text of a radio address which I made over three West Virginia stations, telling the story behind the story of the new Veterans' Administration hospital at Clarksburg, W. Va.:

Your veterans' hospital at Clarksburg is now fast becoming a real building of stone, brick, and mortar. There was a time, though, when it was made mostly of dreams and hopes.

There are many veterans' hospitals being built across these United States, and they are all being built of the usual conventional materials—wood, stone, brick.

There's something a bit different about your veterans' hospital here at Clarksburg. It's a little story I'd like to tell you. Something I think you as citizens of Clarksburg ought to know and of which you can be proud. For in the beginning, your hospital was only a dream—a dream that many said only a miracle could make come true.

The story begins 2 years ago at a luncheon meeting in the city of Clarksburg. A group of businessmen were meeting to talk over the possibility of acquiring a 200-bed general medical veterans' hospital.

There had been previous meetings with officials of the Veterans' Administration. These officials had indicated that this meeting—one of rather spontaneous origin—might be the deciding one in the selection of a northern West Virginia site for a new Veterans' Administration hospital.

The Veterans' Administration had said that the Clarksburg site—an 80-acre peninsular tract, surrounded on three sides by the West Fork River—would be an ideal spot for the hospital. But it had pointed out that the cost of the land was too much to meet the limitations of its budget.

The businessmen attending that luncheon were determined Clarksburg should not lose the hospital on such grounds.

During that meeting and within the next few hours, citizens of Clarksburg pledged contributions of more than $50,000 toward the purchase of the site. It was a demonstration of civic consciousness which, VA officials have told me, is without parallel in the hospital program. Call it what you will, it was a gesture as miraculous as it was generous.

One overly enthusiastic official of the VA said when he learned of the voluntary contributions that, in his opinion, Clarksburg has bought itself a hospital.

But it wasn't that easy. I found this out when I came to Washington for the opening of the Eightieth Congress. His optimistic report had not taken into account the unexpected that always develops in Government undertakings. It wasn't long until I encountered the first of many obstacles which were to be placed in the path of the Clarksburg hospital. There was serious doubt, I discovered, that the Government could accept, from private citizens, these generous cash gifts.

I learned that a special act of Congress would be required—not only because of the money which had been pledged but also because the site at Clarksburg was a larger tract than the Government plans required.

One Veterans' Administration official was most discouraging when he talked with me. Frankly, I must admit that I also feared for the worst. I knew the hospital program was behind schedule and I was apprehensive that, rather than wait for Congress to act, the Veterans' Administration might eliminate the hospital altogether.

So we must have a special act of Congress? Well, if this were necessary, I reasoned that the time to get to work on it was right then. But this time, it was I who learned that this wasn't as simple as it sounded.

Before the bill could have any chance of being approved by the House, it had to be approved by the Committee on Veterans' Affairs. Worst yet, at this point up came another "before." I found that before the committee would approve the bill, it required a favorable report upon the proposal from the Veterans' Administration. This report had to be in the hands of the committee before the bill could get out of committee.

I took it for granted that, because the Veterans' Administration was friendly to the idea of locating the hospital at Clarksburg, it would submit a favorable report to the committee within a week or two. I had not allowed for what Washington calls "administrative processing." Two weeks went by and there was no report.

I inquired if anything had gone wrong. No; I was assured, nothing was wrong—it just took a little time to prepare the report. I stood by for another 2 weeks. Still no report. I inquired again.

After weeks of this, I began to camp upon the doorstep of the Veterans' Administration. Instead of inquiring every other week, I began to inquire every other day.

By this time, spring had changed to summer. Time was running out for the first session of the Eightieth Congress.

At last, just 4 days before the session closed, I learned that a miracle had happened. The report was on the way to the House Committee on Veterans' Affairs. This committee, as you know, is headed by Mrs. EDITH NOURSE ROGERS, of Massachusetts. She's a lady who has the best interest of the veteran in her heart.

I do not have to tell you that I already had thoroughly discussed the Clarksburg hospital situation with her. I have only to report that when a woman starts to do something, she does it. The same morning Mrs. ROGERS' committee received the report from the VA, it reported favorably upon my bill. That afternoon it was placed on the House Calendar. The following morning, the bill was voted upon in the House of Representatives. It passed by unanimous consent.

Next day it went to the Senate, where Senator CHAPMAN REVERCOMB, of West Virginia, had been doing some spade work. It passed the Senate that day.

Call it what you will, I say this speed on the part of the legislative was nothing short of a miracle.

The bill, in addition to permitting the Government to accept the cash contributions from private citizens, also provided that the city of Clarksburg might use a portion of the 80-acre tract for a municipal park.

Surely, I told myself, nothing more could develop to interfere with the new hospital. And yet, after what had already happened, I held my optimism within bounds.

I was not fully prepared, however, for the shock which I experienced last December 28 when bids were opened for the first time on the hospital construction. The low bid, it was announced, was $5,645,896—approximately 25 percent more than the Government had estimated it would be. I regretted

very much that the Army engineers were forced to reject the bid. But I was not at all surprised that they took this position. The bid was excessive and that's all there was to it.

Would the bids be lower the next time they were opened? About all I could do was to hope, just, I'm sure, as many of you did. From December 29 to March 8, when the bids were to be opened the second time, I did my level best to see to it that the Clarksburg hospital did not remain in the talk stage. I was told that the Army engineers were hustling to get new bids but I was not at all certain that if they succeeded, the bids would be lower.

Then, on February 19, the Army engineers at Huntington announced the awarding of contracts for the construction of a 200-bed Veterans' Administration hospital at Beckley. This hospital would serve the counties in the southern part of the State.

As you might well imagine, I heard rumblings of discontent from the northern part of the State. "How come the South gets its hospital, and we don't get ours?" I was asked. There were other comments about the "paper hospital" at Clarksburg.

Yet, instead of being discouraged by the Beckley announcement, I was considerably encouraged. I was pleased that our veterans in the southern part of the State, many of whom live within the Third Congressional District, would have a hospital near their homes where their families might visit them often.

And if the bids at Beckley were low enough to be accepted, might not the second crop at Clarksburg be lower?

March 8 arrived at last. With a mixture of hope and fear, I read the telegram from the Army engineers at Huntington. I saw at a glance that the lowest bid was higher than the Government estimate. With a pencil, I began to figure just how much higher it was.

In thousands of dollars it was a lot of money, but in percentage the bid of the Thompson & Street Co., of Charlotte, N. C., was only slightly over the Government estimate.

I called the office of the Chief of Engineers in Washington and heard some very good news. Contracts had been awarded for other hospitals when the low bids were as much as 15 percent over the Government estimates. The Clarksburg low bid was just a little more than 1½ percent over the Government estimate. While they wouldn't say so as yet for certain, it looked to the Army engineers as if the bid would be accepted.

The next day the Army engineers called me back. They said the bid had been accepted. I was so overjoyed that I hung up the telephone without getting the details.

I called the engineers back and learned that the North Carolina firm had the main contract for $4,952,796 and the Otis Elevator Co. had the contract for elevators and dumbwaiters for $151,401. The total of the two low bids was $5,104,197.

I learned that, in addition to the construction of the main hospital building, the bid of the Thompson & Street Co. also includes a separate building for a boiler plant. It includes roads and it includes landscaping.

I also learned that quarters for hospital personnel are to be constructed on a contract to be awarded at a later date.

Ground was broken this spring for the Clarksburg hospital, with representatives of each of the local veterans' organizations turning over the first clods of dirt. I made a special trip from Washington to Clarksburg to be present for the ground-breaking ceremony. I'm sure you who have followed this report will understand why.

Clarence Frederick Lea

EXTENSION OF REMARKS
OF

HON. CHARLES A. WOLVERTON

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. WOLVERTON. Mr. Speaker, it is with deep and sincere regret that I have learned that it is the intention of our esteemed and distinguished colleague the gentleman from California, the Honorable CLARENCE F. LEA, to leave Congress at the close of the present session.

The service that has been rendered by the gentleman from California [Mr. LEA] as Representative from the First Congressional District of California has been outstanding, not alone from the standpoint of the long number of years he has served—32 years—but primarily because of the high quality of service he has rendered.

He has been a studious, honest, hard-working Member of Congress. He has gained the admiration and respect of all his colleagues. His ability, high purpose, and patriotism have given him a commanding influence among his colleagues in the House.

It is regrettable that the Congress, and the district he has so faithfully represented, will lose his valuable services. Always sound of judgment, considerate of the rights of others, and actuated only by what he conceived to be for the best interests of his fellow man, he has made a great and lasting contribution to his Nation.

Time and again during his service in the Congress he has been called upon to serve upon special commissions and committees. To these have been assigned the important task of making careful studies of problems confronting the Nation, and calling for recommendations as a guide to legislative action. In each instance he has shown an intense and zealous desire to meet each problem and find a solution that would be sound and just. His service on these occasions has added to his stature as a statesman.

In order that there may be something in the nature of a biographical record of our distinguished colleague I have, without his knowledge, gathered some information in this respect, as follows:

CLARENCE FREDERICK LEA

Born in Lake County, Calif., July 11, 1874. Son of James M. and Elizabeth Lea; father born in Tennessee and mother in Kentucky. Father crossed the plains with a covered-wagon train on a 6 months' journey in 1851 with the gold rush.

Attended common schools, Lakeport Academy, Stanford University, and graduated from the law department, University of Denver.

Had his first job at the age of 14 years, operating a sulky hayrack at 75 cents a day, working from 6 a. m. till sundown. Got his money to go to Stanford University by farming part of his father's place on shares.

Went from Lake to Sonoma County by bicycle, about 70 miles over the mountains, to begin the practice of law shortly after graduating from the University of Denver in 1898.

In 1906 was elected district attorney of Sonoma County, in which office he served for 10 years. Was president of the District Attorneys' Association in California, 1916–17. Resigned when elected to Congress.

Elected to United States Congress in 1916 as a Member of the House of Representatives from the First Congressional District of California. Elected to each succeeding Congress, having secured the nomination of both major parties in 14 of the 16 elections. He is now serving his thirty-second year. Has a longer service in the United States Congress than any Member from California. There are only four Members in the House who have served longer than Mr. LEA.

Was one of 15 members of the House War Investigating Committee of the First World War. For several years he has been the only surviving Member in the House of that committee. Select Committee on Expenditures in the War Department, W. J. Graham, Illinois, chairman.

Was a member of the Subcommittee on Aviation of the above investigating committee and wrote a report on aviation during the World War, which has since been made a study of aeronautical education in some military courses.

Was chairman of the Democratic caucus of the Seventy-third Congress. Was also a member of the House Aviation Investigating Committee of the Sixty-eighth Congress. Select Committee on Inquiry Into Operations of the United States Air Services, Florian Lampert, of Wisconsin, chairman.

Member of the House Committee on Interstate and Foreign Commerce since 1921. Became chairman of that committee on the election of SAM RAYBURN as Speaker in 1937, serving for 10 years.

Has the record of securing passage by the House of Representatives of the largest number of bills in any one day: Panama Canal, 21. This legislation came from Interstate and Foreign Commerce Committee during Mr. LEA'S chairmanship.

Was on the subcommittee of above committee which wrote the Securities Act of 1933. He is author of the Natural Gas Act of 1938, which became a law and provided for Government regulation of the interstate shipment of natural gas.

Was coauthor of the Federal Food and Drug Act to safeguard the health of the Nation.

Lea amendment to Federal Trade Commission Act prohibits false and misleading advertising of foods, drugs, cosmetics, and so forth.

Had charge of legislation in House which resulted in the Civil Aeronautics Act of 1938.

Was author of the act providing for the regulation of freight forwarders; the Air Pilot Training Act, and the resolu-

tion which called for a report from the Civil Aeronautics Administration to provide a national airport system. Mr. LEA was coauthor of the Federal Airport Act enacted in the Seventy-ninth Congress.

He piloted through the House the noted Wool Products Labeling Act, which requires all woolen goods to be sold under a label correctly stating their wool content.

Since 1934 Mr. LEA has taken an active interest in coordinating the different types of transportation. He was coauthor of a number of acts relating to transportation, including the Transportation Act of 1940, which coordinated the transportation agencies of the country, consisting of railroads, highways, inland and coastal waterways. This law helped our transportation system to handle the tremendous burden of freight imposed upon it by the last war.

While chairman of the Interstate and Foreign Commerce Committee, Mr. LEA was head of a national transportation survey of all forms of transportation, as authorized by Congress, to make a study of postwar problems of our transportation agencies.

Author of the act to prohibit certain coercive practices affecting radio broadcasting, commonly referred to as the Petrillo Act.

MODERNIZING OUR PRESIDENTIAL ELECTION

For 20 years Congressman LEA has been interested in this matter, advocating through resolutions in various Congresses a proposed constitutional amendment to modernize the method of electing the President. His first resolution was filed in 1928; a similar resolution was reported to the House favorably in 1933—Seventy-second Congress—and another in the Seventy-third Congress. He has repeatedly since filed similar resolutions, and in this Congress filed House Joint Resolution 124. The principal proposals embodied in the resolution are that:

First. The electoral college be abolished.

Second. The relative voting strength of each State be preserved as at present by allowing it electoral votes in the same number as now.

Third. The President be elected by direct vote of the people.

Fourth. The unit State vote be eliminated.

Fifth. The electoral votes of each State be divided between the candidates in exact proportion to their popular votes in that State.

A few weeks ago, the subcommittee of the House Judiciary Committee recommended and subsequently the full committee, which has 27 members, unanimously reported to the House favorably a resolution for the adoption of a constitutional amendment in the exact language proposed by Mr. LEA. The resolution was reported in the name of Mr. GOSSETT, a member of the Judiciary Committee.

Senator LODGE, of Massachusetts, has introduced in the Senate a resolution carrying the same language of the Lea resolution.

The adoption of this amendment would be an outstanding historical contribution to our method of electing the President.

In conclusion, I wish to express the great personal loss I will feel in no longer having the benefit of CLARENCE LEA'S mature judgment and loyal assistance in my work as chairman of the House Committee on Interstate and Foreign Commerce. He has been, and will continue to be, a source of inspiration to me in the work of this great committee that he presided over for many years.

As CLARENCE LEA leaves the work of the Congress, for a well-earned rest, it is my hope and prayer, and I am sure that of all who have known him, that his days, and those of his good wife, may be long and filled with happiness and that God's richest blessings shall attend them both through all their remaining years.

The Record of the Eightieth Congress

EXTENSION OF REMARKS

OF

HON. JOHN A. BLATNIK

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. BLATNIK. Mr. Speaker, when the Republican-dominated Eightieth Congress adjourned on June 20, 1948, after two sessions totaling 15 months of legislative deliberation, I stated that its record was one of miserable failure and broken campaign promises.

The Congress had a chance to redeem itself when the President called it back into special session on July 26. However, the Republican leadership is now adjourning the special session with little added to this record of failure. It still represents a sell-out of the people's welfare.

The real issues of the special session—inflation and housing—which are of direct concern to the people, have been ignored completely. To cover up this do-nothing policy, the House Committee on Un-American Activities and the Senate investigating committee staged a sensational spy hunt which became a three-ring circus. Under cover of this smoke screen created by newspaper headlines screaming "spies" and "Red plots," the Congress proceeded to water down the anti-inflation program and emasculate the Taft-Ellender-Wagner housing bill until both are hardly recognizable. Now the Eightieth Congress is adjourning for the last time.

The legislation record of the Eightieth Congress can be summed up in two words—inaction and reaction. There was inaction on those vital issues—housing, health, social security, old-age pensions, education, minimum wages, and so forth—which directly affect the welfare of the vast majority of the people. At the same time, there was reaction in the form of repressive antilabor legislation, irresponsible budget cutting, restriction of reciprocal-trade agreements, tax hand-outs for the wealthy, and other NAM-sponsored and depression-breeding policies.

This reactionary and antisocial approach of the GOP extended to everything from taxation to veterans' affairs, from social legislation to agriculture, and from civil rights to foreign policy. The following subject by subject analysis, presented as a report to the people of Minnesota's Eighth Congressional District, substantiates the charge that the Republican Congress consistently favored special privilege and ignored human rights.

GOP TAX PROGRAM FAVORS WEALTHY

The policy of favoring corporate interests at the expense of the people found its fullest expression in the GOP tax program. The Knutson tax-reduction bill, passed during the second session over a Presidential veto, reduced Federal revenues by $5,000,000,000 annually. It is significant to note who benefits from this tax cut. Over 40 percent of the income-tax reduction goes to those with annual incomes of over $5,000—a group which constitutes less than 5 percent of the population. The $250,000,000 annual reduction in gift and inheritance taxes also benefits only about 12,000 of the wealthiest families.

In keeping with their desire to shift a greater proporation of the tax burden from the upper to the lower income groups, the Republicans rejected outright the democratic proposal to reimpose the excess-profits tax at this time when corporate profits after taxes are approaching $18,000,000,000 per year—the highest in history. In accepting the Knutson tax bill as the cornerstone of their party's tax program, the Republican leadership refused to give more than token tax reductions to the low-income groups—the people who need substantial tax relief in order to maintain their purchasing power during the present inflationary period. At the same time, the majority leaders indicated that they favor a national sales tax and the extension of excise taxes (an excise is a hidden sales tax), both of which are regressive in character and fall most heavily upon the lower income groups.

ALL GROUPS SUFFER FROM REACTIONARY GOP POLICIES

Every major group in American society—the worker, farmer, small-business man, and veteran—suffered from the reactionary and pro-Wall Street policies of the Republican majority. The interests of the common people everywhere were sacrificed during both sessions of the Eightieth Congress, and their needs were callously disregarded.

Organized labor was the first victim. During the 1947 session the so-called Portal-To-Portal Pay Act was passed which undermined the Fair Labor Standards Act, made its wage-and-hour provisions difficult to enforce, and hamstrung efforts to eliminate sweatshop conditions in industry. The NAM-sponsored Taft-Hartley law took away rights won by labor during half a century of struggle, opened the door to strike-breaking by injunction, and the use of the National Guard and Regular Army units

against striking workers. Federal services to benefit labor, such as those of the Conciliation Service, the Bureau of Labor Statistics, and other Labor Department functions, were curtailed by budget reductions. The United States Employment Service was taken out of the Labor Department and made a minor bureau in the Federal Security Agency.

While adopting antilabor legislation, the GOP ignored all legislative proposals to benefit the workingman. No consideration was given to the proposal to raise minimum wages to 75 cents per hour, or to liberalize unemployment compensation payments to provide $25 per week for 26 weeks. Legislation to establish a labor extension program was rejected.

The farmer fared no better than labor. During both sessions, the Roosevelt farm program was undermined by drastic budget cuts which curtailed the AAA, soil-conservation, school-lunch, farm tenant purchase, and crop-insurance programs. REA funds were slashed during the first session, and only strong protests from the farm bloc made it possible to restore these funds for 1949. The farmer cooperative movement came under direct attack as the GOP threatened its destruction through the use of the Federal taxing power. The so-called Republican long-range farm program never materialized—instead, the Congress merely extended farm price support at 90 percent of parity for another year, after which a new 60–90-percent parity formula will take effect.

The veteran received little consideration. Only a few minor veterans' bills were adopted. Terminal-leave bonds were made cashable, GI educational subsistence payments were increased, and income limitations for on-the-job training were raised. GI term insurance was extended for another 5 years, and Civil and Spanish-American War pensions were liberalized. World War II vets with 60-percent service-connected disability and with dependents were given larger benefits, as were widows of veterans who were killed in the service. But the major problems of the veteran—housing, inadequate pensions, shortage of hospital facilities, and difficulties in obtaining business and farm credit—were left unsolved by the Congress.

The small-business man saw his problems ignored completely by the Republican Congress. The growth of monopoly and chain-store combinations were encouraged, and big-business lobbyists had a field day. No efforts were made to plug existing loopholes in the antitrust laws, or to give tax relief to small firms, or to furnish RFC credit to the small-business man. Instead, the Antitrust Division was immobilized by reductions in its operating funds, and the Office of Small Business in the Commerce Department was abolished.

The consumer saw his living standards undermined by new rent hikes resulting from the emasculation of rent control and from ever-increasing living costs which symbolize the failure of the majority party to formulate an inflation control and price roll-back program. The present economic situation, with its inflationary prices, swollen corporate profits, declining mass purchasing power, and reduced take-home pay; the increase in credit buying, and the dissipation of wartime savings, contains the seeds of a future depression. Positive Government action is required to remedy the present unfavorable wage-price-profit relationship and to cope with this threat to the people's living standards and security. But the Republican Congress chose to return to the boom-bust, depression-breeding policies of the Hoover administration. Such a do-nothing policy must eventually bring about another 1929 economic collapse, which will cause untold suffering and misery to all sections of the population.

SPECIAL INTEREST LEGISLATION FOR BIG BUSINESS

While disregarding the welfare of the common people, the record shows that the Eightieth Congress passed a mass of special interest legislation to allow big business to exploit the public and plunder the Nation's resources. Among the many examples of this kind of class legislation are the following:

First. The new rent control law, with its 15 percent rent-hike clause, gave the real estate and landlord interests over $750,000,000 in rent increases.

Second. The Reed-Bulwinkle law, exempting the railroads from the antitrust laws, permits two banking houses—J. P. Morgan and Kuhn-Loeb companies—to dictate higher freight rates.

Third. The Knutson tax law grants billions of dollars in tax hand-outs to the wealthy.

Fourth. The Portal Pay Act makes it more difficult for wage earners to collect back claims against big employers.

Fifth. The revision of the Social Security Act and the Internal Revenue Code reduce employer liability under various Federal statutes.

Sixth. Crippling of the Reciprocal Trade Agreements Act protects certain domestic industries to the disadvantage of the rest of the population, just as the Wool Tariff Act, which nearly blasted the Geneva trade meeting, was designed to benefit a single industry.

IMPORTANT LEGISLATION IGNORED

The record of the Eightieth Congress lies not only in what it did but also in what it did not do. Social legislation required to implement Roosevelt's economic bill of rights was killed in committee, and bills to develop our natural resources were blocked by the GOP leadership. Among its many sins of omission are the following bills which were never passed: Taft-Ellender-Wagner housing bill, Murray-Wagner national health-insurance bill, minimum-wage bill raising wage floors from 40 to 75 cents, St. Lawrence waterway and Missouri Valley Authority, Federal aid to education, old-age pension program, extension and liberalization of the Social Security Act.

CIVIL LIBERTIES UNDER ATTACK

The Republican Party poses as a champion of civil rights, but its record is quite to the contrary. During the Eightieth Congress, civil liberties were placed in jeopardy. The House Committee on Un-American Activities has continued its campaign of stirring up suspicion, creating discord and spreading fear among the American people. Ten prominent Hollywood artists were cited for contempt for their personal political beliefs rather than overt acts, and the eminent atomic scientist, Dr. Edward Condon, was slandered and persecuted by the committee. Yet the majority party voted to double the appropriations for this Un-American Committee so that it may expand its "gestapo" activities. Furthermore, the vicious Mundt-Nixon "thought control" bill passed the House, and only strong public protest prevented it from passing the Senate.

The first peacetime military conscription law was passed during the Eightieth Congress—a measure which is contrary to American traditions, and which can militarize and regiment the Nation.

During this period when civil liberties were under attack, legislative proposals to promote and extend civil rights were completely ignored. For example, the FEPC, antilynching, and anti-poll-tax bills were killed in committee. During the debate on the draft law, Congress rejected amendments to eliminate race segregation and Jim-Crowism in the armed forces.

FOREIGN POLICY

The whole trend of American foreign relations under the first Republican Congress in 16 years was away from Franklin Roosevelt's internationalism, which was based upon the United Nations, world cooperation, and the good-neighbor policy. The GOP took many steps backward toward the semi-isolationist and "big stick" policies of previous Republican administrations.

The original Marshall plan was emasculated and its high ideals and noble purposes were distorted in favor of rebuilding Germany's war potential and to bolster political reaction in Greece and China. Crippling amendments to the reciprocal trade agreements program marked a return to the economic nationalism and high-tariff policies of the 1920's. The Stratton bill to admit 400,000 DP's into the United States was discarded in favor of an almost worthless DP bill which discriminates against Jewish and Catholic DP's, but allows former Nazi collaborators to enter the country. The United Nations was bypassed by our Government on several occasions and its decisions repudiated. Our refusal to accept the UN Palestine partition plan is a leading example.

SOME ACCOMPLISHMENTS

A limited amount of legislation was passed which will tend to promote the general welfare. Among those meritorious proposals which have become law during the two sessions of the Eightieth Congress are the following: Army-Navy merger law, State Department Voice of America program, European relief program of 1947, authorization of United States membership in International Refugee Organization, authorization of United States membership in World Health Organization, pension increases for retired railroad employees, pension increases for veterans of Civil and Spanish-American Wars, postal and Federal pay increases, 70-group Air

Force, terminal leave pay bill, increase of GI subsistence and raising income limitation, REA appropriation increase, extension of farm price supports, Superior National Forest roadless area bill.

CONCLUSION

Unfortunately, the record shows that the sins of commission and omission of the Eightieth Congress far outweigh its positive accomplishments. The Republican Congress failed to formulate a people's program for full employment and economic security. It made no effort to implement Roosevelt's economic bill of rights and his four freedoms. Instead, those in control of the Eightieth Congress consistently favored special privilege and monopoly interest at the expense of the farmer, the worker, the veteran, and the small-business man.

Results of Education Program of Servicemen's Readjustment Act

EXTENSION OF REMARKS
OF

HON. EDITH NOURSE ROGERS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mrs. ROGERS of Massachusetts. Mr. Speaker, the fine results of the education program of the Servicemen's Readjustment Act are continually coming to my attention. In this connection I want to include the following recent article by the former Commissioner of Education John W. Studebaker, which appeared in the magazine Parade:

GI STUDENTS SHATTER TRADITIONS—THEIR INFLUENCE ON EDUCATION MAY BE FAR REACHING AND PROFOUND

(By Dr. John W. Studebaker, former United States Commissioner of Education)

America's returned veterans, swelling the enrollments in the Nation's institutions of higher education since the end of World War II, are shattering many educational traditions. Exploded is the belief that high-school credits are the only index of fitness to enter college. The old "student-faculty ratio" went up in smoke in some instances. Campus rules have been changed, methods improved, and the old fancy that only ivy-covered walls a college make has gone by the boards. Of even greater importance, perhaps, the presence of great numbers of former GI's in the Nation's colleges has helped to dissipate the popularly held fallacy that the more "customers" a school has the more profit it will make.

First, GI's have dispelled the theory that accumulation of certain high-school credits furnishes the only index of a person's fitness for college. Thousands of veterans have merited admittance to higher education classes because they have shown evidence of general educational development. Through a battery of tests they have revealed an ability to study college courses. Yet, they have not taken the number of credit hours of high-school study required of students in the past before they could receive a high-school diploma—traditionally the only pass through college portals.

Eighty-five percent of all higher education institutions now give the tests of general educational development to GI's. These tests are used as a basis for admission of veterans to college without regard to high-school credits. It is estimated that more than 100,000 veterans have been admitted to college on passing GED examinations. This type test is given in the armed forces by the United States Armed Forces Institute. More than 600 agencies have been established to give these tests throughout the country by the joint action of the American Council on Education and the respective State departments of education.

Veterans desiring to match their educational knowledge, not necessarily gained in classrooms, with that of regular high-school graduates, take five tests, each one requiring about 2 hours' time, to attain college entrance approval. The first is on correctness and effectiveness of expression. Tests two, three, and four require interpretation of literary materials, reading materials in the social sciences, and reading materials in the natural sciences. The fifth test measures general mathematical ability. At present, the GED tests are given in 46 States and the District of Columbia. About half of the States already are using the same type of testing for nonveterans. Up to this time no institution has reported such tests as unsatisfactory.

The GI has broken tradition. He has shown a new way to appraise fitness for post-high-school study in accredited colleges or universities. The trend logically might be away from requirements of stipulated types and hours of study for college entrance. But before such a trend can possibly gain national acceptance we must wait until many more high schools and colleges set up either the GED tests or similar methods of appraising an individual's fitness for advanced study.

Making good, so to speak, in college is another tradition-shattering accomplishment of GI students. It is true that veterans generally have been doing very well in their college courses, and several factors may be mentioned as being responsible. Matured through travel, disciplined, and in contact with a variety of persons and situations, the GI usually has sincerity and singleness of purpose. Perhaps the greatest factor, however, is relief from financial pressure. He has no tuition to pay because the GI bill provides for it, plus subsistence for himself and his family if he has one. But whatever it is that a GI student has that the nonveteran student does not have, the absence of worry over the financial phase of his college education seems to pay off in good grades for the veteran.

There is another question much in debate today. How many students can a college professor teach effectively? Year after year, in many institutions of higher education, the so-called student-faculty ratio had remained practically constant before the GI bill came along. Then, the tremendous influx of students into all types of colleges and universities across the Nation again shattered educational tradition. The former ratio of students to teachers had to go by the boards. The main problem was to accommodate the number of students desiring to attend the university, no matter how large the classes became. Problems naturally were presented. College presidents and staff members were compelled to change their policies. Large but not unwieldly classes have displaced small groups of students. Public address systems are making it possible for students to sit in two, or even more rooms, and still hear the same lecture. Notes are taken, and instructions are followed, yet a whole semester may go by without a student seeing his professor. This is probably an extreme example, yet it indicates how innovation and invention are helping shatter tradition—GI style.

VETERANS MAY FURNISH ANSWER

Educators sometimes disagree on the effectiveness of few or large numbers of students in classes. Problems they are having thrust upon them through the GI education program will probably help them crystallize their thinking along these lines. Perhaps the GIs themselves will help them arrive at some conclusions when final examination or term papers are presented.

I mentioned earlier the maturity of today's GI college students. It is my feeling that because of his experience and maturity, the veteran in college today usually knows what he wants and why he wants it. Cafeteria college courses of the past may be served up in the same old way in some institutions, with the instructor taking credit for the recipe found in an old cookbook. But the voluble veteran, travel-wise, and already graduated from war's school of hard knocks, comes as a hungry customer. The same old lectures dished out 20 years ago may today be adjudged rather stale and undigestible. Realistic, practical GI students have been known to express their dissatisfaction to the manager—the college president or the dean. They have helped many institutions to strengthen their college offerings and to build stronger programs in which students themselves work closely with the instructional or administrative staff to improve courses, teaching procedures, and administrative regulations.

A recent survey of selected colleges and universities by the United States Office of Education shows that students are having more opportunity to participate in classroom, campus, and community activities. The GI education program doubtless has been a major factor in stimulating such essentials of democratic education and practice as student unions, student councils, student regulation of dormitory life, housing units, and the financing of their own activities.

Gone is the day when a college was looked upon as an institution of higher education only if it had ivy-covered walls, a sprawling campus, and a proper setting and atmosphere. It is not uncommon today for a veteran to study in the same type temporary frame structure that served as his recreation hall during military service. Barracks, airplane hangars, and other temporary buildings declared surplus by the armed forces have been dismantled, removed, and reerected on college campuses to accommodate still-growing college enrollments. More than $84,000,000 was appropriated to the Federal Works Agency for this purpose in August 1946. A GI can get the word just as well in a makeshift frame structure as he can in an ivy-clad structure of long standing. It is pertinent in this connection, however, to point out that a recent survey of college and university building needs for the next decade reveals that in order to accommodate enrollments of GI's and other students anticipated by institutions of higher education by 1950, additional building space equal to that of 76 Pentagon buildings will be required. This space is equal to 265,000,000 square feet. Colleges and universities now have 341,550,000 square feet of building space throughout the country.

COLLEGES LOSING MONEY

Thus we conclude with an interesting observation on finance as it applies to GI education, which is making history in many different ways. There is a popular conception which when applied to higher education at least turns out to be a popular fallacy. This belief is that the more "customers" a college has the more money it takes in and the more profit it can report. This is not true. In fact, the contrary is true. Colleges and universities in the United States are losing money through the GI education program. Each institution of necessity is called upon to subsidize each student enrolled. Overhead charges are increased as the number of students enrolled goes higher. College treasuries have been drained. Deficit financing cannot be expected to continue for a very long period of time. There are those who see a solution in Uncle Sam not only paying

what he pays now for GI education but his paying the college also which enrolls the veteran student. There are others, however, who see a solution only if foundations and endowments are increased for private institutions.

There is need to give Federal financial aid to public institutions of higher education. But greater contributions must be made by friends of privately controlled institutions which may not be eligible for Government support. Private institutions provide a very large part of the Nation's higher education to GI's and others today. They need financial help to tide them over this peak period of enrollments in colleges and universities.

Yes; the GI made history in wartime. Today, in days of peace, he is making history again in shattering many traditions which should help strengthen both American education and the American way.

Polish Women's Alliance Protests Discriminatory Postal Rates on Relief Packages

EXTENSION OF REMARKS
OF
HON. GEORGE G. SADOWSKI
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

Mr. SADOWSKI. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include a letter that I received from the Polish Women's Alliance protesting against the discriminatory postal rates which favor Germany, Italy, and other countries as against those nations who were our allies during the war, and those people who suffered so much at the hands of the brutal Nazis. This is the result of the Republican Wherry amendment that was adopted in the Senate and approved by Senator VANDENBERG.

Three years ago if someone had prophesied that this Republican Congress would pass a law which would permit the sending of private gift relief packages to the enemy countries at a lower postal rate than for those packages that would be sent to Poland, Yugoslavia, Czechoslovakia, and others of our allies who were so brutally destroyed, we would say that such a person was crazy. Yet this has actually happened.

I hope that this fall, when Senator WHERRY, Senator VANDENBERG, and the other Republican Members of Congress return home, they will be asked to explain this discrimination.

POLISH WOMEN'S ALLIANCE OF AMERICA,
Chicago, Ill., July 15, 1948.

Hon. GEORGE G. SADOWSKI,
Congressman from Michigan, House of Representatives, Washington, D. C.

MY DEAR CONGRESSMAN: It was with great disappointment that we read the pronouncement of the Federal postal authorities that on July 6, 1948, postal rates would be decreased on relief packages to countries in Europe and Asia to the exclusion, however, of Poland, Yugoslavia, Rumania, Albania, and Czechoslovakia.

We deem this action unjust and discriminatory, as it tends to create favoritism in certain classes. The class of citizens discriminated against pays not only the full rates but also helps through its share of the taxes to carry out the ECR program which in itself gives full assistance toward reconstruction to the countries which are also beneficiaries of relief packages from the United States covered by the 4-cent-a-pound reduction.

Our organization, the Polish Women's Alliance of America, sends through its members around 800,000 pounds a month of American goods to relatives and friends in Poland. The decreased postal rates would be a saving to us of about $3,200 a month for which additional commodities could be purchased. Thousands of other Americans would also enjoy this privilege.

Our argument is that Federal funds supplied by taxpayers all over the Nation should not be used discriminately but should be utilized for the benefit of the entire American population.

The proper approach to this situation would be that of general relief which not only would accord the benefit of a public frank to all Americans, who, through their taxes, contribute to the payment therefor, but would likewise create a reservoir of good will toward us from the people who are the beneficiaries of this private American charity.

Very truly yours,
(Miss) ADELA LAGODZINSKA,
President.

An Encouraging Omen

EXTENSION OF REMARKS
OF
HON. CLARE E. HOFFMAN
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

Mr. HOFFMAN. Mr. Speaker, as the special session of Congress was ending a distinguished Member of the Senate, with a Nation-wide reputation of successfully exposing and bringing to justice those guilty of violations of the law in his home State, arose, castigated President Truman, and suggested that impeachment might be the only remedy for the President's denial of information which might lead to the exposure of criminals and those who advocated the overthrow of our Government by force, and which is necessary to enable the Congress to legislate.

The Senator was mad—he was exasperated, he was angry—because the President had denied his committee the opportunity to obtain information which might, and probably would, have exposed enemies of our Government, those who belonged to an organization which advocated its overthrow by force, safely and profitably ensconced in his own administration.

But the President's denial of the Congress' constitutional right to information as to how their money is spent, as to whether those in the administration are guilty of illegal activities, is not new. He has been following that course for months.

Every informed individual in Washington knows that from the day Mrs. Roosevelt appeared with a group of Communists before the Dies committee, the New Deal, and more recently, the Truman administration, has been coddling and encouraging Communists who, in Federal positions, thrive on the taxpayers' dollars.

Early in January of this year a local union, which owes allegiance to an international officered by Abram Flaxer and represented by Alfred Bernstein, pulled a strike here in Washington closing 40 cafeterias to Government workers. The officers of the union, and both Flaxer and Bernstein, refused to deny under oath that they were Communists or members of the Communist Party. They have a reputation as such.

President Harry S. Truman attempted to force the employer to deal with the Communist-dominated union. Failing in his first efforts, which were by his direction carried on by the then Secretary of Labor, Judge Schwellenbach, President Truman called a meeting at the White House on February 11, 1948, and, after a discussion, one of those attending was instructed to do what he could to effect a settlement which would be acceptable to Flaxer and Bernstein.

A subcommittee of the Labor Committee, of which I had the honor to be chairman, held hearings in January, February, and March, and finally, to get at the truth of the charge that the President had, at the White House meeting, attempted to force the employer to deal with a union which was Communist-controlled through Flaxer and Bernstein, twice subpenaed the President's assistant, John R. Steelman, who was present at the meeting.

Steelman, on March 9, 1948, wrote me saying that, and I quote—

> In each instance the President directed me, in view of my duties as his assistant, not to appear before your committee.

That letter was written notwithstanding section 196 of title 2 of the United States Code, which makes it a misdemeanor for anyone—Steelman included—to refuse to appear when subpenaed by a congressional committee. Here we have a specific instance where the President advised violation of law, followed a course of action which concealed communistic activities, not in Russia, but here in Washington.

Nor has the President confined his protection to the Communists.

A parole board, appointed by an Attorney General who was appointed by the President and to whom he is responsible, in August of last year, after they had served approximately a third of their sentences, paroled five gangsters, members of the Capone mob—the "Crime syndicate" of Chicago—who had been convicted of a conspiracy to extort a million dollars from the motion-picture industry.

The President's Attorney General Tom C. Clark, a boyhood friend of one of the gangsters' attorneys, as a condition precedent to the granting of that parole, dismissed a mail fraud indictment against the same parolees, which charged that they had extorted a million dollars from workers—union men—in the picture and kindred industries.

The Chicago Tribune, the Chicago Herald-American, and other papers, called attention to the granting of the paroles. A subcommittee of the House Committee

on Expenditures in the Executive Departments, of which I had the honor to be chairman, and of which Representatives FRED E. BUSBEY, MELVIN C. SNYDER, PORTER HARDY, JR., and W. J. BRYAN DORN are active members, held hearings in Chicago and in Washington.

As chairman, I wrote both the President and Attorney General Tom Clark letters requesting that information in the possession of the FBI be given the committee so that it might learn what sums, if any, had been paid for the granting of these paroles, and through what political influence and by whom that influence was exerted, in order to spring the prison gates and turn these convicts loose upon the public. Attorney General Tom Clark answered by stating that he had been instructed by the President to refuse to give the committee the requested information which the committee deemed necessary to expose those who had assisted these mobsters to escape just punishment.

And so it is that we find the President of the United States, Harry Truman, not only shielding the Communists, but permitting notorious gangsters known throughout the Nation as members of a crime syndicate, to hide behind the shield of the iron curtain thrown about them by his orders. Has the President divorced himself from the Pendergast machine?

Instead of calling a special session of Congress, the President might well have repented of his associations with the attorneys and members of the corrupt Pendergast outfit, one of whom, Paul Dillon, boasted in open hearing of his friendship with the President, of his entree to the White House.

Discouraged by the President's concealment of information which might have led to the exposure of enemies of our country who were holding Federal jobs, to the exposure of the politicians who sprung the ex-convicts from Fort Leavenworth, I introduced House Joint Resolution 342, and on May 13 last the House passed that resolution, which, had it been enacted into law, would have compelled those in executive departments, notwithstanding the President's orders, to give the Congress and its committees information to which it was entitled. That bill went to the Senate. It was pigeonholed.

But Saturday, as the special session was about to adjourn, at least one Member of that body evidently realized that, if the Congress is to function as the people's representative; if the President is to be prevented from appearing to protect the country's enemies and the crooks, something must be done.

As Senator FERGUSON stated, this issue between the Executive and the Congress should be squarely met and correctly solved. It is this: Shall the Congress, which alone has the power to create executive departments and provide the funds for their existence, be permitted to learn from them how they are functioning, how the money given them is being spent?

That information is necessary if the taxpayer and the peaceful, law-abiding citizen is to be protected in his constitutional rights. Authority to compel those in the Departments, which have been created by the Congress, to testify before its committees is necessary if the Congress is to legislate wisely, justly. The issue was stated by me on the floor of Congress on the 12th day of May, the day prior to the passage of the resolution by the House, when I said:

Mr. Chairman, House Joint Resolution 342 is an effort, by over-all legislation, to make available to every committee of the Senate and the House, under certain circumstances, information in the possession of the executive departments which is necessary to enable the Congress to carry out the duties imposed upon it by the Constitution.

The Supreme Court has repeatedly said that the Congress must have and be able to exercise the authority to obtain from the executive departments any and all information which is necessary to enable it to legislate, to ascertain the effect and the manner in which prior legislation is being administered. But President Truman does not now recognize those decisions.

It is my hope that the Senate has recognized the gravity of the situation, that it will have the courage to act. Senator FERGUSON again clearly stated the issue, as it has so many, many times been put before the Congress.

One of the most important issues before the people—perhaps the most important—in the election to be held on November 2, is whether they will elect those who will see to it that the enemies of our country, the members of our crime syndicates, are promptly and effectively brought to justice.

I most humbly call the attention of the Members of the distinguished Senate to the fact that the House has performed its duty, and, if the Senate will pass House Joint Resolution 342, or some similar act; if the people will elect an administration which will give us an Attorney General who will enforce the law; the Commies and the crooks, the gangsters who contribute fabulous sums to campaign funds, will be not on their way out, but out.

That Members of the other body are aroused and insistent that effective action be taken is an encouraging omen.

Lapel Buttons for Widows, Parents, and Next of Kin of Members of Armed Forces Who Lost Lives in World War II

EXTENSION OF REMARKS
OF
HON. RALPH A. GAMBLE
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. GAMBLE. Mr. Speaker, under leave to extend my remarks in the CONGRESSIONAL RECORD, I include a letter addressed to me from my very good friend and constituent, George J. Burger, of New Rochelle, N. Y.; copy of a letter addressed to Mr. Burger from K. Steen, LCDR, assistant to Director, Medals and Awards, Navy Department, Bureau of Naval Personnel, dated May 12, 1948; copy of a letter addressed to Mr. Burger from R. W. Berry, Assistant to the Secretary, Office of the Secretary of Defense, dated May 24, 1948; a letter from my colleague, the Honorable KENNETH B. KEATING, addressed to me under date of June 7, 1948; and a copy of Public Law 306, Eightieth Congress, approved August 1, 1947, to provide appropriate lapel buttons for widows, parents, and next of kin of members of the armed forces who lost their lives in the armed services of the United States in World War II.

Mr. Burger's son volunteered for service in the Navy prior to Pearl Harbor and became a naval aviator. He was a fine boy and had an enviable record. He was killed on August 18, 1941, prior to Pearl Harbor. The Navy in interpreting Public Law 306, Eightieth Congress, has, in my opinion and in the opinion of Congressman KEATING, who introduced the bill, wrongly interpreted provisions of the bill in denying to Mr. Burger the benefit of that act in the giving to him and his wife a lapel button. The Navy has ruled that that button may be given only to widows, parents, and next of kin of members of the armed forces who lost their lives between December 7, 1941, and July 25, 1947, inclusive.

I hope that the Secretary of Defense will see fit, upon further consideration, to amend the regulations above referred to.

NATIONAL FEDERATION
OF SMALL BUSINESS, INC.,
Washington, June 14, 1948.

Hon. RALPH A. GAMBLE,
House Office Building,
Washington, D. C.

DEAR RALPH: As I told you coming down on the bus from New York a week or two ago, when I showed you correspondence between the Navy Department and myself regarding their action in the awarding of next of kin to my late son, John, killed in the line of duty in World War II, I did not wish anything done insofar as Congress was concerned until I requested you to proceed.

I note the very fine letter that Congressman KEATING sent you under date of June 7. The city of New Rochelle unveiled a memorial on Decoration Day to those boys from their city killed in line of duty in the Second World War, including my son, John. Prior to that the American Legion saw fit to make the proper awards by certificate. Also, St. Lawrence University, Canton, N. Y., erected a permanent memorial to him in his honor as the first of the university students to lose his life in the line of duty in World War II.

In view of this I am asking you to spread on the RECORD in Congress the letter I received from the Navy Department on May 12, 1948, copy enclosed. I am also asking you to have inserted the letter that you received from Congressman Keating under date of June 7. His letter is all inclusive as to his original intention in sponsoring the resolution. I would also like to have included in the RECORD a copy of the letter I received from the office of the Secretary of Defense dated May 24, 1948.

The reason I am asking this of you is that many of my friends in Washington keep inquiring as to any action the Navy Department has taken in the case. They seem to be more upset about this than I.

For the many thousands of boys who entered the armed services during the time of the national emergency and who were killed in the line of duty, it would strike me that

the least the Government could do is to recognize their supreme sacrifice.

I know many people in New Rochelle will be alarmed at this situation and, in fact, throughout the county. I trust that you see fit to make some remarks and have the enclosures appear officially in the RECORD.

Sincerely yours,

GEORGE J. BURGER.

NAVY DEPARTMENT,
BUREAU OF NAVAL PERSONNEL,
Washington, D. C., May 12, 1948.

Mr. GEORGE J. BURGER,
National Federation of Small Business, Inc., Washington, D. C.

DEAR MR. BURGER: Your letter of April 30, 1948, addressed to the Secretary of the Navy has been referred to this Bureau for acknowledgment.

The act which established the gold-star lapel button provides that it shall be issued to widows and parents of members of the armed forces of the United States who lost their lives in the service during World War II, from December 7, 1941, to July 25, 1947, inclusive.

It is noted you state your son lost his life on August 18, 1941. In view of the above regulations, I sincerely regret that you are not eligible to receive the gold-star lapel button.

I wish to express my deepest sympathy in your bereavement. Please be assured that the Navy appreciates your son's services and his loyalty and devotion to duty during his naval career.

By direction of the Chief of Naval Personnel.

Sincerely yours,

K. STEEN,
L. C. D. R., United States Navy, Assistant to Director, Medals and Awards.

OFFICE OF THE SECRETARY OF DEFENSE,
Washington, May 24, 1948.

Mr. GEORGE J. BURGER,
National Federation of Small Business, Inc., Washington, D. C.

DEAR MR. BURGER: Secretary Forrestal has asked me to reply to your letter of May 19, concerning Navy personnel killed before Pearl Harbor, and the eligibility of next of kin to wear the Gold Star.

While it is regretted that those men who volunteered early and were killed before the outbreak of war cannot be rewarded in the same manner as those who lost their lives on active duty after Pearl Harbor, you may be assured that the armed services have thoroughly studied the problem. The policy now in effect is the result of careful consideration of all the factors involved. Your viewpoint is well taken, however, and I am indeed very sorry that this reply cannot be more favorable.

Sincerely yours,

R. W. BERRY,
Assistant to the Secretary.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., June 7, 1948.

Hon. RALPH A. GAMBLE,
House of Representatives, Washington, D. C.

DEAR RALPH: One of your constituents, Mr. George J. Burger, has called my attention to the fact that the Navy Department has interpreted the provisions of my bill, H. R. 1544, which became Public law 306, so as to deny a gold star lapel button to Mr. and Mrs. Burger who are the parents of John Burger, who enlisted in the Navy and lost his life prior to December 7, 1941, but after the time when an emergency was declared by the President. The law as worded relates to one "who lost his life in the armed service of the United States in World War II."

The office of the Secretary of Defense has informed Mr. Burger on making application for one of these buttons as follows:

"Secretary Forrestal has asked me to reply to your letter of May 19, concerning Navy personnel killed before Pearl Harbor, and the eligibility of next of kin to wear the Gold Star.

"While it is regretted that those men who volunteered early and were killed before the outbreak of war cannot be rewarded in the same manner as those who lost their lives on active duty after Pearl Harbor, you may be assured that the armed services have thoroughly studied the problem. The policy now in effect is the result of careful consideration of all the factors involved. Your viewpoint is well taken, however, and I am indeed very sorry that this reply cannot be more favorable."

The purpose of this letter is to express to you the fact that it was certainly not my intent as the author of this legislation to exclude those who patriotically offered their services to their country prior to Pearl Harbor Day but after the time when war clouds seemed to be gathering. In fact, I have indicated to Mr. Burger that I would be glad to support an amendment to the bill at the next session of Congress to cover this situation. It might be, however, that this letter, together with the committee report, would be helpful to you in securing a different ruling from the Secretary of Defense. If you undertake this mission on behalf of Mr. Burger and any others who may be similarly situated I would be happy to have you make use of this letter.

Very sincerely yours,

KENNETH B. KEATING.

[PUBLIC LAW 306—80TH CONGRESS]
[CHAPTER 426—1ST SESSION]
H. R. 1544

An act to provide appropriate lapel buttons for widows, parents, and next of kin of members of the armed forces who lost their lives in the armed services of the United States in World War II

Be it enacted, etc., That the Secretary of War and the Secretary of the Navy, acting jointly, shall formulate and fix the size, design, and composition of a lapel button (to be known as the gold-star lapel button) suitable as a means of identification for widows and parents of members of the armed forces of the United States who lost their lives in the armed services of the United States in World War II. The Secretary of War and the Secretary of the Navy shall procure for their respective departments such number of gold-star lapel buttons as shall be necessary to effect distribution of such buttons in accordance with the provisions of this act.

SEC. 2. (a) Upon application to the Department of War or the Department of the Navy, as the case may be, one such gold-star lapel button shall be furnished, without cost, to the widow and to each of the parents of a member of the armed forces of the United States who lost his life in the armed services of the United States in World War II.

(b) In addition to the gold-star lapel button furnished in subsection (a) of this section, gold-star lapel buttons shall also be furnished, upon application and the payment of an amount sufficient to cover the cost of manufacture and distribution, to the next of kin of any such deceased person, not hereinbefore designated. No such lapel button shall be sold to any person who has been furnished a lapel button under subsection (a), and not more than one button shall be sold to any one person.

(c) Gold-star lapel buttons shall be distributed in accordance with rules and regulations prescribed jointly by the Secretary of War and the Secretary of the Navy.

SEC. 3. As used in this act, (a) the term "widow" shall include widower; (b) the term "parents" shall include mother, father, stepmother, stepfather, mother through adoption, and father through adoption; (c) the term "next of kin" shall include only children, brothers, sisters, half brothers and half sisters; and (d) the term "children" shall include stepchildren and children through adoption.

SEC. 4. Whoever shall (1) wear, display on his person, or otherwise use as an insigne, any gold-star lapel button issued to another person under the provisions of this act; (2) falsely make, forge, or counterfeit, or cause or procure to be falsely made, forged, or counterfeited, or aid in falsely making, forging, or counterfeiting any lapel button issued under this act; or (3) sell or bring into the United States, or any place subject to the jurisdiction thereof, from any foreign place, or have in his possession, any such false, forged, or counterfeited lapel button, shall be fined not more than $1,000 or imprisoned not more than 2 years, or both.

SEC. 5. Such sums are hereby authorized to be appropriated as may be necessary to carry out the purposes of this act.

Approved August 1, 1947.

Government Expenditures

EXTENSION OF REMARKS
OF

HON. CHARLES A. WOLVERTON

OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

Mr. WOLVERTON. Mr. Speaker, the cost of Government has reached a point where it has become a burden, not only to the individual citizen but also to the economy and business of the Nation. There is only one source of income open to the Government to meet its expenditures, namely, taxation. The larger the expenditures the heavier the taxes that must be levied to meet those expenditures. Consequently, the concern that we all have with respect to the cost of Government and the demand for a reduction in its expenditures.

The Republican Party prior to the national election of 1946 made the following pledge:

> Economy in Government spending must be achieved. Extravagant Government spending now advocated by the administration in every field can only lead to ruin. Bureaucracy, with its thirst for power and self-perpetuation, must be drastically reduced. The number of Government employees must be cut to an efficient minimum.

The Republican Congress elected in 1946 has kept that pledge.

When the Republican Congress convened in January 1947, it was faced with the tremendous job of changing the Government's fiscal affairs from a war to a peacetime basis. It was one of the most stupendous tasks that ever confronted a Congress. The Committees on Appropriations of the House of Representatives and the Senate are entitled to great credit for the admirable and painstaking job they did in bringing to the Congress appropriation bills striking out useless and wasteful expenditures.

The Congress, under the leadership of these two committees of Congress eliminated and prevented the spending of billions of dollars requested by the President in his budget recommendations.

The President submitted to Congress budget estimates calling for expenditures of $37,500,000,000 during the fiscal year ending June 30, 1948. He recommended another billion before the first session of Congress adjourned.

He submitted to the second session of the Congress an all-time high, peacetime budget calling for expenditures of nearly $40,000,000,000 for the fiscal year July 1, 1948, to June 30, 1949, and then increased that by several billions in additional recommendations.

On top of all this, he submitted a series of recommendations for new ventures in Government spending that would, if approved by the Republican Congress, have added $20,000,000,000 to annual Federal expenditures, forced higher taxes and expanded bureaucracy.

The magnitude of these figures and the increase in cost of Government that would result therefrom can be more fully understood when compared with the total Government expenditures in prewar years. As an illustration, expenditures for the fiscal year 1933 totaled $5,143,000,000; for 1934 they were $7,100,000,000; and for 1939 the Government spent $9,027,000,000. Even after the conclusion of the war the administration continued to increase expenditures for the ordinary operations of Government.

The Republican Congress not only called a halt on this trend toward increased expenditures, but reversed the upward and started a downward trend. We cut the President's fiscal 1948 budget estimates by $2,766,000,000; rescinded funds that otherwise would have been spent amounting to $442,500,000; made recoveries for the Treasury that the President did not recommend amounting to $911,700,000, and we made cuts that were effective in making savings in the operations of the previous fiscal year amounting to $359,740,563.

Thus the total savings to the Federal Treasury accomplished by the Republican Congress during its first session were approximately $4,500,000,000.

We continued the same program of cutting the President's budget and supplemental recommendations during the second session providing for the fiscal year 1949. From the regular departmental appropriation bills, deficiencies, supplementals, and so forth, the Republican Congress cut $2,741,481,291 from the amount requested by the President.

Thus, the Republican Congress has saved better than $7,000,000,000 and this does not include the rejection of the $20,000,000,000 that would have been necessary to carry out other recommendations made by the President.

These savings were made by eliminating useless and unnecessary expenditures, and not by destroying essential or necessary functions and operations of Government.

This record of financial achievement by the Republican Party is all the more noteworthy when it is realized that more than 80 percent of our national expenditures now go toward prevention of wars, foreign aid, aid to our own veterans and in liquidation of past wars. Furthermore, failures of the present and past administrations in foreign relations are reflected in higher Government expenditures for national defense and to provide aid for freedom-loving countries.

It is also important to note that the accomplishments of the Republican Congress in reducing the cost of Government and putting our fiscal affairs on a sound basis was done in the face of terrific opposition. Hence the urgency of having a Republican President who will cooperate with a Republican Congress, working together for efficiency and economy in Government.

Why Are You Paying High Prices?

EXTENSION OF REMARKS
OF
HON. ROBERT B. CHIPERFIELD
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

Mr. CHIPERFIELD. Mr. Speaker, one of the most serious problems confronting this country is inflation with its resulting high prices. To stabilize the American dollar so as to bring about a sound economy, we must eradicate the real causes of inflation and not follow policies which would add fuel to the fire of inflationary pressures. We must cure the patient, not only give him palliatives to ease his symptoms. You cannot cure hemorrhage by continual blood transfusions, and you cannot cure inflation by profligate spending.

The real causes of inflation are well known. Basically they are the easy spending and credit policies of our Government with the resulting depreciation of the American dollar; and our attempt to feed and rehabilitate the world with American dollars and goods.

It does no good to cry over spilt milk but the record remains, whether justified or not, that the Government in 1933 did make available billions for public and private projects. The public debt increased by leaps and bounds. The Government did revalue and depreciate the dollar. When war came we had to win it, and to finance it we had to continue the same easy money and credit policies until our debt reached the astronomical sum of $279,000,000,000. Deficit spending was taken for granted.

But after the war instead of reversing these policies, the Democratic administration continued to spend and spend, tax and tax, elect and elect. This trend was not reversed until a Republican Congress was elected in November 1946. We ended the 1948 fiscal year by cutting $2,741,481,291.92 from the President's budget, and with a surplus in the Treasury of $8,419,469,843; at the same time reducing taxes by $4,800,000,000 and cutting the public debt $7,000,000,000. Yet we have not been able to change the fiscal policies in the executive field.

At the time of the Democratic Convention, when the President called the Congress into special session, he took credit for the high prices of farm products, high wages and prosperity but blamed the Republican Congress, which had only been in power 18 months, for the same high prices of which he was so proud. Apparently the President only sees the mote in the other fellow's eye.

At the very time he seemed so concerned about the high cost of living, he advocated spending billions upon billions on such inflationary measures as the St. Lawrence seaway, power projects, and many socialistic schemes, all of which would have created additional demands for already scarce material and consumer goods.

Marriner S. Eccles, Governor of the Federal Reserve Board—one of the President's own political appointees—put the situation aptly when he testified a few days ago before the Banking and Currency Committee, stating:

> The program—the President's—taken as a whole seems to me to be more of a political program than an economic one because there is in the program action called for which would be very inflationary.

Our memories are not so short that we cannot remember back to the days of the OPA, when Henry Wallace said that, regardless of the cost of producing the goods, wages could be raised 25 percent and it need not increase the price of the goods; nor when the President broke the Little Steel formula by increasing production costs and the price of steel. That was when the balloon went up, and there has been a vicious circle of inflationary trends ever since.

No one has forgotten the painful experiences of those days of black markets, empty shelves, lack of production, with confusion and inconsistencies almost resulting in economic chaos until Mr. Truman himself removed price controls on November 10, 1946, because, as he himself said:

> The Price Administrator has advised me that, with so much of the economy freed from price control, clinging to the rest would, in his judgment, lead to distortions in production and diversion of goods to an extent far outweighing any benefit that could be achieved.

Now he would have the Congress reestablish partial controls instead of complete controls, as some advocate, thereby having us return to the very situation which he ended as unworkable, namely, control of only a few items. How is it possible for him to ignore so completely what he said he had learned from experience, and what he called a police state?

If given the power, Mr. Truman would probably put controls on the price of meat and yet not place them on many other consumer goods. Every farmer knows that unless every item making up the cost of production is similarly controlled price control would not be successful. The cost of beef is dependent upon the price of grain, hay, and other items. No one can ask the farmer to raise beef, which takes a considerable time to produce, if he is faced with controls which might at any time change the price below the cost of production.

England never took off her controls after the war. What is the result? Yes, prices are lower, but why? In the controlled market meat is only 40 cents a pound, but the British Government pays a subsidy of 16 cents a pound. Bacon is 48 cents a pound, but there is a subsidy of 18 cents a pound. Butter is 30

cents a pound, but the subsidy is about 20 cents a pound. Eggs are 60 cents a dozen, but with a subsidy of 20 cents.

These subsidies, which would ordinarily be paid out of taxes by the British people, amount to almost one and one-half billion dollars, or about one-seventh of her national budget. Gifts from the United States of about $1,000,000,000 annually help pay for these subsidies. In other words, our taxpayers carry the load so that England may have lower prices.

But have these controlled lower prices solved England's problem? There each person can only buy 20 cents' worth of meat a week, 2 ounces of bacon a week, 3 ounces of butter, and only one egg a week. To get around such a scanty diet there are huge black markets selling these very same items at sky-high prices.

Although we raise only about 12 percent of the food of the world, we are asked to feed millions of people all over the world. The policy of our Government going into our markets and buying billions of dollars of steel, fertilizer, farm machinery, and other items in short supply has probably been the greatest single factor in keeping the inflationary spiral revolving.

We must not forget that the spending of $17,000,000,000 under the Marshall plan in the next 4 years will cost every man, woman, and child in this country $129.11. I am including a table which shows the cost of this program to the taxpayers of my district:

	Population, 1947	Share of European recovery program, 1948–52
COUNTY		
Fulton	42,800	$5,525,908
Henry	39,200	5,061,112
Henderson	7,800	1,007,058
Knox	52,500	6,778,275
Mercer	16,500	2,130,315
Rock Island	124,200	16,035,462
Warren	20,300	2,620,933
Total for Nineteenth Illinois District		39,159,063
CITY		
Canton	11,577	1,494,706.47
Galva	2,812	363,057.32
Geneseo	3,824	493,716.64
Kewanee	16,901	2,182,088.11
Abingdon	3,218	415,475.98
Galesburg	28,876	3,728,180.36
Aledo	2,593	334,782.23
East Moline	12,399	1,595,670.49
Moline	34,608	4,468,238.88
Rock Island	42,775	5,522,680.25
Silvis	2,990	386,038.90
Monmouth	9,096	1,174,384.56

If existing export controls had been used in such a manner as to minimize the impact of excessively large demands by foreign countries for American goods in short supply prices of consumer goods would be much lower than they are today. But the President has not seen fit to minimize this impact.

The President has the power to cut the amount of Government spending in many fields, to limit Government purchasing in those fields where commodities are short, to limit bank credit and limit consumer credit. These and other powers which the President already has are sufficient to check inflation if he were but willing to use them.

The statement approved by the Republicans of the House of Representatives well summarizes the situation as follows:

The President's quarrel with the Eightieth Congress is not its failure to enact legislation, but a fundamental difference in Government philosophy between the President and Congress. The President would fix wages, fix prices, expand Government spending, increase Federal taxes, socialize and nationalize medicine and generally regiment the life of every family, as well as agriculture, labor, and industry, and his proposals would create an annual budget which could not be less than $60,000,000,000 which would make inflation inevitable and permanent.

In conclusion, while the President did not mention the foreign situation in his message to Congress at the special session, I feel I would be remiss if I did not call to your attention that the failure of the administration to negotiate peace has resulted in a most critical situation which forces us to spend $12,000,000,000 to $15,000,000,000 a year for defense, draft our young men, compete for critical materials which are ordinarily used for consumer goods, and remove manpower from peacetime production. This, too, has added impetus to the inflationary spiral.

As a majority member of the Foreign Affairs Committee and chairman of Subcommittee No. 1 on National Security, I fully realize the difficulty which has confronted our leaders in foreign policy, but the fact remains the job is left unfinished.

If the President, the Secretary of State, and their aides are so closely connected with the commitments, mistakes, and blunders of the past they are not able to bring about lasting peace, is it not logical to have a fresh approach to this all-important problem by choosing a President who is not under such a handicap or a victim of the bitterness of the past?

Let us get back to a strong and sound America which is necessary to world stability and peace. As has so often been said, there is nothing wrong with the United States that production and a sound fiscal policy will not correct.

Hugh Roy Cullen

EXTENSION OF REMARKS
OF
HON. BERTRAND W. GEARHART
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

Mr. GEARHART. Mr. Speaker, because of its application to fundamental principles of education so necessary in the world today, I hand to the Public Printer for inclusion in the CONGRESSIONAL RECORD a statement made for the Senate by the Honorable GEORGE W. MALONE, United States Senator for Nevada, relative to the work of Hugh Roy Cullen, of Houston, Tex., and of Mr. Cullen's grandfather, who was a distinguished member of the Third Congress of the Republic of Texas more than 100 years ago.

The statement by Senator MALONE:

Mr. President, in these days of uncertainty and indecision in national and international affairs, it is heartening to find that more than 100 years ago a man stood before the Senate of the Republic of Texas and outlined to that body some of the fundamental truths and principles that are just as applicable today as when that man faced the legislative body of Texas on January 4, 1839.

One hundred and ten years ago the Honorable Ezekiel W. Cullen, grandfather of nationally recognized Hugh Roy Cullen, of Houston, Tex., and who at that early date was a member of the House of Representatives of the Third Congress of the Republic of Texas, said in support of an adequate school system for that important commonwealth 6 years before the admission of the Republic of Texas to the Union, that:

"Intelligence is the only true aristocracy in a Government like ours; and the improved and educated mind has, and will ever triumph over the ignorant and uneducated mind."

That fundamental truth, recognized by a great number of the Third Congress of the Republic of Texas more than a century ago, is just as true and as effective today as it was when the grandfather of Roy Cullen arose on the floor of the Texas Congress at that early date following the bloody revolution which separated the Texas area from Mexico and laid the foundation for the admission of one of the greatest States in the Union.

I have always had the greatest confidence in the understanding and reaction of the people of this Nation when they have the necessary information and evidence upon which such current decisions must ultimately be made.

The Honorable Ezekiel W. Cullen further said upon that occasion:

"The influence of education in the moral world is like light in the physical, rendering luminous what was before obscure. It opens a wide field for the exercise and improvement of all the facilities of man, and it imparts vigor and clearness to those important truths in the science of government, as well as of morals, which otherwise would be lost in the darkness of ignorance."

Mr. President, it is through men of the caliber of the Honorable Ezekiel W. Cullen, who have served this Nation through its trying periods and laid down these fundamental principles upon which the Nation has developed the highest standard of living in the world and is acknowledged to be the greatest Nation in the world today. The fundamental policies and principles upon which a great government must be founded do not change.

I, therefore, Mr. President, request unanimous consent to have inserted in the RECORD at this point the address and report of the Honorable Ezekiel W. Cullen presented to the Third Congress of the Republic of Texas on January 4, 1839, which sets forth these and many other fundamental truths, policies, and principles upon which the very life of this Nation depends:

"The committee to whom was referred the subject of education as well as that part of the President's message relative to the same, have not been able to devote that time, and bestow that reflection upon the subject which the importance demands. Your committee, however, trusts that the report they now submit for your consideration will prove satisfactory; or, as has been justly remarked by the President: 'The influence of education in the moral world is like light in the physical, rendering luminous what was before obscure.' It opens a wide field for the exercise and improvement of all the facilities of man, and it imparts vigor and clearness to

those important truths in the science of government, as well as of morals, which otherwise would be lost in the darkness of ignorance. Nothing is so essential in a free government as the general diffusion of knowledge and intelligence of every kind. Education confers private happiness; it gives political strength and importance; it exalts the mind, refines the passions, polishes the manners, and promotes virtue; it is the foundation of civil and religious liberty, and constitutes national strength and glory. For it has been truly said, that knowledge is power, and it is to the enlightened influences of education that England, France, and the United States of the North, are indebted for the proud and enviable station that they now occupy among the nations of the earth; and the want of education has no doubt been the principal cause of fair and lovely Greece, once the nursery of the arts and sciences, and proud Rome, once the mistress of the world, being in their present wretched and oppressed condition.

"Ignorance is the mother of vice and superstition; and with its concomitant train of evils, no doubt has rendered our enemies, the Mexicans, as weak and contemptible as they are.

"Your committee views it as one of the first and paramount duties of Congress to provide a system of general education; and although it is not in our power to carry into effect immediately a general system, yet we should lay the foundation while it is in our power, by making suitable appropriations of the public domain, and setting the same apart to enable us as soon as our situation will permit, to establish primary schools and colleges where every class can alike receive the benefits and blessings of education.

"Intelligence is the only true aristocracy in a government like ours; and the improved and educated mind has, and will ever triumph over the ignorant and uneducated mind, and our separation from Mexico, and consequent revolution, is to be attributed, in a great degree, to the difference between the Texans and the Mexicans, in their mental culture and improvement, and consequent powers and superiority.

"By referring to our Declaration of Independence, your committee finds the following, among other reasons assigned, for dissolving our connection with the Mexican Government, viz: It has failed to establish any public system of education, although possessed of almost boundless resources (the public domain). And to aggravate this just cause of grievance, it is declared to be an axiom in political science that unless a people are educated and enlightened, it is idle to expect the continuance of civil liberty, or capacity for self-government.

"Your committee, after calm and deliberate reflection on the subject, and aided by the light of history, see no cause to pollute the criminal negligence of the despotic Government of Mexico during our connection with it, in failing to appropriate the ample means at its command for the education and enlightening of its youthful population; nor are they, for a moment, disposed to question the truth of the axiom upon which this cause of grievance is based.

"Acquiescing, therefore, fully, both in the cause of complaint and in the justness of the axiom from which it arises, your committee has been led to inquire what has been done to vindicate the sincerity and consistency of the people of Texas in urging the above reasons for dissolving all connection with the hateful and intolerable despotism of Mexico, and resorting to the experiment of self-government? If we could not secure the education of our youth while connected with that people, for the want of power to control the disposition of the public domain, are we now that we have taken this very power into our own hands, so employing this domain or any portion of it, for the promotion of domestic education? Have we, as a people, acted as if we verily felt the grievance of which we complained, or the truth of the axiom, 'that unless people are educated and enlightened, it is idle to expect the continuance of civil liberty or the capacity of self-government?'

"What must an impartial world, to whom we felt bound to submit a statement of our grievances, think when they see none of that public domain, which we consider ourselves justly to have wrested from the oppressor, set apart for the purpose of educating those whose interests we complained had been grossly neglected, and see us making no practical application of one of the most certain maxims of political science? Does not a regard to the sincerity of our professions before the world—a regard to consistency and truth, as well as a regard to the interests of our country, demand the prompt attention and efficient action of Congress, in relation to this momentous subject?

"To excite such attention and to secure such action your committee begs leave further to suggest that, although not furnished with the requisite data for anything like an accurate estimate of the number of children now in the Republic, and of a suitable age to enjoy the benefits of good schools, or of the number absolutely destitute of such advantages, yet they are compelled to believe that the proportion of the latter class to the whole number now in the country is very great. Your committee sees it stated on what appears to be good authority that in the State of Pennsylvania, out of 400,000 children of a proper age to be enjoying the advantages of schools, only 250,000 are in the actual enjoyment of such privileges, i. e., three-fifths, or a little more than half the whole number of children. In the States west and southwest of Pennsylvania probably much smaller proportion are found in reach of school instruction. And all this destitution, notwithstanding the comparative age, and tranquillity, and dense population, and prosperity of those States. What then must be the absolute destitution of very much the larger portion of the youth of our country—scattered as they, and recent as has been the introduction of many of them—and exposed as they have been to all the vicissitudes attendant upon new settlements, and the struggles of our recent revolution?

"Though the present adult population of Texas perhaps contains as much, if not more, educated talent than the same amount of population in any other country so new on the face of the globe, yet this is no criterion by which to estimate the present advantages of our native and emigrating youth. But a small portion of the educated talent as yet in our country is of native cultivation. Most of what we now possess of this indispensable material has been lured hither by the new and promising field so suddenly opened for its employment by our revolution. Few of the youth born and fostered on our own soil know anything of the advantages of the school. Those now growing up without education,as well as those of the same character, who, with their parents, we soon expect to join us here, will soon be beyond the reach of such advantages unless something is done, and that speedily, to meet their wants. For be it remembered, that the disproportion between the educated and uneducated children in our country will greatly increase unless very prompt and efficient measures are devised and prosecuted to prevent that increasing disproportion. This disproportion between the adult and youthful parts of your population will decrease as the difference between married and unmarried emigrants to our country increases. And this will be the case as our country becomes secure from the fear of Indian and Mexican depredation, for we have thrown open our doors very wide. Already our invitations abound almost to the ends of the earth. We have offered a wide field to the enterprising—a noble theater to the aspiring—and a secure asylum to the oppressed. Our invitations have been heard and accepted by many. Already are the currents of emigration setting this way; not only from all parts of the United States but also from England, from Ireland and Scotland, and from Protestant Germany. Put these currents will necessarily float in upon our soil vast numbers of uneducated children to swell the numbers already here and still destitute of the means of instruction. And these children, whatever may be their character and accomplishments, will soon be invested with all the privileges and responsibilities of citizens, of voters, and of parents. But shall they receive the knowledge requisite to fit them to sustain the dignity of citizens and to meet the responsibilities of the voter and the parent? Shall they be qualified by education of the proper kind—education of the feelings as well as intellect, to take, and maintain, and carry out expanded views of their personal, social, civil, and religious obligations? Such education as shall render them competent to self-government, and for want of which they will be but the groveling slaves of their mean and despicable passions, or the pliant tools of the wily and ambitious demagogues.

"Our country has boundless sources of national wealth still dormant in its soil, its forests and its minerals. Intellectual capabilities for developing these sources, will be attracted hither by our invitations and our pledges; but what will avail all our resources of wealth without the skill to bring them out; or, if discovered and developed, what would be their advantage without the knowledge to appropriate them to their legitimate ends? And whence can this knowledge and skill be obtained but from the moral and mental discipline which alone give right reason its proper predominance over the low and vulgar passions which are cherished by ignorance.

"How is civil liberty to be continued, or self-government sustained, by those who know nothing of their principles? Upon the practicable application of the axiom already quoted does it depend whether our Government shall be a strong, and energetic, and happy, and permanent one—a praise among nations; or, a poor, weak, rickety, despicable, short-lived thing—scoffed and condemned by the enemies and pitied by the friends of rational liberty.

"And whence is this necessary moral and mental discipline, and the elementary knowledge necessary to qualify the children of freemen to appreciate the privileges and meet the responsibilities which they must soon inherit, except in institutions conducted by those who have made the human mind their study? As but few parents are qualified, or if they were are unwilling to take the time and trouble to educate their children, it follows, of course, that if their children are educated at all, it must be by means of schools of some kind.

"Now, that there will be schools as population flows into our country, and neighborhoods are formed, there can be no doubt.

"But few parents will be found who will not be willing to make some effort to have their children instructed. But what shall be the general character of our institutions of elementary instruction? Shall they be such as will really subserve the interests and answer the demands of education? Shall they be conducted by those who do not only know the value, and something of the capabilities of mind, but who also know how to elicit and give a proper direction to those capabilities? Or shall they be, as has too often and lamentably been the case, but engines for crushing the youthful intellect, and repressing every noble aspiration of the opening mind, by being entrusted to the control of ignorant or vicious teachers? The character of our schools, and the results of all future efforts in the cause of popular education, your committee thinks, will be very materially affected by the course which the present Congress shall adopt. And the vital importance to the

future well-being and permanency of our Nation must be our apology for the length of our report. We wish not merely to secure some action, prompt, and liberal, and efficient, but also intelligent and substantially beneficial to our posterity and to the world. And may we not learn something, and profit something too, in relation to our duty on this subject, from what we have all seen in our parent land? And is not the present the time to profit by our experience and observation as to the defects and injurious tendencies of most of the common schools of which most of us know anything? Surely now is the time, if ever, to profit in this way—now, while our Government and our institutions are in their infancy, and society is in its forming state.

"To secure the right kind of education for our youth, it is absolutely necessary that the right kind of teachers be secured. The moral character and literary qualifications of the instructors of the children of our country are two points to which too much attention cannot be directed. The relation which teachers of youth sustain, both to the taught and their parents, and through these to the whole community, involves obligations on the teacher's part of the very highest moment. For, if the children entrusted to his care are blessed with kind, and faithful, and intelligent parents, it is of the utmost importance to the children that the parental influence be not counteracted by the moral delinquency of those who are called in to aid the parents in training their offspring for the discharge of the active duties of life. And if the children be so unfortunate as to have parents of a different character—either ignorant of parental duty or indifferent to its vigorous and persevering discharge, much more is it important that this defect should be as far as possible remedied by well-conceived and well-directed efforts of their teachers. In every case, then, it is of the first importance that instructors of children should be disposed, as well as qualified, to educate the feeling, as well as the intellect, of those committed to their care. But there is no reason to expect this from persons of indolent, or irregular, or licentious habits, or of men of mercenary impulses—by persons whose views and aims are bounded by the narrow horizon of interest or passion, seldom or never looking to, or incapable of appreciating the dignity of the vocation which brings them into contact with the germs of thoughts and feelings, in minds upon the proper culture of which the usefulness of individuals, the happiness of families, yea, the interests of nations, and the destinies of eternity, may, in many important respects, so materially depend. And yet, have we not all seen persons of this description by the recklessness or parsimony of parents and guardians of youth, thrust into this interesting and responsible vocation, or induced to seek it that they might obtain a piece of bread, and a shelter, and a coat.

"But the teaching profession needs equally to be guarded against the intrusion of ignorant and incompetent, as well as vicious aspirants. Persons who themselves have not learned to think, how shall they teach others to think? Can those who have received no severe mental training be expected to furnish such a training to others? Such teachers, or rather empirics, may keep youth about the vestibule of knowledge, but can never conduct them beyond the threshold of mental accomplishment—and it is idle to expect such a result from those who themselves have never passed the threshold. What we want, then, are teachers who will appreciate the responsibility of dealing with beings just forming their character for personal happiness and relative usefulness. Teachers who shall be qualified to train both the intellect and heart of those who are just beginning to think and feel on the momentous and complicated interests of human life—of domestic and social and civil and religious privileges and duties.

"But to secure such teachers, the teaching profession must take a more elevated stand in public estimation. Its importance to the whole community must be more generally felt and acknowledged. This will require a corresponding elevation of the standard of professional qualification in the instructors of youth. Such an elevation as will demand a degree of native talent, and a severity and extent of mental discipline and professional training on the part of the teacher of youth by no means inferior to that required by any of the learned profession. In order to do this, inducements must be held out sufficient to make the teaching profession to be sought and pursued by those whose talents and accomplishments would entitle them to a far higher rank in the public estimation than has usually been accorded to the mere schoolmaster. This cannot be done until quack schoolmasters are discountenanced—until they are regarded with the same disgust and odium which ought to drive the empiric doctor and pettifogging lawyer from every intelligent and refined community.

"Congress has thought it proper to protect the community, and the medical and legal professions, by special enactments requiring candidates for public favor to sustain satisfactory examination, or to exhibit suitable credentials before persons competent to judge of professional qualifications—and it is not so much the fault of the laws as of the guardians of those laws that so many unworthy and incompetent persons are permitted to insinuate themselves into the professional ranks, and, to tamper with the lives, and property of the people—and may not the magnitude of the interests devolving upon the instructors of our youth as reasonably demand a similar protection of our National Legislature? A board of censors for particular districts, similar to our boards of medical censors, by whom all persons wishing to engage in the business of public instruction should be closely and thoroughly examined and recommended, would seem to be one means of enhancing the reputation of the teaching profession, and of guarding the public confidence against so frequent abuse as it has been wont to suffer.

"But in order to secure teachers of competent talents and accomplishments, such as shall bring their profession up to an equality in public estimation with the legal, clerical, and medical professions, something more substantial must be granted them than legal protection, or the honor their true position in society justly demands for them. The emoluments of a vocation so laborious and responsible, and requiring talents and accomplishments, by no means more common or easily attained than those of any of the learned professions, should bear some proportion to those of any of these professions.

"Until this is the case, men who may be every way qualified for the business of instruction, if they engage in it at all, it will only be as a stepping-stone to the more lucrative of the profession. They will occupy this merely as a vantage ground while they survey the more promising fields of literary or professional pursuit; and will only occur till they can secure something to liquidate past debts, and to pay their way while preparing for some more lucrative vocation. It cannot be expected that ardent young men, whose preparatory course has been as protracted and expensive as that of others, will choose the business of instructing youth, at a salary of $800 or $1,000 annually, while the same talents and accomplishments, if devoted to the pursuit of medical or legal practice, promises from $3,000 to $4,000. With a difference of pecuniary advantages in view, it cannot be expected that those who are really qualified for the instruction of youth will continue in such a business longer than they can avoid it.

"Then it becomes a question of great interest, how shall competent teachers be suitably compensated in our country? Shall the matter be left to the ability and discretion of every neighborhood and district to furnish its own teachers; and if they are rich and liberal, or sufficiently numerous, and desire it, to find a good teacher and pay him well, or if they be few and poor, however solicitous they may be to secure good teachers for their children, yet be obliged to employ those who will serve them for small salaries; or, if they care nothing about the matter, shall nothing be done to enlighten them on the subject of parental duty, and to secure for their children, among whom may be found many capable of becoming ornaments to their Nation and blessings to their kind, and the requisite instrumentalities for involving and training their latent capabilities?

"Or shall liberal appropriations of the public means be secured to every neighborhood, which, together with what the neighborhood may be able to furnish, may be sufficient to secure the services of competent teachers for all the neighborhoods in our Republic?

"Or shall liberal appropriations to a number of the most eligible and accessible points secure the establishment of suitable literary institutions, at which either a primary or more extensive education may be furnished at as little expense as possible to all classes of the community who may be at all inclined to avail themselves of the benefits of such institutions?

"For our country, this latter plan seems the most desirable. Owing to the scattered condition of our population, but few neighborhoods can afford, unassisted, to sustain a well-qualified teacher; of course many children must either be sent from home or remain destitute of all the advantages of schools.

"But let such schools be established as the wants of the country may require, at suitable points where boarding can be furnished cheap, and tuition gratis, to those who may be unable to pay both for board and tuition. Let great care be taken in the selection of locations, and of teachers, and of superintendents. Let these be well paid by the public, and the public will not lose by educating its own youth at home, where it can be done, if the proper exertions are made.

"Your committee, therefore, recommend the adoption of the following bill.

"E. W. CULLEN, *Chairman.*"

Mr. President, the foundation laid by the Honorable Ezekiel W. Cullen more than a century ago in the Republic of Texas has been ably carried forward by Mr. Hugh Roy Cullen and his wife Lillie, of Houston, Tex., through gifts and contributions of more than $100,000,000 to religious and educational institutions, for the construction of hospitals, colleges of medicine, and general educational purposes.

Mr. Cullen is a member of the Board of Regents of the University of Houston—and in addition matched dollar for dollar the amount contributed by the colored people of Houston, Tex., for a university devoted entirely to their education. This university is now a part of the University of Texas.

They have devoted their lives to the development of the State of Texas and the Nation, in the interest of creating employment and business opportunities for the youth of our country.

Mr. President, this Nation cannot fail to continue to grow and expand its influence for good throughout the world when the third generation of Americans, as represented by the Roy Cullens of Houston, Tex., continue to carry on.

Mr. Ezekiel Cullen laid the foundation in his report for the school system in the Republic of Texas—and Mr. Hugh Roy Cullen, his grandson, is continuing the work 110 years later.

Summary of the Work and Debates of the Honorable George W. Malone, United States Senate, Nevada, During the Eightieth Congress

EXTENSION OF REMARKS

OF

HON. BERTRAND W. GEARHART

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. GEARHART. Mr. Speaker, because of his forthright manner of meeting the issues confronting the Congress of the United States during these times of uncertainty and indecision, I hand to the Public Printer for inclusion in the CONGRESSIONAL RECORD a summary of the work and debates in the Senate of the United States of the Honorable GEORGE W. MALONE, Nevada, during hte Eightieth Congress:

Summary of the work and debates of George W. Malone, U. S. Senate, Nevada, 80th Cong., 1947–48

Item	CONGRESSIONAL RECORD	
	Date	Page
1. $6,000,000,000 budget cut	Feb. 26, 1947	1424
2. Portal-to-portal pay bill (H. R. 2157)	Mar. 21, 1947	2363
3. Amendment to the Atomic Energy Act of 1946	Mar. 25, 1947	2530
4. Nomination of David E. Lilienthal	Apr. 3, 1947	3106
5. Greek-Turkish aid (S. 938)	Apr. 21, 1947	3730
6. Labor Management Act (S. 1126)	May 9, 1947	4876
7. Italian Peace Treaty	June 5, 1947	6403
8. Tax reduction bill (overriding the President's veto) (H. R. 3950)	July 18, 1947	9277
9. Statement on work of National Resources Economic Committee	July 26, 1947	10337
10. Interim aid to France, Italy, Austria (S. 1774)	Nov. 26, 1947	10899
	Mar. 4, 1948	2123
11. European recovery program (H. R. 4840)	Mar. 5, 1948	2187
	Mar. 8, 1948	2206
12. Federal aid to education (S. 472)	Apr. 1, 1948	3938
13. Federal housing legislation (S. 866)	Apr. 20, 1948	4595
14. Flexible tariff bill (S. 2582)	Apr. 28, 1948	4967
15. 70-group air force (H. R. 6226)	May 6, 1948	5401
16. Mine incentive bill (S. 2756)	May 26, 1948	6474
17. Draft and selective service (H. R. 4278, S. 2655)	June 9, 1948	7528
18. Vandenberg resolution (S. Res. 239)	June 11, 1948	7808
19. Extension of the Trade Agreements Act (H. R. 6556)	June 14, 1948	8055
20. Agricultural legislation	June 17, 1948	8612
21. Amendments to the SEC Act (S. 2897)	June 19, 1948	9111

SUMMARY OF WORK AND REMARKS BY SENATOR GEORGE W. MALONE

The second session of the Eightieth Congress ended on June 20, 1948. At this time I want to give a short summary of my contribution to the legislative work of this Congress and outline the main reasons for the stand I have taken on the major issues. This summary is based on the CONGRESSIONAL RECORD, in which all debates as well as pertinent speeches and letters are reprinted.

ON THE $6,000,000,000 BUDGET CUT

On February 26, 1947, I took the floor to announce my wholehearted support for the attempt to reduce the Federal budget by $6,000,000,000. I also voiced my support for the bill, introduced by the Senator from Wyoming, Mr. ROBERTSON, proposing an independent audit of all the agencies of the Federal Government for the last 14 years. I cited as an example of the expansion of the Federal budget the appropriations for the Department of Commerce, which had amounted to less than $45,000,000 in 1939, and had risen in the intervening years to the point where the request for the fiscal year 1947–48 amounted to $199,000,000. In that speech I made the following statement:

"It is my present opinion that such a reduction as is proposed can be made without impairing or injuring in any way the proper support of the armed services and efficient peacetime budget for the operation of the United States Government."

ON THE PORTAL-TO-PORTAL PAY BILL (H. R. 2157)

On March 21, I took the floor to voice my support for the portal-to-portal pay bill, relieving employers of the suits for back pay by placing a 2-year limit on the applicability of such suits. In support of the bill, I made the following statement:

"Mr. President, to claim back pay for time expended not previously considered compensable by either employee or employer is so patently not in the public interest as almost to preclude serious discussion."

This bill was later enacted into law and prevented very serious economic dislocations which might have arisen due to the billions of dollars which might have been payable for the accumulated portal-to-portal pay over a period of many years.

ON THE AMENDMENT TO THE ATOMIC ENERGY ACT OF 1946

On March 25, 1947, I spoke on the floor of the Senate on the amendment to the Atomic Energy Act of 1946. This amendment proposed to displace the present Atomic Energy Commission and establish an Atomic Energy Control Board, consisting of the Secretary of State as chairman, the Secretary of War, and the Secretary of the Navy, plus two members to be appointed by the President with the advice and consent of the Senate.

This amendment, which was introduced by Senator ECTON for himself and Senators MCCARTHY, OVERTON, THOMAS, and myself, was referred to the Joint Committee on Atomic Energy. The committee took no action.

I supported this amendment in the belief that the danger of Communist expansion which we were trying to halt through our Greek-Turkish aid program required the Secretary of State to be a more important figure in the control of atomic energy. In this speech I analyzed our program of "containing" Russia, and I pointed out certain fallacies and dangers inherent in this approach:

"Our own generation has experienced two devastating world wars. Our people were never properly informed of the approach of either of them, or of the great principle and policy upon which the decision to enter them was made.

"This time they have a right to know. They have the right to be fully and completely informed of not only the great overall plan of which our entry into Greece and Turkey is a part, but they have a right to know what the alternative to such a plan might be, what would be the consequences of our refusal to enter into the European and Asiatic internal conflicts which have continued periodically throughout all recorded history.

"An argument used against the containment program is that it will drain us of human resources, mental energies, and most of our physical resources of mine, forest, and field; and that we are playing into the hands of the Russians by exhausting ourselves.

"We want peace and we are ready to sacrifice for peace. The trouble seems to be that the Russians, truly Asiatics, are fired with a fanatic zealousness for communism which to them is religion. They think it is their destiny to convert the future world to the system of cooperative living and the elimination of competition."

To keep that peace, and to keep America strong, I advocated putting into the hands of the Secretary of State, the control of atomic energy, since this is the greatest national security and peace-enforcement weapon of all time.

ON THE NOMINATION OF DAVID E. LILIENTHAL

I participated in the very extensive debate on the nomination of David E. Lilienthal to the Atomic Energy Commission. I based my opposition to his appointment on the fact that no investigation of the nominee had been requested of the Federal Bureau of Investigation. I cited the Atomic Energy Act, which required such investigation. In this connection I stated:

"It comes then as a considerable surprise to find that no Federal Bureau of Investigation report has ever been ordered, or made, in the case of any of the candidates for appointment to the Atomic Energy Commission, including Mr. Lilienthal. Since this Commission could become the most powerful body in the world, within a matter of months or years, such investigation and clearance would seem to be doubly important."

I threw my support to the motion of Senator BRICKER, of Ohio, to recommit the nomination of Mr. Lilienthal. This motion was later defeated.

ON GREEK-TURKISH AID (S. 938)

During the debate on Greek-Turkish aid, on April 21, 1947, I warned the country that it would be dangerous to embark on a policy which might lead us into war and which might lead to further huge expenditures.

"It is not the cost of the first skirmish which must be considered, but the total preparations which must, inevitably, be involved."

I pointed out the cost of aid to Greece up to date, including the UNRRA help, loans, and so forth. In our foreign policy, so I suggested, we are propping up the British Empire and supporting the totalitarian regime of Greece, a regime which does not have the confidence of the Greek people.

"If, in the alleged name of freedom, the United States is to directly associate itself with such destructive processes as those to which I am calling attention, we shall earn, not the love and fealty of these people, but their hatred. We shall then be in the unenviable position of attempting to force the allegiance of these peoples to our common cause at the point of guns. The British are discovering how ineffective that is in India, Egypt, Palestine, and elsewhere. We shall undergo an identical experience."

"I do not claim for a moment that we should sit inert in a world beset with difficulty and danger. I only claim that what we are doing is either too little or too much, that we have no right to back fascist dynasties against the wishes of the peoples concerned, and that, if it is our intention to operate independently of the moral principles upon which our Nation was founded, we shall lose the support of the peoples of the world who now are looking to us for leadership out of this great morass."

"I claim that it will be necessary to make a general master plan in support of our security, in which our objectives will be made really clear, the total expenditures estimated, and the pathway down which the American people are to travel completely shown."

I sounded the warning that we had been forced into two world wars without any clear idea of where we were going:

"Now is the time to stop, look, and listen; and if we are going into a third world war, let our action be taken after full consideration and understanding that it is in furtherance of an American policy formulated by Americans and for Americans."

ON THE LABOR-MANAGEMENT ACT (S. 1126)

Another important issue which concerned our country was the enactment of the Labor-Management Act. On May 9, 1947, I offered an amendment to the Federal Labor-Management Relations Act of 1947 which would preserve the balance of collective bargaining power between employers and employees. This amendment required the employer to accept and establish a union shop if three-fourths of the employees voted for the establishment of a union shop. In proposing the amendment I said:

"I am ready to vote for legislation which will regulate employees in the same way that employers are regulated. I shall not vote to destroy either one of them. That is my reason for offering the amendment."

The amendment was extensively debated and finally rejected. Believing, as I did, in the preservation of balance between labor and management, I voted against passage of the bill.

The following are excerpts from the Senate debate on May 9, 1947:

"Mr. MALONE. We are making it unlawful for the employer to agree with the employees on a closed shop.

"Diverting at this point, if the Senator [TAFT] will permit me further to comment, many employers, especially in the newspaper business, like the closed shop. Many editors in my State like the closed shop, because when they ask for a certain type of worker they can obtain a qualified worker without any further conversation.

"I will not object to the outlawing of the closed shop if provision is made for the preservation of the collective-bargaining power through the union shop.

"The point on which I heartily disagree with the Senator from Ohio is this: When we leave the question open for bargaining—and naturally there is no reason for leaving it open unless it is thought that some employers would not want it—I do not know the employees in the Senator's State, but in my area they will still get the union shop, even though we shall again have strikes, picket lines, rioting, and everything else we have gone through in the past 10 or 15 years. Men will quit their jobs and walk out when refused the union shop under this legislation, and they will ultimately get the union shop. So long as we know that they will ultimately get it, as the able Senator from West Virginia [Mr. REVERCOMB] has so ably said, why not eliminate that particular bone of contention and concentrate on things which we think are necessary subject for collective bargaining, namely, wages, working conditions, and other important matters?

"Mr. REVERCOMB. That is not interfered with by the amendment offered by the Senator from Nevada. His amendment simply provides, and I think it is entirely sound, that if three-fourths of the employees desire a union shop—and a union shop is recognized upon a majority vote in the bill as it is now written—that they shall have it. If I may say it again, by providing for such a decision by the employees we will remove one of the greatest causes of contention between the employer and the employees. Such a provision will not interfere with collective bargaining. Once the men vote to have their union shop, they proceed then with collective bargaining upon another issue. It seems to me that if we are to have peaceful relations the most definite way is to define the rights of both sides and to remove from contention most of the issues which may arise.

"As I previously stated, the amendment of the able Senator from Nevada appeals to me as one which would remove a great contention in collective bargaining between the employer and the employees; and it would not do a wrong to the employer when it permits the employees, through a three-fourths vote, to say, 'We want a union shop.' * * *

"It seems to me, as a practical matter, that if three-fourths of the employees of a plant want a union shop they will either get a union shop or there will be a serious dispute and labor clash. Why not provide, if three-fourths of them want it, that they may have a union shop, and remove the issue completely between employer and employees? That is the feature of the amendment which appeals to me.

"Mr. MALONE. If we go far enough to say to free people in America, including both employees and employers, "If you want a closed shop you cannot have it," I agree with the Senator that we should go one step further and provide a fair opportunity for a fair substitute in which necessary protection and collective bargaining power can be provided and preserved.

"I point out to the able Senator that what he is doing is simply trading the closed shop for an opportunity to bargain for something which, from the employees' standpoint, never could be a satisfactory substitute. But I am willing to vote for it if a proper substitute through the union shop can be provided, because I think it will remove the criticism that qualified workers have in the past been prevented from obtaining jobs. But under the present legislation we simply provide that the employer may hire anyone he wishes to hire and could continuously feed nonunion employees into a plant and gradually get rid of union employees, such as when a union man quit his job, or there was reason for letting him go, the new employee would not need to join the union. In a very short time there would be no union. So I repeat what I said when I offered the amendment, that I will vote for any just regulation of unions and corporations alike, but I will not vote to destroy either."

In an address on July 26, 1947, included in the CONGRESSIONAL RECORD, I said:

"The Taft-Hartley labor legislation is wrong in principle. In the first place, the Government should not be in the business of regulating either the employer or the employees beyond seeing that they obey the laws of the land as everybody else is required to do. The principle of the Wagner Act was wrong in the first place, and the mere fact that we passed another act of a slightly different character on the same principle does not make it right. Under the principle of Federal board control the swing of the pendulum could continue to vibrate with the political philosophy and fortunes of the party in power for generations. It should be decided upon basic principles and then left alone.

"The Taft-Hartley labor act, together with the Wagner Act, should be repealed. There should be no Government labor boards with authority to direct either the employer or the employees to do anything.

"In their place there should be enacted a simple statement of national policy which in effect would lay down the principle that:

"Employees and employers alike shall have the right to self-organization, to form, to join, or assist organizations to bargain collectively through representatives of their own choosing, and to engage in concerted activities for the purpose of collective bargaining or other mutual aid and protection.

"The Federal Government could very well continue the principle of the conciliation board—having no authority whatsoever, except to cooperate with both parties to a dispute—and then only when invited to sit in—and perhaps to hold hearings and make public their findings. Any necessary authority should be vested in the States. They alone have the power to keep the peace.

"The maintenance of free collective bargaining and the integrity of contracts between employers and employees is the only solution for that age-old problem between the man who hires the work done and the man who works with his hands. And that should be the scope of the Government statutes."

When the question of overriding the President's veto of the bill arose I took the floor again (June 23, 1947) and gave the reasons for my stand:

"Mr. President, the solution, then, does not lie in superimposing another layer of complicated Federal laws and machinery on top of an act which itself, for the most part, should be repealed. The solution lies in the defeat of the administration in 1948, so that the Government may assume, in relation to worker-management disagreements, the role of making the rules and fairly administering them.

"I am therefore constrained to make my position crystal clear. I am not prolabor or promanagement. I am pro-United States. As I have repeatedly stated, I will vote to regulate both the worker's bargaining unit and management, but I will not vote to break or unduly weaken either one.

"Mr. President, I believe in less Government meddling, not more, as applied to worker-management relations and all other Government functions in this Nation. It is time we stopped the labor-management pendulum from swinging back and forth and determine where that old dong ought to hang."

I voted not to override the President's veto of the bill, but it was passed again with a two-thirds majority.

ON THE ITALIAN PEACE TREATY

During the debate on the ratification of the peace treaty with Italy, I expressed my objections (June 5, 1947) to ratification of that document on the grounds that its provisions would throw the Italian Nation into the hands of Russia, and that the reparations granted to Russia and its satellites would bring slavery to hundreds of thousands of Italian workers laboring to process the goods for Russia and its satellite nations. We would have to assume the burden of supporting them while they labored with supplying Russia and other iron-curtain countries with $360,000,000 of reparations through their work of processing raw materials. In that vein, I made the following statement:

"Italy is not self-supporting but is in chaos, and this treaty furthers the chaos. Moreover, since the United States has participated in a huge loan to Italy this year, we are in the neat position of underwriting these reparations to be furnished to the Soviet Government, including the war material already referred to. It is also of interest, in reference to this treaty, to realize that we have broken our word to the Italians, who were assured by both Churchill and Roosevelt that they would not be subject to any of these humiliations and punitive actions. On the liberation of Rome, June 5, 1944, Roosevelt asserted the right of a free Italy opposed to fascism to enter the community of nations on equal terms."

AMOUNT OF ITALIAN LABOR REQUIRED AS REPARATIONS IN PEACE TREATY

"Article 74 of the pending treaty provides that Italy shall pay the Soviet Union and the states of Albania, Ethiopia, Greece, and Yugoslavia a total of $360,000,000 in reparations during a period of 7 years. These reparations are to be paid out of Italy's current production through the countries concerned furnishing the raw materials and Italian wage earners furnishing labor valued at $360,000,000 without pay or subsistence of any kind. * * *

"Mr. President, the pending Italian treaty, including the provision for the payment by Italy of $360,000,000 to four foreign nations as reparations, definitely sets a 7-year slave-labor policy for the Italian Nation, and I shall show that it could cost this Government $1,000,000,000 during that period to support the 198,000 Italian laborers who could be required in discharging Italy's obligations. In addition, the necessary processing of raw ma-

terials to fulfill the obligations undertaken through the approval of this treaty could well require more than 18,000 highly paid Russian foremen to supervise the 7 years' work, and their salaries could be deducted from the increased value of the manufactured products. Thus, the amount of required work to discharge the reparations obligations could well be greatly increased.

"Mr. President, this was the way the pyramids were built. In my humble opinion, the United States of America cannot afford to be a party to such an agreement. Certainly the slave-labor provisions of this treaty have little resemblance to the ringing slogans 'making the world safe for democracy' and 'the four freedoms' coined for World Wars I and II."

In the course of the debate I gave a careful analysis of the cost to this country of agreeing to the terms of peace, with the huge reparations to go to the four nations behind the iron curtain.

ON THE PRESIDENT'S VETO OF THE TAX-REDUCTION BILL

On the the question of overriding the President's veto of the tax-reduction bill (H. R. 3950) I went on record as follows (July 18, 1947):

"If we, by excessive taxation, remove the incentive for venture capital to exert its expanding influence on our economy, we are killing the goose that lays the golden eggs—we are throttling the very thing we are striving to nourish.

"We are justly proud of our productive capacity, but we must not let this pride blind us in realizing from whence it comes.

"Within our large businesses and corporations the supply of capital is provided by the thousands upon thousands of small investors who have bought a few shares of stock—accepting a degree of risk comparable to the expected gain.

"I do not suggest such a tax cut without full realization of the economic necessity of also reducing the Federal debt, maintaining a strong foreign policy, providing for an adequate national defense, and for the necessary cost of Government. The tax cut here proposed will, in my opinion act as a stimulant—not a deterrent—to the objectives. The urgency of a tax cut at this time is predicated on the very nature of our free-enterprise system."

The tax cut did not become effective, however, since less than two-thirds of the Senators voted to override the President's veto.

On March 22, 1948, we passed H. R. 4790—our third tax-reduction bill for the Eightieth session—this time over the veto of the President of the United States.

An excerpt from my debate on the tax bill at the time of its passage follows:

"Mr. MALONE. Mr. President, the long-established administration tax policy of siphoning off wage and income increases through taxes for the alleged purpose of preventing inflation has effectively dried up the sources of risk capital, but has notoriously failed to prevent inflation. This policy, if followed to its logical conclusion, means that ultimately all capital expenditure must come from Government sources, since no private capital would be available for such investments.

"It is the same general policy adopted by the administration in regard to the so-called strategic and critical minerals and materials production—a policy that we are a 'have not' nation, and must import such minerals and materials from the low-wage foreign countries. Then the administration proceeds to adopt a selective free-trade policy, through the Reciprocal Trade Act, thereby putting our high-wage, high-living-standard workers in direct competition with the low-wage, low-living-standard European and Asiatic workers, and bringing about the very scarcity which the administration predicted in the first place.

"The chairman of the New York Stock Exchange, Mr. Emil Schram, has said that the market for risk securities has dried up. That has been caused by the very policies instituted to siphon off the wage increases and the other increases in income, the money so obtained to be used, presumably, for increased expenditures for our own Government, and for foreign expenditures. In the last few years, the administration seems to have had a policy, culminating notably in the Marshall plan, to make up the trade-balance deficits of all the countries of Europe. If we do that, we shall, presumably also have to make up the trade-balance deficits of all the other countries of the world—not only their trade-balance deficits with us, but their trade-balance deficits arising from other sources. If these policies continue, it seems to me there is no question but that eventually we shall have to appropriate money for business purposes in this country, just as is being done today in England and elsewhere. In other words, such a policy will bring about the very thing that those responsible for the policy, say they are trying to prevent.

"Furthermore, if we are setting a precedent as admitted by a spokesman for the Marshall plan—of making up the trade-balance deficits from all sources of all of the European countries each year—we will then have to include the Asiatic countries—and permanently adopt the selective free-trade policy through the Reciprocal Trade Act—and going into a world trade organization with 57 nations, each with one vote, with the announced purpose of dividing the production and consumption of the world—then we will be one economic world and financing it all.

"Mr. President, I am supporting this bill and only wish that time had been available to reorganize the entire structure of the legislation to provide risk capital and an incentive for such investments.

"It is well known that mining, for example, is a speculative enterprise; then when risk capital is not available and our high-wage living standard workers are put into competition with the low-wage European and Asiatic countries, then the result is the drying up of the mines of this Nation. About 90 percent of the operating mines have closed for these reasons."

THE WORK OF THE NATIONAL RESOURCES ECONOMIC SUBCOMMITTEE

On July 26, 1947, I had inserted in the CONGRESSIONAL RECORD a preliminary statement of the work of the National Resources Economic Subcommittee. This statement gave an outline of the work accomplished to date. This committee was created in February of 1947 to "make a full and complete study and investigation of the factors affecting minerals, fuels, forestry, fisheries, and reclamation projects," to report the results of its study, and to make recommendations. The United States Department of the Interior made an inventory of the United States minerals position early in 1944. This study was presented to the committee and became a part of the published hearings.

"The committee is collecting all available data to show the relative self-sufficiency of the United States in metals and minerals, the domestic compared with the foreign costs of production of these minerals, and a study of the reasons for the differences in cost."

The preliminary statement treated of the results of the hearings and the position of the United States in regard to certain resources. The committee, of which I am chairman, will hold further hearings on the factors affecting the production of minerals, agriculture, fuels, forestry, and fishery products, which include reciprocal trade treaties, tariffs, subsidies, quotas, empire preference rates, and the manipulation of foreign currencies, including the sterling bloc.

The committee has already published the Minerals Position of the United States, and is now preparing, through hearings and research, a report on the Fuels Position of the United States, which should be published early in 1949.

ON INTERIM AID FOR FRANCE, ITALY, AUSTRIA (S. 1774)

During the prolonged debate (November 26, 28, December 1, 1947) on interim aid to France, Austria, and Italy, I joined with seven other Senators in proposing an amendment which, in the main, provided for the sending of relief supplies to the recipient countries and to make the supplies available to the people without charge. I gave examples of the abuse which was going on with the sale of American relief goods in the recipient countries, when the respective governments were selling the goods under the provision to deposit the receipts in a revolving fund.

Another of the provisions of the amendment was to cut the appropriations from $597,000,000 to $400,000,000, and at this time I had the following to say:

"The reasons for the amendment are clear. There are two things we wish to do: First, prevent the goods from being turned into money by the recipient countries and used for the support of the governments and persons currently in power; and second, we wish to prevent the goods from going immediately into the black markets, white markets, free markets, or whatever they may be called, with the result that hungry people who are working for the current wage rates cannot purchase them, and certainly the unemployed cannot secure them. We provide for a reduction of the $597,000,000 appropriation to $400,000,000. We believe $400,000,00 to be sufficient."

This amendment was not passed. Then I propose to force the recipient countries to deposit their own currencies, received from the sale of United States supplies to their peoples, in the United States Treasury. This suggestion, however, was not accepted either. In my arguments I pointed out how untenable the financial position of the recipient countries was, due to their policy of artificial valuation.

Despite the fact that I did not like the provisions of this bill, I voted for it, in order to help alleviate any possible distress and hunger in the three European countries.

ON THE EUROPEAN RECOVERY PROGRAM (H. R. 4840)

During the several days' debate on the Marshall plan, in early March of 1948, I took issue with it on various counts. I pointed out the lack of a definite foreign policy and advocated a return to the Monroe Doctrine: to define the areas and countries of the world which were essential to our security to protect. Then I went on to show that we were leading to bankruptcy by taking on ourselves to balance the total payments deficit of the Marshall-plan countries.

Nations like England and France, whose recovery has gone beyond the industrial production of prewar days, were to be allowed to finance a tremendous industrial expansion at our cost. A repayment of the money lent to the Marshall-plan countries would be impossible through the imports of strategic minerals and raw materials without dealing our own domestic industries a death blow. I attacked the fuzzy thinking which led to the feeding of the hungry and the defense of this country all in one program. Those two issues are not part of the same problem and should be considered separately. I pointed out that the proposal of the Joint Congressional Air Policy Board for 35,000 planes would just cost the amount of the Marshall-aid program with some funds left over to aid the hungry people over the next winter. The whole plan should be put on a loan basis in the form of a Reconstruction Corporation loan with strict supervision and

investigation. In the proposed program we would be financing the nationalization of foreign industries.

I further introduced data showing the conditions of foreign trade of the European countries with the nations behind the iron curtain. Specifically, I called attention to the fact that Great Britain's trade agreements with Russia called for considerable exports of iron and steel products, war surpluses, and fabricated goods. Goods, which, of course, are in short supply in Europe, are thus going to Soviet Russia, and perhaps strengthening her war machine.

Excerpts from my statement in the CONGRESSIONAL RECORD of March 8, 1948, follow:

"PEACE AND SAFETY OF THE UNITED STATES

"1. The peace and safety of this Nation is seriously threatened, through the complete absence of a definite foreign policy, telling our own people and the nations of the world what we consider will threaten our ultimate peace and safety, and the complete absence of a military organization spearheaded by an air corps to enforce our pronouncement.

"2. The basic subject of foreign policy has never been discussed with the American people, through two world wars, and now the Marshall plan is in the same category. The basic subject at issue (as it was in 1823 when the Monroe Doctrine was established to protect South America and the Western Hemisphere from encroachment from the European empire-minded nations) is what areas—and naming the nations in the European and Middle East countries, including Asia and the South Seas—is it necessary for us to currently protect for our own ultimate safety? Until this decision is made no plan to make it effective can be intelligently discussed.

"I challenge the State Department to name the nations of the 56 member countries of the United Nations Organization, whose integrity we must currently protect for our own ultimate safety, to tell the world and the American people the truth, so that any empire-minded nations may be apprised of our intentions and thus avoid what could well develop into a third devastating world war, and that our own people may prepare for their own defense, through rebuilding our military organization spearheaded by an air corps that could keep any other nation on the ground in the event of war.

"HUNGRY PEOPLE — COMMUNISM — REHABILITATION OF INDUSTRY

"3. It is impossible to consider the feeding of hungry people—the stopping of communism—and the rehabilitation of industry as one subject. We only confuse ourselves.

"As a result we mix our emotions with the facts and become unwilling victims of the greatest propaganda machine ever established in Washington; let us take them one at a time:

"(a) Feeding emergency hungry people of Europe or of any other area is a matter of charity and must be so considered apart from other considerations. The Congress of the United States has appropriated nearly $1,500,000,000 during the last 12 months for that purpose alone, and has appropriated $24,000,000,000 and handed it to the nations of the world without hope of repayment since the close of World War II in 1945.

"The December 1946 appropriation of $597,000,000 is expected to last into March of this year; and the Congress is ready to consider further reasonable gifts for food, until Europe completes its third crop, to the extent that our own resources will withstand the impact without further inflation.

"(b) Stopping communism through protesting the integrity of the nations of the world that we decide, after full discussion and study, we must currently protect for our own ultimate safety, is a matter of our own integrity and frankness with our own citizens—and with the nations of the world.

"If we should decide, after full consideration of our experience through two world wars—and our improved methods of defense and offense—that a threat to the integrity of any member nation of the United Nations Organization, by any other nation would constitute a threat to our ultimate safety—then President Monroe's exact words could be utilized in announcing an extension of the established Monroe Doctrine, leaving out any reference to the Western Hemisphere, and say, in effect, to the world and to the American people that—

" 'We owe it therefore to candor, and to the amicable relations existing between the United States and those powers, to declare that we should consider any attempt on their part to extend their system as dangerous to our peace and safety.'

"We should then build at once a military force, spearheaded by an air corps that would bear silent evidence to all concerned that we were ready and able to enforce the extended dectrine, just as we have enforced the original Monroe Doctrine covering the western hemisphere for more than 125 years, and which kept us out of a major war for more than 75 years."

My opposition to the Marshall plan was also based on figures showing that $17,000,000,000 proposed was more than the total assessed valuation of the 11 Western States; furthermore, I submitted figures indicating that the ERP nations had assets in this country amounting to almost as much as the 4-year figure for the whole program. We were supporting socialist experiments and we could not expect repayment of a single cent of the money expended for the ERP.

In summing up my arguments against enactment of the ERP I said:

"Truth and integrity are the commodities badly needed in the world today. If the United Nations, our State Department, and the Congress of the United States, would bend their efforts toward reestablishing the integrity of private investments by the other 56 member nations of the United Nations, then many of the pressing industrial problems would be automatically solved. The United Nations is dead at this time, but if we should extend the Monroe Doctrine to include the areas and nations which we must currently protect for our own ultimate safety, then we would immediately revive that organization."

ON FEDERAL AID TO EDUCATION (S. 472)

During the debate on the bill providing Federal assistance to States and Territories in financing a minimum education program, on April 1, 1948, I took the floor of the Senate in opposition to passage of the bill. My arguments were based on several points.

"Mr. President, I am in accord with the thought that the Federal Government must offer cooperation and assistance in the field of education, but I do not believe the manner in which such cooperation is to be extended through the pending legislation has been thoroughly explored, and I doubt the advisability of adopting the presently proposed legislation."

The following editorial is from the April 7 issue of the Carson City (Nev.) Appeal, Carson City, Nev.; Arthur N. Suverkrup, editor and publisher:

"CONGRATULATIONS FOR MALONE

"All Nevadans who believe the fundamentals of the republican form of government guaranteed by the Constitution of these United States certainly should applaud the action of the State's junior United States Senator, GEORGE W. MALONE.

"Last week Senator MALONE followed the only course consistent with his oath of office and with the fundamentals of good government and continued freedom when he cast his vote against a measure which would result in federalized education.

"Of course, the measure against which Senator MALONE voted was disguised so that it purported to be a measure for aid to the schools.

"The very last place where Federal usurpation of the rights of the individual and of the State should strike is in the schools.

"If the schools of the Nation are to remain the bulwark of these United States against totalitarianism, they must be kept ever free of the most faint vestige of Federal domination.

"Senator MALONE, in opposing this vicious so-called aid measure, rightfully called attention to what the Supreme Court of the Nation has to say on the subject of what Federal aid actually means.

"The Court, as quoted by Nevada's champion of State rights, and individual rights, said:

" 'It is consistent with due process for the Government to regulate that which it subsidizes.'

"That sums up the entire matter so that it can readily be understood. It shows the pitfalls which await the Nation if those who constantly harp for Federal so-called aid to the schools are to have their way.

"Nothing could be more dangerous to a free nation than to have its educational program directed and controlled by the whims and fancies of bureaucrats, many of whom in recent years have openly embraced foreign ideologies.

"Consider for a moment the implications if by some remote chance of an unkind fate the Nation should be saddled with the shame of a President of the caliber of Henry Wallace with his twisted and un-American ideas.

"Control of the schools must be retained as nearly as possible at the individual level. The residents of each and every community are better able to judge the educational needs of their children than anyone else.

"State aid for the schools with State domination of the curriculum is bad enough. It is unthinkable that Federal domination will be permitted.

"Surely Nevada has reason to be proud of Senator MALONE's stand on this issue.

"Other grounds upon which Senator MALONE based his opposition to the federalization of the schools are equally sound.

"He points out that there has not been 'enough consideration given such legislation as to ways and means of assisting the individual school districts without setting a precedent where undue Federal influence might ultimately be exerted in the State educational field.'

"Surely that statement reveals clear thinking in the best tradition of a free nation.

"The Senator then points out that, 'while all of the States were to receive benefits and all of the States were to pay into the fund, the best information indicated that our own State would contribute annually $135,000 more than it received.'

"That, too, is a most logical argument.

"It could have been carried even further by pointing out that never does any State receive the full benefit of taxes paid into the Federal Treasury which supposedly are returned in the form of grants, subsidies, or aid items.

"Administration eats up much of the income.

"The tax moneys which Nevada would pay toward the Federal subsidization program could be expended with greater benefit to the school children of Nevada if they were paid in the form of local, county, or State taxes. There would be less waste through bureaucratic maneuverings.

"That $135,000 annual loss which Nevada would accept under the plan would go a long way toward providing better education for the State's children—a great deal more benefit than would accrue even if the entire sum returned to Nevada.

"To return to Senator MALONE's well-thought-out statement in opposition to the subsidization plan he points out that 'several suggestions have been made for Federal participation that would be entirely separated from direct appropriation for the educational fund. One coming from Nevada's own Earl Wooster, superintendent of schools in Reno, suggests a 50–50 matching of funds in the construction of school buildings where the Federal participation would cease when the building was completed and would set no precedent for funds going directly into the educational system.'

"All must admit there exists in many parts of the Nation, and even in Nevada, an urgent need for new school construction. Many persons feel such construction at this time is uneconomic because of inflated building costs. But it is a need which must be met.

"Federal grants for construction which would cease when construction was completed would give little room for centralized domination of curriculums. But it must be admitted it would be an opening wedge and, therefore, is not desirable.

"As the Senator says, 'The danger, of course, in any continuous participation through Federal funds direct into the educational system, would be a greater and greater dependence upon those funds and an acceptance later of Federal direction of their expenditure.'

"Surely the freedom-loving, State's-right-minded people of Nevada must agree with Senator MALONE in every phase of his opposition.

"Nevada's schools and the schools of each and every community must be kept public and must be kept free of insidious encroachment."

For one thing, I voiced my fear that the presently contemplated appropriations for aid in education would finally lead to huge expenditures in this field, and when a future administration got around to suggesting what should be taught in the schools—the economy of the States would be dependent upon such subsidies that they could not object; secondly, I quoted from a recent Supreme Court decision which asserted the right of the Government to regulate that which it subsidized. This could lead to increasingly strict control of education by the Federal Government, and would ultimately take the jurisdiction over the education of its citizens out of the hands of the States. I also pointed out that the legislation would cost our State twice as much as it was to receive under the plan. In the final vote, however, the bill was passed over the opposition of 22 Senators.

ON FEDERAL HOUSING LEGISLATION (S. 866)

During the debate on the Taft-Ellender-Wagner housing bill (S. 866) I took the floor in opposition to the measure. I based my reasoning on the fact that administration policies have led to the housing shortage, by obstructing measures which would have led to a more abundant supply of materials. As another factor the increase in prices may be cited. I opposed the bill also for the reason that there was an abundance of public housing acts, including the FHA.

In this vein I made the following statement:

"We often forget, in the press of new legislation, what has gone before—and the mere fact that little of the previous legislation was successful seems to give added impetus to the new proposals instead of combing out and coordinating the old."

I submitted some material showing the duplication of effort in some of the United States housing agencies, and I pointed out that it was time to review the various laws enacted for public housing and to coordinate the efforts made.

Finally I suggested that the FHA was the logical agency to carry on the work. In the first place, the FHA did not cost the Government any money, and, secondly, it had accomplished a lot in making housing available.

"It is admitted that the Federal Housing Act needs some amendments. I shall briefly outline some of the amendments which, in my opinion, will be helpful. It is my current conviction that it will be best for the Congress to work on legislation which it can enact, and which will result in the construction of the needed housing in a business-like way instead of creating overlapping agencies because of new legislation in addition to the existing public housing acts already on the books."

The three amendments which I suggested for making the FHA more effective concerned an increase in the amounts for modernization loans, the recognition of changes in construction-cost levels, and the extension of some of the special provisions of the Housing Act for another year. I submitted these recommendations in the belief that they would help overcome the housing shortage without creating new agencies, and new laws, without giving free enterprise in housing construction a chance. These suggestions were not considered, however, and the housing bill passed the Senate.

HOUSING LEGISLATION — SPECIAL SESSION—EIGHTIETH CONGRESS—JULY 26, 1948

The following are the principal provisions in the housing bill passed by the Senate August 6, 1948:

1. Enactment of section 207 of title II, which authorizes the FHA to guarantee loans for States or municipalities and nonprofit corporations which are building rental housing.

2. Reenactment of section 608 of title VI, with a provision for an additional $800,000,000 authorization for insurance of loans on large-scale rental units, with a maximum cost limitation per unit of $9,000.

3. Reenactment and amendment of section 609 of title VI to make loans more easily available for the manufacturers of prefabricated housing.

4. The addition of section 611 to title VI, which provides for construction loans of 80 percent on homes with a value of $7,500 or less, where at least 25 homes are being built in the same project.

5. Title II of the National Housing Act is amended largely in line with the amendments contained in the Taft-Ellender-Wagner bill, with the exception that 95 percent buyers' loans are authorized on homes costing $6,300 and 85 percent construction loans authorized in such cases.

6. Reenacts the provisions for veterans' cooperatives provided in the recently passed housing bill, and increases the cost limitation from $1,350 per room to $8,100 per unit, except where the size of families, etc., makes the per room limitation of $1,800 more desirable. The valuation is based upon current costs rather than long-term value.

(In order to make this veterans' cooperative section of value it will be necessary for the Housing and Home Finance Administration to furnish considerable technical advice to the co-op members.)

Provision is also made for 90 percent guaranteed loans on nonveteran cooperatives.

7. Title I, class 3 loans, which are principally for construction in rural and semi-rural areas, are increased from $3,000 to $4,500. There is also an increase in the construction covered by these loans in the amount of $350,000,000.

8. The recently passed secondary market for GI home loans and FHA insured mortgages is increased from 25 to 50 percent of mortgages acquired subsequent to April 30, 1948.

9. There is established within the H and HFA a division, the sole function of which shall be to work toward the standardization of building codes and measurements.

10. A yield insurance program which guarantees the equity investor 2¾ percent annual income on his money on condition that rents are set to yield no more than approximately 3½ percent annual income on the investment.

11. Provides for the orderly eviction of over-income families from the present public-housing units.

12. The salary of the H and HFA Administrator is increased to $16,500 and the heads of the constituent agencies to $15,000.

The principal objective of this bill is to channelize building material into the building of lower-cost homes.

ON THE INTRODUCTION OF AN IMPORT FEE

On April 28, 1848, I introduced a bill (S. 2582) for Senator BUTLER and myself, substituting a flexible import fee for the fixed tariffs on imports, this import-fee system to be administered by a reorganized Tariff Commission called the Foreign Trade Authority, a bipartisan body composed of six members. In introducing the bill, I said the following:

"Many of my colleagues have supported the trade-agreements program in the past, because it was the only proposal which provided a method whereby tariff duties which were too high could be corrected without throwing the entire schedule of tariff rates open for general congressional debate. It is important that any new system provide a means whereby there can be prompt individual adjustment of tariff rates which get out of line, without resorting to a general periodic rewriting of the entire tariff by Congress. This the bill does.

"The legislation would leave to every country in the world the power of self-determination with respect to its own wage-living standards, but would provide a definite incentive for the other 56 members of the United Nations to raise their wage standard of living, since they would immediately be given credit for such advance through a corresponding reduction of the import fee; and when any nation reached our own wage-standard of living free and unrestricted trade would be the immediate result.

"The bill, in short, provides for every stated objective of the trade-agreements program on an even more liberal basis than the limited-rate changes which are possible under that program, but it does so without tying the hands of the United States in such a way as to prevent us from making changes in our rates except upon the advice and consent of our competitors abroad."

The bill was read and referred to the Committee on Finance.

ON A 70-GROUP AIR FORCE

During the debate on H. R. 6226, providing for a 70-group air force, which took place on May 6, 1948, I restated my position that we did not have a foreign policy, and pointed out that a strong air force should have been provided for before adopting the Marshall plan. I stated, as follows:

"In my judgment, we must rebuild our military organization and spearhead it with an Air Corps that will convince any ambitious nation that we are prepared to resist expansion. We must be ready to expand our production immediately in the event of an emergency and know that our planes will be equal or superior to those of any nation on earth."

I further stated in my debate on the 70-group appropriation on May 6, 1948:

"Mr. MALONE. Mr. President, I cannot let this opportunity pass without supporting the able report of the distinguished Senator from New Hampshire [Mr. BRIDGES] on the airplane-procurement program.

"In the first place, I wish to call attention again to what I have previously said on the floor of the Senate, relating to the complete absence of any foreign policy in this administration. In the first place, neither the State Department nor the President of the United

States has indicated in any manner whatsoever what areas and nations in Europe, Asia, and the south seas we must currently protect for our ultimate safety. As a result, neither our own people nor the nations of the world know what we will fight to protect.

"I wish to support the statements by my colleague from Massachusetts [Mr. LODGE] and the remarks of the Senator from Nebraska [Mr. WHERRY]. However, we are just 2 months late with this debate. This subject of our own defensive and offensive organization should have preceded the Marshall-Bevin plan. Our own safety should come first. If we had considered such a plan as is now before the Senate, the Marshall plan as such would have been unnecessary.

"I wish to quote briefly from a 25-minute address which required 2 days for me to deliver before this body because of the running debate on March 4 and 5. In that speech I quoted the statement of President Monroe in 1823, when he laid down what was later known as the Monroe Doctrine, a doctrine which would be perfect at this time. President Monroe said:

" 'We owe it, therefore to candor and to the amicable relations existing between the United States and those powers to declare that we should consider any attempt on their part'—meaning the European nations—'to extend their system to the Western Hemisphere as dangerous to our peace and safety.'

"At that time I suggested that we could simply leave out 'Western Hemisphere,' and it would still be a perfect doctrine. We should name the areas and nations which we must currently protect for our own ultimate safety.

"I further stated:

" 'We should then build at once a military force, spearheaded by an air corps that would bear silent evidence to all concerned that we were ready and able to enforce the extended doctrine, just as we have enforced the original Monroe Doctrine covering the Western Hemisphere for more than 125 years, and which kept us out of a major war for more than 75 years.'

"I further stated at that time:

" 'The Congressional Air Policy Board has recommended a long-range military plane-purchase program which would provide a 35,000-plane striking force, costing $16,800,000,000, over a 5-year program. The President's Air Policy Board's recent report closely parallels this document.' "

The bill was passed with an overwhelming vote in favor of it.

"The two committees made practically the same report.

"I further stated on the 5th of March:

" 'The Armed Services Committees of Congress should immediately check these reports, and, if found correct, recommend their adoption and the appropriation of the necessary funds by the Congress of the United States for the entire 5-year program.

" 'Congress could apply the Marshall-plan 4-year funds of $17,000,000,000 to the $16,800,000,000 5-year plane-purchase program and have approximately enough left to continue the necessary European nations' feeding program until they raise a third crop, and to furnish the necessary funds to the RFC or the World Bank for the rehabilitation of the European nations' industry under the Reconstruction Finance Corporation rules as applied to American citizens.'

"Mr. President, this is not the first time this question has been before the Senate. We have already appropriated $17,000,000,000 for the European recovery program—at least, we have authorized an appropriation of $17,000,000,000. In my opinion, just as my friend the Senator from Nebraska [Mr. WHERRY] has said, it will have no effect whatever, and no relation to what we are about to do here; we must still rebuild the military organization at great expense, despite the large gift loans amounting to $41,000,000,000 since the close of World War II.

"The military forces and administration heads testified before committees—and their testimony was headlined all over the country—that unless we adopted the Marshall plan we would require a large Air Corps and large military force, indicating, by implication, that if we had the Marshall plan we would not need a plan for the large Air Corps.

"We are not equipped here to determine the size of the military organization and Air Corps necessary to convince the nations of the world that we mean business.

"Russia is not the only country stepping out of bounds—other countries are expanding, and such expansion is dangerous. England is going into South America, and beyond, in the Antarctic. The Netherlands is expanding in the East Indies, using our material and the money we lend them to do their expansion work throughout the East Indies.

"We have no effective United Nations Organization for the very simple reason that the major nations do not want one until they have reestablished their empires—and we seemingly do not have the gumption to realize that we are the only nation that can put strength in the United Nations.

"Mr. President, in my judgment, we must rebuild our military organization and spearhead it by an air corps that will convince any ambitious nation that we are prepared to resist such expansion. As the Senator from Nebraska [Mr. WHERRY] has indicated, we should name the nations and the areas which we intend to protect. We have not yet done that. We should do that for two reasons: First, so that the nations of the world may know what we will fight about—what areas in the world we intend to protect. Few believe that either the Kaiser or Hitler would have started a world war if they had known that we would be in the fight, but we not only denied we would fight but, upon investigation, no one believed we would fight—so we had to fight. * * *

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"Mr. MALONE. I thank the Senator again, and I think he is absolutely correct.

"Mr. President, twice in my lifetime it has been my lot to see American boys being murdered in a war without proper preparation. For instance, I myself took a battery of field artillery to France in 1918. Just after the Armistice, we received our nice, shiny American-made 4.7 field artillery, but before that we used French 75's.

"What was the situation in the Second World War? In 1942 and 1943 I visited various military posts and installations. For instance, we landed by airplane at Nome, Alaska, in 1942. Apropos of what the Senator from New Hampshire has just stated, let me point out that just before we reached Nome, a Russian plane had taken off. We were informed that when that plane landed, the Russians threw a guard around it, and no one was permitted to examine the plane or study it in any way. However, the Russians who landed from the plane inspected everything the United States had at that point, including all our fortifications, although such fortifications were very meager. Our country had practically nothing there in the way of adequate military equipment for defense.

"Today we realize that such a situation may confront us a third time. Let us not let our young men walk into this thing unprepared again. When you send an American boy into battle with an airplane that flies a little slower than that of the enemy, or with a shorter range, that is not war, it is just plain murder.

"Again I say to the Senate that we have taken up the wrong program first. We should have taken up the air program before the Marshall plan was considered. The Marshall plan will not stop communism, but this program, if it is handled correctly, will stop communism if a definite foreign policy is inaugurated.

"We need a training program for our country which will furnish the proper kind and proportion of physical and technical training for our young men. Not only must they be trained, but for those who passed the proper aptitude tests there must be additional technical training available—perhaps through high school, college, and into the laboratories in the field of electronics and related sciences.

"Mr. President, adequate technical training cannot be accomplished in a few months. Such training will require a considerable period of time and must not be neglected."

ON THE MINE INCENTIVE BILL, S. 2756

On May 26, 1948, I introduced for myself and for Senators WILEY, ECTON, CAIN, WATKINS, THOMAS, HATCH, MCFARLAND, and CHAVEZ, a mine incentive-payment bill.

This bill had grown out of my conviction, expressed in an article in the January 2, 1947, issue of the Engineering News-Record, that—

"It is time that we direct our best thoughts along the lines of utilizing our vast resources for the benefit of our people and raising our living standards through the creation of additional employment, business opportunities, and taxable wealth to help carry the necessary tax load."

During the hearings conducted by the National Resources Economic Subcommittee, of which I am chairman, it had become evident that it was necessary to provide incentive payments for the exploration, development, and production of strategic metals and minerals, which we may require for national defense, and must have for an expanding peace economy. The bill was introduced to provide for these aims. In introducing the bill I said:

"We must have at all times a healthy and productive domestic mining industry which can be expanded in times of need.

"If a real conflict were to be waged in Europe and even if we were not a party to it, the sea lanes would be closely patrolled by submarines and airplanes to prevent any assistance from us, and we would be isolated and our industries ruined unless we were able to produce a reasonable part of our needed supplies in this country.

"The stock piling of ores for defense purposes is one of the principal intentions of the bill. The administration is talking war. We are in a very unsettled condition. As a matter of fact, the Second World War has not as yet been declared officially over, and a large proportion of our mines have closed down. We cannot possibly stock pile enough material with which to fight a war. We must have producing mines to augment the supply."

In support of the bill I introduced a wealth of material into the RECORD, giving statistics on the imports, prices, and production of the strategic minerals and metals, besides giving outlines of their uses, and a statement of their occurence.

The bill was referred to the Public Lands Committee and, finally, came up in the Senate on the last day of the second session, but failed to pass in the rush of last-minute business.

ON DRAFT LEGISLATION AND SELECTIVE SERVICE

On June 9, 1948, the Senate debated the bill providing for the common defense by increasing the strength of the armed forces of the United States (S. 2655). I proposed an amendment to the bill which would have substituted selective service, as incorporated in the House bill 4278, after about 12 to 18 months, when there would be no further need for the draft. With this amendment the legislation became substantially the two-title bill supported by the American Legion and other veterans' organizations.

I made my stand clear in regard to military training, with the statement:

"Mr. MALONE. Mr. President, for 30 years, from 1919 to 1948, veterans' organizations of

the Nation have advocated universal military training. Fourteen million men and women wore the uniform of the United States in World War II.

"During the 30-year period, 1919 to 1948, such legislation has never been brought before the Congress of the United States for a vote.

"Military service, in a time of emergency, is the price of citizenship. Nevertheless, our entire experience from the Civil War to the present time has proven conclusively that our citizens will not volunteer in sufficient numbers. We tried twice in the past 30 years to keep out of wars without training. Let us try it once with training.

"Twice in my lifetime, Mr. President, I saw our young men being murdered because of insufficient preparation: Once, in 1918, in France, and again in 1942 and 1943, in Alaska, in the Aleutians, and in the South Seas. Insufficient preparation and training for the men going into the front lines, and insufficient equipment, with planes that fly a little slower, and guns that shoot a little shorter—is not war, Mr. President, that is murder. I do not care to be party to sending American boys into war without proper equipment and without proper training.

"Under this amendment technical training for sizable groups of citizens, chosen through aptitude tests is available. There is provision for seeing them through technical schools and into the laboratories. They would receive initial training in these professions, and make their living in these professions, if there were no emergency. But, if there were an emergency they would then be ready.

"We should not send men into war without the necessary specialized training for the job to which they are to be assigned, and it is impossible to secure such training within a few weeks or months or even years in the science and technical fields. It has to be done when time is available."

I felt that the draft bill would serve the immediate needs of the Nation, but that the universal military training bill would be a superior instrument for providing training. The combination is what is called the "two title" bill by the American Legion, Veterans' of Foreign Wars, and other veterans' organizations.

During the lengthy debate I pointed out the need for adequate training, in these days of highly mechanized warfare, and for the maintenance of adequate military personnel to act quickly in case of an emergency.

My amendment was defeated by a small majority, however, and the draft bill, as proposed, was agreed upon by a conference committee, and later approved in the Senate.

ON THE VANDENBERG RESOLUTION (S. RES. 239)

On June 11, 1948, the Senate debated the Vandenberg resolution, reaffirming the policy of the United States to achieve international peace and security through the United Nations.

I objected to the resolution because of certain sections which gave an implied approval of any regional treaties and defense arrangements which the United States might enter, an approval that was not necessarily justified, since the Senate had the right and the duty to ratify any such treaty and arrangement by separate and independent action. In this vein I said the following:

"We have already indicated our position through ratification of the United Nations Charter in the regular way. The alternative I would offer is that we follow the Constitution of the United States and not commit ourselves in advance. The Constitution provides that the President shall make the treaties and shall send them to this body for ratification. At that time, when the Senate considers the proposed treaties, prior to ratifying them, all the evidence is supposed to be available to the Senate. It is not available now.

"I submit that if we take the initiative in this matter and urge the President of the State Deparment to do certain of these things, then we shall be morally bound to follow whatever they do.

"The main purpose of this resolution, it seems to me, is to give the green light for a mutual military aid pact with Britain, France, Belgium, Holland, and Luxemburg. Once negotiated by the President, this military pact will be submitted to the Senate for ratification. Once ratified, the United States is compelled to go to war if any other nation attacks any one of these five."

Further, I outlined the constitutional questions involved in a course which could lead the United States to making war without Congress' approval, which might well be the result of such military treaties or pacts. I called for full discussion before going into such pacts, and denied the wisdom of making any prior moral commitment.

The resolution was finally adopted, and I did not vote on it, having been paired with Senator ROBERTSON. I would have voted in the negative, however, for the reasons outlined above.

ON THE EXTENSION OF THE TRADE AGREEMENTS ACT (H. R. 6556)

The extension of the Trade Agreements Act for a period of 1 year seemed to me to be the only alternative to passing the flexible import-fee bill which I had introduced earlier in the session. I had frequently attacked the amendment to the Tariff Act of 1930, the 1934 Trade Agreements Act, during debates on the floor of the Senate.

My attacks had been based on the contention that the operation of the act had been one of selective free trade (selections by the State Department) which resulted in trading off certain industries to foreign competitors, working with cheap labor.

The extension of the act, as it was finally enacted, contained certain restrictions in regard to the procedure for further tariff cuts. These restrictions would result in a healthier and more constructive approach to foreign trade.

"In my opinion some method must be worked out that will provide for the automatic adjustment of the import fee or tariff to correctly represent at all times the difference of the cost of production between this country and the foreign competitor, on each specific product; and when any nation has reached approximately our wage-living standard, then free and unrestricted trade is the immediate and automatic result."

Through the extension of the 1934 Trade Agreements Act for 1 year—the Marshall plan appropriations for the second year and the international trade organization can be studied in connection with their cumulative effect on the economy of this Nation.

In this connection I said in debate on May 6, 1948:

"Mr. President, I want to again call attention to the long-range plan to redistribute the wealth of this Nation.

"The three steps projected by the economic one-worlders for that purpose are:

"First. The established policy of exporting American money to make up the annual trade balance deficits—from all sources—of the European, Asiatic, and South American countries. Our chief export is money. The occasion may be the UNRRA, $3,000,000,000; the Greek-Turkey, $400,000,000; the English gift-loan of $3,750,000,000; or the Marshall-Bevin plan of exporting $17,000,000,000 to Europe, but the master-minded policy is the same, the economic equalization and the redistribution of the wealth of the 57 nations of the world, starting with the United States of America. This is a definite part of the international policy as supported in Senate debate, the English and Marshall-Bevin-plan gift loans are simply successive moves in establishing the first step of the policy.

"Second. The selective free-trade method of dividing the production of this country with the nations of the world through the Trade Agreements Act, known by the catch word 'reciprocal trade,' is the second step in the economic one-world plan. Through the Trade Agreements Act industries selected by the State Department are frankly traded to one or more nations for a fancied advantage in furnishing them a market for their goods to secure money—dollar exchange—presumably to buy our processed and manufactured products.

"Third. The International Trade Organization—ITO—through which 57 nations, each with one vote, will meet each year and frankly allocate the production and markets of the world between such nations, presumably finally on a population and cost of production, without regard to the differential of production cost due to the difference in the standards-of-living basis, thereby completing the job of international redistribution of the wealth of this Nation.

"This Organization is to be the final leveler of the wage-living standards of the world.

"International conferences and world wars are incidents, and even time is unimportant in the plan of the internationally minded 'one economic world' group.

"The 'one economic world' group prematurely launched the 'one political world' idea in the 1940 Presidential campaign. The emphasis has now shifted back to economics through the three definite policies; and when the 'one economic world' goal is reached, the 'one political world' is expected to follow in the natural course of events.

"What is the answer?

"A. A definite international policy, naming the areas and nations we must currently protect for our own ultimate safety and rebuilding our military organization, spearheaded by an air corps that can keep any nation on the ground until such time as the United Nations can take over, or the major problems of the world have been settled.

"B. A flexible import fee under a flexible import act representing the differential of the cost of production between this Nation and where our competition is located on each specified product—in place of the selective free-trade program under the 1934 Trade Agreements Act.

"The standard of living of the nations of the world cannot be lifted up overnight through redistribution of the wealth of this Nation or a division of our markets or of our production. Any such continuous plan or policy simply means a pronounced lowering of our own wage-living standards and a diminished market for your products. The will to raise their wage-living standards is a prerequisite to any improvement—and must come from the inside in any nation—it cannot be poured in from the top.

"Most of the Asiatic and European countries have had access to the same necessary raw materials that we have so efficiently utilized for centuries—some of them, like China, for 5,000 years of recorded history—and have never changed their standard or manner of living perceptibly in all history.

"While this country, starting with their bare hands 300 years ago, has risen to the highest wage-living standard in all history, most of our improvement has occurred during the past 150 years.

"More on this subject will come later—and has a definite connection with the subject under discussion today."

ON AGRICULTURAL LEGISLATION

The long-range farm program passed the Senate, and I supported it. I believe that some support of agricultural prices and other raw materials are necessary for continued prosperity in the United States, at least until a workable, flexible import fee bill can be enacted into law. The source of

new income arising out of our production cycles, both industrial and agricultural, are the basis of the strength of our economy; and to maintain that strength adequate price levels comparable to our wage standard of living are one of the prime requirements. The legislation, including Senate 2318 and House bill 6248, June 19, 1948, provides:

Senate: The Senate passed S. 2318, providing for a long-range farm program. S. 2318 had as its objective a long-range program which would maintain agricultural income in balance with the income of other economic groups, through support prices, marketing of surpluses, marketing quotas, acreage controls, etc.

House of Representatives: The House passed H. R. 6248, which was primarily a revision of the Price Stabilization Act of July 1, 1941, known as the Steagall amendment.

CONFERENCE COMMITTEE AGREEMENT

The two bills, S. 2318 and H. R. 6248, were considered by the conference committee and the compromise for all practical purposes was the acceptance of both bills. Under the agreement, which was accepted by Congress, H. R. 6248 will be in force until June 30, 1950, on the basic farm crops produced in the year 1949. S. 2318 will go into effect on January 1, 1950, and will apply to farm products produced in the crop year 1950.

PROVISIONS OF H. R. 6248

H. R. 6248 was made title 1 of the conference committee agreement and authorizes the Secretary of Agriculture to stabilize prices of agricultural commodities and amends section 22 of the Agricultural Adjustment Act, reenacted by the Agricultural Marketing Agreement Act of 1937.

The provisions of title 1 provide:

1. The Secretary of Agriculture is authorized and directed through any instrumentality or agency within or under the direction of the Department of Agriculture by loans, purchases, etc.—

(a) To support prices received by producers of cotton, wheat, corn, tobacco, rice, and peanuts marketed before June 30, 1950, if producers have not disapproved marketing quotas for such commodity for the marketing year in the calendar year in which the crop is harvested. The price support authorized shall be made available as follows:

(1) To cooperators at the rate of 90 percent of the parity price for the commodity as of the beginning of the marketing year.

(2) To noncooperators at the rate of 60 percent of parity on that part of the commodity which would be subject to penalty if marketed.

(3) To support until January 1, 1950, a price to producers of commodities with respect to which the Secretary of Agriculture by public pronouncement pursuant to provisions of the act of July 1, 1941, as amended, requested an expansion of production, of not less than 60 percent of parity nor more than the level at which such commodity was supported in 1948, except that Irish potatoes harvested before January 1, 1949, milk and its products, hogs, chickens, and eggs shall be supported at 90 percent of parity.

In carrying out the provisions of this subsection the Secretary of Agriculture shall have the authority to require compliance with production goals and marketing regulations as a condition of eligibility for price support.

(4) The policy of Congress in regard to farm products which are not specifically mentioned is that the leading and purchasing operations of the Department of Agriculture shall be carried out until January 1, 1950, so as to bring the price and income of producers of other agricultural commodities to a fair parity relationship with the commodities specifically mentioned.

2. From any funds available to the Department of Agriculture or any agency operating under its direction for price support operations, the Secretary of Agriculture is authorized and directed to use such sums as may be necessary to carry out the provisions of section 1.

3. Amends section 22 of the Agricultural Adjustment Act as reenacted by section 1 of the Agricultural Marketing Agreement Act of 1937 as follows:

(a) Whenever the President has reason to believe that any article or articles are certain to be imported into the United States under such conditions and in such quantities as to render or tend to render the program of price supports ineffective, he shall cause an immediate investigation by the United States Tariff Commission to determine such facts through public hearings after due notice to interested parties.

(b) If on the basis of such investigation the President finds that such imports do render or tend to render the program of price supports ineffective, he shall by proclamation impose such fees not in excess of 50 percent ad valorem or such quantitative limitations as may be necessary to prevent their rendering price supports ineffective. Provided that no proclamation under this section shall reduce such imports more than 50 percent of the total quantity imported during a representative period as determined by the President.

(c) Such fees and limitations shall be treated for administrative purposes as duties imposed by the Tariff Act of 1930, but such fees shall not be considered as duties for the purpose of granting any preferential concession under any international agreement of the United States.

(d) Any fees or limitations proclaimed under subsection (c) can be suspended or terminated by the President whenever he finds and proclaims that such imports no longer render the support price program ineffective. Any decision of the President as to facts regarding such imports shall be final.

(e) No proclamation under this section shall be enforced in contravention of any treaty or other international agreement to which the United States is or hereafter becomes a party.

4. Provides that this title shall take effect January 1, 1949, and that section 3 in regard to import fees and quantitative limitations shall take effect upon the date of enactment of this act.

PROVISIONS OF S. 2318

H. R. 6248 or title I of the conference committee agreement replaced titles I and II of S. 2318; titles III and IV of S. 2318 were added to H. R. 6248 and were made titles II and III of the conference committee agreement. They provide as follows:

"Title II. Amendments to the Agricultural Adjustment Act of 1938. Section 201 amends section 301 of the Agricultural Adjustment Act of 1938. It provides for a new flexible parity formula on a transitional basis in period preceding determination of price supports. It defines carry-over of basic farm commodities, normal supply and total supply as a basis of price supports."

"Parity" of income is defined as that "gross farm income from agriculture which will provide the farm operator and his family with a standard of living equivalent to those afforded persons dependent upon other gainful occupation" or when applied to an agricultural commodity as the average income for such a commodity during the 10 years preceding determination of its parity prices as related to other agricultural commodities.

Section 202 amends section 302 of the Agricultural Adjustment Act of 1938 as follows:

(a) The Secretary of Agriculture, through the Commodity Credit Corporation is authorized to support prices of agricultural products to producers through loans, purchases, payments, and other operations.

Except as otherwise provided in this section the amounts, terms, and conditions shall be determined by (1) supply, (2) support prices for other commodities, (3) availability of funds, (4) perishability of commodity, (5) its importance to national economy, (6) ability to dispose of surpluses, (7) the need of offsetting losses in the export of market, and (8) the ability and willingness of producers to keep supplies in line with the demand. The Secretary may require compliance by the producer with acreage allotments and marketing practices.

(b) The level of support prices is based on the total supply in a graduated table that ranges from a support price of 90 percent of parity if the supply is 70 percent of total supply (carry-over plus estimated production plus imports), to 75 percent of parity if total supply equals 100 and 60 percent of parity if total supply equals more than 130 percent of total supply.

(c) If acreage allotments are in effect at the beginning of the marketing year the producer shall have price supports equal to 120 percent of the minimum support price of 60 percent of parity.

(d) In the event that producers have disapproved marketing quotas on any basic commodity the support price shall be 50 percent of the parity price at the beginning of the crop year for such commodity.

(e) The price support for corn producers outside of the established Corn Belt shall be 75 percent of the price support for cooperators in the Corn Belt, which has been established as the "commercial corn area."

(f) Notwithstanding other provisions in this section, the support price to cooperators in a tobacco program providing for marketing quotas shall be 90 percent of parity.

(g) The support price of any other agricultural commodity than basic commodities shall not exceed 90 percent of parity, and in the case of wool not more than 90 percent of parity, or less than 60 percent, as the Secretary may determine as being necessary to maintain a supply of 350,000,000 pounds of shorn wool. Basic commodities are defined as corn, cotton, wheat, rice, tobacco, and peanuts. Nonbasic commodities are all other commodities than those defined as basic.

(h) No producer shall be held liable for losses sustained through the sale of collateral held for commodity loans other than losses due to fraud, deficiency in grade or quantity.

(i) The Commodity Credit Corporation shall not sell any commodity owned by it for less than the price as determined by grade or a price halfway between the support price, if any, and the parity price of such commodity, or 90 percent of parity, whichever price is the lowest.

This provision shall not apply to (a) sales for new uses, (b) peanuts sold for oil, (c) for seed or feed, (d) to prevent spoilage, (e) to prevent fraud, (f) sales of wool, (g) for primary purposes.

Sections 203, 204, 205, and 206 provide for marketing quotas for corn, wheat, cotton, and rice, respectively, in any marketing year when the price of these commodities has been below 66 percent of parity for 3 months preceding the close of the marketing year.

Section 207 amends minor sections of the Agricultural Adjustment Act of 1938.

Section 208 provides for marketing quotas on tobacco.

MISCELLANEOUS

Title III, section 301, amends section 32 of the Agricultural Adjustment Act of 1935 in regard to funds.

Section 302 amends Agricultural Marketing Agreement Act of 1937 in regard to establishing prices for specific commodities, such as milk, to be handled under marketing agreements. Secretary of Agriculture given authority to establish such prices as may be required to obtain the necessary production to assure the needs of the public.

Section 303 sets the effective date of titles II and III of the conference committee agreement as of January 1, 1950.

SUMMARY OF LEGISLATION

The act contemplates a support price for agricultural products at 90 percent of parity for the balance of 1948 and for 1949. In 1950 support prices may be reduced to 60 percent of parity and such steps as may be required to balance supply with current needs. The legislation recognizes the need of maintaining farm prices at a proper level and that such prices may need protection against imports from other nations.

AMENDMENTS TO THE SECURITIES AND EXCHANGE ACT (S. 2897)

As my last action in the second session of the Eightieth Congress, on the day before adjournment, I introduced a bill (S. 2897) to amend certain provisions of the Securities Act of 1933, and section 3 of the Securities Exchange Act of 1934. The Senate being in the last-minute rush before adjournment, I did not make a speech, but had my statement inserted in the RECORD. In this statement I gave the reason for introducing the bill:

"The bill which I am introducing is designed to curb the abuses which have arisen in the administering of the securities acts and to encourage the investment of private venture capital in new enterprises, particularly new mining enterprises."

In my reasoning I traced the decline in the investment of venture capital to the restrictive policies practiced by the Securities and Exchange Commission under its rules and regulations, and to the tremendous increase in the tax burden. I introduced statistics showing the decrease in venture capital investment, and the rise in taxation over the last few decades.

I summed up my stand in the following words:

"The further expansion of prosperity in the United States and the progressive utilization and development of our rich natural resources can only be achieved by reversing the restrictive, burdensome policies of the past 15 years, and substituting therefor a policy for the encouragement of private enterprise and of encouragement for the exploration and development of all of our basic natural resources."

The proposed changes in the law would facilitate the issuance of stock by the mining industry without abrogating the power of the SEC to any great extent. The changes would enable venture capital to go forth and develop the necessary resources to reach the goal of our national stock pile. They would limit the extra-legal rights of the SEC to conduct inquisitorial investigations. Contrary to the practice followed until now, that the evidence and testimony against an issuer is not made available to him, the changes propose to enable the entrepreneur to defend himself on legal grounds.

The bill was referred to the Committee on Banking and Finance, and will be considered when Congress convenes.

On Federal Taxation

EXTENSION OF REMARKS
OF
HON. DANIEL A. REED
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. REED of New York. Mr. Speaker, under leave to extend my remarks, there seems to be considerable controversy as to the wisdom of reducing personal income taxes at this time. I notice that those who decry a cut in personal income taxes are, in some instances, those who have been indoctrinated with the New Deal philosophy and practice of tax, spend, and tax. It is my opinion that there is no more reason for not reducing Government expenditures and cutting taxes now than there would have been in refusing to do so following World War I. The program of economy then adopted blazed the way for prompt and substantial reductions in individual income taxes. The rates were so high in 1918 that they had arrived at the point of diminishing returns.

In this connection it will be recalled that the Federal normal tax rate on individual incomes in 1918 was 12 percent—6 percent on the first $4,000—with a personal exemption for a single person of $1,000, a $2,000 exemption for a married person, and a credit for each dependent of $200. I repeat that this high rate of taxation, reduced exemption, and low credit for dependents had reached the point of diminishing returns. This situation, in the face of an unbalanced budget, a national debt in excess of $26,000,000,000, and 6,000,000 unemployed, presented a serious problem that called for a courageous program of retrenchment and a realistic tax approach. The same arguments against tax reduction were made then that are heard now. I have referred to the high normal tax rate on individual incomes, the low exemptions, and low credit for dependents which existed in 1918.

The first step in cutting the Federal normal rate on individual incomes was taken under the Revenue Act of 1918 for the year 1919–20. The Federal personal normal income-tax rate was reduced to 8 percent—4 percent on first $4,000. The personal exemption for a single person, a married person, and the credit for dependents remained the same. In addition to the normal tax the surtax rates ranged from 1 percent to a top rate of 65 percent on net income in excess of $1,000,000 with surtax exemption of $5,000.

The next revenue act was the 1921 act for the years 1921–23. The exemption for a married person was increased from $2,000 to $2,500 where the aggregate income of husband and wife did not exceed $5,000, and the credit for each dependent was increased from $200 to $400. In addition to the increased exemption for married persons and for dependents the surtax rates were amended applicable for 1922–23. A surtax exemption of $6,000 was provided and the surtax rates ranged from 1 percent on the first $2,000 to 50 percent on net incomes in excess of $200,000.

The second step in cutting the normal rate on individual incomes under the Revenue Act of 1924 was taken. Under this act the tax rate on the income of individuals was reduced to 6 percent—2 percent on first $4,000, 4 percent on second $4,000. The personal exemption for single persons and for married persons and the credit for each dependent remained the same. But the 1924 act increased the surtax exemption to $10,000 and the surtax rates ranged from 1 percent on the first $4,000 of net income to 40 percent on net incomes in excess of $500,000.

It should be mentioned, as well as stressed, that under the provisions of the Revenue Act of 1924 the tax for the year 1923 was reduced 25 percent.

The third step in cutting the normal rate on individual incomes was under the Revenue Act of 1926 covering the years 1925–27, which reduced the rate to 5 percent—1½ percent on first $4,000, 3 percent on second $4,000—while at the same time increasing the exemption for a single person to $1,500 and the personal exemption for a married person to $3,500; the credit for each dependent remained at $400. The 1926 act continued the surtax exemption of $10,000 and reduced the surtax rates. The top rate was reduced from 40 to 20 percent, and the top rate applied to net incomes in excess of $100,000.

The Revenue Act of 1928, while it did not change the rates or exemptions, increased the earned-income credit limit from $20,000 to $30,000.

The fourth reduction in the personal income-tax rate was under a House joint resolution enacted into law December 16, 1929, and taking effect as of January 1, 1930. The House joint resolution reduced the rate for 1929 on individual income to 4 percent—one-half of 1 percent on first $4,000, 2 percent on the second $4,000—the exemption for single persons, married persons, and the credit for dependents remained the same. Thus in four revenue acts following World War I there were four substantial reductions in the individual income-tax rates; also a 25-percent cut in the tax for 1923. In addition to all this tax relief there were two increases in personal exemptions for both single and married persons, and one increase in credits for each dependent.

It is noteworthy in the light of these reductions in individual income-tax rates, increased personal exemptions to both the single and married persons as well as the increased credit for dependents, that there were no Federal deficits in any year from 1921 to 1931.

But more extraordinary than all this, the record shows that notwithstanding all of this relief to individual income taxpayers, there was ample revenue to not only conduct the affairs of the Government in a high state of efficiency, but sufficient revenue to pay $1,000,000,000 each year for 10 years on the national debt.

The period of all this tax relief, to which I have referred, was one of full employment, large production, debt retirement, and Nation-wide prosperity.

During the 15 years of the New Deal there have been adopted a great many tax proposals which have been inconsistent with our economic law. The country in the last election has repudiated these policies and expressed itself in favor of a return to a sound and constructive tax system. One of these theories is that a reduction of excessive and oppressive individual income tax rates will of itself result in a heavy loss in revenue. The advocates of such a theory overlook the important fact that the yield from an income tax depends upon the amount of

income which is subject to tax. If the individual rates are so high as to discourage production and expansion, interfere with business initiative, and deter venture capital, the tax yield on the income which could have been produced under fair and reasonable rates will be lost to the country. As will be shown, the tax on this increased income may go a long way toward offsetting any theoretical loss in revenue due to decreased rates. Excessive taxes dry up the source from which the revenue stems, encourage tax evasion, and make the tax less and less productive. The enemies of the income tax are not those seeking to reduce its oppressive and excessive rates, but those who insist that such rates remain on the statute books regardless of their effect on production, expansion, and initiative, in order to soak the rich. I believe that a reduction in the individual income tax will lend encouragement and stimulation to the production of income. This is illustrated by the experience in the twenties: when the war rates of the First World War were reduced. As has been pointed out, the first reduction occurred for the year 1921 under the Revenue Act of 1921.

In 1921, business and industry were faced with depressing influences arising as an aftermath of the First World War, and the country was passing through the trying period of liquidation and readjustment. Net income had declined from the all-time high of twenty-three billion seven hundred million to nineteen billion five hundred million for 1921. In the opinion of the Ways and Means Committee, the exacting of excessive taxes contributed in no small degree to the depression. For the year 1921 the reduction was limited to increasing the marital exemption from $2,000 to $2,500, where the aggregate income of husband and wife did not exceed $5,000, and increasing the credit for dependents. For the year 1922 there was a reduction in rates in all brackets, the top surtax being reduced from a top rate of 65 percent to a top rate of 50 percent. Other reductions followed in 1924, 1926, 1928, and 1929. The following table based upon Statistics of Income for 1941 published by the Treasury Department shows what was accomplished through these tax reductions:

Net income:	*Billions*
1921	19.6
1922	21.3
1923	24.8
1924	25.6
1925	21.8
1926	21.9
1927	22.5
1928	25.2
1929	24.8
Tax:	*Millions*
1921	719
1922	861
1923	661
1924	704
1925	735
1926	732
1927	831
1928	1,164
1929	1,001

It will be noted that the net income increased through 1924 but decreased in 1925, although the tax yield for 1925 was greater than for 1924. The reason for this is explained by the following statement taken from the annual report of the Secretary of the Treasury for the fiscal year ended June 30, 1927:

> The sources of the income returned for the calendar year 1925 as compared with 1924 clearly illustrate the effect of the new revenue act. The total national income was undoubtedly greater in 1925 than in 1924, due to increased prosperity, but the income actually returned for individual income-tax purposes was less, due to the entire exemption of over 40 percent of the 1924 income-tax payers. The income returned on account of wages and salaries was about $3,875,000,000 less; from individual businesses about $1,100,000,000 less; from rents and royalties about $538,000,000 less; and from interest and investments about $467,000,000 less. On the other hand, increased income was returned from dividends and from sale of property. Dividends increased about $214,000,000, while the gains from the sale of property, including that returned as capital net gains, increased about $1,418,500,000. The largest reductions in net income reported for tax purposes, in the income from wages and salaries and in the income returned on account of individual business, were in the lower tax brackets. The reductions in returns from rents and royalties and interest and investment income were almost entirely in the lower brackets. The greatest beneficiaries of the 1926 act were, therefore, people of small incomes, wage earners, salaried men, and men operating small individual business enterprises.

Mr. Speaker, it will also be noted from the table that the tax for 1923 was less than the tax for 1922. This was due to the 25-percent reduction in the income tax for 1923 provided in the Revenue Act of 1924. This loss in revenue was recouped by the increase in tax yield during later years.

Our capital gains also increased during this period. Prior to 1921, capital gains were subject to ordinary normal and surtax rates. Beginning with the Revenue Act of 1921, capital gains were subject to a flat rate of 12½ percent, where the asset sold had been held for more than 2 years.

The following table, taken from Statistics of Income for 1941, shows the increase in capital gains:

Capital net gains from sale of assets held more than 2 years:	
1922	$249,000,000
1923	305,000,000
1924	389,000,000
1925	940,000,000
1926	913,000,000
1927	1,081,000,000
1928	1,880,000,000
1929	2,347,000,000

A table is inserted in the Appendix giving a break-down of the net income during the periods 1922–29. As has already been pointed out, the drop in wages and salaries was due, not to the lack of income in national income but to the fact that a large part of such income was made exempt from the income tax due to raising the personal exemption and credit for dependents.

While there was substantial tax reduction during the period 1921 to 1929, inclusive, there was also a sufficient surplus to provide an annual reduction in national debt which, in 1920, stood at twenty-four billions. By 1930 the debt had been reduced to sixteen billions. This is shown by the following table, taken from the Secretary's report:

June 30:	*Total gross debt*
1919	$25,482,034,410
1920	24,297,918,412
1921	23,976,250,608
1922	22,964,079,190
1923	22,349,687,758
1924	21,251,120,427
1925	20,516,272,174
1926	19,643,183,079
1927	18,510,174,266
1928	17,604,290,563
1929	16,931,197,748
1930	16,185,303,299

There are some who advocate that any surplus which may arise should all be applied to the payment of the national debt. While I am a great believer in debt reduction, I feel that it is also important that the Government deal fairly with its taxpayers, who, in the third year after the war, are still burdened with heavy war taxes.

TAX REDUCTION—1. THE REVENUE ACT OF 1945

The Revenue Act of 1945, effective for taxable years beginning after December 31, 1945, provided substantial tax relief for corporations for the first time in 17 years and the first for individuals in 13 years.

This act provided for a reduction in the corporate-tax burden by repealing the wartime excess-profits tax, the capital-stock tax, declared value excess-profits tax, and by reducing the corporate surtax.

Individuals received relief under this act in that the same $500 per capita exemptions that then applied for surtax purposes were made applicable for the normal tax, and the surtax rates were reduced three percentage points in each surtax bracket. Provision was also made for a 5-percent reduction in both the normal and surtax computed under the new rates and exemptions. The combined normal tax and surtax under prior law was limited to 90 percent of net income. This limitation was reduced to 85.5 percent.

All service pay of enlisted personnel of the armed forces was excluded from taxable income and for commissioned personnel a $1,500 exclusion was provided. For enlisted personnel, this was made retroactive to December 31, 1940, and for commissioned officers, December 31, 1942.

The use tax on motor vehicles and boats was repealed, effective July 1, 1946.

The Revenue Act of 1945 became law at a time when the Federal Government had just completed the fiscal year 1945 with a deficit of $54,000,000,000. The deficit for the fiscal year 1946 was estimated at $21,000,000,000, and the Treasury indicated that in the fiscal year 1947 the deficit would range between five and eight billion dollars. Government economists were also predicting a major recession with 8,000,000 unemployed, for whose relief the President had asked an appropriation of $300,000,000.

The revenue loss from all the provisions in the act were estimated to reduce Federal revenues by $5,900,000,000 in a full year of operation. Subsequent to the enactment of this tax reduction, Federal receipts actually increased, the public debt was reduced, and our national income reached a level never before experienced. Federal receipts, national income, and the reduction in the public debt for the fiscal years 1947 and 1948 are as follows:

[In billions of dollars]

	Federal receipts	National income	Reduction in public debt
1947	43.3	193	11
1948	44.7	[1] 212	6

[1] Estimate.

2. INDIVIDUAL INCOME-TAX REDUCTION ACT OF 1947 (H. R. 1)

H. R. 1, the first major individual income-tax reduction bill in 15 years, was reported out by the Committee on Ways and Means on March 24, 1947, and subsequently passed the House and Senate. The bill provided for a graduated percentage reduction ranging from 30 percent on the tax on the lowest incomes to 10.5 percent on the highest incomes in the then present individual income tax. This bill was retroactive to January 1, 1947. President Truman chose to veto this tax-reduction bill and his veto was sustained by the House on June 17, 1947, by a vote of 268 to 137.

3. INDIVIDUAL INCOME-TAX REDUCTION ACT OF 1947 (H. R. 3950)

H. R. 3950 was the same tax-reduction bill as H. R. 1 except that the effective date was changed from January 1, 1947, to July 1, 1947. This bill passed both the House and the Senate but was also vetoed by President Truman on July 18, 1947. The House of Representatives voted this time to override the veto but in the Senate it was sustained by a vote of 57 to 36.

4. REVENUE ACT OF 1948 (H. R. 4790)

The Revenue Act of 1948 was reported out by the Committee on Ways and Means on January 27, 1948. The bill provided tax reduction, relief and equalization for individual income-tax payers. The Senate amended the bill as passed by the House, the most important amendment reduced the percentage tax reductions approved by the House. The House accepted the Senate amendments and the bill as sent to the President contained the following provisions:

A. INDIVIDUAL INCOME TAXES

First. Personal and dependency exemptions were increased from $500 to $600.

Second. Provided percentage tax reductions as follows:

Percentage reductions in individual income taxes provided by the Revenue Act of 1948

Income after deductions and exemptions	Tentative tax [1]	Reductions in tentative tax [1]	Reductions in prior law tax
$0 to $2,000	$0 to $400	17 percent	12.6 percent.
$2,000 to $136,719.10	$400 to $100,000	17 percent of the tentative tax on the first $2,000 of surtax net income plus 12 percent of the tentative tax on the excess.	12.6 percent of the present law tax on the first $2,000 of surtax net income, plus 7.4 percent of the present law tax on the excess.
$136,719.10 and over	$100,000 and over	17 percent of the tentative tax on the first $2,000 of surtax net income, plus 12 percent of the tentative tax on about the next $134,700 plus 9.75 percent of the tentative tax on the excess.	12.6 percent of the present law tax on the first $2,000 of surtax net income, 7.4 percent of the present law tax on about the next $134,700, plus 5 percent of the present law tax on the excess.

[1] More correctly, tentative normal tax and surtax. The term "tentative" refers to the tax computation before the 5-percent reduction provided by prior law or the percentage reductions provided under this act.

Third. Husbands and wives were permitted to split their income for tax purposes.

Fourth. The maximum standard deduction was increased to $1,000 for married couples and $1,000 for single persons.

Fifth. An additional $600 exemption was granted to taxpayers who are 65 or over, and if both husband and wife are over 65, they both receive the additional exemption.

Sixth. An additional $600 exemption was granted to taxpayers who are blind. Both husband and wife receive this additional exemption if they are both blind.

B. ESTATE AND GIFT TAXES

First. The 1942 amendments to the estate and gift taxes which provided special rules in the case of community property were repealed.

Second. Provision was made for estate and gift tax "splitting" of noncommunity property.

C. CAPITAL GAINS TAX

First. Provision was made to give taxpayers in community-property States as nearly as possible the same basis for determining gain or loss on capital assets sold after death as given taxpayers in common-law States.

H. R. 4790 was returned to the Congress by President Truman without his approval and with which veto message he stated:

It is a matter of deep regret to me that I am compelled to take this action.

He also stated:

The tax reduction provided by this bill is inequitable as well as untimely.

On April 2, 1948, both the House and the Senate voted by overwhelming majorities to override this veto and H. R. 4790 became law in spite of the Democratic administration's disapproval.

The opponents of this bill argued that it would produce a deficit. It is highly unlikely that this gloomy forecast will prove to be correct. National income is now at an extremely high level, $220,000,000,000 as compared to $199,000,000,000 a year ago. The present level is in fact the highest that has yet been attained. Moreover, the trend is upward. The tax reduction contained in H. R. 4790 has helped to produce this high level of prosperity and will assist materially in its maintenance just as the tax reductions of the 1920's helped to produce and maintain the prosperous business conditions of that period.

The high level of national income which now exists and which may reasonably be anticipated during the coming fiscal year means a continued high level of Government income. Even with the very high level of Federal expenditures which we are being called upon to finance, it is reasonable to anticipate a substantial surplus in the fiscal year 1949. After full allowance for the immediate effect of the tax-reduction bill of 1948 on collections, it is anticipated that the surplus for the fiscal year 1949 will be in excess of $5,000,000,000. This will permit the retirement of a similar volume of national debt, thus continuing the record of sound postwar finance which was begun by the Revenue Act of 1945.

APPENDIX

EXHIBIT 1.—*Statistics of income for 1941, pt. 1, pp. 218–219*

[Money figures in thousands of dollars]

Distribution	1922	1923	1924	1925	1926	1927	1928		1929		1930	
							Individual returns and returns of fiduciaries, with net income	Individual returns with no net income	Individual returns and returns of fiduciaries, with net income	Individual returns with no net income	Individual returns and returns of fiduciaries, with net income	Individual returns with no net income
Income:												
Salaries, wages, commissions, etc	13,693,993	14,195,356	13,617,663	9,742,160	9,994,315	10,218,450	10,862,331	82,193	11,173,068	199,654	9,921,952	283,727
Business profit	2,839,771	4,722,766	4,755,483	3,688,804	3,572,895	3,287,421	3,243,955	32,811	3,327,989	58,413	2,628,057	69,697
Partnership profit	1,427,127	1,676,409	1,810,014	1,827,025	1,732,581	1,755,145	1,929,520	16,631	1,846,431	49,533	1,089,646	[1] 7,260
Profit from sale of real estate, stocks, bonds, etc., other than taxed as capital net gain	742,104	863,107	1,124,566	1,991,659	1,465,625	1,813,396	2,928,142	[1] 3,584	2,335,808	85,265	[1] 36,738	68,135
Capital net gain from sales of assets held more than 2 years	249,248	305,394	389,148	940,569	912,917	1,081,186	1,879,780	274	2,346,704	1,426	556,392	
Rents and royalties	1,224,929	1,814,126	2,009,716	1,471,332	1,450,760	1,302,276	1,164,518	67,071	1,278,757	79,984	974,325	103,460
Dividends received	2,664,219	3,119,829	3,250,914	3,464,625	4,011,590	4,254,829	4,350,979	88,984	4,783,240	297,726	4,197,304	434,988
Income from fiduciaries	257,928	329,124	310,144	305,806	333,365	421,481	443,998	17,577	508,221	12,209	429,459	19,843
Partially tax-exempt interest on Government obligations	33,989	43,711	29,645	25,651	36,782	47,479	40,553	1,763	40,184	2,864	38,134	5,738
Other taxable interest	[1] 1,738,601	2,177,771	2,281,703	1,814,402	1,936,604	[1] 1,675,916	1,841,818	59,760	[1] 1,908,030	115,177	[1] 1,608,434	161,536
Other income						[1] 350,981	302,040		[1] 296,235		[1] 239,004	
Total income	24,871,908	29,247,593	29,578,997	25,272,035	25,447,436	26,208,561	28,987,634	420,649	29,844,758	902,251	22,319,446	1,204,383

EXHIBIT 2. CAPITAL GAINS

The following data taken from the report of the Joint Committee on Internal Revenue Taxation for 1927 show the following:

Profits and losses on sales of assets reported by 4,063 individuals with a net taxable income of $100,000 and over in 1916

Year	Profits on sale of assets	Percent profit to total income	Losses on sale of assets	Percent losses to total deductions
1917	$28,836,826	2.79	$19,150,961	13.40
1918	7,937,991	.92	65,072,240	32.44
1919	36,687,447	3.99	124,253,174	45.90
1920	10,910,541	1.33	216,116,946	56.75
1921	10,596,216	1.57	160,121,432	48.76
1922	95,245,772	12.06	87,032,461	33.97
1923	78,345,775	9.99	101,958,153	36.71
1924	101,089,611	12.34	53,784,450	33.99

The following table is prepared from the returns of 75 individuals who reported a net income in excess of $1,000,000 each for the year 1924. The table covers the years 1917 to 1925, both inclusive:

Year	Profits on sale of assets	Percent profit to total income	Losses on sale of assets	Percent losses to total deductions
1917	$2,803,233	2.58	$16,110,792	4.48
1918	1,723,990	1.87	23,955,447	22.47
1919	2,924,452	2.72	36,330,430	43.20
1920	1,243,069	1.22	42,964,016	58.00
1921	437,977	.44	41,459,237	49.54
1922	12,060,266	9.35	44,077,158	43.78
1923	14,732,561	11.27	40,761,119	32.39
1924	53,627,261	28.38	34,615,459	18.82
1925	62,822,952	31.07	45,230,895	19.05

The first table shows that from 1917 to 1920, both inclusive, 4,063 individuals reported gains in the aggregate amount of $84,772,805 and losses aggregating $424,593,321, the net result being approximately $340,000,000 more of losses than gains. In the same period of time the 75 individuals of great wealth reported $8,694,744 in gains and $119,361,285 in losses.

These were years of high values and great activity in the sale of property, yet in each year the losses were greatly in excess of the reported gains. Undoubtedly the very high surtax rates forbade the taking of profits and encouraged the taking of losses. Beginning in the year 1922 a large increase in reported profits is discernible, which amounts in both tables to a substantial excess over losses in 1924, the first year in which the present method of taxing capital gains and treating capital losses went into effect. While some allowance must be made for the great prosperity enjoyed in 1924 and 1925, the statistics support the conclusion that the capital gains tax has removed the restraint exercised by the surtax rate on profit taking.

The same trend in the relation of gains to losses is indicated in the following table prepared for this committee covering the returns of all individual taxpayers. Statistics of losses are not available and the losses stated below are estimated from selected actual figures:

Actual profits and estimated losses on sale of assets regardless of time for which such assets were held

Year	Actual profits on sales of assets	Percent profit to total income	Estimated losses on sale of assets	Approximate percent loss to total deductions
1917	$318,170,617	2.63	$110,720,384	12.50
1918	291,185,704	1.64	571,468,120	31.38
1919	999,364,287	4.45	1,175,140,997	45.58
1920	1,020,542,719	3.82	1,680,304,149	56.87
1921	462,858,673	1.98	1,832,641,653	48.85
1922	991,351,580	3.99	1,251,989,891	35.41
1923	1,172,154,628	4.00	1,619,082,743	36.15
1924	1,513,714,092	5.12	896,906,462	22.45
1925	2,932,228,840	11.60	655,078,024	19.05
Total	9,701,571,140		9,739,332,423	

It is pointed out that in all three tables set forth in the preceding pages the ratio of gains to total income shows a marked increase in each case beginning with the year 1922, coinciding with the introduction of the capital gains rate of tax. Although the full effect of this rise may not be attributable entirely to the reduction of the rate, it is significant that the remarkable activity of the stock markets did not take place until some time later. A fair inference may be drawn that the lowering of the rate largely contributed to bring activity in the sale of property.

EXHIBIT 3. ANNUAL REPORT OF THE SECRETARY OF THE TREASURY FOR FISCAL YEAR ENDED JUNE 30, 1927, PAGES 10–11

Individual income tax: The Revenue Act of 1926 made sweping changes affecting the taxation of individual incomes by increasing the personal credit exemption for single persons 50 percent and that for married persons and heads of families 40 percent, by increasing the earned income credit and by decreasing the normal and surtax rates. More than 44 percent of the individual taxpayers were relieved from income-tax payments. In 1924, 4,459,698 individuals returned taxable net income, whereas in 1925 the number fell to 2,501,166, a decrease of almost 2,000,000. Under the new law the rates of normal tax were reduced from 2 percent, 4 percent, and 6 percent to 1½ percent, 3 percent, and 5 percent, respectively. Surtax rates were cut from a maximum of 40 percent to a maximum of 20 percent. The earned-income provision was so extended as to apply to a maximum of $20,000 of such incomes as compared with the limit in the former act of $10,000.

It was very naturally anticipated that these changes would result in considerable loss of revenue. In fact, the report of the Ways and Means Committee submitted to the House estimated a reduction of $46,000,000 in normal tax paid and a reduction of $98,575,000 in returns from the surtax. As a matter of fact, however, the individual returns for the calendar year 1925 showed a larger tax than did those for 1924. The individual income tax returned for 1924 was $704,265,390, and for 1925, $734,555,183, an increase of $30,289,793. As estimated, there was a very large falling off in the normal-tax return. Before the deduction of earned-income and capital-loss credits, the normal-tax returns decreased $41,434,565. On the other hand, surtax returns decreased only $4,687,627, while the capital-gains tax increased $63,967,907. There was a net gain of $22,845,715, to which must be added $6,067,280, representing a decrease in the earned-income credit, and $1,376,798, representing a decrease in the capital-loss credit.

The results are attributable to several causes: First and most important was the increased prosperity of the country as exemplified by the increased income from certain sources, despite the reduction in number of returns. The income from dividends returned, which were $3,250,913,954 in 1924, rose to $3,464,624,648 in 1925, despite fewer returns and the reductio in total income returned. More important than any other changes was the enormous increase in the income reported from the sale of property, both under the capital-gains section and under the general provisions. Income from the sale of property under the general provision reported for 1924 amounted to $1,124,565,658, while in 1925 this figure had jumped to $1,991,659,499, an increase of $867,093,841, or 77 percent. In addition, income under the capital net-gains section increased from $389,148,434 to $940,569,341, an increase of $551,420,907, or 142 percent, and the tax from $48,603,064 in 1924 to $117,570,071 for 1925. In fact, the increased revenue from the capital-gains tax more than offset the loss of $46,122,192 in normal and surtax returns.

In the second place, the entire decrease in taxable incomes occurred in the classes not in excess of $5,000, while for those in excess of $5,000 it materially increased. The number of taxable returns with income of less than $5,000 decreased 55 percent, while the number in excess of $5,000 increased 18 percent; in excess of $25,000, 32 percent; in excess of $100,000, 67 percent; in excess of $300,000, 104 percent; and in excess of $1,000,000, 176 percent.

The Treasury Department has always contended that in the long run the taxation of income at moderate rates would be more productive than at very high rates. The soundness of this contention appears to have been amply borne out by the tax returns under the law of 1926, for both the calendar years 1925 and 1926.

The sources of the income returned for the calendar year 1925 as compared with 1924 clearly illustrate the effect of the new revenue act. The total national income was undoubtedly greater in 1925 than in 1924, due to increased prosperity, but the income actually returned for individual income-tax purposes was less, due to the entire exemption of over 40 percent of the 1924 income-tax payers. The income returned on account of wages and salaries was about $3,875,000,000 less; from individual businesses about $1,100,000,000 less; from rents and royalties about $538,000,000 less; and from interest and investments about $467,000,000 less. On the other hand, increased income was returned from dividends and from sale of property. Dividends increased about $214,000,000, while the gains from the sale of property, including that returned as capital net gains, increased about $1,418,500,000. The largest reductions in net income reported for tax purposes, in the income from wages and salaries and in the income re-

turned on account of individual business, were in the lower tax brackets. The reductions in returns from returns and royalties and interest and investment income were almost entirely in the lower brackets. The greatest beneficiaries of the 1926 act were, therefore, people of small incomes, wage earners, salaried men, and men operating small individual business enterprises.

What a Managed Currency Has Done to China

EXTENSION OF REMARKS
OF
HON. JOHN SANBORN
OF IDAHO
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

Mr. SANBORN. Mr. Speaker, 12 years ago, China was forced to abandon her traditional monetary policy of silver money and emulate us by adopting a managed currency. Since that time China's money has steadily depreciated until today it requires 10,000,000 Chinese dollars to buy one American dollar. Resources accumulated over 150 years under constitutional government, free enterprise, and a protective tariff kept us from suffering China's fate, but in reality the American people have lost more under the Marxist formula of managed currency than China. The dollar, and all fixed-dollar-value securities including savings, pensions, and life insurance have lost 63 percent of their value in the 14 years we have operated under a system of "managed currency," and if the dollar continues to depreciate at the rate it has during the past 14 years, our currency will be just as worthless as China's in a few years.

China had no alternative except to adopt a managed currency; it was forced on her by the western powers including England and the United States. In the late 1920's England, through the Bank of India, withdrew from circulation all silver money in India and replaced it with paper currency and coins of pewter-silver. This silver was then dumped on the market; China was unable to absorb it at once, and as a result, the price of silver dropped from 65 cents per ounce to 26 cents per ounce. This wiped out 60 per cent of the purchasing power of more than half of the people of the world, for silver was the money of the Orient and the Middle East.

You will recall that just prior to the drop in the price of silver, our Northwest was sending shiploads of wheat and flour to China, and the South was sending great cargoes of cotton. But when the price of silver dropped this business stopped, and wheat rotted at the northwest ports and China ports, because the money to pay for it had been destroyed just as effectively as if we had dumped $10,000,000,000 in the ocean.

To carry on business, China was forced to pay 5 ounces of silver for what she had previously bought for 2 ounces, and China's silver was drained away just two and one-half times as fast as it would have been normally, and soon her silver reserves required to support her currency had been dissipated.

In 1934 the Congress of the United States passed the Silver Purchase Act raising the price of silver to 45 cents per ounce. Most of those supporting this legislation sincerely believed that this would help China, but it was much like locking the barn door after the horse had been stolen, and actually hurt China more than it helped, since she would be forced to buy silver at 45 cents to restore any monetary reserves which had been depleted at 26 cents. There was nothing China could do but follow the United States and other western powers into a venture in managed currency, with the disastrous results noted above.

A managed currency is nothing more or less than fiat currency, printing-press money, which can work only through collectivism or a completely Government-controlled economy. This means complete coercion of individuals with rationing, controlled production, and price fixing, and all the attendant evils of black markets. That is why the administration is demanding controls; managed currency cannot work any other way.

So long as we continue on a monetary policy of managed currency, we are playing right into the hands of Communist Russia and all other totalitarian states, for so long as Russia can operate on printing-press money, she can sell her gold to the world at the highest price offered. But once we adopt a sound monetary system, Russia will have to use her gold as a reserve to back her currency if she expects any other country to accept it. Does it not seem pretty stupid to rail about Communists while continuing to supply them the tools with which they work and the vehicles on which they have ridden to power—a debauched currency and unsound economy, both of which are being perpetuated under the Bretton Woods scheme, which actually encourages devaluation and currency manipulation?

To send our money or goods to any country, until we have first adopted a sound monetary system, except as is required to prevent hunger and want, is just operation rat-hole and will delay, rather than hasten, world recovery.

Once we adopt a sound monetary system which other countries, of necessity, will have to subscribe to, billions of dollars in gold and silver will come out of hiding and flow back into the banks of the respective countries where it will serve as a 40 percent monetary reserve for the issuance of sound, stable, redeemable currency.

After that is done, there is a possibility that other countries may need an additional $10,000,000,000 to put their economic houses in order, but rather than loaning them ten billion, we would loan them four billion in gold and silver which would serve as a 40 percent reserve for the issuance of ten billion of sound redeemable currency. To insure that this gold and silver was used for the purpose intended we could earmark it to the credit of the countries to which it was loaned, and keep it right here in the United States.

Since China's money has depreciated so that it is practically worthless, the Chinese Government might well repudiate it, and start anew. A $2,000,000,000 loan of gold and silver would serve as a redeemable reserve for $5,000,000,000 sound currency and, give China a stable government. The 400,000,000 Chinese people are thrifty and industrious, many of them are skilled artisans, and with sound money they can develop a sound economy and pay this loan back in a few years. But until we first give the world a sound monetary system, there is not a chance in the world that we will ever receive $1 repayment of the billions of dollars we are now dumping into other countries.

SILVER IS THE POOR MAN'S MONEY

Silver is the poor man's money because gold cannot be coined in small enough denominations. So long as the international bankers can manipulate the price of silver, the rich will get richer and the poor get poorer. But in reality, they only think they are getting richer, for money is not wealth; it is only the measure of the value of goods and services. It is only production that creates wealth—wealth is homes and clothing, steamships and railroad cars, refrigerators, radios, sewing machines, food, and other necessities. When a people are ground down by a cruel monetary and economic system so that they must exert all their efforts to eke out a bare existence like millions of the Chinese people have been forced to do, they are unable to create any new wealth, and the entire world suffers accordingly. Civil or political freedom without economic freedom is a hollow shell.

The United States is the one power on earth that can give the world a sound monetary system and thereby break the economic chains of millions. Have we the courage to meet our responsibility, or will we permit the international racketeers to drag our own people down to the average world standard of living along with the Hottentot and the coolie? Yes; it can happen here if we neglect to do something about this monetary situation.

The Washington Times-Herald of August 6, 1948, carried an article by the eminent journalist and authority on Chinese matters, George E. Sokolsky, which is hereto appended. As stated above, I feel very confident that the Members of Congress who supported the Silver Purchase Act believed they were helping China, but it is very possible that certain members of the New Deal administration had other motives as suggested by Mr. Sokolsky, and recent exposures of Communist spies in Government Departments gives substance to Mr. Sokolsky's charges. His article follows:

THESE DAYS
(By George E. Sokolsky)

Much of China's current troubles are monetary, arising from the debasement of her currency which was the direct result of the American silver policy. China's currency was based on silver and the United States artificially raised the world price of silver in such a manner that that metal flowed into this country and left China with nothing but paper money.

This was as effective an attack upon China as anything the Japanese did during the entire fighting war.

Many of us so said at the time, although one of the arguments for this policy, out of which speculators made fortunes, was that it aided China.

The American Government sent experts to China to assist her in fiscal matters. The State Department and the Treasury were involved in this expert advice. Subsequently, the United States sent other experts to China to advise Chiang Kai-shek on the conduct of the affairs of that country.

Among the advisers was Lauchlin Currie, Canadian-born, who became one of President Roosevelt's "anonymous secretaries," and is now on Miss Elizabeth Bentley's list of accused. I am not prejudging Mr. Currie's activities in China nor is it fair to accuse him of crimes of action or misdemeanors of judgment until all the evidence is in—including his own. But I call attention to the fact that this column has been critical of him, of Owen Lattimore, of General Stilwell, and George Marshall, and of John Carter Vincent, of the State Department, all so-called experts and authorities, for many years.

This is the time to make a full investigation of our relations with China on three questions:

1. Who was responsible for our silver policy; why did we undertake this utterly uneconomic business; who profited by it; what harm has it done to China?

2. What quantity of paper money was shipped from the United States to China; who printed that money; who placed the orders in this country; who instructed the flying of those banknotes over the Hump while vital materials were delayed in Burma and India; who profited from these transactions; were they designed to aid China or so utterly to destroy her economy that the Communist—that is, the Russian—conquest of the country would become inevitable? Further, were payments for these banknotes, printed by a number of American firms and contracted for by Americans, paid out of Chinese funds or from funds borrowed from the United States? Were any American officials involved in this debasing transaction?

3. Why did we pursue a policy of trying to force Chiang Kai-shek to associate himself with the Chinese Communists in spite of the fact that we have in the records of the State Department, the Department of Commerce, Army and Navy intelligence, and the files of newspapers, ample evidence, from 1924 to 1948, of the effort of Soviet Russia to conquer China by means of the Chinese Communist Party? Why did the spokesmen of our Government try to give the impression that the Chinese Communists were not part of Soviet Russia's international apparatus, when since 1920 there has been a full record of the attendance of the Chinese Communists at every session of the Third International, published in the Comintern paper, Inprecorr, giving their speeches, debates, discussions, and reports? Who ordered this false and malicious propaganda to be spread before the American people?

Why was this policy continued after Yalta where the Russians disclosed their purposes; after Potsdam which left nothing to the imagination; after the Russians seized Manchuria and half of Korea and broke all her treaties with us? Why was it pursued by the OWI, the OSS, the State Department, and even by George Marshall after the Russians had disclosed their aims in Asia? Who gave the orders?

If Congress will go to the roots of the matter, investigating these questions, the truth will disclose itself. And that truth will be that somewhere in the directing line, on the high level of policy, were powerful Americans who were working to hand China over to Soviet Russia, which would have given that country, in short time, the whole of Asia, and made America subject to Russia's will.

Synopsis of Federal Taxes on Income Since the Adoption of the Sixteenth Amendment

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EXTENSION OF REMARKS
OF
HON. DANIEL A. REED
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

Mr. REED of New York. Mr. Speaker, under leave to extend my remarks, I am inserting a synopsis of the Federal income taxes imposed on the income of individuals and of the normal, excess-profits, and war-profits taxes imposed on the income of corporations since the adoption of the sixteenth amendment. In the case of individuals, the special treatment of gains and losses from sales or exchanges of capital assets after 1921 is included:

SYNOPSIS OF FEDERAL TAXES ON THE INCOME OF INDIVIDUALS SINCE THE ADOPTION OF THE SIXTEENTH AMENDMENT

NORMAL TAX, INDIVIDUAL

Rates, personal exemptions, and credits for dependents in effect for normal tax purposes during 1913 and subsequent years

Act	Year [1]	Personal exemption [2]		Credit for each dependent [3]	Rate
		Single	Married		
1913	1913 (Mar. 1-15)	$3,000	$4,000	None	1 percent.
1916	1916	3,000	4,000	None	2 percent.
1916 / 1917	1917	1,000	2,000	$200	4 percent (2 percent on first $2,000).
1918	1918	1,000	2,000	200	12 percent (6 percent on first $4,000).
	1919-20	1,000	2,000	200	8 percent (4 percent on first $4,000).
1921	1921-23	1,000	[4] 2,500	400	Same.[5]
1924	1924	1,000	2,500	400	6 percent (2 percent on first $4,000; 4 percent on second $4,000).
1926	1925-27	1,500	3,500	400	5 percent (1½ percent on first $4,000; 3 percent on second $4,000).
1928	1928	1,500	3,500	400	Same.
1928	1929	1,500	3,500	400	4 percent (1½ percent on first $4,000; 2 percent on second $4,000).
	1930-31	1,500	3,500	400	5 percent (1½ percent on first $4,000; 3 percent on second $4,000).
1932	1932-33	1,000	2,500	400	8 percent (4 percent on first $4,000).
1934	1934-35	1,000	2,500	400	4 percent.
1936	1936-37	1,000	2,500	400	4 percent.
1938	1938	1,000	2,500	400	4 percent.
I. R. C.	1939	1,000	2,500	400	4 percent.
	1940	800	2,000	400	4 percent.[6]
	1941	750	1,500	400	4 percent.
	1942-43	500	1,200	350	6 percent.
	1944-45	500	[7] 500	None	3 percent.
	1946-47	500	[7] 500	500	3 percent.[8]
	1948	[9] 600	[9] 1,200	600	3 percent.[10]

[1] For 1917 and earlier, the calendar year; for 1918 to 1932, inclusive, the calendar year and fiscal years ending therein; for 1933, the calendar year and fiscal years beginning or ending therein; and for 1934 and later, the calendar year and fiscal years beginning therein. In the case of a rate change during a fiscal year ending in the period 1918 to 1933, inclusive, the tax was prorated. Proration is also provided for in the case of fiscal years ending after June 30, 1942, and in the case of fiscal years ending in 1944.

[2] In the statute effective for 1944 and subsequent years, the term "personal exemption" is no longer used to describe this credit against net income; it is supplanted, for normal tax purposes, by the term "normal tax exemption."

[3] For the years 1934 to 1940, inclusive, the credit was allowed "for each person (other than husband or wife) dependent upon and receiving his chief support from the taxpayer if such dependent person is under 18 years of age or is incapable of self-support because mentally or physically defective." For the years 1941, 1942, and 1943, this allowance was qualified by the provision that "if the taxpayer would not occupy the status of head of a family except by reason of there being 1 or more dependents for whom he would be entitled to credit * * * the credit * * * shall be disallowed with respect to 1 of such dependents."

[4] $2,000 in the case of net incomes in excess of $5,000.

[5] The tax for 1923 was reduced 25 percent by the 1924 act.

[6] Not including the defense tax, which was 10 percent of the combined normal tax and surtax but not to exceed 10 percent of the excess of the net income over the combined nortax unal and surtax.

[7] In the case of a joint return, the exemption is $1,000, except that if the adjusted gross income of one spouse is less than $500, it is $500 plus the adjusted gross income of such spouse.

[8] The tax for 1946 and 1947 computed at this rate was reduced by 5 percent under the Revenue Act of 1945.

[9] Under the Revenue Act of 1948, an additional $600 exemption is granted for each taxpayer if he is blind and an additional $600 if the taxpayer has attained the age of 65 before the close of his taxable year. In the case of a joint return, the additional $600 exemption also applies to the spouse of the taxpayer if the spouse has attained the age of 65, and an additional $600 if the spouse is blind.

[10] The combined tentative normal tax and tentative surtax was reduced by the Revenue Act of 1948 as follows:

If the aggregate is—	The reduction shall be—
Not over $400	17 percent of the aggregate.
Over $400 but not over $100,000.	$68 plus 12 percent of excess over $400.
Over $100,000	$12,020 plus 9.75 percent of excess over $100,000.

Surtax, individual—Personal exemptions and credits for dependents in effect for surtax purposes during 1934 and subsequent years

Act	Year [1]	Personal exemption [2]		Credit for each dependent [4]
		Single	Married [3]	
1934	1934–35	$1,000	$2,500	$400
1936	1936–37	1,000	2,500	400
1938	1938	1,000	2,500	400
I. R. C.	1939	1,000	2,500	400
	1940	800	2,000	400
	1941	750	1,500	400
	1942–43	500	1,200	350
	1944–47	500	[2] 1,000	[2] 500
	1948	[5] 600	[5] 1,200	600

[1] The calendar year and fiscal years beginning therein. Prior to 1934, no personal exemption or credit for dependents was allowed for surtax purposes.

[2] In the statute effective for 1944 and subsequent years, the term "personal exemption" is no longer used to describe this credit against net income; it is supplanted, for surtax purposes, by the term "surtax exemption."

This surtax exemption is $500 each for the taxpayer, the taxpayer's spouse (in case of a joint return or, if the spouse has no gross income and is not the dependent of another taxpayer, in the case of a separate return), and each of the taxpayer's dependents whose gross income for the calendar year in which the taxable year of the taxpayer begins is less than $500. No surtax exemption is allowed for a dependent who is married and has made a joint return for a taxable year beginning in such calendar year.

[3] For the years 1934 to 1943, inclusive, a head of a family was allowed the same personal exemption as a married person living with husband or wife. Effective for 1944 and subsequent years, a head of a family, as such, is allowed no surtax exemption.

For the years 1934 to 1943, inclusive, if a husband and wife made separate returns, the personal exemption could be taken by either or divided between them. Effective for 1944 and subsequent years, a married person making a separate return is allowed a surtax exemption of only $500, unless the spouse has no gross income and is not the dependent of another taxpayer, in which case the surtax exemption is $1,000.

[4] For the years 1934 to 1940, inclusive, the credit was allowed "for each person (other than husband or wife) dependent upon and receiving his chief support from the taxpayer if such dependent person is under 18 years of age or is incapable of self-support because mentally or physically defective."

For the years 1941, 1942, and 1943, this allowance was qualified by the provision that "if the taxpayer would not occupy the status of head of a family except by reason of there being one or more dependents for whom he would be entitled to credit * * *, the credit * * * shall be disallowed with respect to one of such dependents."

Effective for 1944 and subsequent years, the statute defines the term "dependent" to mean "any of the following persons over half of whose support, for the calendar year in which the taxable year of the taxpayer begins, was received from the taxpayer:

(A) a son or daughter of the taxpayer, or a descendent of either,

(B) a stepson or stepdaughter of the taxpayer,

(C) a brother, sister, stepbrother, or stepsister of the taxpayer,

(D) the father or mother of the taxpayer, or an ancestor of either,

(E) a stepfather or stepmother of the taxpayer,

(F) a son or daughter of a brother or sister of the taxpayer,

(G) a brother or sister of the father or mother of the taxpayer,

(H) a son-in-law, daughter-in-law, father-in-law, mother-in-law, brother-in-law, or sister-in-law of the taxpayer.

As used in the above definition, "brother" and "sister" include a brother and sister of the half-blood and "for the purposes of determining whether any of the foregoing relationships exist a legally adopted child of a person shall be considered a child of such person by blood. The term 'dependent' does not include any individual who is a citizen or subject of a foreign country unless such individual is resident of the United States or of a country contiguous to the United States."

[5] Effective for 1948, an additional $600 exemption is granted to the taxpayer if he is blind, and an additional $600 exemption if the taxpayer has attained the age of 65 before the close of his taxable year. In the case of a joint return, the spouse of the taxpayer is entitled to the additional exemption of $600 if the spouse is blind and the additional exemption of $600 if the spouse has attained the age of 65.

Surtax, individual—Rates in effect during 1913 and subsequent years [1]

Net income [2] (in thousands)		1913 (Mar. 1)–1915	1916	1917	1918–21	1922–23 [3]	1924	1925–31	1932–33	1934–35	1936–39	1940 [4]	1941	1942–43	1944–45	1946–47, [5] 1948 [6]
Over	Not over															
		Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.
$0	$2	0	0	0	0	0	0	0	0	0	0	0	6	13	20	17
2	4	0	0	0	0	0	0	0	0	0	0	0	9	16	22	19
4	5	0	0	0	0	0	0	0	0	4	4	4	13	20	26	23
5	6	0	0	1	1	0	0	0	0	4	4	4	13	20	26	23
6	7.5	0	0	1	2	1	0	0	1	5	5	6	17	24	30	27
7.5	8	0	0	2	2	1	0	0	1	5	5	6	17	24	30	27
8	10	0	0	2	3	1	0	0	1	6	6	8	21	28	34	31
10	12	0	0	3	4	2	1	1	2	7	7	10	25	32	38	35
12	12.5	0	0	3	5	3	1	1	3	8	8	12	29	36	43	40
12.5	13	0	0	4	5	3	1	1	3	8	8	12	29	36	43	40
13	14	0	0	4	5	3	1	1	3	8	8	12	29	36	43	40
14	15	0	0	4	6	4	2	2	4	9	9	15	32	40	47	44
15	16	0	0	5	6	4	2	2	4	9	9	15	32	40	47	44
16	18	0	0	5	7	5	3	3	5	11	11	18	35	43	50	47
18	20	0	0	5	8	6	4	4	6	13	13	21	38	46	53	50
20	22	1	1	8	9	8	5	5	8	15	15	24	41	49	56	53
22	24	1	1	8	10	9	6	6	9	17	17	27	44	52	59	56
24	26	1	1	8	11	10	7	7	10	17	17	27	44	52	59	56
26	28	1	1	8	12	11	8	7	11	19	19	30	47	55	62	59
28	30	1	1	8	13	12	9	8	12	19	19	30	47	55	62	59
30	32	1	1	8	14	13	10	8	13	19	19	30	47	55	62	59
32	34	1	1	8	15	15	10	9	15	21	21	33	50	58	65	62
34	36	1	1	8	16	15	11	9	15	21	21	33	50	58	65	62
36	38	1	1	8	17	16	12	10	16	21	21	33	50	58	65	62
38	40	1	1	8	18	17	13	10	17	24	24	36	53	61	69	66
40	42	1	2	12	19	18	13	11	18	24	24	36	53	61	69	66
42	44	1	2	12	20	19	14	11	19	24	24	36	53	61	69	66
44	46	1	2	12	21	20	15	12	20	27	27	40	55	63	72	69
46	48	1	2	12	22	21	16	12	21	27	27	40	55	63	72	69
48	50	1	2	12	23	22	17	13	22	27	27	40	55	63	72	69
50	52	2	2	12	24	23	18	13	23	30	31	44	57	66	75	72
52	54	2	2	12	25	24	19	14	24	30	31	44	57	66	75	72
54	56	2	2	12	26	25	19	14	25	30	31	44	57	66	75	72
56	58	2	2	12	27	26	20	15	26	33	35	44	57	66	75	72
58	60	2	2	12	28	27	21	15	27	33	35	44	57	66	75	72
60	62	2	3	17	29	28	21	16	28	33	35	47	59	69	78	75
62	64	2	3	17	30	29	22	16	29	36	39	47	59	69	78	75
64	66	2	3	17	31	30	23	17	30	36	39	47	59	69	78	75
66	68	2	3	17	32	31	24	17	31	36	39	47	59	69	78	75
68	70	2	3	17	33	32	25	17	32	39	43	47	59	69	78	75
70	72	2	3	17	34	33	26	18	33	39	43	50	61	72	81	78
72	74	2	3	17	35	34	26	18	34	39	43	50	61	72	81	78
74	75	2	3	17	36	35	27	18	35	42	47	50	61	72	81	78
75	76	3	3	17	36	35	27	18	35	42	47	50	61	72	81	78
76	78	3	3	17	37	36	28	18	36	42	47	50	61	72	81	78
78	80	3	3	17	38	37	28	18	37	42	47	50	61	72	81	78
80	82	3	4	22	39	38	29	19	38	45	51	53	63	75	84	81
82	84	3	4	22	40	39	30	19	39	45	51	53	63	75	84	81
84	86	3	4	22	41	40	31	19	40	45	51	53	63	75	84	81
86	88	3	4	22	42	41	31	19	41	45	51	53	63	75	84	81
88	90	3	4	22	43	42	32	19	42	45	51	53	63	75	84	81
90	92	3	4	22	44	43	33	19	43	50	55	56	64	77	87	84
92	94	3	4	22	45	44	34	19	44	50	55	56	64	77	87	84
94	96	3	4	22	46	45	35	19	45	50	55	56	64	77	87	84
96	98	3	4	22	47	46	36	19	46	50	55	56	64	77	87	84
98	100	3	4	22	48	47	36	19	47	50	55	56	64	77	87	84
100	150	4	5	27	52	48	37	20	48	52	58	58	65	79	89	86
150	200	4	6	31	56	49	37	20	49	53	60	60	66	81	90	87
200	250	4	7	37	60	50	38	20	50	54	62	62	67	82	91	88
250	300	5	8	42	60	50	38	20	50	54	64	64	69	82	91	88
300	400	5	9	46	63	50	39	20	51	55	66	66	71	82	91	88
400	500	5	9	46	63	50	39	20	52	56	68	68	72	82	91	88
500	750	6	10	50	64	50	40	20	53	57	70	70	73	82	91	88
750	1,000	6	10	55	64	50	40	20	54	58	72	72	74	82	91	88
1,000	1,500	6	11	61	65	50	40	20	55	59	73	73	75	82	91	88
1,500	2,000	6	12	62	65	50	40	20	55	59	73	73	75	82	91	88
2,000	5,000	6	13	63	65	50	40	20	55	59	74	74	76	82	91	88
5,000	---------	6	13	63	65	50	40	20	55	59	75	75	77	82	91	88

[1] For 1917 and earlier, the calendar year; for 1918 to 1932, inclusive, the calendar year and fiscal years ending therein; for 1933, the calendar year and fiscal years beginning or ending therein; and for 1934 and later, the calendar year and fiscal years beginning therein. In the case of a rate change during a fiscal year ending in the period 1918 to 1933, inclusive, the tax was prorated. Proration is also provided for in the case of fiscal years ending after June 30, 1942, and in the case of fiscal years ending in 1944.

[2] For 1933 and prior years, the entire net income; for 1934 and subsequent years, the net income after credit thereagainst of the personal exemption and credit for dependents.

[3] The tax for 1923 was reduced 25 percent by the 1924 act.

[4] Not including the defense tax, which was 10 percent of the combined normal tax and surtax, but not to exceed 10 percent of the excess of the net income over the combined normal tax and surtax.

[5] The tax for 1946–47 computed at these rates was reduced by 5 percent by the Revenue Act of 1945.

[6] The combined tentative normal tax and tentative surtax was reduced by the Revenue Act of 1948 as follows:

If aggregate is—	The reduction shall be—
Not over $400	17 percent of the aggregate.
Over $400 but not over $100,000.	$68 plus 12 percent of the excess over $400.
Over $100,000	$12,020 plus 9.75 percent of excess over $100,000.

VICTORY TAX [1]

Specific exemption, rate, and tax credits

Specific exemption [2]		$624
Rate [3] (percent)		5
Tax credits:	*Percent*	*Maximum amount*
Single	25	$500
Married or head of family	40	[4] 1,000
For each dependent	2	100

[1] Imposed on the "Victory tax net income" of individuals for taxable years beginning in 1943. In general, Victory tax net income was gross income with certain exceptions and less certain deductions, generally of a business character, specified in the statute.

[2] In the case of a joint return by husband and wife if the Victory tax net income of one was less than $624, the aggregate exemption of both was limited to $624 plus the Victory tax net income of that one.

[3] The amount of the tax was limited to the excess of 90 percent of the net income over the sum of the normal tax and surtax.

[4] In the case of a separate return by each spouse, the maximum was $500.

Income tax, individual—Treatment of capital gains and losses in 1922 and subsequent years

Act	Year [1]	Capital assets	Holding period	Percentage of gain or loss taken into account in computing net income	Treatment of capital gain	Treatment of capital loss
1921	1922–23	Property acquired and held by the taxpayer for profit or investment for more than 2 years (whether or not connected with his trade or business) not including property held for the personal use or consumption of the taxpayer or his family or stock in trade of the taxpayer or other property of a kind which would properly be included in his inventory if on hand at the close of the taxable year.	More than 2 years	100	Net gain (the excess of capital gain over the sum of capital deductions and capital losses) is taxed at 12½ percent at the election of the taxpayer 12½ percent of the capital net gain plus the tax on the ordinary net income to be not less than 12½ percent of the total net income in the event of such an election.	No special treatment as such.
1924	1924	Property held by the taxpayer for more than 2 years (whether or not connected with his trade or business) not including stock in trade of the taxpayer or other property of a kind which would properly be included in his inventory if on hand at the close of the taxable year or property held primarily for sale in the course of his trade or business.	do	100	Net gain (the excess of capital gain over the sum of capital deductions, capital losses and the excess of ordinary deductions over ordinary gross income) is taxed at 12½ percent at the election of the taxpayer the total tax in the event of such an election to be 12½ percent of the capital net gain plus the tax on the ordinary net income.	12½ percent of the capital net loss is deducted from a tax computed on the basis of the ordinary net income the remainder to be not less than a tax computed on the basis of the net income (determined by allowing the capital net loss as a deduction).
1926	1925–27	do	do	100	do	Do.
1928	1928–31	do	do	100	do	Do.
1932	1932–33	do	do	100	do	Do.
1934	1934–35	Property held by the taxpayer (whether or not connected with his trade or business), not including stock in trade of the taxpayer or other property of a kind which would be properly included in his inventory if on hand at the close of the taxable year, or property held by him primarily for sale to customers in the ordinary course of his trade or business. [2]	Not over 1 year Over 1, but not over 2 years. Over 2, but not over 5 years. Over 5, but not over 10 years. Over 10 years	100 80 60 40 30	No special treatment of the amount taken into account in computing net income.	No special treatment of the amount taken into account in computing net income. That amount, however, is limited to $2,000 plus the capital gains taken into account
1936	1936–37	do [2]	do	30	do	Do.
1938	1938	Same, with the additional exception of property, used in the trade or business, of a character which is subject to an allowance for depreciation. [2]	Short-term: Not over 18 months.	100	Net short-term gain (the excess of the short-term gains for the taxable year over the sum of the short-term losses for the taxable year and the net short-term loss of the preceding taxable year, brought forward to the extent not in excess of the net income for such preceding year) receives no special treatment. ("Preceding taxable year" includes none beginning before 1938.)	Net short-term loss (the excess of short-term losses over short-term gains) is treated as a short-term loss in the succeeding taxable year (for the purpose only of determining the net short-term gain for such year), to the extent not in excess of the net income for the taxable year.
			Long-term: Over 18, but not over 24 months. Over 24 months	Net long-term gain (the excess of long-term gains over long-term losses, each to the extent taken into account in computing net income) is taxed at 30 percent, if such a tax plus a tax computed upon the net income reduced by the net long-term gain is less than a tax computed on the net income. 66⅔ 50		30 percent of the net long-term loss (the excess of long-term losses over long-term gains, each to the extent taken into account in computing net income) is deductible from the tax computed on the net income increased by such loss, if the result is an amount greater than the tax computed on the net income.
I. R. C.	1939	do [2]	do	50	do	Do.
	1940–41	Same, with the additional exception of obligations of the United States or any of its possessions, or of a State, Territory, or any political subdivision thereof, or of the District of Columbia, issued on or after Mar. 1, 1941, on a discount basis and payable without interest at a fixed maturity date not exceeding 1 year from the date of issue. [2]	do	50	do	Do.
	1942	Same, with the additional exception of real property used in the trade or business of the taxpayer. [2]	Short term: Not over 6 months. Long term: Over 6 months.	100 50	Excess of net long-term gain (the excess of long-term gains over long-term losses, each to the extent taken into account in computing net income) over net short-term loss (the excess of short-term losses over short-term gains, each to the extent taken into account in computing net income) is taxed at 50 percent, if such a tax plus a tax computed on the net income reduced by such excess is less than a tax computed on the net income.	Net capital loss (the excess of losses over the sum of gains—each to the extent taken into account in computing net income—plus the smaller of $1,000 or the net income computed without regard to capital gains and losses) in any taxable year beginning after 1941 is treated as a short-term capital loss in each of the 5 succeeding taxable years, to the extent of the excess of such net capital loss over the total of any net capital gains [3] of any taxable years intervening between the taxable year in which the net capital loss arose and such succeeding taxable year.
	1943–48	do [2]	do	50	do	Do.

See footnotes on following page.

[1] For 1921 to 1932, inclusive, the calendar year and fiscal years ending therein; for 1933, the calendar year and fiscal years beginning or ending therein; and for 1934 and later, the calendar year and fiscal years beginning therein.

The Revenue Act of 1921, the first to provide for special treatment of capital gains and losses, applied to such gains and losses from sales or exchanges consummated after Dec. 31, 1921.

[2] In taxable years beginning in 1934 or later, gains or losses from short sales of property are considered as from sales or exchanges of capital assets. Gains or losses attributable to the failure to exercise privileges or options to buy or sell property are considered as gains or losses from sales or exchanges of capital assets held for 1 year or less under the 1934 and 1936 acts and as short-term capital gains or losses under the 1938 and subsequent acts.

In taxable years beginning in 1934 or later, amounts received by the holder upon the retirement of corporate (including Government) evidences of indebtedness are considered as received in exchange therefor.

In taxable years beginning in 1938 or later, if shares of stock in a corporation or rights to subscribe for or to receive such shares become worthless during the taxable year and are capital assets, the loss resulting therefrom is considered as a loss from the sale or exchange, on the last day of the taxable year, of capital assets.

In taxable years beginning in 1938 or later, if evidences of indebtedness issued by a corporation (including a Government) with interest coupons or in registered form are ascertained to be worthless and charged off during the taxable year, and are capital assets, the loss resulting therefrom is considered as a loss from the sale or exchange, on the last day of the taxable year, of capital assets.

In taxable years beginning in 1942 or later, if the gains from sales or exchanges of "property used in the trade or business," held for more than 6 months, plus the gains from the compulsory or involuntary conversion of such property and capital assets held for more than 6 months, exceed the losses from such sales, exchanges, and conversions, such gains and losses shall be considered as from sales or exchanges of capital assets held for more than 6 months. If such gains do not exceed such losses, neither are considered as from sales or exchanges of capital assets. (For the purpose of this provision, neither the percentage limitation on gains and losses taken into account nor the income and gains limitation on allowable losses is applicable; and losses upon the distribution, in whole or in part, theft or seizure, or requisition or condemnation of "property used in the trade or business" or capital assets held for more than 6 months are considered losses from a compulsory or involuntary conversion.)

In taxable years beginning in 1943 or later, if a nonbusiness debt becomes worthless within the taxable year, the loss resulting therefrom is considered a loss from the sale or exchange, during the taxable year, of a capital asset held for not more than 6 months.

In taxable years beginning in 1944 or later, at the election of the taxpayer, the cutting of timber (for sale or use in the taxpayer's trade or business) by the taxpayer who owns or has the contract right to cut the timber (provided he owned or had the contract right to cut if for a period of more than 6 months prior to the beginning of the taxable year) is considered a sale or exchange.

[3] Net capital gain is the excess of the sum of capital gains plus the smaller of $1,000 or the net income (computed without regard to capital gains and losses) over capital losses. Net capital gain and net capital loss for the taxable year are computed without regard to any net capital loss carry-over to that year. For the purposes of the net income limitations on net capital gain and net capital loss, adjusted gross income is substituted for net income if the tax is measured by adjusted gross income.

A net short-term capital loss for the last taxable year beginning in 1941 (computed without regard to any carry-over from the preceding taxable year), in an amount not in excess of the net income for such taxable year, is treated as a short-term capital loss for the succeeding taxable year, to the extent of the net short-term capital gain of such succeeding taxable year. This treatment is in consideration of the carry-over from taxable years 1941 previously allowed.

SYNOPSIS OF FEDERAL NORMAL TAX AND PROFITS TAXES ON THE INCOME OF CORPORATIONS SINCE THE ADOPTION OF THE SIXTEENTH AMENDMENT [3]

Normal tax, corporation—Rates in effect during 1909 and subsequent years

Act	Year [1]	Rate base [2]	Rate (percent)
1909 [3]	1909–13 (Feb. 28).	Net income in excess of $5,000	1
1913	1913 (Mar. 1) to 1915.	Net income	1
1916	1916	do	2
1916, 1917	1917	Net income from dividends out of Mar. 1, 1913, to Dec. 31, 1915, earnings.	1
		Net income from dividends out of 1916–17 earnings.	2
		Net income other than from dividends, after credit of excess-profits tax for the current year.	6
1918	1918	Net income after credit of: $2,000; excess-profits and war-profits taxes for the current year; and interest (if included in gross income) in United States obligations and War Finance Corporation bonds.	12
	1919–20	Net income after credit of: $2,000; excess-profits tax for the current year; excess-profits and war-profits taxes for the current year on income from Government contracts; and interest (if included in gross income) on United States obligations and War Finance Corporation bonds.	10
1921	1921	Same, except for restriction of the specific credit of $2,000 to net incomes of $25,000 or less (the tax on a net income of more than $25,000, however, not to exceed the tax payable if the credit were allowed, plus the amount of the net income in excess of $25,000).	10
	1922–23	Same	12½
1924	1924	Net income after same specific credit and credit of interest (if included in gross income) on United States obligations.	12½
1926	1925	do	13
	1926–27	do	13½
1928	1928	Net income after a specific credit, in the case of net incomes of $25,000 or less, of $3,000 (with a marginal relief provision corresponding to that in force since 1921) and credit of interest on United States obligations (if included in gross income).	12
	1929	do	11
	1930–31	do	12
1932	1932–33	Net income after credit of interest (if included in gross income) on United States obligations.	13¾
1934	1934–35	Net income after credit of interest (if included in gross income) on United States obligations and of interest (if included in gross income and exempt, under the act authorizing issue, from normal tax) on obligations of corporate instrumentalities of the United States.	13¾
1936	1936–37	Normal tax net income: [4]	
		First $2,000	8
		Next $13,000	11
		Next $25,000	13
		Amount in excess of $40,000	15
1938	1938	Net income $25,000 or less:	
		First $5,000 of special class net income [5]	12½
		Next $15,000 of special class net income	14
		Next $5,000 of special class net income	16
		Net income slightly over $25,000:	
		If no credit for dividends or interest:	
		First $25,000	16
		Amount over $25,000	32
		If credit for dividends or interest:	
		First $25,000 of net income: [6]	
		First $5,000 of special class net income.	12½
		Next $15,000 of special class net income.	14
		Balance of special class net income	16
		Amount of net income over $25,000:	
		Credited dividends not included in first $25,000 of net income.	12
		Balance, except credited interest	32
		Net income over $25,000 (if tax is less than if computed as immediately above):	
		On adjusted net income	19
		Less the sum of the following:	
		16⅔ percent of the credit for dividends received; [7] and 2½ percent of the credit for dividends paid.	
I. R. C.	1939	do	19
	1940	Normal tax net income: [8]	
		$25,000 or less:	
		First $5,000	14.85
		Next $15,000	16.5
		Next $5,000	18.7
		Over $25,000 and not over $31,964.29:	
		First $25,000	18.7
		Next $6,964.29	38.3
		Over $31,964.29 and not over $38,565.89:	
		First $5,000	15.4
		Next $15,000	16.9
		Next $5,000	18.9
		Next $13,565.89	36.9
		Over $38,565.89	24
	1941	Normal tax net income: [8]	
		$25,000 or less:	
		First $5,000	15
		Next $15,000	17
		Next $5,000	19
		Over $25,000 and not over $38,461.54	37
		Over $38,461.54	24
	1942–48	Normal tax net income: [9]	
		$25,000 or less:	
		First $5,000	15
		Next $15,000	17
		Next $5,000	19
		Over $25,000 and not over $50,000	31
		Over $50,000	24

[1] For 1909 to 1912, inclusive, the calendar year; for 1913 to 1932, inclusive, the calendar year and fiscal years ending therein; for 1933, the calendar year and fiscal years beginning or ending therein; for 1934 and later the calendar year and fiscal years beginning therein.

In the case of a rate change during a fiscal year ending in any of the years 1916 to 1933, inclusive, the tax was prorated. Proration is also provided for in the case of fiscal years ending after June 30 in 1942, and in the case of fiscal years ending in 1944.

[2] Net income, the excess of gross income over deductions, varies under the several acts by reason of variation in the character of items excluded from gross income or allowed as deductions. Credits against net income are indicated in this column.

Dividends received from domestic corporations have been treated as follows: From 1909 through Feb. 28, 1913, net income was "exclusive" of such dividends; from Mar. 1, 1913, through 1917, they were not excluded or deducted from gross income or credited against net income; from 1918 through 1935, they were deducted from gross income; and for 1936 and subsequent years, credited 85 percent against net income, the credit not to exceed, during the years 1938 to 1941, inclusive, 85 percent of the adjusted net income, or, in 1942 and subsequent years, 85 percent of the adjusted net income reduced by the credit for income subject to excess-profits tax.

Adjusted net income, for 1938 and subsequent years, is net income minus the credit for interest on obligations of the United States and corporations organized by the United States.

[3] Although the sixteenth amendment was not adopted until 1913, the excise tax imposed by the Tariff Act of 1909 is included in the table, as essentially like the taxes imposed directly on income by subsequent legislation. Section 38 of that act imposed on corporations an annual "special excise tax with respect to the carrying on or doing business * * * equivalent to 1 percent upon the entire net income * * * over and above $5,000 * * * exclusive of * * * dividends * * * ."

[4] The net income minus the credit for interest (if included in gross income) on United States obligations and for 85 percent of dividends received from domestic corporations.

[5] Special class net income is the adjusted net income minus the credit for dividends received. That credit is 85 percent of the amount of dividends received from domestic corporations subject to the income tax; it may not exceed, however, 85 percent of the adjusted net income, which is the net income minus the credit for interest on obligations of the United States and corporate instrumentalities thereof.

[6] This first $25,000 is made up of: First, interest subject to credit; second, dividends subject to credit; and third, the excess, if any, of $25,000 over such interest and dividends.

The portion of the net income in excess of $25,000 is made up of: First, any interest subject to credit which is not included in the first $25,000; second, any dividends subject to credit which are not included in the first $25,000; and third, any balance of net income.

[7] See the second and third paragraphs of the note, above, designated (3).

[8] Normal tax net income means the adjusted net income minus the credit for dividends received.

Adjusted net income means the normal tax net income minus the credit for interest on obligations of the United States and corporate instrumentalities of the United States.

[9] Normal tax net income here means the adjusted net income minus the credits for income subject to excess-profits tax and for dividends received.

Profits taxes, corporation—Rates of excess-profits and war-profits taxes for 1917 and subsequent years

Act	Year [1]	Credit	Rate base	Rate
1917	1917	For invested capital corporations in existence at least one whole calendar year during the prewar period (1911–13): $3,000 (in the case of domestic corporations only),[2] plus (1) the same percentage (but not less than 7 nor more than 9) of invested capital for the taxable year as the average annual prewar net income was of prewar invested capital, or (2), in the case of no prewar net income, of a comparatively low prewar percentage of net income to invested capital, of an indeterminable prewar net income, or of indeterminable invested capital, the same percentage of invested capital for the taxable year as shown by representative taxpayers in the same or a similar trade or business.	Net income, after the credit:	
			Net in excess of 15 percent of invested capital	20 percent.
			In excess of 15 percent but not in excess of 20 percent of invested capital.	25 percent.
			In excess of 20 percent but not in excess of 25 percent of invested capital.	35 percent.
			In excess of 25 percent but not in excess of 33 percent of invested capital.	45 percent.
			In excess of 33 percent of invested capital	60 percent.
		For invested capital corporations not in existence at least one whole prewar calendar year: $3,000 (in the case of domestic corporations only),[2] plus 8 percent of invested capital;		
		For corporations with no, or nominal invested capital: $3,000 (in the case of domestic corporations only).[2]	Net income, after the credit, if any	8 percent.
1918	1918	Excess profits credit: $3,000 (in the case of domestic corporations only),[2] plus 8 percent of the invested capital for the taxable year.	Net income:	
			In excess of the excess-profits credit and not in excess of 20 percent of the invested capital.	30 percent.
			In excess of the greater of the excess-profits credit or 20 percent of the invested capital.	65 percent.
		War profits credit:		
		For corporations in existence at least 1 whole calendar year during the prewar period (1911–13): $3,000 (in the case of domestic corporations only),[2] plus the greater of the following: (1) average prewar net income, plus 10 percent of the increase or minus 10 percent of the decrease in invested capital for the taxable year as compared with average prewar invested capital or (2) 10 percent of invested capital for the taxable year.	The amount by which 80 percent of the net income in excess of the war-profits credit exceeds the excess-profits tax. [Maximum total of excess-profits tax and war-profits tax equals $5,100 (30 percent of the net income in excess of $3,000 and not in excess of $20,000) plus 80 percent of the net income in excess of $20,000.]	100 percent.
		For any corporation not in existence at least 1 whole calendar year during the prewar period, if (1) the majority of its stock was owned or controlled at any time during the taxable year by a corporation which was in existence at least 1 whole calendar year during the prewar period; or (2) 50 percent or more of its gross income was derived from Government contracts made after Apr. 5, 1917, and before Nov. 12, 1918: $3,000 (in the case of domestic corporations only),[2] plus 10 percent of invested capital for the taxable year.		
		For other corporations not in existence at least 1 whole calendar year during the prewar period: $3,000 (in the case of domestic corporations only),[2] plus the same percentage (but not less than 10) of invested capital for the taxable year as the average prewar percentage of net income to invested capital of corporations in a trade or business of the same general class as that of the taxpayer.		
1919–20		Same as for 1918	Net income (if not more than $10,000 thereof is from Government contracts made after Apr. 5, 1917, and before Nov. 12, 1918):	
			In excess of the excess-profits credit and not in excess of 20 percent of invested capital.	20 percent.
			In excess of the greater of the excess-profits credit or 20 percent of invested capital.	40 percent.
			[Maximum tax=$3,400 (20 percent of the net income in excess of $3,000 and not in excess of $20,000) plus 40 percent of the net income in excess of $20,000.]	
			Net income (if more than $10,000 thereof is from Government contracts made after Apr. 5, 1917, and before Nov. 12, 1918).	Prorated tax computed at 1918 and current rates.[3]
1921	1921	do	Same as for 1919 and 1920	Same as for 1919 and 1920.
I. R. C.	1940	The sum of $5,000:	Adjusted excess-profits net income (excess-profits net income minus the credit):	
		The excess-profits credit (that is, in the case of (1) a domestic corporation in existence before 1940, or (2) a foreign corporation engaged in trade or business in the United States or having an office or place of business therein, of which the first excess-profits tax taxable year begins on any date in 1940, which was in existence 48 months prior to such date, and which at any time during each of the taxable years in such 48 months was engaged in trade or business or had an office or place of business therein, whichever of the following results in the lesser tax: 8 percent of the invested capital for the taxable year, or 95 percent of the average base period (1936–39) net income, plus, in the case of a domestic corporation, 8 percent of the net capital addition or minus 6 percent of the net capital reduction for the taxable year; in the case of all other corporations, 8 percent of the invested capital for the taxable year); and	First $20,000	25 percent.
			Next $30,000	30 percent.
			Next $50,000	35 percent.
			Next $150,000	40 percent.
			Next $250,000	45 percent.
			Remainder	50 percent.
		The excess-profits credit carry-over (that is, the excess of the excess-profits credit over the excess-profits net income for the first preceding taxable year; plus such an excess for the second preceding taxable year, reduced by the excess, if any, of the excess-profits net income for the first preceding taxable year over the sum of the excess-profits credit for such year and the excess of such credit over such net income for the third preceding taxable year).		
	1941	The sum of $5,000:	Adjusted excess-profits net income (excess-profits net income minus the credit):	
		The excess-profits credit (the same as for 1940, except that the invested capital credit is 8 percent of first $5,000,000 plus 7 percent of the remainder of the invested capital for the taxable year); and	First $20,000	35 percent.
			Next $30,000	40 percent.
			Next $50,000	45 percent.
			Next $150,000	50 percent.
			Next $250,000	65 percent.
			Remainder	50 percent.
		The unused excess-profits credit adjustment (the aggregate of the unused excess-profits credit carry-overs and carry backs from the 2 preceding or succeeding taxable years).		
	1942–43	Same as for 1941, except that the invested capital credit is 8 percent of the first $5,000,000 of invested capital, 7 percent of the next $5,000,000, 6 percent of the next $190,000,000, and 5 percent of the remainder of the invested capital for the taxable year; and, in the case of a mutual insurance company (other than life or marine) which is an interinsurer or reciprocal underwriter, the specific exemption is $50,000.	Adjusted excess-profits net income (excess-profits net income minus the credit). [Maximum tax=an amount which, when added to the normal tax and surtax, makes a total equal to 80 percent of the surtax net income, computed without regard to the credit for the adjusted excess-profits net income.]	90 percent.
	1944–45	Same as for 1942–43, except that the invested capital credit is 8 percent of the first $5,000,000, 6 percent of the next $5,000,000, and 5 percent of the remainder of the invested capital for the taxable year; and the specific exemption of $5,000 is increased to $10,000.	Adjusted excess-profits net income (excess-profits net income minus the credit). [Maximum tax=an amount which, when added to the normal tax and surtax, equals 80 percent of the surtax net income, computed without regard to the credit for the adjusted excess-profits net income and without regard to 80 percent of the credit for dividends paid by a public utility on its preferred stock.]	95 percent.
	1946 [4]			

[1] For 1917 to 1921, inclusive, the calendar year and fiscal years ending therein; for 1940 and thereafter, the calendar year and fiscal years beginning therein.
In the case of fiscal years beginning in 1916 and ending in 1917, the tax is proportioned to the 1917 portion of the fiscal year. In the case of fiscal years ending in any of the years 1918 to 1921, inclusive, the tax is the sum of the taxes computed on the basis of the two calendar years involved, proportioned to the calendar year portion of the fiscal year. In the case of fiscal years ending in 1922, the tax is proportioned to the 1921 portion of the fiscal year.

Proration is also provided for in the case of fiscal years ending after June 30 in 1942, and in the case of fiscal years ending in 1944.

[2] Any corporation the net income of which is less than $3,000 is exempt from the tax, however.

[3] Proration is on the basis of the net income attributable to Government contracts, which determines the portion of the tax payable on the basis of the 1918 rates. Net income not so attributable determines the portion payable at current year rates.

[4] Repealed for taxable years beginning after Dec. 31, 1945, by the Revenue Act of 1945.

The American Farmer: Your Friend and Mine

EXTENSION OF REMARKS
OF
HON. EDWARD G. ROHRBOUGH
OF WEST VIRGINIA
IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. ROHRBOUGH. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to say a word in behalf of your friend and mine, the American farmer—the neighbor up the hollow or on the next mountaintop, the taxpayer who squares his account with the Government each year and prays it to let him alone, the man who works from sunup to sundown and leaves the squabble about the 40-hour week to others.

Politicians in their speeches sometimes refer to him as "a little guy" but he's every bit as important in normal times as his city cousins and right now his job is even more vital.

He has been called upon for the most—yet considered perhaps least—in administration demands for wage and price controls. The basic battle in the world today is against hunger. Who's going to do more about this situation than the American farmer? What he brings forth from the soil is tremendously important to the economic, political, and financial condition of the world.

Yet it has been proposed by the administration that we kick him around a bit. The President would tell him how much he may charge for farm products and how much he must pay someone to help him with his chores.

It is my opinion that at this time more would be lost than gained by taking this advice. Everyone stands to lose under what President Truman himself not so long ago described as police-state methods. The farmer would suffer most.

I grew up on a West Virginia farm. Perhaps that is why I feel called upon at this time to answer these charges that it is the farmer who is to blame for inflation.

Perhaps it is true, as the administration contends, that farm income has gone up more than that of any other principal occupation. But if farm income has increased, even to a considerable extent, was there not plenty of room for it to increase? Through the years, farm profits have been almost nonexistent. Who is there to deny that the farmer was entitled to a better return upon his investment and greater reward for his backbreaking toil?

The farmer, his wife, and his children punch no time clocks. They work until the job is done. That is how, during the last 6 years, they have been able to balance the diet of one-third of the world's population with only one-twelfth of its producing land.

Yet I have heard it charged in Washington that it is the farmer who must answer for the high food costs when it is a well-known fact that the farmer receives only a little more than half of what the consumer pays for the food he buys.

It is much easier, of course, to blame others than oneself. Perhaps that is why it is not politically palatable to agents of government, who have acquired the habit of buying their way out of hot spots with inflation money, to look at the inflation picture in a more objective fashion.

It will require the strictest economy in Government to release any considerable amount of the one-third of the people's incomes which Government now takes, either directly or indirectly, for its own spending.

Secretary of Agriculture Anderson has estimated that price controls under OPA cost the people 10 cents out of every dollar. The restoration of price control at the present time on this basis would cost the American people $12,000,000,000 per year.

More important, there is a real danger that if the weight of Government were thrown against present agriculture price levels, a depression would follow.

In addition to greater economy in Government, the situation calls for measures to encourage private capital and private enterprise to work and produce the greatest possible quantity of goods and services.

Deficits in the years since 1931 total approximately $6,000 per family. Can we place the blame for this at the farmer's door? I think not.

Supplementary Statistics on Strategic Metals and Minerals

EXTENSION OF REMARKS
OF
HON. BERTRAND W. GEARHART
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. GEARHART. Mr. Speaker, it will be remembered that the National Resources Economic Committee—created by the United States Senate Interior and Insular Affairs Committee to study and report upon the factors affecting production—published a very complete report on the minerals position of the United States in 1947, which has already been reprinted on account of the wide demand for the work.

The special committee headed by Senator GEORGE W. MALONE, of Nevada, has announced that the studies and reports, which will include fuels, timber and wood products, agriculture, iron and steel, fisheries and manufacturers, will be kept up to date.

Mr. Speaker in that connection I hand to the Public Printer for inclusion in the CONGRESSIONAL RECORD the data and information under the heading, "Additional information and data submitted by the Special National Resources Economic Committee—Bring up to date data already published through the minerals position of the United States report," prepared under the direction of the able Senator from Nevada:

ADDITIONAL INFORMATION AND DATA SUBMITTED BY THE SPECIAL NATIONAL RESOURCES ECONOMIC COMMITTEE—BRINGING UP TO DATE DATA ALREADY PUBLISHED THROUGH THE "MINERALS POSITION OF THE UNITED STATES" REPORT

Data and information is herewith submitted for the RECORD bringing up to date insofar as is possible at this time the 1947 "Minerals Position of the United States" report on strategic and critical minerals:

I. THE DOMESTIC PRODUCTION OF FIVE IMPORTANT STRATEGIC MINERALS EXPRESSED AS A PERCENTAGE OF WORLD PRODUCTION

	Bauxite	Chromite	Manganese	Mercury	Tungsten	Average
1944	40	3.0	8.0	24	19	19
1945	28	1.0	4.0	23	22	16
1946	24	.3	3.2	18	24	14
1947	19	.1	2.8	16	12	10
1948 (first quarter)	(1)	.4	2.2	(1)	(1)	------

[1] Not available.

NOTE.—Nickel was omitted; domestic production is negligible. Tin was omitted; there has been no domestic production since 1944.
Source: U. S. Bureau of Mines.

II. THE DOMESTIC PRODUCTION OF FIVE IMPORTANT STRATEGIC MINERALS EXPRESSED AS A PERCENTAGE OF DOMESTIC CONSUMPTION

	Bauxite	Chromite	Manganese	Mercury	Tungsten	Average
1943	131.0	16.6	12.9	95.0	58.8	45.8
1944	81.6	5.4	15.5	87.8	51.2	49.3
1945	40.1	1.7	12.3	49.3	37.1	28.1
1946	56.8	.6	12.6	80.3	76.4	45.3
1947	47.3	.1	9.3	65.3	37.8	32.0
1948 (first quarter)	(1)	.9	6.3	53.0	30.2	------

[1] Not available.
Source: U. S. Bureau of Mines.

III. AVERAGE PRICES OF THE PRINCIPAL NONFERROUS METALS (COPPER, LEAD, AND ZINC)—FISCAL 1947 COMPARED WITH FISCAL 1948

	Cents per pound		Percent change
	Fiscal 1947	Fiscal 1948	
Copper	18.10	21.20	+16
Lead	11.89	15.60	+31
Zinc	9.85	11.17	+13
Average	----------	----------	+20

Source: U. S. Bureau of Mines.

IV. PRODUCTION OF THE PRINCIPAL NONFERROUS METALS (COPPER, LEAD, AND ZINC)—FISCAL YEAR 1947 COMPARED WITH FISCAL YEAR 1948

[Unit: Short tons]

	1947	1948	Percent change
Lead	357,548	388,800	+8.7
Zinc	621,573	593,100	−3.6
Copper	801,047	856,000	+6.8
Total	1,780,168	1,837,900	+3.2

Source: U. S. Bureau of Mines. (The 1948 figures include a preliminary figure for June.)

V. COPPER

Statistical position of copper

[Quantities in short tons]

	World production	Domestic mine production	United States percent of world production	Imports	Exports	Consumption
1943	3,038,000	1,090,818	36	716,596	294,459	1,502,000
1944	2,843,000	972,549	34	785,211	257,515	1,504,000
1945	2,425,000	772,894	32	853,196	132,555	1,415,000
1946	2,023,000	608,737	30	393,275	97,475	1,391,000
1947 (estimated)	2,450,000	846,400	35	413,890	196,999	1,290,000
1948—January	(1)	73,088	(1)	29,065	17,819	(1)
February	(1)	68,876	(1)	59,471	18,297	(1)
March	(1)	73,922	(1)	48,582	15,043	(1)
April	(1)	74,045	(1)	41,186	23,272	(1)
May	(1)	74,891	(1)	35,312	19,861	(1)
June	(1)	75,601	(1)	(1)	(1)	(1)

[1] Data not available.

INDUSTRY STOCKS

Producers' (smelters and refiners) stocks of crude and refined copper totaled only 273,000 tons at the end of 1947, or 27 percent less than the average inventories held in the period 1935–39, when consumption was less than half of that for 1947.

Fabricators held 423,432 tons of refined copper (including in-process metal and primary fabricated shapes) at the end of 1947, compared with 300,543 tons at the end of 1939. At the 1947 rate of consumption, however, working stocks were 293,859 tons at the end of 1947 compared with 184,833 tons in 1939. There was an excess of 104,922 tons of booked orders over stocks on hand at the end of 1947.

IMPORTS

Copper (unmanufactured) imported into the United States, 1947, by countries, in short tons [1]

Country	Ore (copper content)	Concentrates (copper content)	Regulus, black or coarse copper and cement (copper content)	Unrefined black blister and converter copper in pigs or converter bars	Refined in ingots, plates, or bars	Old and scrap copper, fit only for remanufacture; and scale and clippings
Australia	2	320				196
Bolivia	337	6,415				
Canada	29	18,468	2,126	28	1,180	4,651
Chile	6,586	13,072	321	59,885	143,006	250
Cuba	50	14,848				55
Czechoslovakia				1,096		
Ecuador		132	58			
Japan					3,226	
Mexico	5,447	4,158	1,763	64,410	66	62
Newfoundland and Labrador		3,922				42
Peru	387	7,326	906	21,978	2,000	
Philippines, Republic of		2,130				55
Turkey				1,933		
Union of South Africa	1,658	65	49	7,903		91
Yugoslavia		172		10,145		
Other countries	169	165				551
Total	14,665	71,193	5,223	167,378	149,478	5,953

[1] Data include copper imported for immediate consumption plus material entering the country under bond.

RESERVES

Extensions of known ore bodies in the United States since the domestic estimates were made, particularly in the San Manuel deposit, Arizona; Yerington, Nev.; the White Pine mine, Michigan; and because of the new Butte development, Montana, are believed to have offset production since that time, so that present reserves are believed to be little changed from the totals reported, although the grade of the reserves is somewhat lower.

Source: United States Bureau of Mines.

VI. LEAD

Statistical position of lead

[Quantities in short tons]

	World mine production	Domestic mine production	United States percent of world production	Imports	Exports	Consumption
1943	1,170,984	453,313	39	319,038	2,003	1,113,000
1944	968,000	416,861	43	319,071	15,523	1,118,643
1945	979,673	390,831	40	300,326	1,407	1,051,602
1946	909,826	335,475	37	159,238	597	956,476
1947	1,251,800	375,267	30	227,791	1,513	1,150,000
1948—January	(1)	33,306	(1)	21,534	49	92,226
February	(1)	32,407	(1)	26,686	12	87,226
March	(1)	35,802	(1)	23,726	39	97,376
April	(1)	35,512	(1)	23,145	34	89,869
May	(1)	33,652	(1)	26,263	(1)	(1)
June	(1)	34,507	(1)	(1)	(1)	(1)

[1] Not available.

STOCKS

Total domestic lead stocks at the end of 1947 were adequate for about 2 months' supply at the average monthly rate of consumption during the first 4 months of 1948.

Lead stocks at end of year in the United States, 1943–47, in short tons

	1943	1944	1945	1946	1947
Producers' stocks, all lead	129,540	125,134	161,812	189,741	123,413
Consumers' stocks refined lead	115,152	86,908	102,937	41,914	46,941
Government-owned stocks pig lead	173,875	90,454	68,700	40,963	2,099
Grand total lead stocks	418,567	302,496	333,449	272,618	177,453

SOURCE OF IMPORTS

Lead imports in 1947, by country of origin, are indicated in the following table:

[Short tons]

Country	Ore and matte content	Pigs and bars	Base bullion	Scrap, dross, etc., content	Total lead content
Canada	4,310	59,079		8,070	71,459
Newfoundland	10,523				10,523
Mexico	3,055	85,783	1,255	37	90,140
Argentina	6				6
Bolivia	6,234				6,234
Chile	3,048			62	3,110
Peru	10,477	1,151	50		11,678
Yugoslavia	110	1,120			1,230
Africa	5,616	78		478	6,172
Australia	7,054	10,639		1,111	18,804
Japan				5,336	5,336
Republic, Philippines	23			344	367
Korea		1,659	285		1,944
Other	286	4		498	788
Total	50,752	159,513	1,590	15,936	227,791

DOMESTIC RESERVES

There has been no significant change in domestic lead reserves since preparation by the Bureau of Mines and Geological Survey of the estimates published in the hearings of the Senate National Resources Economic Subcommittee of the Interior and Insular Affairs Committee, at the first session of the Eightieth Congress. Any considerable increase in reserves as a result of the gain in market price of lead since data for these hearings were compiled has been largely eliminated by a parallel rise in operating costs.

Source: United States Bureau of Mines.

VII. ZINC

Statistical position of zinc

[Quantities in short tons]

Year	World mine production	Domestic mine production	United States percent of world production	Imports [1]	Exports [2]	Consumption [3]
1943	2,112,500	744,196	35	595,204	100,606	816,777
1944	1,753,600	718,642	41	486,320	25,596	888,626
1945	1,570,000	614,358	39	478,835	14,017	852,311
1946	1,561,000	574,833	37	376,799	51,277	801,242
1947	1,633,600	624,899	38	370,348	117,767	780,736
1948:						
Jan	(4)	48,124	(4)	24,672	[5] 11,420	67,214
Feb	(4)	47,612	(4)	29,449	[5] 5,918	65,211
Mar	(4)	54,545	(4)	28,600	[5] 8,682	73,399
Apr	(4)	53,042	(4)	27,074	[5] 5,335	66,742
May	(4)	51,422	(4)	22,285	6,346	64,561
June	(4)	51,342	(4)	(4)	(4)	(4)

[1] Ore (zinc content) plus blocks, pigs, and slabs.
[2] Blocks, slabs, and plates plus sheets, strips, and other form n. e. s.
[3] Domestic consumption of slab zinc based on canvass of approximately 600 plants.
[4] Not available.
[5] Slab zinc only.

STOCKS

Total domestic slab zinc stocks at the end of 1947 were adequate for about 2 months' supply at the average rate of consumption during the first quarter of 1948.

Domestic slab zinc stocks at end of year, 1943–47, in short tons

	1943	1944	1945	1946	1947
Producers'	170,606	233,696	256,216	176,342	68,300
Consumers'	90,356	64,772	72,381	92,988	79,366
Total	260,962	298,468	328,597	269,330	147,666

SOURCE OF IMPORTS

Zinc imports by country of origin are indicated in the following table:

Country	Ores and concentrates, zinc content	Blocks, pigs or slabs	Total zinc content
Canada	42,430	55,031	97,461
Newfoundland	8,873	----------	8,873
Mexico	163,726	332	164,058
Bolivia	17,176	----------	17,176
Peru	49,952	----------	49,952
Australia	864	3	867
Japan	----------	16,927	16,927
Italy	11,613	----------	11,613
Spain	3,321	----------	3,321
Others	4	96	100
Total	297,959	72,389	370,348

DOMESTIC RESERVES

There has been no significant change in domestic zinc reserves since the preparation by the Bureau of Mines and the Geological Survey of the estimates published in the hearings of the Senate Subcommittee on Investigation of National Resources at the first session of the Eightieth Congress.

Source: U. S. Bureau of Mines.

VIII. MERCURY

Salient statistics on mercury, 1943–47, by years and 1948 (first half)

[In flasks of 76 pounds]

Year	World production	Domestic production	United States percent of world	Imports for consumption	Exports	Consumption
1943	240,000	51,929	22	[1] 47,805	[1] 385	54,500
1944	157,000	37,688	24	19,553	750	42,900
1945	131,000	30,763	23	68,617	1,038	62,429
1946	144,000	25,348	18	13,894	907	31,552
1947	144,000	23,244	16	12,958	884	35,581
1948:						
First quarter	(2)	5,300	(2)	7,610	79	10,000
Second quarter	(2)	[3] 3,975	(2)	19,410	(2)	(2)

[1] Large quantities were reexported in 1943.
[2] Data not available.
[3] Estimated.

INDUSTRY STOCKS

Consumers', dealers', and producers' stocks of mercury at the end of 1947 totaled 19,300 flasks and were 20,900 at the end of March 1948.

IMPORTS

Imports of mercury for consumption were 12,958 flasks in 1947 of which 3,498 were from Spain, 3,107 from Japan (more than 60 percent of which was Italian metal reshipped), 1,783 from Mexico, 2,900 from Italy, 1,400 from Yugoslavia, and 270 from Chile.

RESERVES

More mercury has been mined since January 1944 than was estimated to be in reserve at $100 a flask when the estimates were made. The price was above $100 in 1944 and 1945 but below that level thereafter. At the prevailing price of $75 the present small production is threatened and whether or not there are any reserves at the current price level is questionable. Little, if any, of the reserves estimated to be available at $195 and $300 a flask are believed to have been mined. The stimulation of mining and exploration by the high war prices resulted in the development of many extensions of known ore bodies and in some new discoveries, notably the Cordero, Nev., ore deposit.

Source: United States Bureau of Mines.

IX. TIN

Statistical position of tin

[Quantities in long tons]

	World production	Domestic production	United States percent of world production	Imports	Exports	Consumption
1943	142,000	6	Nil	33,776	1,770	46,253
1944	102,000	5	Nil	48,886	843	59,156
1945	86,000	----------	Nil	42,020	882	55,642
1946	89,000	----------	Nil	53,590	881	54,627
1947	113,500	Nil	Nil	55,409	420	[1] 60,100
1948—Jan	11,100	Nil	Nil	6,854	5	[1] 5,370
Feb	10,900	Nil	Nil	5,206	23	[1] 4,710
Mar	13,200	Nil	Nil	5,907	20	[1] 4,980
Apr	11,700	Nil	Nil	5,455	8	[1] 5,460
May	(2)	Nil	Nil	7,353	17	[1] 5,020

[1] Estimated.
[2] Not available.

STOCKS

Because of the very small stocks, current absence of domestic mine production, and large unsatisfied demand, tin has remained one of the only two metals still subject to Government allocation.

Tin stocks in the United States, in long tons of tin content

	Concentrate	Pig tin		Total
		Government	Industry	
Dec. 31, 1946	25,006	30,493	15,656	71,155
Dec. 31, 1947	19,638	36,695	14,438	70,771

SOURCE OF IMPORTS

Tin imports in 1947, by country of origin, are indicated in the following table:

[Long tons]

	Metal	Concentrates (tin content)	Total
Australia	----------	2	2
Belgian Congo	4,550	350	4,900
Bolivia	----------	22,973	22,973
Brazil	----------	1	1
British Malaya	13,432	----------	13,432
China	2,639	----------	2,639
Mexico	----------	5	5
Netherlands Indies	39	4,894	4,933
Siam	4,031	2,280	6,311
United Kingdom	208	5	213
Total	24,899	30,510	55,409

DOMESTIC RESERVES

Despite extensive prospecting and vigorous Government-conducted exploration, domestic tin reserves remain negligible.

Source: United States Bureau of Mines.

X. NICKEL

Statistical position

[Short tons, nickel content]

Year	World production	Domestic production	United States percent of world production	Imports	Exports	Domestic consumption
1943	184,000	642	0.35	122,500	7,700	[1] 115,400
1944	173,000	988	.57	118,300	6,300	[1] 113,000
1945	160,000	1,155	.72	107,400	2,800	96,300
1946	136,000	352	.26	92,500	5,500	80,100
1947	152,000	646	.43	80,700	8,200	80,800
1948 (Jan.–Mar.)	(2)	(2)	(2)	24,300	1,900	(2)

[1] Apparent consumption.
[2] Not available.

INDUSTRY STOCKS

Stocks at plants of consumers were 15,371,000 pounds (nickel content) on December 31, 1947.

SOURCE OF IMPORTS

Nickel imported into United States in 1947

Country	Pounds of nickel
Canada	146,796,000
Cuba	10,261,000
United Kingdom	733,000
Norway	3,474,000
Sweden	62,000
U. S. S. R.	109,000
	161,435,000

RESERVES

The reserve position of nickel remains as stated on pages 273–275 of the Hearings before the National Resources Economic Subcommittee of the Committee on Interior and Insular Affairs, United States Senate, Eightieth Congress, first session, 1947, and thus the United States continues to be dependent almost entirely on nickel resources outside its borders.

Source: United States Bureau of Mines.

XI. ANTIMONY

Statistical position

[Unit: Primary antimony in short tons]

	World production	Domestic production			United States percent of world production	Imports [1]	Consumption
		Ore	Antimonial lead	Total			
1943	55,005	5,556	1,591	7,147	12.99	29,969	19,508
1944	37,809	4,735	2,015	6,750	17.85	17,761	23,756
1945	29,211	1,930	1,749	3,679	12.60	24,649	25,761
1946	27,448	2,505	1,231	3,736	13.61	8,742	17,515
1947	[3] 33,120	5,188	[2] 2,000	7,188	[2] [3] 21.7	15,365	16,647
1948	[3] 34,960	(4)	(4)	(4)	(4)	(4)	(4)

[1] Includes antimony contained in ore, type metal, antimonial lead, oxides and compounds and as metal, imported for consumption.
[2] Estimates by the Office of Materials Distribution, Department of Commerce.
[3] Estimated.
[4] Not available.

INDUSTRY STOCKS

Industry stocks of primary antimony at the end of 1947 were 6,847 tons compared with 9,165 tons at the end of 1946.

SOURCE OF IMPORTS

Antimony imports in 1947, by country of origin, are indicated in the following table:

General imports, in short tons

Country	Total	Percent
China	5,832	38.4
Mexico	6,138	40.3
Bolivia	2,435	16.0
Chile	348	2.3
Other countries	451	3.0
Total	15,204	100.0

Source: U. S. Bureau of Mines, and Department of Commerce.

XII. MANGANESE ORE

Manganese ore—Statistical position

[Short tons]

	World production	Domestic production	United States percent of world production	Imports	Exports	Consumption
1943	4,392,000	205,173	4.7	1,429,599	(1)	1,588,323
1944	3,044,000	247,616	8.1	1,157,932	(1)	1,593,098
1945	4,256,000	182,337	4.3	1,461,945	(1)	1,485,859
1946	4,500,000	143,635	3.2	1,749,223	(1)	1,136,687
1947	4,664,000	131,627	2.8	1,541,818	(1)	1,418,261
1948: Jan.-Feb.-Mar.	1,100,000	23,800	2.2	344,451	(1)	375,000

[1] Negligible.

INDUSTRY STOCKS

Domestic consumers had 831,898 short tons of metallurgical manganese ore on hand December 31, 1947. This quantity was sufficient to last about 7½ months at the 1947 consumption rate. Dry-cell manufacturers had 29,426 tons, also equivalent to a 7½ months' inventory. Chemical manufacturers had 19,223 tons, a year's supply.

SOURCES OF IMPORTS

Manganese ore (35 percent or more manganese) imported into the United States, 1947, by countries

[U. S. Department of Commerce]

Country	General imports [1]		Imports for consumption [2]		
	Short tons		Short tons		Value
	Gross weight 1947	Manganese content 1947	Gross weight 1947	Manganese content 1947	
Belgian Congo	2,854	1,484	2,903	1,608	$42,257
Brazil	184,050	74,971	157,804	70,234	1,957,910
British East Africa	530	267			
Canada	257	138	257	138	7,425
Chile	43,450	20,523	42,078	19,930	1,341,484
Cuba	57,089	26,893	57,089	26,893	1,224,880
French Morocco					
French West Africa					
Gold Coast	192,277	99,563	217,317	112,102	3,316,990
India	421,121	206,705	284,535	140,007	3,497,822
Mexico	56,642	25,558	50,890	22,805	737,724
Mozambique	567	283			
Peru	448	215	448	215	14,739
Philippines, Republic of	2,376	1,141	2,376	1,141	37,800
Portuguese Guinea and Angola	448	229	448	229	8,052
Union of South Africa	348,703	109,838	192,871	87,154	2,205,279
U. S. S. R.	331,006	162,297	288,976	141,975	6,898,819
Total	1,541,818	730,105	1,297,992	624,431	21,291,181

[1] Comprises ore received in the United States during year; part went into consumption and remainder entered bonded warehouses.

[2] Comprises receipts during year for consumption and ore withdrawn from bonded warehouses during year (irrespective of time of importation).

RESERVES

It is estimated that there are in the United States about 10,000,000 long tons of material which could be used as a source of manganese at a base price of $1 per long-ton unit. Approximately 2,000,000 long tons of metallurgical manganese could be recovered from these reserves. Most of the ore is in four districts: Butte and Philipsburg, Mont.; Three Kids, Nev.; and Batesville, Ark. In addition to this material extremely large reserves of low-grade material containing 1 to 10 percent manganese occur in the United States from which manganese could be obtained by known processes at high cost. A table showing estimated reserves of manganese ore in the United States is attached.

Source: United States Bureau of Mines.

XIII. CHROMITE

INDUSTRY STOCKS

Stocks of chromite on hand in domestic consumers' yards on December 31, 1947, totaled 411,066 short tons. At the 1947 rate of consumption this would last approximately 6 months. The inventories of various grades were as follows: metallurgical 191,103 short tons, sufficient to last 6 months at the 1947 consumption rate; refractory 144,381 tons, a 5½-month supply; chemical 75,582 tons, a 6½-month supply.

Statistical position

[Short tons]

	World production	Domestic production	United States percent of world production	Imports	Exports	Consumption
1943	1,982,000	160,120	8.1	928,576	26,259	964,600
1944	1,488,000	45,629	3.1	848,390	1,019	848,449
1945	1,200,000	13,973	1.2	914,765	12,366	808,120
1946	1,260,000	4,107	.3	757,391	2,158	734,759
1947	1,819,000	948	.1	1,106,180	3,435	833,357
1948: Jan.-Feb.-Mar.	500,000	1,886	.4	337,436	(1)	215,014

[1] Not available.

SOURCE OF IMPORTS

Chromite imported for consumption in the United States, 1947, by countries and by grades

[U. S. Department of Commerce]

Country	Chemical grade			Metallurgical grade			Refractory grade			Total		
	Short tons		Value	Short tons		Value	Short tons		Value	Short tons		Value
	Gross weight	Cr_2O_3 content		Gross weight	Cr_2O_3 content		Gross weight	Cr_2O_3 content		Gross weight	Cr_2O_3 content	
Canada				68	34	$2,316				68	34	$2,316
Cuba				18,130	7,010	327,508	146,861	52,389	$1,701,059	164,991	59,399	2,028,567
India	3,548	1,739	$68,691	6,162	3,326	59,945				9,710	5,065	128,636
New Caledonia [1]	8,049	3,809	110,171	12,555	6,376	290,197				20,604	10,185	400,368
Philippines, Republic of				8,691	3,853	120,250	197,964	67,940	1,524,675	206,655	71,793	1,644,925
Sierra Leone [2]				7,762	3,648	152,466	10,640	5,320	180,500	18,402	8,968	332,966
Southern Rhodesia [3]	8,955	3,895	46,560	59,529	29,271	835,033	7,053	3,236	105,683	75,537	36,402	987,276
Turkey	1,120	538	28,000	59,042	27,196	1,681,454	2,240	1,120	80,000	62,402	28,854	1,789,454
Union of South Africa	141,312	65,066	1,010,322	53,775	24,696	551,301	62,990	28,684	476,440	258,077	118,446	2,038,063
U. S. S. R.	6,720	3,226	224,390	215,945	110,546	7,660,888	42,438	22,249	1,070,733	265,103	136,021	8,956,011
Yugoslavia				24,631	10,824	558,319				24,631	10,824	558,319
Total	169,704	78,273	1,488,134	466,290	226,780	12,239,671	470,186	180,938	5,139,090	1,106,180	485,991	18,866,895

[1] Classified as French Pacific islands.

[2] Classified as British West Africa.

[3] Includes 4,436 tons containing 1,907 tons chromic oxide valued at $17,343.

RESERVES

The only know reserves of metallurgical lump ore in the United States occur in California, Oregon, and Alaska. The total does not exceed 25,000 tons. There are no known reserves of strictly refractory-grade ore, although some domestic ore might serve for refractory purposes. Data for reserves of low-grade material from a report by the Bureau of Mines and the Geological Survey are attached. There have been no significant changes in these figures recorded since their preparation.

Source: United States Bureau of Mines.

XIV. TUNGSTEN

Statistical position

[Tungsten ore and concentrates, short tons, 60 percent WO_3]

Year	World production	Domestic production (shipments)	United States percent of world production	Imports for consumption in United States	Exports [1]	Domestic consumption
1943	67,000	11,945	17.8	20,431	868	20,300
1944	54,000	10,283	19.0	19,330	1,978	20,100
1945	25,000	5,534	22.1	5,016	724	14,900
1946	21,000	5,193	24.7	7,218	153	6,800
1947	25,000	3,094	[2] 12.3	6,323	69	8,200
1948 (January-March)	[3]	605	[3]	1,054	386	2,000
1948 (April-June)	[3]	[2] 980	[3]	1,347	[3]	[3]

[1] Figures represent ferrotungsten; exports of domestic ore and concentrates are negligible.
[2] Estimated.
[3] Not available.

INDUSTRY STOCKS

Stocks of tungsten concentrates at plants of consumers and dealers and at domestic mines were 3,946 short tons (60 percent WO_3 basis) on March 31, 1948.

SOURCE OF IMPORTS

Tungsten ores and concentrates imported for consumption in the United States in 1947

[Short tons, 60 percent WO_3]

Argentina	322
Australia	234
Belgian Congo	561
Bolivia	871
Brazil	952
British East Africa	21
British Malaya	5
Canada	159
Chile	67
China	1,734
Mexico	51
Netherlands Indies	116
New Zealand	7
Peru	83
Portugal	112
Siam	561
Southern Rhodesia	213
Spain	120
Union of South Africa	115
United Kingdom	19
Total	6,323

RESERVES

The over-all reserve position of tungsten, insofar as quantity is concerned, has not changed materially from that set forth on pages 300–303 of the hearings before a subcommittee of the Committee on Public Lands, United States Senate, Eightieth Congress, first session, 1947. Since that report was prepared, however, a large reserve in Idaho has been exhausted, but reserves in Pine Creek, Calif., and in North Carolina have developed favorably.

Source: United States Bureau of Mines.

XV. ASBESTOS

Statistical position

[Short tons]

	World production	Domestic production [1]	United States percent of world production	Imports	Exports [2]	Consumption [3]
1943	697,200	6,014	.83	440,255	367	445,902
1944	657,900	6,667	1.01	383,049	475	389,241
1945	691,600	12,226	1.77	374,199	8,550	377,875
1946	800,800	14,075	1.76	456,688	11,011	459,752
1947	962,000	24,035	2.5	594,839	2,087	616,787
1948	[4] (1,000,000)	[4] (30,000)	[5]	[5]	[5]	[5]

[1] Sold or used.
[2] Strategic amosite and chrysotile: 1943, 19,067 short tons; 1944, 14,698 short tons; 1947, 8,431 short tons.
[3] Strategic amosite and chrysotile: 1943, 15,046 short tons; 1944, 16,163 short tons; 1947, 8,000 short tons.
[4] Estimated.
[5] Not available.

INDUSTRY STOCKS

Stocks of strategic chrysotile asbestos held by industry on December 31, 1947, were 2,337 short tons or 9 months' supply at the 1947 rate of consumption. Amosite stocks were 2,181 short tons or 5 months' supply.

Stocks of nonstrategic grades are not definitely known but indications are that they are low.

SOURCE OF IMPORTS

The Union of South Africa supplied 100 percent of our imports of strategic amosite and Southern Rhodesia supplied 100 percent of our strategic chrysotile.

In 1947 Canada supplied 94 percent of our total asbestos imports. Southern Rhodesia and the Union of South Africa combined supplied 5 percent.

RESERVES

Because of the generally inadequate data on the extent of chrysotile deposits in the United States, or the quality or grade of the contained asbestos, estimates of reserves are only approximate. On the basis of present information it is believed that the United States reserves of chrysotile asbestos of all grades total about 750,000 short tons, of which not more than 4,000 tons consist of long fiber.

Source: U. S. Bureau of Mines.

XVI. BAUXITE

Bauxite, being important as aluminum ore and in the manufacture of abrasive and chemicals, is listed as a strategic material because of the limitations of the domestic ore and the consequent dependence on imports. Much of the domestic bauxite is of high silica content and only the Hurricane Creek, Ark., plant of the five domestic alumina plants is equipped to process it economically. In addition, domestic bauxite of the proper analysis for use in abrasives is becoming increasingly scarce, thereby creating a supply problem for that industry, aggravated by the fact that the imported material also fails to meet specifications.

Statistical position

[Quantities in long tons]

	World production	Domestic production [1]	United States percent of world production	United States imports	United States exports	Consumption [1]
1943	13,734,000	6,232,883	45.4	1,547,854	417,186	4,760,848
1944	6,990,000	2,823,724	40.4	560,461	146,638	3,459,761
1945	3,464,000	981,000	28.3	739,581	126,023	2,433,412
1946	4,487,000	1,072,825	23.9	852,005	97,788	1,889,156
1947	6,380,000	1,215,308	19.0	1,821,580	94,369	[2] 2,570,000
1948 (first quarter)	[3]	304,176	----------	581,083	10,369	[3]

[1] Dry basis.
[2] Estimated.
[3] Not available.

INDUSTRY STOCKS

At the end of 1947 stocks of domestic and foreign bauxite at consumers' plants totaled 411,000 long tons and producers' stocks were 290,000 tons. All of the above figures are preliminary, on a dried equivalent basis. In addition to the industry stocks there were 2,785,526 long dry tons of high-silica bauxite in a War Assets Administration stock pile in Arkansas.

SOURCE OF IMPORTS

Of the 1,821,580 tons of bauxite imported in 1947, 1,660,823 tons, or 91 percent, came from Surinam; 108,562 tons (6 percent) was from British Guiana; and the remaining 52,195 tons (3 percent) was from the Netherlands East Indies, principally Bintan.

RESERVES

Domestic reserves of bauxite were estimated by the combined staffs of the Bureau of Mines and the Geological Survey in 1944 at 36,341,000 long tons. This included all material containing not more than 15 percent SiO_2, not more than 6 percent FeO, and not less than 40 percent Al_2O_3, recoverable bauxite on a mined and dried basis, existing in deposits 8 feet or more thick. Later information has not altered the above estimate materially. It may be presumed then that, on the same basis and allowing for mining during the past 3 years, domestic reserves now total about 33,000,000 tons.

However, it should be noted that ore of a higher iron content is usable at Hurricane Creek, and this fact may permit the increase of the above reserve figure by as much as 50 percent.

Source: United States Bureau of Mines.

XVII. ZINC PRODUCTION

Zinc production in Kansas, Missouri, Arkansas, and Oklahoma (primarily the tri-State district)

[Unit: Short tons of recoverable zinc]

Month	With premium-price plan (fiscal 1947)	Without premium-price plan (fiscal 1948)	Difference	Percent change
1946:				
July	4,106	3,981	−125	[1]−3
August	11,972	5,516	−6,456	−46
September	12,095	5,798	−6,347	−48
October	12,612	6,355	−6,257	−50
November	11,885	6,318	−5,567	−63
December	12,062	7,024	−5,038	−58
1947:				
January	11,986	6,377	−5,609	−53
February	11,276	6,655	−4,621	−59
March	12,432	8,000	−4,432	−64
April	12,493	7,793	−4,700	−62
May	12,919	8,160	−4,759	−63
June	13,605	7,000	−6,605	−51
Total	139,443	78,977	−60,466	−43

[1] The premium-price plan was suspended from July 1, 1946, to July 25, 1946; i. e., most of July 1946 was without the premium-price plan.

Source: U. S. Bureau of Mines.

THE "BUY AMERICAN" CLAUSE OF THE STOCK PILE ACT

AUGUST 4, 1948.

The PRESIDENT OF THE UNITED STATES,
The White House,
Washington, D. C.

MY DEAR MR. PRESIDENT: In your messages to the second session of the Eightieth Congress you stressed national defense. In your message to the current special session you have stressed anti-inflation. National defense requires that strategic metals and minerals be produced in large quantities in wartime and stock piled in peacetime.

I therefore wish to call to your attention that, under existing legislation, you have the power (1) to enable the mining industry to provide large quantities of metals for defense purposes and (2) to curb inflationary trend of metal prices through exercise of the specific authority given you by congressional action.

Statutory authority: Your authority, which was created as the expressed intent of Congress, lies in the "buy American" clause of the Stock Pile Act, which governs the expenditure during this fiscal year of $600,000,000 for procurement of metals. On July 23, 1946, you signed S. 752 (Public Law 520; U. S. C., title 50, sec. 98-98f) usually referred to as the Stock Pile Act. At the time of signing this act you stated that you did so with reluctance because it required that purchases be made in accordance with title III of the act of March 3, 1933 (47 Stat. 1520; U. S. C., title 41, secs. 10a, 10c), popularly called the Buy American Act.

In your public statement of July 23, 1946, you pointed out that it gave the American producer a preference over the foreign producer and that the "buy American" provision therefore was not in accord with our foreign economic policy. In spite of your references, however, the "buy American" clause has been ignored in the administration of the Stock Pile Act.

The Buy American Act reads:

"Notwithstanding any other provision of law, and unless the head of the department and independent establishment concerned shall determine it to be inconsistent with the public interest, or the cost to be unreasonable, only such unmanufactured articles, materials or supplies as have been mined or produced in the United States * * * shall be acquired for public use."

I should like to point out that whatever our foreign policy may be the Buy American provision is the law of the land and has been so recognized by the different departments of Government. Congress reaffirmed this policy which became law on March 3, 1933, by including it in the Stock Pile Acts of 1939 (Public Law 117) and 1946 (Public Law 520). Pursuant to the Buy American Act it has become the declared policy of the Bureau of Federal Supply (Circular No. 37, as amended) to pay a differential of 25 percent in favor of domestic materials on purchases where the foreign bid exceeds $100, although the statute sets no limit.

Since the passage of Public Law 520, the Government has purchased considerable, though insufficient, quantities of metals for stock piling, principally outside the United States, but there has been no determination that the purchase of an equivalent quantity from domestic sources is inconsistent to the public interest or the cost is unreasonable.

Accordingly, under the Buy American Act, domestic producers should have been given an opportunity of supplying the stock-pile requirements. With the help of the price differential permitted under the act, the difference in the standards of living in competing countries and the United States could have been adjusted and made domestic production possible.

Congressional policy: It is quite apparent that insertion of the Buy American provision in the Stock Pile Act was consistent with congressional policy in stimulating the development and production of strategic and critical materials required for a national emergency. During World War II under the War Powers Act, the Government paid premium prices to obtain additional production of copper, lead, and zinc. In 1947 you called the attention of Congress to the critical situation in Europe, and Congress, in order to assure the production of needed materials, passed legislation to extend the premium price plan for two more years or until June 30, 1949.

You saw fit to veto this bill—H. R. 1652. Similar legislation was introduced by myself and others in the second session of the Eightieth Congress. The legislation was approved by committees in both Houses and was debated on the Senate floor but was not finally voted upon because of the lack of time for proper consideration in the closing hours of the session. Neither of these two bills should have been so necessary if the full purpose and intent of Congress as expressed in the Stock Pile Act had been put into practice and carried out. The fact that the vetoed bill and such additional legislation which I have mentioned have not become law does not change the expressed congressional intent nor diminish your authority.

National defense needs: Stock-pile requirements of most metals are far from fulfillment. Furthermore, stock piling alone is not enough protection; an adequate supply of metals in time of war is dependent on both a stock pile and a going concern or productive-mining industry. Through use of the Buy American Act we can keep our mines producing and through the maintenance of an active industry we can encourage exploration and development to find new ore bodies and increase known reserves of the necessary strategic and critical minerals.

We must have metals for defense; we must strive for a permanent production which can be expanded for war emergencies, because it is impossible to stock pile enough; we must find new mines. We have done none of these things during the past 2 years, and without Government aid the mining industry cannot do them for us in direct competition with the low-wage nations of the world.

Anti-inflation measures: In a tight market, such as the present copper, lead, and zinc markets, each purchase exerts pressure for higher prices. Purchases for stock pile at market prices during shortages increase the pressure and are undoubtedly an important factor in the recent sharp increases in nonferrous metal prices. But since, in mining, price determines the grade of ore which can be mined profitably, an increase in price increases production only where there are submarginal grades of ore. Thus, production can be increased by premium payments for new production if this method is preferred to the import fee method of equalizing the costs of production, without causing price increases on all production to consumers.

In the past, application of the Buy American Act to purchases for stock pile would have reduced the pressure on the market and would surely have prevented such sudden large price increases. In the future, application of the Buy American Act could create a producer's development incentive payment applicable only to the high-cost producer; this would not be a roll-back or consumer's subsidy. Failure to obtain additional production for the stock pile according to the legislative direction, has thus contributed to the present inflation, and continued failure will help push the inflation spiral upward.

Deterioration of industry: Since the abandonment of the premium-price plan there have been serious depressions in many mining areas, notably the tri-State region of Missouri, Kansas, and Oklahoma. As existing mines exhaust their higher grade ores, this situation is becoming more widespread. Purchasing for stock pile under the Buy American Act could greatly benefit these regions and preserve their skills and organizations for times of emergency.

Recommendations: With the existing shortages of many critical and strategic minerals, I suggest and recommend that you initiate at the earliest possible moment such steps as may be required to successfully implement the law as it now exists and thus carry out the intention of Congress in providing a stock pile of critical materials for common defense from domestic sources so far as possible.

In my opinion, further legislation is not necessary to define more clearly the intent and will of Congress in the disbursement of the funds appropriated for stock-pile purchases.

Respectfully yours,

GEORGE W. MALONE,
United States Senate.

CONTINUED RESEARCH

Additional data and information will be submitted as available on any policy change affecting the production of the strategic and critical minerals—and to keep the 1947 "Mineral Position of the United States" report published by the National Resources Economic Committee up to date.

Record of Accomplishments of Present Republican Congress

EXTENSION OF REMARKS

OF

HON. CHARLES A. WOLVERTON

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. WOLVERTON. Mr. Speaker, the Eightieth Congress has made a record for constructive legislation that will prove beneficial to the welfare of the Nation and its people.

It has been no easy task. The problems, both domestic and foreign, have been difficult of solution. They are the outgrowth of 16 years of deficit spending, of war and reconstruction policies based upon controls and regimentation, of for-

eign aid that has been expensive without producing results commensurate with the amount expended, and principles and policies that in many instances were totally foreign to our American way of life. In many instances it would seem, from revelations recently come to light, that these policies were even administered by individuals whose loyalty to America was open to question.

Naturally, it has been impossible in the short space of time that has intervened since the Eightieth Congress was convened in January 1947, to correct all of the conditions that are the outgrowth of the policies that prevailed under the preceding administration. Furthermore, Congress has unfortunately been handicapped by opposition from the President. It is remarkable that so much has been accomplished by the Congress under existing and adverse circumstances. Consequently, all that is necessary to be done has not been done. There is much more to be done. It will be done by the next Congress when, as a result of the election in November, there will be cooperation between the President to be elected and the Congress. This is one of the fundamental needs of our country today. The problems are too serious to be the subject of differing political viewpoints. We need unity and understanding between the President and Congress. There is every indication that this will be the result that will follow the next election.

Certainly it can be expected that the next Congress, recognizing the need, will strive to meet the responsibility that will be theirs. As an indication of this willingness I will make a short summary of what the present Congress has already done, believing that it gives proof that the Congress is anxious and willing to meet and solve the problems that now beset us. Given the necessary time and cooperation of the President it will do so.

ACCOMPLISHMENTS OF REPUBLICAN CONGRESS

Among the many accomplishments of the present Republican Congress are the following:

REESTABLISHED COMPETITIVE ENTERPRISE

It liberated our people from the paralyzing effect of 76,000 rules, regulations, directives, and orders, thereby making it possible for the energy and capacity of our people to actively and freely engage in business without the handicaps that had curtailed production and discouraged private enterprise. The fact we now have all-time highs in employment, production, and wages, and a record $200,000,000,000 annual income is a justification of the course pursued by the Republican Congress that no one will deny.

BALANCED FEDERAL BUDGET

For 16 years the Government had operated on a deficit basis. It spent billions of dollars more each year than it received. All of this was added to the national debt, which at the close of the war amounted to approximately $270,000,000,000.

The fiscal year of 1948, however, instead of being closed with a deficit had a surplus of approximately $8,500,000,000, seven times larger than at any previous time in our history as a nation. This was the first full year under a Republican Congress. This magnificent accomplishment was attained by cutting down Federal expenses and building up our national income as a result of the judicious laws passed by the Republican Congress.

CUT NATIONAL DEBT

Under the Republican-controlled Congress the spendthrift budgets presented by the President were cut down by the Congress. Upward of $7,000,000,000 was eliminated in proposed expenditures, and hold-over wartime appropriations were canceled. All of this made it possible to reduce the national debt by $7,000,000,000. A very sizable reduction for 1 year, and with more to follow each succeeding year.

CUT IN TAXES

When the Republican Congress took over in January 1947, the people of the Nation were paying the same high taxes that they did during the war. But with peace and reduction of war expenses the people had a right to expect a reduction in taxes. This, however, had not been forthcoming until the election of a Republican Congress. As a result of Republican policies and laws passed by the Republican Congress, taxes have been reduced $4,800,000,000 per year. This was done despite three Presidential vetoes.

The bill as passed directly benefits the wage earners and the low-income group. Under its provisions 7,400,000 wage earners in the lowest brackets were removed entirely from the tax roll; married couples are allowed to divide income for tax purposes, thereby allowing additional exemptions, reducing the income bracket, and decreasing the amount of tax to be paid. Additional exemptions were allowed to those over 65 years of age and to certain handicapped persons. As further evidence of the effort to benefit the lower income groups, it will be found that 71 percent of the tax relief goes to those with incomes less than $5,000. With the help of a Republican President, a Republican Congress can and will make additional tax cuts next year.

IMPROVED LABOR-MANAGEMENT RELATIONS

Work stoppages had become one of the most serious obstacles to recovery. The money loss to workers had become stupendous, in many instances causing distress to the workers and their families, and, not infrequently adversely affecting not only the public welfare, but also union workers in other industries not parties to the particular labor dispute. Thoughtful citizens and workers alike had come to realize that something should should be done to remedy the situation. Something was done. The Republican Congress, with the assistance of the Democrats in Congress, enacted over a Presidential veto a fair and workable labor-management law, a law that respected democratic principles. It sought no harm to the legitimate rights of employer or employee. It has done no injury to the rights of either while recognizing the rights of each. Since the enactment of this law there has been more peace and contentment in our labor relations than before its enactment. At the same time more satisfactory wage and working conditions have found expression in the labor-management contracts entered into since the enactment of the new law. While there may be some changes that should be made in the law, yet, as a whole it has worked well. It has brought about not only more satisfactory relations between labor and management, but also it has brought the labor unions under the control of the workers who compose the union. It protects the right of all union members as against arbitrary actions of labor bosses, safeguards the right of the worker to strike, does not curtail or hamper the right to bargain collectively, establishes constitutional rights for both employer and worker, and protects the public welfare.

FOREIGN AID

Recognizing the necessity to aid foreign nations in distress as the result of the war, and, to offset the aggressive onslaughts of communism against these nations, the Republican Congress has appropriated $9,579,657,128 for relief to impoverished humanity in foreign countries. It has set up an Economic Cooperation Administration to direct and control the funds appropriated for foreign relief and reestablishment of national economies. We joined the International Refugee Organization and gave $71,073,900 to carry on its work—enacted a bill to admit 205,000 displaced persons in the next 2 years and permit 15,000 refugees already in the United States to remain.

NATIONAL DEFENSE

To make certain that our Nation is ready to meet any emergency that may arise as the result of the disturbed conditions throughout the world, Congress has unified the National Military Establishment, appropriated approximately $48,000,000,000 to strengthen and modernize our military forces—land, sea, and air; adopted a temporary selective service system; authorized $178,000,000 for merchant marine expansion, and revised Army regulations to provide completely fair treatment under Army law for officers and enlisted men.

VETERAN BENEFITS

Passed 188 bills to meet needs of all war veterans, including increased compensation for disabled veterans with and without dependents; increased compensation for dependent survivors of war dead; increased subsistence payments to World War II veterans in institutional training; increased allowances for student GI's; increased proportional pay for veterans in on-the-job training; cashing of GI terminal-leave bonds; higher pensions for Spanish-American War veterans; and aids for veterans' housing. The record made by the Eightieth Congress in behalf of veterans is one of which we all may be proud. It is a guaranty of continuing desire and intention to meet the needs of our veterans of all wars, their survivors and dependents.

HOME BUILDING

Housing has been and continues to be one of the most outstanding needs of the Nation. As a result of the war, when the building of homes was impossible because of the necessity to put our all into the war effort, and with the scarcity of building materials and labor that has

existed since the war, and unwise policies, the problem gradually got out of hand. However, under laws enacted and policies adopted by the Republican Congress, there has been a steady, indeed remarkable, growth in the number of houses and dwelling apartments that have been built. In 1948 it is estimated that approximately 1,000,000 new dwelling units will have been provided. This exceeds any year for building of homes in the entire history of the Nation. It is hard to realize the truth of this in view of the shortage that still exists. But the fact remains that we are rapidly making progress of a substantial character.

The laws passed by Congress at the session just closed will add greatly to the acceleration of the construction of homes under $5,000 and $6,000 for purchase or rental, and will also greatly aid our veterans in obtaining living quarters. The great need that still remains, and for which adequate legislation is due for passage in the next session of Congress, relates to housing for the low-income groups. For the benefit of these groups, unable because of financial inability to either purchase or rent at the high prices now prevailing, a public housing, low-rent, and slum-clearance program should be enacted.

COST OF LIVING

The high cost of living affects all of us. None can escape it. It is the result of many elements in our economic life. It cannot be eradicated by a stroke of the pen, nor by any single piece of legislation. Our economic life is too complicated and too involved to enable a remedy to be so easily applied. One of the most important elements that has produced the present condition is the fact that for upward of 16 years we had deficit spending by our Government. This spending of billions and billions of dollars beyond our income over a long period of time added very materially to our public debt, and created forces of inflation. Then the war with its tremendous expenditures had a very important effect, not only from the standpoint of suddenly raising wages, but also because of the shortages in consumer goods. There was no way for the people to spend their earnings for articles they wanted except by competition with each other. This sent prices still higher. Furthermore, it was necessary for us to finance in large part the war, provide the food, clothes, and all the necessities of life for millions of people outside our own domain. This created shortages and sent the prices higher for grains, meat, clothes, and all that is necessary to sustain life. Since the war the continued sending of our money, goods, and commodities of every description abroad to assist in foreign rehabilitation has likewise made its contribution to high prices. All of this has created an upsurge that is irresistible. It cannot be stopped overnight nor in any short time.

The Congress before adjournment passed a law to control credits. It is hoped that this will help some in preventing prices going higher. It is not a cure-all, but at least it gives promise of some relief, or it would not have had the support of Democrats and Republicans alike, the vote being almost unanimous. There is much more to be done. Careful studies are being made by trained economists. The results of their studies and those being conducted by committees of Congress will be the basis of additional remedies to be applied when the next Congress comes into session next January. It may be even sooner than that. There is a possibility that Congress will meet shortly after the November elections, when these important problems can be considered and decided under circumstances less political than during the present election campaign. We must meet and solve the problem of the high cost of living. The economic welfare of the Nation, as well as the welfare of our people, demand it.

FARM AID

The Congress has passed laws, the direct purpose of which is to make certain that the farming industry is maintained in a healthy and satisfactory condition in relation to the general economic condition of the Nation. It has passed a long-range agricultural program; provided twice as much money for rural electrification as any previous Congress; appropriated more than $500,000,000 for soil conservation; provided for the greatest rural road-building program in history; provided stability of agriculture through a new, workable Crop Insurance Act; chartered Commodity Credit Corporation, and greatly expanded Government aid in campaigns against livestock foot-and-mouth disease and crop deterrents, such as weeds, insects, and other pests. A complete study of the whole agricultural situation is under way with the understanding that it will be brought before the next Congress for enactment.

CARE FOR NEEDY AND AGED

The Republican Congress expanded social security. It passed over a Presidential veto a bill increasing the monthly payments for the needy aged, the blind and dependent children, thereby adding $184,000,000 annually to social-security payments received by 3,500,000 needy dependent children, the aged, and the blind.

PROMOTION OF HEALTH

Established a National Heart Institute within the United States Public Health Service to conduct a widespread study and research into the diseases of the heart and circulation. It provided $500,000 for the research institute to combat these diseases, known as America's No. 1 killer. The importance of this work can be readily understood when it is realized that these diseases affect 1 person in 16, cause 1 out of every 3 deaths and result in a loss of 152,000,000 workdays a year.

The Congress also provided for a Dental Research Institute to make special study and research into the causes and cure of diseases that come within the scope of dental problems.

It also provided $28,400,000 for the National Cancer Institute to study the disease of cancer and to disseminate knowledge of how to reduce its terrible death rate.

PAY INCREASE FOR GOVERNMENT WORKERS

Congress also provided a cost-of-living pay increase for postal and other Federal employees. This gave to 478,000 postal workers a pay increase of $450 a year each, and 840,000 civil-service employees a boost of $330 each. To meet this additional expense postal rates in a limited category were raised to offset the $600,000,000 cost of the pay raise.

EXTENDED RECIPROCAL TRADE ACT

Extended for 1 year, with reasonable safeguards, the Reciprocal Trade Agreements Act, with amendments requiring the President to report to Congress and the people when in secretly making a trade agreement with a foreign country, he exceeds recommendations made by the United States Tariff Commission pursuant to standards prescribed by Congress for protection of American industries and agriculture.

AID TO SMALL BUSINESS

Created special committees of the Senate and House of Representatives to see that small businesses, the backbone of American industry, get proper recognition, especially in the awarding of Government contracts for national defense, aid to foreign nations and otherwise.

GOVERNMENT REORGANIZATION

Established a bipartisan commission, headed by former President Herbert Hoover, which is preparing for submission to the next Congress, a comprehensive plan for reorganization of the administrative branch of the Government in the interests of efficiency and economy—a major operation on the tax-consuming bureaus that now infest the Government, causing waste of public funds.

EXPOSED COMMUNISTS

The conditions that have been revealed by Senate and House committees in recent weeks leaves no doubt that there has been and still are disloyal persons in Government departments. It is regrettable to learn that they have been in positions of power and influence where they have had access to top secrets of Government. Through the years the Republicans in Congress have tried to dislodge these Communists and fellow travelers. They met with little success in their efforts until the Eightieth Congress came into Republican control. Since that time the work that has been done has been tremendous. It has been carried on under great difficulties. Instead of having the help and full cooperation of the executive branch of the Government, it has had to contend with its opposition and positive refusal to cooperate. It is unbelievable that persons in high office would lend their assistance to covering up or precluding the fullest inquiry into all acts of alleged disloyalty. With a Republican President and a Republican Congress working together, the people of this Nation can be assured that the work already started will be carried on even more aggressively and relentlessly until every Communist and disloyal person, Red or pink, is driven out of our Government service, and together with spying foreign agents, are put in jail where they belong.

The Republican Party rejects all forms of alien ideologies and any and all principles or policies that have any likeness to them. We have faith in a free America, where the freedom and dignity of the individual is respected and his rights held inalienable.

CONCLUSION

The above is but a short summary of the achievements of the Republican Congress. Hundreds of other measures have been passed that are beneficial to every part of our population. Measures have been adopted that seek to strengthen our industries, agriculture, banking and financial structures and promote in numerous and varied ways the welfare of our people. An examination of the full record of the Republican Congress will give unmistakable evidence of a sincere desire to meet and solve the problems that confront the Nation, and it can be taken as an assurance that a Republican President and Congress, working in harmony and with a spirit of coperation, will continue to meet and solve our problems, both domestic and foreign, in a manner to promote the welfare of our people.

World Health Organization

EXTENSION OF REMARKS
OF

HON. IVOR D. FENTON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. FENTON. Mr. Speaker, I have just returned from the first World Health Assembly at Geneva, Switzerland, where I had the privilege and honor to serve as congressional adviser.

I am convinced that the World Health Organization can contribute substantially to the betterment of world health conditions and to the improvement of international relations. I can assure you that it is an international activity that merits our continued and increasing support.

Among the delegates of the 54 member nations, practically all of them physicians, I found a wholesome spirit of friendliness and a universal desire to carry out, together, a vigorous cooperative attack on disease in its endemic foci. We talked together as doctors—doctors with millions of patients in many different environments. Barriers of language, race, and political belief seemed nonexistent.

Frankly, Mr. Speaker, when I accepted appointment to the United States delegation I was somewhat skeptical. Now I can only give my strongest assurance that in the World Health Organization we have an unusual, perhaps a unique, opportunity to promote the general welfare of mankind and to improve the world economy, as well as increase our own protection against importation of disease.

Members of this House know well my deep concern for the health of our own people, and the measures which I have initiated as well as the support I have given to provide better sanitary conditions and health services, particularly to our own Indian population and Alaskan natives; to improve health and safety in our coal-producing areas, and to advance and facilitate the care and treatment of our veterans. I am proud of my record in this respect. Now, however, I can relate the results of my health interests in the United States to those of the entire world.

I am convinced that the World Health Organization, properly supported, can, for instance, produce a dramatic decrease in the estimated 300,000,000 annual cases of malaria which are retarding world food production. With the International Children's Emergency Fund it is already actively engaged in the vaccination against tuberculosis of millions of children in Europe. This can be a permanent contribution to the rebuilding and stabilization of the manpower resources of that Continent.

I have been deeply impressed by the vastness of the problems of which we have no real conception here in the United States. I have been even more impressed by the opportunities that exist in DDT, penicillin, BGG vaccine, and so forth, for solving these problems rapidly on a wide basis.

Further, I am convinced that the World Health Organization can do the job that needs to be done at a minimum cost.

There is nothing amateurish or experimental about the World Health Organization. It has inherited the half century of experience of the International Office of Public Health of Paris, the Pan-American Sanitary Bureau, and the League of Nations Health Organization—all of them organizations which had won splendid reputations for productive international work.

The composition of the delegation provides further evidence of the hard-rock professional character of the organization. Our own delegation with which I was proud to be associated, was composed of experienced physicians and public-health specialists who have repeatedly demonstrated their technical and administrative competence.

Mr. Speaker, at this point I would like to include the names of all the delegates, alternates and advisers to the First World Health Assembly appointed by the State Department and specifically approved by President Truman.

Delegates: Chairman, Dr. Thomas Parran, Medical Director, United States Public Health Service, Federal Security Agency; Dr. Martha M. Eliot, Associate Chief, Children's Bureau, Federal Security Agency; Dr. James R. Miller, of Hartford, Conn., trustee, American Medical Association.

Alternates: Dr. Frank P. Corrigan, political adviser on Latin America, United States Mission to the United Nations; Dr. James A. Doull, Chief, Office of International Health Relations, Federal Security Agency; Dr. Wilton Halverson, public-health director, State of California; Dr. H. van Zile Hyde, alternate United States representative on Interim Commission, World Health Organization, Division of International Labor, Social, and Health Affairs, Department of State; Durward V. Sandifer, Deputy Director, Office of United Nations Affairs, Department of State.

Advisers: Howard B. Calderwood, Division of United Nations Economic and Social Affairs, Department of State; Nelson H. Cruikshank, director, social insurance activities, American Federation of Labor; Walter W. Dent, president, Dillard University, New Orleans; Dr. Morton Kramer, Chief, Research and Information, Office of International Health Relations, United States Public Health Service; Mrs. David M. Levy, president, Citizens Committee on Children, New York City; Dr. James E. Perkins, managing director, National Tuberculosis Association, New York City; Miss Lucile Petry, Director, Division of Nursing, United States Public Health Service; Alvin Roseman, Deputy Director, International Activities Branch, Bureau of the Budget; Dr. Paul F. Russell, Malariologist, Rockefeller Foundation, New York City; Brig. Gen. James S. Simmons, retired, Dean, School of Public Health, Harvard University; John Tomlinson, Assistant Chief, Division of United Nations Economic and Social Affairs, Department of State; Col. Tom Whayne, Medical Corps, United States Army, Chief, Preventive Medicine Division, Office of the Surgeon General, Department of the Army; Abel Wolman, professor, sanitary engineering, Johns Hopkins School of Public Health and Hygiene, Baltimore.

The other countries were represented by men of equal attainment in their own countries. I can, I am sure, be excused for saying that due to our outstanding position in public health we were able to send a delegation that outranked all others in professional accomplishment and reputation. This fact was indeed gratifying and gave the United States a position of preeminence not related to dollars.

The leadership of the World Health Organization, Mr. Speaker, is in good hands. Dr. Brock Chisholm, who was elected Director-General last month at the Assembly, is not only a distinguished physician who served as Surgeon General of the Canadian Army during the recent war, but he is a man of great human understanding and sympathy who has repeatedly demonstrated his ability to administer large programs. We have in him a true health statesman.

I was pleased as well by the election of Sir Aly Tewfik Shousha, Pasha, of Egypt, as chairman of the executive board. He is a wise and experienced health administrator, a particularly able chairman, and a long-time friend of the United States.

This team can lead the World Health Organization to rapid and worth-while accomplishment.

The World Health Organization is not a demanding organization. Its requests for funds have been ridiculously small. I think it was wise in setting its budget for 1949 at $5,000,000, but I feel that after it has established itself on a firm working basis, it can, and should, raise its sights. The opportunities for tangible accomplishment are so great that it must seize them. It is starting off with a city-sized budget. I hope that it may grow,

on the basis of accomplishment, to fit a budget measured to meet the world problem with which it is faced. Here, indeed, we have a direct responsibility. We must watch it carefully and support it fully within its competence.

I do not think we should carry 38 percent of the organization's expenses as we are doing at present. I was delighted with the vigorous fight made by our delegation, on the insistence of the Department of State, to decrease our percentage contribution. We lost, but expected to, because there had been no opportunity due to our late adherence, to warn governments in advance of our position in the matter. The doctors representing their countries were in no position to increase the financial commitments of their governments.

The road was left wide open to reduce our percentage of the next budget and I am convinced that this can be accomplished. I was well satisfied with the State Department's position in this matter and am in full agreement that the administrative expenses of the World Health Organization should be more equally shared between its members than is the case at the present time. However, I believe that we should give the most serious consideration in the future to any request that we increase the total amount of our actual contribution or make special contribution to specific operating programs.

After having seen personally the spirit of the World Health Organization, studied its record during the interim period, and seen the accomplishments within its grasp, I would be chagrined to believe that the present ceiling placed by law on our contribution is in any sense a permanent ceiling on our contribution to this vital work. I believe that it serves a useful purpose at present in demonstrating clearly our belief that the financial load must be shared by all members, and also, in confining the scope of initial activities within reasonable bounds.

However, I believe that we must watch the World Health Organization carefully and be prepared to increase our financial support as it develops in competence and accomplishment. Any other policy would be short-sighted destruction of our own interests in self-protection and general economic development.

Mr. Speaker, I have been highly gratified to have had this opportunity to inspect at close hand the workings of the World Health Organization. I am equally, or even more pleased, to be able to give you this favorable report. We are again, Mr. Speaker, backing a winner.

Tax Reduction in Spite of the President

EXTENSION OF REMARKS
OF
HON. GEORGE B. SCHWABE
OF OKLAHOMA
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

Mr. SCHWABE of Oklahoma. Mr. Speaker, the Eightieth Congress passed with a large majority in both Houses three different tax-reduction measures. The President vetoed all three, offering various excuses, none of which appealed to the majority of Members of either House of Congress. The President's vetoes of the first and second measures were not overridden; but his veto of the third was overridden by a vote of more than two-thirds of all Members of both Houses of Congress, which is the majority required by the Constitution to pass a bill over the President's veto.

Bear in mind that many Democrats voted with the Republicans for the passage of each of these bills, and that the overriding of the President's veto of the third and last one must admittedly stamp the tax-reduction bill, which is now law, as a nonpartisan act.

It should be observed that the third bill, which Congress passed over the veto of the President, reduced the taxes of the people of this country by $4,800,000,000, effective as of January 1, 1948—all despite the third Presidential veto. Seventy-one percent of this tax relief goes to those with incomes under $5,000 a year. Seven million four hundred thousand wage earners in the lowest brackets are entirely removed from tax liability. Married couples, under this law, are now permitted to divide their income for tax purposes, and special relief for persons over 65 years of age and for the blind is provided in this law.

In March 1948, while the third tax bill was pending and after the President had vetoed the first two passed by Congress, I submitted to 35,000 people of my congressional district, without addressing anybody individually or personally, the question, "Do you want Federal taxes reduced now?" Seventy percent of those who answered said "Yes" and only 30 percent said "No." I submit that my vote in favor of a reduction of Federal taxes was in keeping with the expressed wishes of more than two-thirds of my constituents. Hence, I say tax reduction, in spite of the President, is in compliance with the wishes of the people.

On July 24, 1947, I described the situation as it then existed to the people of my district in a radio broadcast, which was before the third bill was passed. My radio address of that date follows:

Dear friends, most people are interested in the reduction of costs of Government. It is impossible to reduce tax burdens without reducing the costs of operating our Federal Government. We on the Appropriations Committee have sought in every way possible to reduce Government expenditures, but the bureaucrats have inflamed the people by spreading false propaganda to influence the Members of Congress to vote for larger appropriations. If these appropriations had been reduced to the point we had hoped, the reduction of taxes would have been comparatively simple.

However, the problem of reducing taxes is not as simple as most people think. One of the chief sources of revenue of the Federal Government is the income tax. Since 1913, we have had a Federal income tax, taxing the income of individuals and corporations, and rates have tended to increase. This was accentuated during both World Wars. After World War I, the income tax rates were substantially reduced with the result that the people were relieved of many of the wartime excessive burdens and business was given an added stimulus, which resulted in the collection of larger sums of money, based upon lower rates.

During World War II, our expenditures ran so high that it became necessary to tax to the limit. The people were tolerant because they knew it was necessary for everyone to pay as much as possible to meet the war budget. But since the war concluded about 2 years ago, I dare say a majority of the people believe that the high wartime tax rates should be reduced to a lower peacetime basis. Hence, this Congress, immediately after it convened in January, set about to revise our income tax structure, by reducing the income tax rates. Bill No. 1, introduced last January 3, the date Congress convened, provided that the income tax rates should be reduced effective as of July 1, 1947. This bill passed the House by a vote of 273 to 137. The Senate passed the bill by a vote of 52 to 34. When the bill went to the President, he vetoed it. It came back to the House where the House voted to override the President's veto by a vote of 268 to 137. If two of those who voted "No" had voted "Yes," the President's veto would have been overridden in the House.

There was such a popular demand from all over the country for the reduction of the income-tax rates below the high wartime levels that a new bill was introduced in the House and passed by a vote of 302 to 112, almost 3 to 1. The second bill passed the Senate by a vote of 60 to 32. The second bill was likewise vetoed by the President and came back to the House, where the House voted to override the President's veto by 299 to 108, almost 3 to 1. But the Senate failed to vote to override the President's veto. Hence, on account of the President's opposition to a reduction of taxes at this time, both attempts of Congress to reduce the taxes failed of passage at this session.

Our Constitution provides that revenue measures shall originate in the House of Representatives. The framers of the Constitution considered that the Members of the House of Representatives were closer to the people and more intimately familiar with their wishes and their ability to pay taxes, than the Senate, and in a much better position to express the will of the people than the President on the subject of revenues and taxation. That is why all tax-raising bills must originate in the House of Representatives. The figures which I have just quoted indicate conclusively that those closest to the people, the Members of the House of Representatives, expressed the will of the people in favor of reduction of the taxes. They did so overwhelmingly. Nearly all of the Republican Members of the House voted for these tax-reduction bills and many Democratic Members joined the Republicans.

It is significant that in all the history of our country there has been only one former instance in which the President of the United States vetoed a tax bill passed by the Congress, and in that instance the Congress promptly voted to override the President's veto. But President Truman has vetoed both these tax reduction measures during this session of Congress. Since the taxing power is left to Congress, with the provision that all tax measures must originate in the House of Representatives, the President is treading on dangerous ground when he vetoes tax measures representing the wishes of the people and passed by their representatives in Congress with such substantial majorities.

I call your attention to the fact that oppressive taxes have been the cause of the downfall of more nations and governments than perhaps any other single cause. The people will tolerate high taxes during wars and other emergencies, but not during times of peace. It has always been the tendency of all Government agencies to clamor for a

continuation and an endless extension of spending to the point of the very ruin of the Government. Taxes, of whatever form, ultimately come from labor and the thrift of all the people. They are wrung from the sweat and toil of the laborers and the privations of the citizens. History shows that in time people become impatient of heavy tax burdens, business dwindles, and all production slows down to a low ebb. It destroys the initiative of the people and confusion and distrust take the place of confidence and hope, and governments have fallen before the atrocious actions of the demagogues to seize upon chaos as their opportunity to take control of and to loot the Treasury and the resources of the people.

The two bills passed by Congress and vetoed by the President, to which I have referred, provided tax relief for 49,000,000 Americans. Last November our people expressed their demand for a reduction of taxes, and they are entitled to it.

These bills provided relief for every income-tax-paying citizen of this country. It would have resulted in more take-home pay to the laborer, a larger saving for the thrifty, and encouragement for business to expand and develop and increase our production to meet the demands of our citizens and of a starving world.

Other countries have realized the importance and necessity of such legislation. Since World War II, Canada has reduced taxes twice, and Great Britain, to whom we have been so generous, has reduced the tax burdens of her people twice in the past 2 years. We Members of Congress took the position that the people of the United States are entitled to a like consideration and these bills gave the greatest relief to those least able to pay.

Each of these bills contained a provision to relieve nearly a million of our poorer people over 65 years of age, whose income was less than $1,000 from the payment of any tax at all. Such would have afforded economic security and kept off of the relief rolls thousands of our worthy older citizens.

It should be noted that the only difference between these two tax bills was that one was to have been effective July 1, 1947, and the other January 1, 1948. President Truman in his veto message of the first bill said that the taxes should not be reduced at that time. We met this objection in the new bill by making it effective next January 1—and yet he vetoed it.

I dare say that the people of this country are tremendously more interested in the reduction of taxes and tax burdens than they are in bestowing our bounties on foreigners the world around. We can destroy our own economy by over generosity to others. I am a firm believer in the theory that we owe first consideration to home folks. Our citizens don't want to be taxed at the high wartime rates, in order to appropriate billions of dollars to the peoples of other lands. We Members of Congress have been thoroughly convinced that the passage of either of these bills would have stimulated production, increased the total receipts of taxes, enabled our people to have obtained more of the things they want and need, built up their own security and left a sizable sum to have applied on our huge national debt. It would have enlarged the visions, hopes, and aspirations of our people, and culminated in their greater happiness and enhanced opportunities for their children. It is to be hoped that Congress, when it convenes next January, will pass a new tax law, even further reducing the tax burdens, and that it will vote to carry out the wishes of the people, notwithstanding the attitude of the President to the contrary.

The Soul of Poland Still Lives

EXTENSION OF REMARKS
OF
HON. CHARLES A. WOLVERTON
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. WOLVERTON. Mr. Speaker, the condition of Poland today is one of the most distressing in all of Europe. What could be more distressing than that a freedom-loving people should be held under the domination of a foreign dictatorial power?

Through centuries of time the Polish people have fought and died in the cause of liberty and freedom. Time and again they have suffered under cruel and despotic conquerors. But, never has adversity nor distress caused them to falter in their love for liberty and freedom. The soul of Poland has survived in the past and will survive the adversity of the present. It lives today. It will live tomorrow. It will continue to live until the darkness of today turns to the brightness of a new day.

In years that have long passed Poland was the defender of Christianity against the Mohammedan Turk. Today it is the defender of Christianity against the evil forces of godless communism. Well do I remember the confidence with which His Holiness Pope Pius XII spoke of the Christian courage of the people of Poland and other central European countries, 3 years ago when I had the privilege of an audience and opportunity to talk with him in the Vatican. At that time he painted a most dark and discouraging picture of communistic forces in central Europe, but, in answer to my question whether the Catholics of those countries would falter in their faith, his face lightened and with confidence he said, "No, I don't think so—their hearts are right." He pointed out that while force might dominate the physical, it could not change the heart. How true this is. The same strength of spirit that enables the Polish people to maintain their allegiance to their church, likewise enables them to hold firm their allegiance to the principles of liberty and freedom.

No nation has suffered so badly from the ravages of war. But, the sad part is to realize that Poland has not only suffered from the acts of her enemies, but, also from the deceit of those whom she thought to be her friends. The first to enter the conflict against nazism she continues to suffer though nazism has been destroyed. Without knowledge upon her part she was sold down the river at Tehran, Yalta, and Potsdam by nations at whose behest she entered the war, and, beside whose soldiers her own soldiers had fought with heroism and courage until victory was gained.

As a result of these secret agreements millions of people in Poland live, today, under the domination of a dictatorship, fearful, in a state of confusion and uncertainty as to the future. Those agreements have brought tragic consequences to Poland and its people. They should never have been made. So long as they remain in force they will constitute a blot upon the integrity and honor of the nations responsible for them. The real Poland today lies prostrate and helpless as a result of the perfidy of those who should have been her protectors.

Secret agreements are contrary to the principles upon which this nation was founded. They have brought distress to Poland. They likewise have brought distress to the people of our own Nation, as we realize the extent to which they set at naught the principles of liberty, justice, and freedom, for which this Nation has been the leading exponent throughout the world. America, like Poland, was also sold down the river when those secret agreements were entered into.

In the days that are ahead it is our duty to rectify, whenever and in whatever way we can, the great wrong and injustice that has been done to Poland. It is our duty to sustain the spirit of Poland and her people; and encourage them to live on in the hope and with the faith that liberty, freedom, and justice will again prevail. Ever remember, the soul of Poland is not dead. It lives and will continue to live until Poland is again a free land.

The Eightieth Congress Fulfilled Its Promises to the American People

EXTENSION OF REMARKS
OF
HON. JAMES E. VAN ZANDT
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. VAN ZANDT. Mr. Speaker, with the special session of Congress now practically a thing of the past, it is my desire to discuss, at this time, the record of the Eightieth Congress from the standpoint of what it has done and has tried to do for the American people and the country as a whole.

Before commencing the discussion, it might be well to mention that in November of 1946, at the last general election, the people of America voted overwhelmingly for a change—a change for the American way of life—by electing to the Congress a sufficient number of Republicans to provide new leadership in both the Senate and the House of Representatives.

The new leadership in the Congress promised to eliminate from the Government gross mismanagement which was characterized by confusion, corruption, controls, and communism in high places. They promised to get the Government out of the people's hair and back into the people's hands, to lower personal income taxes, to enact a labor law, putting labor and management on equal footing from

the standpoint of the law, to eliminate unnecessary wartime controls, to reduce Federal spending, to provide a balanced budget, and to eliminate from the public payroll thousands of bureaucrats, especially those bearing red labels and acting as agents of Russia.

This new leadership, upon taking over the Congress, realized that for the past 16 years "a rubber-stamp Congress" had said "Yes, Yes, and Yes" to the New Deal's request for spending, high taxes, extension of bureaucracy, unbalanced budgets, deficit spending, controls on business, appeasement of communism, or, in general, power to regiment the American people and their way of living. With the "rubber-stamp Congress" a thing of the past, let us determine whether or not the Eightieth Congress has kept their promises.

MAJOR ACCOMPLISHMENTS OF THE EIGHTIETH CONGRESS

During the first, second, and special sessions, a total of 10,138 bills and 1,962 resolutions were introduced in the Eightieth Congress. Of these, 905 are now public laws. The President vetoed 149 congressionally approved bills, only to have Congress pass 6 over his veto, including the Taft-Hartley Labor Act, the income-tax-reduction bill, increase in old-age pensions, and extension of social security to 3,500,000 people not previously covered. Taking as it does, a two-thirds majority of each branch of Congress to override a veto, the President's own party in Congress frequently repudiated his leadership and supported the Republican legislative program. The major accomplishments of this program are as follows:

First. Freeing of competitive enterprise: The Republican majority in the Eightieth Congress liberated the people from 76,000 rules, regulations, directives, and orders of the jaw-breaking combinations of alphabetical agencies, thereby releasing the energy and the capacity of the people with resulting all-time highs in employment, production, profits, and wages, and a record $200,000,000,000 annual national income. The President claims credit for this change in conditions and says he should be relected because of the prosperity he has brought America—while at the same time he says Republicans should be defeated for not returning those controls which had prevented this prosperity until the Republican election victory of 1946.

Second. Reduction of national debt: The Congress cut the national debt by $7,000,000,000 to fight inflation.

Third. Balanced Federal budget: The Congress balanced the Federal budget. The United States Treasury for the first time in 16 years is now using black ink instead of red and is no longer resorting to inflationary deficit spending. We ended the 1948 fiscal year on July 1 with the biggest Treasury surplus in all history—$8,419,469,843, seven times the previous high established 21 years ago. Congress thus stopped deficit financing, fundamental cause of inflation.

Fourth. Reduced spendthrift budgets: The President's padded budget estimates were cut more than $6,000,000,000 and, in addition we lopped off more billions in hold-over, wartime appropriations in the greatest, most complex Government financial conversion from war to peace in all time. We are getting away from the false idea that everything must be done by Uncle Sam spending our money; that every problem can be solved by a Washington bureau.

Fifth. Cut income taxes: The Eightieth Congress reduced taxes in the amount of $4,800,000,000 despite three Presidential vetoes, with 71 percent of the tax relief going to those with incomes under $5,000. Seven million four hundred thousand small wage earners in the lowest brackets were removed from the tax rolls completely, married couples were allowed to divide their income for tax purposes, and special, additional $600 exemptions were given persons over 65 and the blind.

Sixth. Improved labor-management relations: The Congress improved labor-management relations and abolished the portal-to-portal pay. We passed, over the Presidential veto, with both Republicans and Democrats voting for the Taft-Hartley Labor-Management Relations Act, providing fair and just procedures for peaceful settlement of labor-management disputes. This act, while in no way decreasing the rights of labor to strike or to bargain collectively, has eliminated many of the causes of strikes and provided a method for settlement of others. The record shows it has worked well. Work stoppages previously averaged 395 per month. They have been cut to an average of 201 under the new law, a reduction of 49 percent. The number of workers involved in new strikes each month from VJ-day until the new labor act was 337,000 per month. The average number of workers so involved since the act is 131,000, a reduction of 61 percent. From VJ-day until the new act, the average number of man-days of idleness caused by work stoppages was 7,213,000 per month. Under the new law this figure has been cut to 2,613,000 per month.

The record shows that under the new law, labor's gains, which have continued, are made more often in peaceful fashion than by costly strikes, and thus labor has benefited from protection against lost wages and production, and so has the public. During 1946, the blackest year in work stoppages, workers lost 116,000,000 man-days, while at present the annual rate is running about a fourth as much. On the basis of higher wage rates, the savings to workers is in excess of a billion dollars per year.

Under the new labor act's sound principles, our country is building a rule of reason for cooperation between employers and employees for their mutual benefit and for the good of all our people. The President demands that this law be repealed and that we return to the law of the jungle in our labor-management relations.

Seventh. Exposed communism: The Eightieth Congress has battled for elimination of Fascists, Communists, and other subversives from the Federal Government, exposed Communists' infiltration in a minority of labor unions and in the Hollywood film industry; reversed the appeasement policy toward the Soviets; caused the jailing of Communists for contempt of Congress; landed top Soviet spies in jail and advanced legislation for public registration of alien-controlled Communists. We have made real progress, in spite of the President's opposition, in getting the Government out of the red and the Reds out of our Government.

Eighth. Aided European recovery: The Congress aided European recovery with safeguards for our own economy insofar as the inflationary, bipartisan program, made necessary by the threat of communism and failures of administration handling of foreign policy, can be restrained.

Ninth. Strengthened national defense: The Eightieth Congress rescued our failing National Military Establishment by unifying the armed services, by increasing appropriations to a total of $20,500,000,000, plus contract authorizations, with special emphasis upon air and sea power, and revised the Army system of justice in an effort to assure completely fair treatment under military law for officers and enlisted men alike. Congress also authorized $178,000,000 for merchant-marine expansion.

Tenth. Liberalized veterans benefit: The Congress passed 190 bills, meeting the needs of war veterans, including increased compensation for disabled veterans with and without dependents; increased compensation for dependent survivors of war dead; increased subsistence payments to World War II veterans in institutional training; increased allowances for student GI's; increased proportional pay for veterans in on-the-job training, and cashing of GI terminal-leave bonds; higher pensions for Spanish-American War veterans and aids for veterans' housing. All this was done in spite of the President, who, in his message to Congress, January 6, 1947, said, "I believe our program of benefits for veterans is now complete."

Eleventh. Generated a building boom: The Eightieth Congress took the housing problem from the bungling New Deal administration and freed the building industry of stifling rules, regulations, and directives; stimulated construction through Government guaranties of building loans; had Government assume a large responsibility for veterans' loans; and gave war veterans priority in home building and rental of new homes. In 1946, under New Deal regimentation, subsidies, and confusion, 437,800 dwelling units were completed; in 1947, under Republican free enterprise and sound Government aid, 835,100 units were completed; and in 1948 a million dwelling units will be completed in the biggest building boom of all time. Yet the President demands Congress go back to policies which failed when tried.

Twelfth. Helped farmers: The Eightieth Congress adopted a long-range agriculture program pledging price support for maximum production of food; provided twice as much money for rural electrification as any previous Congress and $100,000,000 more than the President requested; appropriated more than half a billion dollars for soil conserva-

tion; launched the greatest rural road-building program in history; fostered stability of agriculture through a new, workable Crop Insurance Act; chartered the Commodity Credit Corporation and expanded Government aid in campaigns against livestock diseases and crop deterrents such as weeds and pests.

Thirteenth. Expanded social security: The Eightieth Congress passed over the Presidential veto a bill increasing payments by $5 per month for the needy, aged, blind, and increasing payments by $3 per month for each dependent child. Congress overrode a Supreme Court decision and Presidential veto which would have extended social-security insurance payments to independent contractors over whom no employer exercises direct control. Congress thereby prevented a raid on the old-age and survivors' insurance trust fund by those who had not contributed to it. At this point it is proper to remark that the President in the recent special session gave Congress a long list of social-welfare proposals he wanted enacted, some of a desirable character, and I hope to see the time when we can afford them. It will take many months to consider them thoroughly, and they deserve the objective consideration they cannot possibly receive in the heat of a great national campaign. Democrats controlled Congress for 16 years. Now they say that they failed to deal adequately with social security, education, health, and housing, and blame Republicans for not enacting the programs they failed and refused to enact during 16 years of authority.

Fourteenth. Established national health institutes: The Congress established a National Heart Institute, a National Institute of Dental Research, and continued indefinitely Federal grants to States for hospital construction, and provided funds for a National Cancer Institute to stimulate research upon and cure of this dreaded disease.

Fifteenth. Increased postal pay: The Congress provided a cost-of-living pay increase for postal and other Federal employees caught between fixed incomes and rising prices. Congress increased some postal rates to offset the cost.

Sixteenth. Rates for rail carriers: Congress passed, over Presidential veto, the Reed-Bulwinkle bill, supported by labor and management, providing rates of rail carriers be approved by the Interstate Commerce Commission as being in the public interest, instead of by the political Department of Justice.

Seventeenth. Created the Government Reorganization Commission: The Congress created the Government Reorganization Commission, a bipartisan group headed by former President Hoover, which is preparing to submit to the next Congress a comprehensive plan to reorganize the chaotic executive branch of Government in the interests of efficiency and economy.

Eighteenth. Limited President's term of office: The Congress acted to limit Presidents' terms to two, by submitting to the States for ratification, a constitutional amendment.

Nineteenth. Aided small business: It created special committees of the Senate and the House which are seeing that small business, the backbone of American industry, gets a fair break, especially in the awarding of Government contracts for national defense and aid to foreign countries.

Twentieth. Extended reciprocal trade agreements: The Congress extended the Reciprocal Trade Act with reasonable safeguards. This act was extended for 1 year with amendments requiring the President to report to Congress and the people when, in secretly making a trade agreement with a foreign country, he exceeds recommendations made by the United States Tariff Commission pursuant to standards prescribed by Congress, for protection of American industries and agriculture.

Twenty-first. Increase retirement benefits under the Railroad Retirement Act were increased 20 percent. The retired Federal employees received 25-percent increase in benefits, while those retired from the military service received an increase also.

Twenty-second. Attacked inflation: The Eightieth Congress, in its special session, applied curbs on installment buying and bank credits and also reminded the President of the powers he has under Public Laws 395 and 396 (Eightieth Congress) to control exports and consumer credits, both of which are contributing factors to the high cost of living.

Mr. Speaker, I could go on and on, but as I stated earlier in this discussion, the Eightieth Congress passed 905 important laws, and of that number, I have tried to analyze just 22.

For a moment, permit me to talk about the bills and resolutions I introduced during the Eightieth Congress. Of the 33 sponsored, a total of 10 were enacted and are now laws. In other words, about one-third of the legislative matters introduced were given Presidential and congressional approval.

Mr. Speaker, I think I have said enough to convince any reasonable person that this was not the worst Congress, a do-nothing Congress, as the President charges; that it was, instead, an active Congress, a good one—one devoted to the public welfare. In the face of stubborn opposition from the White House, it has kept its promises to the people. This integrity in itself is a refreshing contrast to the numerous broken campaign pledges of its New Deal predecessors. The Members have been busy, also, in their offices, handling vast volumes of correspondence and requests from their constituents, and in committees investigating many things in preparation for legislation yet to come, for the Eightieth Congress could not, in the less than 2 years of its existence, be reasonably expected to cure all the mistakes of 16 years of hasty, New Deal rubber-stamp legislation. We are giving careful consideration to all those problems affecting your pocketbook and our way of life. We, the people's representatives, are writing the laws now—not the left-wing bureaucrats. We have established solid foundations for a complete restoration of orderly, constitutional government, responsive to the needs of the people. We have reestablished the people's belief in the pledged word of a political party. We have made good on our promises.

Mr. Speaker, during the 1946 campaign in my congressional district, I made a pledge to my people to continue to fight for the principles I have enunciated herein. I want publicly here to renew that pledge. I will fight for the aged, blind, handicapped, veterans, agriculture, industry, and for free enterprise and against bureaucratic controls, deficit spending, inflation, and high living costs. I will continue to fight to oust the spendthrifts and Communists from Government, reduce war taxes and exorbitant Government costs which are bleeding taxpayers white, stifling production, and dragging America into bankruptcy. I will oppose all unnecessary spending at home and abroad, believing that foreign aid should provide only a springboard for self-help and not a wheel chair for permanent doles. Let us end appeasement and double talk and maintain 100-percent national defense.

Mr. Speaker, in closing, in these days of great stress and strain, when the welfare of our Nation hangs in the balance and when many subversive interests are boring from within and endeavoring to destroy the cherished liberties of America, it is an appropriate time for all of us to renew again our vows of loyalty to our country and to remind ourselves that spiritual understanding is as important as political wisdom and that we must avoid intolerance, racial and political prejudices, and work together in unison for the preservation of our Nation. We cannot too often make known our allegiance by rededicating ourselves to the principles set forth in the American's Creed:

I believe in the United States of America as a government of the people, by the people, and for the people; whose just powers are derived from the consent of the governed; a democracy in a republic; a sovereign nation of many sovereign states; a perfect union, one and inseparable; established upon those principles of freedom, equality, justice, and humanity for which American patriots sacrificed their lives and fortunes.

I therefore believe it is my duty to my country to love it, to support its Constitution, to obey its laws, to respect its flag, and to defend it against all enemies.

Appropriations by the Second Session, Eightieth Congress

EXTENSION OF REMARKS

OF

HON. ALBEN W. BARKLEY

OF KENTUCKY

IN THE SENATE OF THE UNITED STATES

Saturday, August 7 (legislative day of Thursday, August 5), 1948

Mr. BARKLEY. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD statements with reference to the appropriations and

authorizations of the second session, Eightieth Congress, including the present extraordinary session.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

Actions of the second session of the 80th Congress (including the special session) on appropriations and other authorizations

[Amounts in millions]

Category			Reductions below recommendations	Increase above recommendations
Annual definite appropriations:				
Recommendations to regular session	$35,392			
Recommendations to special session	83			
Total, recommendations	35,475			
Deduct: Recommendations to special session for restorations of earlier cuts	69			
Total, recommendations		$35,406		
Enactments, regular session	32,684			
Enactments, special session	15			
Total, enactments		32,699		
Reduction in annual definite appropriations			$2,707	
Contract authorizations:				
Recommended	$2,947			
Enacted	3,894			
Increase in contract authorizations				$946
Major additions by Congress:				
Department of Air Force	$822			
Department of Army—Military	160			
Commerce Department—aiding civil airports	49			
Major reduction by Congress: Stockpiling of strategic and critical materials	75			
Authorizations treated as public debt transactions:				
Recommended		$1,475		
Enacted		1,725		
Increase in authorizations treated as public debt transactions				250
Additions by Congress:				
American military government in occupied Europe, cotton-wool revolving fund	$150			
Rural Electrification Administration	100			
Rescissions of appropriations:				
Recommended		$205		
Enacted		101		
Increase in available appropriations through failure of Congress to rescind to the extent recommended				194
Reappropriations:				
Recommended		$1		
Enacted		9		
Increase in reappropriations				8
Totals			2,707	1,398
Net effect of actions on appropriations and other authorizations			1,309	

Major supplemental appropriations and increases in indefinite appropriations which will be required because of actions of the 80th Congress, second session (including the special session)

[Amounts in millions of dollars]

Appropriation reductions made by the 80th Congress, which will have to be restored by deficiency appropriations—major items:		
Veterans' readjustment benefits, pensions, and services	200	
Post Office operating expenses	101	
Disposition of surplus property	19	
Censuses of business, transportation, and mineral industries	12	
Eradication of foot-and-mouth disease—research	2	
Office of the Housing Expediter	5	
Reductions which will have to be restored by deficiency appropriations—major items		339
Legislation initiated by Congress, for which appropriations have not yet been made but will be required for the fiscal year 1949—major items:		
Veterans' readjustment benefits and pensions	349	
Federal employees' pay increase	310	
Increase in public assistance benefits	123	
Payment to Choctaw Indians for land acquisition of $8.5 million and other Interior Department programs	10	
Displaced Persons Commission	8	
Total, supplemental appropriations which will be required to provide for legislation initiated by the Congress—major items		795
Increase in tax refunds in fiscal year 1949 resulting from tax reduction enacted in the Revenue Act of 1948 (payable from annual indefinite appropriations)		687
Total required supplemental appropriations and increases in indefinite appropriations		1,821

Duty of America Toward Israel

EXTENSION OF REMARKS

OF

HON. CHARLES A. WOLVERTON

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. WOLVERTON. Mr. Speaker, hope springs eternal in the human breast. Through centuries of time the Jewish people have sung Hatikvah (The Hope). Wherever Jews have gone they have individually and collectively carried with them the spirit of hope for the fulfillment of their heart's desire—a homeland, a nation of their own. Thus in many lands throughout the world this anthem of Israel, Hatikvah, has given expression to the hope within each Jewish heart for the redemption of their homeland.

On May 14, 1948, at Tel Aviv, Israel was redeemed and became a free and sovereign nation among the nations of the world. It was most appropriate that on that day, amid the formalities incident to the birth of a nation, that Hatikvah should be sung with fervor and triumphantly in acknowledgment of hope fulfilled.

Words cannot adequately describe what must have been the feelings of those who were privileged to participate in the historic ceremonies of that day. Centuries of time, with all the cruelties that had been endured in many lands, passed before them. The cries of anguish and distress were remembered. The indignities that had been suffered were likewise vividly pictured in their minds eye. But, with it all, there was the memory of the fortitude and courage that had kept alive in every Jewish breast the hope of a better day.

On that eventful day, May 14, 1948, all of these memories running through centuries of time and the hope of the future found expression in the blue and white flag of Israel that was flung to the breeze—the emblem of a free nation. It represented the ending of a dark chapter in the history of a people and the opening of a new chapter filled with hope.

There is something inspiring to every true lover of freedom in the majestic words of the instrument that proclaimed the Jewish state. After a brief statement of the history of the Jewish people, covering the birth of Israel in the days of the Bible, the days of exile, the sufferings experienced, and the desire to return home, the proclamation set forth:

This recognition by the United Nations of the right of the Jewish people to establish their independent state may not be revoked. It is, moreover, the self-evident right of the Jewish people to be a nation as all other nations, in its own sovereign state.

Accordingly, we, the members of the National Council, representing the Jewish people in Palestine and the Zionist movement of the world, met together in solemn assembly by virtue of the natural and historic right of the Jewish people and of the resolution of the General Assembly of the United Nations, hereby proclaim the establishment

of the Jewish state in Palestine, to be called Medinat (the state) Israel.

Thus, with words though different, yet reflecting the same thoughts and ideals of our own Declaration of Independence, an independent state was born, and the people of that land had become free men and free women. Is it any wonder that their feelings of gratitude found expression in that prayer familiar to every devout Jew:

Blessed art Thou, O Lord, our God, King of the Universe, that Thou hast maintained and preserved us to witness this day.

The four words spoken at the conclusion of the ceremonies, "Hamedina, Hamah, Hayeshiva Tamah," meaning "The state has been established," brought to a conclusion centuries of trial, tribulation, and effort. Now, Israel's children from east, west, north, and south can return to a free land where freedom, liberty, and justice prevail.

What is the duty of this Nation toward the nation of Israel? Our duty is plain. There is an obligation upon us to support, sustain, and encourage whenever and wherever possible, this new nation in the enjoyment of all the rights and privileges of its new-found freedom as an independent and sovereign state. To the fulfillment of this, I give my solemn pledge as a Member of the Congress of the United States.

National Guard Should Receive Same Benefits as Organized Reserve Corps

EXTENSION OF REMARKS

OF

HON. ROSS RIZLEY

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. RIZLEY. Mr. Speaker, I well understand, of course, that this so-called emergency session of the Congress was called by the President for the purpose of considering certain specific recommendations made by him. I regret that the President did not deem it advisable to include in his recommendations certain legislation now pending which would equalize and give to members of our National Guard the same disability, pensions, and leave benefits as those received by members of the Organized Reserve Corps.

S. 2622, which passed the Senate June 1, 1948, and the companion bill in the House, H. R. 6494, reported by the House Armed Services Committee on June 2, would provide, if enacted into law, that members of the National Guard would receive the same leave, pension, and disability benefits that members of the Organized Reserve Corps now receive while undergoing the same type of training.

This legislation would also provide for a common Federal appointment or enlistment of personnel of the National Guard of the United States and the Organized Reserve Corps, which would permit the transfer of persons between the two components, without the necessity of Federal discharge from one and reappointment and enlistment in the other.

This legislation would also authorize warrant officers in the Organized Reserve Corps, which authority now exists for warrant officers of the National Guard of the United States.

This proposal was prepared by the Department of the Army in cooperation with representatives of the National Guard of the United States and the Organized Reserve Corps through the General Staff Committee on National Guard and Reserve Policy.

It is inconceivable that these benefits which exist for one Reserve component do not apply to the other. It is my sincere hope that this legislation which equalizes these benefits and provides for a common Federal status for members of one of our Federal Reserve components will early be enacted into law by the Eighty-first Congress. It is also inconceivable that anyone would advocate or attempt to abolish the guard.

Mr. Speaker, one of the things that calls this situation so forcibly to my mind is the fact that today members of the Forty-fifth Thunderbird Division of the Oklahoma National Guard are making final preparation for their 2 weeks' summer encampment, which commences at Camp Potts-Robison at Fort Sill, Okla., on tomorrow, August 8. This great division, which distinguished itself during World War II on the battlefields of Europe and Sicily, has led the Nation in obtaining enlistments in the various units of the division during the past 2 years.

In keeping with its policies and thoughtfulness in respect to giving honor where honor is due, the Forty-fifth Infantry Division's field training camp at Fort Sill has been named Camp Potts-Robison, in honor of the first two members of the division killed in its initial combat in Sicily. As part of my remarks, I include a newspaper release from the Daily Oklahoman, issued by Brig. Gen. R. W. Kenny, adjutant general of the State of Oklahoma.

FORTY-FIFTH NAMES CAMP IN HONOR OF TWO KILLED IN SICILY INVASION

The Forty-fifth Infantry Division's field training camp August 8–22 at Fort Sill, will be named Camp Potts-Robison, in honor of the first two members of the division killed in its initial combat in Sicily, Brig. Gen. R. W. Kenny, State adjutant general, said Saturday.

It has been the custom to name each annual camp for some military figure, General Kenny said. The first postwar camp last year was named for Charles F. Barrett, long time State adjutant general.

Cpl. Barney Potts, Durant, was a member of Company E, One Hundred and Eightieth Infantry regiment. At the time of Federal induction of the Forty-fifth in September 1940, he was a high-school senior and an outstanding player on the Durant football team.

He went ashore with the first wave at Sicily July 10, 1943, and died from small-arms fire on sand dunes of the beachhead.

Capt. Paul E. Hayes, Durant, who also participated in the landing, said: "Company E was on our left, and Corporal Potts was part of a small force which stormed an enemy pillbox on the beach which opposed our landing. After Potts fell, near 17 enemy dead, I stopped to examine him. So far as I could tell, he was killed instantly by rifle or other small-arms fire."

Potts is survived by his mother, Mrs. Lolita Millsap, Durant, and a brother, Charles, who served in the Navy during the war and now is employed by Phillips Petroleum Co. at Borger, Tex.

Capt. Garvice Robison was Okmulgee's first casualty in the war. A charter member of Company K, One Hundred and Seventy-ninth Infantry regiment, he was in command of Company C, One Hundred and Seventy-ninth, and was leading his men when killed in the Sicilian landing.

Commissioned a second lieutenant in 1939, Robison was promoted later to a first and in 1942 to captain. He was given command of Company C while the One Hundred and Seventy-ninth was at Pine Camp, N. Y.

Robison's brother, S/Sgt. Darrell Robison, also was with the Forty-fifth during the Sicilian invasion, and wrote their parents, Mr. and Mrs. S. L. Robison, of his brother's death.

Robison is survived by his parents, his wife, Sylvia, and two children, Connie, 14, and Judy, 12; three brothers and one sister.

Can Dewey Make Liberals Out of Reactionaries?

EXTENSION OF REMARKS

OF

HON. FRANCIS J. MYERS

OF PENNSYLVANIA

IN THE SENATE OF THE UNITED STATES

Saturday, August 7 (legislative day of Thursday, August 5), 1948

Mr. MYERS. Mr. President, I ask unanimous consent to extend my remarks in the Appendix of the RECORD and include an editorial which appeared Thursday, August 5, 1948, in the Wyalusing Rocket, one of the Keeler newspapers, printed at Wyalusing in Bradford County, Pa.

This editorial raises a very interesting question: "How far can Mr. Dewey carry the powerful isolationist-reactionary element in his party—particularly the congressional leadership—toward more liberal goals?"

It asserts that the Governor of New York has had an excellent opportunity in this special session of Congress to take command and to lend his influence toward the enactment by this Congress of legislation he is said to favor. However, because the Republican candidate failed to evidence any leadership in this critical period of inflation, the Wyalusing Rocket concludes that as a candidate for President he has missed a great opportunity.

And I certainly agree that he has. For the people now recognize that with the Congress he would inherit as President, even the most liberal Republican could get no liberal program through.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

CONGRESS AND MR. DEWEY

The Democrats election strategy has been to make the campaign a contest between President Truman and Congress. The Republicans so far have not attempted to shift the ground. Governor Dewey has not taken command to carry a Republican program

through the special session. The job of answering Mr. Truman's challenge has been left to the leaders in Congress.

The Republicans, putting forward the anti-poll tax bill, could count on southern Democrats tying up the Senate with a filibuster. Most of the southerners also refuse to go along with Mr. Truman on other proposals like price committee. The President may have little leverage to prevent congressional leaders carrying out their plan to "adjourn as soon as possible"—Speaker MARTIN says in "about 15 days."

Some Republicans believe a futile session will weaken Mr. Truman's popular appeal by proving his inability to get action. But he will endeavor to lay the blame for lack of action at their door. He will have help from many voters who are aroused over high prices and believe Congress could do something. A clever political answer to the President's challenge could prove to be a very poor answer to the public.

Where does Mr. Dewey fit into all this? There is some evidence that he had a part in preventing the more reckless congressional leaders from adjourning at once. Senator TAFT has reported that the new party chieftain urged Republicans in Congress to give brief committee consideration at least to some of the President's proposals. But his spokesman, Herbert Brownell, took a rather negative view of the possibility of carrying out platform promises at this time, and the minority of congressional Republicans who hoped to take action on a minimum program have had no noticeable Dewey aid.

Certainly it would be rash to predict that a popular revolt against high prices and the housing shortage will not cost Dewey many votes and possibility defeat. These are real issues confronting millions of voters—particularly the laboring classes and the Legion and other service organizations. Governor Dewey is keeping in the background in the current hostilities on these questions and probably assumes should Congress catch considerable blame he will escape some of it. When he starts campaigning he may be able to turn the campaign more into the shape of a choice between himself and Mr. Truman.

Thoughtful voters who may wish to make their choice on a different basis—weighing each candidate plus his congressional leaders on what they have done and not done in the past.

Certainly one great question among independents will be how far Mr. Dewey can carry the powerful isolationist-reactionary element in his party—particularly the congressional leadership—toward more liberal goals. Those who hoped that the special session would prove the Dewey leadership in this respect have been disappointed so far. They feel he has missed an opportunity.

What a Merry-Go-Round!

EXTENSION OF REMARKS
OF
HON. GEORGE B. SCHWABE
OF OKLAHOMA
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

Mr. SCHWABE of Oklahoma. Mr. Speaker, an outstanding tax attorney of *my home city* has analyzed our taxing program by showing the American worker is taxed to purchase goods for the British to keep their food costs down, and so forth. His comments follows:

The American worker is taxed and his tax money used to purchase food for the British to keep their food costs down. Thus the American taxpayers' tax money is used to purchase food for the British in competition with the purchase of food by the American worker in a scarce market and then the American worker wonders why his cost of living is rising. What an anomaly. An administration using the American workers' tax money to make their own purchase of necessities more dear. A raise in wages; more tax; more food purchased for distribution abroad; more scarcity; a raise in cost; a demand for higher wages; more taxes; etc. What a merry-go-round.

American People Approve Constructive Record of Republican Congress and Resent President Truman's Vicious Attacks—Here Are the Facts of the Eightieth Congress Record on Government Spending, Prices, Communism, Veterans, Agriculture, Taxation, National Defense, Housing, Controls, and Foreign Affairs

EXTENSION OF REMARKS
OF
HON. CHARLES A. HALLECK
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

Mr. HALLECK. Mr. Speaker, the record of the Eightieth Congress—the Republican Congress—is approved by the overwhelming majority of the American people. That approval will be effectively demonstrated next November when the people vote for Republicans across the length and breadth of the land. In doing so, they will finally and emphatically repudiate Mr. Truman and his New Deal Democrat administration.

By their ballots they will write for all to see their approval of the Republican Congress and its record, and their disapproval of Mr. Truman and his policies, and his unjustified and vicious attacks on the Congress.

The Republican Congress has kept its pledges and saved America from President Truman's disastrous program of regimentation and reckless bureaucratic spending, and reestablished good government, freedom, security, prosperity, and happiness for our people.

The Republican Congress has supported and protected the American way of life against attack by an administration whose alien philosophy of government demands more and more power to control the people.

When the Eightieth Congress convened January 3, 1947, by mandate of an aroused people, we were confronted by the ruinous results of 14 years of New Deal bad government.

Our country was on the brink of disaster, threatened as it was by disintegration of our free economy and revolutionary change in our free government.

The Truman administration, infected by radicalism and an easy prey for Communists' spy rings, viciously attacked Congress for cutting spendthrift budgets, for cutting taxes, for passing the Fair Labor-Management Act, and for rejecting its efforts to bring back stifling OPA controls.

We liberated the people from 76,000 rules, regulations, directives, and orders, thereby releasing their energy and capacity, with resulting all-time highs in employment, production, profits, and wages, and a record $208,000,000,000 annual national income.

We augmented the President's vast but unused power to check high prices generated by reckless policies of his and previous New Deal Democrat administrations.

To reverse ruinous New Dealism and establish the solid foundations upon which our country is now going forward, the Republican Congress has enacted a program of many parts.

ACCOMPLISHMENTS OF REPUBLICAN CONGRESS

Here, summarized, are major accomplishments of the Republican Congress:

Balanced Federal budget: The Federal Treasury for the first time in 16 years is using black ink instead of red and is no longer resorting to inflationary deficit spending. Fiscal 1948 ended with the biggest Treasury surplus in all history—$8,419,469,843, seven times the previous high established 21 years ago.

Cut national debt: Prudently shaved $7,000,000,000 off the public debt.

Pruned spendthrift budgets: Cut President Truman's padded budgets more than $6,000,000,000 and lopped off more billions in the hold-over wartime appropriations in the greatest, most complex Government financial conversion from war to peace in all time.

Cut taxes: Reduced taxes $4,800,000,000, despite three Presidential vetoes, with 71 percent of the tax relief going to those with incomes under $5,000; 7,400,000 wage earners in the lowest brackets removed from the tax roll; married couples allowed to divide their income for tax purposes and special relief for persons over 65 and for the blind.

Improved labor-management relations: Passed over Presidential veto the Taft-Hartley Labor-Management Act, which has brought a sharp reduction in work stoppages, more constant and expanding production as a solvent for high prices, and higher annual wages for workers, because the act is providing fair and just procedures for peaceful settlement of labor-management disputes; protecting rights of workers to unionize and control their unions, to bargain collectively, and to strike; restoring constitutional rights of employers, and safeguarding all the people against widespread work and production stoppages that imperil the national welfare.

Exposed Communists: Revealed Communist spy rings that obtained top national security secrets from confederates inside the Truman and past New Deal Democrat administrations, despite refusal of the President to cooperate in purging subversives from the Government; exposed Communist domination in a minority of labor unions and the Hollywood film industry; caused jailing of Communists for contempt of Congress; landed top Soviet Russia agents in jail and advanced legislation for public registration of alien-controlled Communists.

Strengthened national defense: Rescued our disintegrating National Military Establishment by unifying the armed services; by forcing adoption of a "plan

of action"; by making cash appropriations and contract authorizations totaling $24,128,110,346—$9,528,295,733 in first session, $14,599,814,613 in second session—with special emphasis upon air power; by adopting a temporary selective service act; by providing for development of better weapons including guided missiles and atomic bombs; by authorizing $178,000,000 for merchant marine expansion, and by revising Army justice in an effort to assure completely fair treatment under Army law for officers and enlisted men.

Cared for veterans: Passed 188 bills meeting needs of war veterans, including increased compensation for disabled veterans with and without dependents; increased compensation for dependent survivors of war dead; increased subsistence payments to World War II veterans in institutional training; increased allowances for student GI's; increased proportional pay for veterans in on-the-job training; cashing of GI terminal-leave bonds; higher pensions for Spanish-American War veterans; and aids for veterans' housing.

FOSTERED RECORD HOME BUILDING

Generated building boom: Took housing problem from the bungling New Deal administration; freed the building industry of stifling rules, regulations, and directives; stimulated construction through Government guaranties of building loans; had Government assume large part of responsibility for veterans' loans; and gave war veterans priority in home building and rental of new homes. In 1946, under New Deal regimentation and confusion, 437,800 dwelling units were completed; in 1947, under Republican free enterprise and sound Government aid, 835,100 units were completed; and in 1948, 1,000,000 dwelling units will be completed in the biggest building boom of all time.

Helped farmers: Adopted long-range agriculture program pledging price support for maximum production of food; provided twice as much money for rural electrification as any previous Congress; appropriated more than $500,000,000 for soil conservation; launched greatest rural road-building program in history; fostered stability of agriculture through a new, workable Crop Insurance Act; chartered Commodity Credit Corporation; and greatly expanded Government aid in campaigns against livestock foot-and-mouth disease and crop deterrents, such as weeds, insects, and other pests.

BILLIONS FOR OTHER COUNTRIES

Aided foreign nations: Appropriated $9,579,657,128—$2,377,573,900 in first session and $7,202,083,228 in second session including $1,000,000,000 for reconstruction loans—for relief to impoverished humanity in foreign countries, to help reestablish their national economies and to restrain Communists' aggression; created an Economic Cooperation Administration to administer foreign aid; kept all congressional commitments to United Nations.

Joined International Refugee Organization and gave it $71,073,900 to carry on.

Enacted a bill to admit 205,000 displaced persons in next 2 years and permit 15,000 refugees already in the United States to remain.

Forwarded reclamation, river, and harbor improvements, flood control: Rescued the vitally needed, Republican-inaugurated reclamation program for the West from President Truman's disastrous money-freeze order of August 1946, and appropriated more money for reclamation—$389,804,000—than any previous Congress; likewise made record-breaking appropriations for river and harbor improvements—$285,500,000—and flood control—$712,063,000—all being essential to expansion and protection of our national economy.

CARED FOR NEEDY, AGED, AND ILL

Expanded social security: Passed over Presidential veto a bill increasing payments for the needy, aged and the blind, and increasing payments for each dependent child, thereby adding $184,000,000 annually to social-security payments received by 3,500,000 needy dependent children, the aged, and the blind; and exempting from the social-security insurance payments, newspaper and magazine vendors, and other independent contractors over whom no employer exercises direct control, thereby preventing an impairment of the old-age and survivors' insurance trust fund built up by those who had paid taxes over the years.

Established a National Heart Institute within the United States Public Health Service to fight America's No. 1 killer, diseases of the heart and circulation; provided $500,000 for the research institute to combat these diseases, which affect 1 person in 16, cause 1 out of every 3 deaths, and result in a loss of 152,000,000 workdays a year.

Provided $28,400,000 for the National Cancer Institute to study the disease of cancer and to disseminate knowledge on how to reduce its terrible toll in lives.

Established National Institute of Dental Research: Created for supervision by the United States Public Health Service a National Institute of Dental Research to find causes and cures for caries and other teeth disease; provided $2,000,000 for buildings and $750,000 for first year of research.

Provided a cost-of-living pay increase for postal and other Federal employees. Despite President Truman's opposition as expressed in a budget message to Congress, we gave 478,000 postal workers a pay increase of $450 a year each, and 840,000 civil-service employees a boost of $330 each; increased some postal rates as a partial offset to the $600,000,000 cost of the pay rise.

Facilitated the making of equitable and nondiscriminatory transportation rates: Passed over Presidential veto the Reed-Bulwinkle bill, exempted railroads from antitrust suits for rate agreements, provided the rates are approved by the Interstate Commerce Commission as being in the public interest.

Improved United States Employment Service: Enacted over Presidential veto a bill transferring and improving the United States Employment Service from the Department of Labor to the Federal Security Agency for administration in coordination with unemployment benefits.

Created Government Reorganization Commission: Established a bipartisan Commission, headed by former President Herbert Roover, which is preparing for submission to the next Congress a comprehensive plan for reorganization of the administrative branch of the Government in the interests of efficiency and economy—a major operation on the sprawling, tax-eating bureaucracy.

Acted to limit Presidents' terms: Submitted to the States for ratification a constitutional amendment limiting Presidents to two terms.

AIDED SMALL BUSINESSES

Authorized voluntary trade agreements: Empowered the President, upon advice of the Attorney General, to approve voluntary agreements among business firms to ration and channel commodities in short supply to the most essential purposes domestically and to meet foreign commitments.

Extended export controls: Temporarily extended and strengthened the President's authority to control exports in line with United States policy to favor cooperating nations and withhold sinews of war from noncooperating countries.

Aided small businesses: Created special committees of the Senate and House of Representatives which are seeing that small businesses—the backbone of American industry—get a fair break, especially in the awarding of Government contracts for national defense and aid to foreign nations.

Extended Reciprocal Trade Act with reasonable safeguards: Extended for 1 year the Reciprocal Trade Agreements Act, with amendments requiring the President to report to Congress and the people when, in secretly making a trade agreement with a foreign country, he exceeds recommendations made by the United States Tariff Commission pursuant to standards prescribed by Congress for protection of American industries and agriculture.

REORGANIZED CONGRESSIONAL COMMITTEES

We reorganized the congressional legislative machinery, telescoped many committees into a few, and staffed them with specialists in their responsibilities.

We created a joint congressional committee which is keeping constant watch on all factors entering into the cost of living and making recommendations.

We sent our own committees across the country and thus gathered first-hand information, and we sent special committees to Europe, the Middle East, and the Far East for study and report on conditions that required action by Congress.

LEGISLATION BENEFITS ALL

The Republican Congress passed hundreds of other measures that are benefiting every segment of our population and creating wholesome conditions for prosperity and happiness; measures buttressing industries, agriculture, and mining; supplying long-needed banking legislation; strengthening the Federal Reserve banks' operation; reorganizing the Reconstruction Finance Corporation, and in other ways making for sound national progress.

REPUBLICANISM AGAINST RADICALISM

Back in December 1945 the Republicans of the Senate and House of Representatives, united in issuing a statement of principles, policies, and objectives. The declaration said:

Today's major issue is between radicalism, regimentation, all-powerful bureaucracy, class exploitation, deficit spending, and machine politics, as against our belief in American freedom for the individual under just laws fairly administered for all, preservation of local home rule, efficiency and pay-as-you-go economy in Government, and the protection of the American way of life against either Fascist or Communist trends.

We believe that genuine social and economic progress can be achieved only on those American constitutional principles and it is our purpose to give our citizens this clean-cut choice.

That was the major issue in the 1946 congressional elections. It is the overall issue today.

This conflict of philosophies on government, republicanism against radicalism, is the fundamental issue between our Republican Congress and President Truman. It can be settled only by vote of the people in next November's elections.

In the election of November 1946 voters throughout the length and breadth of our land sent to Congress Senators and Representatives dedicated to the principles, policies, and objectives of the Republican Party.

The election resulted in a landslide victory for the Republican Party, and it has been confirmed by subsequent elections to fill vacancies in the Congress.

The people demanded and had a right to expect cooperation of President Truman in carrying out their will for an end to regimentation, all-powerful bureaucracy, coddling of Communists, vote buying, business badgering, exploitation of group against group, spendthrift policies, and back-breaking taxes.

Shortly after the 1946 repudiation of his administration, the President issued a written statement acknowledging the verdict of the people and pledging that cooperation, but he has not kept that pledge.

Instead he has fought Congress, the policy-making department of our Government, every step of the way, and has even used the taxpayers' money for a journey across the country to wage his vicious campaign of misrepresentation.

He has abused the weighty Presidential veto power by invoking it as a weapon of minorities. He holds the unenviable record of having had more vetoes overridden by Congress—six of them—than any President for a like period dating back to post-Civil War days.

To garble, twist, and belittle actions of the people's Congress, the President has called the signals for 45,000 propagandists on the Federal pay roll. That gigantic, thought-control political machine, directed by radical New Dealers, had a $75,000,000 campaign fund—all from the taxpayers' pockets.

TRUMAN STOKES INFLATION

The evidence, daily revealed, is abundant that President Truman is a confused, bewildered, perplexed man, swamped by the tremendous responsibilities of the Presidency.

The evidence is abundant, too, that he failed utterly in planning for the post-war conversion. To a special session of Congress in 1945 he submitted recommendations for a gigantic Government spending program to cushion his expected vast unemployment, collapse of commodity prices, and lessened purchasing power.

He failed then to understand that all the people wanted was a signal from their Government to go ahead and get on with peacetime production.

He geared his whole program to an anticipated depression and stoked the boilers of inflation that has brought its train of high prices. He was wrong then, and he has been wrong ever since.

In 1946 the Nation's economic structure was falling apart through a confusion of orders, rules, and directives from Washington. We were becoming a nation of bootleggers in black markets. Shortages in commodities and materials were made worse by the blackest year in work stoppages.

The Seventy-ninth Congress, a Democrat Congress, passed a temporary OPA extension bill, and while President Truman criticized it because it did not give him all the power he wanted, Senator BARKLEY, his present running mate for the Vice Presidency, pronounced it a workable bill in the interest of sensible conversion from the war.

It provided for gradual, orderly elimination of controls as supplies approached demand, but as the 1946 elections approached the President became panicky. Within a few weeks before and after the election he eliminated nearly all OPA controls and lifted wage ceilings with an assertion that wages could be raised at that time without resulting in higher prices. Prices suddenly increased; wages climbed in the first round; inflation boilers began to roar.

And then came the Republican Congress, with a mandate from the people to clean up the accumulation of New Deal debris and restore solid foundations for a sound, forward-looking national economy.

TRUMAN ASKS POLICE STATE POWER

The President in mid-1947 branded Government price and wage fixing, rationing, and similar controls as police-state methods that would not work in our Republic in peacetime.

Then he asked the special session of Congress in 1947 to fasten those very controls upon the people—shackles that would smother productive enterprise.

At that special session we rejected his demand for police-state power. We pointed out he already possessed broad power over bank credit and other monetary power, ample to check rising prices, but he failed to act.

We passed a measure to enable competitive enterprise, through voluntary agreement and subject to approval of the Attorney General and President, to channel goods in short supply to where they would do the most good in the public interest. That law became a dead letter in the hands of the Truman administration.

Yielding to special interests and pressure groups, he submitted recommendations for spending, over and above his record peacetime budgets, that would, if approved by Congress, add $20,000,000,000 to the Nation's annual tax bill, skyrocket prices, greatly expand the Washington bureaucracy, and wreck our national economy.

He waged a campaign to vilify Congress for rejecting his program for unlimited spending, expansion of power of Federal bureaus over States, cities, and individuals, and regimentation of agriculture, labor, and industry.

The President degraded his high and respected office by announcing the call for the 1948 special session of Congress at 2 a. m., at the Democratic National Convention in an obviously desperate political maneuver to recover his lost political fortunes and rally his warring, quarreling, bolt-ridden party.

BARKLEY OPPOSES SPECIAL SESSION CALL

In calling the rump session, President Truman brushed aside counsel of Senator BARKLEY that a meeting of Congress immediately after the national conventions of the major political parties would be taken up with "political bickering and political legislation and political oratory."

Candidate Truman, using a joint session of Congress as a backdrop for publicity purposes, submitted a warmed-up version of OPA to give him power to fix prices and wages in all or any industries and to ration supplies and materials. The President said he intended to impose only selective controls, but when he abolished OPA controls on November 9, 1946, he said:

The Price Administrator has advised me that, with so much of our economy freed from price controls, clinging to the rest would, in his judgment, lead to distortion in production and diversion of goods to an extent far outweighing any benefit that would be achieved.

Although the President had failed to use his tremendous power to help stabilize the national economy through tightening of bank credit, he asked the 1948 special session of Congress for additional monetary power. Congress authorized the Federal Reserve Board to increase bank reserves by 4 percent, thereby making a possible increase in reserves of about $3,500,000,000. Congress also granted the Board authority to limit installment credit for consumers.

ECCLES CALLS TRUMAN PLAN INFLATIONARY

After President Truman had presented his so-called anti-inflation program to the 1948 special session, financial and economic authorities at once branded it as a program to encourage inflation.

Marriner S. Eccles, a member of the Federal Reserve Board, testified before the House Banking and Currency Committee that—

the program—

The President's—

taken as a whole, seems to me to be more of a political program than an economic one, because there is in the program action called for which would be very inflationary.

Appropriate committees of the Republican Congress have warned President Truman time and again to mend his ways and to do something to check high prices, but he plainly chooses to blame others for his mistakes.

The House Banking Committee, back in 1947, warned that action should be taken by the President to reverse the Government's monetary policies. The committee said that loose fiscal policies were largely to blame for the high cost of living along with failure of the Truman administration to use its power to control exports. The committee said that if the President had been diligent in controlling exports, the impact of these withdrawals from short domestic supplies would have been much less and therefore prices would not have been boosted so high.

Again, during the special session of Congress in 1948—the Truman politics session—the congressional committee admonished the President to use this power to bring down prices. The committee said:

There is nothing wrong with the United States that production and sound fiscal policies will not correct. Fiscal policies of the Government since VE-day have not been sound. They have been conducive to economic and financial uncertainty. They have inspired inflationary tendencies.

The President's actions and his failures to act indicate he does not understand the economic facts of life; that he could not constantly stoke the boilers of inflation and then, presto, prevent an explosion by clamping on arbitrary price and wage lids.

BIG CROPS MEAN LOWER LIVING COST

Even as he demanded more and more power to control the lives of the people, our country was being blessed with the most bountiful crops in history: a corn crop estimated by the Department of Agriculture at 3,500,363,000 bushels, a billion bushels more than last year; the second largest wheat crop, estimated at 1,284,323,000 bushels, and record-breaking crops of oats, soybeans, barley, and hay—all foreshadowing a decline in food prices and lower cost of living.

For our part, we Republicans in our statement of principles, policies, and objectives, issued back in December 1945, said:

Government alone cannot feed the people, nor employ them, nor make the profits from which new enterprises and new jobs are born. Government can help its people to prosperity by lightening the burdens of debt and taxes, laying down the rules of fair play, and protecting those whose own strength and resources are not sufficient to protect themselves.

We have kept that pledge.

LET'S LOOK AT THE RECORD

Now, let us look in more detail at the record of the Republican Congress and see how the many parts fit together in giving effect to American constitutional principles.

GOVERNMENT EXPENDITURES

This is what we Republicans pledged:

Economy in Government spending must be achieved. Extravagant Government spending now advocated by the administration in every field can only lead to ruin. Bureaucracy with its thirst for power and self-preservation, must be drastically reduced. The number of Government employees must be cut to an efficient minimum.

We have kept that pledge.

President Truman holds the record as the biggest peacetime spender of all time.

Confronting the Republican Congress when it convened was the tremendous job of converting the Government's fiscal affairs from a war to a peacetime basis, the most stupendous financial operation that ever faced a Congress. To the hard-working Appropriations Committees of the House of Representatives and the Senate goes much of the credit for bringing a semblance of order out of chaos.

Details reached around the earth, billions of dollars were involved and major policies had to be determined in the conversion.

Most harassing of all in this gigantic operation were the continuous demands by the Truman administration for more and more spending and a bigger and bigger bureaucracy.

These pleas were taken up by the 45,000 propagandists on the Federal pay roll, dipping into the $75,000,000 campaign fund taxed from the people.

The President pledged to cooperate with the Republican Congress, but instead he and his army of job holders, augmented by New Dealers outside the Government taking up the cry, fought economy every step of the way.

He submitted to Congress budget estimates calling for expenditures of $37,500,000,000 during the fiscal year ending June 30, 1948. He recommended in excess of another billion before the first session of the Congress adjourned.

He submitted to the second session of the Congress an all-time high, peacetime budget calling for expenditures of nearly $40,000,000,000 during fiscal year 1949 and then swelled that by several billions in supplemental recommendations.

On top of all this he submitted a series of recommendations for new ventures in Government spending that would, if approved by the Republican Congress, have added $20,000,000,000 to annual Federal expenditures, forced higher taxes, expanded bureaucracy, and plunged the Nation into bankruptcy.

Compare these astronomical figures with the total Government expenditures in prewar years. Expenditures for fiscal 1933 totaled $5,143,000,000; for 1934 they were $7,100,000,000; and for 1939 the Government spent $9,027,000,000. The Republican Congress not only called a halt on the New Deal Democrat trend; we reversed the procession.

CUT TRUMAN'S PADDED BUDGETS

We cut the President's fiscal 1948 budget estimates $2,766,000,000; rescinded funds that otherwise would have been spent amounting to $442,500,000; made recoveries for the Treasury that the President did not recommend amounting to $911,700,000, and we made cuts that were effective in making savings in the operations of the previous fiscal year amounting to $359,740,568.

Thus the total savings to the Federal Treasury accomplished by the Republican Congress during its first session were approximately $4,500,000,000.

We continued the same program of prudently pruning the President's budget and supplemental recommendations during the second session providing for fiscal year 1949. From the regular departmental appropriation bills, deficiencies, supplementals, and so forth, the Republican Congress appropriated $2,741,481,291 less than the President requested. During the 1948 special session the President requested $83,134,250, but we appropriated only $15,300,000.

And it should be noted that the Democrats in Congress, almost to a man and almost on every occasion, apparently desiring nothing so much as to see the Republican economy program fail, vigorously opposed cuts in appropriations advocated by the Republicans.

Notwithstanding this reckless and sometimes demagogic resistance, the Republican Congress saved better than $6,000,000,000, and this does not include the rejection of the President's $20,000,000,000 high-living vote-luring political recommendations.

These savings were made by eliminating useless and unnecessary expenditures, not by destroying essential or necessary functions and operations of Government.

Failures of New Deal Democrat administrations, past and present, in foreign relations are reflected in higher Government expenditures for national defense and to provide aid for freedom-loving foreign countries.

These, in turn, are major causes of high prices.

More than 80 percent of our national expenditures now goes toward prevention of wars, foreign aid, aid to our own veterans, and in liquidation of past wars. Hence the urgency of having a Republican President who will cooperate with a Republican Congress, working together for efficiency and economy in Government.

Incompetence of the Truman administration is illustrated by the President's failure to present to the Congress the major budget requests at the opening of the Congress in January as the law requires.

Final budget estimates for Government corporations this year did not reach the Congress until April 6; for the Interior Department until May 10; for the Army and the Air Force until May 26; for independent offices, including the Veterans' Administration, the Atomic Energy Commission, and the Maritime Commission, until May 27; and for the Navy until June 1.

Obviously, this fumbling delay made it difficult to hold proper hearings and get the appropriation bills through the Congress before beginning of the 1949 fiscal year on July 1, 1948.

However, through tremendous effort, the Congress did do a thorough and a good job in handling Government expenditures.

TAXES

This is what the Republicans' preelection statement of principles, policies, and objectives said on taxation:

Taxes must be so imposed as to stimulate creative enterprise, not destroy it, and to afford the individual adequate purchasing power. Tax reforms and taxpaying must be simplified. There must be an incentive for business to expand production and employment for the individual to invest his savings in such expansion.

We have kept that pledge.

Three times President Truman vetoed tax-reduction bills passed by Congress,

but the third time we passed it over his veto and our people today are receiving that tax relief.

Excessive taxes are a drag upon production. They stifle initiative. They are a major factor in the cost of living, because they enter into the cost of everything from a haircut to an automobile.

Taxes consume more than 25 cents out of every dollar that the housewife spends on groceries.

For the American working men and women the Republican Congress through tax reduction is providing more take-home pay, and by restoring sanity to the tax structure we are replenishing the wells of investment capital so there may be new plants, plant expansion, jobs and more production of the goods we need to adjust prices.

Under way is a complete overhauling of the entire tax code, which the New Deal administrations in their zeal to use taxation as a weapon for social and economic change have scrambled into confusing rules and regulations.

The United States Constitution is explicit in lodging the taxing power in Congress. The founding fathers never intended that one man—the President—shall decide how taxes shall be levied, though he may make recommendations.

Only one President before President Truman invaded the taxing power of Congress by abuse of the Presidential veto. President Franklin D. Roosevelt did it, and Congress swiftly overrode his veto as an affront to representative government.

TREASURY ESTIMATES UNDEPENDABLE

President Truman said the Federal Treasury could not stand a tax reduction and the Treasury Department backed him by grossly underestimating revenues. All through the battle over tax reduction, the Treasury Department grossly erred in its estimates. However, Congress relied upon its own judgment and the dependable estimates of its Joint Committee on Internal Revenue Taxation.

The Treasury Department predicted a deficit of $4,500,000,000 for the fiscal year ended June 30, 1947, and when that date arrived there was a surplus of $754,000,000. First estimates by the Treasury Department on probable revenue during the fiscal year ended June 30, 1948, were $5,946,000,000 below the final result, but in August 1947, a few days after the first two tax bills had been killed by vetoes, the Treasury Department began to make public estimates closer to the mark.

When the third and successful tax-reduction bill was passed by the Republican Congress, the Treasury surplus could not be concealed and fiscal year 1948 ended with a surplus of $8,419,469,843, seven times larger than the previous high established 21 years ago.

The President, in desperately seeking to justify his unwarranted vetoes of the tax relief now being received by the people, launched a campaign to scare the people. He sought to make the people believe that as a result of the tax reduction by the Republican Congress there would be a deficit in the Federal Treasury for the 1949 fiscal year.

Treasury deficits, resulting in deficit-financing and artificial expansion of the currency, are not new to New Deal Democrat administrations. They had them every year they were in power until the Republican Congress took over control of the Nation's purse strings.

The President and his willing Treasury Department bookkeepers have deliberately overestimated expenditures and underestimated revenues for political purposes.

The people have a right to candor from public officials. In widely missing the mark in revenue estimates, the Treasury Department, as President Truman's agent, did so either deliberately to deceive the Congress and the people or through sheer incompetence. Either is inexcusable.

TAX CUT FAVORS SMALL WAGE EARNER

The Republican Congress gave its verdict on behalf of tax relief by overriding President Truman's third veto in the Senate 77 to 10 and in the House by a vote of 311 to 88.

Thwarted in his tax and tax policy, the President in campaign speeches has misrepresented the Tax Reduction Act, using the New Dealers' technique of misrepresentation in a demagogic effort to catch votes.

The cold fact is that 71 percent of the $4,800,000,000 in tax relief provided is going to persons with incomes of less than $5,000 a year.

About 7,400,000 taxpayers in the lowest brackets no longer have to pay any Federal income tax.

Percentage tax reductions range from 12.6 in the lower brackets down to 5 percent in the top brackets.

Husbands and wives are permitted to split their income for tax purposes, thereby lightening the family tax burden, and eliminating discrimination against citizens of many States. An additional $600 tax exemption is granted to taxpayers who are over 65 years of age and for the blind there is an additional $600 exemption. That is practical social-security legislation.

LABOR-MANAGEMENT RELATIONS

We Republicans, in our preelection statement of principles, policies, and objectives, said:

> We reaffirm our belief in the right of labor to organize and bargain collectively with employers as one of the cornerstones of competitive enterprise. The processes of such bargaining must be protected and strengthened if we are to have real jobs and prosperity for all.
>
> For that purpose we believe that Government decisions should not be substituted for free agreement, but governmental machinery to promote peaceful settlement of disputes should be improved.
>
> Demands of either side must be kept within the bounds of reason and fairness and both sides must recognize the rights of the general public.

We have kept those pledges.

Those principles and policies are embodied in the Labor-Management Act passed by the Eightieth Congress. The new labor law is proving beneficial to labor, management, and the public.

Congress passed the act over President Truman's indefensible veto.

Nearly four-fifths of all the Members of Congress joined in overriding the veto, whereas only a two-thirds majority was necessary to do so. In the final vote on the bill a majority of the participating Democrats joined the well-nigh unanimous Republican membership in support of the measure. The House of Representatives overrode the President's veto 331 to 83, only 1 short of 4 to 1. The Senate vote was 68 to 25, or 6 more than a two-thirds majority of the 93 Senators who voted.

Voting in the House of Representatives to override the veto were 225 Republicans and 106 Democrats. Voting to sustain the veto were 11 Republicans, 71 Democrats, and 1 American-Laborite. In the Senate the division by parties was: Republicans for overriding the veto, 48; Democrats, 20. In favor of sustaining the veto were 3 Republicans and 22 Democrats.

Evidence President Truman let down the American people when he vetoed the new Labor Act, comes from his own administrative agencies—the Department of Commerce and the Bureau of Labor Statistics in the Department of Labor.

The Department of Commerce reported August 9, 1948, personal income had increased to an annual rate of $211,900,000,000 in June from $207,200,000,000 in the previous month. The Department said:

> This increase resulted from the absence of major labor-management disputes, the effects of third-round wage increases in some of the durable-goods industries, and higher prices received by farmers for livestock products.

Thus, experience under the Taft-Hartley Act refutes President Truman's gloomy predictions on behalf of special interests and ignorant appraisal of the act when he vetoed it.

NEW LABOR ACT BENEFITS ALL

For the story on how well the new labor law is operating, it seems well to cover the entire postwar period dating back to VJ-day, August 15, 1945, thereby obtaining a comparison before and after the new law became effective August 22, 1947. From the regular reports of the United States Bureau of Labor Statistics, it is evident the new law is doing the job of improving labor-management relations as intended by Congress, and as demanded by the people.

Since the Labor-Management Relations Act became effective, strikes in manufacturing industries, bituminous-coal mining, and the private building industry have decreased substantially. Work stoppages under the old law averaged 395 a month. They have been cut to an average of 201 under the new law.

This represents a reduction in strikes of 49 percent.

The number of workers involved in new strikes each month from VJ-day until the new labor act was 337,000 each month. The average number of workers so involved since the act is 131,000.

This is a reduction of 61 percent under the new law.

From VJ-day until the new act the average number of man-days of idleness caused by work stoppages was 7,213,000 per month. Under the new law this figure has been cut to 2,613,000 per month.

The record shows that under the new law wages have continued to rise, more leisure time has been made available through a shorter workweek, and average hourly earnings also have increased.

The vital point is that labor is making these gains under the new law through peaceful, collective bargaining, whereas before the new labor act gains were more frequently made through costly strikes. Wage increases through peaceful negotiations are vastly more important to all concerned than wage increases obtained at the expense of lost wages and lost production. Thus, the new Labor Act is providing a better annual wage for workers and a more constant and increasing supply of things urgently needed as a solvent for high prices.

During 1946, the blackest year in work stoppages, workers lost 116,000,000 mandays, while at present the annual rate is running about a fourth as much. On the basis of higher wage rates, the savings to workers would be in excess of a billion dollars a year.

Under the new labor act's sound principles our country is building a rule of reason for cooperation between employers and employees for their mutual benefit and for the good of all our people.

WORKERS' RIGHTS DEFINED

In the Appendix of the CONGRESSIONAL RECORD, page A3345, I analyzed the provisions of the new labor law in detail. I shall refer here only to its more important clauses.

It preserves in the same language that appears in the Wagner Act, the rights of workers to organize and to bargain collectively, and just as the old act did, it forbids employers to interfere with the employees, or to threaten or coerce them when they exercise these rights.

It forbids unions to beat up workers, or to threaten or coerce workers to force them into a union, or force them to choose one union when they wish to choose another.

It guarantees free speech to both employers and union, allowing them to talk to workers as long as they do not threaten workers or try to bribe them to join or not to join a union.

It forbids employers and unions, by agreement between themselves, to force workers to join the union and to pay dues to it unless the majority of the workers by secret ballot, have voted in favor of the agreement, and even then it forbids depriving a man of his job by denying union membership to him as long as he is willing to pay initiation fees and dues.

It forbids employers to check off union dues unless the worker has voluntarily authorized the employer to do so.

When employers and unions establish funds for the welfare of workers and their families, it requires them to do so under arrangements that will make certain that the money will be used for these purposes and not for other purposes of the union leaders.

It requires unions and employers, when labor contracts come to an end, to negotiate for 60 days before engaging in a strike or lock-out.

It forbids unions, by jurisdictional strikes and boycotts, to try to get control over employees who have not chosen the union as their bargaining agent, or who have chosen another union as their bargaining agent.

It requires unions, in order to be recognized as labor organizations under the Wagner Act, to tell their members how much money they take in, where they get it and what they spend it for, and to disclose what they pay their officers, how much they charge for dues, the grounds on which they suspend or expel members, and other matters that the members are entitled to know.

It exempts foremen and other supervisors from the provisions of the Wagner Act, requires the Board to regard them as employers, not as employees.

It forbids the Labor Board, which administers the Wagner Act, to compel skilled workers to bargain through an industrial union when they wish to bargain through a craft union.

It requires unions, in order to be recognized as labor organizations under the Wagner Act, to file affidavits of their officers saying the officers are not Communists or fellow travelers.

It forbids corporations to use stockholders' money for political purposes and forbids unions to use members' money for political purposes.

It makes unions subject to suits for damages, the same as corporations and other organizations, when they break their contracts or engage in unlawful activities.

It enables the President again to delay for a time strikes that imperil the public health or safety, as he did in the great coal strike early this year.

It makes the Conciliation Service an independent agency, directs it to try to prevent strikes—it cannot forbid strikes—and authorizes it to take a secret ballot of employees before a strike if the union is willing.

It requires unions, as well as employers, to bargain in good faith when employees choose the union as their bargaining agent.

It requires the Labor Board to use fair procedures and to render fair decisions whether the cases involve charges against employers or charges against unions.

It sets up a joint committee of Congress to study labor-management relations. If defects in the law appear, we will change the law. We will not stubbornly resist change as the New Dealers did for so long.

Now these are fair provisions. The law is a good law. The law will not prevent all strikes, but it has been proven to be fair and just, and with honest administration it will bring a greater measure of peace to the industrial scene than we have known for many years.

COMMUNISM

Our Republican statement of principles of government declared emphatically for "the protection of the American way of life against either Fascist or Communist trends."

We have kept that pledge.

Congressional disclosures of Communists' spy rings running through the Truman administration like water through a sieve shock the American people and leave them resentful against the administration for failure to rid the Government of subversive rascals.

The people are amazed that the President of the United States has refused to cooperate with the Republican Congress in exposing these alien-minded forces that seek to destroy our Republic. In the opinion of competent lawyers he has stretched his legal prerogatives in order to deny the Republican Congress information necessary for guidance in enacting laws.

Even as the evidence piled up that the offices of Government, before, during, and since the war under New Deal regimes, swarmed with Communists, pinkos, left-wingers, and radical New Dealers, the President sought to wash away the national scandal by charging the Republican Congress was dragging a "red herring" across his alleged anti-inflation program.

But the American people know the facts. They know that all through the tragic New Deal era the Republican Party has been relentlessly battling communism, fascism, and other alien isms. Our united Republican Party is not the haven or refuge of these subversives. Ours is not the party in which they have been successful borers and policy guiders.

RED SPIES JAILED

Ten years ago the House of Representatives created a Special Committee on Un-American Activities. Seven years later it was made one of the standing committees of the House of Representatives.

Through all the years, New Dealers from the President down, their political machine and camp followers, have waged a smear campaign against the committee in an effort to discredit its highly patriotic activity.

When the Republican Party was assigned control of the Eightieth Congress and thus became able to direct the campaign against subversionists, loose ends and threads to deplorable conditions were woven into an historic exposure of shameful dereliction of duty by those in charge of the offices of Government.

President Truman, while declaiming against Communists' aggression abroad, has given little more than lip service to elimination of Communists from his own administration. This vital job has been bogged down by a confusion of committees and checkers, though the Congress appropriated millions of dollars for a clean sweep.

Each time the Congress revealed groups of disloyal persons on the Federal payroll, fumbling and bungling followed in the executive branch, with plainly no will by those in top authority to purge them.

Agents of Fascist countries, Communists and fuzzy-thinking New Dealers are all of the same shoddy cloth, and the Republican Congress has warred on all of them.

Gerhart Eisler, described as the No. 1 agent of the Communist International in the United States, was exposed by Congress, found in contempt of Congress, convicted in court of passport frauds, and sentenced to prison.

ANTICOMMUNISM LAW ADVANCED

Came evidence that persons highly placed in the Government were meeting clandestinely with spies directed by Moscow; evidence spies were given money by Russian Communists in Washington; evidence of shipment of atomic-bomb materials to Soviet Russia; evidence top military secrets were obtained by the Red spy rings; evidence Government officials in positions to know secrets vital to our Nation's security were transferred from one Government position to another while under FBI investigation.

Activities of foreign-directed agents in our schools, colleges, industries, and civic life have been exposed. Depredations of Communists in the Hollywood film industry were exposed. Some of those Communists have been sentenced to prison for defying the constitutional authority of Congress to investigate subversive movements.

Advanced during the Republican Congress was comprehensive legislation to require registration of Communists under alien control, so that they and their revolutionary propaganda may be exposed to the purifying antidote of Americanism. The Mundt-Nixon bill to effect those purposes was overwhelmingly passed by the House of Representatives—319 to 58—and is now being considered by the Senate.

As in so many other fields of government, cooperation between the President and Congress in eliminating Communists and other subversives from the Government is necessary if our Republic is to be safeguarded against spies in and out of the Government.

It is obvious that an administration which harbors so many who see in the Russian way of doing things a better system than our own, could not be expected to follow a consistent and firm position in dealing with communism at home or abroad.

NATIONAL DEFENSE

On national defense, this is what we said in our statement of principles, policies, and objectives:

We stand for a well-trained and fully equipped Army, Navy, and Air Force adequate to meet any emergency under future conditions of warfare. It must be supported by the most scientific research, a strong industrial system, and adequate reserves of trained men with the best weapons and equipment.

We have kept that pledge.

National defense was one of the major problems inherited by the Republican Congress from the tired hands of the incompetent Democratic administration. The armed services were in the throes of transition from the wartime basis to a peacetime establishment.

There was much confusion in plans and purposes, no coordinated effective program, and the President oblivious to our disintegrating defenses.

We acted swiftly and thoroughly to correct that deplorable condition and to give our country an effective national defense establishment in these times of uneasy peace.

First. We passed a bill providing for unification of the armed services, with departments for air, ground, and naval forces, each headed by a Secretary, and a Secretary of Defense over all, but under the President as Commander in Chief.

Not many months passed before we discovered that instead of getting unification the country was getting more triplification.

We created a Joint Congressional Aviation Policy Committee to study the needs in air power. That committee reported on March 1, 1948, that the armed services were in such conflict over missions to be performed by each that any appropriations by Congress for the armed forces would be unrealistic until the Joint Chiefs of Staff were agreed upon a unified plan of action. The President, in January 1948, submitted to Congress a budget for the armed forces, but our investigations revealed his recommendations had been based on very superficial study.

After the congressional committee made its report exposing the serious disintegration of our national defense because of President Truman's incompetence, there was a meeting of the top admirals and generals at Key West, Fla., with the Secretary of Defense. Simultaneously, Congress was rationalizing the Military Establishment budget, though it was not until June 1, 1948, that the President submitted his final estimate to Congress for the Navy.

For the national defense establishment to spend during fiscal year 1949, which began July 1, 1948, Congress appropriated $11,754,814,613, divided as follows: Military, $6,705,418,163; Navy, $3,800,396,450; to launch 70-group air force, $949,000,000; for stocking of strategic and critical materials, $300,000,000.

In addition, Congress gave the Air Force and Navy authority to make contracts in the 70-group air-force program totaling $2,275,000,000; gave the Army contract authority up to $220,000,000; authorized contracts for strategic and critical materials up to $300,000,000, and gave the Navy construction contract authority up to $50,000,000. These make a total in contract authorizations of $2,845,000,000.

Thus, cash appropriations and contract authorizations made by Congress for the Military Establishment during fiscal year 1949 totaled $14,599,814,613.

During the first session there was appropriated $8,751,295,733 in cash and there were contract authorizations amounting to $777,000,000, making $9,528,295,733 in cash and contract authorizations available for fiscal year 1948.

All of these cash appropriations and contract authorizations during the first and second sessions of the Republican Congress for the Military Establishment totaled $24,128,110,346.

CONGRESS ENACTS OVER-ALL PLAN

Throughout the battle for defense controversy raged over proposals for universal military training and selective service. Congress resolved these issues in line with the over-all plan of action and balanced defenses which was our paramount objective.

We passed a temporary Selective Service Act to provide the personnel necessary to the armed services. Under this act all men 18 through 25 must register, but only those 19 through 25 are subject to induction. Eighteen-year-old youths may obtain exemption from a later draft call by volunteering for 1 year's active service in the United States, 6 additional years in the Reserves.

There are other grounds for deferment from the draft in the act. Under the act the authorized strength of the Military Establishment was expanded to 2,166,882 officers and enlisted men—the Army to a maximum of 947,000 from the 548,000 strength at mid-June 1948; Navy and Marine Corps to 702,882 from 469,000; and Air Force to 517,000 from the June actual strength of 382,000.

Those in direct charge of the defense of the Nation have vigorously asserted the absolute need for these additional men in the armed services and they have also insisted they could not be obtained by voluntary enlistment.

Hence the passage of the temporary Selective Service Act, but we Republicans confidently assert that, with a Republican President cooperating with a Republican Congress in handling the foreign and domestic affairs of the Nation, the need for a long-continued peacetime draft will be eliminated.

However, the Republican Congress, intent as Republicans always are upon the Nation's security and unwilling to gamble with the national defense, has moved decisively and energetically to provide an adequate and efficient force properly equipped for the protection of our country.

WAR VETERANS

In our Republican statement of principles, policies, and objectives, we made this pledge:

A grateful nation demands that those who fought in its defense, their widows and orphans, must never be forgotten. The best medical care and rehabilitation, education, and training for all desiring it, and official assistance in securing homes, farms, businesses, and real jobs must be provided for the veterans.

We have kept that pledge.

The Republican Congress, including 225 war veterans, recognizes its patriotic responsibility in seeing that the millions of men and women who served under the colors are treated fairly and generously as our grateful Nation demands.

As evidence of its good faith, this Congress enacted 188 laws—21 percent of all the public laws it passed—that are directly benefiting war veterans.

All of the laws enacted by the Republican Congress for the benefit of war veterans were passed after President Truman stated in a message to Congress on January 6, 1947, that "except for minor adjustments, I believe our program of benefits for the veterans is now complete."

The Director of the Veterans' Administration has filed reports against scores of measures when they were introduced into Congress. In these reports the Director stated that the proposed legislation was not in accord with the President's program.

But notwithstanding the position taken by President Truman as expressed in his message and as represented by the Director of the Veterans' Administration

in his reports to Congress, the Republican Congress found that the program for veterans' benefits was far from completed. We acted in the interest of the veterans.

HOUSING PROGRAM MEETING NEEDS

The vast veterans' housing program, launched by the Republican Congress and strengthened from time to time, after the Truman administration had utterly failed, is doing the job of providing veterans homes.

Priorities over all other citizens and specially liberal financing backed by the credit of the United States highlight the veterans' housing program enacted by the Republican Congress.

The legislation—

Provides veterans shall have priority in purchase or rental of all newly constructed housing.

Expands and liberalizes Government mortgage insurance so that veterans may obtain home loans with low down payments and a reasonable time to pay.

Continues rent control with effective administration by local authorities dealing directly with their neighbors.

Protects married veterans with children against discrimination in renting homes financed under title VI of the National Housing Act.

Makes veterans' housing cooperatives eligible for Government-insured financing up to 95 percent of cost of construction; and changes allowable cost limitation from $1,550 to $1,800 per room. This permits flexibility in meeting needs of veterans with large families.

Authorizes sale of 165,000 permanent, Government-owned wartime housing units to veterans at prices not exceeding construction cost, and makes it possible for veterans to buy these homes at from $3,000 to $4,000 each, with financial assistance through 90 percent FHA insurance and the Government's secondary mortgage market.

Appropriates funds to complete a $468,000,000 temporary housing program for veterans and their families while the veterans attend schools and colleges under the GI bill.

Authorizes Government financial assistance in construction of specially designed homes for veterans paralyzed from the waist down, with the Government bearing half the cost.

Facilitates financing of GI home mortgage loans by providing a Government secondary market in the Federal National Mortgage Association, which may buy up to 50 percent of all such mortgages made after April 30, 1948, as contrasted with the previous limit of 25 percent.

This measure, with other legislation passed by the Republican Congress, makes it possible for veterans to obtain 100 percent Government guaranteed or insured financing in home building.

Emphasizes new homes within the ability of veterans generally to pay. The average veteran home mortgage guaranteed by the GI bill is $5,756. Since more than 1,200,000 veterans have secured mortgage loans aggregating more than $7,000,000,000 under this act, it is obvious that law is meeting veterans' needs. And it does not expire until July 1, 1957.

In addition to all of these special considerations which war veterans are entitled to have, they are also benefiting from the Housing Act of 1948, which is designed to increase low-cost construction through more favorable financing terms than is allowed for high-cost homes.

Decent homes for veterans at prices they can afford to pay are being provided, and they are going up in the American way of doing things. War veterans, like others, have been caught in the effects of 16 years of New Deal bad government.

To cover their increased cost of living, higher costs while undergoing rehabilitation, training in industry, on the farm and at school, and to help meet increased costs for veterans' widows and orphans, the Republican Congress has provided increases in payments, allowances and benefits.

CASHED TERMINAL-LEAVE BONDS

We corrected a shameful New Deal injustice to the enlisted men of the last war, when we passed a bill to cash immediately the GI's terminal-leave bonds, despite the opposition of President Truman and Secretary of the Treasury Snyder. The cash is going to the men now, when they need it most—when they are converting from the war.

More than 9,000,000 of the terminal-leave bonds had been issued, and it was estimated about 12,000,000 veterans would receive their pay in cash, like the officers did, instead of bonds at a cost of $2,500,000,000.

By redeeming the bonds we not only corrected an injustice to veterans, we also cut the national debt and interest charges.

Passed was a bill raising the ceiling on wages and subsistence allowances to veterans undergoing on-the-job training as follows: Two hundred and ten dollars monthly for veterans without dependents, formerly $175; $270 for veterans with one dependent, formerly $200, and $290 for veterans with two or more dependents, formerly $200. Proportional increases for part-time institutional and institutional on-the-farm trainees is provided, and overtime is excluded in determining ceilings.

Another act increases compensation for dependent survivors of war dead. Increases range from $15 a month for a widow with no children to $21.40 for a widow with two children. Orphans and dependent parents are also covered by the increase.

A bill passed by this Congress provides additional compensation for a veteran who has dependents and is entitled to compensation at wartime schedules for service-connected disabilities rated at not less than 60 percent. The additional compensation ranges from $21 a month for a veteran with a wife only to $56 for a veteran with a wife and three children. A $17.50 provision also is made for each dependent parent.

AID COVERS WIDE RANGE

Other bills among the 188 passed by the Republican Congress on behalf of veterans do the following:

Provide $11,500,000 to buy automobiles for about 7,000 amputees.

Increase pensions of Spanish-American War and Civil War veterans and their dependents by 20 percent.

Permit commutation of travel expenses for vocational training purposes.

Establish for first time in history a comprehensive retirement pay program for men who serve in the reserve armed forces.

Authorize $1,000,000 annually to Veterans' Administration for prosthetic-appliance research.

Authorize additional period of 5 years for all level-premium-term insurance on all policies issued prior to January 1, 1948.

Establish the Women's Army Corps—WAC—in the Regular Army and authorize enlistment and appointment of women in the Regular Navy and Marine Corps Reserves.

Provide medical care for reservists who are injured or contract diseases while engaged in military training.

Allow compensation for American citizens and military personnel for injuries resulting from wartime internment.

Authorize medical care for Philippine veterans serving in the armed forces of the Commonwealth of the Philippines while such forces were in the armed services of the United States.

Increase from $1,500,000 to $3,000,000 the revolving fund for loans to World War II veterans engaged in vocational training.

Extend time for bringing alien fiancées to the United States.

Refund income taxes for year in which servicemen died while in war service.

Increase Federal aid to State or Territorial homes for support of disabled soldiers and sailors of the United States from $300 to $500 until June 30, 1951, and $300 a year per person thereafter.

Amend civil-service code to prevent discrimination against physically handicapped veterans in Government positions.

Exempt hospitalized servicemen from the Federal tax on admissions to baseball games, theaters, and other entertainments.

Allow presumption of service connection for chronic and tropical diseases in applying for disability benefits.

Authorize a subsistence allowance to World War II veterans of $1 a day for each day spent as prisoners of Japan.

Allow service credit for enlisted men of the Coast Guard who acted as policemen and guards at Ivigtut cryolite mine, Greenland, during 1940 and 1941.

Equalize retirement benefits among members of the Army and Navy nurses' corps.

Preserve seniority rights of 10-point preference eligibles in postal service transferring from position of letter carrier to clerk, or vice versa.

Increase peacetime service-connected disability compensation rates from 75 to 80 percent of wartime rates.

GOVERNMENT CONTROLS, HOUSING

This is what we pledged:

Wartime limitations, restrictions, and controls must be removed. The instant a right or liberty can be returned to the people it shall be returned. Neither the war nor any

other excuse shall be justification for fastening regimentation upon the American people.

We have kept that pledge.

We forced the elimination of 76,000 restrictive rules, regulations, directives, and orders. The American people breathed a sigh of relief for this signal from the Republican Congress. In none of the people's activities was the green light more productive of progress than in the building of homes.

The Republican Congress took the housing problem from the incompetent, frustrated Truman administration and generated the biggest building boom in the world's history.

When the Emergency Housing Act was under consideration in 1946, the administration claimed it would mean construction of 1,200,000 dwelling units in 1946 and 1,500,000 in 1947.

Congress granted unlimited emergency powers to the Truman administration and hundreds of millions in subsidy funds. That program was a tragic failure.

The Truman administration's approach was to create overlapping housing agencies with a fanfare of trumpets and glowing promises. The bureaucrats were loath to release their withering grip on the building industry. They clung to their power to shove people around, but we freed the people and the result is the biggest building boom in all time.

During 1946, when the Truman administration had the power to control every inch of board and every nail, only 435,800 new permanent dwelling units were completed.

In 1947, after the Republican Congress freed the people of Government red-tape rules, regulations, and directives, and launched a sound Government-aid program, 835,100 units were completed.

The President's economic report submitted to Congress in August 1948 estimated that more than 1,000,000 new residential units will be built in 1948.

The Bureau of Labor Statistics reported that by the end of June, $7,700,000,000 had been spent for new construction in 1948, or 35 percent more than in the corresponding 6 months of 1947, with more than half the increase going into home construction.

That is construction—new homes, not Truman blueprints.

LOW-COST HOMES EMPHASIZED

The guiding principle of the housing legislation passed by the Republican Congress is to make the Government financial backing more attractive for construction of low-cost dwelling units than for the more expensive residences, thereby increasing the proportion of low-cost homes out of the limited resources in skilled manpower and materials.

Here are some of the ways this is being accomplished:

Authorization of an additional $800,000,000 for insurance of loans on large-scale, moderately-priced rental units under section 608 of title VI.

Loans made more easily available for manufacture of prefabricated housing under section 609 of title VI.

An addition to section 611 of title VI, providing for construction loans of 80 percent on homes with a value of $7,500 or less, where at least 25 homes are being built in a single project.

An amendment to title II of the National Housing Act authorizing 95 percent buyers' loans on homes costing up to $6,300, with 85 percent construction loans authorized for such cases.

Establishment of a division in the Federal Housing Administration to work toward standardization of the confused and haphazard local building codes and measurements of building materials—an undertaking many years over due and heavy with possibilities for better city planning and better homes at less cost.

A yield-insurance program guaranteeing equity investors 2.75 percent annual interest on their money, provided they set rents to yield not more than 3.5 percent annual income on investment.

And enactment of an amendment to section 207 of title II authorizing the FHA to guarantee loans for States and municipalities and nonprofit corporations for the construction of rental housing.

Thus, the record shows that the Republican Congress has acted with wisdom, with fairness, and with efficiency, to stimulate the construction of housing units so urgently needed by our people. No amount of misrepresentation or demagoguery by Mr. Truman or any of his henchmen can conceal this fact from the American people.

To see is to believe, and our people are seeing the housing units being built across the land. Our interest in a housing program, immediate and long range, shall continue. We are licking the housing problem in the American way and in that way we shall win.

AGRICULTURE, RECLAMATION, FLOOD CONTROL

Our Republican declaration of principles said:

> We have pledged stability of farm prices during the reconversion and readjustment periods. We will carry out those pledges. We will support sound, permanent proposals to give farmers expanding markets and their fair share of the national income. We reaffirm our long-standing support of soil-and-water conservation. We shall support measures designed to protect better rural living.

We have kept that pledge.

Accomplishments of the Republican Congress for agriculture and thereby strengthening our whole national economy are unsurpassed by any previous Congress.

Instead of the collapse in commodity prices that President Truman forecast in a message to Congress in 1945, there has been and continues to be a tremendous world demand for food.

The American farmers gave all-out production during the war. The Republican Congress has kept faith with the farmers by continuing reasonable Government support of prices in return for maximum production of food. As a result of the actions of the Republican Congress, farmers now have confidence and assurance as they toil and sweat.

For the happiness and contentment of the farmers, and the protection of the consumers, the Republican Congress has contributed in many ways. Here, briefly, are our major accomplishments:

Enacted farm price support legislation geared to the present emergency demand for food exports and to the long-range welfare of both consumers and producers, with these high lights.

First. The basic commodities are supported at 90 percent of parity through June 30, 1950.

Second. The major nonbasic commodities are supported at 60 to 90 percent of parity through December 31, 1949, except that milk and its products, hogs, chickens, and eggs are supported at 90 percent of parity for that period.

Third. Beginning January 1, 1950, the provisions of the long-range price support program will go into effect. These include a general revision of the parity formula to take into consideration the varying costs of agricultural production, changes in the pattern of consumption, and other factors.

"Parity" is a formula approved by Congress to equalize prices for what the farmer sells and prices of things he buys.

RURAL ELECTRIFICATION EXPANDED

Authorized $800,000,000 in loans for rural electrification, twice as much as any previous Congress and only $275,000,000 less than the total amount provided for REA work prior to the Eightieth Congress.

REA electricity was extended during fiscal year 1948 to 400,000 farm homes—more than twice as many as in any prewar year—and an even larger number of farm homes are scheduled to receive electricity during the 1949 fiscal year.

REA Administrator Claude R. Wickard, in a letter to Congressman HALLECK dated August 6, 1948, said:

> The rural electrification program is continuing to set new records for progress. This past May, for which we now have reports, was one of the best months in the entire history of the program. More than 50,000 consumers were added to REA-financed power lines, an average of 1 connection every 14 seconds of every workday.

SOIL CONSERVATION EXTENDED

Appropriated more than $500,000,000 for soil-conservation activities on American farms.

Authorized $262,500,000 for soil-conservation payments for 1949.

We began extensive studies with a view to adoption of a long-range comprehensive governmental policy for restoration and conservation of the Nation's agricultural resources. Pending enactment of such a program, we extended the authority for AAA soil-conservation payments through 1951.

RECORD ROAD-BUILDING PROGRAM

Launched the greatest rural road-building program ever undertaken cooperatively by the Federal and State Governments.

Appropriated almost twice as much money for Federal participation in secondary road construction as was spent by the Federal Government for that purpose in the 10 years prior to 1948.

Compared with Federal expenditures for secondary roads in the 10 fiscal years 1938–47, totaling $112,000,000, the Republican Congress appropriated $74,000,000 for that purpose in fiscal 1948 and $128,000,000 for fiscal 1949. This will make possible a Federal-State secondary

road program more than five times as great as in any single previous year.

Authorized $450,000,000 for Federal participation in road building during 1950 and the same amount for 1951. Funds are to be divided 45 percent for primary roads, 25 percent for city thoroughfares, and 30 percent for secondary rural roads.

In addition, the Republican Congress enacted an entirely new crop insurance act, providing a sound and businesslike program of insurance for a great many agricultural commodities; strengthened the Farmers' Marketing Act; chartered the Commodity Credit Corporation; stabilized the sugar market in the interests of consumers and producers; rescued wool growers by extending the price support program, after the Secretary of Agriculture's April 15, 1947, order terminating the price-support program had plunged the wool producers into disaster; and the Republican Congress provided liberally for campaigns against the livestock foot-and-mouth disease, cattle grub, weeds, insects, and other pests.

GOP CONGRESS FOSTERED RECLAMATION

One of the most brazen attempts of the Truman administration to convert a sound, nonpartisan national program into a political football and vehicle for radical New Deal planners is its treatment of the reclamation program that is so vital to the West.

Panicky and at wit's end over the problems of conversion from war to peace, President Truman in August 1946, issued his infamous order freezing one-half of the money Congress had appropriated for the Reclamation Service's construction fund. Urgently needed irrigation and power projects were slowed down, contract negotiations were canceled, and the whole program was thrown out of gear.

The reclamation program had been furthered through the years by nonpartisan support. Party lines had been dropped as whole communities battled unitedly for water and power primarily essential to take care of the growth of the West.

When the Republican Congress convened we rescued the reclamation program, which, incidentally, was fathered by the Republican Party back in President Theodore Roosevelt's administration.

We investigated the Reclamation Service in the Department of the Interior and found scandalous conditions. In an effort to discredit the Republican Congress orders were given to spend appropriations faster than the prudent schedules provided by Congress, so that funds would be exhausted prematurely and thereby foment dissatisfaction among the people.

Evidence was obtained in support of charges that the Reclamation Service had misled Congress on the amount of unused funds in the construction program.

This Congress has appropriated more money for reclamation than any previous Congress—$389,804,000—and we intend that it shall be spent wisely.

We have provided more money for river and harbor improvement than any previous Congress—$285,500,000.

For flood control we exceeded all previous congressional outlays in making $712,063,000 available.

These are expenditures that come under the category of must, and the Republican Congress fully recognizes its responsibility in fostering reclamation, river and harbor improvement, and flood control.

FOREIGN AFFAIRS

On foreign affairs this is what our Republican declaration, in part, said:

> We support the United Nations organization for international peace. * * * We support the indispensable inter-American system as a regional part of the international organization. * * * We will engage in essential international relief as a humanitarian obligation and to prevent chaos through misery. * * * We will seek to find common policies with the other great powers. * * * We consider that the maintenance of a strong, solvent, free America is the basis of our greatest contribution to world order.

We have kept that pledge.

In foreign affairs, the Republican Congress has complied with all its constitutional responsibilities. We have striven for an enduring world peace.

We have kept all congressional commitments to the United Nations, acted to strengthen solidarity of the Western Hemisphere, provided generously for relief and recovery of foreign nations wracked by the war, and insisted upon the American way in our dealings with all nations.

Fulfilling our commitments and obligations undertaken, we authorized the Reconstruction Finance Corporation to lend the United Nations $65,000,000 for construction of headquarters buildings in New York, as further evidence of our support and interest in the United Nations as an agency for the peaceful settlement of international disputes.

Our Federal Constitution divides responsibility and duties in foreign relations between the President and the Congress. In the President is lodged the prerogative of negotiating with foreign countries, and in the Congress, or the Senate as the case may be, is vested the duty of approving, amending, or rejecting treaties that the President negotiates.

Implicit in the Constitution is teamwork, cooperation between the President and the Congress.

The founding fathers never intended that foreign policy should be made by only one man—the President. The people reserved that right for themselves, acting through their representatives in the Congress and their President.

New Deal Democrat Presidents, past and present, have stretched their constitutional right to make agreements with foreign governments. They have caused situations repugnant to our Republic. In the creation of these tragic situations the Republican Congress has had no part.

When the Republican Congress convened in January 1947, the seeds for many of the ills that now confront our country and which have threatened lasting peace had already been planted. The Republican Party had no part in the planting.

Neither the Republican leaders in Congress nor the American people were consulted when the secret deals were made at Quebec, Yalta, Tehran, and Potsdam—deals designed to remap much of the world, deals to "freeze" the future of our war enemies, and deals that bypass Congress and the American people in the peacemaking.

OPPOSED APPEASEMENT OF RUSSIA

President Truman has consulted Republican congressional leaders on some foreign-affairs policies, but on many vital matters he has not consulted them. When he has consulted our leaders they advised him to steer a consistent course in keeping with American traditions, to be reasonable and firm, and above all not to coddle and appease Soviet Russia.

Instead, the Truman administration's record in foreign affairs is a series of reversals, vacillation, fumbling, and bungling which cannot be escaped or tossed into the lap of the Republican Party as the results of a bipartisan foreign policy.

Many of the ills confronting the United States and the world, root causes for high prices—about $30,000,000,000 in aid given to foreign countries since the cessation of hostilities, and added billions of dollars for materials and absorption of men in rebuilding our own national defense—stem from the betrayals at Quebec, Yalta, Tehran, and Potsdam.

Our leaders were not consulted when the tottering structure for peace was built.

In recognizing its responsibility as the policy-making branch of the Government, the Republican Congress sent special committees abroad to gather first-hand information. Sadly lacking, it was found, was an over-all plan and global thinking on the ravages of communistic aggression. Through piecemeal doses the Government had distributed more than $20,000,000,000 among foreign nations since the war's end in its customary loose methods.

VOTED $9,579,657,128 IN FOREIGN AID

During the first session of the Eightieth Congress, we appropriated $2,377,573,900 for foreign aid, including $400,000,000 for assistance to Greece and Turkey and for administration and relief in occupied countries.

During the second session, we appropriated $7,202,083,228 for those purposes, with $1,000,000,000 earmarked for reconstruction and rehabilitation loans.

Thus the Republican Congress appropriated $9,579,657,128 in an effort to help foreign countries get well and preserve their independence against the threat of communism.

ORDERED EFFICIENCY IN FOREIGN AID

We established the Economic Cooperation Administration, with directions for administering the foreign aid in a business-like, efficient way to the end that there shall be happiness and security in the afflicted countries, redounding to our own national security, prosperity, and happiness.

The Republican Party is mindful of the importance of solidarity among the nations of the Western Hemisphere. To that end our party was represented in the successful inter-American conference at Rio de Janiero, Brazil, last year.

The Rio treaty was ratified on December 8, 1947, by the Senate. Under the treaty the American Republics are

pledged to strengthen their friendship, to submit controversies between them to peaceful settlement, and to prevent aggression through effective reciprocal assistance.

We reestablished as a single Government corporation the Institute of Inter-American Affairs and the Inter-American Educational Foundation, Inc. The institute is directed to improve social and economic conditions by concrete programs in the fields of public health, sanitation, agriculture, and education.

Under agreement with the United Nations the Pacific islands formerly held by Japan under League of Nations mandate were brought by the Senate into United States trusteeship, the islands to be known as the Territory of the Pacific Islands. They embrace the Marshalls, Carolines, and Marianas, which our gallant troops captured during the war.

We joined the International Refugee Organization and gave it $71,073,900 for its humanitarian work. We passed a bill to admit 205,000 displaced persons into the United States and allow 15,000 war refugees already here to remain.

The Senate ratified treaties of peace with Italy, Rumania, Hungary, and Bulgaria.

AMERICA IS GOING FORWARD

The Republican Congress has delivered on its pledges to the people.

The united Republican Party, through its constructive, forward-looking program has accomplished much during less than 2 years of its control of the Eightieth Congress for the welfare of all the land.

This progress has been made despite obstruction every step of the way by an administration whose philosophy of government revolves around radicalism, regimentation, all-powerful bureaucracy, class exploitation, Government extravagance, stifling and destructive taxation, centralization of power and authority in Washington, coddling of Communists, and corrupt, big city politics.

REPUBLICAN PARTY UPHOLDS CONSTITUTION

For our part, we Republicans reject the alien ideology that calls for an all-powerful central government controlling the lives of the people.

We have faith in our free people—faith and love and confidence in the dignity of man—an abiding faith that free men in our Republic have accomplished more, and will continue to accomplish more, for the happiness and contentment of humanity than has been or can be accomplished by men in any other kind of society.

In our Republic the constitutional course of government is to provide for every citizen an opportunity to improve himself, to encourage him to do so for himself and his children; to keep the Government as his servant and not his master; to promote output of the things that make life pleasant, to lighten debt and taxes, to lay down rules of fair play, and to protect those whose own strength and resources are not sufficient to protect them.

We Republicans in Congress know that the people stand with us in our fight for sound, forward-looking, good government. They are not going back to the sort of bad government of which they have had enough, much too much.

That is why they are going to elect a Republican President who will cooperate with a Republican Congress in carrying forward the cause of good government thus far so well advanced by the Eightieth Congress, a Republican Congress.

America is going forward.

America is going Republican.

Senator C. Wayland Brooks, of Illinois, Commended for Aid in Exposing Communist Infiltration Into United States Governmental Agencies

EXTENSION OF REMARKS
OF
HON. C. WAYLAND BROOKS
OF ILLINOIS
IN THE SENATE OF THE UNITED STATES
Saturday, August 7, 1948

Mr. BROOKS. Mr. President, I ask unanimous consent to have printed in the Appendix of the CONGRESSIONAL RECORD a letter I have received from my colleague the distinguished junior Senator from Michigan, Hon. HOMER FERGUSON, chairman of the Senate Investigations Subcommittee of the Senate Committee on Expenditures in the Executive Departments.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE,
COMMITTEE ON APPROPRIATIONS,
August 7, 1948.

Hon. C. WAYLAND BROOKS,
United States Senate,
Washington, D. C.

DEAR SENATOR: As we come to the close of this special session of the Eightieth Congress, it becomes more apparent that you have rendered an unusual and most important service to the American people when, as chairman of the powerful Rules and Administration Committee of the Senate, you used your influence in expediting the continuance and creation of congressional committees charged with inquiring into the efficiency of governmental operations for the guidance of the Congress and the benefit of the public.

I recall your efforts in making the continuance of the War Investigating Committee a first order of business for the Senate when we met in January of 1947, and your effective work in securing approval of the Rules and Administration Committee for Senate Resolution 46 to continue authority for investigation of the national defense program, and the promptness with which you reported that resolution and paved way for its ultimate adoption by a vote of 49 to 43 on January 20, 1947.

In January 1948, your effective leadership was again demonstrated when you obtained prompt approval from the Rules and Administration Committee for Senate Resolution 189, to authorize the Senate Committee on Expenditures in the Executive Departments to create an investigating subcommittee charged specifically with inquiries into the efficiency of Government's activities and to carry on with the work of the War Investigating Committee.

We know that the Democratic Members of the Senate voted almost unanimously against Senate Resolution 46. Democratic opposition was again evident in January 1948, when your colleague from Illinois and the minority whip, Senator LUCAS, delayed final adoption of Senate Resolution 189 until late in February by his motion to reconsider the Senate action of January 28, which had approved creation of the investigating subcommittee. The fact that both of these resolutions were adopted by the Senate with a minimum of delay proves the effectiveness of your leadership.

In the face of such opposition to these measures it is significant to emphasize the most recent developments in the course of hearings before the Senate investigations subcommittee. Those hearings brought out the existence of widespread espionage activities among Government personnel. One individual was identified as having been associated with those activities, and the committee has sought to find how it was possible for such an individual, whose loyalty was at least suspect and apparently known to be so by his superiors, could have been retained in Government service and advanced to positions of utmost strategic importance. Our efforts to determine the facts in that respect have now been effectively blocked by a refusal of the Executive to furnish the committee with necessary information, thus concealing the true facts from the Congress and the people.

You have made a tremendous contribution to the work of this Congress and to the people of America, for it is effective legislative work such as yours that has made representative government in America the envy of the world. As chairman of the Senate investigations subcommittee, I want to extend to you my sincere and grateful thanks for the foresight which has made possible the existence of the subcommittee and the service which this subcommittee is seeking to render to the American people.

With best wishes,
Sincerely,

HOMER FERGUSON,
United States Senator.

No Laughing Matter

EXTENSION OF REMARKS
OF
HON. GEORGE B. SCHWABE
OF OKLAHOMA
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

Mr. SCHWABE of Oklahoma. Mr. Speaker, I consider the following editorial of the Tulsa Daily World of Tulsa, Okla., which appeared August 6, 1948, very appropriate at this time:

NO LAUGHING MATTER

Reporters said President Truman laughed when asked about the Communist spy investigations. He added there was really nothing to investigate, for it was all old stuff and the process now is slandering a lot of people. He remarked that nothing could be proven on the Reds and fellow-travelers. There are none, anyway—to hear the Reds and fellow-travelers tell it.

This is no laughing matter the President brought out while two committees were working and Congress was walloping him and itself all over the lot in what is half-derisively called a special session. To a great many people it is a very serious matter. To hear the President of the United States try to laugh it off is painful and disgusting. The national convention of Communists is going into session and the secretary says there are 200,000 actual members. He could be lying either way. Lying is standard Communist

practice; a chap is never a Communist when accused of anything. For that well-known reason the President's general defense of the Reds is half tragic, half ludicrous. It just simply can't be that the investigators have all been fooled and that the FBI doesn't know anything or that all these ex-Communists who are naming names and giving dates are simply seeing things, or imagining something. Why believe only the active Communists?

Meanwhile the revelations keep on coming. We find now that heavy water, an ingredient of atom bombs, was shipped out surreptitiously to Russia during the war. We find that Hollywood has been one of the heaviest contributors to the cause, whatever it is. Lots of maddening revelations have already come out with regard to governmental affairs. Back of that is the constant Communist fomenting of strikes, aimed to weaken this country for peace or war.

We concede that the little man in the White House is entitled to some diversion. He hasn't had anything to laugh about for several months. Affairs have not been going his way; they have been going the other way with unanimity and dispatch. If he can extract amusement out of the Red spy business, probably we should agree to his theory and let him at least smile a few times. There isn't anything else for him to smile about.

Housewives Are Angry

EXTENSION OF REMARKS

OF

HON. AIME J. FORAND

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. FORAND. Mr. Speaker, the housewives of this country are angry today. They are angry at the Republicans, who are in complete control of the Congress. They are particularly angry at the Republican leaders.

They have a right to be angry. As the budget officer of their respective households, they are finding it more difficult each succeeding day to find the number of dollars necessary to buy the necessities of life for their families, and they expect Congress to remedy that situation.

Yet here Congress has been in special session for 2 weeks, and all it has done to curb inflation is to talk about it. True, Congress has passed a bill labeled "A bill to aid in protecting the Nation's economy against inflationary pressures," but you know, Mr. Speaker, and I know, that this bill will not curb inflation, it will not bring prices down.

This new bill is on par with the so-called housing bill which was passed just before we adjourned last June. That bill, instead of being labeled a housing bill, should have been labeled "A bill to bail out the bankers," because all it did was to permit the banks to transfer a part of their GI mortgages to the Reconstruction Finance Corporation and thus obtain more money with which to make more GI loans. That did not produce houses any more than this so-called inflation control bill will do to bring down prices.

The housewives want and expect Congress to pass legislation that would bring down the cost of living. But from this Congress they get only a lot of charges that President Truman called us back in session merely for political reasons.

Continuing high prices and the spiraling inflation that now threatens us with a bust in our economy at any moment, is not politics. It is not even good economics.

The shabby performance of this Republican-controlled Eightieth Congress will long be remembered by the housewives as well as by the other voters of this country, when election day arrives.

By their performance, or should I say, by their nonaction, on such important issues as inflation and housing, the Republicans have told the people of this country that they are not interested in their plight. Their only interest is in getting back home to wage a political campaign. They expect the people to accept their propaganda rather than their performance and on that basis reelect them to office.

Should the people of this country make the sad mistake of voting control of our administration and our Congress into the hands of the Republicans I am sure they will long regret their action. The record of the Republican-controlled Eightieth Congress is a carbon copy of the Republican record of the 1920's. The voters have not forgotten that that era was climaxed by the worst depression in the history of our country. They will not vote for a repetition of that sad record.

President Truman's Statement on Social Security Cannot Go Unchallenged

EXTENSION OF REMARKS

OF

HON. HUBERT S. ELLIS

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. ELLIS. Mr. Speaker, the rash statements of President Truman and other administration spokesmen that 750,000 persons have been removed from the social-security roll cannot go unchallenged. It is a shocking example of how far some people will go in desperation to endeavor to secure political advantages.

At the Democratic National Convention in Philadelphia President Truman said that the Congress could not find time to increase social security but found time to cut 750,000 from the social-security roll.

This statement is completely erroneous and basically untrue.

The Eightieth Congress did find time to increase old-age pensions $5 per month and if the recipient is blind, the increase is $10. Under the new formula and provided the State supplies full matching money, a maximum of $50 per month will become available to recipients of old-age pensions. In the case of the blind the amount is $55.

Now, here is something he did not tell you. The bill that carried the $184,000,000 appropriation to make these increases possible was vetoed by President Truman and the Eightieth Congress passed it overwhelmingly over the President's veto.

After many weeks of hearings and investigation, the House Ways and Means Committee reported out a bill that would extend social-security coverage to an additional 3,500,000 persons. The bill passed the House but did not reach the Senate floor for action.

In regard to taking 750,000 off the social-security roll, here are the facts:

When Congress set up the social-security system and designated the groups to be covered and pay the tax assessment, it was clearly intended that the generally accepted common law definition of "employer" and "employee" would be followed. Some time later the Treasury promulgated a regulation in order to clarify the definition of "employee" and "employer" and their relationship. This definition was accepted and followed until 1947.

The Treasury, Congress, and other interested parties were satisfied with the regulation, all except the Social Security Board. The Board, like most governmental bureaus, continually pressing to extend its power and influence, usurped authority to interpret the law and began paying benefits to persons who were not legally covered and who had not paid the tax into the fund.

When the Treasury endeavored to collect the tax from the employers of the people who were being illegally paid, trouble began and lawsuits resulted.

Immediately following the Supreme Court decision in these cases the Social Security Board and the Treasury, assuming that the decision gave them broad authority, collaborated on another regulation that gave them discretionary power to practically determine who should be covered and who should pay the tax.

Under this new regulation it was estimated that approximately 750,000 persons would become entitled to receive benefits under the law without having paid the regular pay-roll tax.

It was clearly the intent of Congress to exempt from coverage certain persons who were declared to be independent contractors. This would include some commission salesmen, insurance agents, news vendors, and so forth. Consequently, it became necessary for the Congress to clarify its intent and the result was Public Law 642.

Old-age and survivors insurance is essentially an insurance contract. Payments to a beneficiary are predicated upon the amount he and his employer pay into the fund. It is obvious that to make payments available to 750,000 persons, who had not contributed to the fund, not only threatened its security but was grossly unfair to the millions of people that paid into the fund. The same situation would arise if by law an insurance company were forced to pay retirement annuities to 750,000 people who had not paid any premium.

It is perfectly clear that no one legally entitled to coverage under the old-age and survivors insurance, who has been

assessed and paid the tax into the fund, has been removed from the roll.

Here we have a fine example of pure New Deal distortion of the news and misinforming the country. This is no time for charlatans, demagogs, or tyrants; the times are precarious and the people demand and deserve the truth.

Republican Sit-Down

EXTENSION OF REMARKS
OF
HON. FRANCIS J. MYERS
OF PENNSYLVANIA
IN THE SENATE OF THE UNITED STATES
Saturday, August 7 (legislative day of Thursday, August 5), 1948

Mr. MYERS. Mr. President, I ask unanimous consent to extend my remarks in the Appendix of the RECORD and include an editorial from the Pittsburgh Press of August 4, 1948, entitled "Republican Sit-Down."

I have already told the Senate at some length of the unfair treatment accorded 31 Pennsylvania veterans by the Senate in refusing to confirm their nominations as postmasters. I have given the Senate the military records of these 31 deserving individuals; I have called to the attention of the Senate the fact that nearly all of them were either first in their civil-service roster or the topmost veteran on the roster. I have pointed out that these veterans by and large cannot under present laws be passed over or sidetracked and that eventually they must be granted the positions for which they qualified. Yet the Senate under Republican leadership and control has refused to permit their confirmation.

This editorial points to additional appointments made by President Truman which have also not been made final by Senate confirmation. As this editorial points out, the individuals so nominated "won't be confirmed, and they won't be rejected. The Senate won't say they are improper appointments, but it won't approve them, either. It simply won't act."

Mr. President, the political motivations which prompted the Republican leadership of the Senate to accord such callous disregard to fair treatment for these nominees by either confirming or rejecting their nominations, will further besmirch the already malodorous record of the Eightieth Congress.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

REPUBLICAN SIT-DOWN

Republicans in Congress persist in trying to make their party look as cheap as possible before the November election.

In the Senate, about a hundred appointments made by President Truman, subject to Senate approval, will get the sit-down treatment. This doesn't include several hundred named to postmasterships.

They won't be confirmed, and they won't be rejected. The Senate won't say they are improper appointments, but it won't approve them either. It simply won't act.

The only reason for the sit-down is that President Truman is a Democrat and the Republicans, hungry as they are, hope their man, Governor Dewey, will get to make all these appointments after January 20. And, of course, that the new President will take the recommendations of the Senators.

Hungry Horse Dedication

EXTENSION OF REMARKS
OF
HON. MIKE MANSFIELD
OF MONTANA
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

Mr. MANSFIELD. Mr. Speaker, on July 10, 1948, a dedication ceremony marking the actual start of the Hungry Horse Dam took place at the dam site. There were a number of excellent speeches made at that time and under permission granted to me, I am inserting in the RECORD at this point the speech of Hon. William Warne, Assistant Secretary of the Interior, and also the speech of Hon. Michael Straus, Commissioner of Reclamation. At this ceremony both Secretary Warne and Commissioner Straus were inducted into the Blackfeet Indian Tribe. Mr. Warne was given the title "Medicine Eagle," and Mr. Straus was named "Engineer of the Wilderness, Chief White Beaver."

It was a great celebration marked by the presence of these two distinguished governmental officials and it was also the realization of an ideal long sought by the people of western Montana, because the start of the construction of the Hungry Horse Dam marks the start of the beginning of the real development of that part of our great State.

REMARKS OF WILLIAM E. WARNE, ASSISTANT SECRETARY OF THE INTERIOR, AT THE CEREMONY MARKING THE START OF CONSTRUCTION OF THE MAIN STRUCTURE OF THE HUNGRY HORSE DAM, KALISPELL, MONT., SATURDAY, JULY 10, 1948

On February 1, 1944, now more than 4 years ago, I tucked a bundle of papers under my arm and went from my office in the Interior Building to Capitol Hill. The occasion was the hearing on Congressman MIKE MANSFIELD's bill, H. R. 3570, then pending before the Irrigation Committee of the House of Representatives. That event was a milestone, as the start of construction here today is a mile-stone in the life of one of the great dams of the earth, Hungry Horse Dam.

Our coming together here today, the chain reaction of activity that will be touched off by the initial blast in the canyon, and the dam itself—all started with the Hungry Horse Dam bill, H. R. 3570, which recognized the need in the war that was then in progress and in the peace that has now been restored for power, irrigation, flood control and regulation of all of the rivers of the mighty Columbia system for the use and the benefit of our whole people.

My task before the Irrigation Committee was to explain the plan by which this dam would hold in this reservoir the floods of the South Fork of the Flathead, release these waters through the turbines of this powerhouse at the toe of the dam, and fill in downstream the low troughs of the unregulated stream flow so that the turbines at Grand Coulee, at Bonneville, and at other dams could be more nearly fully employed. The plan includes the eventual irrigation through canals tapping the river below the dam of tens of thousands of acres above Flathead Lake. It contemplates intricate operational procedures so that what happens here will mesh cleanly with requirements clear to the ocean.

Visualize a chart of the flow of this river. Here the flow line rises to a high peak of flood in the late spring and then falls away to a valley of drought in the early winter. Imagine, if you can, the charts of similar important tributaries of the Columbia. They will not be identical, but they will be similar, with flood peaks at about the same time of year and troughs of low flows in the same season.

The problem of control and of regulation for use is thus complicated. Each dam as it is built must take a carefully planned place in the flood-control program for the whole basin. Each must have storage capacities and turbine installations for precision releases to obtain maximum production of hydroelectric power throughout the length of the entire river. Each dam must do its appropriate part in the watering of the sagebrush lands that, through irrigation, will sustain the growing population. Each must serve, as it can, recreation, fish and wildlife conservation, and other useful purposes.

Each and every dam of the scores that are required to control and develop the Columbia River must be made to serve all useful purposes and be coordinated in operation with all other dams of the basin system to provide the wide-flung benefits that can come in no other way.

I have studied the development of the water projects of the West. Their history shows perfectly clearly the evolution of basin developments from the rude, crude, single-purpose projects of 50 years ago. Just as the multiple-purpose dam that combined power, irrigation, and flood control exceeded in value and usefulness to the community, the antiquated single-purpose dam designed for irrigation alone, so does the integrated development of a basin multiply the benefits and usefulness of individual multiple-purpose dams.

The one resource that distinguishes the Pacific Northwest among all our western regions is the wonderful Columbia River. It provides at once both the opportunity and the challenge to this region. The Northwest will prosper, grow, and gain economic and political strength in direct ratio to the development of its great river. The greatest power stream on the continent is here to use. Here to use is the greatest source of irrigation water available in the western half of the United States. A fine channel extends up the river far inland to provide transportation. The endowment is here in the river. The manner in which it is used will, in the end, determine whether the Pacific Northwest fulfills its promise and reaches its maximum growth and productivity.

This places a heavy responsibility upon those of us who live in the time when the pattern is being applied and the cloth cut. It means we must decide today about matters that will influence irrevocably the welfare of our children and of the Nation in distant years to come.

I am proud to be able to assure you that the Hungry Horse Dam will fit well into the ultimate plan for the Columbia. You may proceed with its construction knowing that when it is done it will serve with power and irrigation water the communities in Montana near at hand, mix its power through the Bonneville system with that of other dams to serve best this and other sections of the Pacific Northwest, release its water in accordance with a controlling schedule for the maximum good in reduction of flood peaks and the generation of firm power throughout the whole Columbia River Basin.

The plan, already on paper and bound in a book entitled "The Columbia River" calls for 142 dams to store 27,000,000 acre-feet of flood waters to irrigate 5,300,000 more acres

of land than is now irrigated or included in projects that are under construction, and generate 10,500,000 kilowatts of additional power. Hungry Horse Dam is the next step beyond Grand Coulee in the progress of the region. Its storage of 3,500,000 acre-feet, irrigation of more than 80,000 acres and generation of 300,000 kilowatts will represent a healthy start on the bigger plan.

The plan is something more than a blueprint for reservoirs, ditches, and powerhouses, important as they are. It is also a design for operational unity, which is as important. Hungry Horse Dam will contribute through planned releases of water from its reservoir additional flows that are needed at Grand Coulee, Bonneville, and other dams downstream to firm up the power outputs there. This power, of which there will be 700,000 kilowatts, is just as real, as valuable, and as useful as though it were generated here. In addition, a million acre-feet of water stored here when some future disaster threatens to sweep the valleys below will reduce flood heights all the way down to the Pacific, and, when more dams are available, such peak flood storage promises to pacify the river and hold it within bounds. These results flow from unified operation of the system of dams.

The plan, however, contains something more than integrated construction of scores of dams, canals, powerhouses, levee systems, navigation locks, recreation areas, etc., and the coordinated operation of all of these elements.

The comprehensive report on development of the resources of the great Columbia River Basin as sponsored by the Department of the Interior contains a proposal for financial unity in addition. Physical unity by placing dams to complement and support each other and thereby bring the greatest benefits to the widest area no longer needs justification. Physical unity has justified itself already in the valleys of Tennessee, Colorado, and the Columbia.

Financial unity to repay the costs of construction is the next logical step. It is a simple bookkeeping matter. The comprehensive report outlines a feasible method. The costs of all of the units of the master plan will be allocated among all of the benefits, and the repayment that is required to be made will be divided on a basin-wide basis among the beneficiaries. Thus, for example, irrigation development throughout the Columbia River Basin will be assisted in repayment by a portion of the power revenues. It has long been recognized that the irrigators cannot pay in full for the dams and irrigation works that are required. The multiple uses of a great dam can enable the combined purposes that it serves to aid each other and through such combination to pay the whole cost, meanwhile aiding the whole economy. The comprehensive plan extends the multiple-purpose dam repayment method to the whole basin. It is of inestimable value to the remote areas where the streams are not so large but where undeveloped lands remain. It serves well the downstream areas that are presently more favored, because the comprehensive plan makes possible the construction of the flood control, power, and irrigation works upstream that are required to complete the whole. The Missouri Basin development now under way is of this type in that it employs a basin-wide unity of financing.

That is the plan for mutual support of the projects and basin unity—coordinated construction, integrated operation, and unified financing.

Power and irrigation have been partners for many years. It is in step with the destiny of the Northwest to recognize that partnership on a basin-wide instead of a project-wide basis. We can see the value of such partnership on many projects in this basin now. We will see it in the Columbia Basin project under construction to bring waters from Franklin D. Roosevelt Lake behind Grand Coulee Dam to a million acres in central Washington. The power at Grand Coulee went to work during the war to help arm the democracies. It is working today during peacetime to enrich the Northwest. That power will help establish some 15,000 new farm opportunities on the project. It will pump irrigation water to the farms, and it will help by paying 75 cents of each dollar of the cost of the irrigation development. The project is moving rapidly toward the goal of bringing 252,000 acres into irrigated farming by 1952. It is a big project, in keeping with the bigness of the country and bigness of the opportunity here. For those of us who have grown up with it, the project is a constant source of pride. I know it will serve the country well.

Much has been accomplished. Much is being accomplished while we work out the over-all plan. Concrete is already in the ground, power is on the lines, and water is going onto the land in all parts of the Northwest. In May the first water on the Columbia Basin project went to farms on the Pasco unit. Since last October, three of the world-record 108,000-kilowatt generators have been put on the line at Grand Coulee. Three more will go on the line in 1949. That will make 12. Three more are ordered, and the last three are expected to be soon. They will be useful only when Hungry Horse Dam is completed to regulate the flow for their production of power.

On that winter day in 1944 that I mentioned at the outset, the day of the hearing on H. R. 3570, I listened to the description by Congressman MANSFIELD of the Hungry Horse project, his statement of the need for the power, irrigation water, and flood control that the project would provide, and his explanation of how the project would save Flathead Lake. I listened also to the presentations of others, including Senator MURRAY, former Senator Wheeler, and to those of the indefatigable pair, Al Winkler and Don Treloar.

By the time my turn came to take the witness chair, I could see rising before me there in the committee room, as in my mind's eye I can see here in this canyon again today, a gigantic dam, strong, clean, and graceful in every useful line of its practical design. I thought then, as I think now, that through these magnificent works we are implanting the hallmark of our civilization. These laboring monuments, I think, will contribute something more to the satisfaction of the coming ages than have even the great works of those who have gone before us. The functional beauty of the architecture of our dam holds the power to thrill observers to their very souls. In this they resemble the Egyptian pyramids, the Grecian temples, and the Roman Colosseum. But our dams also humbly serve the people of our land and make their lives more productive, and it is thus that they excel. They have both beauty and usefulness. They will endure and mark our day.

I have never been able to think of a more nearly essential expression of our democracy than these great concrete statements of its basic concept. They are not materialistic, because they work. They represent, on the other hand, our national aspiration and continuous striving for the more abundant life. Like our Government, these dams are of, by, and for the people.

Here in this valley of the South Fork, dirt is flying today at the site of Hungry Horse Dam. The time is near when this dam, too, will have turbines and powerful generators working for you and all of us. And we will see the time when this reservoir, by storing the flood waters in Montana, will make Grand Coulee, Rock Island, Kerr, and Bonneville, and other plants downstream such as Foster Creek and McNary, which will materialize in the future, more productive of power, and when this dam will make further irrigation development possible.

The Northwest is moving forward. The future is yours. Working together throughout the Columbia River Basin with a single plan in mind, we can make that future bright. For this is the land of destiny.

HUNGRY HORSE: A DREAM COME TRUE

(Remarks of United States Commissioner of Reclamation Michael W. Straus at the ceremony marking the start of construction on the main structure of the Hungry Horse Dam, Kalispell, Mont., Saturday, July 10, 1948)

It's good to be here this great day. We have reached the turning point in the road that reclamation and the people of the Flathead Valley have traveled together in partnership for about a third of a century.

Reclamation's congratulations to the men of vision, courage, and action—men of Montana who wouldn't be denied, whose eyes lifted from the dust to the stars, who knew what they wanted, and who wanted something worth while—and got it. Here today, Hungry Horse Dam is a dream come true.

The Bureau of Reclamation, your service agency and partner in behalf of Uncle Sam, knows something about dams. Hungry Horse is one of the great water control projects not only of the United States but of the world. Finished it will be the fifth highest and fourth largest concrete dam ever built by man—exceeded only by Grand Coulee itself down the Columbia River, Boulder south on the Colorado River, and Shasta in California.

Reclamation, as your working partner, also knows something of the long and rough road over which you have toiled—as any community must toil—to get to where you are today. So far it has been hard going and uphill. But this is the turning point—from here in you are sure of success. It was way back—a third of a century or about two wars ago—that the United States Geological Survey of the Department of the Interior was talking about the possibilities of the Hungry Horse damsite. Twenty years ago—that was back in the seventieth Congress—they even had a bill, that didn't pass, for Hungry Horse Dam. When I married a young Montana schoolmarm who taught in the Hillside School, Mission County, over the ridge near St. Ignatius—and she is still Mrs. Straus and our children now are in college—folks around here were saying that Hungry Horse Dam should be built—and soon. Four years ago—about this time of year—I remember coming out to Kalispell with a group of Senators and eating half a bushel of Flathead cherries and also testifying for 2 days at a hearing on Hungry Horse.

Well, today, you and Montana and the whole Columbia River Basin are sure of Hungry Horse Dam. Dirt flew with the first blast as we began building the main structure this morning. Nothing can stop it now. Reclamation likes it and let me, for Uncle Sam, salute you, our partners in this great venture. I would like to name them all but I will mention only a few, such as the men of Montana: Gov. Sam Ford, ex-Senator B. K. Wheeler, Senator Jim Murray, Congressman Mike Mansfield, State Engineer Fred Buck, Don Treloar, Al Winkler.

And on the other side of the partnership, let us recognize the men of Reclamation: Clyde Spencer, construction engineer; Bob Newell, regional director; Leslie McClellan, Chief Engineer of Reclamation; Bill Warne, once Assistant Commissioner of Reclamation and now Assistant Secretary of the Interior.

And the builders in the contracting field: General Construction Co., the Shea Co., Morrison-Knudsen Co., and such men as Henry Morrison, who have dotted the West and the world with great dams.

Now, I am going to leave to Assistant Secretary Warne, because he's an expert, the job here today of laying out the relationship of Hungry Horse to the comprehensive Columbia Basin development. He did that task so well 4 years ago before the Congress that they authorized the project, and he will do it better today. Also, I don't want to waste your time and my breath talking about the need or the blessings of multiple-purpose flood-control, irrigation, and power dams here in the Pacific Northwest. You are outstanding pioneers in that field. Selling hydro power and irrigation water in this country is too easy. It would be about as hard as persuading a starving man to take a sandwich. I want to talk about Hungry Horse and the West's reclamation program.

Hungry Horse is a big one—a big one in anybody's league. Congress authorized it for "not less than a million acre-feet." But you and I decided to build it to hold a reservoir of 3,500,000 acre-feet—a major, new, deep, 40-mile-long lake that man is adding to Montana's geography. We'll need every acre-foot of that storage.

Now, we know you have heard some sincere citizens lacking in vision say that's too big. There will arise somewhere in this land prophets of doom and corporals of disaster who say it is a waste or that nobody needs it, or that it will be a white elephant. Listen to them courteously, but let me tell you Reclamation's experience. Every time we build a dam—and we have built hundreds of them—we have heard the same calamity howl. We heard that Boulder was too big, so it was built. We heard that Grand Coulee was beyond all reason, so it was built. And we heard the same thing about Shasta, so we built it bigger than originally planned. Now, today, we find that we didn't build them big enough. Every one we build is too small to do the job that the growing West's economy demands. And you are having to build more of them.

So we are going to start by building Hungry Horse full size—a giant concrete arch plug in the canyon of Flathead, 520 feet high and 2,100 feet long. It will take the best part of 5 years to move the approximate 3,000,000 cubic yards of material into this plug and to get all the generators, turbines, and fixings into place. It is going to be a long, hard job, and you and Reclamation will think it's a good job. Then after we get done, say, about 20 years from now, our grandchildren who will require and who will get more water and power will say: "Grandpappy, you old fud-duddy, why didn't you build Hungry Horse big enough back in 1948 and save us from having to go out and build bigger and better ones around here now?"

It takes a lot of hay to fatten up Hungry Horse, as I found out a couple of months ago when Reclamation awarded the main contract for the dam and power plant with a face value of $43,431,000. That happened to be the second largest contract in Reclamation's history—second only to Boulder Dam. But that's only one of the hundreds of contracts, for this is a project which, while it happens to stand in the Flathead Valley, is truly national in scope. In Schenectady, N. Y., craftsmen of General Electric, which has a $4,414,000 contract to build four giant 75,000-kilowatt Hungry Horse generators, are at that task. These generators are to roll out across the country to this site in pieces in a flock of freight trains. In Milwaukee, Wis., Allis-Chalmers' workmen with a $2,150,000 contract, are fashioning four hydroturbines through which Flathead water will spin those generators. In Colorado, Washington, and elsewhere, cement mills are kilning 2,500,000 barrels of cement to plug this gulch. Before this national job is finished, the people in every State in the Union will have worked and made a contribution to this dam.

But even if it takes a lot of hay to fatten up Hungry Horse, that hay will be forthcoming. Uncle Sam has already tossed about $20,000,000, in the form of appropriations, into the manger. With that stake in this partnership, he won't quit. Congresses still to be elected, the Eighty-first and the Eighty-second, will have the task of financing this job to completion. Uncle Sam will get his money all back—and more—in the form of new productive wealth and new strength—irrigated land, flood-free communities, and particularly from hot kilowatts created through this work. As the waters of the Flathead are released from this reservoir, they will not only whirl Hungry Horse generators but also those in and to be placed in every plant down the Columbia River from here to the Pacific Ocean, including Bonneville, Grand Coulee, Rock Island, Kerr, and McNary. For my money, as a taxpaying citizen of this Nation, I don't know of a better investment that Uncle Sam makes than in this type of wealth-creating permanent assets—they're better than dollars in the bank.

Now, lean back far enough from Hungry Horse to take a look around at the whole reclamation program over 17 Western States, of which this is but one item. The West has been in a reclamation partnership with its Federal Government for almost half a century now. This is nothing new or untried—although a lot of good people back East don't seem to have heard of it yet. During that half century, your Government, through reclamation, has invested just a little over a billion dollars in Federal reclamation that with new wealth creates new communities and produces food that a hungry world needs and power that sparks new industry. In the single year of 1947, the last food year for which we have full reports, the lands watered by Federal irrigation produced crops that had a value of $555,000,000—half of the half-century's investment back in crop values in a single year, and that's a rate of return that makes even a tax collector grin. Beyond that, this investment created new communities and new industries by providing new electrical power, such as the new light metals industry here in the Pacific Northwest. Kilowatts do not only flow from the Government but they also bring strength back to the Nation. This year reclamation power revenues alone are going to amount to $25,000,000 and they are going to keep right on flowing into the Treasury in increasing volume for years into the future. It pays to feed up Hungry Horse until it's a work animal that earns its keep.

Less than a month ago, the Eightieth Congress adjourned after having acted on the West's annual reclamation program, including some funds for Hungry Horse. They appropriated $245,566,139 for reclamation in 17 States and made some minor inroads against reclamation public power and antimonopoly land laws, but these inroads were infinitesimal compared to the attack. There are quite a few things that you could say about this $245,000,000 appropriation for western land and water development. One might be that it was less than the President asked. Another might be that it was by far the largest annual reclamation appropriation in history. But probably the most sensible thing to do would be to stop playing this historical mathematical numbers game, take our eyes off the rear-vision mirror and look ahead down the route we must go to build the West that this Nation must have with water and its power. We won't do that measuring with the yardstick of yesteryear. To achieve the West's destiny and satisfy the Nation's demands for food, power, and water in the economy of today and tomorrow, we must measure our movement and our investment to meet the requirements of today and tomorrow.

This reclamation that you of the West have developed is one of the firmest contributions to our national strength and economy. And you have done it under the reclamation law that the West developed and the Congress passed. There are certain firm foundations in that reclamation law having to do with the greatest good for the greatest number and adverse to monopoly—monopoly of two fundamental resources of the people: water and power. Past Congresses wrote into the reclamation law that reclamation should generate public power, transmit and distribute it widely with preference to public bodies, which requires transmission lines, and that reclamation should provide water to individual family sized irrigation farms rather than serve vast corporate agriculture. I happen to be a great admirer of those laws written by the Congress. But some people don't like those laws. Some of reclamation's opponents are from far away from the West and are plainly ignorant about irrigation. They've never seen it. Others are simply selfish and are groups or corporations who want to control or monopolize the benefits. Sometimes they are corporations who don't want the Government to have certain transmission lines to distribute low-cost power. These would interpose their own private utility lines between the people and the people's dam. There has been some of that in Montana.

You have probably heard of some of the ruckus in the Eightieth Congress over attempts to end those basic reclamation principles. It was quite a scrap. But I am happy now to report to you that even if a few officials such as myself got pushed around a bit, the Eightieth Congress recessed without scuttling any of those fundamental antimonopoly provisions of the reclamation law.

That is important to you for those laws are cornerstones on which this reclamation philosophy rests and on which these great developments have gone forward. Without this public power policy and antimonopoly rule for irrigated land and water, reclamation western development, as you know it and have it, cannot prosper. Certainly, without the public power features in existing law, there would be no jubilee here today—there would be no Hungry Horse Dam. There could not be because here your Government is definitely entering the low-cost power production field. And it plans to make not only this Hungry Horse power but all the power from here to the Pacific Ocean available to its citizens over transmission lines which they own. That was the justification on which Uncle Sam undertook this task. Pull out the foundation from under it and the plan collapses—there would be no justification for going on with this task.

There are two great days in any reclamation work. One is the day, such as we have reached this day, when after years of strivings the dirt starts flying on the main works. But that's only half the course. The next great day is when there is water in the ditch or hot kilowatts start flowing over the lines. Reclamation is not building Hungry Horse as an exercise. We will not have succeeded until our end purpose of achieving the power and water benefits is attained. We plan that second great day for Hungry Horse when the first generator is put in in June 1952 with all of them on the line by June 1953. You and Reclamation have to protect and guard this work until it accomplishes its mission and then you have to protect and guard it from then on, so that it truly brings you the benefits for which it was conceived. Stand alert and firm to its defense and do not let it be injured. Serve it well and it will serve you well.

No one has yet found the life span of such a dam as Hungry Horse. If we protect it, it will be serving this community after everybody in Montana today is dead and gone—a hundred, five hundred, or a thousand years—as long as water runs downhill—perhaps forever.

Illuminating Facts

EXTENSION OF REMARKS
OF
HON. GEORGE B. SCHWABE
OF OKLAHOMA
IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. SCHWABE of Oklahoma. Mr. Speaker, under date of July 27, 1948, one of my constituents, a prominent lawyer of the Democratic faith, addressed me, furnishing me with many illuminating facts, in the following language:

MY DEAR CONGRESSMAN: I notice from today's paper that the President is preparing to make some kind of an attack on the cost of living. The actual victims of the inflation are not the ones who are doing all of the complaining; the miners, factory workers, and many others who are protected by a union, but the victims of inflation have been the white-collar class—lawyers, teachers, pensioners—and even Congressmen.

I just had called to my attention today an interesting table which has been compiled by the National City Bank of New York from Government statistics. It will be noted from this table that the coal miners, the factory workers, etc., are all better off, even though the price of rents, commodities, etc., have doubled, because their salaries and wages have more than doubled. In other words, the coal miner who drew a certain salary in 1930 and could only buy a small quantity of meat finds that he can buy twice as much meat with the salary he is receiving today although it does cost twice as much as it did in 1930, as his salary has gone up almost four times.

The table is corrected for increases in prices and is based entirely on the living standard. I quote the table as follows:

Extent to which a person is better or worse off than in 1930

[100=1930 living standard]

	1930	1935	1947
Coal miner	100	104	191
Textile worker	100	103	139
Automobile worker	100	115	132
Printer	100	102	105
Railway worker	100	116	122
Railway executive	100	112	78
Teacher	100	107	109
Congressman	100	117	74
Pensioner	100	120	65
Bondholder	100	88	38
Small stockholder	100	64	79
Well-to-do stockholder	100	63	58
Wealthy stockholder	100	52	31

If Congress is to do something toward fixing price levels at the behest of President Truman, let us give some attention and consideration to the unorganized millions and give a lesser amount of attention and consideration to the organized vociferant minority. How about raising lawyers' and other white-collar workers' compensation to put them on the par with the coal miners and automobile workers? I have not heard of anyone advocating the guaranty to a lawyer of a decent living wage. I do not know what a decent living wage would be for a lawyer, but most of them that I have talked with find that their fees may have increased but not at all proportionate to the increase of organized workers in other lines, nor enough to offset the increase in the cost of living.

The above table certainly gives one pause for thought when you consider that taxes leave large stockholders and bondholders with only about one-third of the buying power that they had in 1931. While dividend rates may have increased they have not kept pace with the cost-of-living rise. The dollar yield to bondholders has actually decreased. Based on insurance company bondholder yields, it would take $80,000 today to provide the income to buy that which the bondholder of 10 years past could have bought for $30,000.

Out of a total of about 60,000,000 workers in the United States I am told that there are less than 14,000,000 workers organized into some kind of unions. The table indicates that these 14,000,000 organized workers have been getting wage increases and profiting at the expense of the unorganized majority of 46,000,000 workers.

Let us not overlook the 46,000,000 in considering the legislation which may be proposed by the President.

The Public Is Concerned

EXTENSION OF REMARKS
OF
HON. FRANCIS J. MYERS
OF PENNSYLVANIA
IN THE SENATE OF THE UNITED STATES

Saturday, August 7 (legislative day of Thursday, August 5), 1948

Mr. MYERS. Mr. President, I ask unanimous consent to extend my remarks in the Appendix of the RECORD, and include a letter dated August 5, 1948, which I have received from Bob Brooks, of radio station WSCR in Scranton, Pa. Mr. Brooks reports that contrary to the impression of some Members of the Congress, the people of Scranton, Pa., and vicinity, are decidedly interested in proposals for curbing inflation and for providing decent low-cost housing for our people.

Mr. Brooks reports that Station WSCR devoted several Inquiring Microphone programs—interviews with voters selected from the stream of pedestrians along a sidewalk in a typical American city—to attempt to determine just how interested the people were in the work of this special session of Congress. The consensus, he points out, is that the present emergency is of sufficient gravity to warrant this special session and that the special session should enact real and effective inflation control and housing legislation.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

WSCR,
Scranton, Pa., August 5, 1948.

Senator MYERS (Pennsylvania),
Washington, D. C.

DEAR SENATOR MYERS: Last week end Associated Press reported the statement of Senator HOMER CAPEHART, of Indiana, member of the Banking Committee, that the "public just doesn't seem interested in this problem" of inflation. Since this station conducts a three-times-a-week sidewalk interview program, Inquiring Microphone, dealing with public opinion and politics, we know that the public in Scranton and Lackawanna Valley are interested in combating inflation. What is more, the general consensus here is that the present emergency is of sufficient gravity to warrant a special session, and that in special session Congress should enact immediate legislation to curb inflation and enable production of more low-cost housing, this housing to be subsidized by the Federal Government if necessary.

With Senator CAPEHART'S statement in mind we conducted two Inquiring Microphone programs so that we could send the Senator by transcription the candid testimony of the man in the street, Mr. John Q. Public. Our line of questioning was so designed as to obtain a definite "yes" or "no" decision from each interviewee. To a man they agreed that the public is—contrary to Senator CAPEHART'S expressed belief—deeply concerned with the inflation problem. We have sent the transcriptions to Senator CAPEHART.

We are dispatching letters to our local Representatives in Congress and to the Democratic National Committee explaining the situation as we have to you.

Trusting the Inquiring Microphone transcriptions serve the purpose for which they were intended, we remain,

Yours truly,

BOB BROOKS,
Radio Station WSCR,
Scranton, Pa.

Extension of Rural Electrification in Nebraska

EXTENSION OF REMARKS
OF
HON. HUGH BUTLER
OF NEBRASKA
IN THE SENATE OF THE UNITED STATES

Saturday, August 7 (legislative day of Thursday, July 29), 1948

Mr. BUTLER. Mr. President, I ask unanimous consent to extend my remarks, and include the following article prepared by me, dealing with the extension of rural electrification in Nebraska.

There being no objection, the article was ordered to be included in the RECORD, as follows:

THE END OF THE COAL OIL LAMP

(By Hon. HUGH BUTLER, Nebraska)

Historians tell us that great wars often mark the turning point in the lives of nations and their people. I have no reason to doubt that that is true. Certainly the war we just finished has brought tremendous changes to America and particularly, to our agricultural life. A tremendous volume of exports, inflated prices, and a heavy tax burden are some of the wartime changes which come to mind. Yet I am now beginning to suspect that this postwar period may bring an even greater change in the manner of living and in the farming methods of the individual farm. To a tremendous extent, that change is being caused by one single factor—electricity. For our State of Nebraska, at least, this postwar period is likely to go down in history as the period during which cheap, plentiful electric current was brought to the farm.

Perhaps not all farmers attach the same importance to electricity that I do. I can remember all too well the long hours of hard work that my own mother had to put in during the years when I was a boy. At that time we had to depend on coal-oil lamps for light after the sun went down. Of course, we youngsters didn't mind, because we had never learned to expect anything else, but it made for drudgery for our parents. As I grew up, I came to hope that I might be able to secure electric service for my mother before she passed away, but that never proved possible.

That is one reason why I feel strongly about the importance of extending electricity to every farm, and I believe thousands and millions of other farmers and their families feel the same way about it. In fact, last year a

well known farm magazine made a survey of its readers to determine what they believed to be the world's greatest invention. Electricity led the list by far. This is not surprising to me, particularly when it is realized that this survey was conducted largely among farmers. Electricity is far more important on the farm than to the average city family because it is essential for production, as well as for a comfortable life. It is certainly ironical that until recently electricity for a farmer was almost unknown, while in the towns and cities electricity had been brought to perhaps 90 percent of the homes.

In fact, a considerable part of the present controversy about housing is due to the fact that city or town housing is not considered "adequate" or "livable" unless it is provided with modern facilities such as electricity. City dwellers have come to demand electric services and similar conveniences as a matter of right. If housing with all modern conveniences is not easily obtainable, we in Congress immediately hear a demand for legislation or Federal subsidies of some sort to help city families obtain such housing. And I must confess I don't blame city families for expecting to share in the fruits of progress. It is natural enough for them to want modern improvements and labor-saving devices. I am merely making the point that farmers have the same right to electric service, and they need it worse. Furthermore, they are willing to pay for it themselves, without any Federal subsidy. Construction under the REA program is provided for by Federal loans—not gifts, and the repayment record of rural co-ops and power districts on these loans is better than excellent.

Even so, it is only recently that electrification made any real progress on the farm. As late as 1934, only 11 percent of the farms over the whole Nation had central station electric service. Passage of the Rural Electrification Act in 1935, providing for Government loans to groups of farmers for construction of their own distribution systems, was a tremendous step forward. With this program we had for the first time a really practical way of extending rural electrification rapidly. Even so, only 35 percent of our farms in this country had obtained central station electric service by 1941—when we entered the war—and only about 10 percent more obtained it during the war.

In this respect, strangely enough, the American farmer lagged far behind the farmer of western Europe. I recently secured some figures showing the progress of rural electrification in a number of European countries and was amazed to learn that even before the war a number of those countries had advanced far beyond us. For example, in Holland 93 percent of the rural areas were electrified, and in Belgium only 35 of the farm villages were without electrical facilities. In countries like Britain, France, Italy, Germany, and Denmark, the percentage was very nearly as high. In many other countries, including some that we usually think of as comparatively undeveloped, the percentage was far higher than here.

Of course, there was a reason why America failed to lead the way in rural electrification as we have lead the way in automobiles and other things. Our farms are generally larger and farther apart, and the cost of bringing current is proportionately far greater. In some European countries the farmers live in villages and go out to their fields each day. Naturally, the cost of bringing current to the home in the village is moderate. Even so, there was no reason why we should be satisfied with these excuses. American technical efficiency should be able to overcome obstacles such as these. Certainly American farmers had a right to expect that the best brains of American engineers would be put to work on the problem.

If we were far behind other countries before the war, it certainly seems that we will not stay behind them very much longer. Since the end of the war, rural-electrification construction has been on the biggest boom in its history. The progress just during these past 3 years has been simply amazing, in spite of the many obstacles that have been encountered. Since the middle of 1945, up until mid-1948, over 950,000 additional farms have been actually connected with current through REA. Loans have already been approved, and construction programs are under way or in preparation for another 585,000 farms. Loan applications pending or in process as of June 1948 called for $263,000,000, which should provide service for another 250,000 to 300,000 rural consumers. In fact, it seems that the job of electrifying all our farms has taken on the aspect of a crusade among farm people. Now that the idea has taken firm hold and the means are available, farmers everywhere seem determined to get electricity just as rapidly as possible. Their attitude seems to be, "What are we waiting for? We have waited long enough."

This progress during the past 3 years has not been made without overcoming great obstacles. First of all, the job is being undertaken at a time when we are still short of everything, particularly heavy equipment. Poles, transformers, and electrical conductors in turn have been bottlenecks to construction. Secondly, we have run into power shortages in many areas, and nowhere is this more true than in Nebraska. Unfortunately, it is a fact that additional generating capacity cannot be secured quickly or easily. Thirdly, there is always the problem of securing determined, united action by a majority of the farmers in a certain neighborhood. Without united support by a whole community, it is very difficult to finance a rural line. That was quite an obstacle in the early days of the program, although lately, it hasn't given us any trouble. Next, there has been some difficulty with questions of policy, such as area coverage and REA-financed generator systems. Most of these controversies are now pretty well ironed out also.

Finally, there is always the question of funds, which means congressional appropriations. That is a question that is likely to generate more heat than light, and certainly there has been enough controversy about it during the past 3 years.

When the Congress early in 1947 made a reduction in REA appropriations, from $250,000,000 to $225,000,000 for the fiscal year ending June 1948, partisan charges and countercharges flew back and forth pretty rapidly. Then last spring the Congress went the President one better by appropriating $175,000,000 to finish out the fiscal year 1948, and a whopping $400,000,000 for the fiscal year to end next June. This was $100,000,000 more than the President had requested, and Members of the Eightieth Congress may have some justification for pointing with pride to the way they showed their support for rural electrification. The total appropriated during these 2 years amounted to $800,000,000, far and away more than had ever been appropriated by any other Congress during any previous 2-year period. Nevertheless, candor compels me to confess that Republicans and Democrats alike supported these record appropriations, and the credit must be divided among members of both parties.

In retrospect, this controversy does not seem too important for the reason that money is not now and has not been recently the real bottleneck. The real bottleneck is materials. I shall touch on this problem of materials in a moment, but before I do, I want to emphasize the importance of these figures on appropriations by bringing them down to earth and showing how they affect us in Nebraska.

As of last May 31, rural public-power districts or cooperatives in Nebraska were serving just under 40,000 consumers—39,932 to be exact. On that date, something like 46 percent of all the farms in the State had received central station electrical service. As of the same date, loans had been approved by REA to supply service to 72,553 consumers. That means loans to provide services for over 32,500 additional consumers had been approved, but construction had not yet been completed. About $21,000,000 in approved loans was waiting in Washington to be called for by rural districts and cooperatives as the progress of their construction required the use of these funds.

That is not the whole story, since funds to be available during the fiscal year just starting are even greater than those made available for last year. In addition to the $400,000,000 appropriated for this year, about $100,000,000 carried over from last year is available for lending. This money is not yet divided by States, but it seems safe to assume that Nebraska districts and cooperatives will be permitted to borrow at least $15,000,000 or $20,000,000 of it if they can use it. I feel sure they can use it effectively, since already $10,418,000 in loan applications were on hand or in process on the 1st of July. This year's funds will probably serve to pay for construction of lines to at least 15,000 or 20,000 additional rural consumers.

In other words, funds have already been appropriated to provide service for something like 50,000 additional rural consumers. When the construction contemplated by these funds is completed the number of consumers reached will be more than double the figure it has reached today. In fact, funds already appropriated will pretty nearly complete the job of supplying electricity to every Nebraska farm that wants it, where physically practicable at all. I have no real fear of trouble in getting any additional appropriations that may be needed.

It is obvious that funds are no longer a problem and that the real difficulty is in securing construction equipment and a power supply. The last fiscal year loans were approved to serve 12,398 additional consumers, but only about 7,000 new consumers were connected up. This figure of 7,000 is an all-time record for Nebraska, but obviously it does not come anywhere near to meeting the demand. Shortages of several types continue to plague us. The most serious one at present appears to be aluminum conductors. Right now there are over 16,000 miles of poles in place around the country for which conductors have not yet been secured. On checking into this problem recently I was told that an order placed today for aluminum conductors would not be filled before 1950 or 1951 at the earliest. That is assuming that aluminum production does not suffer from unusual delays such as strikes. Recently I have been trying to develop some plan for securing additional supplies of aluminum from some source, possibly from occupied Japan. I do not know yet how successful this plan will be.

Even if we could secure additional aluminum in large quantities, we would probably immediately run into a shortage of transformers. If aluminum, transformers, and all other items of equipment necessary for construction were available, we would still have a very serious problem of a power shortage in Nebraska. It is hard to see how that shortage can be cracked until additional large blocks of power are available from the Army Dam at Fort Randall, South Dakota, and the Reclamation Bureau's Colorado-Big Thompson hook-up. That power won't be available for some time yet, and construction of the power facilities at the dams and of the transmission lines is likewise delayed by the shortage of aluminum and other materials.

So our problems are not solved yet. As long as all available plants for the manufacture of electrical equipment are already producing at full capacity, there is not much

use of talking about stepping up production of such equipment. One means of stepping up supplies of these short items for our program would be to cut down on the heavy flow of electrical equipment overseas. Our exports of these supplies have been extremely heavy during recent years, as is shown by the following table of shipments abroad, supplied by the Department of Commerce:

	1946	1947	January–April 1948
Generators and sets	$59,525,000	$69,377,000	$21,156,000
Transmitting and distributing apparatus	15,142,000	32,063,000	13,206,000
Transforming and converting apparatus	9,828,000	20,810,000	7,765,000
Electric refrigerators	11,640,000	39,629,000	15,700,000
Household appliances	12,180,000	35,154,000	11,357,000
Radio apparatus	54,467,000	113,724,000	30,648,000
Telephone apparatus	10,632,000	25,559,000	10,815,000
Copper wire, assorted	18,198,000	31,312,000	16,342,000

It is an amazing fact that Russia has been the largest single taker of our exports of electrical equipment.

As I pointed out above, western Europe had already before the war succeeded in achieving a far greater degree of farm electrification than we had in this country. Latest reports indicate that electric power generation in western Europe has now recovered to approximately its prewar level. The Marshall plan, however, provides that we shall assist western Europe with our money to achieve a level of power production about double the prewar figure. If this plan is carried through by means of shipments of American equipment, it is bound to delay our own program to a fairly considerable extent. It does seem to me that this export program should be revised in the light of our own needs for the same items.

In any case, we will probably have difficulty with materials and equipment for some time yet. Electrifying rural America is just too big a job to be finished in a day. I realize many farmers are becoming very impatient as they are told to wait and wait and wait. Many of them have been waiting since before the war. They are tired of waiting. They are tired of receiving promises rather than electric current, and I don't blame them. Sometimes they are inclined to blame the Federal Rural Electrification Administration, or the board of managers of their own public power district or co-op, or their Senators and Congressmen for that matter.

As I previously pointed out, Congress has already appropriated more money than farmers have found it possible to use in buying the electrical equipment and supplies they need for construction. That is about as far as the jurisdiction of Congress goes in the matter—appropriating the money. Nevertheless, when farmers do become impatient and say, "All those figures are all right, but they don't help me; when will electricity be brought to my farm?" there is only one answer that anyone can honestly give. That answer is: "Be patient just a little longer. The program is there. The money has been appropriated. Rapid progress is being made, and power will be brought to you just as soon as physically possible."

No other truthful answer is possible. Certainly it is a fact that the progress has been amazing during the last few years. During the fiscal year ending June 1948, nearly 3,000 miles of line were energized in the State, and over 7,000 additional farm consumers were connected up. This is a rate of construction far greater than in any previous year. If too many farmers have been forced to wait longer than they should, it is simply because the demand has suddenly become overwhelmingly greater than the supply.

From these comments, I hope no farmer will think I am trying to discourage any line of action which has any possibility of speeding up construction still further. I have pointed out the possibility of cutting down the export of electrical equipment so vitally needed here at home. I have called attention to what I believe to be our very unwise policy of holding down production of aluminum and other electrical equipment in western Germany and Japan. If production in those countries could be stepped up sharply, at least a part of the output of aluminum could be shipped over here to fill our shortages. The rest of such production could be used to fill the reconstruction requirements of some of the foreign countries that are now dependent on us. In addition, such production, by supplying a means of livelihood to the industries and workers engaged in it, would ease the financial burden now laid upon us by our policy of supporting the people of the occupied countries. At present we are spending $1,300,000,000 a year just to maintain the people in western Germany and Japan. This seems absurd while they have unused industrial capacity that could serve to give them a means of support and supply us with what we need.

These are possible lines of action that should be investigated promptly and thoroughly before we are willing to accept quietly the present delay in rural electrification. There are other lines of action that are probably also worth investigating which might bring constructive results.

This has turned out to be a rather long article, and I appreciate the courtesy of those of you who have stayed with me to the end. I hope this one point at least is clear. Regardless of all our controversy and dispute about certain phases of the program, regardless of all the delays and obstacles we have encountered, the program is moving forward rapidly. The day of the coal-oil lamp is just about over for 90 percent of the farmers in Nebraska and the rest of the country. On several occasions I have made a statement that before the end of my present term of office in 1953 I expected to help bring electricity to every farmer in Nebraska that wanted it and who was in physical reach of the lines. I am more than ever confident that I shall be able to keep that promise—and long before 1953. In my opinion, this program has been so successful and has won such wide support from the entire Nation that nothing can stop us from finishing the job.

Poor Disguise

EXTENSION OF REMARKS
OF
HON. GEORGE B. SCHWABE
OF OKLAHOMA
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

Mr. SCHWABE of Oklahoma. Mr. Speaker, in the August 3 edition of the Tulsa Daily World of Tulsa, Okla., there appeared in the editorial column the following article:

POOR DISGUISE

False whiskers on the administration's new anti-inflation bill do not fool anybody—much. It's the old OPA in disguise, but a poor disguise. It is true that the demise of the old OPA did not automatically lower prices, but practically everybody knows the new one would, if enacted, bring back the old abuses and further complicate the whole price structure. People might put up with the police state if it could get the job done, but experience is the more control the Government has the less of everything the people get.

Say what you please, the people are not fooled. They are not misled. They know that the President's insistence that Congress authorize him to reimpose rationing and price controls would mean the reenactment of the old OPA, with its arbitrary regulations and its gestapo methods of enforcement, a veritable police state which the President himself once decried—and they want none of it.

Their Representatives in Congress, Democrats and Republicans alike, apparently did not want a new OPA, although it might be under a different name. They knew the President's program was only a poor disguise for the hated OPA.

John Hollis Bankhead 2d

MEMORIAL ADDRESS
OF
HON. RICHARD B. RUSSELL
OF GEORGIA
IN THE SENATE OF THE UNITED STATES
Wednesday, April 21 (legislative day of Monday, March 29), 1948

On the life, character, and public service of Hon. JOHN HOLLIS BANKHEAD 2D, late a Senator from the State of Alabama

Mr. RUSSELL. Mr. President, when JOHN H. BANKHEAD 2D passed into eternity, a statesman and patriot was removed from the stage of human affairs. The State of Alabama lost a son whose services had made his name a household word. The Nation lost one of its most unselfish and most useful legislators. The farmers of this Nation, wherever they may live, mourned that the voice of their outstanding champion and defender had been forever stilled.

If a personal reference may be pardoned, I lost an intimate friend whose companionship was sweet and whose understanding and devotion were a constant source of inspiration to me.

JOHN BANKHEAD was a Senator in the great tradition. He was fitted for a public career by inheritance as well as training. The Bankhead family, of Alabama, has written a notable page in the history of these United States. Indeed, with the exception of the Adams family, of Massachusetts, it is to be doubted whether the members of any one family and household have earned and gained so many high public offices or filled them with such outstanding ability.

Other Senators have enumerated the legislation which bore his name, and which was enacted as a result of his labors. I shall not again call the roll of the victories he won in his lifelong fight for economic equality for the American farmer. It will suffice to say that more far-reaching farm legislation was sponsored by him and bears his name today than has been fought to a successful conclusion in the legislative process by any other man who has ever adorned the Senate.

I shall always be proud to have known JOHN BANKHEAD intimately, and to have

been able to call him friend in the truest sense of that word. When I first arrived in the Senate he came over to my desk, introduced himself, told me that we were members of the same college fraternity, and gave me the grip. We were both members of Sigma Alpha Epsilon. From that day until he went to his reward I called him Brother John. No older brother in blood could have been more generous in his interest, and from my first day in the Senate I was privileged to enjoy the closest relations with him, both in legislative work and in the social relations of men. I worked with him in support of all of his farm legislation and gloried in his legislative triumphs. He took an intense interest in my career, and never failed to speak the encouraging word which inspires one to greater efforts when the way is rough.

He will be missed by the Nation and by the Members of this body who learned his sterling worth through association and by seeing him tested in the crucible of legislative combat.

The deep sense of personal loss which I feel in his passing is only mitigated by the cherished memories of the many kindnesses and the complete understanding of a real friend—the most priceless possession of life.

The Appropriation Record of the Eighteth Congress

EXTENSION OF REMARKS
OF
HON. JOHN TABER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

Mr. TABER. Mr. Speaker, on June 28, 1948, I released a statement indicating that in the second session of the Eightieth Congress the regular annual appropriation bills totaled $23,684,799,395, as compared with estimates from the President amounting to $25,477,477,126, or a saving of $1,792,677,731. Deficiency and supplemental appropriations totaled $8,998,964,535.87 for which the President's estimate was $9,947,768,096.79, or a reduction of $948,803,560.92. The total reduction in regular annual and deficiency bills, therefore, was $2,741,481,291.92. At the recent special session, the President requested appropriations of $83,134,250 and the Congress appropriated, of that amount, $15,300,000. A great deal that was not allowed were requests for funds which Congress had already denied in the previous regular session.

It has been said that we should add contract authorizations to the appropriations and attention has been called to one contract authorization, in particular, of $822,000,000 above the budget for the construction of airplanes. This was adopted on my motion on the floor of the House which I offered because the sentiment of the country overwhelmingly favored a larger air force than that contemplated by the President's budget. However, it should not be carried as an obligation or an appropriation until it is necessary to make the appropriations to pay the contracts entered into inasmuch as this item will not affect the annual budget until fiscal years 1950 and 1951. References to this contract authorization are an example of the way people have been misinformed as to the amount of appropriations made by the Eightieth Congress. The figures which I have given with respect to the appropriations acted upon by the committee are correct in every detail but there are also permanent appropriations automatically available under permanent law which are not considered by the Committee on Appropriations. These items, the largest of which is the interest on the public debt, are estimated to total $8,434,621,468 during the fiscal year 1949.

In the first session of the Eightieth Congress our savings over-all, as I indicated in my statement in the CONGRESSIONAL RECORD on August 15, 1947, totaled $4,480,664,303. Of these savings $800,000,000 was in the item for tax refunds which subsequently had to be appropriated inasmuch as overpayments of taxes greatly exceeded the amounts which appeared to be involved at the time the original appropriation was made. This is the only substantial item which the Congress found it necessary to restore to the budget. Other items restored were relatively small in amount so the net saving as a result of the first session activities of the Committee on Appropriations was approximately $3,600,000,000. This figure, added to the savings in the second session, makes a total of approximately $6,350,000,000 for the 2 years.

Housing Bill

EXTENSION OF REMARKS
OF
HON. EARL C. MICHENER
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

Mr. MICHENER. Mr. Speaker, in considering this legislation to provide housing, there are certain fundamental facts with which we all must agree:

First, there is inadequate housing in the United States today, even though we are the best-housed Nation on earth.

Second, new housing cannot be constructed unless home-building material is available. Lumber, nails, cement, plumbing, and wiring are essential.

Third, even though this material can be supplied it requires carpenters, masons, plumbers, and others to build the houses.

Fourth, if the materials and the labor are obtainable, some method of financing the projects must be provided.

There can be no controversy about these four points. There is disagreement in the Congress and in the country as to whether this needed housing can best be provided by private initiative under the free-enterprise system or by Government building, Government financing, Government regulations, and Government control.

Personally, I do not believe that the Federal Government with the taxpayers' money should enter the housing or any other field unless it is absolutely essential to the well-being of our people. We must have adequate housing and, if this can only be brought about by Government intervention, then that will happen. We must be sure, however.

It has been clearly demonstrated here that the construction of over 1,000,000 homes by private initiative will be completed in 1948. This is the all-time unit record in the United States. This is many more units than were constructed in 1947 when some controls were still in effect.

The President has recommended the Taft-Ellender-Wagner bill, and the Congress is enacting the major features of that bill less the slum-clearance and public-housing provisions. The Senate passed the Taft-Ellender-Wagner bill in the last session. However, after more mature study and in the light of existing inflation, Senator TAFT, one of the authors of the bill, now urges that the public-building and slum-clearance provisions of the bill be deferred, because of the scarcity of materials, the shortage of labor, and the increased inflation which would necessarily follow.

In short, this housing bill which will become law satisfies almost all of the housing requests that the administration made. Slum-clearance and public-housing projects are the only features of the program that are not approved.

The bill before us will furnish as many houses as can be constructed with the materials and labor available. The slum-clearance and public-housing features can be considered later when there is a possibility of meeting the over-all problem.

The research division of the United States News has made a nonpartisan and unprejudiced economist's analysis of this bill, which I believe states the case quite accurately. There has been so much partisan politics in the President's recent speeches and press releases, as well as in the Congress, that it is refreshing to accept this research bureau's unbiased conclusions as to just what the bill provides. These conclusions are in part as follows:

Congress, in a last-minute switch, satisfies almost all the housing requests that the administration made. Slum-clearance and public-housing projects are the only features of the program that are not being approved.

To be more specific on the revived housing program:

Rental projects on a large scale are to be allowed mortgage insurance up to 90 percent of cost. Projects can run as high as $5,000,000. Nonprofit corporations that go in for such projects may go as high as $50,000,000.

Cost limits are boosted to $8,100 per unit, instead of the old limit of $1,350 per room. That will take care of most recent hikes in building costs.

Low-priced housing, to sell below $7,500, gets an 80-percent guarantee.

An additional $800,000,000 is authorized to insure rental projects.

Private builders, under these provisions, get even more lenient terms than they were offered under old title 6 provisions. Cost limits are higher.

When it comes to other loan provisions on housing:

Apartment owners are provided more guarantees for modernization loans. An additional $35,000,000 is authorized. Loans may run to $10,000.

Owner-occupied homes are eligible for 90-percent guarantees up to $6,300 instead of the old $5,400. An 80-percent guarantee then is permissible on home costs between $6,300 and $9,500. These come under title 2 loans.

Two-family dwellings are eligible for 90-percent guarantees to $7,000 and for 80 percent to $11,000. Previous limits were $6,000 and $10,000.

The housing bill also continues aid for builders of prefabricated houses, for low-cost rural homes and for low-cost homes for families of small income.

The building industry, in addition, gets still more financial props.

Secondary mortgage market is revived and expanded to include loans on all veterans' housing, on large-scale rental projects and on regular FHA loans.

Mortgage holders may dispose of as much as 50 percent of mortgages made after April 30, 1948, in this manner. Previous limit was 25 percent.

Yield insurance also is to be established. This program is designed to attract more private capital into the building industry by guaranteeing a minimum return on private investments. The minimum is 2.75 percent.

Aim of this program is to assure uninterrupted flow of money into building activity. Effect is likely to be continued upward pressure on building costs. Expansion of building activity is not to be expected. The industry is operating close to capacity now. But demand for new dwellings promises to increase.

Mr. Speaker, Congress is not doing the veteran or others in need of housing a service if, in attempting to provide housing, we destroy the stability of our financial structure. Cheap homes, provided at abnormal prices to be paid for over a term of uncertain years ahead, will in the long run not be beneficial to the very persons who obligate themselves now. We are in an emergency. I think it is generally conceded that the slum-clearance and public-housing features of the TEW bill could not produce homes for approximately 18 months. If these projects, undertaken by the Government and financed by the taxpayers, are authorized, and material priorities provided, it would seem that present construction, which is uniformly progressing in all parts of the United States, will be confined largely to the densely populated city slum districts; that is, housing construction in the district I have the honor to represent will be slowed up rather than accelerated. There just is not enough material and labor, regardless of money, to provide all this housing immediately. Eventually there must be adequate homes for all of our people and, following the lessons of the past, if private industry cannot or will not take care of this need, then the Federal Government will intervene. That is a question, however, which can be decided in the next Congress better than in 15 days, as suggested by the President, in this special session.

Mr. Speaker, I am supporting this housing bill and believe that there will be few votes against it when the speech-making and partisan political debate cease.

Congress

EXTENSION OF REMARKS
OF

HON. CHARLES A. WOLVERTON

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. WOLVERTON. Mr. Speaker, in the first session of the Eightieth Congress the President in his message of January 6, 1947, said, "Except for minor adjustments, I believe that our program of benefits for veterans is now complete."

At the same time we had before us the Republican statement of principles, policies, and objectives. That statement contained the pledge of Republicans in Congress to promote the interests of veterans and their dependents. It reads as follows:

A grateful nation demands that those who fought in its defense, their widows and orphans, must never be forgotten. The best medical care and rehabilitation, education, and training for all desiring it, and efficient assistance in securing homes, farms, businesses, and real jobs must be provided for the veteran.

The Republican Congress during this Eightieth Congress has kept that pledge. Numerous and varied pieces of legislation to the number of 188 bills were passed directly benefiting war veterans, and it should be borne in mind that all of these were enacted into law as necessary to properly care for our veterans and their dependents after the President had said that "Except for minor adjustments, I believe that our program of benefits for veterans is now complete." This attitude of the administration was still further evidenced by the fact that the Director of the Veterans' Administration filed reports against scores of measures introduced into Congress in aid of veterans. And, it is to be noted that in these reports the Director stated that the proposed legislation was not in accord with the President's program. But, the Republican Congress found that the program for veterans' benefits was far from completed. We acted in the interest of the veterans and it is pleasing to me to have had some part in the enactment of these laws.

I realize that it will not be possible to refer in detail to all of these laws, and, that only a partial summary can be given within the limitations of these remarks. I would like, however, to briefly refer to some of the legislation enacted by the Eightieth Congress in aid of veterans and their dependents. As an illustration of the importance of some of these measures I will make particular reference to the bill that provided for the cashing of terminal-leave bonds held by veterans. Under the bill passed by the Democratic Congress it would have been necessary for the veterans to wait 5 years before receiving cash for their bonds. This was manifestly unfair to noncommissioned men and officers because commissioned officers received their comparable termination pay immediately upon being discharged. In the second place the average veteran was greatly in need of immediate cash to enable him to meet the obligations of civilian life. The Republican Congress immediately rectified the injustice that had been done to our veterans by making the bonds immediately payable. This provided a direct benefit to millions of veterans who were in actual need. Others who were not in dire straits permitted their bonds to remain in force. By cashing their bonds $1,800,000,000 was paid directly to the veterans under this law.

Without going into great detail, I now wish to mention just a few of the important measures included in the 188 enacted into law that I previously mentioned. They are as follows:

Increasing compensation for dependent survivors of war dead, covering widows, orphans, and parents.

Providing additional compensation for veterans who have dependents and who are entitled to compensation for service-connected disabilities rated at not less than 60 percent.

Amending the Civil Service Code to prevent discrimination against physically handicapped veterans in Government positions.

Increasing by 20 percent pensions payable to the veterans of the Spanish-American and Civil Wars, Philippine Insurrection, and Boxer Rebellion, and their dependents.

Increasing minimum monthly allowance for subsistence in cases of vocational rehabilitation of disabled veterans.

Appropriation of $5,000,000 for automobiles for veteran amputees.

Authorizing $1,000,000 annual appropriation for prosthetic appliance research.

Increasing the revolving fund from $1,500,000 to $3,000,000 for the purpose of making loans to veterans of World War II undertaking vocational training.

Adding farm training to educational and training programs for which the Government will pay full tuition and subsistence allowances under the GI bill of rights.

Raising the ceiling on wages and allowances payable to veterans in on-the-job training.

Appropriation of $35,500,000 to convert surplus military and other war housing to temporary reuse dwelling units for veterans. Amending the Federal Home Loan Bank Act to permit banks to accept 25-year mortgages, thus making many GI home loans eligible as collateral.

Authorizing financial assistance to disabled veterans in the construction of specially designed homes required by the nature of their service-connected disabilities.

Making veterans' housing cooperatives and nonprofit housing corporations eligible for Government-insured financing up to 95 percent of the value of the project.

Authorizing a secondary market for GI mortgage loans in the Federal National Mortgage Association, making it possible for veterans to obtain 100 percent guaranteed or insured financing in home purchases.

Providing that veterans shall have preference in the purchase or rental of

all newly constructed sale or rental housing. This priority will remain in effect until April 1, 1949.

Emphasis is placed upon construction of homes within the ability of veterans generally to pay. For instance, the average-sized veteran home mortgage guaranteed by the GI bill is $5,756, and over 1,000,000 veterans have secured mortgage loans aggregating more than $7,000,000,000.

Repealing the time limit for reinstatement of national service life insurance.

Extending for an additional 5-year period the privilege of renewing 5-year level premium-term insurance for World War I veterans.

Established the Women's Army Corps (WAC) in the Regular Army and authorized the enlistment and appointment of women in the Regular Navy and Marine Corps Reserves.

Extended until February 3, 1950, the time limit for applying for mustering-out pay from the armed services.

Provided medical care for reservists who are injured or contract diseases while engaged in military training.

Passed a bill to allow compensation for American citizens and military personnel for injuries sustained as a result of wartime internment.

Provided for refund of income taxes paid for year in which servicemen died while in the service.

Increased amount of Federal aid to State or Territorial homes for support of disabled soldiers and sailors of the United States from $300 to $500 until June 30, 1951, and $300 a year thereafter.

Exempted hospitalized servicemen from the Federal tax on admissions to baseball games, theaters, and other entertainments.

Authorized travel expenses for veterans receiving vocational rehabilitation under regulations of the Veterans' Administration.

Allowed presumption of service connection for chronic and tropical diseases in applying for disability benefits.

Authorized a subsistence allowance to World War II veterans of $1 a day for each day spent as prisoners of the Japanese. This would not affect claims for property loss and personal abuse sustained while in a prisoner-of-war status.

Equalized retirement benefits among members of the Nurse Corps of the Army and Navy.

Preserved seniority rights of 10-point-preference eligibles in postal service transferring from position of letter carrier to clerk, or vice versa.

Authorized sale of permanent war housing to veterans for not more than construction cost.

Amended act of July 31, 1947, to provide further benefits for employees of the United States who are veterans of World War II and have lost opportunity for probational civil-service appointments by reason of service in the armed forces and who, due to service-connected disabilities, are unable to perform the duties of the positions for which examinations were taken.

Increased peacetime service-connected disability compensation rates from 75 to 80 percent of wartime rates.

Mr. Speaker. I realize that this limited enumeration of some of the worth-while legislation enacted to promote the welfare of our veterans and their dependents, does not do full justice to the splendid work that was done by the Eightieth Congress in their behalf. However, it does serve to illustrate the importance of the numerous and varied types of veteran legislation enacted into law for their benefit.

The record made by this Eightieth Congress in behalf of veterans is one of which we may well feel proud. It has been a personal privilege and pleasure to me to have had a part in serving the interests of our veterans and their dependents since I first became a Member of this body. It will continue so long as I have the privilege and honor of representing the First Congressional District of New Jersey.

President Truman and the High Cost of Living

EXTENSION OF REMARKS
OF
HON. HUBERT S. ELLIS
OF WEST VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

Mr. ELLIS. Mr. Speaker, in giving consideration to the President's statement on the cost of living many pertinent facts should be reviewed in order to make the record clear.

Generally speaking the cost of living is the cost of production plus the cost of distribution, and common sense will tell you that any factor that affects the cost of production and the cost of distribution will in turn affect the cost of living, up or down, as the case may be.

Wage rates, freight rates, cost of coal, steel, and farm commodities—all are basic and set the level on what the housewife pays for meat, bread, milk, and other household necessities.

Regarding controls, a little history presents the best argument. Prices and ration controls broke down long before President Truman and a Democratic Congress terminated the OPA in 1946. In May of that year the Bureau of Labor Statistics stated that 85 percent of the stores had no veal, more than four-fifths were without pork loins, ham, or bacon, and that almost 7 out of 10 had no beef or lamb.

The meat-cutters' union at the same time said Government regulations of the meat industry were unenforceable and that impossible regulations were building up an army of meat bootleggers.

Within 1 month's time after the death of OPA employment in the meat-packing industry jumped from 93,000 to 163,000, and 2 months later it had increased to about normal levels of 180,000 workers.

At this time, the President proposed the seizure of packing plants. However, the proposal was turned down as useless because the packing houses were empty.

It must be remembered that the meat we receive this year, 1948, had to be planned in 1946. The Government's manipulation of the OPA completely demoralized the meat industry and we are suffering the consequences of it today through scarcities and high prices.

The cause of meat prices and scarcities is disclosed upon examination of the record of the Department of Agriculture for the past 10 years. Beginning with OPA, the number of cattle, hogs, and sheep have declined on our farms and this was the recommendation of the Department of Agriculture.

The cattle population of 1944 was 85,573,000. Two years later it was 81,207,000. The President and the Department of Agriculture recommended they be reduced 2,707,000 in 1947 and it was done. Today, according to their report, we have 78,564,000 head of all kinds of cattle in this country.

Now listen to this, you consumers who are paying good prices for meat. The Department of Agriculture recommends that the farmers reduce their breeding herds by 517,000 head for this next year. It is almost unbelievable but that is the Department's recommendation.

In 1943, the spring pig crop was 74,223,000. The fall crop was 47,584,000. Now what was the Agriculture Department's goal for 1946? Well, they recommended 51,651,000 spring pigs, a reduction of nearly 23,000,000 head.

The Department in one instance was telling the people there would be a shortage of pork and the next instance asked the farmer in 1948 to produce 2,780,000 less head of pigs than in 1947. This year the goals are raised but it takes at least a year to produce pork and from 2 to 3 years to produce beef.

Now what about sheep? The records show in 1942, 55,120,000 head of sheep and lambs in this country and then came OPA with regulations and careful planning with recommendations until today the sheep and lamb population is about 35,332,000, a reduction of nearly 20,000,000 head.

The same story from the Department's own records could be told about poultry and eggs. It must be recognized, Mr. Speaker, that the professional planners of the Wallace days still believe you can have prosperity through scarcity. We all remember the famous Luckman's order to reduce poultry to save grain. Marketing livestock at light weights, and so forth.

In these days of increased demand for meat and the population increasing almost a million a year, it is difficult to understand why the Department of Agriculture asks for fewer breeding cows. Do they actually want a shortage so that they can again force wartime controls upon the people? Every school child knows we want more production and not less.

The foreign-aid program of this administration is definitely a major factor in our high cost of living. No nation can export $8,000,000,000 to $10,000,000,000 annually in merchandise and commodities and receive nothing in return without dire consequences.

To give a case in point, 2 or 3 weeks ago British buyers using aid money supplied by the American taxpayer went to

Wisconsin and purchased 26,000,000 pounds of cheese, bidding up the price 4 cents per pound.

To present the export problem more clearly, we will look at one basic commodity—steel. The House Small Business Committee has just heard testimony that in 1947 the administration permitted to be exported steel conservatively estimated at more than 6,500,000 tons—a quantity in 1 year which would cover military needs projected at this year's rate for 5 years. Of this total, more than 286,000 went to Sweden, a large steel-producing and exporting country; 61,796 tons to Belgium; and 195,311 tons to Britain, with most of that amount returning from Britain and Belgium in the form of small automobiles and finished steel sheets.

Mr. Truman 7 months ago was vested by Congress with power to control exports of scarce commodities. He has never invoked this power, although he talks of imposing mandatory allocations on American users of steel. Instead of curbing any of the flow of steel abroad, he has allotted 1,120,000 tons of iron and steel for export during the third quarter—almost equal to a full year's military requirements.

The same story can be told about other commodities and housing materials. Time will not permit a detailed recital of all exports, but to give you an idea, I will recite a few.

For the year ending July 1, 1947, they exported 168,844,000 pounds of beef and veal, and 714,785,000 of pork and pork products. For the year ending July 1, 1948, they exported 89,017,000 pounds of beef and veal and 440,192,000 of pork and pork products. All of these things cut the supply and raised the price on the bread basket and it was Mr. Truman's idea.

In respect to housing, keep in mind that 1946 was an election year as well as 1948. In 1946, the Congress was controlled completely by Mr. Truman's party. They passed a housing bill with all the fanfare that could accompany a piece of legislation. They called it a veteran's housing bill to give it added flavor.

All the public-building and all the slum-clearance master minds in the Congress put everything into this measure they could think of—controls, subsidies, priorities, and so forth. No piece of legislation ever gave an administrator so much authority. Under this act, he was absolute dictator of the building industry.

Mr. Wilson Wyatt, former mayor of Louisville, Ky., was made Housing Expediter and low-cost housing was going to bloom on every vacant lot throughout the land. He set up a fantastic goal of 2,750,000 housing units for 1946 and 1947. About 1,200,000 of these were to be completed in 1946.

Congress armed Mr. Wyatt with broad powers and an abundance of money, and he sallied forth equipped with power to issue rules and regulations to make houses grow faster than they ever grew before.

Mr. Wyatt quickly learned something that he evidently had never known before. He learned that it took lumber, brick, plumbing, flooring, doors, plaster, and labor to build a house. He found bottlenecks in brick, soil pipe, electrical supplies, and, believe it or not, he found OPA obstructing his path.

Such is the manner of Government agencies. In the case of brick manufacturers, the producer could not get manpower back into the brick plants unless they raised wages and they could not raise wages unless they could get an increase in the price of brick. OPA said "No," and for a long time as many as 300 brick plants were out of production in this country. They had similar experiences all along the line.

However, their promise to build houses was a good campaign song, and they sang it throughout the land.

The outcome of the whole program was that they literally tied the building industry into a knot. Foundations were laid in 1946 for approximately 400,000 houses in comparison to approximately 1,000,000 houses that will be built in 1948 by private industry.

The act was an ignominious failure, and the President meekly permitted it to expire.

Now in the year 1948, another campaign year, they think another housing measure is political expedient. Let's take a look at the situation. Today, a purchaser is waiting for every pound, piece, and foot of building material, the moment it is ready for market. The buildng trade labor forces have been increased by some 200,000 and every man that can drive a nail, lay a brick, or twist a pipe is at work. More housing units are being built than ever before in history.

Anyone can understand what would happen if the Government would sell more bonds and add $10,000,000,000 more demand on building material and labor. It would simply drive prices higher and higher and throw the industry into confusion.

Today there are countless housing projects throughout the land waiting only for labor and materials. Two years ago, Chicago made an agreement with a life-insurance company to construct a $30,000,000 slum-clearance housing project, Chicago supplying $3,000,000 for the site. This project has not been started because labor and materials are not available.

All responsible people who are familiar with the situation will tell you that it would bring about disastrous results if the Government would now support a housing program which would be in excess of materials and labor available. We must keep in mind that the Federal Government has expended or committed or incurred a potential liability in the field of housing since 1932, a sum now in excess of $20,000,000,000. We should survey this field very cautiously before approving additional legislation.

The housing shortage is brought about chiefly by the discontinuance of housing construction during the 5 war years. We are now building more houses than at any time in our history. Material manufacturers are expanding and producing all that can be produced.

All labor is being used. All builders are at work. It is not humanly possible to build them faster. The housing problem is being solved and it is being solved in the only way possible; by letting the people who know how to build do the job without governmental interference.

We know that the housing shortage has caused hardships for a great number of our people for the past 3 years, but we are catching up and we are catching up fast.

In respect to the high cost of living candor requires the statement that our economic predicament is by and large the fault of the Democratic Party who has managed the affairs of this country for the past 15 years.

National Freedom Day

EXTENSION OF REMARKS
OF

HON. FRANCIS J. MYERS

OF PENNSYLVANIA

IN THE SENATE OF THE UNITED STATES

Saturday, August 7 (legislative day of Thursday, August 5), 1948

Mr. MYERS. Mr. President, I ask unanimous consent to extend my remarks in the Appendix of the RECORD and include a statement prepared by me on National Freedom Day and on the part which was played by a great Philadelphian, the late Maj. R. R. Wright, Sr., in the passage of the resolution establishing National Freedom Day. There being no objection, the statement was ordered to be printed in the RECORD as follows:

STATEMENT BY UNITED STATES SENATOR FRANCIS J. MYERS, OF PENNSYLVANIA, ON THE ESTABLISHMENT OF NATIONAL FREEDOM DAY EACH FEBRUARY 1

Under Public Law 842 of the Eightieth Congress, signed by President Truman on June 30, 1948, the President of the United States is authorized to issue a proclamation designating the 1st day of February of each year as National Freedom Day.

As the author of Senate Joint Resolution 37 of the Eightieth Congress which was the measure enacted into Public Law 842, I am, of course, proud of my identification with this very worthy legislation. But I want to call to the attention of the Senate and of the entire Congress and of the country as a whole the part which an outstanding Philadelphian, the late Maj. R. R. Wright, Sr., played in the final achievement of this goal he first proposed for designating the first day of February as National Freedom Day.

The observance commemorates the signing by President Abraham Lincoln, on February 1, 1865, of the joint resolution adopted by the Senate and House of Representatives of the United States, proposing the thirteenth amendment to the Constitution of the United States of America.

To Major Wright, that event was of great personal importance. This fine gentleman, a great citizen of Philadelphia, was a slave boy of about 10 years of age when slavery was abolished in the United States.

He was old enough then to know the full meaning of slavery. He was young enough to be able to kindle within his breast a fierce determination to make of his life one of great usefulness not only to his race but to his Nation. And he succeeded in that determination.

A few years ago, Ebony magazine, in an article devoted to Major Wright, described him as "the most amazing living Negro in America today."

Unfortunately, although he conceived the idea for an annual National Freedom Day observance, although he promoted it vigorously for many years and was the individual primarily responsible for its adoption by the State of Pennsylvania and by the Congress, Major Wright did not live to see this great dream of his come true. He died shortly before Senate Joint Resolution 37 was passed by the two Houses of Congress, and enacted into law.

National Freedom Day, however, will always stand as a monument to his efforts.

Maj. Richard Robert Wright was president of the Citizens & Southern Bank and Trust Co., of Philadelphia. Of 11 Negro banks in the United States, this one is the only one north of the Mason-Dixon line. It was founded by Major Wright when he was about 66 years of age, in 1921. It is an outstanding Philadelphia institution and one of which all of us in Philadelphia are understandably proud.

The major, who earned his military rank in the Spanish-American War, was a distinguished educator who had devoted 38 years to the presidency of the Georgia State College when he decided—at an age when most men are considering retirement or are already retired—to go into the banking business.

Major Wright had always urged his students to seek business careers as the best method of proving the untruth of the theory prevailing among some whites that Negroes had no talent for business. He was trying his own advice. And he proved it was good advice, too, for Citizens & Southern Bank and Trust Co. in Philadelphia emerged as one of the strongest banks in Philadelphia when disaster hit the banking business in 1933.

Major Wright, realizing at 66 that he knew very little about the business he intended to enter, enrolled in a banking class at the University of Pennsylvania, along with one of his sons, Emanuel. Together they learned the banking business, and together they laid the groundwork for the formation of the Citizens & Southern Bank and Trust Co.

This bank was started with $125,000 in capital raised from 300 Negro stockholders. The original stock sold at $125 a share. In 1945 it was quoted at $143 on the open market.

The bank weathered two depressions because the main criterion for operation of this bank was character. Major Wright believed that character was more important than collateral. There are many legends about his theories of banking, often somewhat unorthodox, but there is general agreement in Philadelphia that this bank has been managed well. Major Wright breathed the warm air of human kindness into the banking business and it paid dividends.

One of the great moments of his life was the enactment into Pennsylvania law of a national freedom day observance in our State. The annual observances at which he presided in Philadelphia were truly inspiring events, and it was always a great pleasure for me to participate.

Mr. President, I include as part of my remarks an article on Major Wright printed in the April 1945 issue of Reader's Digest condensed from the Progressive. This article entitled "Massa, Tell 'Em We're Rising," by Webb Waldron, describes the great career of Major Wright and tells of the day when the young ex-slave, attending a school for Negro children near Atlanta, met the head of the Freedmen's Bureau, Gen. O. O. Howard. When the general asked what message the children of this school would like to send to the people who were contributing to this school Richard Wright rose in the back row and said:

"Massa, tell 'em we're rising."

Years later, when Major Wright became President of Georgia State College for Negroes, Dr. Oliver Wendell Holmes sent him this congratulatory message:

"Man, you're not rising, you're risen."

I ask that the entire article be printed.

The article follows:

"MASSA, TELL 'EM WE'RE RISING!

"(Condensed from The Progressive)

"(Webb Waldron)

"The extraordinary career of Richard R. Wright, born a slave and now leading Negro banker of the United States

"When Richard Robert Wright had taught school for 50 years, he decided to quit. Born a slave, he had risen to be president of a Negro college in the South, a distinguished member of his race. Now he thought he'd better give younger teachers a chance. But Wright was only retiring from teaching, not from life.

" 'For years I had been telling my graduates to get into business,' he says. 'But they would come back, and tell me there were too many handicaps for a Negro. I realized that the worst handicap was a firm belief among *both* whites and Negroes that the Negro hadn't any head for business. I thought it was up to me to disprove it.'

"So, at 66, Wright became a banker. That was in 1921. Today, at 90, a trim, vigorous man with fine-cut features, white hair and sharp dark eyes, Wright is the leading Negro banker of the United States, president of the Citizens & Southern Bank & Trust Company of Philadelphia. He thinks that his best years are still ahead.

"Every working day from 8:30 to 6 o'clock Wright sits in his small, crowded office, busy with telephone, correspondence, Negro and white callers discussing loans and payments, the affairs of his race.

"To get the full drama of this man's accomplishments, glance back to the day more than 80 years ago when news of Negro freedom came to a south Georgia plantation. Harriet, Dick Wright's mother, went to her mistress. 'Are we really free?' she said fearfully. Reassured, she gathered up her children and wandered, afoot, 200 miles northward. After many months, near Atlanta she found a school that had been opened to teach Negro children to read and write. Dick, then aged 11, entered at once.

"One day the head of the Freedmen's Bureau, General O. O. Howard, visited the school. 'What message shall I take from you children to the people in the North who are helping you'? he asked. A boy rose in the back row. 'Massa, tell 'em we're rising!'

"That striking answer of little Dick Wright reached the ears of John Greenleaf Whittier, fighter for human liberty, and Whittier immortalized the phrase in his poem *Howard at Atlanta*. Thousands of times the words of Dick Wright have been repeated in lectures, sermons and songs. They became the slogan of a rising race.

"Dick Wright pushed on through school, finally graduated from Atlanta University. Then he started a school of his own for Negro children, tuition 50 cents a month. One day a mother came with 25 cents—one 'ition,' she said, half the money for her little girl's first month's schooling. Soon she brought in the other 25, making it 'tuition.'

"When Dick Wright was appointed first president of Georgia State College for Negroes, Dr. Oliver Wendell Holmes sent him a message: 'Man, you're not rising, you're risen!' Wright was president of that college for 30 years, fighting for the right of Negro boys and girls to an education not only in handicrafts and farming but in science, languages and the arts.

"Then came the decision to start a bank. In his teaching days Wright had organized a national Negro teachers' association. Now he wrote several hundred Negro teachers all over the United States, asking whether they'd like to buy shares in a new bank to be owned and run by Negroes. Entirely on his name he raised $156,250. Then he visited various cities to determine where to locate the bank. Finally he fixed on Philadelphia. To a man, the leading bankers of Philadelphia advised him against it. There were enough banks in Philadelphia, they assured him, and besides he didn't know anything about banking. 'That just made me determined to go ahead,' say Wright.

"He had three grown sons, all college graduates, and he persuaded the youngest, Emanuel, to join him in the banking adventure. Father and son enrolled in a course in banking at the University of Pennsylvania. Meanwhile, Wright bought and remodeled an old building in a section of Philadelphia that was predominantly Negro.

"The Citizens & Southern opened with $125,000 capital and 300 Negro stockholders. From the start, Wright used his bank as a means of creating better relations between white and colored people. For instance, the streets in that area were unpaved. Wright got up a petition to the city fathers which was signed by hundreds of people, black and white. Ultimately the district got everything it asked for, pavements, street lights, traffic lights. 'That bank is the best thing that ever came into this part of town,' said a white shopkeeper.

"Wright promotes thrift among the people of his district, colored and white. 'The Negro is often said to be thriftless and unreliable,' he says, 'but as a banker I have never been able to see any difference between white and Negro. There are thrifty and thriftless people among them both in about the same proportions.'

"He encourages individual initiative by lending money to ambitious youngsters. One time four young white men came to ask his advice about starting a hat factory. 'I looked them over. They had saved about $400,' he says. 'I told them when they had their plans ready to come back and tell me what they needed. Ultimately I lent those boys $10,000. They made good, and paid back every cent of it.'

"Another man who wanted to start a sweater factory looked all over the city for credit before he came to Wright. 'I thought he had character,' Wright told me. 'Character is more important than collateral. So I lent him $300 to get started. Last year that man banked $219,000 with us.'

"Dozens of small Negro enterprises in Philadelphia, such as laundries, dry-cleaning establishments, groceries, bakeries, and schools, have got started or survived crises by the help of Wright's bank.

" 'Of course there are handicaps for the Negro in business,' Wright said, 'but I always say to a young man starting out, "Don't have a chip on your shoulder, don't be aggressive." Go ahead straightforwardly as if you expected to be treated like anybody else, and you usually will be. Your ability and honesty will do more to put you ahead than your color will hold you back.'

" 'In the South it's different,' he told me. 'But the South today is going ahead more rapidly than the North in tolerance and fair play for the Negro. I predicted 25 years ago that this would be true, and it is.'

"The president of a large downtown Philadelphia bank, after telling me that he'd be proud to walk up Broad Street with Wright because he admired him so much as a man, added hesitantly: 'But I don't think he's hard-boiled enough to be a good banker. Why, the other day the Major—everybody calls Wright "Major" because he was a paymaster with that rank in the Spanish-American War—the Major came in here asking my advice about making a certain loan. "Ma-

jor," I said, "you'd be crazy to make such a loan! That man hasn't got anything!" '

"I repeated this remark to Wright. 'Well,' he said, 'maybe I'll make that loan anyway. I think the man has character.'

"A member of Wright's board of directors told me that sometimes when the board has turned down a loan Wright goes ahead anyway.

" 'Of course,' the Major commented, 'every bank in the world gets fooled on borrowers and loses money, but it's a curious thing that on those loans we've never lost a cent.'

"One time a group of Negro professional men formed a corporation, borrowed money from Wright's bank, hired a manager, and started a laundry. It looked like a sure thing. But the management was bad, and the business failed. Since it was a corporation, no individual was liable for the debt. Yet the incorporators raked up all available assets and repaid the bank in full. 'I failed to make sure the company had good management,' Wright says. 'But my estimate of the character of those men was right.'

"Loans to churches are often considered by banks in the nature of charity. Wright's bank has loaned money to over 100 Negro churches in and around Philadelphia, and every obligation has been met.

"Recently he called in 20 white businessmen who had banked with him for years and asked if they had any kicks or suggestions. 'Yes, I have a kick,' one of them said. 'Why did you ask only white men here today? The next time get some Negro businessmen, too. We're all dealing with you together.' Wright's ceaseless efforts to break down barriers between the races in a business way has had its effect.

"In the 1933 banking crisis, the Citizens & Southern was one of the first Philadelphia banks to reopen. 'Some of those big downtown banks whose presidents had advised me to stay out of banking,' said the Major with a humorous squint, 'didn't reopen at all.'

"Today the bank's $125 shares are worth $143 in open market. The bank has some 10,000 Negro depositors, 1,000 white depositors. Total deposits are $2,312,000. A small bank for a big town, perhaps, but a big bank in its implications for the Negro people. Today the United States has 11 Negro banks. The other ten are in the South.

"On the wall of Wright's office is a photograph of the first meeting of the National Negro Bankers Association, which Wright organized. Here is a picture of the airplane that Wright bought in 1939 and sent, with a Negro crew, on a good-will flight to Haiti and then on a trip around the Negro colleges in the South. That trip did much to promote the enlistment of Negro youth in our air forces.

"And here is a picture of this year's celebration of National Freedom Day, the day on which President Lincoln signed the Joint Resolution of Congress proposing the Thirteenth Amendment, and thus insured the legal end of slavery. The Major originated the idea of celebrating this day—February 1—and already it is observed in many States. As he and his associates conceive it, National Freedom Day is not only a celebration of Negro freedom but a day to challenge bondage everywhere, to assert the right to freedom of all men.

"So, 'Tell them we are rising' has a constantly widening meaning as the Major repeats it."

I also include Senate Joint Resolution 37 as introduced by me as part of my remarks, along with Senate Report No. 761, House Report No. 2395, and a copy of the public law. Both reports express the feeling of the respective Senate and House Judiciary Committees that the observance of National Freedom Day will promote the spreading of good will and good relations between the races:

"Senate Joint Resolution 37

"Joint resolution requesting the President to proclaim February 1 as National Freedom Day

"*Resolved, etc.*, That the President of the United States is authorized and requested to issue a proclamation designating the 1st day proclaim February 1 as National Freedom Day for the purpose of commemorating the signing by President Abraham Lincoln, on February 1, 1865, of the joint resolution adopted by the Senate and the House of Representatives of the United States, proposing the thirteenth amendment to the Constitution of the United States of America; and inviting the people of the United States to observe the day with appropriate ceremonies and thanksgiving."

"Senate Report 761

"REQUESTING THE PRESIDENT TO PROCLAIM FEBRUARY 1 AS NATIONAL FREEDOM DAY

"Mr. WILEY, from the Committee on the Judiciary, submitted the following report [to accompany S. J. Res. 37]:

"The Committee on the Judiciary, to whom was referred the bill (S. J. Res. 37) requesting the President to proclaim February 1 as National Freedom Day, having considered the same, do now report the bill to the Senate favorably, with amendments, and recommend that the bill, as amended, do pass.

"AMENDMENTS

"On page 1, line 3, strike out the word 'and.'

"On page 1, line 4, strike out the word 'requested.'

"On page 1, line 10, after the word 'America', insert a period and strike out all of the language following down to the end.

"The purpose of the bill is to authorize the President of the United States to designate the 1st of February of each year as National Freedom Day to commemorate the signing by President Abraham Lincoln, on February 1, 1865, of the joint resolution adopted by the Senate and the House of Representatives of the United States, proposing the thirteenth amendment to the Constitution of the United States of America.

"STATEMENT

"This committee believes that the passage of this resolution will tend to promote good relations between the races."

"House Report 2395

"REQUESTING THE PRESIDENT TO PROCLAIM FEBRUARY 1 AS NATIONAL FREEDOM DAY

"Mr. REED of Illinois, from the Committee on the Judiciary, submitted the following report (to accompany S. J. Res. 37):

"The Committee on the Judiciary, to whom was referred the joint resolution (S. J. Res. 37), requesting the President to proclaim February 1 as National Freedom Day, having considered the same, report favorably thereon without amendment and recommend that the joint resolution do pass.

"STATEMENT

"The purpose of the resolution is to authorize the President of the United States to issue a proclamation designating February 1 of each year as National Freedom Day, commemorating the signing by President Lincoln on February 1, 1865, of the joint resolution proposing the thirteenth amendment to the Constitution of the United States.

"The committee feels that the enactment of this resolution will go far toward the spreading of good will and the promotion of a better understanding and harmonious cooperation among the white and colored citizens of the United States."

"[Public Law 842—80th Cong.]

"[Ch. 755—2d Sess.]

"Senate Joint Resolution 37

"Joint resolution requesting the President to proclaim February 1 as National Freedom Day

"*Resolved, etc.*, That the President of the United States is authorized to issue a proclamation designating the 1st day of February of each year as National Freedom Day for the purpose of commemorating the signing by President Abraham Lincoln, on February 1, 1865, of the joint resolution adopted by the Senate and the House of Representatives of the United States, proposing the thirteenth amendment to the Constitution of the United States of America.

"Approved June 30, 1948."

Colleague Lauds Hon. C. Wayland Brooks, of Illinois, for Aiding the Nation's Farmers

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EXTENSION OF REMARKS

OF

HON. C. WAYLAND BROOKS

OF ILLINOIS

IN THE SENATE OF THE UNITED STATES

Saturday, August 7 (legislative day of Thursday, July 29), 1948

Mr. BROOKS. Mr. President, I ask unanimous consent to have printed in the Appendix of the CONGRESSIONAL RECORD a letter I have received from my colleague, the distinguished junior Senator from Minnesota, Hon. EDWARD J. THYE, a member of the Senate Committee on Agriculture and Forestry.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE,
Washington, D. C., August 6, 1948.

The Honorable C. WAYLAND BROOKS,
United States Senate,
Washington, D. C.

DEAR SENATOR BROOKS: As one of the junior members of the Eightieth Congress, after having served as governor of my State, Minnesota, I realize the tremendous responsibility placed upon leadership in any public service. I have come to appreciate deeply the able and devoted public service which you have rendered in the Eightieth Congress. As we come to the close of this Congress, I want to express my deep appreciation for the splendid manner in which you, as chairman of the Appropriations Subcommittee on Agriculture, handled the appropriations for the Department of Agriculture. You were at all times patient and courteous and you discharged your duties with great understanding

Although I was not a member of your committee; I was a member of the Senate Committee on Agriculture and I am deeply appreciative of your leadership and help in securing passage of the resolution which made possible the financing of the study of the long-range program for American agriculture. In addition, many members of the Senate Agriculture Committee are deeply appreciative of your suggestion that we retain Dr. H. C. M. Case, director of agricultural economics, College of Agriculture, University of Illinois, as the committee's chief legislative adviser. Dr. Case's understanding of agriculture and economics, not only in the United States, but in Europe and Asia as well, brought us a wealth of information which ably assisted us in writing the long-range farm program.

I, personally, have been deeply concerned with agricultural problems for years as I served as Dairy and Food Commissioner and Deputy Commissioner of Agriculture in Minnesota prior to my term in office as governor. I fully appreciated not only your keen interest in agricultural problems, but Dr. Case's outstanding work.

With deep personal regards,

Sincerely yours,

EDWARD J. THYE,
United States Senator.

Labor-Management Relations

EXTENSION OF REMARKS
OF
HON. CHARLES A. WOLVERTON
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. WOLVERTON. Mr. Speaker, in 1946, prior to the national elections of that year the Republican Party issued a statement of principles, policies, and objectives. It was a declaration to the people of the Nation as to what its candidates for Congress stood for, and what they would be expected to enact into law if elected. A majority of the Members elected were Republicans.

It is therefore appropriate to look at the declaration in their party statement on the subject of labor-management relations. It reads as follows:

> We reaffirm our belief in the right of labor to organize and bargain collectively with employers as one of the cornerstones of competitive enterprise. The processes of such bargaining must be protected and strengthened if we are to have real jobs and prosperity for all.
>
> For that purpose we believe that Government decisions should not be substituted for free agreement, but governmental machinery to promote peaceful settlement of disputes should be improved.
>
> Demands of either side must be kept within the bounds of reason and fairness and both sides must recognize the rights of the general public.

We have kept that pledge.

The conditions that gave rise to a public demand for labor and management to settle in a more orderly way the differences between them, created the necessity for a law that would recognize not only the inalienable rights of both labor and management but also recognize the public welfare as paramount. The labor-management law passed by the Eightieth Congress has done this.

The overwhelming support given to the bill in both House and Senate by the members of both the Republican and Democratic parties can be taken as unmistakable evidence of the merit of the law and of the public demand for such a law.

Congress passed the act over President Truman's veto. The vote showed that nearly four-fifths of all Members of Congress joined in overriding the veto. In the House of Representatives the vote was 331 to 83, only 1 short of 4 to 1. The Senate vote was 68 to 25, or 6 more than the necessary two-thirds majority of the Senators voting.

It is also interesting to note that in the House of Representatives the vote to override the veto consisted of 225 Republicans and 106 Democrats. And to sustain the veto there were only 11 Republican votes and 71 Democrat votes. Thus the Republican vote was almost unanimous and the Democrat vote far more than a majority of the Democrats voting. In the Senate the division by parties was: Republicans for overriding the veto 48, Democrats 20. In favor of sustaining the veto were 3 Republicans and 22 Democrats.

The immensity of the favorable vote to enact the law tells a story that does not need any emphasizing or explanation. It was the voice of an aroused public opinion.

How has the law worked? This is a natural and appropriate question to ask. A study of the facts before and after its enactment, I think, will give the answer. It is that the law has worked well.

An examination of the entire postwar period from VJ-day, August 15, 1945, until the present affords a fair opportunity of comparison before and after the law became effective, August 22, 1947. From the regular reports of the United States Bureau of Labor Statistics, it is evident that the new law is unquestionably improving labor-management relations as intended by Congress and as demanded by the people.

This is strikingly true when it is noted that, since the Labor-Management Relations Act became effective, strikes in manufacturing industries, mining, and the private-building industry have decreased substantially. Work stoppages under the old law averaged 395 a month. They have been cut to an average of 201 under the new law. This represents a reduction in strikes of 49 percent.

The number of workers involved in new strikes each month from VJ-day until the new labor act was 337,000 each month. The average number of workers so involved since the act is 131,000. This is a reduction of 61 percent under the new law.

From VJ-day until the new act the average number of man-days of idleness caused by work stoppages was 7,213,000 per month. Under the new law this figure has been cut to 2,613,000 per month.

It is encouraging to also note that the record shows that notwithstanding such a considerable decrease in strikes that working conditions have continued to improve. Wages have continued to rise, more leisure time has been made available through a shorter workweek and average hourly earnings also have increased.

The vital point is that labor is making these gains under the new law through peaceful, collective bargaining, whereas before the new labor act gains were more frequently made through costly strikes. Wage increases through peaceful negotiation are vastly more important to all concerned than wage increases obtained at the expense of lost wages and lost production. Thus the new labor act is providing a better annual wage for workers and a more constant and increasing supply of things urgently needed as a solvent for high prices.

During 1946, the peak year in work stoppages, workers lost 116,000,000 man-days, while at present the annual rate is running about a fourth as much. On the basis of higher wage rates, the savings to workers would be in excess of a billion dollars a year.

Under the new labor act's sound principles our country is building a rule of reason for cooperation between employers and employees for their mutual benefit and for the good of all our people.

I shall analyze briefly the provisions of the bill.

It is important to note that the rights of workers to organize and to bargain collectively remains in the new law in the same language as in the Wagner Act. Likewise, with no change from the old law it forbids employers to interfere with the employees or to threaten or coerce them when they exercise those rights.

Workers are protected from violence and intimidation by the provisions of the bill that forbid unions to beat up workers or to threaten or coerce workers to force them into a union or force them to choose one union when they wish to choose another.

Free speech is guaranteed to both employers and unions. Each is allowed to talk to workers as long as they do not threaten workers or try to bribe them to join or not to join a union.

It protects individual rights by prohibiting employers and unions by agreement between themselves to force workers to join the union and to pay dues to it unless the majority of the workers by secret ballot have voted in favor of the agreement, and even then it forbids depriving a man of his job by denying union membership to him as long as he is willing to pay initiation fees and dues.

It also forbids employers to check off union dues unless the worker has voluntarily authorized the employer to do so.

It gives protection to welfare funds in the interest of the union members. When employers and unions establish funds for the welfare of workers and their families, it requires them to do so under arrangements that will make certain that the money will be used for these purposes and not for other purposes of the union leaders.

In further protecting the interest of union members it requires unions, in order to be recognized as labor organizations under the Wagner Act, to tell their members how much money they take in, where they get it, and what they spend it for, and to disclose what they pay their officers, how much they charge for dues, the grounds on which they suspend or expel members, and other matters that the members are entitled to know.

In an effort to promote the principle of negotiation instead of arbitrary and precipitous strikes or lock-outs, to the detriment of the workers and all other parties, including the public, it requires unions and employers, when labor contracts come to an end, to negotiate for 60 days before engaging in a strike or lock-out.

Another practice which the bill seeks to correct in the interest of innocent parties not directly connected with a particular labor dispute is by prohibiting

unions, by jurisdictional strikes and boycotts, from trying to get control over employees who have not chosen the union as their bargaining agent or who have chosen another union as their bargaining agent.

To protect long-established craft unions it forbids the Labor Board, which administers the Wagner Act, to compel skilled workers to bargain through an industrial union when they wish to bargain through a craft union.

Recognizing that Communists and other subversive influences have sought at times to get control of unions and use them for their purposes, and, further recognizing that these individuals cover their activities with secrecy, and remain unknown as Communists to the loyal and patriotic workers in the union, the bill in an effort to protect union members from such influences, requires unions, in order to be recognized as labor organizations under the Wagner Act, to file affidavits of their officers saying the officers are not Communists or fellow travelers.

It forbids corporations to use stockholders' money for political purposes and forbids unions to use members' money for political purposes.

To preserve equality before the law, it makes unions subject to suits for damages the same as individuals, corporations, and other organizations, when they break their contracts or engage in unlawful activities.

To protect the public against strikes that imperil the public health or safety, the bill enables the President in such cases to delay for a time such strikes, as he did in the great coal strike early this year.

The Conciliation Service is set up as an independent agency. It is directed to try to prevent strikes—it cannot forbid strikes—and authorizes it to take a secret ballot of employees before a strike, if the union is willing.

It requires unions, as well as employers, to bargain in good faith when employees choose the union as their bargaining agent.

It requires the Labor Board to use fair procedures and to render fair decisions whether the cases involve charges against employers or charges against unions.

Recognizing the necessity to have a law that will at all times be fair in its operations as between employer and employee, the Congress in enacting the law set up a joint committee of Congress to study labor-management relations. If defects in the law appear, we will change the law. We will not stubbornly resist change. It is our desire to make the law fair, just, and workable in its application to all parties, including the public.

Throughout my entire service in the Congress, I have been sympathetic to the cause of labor. I continue to be. I believe that this law which was so overwhelmingly passed by Congress is a good law. It may need some changes in certain particulars, but in the main it has proven fair and just, and, I believe with honest administration, it will prove highly satisfactory to all parties concerned, including the public, and will bring a greater measure of peace to the industrial scene than we have known for many years.

A Hopeful Plan for World Peace

EXTENSION OF REMARKS
OF
HON. FREDERICK C. SMITH
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

Mr. SMITH of Ohio. Mr. Speaker, I ask unanimous consent to insert in the RECORD a statement by Mr. George D. Brabson, a constituent of my district, entitled "A Hopeful Plan for World Peace."

From a reading of this statement, it is evident that Mr. Brabson has given the subject which he discusses considerable thought. It should be of great interest to all who are concerned with the present world situation. It is an illuminating study.

A HOPEFUL PLAN FOR WORLD PEACE

(By George D. Brabson)

No one can intelligently discuss the many and involved phases of the Marshall plan or make even a calculated guess as to its likely outcome without some knowledge of our previous ventures into the ecoomic problems of Europe. The most arresting thing about the Marshall plan, the Truman doctrine, and the other plans for economic rehabilitation in Europe and the containment of communism, is the refusal of their various proponents to deal with the whole problem. They admit that their plans are stopgap measures only, intended to meet an impending crisis, and they stop thinking beyond that point with the excuse that unless we meet that crisis head-on and at all costs, we are lost—that the time for all other measures has passed, and the one issue we must face is that of stopping communism in its tracks, now or never.

Anyone with a sense of historical perspective, or with a knowledge of the inexorable logic of time, cannot fail to remember that we Americans have proposed some 12 different plans for restoring European economy and saving the world from dictatorship, all within the past 30 years. Here they are:

Wilson's fourteen points.
Washington disarmament treaties.
Kellogg pack to outlaw war.
The Dawes plan to restore European economy.
The Young plan.
The Stimson doctrine to prevent aggression.
Neutrality Act of 1936—Roosevelt plan.
Quarantine plan of F. D. R.
The four freedoms.
The Atlantic Charter.
The Yalta declaration—and now.
The Truman doctrine.

We have found from past experience that none of these plans has worked for one reason or a dozen. Yet we have seized upon the Marshall plan as if it were the one and only hope of salvation for Europe, and indeed in the long run for ourselves. Since no one else has dared to suggest that there is any other way, or that there are certain alternatives, I am forced to undertake that task myself, and to propose what may impertinently be called the Brabson plan. If so, it is based upon four well-defined premises, all derived from the pages of European history and the lessons of elementary economics.

My first premise is that no single racial group, or nation, if you prefer, has ever been able to conquer and hold all of Europe for any substantial period of time, and there is no evidence that any one nation can do so within the foreseeable future. Practically all the major European nations have tried it under sociological and economic conditions far more favorable to one power domination than will ever exist again. All of them failed miserably in their attempts. The list includes the Russians, the Germans under their different leaders, the French, the English, the Spanish, and even combinations of these powers with others.

My critics will, of course, argue that this is a different era in history, that modern weapons have changed the picture; that a modern military machine can now be built up so strong as to be impregnable to attack from without or within; that warfare is now of the total population, total resources variety, involving all economic aspects, and hence any nation once dominated and organized into such a pattern could never hope to extricate itself. And then to silence me for once and for all, my critics will patiently remind me that this is the atomic age.

Most of these same arguments could have been and doubtless were made when Napoleon seemed to be trampling all Europe under heel; when Bismarck planted the black eagle over Paris, Copenhagen, Prague, and Vienna; when Peter the Great conquered all eastern Europe, and even when the Spanish Armada sailed for England. But there was something in each age and circumstance which prevented the final consummation of European dictatorship. Was it a lack of sufficient racial integrity to hold the conquering armies together? Was it an inherent inability of the many divergent peoples of Europe to become united under a single pattern of any nationalist design?

My second premise is that no single racial group or nation can impose its economic, wage, and property system upon the whole of Europe for any substantial period of time. That, too, has been tried time and again throughout the various countries of Europe ever since the days of Julius Caesar. But the invariable reaction has been resistance, a period of growing resentment, and the eventual discarding or evolution into something else. The outstanding mark of the genius of the major races of Europe has been their individual ability to build up each for themselves a separate economic and property system, suited to their own soil, their climate, and to the demands of their particular racial temperament.

It is no mere accident of birth, for example, that the English system of proprietorship varies in many respects from that of White Russia of pre-Soviet days. It was the nature of the soil and the kind of crops that could be grown upon it, the climate and the dispersion of the population, the ethnological background and temperament of the peoples—all combining, which were responsible for the differences in their economic systems.

These differences, all ingrained into the various racial stocks of Europe over a period of thousands of years are almost as immutable as the soil and the climate out of which they grow. To think that the economic systems of England, France, Germany, Spain, or the Scandinavian peoples can be changed over the week end by a decree from Moscow is to say the least a rather startling and improbable assumption.

My third premise is that the whole Communist system is built upon a series of untrue and unproven postulates, most of which must

of necessity become apparent within a reasonable period of time, and which taken together will eventually bring about its own liquidation. These dishonest assumptions may be briefly summarized as follows:

1. The assumption that an authoritarian form of government can produce the world's goods without personal rewards or incentives, and can do the job as efficiently or as cheaply as unharassed human beings can do it for themselves. The idea has been tried out a thousand times under every possible clime and condition, and the invariable result has been failure. Soviet Russia today is the best possible proof of the falsity of that Communist assumption.

2. The second false assumption of the Soviets is that the people of western Europe and the two Americas are living under such desperate economic conditions and are in such poverty and despair, that they would gladly exchange their lot for the three square meals of communism. Now there is, of course, always a minor segment in any society—the failures, social misfits, and frustrates—who are willing to exchange their birthright for a mess of pottage. That has been true ever since the days of Cain and Abel. But it most surely does not apply to the great mass of society in western Europe and the Americas today.

3. The third false assumption of the Soviets is that the human species, i. e., the common man, will ever be persuaded that communism is the answer to all his religious needs, and therefore the churches can be closed, the priests dismissed, and all forms of religious worship abolished by a decree of the Soviet high priest—Mr. Stalin. That is such a basic fallacy that one would think that no man with common sense, not even a Russian, would believe it. And there is mounting evidence at hand that notwithstanding their alleged naïveté a great many of the common people in Russia do not believe it.

Nevertheless that sort of religious heresy is still a basic tenet in the Marxian philosophy. "Religion is the opiate of the people," declared Lenin. His reason for saying so was perfectly obvious. Lenin knew full well that the only way to get communism over to the Russian peasant was to sell it as a way of life, a philosophy of social living, in short as a religion. To do that he had to disparage and, if possible, destroy the existing religion of the peasants—belief in the teachings of Christ. That the Soviets have attempted to do ever since.

Of course, it cannot be done. One of the chief differences between Communist and Christian ideologies is that communism teaches the common man to think of himself as a cog in the machine of the state, while Christianity whispers to every man that he is a child of God. No materialist philosophy like communism can withstand that deadly parallel.

My fourth premise is that no form of government, regardless of its economic or sociological principles, can survive the test of time where its leaders have obtained power through a fabric of lies and false promises. We are just beginning to understand the power of the promises that men live by. Hitler was quick to perceive that, and his authoritarian power in Germany was built up not so much upon the strong-arm tactics of his storm troopers, as upon the glory and personal rewards held out to the younger German men and women through participation in his Hitler Jugend. The chief differences so far as I can see between the Hitler technique and that of Mr. Lenin was simply that Hitler built his movement upon the biggest lies he could invent and boasted of the fact, while Lenin left the latter up to the people to find out, if they could.

The point is that nothing enduring can be built upon such false promises as these. The Soviet system has been running now for about 30 years. Slowly the Russian peasant worker is waking up, learning the truth about himself and his Government. The last war helped that process along mightily. As soon as a sufficient number of Russians learn what has happened and what the truth is about their future prospects—then the break will come.

There are at least three ways to speed up that process:

1. By education of all peoples to think in terms of western democracy.

2. By propaganda on a world-wide scale.

3. Political and economic encouragement of oppressed peoples in all lands to set up democratic and representative governments.

But we cannot afford to provoke a war with Russia or any nation on ideological grounds. That in the best way to enable dictators to cry wolf and rekindle patriotism of their own people.

The truth is—you cannot fight ideas with bullets.

From what has been said above we can begin to build up the propositions to form the framework of our foreign policy, looking always toward world stability and peace. These are not stop-gap measures in any sense of the word. They recognize rather that peace and stability are long-range objectives, attainable only by recognizing facts as they are, and adapting our principles to objectives that are realistic and attainable.

1. First of all, we must recognize that the Russian people are here on earth to stay. We cannot exterminate them or compel them to return to the medieval hibernation they kept so long. For 200 years Great Britain as a world power maintained control and order over large segments of mankind. We have just witnessed its abdication as a world power, and we are beginning to see the disintegration of world order. Into the resulting political and economic vacuum some type of world power will naturally gravitate, since all races and peoples refuse to live without some sort of order and direction. At the present time it looks as if Russia and the United States are the only two world powers capable of such a task. Russia has and will move into certain areas, and doubtless we will want to control certain areas ourselves—for our own protection, of course.

The Russian people as such have certain legitimate objectives and aspirations. Some of them are defensive and some are purely nationalistic. We would do well to distinguish between the legitimate aspirations of the Russian people on the one hand, and the communistic intrigue and treachery of the Communist Internationale headed up by the Soviet leaders on the other hand. That Russia should be forever contained as an inland power without a single warm-water port to the west is outmoded diplomacy that we no longer can afford to maintain, even for the benefit of our ailing friend, Great Britain.

A policy of respect for the legitimate aspirations of the Russian people is justified on several grounds. In the first place, Russia is dominant and militarily impregnable in Eurasia just as we are dominant and militarily impregnable in the Americas. Either nation, in a conflict waged on its home continent, could fight the other to a stalemate. In the second place, another world war of such proportions would probably result in bankruptcy and economic prostration for us regardless of its outcome militarily. That would mean communism or state socialism in some form for us, i. e., loss of individual freedom, human rights, and individual initiative—everything we went to war for.

2. The second point is—our practice of opposing every Russian move in Europe, as imperialistic, and needling Russia's representatives on every occasion, is neither realistic nor necessary. We cannot pose as a holy virgin in our own diplomacy, past or present, nor in the conduct of our relations with other nations. Nor are we recognized, even by the western European countries, as a young Lochinvar riding out of the West. It is time we got off our high horse of self-righteousness, recognize our own vulnerability, and admit that our own foreign policies, like those of any great nation, seem imperialistic to other countries, even though we may think they are necessary to preserve our national self-interest. Our present policy of trying to keep Russia bottled up as an inland power with no warm-water ports opening to the Atlantic, is an imperialistic policy, viewed from any angle. To maintain that sort of policy simply antagonizes all classes of Russian people, even those opposed to the Soviets.

3. Third, the sending of munitions and military supplies to Greece, Turkey, and other countries for the avowed purpose of blocking Russian expansion is ineffectual either from the standpoint of positive results, or of good will. Russia is so situated strategically that she can offset such assistance with minimum effort on her part, acting, if necessary, through Communist minorities in those countries. Whether or not the people in a given country accept Communist rule or not is a political issue, and no people welcome outside interference in their political affairs. That is especially true where there is an organized inside opposition, deliberately misrepresenting our assistance in every way.

This is distinctly not to say that we should stop all our material assistance to European countries. We are in a position to and can well afford to still be generous and charitable in our economic assistance. But it should be done in that spirit and upon that basis; not as a matter of political warfare against a third power which does have its own national interests to consider, wholly aside from any question as to its social beliefs or its economic system. On the other hand, our economic resources are not boundless. There is a limit beyond which we dare not go in this flood of money, property, and natural resources of Europe, or we shall exhaust the very foundations of our own economic system. The Soviets would be delighted to see that happen.

There is a much better way of giving genuine aid and economic assistance to European nations. No one values charity as much as the fruit of one's own efforts. Instead of dumping charity into their laps we should be helping European countries to recover by more businesslike means. The way to get production and employment started in Germany, France, Italy, and so on, is for us to lend money directly to the people in those countries who have the knowledge, initiative and the capacity to build factories and start machines—not to the politicians to build up political machines. It could be done through a series of corporations, each responsible for its own commitments. Our loans could even be protected by mortgages or issues of preferred stock if that became necessary.

4. In the fourth place, we should reexamine our own nationalist objectives in a cold and critical light. Is it fair to say that we are allowing our eyes to rest too long on oil in the Near East? For years our Government discouraged American capital from investing in that area, because of the diplomatic angles. Then about 1938 our State Department suddenly reversed itself, and not only approved but encouraged United States investments in Near East oil. Now our Army and Navy are so interested in that oil and in Middle East bases that they practically dominate our foreign policy as to those areas.

I am not convinced that such a policy as to oil in the Near East is either sound or farsighted. In times of peace we can buy oil on world markets just as cheaply as we can

produce it in the Near East. And in time of war the Near East supply line would be difficult to protect or maintain. From a strategic or military standpoint, therefore, Near East oil is impossibly located. Again, and from a military standpoint, we could far better afford to find new oil reserves in the Western Hemisphere, or even to subsidize a completely new synthetic fuels industry. The cost of a whole new industry would be only a fraction of the cost of a war with Russia, and it might eliminate the possibility of such a war.

Again, I'm not convinced that the obvious Army-Navy program for military bases in Africa and the Middle East is sound foreign policy for us. There is nothing defensive in any such program. On the contrary, it smacks of offensive tactics. Perhaps it can be supported from a military viewpoint, but from the standpoint of long-range, peaceful international relations there is little can be said to justify such a program—unless we are committed to a policy of world imperialism ourselves.

5. The assumption that the Communists constitute an internationalist organization having indestructible party solidarity and stability is wholly erroneous, and should not be made the basis of our political thinking. The truth is that the Communist Internationale is already badly split into numerous factions. The ideas and objectives of the Communist Party in France are, except from a purely theoretical false front of Marxisms, largely different from those of the Communist Party in Russia, and they are in violent opposition to the ideas and objectives of the Communist Party in Germany. Similar fundamental differences exist between the Communist parties in Hungary and Bulgaria. The same is true of the Communist parties in Italy and Yugoslavia. These differences are based in part upon racial animosities, nationalist persuasions, and the multitude of grievances that have antagonized these countries for centuries. They cannot be wiped out by a decree from Moscow. Poland, for one, will never become a Communist state as long as a single Russian has anything to say about it.

Russian Communists, even if they could overrun all Europe, would fail miserably in the task of organizing and operating it along Communist lines. Saddled with all Europe's political and economic problems the Soviets would soon find themselves the most hated and despised taskmasters since Attila the Hun. If there are any western European countries willing or determined to try communism, our anti-Soviet money and supplies will not deter them. You cannot buy off Communists at so much per head. I know of no quicker way for western Europe to become cured of its temporary Red leanings than for them to observe how communism works out in some western country, such as Czechoslovakia. It may take some time, but the result is an inevitable one. And in such a contest time would be on our side. Russia already has enough of Europe on her hands to wreck her economy in a few years. Stalin has already promised the impossible to the countries of eastern Europe. Russia cannot possibly deliver. No economy based on compulsory labor can feed, clothe, and implement Europe's peoples. Why not give Stalin and others a few years of rope and let them hang themselves? Meanwhile, we shall keep ourselves economically and militarily strong—and safe.

6. The most positive means we have of combating communism is with ideas. Communism is a false philosophy from top to bottom. It is based on double-talk and slick answers to troublesome and urgent social problems. We democracies do not know all the answers ourselves, but we are trying honestly to find them, and we have God and truth on our side. That is what counts most. "Truth prevails," was the symbol Thomas Masaryk constantly urged upon the Czech people.

Our weapon against communism is to turn the light of truth upon it. All of its false promises, deceptions, half truths, and Godless cynicism will stand out like criminal stripes. Our great difficulty thus far has been that we didn't know enough about communism to expose it. The Soviets deceived us, fooled us for years into thinking that the Russian people were living in a land of freedom, education, democracy, and opportunity. We now know of the millions there rotting in slave labor camps; that most of its people live without freedom and in terror for their very lives; that their schools grind out little but propaganda and misinformation, and that there is opportunity for no one but the party commissars.

Turn the light of truth then on communism in all its aspects. Spend our money on carrying this truth to every country on earth. Russia cannot remain bottled up much longer. The Russian people are eager to open up their resources for world trade. Whenever they do some of the truth will enter with every package and every returning merchant. We have no quarrel with the Russians as people—it is only their Communist philosophy that we must combat. And it is still true that the pen is mightier than the sword.

We can speed up that process by education, by propaganda on a world-wide basis, if necessary, and by encouraging oppressed peoples in all such countries to throw out dictators and police-ridden governments of all sorts. But we cannot afford to provoke or allow ourselves to go to war with such nations on ideological grounds. That would be the quickest way I know of to enable the dictator governments to cry "Wolf," and to rekindle patriotic fervor in their own people. The truth of the business is—you cannot fight communism with bullets. That lesson we might as well learn—now.

Senator C. Wayland Brooks, of Illinois, Praised for Service to American Agriculture

EXTENSION OF REMARKS
OF
HON. C. WAYLAND BROOKS
OF ILLINOIS
IN THE SENATE OF THE UNITED STATES

Saturday, August 7 (legislative day of Thursday, July 29), 1948

Mr. BROOKS. Mr. President, I ask unanimous consent to have printed in the Appendix of the CONGRESSIONAL RECORD a letter I have received from my colleague the distinguished senior Senator from Vermont, Hon. GEORGE D. AIKEN, a member of the Senate Committee on Agriculture and Forestry.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE,
COMMITTEE ON AGRICULTURE
AND FORESTRY,
July 6, 1948.

Hon. C. WAYLAND BROOKS,
United State Senate,
Washington, D. C.

DEAR CURLY: Now that the President has actually signed the long-range farm bill, I want to express to you my deep appreciation for the great service which you have rendered to American agriculture during the Eightieth Congress.

First, let me thank you for your recommendation of Dr. H. C. M. Case, director of agriculture economics at the University of Illinois, whom the Senate Committee on Agriculture was able to secure as our chief agricultural adviser. Dr. Case's advice was of great value to the committee and the legislation which we were able to enact with his assistance I believe will prove to be of inestimable value to American farmers.

Next, I want to congratulate you and thank you for the fine manner in which you, as chairman of the Appropriations Subcommittee on Agriculture, handled the appropriations for the Department of Agriculture. The consideration which you gave to the needs of American agriculture and particularly to the rural electrification program, left little to be desired. As a matter of fact, it has been a long time since any Congress has given as much consideration to the welfare of the American farmer as the Eightieth Congress has done.

You have played a great part in this work and the understanding with which you have discharged your legislative duties as chairman of the Subcommittee on Agricultural Appropriations has contributed greatly to meeting the farmers' needs.

That is why I am taking this opportunity to express my appreciation for the service you have rendered to the American farmer.

Sincerely yours,

G. D. AIKEN,
United States Senator.

Natural-Gas Rates

EXTENSION OF REMARKS
OF
HON. FRANCIS J. MYERS
OF PENNSYLVANIA
IN THE SENATE OF THE UNITED STATES

Saturday, August 7 (legislative day of Thursday, August 5), 1948

Mr. MYERS. Mr. President, I ask unanimous consent to include in the Appendix of the RECORD a statement prepared by me on the subject of natural-gas rates.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY HON. FRANCIS J. MYERS, OF PENNSYLVANIA, ON NATURAL-GAS RATES

One of the important issues which faced the Eightieth Congress—one of many which were not resolved but merely postponed—was the subject of natural-gas rates.

In the first session of the Republican-controlled Eightieth Congress, a bill known as the Rizley natural-gas bill was shoved through the House of Representatives in lightning speed. The RECORD shows that a great many of the Members had no real conception of the far-reaching significance and importance of this measure. However, all voices raised in questioning of the desirability of this legislation were promptly stilled, all amendments brushed aside, and the bill was passed and sent to the Senate.

When the bill was debated in the House on July 11, 1947, with only 1 hour allowed for a full and comprehensive discussion of a very complex and technical and vital matter such as the basic changes it proposed in the whole theory of Government regulation of the natural-gas industry, the country had recently passed through a rather serious shortage of fuels, particularly natural gas in those areas

of the country where natural gas was a customary fuel.

The bill H. R. 4051 was represented as providing a solution to the shortage of natural gas the following winter, the one we have recently passed through. It was stated on the House floor with great emphasis that passage of this bill by the Congress would immediately let loose a new flood of natural gas for the pipe lines to carry to the Midwest and the far West and to the East. It was reported that gas was flaring to waste, gas which could immediately be shipped in interstate commerce if this bill were passed.

When we received the bill in the Senate and subjected it to close study in the Senate Committee on Interstate and Foreign Commerce we discovered that it was one of the worst pieces of legislative sleight of hand we had seen in a long time, designed to make a gift to a particular industry of millions and millions of dollars of the consumers' money. And it would not have increased the gas supply.

Thanks to the solidarity of the Democratic members of the Senate Committee on Interstate and Foreign Commerce we not only blocked committee approval of the bill, thus keeping it from the Senate floor during the first session, but we also managed to expose to the bright light of public understanding some of the worst features of this bill as it passed the House.

There were frantic efforts made toward the end of the first session to amend out of the bill some of the most objectionable features in the hopes of getting through others, perhaps not quite as blatant but equally inflationary and unfair to the consumer. These efforts failed because of the solid opposition of the Democrats on the committee. One Republican member joined us.

When the second session of the Eightieth Congress started in January, renewed pressure was applied by the natural-gas industry and its friends in the Republican leadership to get a form of the Rizley bill through the Senate committee. New compromises were offered in succession after each was rejected. Some of these so-called compromise bills turned out to have features even worse than the original bill. All of them were anti-consumer and provided huge additional sources of profits to pipe-line companies already enjoying tremendously high rates of return on their investment.

One of these so-called compromise bills was referred to a subcommittee for hearings. The natural-gas industry, with plenty of funds at its disposal for the purpose, since millions and millions of dollars of additional profits were at stake, sent in its experts and lobbyists to tell us why this special interest legislation was necessary—and they said it with a straight face—in the public interest.

The consumers are not organized; they do not normally have the outstanding experts in this field at their service. However, the Institute of Municipal Law Officers, representing the city solicitors of the cities of America, through its president, Miss Anne X. Alpern, city solicitor of Pittsburgh, and through other representatives, including Jerome M. Joffee, of Kansas City, Mo., chairman of the committee on electrical and gas rates, provided excellent witnesses who knew the subject of natural gas thoroughly and the impact of this legislation on the rates of city consumers. Miss Alpern's hard-hitting testimony was particularly effective in unmasking the pretenses behind this legislation.

The solid opposition of the members of the Federal Power Commission to the House-passed Rizley bill, was a major factor in helping to defeat the bill in 1947. This year, however, the Commission divided over some of the aspects of the legislation and did not have a uniform position.

After the hearings were completed by the Senate Interstate and Foreign Commerce Subcommittee, the two Republican members of the subcommittee issued a report endorsing the proposed legislation and urging its approval by the full committee. The lone Democratic member of the subcommittee, Senator STEWART, of Tennessee, issued a vigorous dissenting minority report. It is noteworthy that in the final show-down in the full committee, the Democratic viewpoint prevailed.

This was, as I noted, because all the Democrats on the full committee were united in opposition to this proposal to raise natural gas rates substantially for the mere sake of increasing already large natural-gas pipeline profits—profits in all cases at least as high as the level set by the Supreme Court as fair and reasonable. One of the Republican members of the full committee, Senator TOBEY, of New Hampshire, joined in our position throughout the 2-year dispute.

On the show-down vote, however, we picked up some additional Republican support. It is interesting to consider the publicly expressed reason of one Republican member of the full committee in deciding to vote against the measure.

He stated that although he favored much of the theory of the bill, he was convinced President Truman would veto it if it was enacted, and, he said, he did not want to give the Democrats such a good campaign issue in an election year.

And, of course, it would have been a good issue, for the people of the United States do not take kindly to bold attempts to enact legislation expressly designed to throw millions of consumer dollars into the hands of any utility, just for the fun of it.

The natural-gas proposals were described by many outstanding Washington reporters as constituting a "grab" for this utility. They would have given pipe-line companies the right immediately to raise substantially the prices they can charge for natural gas which they own in their own wells. As it passed the House, the bill would have enabled pipe-line companies to construct new lines in almost any direction free from any significant or effective Federal control. They could thus have invaded new markets without regard to any basic factors such as the availability of gas for older markets now dependent upon the fuel for essential manufacturing and heating uses; they could have charged what the traffic would bear for their gas, subject only to Interstate Commerce Commission (rather than Federal Power Commission) supervision over rates, and that supervision would have been restricted only to the actual transportation charges.

The House-passed bill would have dealt a death-blow to effective Federal supervision of the natural-gas industry as outlined in the historic Natural Gas Act of the late 1930's. It would have led to idiotic waste of a valuable natural resource.

Even the various bills considered in the Senate would have gone far toward destroying Federal Power Commission protection for consumers and admittedly would have raised consumer rates in such cities as Pittsburgh, Erie, and elsewhere in Pennsylvania; in Colorado; 151 communities in Kansas, including Kansas City, Topeka, and Wichita; scores in Oklahoma and Missouri and Tennessee, Mississippi, Nebraska, and other areas where natural gas is a customary fuel. The figures on these probable increases are astounding.

These increases would have been gifts to the natural-gas utilities. None of them is claiming property. None claims it is squeezed on revenues. They do say, however, that if some present governmental interferences—interferences to their gouging the consumer—are removed, they would be much happier.

We beat them in this Congress. But they will be back next year, I am certain, seeking once again to get their special-interest legislation through. The Democrats on the Senate Interstate and Foreign Commerce Committee, plus one Republican, provided the thin line of defense this term of Congress. A Senate with greater Republican strength would have passed this legislation, to the detriment of the people of America.

I started out by saying that the issue has not been resolved, that it has merely been postponed. It is an issue which will face the Eighty-first Congress.

My Journey to Israel

EXTENSION OF REMARKS
OF

HON. LEO ISACSON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. ISACSON. Mr. Speaker, for more than 30 years, since my boyhood, I have looked forward to one day journeying to Palestine, where the people of my faith have for more than a half century been planning, building, and cultivating in anticipation of the establishment of an independent homeland in the country of their ancestors.

My decision to go at last—or rather my decision to try to go—was reached during my campaign for the congressional vacancy in the Twenty-fourth District, Bronx, last February.

In this campaign, a burning issue was the vacillation of our Government with respect to the United Nations partition decision, the imposition of the embargo against shipment of arms and the heartbreaking possibility that the Jewish homeland in Palestine, so long prayed for and so long promised, might be abandoned by our Government and the United Nations majority under pressure from the United States oil interests and other elements, including Arab nationalists and British imperialists.

As a Zionist since boyhood I felt a deep, personal anguish over the possibility of defection from the United Nations decisions.

In fact, this issue was the one which finally decided me on running for Congress, in order to make whatever fight I could in our Government to help establish and secure the long-planned Jewish state. During my campaign I pledged that I would seek to visit Palestine to observe the situation there at first hand and report back to my people.

My first few weeks in Congress found my full attention occupied with issues such as rent control, inflation, militarization, and civil liberties. However, my maiden speech in Congress was a plea for full implementation of the UN Palestine decision and an end to our arms embargo which has left the Jews of Palestine at the mercy of British armed and trained invading forces.

After some difficulties with our State Department which resented my outspoken criticisim of their betrayal of Israel, my passport was finally issued on April 23.

However, visas for Palestine were then in the hands of the British and they were unwilling to grant me one.

But the British mandate was to end on May 15. So I decided to wait until the proclamation of the new Jewish state, then already announced for that date, and obtain my visa from the new government.

This worked out to my ultimate advantage, since even if I had obtained the necessary visas earlier I would have been unwilling to leave the country for an extended period during April or May due to the urgency of matters coming up before Congress in its closing weeks prior to the national political conventions.

On May 30 I obtained my visa from Eliahu Epstein, the representative of the State of Israel in the United States, and made plans through the Amalgamated Bank's travel agency to fly to Israel via London, Rome, and Cyprus starting on Thursday, June 24, following the scheduled adjournment of Congress on June 19.

By this time my father, Hyman Isacson, had decided that he, too, as a lifelong advocate of a Jewish national homeland, would like to go along and see the new country. His passport was issued by the State Department with extraordinary speed; we got the necessary visas, took off late Thursday, June 24, on a Trans-World air liner for London.

LONDON—JUNE 25

We reached London at 8:30 p. m. Friday instead of the scheduled 3:15 p. m. landing time due to delays on both shores but were politely and efficiently cleared through customs and speeded, bag and baggage, to the Hotel Savoy. I got my first impressions of England and legendary London from a chugging taxi with an old-fashioned coach body and Victorian chauffeur to match.

Venturing into the Strand that night with street maps, we found most eating places closed but at last located a rather fancy establishment which also served drinks. There were no menus and we finally chose fried skate as against fried sole, the only two dishes available.

The place was crowded and so we were not surprised when the waiter seated a party of two men and a woman at our table. They had obviously had a few drinks. Soon we were in conversation.

They disliked America. "A lot of little people with big machines," they said. The woman added, "They don't think," tapping her head contemptuously, to emphasize her complaint. "When Roosevelt died a great man was lost."

They were contemptuous of Truman and cold about Dewey. They admitted disappointment in their own labor government although they had voted for it. In answer to my question they expressed the conviction that Britain should get out of Palestine but cautioned that there was no real appreciation of the complex problem that Britain had to face there. Here again they were critical of the United States for letting England hold the bag.

The next morning we went to the passport office where a Mr. Little, after many doubts, hesitations, and hints that someone in very high authority would have to act, finally O. K.'d our visas to Cyprus for a scheduled stop-over there on Monday, June 28.

MY MEETING WITH HAROLD LASKI

Before leaving the States I had sought an interview with Harold Laski during my London stop-over and we finally arranged to meet for tea at 4 p. m. Saturday.

Laski was addressing a meeting of the Fabian Society at Caxton Hall earlier that afternoon and I went there to pick him up.

Caxton Hall seemed very much like Webster Hall in Greenwich Village and the Fabian Society proved to be very much like a Wallace meeting. Eager delegates were convinced that Fabian "gradualism" was moving far too gradually and demanded more action.

I met Mrs. Laski, a small, friendly woman who prettily informed me that she had once given $10 to the Wallace movement.

Harold Laski seemed more mature than his pictures indicate and his scholarly dignity was impressive. We talked, largely off the record, about Israel, Britain, and the United States. He has, of course, a historian's grasp of American politics and trends. He knew of my election to Congress and informed me with a twinkle that he had warned Bronx Democratic leader Ed Flynn that I would win.

After we had spent a few moments discussing the general political picture I got down to specifics and asked Mr. Laski what he thought of our policy in Israel.

"Frankly," he replied, "I am convinced that American policy toward Israel seriously threatens to turn that newborn land into another Spain. Your Government's arms embargo has a sinister resemblance to the nonintervention policy in Spain.

"Your arms embargo," he continued, "is not only hypocritical but it is absolutely criminal. How in the name of common morality and decency can the United States refuse to send weapons of defense to Israel while the British continue to send instruments of death to the Arab aggressors? All the embargo has accomplished so far is to fill with Jews the few graves left empty by Hitler."

There was very little I could say to that, so I asked Mr. Laski what he thought of the Arab defiance of the United Nations. "After all," I told him, "there are a lot of American and British officials who are trying to create the feeling that if the Arabs are not appeased they will cut off oil shipments and make a lot of other trouble."

"That's pure rot," Mr. Laski replied. "One good squadron of bombers and a couple of dozen guns lend-leased to Israel would, by their very existence, put an immediate end to any thought of Arab defiance."

My father was curious to see a Jewish restaurant in London so we found Iskol's. We had lotkes and matsoths with our food but the portions were small and the quality poor. Again we shared our table, this time with a young Jewish couple. Their conversation was marked by the same lack of animation we found in other people in London, a resignation that reminded me of the 1930 days of depression in our own country.

The next morning, Sunday, we returned to the airport and took off again. This time the plane was smaller, the passengers fewer, seven in all, including ourselves. No pleasure tourists these. They were obviously on business, whether commercial or diplomatic, reserved and taciturn.

ROME—JUNE 27

We landed on the outskirts of Rome at 7 p. m., boarded a bus for our hotel and off we rattled, the driver honking his horn every 50 yards or so at couples walking arm in arm along the cobblestone highway. They seemed oblivious to the sputtering horn. In the last warm glow of the sun the road to Rome reminded me of one near Fallsburg in the Catskills where motorists are warned to look out for romantic vacation strollers.

The Hotel Flora where we stayed for the night was typically tourist—luxurious marble floors and pilasters, beautiful hard mahogany furniture, fine tapestries. But in the bathroom the invading ants apparently did not know the war was over, nor was there any soap for washing.

Dinner was surprisingly good, far better than any in England: Soup, steak, plenty of butter and sugar. I asked the waiter how this hotel obtained such food while millions of people in Italy were starving. He shrugged his shoulders and would simply say that food was not rationed. But we could see the bitterness in his face.

Later in the evening we walked down the Via Vittorio Venato. Shades of Fifth Avenue. Luxurious stores displaying elegant clothing, shoes, and other wares. Men and women dressed in the height of summer fashion were promenading or comfortably seated and drinking at little cafes which line the street.

We sat down at one of these and I ordered some ice cream, rather hesitantly, remembering the watery, unsweetened ices which passed for ice cream in England. The luxurious, whipped-cream-bedecked portion I received was more delicious than any spumoni or tortoni I had ever tasted.

NO ERP ICE CREAM FOR THE POOR

On the way back to the hotel I stopped to speak to some people on the street, some that were not quite as well dressed as the others. They told me that hidden from the eyes of tourists in transit, in little, narrow, dirty side streets were the poor and starving of Italy.

I wondered then, how could these people of the boulevards, fat-jowled and sleek, afford their luxuries?

How had they retained their money? How had they escaped the vigilance of the people?

Were they formerly Fascists?

Should not their wealth be conscripted if the people of America are asked to make sacrifices for European recovery?

Certainly the empty bellies of Italy must be given food. Anything less would be inhuman. But allowing these mustached, monocled, strutting men, with

their peroxide companions, to escape the responsibility of sharing their plenty seems downright stupid or worse.

Our European recovery program comes from contributions by every American, even the poorest. Yet the moneyed class in Italy seems to have retained its wealth while the poor must depend on the gleanings of the ERP for survival.

On the way to the airport the next morning I saw huge chalked signs on buildings, obviously the remnants of the recent election, "Vote for the Popular Front." Small wonder. Here was the disparity between the great wealth and abject poverty which leads people to turn to socialism. It is true of Italy, as it is undoubtedly true of Greece and China. Pouring fabulous sums into countries which foster such economic extremes as persist side by side in Italy is like treating the symptoms of a disease and neglecting the cause.

CYPRUS—JUNE 28

Our plane left Italy Monday morning and we arrived at Nicosea, Cyprus, that afternoon. We were met by Abraham Silberberg and Rabbi Srazbaum—pronounced Schreibaum—representatives of the Jewish state of Israel. They told me that they had made arrangements with Sir Godfrey Collins, commissioner in charge of the internment camps, for me to inspect the two camps Karalos and Xylotymvou, in which 25,000 Jews, so-called illegal immigrants, had been herded.

THE BRITISH TRY TO BAR MY VISIT

When I met Commissioner Collins he expressed his regrets that I would not be able to see the camps inasmuch as they were having an inspection that day.

My guides informed me that never once previously in the history of the camps had there been an inspection. They were of the opinion that this inspection was a contrivance to prevent my visiting the camps.

I asked Sir Godfrey Collins how long the inspection would take and he told me it would take all day long, until sunset. I stated that I would be willing to visit the camps after sunset. He looked flustered and said that would be impossible since there was no electricity and the camps would be in complete darkness after sunset. I told him I would find my way around with a kerosene lamp.

Finally my persistence won out and a pass was granted for that evening. However, my father was denied a pass and could not accompany me.

Even after arriving at the camp I was still not permitted to enter but was forced to wait for 2 hours before I was allowed in.

Both camps are completely ringed by double barbed-wire fences, 12 feet high, running parallel with each other, 8 feet apart. Mounted on tall poles there are high-powered floodlights which sweep the camps and the surrounding country periodically in search of fugitives.

THE INSIDE STORY OF THE CYPRUS VICTIMS

When I was at length admitted inside the barbed-wire enclosure it was 10 o'clock at night.

Inside there was a delegation of six men to meet me, all bearing kerosene lamps. At their head was the mayor, a wiry, blue-eyed man of about 35 years, in shorts and wearing sandals which I learned later the internees make for themselves.

I greeted them with the traditional "Shalom," and their spokesman, after they had all returned the greeting, addressed me in halting English.

"I speak a very bad English," he said, "but I want to welcome you here on behalf of all of us. These men with me are the elected delegates of all the people in the camps."

He introduced them by name and nation of their origin. He himself was a Pole. In the group there was another Pole, two Germans, one Rumanian, and one Hungarian.

"We are all very happy you have come here," the spokesman continued. "When we learned you were coming we became very excited, because we want the people of America to know what is happening over here."

I asked him how they had learned that I was coming to visit the camp. He smiled.

"Even the British soldiers were talking about it," he said.

ENGLISH GIVES OUT; WE SPEAK IN YIDDISH

All this exchange was in English. Then I asked a question about the families of the delegates, in Yiddish.

They all burst out together, very excitedly, in Yiddish, "Oh, you can speak Yiddish! Wonderful! Now we can tell you what has happened to us here."

They all tried to talk at once, until finally the mayor intervened to put the conversation in order. Each one told me of the experiences of his people in reaching the very shores of Palestine, only to be turned back and interned on the rocky beaches of Cyprus to await "legal" entry by determination of the British.

Their stories were of the same pattern, no matter what their country of origin: First, victimization by the Hitlerites, families separated and some of them tortured and killed, concentration camps in the Axis countries (indicated in each case by the tell-tale serial number tattooed on their wrists); and then, at last, the long-awaited opportunity to seek a new life in the long-promised Jewish national homeland.

And now, their fate was internment on this bleak strand, with their promised land just beyond the horizon, scarcely a half dozen leagues away in distance, but cruelly beyond their reach while their lives waste away again, in concentration camps scarcely better than those they fled from in Europe.

I asked the mayor in Yiddish about conditions in the camps. He replied thus:

FREEDOM THEIR GREATEST NEED

"In a concentration camp there are no degrees of conditions. There are only bad conditions. There can be no good condition where there is no freedom."

I had brought with me a modest supply of small luxuries which I had been told the people in the camps would appreciate; such things as cigarettes, combs, and hard candy. They accepted these things with such heartfelt appreciation that I could not help but ask what other things they needed.

"After all," I told them, "You have many friends and well-wishers in the United States and if they knew what you needed they could send it to you."

Their reply was almost heartbreaking in its poignant simplicity. "The time is past for us to dwell on material things," they said. "Here we need only one thing—freedom."

As we talked, I told them of my difficulties in obtaining a pass to visit them and of the refusal of the British authorities to admit my father. I told them that my father had been born in Bacau, Rumania, a peasant village on the Bistristsa River, coming to America nearly 50 years ago. I told them of his desire, like theirs and mine, to stand on the soil of a free, independent Zion.

I DISCOVER AN OLD FAMILY ACQUANTANCE

One of them asked me to repeat the name of my father's village. When I did, he turned and ran towards one of the tents, shouting as he went: "Schloima, Schloima. Come here quickly. The American Congressman's father was a neighbor of yours in Rumania."

So Schloima and his family hastened over—a gaunt, weathered man in his sixties, about the same age as my father, there with his wife and his grown children. We spent a half-hour talking while he reached back among the threads of memory to recall my father, who had indeed spent his boyhood in the same village together with Schloima. What a reunion these two might have had, except for stiff-necked British regulation.

As we moved about the camps I was impressed again and again with the oneness of these people—Jews from many lands, speaking varying languages and reflecting varied customs and cultures, but welded together in the quest of a new life after the terrible experiences of the Nazi era which had left its mark on all of them, symbolized now by the concentration camp numbers seared into their flesh.

DIGNITY AND MORALE IN CAPTIVITY

They live in tents, two or three families crowded into one tent. Their food is worse than meager; water is most rigidly rationed, the people queueing up for their water supply with old oil tins and any container they are able to obtain.

I discovered that the kerosene lamps carried by the delegation escorting me through the camp were a very special luxury. This is their only means of light and is very scarce, so scarce that bedtime is usually very early in the camps.

They are given no clothing other than what they were wearing or carrying when they were interned. Hence, for people who have been in the camps for months on end, only a communal sharing of goods and handicrafts makes any sort of civilized life even posible.

And yet, despite all these difficulties, I found that they had established a mode of community life which was miraculous for its orderliness and dignity under the circumstances.

WHILE NAZIS ENJOY FREEDOM

Their hardships I had to observe for myself, for they were not anxious to speak of their material difficulties. They told me that they were not permitted to leave the camps, although there were

several thousand German war prisoners on Cyprus who were allowed the complete freedom of the island. They had tried to set up a regular community life. They elected a mayor and a council and had established courts. They have their marriages and births. The thousandth child was born only the day before I arrived.

Among the internees there are barbers, carpenters, shoemakers, tailors, artists, doctors, dentists, and other professionals.

Jews who had lived in many nations under the varied laws of those nations were now making their own laws and living according to those laws. Despite all the privations they had established a working community. It was possible for them to do this because of their knowledge that they were so close to Israel and were fitting themselves for a new life in a country of their own.

MAY 15 BRINGS JOY, THEN GLOOM

On May 15, when the new state of Israel was announced their jubilation knew no bounds. For them that announcement was compensation for all their suffering and hardship. It meant an end to their exile. They started to cry as they told me of the joy of that day. Each of them tied together his few belongings and all of them hurried to the barbed wire entrance, ready to leave for the Promised Land. But day after day went by with no departures.

Then with the announcement of the truce it became apparent to them that they would be its first victims. All immigration from Cyprus was stopped, illegally, by Bernadotte and Collins, for even men and women under 18 and over 45 were not permitted to leave.

They demonstrated; they had a hunger strike. Several lost their sanity. A complete demoralization set in; that which Bevin could not accomplish in 2 years Bernadotte had done in 1 day. Proposals were made for a hunger strike until death but the council ruled otherwise for now they were no longer political orphans. They had a nation and bore a responsibility toward that nation. They told me of one tragic example of the strict interpretation of the Bernadotte edict. There were some 12 men in the hospital at Cyprus, dangerously ill. The Cyprus hospital had asked that they be shipped to a hospital at Tel Aviv. The Tel Aviv authorities had wired that they would welcome these sick but with the announcement of the truce they were not allowed to leave Cyprus. Four died.

BRITISH STILL HOLD 25,000 CAPTIVE

They gave me copies of an exchange of letters between Sir Godfrey Collins and Rabbi Srazbaum, the Jewish Agency representative in Cyprus, indicating that the British had originally agreed to the evacuation of women, children, ill persons, and those under 18 and over 45 "to whom objection could not reasonably be raised on the grounds that they are fighting personnel" (the quotation is from a letter signed by Commissioner Collins on June 4).

However, when on June 16 the Agency sought to evacuate people under this agreement, the British, without explanation, refused to permit any immigration of any kind into Palestine from Cyprus. At the time of my visit the British were still preventing evacuation of any of the people from the camps, although the Jewish representatives have ships at their disposal for this purpose.

I promised the people that I would discuss this situation with Foreign Minister Moshe Shertok when I got to Israel in the hope that the truce authorities might remedy it.

SECRET PHOTOS SHOW CYPRUS CONDITIONS

The people of the camps gave me dozens of photographs of conditions in the camps and the activities of the people—their festivals and communal affairs as well as their privations. They had taken these pictures with a home-made camera and the prints they gave me were tiny contact prints, not enlargements. However I promised them I would seek to make use of these photographs and our conversations to publicize conditions at Cyprus and the tremendous courage and resourcefulness of these oppressed people, building a new life for themselves under indescribable difficulties.

Time passed very rapidly during my visit and soon it was approaching 4 o'clock in the morning. Since my plane for Haifa was to leave at six, I had to take my leave. But before they permitted me to go they escorted me to one of the tents and there spread before me a repast of tea and bread with some homemade jelly.

Tears actually welled up in my eyes at this brave, wonderful show of traditional hospitality. Knowing by now the perilous scarcity of food in the camps and what a rarity such luxuries as jelly must be I tried to refuse. But they would have none of this; they pressed the food upon me and I could see that it was of real importance to them that their hospitality be accepted in the spirit in which it was offered.

So, together, we had our tea and bread and jelly and I can truthfully say that this was the most wonderful meal of my entire journey and the hospitality the most heartfelt I have ever encountered anywhere.

I left finally amid a great flurry of handshakes and embraces and got back to Nicosea to find my father anxiously awaiting me, with our baggage packed and an eye on his watch.

THE SHORES OF ISRAEL—JUNE 29

Our plane took off on schedule at 6 a. m., on June 29, for the short 125-mile flight to Haifa.

As our plane approached Haifa airport from the sea, one could see built into the hills the gleaming city of Haifa, its modern buildings nested into the hills in orderly tiers, the square-cut architecture of which gave the impression of functional simplicity. Between the airport and the city are stretches of green lawns and trees with which the desert land of Palestine has been reclaimed by the pioneering Jewish settlers.

Our plane landed and taxied to the administration building. When the plane door was opened, several of our passengers rushed down the steps and flung themselves on the ground, kissing the free soil of Israel.

My father and I sought cut the customs officer to see about clearing our luggage. When I identified myself, he greeted me cordially.

"We have been expecting you," he said. "We are very glad to see you here. All of us here in Israel know of the difficulties you have had in trying to make this journey. We are all very happy that you were finally able to get through."

The airport was ringed with Israeli armed cars. In the distance I could see abandoned oil tanks, buildings, and equipment of the British oil companies.

As soon as our baggage had been cleared through customs we were escorted to an official car provided by the director of immigration, and sped off along the coastal road from Haifa to Tel Aviv, where hotel accommodations had been arranged for us at the Hotel Tel Piot.

ISRAELIS HAIL BRITISH DEPARTURE

We were stopped every half mile by road blocks, first by the British and then, after the first mile or two, by Israeli guards. Armed trucks whizzed by us going the other way, carrying singing Israeli soldiers to Haifa. As they passed, they shouted, "Tomorrow the British leave."

Once our way was blocked by a group of Arabs crossing the road on horseback. They were carrying rifles.

Quite naturally I expected some fireworks but I was astonished to see our driver raise his arm in friendly greeting and the Arabs waved their rifles back at him in return.

The driver explained to us that these were friendly Palestinian Arabs, who have lived in peace and cooperation with the Jews for generations and who want continued peace and the right to live as citizens of the new state of Israel. As I was later to find out, thousands of Arabs throughout Israel are joined with the Israeli forces in defense of their country against invaders from the surrounding outside Arab world.

CHIEF RABBI A WALLACE MAN

When we arrived at the Hotel Tel Piot, we were greeted by the chief rabbi of Jerusalem, Rabbi Herzog, a scholarly, solemn-looking, bearded man of about 60. He shook hands warmly and smiled broadly as he welcomed us.

"Tell me, Congressman," his first words were, "how is my good friend Henry Wallace?"

I found the rabbi extremely well informed on political developments in the United States, particularly on the formation of the new party headed by Henry Wallace. He had met Wallace during the former Vice President's trip to Palestine last year.

From Rabbi Herzog, and later from dozens and dozens of others who asked me opening questions similar to his, I was to discover that Henry Wallace had indeed endeared himself to the peoples of Palestine during his visit there last year. He had talked soil with them, and crops, and had shown a real and expert understanding of the problems faced by the people of Palestine in making fertile the desert lands. Rabbi Herzog told me how, on one visit to a Kibbutz, or cooperative farm, Mr. Wallace had joined a group of farmers pulling a plow, setting his broad shoulders to the yoke and

pulling with the sturdiest of them until the afternoon's work was done.

Rabbi Herzog asked me about conditions in the United States. As I discussed with him some recent developments in Congress and on the political fronts I soon found from his questions that he was quite well aware of political goings-on in our country. He asked me, for example, how many people in America believed that Dewey would institute a more positive policy of support for Israel if elected President than the betrayal of the present administration.

He asked me what the Jews in America were doing about the vacillating policies of both major parties toward Israel. I told him a great many of us were supporting the candidacy of Henry Wallace. He laughed knowingly and embraced me.

We had lunch together in the Hotel Tel Piot. By that time the Foreign Office was making calls advising other persons of my arrival and an appointment was made by Dr. Leo Cohen, one of the under secretaries at the Foreign Office, for me to meet with Foreign Minister Shertok the next day.

We could not go anywhere that evening because there was a black-out. Tel Aviv, like Haifa, and other cities, is completely blacked out every night. It is practically impossible to get about the city. So we stayed in the hotel and went to bed early that evening.

WARMLY GREETED BY MOSHE SHERTOK

At 11 o'clock next morning I kept my appointment with Foreign Minister Moshe Shertok.

He was expecting me and greeted me very warmly. He took me by the arm and said: "Come on, I will treat you to an Israeli lunch."

We lunched on a beautiful outdoor terrace, one side of which bordered on the Mediterranean. Shertok ordered for both of us. He ordered fish, explaining: "You know, we have very little meat in Israel. But when the war is over we expect to have everything again." It developed that there was no butter and no milk. But there was a very wide variety of fruit.

Over lunch I told him of my visit to the camps in Cyprus and showed him the letters entrusted to me by the people there. He agreed to make renewed representations to Bernadotte and Commissioner Collins to hasten the start of immigration from Cyprus to Israel.

Shertok congratulated me on my own election. He said that the news had been on the front pages of all the newspapers in Israel and he wanted to know whether it was true, as reported, that in a large part it was attributable to a resentment on the part of the people over the failure of Truman's administration to lift the embargo against Israel. I agreed that this certainly played a part in the election. However, I pointed out that the administration had also broken promises to the American people on housing, on curbing inflation, on antidiscrimination and segregation in the armed forces and that the betrayal of Israel at the insistence of the oil cartelists and monopolists was only one facet, albeit a very important facet, of the Government's policy of working hand in glove with monopoly to the detriment of all the people.

He nodded understandingly at this and then exchanged some views with me on American politics and Israel's future which we agreed were to remain off the record.

Shertok told me that all of Israel was open to me; that I could go where I wanted and see whatever I wished and that he would provide a car and a guide for me. He said: "I am very anxious that you see everything you want to see because it is important that the people in America know the truth of what is going on."

I spent the rest of that day familiarizing myself with Tel Aviv and talking to people everywhere. I found them all bitter about the Truman arms embargo and over the role played by the United States in bringing about the critical situation in Palestine.

ISRAEL'S DEFENDERS COME FROM MANY LANDS

The next day as I came out of the hotel a tall, sunburned young fellow in uniform, about 25, walked up to me and said: "Aren't you Leo Isacson?" I said "Yes" and he said "Then the boys were right! I am Elihu Ben Moshe. My father is Dr. Ben Moshe of New York City. Some of the boys said that they thought they recognized you walking in the street yesterday but they weren't sure. They were all excited and it would be a wonderful treat for all of them if we could hold a little get together of all the boys here from the States."

I said, "Sure, that would be swell," and told him that I was now staying at the Gat Rimon Hotel. I asked that he let me know the time and place of the get-together.

When I returned to my hotel there were some twenty-odd ex-GI's waiting for me and as soon as I walked in they trooped over, all excited, all anxious to talk over the latest news from home. I tried to answer all the questions, including the pennant chances of the Dodgers in the National League, as well as what good shows were on Broadway. Several of the boys I knew personally from their having worked in my campaign in the Bronx.

We made arrangements to get together that evening in one of the cafes on the boardwalk and that night a delegation of the boys called for me and took me down to the boardwalk, feeling our way because of the black-out.

When we reached the door of the cafe no light could be seen because the place was heavily curtained.

We opened the door and went in and there were about three to four hundred men in uniform. I was a little surprised and one of the boys who later acted as chairman, said, "Well we told all the Americans that you would come in and talk and the boys from England wanted to be included and so did the boys from Canada, South Africa, Australia, and New Zealand. We hoped you wouldn't mind." I was delighted, of course, and not a little flattered.

NO MERCENARIES, THESE

These were a most alert-looking, sincere, clean-cut group of boys, wiry, fit, and all browned from the desert sun—no mercenaries these, the pay is £2 per month, the equivalent of approximately $7 per month.

The chairman explained that these were boys that did not feel that World War II was over until Israel was finally free and became an actuality, a Jewish state.

I must have spoken for 2 hours. The room became very warm but no one fidgeted, no one walked out. As a matter of fact, when I got through they plied me with questions for two additional hours.

I discussed with them the role played by Aramco Corp. in forcing the betrayal of Israel; the sordid story of pipe-line diplomacy.

Their questions indicated not only an awareness of the facts in the discussion but as they stood up and spoke their minds it became evident that their offer of sacrifice of life itself, if necessary, amounted almost to personal atonement for the ignominious role of the British and American Governments in sacrificing Israel for the benefit of imperialists and oil profiteers.

THEY KNOW THE SCORE

They asked me some astute questions. One of them wanted to know how I felt about the United States giving credits to Israel. Then, when I replied that credits should be extended, he wanted to know whether that would not put Israel under the Marshall plan and whether that would not force Israel to become an economic colony of the United States.

I replied that since the state of Israel came to birth as a result of action by the United Nations it must, therefore, follow that the United Nations had a continuing responsibility to the infant state and that it should be through the United Nations, rather than through the unilateral bounty of any nation, whichever nation that might be, that credits and assistance and help should be forthcoming.

One of the boys replied alertly that regardless of where the money should come from it was significant to him to note that despite the fact that the United States had given money to China, Turkey, and Greece, there had not yet been an offer of moneys and credits to the new state of Israel.

Whereupon the fellow who had asked the first question jumped up and volunteered "Maybe that is because the United States knows that no amount of money could ever make Israel its economic colony."

The room echoed with applause.

Many questions showed a particular interest in the Wallace platform and campaign. Some jokingly asked whether I would like to have them return with me so that they could help me in my own campaign. One wanted to know why the Zionist organizations in America did not present Truman with an ultimatum that unless he lifted the embargo that they would actively campaign against him.

At the end the chairman said, "Well, how about a song for Congressman ISACSON," and they sang For He Is a Jolly Good Fellow. Then suddenly and much more solemnly they all burst into the strains of Hatikvoh. Then two or three of them said, "Come on outside and we

will have something to eat and drink," and they took me to another cafe, where I was treated to the Israeli equivalent of a hamburger—a little envelope of dough sealed on three sides, into which the vendor scoops a mixture of a very little ground meat and a lot of peppers and tomatoes.

(P. S.—I still prefer hamburgers.)

LUNCH WITH HISTADRUTH—JULY 1

On July 1 the Histadruth, which is the labor organization of Israel, gave a luncheon in my honor and the entire executive board of the Histadruth attended.

The very first question they asked me was: "How does labor in the United States feel about Henry Wallace?" I said: "Well, you will have to tell me whether you mean the leadership or the rank and file of the trade unions." They all laughed because they could now anticipate my answer, that although the formal leadership in a great many important trade unions still oppose the candidacy of Henry Wallace, actually millions of the supporters of Mr. Wallace are to be found in the trade unions of America.

I was asked why that was so and I ventured the opinion that while some of the leadership of trade unions very often found it necessary to ask for favors from political administrations and were, therefore, just a little afraid of tying their political fortunes to a new party, the rank and file of American labor recognizes that neither the Democrats nor the Republicans are friends of organized labor; that the Republicans had been primarily responsible for the enactment of the Taft-Hartley law, helped by many Democrats, and that while President Truman had vetoed the Taft-Hartley law he had in fact demanded even more stringent antilabor measures in breaking the railroad and coal-mine strikes in 1946 and since.

THROUGH THE ENEMY ARAB LINES

Arrangements had been made for me to go to Jerusalem which meant going through the hostile Arab lines under a flag of truce.

At 6 a. m. on July 2 my father and I were escorted to a convoy arranged for by the United Nations Truce Commission. It was under the charge of Colonel Perry, formerly of the United States Army Air Corps and now a United Nations observer with the Truce Commission.

As we started to climb into the car assigned to us, a huge Negro hailed me, "Hello, Congressman ISACSON," he said. "How are you? You ought to know me. I'm George Hendricks. I used to be a cop in little old New York."

Then I remembered having read stories about George Hendricks, the New York City cop who was now assigned to the United Nations Truce Commission in Israel.

"What are you doing way out here in the desert?" I asked him.

"Well," he laughed, "things weren't hot enough for me back in Harlem."

We exchanged a few reminiscences and then our trip started.

In our car were Tom Van Dycke and his wife, Elizabeth Trask, now representing the St. Louis Post-Dispatch; Marvin Parris, photographer, whose camera work most Americans are familiar with through the film The Fighting Lady; and photographer Sam Rosenburg of the New York Star.

We made our way along the old road to Jerusalem, driving through hills dotted with abandoned Arab houses resembling pillboxes.

A WAIT IN THE SUN

Finally we reached Latrun, the scene of the bloodiest fighting in Palestine. We had reached the Arab lines and there behind the earthworks we saw the Arabs, their rifles pointed at us, waiting for word. We asked to see their commander. We were told to wait. We waited there in the hot sun for over 3 hours. During all this time we were forced to sit in our cars. To get out would have undoubtedly meant being shot.

Finally, in a column of dust, an American jeep roared down from one of the hills and out of his shiny new Willys stepped the top Arab legionnaire. He looked at my credentials and scowled, but after a few words with Colonel Perry, waved us on. Colonel Perry said goodbye and returned to Tel Aviv. We continued to Jerusalem driving slowly through the Arab-held territory, always carefully watched by Arab sentries from their positions in the hills surrounding us. After an hour we were back in Israel territory and our speed increased.

PALESTINE ARABS ARE FRIENDLY

We passed several Arab villages where friendly Palestinian Arabs were going about their daily work in their accustomed manner. We stopped and talked to some of them through our driver as interpreter. They wanted no war; they wished merely to remain in peace with their Jewish neighbors. And they went about their work bearing rifles, in case of attack by invading Arabs.

WE COME TO JERUSALEM

Finally we reached Jerusalem. It was thrilling to enter that hallowed city. It was even more thrilling to speak to the people. They told us of the siege. They had been left to a starvation diet of 800 calories. They were blasted for days by Arab big guns without being able to answer in kind for they had no guns or planes. Every day they would whisper words of encouragement: "Let's hold out; soon there will be American planes. Soon there will be American guns." But neither the planes nor guns ever arrived. The conditions were still bad. There was practically no water. Even in our hotel we were furnished with a pitcher of water which we would use for washing then the water would flow through the pipe into a pail and once again, be used to flush toilets.

PEACE ON EARTH, GOOD WILL TO MEN?

The city was badly damaged. Walls were pockmarked from shelling. Some buildings were reduced to rubble. Streets were gutted and many craters were still visible.

I went to the roof of a kibbutz outside Jerusalem, Ramath Rachel. I saw the Arabs on a hill only a few hundred yards away. I saw them looking at me. My field glasses roved and as I looked into the distance there was Bethlehem. I thought of "Peace on Earth and Good Will to All Men" and thought how ironic it was that on this very site British imperialism and American State Department connivance were sowing the seeds for world conflict and devastation.

A SNIPER MISSES ME

We slept in the Hotel Eden in Jerusalem. And next morning I visited the military outposts of the Israeli forces at the French Hospice of Notre Dame. This point was only 15 yards away from the Arab lines. The colonel, a former professor of zoology, warned me to make no noise because Arab sentries had killed two Jewish soldiers on the spot the day previous. Apparently I did not walk quietly enough for as I passed between the windows two shots went by. They missed.

"BURMA ROAD" BACK TO TEL AVIV

Finally we made our way back to our car and we were told that there would be no convoy back to Tel Aviv. We decided to make the trip anyway but to take the new road, Israel's "Burma Road," which had been built within the last few weeks while the battles were being waged in that territory. It took a complete day to make the trip back over this fantastic road.

There were spots where we had to get out of the car and push so that it could make the grade. We got back to Tel Aviv late that night.

I am no military expert but I feel certain that when the history of this war is written the building of the road from Tel Aviv to Jerusalem under the fire of Arab's guns will take its place alongside the feats of Stalingrad and Tobruk.

INDEPENDENCE DAY IN TEL AVIV

The next day was July 4. I was scheduled to broadcast that night over Station KOL, Israel. I spend some of the day preparing the text of my broadcast, which was to be translated into Hebrew.

At the Hotel Gat Rimon that afternoon I met Izler Solomon and his wife. Solomon was once the director of the Cleveland Philharmonic Orchestra. Now he is director of Israel's Philharmonic Orchestra. As we talked I found out—no longer to my surprise—that Mr. Solomon, like almost everybody I talked to in Israel, is an ardent Henry Wallace man. We found that we had many friends in common. He urged me to attend his concert that evening and told me that in honor of America's Independence Day he was playing a program of Gershwin and Aaron Copland music. I arranged to drop in for the second part of the concert after my broadcast.

The broadcast station was in a curiously dilapidated and out-of-the-way building. We had to go through a small side-street entrance in order to get in. It struck me as peculiar that so important a building as the Israeli radio station would be housed in such an out-of-the-way place. It was explained to me that this was the fourth or fifth location of the station, which had been illegal while the British were there. It had been the official Haganah underground, Kol Isroel. Even in this building there were peepholes from room to room and in general there was a secretiveness about the whole

situation. The British had never been able to locate and silence the station during the whole period of its underground operation.

Here is the text of my radio address on the Fourth of July to the people of Israel:

Shalom.

I have seen the epic of Israel. In the few days I have been here I have felt the pulse beat of a nation fighting for freedom. In the glowing faces of countless young men and women I have sensed that love of country, that faith in its future, that daring and intelligence which have written across the bloodstained hills and valleys of the Holy Land the deathless story of Jewish victory, of Jewish will to live in peace and freedom.

Yesterday I was in Jerusalem. I went by the old road and returned by the new—Israel's "Burma Road"—which has already become a heroic legend. For me, visiting Jerusalem was an unforgettable experience. Not only because of the deep associations which this holiest of cities must have for every Jew, but because I saw what the British artillery of Abdullah could not kill or conquer: the spirit of Jerusalem's average citizens, their calm and resourcefulness under their terrible ordeal, their devotion to their city and their land. In that spirit and in the spirit of the soldiers with whom I spoke, I sensed Jerusalem's coming liberation.

As a Jew, I am filled with pride at what my people have achieved in the building and the defense of their ancient homeland. But as a Jew, as an American, as a human being, I am pained and outraged at the heavy sacrifices forced upon this country by those for whom oil is more sacred than human blood and empire dearer than all mankind.

Today is July the Fourth, the anniversary of the American Declaration of Independence. We Americans, too, were once a small nation forced to fight for our independence against a mighty power. Then, as today, Britain was the enemy. Then, as today, the soldiers of freedom fought with meager arms. And just as King George sent Hessian hirelings against the American patriots of 1776, so King Ernest today sends Arab mercenaries against the Jewish patriots of 1948.

But Britain's is not the only hand at work in this country. There are men in my own country, too, men of power and influence in the government and in industry who also have their own axes to grind and they are trying to grind them on the flesh of the Jewish people and the Arab peoples as well.

The present arms embargo in force against Israel has nothing in common with the ideals of the Declaration of Independence. It is a betrayal not only of the Jewish people and of the United Nations but of the best interests of the American people as well. That is why so many millions of Americans, non-Jews as well as Jews, are demanding the lifting of the arms embargo, de jure recognition of Israel, and a return to the United Nations decision of last November 29.

In my opinion, the forces working against Israel are seeking to prevent a Jewish victory and to prolong negotiations until after the American elections. At that time they are hoping to force on Israel a settlement which will restrict its territory and cripple its sovereignty.

In a few days I shall return to the United States. I pledge you that I shall devote my energies to arousing the American public to an awareness of the real facts of the situation in this country.

In my own name and in the name of the party of Henry Wallace, of which I have the honor of being a member, I pledge you that we shall not rest in the fight to bring help to your cause, which is the cause of all who want peace, justice, and freedom.

Before I conclude, I want to take this opportunity of paying tribute to a great American and a great Jew, Col. David Michael Marcus, who in the spirit of Lafayette and Kosciusko, came here to help your struggle and gave his life that Israel might live.

To all of you in Israel, I say:

Carry on. Victory will come.

After the broadcast I was hustled in a cab to the Philharmonic. The concert was in a very beautiful theater and I arrived just at the intermission time. I found that I had missed the Gershwin, but was just in time to join the intermission crowd who were taking ice cream in the lobby in the best Lewisohn Stadium manner. The Aaron Copland music was especially well received.

After the concert a group of us, including Mr. and Mrs. Solomon, went to the home of the Labor Minister. We sat on his terrace and had some cooling drinks. I had a long discussion with him on the functioning of the Histadruth and the unique position it occupies by virtue of the fact that it not only represents labor in the tradition of the American labor unions but also owns some of the factories.

The Minister explained that unlike America where the treasury of the trade unions would be banked, or otherwise invested, in Israel the objective of the Histadruth was to help build more industries, to help plant more forests, to help create a self-sufficient economy. It was for that reason, he explained, that the Histadruth purchased factories or constructed new factories in an effort to add to the productive capacities of Israel so that it might not be dependent upon foreign imports.

KIBBUTZIM: ISRAEL'S COOPERATIVE VILLAGES

The next day, July 5, I had set aside for a tour of some of the Kibbutzim in the area of Tel Aviv and Haifa. I had been told that unless one sees the Kibbutzim, one has not really seen Israel.

Our guide was Leonard Feitelberg, an Israeli journalist and veteran of the Haganah. He was originally from South Africa and he confided to me that he was now trying to choose a Hebrew name, preferably one not too long.

We left Tel Aviv by the coastal highway up the Plain of Sharon through groves of oranges. At Barbaruta we passed a village of Arab huts, charred and ruined. Here a colony of friendly Arabs, who wanted to live in peace and friendliness with their Jewish neighbors, had been burned out of their homes by the invading Arabs before the area was liberated by the Israeli forces. The people are now being given new homes by the Israeli Government.

MALARIAL SWAMP NOW YIELDS CROPS

Barbaruta itself is built on what was once a malarial marsh, so malignant that it was once the impenetrable hiding place of criminals. The police refused to follow them into the marshes. Today that portion of the country has been reclaimed by the Jews, and many crops were growing there as I passed.

Our first stop was Meier (for Rothchild) Sheifaya (Arab word meaning health, for ancient well there). Here Junior Hadassah operates a children's agricultural school. Structures are built on a hilltop, the last outcroppings of the Carmel Range overlooking the beginning of the Hills of Ephraim. Five hundred youngsters are cared for here. Sabra—derived from the word "cactus" and meaning native-born Palestinian—as well as immigrants are among the charges. Some 65 teachers prepare these children for life on the kibbutzim, where they go at the age of 17.

In the school they are taught all crafts and actually supply the school with everything from home-made bread to hand-crafted furniture.

A SINGING PEOPLE

Two lovely orphaned Sabra girls played the mandolin and guitar for us. I asked the name of the song and one of them told me it was called Mother, Mother, You Are Lovely.

NAMED FOR SUPREME COURT JUSTICE BRANDEIS

We went on to Ein Hashofet (Well of the Judge) in memory of Louis Brandeis. This was our first kibbutz. We were greeted by Joseph Wilfand, a writer and editor of the colony literary magazine. He spoke proudly about the kibbutz.

There were 1,350 acres, all owned by the Jewish National Fund; 250 acres were devoted to a pine-tree foundation of over 250,000 trees. The colony was electrified and we inspected the Diesel-driven generator and then very proudly he showed us a huge pile of rocks under which an accessory generator was hidden and protected against Arab bombing.

He told us the nearest Arabs were over 3 miles away but the harvesters were still being sniped at. He was very anxious to tell us more about the kibbutz.

He showed us a 100-ton cold-storage plant, a 170-ton grain elevator, 120 cattle which he said yielded 4,000 liters of milk annually, while the Arab average was only 1,000 liters annually. There were 3,000 chickens and the crops included wheat for bread, barley for fowl, grapes, beets, cabbage, cauliflower, potatoes. We inspected four structures and two self-propelled combines. There were also mules, horses, and donkeys in use.

Eighty families live in this kibbutz, 450 people in all, of whom 205 were adults.

There were two training schools, one for children up to 14 years and the other for the older boys and girls.

We saw the carob trees, which produced a cattle fodder looking like string beans, and the eucalyptus which the Arabs call the Jew trees because of their use by the Jews in reclaiming the soil.

After the tour, we sat down to a wonderful home-cooked meal—soup and goose from their electrified kitchen.

Soon we were off for Mishmar Haemek, another kibbutz 5 miles away.

CHILD HEROES OF MISHMAR HAEMEK

Mishmar Haemek means Watch on the Emek. It is 11 miles from Haifa and 10 miles south of Nazareth, which can be seen from Mount Tabor. A very lovely, slightly built woman who had been in the colony since she was seven, took us around.

She told us of a battle early in the Arab invasion. The main attack had begun on April 4 at 5 p. m. with heavy shelling. The siege of Mishmar Haemek

lasted 9 days, during which the kibbutz was shelled continuously. When it seemed that the kibbutz must fall, 280 children under 14 years of age were evacuated to a nearby village.

That same night, just before sunrise, the children returned to Mishmar Haemek. They had made the long march during the night on foot; they would not leave their parents; they were determined to fight side by side with them and to die, if necessary.

Four thousand Arabs surrounded this kibbutz. The only armaments the defenders had were 60 rifles. But every night the soldiers of the Palmach, the original Palestine partisans, would attack the surrounding Arab forces, who had no stomach for night fighting.

On the fourth day of the siege the British offered to evacuate the colonists with their possessions but the Jews refused. They knew that if they evacuated Mishmar Haemek the road would be open to the Arabs to Ain Hashofet and to all the other Jewish settlements.

Finally, reinforcements from the Haganah arrived and put the Arabs to rout back of Lajun, 4 miles down the road. The entire Arab offensive was cracked at this point by only a few hundred heroic Jews.

HAIFA: ISRAEL'S INDUSTRIAL CENTER

That night, following our tour of the Kibutzim, we slept in Haifa, which I had seen from the air as we arrived on June 29 but had not yet visited. The next morning, July 6, we spent inspecting this important modern city in its beautiful setting in the hills.

I was particularly interested in the Shemin industry, largest olive oil and soap producers in the Middle East; and in the Vulcan foundries, which now produce arms for the Israeli forces. The Shemin works had been cut off by the Arabs for several days a few months earlier and 7 of its 500 workmen were killed.

The managing director of the Shemin works, Uriel Friedland, was a mechanical engineer with the company since 1928. The plant had been founded in 1906 by Russian Jews and had failed. It was reestablished in 1920. During World War I the Turks took the boilers out of the old factory to Damascus, where they used them for steam baths. The plant is now owned 50 percent by the Histadruth and 50 percent by private capital. Each has two men on the board of directors and three technical advisers.

After this we visited the Vulcan foundry, which is the largest foundry north of Egypt. It began 14 years ago to make bathtubs, but now does all foundry work. I asked a lot of questions about conditions. The foundry works 6 days weekly, 1½ shifts of 8½ hours; mechanical shop the same with 11-hour shifts. There is a 48-hour basic workweek. Pay is $2 a day plus $51 for cost of living, overtime, and bonus. The factory pays 23 percent of its pay roll on bonuses. The theoretical maximum bonus possible is 25 percent. It is estimated that social-service payments create an additional 38 percent of the total pay roll.

Severance pay is 1 month per year of employment for salaried people, 2 weeks per year for day-rate men. There is a probationary period of 3 months after hiring through Histadruth, then nobody can be dismissed without approval of union. Two worker spokesmen said they never had any trouble. They have 9 paid holidays, vacations of 8 days paid the first year, with top of 18 days after that. Half of the vacation expense is paid for by the factory, which also pays three-fourths of workers' bus fares. Sick pay accumulates at the rate of 1 month's credit per year of employment to a top of 6 months.

This plant was founded in 1934 by Alex Kremener, big German foundryman. It was bought in 1941 by the Palestine Corp.—English Jews—and then sold to Solel Boney, who kept all the staff, including the directors. Isaac Kamenka is the technical director we talked to.

ARMS FROM EAST IF EMBARGO IS NOT LIFTED?

While in Haifa I talked to an Israeli industrialist, who would be classified as a rightist in any differentiation between right and left political leanings. I asked him about the fate of Israel if the American arms embargo were not lifted.

He was very solemn and very frank in his reply. He said that Israel's own arms industry is embryonic and unable to compete in production or in the field of battle against British and American arms and matériel being used against Israel by the Arab forces.

"We have scrupulously avoided taking a position in world politics which would seem to identify us with either side in the split between the eastern and western nations," he said. "But our situation here is desperate. The security of our new nation is our supreme concern. If matters reach the point where the fate of our nation is at stake and the American arms embargo still exists against us, we shall turn to the east for arms. We shall preserve our country, regardless of where we may have to turn for the means to do it."

ACRE, THE SEAPORT NAPOLEON COULD NOT CONQUER, NOW IN ISRAELI HANDS

From Haifa we paid a visit to the ancient Arab seaport of Acre, now in the hands of the Israeli. On the way to Acre we passed the partition border at Ein Hamifranz, Well of the Bay, where a bridge blown up over Naaman River was being repaired. Bearded religious Sabra with rifles patrolled the trucks to prevent looting.

At Acre there had been 12,000 inhabitants and several thousand refugees. They left during the battle, by boat and road northward to Lebanon about 20 miles away, all this later captured by the Jews. There were 50 killed and wounded among the Jews in a 48-hour battle commanded by Moshe Zilitzki, who had been imprisoned in the ancient fortress of Acre for 2 years. On our way back we passed Napoleon's Hill, his base during his long, unsuccessful seige of the city in the last century. Wash fluttered from windows where about 500 Arabs still live.

JUSTICE FOR THE ARABS

Back in Haifa we saw Rehavem Zabludavsky commanding an Arab zone where 3,500 remain of a population of about 40,000, who left during the fighting of April 21. The decisive point eastward was the bridge of Wadi Rushmia. We visited Saifa Souq, a market place with tall mosque-towers, where the Jews were commandeering the goods of Arabs who fled. As much as possible was saved, sent to the army, stored, or sold. Strict accounting methods prevail since eventually Israel will have to pay the owners or balance the losses against Jewish losses in the war. The Arab population is now concentrated in Wadi Misnus. They have been authorized to open newspapers and schools. They will have an Arab police force.

TEL AVIV—AND HOMEWARD BOUND

By the time we were ready to return to Tel Aviv the coastal road had again become the scene of shooting. The truce was still on, but it was expected to end the next day. Sniping was already going on. We were intercepted by Israeli sentries and detoured inland, away from the area of the sniping, although actually closer to the Arab lines. We arrived back in Tel Aviv without incident, however.

In Tel Aviv on July 7, the Wednesday before the scheduled expiration of the truce on Friday, July 9, I had conferences with several officials of the Israeli Government. They were concerned about my safety if the truce should end while I was in Israel. They expressed the frank hope that I would leave for the United States while planes were still flying from Haifa so that I would be able to tell the American people of what I saw.

Passage was arranged for us to leave that day by air.

PARIS, JULY 8

We had a little difficulty taking off in Haifa because the runway is very short. It is just an emergency runway. We did not even have a steward on board but we finally made it and landed in Cyprus where a steward was waiting. We picked him up and after stops at Athens and Bari, Italy, we landed in Paris.

The plane was 6 hours late getting into Paris. We arrived there at 1 a. m. We got out of the plane very weary and stiff and expecting anything but a reception. Suddenly I heard a shout: "There he is."

I turned around and there was a group of about 12 Parisians, all wearing Wallace buttons. It is pretty hard to describe the feeling of warmth and appreciation I felt after having traveled hundreds and hundreds of miles, tired and weary, to alight in a strange country and find such an expression of welcome.

The greeters were members of the French Assembly representing Pierre Cot's Democratic Party.

I asked, "Where did you ever get Wallace buttons in Paris?"

It turned out that New York City Councilman Eugene Connolly had distributed them last April when he came to Paris to attend the Greek Aid Conference for which I had been denied a passport.

The welcoming group took us to an early morning supper and found us lodgings.

Paris was hospitable and delightful. But I was anxious to return home.

The next day, after a speedy flight on a TWA DC-6 I was back in the Bronx.

These are some of the conclusions I have arrived at as a result of my journey to Israel:

I am convinced the Jewish people will emerge victorious in their heroic defense of Israel. Despite the David-Goliath inequality of numbers and equipment, the quality of the fighting forces of Israel has never been surpassed. They are preparing to stand up to the very last man if necessary, for they are fighting for the soil they love. The Arab troops, on the other hand, being tools of British imperialism, have no fighting will of their own. Boys who have met them in combat have told me this is true of all of them, including the troops of the Transjordan Arab Legion, on whom the English have lavished so much money and years of thorough training.

But whether the Jewish victory, which I am convinced will come, must be gained only at the sacrifice of thousands of lives, of Israel's finest young men and women, at the cost of the destruction of homes, hospitals, schools, and other beautiful buildings that have transfigured this once desert land, depends largely upon the United States.

It is my judgment that Britain is now beginning to vacillate. Her hopes for a quick victory did not materialize. What the Arabs did not achieve by military means, Britain and the United States will now pursue by political means. The truce, with its arms embargo and restrictions on immigration, is intended to provide time and opportunity for this political offensive against the Jews.

The United States and Great Britain will seek to extend the truce in order to gain time. The Truman administration does not want to commit itself to an open anti-Jewish policy, at least not until after election day. I am convinced that President Truman's intention is to prevent anything decisive from happening in Palestine until the next session of the UN and then attempt to gain popularity with the Jews by proposing to admit the state of Israel to the UN. Then, after the elections are over, there would commence more open efforts to establish an Anglo-American condominium here. This would involve the following:

First. Restriction of Israeli territory. The Negeb would be kept as a military base of the British. Jerusalem would be assigned to Abdullah as capital of his enlarged state. Haifa would become a joint affair of Israel and Transjordan.

Second. Restraint of Israeli sovereignty in various directions, but primarily in the domain of immigration. This is being now done under the pretense of truce requirements, and it is intended to extend this foreign control for months and perhaps years.

Third. The state of Israel will be forced into dependence on Abdullah's state, that is, once more on the British Empire, through a sort of federation that would place it in the position of a Luxemburg, or through a political, economic, and military alliance with Abdullah.

All this can be attempted after the election because the United States embargo against the shipment of arms to Israel, while Britain continues to supply the Arab states, will have placed Israel in a precarious position. It will be far more difficult to prevail upon the United States to lift the embargo after election day when it is far less sensitive to public opinion than now.

It is my purpose to bring to the attention of the American public in advance of the elections the real aims of American and British policy. I believe that this policy to date represents not only a betrayal of Israel, but a betrayal of America, of the interests and ideals of the overwhelming majority of the American people. It serves only the Wall Street bankers and oil monopolists and their British counterparts.

The Government of Israel of course must be extremely cautious on the question of ending or prolonging the truce. They did not start this war and do not want to assume the responsibility for its renewal.

But it is the responsibility of American citizens to call upon the United States to lift its unilateral arms embargo at once so that at the end of the truce Israel will be able to procure arms. It is also the responsibility of American citizens to see to it that their Government grants immediate de jure recognition to the state of Israel.

To that end I shall continue to fight.

He That Filches From Me My Good Name Makes Me Poor Indeed

EXTENSION OF REMARKS
OF

HON. ARTHUR G. KLEIN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. KLEIN. Mr. Speaker, in an effort to divert public attention from the humiliating failure of the special session to take a single decisive step toward meeting any critical problem now facing the United States of America, the Machiavellis who direct Republican policy and public relations have unloosed on us another two-ring circus of defamation and loose charges.

For such few facts as have been brought forth in this circus atmosphere of klieg lights, cameras, recording devices, and blazing headlines, the public may feel vaguely grateful; but that gratitude cannot make up for the queasiness with which it sees loose charges bandied about, loyal Americans cheaply branded by an acknowledged psychotic, and an opportunity for adequate answers by the accused postponed to some misty future—after the elections, no doubt.

In Othello, 400 years ago, William Shakespeare presented us with a summation of the value of character in immortal words which I should like to bring to the attention of the Republican tacticians. He wrote:

Good name in man and woman, dear my lord,
Is the immediate jewel of their souls:
Who steals my purse steals trash; 'tis something, nothing;
'Twas mine, 'tis his, and has been slave to thousands;
But he that filches from me my good name
Robs me of that which not enriches him
And makes me poor indeed.

"WHICH NOT ENRICHES HIM"

There can be no greater tragedy than that which falls upon the pilloried victim of these sensational charges if the person named is, as usually happened, innocent of any statutory violation or even of indiscretion or misdirection; but the ardent assassin of character might well take to heart the Shakespearean admonition that "he who filches from me my good name robs me of that which not enriches him."

Except for transient notority and the acquisition of a smoldering resentment in the hearts of all fair-minded people, it is difficult to see what can be gained from these sensational and imprudent hearings. Perhaps an election can be won; but at what cost, Mr. Speaker, at what cost.

While I am quoting, let me quote the preface to chapter III of The Turning Stream, a newly published volume by Duncan Aikman, a sharp observer of the American scene. Aikman writes:

In a time when our 500-year-old revolution was younger and moving more slowly, a liberating inheritance was laid up for the USA people. * * * They added to it; at some points they improved upon it. And refashioned it for a new people's use in their own way.

So when the USA people's first intellectual climax came with the 1776 Declaration of Independence, this basic capital in their intellectual bank was virtually intact, and peculiarly theirs.

Rights of free private judgment and expression were a part of the heritage. So was the idea, however imperfectly realized, of the equality of individuals in opportunity and before the law. So was the principle of the greatest possible freedom of economic action—though today the complexities of power-age economy appear to be narrowing it.

If an American dynamic is required for ordeals by still greater and more revolutionary changes than have been faced in the past, the basic inheritance can be drawn upon to provide it.

DISSIPATING OUR INHERITANCE

There is genuine danger, Mr. Speaker, that the damage which is being done by this witch hunt will go far beyond the tragedies of individuals—that these scatter-gun blasts will shake our American liberties to their foundations, that our precious heritage of freedom will be dissipated and our national character bankrupted.

I have quoted from two authors, one of them the greatest genius of the English language, the other a recognized authority in political and economic philosophy.

I turn now to more current and typical comment, an editorial from the New York Post of August 6:

MORE EFFICIENT THAN MURDER

Congress is currently proving that there is room within present legislative practices to assassinate a man without once flinging an angry hand in his direction. There's no blood. Just the remnants of a smeared character to kick around in wash-room gossip.

It's simple: you summon a few people into a klieg-lighted chamber and let them talk unchecked, stringing together names and dim events with strident tones of accusation.

Sometimes you let the accused stand under the klieg lights to shadow-box the vague and damaging charges brought against his name. Often, you don't. It's as ugly as murder and twice as efficient.

And it could destroy more than the reputations of its hard-luck victims. It threatens every man's democratic right to be considered innocent until incontestable evidence has proved him guilty.

The present congressional investigations into the nebulous activities of an underground, above ground, or perhaps stratospheric Communist spy ring will probably produce only one conviction—a conviction on the part of the voters that Congress had better set up fair and democratic rules to govern the conduct of its investigating committees.

The courts have always been wary of imposing judicial restraints on congressional investigations. They reason that the legislative branch of the Government should exercise its own discretion in unearthing facts which might otherwise never be revealed because they violated no existing law, but rather indicated the necessity for legislative reform.

The over-all record of congressional investigations probably illustrates the soundness of the courts' contention. The Pujo committee's probe into the so-called money trust in 1912 brought to light unpalatable conditions which were corrected in the Federal Reserve Act of 1913.

More recently, Senate investigators, with the help of Ferdinand Pecora, came through with disclosures which inspired three of the New Deal's most far-reaching reforms—the securities law, the law creating the Securities and Exchange Commission and the holding company act.

But, conceivably, neither of these investigations would have been hampered by the existence of rigid congressional rules, devised to protect the name of any man against conscienceless slander.

And, certainly, the grim farce being conducted in Washington today demonstrates that the absence of any such rules makes it possible for some Congressmen to abuse their legislative privileges to a point where democracy becomes self-defeating.

Before the work of all congressional investigating committees, good or bad, is discredited by a public thoroughly disgusted with the witch-hunting antics of the House Un-American group, Congress should adopt the model fair procedures bill supported by the American Civil Liberties Union.

The bill would accord persons who had been attacked in a congressional hearing the right to appear (with four witnesses) before the committee and to conduct a 1-hour cross-examination of any accuser.

It would permit congressional witnesses the aid and advice of counsel and would further protect them from being forced to make self-incriminating statements. Each witness' account would become part of the public record.

These are simple democratic guaranties which Congress should be only too willing to include among its rules.

But if our legislators show no signs of outlawing character assassination in Congress, the people should amend their Constitution until it provides them with full protection against further congressional misuse of its investigatory power.

William P. Kennedy

EXTENSION OF REMARKS
OF
HON. RICHARD F. HARLESS
OF ARIZONA
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

Mr. HARLESS of Arizona. Mr. Speaker, in honor of an eminent journalist, William P. Kennedy, who has passed in the Nation's Capital a lifetime of service as a highly constructive and just critic of government and men, in his career as a columnist of the Washington Star and correspondent of the Springfield (Mass.) Republican and Daily News, James Patrick McGovern, of the District of Columbia bar and special Washington representative of the Arizona Daily Sun, has written some lines as a tribute to the distinction of character of that veteran newspaperman, which, like that of his long, talented, and honorable labors as a writer, now marks his serene retirement in a rustic setting. I now submit the verse for insertion in the CONGRESSIONAL RECORD, as follows:

LOVED HOME

Blessed is he whose home can foster deep
Affection for the beauties of the earth;
Such charm transfigures life and makes dreams keep
A magic faith with fancies from our birth
And mystic childhood. Thus the day's dull noon
And even sunset's darkening to night,
By which we with infinity commune,
Have halo, afterglow, prismatic light.
What peace, what lure, what philosophic mood,
Unknown in all the bustling, strident town,
With its contention, glitter, vogue, and frown,
May dwell amid a landscape's solitude.
More lustrous than the diamond from the mine
Are the heart's beams which from a loved home shine.

—*James Patrick McGovern.*

West Virginia Labor's League for Political Education

EXTENSION OF REMARKS
OF
HON. HUBERT S. ELLIS
OF WEST VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

Mr. ELLIS. Mr. Speaker, under leave to extend my remarks in the RECORD, I submit an article by Calvert L. Estill, staff writer in the Charleston office of the Wheeling Intelligencer.

This statement is an analysis of a pamphlet issued by the West Virginia Labor's League for Political Education. It is noted that out of approximately 540 roll-call votes in the Seventy-eighth, Seventy-ninth, and Eightieth Congresses, the league sees fit to present only 12 votes in presenting the Ellis voting record. It is reasonable to assume that the 528 votes not listed in the pamphlet were considered as favorable.

The statement follows:

HUBERT ELLIS AND LABOR

CHARLESTON, August 4.—Both plain deceit and lack of candor have been used by certain labor officials in an effort to bolster the political campaigns of some of their hand-picked New Deal candidates for Congress, and disparage the campaigns of opposing Republicans.

For the New Dealers, the labor leaders picked measures on which the candidates had voted "favorably" in previous congressional sessions. For the Republicans, they picked measures on which the brass and braid say the GOP candidates voted "unfavorably" in past sessions. There is no indication that the rank and file have ever had a chance to express their opinion of the candidates. They are supposed to take what the bosses tell them and like it.

In a pamphlet in which the voting records of the candidates are supposed to be given so that the workingman can tell friend from foe, M. M. Neely, Democratic senatorial nominee, is judged on votes he cast in the Seventy-ninth Congress. HUBERT ELLIS, Republican nominee in the Fourth District, is judged on a different set of votes, though he, too, served in the Seventy-ninth Congress.

IGNORED THE RECORD

This pamphlet presumes to educate union members about candidates who are running this year, yet it ignores all parts of the official record which cannot be recited in support of what the brass hats have decided. They seem to believe that the wage earners in the union cannot be trusted with the whole truth about the candidates and so be in position to make up their own minds intelligently.

Voting records of their chosen favorites have been grossly padded. On one single measure, Neely is given four favorable votes, each at a different stage of the legislation, but all indicating exactly the same attitude toward that legislation. On another such business he got two favorable reports; and on two other bills he got three favorable votes each. These alleged 12 favorable votes were actually just four favorable votes so far as being indicative of his attitude toward the bills is concerned.

For the legislative session of 1946, in which ELLIS and Neely both served, in the education leaflet put out by labor's brass hats, Neely's vote is given on 21 roll calls; ELLIS is listed on only four of these, though he was present and voted on the same things Neely voted on, except in two instances in which he had a general pair.

VOTES WERE THE SAME

In six cases in which Neely's vote is recorded, ELLIS voted exactly as Neely did; yet the ELLIS votes are ignored except those on a block of amendments to the Railroad Retirement Act and on the Case bill. Why did the labor bosses conceal those other four votes which, by their own yardstick, were favorable to labor?

For the whole time Neely was in the House on the last occasion—1945 and 1946—the education pamphlet lists 27 favorable votes for him. Eight of these, however, were supplemental votes—that is, votes on the same proposition at different stages of consideration. Subtracting these 8 votes leaves 19 indicative votes.

On 19 votes by Neely, listed as favorable, ELLIS voted the same as Neely did on 12, but these 12 favorable votes by ELLIS are not set out in the leaflet. The top brass doesn't want the wage earners in the unions to know that he did cast those votes. The truth about this stanch American's voting record in Congress is not fully given; and by that lack, his record has been distorted and misrepresented.

WHAT THE BILLS WERE

Consider some of the measures on which ELLIS voted as Neely did but which the dues-paying members of the labor organizations haven't been told about by their political advisers. ELLIS voted for passage of the housing stabilization bill; so did Neely. It passed 358 to 24. Neely got a star for his vote. ELLIS' vote was ignored.

The House passed 355 to 1 an appropriation of $250,000,000 for housing for veterans. ELLIS voted for it. So did Neely. ELLIS' vote is not listed by the education league; Neely's identical vote is called favorable.

Postal employees were voted a pay raise by the House by 369 to 1. So were Federal workers generally. ELLIS voted in favor of both bills; so did Neely. Neely's vote is praised.

ELLIS' identical vote is ignored. Both Representatives voted in favor of an amendment by Representative KEEFE relating to packing-shed workers and NLRB jurisdiction. Neely gets a favorable on this; ELLIS gets a blank.

Neely gets just one unfavorable vote—that in favor of extension of the draft to February 15, 1947. ELLIS voted against the measure. The Neely vote is listed. The favorable ELLIS vote is ignored.

We Must Maintain a High Farm Income

EXTENSION OF REMARKS
OF
HON. BEN F. JENSEN
OF IOWA
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

Mr. JENSEN. Mr. Speaker, the call sent out by the President for the special session of Congress has given me food for thought. The words which have been spoken during this special session, many of them for political effect, have left me wondering whether the Members of Congress and the American public realize how and why our economy under our American system is functioning better than that of any other nation.

I would like therefore to set out a few basic facts which I want you to ponder over while you are back in your own district.

First of all, the people of this Nation still have their civil freedom and their religious freedom, while most of the world is under some form of socialistic or fascistic control.

Second, we are enjoying the benefits of our natural resources to a greater extent than any other nation. We have approximately 6 percent of the population of the world. Yet, today, this 6 percent of the population of the world has 45 percent of the dollar income or, I should say, income in terms of dollars.

We hear much about inflation, yet we are the only Nation in the world whose monetary unit, based on the productivity of our Nation, is the most wanted and desired in the channels of trade. From the standpoint of basic economy and monetary values, how can we have a serious inflation when our monetary unit is the soundest on the globe? But we must see to it that it is kept sound.

It is true that prices are high as compared to prewar but have you analyzed our position in this world of turmoil on the basis of real results. By this I mean in terms of employment, consumption of goods, national income and wages and salaries.

Let us go back to 1939 and make a few comparisons with today. In 1939 we had a national income of $72,000,000,000 as compared to $202,000,000,000 in 1947, an increase of 180 percent.

In 1939, we had 8,000,000 unemployed with many of our people on relief and in the soup line. Today we have full employment and no one who is physically fit needs be on relief.

I have heard representatives of labor tell about the terrible results of the Taft-Hartley Act. Let us take a look at the facts. In 1939 total wages and salaries amounted to $45,000,000,000 as compared to $127,000,000,000, the rate of payments in the second quarter of 1948, a gain of 182 percent.

We hear the silver tongue of the political orator talk about high prices but he fails to mention that total wages and salaries today have increased 180 percent above 1939 payments. He wants the public to believe that they are being deprived of goods. Again let us look at the facts. In 1939 the American public spent $41,900,000,000 for goods. In 1947 they spent $117,400,000,000 or an increase of 180 percent. Now then if you will go back over the facts which I have given you, they will show that national income, total wages and salaries and money spent for goods are in exactly the same balance as 1939, but, at a higher price level, which we must maintain in order to support a $40,000,000,000 or even a $35,000,000,000 administrative expense.

Now let us go a step further and consider this cost of living. In the 10-year period 1930–39, the American public spent 24.3 percent of its income for food. In 1946 they spent 24.1 percent and in 1947 they spent 23.9 percent. Prices are higher but wages determine the price of goods and the record proves that wages and the price of goods have risen in direct proportion. The facts and figures are taken from the records of the Department of Commerce and cannot be successfully disputed.

Next let us analyze the end result. Through the expenditure of the same percentage of the national income for food, the American people are receiving 15 percent more food in terms of pounds than they did in the period 1935–39. Stated in another way the American laboring man is getting more pounds of food and more clothing for an hour of work than any period in the history of the United States.

As a Member of Congress, I am elected to serve all the people in the United States. I want labor to have its fair share and economic equality. I want agriculture to have parity which in essence means cost of production plus the average profit we derive from each year's production cycle. I want the businessman, the white-collar worker, the school teacher, the Government employee, and so forth, to have economic equality in direct proportion to his ability to produce.

For 24 years I was a businessman engaged in selling building materials and there is much uninformed discussion of housing. What is the real situation? In 1947 and the first half of 1948 we were employing 70 percent more workers than in 1939 in the construction industry. How does this compare with the rest of our economy. In 1939 we had 46,000,000 employed as compared to 61,000,000 in July 1948. This is a gain of 32 percent. What does this prove? It proves that our present construction is ahead of the rest of our economy. If we had voted public funds for more housing, cost of homes would go up, hence less homes and more inflation. To expand our construction industry we would have to take materials from some other industry and we would have to take away labor from some other part of our economy. On an over-all basis, in my opinion, this would lead to inflation and an unbalanced economy.

The present record of construction shows that we will build approximately 1,000,000 homes in 1948 which will be the national record.

Using a rather homely old phrase, if we will just "keep our shirts on," production under our private enterprise system will provide the housing and every other thing we need for prosperity, just as it always has, the safe, sound way. We should remember that we had 12 long years of depression and 5 years when most of our construction went for war purposes. It is impossible for even our economy, the most productive in the world, to overcome that shortage in a few years.

Finally let us take a look at the Nation as a whole. In 1939, as I have pointed out, we had a national income of $72,500,000,000, we had 8,000,000 unemployed, with American workers in the soup line, but we had more than that, we had approximately a $3,000,000,000 Federal deficit in 1939.

In the fiscal year ending June 30, 1948, we had full employment with 32 percent more workers in actual numbers than in 1939. No one willing to work was standing in a soup line. We had a balanced budget with a surplus of approximately $8,500,000,000 in spite of the carrying charge resulting from an increase in the national debt to over $250,000,000,000, much of which was due to World War II. Yes; and in spite of the fact that we donated approximately $8,500,000,000 of goods in 1947 to prevent the rest of the world from throwing up the sponge and letting communism take over.

Coming from an agricultural State, it is only natural that I am willing to defend agriculture and a price for its products first, last, and all the time. I have a definite reason for so doing. The record of our Nation during the past 25 years proves that for each $1 of gross farm income that we have had, regardless of whether farm prices were high or low, we had $7 of national income. It was the farm production and the price for farm products which made it possible for us to win World War II, and in 1946 and 1947 to have the highest standard of living of any nation on the globe in all the history of the world. And today crop reports show that the farmer once again is producing in abundance the materials which sustain the life and the energy of the human race and which through price per unit create the income to balance the budget, to pay the wages for full employment and consumption of goods.

Instead of discontent we should have a feeling of well being. Frankly, in my opinion, instead of this discontent, we should be willing to pay the keeper of the national boarding house, the American farmer, in order that the seven times turn of farm income into national income can generate the national income for continued solvency of the Federal budget, full employment, and general prosperity.

We need the vision to recognize that prosperity is with us and that our problem is to keep it here. In discussing lower prices we should bear in mind that a 25-percent reduction in farm prices will mean a reduction of 25 percent in national income, in wage payments, and in dollar volume of consumer goods.

In other words, should we have, say a $7,000,000,000 reduction in farm income, we would in turn suffer a reduction of national income of $49,000,000,000, then foreclosures, soup lines, misery, and general discontent would make America fair prey for the Communists' dream to come true.

Viva Puerto Rico Libre!

EXTENSION OF REMARKS
OF
HON. LEO ISACSON
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Friday, August 6, 1948

Mr. ISACSON. Mr. Speaker, 50 years ago this year the United States took over the island of Puerto Rico as part of the victor's booty in a war with Spain. At that time, Puerto Rico had already reached the stage of autonomous government.

It was a thriving country.

Its rich land, cultivated by the people, bore the fruits of that labor.

It was a country free of exploitation by foreign capital.

It was a country striving to take its place beside the other nations of the world.

But these hopes and aspirations were completely smashed when the United States, advancing the interests of big business, converted this land into a colony, destroyed its agricultural plan and economy, and forced the people to give up Spanish, the only language they knew.

This action was in complete violation and contradiction of the Treaty of Paris which respected the rights of all people to self-determination.

The hold of the United States on Puerto Rico forced them to drastically change their economy, which had produced grain, cotton, rice, tobacco, and farm commodities.

Today, Puerto Rico's economy is completely dominated by the huge sugar interests in the United States.

Where once this rich land gave forth many products, today the people are forced to produce only sugar, completely destroying the richness of the earth and the hopes of the people.

Big business in America is not alone responsible for the repression of the Puerto Rican people. In Puerto Rico itself there exists also a bipartisan government which is tied hand and foot to Wall Street and works in Wall Street's behalf rather than in the interests of the people. The power to make laws has been taken from the people and handed over to the President of the United States and the Supreme Court, who have set themselves up as the supreme judge as to what is right and just.

One would think that we are living in the days of feudalism.

One would think that our great Nation, which threw off the yoke of British rule in 1776, would respect the wishes of all people for independence.

But here in the United States our Government, our press, and our rumor factories have spread libelous and malicious untruths about the Puerto Rican people.

Only a few short months ago our press carried the most vicious stories vilifying and slandering the Puerto Rican people.

They claimed that 90 percent were on relief.

They claimed that 50 percent were prostitutes.

They claimed that the Puerto Rican people in New York were ridden with tuberculosis and syphilis.

But these lies did not go unanswered.

The Puerto Rican Congress waged a campaign to expose these lies.

I am proud to say that along with VITO MARCANTONIO and Jose Ramos-Lopez, I picketed the building of the World-Telegram and demanded that these stories be retracted.

These lies were completely refuted by reports from Columbia University.

This campaign of vilification did not stop with the press but continued in the very Halls of the Congress of the United States.

Reactionary after reactionary rose on the floor of the House of Representatives and slandered the Puerto Rican people.

But Congressman MARCANTONIO and I rose to our feet and nailed every one of those lies. We were fighting for the rights of the Puerto Rican people and for the rights of all people to live in peace and security.

These slanders were particularly raised against the Puerto Ricans because all oppressed people, by their very nature, are progressive and monopoly and Wall Street know full well that before they may completely destroy the aspirations of the Puerto Rican people they have to break the progressive front established by them.

We shall not allow Wall Street to do that!

Far away, across the Atlantic and the Mediterranean, another heroic nation, the state of Israel, fighting against all odds, has established an independent state.

So, too, will the Puerto Rican people, fighting against those same forces, ultimately throw off the yoke of Wall Street imperialism and secure for themselves an independent homeland.

Of this there is no doubt.

But the task here for us in America and especially for the Progressive Party is to become the fighting allies of these exploited people and demand of our Government full recognition of the independence of Puerto Rico with economic guaranties.

We must make our demands known at the polling places in November.

Vote against war!
Vote against high prices!
Vote for decent homes!
Vote for Puerto Rico!

Truman and his Republican Congress pay only lip service to the platform of the Progressive Party.

We know that only the election of Henry Wallace and GLEN TAYLOR will mean action on that platform.

I have today introduced a bill into the Congress of the United States demanding immediate independence for Puerto Rico.

Puerto Rico has been ready for independence for 50 years.

It is up to us as Americans to fight untiringly until this is achieved.

Viva Puerto Rico Libre!

The Livestock Outlook and Its Effect on the Price of Meat

EXTENSION OF REMARKS
OF
HON. WALTER K. GRANGER
OF UTAH
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

Mr. GRANGER. Mr. Speaker, a two-way trend has marked this country's livestock and meat industry since World War II. Prices of livestock and meat have climbed to all-time records and livestock numbers have declined sharply from their wartime peaks.

Two factors have dominated conditions in the industry. Record incomes have created an unprecedented demand for meat which has resulted in high prices for meat despite large per capita supplies and the liquidation of cattle and sheep from ranges and farms. Feed scarcities have meant high feed prices and have caused farmers to make moderate reductions in numbers of hogs produced since the war.

Meat is not scarce in terms of per capita quantities as a result of these developments, however. Per capita consumption is well above prewar. Large cattle slaughter in 1947 reduced cattle numbers but brought meat consumption up to 155 pounds per capita—the largest in about 40 years. The anticipated consumption this year of about 145 pounds is far above the 1935–39 average, amounting to about 126 pounds. Actually, the only scarcity of meat is in relation to the strong demand created by rising incomes.

There has been a steady decline in cattle numbers in the United States since January 1, 1945. The estimated total at that time was 85,600,000 head, which established the all-time peak. On January 1 this year, the total was 78,600,000 head, which represented a decrease of 8 percent.

The decline in hog production began in 1944 when wartime output of hogs became not only too great for the available feed-grain supplies at that time, but too great to be maintained at that level under any conditions. Hog production received another setback in 1947 when the short corn crop caused producers to cut potential production of spring pigs. On January 1, 1944, there were approximately 83,700,000 hogs on farms and the

annual pig crop was then estimated at 86,700,000. By January 1, 1948, the total number of hogs on farms had declined to 55,000,000 and the annual pig crop to an estimated total of 82,400,000 head.

Sheep growers have continued to reduce their herds since the war. This tendency can be traced to high operating costs, the difficulty in obtaining labor, and to the uncertainty which has prevailed in future prices for wool, as well as to many of the other factors which have had an effect upon all livestock. Present numbers of sheep and lambs on ranches and farms are the lowest since the Civil War. They have declined from an all-time record of 49,300,000 head of stock sheep on January 1, 1942, to a total of 30,500,000 head on January 1 this year.

MEAT CONSUMPTION

Since the beginning of the decline in livestock numbers during the war, however, United States civilian per capita meat consumption was maintained around the highest wartime level until this year, and in 1947 exceeded any annual meat consumption rate since 1908. Per capita consumption in 1944 amounted to 153 pounds. It declined to 144 pounds in 1945, but amounted to 153 and 155 pounds in 1946 and 1947, respectively. This year, as reduced livestock numbers are being felt, it is probable that the decline in meat production will not permit per capita consumption beyond 145 pounds.

The following table shows livestock and meat production and consumption for 1935–39 average and for 1941 to date:

Year	Jan. 1 number on farms				Annual pig crop	Total meat		Per capita meat consumption
	All cattle and calves	Milk cows [1]	Stock sheep	Hogs		Production	Civilian consumption	
	Millions	*Millions*	*Millions*	*Millions*	*Millions*	*Billion pounds*	*Billion pounds*	*Pounds*
1935–39 average	66.8	25.0	45.4	43.9	68.6	16.2	16.3	126
1940	68.3	24.9	46.3	61.2	79.9	19.1	18.8	142
1941	71.8	25.5	47.4	54.4	85.0	19.6	18.8	142
1942	76.0	26.3	49.3	60.6	104.9	21.9	18.4	139
1943	81.2	27.1	48.2	73.9	121.8	24.5	17.9	138
1944	85.3	27.7	44.3	83.7	86.7	25.2	19.7	153
1945	85.6	27.8	39.6	59.3	86.8	23.7	18.6	144
1946	82.4	26.7	35.6	61.3	82.9	23.0	21.2	153
1947 [2]	81.2	26.1	32.1	56.9	84.1	23.4	----------	155
1948	78.6	25.2	30.5	55.0	82.4	21.3	----------	145

[1] Included in all cattle.
[2] Preliminary.

No material change in the meat supply situation is anticipated until near the end of 1949. For the remainder of 1948 meat supplies are expected to continue moderately smaller than a year ago, and are likely to reach the lowest level of the year in late summer and early fall. Commercial production of meat for 1948 may be approximately 10 percent lower than a year ago.

With the decrease in meat supplies, prices to consumers may rise still further since demand is stronger than a year ago because of higher wages and other income. July retail prices were generally the highest on record.

Further increases may be anticipated in prices of hogs and in good and choice fed cattle this summer, with seasonal declines of somewhat less than usual extent probable for grass cattle and lambs as soon as marketings reach a seasonal peak. Lighter marketings of fed and grass cattle are expected for the last 6 months of 1948 than for the same period a year ago. Fewer cattle are on feed and slaughter of steers and heifers is likely to be limited because of the reduction in young stock evident in 1947.

As to the future outlook, the harvest of a record corn crop this year is expected to result in increased cattle feeding and a greater demand for feeder cattle. The heavy corn crop may delay the marketing of 1948 spring pigs, which, because of the ample supply of feed will be fed to heavier weights, and in the long run will produce more meat. However, with fewer hogs on farms June 1 than a year earlier, hog slaughter for the rest of 1948 is expected to continue below the 1947 level. There is little prospect of any increase in the number of lambs which will go on feed this fall because fewer lambs are available for feeding.

IMPORT AND EXPORT

During the past year exports of meat have been limited to a fraction of 1 percent of the current output, and no meat, except horse meat, has been shipped or is scheduled to be shipped in connection with the European recovery program.

The world livestock and meat situation has improved somewhat since the war, but supplies of meat in many areas are still below prewar levels. The trend toward increased numbers of cattle, hogs, and sheep in Europe, Soviet Union, and other countries except North America continued in 1947, but the increases in Europe were below expectations because of unfavorable crops and pastures in 1947.

There were declines last year in cattle numbers in North America, South America, and western Europe, but these were more than offset by increases in the number of cattle in the Soviet Union and Oceania. On a world-wide basis, present cattle numbers are only slightly below the 5-year, 1936 to 1940, average of 726,400,000 head.

World hog numbers at the beginning of this year were estimated at approximately 247,000,000 head—an increase of about 2½ percent over the previous year—but 15 percent below the 5-year, 1936 to 1940, average. In the past year although hog numbers have declined in North America, there have been moderate increases in South America, Europe, Soviet Union, Asia, Africa, and Oceania.

Sheep numbers throughout the world at the beginning of 1948 were estimated at about 711,000,000 head—an increase of 22,000,000 head over the numbers of previous year. This represented an increase of 3 percent over 1947, but was 3 percent below the 5-year average for 1936–40.

Two additional factors have affected the output of meat in the United States to some extent. These include an embargo on the shipment of beef cattle from Canada to the United States which was originally applied by Canada in 1942 in a move to conserve its beef-cattle stocks for wartime purposes. Removal of this embargo, which is now being contemplated by Canadian officials, would add possibly 100,000 head of cattle to United States supplies in the next few months. A similar embargo on live sheep and lambs and carcasses was removed August 3, 1948.

EFFECT OF FOOT-AND-MOUTH DISEASE

Another handicap to meat production in the United States has been the closing of our border to imports of Mexican cattle as a result of the outbreak in 1946 of foot-and-mouth disease in the central sections of that country. Under the quarantine, which is still in effect, live cattle or other livestock cannot be shipped into the United States. Cattlemen in Texas and other Southwest States who have depended upon imports from Mexico to stock many of their ranges are no longer able to obtain cattle and calves from that source. Previously imports from Mexico amounted to as many as 500,000 head a year.

Eradication and control of foot-and-mouth disease in Mexico is being carried on under a joint plan of operation by the Governments of the United States and Mexico. The major task since the beginning of the outbreak has been to prevent its spread into disease-free areas and for this reason the Mexico-United States Commission for the Eradication of Foot-and-Mouth Disease have taken the utmost precautions to prevent spread through potential carriers of the virus.

Regulations are in effect to prevent people from becoming virus carriers by travel in and out of the infected areas. Extensive measures are taken to enforce the quarantine and disinfection with the greatest possible efficiency.

To date, the Commission has been successful in containing the disease within the original central area of infection and in reducing that area by small but significant gains along its northern boundary. One of the main factors in this effort has been the maintenance of a quarantine and disinfection belt that is made up of disinfection stations intercepting every highway, railroad, or trail leading from the central area of infection into clean northern Mexico and the United States.

These stations are staffed by United States and Mexican sanitary technicians—laymen who have been trained in disinfection measures by veterinari-

ans—a detachment of the Mexican National Army—to provide the necessary enforcement of disinfection regulations if necessary—and as many laborers as may be necessary to operate road dips through which all vehicular traffic must pass and roadside footbaths of chemically impregnated sawdust through which all persons—pedestrians or vehicle passengers—must walk. Every effort is made against considerable obstacles to make sure that these stations are always supplied with adequate chemical materials, power sprays and water, and they operate on a 24-hour basis.

Persons or vehicles carrying materials that are capable of transporting the virus—hay or forage, for example—are turned back, and all other goods are subject to a painstaking spray disinfection. Every effort is made to see that these measures are applied with equal impartiality and thoroughness to the drivers and passengers of private automobiles, bus riders, and the countryfolk.

In the case of passengers of airplanes taking off from a point within the infected area and going nonstop to a destination within the clean territory, arrangements have been made with every airport for the disinfection of planes and passengers prior to departure. Footbaths have been installed at entryways to the planes and Commission or military personnel are on constant duty to make sure that official regulations are observed. The same measures are used with respect to coastwise shipping and trains.

While the officials of the Commission, in recognition of the importance of the person as a possible carrier of the virus, are making every effort to make sure that these measures are being carried out with the utmost efficiency, they are aware of the highly mobile nature of the Mexican peasant who frequently shuns established communications routes and strikes off across mountains in traveling from point to point. In an effort to strengthen the quarantine lines in areas in which this is particularly prevalent, five-strand fences patrolled by troops have been built. Mexican habits and customs are also taken into consideration by the Commission which does not represent the quarantine line as an absolute guaranty against possible spread of the disease, but as an important part of the best restraining strategy that can be employed in the Mexican situation.

The Taft-Hartley Act in Operation

EXTENSION OF REMARKS
OF
HON. CHARLES J. KERSTEN
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

Mr. KERSTEN of Wisconsin. Mr. Speaker, the Eightieth Congress passed a most important law—the Labor-Management Relations Act of 1947, commonly known as the Taft-Hartley Act. This act is important because it sets forth the basic principles to govern the relations of labor and management in the United States. It amended the National Labor Relations Act, or Wagner Act, which had been the basic law since 1935.

During the Eightieth Congress I had the honor and duty to serve on the House Committee on Labor and Education which drafted the Taft-Hartley Act. Wisconsin's Fifth Congressional District, comprising the north half of Milwaukee County includes employees whose livelihood is affected by our national labor policy and many and diverse industries with all kinds of labor-management problems. As Congressman from this district I felt a special interest in behalf of the workingman and in working on this House committee to draft a law which would be fair and just to both labor and management. We spent 6 weeks in committee hearings and quizzed 137 witnesses—representing labor, management, and the public—in preparation of the Taft-Hartley Act.

It was during these hearings that a subcommittee made up of the late Representatives THOMAS OWENS, of Illinois, JOHN KENNEDY, of Massachusetts, and myself as chairman, came to Milwaukee to investigate the veracity of the testimony of certain leaders of the Allis-Chalmers Local No. 248. As a result of these investigations, Harold Christoffel was convicted of perjury.

Naturally those of us who served on the committee did not agree on every provision of the Taft-Hartley Act which was finally passed, since the act deals with almost every phase of labor-management relations. However, we all agreed that the act was a substantial, considerable improvement on the Wagner Act, then in effect.

The Congress also believed that the act was sound. It passed the act over the President's veto by a vote of 331 to 83 in the House and 68 to 25 in the Senate, the largest vote ever made to override a Presidential veto, with both Democrats and Republicans voting in favor of it.

How has the Taft-Hartley Act worked out in practice? Examination of the past year of comparative industrial peace will show that the act is proving to be both fair and workable, contrary to the dire predictions of some labor leaders.

One provision of the Taft-Hartley Act outlaws strikes arising from jurisdictional disputes. As a result the National Labor Relations Board has initiated formal action in only one jurisdictional dispute since the effective date of the act. In all other jurisdictional disputes settlements have been effectuated without the necessity of formal action. Many unions, particularly the building trades, have now set up machinery to settle these disputes, which prior to the passage of the Taft-Hartley Act constituted such an unjustifiable abuse of the right to strike.

Secondary boycotts are also outlawed by the act. Only nine petitions for injunctions against secondary boycotts were issued by the Board from the time of passage of the act in August 1947 to the end of 1947. Most of the other charges were settled peaceably. The mere filing of charges and the beginning of an investigation is serving to end this abuse.

The requirement that labor leaders sign a non-Communist affidavit has been complied with by almost all unions. The United Electrical Workers of America is one of the few unions which has refused to sign. Many Communists were dismissed from union leadership by the unions themselves, because they refused to sign. The act should be amended to require employers as well as union officers to sign.

The union shop is permitted under the Taft-Hartley Act where a majority of the employees vote for it by secret ballot.

The union shop provision should be simplified to make it unnecessary for the Government to conduct the election unless requested to do so. To the end of 1947, 668 union shop elections were held and 664 of these were favorable to the union shop. The act prohibits the closed shop, however. I, personally, believe the act should be amended to permit the closed shop in certain instances.

Labor organizations are now requested to file statements of their operations with the Department of Labor and also to furnish financial statements to their members. Up to February 1, 1948, 10,796 unions had complied with this provision.

The act also gives the President the power to prevent work stoppages for 80 days where a threatened strike would imperil the national health and safety. Because of this provision the public has been protected and there have been no prolonged strikes in key industries since the passage of the Taft-Hartley Act.

The act continues, the same as formerly, the ban on employer unfair labor practices. In addition it defines union unfair labor practices—such as coercing employees, featherbedding, or charging excessive dues when there is a union shop agreement. It was charged prior to the passage of the Taft-Hartley Act, that this provision for making unions susceptible to charges of unfair labor practices would encourage recriminatory actions by employers against unions. This has not been the case. From the effective date of the act until the end of January 1948, 1,316 charges were filed against employers while only 335 charges were filed against unions. Union membership is now at an all-time high in the United States—further indication of the fact that the Taft-Hartley Act has not in any way stifled the labor movement.

But what has been the effect of the act on the bargaining positions of labor and management? Has labor lost any of its strength at the bargaining table?

In the first place it must be remembered that the Taft-Hartley Act does not outlaw a legitimate strike—labor's most potent weapon at the bargaining table. The act only outlaws wildcat strikes and those arising from jurisdictional disputes. It does, however, require a 60-day cooling-off period before a strike can be called and it does make a union as well as a company liable for damages for breach of any collective bargaining agreement. Further, the act does not permit permanent injunctions to be issued against unions. Temporary injunctions under the act can be issued only in the case of

national emergencies and even then only for a short time.

Hourly earnings in the United States on the date of the passage of the Taft-Hartley Act were 27 percent higher than on VJ-day. During this same interval the cost of living as reported by the United States Bureau of Labor Statistics had risen 24 percent. From the time of the passage of the Taft-Hartley Act to March 15, 1948, for example, wages and prices continued to rise, until at that time, the hourly wage rate was 35 percent above VJ-day and the cost of living was 29 percent above VJ-day. Thus it will be observed that the hourly wage rate increased another 8 percent since the passage of the act while the cost of living rose only 5 percent. While these figures can never show the complete picture they give no substance to the charge that labor suffered at the bargaining table because of the Taft-Hartley Act.

But the increase in hourly rates does not accurately reflect the true increase of income which workers have received since the Taft-Hartley Act went into effect, because these gains have been secured more frequently through peaceful collective bargaining rather than through costly strikes. From VJ-day until the effective date of the act, the average number of man-days of idleness caused by work stoppages was 7,213,000 per month. Since the passage of the act until the end of April 1948 the average number of man-days of idleness was only 2,613,000 per month. This amounts to a saving to the workers involved during this time of over $1,000,000,000. Here is a tangible, positive gain which workers have received because of the abolition of labor abuses by the Taft-Hartley Act.

The act prohibits the check-off of union dues unless expressly authorized by a union member in writing. It also prohibits unions and employers from threatening workers to join or not join unions, but at the same time guarantees free speech to all to present their views. The act also prohibits a union or corporation from contributing to a political campaign involving Federal elections. I believe this provision should be amended, however, to permit unions to make such contributions.

The Taft-Hartley Act does not take away any of the basic rights of unions existing under the Wagner Act. It does not take away any rights of self-organization or collective bargaining or the right to strike. And the Kersten amendment, which I introduced during the debate on the bill, saved industry-wide bargaining for labor.

The ordinary worker is given security in the exercise of his rights—free from coercion by either labor or management and free to engage or not engage in union activities. He is protected against excessive union dues and Communist leaders. He is entitled to participate in union activity in a democratic manner and to receive financial statements from his union.

Management is protected against jurisdictional disputes, wildcat strikes, and secondary boycotts, and from featherbedding demands and contract violations by unions.

And the public is protected by lessening the possibility of strikes which affect the national health and safety.

Such is the Taft-Hartley Act. It is probably not the best possible law which could be written, because it was written by fallible human beings. It has been objected to on the ground that it injects the Government too far into labor-management relations, but this objection is no commentary on the Congress which passed the bill, but on the continuous stubborn unwillingness of many labor leaders and businessmen to settle their differences peaceably and without injury to an innocent public.

The Taft-Hartley Act sets up a permanent joint committee to continue to study the complicated and difficult subject of labor relations, which committee is charged with the duty of recommending needed changes such as experience dictates. Our national labor law can be improved and made even more of an instrument of industrial peace if we treat the problem with fairness and tolerance. Labor relations should not be made a political football. It bears upon the successful operation of American industry that supports our way of life, and, more important, it is designed to protect the individual worker from exploitation of any kind.

Hon. Clarence F. Lea, of California

EXTENSION OF REMARKS
OF
HON. ROBERT CROSSER
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

Mr. CROSSER. Mr. Speaker, although the distinguished gentleman from California [Mr. LEA] will not have finished his term of office until January 1949, he in all probability will not have occasion again to be present in the House as a Member of Congress. The adjournment tonight will undoubtedly continue until the beginning of the first day of the Eighty-first Congress. I therefore desire to comment on the service of Congressman CLARENCE F. LEA as a Member of the House.

Mr. LEA has had the unusual distinction of serving for 31 years in the National House of Representatives. It is seldom that a man is fortunate enough to continue for such a length of time as a Member of Congress. During that long period our colleague has served the people of his district and the country conscientiously and with distinction.

Never an extremist, he has been able often both in the committee and in the House to help in reconciling the viewpoints of those who seemed to be irreconcilably opposed to each other. The result has been the promotion and enactment of legislation of a very helpful nature.

Mr. LEA has been courteous to his colleagues and to all those with whom he has come in contact in connection with the Government's business. He has always shown an industrious disposition, and has been able to master the many intricate problems which have been presented to him as a Member of Congress, as a member of the Interstate and Foreign Commerce Committee of the House, and particularly as chairman of that committee. Regardless of the tempestuous nature of the presentation of a case before the committee, of which he was chairman, Mr. LEA was always able to remain calm and serene. He did not allow himself to be irritated and he regularly avoided irritation of others in a way that might have confused the issues which were presented to the committee for decision.

When the members of the committee happened to be divided into contentious factions, Mr. LEA was almost invariably able to do much to bring about a feeling of amity among the members and so made it possible to have enacted constructive legislation instead of witnessing the failure of the legislation. He was always careful to avoid angering those to whose policies he might be opposed, and was always able to state his own views on a subject without becoming angry.

Mr. LEA discontinued his membership in this House with what I am sure is the good will of every Member of the House, and I know that all who know him will wish him the greatest possible happiness during the remaining years of his life, which we hope sincerely will be many.

We say in the old-fashioned way, Fare thee well, but not good-by.

Palestine

EXTENSION OF REMARKS
OF
HON. LEO ISACSON
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

Mr. ISACSON. Mr. Speaker, under leave to extend my remarks in the Appendix of the CONGRESSIONAL RECORD, I should like to include the following news story which appeared in the Palestine Post of Tel Aviv, July 5, relating to my visit to the new state of Israel; and the text of a letter I have addressed to my constituents on the occasion of my return to the United States.

The Palestine Post article of July 5, 1948, follows:

TRUMAN ON THE SPOT

President Truman and his rival candidates, Mr. Thomas Dewey and Mr. Henry Wallace, were called upon in cables yesterday from the Bronx Congressman, Mr. LEO ISACSON, to pledge that if they were elected they would take immediate action to lift the arms embargo and to extend de jure recognition of Israel.

In a press conference in Tel Aviv, Mr. ISACSON said that Dewey and Wallace could easily offer satisfactory answers (if elected, they would take office only in January), but President Truman would find himself somewhat involved.

Mr. ISACSON said that a change of American policy could be effectuated only before

the Presidential elections, as afterwards it would be too late for public opinion to win out over the Forrestal-Henderson-Marshall clique. He said that only the United States was competent to force Britain to stop arming Abdullah and pouring funds into Arab coffers.

LABOR VACILLATION

Mr. ISACSON, who visited Great Britain on his way to Palestine, said that the labor government appeared to be vacillating in its attitude toward Israel. The change was due to the Israel soldiers' heroic fight in preventing the Arabs from driving to the coast and dividing the Jewish state into two.

The Congressman said he was confident that the Jews would win but it would obviate the useless sacrifice of thousands of lives if the United States would lift the infamous and illegal arms embargo. "Britain will not dare to arm the Arabs if she knows that American policy is contrary to that action," he said.

Next follows the text of the letter referred to above:

Shalom!

I have just returned from Israel.

I conferred with Moishe Shertok, with other members of the Government, with leaders of the Histadruth.

I went through the Arab lines and saw war-torn Jerusalem, visited the Kibbutzim, the war plants.

I spoke with hundreds of our wonderful, heroic, fighting people.

Israel will finally win. Of that I have no doubt, after what I have seen.

But every day that passes with the criminal Truman arms embargo still in effect means the shockingly needless death of thousands of Jewish men and women.

I pledged to our brethren in Israel that the people of my congressional district would flood the President with demands that he lift the embargo now.

Won't you join with me? Only our determined fight will help lift the double-crossing Truman embargo which is choking the Jewish people of Israel. Write President Truman today. Even a penny post card—in your own words, in your own handwriting—will have a decided effect in lifting the embargo.

Your Congressman,

LEO ISACSON.

High Prices: What Is the Answer?

EXTENSION OF REMARKS

OF

HON. ALEXANDER WILEY

OF WISCONSIN

IN THE SENATE OF THE UNITED STATES

Saturday, August 7 (legislative day of Thursday, August 5), 1948

Mr. WILEY. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a statement prepared by me entitled "High Prices: What Is the Answer?"

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

HIGH PRICES: WHAT IS THE ANSWER?

"What is going to be done about high prices?"

This is a question submitted to me in hundreds of letters and telegrams during these past weeks.

"I simply cannot make ends meet on my pay envelopes. I am going into debt, just trying to keep body and soul together."

"My husband and I can't afford the luxuries of life, much less the necessities, in taking care of our three children because of high prices."

"Doesn't Congress understand the problems that the low-income people of America face?"

These are typical of the serious, even desperate, questions which many people of Wisconsin have sent to me.

BLESSINGS FOR WHICH TO BE GRATEFUL

On the other hand, there are those who, while recognizing this problem, express gratitude that by and large, we have many blessings for which to be thankful. They say that to try deflation (meaning cutting prices) would be far more dangerous than to continue with our current inflation. They say: "We are the only nation in the world which has balanced its budget, which is paying off its indebtedness. If we accept the hard fact that there is a 50-cent dollar today instead of a 100-cent dollar, isn't the great mass of our people as well off or better off than when we had a 100-cent dollar and our national income was only seventy, eighty, or ninety billion dollars?

"Do we want to return to that low-level economy, roll-back prices, meaning rolling back income, cutting wages, dividends, farm prices? Isn't it imperatively necessary that we maintain our current $210,000,000,000 national income or more if we are going to maintain the integrity of our national bonds, our national overhead, our insurance policies, our banking system, take care of our veterans, and meet the challenges of national defense? If not, then what can we do?"

DANGER OF TINKERING WITH DEFLATION

Before we take any steps that will precipitate a retrogression in our economy, we will have to have answers to the above questions and they will have to be correct answers. It is all well and good merely to listen to the voices who would lead to blowing America up or down—either in a run-away inflation or a run-away deflation (either course would be catastrophic). But it would not be well and good to act thereon.

THE TWO PROBLEMS THAT WE FACE

This mechanism called the American way cannot have any monkey wrenches thrown into it without disastrous results. We all recognize that the dollar is figuratively cut in two, with the result that prices are high. Nevertheless, it is still the best money in the world. When we look around and see what has happened in other lands in relation to their inflated money, their experience should cause us to pause and think the problem through and not go off the deep end in either direction—inflation or deflation. That is the purpose of these remarks—to point out that we face not one problem but two—disastrous inflation and drastic deflation, both of which must be avoided.

CONGRESS' UNDERSTANDING OF PROBLEM

Congress can, of course, indeed sympathetically understand the problems that America faces. As the President himself remarked, the Members of Congress are by and large far from wealthy men. They face the very same inflation that everyone else in the country does.

The big question is how did we get into this present situation, and where do we go from here? What is the cause and what is the cure?

THE HARDSHIP CAUSED BY INFLATION

First, let's admit that inflation is here. It is not a theory, but a hard cold fact, and there is no use blinking at it.

Perhaps the most severe damage from inflation has been experienced by those groups whose increases in earnings have not kept step with the increase in prices. Everyone knows that elderly folks, those on old-age pensions have felt inflation most. Veterans on pensions, widows on pensions, folks living on annuities, white-collar workers, such as teachers—these and other groups have fallen far behind in the race to make ends meet.

But to some extent, every group has been hit, if not hurt. In the case of some groups, their earnings have increased faster and higher than have the prices they pay.

That brings us to this point. As Marriner Eccles, Governor of the Federal Reserve Board, has stated:

"Everybody likes the benefits of inflation when it benefits them, but nobody likes to pay the price."

Workers in manufacturing industries are now earning more than 246 percent more than in 1939. The story is similar in the case of nonmanufacturing industries. I am not saying that these workers have no inflation problem, but I am pointing out hard facts.

WE CAN'T HAVE OUR CAKE AND EAT IT TOO

Let's talk realistically about this problem. In the CONGRESSIONAL RECORD I have placed a straight-shooting statement by Walter Lippmann. He brought out the thought that there is a simple test by which the public can find out just who is trying to deal sincerely and intelligently with inflation. Lippmann didn't mince any words; rather he threw directly at his readers the thought that sincerity can be tested if the public official begins with a clear explanation and a stern warning that if any program to stop inflation is to be effective, it must be painful to the farmers, painful to the wage earners, painful to businessmen and bankers.

In other words, Lippmann brought out that it will be necessary to reduce prosperity, to cut profits, reduce public works, limit sales, and the market for labor. Then he asked the pointed question, whether or not any politician who discusses this situation puts the people on notice that they cannot both (a) enjoy the benefits of inflation—that is, full employment, high wages, booming markets, high profits—and at the same time (b) be able to buy at lower prices everything they are trying to buy. Now I quote Mr. Lippmann verbatim:

"If the public man says none of this, if he believes or pretends to believe that he can reduce the prevailing prices without reducing the current incomes of farmers, workers, and businessmen, if in other words he talks as if the people could have their cake and eat it too, he is deceiving them or he is deceiving himself."

PREVENTING INFLATION AND DEFLATION

What does the problem boil down to, therefore? It is how to:

(a) Prevent the price balloon from rising still higher where goods will become out of reach of the buying public, and,

(b) prevent the price balloon from exploding and sinking to the floor, meaning a drastic deflation, dragging America into a depression.

What we seek therefore is the answer: Why did the price balloon rise this high and what can we now do about it?

AVOIDING SMEAR CHARGES

Let's not try try to find a scapegoat for this situation. Let's not try to make Congress a whipping boy as the President unfortunately tried or try to pin blame exclusively on the administration or try to smear the businessman or the laboring man or the farmer. We can solve this problem in the American way without name calling, without smearing, but by calling a spade a spade and by going to work with spades and shovels. We need fewer stump speeches and more stump pullers.

HOW DID WE GET WHERE WE ARE?

Now, what are the causes of our dilema?

1. First, prices are higher because more demands were created for goods and services during the war than there were goods and services available without an increase in prices.

In other words, America has been enjoying record-high purchasing power. Sixty-one million people are now employed. National income is above the $200,000,000,000 mark—three times higher than the prewar rate.

HUGE FOREIGN SPENDING

2. America's foreign-aid program to secure European recovery and halt communism has aggravated the problem. Since 1940, the Government has loaned or granted over $100,000,000,000 to foreign nations. We have gotten back less than seven billions in cash receipts during that period. Well, do we want to abandon our foreign-aid program? We can't have our cake and eat it too.

HEAVY FEDERAL OUTLAYS

3. Government spending has been inflationary. Today, Federal spending is 10 times the 1933 rate. Our budget overhead is over $40,000,000,000 a year. Our national debt is two hundred and fifty-two billions—more than 10 times the 1932 level.

Year after year the administration has spent money, loaned money, borrowed money, poured money into the economic current whether spending was needed or unneeded. When, for example, we sought to reduce $200,000,000 from the bloated river and harbor bill during the Eightieth Congress, did the forces of economy win? On the contrary, we were decisively routed by the spenders.

GOVERNMENT HOARDS MANPOWER

We learn that Federal pay employees have been added to the pay rolls at the rate of 800 a day recently. Obviously, the more money that Uncle Sam himself pumps out in his pay roll, the more inflationary pressure is increased. The administration itself is hoarding manpower—manpower which is desperately needed in private industry in order to increase production. The administration refuses to defer certain public works which could better be constructed during a slack period. It insists on using for nonessential ends scarce labor, particularly scarce construction materials now when they can be least spared, amidst our heavy national-defense program, which is, of course, essential.

This year it has been estimated that a total of $54,000,000,000 is being spent by Federal, State, and local governments, Uncle Sam himself spending forty billions of that sum. Compare that fifty-four billion total with the figure of the Nation's $47,000,000,000 food bill. In other words, John Q. Taxpayer is paying more for his Government than he is paying for his own food. Yet the administration has strenuously objected to any reduction in Government expenses. It has insisted on maintaining two and one-fourth million bureaucrats on the Federal pay roll, no doubt for political purposes.

MORE SPENDING PROPOSED AT SPECIAL SESSION

Moreover, the President, when he called Congress back into special session, made a long series of recommendations—virtually every one of which would have served to pump hundreds of millions of dollars of additional funds into the already inflated currency stream. With one hand, the President feeds the flames of inflation, with the other hand he possesses the means to douse the flames but keeps that hand inactive, all the while criticizing the Congress for refusing to take reckless action.

GOVERNMENT HAS DISCOURAGED FULL PRODUCTION

4. The administration program has discouraged full production. When the housewife goes to the butcher store today and pays record-high prices for meat, let her remember that the Department of Agriculture has been constantly encouraging farmers and stockmen to reduce meat animal numbers for fear that a depression was inevitable and consumption would drop. In 1944, meat animal numbers hit a peak of 172,000,000 a year; since then, they have fallen to 133,000,000 a year. In addition, the Agriculture "experts" have recommended lower, not more production of eggs, of chickens, of turkeys. You can't reduce supply in the face of increasing demand without causing higher prices.

INCREASED POPULATION

5. Meanwhile, America's population has soared in numbers, putting further pressure on demand and on prices. Today, we are 143,000,000 strong. Our birth rate instead of dropping, is holding to its high levels. This means more milk, more baby carriages, more baby clothing and other essentials for our infant group. We joyously welcome these new citizens of the Republic, of course, but higher population means still more demand that must be fulfilled.

TAX BURDEN

6. Another factor accounting for high prices are the still heavy taxes which prevail. The Republicans voted a tax-reduction law over the Presidential veto, but taxes are still way above prewar levels.

It has been estimated that 25 percent of the price the consumer pays for manufactured items is necessary in order simply to cover the taxes the manufacturer pays and the taxes that are paid by wholesaler, jobber, retailer—businessmen all the way down the line. Because our tax level is still so high the cost of taxes is passed on to the consumer.

LOW PRODUCTIVITY

7. Although industrial production has soared, the actual productivity of labor has not kept pace. Nowhere is this more apparent than in the building trades, where some laborers getting exceptionally high pay, lay fewer bricks, do less plastering and less other work than they did before the war. The fault is that of arbitrary union restrictions which limit output and require all sorts of skilled labor to do wholly unskilled tasks, thus increasing costs.

Even in some manufacturing enterprises the notion is still too prevalent that some workers need not put an honest day's work in for an honest dollar. The overwhelming mass of American labor is, of course, loyal, faithful, hard working, but in labor as in business sometimes we see at work the racketeer mind, the chiseler mind, which says in effect "the public be damned." "Let there be strikes, walk-outs, slow-downs, never mind who pays the bill."

HIGHER WAGES

8. I have already referred to higher wages in industry and in farm labor—now at all-time peaks. This is not to imply that laboring men are not entitled to a fair day's wage; on the contrary, they must get a just proportion of the fruit of their toil. Already, however, we have had three rounds of wage increases with a fourth in the offing.

Since labor costs may constitute from one-tenth to nine-tenths of the cost of a particular item, depending on the item, obviously if wages go up, prices will inevitably rise.

TRUMAN'S KILLING OF WAGE CONTROLS

9. That brings us to this question:

"Who opened the door of the barn and let the price horses out that have been running wild ever since?"

Read President Truman's radio speech of October 30, 1945. When you have read that, read also what he said when he accepted the report of his so-called fact-finding committees recommending wage increases in the steel and automobile industries in the fall of that year and early 1946. Truman himself authorized OPA to raise the price of steel and automobiles following the wage increases. That action was a denial—a complete contradiction—of his own speech of October 30, 1945, wherein he said wages could be increased, should be increased, but prices didn't have to be simultaneously increased. Then look at his record in which he suddenly abolished the Wage Stabilization Board, which took all the doors of all the barns off and let all the horses run wild in all industry—the electrical industry, the coal industry, the textile industry, and every other industry.

Truman forgot the lesson that was learned even by Leon Henderson, who learned it the hard way. Henderson, who thought that he could administer price control without wage control, finally came around and said that it couldn't be done. Truman forgot that lesson. He abolished wage controls, hoping to maintain price controls, which was an impossibility. Then, when the thing didn't work, he recognized the wreckage, he recognized the horses were out of the barn, and merely announced to the world that the horses were gone. That is all he did when he said no more price controls were necessary, because to maintain them would have been very undemocratic in our society (shortly before the election of 1946). Then he took off all price controls. He recognized that the deed had been done as a result of his own bad judgment in removing wage controls.

SUPPLY AND DEMAND OUT OF BALANCE

These then are some of the factors that have been at work. Some of these, like the increase in population, are natural matters; others are factors that have been due to poor judgment in high quarters.

We see in the present situation the operation or lack of operation of a great law. It is the law of checks and balances. In this price situation, unfortunately, we do not have much check and balance, meaning that because goods are still in relatively short supply there is not a check and balance upon human nature with the result that human nature has gone to excess and there has been widespread profiteering. Everyone is familiar with the new-car situation, where cars which have simply been bought and driven a few miles have then been taken into used-car lots and sold for $500 or $600 above standard price. Why is there such profiteering? Because there is a lack of check and balance of an adequate supply of new cars to meet demand—a lack of competition, and the result is profiteering.

America's history, like the history of every other nation, shows that where human beings get power in their hands and that power is not checked and balanced, it becomes autocratic and tyrannical. The question, therefore, is how can we provide a check and balance?

LAW ENACTED BY SPECIAL SESSION

The President, proposed limited price controls. The special session, however, rejected that idea, because there is no such thing as limited controls. Either you have controls, you have a complete stabilization program, or you do not.

There is no easy legislative panacea, no quick cure-all to banish inflation. Legislation alone cannot do this job, although it can accomplish some good.

What then did the anti-inflation bill which Congress did enact provide? It made provision for (a) Federal Reserve Board control of consumer installment credit, (b) for increasing the reserve of member banks of the Federal Reserve System on demand deposits and on time deposits, and (c) for increasing the reserve in gold of Federal Reserve banks.

I believe that these provisions will prove helpful in putting some brakes on inflation. Obviously, however, they are not going to roll back prices to previous levels.

The big question is, did the American people want the special session of Congress to actually freeze prices at their present levels, or to roll them back to previous levels? The answer is "No." America did not want such controls because America does not want

a police state with regimentation by an OPA-type bureaucracy.

WHAT DO PRICE CONTROLS MEAN?

It is easy enough to call for price controls, but just what do price controls mean? Price controls mean a complete stabilization stranglehold on every aspect of the economy. This means:

(a) A price freeze on every single commodity.

(b) Strict rationing on all materials, e. g., on all consumer goods and other items in short supply.

(c) Severe allocation on all raw materials in short supply, like steel, tin, lead, chromium, etc.

(d) Restoration of very heavy taxes, completely wiping out the tax-reduction law. The purpose of these taxes would, of course, be to soak up excess money in the hands of the people and thus reduce the inflationary pressure.

(e) Strict wage controls.

(f) A complete change in our present farm price supports system, and lowering of the parity prices.

(g) A Gestapo-type investigation agency to police our economy.

Obviously, America did not want such regimentation. You can see that there is no such thing as half-way price controls as the President recommended. America's economy is so complicated, so interconnected, that you cannot simply control, let us say, the price on an automobile, without controlling the price on textiles, on steel, the costs of labor that went into that automobile, the price of paint, rubber, and a thousand and one other items that comprise the auto.

DO YOU WANT REGIMENTATION?

Let me ask those who say they want price controls the following questions:

(a) If you are a workingman, are you willing to have your present salary frozen, and perhaps even reduced, in order to have a stabilization program?

(b) If you are a businessman, are you willing to have heavier taxes, to have rationing on all your raw materials, to fill out applications for allocation of key items, to file with some local OPA-type office all your present prices and then stick to them?

(c) If you are a taxpayer, are you willing to pay the cost of around $180,000,000 for a Federal agency, a super OPA and a super gestapo to supervise a price-control program? That's what the OPA was costing in its peak year, and remember, that was while America was still at war and there was tremendous patriotic feeling and unity.

(d) If you are a housewife, do you want the old system of coupons for every single scarce item that you buy—for sugar, for shoes, and for other items?

Do you want to stand in line for hours because only a few stores are open and items cannot otherwise be secured except on the black market?

(e) If you are a farmer, do you want to have your present price supports lowered?

These are frank, realistic questions. Let me repeat that it is a fact that there is no such thing as painless price control. Everyone must make sacrifices, and they are painful sacrifices.

Well, if price control and a police state are not the answer, what is the answer?

PROPOSED PROGRAM FOR ANTI-INFLATION

1. The only conclusion left for us, is that the American people, meaning American business, labor, agriculture, and the American housewife must have a system of voluntary controls. What does that mean? It means that a businessman must exercise restraint in his prices, he must not charge "all that the traffic will bear." He must think in terms of the national welfare, and of curbing the inflationary forces.

It means that the housewife must not patronize price profiteers, price gougers, price chiselers who would bleed the American consumer. Yes, if necessary, this means that the housewife must strike, so to speak, against those who would recklessly increase inflationary pressures.

It means that the laboring man must seek maximum production and must be careful in his demands for wage increases. He must recognize that wherever wage increases go into effect, it is almost inevitable that there will be price increases somewhere along the line.

Is it naive to think that voluntary controls may be helpful? I think not. America was built by voluntary teamwork. It can be saved by such teamwork.

GOVERNMENT ACTIONS

2. Meanwhile, however, the executive branch must get busy. It must use the powers which Congress has given it and those which it already had. The Treasury Department has at last indicated that interest rates on short-term Government bonds (bought by banks now at 1¼ percent interest instead of 1⅛ percent interest) are being raised—an action which should have been taken long before this.

The Treasury should also investigate the possibility of a reduction in the purchase price of gold and silver. On the other hand, discount rates should be raised so as to discourage lending which has already swollen to record proportions.

Government should itself reduce lending and spending, demobilize useless bureaus and bureaucrats, defer unnecessary public works so as to ease the construction-materials shortage. Government can also fulfill the Taft-Hartley labor law in letter and spirit so as to end labor racketeering.

PROPOSED NEW SPECIAL SESSION

But suppose the voluntary system and Government action do not work, then what? Suppose prices continue to rise? Then I believe that Congress must come back and reevaluate this whole question.

I suggest that there be a special session of Congress following the November election if the price rise justifies the calling of such a session (or if the foreign situation requires it).

After the election, perhaps the partisan atmosphere will have been cleared. The people will have spoken; Congress will be able to get down to business without political accusations and recriminations.

ADMITTING ERRORS

It is time for each of us to admit that to some extent we all were in error regarding the inflationary problem. The administration should admit its error in killing wage controls and thus in dooming price controls. At the same time, the Republican Party should admit that it underestimated the forces of foreign spending and of defense spending at the time price control was ended.

The major question is, however, where do we go from here? How can we make certain that the American consumer has enough milk, enough butter, enough meat, to feed our 40,000,000 families, enough clothes, shelter, and all the other essentials?

How can we cure the evil of high prices without getting into a worse evil—a police state, black market, gestapo-spying, and imprisonment?

CONCLUSION

It is my prayer that we can, regardless of our political differences, close ranks, 145,000,000 of us, maintain full production, exercise moderation in our purchasing and in our selling, cease trying to find villains or whipping boys, cease trying to blame everyone but ourselves. We must all recognize that it is human nature to want to buy with a dollar worth its 1939 value, but to sell at prices of 1948 level.

The real answer to this problem as to so many other problems lies deep within your heart and mine. The answer is in us—not in the next fellow, not in letting "George do it." If we do our part, if we refuse to patronize chiselers or to be a chiseler ourselves, then we will have made that much contribution to the solving of this most important problem.

The picture is not at all black. Already, some prices have started down, on radios, electric appliances, white shirts—a vast miscellany of items. With teamwork, we can work our problem out, in the American way.

A Good Man Deserves Promotion

EXTENSION OF REMARKS

OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. MULTER. Mr. Speaker, Senator Isidore Dollinger, presently a member of the New York State Senate, where he served with distinction for the past 4 years after serving as a member of the assembly for 8 years, is now a candidate for Congress in the Twenty-fourth Congressional District of New York.

The people of this district should be congratulated upon discarding party labels and selecting him as their choice to represent them at the Eighty-first Congress. Because his election seems reasonably certain I should like the privilege of acquainting this august body with some facts about this distinguished candidate's experience and background.

Born on the east side of New York in humble surroundings, he became an able lawyer. Community service was looked upon by him as a duty, as well as a privilege.

He has served his constituents in the New York State Legislature for 12 years. His record there was enviable. He was and always will be a liberal, progressive, conscientious, courageous, and public-spirited legislator. He is a champion of the underprivileged. He exemplifies the true spirit of American democracy.

Legislation which has received Senator Dollinger's sponsorship and indefatigable support includes unemployment insurance; minimum wages and maximum hours for women and children; child-labor amendment; elimination of the kick-back; abolition of discrimination in employment and in education because of race, color, or creed; improvement of the civil service; strengthening the retirement and pensions systems; fair compensation to Government employees in the lower brackets; enlargement of the school and health programs; rent controls; public housing and slum clearance; unemployment relief; and other vital legislation so necessary to the rank and file of his constituency and the progress of the State.

Senator Isidore Dollinger has been an outstanding champion in the fight for civil rights and his membership in the Eighty-first Congress will enable him to further participate in that crusade to eliminate that un-American term "discrimination."

Senator Isidore Dollinger has been and is an ardent Zionist and president of one

of the largest Zionist organizations in Bronx County. He has strongly urged and continues to urge that the arms embargo be lifted immediately; that we recognize the state of Israel as a de jure government and that the application for a loan requested by the state of Israel be granted at once and that we instruct our delegates at the United Nations Conference to ask for immediate diplomatic and economic sanctions against the Arabs under the terms of the truce resolution and that such economic sanctions be likewise enforced against all other countries that oppose the state of Israel. He was among the first to urge that the state of Israel be admitted to the family of nations as a member of the United Nations.

These are but a few of the achievements, accomplishments, and characteristics of the man who we all feel certain will represent the Twenty-fourth Congressional District of New York. A good man deserves promotion. I know that his district will show its appreciation for his services and reward him accordingly.

I will deem it a pleasure and privilege to introduce Senator Dollinger to the membership of the Eighty-first Congress. He will be a credit to his country, to his district, and to himself.

Germany and the European Recovery Program

EXTENSION OF REMARKS
OF

HON. CHARLES J. KERSTEN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. KERSTEN of Wisconsin. Mr. Speaker, the Eightieth Congress took a momentous step when it adopted the European recovery program in April 1948—commonly known as the Marshall plan. This program affords not just another program of relief for Europe but a positive program of permanent reconstruction so that western Europe will be self-supporting by June 1952, and thus insure world peace.

Never before has America embarked on such a gigantic peacetime program as this attempt to put Europe back on its feet. In the long range, the United States will benefit economically by the restoration of European economy, but this is not our principal reason for adopting the European recovery program. As our State Department has said:

> The principal reason for wanting an economically stable Europe is that it is a prerequisite to the maintenance of the civilization in which the American way of life is rooted.

And again:

> The next few years can determine whether the countries of Europe will, in fact, be able to hold their heritage.

In proposing the European recovery program our country stated that it would not provide any assistance to the European countries unless these countries got together and agreed to a unified, joint program. We did not want to waste our efforts and resources with piecemeal aid to individual countries. Relying on this, 16 western European countries met in Paris in June 1947 to plan a program. After 2 months of study their results were put forth to the famous Paris report. The New York Times said of this report:

> Here is a document which provides us with the first blueprint thus far available for an economically strong and united western Europe, toward which the Marshall plan looks. It is a prospectus which warrants the careful consideration of every American who regards world peace and security as transcendentally the most important investment of our time.

After the Paris report was issued, I was sent to Europe in November 1947, as a subcommittee of the House Education and Labor Committee to inquire into the place of labor in the European recovery program.

There, I observed that the Allies were still dismantling plants and factories in Germany, in accordance with our supposedly discarded and unjust Morgenthau plan for reducing Germany to a pastoral country. On my return to the United States I introduced in Congress on December 17, 1947, House Joint Resolution 279, providing for the discontinuance of further plant dismantling in the American war zone in Germany. The resolution was referred to the Committee on Armed Services.

I also discovered that the American occupying forces destroyed most of the school textbooks when they moved into Germany in 1945, so that in 1947 there was only one textbook per child in the American zone of Germany. At the same time the Russians were furnishing seven books per child in their zone and were rapidly trying to indoctrinate the children in communistic principles.

Another tragic situation in Germany existed among the railway shop workers. Many of them worked through the winter without gloves, or underwear, or shoes, and wearing gunny sacks for socks. These workers particularly needed better clothing, not only for their own sake but also in order to increase their productive efficiency in turning out railroad cars and locomotives, since it was this bottleneck in the transportation system in Germany which was the principal impediment to the economic recovery of Germany. Experts in Germany estimated that the work output of these workers would double if they had the proper clothing.

In order to relieve the situation among the school children and railway workers in Germany, I introduced an amendment in Congress on December 17, 1947, to add $2,000,000 to the amount to be appropriated for Government and relief in occupied areas. Of this amount, $1,000,000 was to be used for textbooks for school children in Germany and $1,000,000 for protective clothing for the railway workers. This amendment, however, was rejected by the House.

My tour through Germany served to convince me even more strongly that Germany was the key to the European recovery program and that it must be included in the program if it was to succeed. Although western Germany was not represented at the Paris conference, the participating countries also recognized the necessity of including western Germany in their plan for the economic recovery of Europe. They pointed out in their Paris report:

> Other western European countries cannot be prosperous as long as the economy of the western zone of Germany is paralyzed, and a substantial increase of output there will be required if Europe is to become independent of outside support.

The economy of western Germany was still paralyzed largely because we were still following to a great extent the Morgenthau plan for dismantling Germany, but gradually the United States was beginning to see the unwisdom of this Morgenthau plan. The House Select Committee on Foreign Aid said, in December 1947:

> Germany has always been one of the two focal points of the European economy. The industrial complex of mines and factories in the Ruhr and Rhine Valleys serve not only Germany but the rest of Europe as well, and their low level of activity since the war has been a major element in delaying European revival.

And further stated:

> A democratic Germany, based on free economic institutions, is the best guarantee of European peace.

And our own State Department also said:

> It is essential to European recovery that Ruhr coal production be increased as rapidly as possible. Production in the other peaceful industries of western Germany must also be restored so that this vital area can again become self-supporting and make its great potential contribution to the general cooperative effort required to put western Europe on its feet.

And further:

> The destruction of industry in Germany, the undernourished conditions of its greatly increased population, the lack of a sound currency, and the low level of production, still less than 50 percent of prewar, requires that special attention be paid to the problem of Germany.

Thus it was in the line of these recommendations that the Economic Cooperation Act, when passed by the Eightieth Congress to implement the European recovery program, included the zones of occupation of Germany among the participating countries.

In the discussion of the European recovery program in Congress, I was pleased to have two provisions which I had urged incorporated into the act. On December 18, 1947, prior to the argument on the ERP, I introduced a bill in Congress—H. R. 4791—to provide free postage for gift packages of food and clothing sent to certain foreign countries, including Germany. A similar reduced-postage plan was later adopted as part of the European recovery program.

On March 31, 1948, I introduced an amendment asserting that one of the objectives of the European recovery program was the elimination of obstacles to the free movement of persons within Europe. The amendment was adopted.

We have every reason to expect that, with such a noble start on the program of European recovery, that Europe will

again enjoy a vital and flourishing prosperity. The western European countries and the United States are to be commended for their ability to submerge any feelings of retaliation which they might have had against a defeated Germany in the greater interests of European and world peace.

Communism a Menace to America

EXTENSION OF REMARKS
OF
HON. CHARLES A. WOLVERTON
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

Mr. WOLVERTON. Mr. Speaker, today a situation confronts our country that is serious. A situation that calls for every American, high or low, who believes in America and appreciates the honor and privilege of being a citizen of this great country, to rise up and demand that those in authority shall work aggressively and with courage to clear this Nation of those who seek to undermine our institutions of Government.

Too long have we been patient. Too long we have refused to take seriously the warnings that have been given by patriotic and sincere men and women. In the halls of Congress voices have been raised in recent years against the menace that was working so insidiously within our gates. Now, we realize how true it all was and how unjust the sneers and smears cast at those who had the courage to speak out against the danger lurking in our midst. No better evidence of the truth of the old adage "Truth crushed to earth will rise again" could there be than the present revelations of intrigue and disloyalty that have existed in recent years within departments of our Government. It should bring a blush of shame to the cheek of every loyal American to realize that we have been no naive to permit all that has been revealed in recent weeks to take place in the inner circles of our Government without being checked long before this time.

Now that the real conditions are revealed there goes forth a clarion call to each of us to rise and drive from our midst those who seek to undermine, or change, or destroy our American institutions, and let them know, and all the world, that the spirit of America is not dead but liveth.

Mr. Speaker, we can now realize that communism is not only a menace to world peace, as it seeks to enslave the weaker nations of Europe, but it most assuredly constitutes a very serious menace in our own land. It creates a danger from within that cannot be ignored nor easily dismissed. In its nefarious effort to carry out its diabolical scheme to weaken our American form of government it has worked its way into some of the most important departments of our Government, where policy is made and determined. To accomplish its purpose it does not hesitate to debauch, deceive, and lie. No, Mr. Speaker, this is not a matter that can be lightly treated. It is a real danger to America and must be treated as such.

Over a period of years Congress has sought to delve into these un-American activities only to be thwarted, often by the refusal of those in power and authority to give aid and assistance. Time and again the warning has been given only to go unheeded or to be met with sneers and derision, and always discounted as "Red baiting" by those whose duty it was to protect our American institutions from infiltration of un-American and subversive ideologies.

The Republican candidates for Congress in the last congressional elections, 1946, in a statement of principles declared emphatically for "the protection of the American way of life against either Fascist or Communist trends."

The Republican Party, through the years, has aggressively and relentlessly battled communism, fascism, and other alien isms. The Republican Party has never been the haven or refuge of these un-American forces that seek to destroy our Republic. Ours is not the party in which they have been successful borers.

Ten years ago the House of Representatives created a Special Committee on Un-American Activities. In the intervening years this committee has worked aggressively and relentlessly in its effort to expose Communists and other subversives in and out of Government. From the time the committee was first formed, and since then, in many bitter battles to destroy the committee, or curtail its usefulness, the Republicans have stood loyally in support of the committee.

With the Republicans in control of the Eightieth Congress, we have continued to aid and encourage this committee. In this we have had help from loyal and patriotic Democrats both in Congress and on the committee. All subversive, un-American groups have been brought to public view without fear and without favor.

Agents of the Fascist countries, our enemies in the war, were exposed and dealt with swiftly. Since the war, when communism, the totalitarianism of the extreme left, has replaced nazism as the supreme threat to human freedom, the House of Representatives committee has redoubled its efforts to expose agents of that movement.

As an illustration of the effective work of this committee, Gerhardt Eisler, described as the No. 1 agent of the Communist International in the United States, was exposed by the committee, found in contempt of Congress, convicted in court of passport fraud, and sentenced to prison. This is only one of the many whom the committee activities have started on the way to prison. And it appears from now on there will be an ever-increasing number headed that way.

Activities of foreign-directed agents in our schools, colleges, industries, and civic life have been exposed by the congressional committee. Depredations of Communists in the Hollywood film industry were exposed and some of those Communists have been sentenced to prison for defying the constitutional authority of Congress to investigate subversive movements.

Advanced during the Republican Congress was comprehensive legislation to require registration of Communists under alien control so that they and their untrue and deceptive propaganda may be exposed in their true light. The bill to effect those purposes was overwhelmingly passed by the House of Representatives—319 to 58. This tremendous majority is an indication not only of the merit of the bill, but also an indication of the strong public demand for legislation of this character.

In addition to congressional action, there must be cooperation upon the part of the executive department of Government if a full and complete job is to be done. The Congress and its committees, both Senate and House, have been seriously handicapped in making investigations and bringing out all the ugly facts of subversive influences and activities in government. This is due to the fact that the executive departments, by Presidential order, have refused to open their files or give any assistance to the committees. This should not be. It is the duty of all officials of Government, especially the higher ones, and not excluding the President, to give all the help and assistance that is possible. It is needless to say that a Republican President will cooperate with the Republican Congress until every subversive influence, Fascist or Communist, is destroyed. To maintain our American form of Government, pure and undefiled, is the duty of every citizen, high or low.

To the fulfillment of this obligation, I pledge my fullest support.

Labor Day 1948—A Salute to American Labor

EXTENSION OF REMARKS
OF
HON. ALEXANDER WILEY
OF WISCONSIN
IN THE SENATE OF THE UNITED STATES
Saturday, August 7 (legislative day of Thursday, August 5), 1948

Mr. WILEY. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a statement of greetings prepared by me to American labor on Labor Day.

There being no objection, the statement of greetings was ordered to be printed in the RECORD, as follows:

LABOR DAY 1948—A SALUTE TO AMERICAN LABOR

"There is a dignity in labor truer than any pomp arrayed"

On every Labor Day, it is customary to give labor well deserved pats on the back for its truly great role in American life. After all, what would America be without the brawn and brain, the heart and soul, the courage and strength of our toilers?

It is the workers of today who wear overalls now who wore America's service uniforms in World Wars I and II and who fought and bled on America's battlefields. They are the heroes to whom we owe so much.

But more important than pats on the back to the laboring man is the need for a high standard of living which will assure him lots

of pats of butter on the dining room table, full wage envelopes, decent working conditions, and all of the other essentials which labor so richly merits.

PERSONAL EXPERIENCES WITH LABOR'S PROBLEMS

I say this, based particularly on my personal experiences as a worker, having begun work in the saw mills of northern Wisconsin many years ago at 15 cents per hour for an 11 hour day. I know labor's problems, labor's concerns—high prices, lack of housing and other serious questions. I am always glad to meet with labor, to talk with union delegates from our State, to get letters from laboring men and women.

ACTIONS FOR WISCONSIN AND ALL AMERICAN LABOR

My view, therefore, is that tributes to labor must be backed up by actions to assure justice and equity for labor—not just on Labor Day but every day of the year. Mere words don't buy meat or pay rent or buy clothes for the youngsters; it takes decent pay to do that.

You and I know that there are inevitably some differences of opinion as to just how to achieve justice and equity for labor, particularly in the form of legislation. Nevertheless, I think that we can all agree, in spite of any political differences between us, on the following essentials for those who labor by the sweat of their brow. Let's get together on these points of agreement.

CAREFUL VOTING

1. Careful exercise of the ballot is indispensable by the free American workingman. When the laborer enters the voting booths this November or at any election, he should cast his ballot according to his conscience; according to the best facts that he can mobilize regarding the merit of candidates. He should not vote for the man dedicated to serve labor's interests alone any more than the businessman should vote for the candidate who will serve management's interests alone. Rather they should vote for the man who is dedicated to the public welfare (meaning the welfare of labor, business, farming, housewives—everyone). After all, we are all members of the same union—145,000,000 of us—the American Union of 48 free States.

In the same manner, labor's thoughts should be of the public welfare when it exercises its right to vote in collective bargaining elections.

FIGHTING DICTATORSHIP

2. The enemy of labor, like the enemy of all men and women, is dictatorship in any form whether it be the dictatorship of communism or the dictatorship of fascism; whether it be dictatorship of any corrupt or crooked bosses (who are fortunately being eliminated from many labor organizations but who would steal from the honest laboring man) or the dictatorship of any tyrannical businessman. In the field of labor, as in every other field in American life, the greatest danger to freedom is in the form of monopoly which is itself, a form of dictatorship.

FIGHTING THOSE WHO PUSH OTHERS AROUND

Labor, therefore, must be constantly on the guard against monopoly—monopoly by bosses in its own unions or by any one clique without free elections; monopoly in business; monopoly in Government by one particular party without a check and balance by other parties, and monopoly of foreign affairs by any one strong nation seeking to push around other nations. Labor doesn't like those who try to push others around any more than anyone else like bullies.

NEED FOR FULL PRODUCTION

3. The greatest means for a higher standard of living for American labor is through full production. For full production lowers prices. Full production makes sure that the workingman is able to consume the very products of comfort and convenience that he himself manufactures by the sweat of his brow—autos, refrigerators, deep freezers, electric appliances, television sets, and a thousand and one other enjoyable items he and his family rightly desire.

MEETING CHALLENGE OF ACCIDENTS

4. Safety is essential in American industry and can only be achieved through full cooperation between labor and management. We still have a long way to go toward reducing the staggering toll of industrial accidents which deprive so many wage earners of their livelihood and which make them disabled wrecks on the scrap heap rather than self-supporting, healthy breadwinners, enjoying the fullness of life.

VALUE OF PROFIT SYSTEM

5. The free enterprise system still holds the greatest promise for American labor. No other ism than Americanism can guarantee that the laborer of today will be the businessman of tomorrow; that the man who takes home a pay envelope today will be a stockholder tomorrow. Labor should not be deceived by the siren songs of communism and fascism.

On points such as these five above, all freemen can unite. We remember the words of the Good Book:

"Behold how good and how pleasant it is for brethren to dwell together in unity."

All of us, after all, if we claim to be men, are laborers. All of us are workers or should be workers, even though technically we may not be in the class called workers.

CONCLUSION

I sincerely salute, therefore, the free Wisconsin and American workingman without whom this Nation could not endure as the freest, most prosperous land on earth. I salute him and promise to him my continued efforts to assure for him the freedom and abundance which were meant to be his in our American way of life and which were meant to be the heritage of all the sons and daughters of freedom.

Remarks of Hon. William E. Warne Before Missouri Basin Inter-Agency Committee Meeting

EXTENSION OF REMARKS

OF

HON. JOSEPH C. O'MAHONEY

OF WYOMING

IN THE SENATE OF THE UNITED STATES

Saturday, August 7 (legislative day of Thursday, August 5), 1948

Mr. O'MAHONEY. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD the remarks made by Hon. William E. Warne, Assistant Secretary, Department of the Interior, and chairman of the Federal Inter-Agency River Basin Committee, before the Missouri Basin Inter-Agency Committee at Riverton, Wyo., on July 29, 1948.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

REMARKS BY WILLIAM E. WARNE, ASSISTANT SECRETARY, DEPARTMENT OF THE INTERIOR, AND CHAIRMAN OF THE FEDERAL INTER-AGENCY RIVER BASIN COMMITTEE, BEFORE MISSOURI BASIN INTER-AGENCY COMMITTEE MEETING, RIVERTON, WYO., JULY 29, 1948

It is a great pleasure for me to meet today with the Missouri Basin Inter-Agency Committee. I have followed closely and participated in inter-agency cooperative and coordinative work for more than 10 years. All Interior participants are happy to have the Missouri Basin Committee come to Riverton, the center of a reclamation project that significantly illustrates, in accomplishments and in the work that is in progress, all phases of the development of such irrigation projects. This year I am chairman of the parent committee, the Federal Inter-Agency River Basin Committee which held its July meeting on Tuesday of this week, and as such I am glad to meet with you today.

In the Department of the Interior we have as many as eight separate agencies interested in and with assigned parts to play in basin development programs. We have, therefore, established coordinating facilities in Washington and here in the Missouri River Basin within the Interior Department. The program committee and staff, the water resources subcommittee and staff in Washington, and the Missouri Basin field committee and staff with headquarters in Billings undertake this work. I have with me today the key people in these committees and staffs. I shall introduce only a few of them: Mr. Walton Seymour is chairman of the program committee and chief of its staff; Mr. Glen Hoyt is chief of the staff of the water resources subcommittee; and, of course, Mr. Glen Sloan, who is a member of the Missouri Basin Inter-Agency Committee, is known to you all. As chairman of the Missouri Basin field committee of the Department, he is chief of its staff. There are others here who represent the constituent agencies of these committees and of the Department of the Interior.

The type of interagency action that is represented in the Missouri Basin Inter-Agency Committee had its start 9 years ago in the tripartite agreement between the Corps of Engineers, the Bureau of Reclamation, and the Department of Agriculture's Bureau of Agricultural Economics. The biggest step in the progress of this cooperative movement came in the making of the quadripartite agreement which added the Federal Power Commission and adopted the name Federal Inter-Agency River Basin Committee and established a policy of holding regular monthly meetings.

Major accomplishments of the Federal Inter-Agency River Basin Committee included the establishment, 3 years ago, of the Missouri Basin Inter-Agency Committee; the establishment, more recently, of a similar committee in the Pacific Northwest; almost 2½ years ago, the Columbia Basin Inter-Agency Committee, and the coordination of interagency efforts along many lines, particularly in the gathering and use of basic and technical data. I have in mind the work of the committees on sedimentation, hydrologic data, and in other such fields.

Outstanding, too, was the provision of a means for the exchange, review, and comment on, and the coordination of reports made by the constituent agencies on multiple-purpose projects. This was achieved in the memorandum of December 29, 1943, and has been effective since that date. The essence of the procedure was written into law by section 1 of the Flood Control Act of 1944, though the interagency agreement is broader than the law and still provides the basis for much of our clearance and coordination work.

We must not forget that the Federal Inter-Agency River Basin Committee was expanded 2 years ago to include the Department of Commerce.

These interagency river basin committees have been voluntary experiments in the improvement of Government procedures both among the Federal Government and among the State and Federal agencies. As such, the Federal Inter-Agency River Basin Committees have been outstanding successes. The Missouri River Basin Committee especially is to be congratulated on its work,

which has been wholly constructive and of exceptional importance to the great program that is under way here. We now have in the Missouri Basin project an interagency program involving Federal and State cooperation that does promise to fulfill the requirement of a unified comprehensive basin development. This would have been impossible without interagency cooperation.

The Missouri Basin project was authorized through the adoption of the Pick-Sloan Plan in the Flood Control Act, December 1944, as a unified comprehensive development of a great river basin. The engineering plan was coordinated and unified in the law itself through the approval of the reports of the Bureau of Reclamation and Corps of Engineers, and the Coordination Report. The construction programs are being successfully unified through the procedure and the Missouri Basin Inter-Agency Committee and those procedures that the Bureau of the Budget and the Congress sets up and maintains in acting on the budget submissions.

The board benefits that are expected to flow to all areas and people of the basin will be obtained in full measure according to the success that you of this committee and those in responsible positions elsewhere obtain in the unification of the operation of the magnificent plan. Integrated operations will be essential to the success of the Missouri Basin project. The obtaining of integrated operation will be the greatest challenge that you and I and those in the future in similar positions will have to face. It is not too soon to turn part of the attention of our interagency committees to this part of the plan and of the job that is to be done.

In closing, I want again to express my pleasure at being able to attend your meeting here at Riverton. I consider the Missouri River Basin project the greatest and most significant undertaking of the decade in the field of water and related resource development. I consider the interagency and Federal-State cooperation in the conduct of the Missouri Basin project the most significant development of the decade in resource management. The progress that has been made to date on the project and by the Missouri Basin Inter-Agency Committee forecasts complete success commensurate with the challenge that has been placed before us individually and collectively.

Inflation—High Cost of Living

EXTENSION OF REMARKS
OF

HON. CHARLES A. WOLVERTON

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. WOLVERTON. Mr. Speaker, there is no subject in which the people of America are more interested than the cost of living. And there is no problem before us today that has been the subject of more misrepresentation and demagoguery. It is a subject that needs cool, calm, and careful analysis; otherwise one can be easily misled and come to wrong conclusions.

Careful analysis will reveal that the present high cost of living is not the result of any one act but is the result of many and varied elements extending back for the last 15 years. Certainly it is plain that it is not the result of any act upon the part of the Republican Congress. It is clearly the result of the accumulation of 15 years of deficit spending by the Government, an expensive war, high taxes, increased wages, expansion of the amount of currency in use, extensive foreign aid in money and food, goods and commodities of all kinds in short supply in our own country, increasing cost of government due to an expanding bureaucracy, decreased production due to regimentation and controls. In other words, we are suffering today for the acts of the past.

It can be readily seen that the forces which the policies of the past let loose have an accumulative effect. The prices of today did not come suddenly upon us. They are the outgrowth of the last 15 years during which, particularly since 1939, there has been a steady upward surge. There has been no sudden increase within the last 2 years that has resulted in present prices as some would have our people believe. The subject has naturally attracted more attention in the last few months because it has reached peak prices in many particulars. But, in every instance, the facts obtainable from the Bureau of Labor Statistics will show there has been an upward trend extending over a period of years prior to the present. Consequently, we are reaping now what was sown by an administration committed to a policy of profligate spending, high taxes, and regimented controls, and expensive foreign aid made necessary to supplement a foreign policy based upon serious misconceptions and mistakes.

It is regrettable that in the solution of this serious problem the President has been unwilling to acknowledge the causes, and make recommendations for changes, even though it would have meant acknowledgment of mistakes. If such had been done he would have explained that we are now paying for the economic policies that the New Deal employed during the depression and the years that followed. He could also truthfully have said that there is no honorable way to escape payment for the most costly war in all history. He would have said you cannot feed the peoples of the world without paying the price for this generosity. He would have said that we must pay, and pay dearly, for having lost the peace at Tehran, Yalta, and Potsdam. He would have admitted that we are paying the price of waste and inefficiency in government by keeping of thousands of useless employees on Government pay rolls. He would also have admitted that his own actions back in 1945 and 1946 broke the price-control dam and released the flood of inflation of which he now complains. On the contrary, he has sought to make the people believe that the Republicans killed price control. The record, however, is to the contrary. On October 30, 1945, the President by Executive order removed wage controls and instructed the Office of Price Administration to give prompt consideration to all applications for price increases that would be necessary by reason of these wage increases.

The impact of this order upon the price and ration control program was, of course, disastrous. The program was in bad shape in June 1946 when Congress, Democratic-controlled, extended the Price Control Act for another year. This bill was designed to decontrol prices gradually and cushion the shock of the transition period. But the President vetoed the bill and his veto was sustained by the then Democratic-controlled Congress. This rash action upon the part of the President threw the Nation into a period of uncontrolled prices at a time when this was bound to have ill effects. On July 25, 1946, the Democratic Congress passed another, but less effective, Price Control Act which the President signed.

The President has tried to give the impression that the Republicans destroyed OPA by giving him an unsatisfactory bill. The fact is that the bill, which he says was a bad bill, was passed by the Democratic-controlled Seventy-ninth Congress—not the Republican Eightieth Congress.

Without wage stabilization the price control and rationing program went from bad to worse, and just before the 1946 fall elections the President addressed the Nation by radio announcing the immediate decontrol of meat and ordering the lifting of all controls at an accelerated pace. It was the President, who on November 9, 1946, ended price control on everything but sugar, rice, and rent. In his statement directing abandonment of controls, he said:

> I am convinced that the time has come when these controls can serve no useful purpose. I am, indeed, convinced that their further continuance would do the Nation's economy more harm than good.

He also said:

> The law of supply and demand, operating in the market place, will from now on, serve the people better than would continued regulation of prices by the Government.

However, it is interesting to note that after the President became a candidate for reelection, in his message to Congress on July 27, 1948, he said:

> There are still some people who repeat the old argument which was used by those who who killed price control 2 years ago. They said that if we would only take controls off production would increase, prices would go down, and there would be more for everybody at a lower cost.

In all our considerations of this subject we cannot be unmindful of the fact that during the early days of the New Deal the brain trusters tried to repeal the economic law of supply and demand and replace it with the economy of scarcity. You all remember when the little pigs were slaughtered, crops were plowed under, and drastic restrictions were placed upon acreage which could be planted in corn and wheat. The object was to force prices up. And even now the Agricultural Department has issued recommendations to farmers to curtail production of wheat, corn, cattle, and hogs. This, in the face of the present shortage that results in increased prices. It is inconceivable.

It is also important to bear in mind that the Democratic administration devalued the dollar in the early 1930's by reducing the gold content of the dollar and increasing, by billions of dollars, our available supply of currency. The fact is that there has been a tremendous increase in the amount of money in circulation. In 1933 it only amounted to $5,500,000,000, in 1939 it was $7,600,000,000, but today it has increased to what

is a top figure in the history of this Nation; namely, $27,000,000,000.

This, among other causes, is the direct result of deficit spending—spending millions of dollars more than was received in revenue. The additional money being raised by flotation of Government bonds, which, in turn, became the basis of additional currency and additional bank credits. Thus, in the past, the policies of the Democratic administration has resulted in reducing production and increasing the supply of dollars. During the war more than $352,000,000,000 were poured out from 1941 to 1945 for war materials alone.

With respect to the important and far-reaching effect on our economy by a large increase in the money supply, I refer to the January 1948 survey of the American Federation of Labor. It is a logical and well-reasoned statement. It reads as follows:

The root cause of today's continuing price rise is the inflation of money. Money supply in the United States of America was enormously expanded to finance the war; but even after the war it has gone on increasing at a rate out of all proportion to production of goods. This is the main reason why prices keep rising now, 2 years after VJ-day. From 1939 to 1941 the supply of money and the supply of goods (production) were increasing at about the same rate. This balance between money and goods is essential to keep prices stable; in these prewar years prices changed relatively little. But in wartime the banks created huge new supplies of money to finance war production, and the munitions made with this money were blown up on battlefields. So today the total supply of money is three times that of 1939 (up 200 percent), while the supply of goods to be bought with the money is only 71 percent higher.

When there is an oversupply of money in relation to goods, it takes more money (that is, a higher price) to buy the same amount of goods. The economic laws of supply and demand operate for money just as they do for anything else. The way this works out in industry is easy to understand; if a man has twice as much money to spend for something he wants badly, the person who sells it can get a higher price—and does. After reconversion from war work, businessmen wanted scarce raw materials badly—cotton, metals, lumber, wheat, etc., to keep their plants in operation. Hundreds of firms were trying to buy them. Banks had plenty of money to lend at low interest rates. Business borrowed. Bank loans to business rose 70 percent in the 17 months ending November 1947; total private credit rose faster than at any time since 1920. With this easy money plus their own funds from war profits, businesses bid higher and higher prices for scarce materials; each trying to get enough for capacity operation. Prices went up and up. Soaring cotton prices raised the price of cloth and clothing; high-cost metals meant high-priced autos, washing machines, metal products; high lumber meant high-cost homes. High wheat raised the price of bread, etc. Workers and other consumers had to pay 28 percent more for living expenses; they could not make ends meet. Unions demanded enough wage increases to meet the price rise. Companies used wage demands as an excuse for larger price increases. More money in consumers' pockets made it easy for business to sell goods at higher prices to the final consumer. The world food shortage and the foreign-relief program increased the demand for scarce goods. All these factors contributed to the upward price spiral. Its root cause was inflated money supply resulting from wartime fiscal policies.

The upward pressure of the huge money supply has been so great that prices were breaking through ceilings, and black markets were appearing long before OPA expired. This was to be expected. Price control cannot dam an ever-growing flood of money inflation. This has been proved again and again, in country after country. We must attack the root cause of inflation, the excess money supply.

The President must be aware of all these facts. He must know the effect it all has on prices. He must know that this is the real cause of high prices. Furthermore, he knows that since the war ended he has asked Congress to appropriate billions of dollars for foreign aid. He must know that this foreign-aid program and the increased appropriations for national defense asked for by him were made necessary because of the situation that has arisen as the result of our faulty agreements at Tehran, Yalta, and Potsdam.

Furthermore, in all his attempts to shift the blame the President has never yet made any reference to the excessively high cost of Government that adds to the inflationary spiral. In all of the efforts the Republican Congress had made to reduce Government expenditures it has met with strong opposition upon the part of the administration. The same is true with respect to the effort of the Republican Congress to reduce taxes. Everyone knows that taxes paid are passed on to the consumer in the form of increased prices for the commodities produced and sold.

There is much more that could be said in explanation of increased cost of living prices, but what the people want is that the inflationary spiral shall be stopped and policies effected that will have a tendency to accelerate the reduction of prices. To this the Republican Party is committed. The Republican Congress at the recent session enacted bills that while not a cure-all by any means, it is hoped will have a good effect in stopping or retarding the upward trend.

The solution of this perplexing problem will require cooperation of everyone, Republicans and Democrats alike, the President and Congress alike, if we are to save the Nation and its people from the distressing effect of uncontrolled inflation. It would be appropriate and helpful to our people if the President would acknowledge the mistakes of the past and cooperate with the Republican Congress in an effort to provide a remedy.

There is no single cure, no single piece of legislation, no single stroke of the pen that can bring the desired solution. It is a complex situation that requires careful thought and planning. It cannot be done in the 15 days of a special session. The problem requires, and is now being given, the careful study of trained and experienced economists, and committees of Congress are likewise engaged in making surveys and studies to the end that upon the reconvening of Congress the necessary facts and recommendations will be available to the Congress for its consideration and action. The subject is too complex and too involved for hasty judgment as to the remedy. It is only by this careful and studious approach that real worth-while legislation can result. To do otherwise would be to substitute legislation based upon quick and poorly considered policies that might do more harm than good.

The Republican Congress, under the leadership and with the cooperation of a Republican President, will make an honest and intelligent effort to solve this perplexing problem in accordance with the fundamental policies of our American form of government and not by the adoption of policies based upon foreign isms.

Statement of George J. Burger Urging Freedom-of-Opportunity Plank in the 1948 Democratic Platform

EXTENSION OF REMARKS
OF
HON. JOSEPH C. O'MAHONEY
OF WYOMING
IN THE SENATE OF THE UNITED STATES

Saturday, August 7 (legislative day of Thursday, August 5), 1948

Mr. O'MAHONEY. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD the statement made by Mr. George J. Burger, representing the National Federation of Small Business, Inc., before the resolutions committee of the Democratic National Committee, urging the adoption of a freedom-of-opportunity plank in the platform of the Democratic Party for 1948. In his plea Mr. Burger discusses, among other interesting subjects, the necessity for a vigorous and effective antimonopoly campaign for the protection of small-business enterprise.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

I am George J. Burger. I appear before you as director of the National Federation of Small Business, Inc. I am in charge of the federation's office at Washington, D. C. The National Federation of Small Business, Inc., is a national organization of small, independent, business and professional people in all lines of business and in all walks of life. It has the largest individual membership of any business organization in the United States.

The federation was founded, and is supported by its membership, on the firm belief that our free American way of life must be preserved, at all costs. The federation and its members hold that this cherished way of life is best protected and expanded by the actions of the Nation in protecting and expanding our system of freedom of opportunity in the economic field. They hold further that full freedom of opportunity is possible of attainment only in an economic system of free, competitive, independent, capitalistic enterprise. Their considered thought is that the presence of such an economic system is best and most truly indicated by the presence in our economy of a healthy, vigorous system of small, independent businesses.

Members of the federation are deeply and reverently conscious of the vital part played in our way of life by the Federal Government in all its functions—executive, legislative, and judicial. They are aware keenly of the importance of our tried and proven successful political party system as a means of determining the attitude of Government to-

ward current problems. And they recognize the essential part played by the political party platform both in determining the positions of the various parties and in expressing clearly party attitudes to the public in general.

I am here today to urge the adoption of a strong, clear, comprehensive freedom-of-opportunity plank in your party's platform. Naturally, as I have explained earlier, such a plank will take into consideration the requirements and wishes of all independent business and professional people over the Nation.

I would not even attempt to dictate the shape of this plank in your party's platform. That is your right and duty. But I will outline for your consideration, and (I trust) favorable action, the requirements and wishes of independent enterprisers as we of the federation have determined them through periodic Nation-wide polls. In this connection, it is significant to note that the actual ballots cast in these polls have been, in every instance, delivered into the hands of Congressmen representing the voting business and professional people.

1. ANTITRUST PROGRAM

First and foremost, members of the federation desire that a consistent, vigorous, effective antimonopoly campaign be waged by Government. To this end, federation members have repeatedly urged their Congressmen to vote adequate appropriations to the Department of Justice and the Federal Trade Commission. To this end, officers and directors of the federation have constantly contacted Congress and congressional committees, including the Congressional Joint Committee of the Economic Report, suggesting that both these agencies be freed to voluntarily inform congressional Committees on Appropriations whenever, and the extent to which, their budget requests have been cut by the Bureau of the Budget.

In this connection, federation members have consistently demanded that Congress strengthen out antitrust laws wherever needed, and have urged Congress and Government to refrain from all actions designed to weaken these laws. Recognizing the fact that present antitrust law violation penalties are really insignificant and ineffectual, they have repeatedly asked Congress to legislate stiffer penalties for violators of these laws. And, in recognition of the fact that antitrust law litigation is many times subjected to suffocating delay, it has been requested that Congress act to provide some means of speeding action on this type of litigation.

You may wonder at the stress that federation members lay on this phase of Government activity. The fact is that the tendency in our economy is toward more rapid and more certain concentration of power in the hands of a relatively few business giants, both in private hands and in the hands of cooperative-type organizations. Pacing this trend toward concentration is an increasing disregard for the rights of independent business, which is mirroring itself in increasingly serious curtailment of economic freedom of opportunity. Our members see as one of their main bulwarks the antitrust laws of the Nation, and they demand that these laws be used for that purpose.

2. SMALL-BUSINESS COMMITTEES

Second, federation members have repeatedly urged their Congressmen to maintain in Congress active, effective, and intelligently directed Committees on Small Business. It has been suggested, time and time again, that these committees be given permanent status, with all the rights and privileges of standing committees of the Congress. In this connection, it is not at all amiss to recall the yeoman service the committees rendered to small business during the trying days of the war, and to recall the fact that the late change in political control found these committees reestablished. Since that time, their actions have been of great benefit in helping to solve some of the special problems in the paper, steel, oil, and rubber fields confronting the small independent.

3. GOVERNMENT COMPETITION WITH PRIVATE ENTERPRISE

Third, federation members have demanded constantly that Government cease competition with private enterprise whenever and wherever the national welfare permits. In this connection, it must be emphasized that the ordinary business activities of certain Government corporations and agencies often conflict, and in many instances unfairly, with run-of-the-mill small, independent business activities. I have but to mention reports we have received of tax-free selling by Army and Navy Department stores to other than military personnel, low-price sales by Government departments to their employees and by such agencies as REA to the general public to indicate the need here expressed.

4. SMALL, INDEPENDENT BUSINESS REPRESENTATION

Fourth, federation members have consistently urged that independent, small enterprise, no less than giant enterprise, farmer and labor groups, be adequately represented on appropriate governmental and international boards and commissions by genuine spokesmen drawn from the ranks of small, independent business. That the Congress has passed legislation providing for such representation is a fact, and for that it is to be praised. It is significant to note that federation members in Nation-wide ballot urged this action on their Congressmen. Yet, complete and adequate representation of this nature has not come about.

5. GOVERNMENT ECONOMY AND TAXES

Fifth, federation members have indicated repeatedly their consciousness of the fact that, as long as Government expenses remain high, taxes of necessity will remain high. In this knowledge, they have repeatedly expressed themselves on the necessity for the strictest and sincerest possible congressional watchfulness over budgetary matters. They have repeatedly urged that Government expenses be maintained at the barest possible minimum consistent with adequate fulfillment of only absolutely necessary governmental functions. At the same time recognizing the existence in our taxation system of a number of inequalities that place a relatively heavier burden on small independent enterprise than they do on giant private and cooperative-type enterprise, they have asked action to equalize our tax system. Chief criticism in this regard has been leveled at Federal taxation of the early stages of corporate income, at the excise-tax laws, and at the differing application of these excise-tax laws within individual industries.

In this connection, evidence gathered recently by the Small Business Committee of the House amply proved that current rates of taxation on small business have, for all practical effects, about eaten its entire earnings, have made it impossible for small independents to finance desirable plant expansions and modernizations, and are increasingly making small business a less desirable outlet for risk capital.

6. LABOR PRACTICES

Sixth, federation members have indicated repeatedly their wish that Congress act to outlaw certain practices of labor which are regarded as monopolistic in nature and oppressive to freedom of opportunity. Among the practices censured is that of industry-wide bargaining, under which system, many times, wage agreements are forced on smaller firms by virtue of the fact that their voice, in reaching these agreements, has been hardly heard. Federation members have also condemned largely the follow-the-leader type of wage negotiation, wherein agreements reached by labor unions with industry giants are practically forced on smaller firms who are thereby seriously weakened.

However, federation members are aware fully of the fact that any curtailment of giant union power without vigorous antimonopoly action against concentrations of industry with which labor must contend, would result only in weakening labor's ability to present its case. So they contend that action to destroy the monopoly power of labor must of necessity be accompanied by action designed to curb the monopoly power in industry. They contend further that such action as this would enable a reduction in the size and power of Federal Government and effectively restore vast areas of freedom of opportunity. It would also relieve the businessman of many onerous, but under present circumstances, practically necessary, intrusions of Government in his private affairs.

7. GOVERNMENT REGULATIONS OF BUSINESS

Seventh. Federation members have repeatedly demanded that Government to the furthest practical extent reduce the number and complexity of regulations it exercises over private business. It must be remembered that the small independent is not as well equipped as his larger competitors to keep abreast of current regulations, let alone cope with additional regulations. The practical necessity of doing so, however, therefore forces him into a relatively less favorable position vis-a-vis his giant competitors. In this connection, it is appropriate to recall that federation members have demanded consistently that the problems of our economy be worked out to the furthest extent possible under our free, competitive enterprise system—that wartime controls not be reimposed.

These, gentlemen, are the suggestions offered by the Nation-wide small, independent business and professional people of the National Federation of Small Business, Inc. I call your attention to the fact that no special privileges have been sought by them in any of their stated requirements or wishes, that federation members have sought in all cases only the justice and equality to which they are rightfully entitled.

I urge your favorable attention to, and action on, all of these suggestions, with special emphasis on the first two—without which the last four would be only idle gestures. In these days, when our free way of life is under ceaseless attack from extremists of both the far right and the far left, it behooves us to take all necessary actions to strengthen our freedom of opportunity, the one factor that has been the taproot of our success, and which has made us at once the hope and envy of free men everywhere.

For the members of the federation and for myself, I thank you for the opportunity to present these views.

Continuation of Legislative Record of the Second Session, Eightieth Congress

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EXTENSION OF REMARKS

OF

HON. ALBEN W. BARKLEY

OF KENTUCKY

IN THE SENATE OF THE UNITED STATES

Saturday, August 7 (legislative day of Thursday, August 5), 1948

Mr. BARKLEY. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a brief summary of the activities of the session of Congress which convened on July 26, 1948.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

SUMMARY OF ACTIVITIES OF THE SPECIAL SESSION OF CONGRESS

It is customary at the end of a session of Congress to publish in the CONGRESSIONAL RECORD a summary of the activities of that session. Accordingly, I ask that the following be inserted in the CONGRESSIONAL RECORD:

The Eightieth Congress convened on July 26 in a special session at the call of President Truman, who asked for adequate legislation to curb inflation and for a long-range housing bill that included provisions for slum clearance and the building of low-cost rental housing. The President also commended other legislation to the Congress but stated that the other matters should not share top priority with action on inflation and housing.

In response to the President's plea the Congress completed action on a construction loan to the United Nations so that it could build a headquarters in New York. This the President had asked.

The Congress passed anti-inflation legislation providing certain curbs on credit. It did not pass an adequate anti-inflation bill.

The Congress passed a housing measure which provided millions of dollars of Federal funds to aid private businesses to continue to build houses at today's inflated prices. This measure met every demand of the real-estate lobby but failed to appropriate one cent for slum clearance or to provide low-cost rental housing for low-income families whose need for housing is most critical.

The Congress adjourned on August 7. This action is properly listed among its accomplishments.

Inflation—Price Control

EXTENSION OF REMARKS

OF

HON. JOHN SHERMAN COOPER

OF KENTUCKY

IN THE SENATE OF THE UNITED STATES

Saturday, August 7 (legislative day of Thursday, August 5), 1948

Mr. COOPER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a statement that I had expected to make during the debate on S. 2910, known as the President's anti-inflation bill, but which I was unable to make because of the limited debate.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

It is highly important that the Congress be concerned about the high cost of living and inflation. It is essential that we apply honest, sound remedies to the real causes of inflation, and that we do not delude and disappoint the American people with unworkable and dishonest control devices.

I am concerned and surprised that the President, while he ignores the real causes of inflation, demands that the Congress reestablish the price controls of OPA and other controls. He berates and criticizes us because we will not abdicate our function as a law-making body and submit to his control.

We cannot honestly enact his proposals into law because experience has proved them to be unsound and unworkable and because they do not attack the real causes of inflation. We cannot do so, because we do not believe it is proper to give to the President and the executive branch of the Government, in time of peace, the power to control directly or indirectly, every farmer, businessman, worker, and housewife in this country.

The President and his leadership will not say frankly that they want to exercise full power over the economy of this Nation. They strive to make it appear that he asks for just a little power, just a few measures which will enable him as if by some magic, and without inconvenience to anyone, to control prices and leave everyone happy.

Such is not the case. Whatever he may say in his newspaper statements and campaign speeches, his actual plan is found in his bill which we are now considering and which he demands that we pass—Senate bill 2910, which has been introduced by my colleague, the senior Senator from Kentucky [Mr. BARKLEY], and which, if it should be passed, will presumably be administered by Mr. Paul Porter, former head of OPA.

I attended hearings held on this bill by the Committee on Banking and Currency, heard Mr. Porter testify as the representative of the President, and asked him questions about its provisions.

For a few minutes I want to discuss some of the provisions of the Senate bill 2910, which contains the President's anti-inflation plan. It is the plan which he has called us into session to pass. I want to point out that the powers which it would give to the President are not the few, simple things that he mentions in his statements, but broad and sweeping powers over every farm, business, and home in the country. Among other things, it would give to the President:

1. The power to fix prices on every agricultural and industrial product in the United States. Mr. Paul Porter, former head of OPA, stated that the President intended to impose price controls on only a few farm products, and industrial products such as steel, but everyone knows that when price controls are placed upon one product they must eventually be placed on everything which enters into its production, upon products which compete with it, and the wages that go into its price. Wage control would follow price control.

2. It gives the President the power to roll back and fix prices at the level of August 1, 1948, and, most important, gives him some discretion to ignore this date and fix prices at an earlier level. It gives him the power to fix the prices of farm products at parity, even though the market price is higher. I will not take time to point out the difficulties in rolling back prices. If it is possible, and if it should be done by some price administrator, every farmer, grocer, retail or wholesale merchant, and manufacturer, with an inventory and supplies on hand, would face the danger of suffering great loss and perhaps the loss of his business.

3. The bill goes even further. Section 201 2 (D) provides that the President "may establish specific inventory limits for different classes of persons and different materials." Under this provision, the President could, if he desired, fix the amount of grain or cattle a farmer could hold at any time, and the amount of any commodity that any manufacturer or wholesaler could keep in stock.

4. The bill goes further. Title II gives to the President certain powers called powers of allocation and priority. In simple language, it means that the President could designate the uses to which any farm or factory product can be put, and could require the owner, if he sells at all, to sell his product to the person and to the place where such use would be made.

Section 107 of the bill states that "Nothing in the title shall be construed to require any person to sell any commodity." Of course, this provision means nothing, for if the Federal Government is given the power to tell the farmer how much corn, wheat, or livestock, and the businessman how much nails or cloth he can hold at any certain time, it follows that he is forced to sell any amount over the quantity designated, and at a price fixed by the Government. I am sure that the farmers of the country will remember that, in the fall of 1946, the President said that he and his Cabinet had seriously considered going upon the farms and seizing the livestock of the farmer.

With the imposition of allocation and priority powers, many small businesses could be denied the right to buy necessary commodities or could be limited to very small amounts. It would thus create unemployment in these businesses and many salesmen would be forced out of business.

The word "allocation" is a powerful word. It includes the power to ration food to the housewife.

5. The bill would reestablish the thousands of regulations, the record keeping, the investigators, and the penalties of OPA. Section 110 provides a fine of not more than $10,000, or imprisonment of not more than 1 year, for one who wilfully violates the regulations that would be set up by the thousands of employees of a new OPA.

Mr. Porter says that the President would not use all of these powers, but he did use them under the old OPA, and the proposed bill provides that its powers shall be effective until June 30, 1950.

I have wanted to emphasize these powers because I do not believe the people know the details of the President's proposal contained in this bill. I cannot believe that the farmers, storekeepers, business people, housewives, want to submit to a new OPA, when they remember the last with its shortages, black markets, and disruption of production. They must know that food and needed goods cannot be created by law or by price control.

The shortage of meat today, which may continue until next year, can be laid to the OPA controls of 1946, which broke up the normal production of livestock by the farmer. Last fall the administration urged the farmers to finish the fattening of their livestock at light weights.

I cannot believe that wage earners want to embark on a program which, if honestly pursued, will lead to wage control, and which will disrupt employment in many industries.

It is being said that nothing is to be gained now by attempts to fix the blame for the inflation which exists today. There is value in fixing the true causes, so that we may concentrate our efforts upon them rather than attempting to fool the people with spurious remedies.

On one hand we have a huge volume of cheap money and credit, which was built up chiefly by military expenditures during the war. Since the war, the present administration has added to this volume of cheap money by governmental spending; it refuses to reduce its expenditures and wants to spend more. The President has refused to use certain powers that he now holds to control credit.

With this huge volume of money and credit, the people of our country are bargaining for goods they could not get during the war. The supply of goods which the people could enjoy and use has been reduced by governmental purchasing, by military expenditures and by exports. The President has had the power to control exports every minute since the war, yet 30 to 40 percent of the grain and much of the steel which we have exported, have not gone to the needy countries of Europe but to dozens of countries throughout the world.

The President's record on inflation is inconsistent and political. In June and July 1946, he said that price controls must be retained. In October 1946, he decontrolled meat in an effort to win an election. In November and December 1946, before the

Eightieth Congress came into office, he removed price controls from every major commodity except sugar. In October 1947, he denounced price controls as police state methods. A month later, he asked for the price controls that he had denounced.

In his message to us at the commencement of this session, he asked us to undertake expenditures which would feed the fires of inflation and now asks us to shackle every farmer, businessman, housewife, and wage earner with this false remedy of price control.

You may ask me, "What is the Republican proposal?" and it is a fair question. First, we recognize honestly that there is no magic way to stop an inflation that has been building up for 15 years, and second, we do not want to adopt a quack cure that will send this Nation tumbling into a depression, with bargain prices and unemployment.

At this session we have enacted two constructive measures which will begin to moderately restrict credit.

If in the next session we have a Republican Senate and House, and a Republican President who will work with us on domestic matters, we can make progress through the reduction of governmental expenditures, debt reduction, and elimination or reduction of exports not needed for the actual rehabilitation and for food requirements in war devastated countries.

Our farmers will produce this year the second largest wheat crop and the largest corn crop in history and a large cotton crop. Factories are reaching new levels of production. Steel production is at 95 percent of capacity. If we do not interfere with this progress by governmental controls, we should see lower prices for food and clothing next year, and a sound prosperity.

The governmental controls which the President wants are being used in western Europe and in the communistic countries. Conditions may come which may make them necessary here, but I will not vote now to impose them on the farmers, business people, wage earners and homes of this country.

I insert as part of this statement a portion of an editorial on the bill proposed by the President, appearing in the July 30 issue of the New York Times, one of the great impartial, independent newspapers of this country. The bill should be defeated.

The editorial referred to follows:

"The proposed legislation includes the whole hodgepodge of recommendations contained in that part of the President's message dealing with rising prices and living costs. But that is not all. A pleasant surprise has been added by way of giving this legislation the authentic OPA touch. For it includes, as it were, an invitation to revisit that Alice in Wonderland of economics in which the country lived during the reign of OPA. That is the land of Let's Pretend, whose chief industries are statistics and regulations, in which high taxes and black-market prices don't count, and where the basic philosophy is that inflation that you can't see can't hurt you.

"Those who may have wondered precisely what Mr. Porter's contribution to the anti-inflation campaign was going to be do not have to wonder any longer. The secret is out. Incredible as it may seem, the surprise is price roll-backs. Roll-backs would be applied to any cost-of-living item which has risen, or which threatens to rise, 20 percent or more since June 1946 (when price controls were scrapped). Prices picked for the roll-back would remain under ceilings until June 30, 1950.

"There is no magic, of course, by which the administration or any other human power can roll prices back, by word of command, to some appointed level. The term 'roll-back' is simply a euphemism to describe a process whereby a producer is induced to sell his product at an agreed price, with the difference between that price and the market price made up to him by Government subsidies. And the cost of the subsidies? That, of course, is footed by the taxpayer.

"Subsidies are to be distrusted under any conditions, and distrusted particularly when they come, as they come in the case of price roll-backs, in disguise. But the proposal to reintroduce them into the American economy at the present time represents a new high in economic futility. Britain has been chided by her critics for spending almost two billions a year since the war to hold food prices down. We can be charged with the even greater folly of having spent similar amounts to keep farm prices up. But, never until now has it been seriously proposed, here or anywhere else, that a nation's taxpayers shoulder the burden of subsidizing price inflation in one political area and price deflation in another at one and the same time."

H. R. 6959, the Housing Bill

EXTENSION OF REMARKS

OF

HON. E. WALLACE CHADWICK

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. CHADWICK. Mr. Speaker, it had not been my intention to make any remarks at this special and, I hope, final session of the Eightieth Congress. The fact that I had succumbed to a peculiarly aggravated form of primary trouble seemed to me one sound reason for holding my peace; and in addition, I find little to stimulate any of us, either in the pattern or the political climate of this particular parliamentary situation.

No one could fail to resent the circumstances, or the motivation, of this call. It is not by any stretch of the imagination a contribution to good government; and I am convinced that nothing which lacks the fundamental characteristics of statesmanship will in the long run prove to be good politics. So much for the call.

I have some difficulty, however, in adjusting my thinking to our response. Just insofar as the President failed us in his approach to the problem, a special burden was imposed upon the legislative branch. This burden implied also an opportunity to serve the country and in so doing to serve our party. That is the standard by which our response should be, and no doubt will be, measured.

I have discussed this matter with a number of our colleagues, and I find that my own guess about the situation is not reflected in their considered judgment. To this very generally held view, I freely defer; after all, they have to run on the record and I will not. How sincerely I wish all my colleagues well, I cannot here find aptly restrained words to express. I have had much pleasure, much satisfaction, much profit, from my association with you all. It has been a memorable experience; and I do now, and always shall, bear witness to the devotion, the patriotism, the deep undercurrent of common sense, of the Eightieth Congress. I believe history will be kinder to us than the commentators are.

But in leaving this body, and on the occasion of the consideration—formal and informal, at this end of the Capitol and the other—of proposals relating to housing, there is one thought I would like to express.

I have always entertained grave doubts about certain of these proposals, and particularly as to their expediency at this time; but notwithstanding this, I signed the discharge petition for the Taft-Ellender-Wagner bill sometime last spring. I was moved to do this because of my deep conviction that these problems must be wrestled with, for better or for worse; and I thought the Eightieth Congress as good a place as any to get started.

I do not desire to use this space to discuss that particular aspect further; but I do want to express here, for the record, my regret that these proposals are so frequently described as socialistic. Maybe they are; but I am personally convinced that we are bound to come to some of them, sooner or later, either in a Republican Congress or some other kind of a Congress. The question how they are handled, constructively or unconstructively, will depend in no small part on what kind of a Congress it is. I will have more confidence in the result if Republicans are in the majority; and there is no use our making the bed harder to lie in by harsh words now.

As a matter of fact, I believe that some of these proposals lie in what is now a no man's land between socialism and free enterprise. Either the state Socialists or we who believe in our American tradition of free enterprise will ultimately occupy this area of activity; and upon that decision the future of our economy may possibly prove to depend.

I have watched too long the development of America to believe that all the frontiers of thought and action have already been established. Very slowly and very painfully, we have learned a lot of things, many of them novel. Perhaps we have some more to learn; and the fruits of such lessons are at the peril, not merely of our economic system, but even, I am convinced, at the peril of the Republic itself.

May I suggest in closing, something which seems to me to be a practical measuring rod, to determine whether any particular activity is consistent with free enterprise, or is essentially socialistic. The test if valid presumes that free enterprise has had, on the whole, a reasonable opportunity in America to develop itself. In spite of certain obstacles which will occur to you as they do to me, I believe this is true.

If so, then may we not say, that insofar as state socialism (or Federal paternalism, or New Dealism, whatever you want to call it) undertakes to invade areas of activity either preempted by free enterprise or now being brought within its scope, it is inconsistent with our American tradition and is at least to be suspected.

But if, on the other hand, a field of activity, a social and economic need, actually exists, vitally affecting the lives and interests of the people, into which private enterprise is either unable, or is

estopped, or is unwilling for any reason, to enter, then such field invites the interest of the Congress, as the representative of a nation of free enterprisers, to determine what cooperative measures might be appropriate to serve the need.

When the Congress voted vast land grants to encourage the original construction of transcontinental railroads, no one cried socialism—or if they did, that cry has not reechoed down to our time. We know now that by such means, our national interests were wisely and properly served, and our free system of private enterprise was unshackled from the limitations of otherwise almost unconquerable space. There are in our history plenty of other examples of the same sort.

It seems pretty clear that in the field of housing—particularly of housing for low-income groups, and particularly at the present time—some special need does exist. If so, it will ultimately be satisfied, this Republic being what it is. Why not claim this admittedly difficult and dangerous terrain in the name of our American tradition? Why leave it to the followers of foreign ideologies? We can make it ours, by right of exploration and conquest. We should not be laggard in this particular.

Some of you remember the story of the Battle of Gettysburg; how General Meade deployed his army to what seemed the best advantage, but overlooked—because he had no chance to observe—a significant weakness of his extreme left flank. It was General Warren who made that observation; it was he who went beyond even his own authority to seize and hold Little Round Top; and with that height in Union hands, the battle was won and the course of history was changed.

Hon. Joseph C. O'Mahoney, of Wyoming, and the New York Times

EXTENSION OF REMARKS

OF

HON. MIKE MANSFIELD

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. MANSFIELD. Mr. Speaker, I have read, within recent weeks, two articles in the New York Times relative to proposals made by the senior Senator from Wyoming, the Honorable JOSEPH C. O'MAHONEY. One, an editorial, appeared in the issue of July 22, 1948, and criticized Senator O'MAHONEY for pointing out the inflationary aspects of the price spiral in the steel industry. The other was a letter by Mr. Edward H. Collins, who criticized the Senator by showing what he called an inconsistency between his position on steel and wool.

The New York Times and Mr. Collins should know that there is no more thorough student of these two industries than Senator O'MAHONEY. They should know that no one man in the United States has done more to show up the dangerous effects of the consistent policies pursued by the large steel and other giant corporations over the years on the economy of this country. They should know that the senior Senator from Wyoming has always been the outstanding champion of real private enterprise against the corporate giants who have been draining the economic lifeblood out of this country.

They should know—and very likely do—that the only real attempt to curb inflation in this country at the recent special session of the Congress was made by Senator O'MAHONEY. His proposal, S. 2908—and my companion House measure, H. R. 7076—would have made it mandatory for the giant corporations to undergo a 30-day cooling-off period before prices could be raised and that during this 30-day period these corporations would have to appear before the Federal Trade Commission and justify the need for the proposed raises in the prices of their products.

All of these facts are known to the New York Times and to Mr. Edward H. Collins, but, having publicized their criticisms of Senator O'MAHONEY, they have refused to carry through their false contentions to the point where the truth could become known and their arguments shown up for what they are worth. It is too bad that this great newspaper, usually so desirous of showing both sides on any important question, did not, in this instance, pursue that same policy.

Mr. Speaker, in my opinion, Senator O'MAHONEY is one of America's outstanding statesmen. We of the western United States recognize him for his true value to his country. It is to be hoped that the carping provincial criticism shown by the New York Times will not be repeated without at least exploring the full possibilities of any particular question so that the truth—the full truth—will be known.

Mr. Speaker, under unanimous consent, I am inserting at this point a copy of a letter written to the New York Times by Senator O'MAHONEY. This letter was sent to me at my request after I had looked in the Times for Senator O'MAHONEY's reply to the accusations leveled against him. As the Senator's answer was not published I am including it with my remarks:

UNITED STATES SENATE,
Washington, D. C., July 29, 1948.

The EDITOR,
New York Times, New York City:

For the second time within the space of less than a week, I find myself the subject of derisive comment in the New York Times. I was honored with an editorial on July 22 criticizing me for having said that United States Steel has surrendered to inflation.

On July 26, Mr. Edward H. Collins, taking up the same theme, professes to believe that there is some inconsistency between my criticism of steel and my support of wool, and he asserts that I have "long regarded it as an essential part of (my) duty to help perpetuate" what he calls the most notorious and unnatural monopoly in wool.

This charge gives me a happy opportunity to call attention to the serious confusion of mind by which so many industrialists and their defenders fail to see the distinction between a concentrated industrial unit like United States Steel, which produces and prices almost 40 percent of the entire American output of steel, and the individual agricultural producers, none of whom produces or prices more than a fraction of 1 percent of the Nation's output.

It is true that I supported a bill, which the present Congress passed without dissent, providing that the price of wool should be supported by the Commodity Credit Corporation at not less than the 1946 level, as Mr. Collins points out. "By an odd coincidence," Mr. Collins writes, "the 1946 average price, 42.3 cents a pound, happens to have been the highest in years, if not for all time." What Mr. Collins does not know is that 42.3 cents a pound is less than parity by 3.6 cents a pound.

Parity is the concept advocated by Republicans and Democrats alike to enable farmers to receive for their products a price sufficient to enable them to buy industrial products at the ratio which existed some 30 years ago. It is, in other words, an effort to protect farmers from rising industrial prices. So when Mr. Collins accuses me of having sought to support wool at 42.3 cents a pound, he is merely saying that I voted to protect the wool grower at a level below that to which he is entitled under the universally accepted congressional formula of parity.

Mr. Collins also accuses me of having secured a legislative provision to raise the domestic production goal of wool from 360,000,000 pounds a year to 400,000,000 pounds a year. I did. But 400,000,000 pounds of domestic wool is little more than one-third of the amount of wool the people of America consume. Most of the wool which is purchased here in America comes from foreign sources, so obviously domestic producers do not constitute a monopoly under any definition of that term.

Unlike steel, more than 70 percent of which is produced by 8 corporations, the American wool clip is produced by more than 500,000 wool growers, of whom 456,000 own less than 99 animals each.

The thinking which compares 500,000 individual agriculturalists to a giant corporation like United States Steel is one of the primary causes of the economic and political troubles of our time. The absurdity of it is indicated by the assumption of Mr. Collins that 400,000,000 pounds of wool at 42.3 cents a pound will undermine the American economy while a price increase of $9.34 a ton by United States Steel is justifiable.

The value of the entire 400,000,000-pound clip of 500,000 American wool growers, at 42.3 cents a pound, would be $169,200,000. Compare that figure, the total value of the clip, with the profits of United States Steel. Those profits in 1947 amounted to $244,000,000. In other words, the profits of United States Steel in 1947 were greater by $74,800,000 than the entire value of a 400,000,000-pound wool clip raised by 500,000 individual growers.

Yet this does not completely show the disparity between the position of the so-called "rugged individualists" who produce agricultural commodities on the farm and the collectivist economic units like United States Steel. The recent price increase announced by Steel amounted on the average to $9.34 a ton, and will add not less than $186,000,000 to the sales of a single giant corporation. In other words, the managers of United States Steel have just declared a price advance which will amount to $16,800,000 more than the entire value of the entire wool clip of the United States at less than the parity price.

I make no apology for defending the farmer against industry. He has been fighting a losing battle for decades, and with all the farm subsidies which were paid to stimulate agricultural production because the country and the world needed it, the farmers of the United States, who constitute 19 percent of the population, receive only 10 percent of the national income.

It is this disparity between agriculture and industry that creates the farm problem. It is the continued concentration of industrial control in a few units, the managers of which can determine for themselves how much the production shall be and what price the people shall pay, that creates the economic problem.

Editors who cannot see the difference between the situation of the individual farmer on his farm and ranch and the manager of big business are contributing nothing to the solution of the great difficulties of our time.

Sincerely yours,

JOSEPH C. O'MAHONEY.

P. S.—To your editorial of July 22 I wrote a response on July 23. It has not as yet appeared in the column of letters to the editor. May I not express the hope that this response to Mr. Collins may meet a better fate?

Truman Policies Caused Food Scarcities and High Prices

EXTENSION OF REMARKS
OF

HON. AUGUST H. ANDRESEN

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. AUGUST H. ANDRESEN. Mr. Speaker, President Truman demands that Congress pass legislation to give him and his New Deal associates the power to control the lives and economy of the American people. He demands a restoration of wartime price controls, rationing, and allocation of food and other vital necessities to stop inflation. He fails to tell the people that a revival of these controls will curtail production and restore the black market which operated on a Nation-wide scale during and after the war in meat, poultry, building material, and other scarce products.

Since President Truman seeks to place the blame on the Eightieth Congress for present inflationary prices of meat and other foods, as well as for other vital products, I propose to discuss the real causes for the inflationary spiral and the remedies which must be applied to restore our economy to a more equitable basis for American producers and consumers. In particular, I will cover the meat- and food-price situation, which is vital to the livelihood of all consumers. Meat prices and many food items are too high. Prices must come down. The only method to accomplish this objective will be to secure abundant production with equitable returns to producers and fair prices to consumers.

OVER-ALL CAUSES FOR INFLATIONARY PRICES

First. Excessive spending by the Federal Government. Since the termination of the war, the Truman administration has failed to cut Federal expenditures. For the past 2 years Federal spending of the taxpayers' money has exceeded the cost of food for all American homes. The Federal pay roll now stands at more than 2,000,000 employees. The Eightieth or Republican Congress decreased many expenditures and refused to appropriate billions of additional dollars asked for by the President. Larger cuts could have been made in appropriations, had it not been for domestic or foreign emergencies placed before Congress by the President. It is estimated that since VJ-day the United States has authorized for expenditure more than $25,000,000,000 to assist people in war-devastated countries. Government expenditures must come down, if the United States is to remain solvent. The President should take the lead to stop wasteful expenditures.

Second. President Truman refuses to use the powers which he now possesses to halt the inflationary spiral. Such powers wisely used will restore our economy without discouraging production.

Third. Government spending of around $40,000,000,000 a year creates more inflation money. There is also an abundance of money in the hands of many individuals and corporations. Unfortunately, certain people living in the low-income groups who secure their income from pensions and other fixed sources do not share in the inflated money. They are in a squeeze. They do not possess enough money with which to buy the necessities of life. Their cost of living must come down or their incomes increased. However, for those who have more money the situation is different. When people make more money, they want more and better cuts of meat and they bid for the scarce supply. They want more automobiles and other necessities and comforts of life, and prices of raw material, labor and finished products rise rapidly as scarcities appear. The Bureau of Labor Statistics records wages at $52.81 a week in June 1948 for factory workers, as compared with an average wage of $23.86 in 1939. Employment stands at 61,600,000 jobs. This employment and purchasing power is reflected in the demand for more meat, food, and all other items. Full employment, with wages to maintain a high American standard of living, is vital to a sound economy, but policies must be initiated to prevent spiraling prices which in turn create the demand for spiraling wage increases. We are now in a vicious circle which will end in a depression unless the proper remedies are applied.

IN THE CASE OF MEAT AND FOOD PRICES

Fourth. Because of the tremendous Government purchases of grain and food for foreign relief, the Truman administration has completely dominated the market and the price of grains. Grains in this country mean more meat, poultry, and dairy products for consumers. When the Government bought grain the price went up, and when the Government stopped buying, prices went down. Last December the Government paid more than $3.25 per bushel for wheat and the price of other grains followed the upward trend. The Government has been on the buying side consistently since July 1, 1946, and spent more than $5,000,000,000 for grain and food to be shipped to Europe and other countries. The Government's domination of the grain market caused high prices for livestock and poultry feed, which resulted in a liquidation of cattle, hogs, and poultry flocks with higher prices for meat, dairy, and poultry products in 1948.

Fifth. Since 1945 the Truman administration has pursued a program calling for drastic reductions in the production of livestock and poultry. This, together with high prices for grain and feed caused a large decrease in the supply of meat, dairy, and poultry products and higher prices to American consumers. When the demand is great, scarcities of vital products cause inflationary prices.

Sixth. Although for an authorized and worthy purpose, the export of around 1,200,000,000 bushels of grain in the last 2 years for relief feeding and other purposes, had a tremendous effect upon the price level of food, and particularly meat, dairy, and poultry products in this country. From January 1947 to February 4, 1948, the Truman administration promoted one of the greatest grain price booms in history. With the Government buying one bushel of wheat out of every two bushels sold, wheat prices advanced from $2.05 to over $3.25 per bushel. Scare statements were frequently issued by the Government about dire world shortages ahead, which of course had the effect of encouraging speculators and needy buyers to rush into the market.

Seventh. To best illustrate the basic causes for the present price inflation, I quote here some pertinent comment by a Governor of a Federal Reserve Board:

TRIPLE YOUR MONEY

M. S. Szymczak, a Governor of the Federal Reserve Board, gave a radio audience some economic fundamentals last week end. Some of his remarks merit quotation.

At the end of the war, he said, people had "more money in the bank, more cash in their pockets, and more Government bonds. The total of these so-called liquid assets held by individuals and corporations at the end of the war was more than three times as great as before the war."

He went on: "At manufacturing plants average hourly earnings are more than double prewar levels. * * * Basically, prices, wages, and profits are all high because of a heavy demand for goods."

And he conceded: "Extension of credit since the war has in some degree made possible more production, but borrowed funds have also been used to compete for a limited supply of goods."

Mr. Szymczak declared: "Federal loans and grants to foreign countries have been large and they have contributed to increases in prices of domestic commodities."

I also desire to quote from the January 6, 1948, study of the Foundation for Economic Education, a research organization, on the subject of causes for the present inflation. The comment reads as follows:

FOUNDATION FOR ECONOMIC EDUCATION

"The two basic factors causing inflation are the present high cost of Government, much of which is reflected in the price of goods and services through hidden taxes, and Government's drastic increase in the quantity of dollars in the market," the foundation said in a study written by F. A. Harper.

"Much of the increase in the money supply was the result of the Government living beyond its income from 1931 on through the war.

"Since inflation is basically a money question and since control over money resides with the Government, the placement of guilt for past events, as well as responsibility for the future, rests clearly on its shoulders.

"Under the spell of rising prices—the present penalties for past sins of inflation—some persons in Government have encouraged turning the search for truth into a witch hunt," the foundation said. "One is reminded of the trick of a robber who commits a crime and then joins the angry mob in search of the robber."

THE GENTLEMAN FROM MASSACHUSETTS SPEAKS ON INFLATION

My very good and able friend, Congressman JOHN MCCORMACK, of Massachusetts, the spokesman for the President in the House of Representatives, is urging the high cost of food as the principal issue in the campaign. Mr. MCCORMACK insists that we must have a restoration of price control and rationing of food products. He blames the Republican Party for the repeal of the OPA in 1946, when the Democratic New Deal Party had a large majority in the Congress and he was the majority leader. It might be well to examine the record and ascertain what Mr. MCCORMACK had to say in September and October of 1946 when the people of Boston were not able to buy meat, excepting through the black market. Mr. MCCORMACK no doubt has forgotten his experience of 2 years ago, and that may be the trouble with a good deal of people who fail to remember.

I am sure that the housewives of the country and particularly in Boston, remember back in 1945 and 1946, under the OPA, when nearly 80 percent of the meat bought in large consuming areas was sold at black-market prices. Round steak and poultry went at more than $1 a pound. A black-market ring operated on a Nation-wide scale in meat, poultry, sugar, and other scarce foods. These foods were diverted from legitimate channels of trade and the people were compelled to pay exorbitant prices for them or to go without.

The situation became so critical in Boston, the home city of my good friend from Massachusetts, that he led the fight in September 1946 to secure a suspension of OPA control over meat so his constituents could secure this vital food through legitimate channels. President Truman refused to consider Congressman MCCORMACK's plea for relief.

According to the following front page news story in the Boston papers, Mr. MCCORMACK led the fight to suspend OPA price controls:

TALK WITH TRUMAN HINTS OF RELIEF

Indications that immediate help would be forthcoming came when Representative MCCORMACK, spokesman for President Truman in the National House and erstwhile defender of OPA, prefaced his Washington demand with an explanation that he had discussed this meat shortage with the President and with other Members of Congress.

MCCORMACK, in his telegram to Paul A. Porter, OPA Administrator, urged immediate suspension of meat price ceilings because "this action is absolutely necessary if our hospitals and our citizens are to receive sufficient meat."

MCCORMACK asked the OPA to lift meat price ceilings for 60 days to enable the Decontrol Board to study costs and check prices charged by distributors, wholesalers, and retailers. (Boston Herald for September 26, 1946.)

The gentleman from Massachusetts spoke for the housewife, the merchants, the sick people in the hospitals of Boston and the Nation when he made his demand for relief. But the President refused to listen to him.

I fully recognize that Mr. MCCORMACK is a good leader in the House for his party, but recalling the experience which he had in the fall of 1946 it seems strange that he should now be willing to advocate the restoration of controls over meat when he well knows that it will revive the black market on a tremendous scale and take meat away from American consumers.

The housewives of the country will remember the empty meat counters in every community during the months of September and October of 1946. No meat was available except from the black market at a fantastic price.

It has been stated many times on this floor that Republicans killed the OPA in 1946. That may be good political talk to fool the people, but the facts are that President Truman himself discontinued the OPA and price control on November 10, 1946, after the congressional election. When Mr. Truman wiped out all wage controls and lifted virtually all price ceilings, he said:

The law of supply and demand, operating in the market place, will, from now on, serve the people better than would continued regulation of prices.

Black market operators are now standing on the side lines waiting to take over. They may be good contributors to the New Deal depleted campaign chest, but whatever they donate for political purposes will be extracted from American consumers through high prices charged in their illegal traffic. If the black market is revived consumers will be paying from $2 to $3 a pound for meat and poultry. No; the solution for reducing present high food prices is not through a revival of the black market. I state again that the only remedy is to secure greater production of cattle, hogs, and poultry, and thereby satisfy the demand through legitimate wholesale and retail channels.

WHAT HAPPENED BACK IN 1944 PRIOR TO THE PRESIDENTIAL ELECTION

Too few consumers seem to remember that shortly before the November election in 1944 of the fourth-term candidate, the famous Chester Bowles, of the OPA, virtually removed all meat and other foods from the rationing list. He also issued millions of sugar coupons to the housewives which he stated would be indefinitely good, but after the election he canceled all of them as a Christmas present to the housewives of the country. He also restored tight controls over meat and other food products. I am sure that the housewives of the United States will remember. Do you want a repetition of such a double cross?

TRUMAN USES DOUBLE TALK

President Truman and his New Deal associates are engaging in double talk on reasons for the high price of meat and food to American consumers. While the President is putting the blame on the Eightieth Congress, to cover up years of deliberate New Deal mismanagement, the Secretary of Agriculture and his Department are issuing statements every day or so, telling the country that we are going to have higher meat prices. The point is that New Deal administrators are desperately trying to create and continue a fear psychology, so that they may stay in power and again control the lives and economy of the American people. The policy of scarcities, spending, and taxing are still the objectives of the New Deal.

A typical statement made by the Secretary of Agriculture and his Department heads is shown in a published news item of July 27, 1948:

The Department of Agriculture predicted further increases because of the seasonal decrease in meat production in the coming months.

When Secretary of Agriculture Brannan appeared before the Senate Banking and Currency Committee on August 5, asking for restoration of price control and rationing of meat, he said:

It seems likely that prices of meat will increase further throughout summer unless some positive action is taken. We certainly cannot safely count on the usual price decline this fall and early winter.

Statements of this character have the tendency of urging people to buy more for fear that prices will be higher.

The Secretary of Agriculture refuses to take any positive action to secure an increase in the production of livestock. Instead, he wants controls restored, which recent experience shows will curtail production and reestablish black markets on a Nation-wide scale.

Inflation is a serious matter. It has destroyed many countries and it may destroy ours unless proper remedies are promptly applied. President Truman and his New Deal associates are making a political football of this vital matter by placing the blame on the Eightieth Congress, which has been in control for less than 2 years. He does not state that he and his New Deal predecessor have had control over the machinery of Government and the economy of the country for the past 16 years. He does not state that the inflationary spiral is largely due to policies initiated by the New Deal during the 16-year period. He refuses to use the controls which he now possesses to stop the inflationary spiral and to put into operation policies that will insure abundant production of meat, food, and other necessities for American consumers. Since the welfare of the Nation is at stake, all parties and persons should work together for its solution in the interests of the general welfare.

EXPORTS OF GRAIN AND FOOD

I state again that the Truman administration should be honest with the people and tell them the reasons for our shortages and high prices. American people are anxious to help hungry people in the rest of the world. They have demonstrated their willingness to do so. But they want to be sure that hungry people actually receive the food taken from our economy and paid for by American taxpayers.

From July 1, 1946, to June 30, 1947, we exported 410,432,000 bushels of wheat, 112,133,000 bushels of corn, 17,079,000

bushels of barley and malt, 573,000 bushels of rye, 27,071,000 bushels of oats, and 18,387,000 bushels of grain sorghums which equaled 15,021,000 long tons of grains. Had this grain been used in the United States for feeding cattle and hogs, the per capita supply of meat would have been increased by around 28 pounds. If half of it had been used the American consumers would each have had 14 pounds more meat. Over 15,000,000 long tons of grains were shipped out of the country between July 1, 1947, and June 30, 1948. If this grain had been used in the United States to feed livestock, our supply of beef, pork, poultry, and dairy products would have been materially increased, which would have resulted in lower prices to American consumers. Without question, the exporting of more than 30,000,000 long tons of grain in 2 years has had a tremendous effect upon our supplies of livestock products and prices in this country.

As we know it, grain means beef, pork, milk, butter, cheese, eggs, and poultry for American consumers. By taking this tremendous amount of grain out of the country serious repercussions have occurred, and we might as well be honest about it.

The Secretary of Agriculture, Brannan, stated the following before a House committee:

I do not think you can say that the export of grains as such is the fact which has increased the cost of living or food to the American people.

Bearing in mind that we have shipped out nearly 1,200,000,000 bushels of grain during the past 2 years, it seems rather strange that Secretary Brannan should make such a definite statement, when you consider the following quotation from him. The Washington Star for February 5, 1948, quotes Mr. Brannan as follows:

Mr. Brannan argues that when distillers buy grain it sets off a chain running like this: Grain prices tend to go up. That means prices for meat, eggs, chickens, and milk are pushed up because cattle and chickens eat grain.

Between 40,000,000 and 60,000,000 bushels of grain are used for industrial and other alcohol. I agree that it sets off a chain reaction when grain is diverted from food production. However, it is a little difficult to reconcile this position with Mr. Brannan's former statement that the export of 1,200,000,000 bushels of grain in a 2-year period does not have any appreciable effect upon the price of meat, dairy, and poultry products. Of course, the effect of removing such large quantities of grain from this country, although for a worthy cause, plays an important part in creating shortages of feed and higher prices for meat, dairy, and poultry products.

Secretary Brannan made a lengthy statement before the Joint Committee on the Economic Report on February 5, 1948, a part of which is hereafter quoted:

My discussion today will deal primarily with domestic problems. Therefore, I should point out that the wasteful use of grain can only mean higher prices for the foods we eat here at home. Perhaps I should state it this way: We cannot hope to control inflation in food if we permit grain to be diverted to nonessential use. The paramount domestic problem facing the country today is to control the inflationary rise in food prices, particularly meat. Because feed is the source of the large part of our meat and livestock products, the supply of feed determines how much of these food products can come to our tables. * * *

The less food we have, the more we must pay for what we eat. This is the simplest explanation of the inflationary rise in the prices that already has carried meat beyond the purchasing power of many American families.

It is very difficult to visualize the enormous quantity of food which has been exported from this country during the past 2 years from July 1, 1946, to June 30, 1948. The Secretary of Agriculture in his publication entitled "Grain Conservation on Farms, 1947–48" has described it best as follows:

The physical quantity of food exports last year (1946–47) accounted for 13.4 percent of all food entering consumption channels in the United States. Civilians received 86.1 percent; the United States military services 1.1 percent; and United States Territories 0.4 percent.

Altogether, we exported 19,196,000 long tons of food—enough to make a solid freight train of food extending from San Diego, Calif., all the way across the country to Portland, Maine. This is an all time high record for food shipments.

While I have not secured the definite tonnage of food exported for the 1947–48 period, I am reliably informed that it will equal the shipments of 1946–47 described above by the Secretary. Therefore, for the 2-year period there would be two solid freight trains of food extending from San Diego, Calif., all the way across the country to Portland, Maine.

Since Secretary Brannan and others have been indulging in double talk, it might be well to quote a few statements by President Truman. On September 25, 1947, when appointing the Luckman committee, Mr. Truman had this to say:

In the face of this situation the Cabinet Committee on World Food Programs report shows that, without further action, we would be able to carry through a large export program; but, as a result of sharply reduced corn production and continued high domestic demand for grain, exports would not equal last year's total shipments—even though world needs are greater.

The United States cannot rest on this export prospect. To ship more abroad without adjustments in domestic demand, however, would aggravate our own price situation.

It is significant to notice that the President admits the obvious fact that shipments of increased grain abroad "would aggravate our own price situation." Since July 1946 to June 30, 1948, there have been shipped out of this country nearly 1,200,000,000 bushels of grain.

In his midyear economic report to Congress on July 30, 1948, President Truman said:

Thus, the impact of the aid program in the agricultural area, with its important bearing upon domestic food prices, is unlikely to be as serious as it has been. Nonetheless, it will have a substantial continuing effect in view of the extraordinarily high domestic demand.

As early as July 21, 1947, the President recognized the "upward pressure of prices" because of increased exports, by stating in his midyear economic report to Congress the following:

Occurring in a period of high domestic demand, the increase of exports contributed to the upward pressure on prices. This was particularly true of grains, for which the foreign requirements were most imperative.

I also desire to quote from the report of the Joint Committee on the Economic Report of Congress issued December 15, 1947:

The export of livestock feed grains has undoubtedly exercised some further influence in the export picture as a cause of meat-price increases. A short ton of feed grains will feed two hogs to market weight, and since each hog will contribute about 140 pounds of meat, the 4,202,000 metric tons of feed grains (other than wheat) exported last year were equivalent to about 8.8 pounds per capita, assuming this feed would have been fed to hogs. * * *

In addition to these factors affecting domestic supplies, the very large exports of wheat (greatest on record) are probably reducing the quantity of meat, poultry, and dairy products below levels that otherwise could have been achieved, and therefore are helping to increase the domestic prices of these products. However, it is probable that only a part of the feed grains exported would have been fed to livestock. Some would have been fed to poultry and to dairy animals, some used for industrial purposes, and a part would have gone into carry-over. Over a longer period, meat production would have been increased because of lower feed costs resulting from the more abundant domestic market supply.

I also want to call attention to a recent statement made by Commerce Secretary Sawyer opposing any increase in the shipment of Marshall plan food to Europe. He said to reporters:

It may now be time to give some attention to the interests of the American housewife.

This frank statement by Mr. Sawyer would indicate that the Truman administration has completely overlooked the interests of the American housewives and their need for food at reasonable prices. It is gratifying to note that one Cabinet member is interested in the welfare of 145,000,000 consumers in this country.

My colleague, Mr. JOHN MCCORMACK, of Massachusetts, has raised the question about exports of food during the war and since the termination of hostilities. It is his contention that we exported more food each year during the war than we have during the past 3 years. Mr. MCCORMACK should examine the following table on exports of certain foods which has been prepared by the Department of Agriculture. These statistics on exports cover the prewar period from 1935 and include exports up to July 1, 1948. It might be well for Mr. Truman to also study the table as he has contended that we shipped out around 300,000,000 bushels of grain each year prior to the war period.

TABLE 1.—*Exports (domestic) from the United States of specified food products, 1935–36 to 1947–48*

QUANTITY

Year beginning July 1—	Wheat, including flour			Corn, including cornmeal			Barley, including malt			Rye, grain			Oats, including oatmeal			Grain sorghums			Total bread and coarse grains		
	Excluding Army-civilian feeding [1]	Army-civilian feeding [2]	Total, including Army-civilian feeding [3]	Excluding Army-civilian feeding [1]	Army-civilian feeding [2]	Total, including Army-civilian feeding [3]	Excluding Army-civilian feeding [1]	Army-civilian feeding [2]	Total, including Army-civilian feeding [3]	Excluding Army-civilian feeding [1]	Army-civilian feeding [2]	Total, including Army-civilian feeding [3]	Excluding Army-civilian feeding [1]	Army-civilian feeding [2]	Total, including Army-civilian feeding [3]	Excluding Army-civilian feeding [1]	Army-civilian feeding [2]	Total, including Army-civilian feeding [3]	Excluding Army-civilian feeding [1]	Army-civilian feeding [2]	Total, including Army-civilian feeding [3]
	1,000 bushels	*1,000 bushels*	*1,000 bushels*	*1,000 bushels*	*1,000 bushels*	*1,000 bushels*	*1,000 bushels*	*1,000 bushels*	*1,000 bushels*	*1,000 bushels*	*1,000 bushels*	*1,000 bushels*	*1,000 bushels*	*1,000 bushels*	*1,000 bushels*	*1,000 bushels*	*1,000 bushels*	*1,000 bushels*	*1,000 long tons*	*1,000 long tons*	*1,000 long tons*
1935–36	15,929		15,929	816		816	9,926		9,926	9		9	1,430		1,430	3		3	680		680
1936–37	21,584		21,584	77,999		77,999	5,269		5,269	248		248	912		912	2		2	2,660		2,660
1937–38	107,194		107,194	103,752		103,752	17,775		17,775	6,578		6,578	12,331		12,331	385		385	6,196		6,196
1938–39	115,784		115,784	67,021		67,021	11,292		11,292	784		784	5,106		5,106	377		377	5,120		5,120
1939–40	54,274		54,274	35,438		35,438	4,827		4,827	732		732	1,393		1,393	2		2	2,481		2,481
1940–41	40,557		40,557	21,866		21,866	1,987		1,987	245		245	1,256		1,256	2		2	1,700		1,700
1941–42	35,833	1,010	36,843	20,221	[4]	20,221	3,421	[4]	3,421	23	[4]	23	4,775	[4]	4,775	2	[4]	2	1,607	27	1,634
1942–43	33,401	1,777	35,178	9,062	[4]	9,062	2,178	[4]	2,178	15	[4]	15	3,184	[4]	3,184	2	[4]	2	1,214	48	1,262
1943–44	51,149	22,538	73,687	10,929	[4]	10,929	3,144	[4]	3,144	110	[4]	110	3,462	[4]	3,462	38	[4]	38	1,763	604	2,367
1944–45, preliminary	56,604	100,884	157,488	15,769	[4]	15,769	4,694	[4]	4,694	1,747	[4]	1,747	5,016	[4]	5,016	2,772	[4]	2,772	2,195	2,702	4,897
1945–46, preliminary	318,827	80,607	399,434	13,786	5,703	19,489	9,259	[4]	9,259	6,165	[4]	6,165	21,244	[4]	21,244	2,430	[4]	2,430	9,601	2,302	11,903
1946–47, preliminary	308,288	102,054	410,342	76,893	35,240	112,133	6,970	10,109	17,079	573	[4]	573	18,094	8,977	27,071	16,049	2,338	18,387	11,003	4,018	15,021
1947–48, preliminary	[5]	[5]	487,695	[5]	[5]	33,695	[5]	[5]	24,143	[5]	[5]	2,247	[5]	[5]	20,737	[5]	[5]	12,812	[5]	[5]	15,096

Year beginning July 1—	Rice, including flour, meal, and broken			Butter			Cheese			Milk, evaporated, unsweetened			Milk, condensed, sweetened			Milk, whole, dried			Milk, nonfat dry solids		
	1,000 pounds	*1,000 pounds*	*1,000 pounds*	*1,000 pounds*	*1,000 pounds*	*1,000 pounds*	*1,000 pounds*	*1,000 pounds*	*1,000 pounds*	*1,000 pounds*	*1,000 pounds*	*1,000 pounds*	*1,000 pounds*	*1,000 pounds*	*1,000 pounds*	*1,000 pounds*	*1,000 pounds*	*1,000 pounds*	*1,000 pounds*	*1,000 pounds*	*1,000 pounds*
1935–36	84,689		84,689	1,098		1,098	1,137		1,137	25,474		25,474	3,488		3,488	1,709		1,709	1,666		1,666
1936–37	52,016		52,016	840		840	1,076		1,076	22,395		22,395	3,334		3,334	1,922		1,922	1,684		1,684
1937–38	310,850		310,850	971		971	1,336		1,336	22,418		22,418	9,276		9,276	2,525		2,525	4,962		4,962
1938–39	343,958		343,958	2,277		2,277	1,497		1,497	24,294		24,294	2,503		2,503	5,466		5,466	3,911		3,911
1939–40	304,989		304,989	2,656		2,656	1,703		1,703	35,591		35,591	4,314		4,314	6,575		6,575	2,053		2,053
1940–41	394,002		394,002	2,875		2,875	22,794		22,794	189,695		189,695	60,725		60,725	10,313		10,313	16,960		16,960
1941–42	458,353	[4]	458,353	6,782	[4]	6,782	208,555	[4]	208,555	681,129	[4]	681,129	53,733	[4]	53,733	14,358	[4]	14,358	53,592	[4]	53,592
1942–43	424,432	[4]	424,432	19,727	[4]	19,727	215,314	[4]	215,314	476,974	[4]	476,974	15,886	[4]	15,886	22,482	[4]	22,482	223,060	[4]	223,060
1943–44	495,414	[4]	495,414	111,950	[4]	111,950	232,741	[4]	232,741	466,705	[4]	466,705	45,435	[4]	45,435	37,844	[4]	37,844	187,529	[4]	187,529
1944–45, preliminary	509,166	40,175	549,341	80,123	[4]	80,123	242,324	[4]	242,324	537,979	[4]	537,979	112,579	[4]	112,579	45,059	[4]	45,059	207,376	[4]	207,376
1945–46, preliminary	712,438	12,016	724,454	31,588	[4]	31,588	249,499	10,000	259,499	873,504	[4]	873,504	92,593	[4]	92,593	143,586	[4]	143,586	196,146	[4]	196,146
1946–47, preliminary	835,359	3,471	838,830	4,723	118	4,841	153,473	27	153,500	580,346	141	580,487	75,097	2	75,099	100,722	2,435	103,157	153,391	50,990	204,381
1947–48, preliminary	[5]	[5]	911,283	[5]	[5]	10,547	[5]	[5]	103,930	[5]	[5]	434,541	[5]	[5]	128,898	[5]	[5]	103,767	[5]	[5]	258,901

Year beginning July 1—	Eggs, in the shell			Eggs, dried			Beef and veal [6]			Pork [6]			Horse meat [6]			Other meats [6]			Lard, including neutral		
	1,000 dozen	*1,000 dozen*	*1,000 dozen*	*1,000 pounds*	*1,000 pounds*	*1,000 pounds*	*1,000 pounds*	*1,000 pounds*	*1,000 pounds*	*1,000 pounds*	*1,000 pounds*	*1,000 pounds*	*1,000 pounds*	*1,000 pounds*	*1,000 pounds*	*1,000 pounds*	*1,000 pounds*	*1,000 pounds*	*1,000 pounds*	*1,000 pounds*	*1,000 pounds*
1935–36	2,112		2,112	[7]		[7]	12,367		12,367	69,526		69,526	1,286		1,286	22,685		22,685	89,577		89,577
1936–37	1,949		1,949	[7]		[7]	14,903		14,903	65,024		65,024	1,318		1,318	26,055		26,055	103,711		103,711
1937–38	2,388		2,388	[7]		[7]	12,070		12,070	79,742		79,742	1,359		1,359	22,992		22,992	190,100		190,100
1938–39	2,238		2,238	[7]		[7]	13,621		13,621	110,902		110,902	2,365		2,365	29,419		29,419	239,469		239,469
1939–40	4,138		4,138	[7]		[7]	17,911		17,911	140,355		140,355	1,467		1,467	28,852		28,852	256,804		256,804
1940–41	17,047		17,047	[7]		[7]	15,371		15,371	66,251		66,251	0		0	24,341		24,341	187,102		187,102
1941–42	19,108	[4]	19,108	[8] 75,930	[4]	[8] 75,930	31,694	[4]	31,694	503,089	[4]	503,089	18	[4]	18	305,099	[4]	305,099	664,066	[4]	664,066
1942–43	2,536	[4]	2,536	184,972	[4]	184,972	25,153	[4]	25,153	866,069	[4]	866,069	0	[4]	0	614,893	[4]	614,893	552,899	[4]	552,899
1943–44	1,331	[4]	1,331	258,819	[4]	258,819	45,857	[4]	45,857	1,386,289	[4]	1,386,289	0	[4]	0	835,749	[4]	835,749	859,182	[4]	859,182
1944–45, preliminary	4,964	[4]	4,964	210,689	[4]	210,689	12,926	126,300	139,226	803,820	73,300	877,120	650	[4]	650	481,439	[4]	481,439	857,597	92,400	949,997
1945–46, preliminary	20,175	[4]	20,175	84,446	7,902	92,348	440,361	17,200	457,561	210,357	14,300	224,657	7,081	[4]	7,081	644,890	[4]	644,890	452,699	21,700	474,399
1946–47, preliminary	56,960	[4]	56,960	85,815	549	86,364	159,044	9,800	168,844	154,303	14,200	168,503	89,057	[4]	89,057	188,737	[4]	188,737	313,120	9,700	322,820
1947–48, preliminary	[5]	[5]	33,940	[5]	[5]	56,092	[5]	[5]	89,017	[5]	[5]	33,962	[5]	[5]	67,804	[5]	[5]	51,445	[5]	[9]	342,374

[1] Compiled from official records, Bureau of the Census, U. S. Department of Commerce.
[2] Prior to Jan. 1, 1947, compiled from records of Production and Marketing Administration, U. S. Department of Agriculture. Beginning Jan. 1 to June 30, 1947, compiled from official records, Bureau of the Census, U. S. Department of Commerce.
[3] Total of 2 preceding columns, except 1947–48, which is compiled from official records, Bureau of the Census.
[4] If any, separate data not available.
[5] Not separately reported.
[6] Includes fresh, cured, pickled, and canned. Separate data on Army civilian supply are on carcass weight basis.
[7] Not separately classified prior to Jan. 1, 1942.
[8] January–June.
[9] Office of Foreign Agricultural Relations, U. S. D. A. See notes 1, 2, and 3 for sources. The above export statistics include commercial, ECA, Interim Aid, Greek-Turkish Aid, U. S. Foreign Relief, UNRRA, lend-lease and Army civilian supply, where available.

TRUMAN ADMINISTRATION HAS PURSUED CONSISTENT RECORD URGING DECREASE IN LIVESTOCK RECORD

According to the Census Bureau, the population of the United States, exclusive of overseas occupation forces, has increased from 132,552,000 in 1944 to 146,116,000 in 1948. It should have been elementary to the Truman administration that with a gain of 14,000,000 in the human population during the past 5 years that more meat and dairy products would be required to take care of domestic consumption. Livestock production should have been encouraged. Instead, the Truman administration has pursued the consistent policy of urging decreases in production goals for livestock. American farmers look to the United States Department of Agriculture for their signal to produce.

A study of the United States Department of Agriculture table on production goals and actual production results, shown below, clearly demonstrates a large decrease in our livestock population. It further shows that we have been consuming our cattle inventories. It will take years to replace the breeding stock in the cattle field. If the present meat demand continues, and the population increases as rapidly in the next 5 years, we should have at least 95,000,000 head of cattle. It takes from 2 to 3 years to produce a good meat animal, and 3 years for a milk cow.

The cattle and calf population in the United States has decreased from 85,573,000 in 1945 to an estimated 76,500,000 on January 1, 1949. To further reduce the cattle supply for the coming months, the Truman administration has urged an additional decrease of 500,000 head. This recommendation was made by the Department of Agriculture on July 23, 1948. This would make the cattle population about 76,000,000 head on January 1, 1949.

TABLE 2.—*U. S. Department of Agriculture, 1942–48—Livestock goals and production results—Livestock goals with comparisons, 1942–48*

Livestock and livestock products	Unit	1937–41 average, actual	1942–46 average		1942		1943		1944		1945		1946		1947		1948 goal
			Goal	Actual	Goal	Actual	Goal	Actual	Goal	Actual	Goal	Actual	Goal	Actual	Goal	Actual	
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Cattle and calves [1]	Thousands	69,473	76,747	83,150	74,600	81,204	76,200	85,334	76,842	85,573	77,306	82,434	78,788	81,207	78,500	[2] 78,564	[3] 78,047
Cattle and calves slaughtered	do	24,643	32,420	31,390	28,000	27,751	30,400	27,785	33,700	34,086	35,000	35,336	35,000	31,992	34,500	36,068	32,000
Dressed weight, pounds	Millions	8,220	11,092	10,670	9,585	9,998	10,910	9,742	11,824	10,853	11,543	11,940	11,600	10,818	12,000	12,028	10,800
Beef cattle [1]	Thousands	32,863		43,169		40,964		44,077		44,724	36,900	43,341		42,739		[2] 41,229	
Beef cows [1]	do	10,948		15,745		13,980		15,521		16,456		16,319		16,469	15,641	[2] 16,047	
Milk cows on farm (average for year)	do	23,563	25,862	25,247	25,217	25,081	25,720	25,574	26,148	25,775	26,363	25,329		24,475	24,418	[2] 23,871	
Milk production on farm, pounds	Millions	107,855	121,929	119,176	125,000	118,884	122,000	117,785	121,237	117,992	120,582	121,504	120,824	119,713	120,406	[2] 119,366	120,000
Sows to farrow:																	
Spring	Thousands	7,534	[4] 9,399	9,502		9,684		12,174	10,325	9,246	9,569	8,298	8,304	8,109	9,162	8,652	7,984
Fall	do	4,802	[4] 5,888	5,885		6,840		7,565	6,898	4,882	5,814	5,426	4,953	4,713	5,389	4,908	[5] 5,532
Pigs saved:																	
Spring	do	46,801	[4] 60,599	59,130		61,093	70,200	74,223	[6] 62,982	55,754	[7] 57,563	52,189	[8] 51,651	52,392	58,000	52,802	50,000
Fall	do	30,428	[4] 40,388	37,488		43,810	50,300	47,584	[6] 42,699	30,905	37,000	34,593	31,551	30,548	35,000	31,352	[8] 34,400
Hogs slaughtered (crop year October 1)	do	65,642	[4] 91,300	83,995	83,000	78,547	100,000	95,226	104,000	98,068	78,200	71,891		76,244		74,733	
Pork production (excluding lard) pounds	Millions	8,573	[4] 12,204	11,938	11,125	10,876	13,850	13,640	13,520	13,304	10,322	10,697		11,173		10,605	
Lard production, pounds	do	1,942	[4] 3,113	2,505	2,820	2,401	3,400	2,865	3,120	3,054		2,066		2,138		2,427	
All sheep and lambs	Thousands	52,930	51,532	46,541	56,000	55,150	55,000	50,782	51,901	46,520	49,136	42,436	45,624	37,818		[2] 35,332	
Stock sheep and lambs	do	46,698		39,960		48,196		44,270		39,609		35,599		32,125	32,542	[2] 30,544	30,500
Sheep shorn	do	45,680		42,765	51,200	49,287		47,892		43,165		38,763		34,718		31,241	
Wool production (shorn), pounds	do	367,445		338,779	490,000	388,297		378,843		338,318		307,949		280,487		252,798	
Sheep and lambs slaughtered	do	21,874	[4] 22,625	25,093	22,900	25,585	24,100	27,073	22,000	25,355	21,500	24,639		22,814		18,766	
Dressed weight, pounds	Millions	884	[4] 918	1,039	940	1,043	990	1,104	880	1,024	860	1,054		970		802	
Chickens raised, farm produced [9]	Thousands	665,430	[4] 772,646	867,665		844,276		1,001,392	892,983	832,063	745,800	914,793	679,156	745,802	677,110	745,401	690,104
Commercial broiler production	do	118,046		279,935		228,187		285,293	208,805	264,999	213,000	345,598		275,600		283,901	
Hens and pullets on farm Jan. 1	do	376,566	[4] 470,002	477,714		427,911		488,959	527,012	523,587	475,000	473,880	407,993	474,233	435,000	435,665	400,000
Egg production on farm, dozen	Millions	3,256	4,205	4,552	3,822	4,050	4,345	4,545	4,597	4,878	4,350	4,350	3,909	4,632	4,200	4,608	4,200
Turkeys raised, farm produced [9]	Thousands	30,636	[4] 35,273	37,135		32,805		32,309	32,079	35,616	35,666	44,221	38,074	40,724	40,378	38,117	30,507

[1] Number on farm end of year, published as Jan. 1 number following year.
[2] Preliminary.
[3] Projected number.
[4] Short-time average.
[5] Department suggested; final dependent upon State action.
[6] Derived by using 1933–42 average pigs saved per litter times sows to farrow.
[7] Derived by using 1944 average pigs saved per spring litter times sows to farrow.
[8] Derived by using 1941–45 average pigs saved per litter times sows to farrow.
[9] Excludes commercial production and young birds lost.

Data obtained from records and reports of Bureau of Agricultural Economics and Production and Marketing Administration.

To further illustrate what has happened to our meat supply under the New Deal policy of scarcity, I call your attention to the following table which outlines the number of meat animals per hundred persons in the United States over the last 7 years:

TABLE 3.—*Meat animals per 100 persons in the United States*

Year	All cattle and calves	Sheep	Hogs
1942	56	42	45
1943	59	40	54
1944	62	37	61
1945	61	33	42
1946	58	30	43
1947	56	28	40
1948	54	24	38

Source: Livestock population estimates from the U. S. Department of Agriculture.

NEW DEAL POLICIES HAVE CAUSED GREATEST LIQUIDATION OF DAIRY CATTLE

President Truman places the blame on the Eightieth Congress for high food prices. Nothing could be further from the truth. Let us look at the record.

During normal times dairy farmers of the United States supply better than 40 percent of the veal and beef consumed in this country. They also produce the milk, butter, cheese, and other dairy products required for domestic consumption. They have also produced hundreds of millions of pounds of dairy products for export to people in war-devastated countries.

With the human population of the United States having increased approximately 14,000,000 since 1944, the milk cow population has decreased around 3,000,000 head since 1945. (See table below.) This decrease in milk cows has been due to unwise policies of the Truman administration; high feed prices caused by the export of approximately 1,200,000,000 bushels of grain, during the past 2 years; the short corn crop of 1947; and the Luckman program which called for feeding less grain to cattle, hogs, and poultry. The effect of these policies means less milk and other dairy products and higher prices. The estimated production of milk in 1948 is set at 116,000,000,000 pounds, compared with 121,504,000,000 pounds in 1945. Fewer cows produce less milk.

It takes around 3 years to raise a milk cow. There will be an abundance of feed for the next 12 months unless our surplus grains are all shipped out of the country. While feed will be relatively cheap, we do not have the milk cows or heifer calves to consume it.

Consumption of fluid milk has increased during the past 10 years. Prewar 1935–39 consumption of milk was 803 pounds per capita. It reached 920 pounds in 1945, and for 1948 it is estimated that it will be 794 pounds per capita. The 1935–39 per capita consumption of butter was 16.7 pounds, which will drop to an estimated 10.2 pounds in 1948.

Instead of urging a decrease in cattle population, the Truman administration should have encouraged increased production of dairy cattle, which would result in more dairy products for the consumers at favorable prices.

TABLE 4.—*Decrease in milk-cow population*

Year	United States population [1]	Milk-cow population [2]	Milk production	Per capita milk consumption [3]	Butter production	Per capita butter consumption
		Thousands	*Million pounds*	*Pounds*	*Pounds*	*Pounds*
1944	132,552,000	27,704	117,992	890	1,488,552,000	12.0
1945	132,019,000	27,770	121,504	920	1,361,970,000	10.8
1946	139,899,000	26,695	119,713	856	1,171,388,000	10.3
1947	143,414,000	26,098	119,366	832	1,327,766,000	11.2
1948	146,116,000	25,165	116,000	794	1,200,000,000	10.2
1949	----------	[4]24,500	----------	----------	----------	----------

[1] Bureau of Census. Per capita consumption of milk does not include persons in overseas occupation forces.
[2] As of Jan. 1.
[3] Department of Agriculture estimate of milk-cow population Jan. 1, 1949.

Source: Statistics from U. S. Department of Agriculture and Bureau of the Census.

GOVERNMENT POLICIES CAUSED DRASTIC HOG REDUCTION

The most drastic decrease in meat production occurred in the case of hogs. Here again, Mr. Luckman took an important part. He claims that he succeeded in having the market weight of hogs reduced last fall from 276 pounds to 248 pounds. This resulted in higher prices for pork chops and hams, as well as a liquidation of breeding animals.

It all started back in 1943 under New Deal Administrator Chester Bowles, of the OPA. Mr. Bowles may be an expert advertising agent, but he knew little or nothing about hog production. American consumers are now paying for his folly.

Approximately 122,000,000 pigs were raised in 1943. The Government support price was then fixed at $13.75 a hundredweight. In the fall of 1943 the War Food Administrator announced that, effective October 1, 1944, the support of good to choice hogs would be lowered $1.25 per hundredweight to $12.50, and the Administrator urged farmers to produce 20 percent fewer hogs in 1944. Shortly after this announcement Chester Bowles stated in a letter to the editor of the New York Times, which was published on December 19, 1943, that when the hog support price lowered on October 1, 1944, "at the same time the ceiling price on hogs will be reduced correspondingly."

This action on the part of Bowles and the War Food Administrator caused a loss of confidence on the part of producers because of uncertainty and confusion in Government policies. This resulted in a decrease in hog production in 1944 to 86,000,000 head, as compared with 122,000,000 hogs in 1943.

The table below will show what has taken place in the production of hogs as a result of governmental interference. Considering the large demand for meat Government production goals have been far too low. Hog production in 1947 has been estimated by the Department of Agriculture at approximately 84,000,000, and for 1948 at 83,400,000. Without doubt, the Luckman program of reduced grain feeding, the large export of grains to Europe, the short corn crop of 1947, and high feed prices were responsible for the decrease in hog production.

If the large corn and grain crops materialize this fall, and there is no interference by the Government, farmers will increase hog production in 1949. It will be to their advantage to do so. Feed grains will be cheaper and the demand for pork will be great. It takes from 6 to 10 months to produce hogs for market, and more pork should therefore be available in 1949 at lower than existing prices.

TABLE 5.—*Hog production*

(Estimates by U. S. Department of Agriculture)

1943	121,807,000
1944	86,659,000
1945	86,782,000
1946	82,940,000
1947	84,138,000
1948	83,400,000

GOVERNMENT ACTION DOMINATES LARD PRICE

An illustration of how completely Government action dominates the price of food is shown in the handling of lard for export during the fourth quarter of 1947. A Government committee determines the amount of lard and food for export each quarter of the year. The announcement of the 1947 fourth quarter allocation was made on September 10, 1947. While I am suspicious that certain speculators had advance information on what the Government intended to do prior to the public announcement, the facts are that lard was selling at around 18 cents a pound a week before the public announcement.

On September 10, 1947, the Secretary of Agriculture announced the doubling of the export allocation of lard, and within 30 days the price had advanced around 10 cents per pound. This governmental action brought higher prices for American consumers and a golden harvest for the speculators who went into the market prior to the Secretary's announcement.

SHEEP

The production of sheep and lambs is a vanishing industry in the United States. The sheep population in this country has decreased from 50,782,000 to an estimated 33,500,000 as of January 1, 1949. This is a national tragedy. This disaster is solely due to New Deal policies which have discouraged production of sheep and wool in the United States. It should be obvious to every consumer as to the reason for the higher price of lamb, and I will make no further comment.

LUCKMAN PROGRAM FORCES CURTAILMENT IN POULTRY PRODUCTION

The Luckman feed-less-grain-to-poultry program, sponsored by the Truman administration, coupled with high feed prices on account of the grain exports, achieved startling liquidation results in the case of chickens and turkeys. The table below shows an estimated decrease of 110,000,000 chickens and 7,000,000 turkeys for 1948 as compared with last year. This means higher prices for poultry in 1948.

While I recognize the difficulties in dealing with the poultry problem, it is quite apparent that the Truman administration has consistently urged farmers to produce less chickens and turkeys during the last 5 years. The result will be a reduction in both chickens and turkeys under the prewar 1935–41 average. This comes at a time when there is a scarcity of beef and pork, which will compel consumers to buy more poultry and eggs.

TABLE 6.—*Chicken and turkey production in the United States, 1944–48*

	Chickens [1]	Turkeys [1]
1944	832,000,000	35,600,000
1945	914,000,000	44,200,000
1946	745,000,000	40,000,000
1947	745,000,000	35,000,000
1948	635,000,000	28,000,000

[1] Production estimates from U. S. Department of Agriculture.

THE LUCKMAN-TRUMAN MEAT AND POULTRY REDUCTION PROGRAM

Without questioning the laudable objectives of the grain saving program initiated by Charles Luckman, president of the huge British-owned soap corporation, it is quite evident that this grain saving program brought about a decided reduction in our meat, dairy, and poultry supplies for 1948 and added flame to the inflationary spiral of prices of meat, dairy, and poultry products.

I am not criticizing the objectives of this program, but I feel that Mr. Truman and his Cabinet members as well as other supporters of the New Deal should be honest with the American people and tell them frankly the reasons for meat shortages and high prices.

The Luckman program called for the saving of 100,000,000 bushels of grain by feeding less grain to cattle, hogs, and poultry. Mr. Luckman boasts about having reduced the weight of hogs going to market from 276 to 248 pounds. This meant less meat in 1948 for American consumers. Chicken production has been reduced from 745,000,000 chickens in 1947 to an estimated 635,000,000 in 1948. Turkey production was reduced from 35,000,000 in 1947 to an estimated 28,000,000 in 1948. The result will be high priced turkeys for Thanksgiving this year as well as higher prices for poultry. All of this was due to the Luck-

man grain saving program and the export of nearly 600,000,000 bushels of grain in 1947–48 which brought about a shortage of feed and high prices and the tremendous reduction in chicken and turkey production and a liquidation of hogs, beef, and dairy cattle at lower weights. The people will remember Mr. Luckman.

MEAT SUPPLIES AND FUTURE PRICES

From all indications, American farmers will produce the largest grain crop in history. This is encouraging for consumers. The second largest wheat crop on record is being harvested. If present estimates prove correct and ideal weather continues for another 6 weeks, we may have the largest corn crop in the history of the country. The production of feed grains has also been satisfactory, and producers of livestock and poultry will be assured of abundant feed supplies at reasonable prices, unless the Truman administration decides to export large quantities of grain to Europe and other countries.

Many consumers, especially those who live in larger cities, who are not familiar with the production of meat, dairy products, and poultry, are of the opinion that these meat items should be immediately available at lower prices. They forget that it takes from 2 to 3 years to produce a beef animal and 3 years to raise a milk cow from the calf stage. It takes from 6 to 10 months to produce a hog ready for market, and poultry can be produced in a shorter time. There will no doubt be a seasonal increase in the late fall and winter of grass-fed cattle which may cause a leveling off of prices. Increased supplies and lower prices are predicted for 1949, but again I point out that it takes time to raise both beef and pork.

To give a composite picture of the livestock situation in this country with estimates as to inventories on hand on American farms, I show below a table from the Department of Agriculture which gives a rather clear picture of what we may expect.

The farmers of this country will do their part, as they have done so well during the past years. Farm work is hard work, and our governmental agencies in charge of fixing goals and handling farm problems should give every encouragement to secure abundant production of all types of food with the assurance that equitable prices would prevail for both producers and consumers. Abundant production to satisfy consumer demand is the only solution to stop the inflationary spiral.

TABLE 7.—*Livestock on farms on Jan. 1*

Class of livestock	Average for 1937–46	Number on farms Jan. 1—					
		1944	1945	1946	1947	1948	1949 [1]
Cattle	74,801,000	85,334,000	85,573,000	82,434,000	81,207,000	78,564,000	76,500,000
Milk cows	25,973,000	27,704,000	27,770,000	26,695,000	26,098,000	25,165,000	24,500,000
Hogs	59,200,000	83,741,000	59,331,000	61,301,000	56,921,000	55,038,000	55,000,000
All sheep	51,039,000	50,782,000	46,520,000	42,436,000	37,818,000	35,332,000	33,500,000
Chickens	474,114,000	582,197,000	516,497,000	530,203,000	474,441,000	462,976,000	470,000,000
Turkeys	7,192,000	7,429,000	7,203,000	8,493,000	6,650,000	4,507,000	4,000,000

[1] Estimate of livestock on farms Jan. 1, 1949.

Source: U. S. Department of Agriculture, Bureau of Agricultural Economics, Crop Reporting Board, Washington, D. C.

THE SPECIAL SESSION OF CONGRESS

President Truman has called this special session of Congress for political purposes. From here on and until November 2, New Dealers will attack the record of the Eightieth Congress. The voters will be the judges of what this Congress did. I would like to quote here some comment by Walter Lippmann, a noted commentator, on Mr. Truman and the special session:

TODAY AND TOMORROW

(By Walter Lippmann)

THE TRICK

Mr. Truman called the special session in order to make the voters think that he would now be reducing retail prices if the Republicans would let him. The question is whether the voters will recognize the difference between a serious program to combat the inflation and a quite cynical political trick.

For the special session was a trick. The Truman program was not meant to be enacted, or administered, or enforced. Had Mr. Truman wanted it enacted, he would have consulted the leaders of Congress before he announced it. He would have rallied his own party and he would have conciliated the Republicans, and he would have negotiated with them. Had he expected to administer and enforce his program, he would have done something with the Treasury and the Federal Reserve Board to make them ready to administer and enforce it.

But what Mr. Truman wanted was not the hard and dangerous task of combating inflation. He wanted to be the candidate who stood for lower prices in the retail shops without having to do any of the disagreeable and unpopular things that would have to be done if retail prices are to be reduced.

That the program was quite insincere—that is to say, not intended for action—is evident. It proposed a return to rationing and price control. But the machinery of rationing and price control does not exist. He proposed a contraction of the money supply.

But Mr. Snyder and Mr. Eccles, who would have to perform the operation, are scarcely on speaking terms. The very program which was supposed to combat inflation contained a series of proposals to increase it—a big housing program, new expenditures for education, for old-age insurance, and a higher minimum wage. The program did not contain proposals to reduce purchasing power by raising income tax, by lowering the support of farm prices, and by reducing Government expenditures.

As a matter of fact the Truman program for the special session was concocted by his political advisers; it was not even the program of the Truman administration. Had it been in fact the Administration program, its sponsors would have been the agencies which would have to administer it—namely the Treasury and Federal Reserve Board. But Mr. Snyder damned it with faint praise; Mr. Eccles, who is the most serious and the most competent member of the Administration dealing with the subject, said frankly that the program was worthless. Mr. Paul Porter, who holds no office, was appointed the spokesman for the program—the theory being apparently, that since Mr. Porter had no power to act he could talk all the more freely.

Now that the special session is adjourned, one thing at least is settled conclusively. It is that right or wrong, for good reasons or bad, Mr. Truman is unable to work with Congress and to lead it. The Republicans are almost solidly against him. The Democrats are deeply divided behind him. Yet Mr. Truman will now attempt to convince the country that his inability to lead the Eightieth Congress is a reason why he should be elected for another 4 years. He will argue that the way out of the division and the disunion, the paralysis and impotence, is to keep in office the Administration which is identified with the division and the disunion, the paralysis and the impotence.

But even those who think Mr. Truman has a genuine remedy for the inflation will come to realize that with the Republicans against him and his own party divided, Mr Truman can do nothing effective against inflation. The more vehemently they dislike the record of the Eightieth Congress, the more evident it is that Mr. Truman can offer them nothing but the prospect of another 4 years of the same thing.

The remedy under our system of government for the Truman congressional deadlock is to elect a new President with a safe working majority of his own party in both Houses of Congress.

To elect Mr. Truman will not reunite the Democrats even if they obtained a nominal majority in both Houses of Congress. With his own party divided, he has no chance whatever of getting enough Republican support to achieve a working majority for his measures.

Another Truman administration would therefore, be hopelessly ineffective. To elect it would mean that the country was condemned to enter the critical period of the postwar era with its Government paralyzed and the people divided.

Anti-Poll-Tax Bill—Filibusters

EXTENSION OF REMARKS

OF

HON. CLAUDE PEPPER

OF FLORIDA

IN THE SENATE OF THE UNITED STATES

Saturday, August 7 (legislative day of Thursday, August 5), 1948

Mr. PEPPER. Mr. President, I ask unanimous consent to have printed in the RECORD an editorial entitled "Congress Suffers," from the Miami Daily News, and an editorial entitled "GOP Strategy Points to Only Seven States," from the Tampa Times. Both editorials relate to the anti-poll-tax bill and the filibuster thereon.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Miami (Fla.) Daily News]

CONGRESS SUFFERS

The Senate of the United States stands before the country in a state of self-imposed paralysis. There are 96 Members. The 96 are stalled for the moment by a small minority—about one-fifth the whole. A country

which thinks of itself as ruled by the majority sees itself barred from action here by a tiny minority. So much for the working of the Senate rule of unlimited talk.

The occasion for this blockade happens to be the poll-tax bill. It could be any measure to which a substantial minority of the Senators object. The last previous effort to paralyze the Senate in this way was the two-man filibuster against the draft which Henry Wallace's running mate disapproved.

Let us suppose that here, as in European countries, the Communists managed to elect as many as five Senators—in the House are already two Members who follow closely the Communist Party line; this can be said of at least one Senator. Those five Senators could talk so continuously as to veto any action the Senate might wish to take. Suppose a Communist country should attack us as Japan did 7 years ago. Under the present Senate rules these five, as long as their breath held out, could by filibuster veto the legislation essential to our defense. There are Senators who object to Russia's vetoes in the United Nations. How about the minority in the Senate?

The Senate was supposed to have a rule by which two-thirds of the Senators could end debate. That rule, it is found, does not cover a motion to take up a given subject for debate. It proves to be a phony cloture, having no practical effect.

The veto of action by filibuster in the Senate has nothing on the veto in the House by Rules Committee arrogance. The present most atrocious example of that rule by minority is the housing bill which the Senate passed. The fate of the Republican Party at the November election may depend on its action on this pressing issue. The fate of many a Member of the House will depend on action here.

But the little clique of unbending Congressmen, including Speaker MARTIN, opposes any housing act. The bill has been recommended by the committee appointed to pass on the merits of the bill. The Rules Committee, which the little clique controls, has refused its assent to a vote upon the bill. The House is blocked by its Rules Committee as the Senate is by its right of endless talk.

This is a time of emergency in all the world. A people needs, in such time, assurance that their Government, through their legislature, is capable of the prompt, firm action. In this hour we see Congress stymied, paralyzed. And so much the worse for it, by its own consent.

[From the Tampa (Fla.) Times of July 30, 1948]

GOP STRATEGY POINTS TO ONLY SEVEN STATES

Although Senators from four deep South States may not have their hearts in it, they apparently are pledged to go along with those from seven other States in the region in the fight against anti-poll-tax legislation in Congress simply because of the political alinement the Democratic Party has forced upon them.

There are only seven States left which require the payment of poll taxes as a prerequisite for voting. They are Alabama, Arkansas, Mississippi, South Carolina, Virginia, Tennessee, and Texas.

Florida, Georgia, Louisiana, and North Carolina, which complete the 11-State alliance formed to fight the miscalled "civil rights" program, already have seen the light on the poll tax and repealed it. They realized that it not only disfranchises Negroes but hundreds of thousands of whites.

Florida has had better government since it got rid of the poll tax. So has North Carolina. The point is debatable as far as Georgia and Louisiana are concerned. Georgia has the county unit system of electing governors, which is as vicious as the poll tax, and that can defeat the popular will. Louisiana people all can vote—but the least said about it the better.

That the Republican leadership in Congress has chosen to put the poll-tax bill up first in the special session shows its line of thinking. Only the citizens of seven States can be affected, so the bill is the least controversial of the lot President Truman has talked about.

There should be no poll tax in this Nation as a prerequisite for voting. Congress could go ahead and pass this legislation and eliminate it once and for all from the national picture.

But the Republicans, who haven't carried any of the States involved in a long, long time, have worked out the strategy to allow the Senators from those States to take up plenty of time filibustering. That will emphasize the split between the Democrats.

Since the Republicans contend the special session was called only for political reasons, they are throwing political strategy right back at him.

Immigration Fiasco

EXTENSION OF REMARKS

OF

HON. DANIEL A. REED

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. REED of New York. Mr. Speaker, I have always been in favor of our restricted immigration laws as an American policy of security. Never have I objected to the immigrants from other countries where they have been carefully screened to make sure that they are not of a subversive type. If we want to keep our country free we cannot be too careful in our admission qualifications because under our form of government every citizen, whether a native-born or naturalized, is a sovereign in his own right. Our system of government recognizes the citizen as the real ruler. This places a very great responsibility on the National Legislature to see that Communists and other subversive persons are not admitted who do not feel the sacredness of our citizenship and the sanctity of our free form of government and all the responsibilities connected with it.

I am glad to know that the Regular Veterans' Association is fully aware of the danger connected with the loose administration of our immigration policies. It is with satisfaction that I note that when the Regular Veterans' Association was requested to state its position on immigration policy before the Senate Committee on Immigration and Naturalization, Commander Floyd stated the policy of his organization in no uncertain language and in accordance with its national conventions. I take the liberty of expressing Commander Floyd's views before the Senate Committee on Immigration and Naturalization, as follows:

Any soldier who has fought for his country, who has seen his comrades die, who has himself been shot to pieces by the enemy, wants this country of ours safe for Americans. And so does the RVA. For our members are soldiers who have fought the good fight for the perpetuation of decent Americanism.

We are opposed to unlimited immigration and to any relaxation of the immigration laws at present in effect. As a matter of fact, we believe that restrictions should be tightened and the quotas presently authorized should be reduced if anything. It would be preferable to suspend immigration altogether until we can take care of our veterans and other decent citizens who are faced with unemployment and who need proper housing.

The problem of immigration is the problem of assimilation. The only desirable immigrant is, in general, he who promises most rapidly to be absorbed into the great mass of our population and lose his identity as a newcomer. This problem grows greater as our populaiton increases and the actual need for immigration becomes less as a consequence. It is also aggravated by the large percentage of undesirable immigration into this country since 1910.

Eighty years ago, our country could be termed "a melting pot." The country was young; it was building rapidly and wholesome immigrants were needed to help settle the country and carry on the work of development. Immigration was encouraged almost without restriction of any kind. For the most part, the immigrants who poured into America during these early years, and until 1910, were highly desirable, and are substantial today. But the decline came, and since 1910 the great majority of immigrants have been undesirable, high in illiteracy, mentally deficient, and low in ability. We are no longer a melting pot. We don't need nor do we want undesirables from any source to form Red spy rings within the Government itself.

Public opinion sensed that in 1910. And out of that public pressure came the Immigration Act of 1924. This was the signal for the subversive elements, largely of foreign representation, to band together for the purpose of blasting the immigration law out of existence.

The movement now consists of an assembly of highly organized and well financed propaganda minorities with loud voices and oily tongues. They represent the so-called foreign blocs, and foreign funds are a substantial part of their equipment, as shown by the House Committee on Un-American Activities. They are experts at misrepresentation and in the fakery of humanitarian appeals. They are the internationalists, one-worlders, professional pacifists and do-gooders, left-wingers, self-styled liberals, Communists, their fellow travelers, and the bubble-heads and frenzied dupes of all these elements.

It is this same organized and subsidized conspiracy to destroy immigration and undermine the Nation which has fought every bill introduced in Congress to restrict immigration into the United States. They brought about the repeal of the Chinese exclusion laws; they had had an effective part in bringing about the entry of some 600,000 so-called refugees into the country during the war, and outside the quotas; they were instrumental in putting across the un-American Stratton bill for 200,000 so-called displaced persons, and now they are behind a cheap political proposal for the entry of 400,000 additional displaced persons, also outside the quotas. The same crew is endeavoring to place all Asiatics on a quota basis. And all of this conspiracy, whether it be within the ranks of the Federal Government or out of it, is a gross insult on the great unorganized and inarticulate mass of our population, the real Americans who put the safety of the United States and the welfare of their fellow citizens above the interests of foreign nations and alien peoples.

At the present time our immigration quotas permit the permanent entry of 153,929 aliens each year. The Regular Veterans' Association believes that number to be sufficient and that additional immigrants by the hundreds of thousands should not be permitted to enter the United States under any condi-

tions. We are not averse to the entry of displaced persons as such, but we strongly believe and urge that they be carefully screened, that they be charged against the existing quotas, and that no immigration in excess of that authorized by the present laws be permitted to enter the country at any time.

In our opinion, there is no question of humanitarianism involved. The United States owes this particular class of persons nothing as individuals. We are now pouring billions of dollars into Europe to carry forward a dubiously experimental plan, and the so-called displaced persons can be put to better use there than they can here, for we only add them to the top-heavy burdens which our country is already bearing.

If any changes are to be made in the immigration laws as now established, they should be in the direction of further restriction rather than in the direction of the loose and dangerous policies now being used largely by misrepresentation and ignorance accompanied by crocodile tears and ballyhoo.

Mr. Justice Carl V. Weygandt, of the Ohio Supreme Court, has said, "We are partners in the most dangerous type of government yet devised by the mind of men, for in a democracy nothing is self-perpetuating. Democracy has no perpetuity except from the sustaining interest of its citizens." That is worth thinking about. We will do well, and go a long way in perpetuating our country, if we look after our own people, our veterans, and others who are unemployed and who face still greater unemployment, our own who are destitute, underprivileged, and unsheltered because of inadequate housing—and not handicap them and our country further by importing the undesirables of foreign countries.

Hamstringing Congress

EXTENSION OF REMARKS
OF
HON. CLARE E. HOFFMAN
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. HOFFMAN. Mr. Speaker, President Truman charges that the Eightieth Congress is a "do-nothing" Congress, the second worst Congress in history.

That is because Congress has refused to adopt his recommendations, which are unsound, wasteful; would worsen, rather than better, the situation. His tirade is that of an arbitrary, somewhat conceited individual, who thinks he knows more than 531 Senators and Congressmen who represent the people.

All Congressmen and a third of the Senators must, this year, have the support of their people, and it is more than probable that they more accurately represent the people's thinking than does the President. He hopes to be elected by making the home folks believe that the Congress is to blame for the results of the policies which his predecessor adopted and which he is following. He thinks he can fool the people into believing that he can give them everything they want without cost to them.

President Truman is insisting that 531 individuals elected by the people should be the tail on his political kite. When you stop to think of it, is it not astounding that one little man, a former financially unsuccessful haberdasher, elected to the Senate by the corrupt Pendergast political machine, who, prior to his selection for Vice President by President Roosevelt, never distinguished himself, should in so short a time have such a good opinion of himself?

THE PRESIDENT'S FAILURE TO COOPERATE

He asked Congress to cooperate, but he never cooperated—not even with his own party. There is an old saying that "It's an ill bird that fouls its own nest."

When the President criticizes Congress, he lambastes a majority of his own party which has often voted to override his vetoes. Like the marching man who thinks everyone is out of step but himself, or the drunk who charges that everyone but himself is intoxicated, the President considers himself the only possessor of wisdom.

Though the very first words in our Constitution are: "All legislative powers herein granted shall be vested in a Congress," the President has consistently refused to permit the executive departments to give the Congress information needed to enable it to legislate wisely and adequately.

A few instances show his attitude. He ordered the Justice Department to refuse to make available information which would have disclosed who paid how much, who used what political influence, to "spring" five gangsters, members of the Capone "crime syndicate" of Chicago, out of Federal prisons long before their terms had expired, so that they might be brought to justice. In spite of the obstacles thrown in our way on his orders, three are now in prison and two are on their way back.

The President refused to give information as to how Federal money was spent in the admittedly illegal collection and maintenance of a secret file carrying false charges against prominent citizens, Senators and Congressmen.

He refused repeatedly to give congressional committees information which would have resulted in ousting Communists and enemies of our country from well-paid Federal jobs.

He characterized as "stinking red herrings" Senate and House investigations, which are currently exposing Communists who are not only carrying on their traitorous schemes in this country, but hiding in the shelter of executive departments.

He has refused time and again—and lack of space prohibits the citing of those instances—needed, pertinent information which would enable the Congress to carry out its constitutional duty of legislating.

Is it not more probable that the President, in his egotistical conceit, is responsible for any ills the country may suffer, than it is that a majority of 531 individuals elected by the people are wrong?

Give the Eighty-first Congress a President who will cooperate with them, and at least some of the drones and wasters will be out; the country given a chance to stay out of war—to recover from high prices, a bureaucratic headache.

Let the People Rule

EXTENSION OF REMARKS
OF
HON. WILLIAM LEMKE
OF NORTH DAKOTA
IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. LEMKE. Mr. Speaker, Tuesday, November 2, is election day. It is not only our privilege but our duty to vote. As citizens still interested in the best government in the world, save none, it is our duty to see that the members of our families and our neighbors and their families vote. The vote of every member of our family is just as important as our own.

It is also our duty to vote intelligently—to acquaint ourselves with all important issues—and then vote for the candidates who we feel will best serve our States and Nation. There are far-reaching and vital State, national, and international issues involved in this election—issues that directly affect the form of our government—directly affect our own lives and the lives of those who are near and dear to us. Under these conditions, we must not, and cannot afford to fail to vote, and to vote thinkingly and objectively.

There are those who say politics are dirty. May I suggest that politics are no dirtier than we permit them to be. If we tolerate dishonesty and insincerity in Government officials, we have no one to blame but ourselves. If we permit dishonest, clever, gushing politicians to slap us on the back, and then betray us, we ourselves are to blame.

In a Republic like ours, everyone is personally responsible for his own vote. He must not blindly follow false leaders. He must not permit others to do his thinking or his voting for him. Each individual must discharge that duty in the voting booth in accordance with his own best judgment and conscience. He must not be a voting machine for some puny would-be dictator. Whenever the people of our Nation permit others to dictate their vote, then self-government has become a thing of the past.

There always is room for difference of opinion on public issues. You have as much right to differ with me as I have to differ with you, but that difference must be based upon facts and not upon falsehood. No one has a monopoly on human progress. If we allow our own intelligence to guide us, we will ultimately arrive at the desired goal.

We must be tolerant and welcome public discussion pro and con on each and every issue. We must avoid being lopsided, and listen only to one side. There are two sides to most issues. Each of us must be a thinking somebody, and not merely a cog in a blind wheel—a nobody.

I am often told by my friends—and some critical ones—"Well, you are in Congress, and we want you to get this or that for us." Some send telegrams in the forenoon demanding that I balance the budget, and in the afternoon demand that I vote for billions more for

gifts to foreign nations. This, when our Government already owes twice as much as the normal value of all our property.

Sometimes that which they ask for is not right—is against the best interest of our State and Nation. At other times it is highly desirable and laudable. However, these friends forget that my State, North Dakota, has just 2 Members as against New York's 45 and Pennsylvania's 33—only 2 out of 435 Members in Congress. Other Midwest States have the same disadvantage. Bearing this in mind, I am sure you will agree with me that North Dakota and the other Midwest States have done pretty well. They have made their weight and influence felt throughout the Nation.

In an election, truth is stranger than fiction. In an election dead and forgotten issues are sometimes resurrected for political expediency. Some of those who resurrect these dead issues are just misinformed and sincerely believe that the corpse is still alive.

A splendid example of this is the attempted resurrection of the MVA—the Murray triumvirate. I cannot believe that those who attempt to resurrect this corpse would do so if they knew the facts, if they knew that it was deader than a doornail, so dead that in the language of the ancient poet Omar Khayyam, "The wild ass stumping its head could not break its slumbers."

It is not for us to tell the voters whether they should be for or against the Murray MVA, but they should know the facts. The truth is that the MVA was buried on December 22, 1944, when President Roosevelt signed the bill authorizing the Missouri River Basin development project. That project is now under construction. Millions have already been spent on it. Why waste our time on dead issues? There are plenty of live issues.

Let those, who hope to be elected by carrying around the corpse of the MVA, tell the voters that under the provisions of the act signed by President Roosevelt, the Army engineers will build the dams on the main stem of the Missouri River. Let them tell the voters that the Army engineers have had over 100 years of experience in building dams—that they built the Fort Peck Dam and many others.

Let them tell the voters that General Pick, in charge of building the Garrison and other dams on the main stem of the Missouri River, built a dam in Burma that is considered one of the world's wonders.

Let them tell the electorate that under this law, the Bureau of Reclamation will build the dams on all the tributaries. Let them tell the people that the Bureau engineers have had 50 years of experience in building dams—that they built such dams as the Hoover (Boulder), Big Thompson, Grand Coulee, Bonneville, and many others.

I cannot believe that anyone who knows the facts and knows the provisions of the existing law would want to put three politicians in charge of building these dams in place of the Army and Bureau engineers. Surely no farmer would take a greenhorn, who never saw a combine or tractor, and tell him to operate them in prefernce to a person who, with his family, has had 50 or 100 years of experience. Truth is stranger than fiction. Let us get the facts, and then the voters—acting as a jury—can draw their own conclusions based upon the facts.

Let these politicians tell the public that after the Army engineers complete these dams, they have nothing further to do with them except to look after repair and maintenance. Let them tell the people that the Bureau of Reclamation, under existing law, will have first claim to the stored water back of all the dams for irrigation, livestock, and other domestic uses. The Army engineers will only get what is left for their 9-foot channel in the lower Missouri.

Let them tell the voters that power plants will be installed, and will be under the absolute control of the Bureau of Reclamation. Under existing law, the plan for North Dakota is to build transmission lines from Fort Peck to Williston, Garrison, Minot, Devils Lake, Grafton, Grand Forks, Fargo, Valley City, Jamestown, Bismarck, Mandan, and Glendive. How can you improve this set-up under an MVA triumvirate of politicians?

Let them also inform the public that when these plants are installed and the transmission lines are completed Federal agencies will have first claim to the electrical energy. This means the REA, which is the principal Federal agency in the Basin States. Let us furnish cheap electricity to the farmers in the Missouri Basin States.

Under this same law, the States have second claim to the hydroelectric energy. They can light up their State institutions, such as schools for the deaf, State universities, agricultural colleges, normal schools, capitols, and penal institutions, and in my State the Bank of North Dakota and the mill and elevator. What more could a political triumvirate give?

Third on the list of priority comes co-ops and nonprofit institutions and plants, and last comes industry, who will get what is left. All this at cost of production and maintenance.

Now that we have this project, why continue to throw monkey wrenches into the machinery? This program is now being carried out just as rapidly as Congress makes appropriations. Congress has already appropriated millions. This project will cost in the neighborhood of $3,000,000,000. It is the largest undertaking of any government. It will add billions of new wealth to the Basin States and the Nation.

This work has been slow in starting because of the war, and since the war, because of the scarcity of material, due to a large extent to our international flirtations. It is up to the people to get the facts, then pass their own judgment—vote their conscience for the best interest of their States and Nation. That is all that anyone has a right to ask of them.

There are other important issues in this campaign, such as burdensome taxes, inflation, the high cost of living, salary increase, and social security. Let us get the truth concerning these issues.

Congress passed a tax-reduction bill. The opponents claim that this bill reduced the taxes for the rich. That is not correct. This law took another 7,000,000 people from the tax roll because of the high cost of living. In addition, it greatly reduced the taxes in the lower brackets, and to a certain extent in the middle brackets.

Every farmer and small-business and professional man and woman with moderate incomes will pay considerably less taxes next year. Surely they are not the rich. The truth is that the taxes were not lowered in the higher brackets. They still remain 85½ percent of the net income. Personally, I would have preferred a different bill, but we must remember that there are 435 Members in Congress, and the majority rules.

We hear a great deal about inflation, but we have inflation. We have had it ever since the war started. High wages, high prices, and the high cost of living are the result and not the cause of inflation. We got inflation when we printed $30,000,000,000 for the cost-plusers and foreign nations, where we never had over $6,000,000,000 before. Our dollar today has only 30 cents purchasing power as compared with the 100-cent dollar in 1937.

That, with high taxes, is largely responsible for the high cost of living. I repeat, the high cost of living is the direct result of our international flirtations, high taxes, and gifts to foreign nations. Using our tax money, the Wall Street internationalists, for a profit, compete with the consumers in the domestic markets and drive the prices up.

The farmer cannot pay high taxes and high prices for the things he uses, and give away his products below cost of production. His dollar too is worth only 30 cents. The laborer and the professional man and woman cannot continue to live on the American standard by getting the same salary and wages as in 1937. Their dollar, too, is worth only 30 cents in purchasing power. Their income must be tripled to break even.

The small-business man cannot pay the high taxes and the increased prices for the goods he buys, and sell to the public at the old price. His dollar too has only 30 cents in purchasing power. Let us put the responsibility and blame where it belongs—on the shoulders of the executive department of our Government, who, under the influence of the international profiteers, are responsible for our cost-plus contracts and our foreign flirtations—inflation.

Again, those in need of social security cannot exist on the present grants. Their dollar, too, is worth only 30 cents. The time has come for a better understanding of these important problems.

There are other false issues. We are asked, "Why did Congress, at the special session, not reduce the high cost of living, and the high cost and shortage of housing?" Some clamor for the return of the OPA—the Russia regimentation—the police state. They forget that if we had continued the OPA, they would be lucky if they had anything to eat or wear at all. They forget how, under the OPA, they on occasion, slipped $2.50

to the black-marketeer to get a pound of steak or butter.

Human memory is short. We all want to fix the other fellow's income—the price of the products that he produces—but not our own. We, however, know that when Mr. Truman's foreign and domestic policy takes 57 cents, on an average, out of every dollar that we earn, on which we pay income tax—when it extracts 125 hidden taxes out of a pair of overalls—that then there can be no reduction in the cost of living or housing.

We know that when the President gives the taxpayers' money to foreign and domestic grafters and inefficient foreign governments, with which to compete with the consumers in our domestic market, that then he is responsible for the high cost of living.

We know that Congress cannot, by passing a law, increase our food supply that the President is depleting by giving it to other nations. It cannot increase it by rationing. We know that if the President really wants to ration anyone, he should ration the foreign grafters and the foreign nations.

In regard to the shortage of housing, the people know that the President built houses for the Italians, for the British, and other nations' peoples. They know that the President shipped needed building material, including lumber, furnace piping, and well casing to other nations. They know that the President's foreign policy is also responsible for the high cost and shortage of housing.

The people know that Congress cannot by law increase the supply of building material that the President is still shipping to foreign nations. The people do not understand why the President prefers to build homes for foreigners rather than for the GI's that won the war others started.

We know that the way to end the housing shortage and the high cost of housing and living is to put an end to this foreign policy. We know that if the President will limit his foreign flirtations to our surpluses and not deplete our necessities, that that is the only remedy. Let the President give to our people the material they create, and stop giving the taxpayers' money to foreigners to compete with our consumers. That will end the high cost of living and the high cost and shortage of housing.

Communism Thrives Under Democrats

EXTENSION OF REMARKS
OF
HON. LAWRENCE H. SMITH
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

Mr. SMITH of Wisconsin. Mr. Speaker, the growth of communism throughout the world began under Franklin D. Roosevelt in 1933. Russia was a second-rate power until it was recognized by him and his party. Before Hitler marched into Poland, Stalin had made a pact with him to divide Poland and the Baltic states. It was the United States that came to the rescue of Russia as it lay prostrate at Stalingrad. There the Soviet had been battered to a new low by Hitler's hordes. It was the United States, under Franklin D. Roosevelt, at Tehran and Yalta, that made an unholy agreement with Stalin for the partition of Poland. There we sank to a new low—a moral debacle—in international skulduggery. When Roosevelt died in 1945 it fell to the lot of the unhappy Mr. Truman to consummate the immoral agreement made by his predecessor. The war was over and with our men, money, and material the United States of America had pulled Red Russia from the pit of oblivion to victorious heights. In fact, it became so arrogant that it could challenge not only its rescuer but the whole world. And all of this under the Democrats of Roosevelt and Truman. This will forever be a sorry page in our history.

And now, Mr. Speaker, our global policy is to contain communism. Abroad we seek to arrest its paralyzing influence. But in the United States both the Roosevelt and Truman administrations have been aiding the abetting Communists and fellow-travelers who have been infiltrating in high Government office. The record is clear on that score.

Mr. Speaker, the President may cry "red herring" about the spy investigation now going on but he cannot deny that he personally has refused congressional committees the right to see pertinent information under his jurisdiction. And the Soviet-teacher's episode of last week lends considerable emphasis to the charges that Mr. Truman is covering-up for the alleged pro-Soviet clique.

The inquiry by a Senate committee into the loyalty of one, Mr. Remington, was effectively blocked by the President. He also blocked the investigation in the Condon case. It may be that these men are innocent of the alleged charges against them and the President by his acts has left the impression that there is merit to the charges.

Mr. Truman will soon have to answer to the voters for the part he and his party have played in advancing the cause of communism throughout the world and in the United States. It will be no defense for him to cry "red herring," when the Reds have established an effective road-block to peace at the expense of the American taxpayer. Roosevelt first and then Truman made this terrible nightmare possible.

On Our Way—But Where?

EXTENSION OF REMARKS
OF
HON. CLARE E. HOFFMAN
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

Mr. HOFFMAN. Mr. Speaker, during the past 15 years, we have been told that "America is at the forks in the road," "at the crossroads," is confronted with "an emergency," is meeting "a crisis," "has a rendezvous with destiny."

At a ringside seat here in Washington, and with the background, experience, and viewpoint of the average, middle-class, small-town American, who has watched with intense interest the maneuvers of those who have shaped our policy, who are in control of the Federal Government, it is my considered opinion that we are far beyond the "crossroads" and well on our way toward what some call statism—others, dictatorship—either meaning government by a tyrant, loss of liberty and freedom, with its accompanying slavery for the common people.

Some will say, as they did when I pointed to the fallacies of the New Deal, to the increasing power of the Communists in our Federal Government, to approaching inflation and militarism with conscription in peacetime, that I am "seeing things," "finding a bogey man under every bed."

Maybe so. It is better to be unduly frightened, take precautions, prepare for the worst, even though it does not come, than to be caught napping, as we were at Pearl Harbor; to find ourselves confronted by national bankruptcy with a disastrous depression in the offing.

A sense of false security may be not only dangerous but disastrous. It is equally as dangerous, whether it grows out of assurances from leaders who are ignorant, or who, for their own political advantage, lull us into inaction, or lead us on false trails, as it is when overconfidence and failure to act comes from the propaganda of our enemies.

After more than 150 years' adherence to, reliance upon, the principles set forth in our Constitution, through the energy, thrift, and common sense of our people, we became, and are, the richest, most prosperous, and most powerful nation in all the world. We have more of happiness and freedom than any other people.

Notwithstanding that situation, the New Dealers and their powerful propagandists preached the doctrine that the old way was the wrong way; that we had outlived the Constitution; that one-third of our people were ill-housed, ill-clothed, and ill-fed; that everyone could have more, though working less; that hard work and thrift, with self-denial, were unnecessary; that the Federal Government, without cost to the individual, could and would, if they had their way, give everyone what he wanted; that it was our duty to interfere in and direct the internal affairs of every other nation, and, if they thought they needed anything, give it to them.

You know the result of World War II—a host of young men dead, millions disabled, other millions handicapped, entitled to aid; a national debt of almost three hundred billions; prices for necessities—including those for food and clothing—almost beyond the reach of millions.

In addition, conscription of our young men in peacetime; a proposal to strip the States of their National Guard and put them under the control of the Army; worst of all, the regulation of your daily lives by the bureaucrats in Washington; all this and more are the result of a false

national policy for which the Eightieth Congress was not responsible.

It would take thousands of words to fully describe the inequities and the consequent harmful results growing out of New Deal policies. Suffice it to say that, if the New Deal continues in power, we will find ourselves completely under the control of a dictator; beneficent he may promise to be, but, in the end, a tyrant.

Think it over, realize where we are and where we are headed.

The next Congress will be Republican; the people should give the country a Republican President who will cooperate so that the two may work together and once more give us a sound, sensible, safe administration in Washington; keep us out of a third world war.

Henry Wallace's Party Tries To Make Oriental Peoples Turn Against America and Is Spurned—Wallace Pro-Russian Policies Will Lead to War and Not Peace

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EXTENSION OF REMARKS
OF
HON. NORRIS POULSON
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

Mr. POULSON. Mr. Speaker, the platform of the Progressive Party, elucidated and expanded by the acceptance speech of its candidate for President of the United States, Mr. Henry Wallace, contains planks that relate to the oriental countries and peoples, that are intended to make them turn against the United States.

This is a most extraordinary undertaking by a political party composed of American citizens. The American people should know it. A distinguished Filipino lawyer, economist, and writer, Mr. Vicente Villamin, has written an article on the subject for the Manila Bulletin, published in Manila, Philippines.

Candidate Wallace talks about peace with Russia as if he and his followers are the only ones who are for it. In fact, his ideas, if carried out, would likely lead to war instead of peace. In another article, Mr. Villamin discusses this question, drawing a parallel between the present Russian case and the Japanese case before the war.

These two articles are very enlightening and timely. With the continuing international crisis in Berlin, Germany, the American people should have a clear conception of what is going on and its significance. Mr. Speaker, under unanimous consent, I make Mr. Villamin's two articles a part of my remarks.

Mr. Villamin's articles follow:

THE PROGRESSIVE PARTY AND THE FAR EAST
(By Vicente Villamin)

The Progressive Party, headed by Mr. Henry Wallace, has a more elaborate platform than either the Republican or the Democratic Party. It includes planks that reveal clearly the party's pro-Russian and anti-American attitude. Those which have reference to the Far East are calculated to create opposition to the United States on the part of the people in that section of the world. That would facilitate Russia's work of proselyting them to communism and converting their countries into Russian satellites.

The far eastern planks are supported either by plain mischievousness or by rank misapprehensions. They are as follows:

1. Calling for legislation to facilitate "naturalization of Filipinos, Koreans, Japanese, Chinese, and other national groups now discriminated against by law."

The act of Congress of July 2, 1946, already gives Filipinos and Hindus the right to become American citizens. The Chinese were given the same right several months before. To make Japanese aliens eligible to American citizenship is too foolish for words. There is a bill in Congress to give the right of naturalization to Koreans. The Progressive Party, therefore, cannot create dissatisfaction against the United States among the orientals on the score of citizenship.

2. Demanding the repeal of the Philippine Trade Act of 1946, which is set forth in a Philippine-American agreement signed at Manila on July 4, 1946.

The repeal of the act-agreement is advocated also by the Daily Worker, the Communist newspaper published in New York. If it is carried out, the greater loser will be the Philippines and not the United States. It will bring down in collapse the program of Philippine reconstruction. In the resultant chaos and confusion, the Communists will function with redoubled zest. There are provisions in the act-agreement that are unfavorable to the Philippines, but most of the provisions are advantageous and helpful. The remedy for the unfavorable ones is not the total abrogation of the act-agreement, for that would be like cutting off the head of a man to cure his headache, but to make representations to the United States, a country that is basically fair and reasonable.

3. Demanding "an end to military and economic intervention in support of reactionary and Fascist regimes in China. * * *" This means enjoining the United States from assisting the recognized government of China and permitting Russia to aid the Chinese Communists to destroy that government and install themselves in its place. American aid to China is chiefly financial, to help her recover from the war's devastations and relieve her people from economic distress. The good people of China will not fail to see that the Progressive Party's attitude is pro-Russian rather than pro-Chinese and that the United States is helping, while Russia is obstructing her rehabilitation.

4. Asserting that "world peace and prosperity cannot be attained unless the peoples of China, Indonesia, Indo-China, Malaya, and other Asiatic lands win their struggle for independence. * * *"

China is already an independent nation. Indonesia is about to gain her complete nationhood. Malaya and Indo-China are on the way in their proper time. The United States has nothing to do with their internal affairs. The Progressive Party is also for noninterference in those affairs. But it is generally known that the Russians are working actively in all the far eastern countries to convince them to overthrow their respective governments and establish communism, and yet there is no disapproval of the Russian activities by the Progressive Party platform or declarations by the party leaders.

5. Supporting "the efforts of the people of Korea to establish national unity and the kind of government they desire." Under the auspices of the United States, southern Korea, where most of the people live, had a free election recently and a national government was set up. Northern Korea, under Russia's domination, refused to take part in the elections and does not recognize that government. The country thus remains divided. Why does not the Progressive Party condemn Russia for the dismemberment of Korea? Why does it insist in unfairly blaming the United States for Russia's fault?

6. Demanding again the "cessation of financial and military aid to the Chiang Kai-shek dictatorship," which is equivalent to saying that the Communist revolutionists, which are supported by Russia, should be left unmolested to seize the national government and run it themselves. That is too plain to mislead anyone.

7. Urging "the policy of Franklin Roosevelt in encouraging the creation of a democratic coalition government in China." This has been tried earnestly and patiently with the help of the United States, but the Communists have rendered it impossible of accomplishment through their unreasonable demands and conduct looking to the domination of the Government by them.

The conclusion is inevitable that the Progressive Party is no intelligent, consistent, and sincere friend of the far eastern countries. It wants democratic America to decamp with her friendship and economic assistance so Russia with her abominable communism could come in freely. The overwhelming majority of the far eastern peoples would say to that party, "Begone and leave us alone; your sympathy we spurn."

WALLACE AND WAR
(By Vicente Villamin)

Mr. Henry Wallace has been nominated as candidate for President of the newly-christened Progressive Party. His election is urged on the paramount issue of "Wallace or war," meaning that his nonelection would mean war, a world war.

It is war with Russia they are thinking about. They admit that there are problems today that may cause war. One of them is the continuing crisis in Berlin. Mr. Wallace has a specific solution for that. It is simple enough. It is for America to leave Berlin bag and baggage. It is assumed that he wants Britain and France to do the same. After they are gone, then Russia would be left free to carry out her plan of making Berlin the capital of a new Germany that will be Russia's spearhead in her march of empire in western Europe and beyond.

Every normal person, not only Mr. Wallace, wants peace with Russia and other nations. What will bring about peace and prevent war is the question. Mr. Wallace believes his solution will do it. But it would not be difficult to prove that he is in error and that his solution would lead to war instead of peace.

There are four major implications in Mr. Wallace's stand on the Berlin situation. First, it is a declaration that America is wrong and Russia is right. Second, it is an exhibition of fear on America's part to assert her rights and discharge her duties. Third, it is a surrender to Russia without justification. And fourth, it is a license to Russia to do anything and everything that her selfish and imperial interests demand.

The first implication is diametrically against the truth. It is America that is right and Russia that is wrong. The joint occupation of Berlin by the former Allies—Russia, America, Britain, and France—is their joint undertaking supported by an agreement. The non-Russian sector of Berlin has more German population than the Russian sector and its administration is the joint commitment of America, Britain, and France. Their abandonment is not only a renunciation of responsibility but is an invitation to communism—the very thing they want to invite out of any country.

The three other implications—fear, surrender, and license—are similar to the ideas that the Japanese militarists got before the last war from a similar American attitude inspired by the same desire to avoid war.

Those ideas led to war instead of peace. Mr. Wallace is advocating today a policy toward Russia that is roughly parallel to that which America followed toward Japan and produced war.

The prewar Japanese case is helpful in understanding the present Russian moves, their motives and methods. Although it was known that the Japanese militarists were preparing for war against America, the American Government went out of its way to be considerate to them—making concessions and talking compromises. This attitude convinced those militarists that America was not determined in the assertion of her rights, that she was afraid to fight for any cause, and that she would pay any price for peace with Japan. That conviction emboldened them to disregard American rights, insult American honor, and put American intelligence in question. From that jumping-off point the attack on Pearl Harbor was an easy decision. That is what appeasement did in the case of Japan—it encouraged her to war.

But what Mr. Wallace proposes with respect to Russia is more than appeasement; it is unconditional surrender by America to Russia. That is not only humiliation, not only cowardice, not only dereliction, but a dissolution of America's moral leadership in the world and her acquiescence to communism and its imposition by Russia on helpless and terrorized countries everywhere. That would be the undoing of the American Nation and the American people will not stand for it. They will fight a war to enforce their will. And they will see to it that it is Russia, not America, that will surrender.

Mr. Wallace's supporters are frankly sympathetic to Russia and antagonistic to their own country in matters pending between them irrespective of their merits. Such a situation is possible only in America, with its conception and misconception of the democratic process. The great service of an enlighted electoral campaign is to show up the unreasoning and the unreasonable people, and the 50,000,000 Americans who could vote are in a position to place men in office, or out of it, or into oblivion. They could squelch Wallace and Wallacism with their votes.

That the Progressive Party is pro-Russian above all was amply proved in the convention. A disturbed delegate proposed a declaration in the platform that while the party condemned the American foreign policy it did not mean a blanket endorsement of any other nation's foreign policy, referring to Russia. The proposal was overwhelmingly and indignantly voted down because it would be admitting that Russia could do no wrong.

Russia will be watching how many votes the new party will get. She will consider every Wallace vote an ally. With allies in America, Russia would get bold and careless about American rights. That would lead to war because America would stand up for her rights.

A Workable Housing Bill

EXTENSION OF REMARKS

OF

HON. LAWRENCE H. SMITH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. SMITH of Wisconsin. Mr. Speaker, the special session of the Eightieth Congress has passed a workable housing bill. I have made a brief analysis of it in the hope that it will be of interest to my constituents.

LOW-COST HOUSING

The bill will facilitate the financing of homes in the $5,000 to $6,500 price range. The FHA title I mortgage insurance maximum is increased from $3,000 to $4,500. According to a survey of construction costs by the Bureau of Labor Statistics last year 20 percent of the new housing construction in the country fell within a price range that would be covered by the new mortgage limitation in title I. A new provision is added to mortgage insurance under FHA title II under which 90 to 95 percent loans are permitted up to a mortgage maximum of $6,000. According to the survey above-mentioned 43 percent of new housing construction fell within the authorized mortgage limitation of this provision. Mass production of prefabricated houses will be encouraged by the financial assistance afforded by certain provisions of FHA title VI. Another provision of title VI is designed to encourage on-site mass production of homes of conventional construction.

RENTAL HOUSING

One of the acute problems in the housing emergency is the shortage of rental housing. To stimulate the immediate production of rental-housing accommodations $800,000,000 of title VI FHA mortgage insurance is authorized for such housing construction. A longer term approach to this problem is provided under a $1,000,000,000 yield-insurance program. Rentals charged under the yield-insurance program would be FHA approved and so set that they will meet the needs for dwellings of families of moderate income. Each of these insurance programs are supported by premiums charged so that the amounts involved reflect only contingent liabilities to the Government. Provision is made for the production of rental housing units for families of lower income in localities or metropolitan areas where there is a need for new dwellings at such rental. Projects of nonprofit cooperative ownership housing corporations and nonprofit corporations can likewise be financed in this field under a mortgage which may be insured up to 90 percent, and in case the cooperative is a veterans' cooperative up to 95 percent.

The Red Menace

EXTENSION OF REMARKS

OF

HON. CLARE E. HOFFMAN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. HOFFMAN. Mr. Speaker, 10 years ago your attention was called to a handbill put out in Detroit by the Communists in support of their candidate. That handbill stated, "There is no God. Religion is a fraud. Priests and ministers are hypocrites." That you do not believe.

The program of the Communist Party calls for the overthrow of our Government by force.

Early in the Roosevelt New Deal administration there were and ever since there have been on the Federal pay roll pinks, Reds, fellow travelers, and Communists.

Years ago, on the House floor and elsewhere, attention was called by me to this Red menace, to the fact that the First Lady was giving support to Communists by appearing with them before the Dies committee, which was exposing them.

My efforts to expose the Reds and the fallacies of the New Deal were rewarded with sneers, abuse, ridicule, vituperation, vilification, and ultimately, with the charge that I was a menace to the country.

With others, I endeavored to oust the left-wingers and Reds from their well-paid jobs in important Government positions. We met with some little success, but, as the press discloses, many remained.

In the last few weeks the House Committee on Un-American Activities, the Senate committee headed by Senator FERGUSON, and our own subcommittee hearings have made it clear that there still are Communist agents in the Truman administration. President Truman charges that these congressional investigations are "red herrings" dragged across the trail to divert the people's attention from his abuse of Congress. He says that these hearings "stink."

But he asked for and received from Congress $6,606,000 to find and oust disloyal Federal employees. He did little or nothing about it. Now he is mad and vindictive because Congress is doing the job he should have done.

Yes, if I may use the President's language, the situation "stinks." But it stinks because, and only because, congressional committees are tipping the lid off the odoriferous mess of disloyalty which has been brewing behind the President's iron curtain.

It is absurd and inconsistent to spend billions of dollars to fight communism abroad as the President asks, as we are doing, while at the same time we give Communists and their agents sanctuary here, as Mr. Truman continues to do and to deny to Congress information which might expose and oust them.

In season and out, on the floor of Congress and elsewhere, ever since I came to Washington, I have consistently, vigorously, and without cessation, fought this Red menace on which, at last, light is being thrown. That I shall continue to do.

The Long-Range Agricultural Program

EXTENSION OF REMARKS

OF

HON. SCOTT W. LUCAS

OF ILLINOIS

IN THE SENATE OF THE UNITED STATES

Saturday, August 7 (legislative day of Thursday, August 5), 1948

Mr. LUCAS. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a letter received by me from Allan B. Kline, president of the American Federation of Labor.

There being no objection, the letter was ordered to be printed in the RECORD as follows:

AMERICAN FARM BUREAU FEDERATION,
Chicago, Ill., July 22, 1948.

Hon. SCOTT W. LUCAS,
Senator from Illinois, Washington, D. C.

DEAR SENATOR LUCAS: I am writing you this letter to express my appreciation of the fine work which you did in the interests of American agriculture during the past session. You showed real courage in the fight for this long-range farm program.

I am sure, however, that those of you, who worked so hard for it, can take comfort in the fact that it is a good bill, that it was carefully worked out, and that it has due consideration both for the interests of agriculture and for the general welfare.

Very sincerely yours,

A. B. KLINE,
President.

What About the Special Session?

EXTENSION OF REMARKS
OF
HON. NORRIS POULSON
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. POULSON. Mr. Speaker, the special session of Congress which convened on July 26, 1948, was insincerely conceived in politics. The President of the United States, in his role of Democratic nominee for President, announced the call from the platform of the Democratic National Convention in Philadelphia.

While the President's message to Congress in an appeal for votes listed many items for passage, the Nation's attention was directed to two points: High prices and housing.

In discussing these two important issues, we can engage in demagoguery or campaign oratory, or we can be honest and deal with facts, letting the chips fall where they may.

It is easy to say we are for lower prices and more housing, but how do you get them? Let us take each of these important items and analyze the facts. The reason we have high prices is that production does not yet equal demand. Let us not forget that in addition to supplying our own people, we are committed to send huge quantities of merchandise and food overseas. Until Europe gets on her feet sufficiently to contribute in a large measure the supplies and foodstuffs she needs, we can expect her to continue to draw on our own production.

In addition to supplying Europe's needs, the shortsighted policies of the present national administration have contributed to high prices. The roots of inflation are deeply imbedded in the Democratic - controlled Seventy - ninth Congress that preceded us. The President cries out against high prices in one breath, and in the next demands that Congress maintain high prices for farm products and engage in tremendous spending projects that will compete with private enterprise.

But even more significant, as Senator MILTON R. YOUNG pointed out, is the fact that the United States Department of Agriculture deliberately set out about a year ago to reduce the supply of not only pork, but all other meats. The farmers complied with these regulations, and as a result, we are now short of meat and consequently prices have risen. In this same bulletin setting 1948 production goals for farmers, the United States Department of Agriculture asked for the following additional reduction in food supplies. Let me quote just a part of them:

Egg production, 1947 goals, 4,559,000 dozen of eggs; 1948 goal, 4,200,000 dozen. Chickens to be raised, 1947 production, 742,047,000; 1948 goal, 698,104,000. Turkeys, 1947 production, 34,667,000; 1948 goal, 30,507,000—

That was actually requested by the Department of Agriculture—

slaughter cattle and calves, 1947 production, 36,000,000; 1948 goal, 32,000,000.

What is this we now read about millions and millions of dollars' worth of potatoes being destroyed? Congress is not to blame for that. It is the Truman administration that is carrying out these policies. Why is the administration recommending that the farmers reduce their wheat crop by 8 percent next year, and the number of breeding cattle by 514,000?

The great majority of newspaper columnists and editors, as well as economists, both Republican and Democratic, have criticized the President's program because in it he asked Congress to cut the cost of living and at the same time asked for legislation which would increase inflation through the expenditure of public moneys.

In 1933 and thereafter we used this method to offset the depression. Obviously to follow that principle now would only increase inflation.

Spending public money, which is always inflationary in effect, did help the country to get out of the depression. No sooner had we climbed out of the depression than we increased public spending still further to finance the war. We also created a huge public debt. In addition to the debt we issued, through high financing, an additional $90,000,000,000 in currency without any additional reserve behind it. These facts I have taken from the testimony of Marriner Eccles on November 25, 1947, before the Joint Committee on the Economic Report. Mr. Eccles has been a member of the Federal Reserve Board for many years. He was demoted by President Truman from the chairmanship of the Board because he did not believe the President's program made economic sense. He is one of the leading financial authorities and economists in the United States.

In his testimony Mr. Eccles stated:

The source of the present inflation is war financing and the enormous Federal deficits incurred in preparation for and prosecution of global war.

He then advocated that this excess money must now be withdrawn from circulation. That is the purpose of the laws which we passed, to change the bank reserve requirements, and so forth. It is a highly complicated and technical procedure.

To illustrate, I will use this simple example:

If your bathtub is running over you do not attempt to build higher sides on it, or a roof over it, to stop the flow—you turn off the water.

In 1920, after the last war, there was a similar inflationary condition to that of today. The Government checked the high prices through the Federal Reserve banks. Mr. Eccles testified that he urged the President to do this several months ago, but he refused.

Further on the subject of inflation, let me quote from a letter Mr. Truman wrote last year to the heads of the executive departments and agencies. This is an official document:

Even those Federal expenditures which are most necessary have the effect of increasing inflationary pressures in the total national economy. We must do everything within our power to reduce inflationary pressures. One of the most effective means of doing this is to reduce Federal expenditures.

* * * It is particularly important that the Federal Government not compete with private demand for items in short supply.

That was President Truman speaking.

Now the President calls for price controls and rationing. On this subject I quote Manchester Boddy, editor of the Los Angeles Daily News, at the time of the convening of this special session:

As Congress reluctantly returns to Washington, there is renewed talk of price-control and rationing of scarce things.

No one, apparently, has the courage to risk a slap from labor by pointing out that such a program, if adopted, must lead to Government fixing of wages, and Government dictation as to where a man may or may not work.

This is elemental. A workingman—quite properly—seeks work that will fetch him the most money.

Who, willingly, would work in a steel mill if a toy factory across the way offered better working conditions and more pay? To insure the production of steel, the Government would have to make it illegal for the worker to leave steel, or make it illegal for the toy shop to offer better pay—or both.

We saw the beginning of that sort of thing during the war. We stomached it then because millions of boys were in the service, with low, fixed pay and no chance to bargain.

As soon as war ended, the public voted overwhelmingly against controls.

Intelligent labor leaders—and there are more of them today than ever before—understand this. But there are still many half-baked little demagogs who tell workers it is possible to fix prices and distribution on one side, and at the same time keep open the opportunity to work where one pleases and for as much as he can.

Admittedly, prices in the United States are maddeningly high.. We are up to our ears in luxuries and necessities that have been priced out of our reach.

But our fundamental picture is sound: Six percent of the earth's people, with three-fourths of its production.

We should not allow agonizingly high prices to make us so sorry for ourselves that we voluntarily become the kept slaves of a totalitarian state.

As an editorial in the Los Angeles Times stated:

When Franklin Roosevelt was creating the wartime OPA, Bernard M. Baruch was asked

for his advice, and he submitted a five-point program. Controls had to cover food, wages, rents, profits (through taxes), and Government spending. Unless all five of these things were controlled together, said Mr. Baruch, none of them would work.

But the administration was committed to labor and to the farmers. As a result OPA never fully worked. It gave some appearance of working before war's end, partly because most Americans were patriotic and partly because the Government paid out tremendous subsidies to food producers. The American who bought food at OPA prices paid an additional charge for it in taxes—or will pay the charge when we get around to reducing the national debt.

When the war ended the patriotic incentive for abiding by controls disappeared. Black markets became rife; the big unions fomented a wave of strikes. President Truman said to Congress on November 9, 1946: "The general control over prices and wages is justifiable only so long as it is an effective instrument against inflation. * * * Accordingly, I have directed the immediate abandonment of all control over wages and salaries and all control over prices except that necessary to implement the rationing and allocation programs of sugar and rice. Rent control, however, must and will be continued."

Not quite 2 years later, Mr. Truman called Congress back into special session to give him the same kind of control program he had denounced—the program that wouldn't work because it didn't go all the way, the program that made political exceptions.

The answer to high prices is more production, and still more production, coupled with a return to sincere moral fairness by everyone. Too many people today are determined to "get theirs," irrespective of the other fellow.

Congress during the special session took a sensible forward step to control inflation by curbing excess credit. It refused to pass laws that would curb production and drive supplies into the black market.

Now, let us look at housing. A truthful appraisal will disclose that the housing shortage is not as critical as it was several years ago. The reason is that construction of homes has increased tremendously. The problem has not yet been solved. More homes and rental units are needed. The only way to get them is to build and build and build. Laws do not build houses.

I signed the petition to place the Taft-Ellender-Wagner bill before the House, because I believe that slum clearance should be acted on, and low-cost housing furnished to replace the blights on our cities. But let us be realistic. Every public housing project that the Federal Government builds takes just that much plaster, lumber, plumbing, roofing, and all the other materials that go into constructing a home away from private construction. The people of my district do not want to live in public-housing projects. They want low-cost homes and low-cost-rental units. The Government should not compete with private building for the very materials needed to solve our housing problem in this critical period. This Congress passed laws to encourage and stimulate low-cost building, but here again the answer to the housing shortage is not Government competition but more and more production.

Let us not forget that we have gone through a terrible and disastrous war. We cannot expect all the ills that travel in the wake of horrible holocaust to be cured overnight. It will take time to recuperate and regain our full strength. But with faith, courage, and hard unselfish effort, we can emerge into a brighter day of happiness and security for all our people.

The Formulation and Planning of the New 70-Group Air Force, Under Secretary W. Stuart Symington, Will Not Alone Insure to America the Future Supremacy of the Air, but the Application of the Principles of Sound Business Management to Government Operation and Expenditures Already Constitutes a Procurement Record Unsurpassed in Government

EXTENSION OF REMARKS

OF

HON. LEO E. ALLEN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. ALLEN of Illinois. Mr. Speaker, many years ago in a discussion with respect to the pitfalls that long beset Government in business, a learned political economist pointed out a fact that I have long remembered. He stated that three concerns, the Metropolitan Life Insurance Co., the American Telephone & Telegraph Co., and the United States Steel Co., probably represented the highest type of efficient, economical, and successful application of sound business administration to private business then existent in the world.

That disinterested and studied finding by a profound student and thinker has intrigued many throughout the years.

It has frequently impinged itself upon my mind, when called to give rules on bills involving the expenditure of billions of dollars of public funds.

I recalled that statement quite recently when this body was debating the authorization of the 70-group air plan enacted in behalf of the Department of the United States Air Force.

That bill contemplated the appropriation in the excess of $2,000,000,000—a peacetime appropriation made to secure our national defense.

During my long years of service in this House—and on many occasions—I have been highly critical of the maladministration by which appropriations made by this Congress have been poured down the ratholes of extravagance and waste by slipshod business management exercised by public administrators in the executive departments.

Mr. Speaker, when the 70-group air force bill was before this House, I was not unmindful of the splendid work that was being done by those charged with administration of the United States Air Force in its every branch of operation.

We, here on this Hill, have long inherently felt that the administration of the newly established Air Army of our national defense was quickly setting a pattern for the highest type of sound business principles and management to governmental administration.

There has just now come to my notice an address made by the Honorable W. Stuart Symington, Secretary of the Air Force.

That address was made to the board of directors of the American Aircraft Industry Association. I wish that I had a copy of that statement the day that the 70-group air force bill was before us here on this floor. Never before have I seen in ink on paper such evidence of righteousness, decency, and a high sense of responsibility to the tax-paying public as was presented by this top-flight Government official.

Mr. Speaker, now hear me well on this: This was not a speech that was ghost written and handed to Stuart Symington for delivery before a mutual admiration society made up of governmental officials, and "Army brass" meeting with a group of contractors and other beneficiaries of congressional appropriations.

It was a straight-from-the-shoulder talk. It was given by one of America's young, recognized, tried, and proved business executives, now a top-flight official of the Federal Government.

It was given in the discharge of his duties and in recognition of the tremendous responsibility which he owes to the American taxpayer.

With great forthright courage he put all the cards on the table and told those with whom his department was going to do business, just what he expected from them in return for the taxpayer's dollar.

I want each and every one of my colleagues to know more of this man Symington. I want them to know him as a man, who, in the discharge of his duties, is bold enough to invoke every means at his command to increase efficiency and effect real economy in every last phase of his executive capacity.

I want you gentlemen on both sides of the aisle to know that here is a man who dares to tell the Howard Hugheses of the aircraft industry, "Cut out all provision of funds for the entertainment of anyone associated with the air arm of the National Defense Establishment. The Air Force is now paying too much for its airplanes. So far as we know there has not been a single production development that has reduced the cost of airplanes since VJ-day."

Mr. Speaker, that is understandable language. It is not double talk, because Stuart Symington uses no double talk. He boldly advised his audience that the FBI and the Department of Justice "would not be called in after the United States Treasury had been pilfered by unconscionable Army contractors."

He told them that he had put both of them on the job already. That both departments are now on the job and that they will be on the job at the very time that contracts are signed, and, furthermore, that both of these agencies now constitute a line operating member of

the Department of the United States Air Force.

He went on to advise the aircraft builders that the procurement picture with the funds recently placed at his disposal by the Congress would include a man never connected with and entirely divorced from the aircraft industry, the former president of Sears, Roebuck & Co., one of the most outstanding of experienced buyers ever to enter the Federal Government service.

That straightforward, frank, and candid statement to an assembly of all the aircraft builders in the United States made by Stuart Symington, Secretary of the Department of Air, wholly pictorialized the spirit of the United States Army Air Forces today.

That newly created branch of our national defense is already in being. It is a virile, hard-working, hard-hitting branch of our armed services.

It is altogether headed up by young men highly experienced, battle-trained, and seasoned veterans. They are men skilled in every detail of procurement, management, and operation. Established as an independent arm of our armed services, a bare 11 months ago, it is already regarded by our citizenship everywhere as the most important arm of our national defense and security.

Mr. Speaker, in order that my colleagues may be able to read this memorable address, I am inserting in the RECORD, and including as part of my remarks, the speech made by W. Stuart Symington, Secretary, Department of the Air Force, before the board of directors of the aircraft industry which is as follows:

Before presenting how the Air Force feels about the aircraft industry, and how you all can assist us in our mutual problems, may we refer to some of those problems we in turn have worked on to improve our own position.

First, every effort has been made to have the best men, the most experienced men, in the right logistic positions. We believe our organization is now welded together; but want it to improve steadily.

Secondly, everything possible has been done to prevent the mishandling of funds. An experienced agent of the Federal Bureau of Investigation is now a member of the line operating organization of the Air Force; which procedure, so far as we know, is unique in the military history of this country.

This step is designed to prevent any future occurrence comparable to a recent incident. The basic reason for that latter occurrence is the fact an officer obtained control of his own inspection. That cannot happen in the future.

At the time of this sad occurrence, we testified that we were as sure no other general officer was involved in this situation as we were the sun was coming up the next day; and are glad to report to you tonight that, after most thorough investigation, such turned out to be the case.

Such occurrences, plus the large amount of money now being allotted the Air Force, all point up the extreme care necessary in handling procurement relationships between Air Force suppliers and Air Force personnel.

With that in mind, it is recommended that when any aircraft company, or aircraft accessory corporation, employs any former member of the military establishment, such employment be handled on the condition that said former member does not act as a sales representative; in other words, he not be put in a position where he is attempting to sell or negotiate with his former friends in the Air Force. The dangers here from the standpoint of possible Government or/and public reaction are only too obvious.

And again, the old question of entertainment. We urge that no entertainment funds be approved by the airplane companies for former members of the Air Force to entertain their friends in the Air Force.

With the critical approach to the future expenditure of these billions of dollars, consistent mutual appearances in bars, night clubs, restaurants, etc., cannot but have a negative effect on those who are anxious to criticize.

Because of resistance to this program in many quarters, and the natural resentment of the taxpayer to the cost of the military appropriations, no Government funds will ever be spent with closer scrutiny than that which will be given the expense of the 70-group program.

Organization and streamlining of the procurement picture of the Air Force now includes the addition, as Under Secretary, of one of the most experienced buyers ever to enter Government, Arthur Barrows, former president of Sears, Roebuck & Co.; and also the putting in charge at Wright Field of perhaps the best administrator developed by the War Department during the war years, Gen. Joseph T. McNarney.

It is a fact that in apparent effort to promote a new form of warfare, some people have adopted a policy of constant criticism of Air Force planes, especially bombers, over a period of months. In effect, this has been a tonic to the Air Force. We have faced, and will face, and continue to knock out, any basis for any such criticism. We are stripped down, clean, and ready to go.

In the National Defense Supplementary Appropriations Act for the fiscal year 1948, the Congress has made $2,045,000,000 available to the United States Air Force for the purchase of new aircraft and equipment; and for the improvement and expansion of both public plants and Government-owned facilities in private plants.

In presenting to the Finletter commission, the Brewster committee, and then to the Congress, the great need for this money, money to both build that Air Force necessary for our security and keep the aircraft industry healthy, the Air Force has done what its conscience dictated was the right policy for the future of these United States.

From this point forward, it is fair to say the aircraft industry also has the ball. Beginning now, aircraft and equipment must be produced more rapidly, more efficiently, and in much greater quantity, than at any time since VJ-day.

During the fiscal year 1949, beginning next July 1st, 1,458 new aircraft must be delivered to the Air Force as the first step in a procurement expansion program designed to level off at 5,200 aircraft annually by the fiscal year 1953.

For the first time the aircraft industry now has the go-ahead on a 5-year procurement schedule, a schedule upon which long-range production plans and techniques can be based, to the great benefit of proper production scheduling, and therefore better management, and better value.

This 5-year production program is a challenge to the industry. Its capacity for meeting challenges was amply demonstrated in World War II.

Since VJ-day, however, the same companies which performed this wartime production miracle, companies working with the same type facilities have been unable to meet even the vastly reduced delivery schedules of the peacetime Air Force.

As example, the first experimental model of a certain new fighter scheduled for delivery in August 1945 did not actually make its appearance until October 1946. Deliveries on this contract are to a point which should have been reached in November 1947.

Another example: The first of a new bomber type, which should have made its appearance in July 1946, was not delivered until October 1947; and present delivery should have been reached in December 1946.

All of us know that the responsibility for these delays does not rest solely with industry. The industry and ourselves together have been guilty of setting up over-optimistic delivery schedules. The fact the Air Force has only been able to make commitments on a year-to-year basis, has severely handicapped producers. The necessity for shifting to high-speed jet aircraft has created many unforeseen problems.

Production has had to follow too closely upon the heels of development. Some critical materials have been short. GFE has been short. There have been complicated personnel difficulties.

But excuses and justifications won't give the answers; and I know you all agree we must work together to solve the problems.

The American aircraft industry cannot afford to rest any longer on the laurels it justifiably won for its wartime production effort. It must "get up and get on high blower," and this must be done now.

One year from today will be a day of reckoning. The appropriations just received are but the beginning of a 5-year procurement plan. That plan requires the prompt delivery of 1,458 previously ordered airplanes during the fiscal year 1949. If 1,458 airplanes are not delivered during that year, the Government, all branches, and with good reason, will want to know the reason why.

If we fail to meet these production schedules, we will jeopardize the entire 5-year program.

Putting it another way, when an individual manufacturer falls down on a delivery schedule, he is jeopardizing the future of his entire industry.

The Air Force today is paying too much for its airplanes. Performance is up, yes, but production costs are up, too; and in our opinion, in some cases, the latter are out of proportion to the performance improvements that have been made, even when giving consideration to the inflationary spiral, higher labor costs, and other such factors.

So far as we know, not one positive production development tending to reduce costs has been introduced by the American aircraft industry since VJ-day.

Actually, in some instances, inefficient practices, and resistance to already-proven ideas, has increased.

For example, more tin is cut today by hand shears than during the war.

Second example, before the end of the war, the British developed an optical method for setting up and inspecting tooling, a method using a device known as a "telescope collimator." Air Force technicians obtained data concerning this technique in order to improve production efficiency over here. It had been used in England, with great success. It has taken 2 years, however, to sell this process to our industry; and it will be another full year before the idea can be put to efficient use. One major aircraft company is still resisting adoption of the new method.

In general, there is too small a degree of subassembly break-down in the manufacture of standard-model military aircraft, and although it is true that a high degree of subassembly break-down increases unit costs when aircraft are being produced in limited quantities, in the long run this technique greatly decreases tooling costs.

Now that we are working on a 5-year schedule, there will be no longer any excuse for not introducing economical quantity production techniques as soon as possible. Actually, even in the lean years since VJ-day,

some companies have found it possible to set up much more economical quantity production systems than have others.

For example: One company is now manufacturing its major subassembly wing sections in 25-foot pieces, produced in panels, with simple picture-frame type jigs that one man can operate with ease. Other companies are manufacturing these wing sections in pieces as long as 80 feet. Although in general a high degree of subassembly breakdown adds more weight to the airplanes, this extra weight can be virtually eliminated through intelligent designing.

Up until now this particular company's technique has not been any more efficient than other production methods, but we are rapidly approaching the point in our procurement schedule where it will be; and, in addition, the company in question will be able to rapidly accelerate for the 5-year levels with very little retooling or redesigning.

We propose to do everything we can to help industry set up for quantity production. For example, a large amount in the new appropriation is being designated for the tooling.

In making funds available, however, the Air Force is making its main contribution. Industry must take it from there out.

During the war, the American aircraft industry operated well together, this although on a competitive basis. It was given a big job to do, and it did that job in magnificent fashion.

If one company had the designs and another the facilities, the business was spread. The important thing was that facilities were used; and delivery schedules were met.

Since the end of the war, however, it is our opinion that at times manufacturers are thinking of themselves first and the overall picture second. I don't want to wave the flag, but I do want to point out that the American people have now put their faith in air power. They have given us this money to expend; and for that money they want the kind of Air Force believed necessary to protect national security.

Our job now is to give it to them. That should come first. And to handle it right, in our opinion, industry must get back to the family idea. That is the way we can get maximum return on the tax dollar.

Witnesses from industry who testified before the Finletter Commission agreed to subcontract business that could be more efficiently handled elsewhere.

In regard to designs, the aircraft industry today is divided into two groups—the have's and have-not's. The facilities belonging to the have-not's must be put to work on the designs belonging to the have's. The Air Force must go all out with industry in our joint effort to accomplish this aim.

As example, one company has the most practical design for the Air Force's new combined primary-basic trainer. But it would be inefficient and uneconomical for this company to do all the work on the production of this aircraft.

In testimony before the Finletter Commission, that very company agreed to subcontract a majority of the work to another company, provided they could name the subcontractor.

The Air Force, together with the Army, the Navy, the Munitions Board, and other Federal agencies has gone to great effort to make plans concerning the most desirable location of contractors' plants, from the standpoint of economy, and for national security.

In making these plans the military agencies have necessarily placed the national good above the interests of individual contractors. Yet some companies are resisting the implementation of these plans. In attempting to obtain sites of their own choosing, in our opinion, they are placing their own interests above those of the aircraft industry as a whole, and above those of the Nation.

When the Air Force throws some business on top of the aircraft industry pyramid, it cannot be expected to monitor that business all the way down to the smallest equipment subcontractor.

Since the end of the war, a lot of production delays have been due to the unwillingness of vendors, suppliers, and parts manufacturers to accept military business. This is partly because commercial business may be comparatively more attractive in regard to profits, but it is also because long-term commitments have not been possible in the military field.

Now we can make those long-term commitments. The Air Force can make them directly with its contractors, but it is up to the major aircraft companies to follow through with the subcontractors with whom they deal directly. Information about the plans and procurement needs of the 5-year program must be disseminated among all vendors, suppliers, and parts producers connected—however remotely—with the aircraft industry.

We must rely on our contractors to see that this information gets passed along, so that plans can be made and long-term commitments arranged.

If certain manufacturers won't take security business because of profits in other lines, however, let us know. They might not welcome some publicity to that end in these troubled times.

The Air Force is out to get a dollar's worth of air power out of each tax dollar it has been given to spend; and we expect industry to also become preoccupied with the idea of efficiency and economy.

We want to restore the health of the aircraft industry, but do not propose to nourish indefinitely inefficient producers, or to allow military money to go for bailing manufacturers out of their failure in the commercial field.

We must price future production with care. Washing out the difference between a fair profit and abnormal profit on security items, through renegotiation, is no answer to the lack of fair and careful pricing at the outset. Every dollar recovered under renegotiation is looked upon by the public—unaware of our mutual problems—as the result of an effort to gouge the Government. That, of course, is ridiculous, but that is often the way it is presented.

Industry must assist in stabilizing economic conditions within the country, and must try very hard to conduct its business in a free economy, without requesting from the Government the benefit of priorities; and the expediting of materials must remain with the manufacturers.

It is actually in industry's own interest to operate as much as possible on its own, for you and I both know that, while Government is often glad to lend its assistance when needed, the more the Government gets into the production picture the greater its tendency to take over the private operation of your plant.

Industrial personnel plans must make every effort to insure that there will be no manpower bottlenecks to handicap the security program.

In summary, beginning now, both industry and the Air Force have to make each dollar count; and we have to start hitting our delivery schedules right on the nose.

I did not come down here to give any lecture. It is a mutual problem, and these are the facts as we see them.

So let's work it out together in order that we can go before the Congress next year to present not only a record of which we are proud but also a record which will give that confidence necessary to continue the accelerating 70-group production program.

Decrease in Farm Population Contributes to Housing Shortage in Cities and Towns

EXTENSION OF REMARKS

OF

HON. WAT ARNOLD

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. ARNOLD. Mr. Speaker, recent years have shown that the farm population in this country has greatly diminished, contributing in large measure to the housing shortage in cities and towns. It has long been my conviction that two of the most important things to be accomplished if the coming generation is to be kept from leaving our farms for the cities, and to follow agriculture, are improved roads and rural electrification. For this reason, I have and will continue to strive for the enactment of measures in support of these aids to the farmers.

The record of the Eightieth Congress in providing funds for REA is an interesting one. I am going to review that record briefly because at different times, propaganda has been circulated to the effect that persons wanting electricity, and who had been signed up for it, were unable to have it because Congress had not provided the necessary money.

The following information will show the progress made in supplying rural electrification to farmers in Missouri from December 1934 to December 1947:

	Number of farms	Number receiving electric service
Jan. 1, 1935	278,454	17,893
Apr. 1, 1940	256,100	39,204
Jan. 1, 1945	243,276	
June 30, 1945		72,850
June 30, 1946		93,650
June 30, 1947		119,491
Dec. 31, 1947		128,700

WHAT THE EIGHTIETH CONGRESS PROVIDED FOR REA

Last year, fiscal year 1948, Congress provided the REA with loan funds in the sum of $400,000,000. This was done by an initial appropriation of $225,000,000, which, added to $325,000,000 left over and unexpended from the year before, meant that REA began the fiscal year—July 1, 1947, with $550,000,000 of loan funds available for use during the succeeding 12 months. Later in the year as material became more abundant, an additional $175,000,000 was provided, making available for use in the fiscal year 1948, a grand total of $725,000,000. Incidentally, this was the total amount requested by the REA.

In addition, there was appropriated for administration the sum of $5,225,000 for the fiscal year 1948, and $5,450,000 for the fiscal year 1949. Although the Washington REA office claimed this was not enough, we all know that most of the cooperatives are well on their way administratively, and they no longer need nor desire intensive supervision from Washington.

This year, fiscal year 1949, the House appropriated REA loan funds in the sum of $400,000,000. The Washington REA office requested of the Bureau of the Budget $325,000,000. The Bureau reduced the request to $300,000,000, which was the amount recommended in the official budget, submitted to the Congress by the President. To this, the Congress added $100,000,000. Some may ask, and it is proper for them to do so, why this huge sum was appropriated in view of the already unprecedented backlog of unused funds. I joined with many of my colleagues in the House in urging the members of the Appropriations Committee to adopt this policy. It is justified upon the theory that unless the co-op has a loan contract with the Washington office of REA definitely earmarking a particular sum to a particular project it cannot place orders for material with firms producing such material. Recognizing the importance of rural electrification to our farmers, their need for labor-saving devices for themselves and their families, and their right to some of the comforts of living too, I was one of the Members of Congress to express the hope that no one will be without electricity if and when the necessary materials are available for more rapid construction. By this appropriation the Congress has expressed its belief that the materials situation will improve from now on. Moreover, these REA appropriations are not down the drain. The funds are loaned to the locally owned and locally managed co-ops, and repayment, with interest, is made to the United States Treasury. The repayment record is good. Reviewing the record on repayments, I was pleased to find that no co-op in Missouri is shown to be in default or delinquent in payments of either principal or interest.

While we have doubtless provided it with more money than REA will be able to spend or perhaps allocate in full, to the local cooperatives, it is my feeling that unless the money is available for allocation, orders cannot even be placed for future delivery of materials now in short supply.

The action we have taken will not provide electricity for every farmer as soon as he wants it. It will not provide it for all who have long been subscribers. I wish it could. The job is too big for that. Much will depend upon where the farmers are, who are not yet served. Much will depend upon the decisions of the management of the respective co-ops, and upon their ability and diligence in finding materials and labor for the execution of their plans. Moreover, all plans must be approved by the Washington REA office, and much will depend upon the plans each local co-op submits, as to whether they will receive approval, and in this proper timing of the application for the loan as well as the skill employed in its preparation, may count for something.

The Congress can only provide the money for the loans. The rest is up to REA. Where the lines are built and when is not the business of Congress but of these locally owned and managed business enterprises, subject, of course, to planning which will meet the approval of the Administrator of REA.

MATERIALS IN SHORT SUPPLY AND WHY

The Washington office of REA as well as the managers of the local electric co-ops have repeatedly stated that materials are in short supply. This we know to be the fact. As of March 8, 1948, REA had on hand almost $400,000,000 allocated—that is, earmarked—for certain projects, but not used, and in addition it had approximately $62,000,000 which had not been loaned or allocated. It was shortage of material that contributed chiefly to this backlog of allocated but unused money. This short supply of material may continue so long as the executive branch of our Government insists upon exporting it to foreign countries.

Reports of the Department of Commerce, which licenses all exporters, indicate that wire, generators, magnetos, batteries, boxes, insulation, metal conduits, transformers, sockets, fuses, lighting fixtures, and parts of all kinds have been and are being exported to all parts of the world, and some of it to Communist Russia. There are some of us in the Congress who protest against the exportation of the things which our own constituents and our own people need here at home, and some of us will continue to protest until such time as our own people are provided for.

In the meantime, it is sufficient to point to the record of the Congress to find that the people's elected representatives, at least a substantial portion of them, are stanch supporters of REA. And the Eightieth Congress has the best record of all in this regard. In 2 years the Eightieth Congress voted $800,000,000 of loan funds for REA, 42 percent of the total amount voted in 15 years of REA's history. Mr. Speaker, I am glad to have had a part in providing this loan fund for the extension of the REA program. It is my hope that every farmer in my district, and every farmer in the Nation for that matter, may have the advantage of adequate electric power at the earliest possible moment, and I shall at all times support legislation which appears to be helpful to accomplish this.

Because it may be interesting to compare the record of the Eightieth Congress with the record of previous Congresses in providing REA loan funds, the following is a record of funds voted each year since the beginning of the program:

REA funds voted by Congress

Fiscal year:	
1935–36	$13,928,288
1937	46,500,000
1938	30,000,000
1939	140,000,000
1940	40,000,000
1941	100,000,000
1942	100,000,000
1943	10,000,000
1944	20,000,000
1945	25,000,000
1946	300,000,000
1947	250,000,000
1948	400,000,000
1949	400,000,000
Total	1,875,428,288

Anti-Inflation Bill

EXTENSION OF REMARKS
OF
HON. EARL C. MICHENER
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

Mr. MICHENER. Mr. Speaker, this special session of Congress was conceived in partisan politics. It convened in a supercharged politically partisan atmosphere. It was forced by the President to function in the dawn of a bitter campaign.

The President in his message to the Congress outlined an 8-point program for dealing with inflation which embodied in brief the following:

First. Reestablishment of a corporate excess-profits tax.

Second. Restoration of controls over consumer credit.

Third. Greater authority to the Federal Reserve Board to regulate bank credit.

Fourth. More regulative powers over speculation on the commodity exchanges.

Fifth. Allocation and inventory control of scarce essential commodities.

Sixth. Tightening of rent controls.

Seventh. Authority to reintroduce rationing of scarce essential commodities, if necessary.

Eighth. Restoration of price controls in case of key commodities affecting industrial production or the cost of living.

Mr. Speaker, in substance the bill before us gives the President the legislation asked for in points 2, 3, and 4 of his message. It does not include the imposition of a new corporate excess-profits tax, and it does not give the President a blank check to reinvoke allocations, priorities, and rationing as provided during the war and as administered by the OPA.

Hearings were held on the President's requests by the Banking and Currency Committees of the House and the Senate. These are the committees having jurisdiction over these subjects as provided in the Congressional Reorganization Act.

Everybody knows that prices are too high, and that the country in is the midst of very serious inflation. Every sensible person wants to do something about it. Like sin, high prices are with us and, like sin, conditions cannot be remedied by the simple process of Congress passing a law proclaiming that high prices are at an end, and that the President is authorized to make the pronouncement.

Inflation is a disease brought about by causes. Temporary expedients may give temporary relief, as was the case during the war. Wartime opiates, controls, and regulations had their place as emergency necessities; however, the fighting war is over and we must now think of a sound future economy for our country in peacetime. We cannot continue to borrow, to spend, and to lend without giving consideration to the pay day. There is a limit to our capacity. The time when we should begin to worry about our future stability has long since passed. Our

real problem is to get back on a peacetime economy with as little inconvenience, dislocation, and suffering as possible. We cannot have our cake and eat it too. Sacrifices on the part of all of us are ahead before we get out of the financial woods. In the process we must not only see the trees, but we must see the forest.

Loose talk is cheap; demagoguery is cheaper. High prices and inflation can only be checked by getting at the root of the evil. I voted for price regulation in war years. In the beginning it was my view that selective price controls could not long endure and production continue. I wanted to freeze all prices, profits, wages, services, and commissions at a date preceding the enactment of the first control law. With the support prices and benefits already provided by the Government to those groups operating at a disadvantage, the relationship between industry, agriculture, and all the rest was in a fair ratio. I do not like to rehash but I am still convinced that if this policy, which was advocated by Bernard Baruch and many other patriotic businessmen and economists, had been followed, we would not be suffering this scourge of inflation today. That is water gone over the dam, and we cannot win tomorrow if we spend today quarreling with yesterday.

I could talk for a long time about administration mistakes, largely responsible for bringing about present conditions. The people, however, who must pay these high prices are not so much interested in who is to blame as they are in what we can do to help conditions now.

For years the Government has been spending more than it takes in. The products of our farms and our factories have been consumed in the war. We have not created and saved. We have produced and destroyed. Government costs and expenses have steadily increased and it seems almost impossible for the Government to economize, eliminate waste, and reduce spending. Round after round of postwar wage increases and profits add to inflation. In addition to all this, the aid to Europe and the new rearmament program are certainly inflationary. The time has arrived when this whole matter must be met courageously.

Mr. Speaker, in my opinion the vast majority of our people do not want the Congress to give the President a blank check as demanded by him. One of the principal issues in the 1946 campaign was OPA, the way it had been administered, and the effect it had on the general economy of the country, production, and the daily lives of all our people. To hear the President today, one would think that he had nothing to do with the elimination of OPA and controls. The record tells us that the President, on November 9, 1946, personally ended price controls on everything but sugar, rice, and rent. In his statement directing abandonment of controls, he said:

I am convinced that the time has come when these controls can serve no useful purpose. I am indeed convinced that their further continuance would do the Nation's economy more harm than good.

He also said:

The law of supply and demand operating in the market place will from now on serve the people better than would continued regulations of prices by the Government.

That was what President Truman thought in 1946 when he took the lead in removing price controls. In his address to the special session of Congress on July 27, 1948, he said:

There are still some people who repeat the old argument which was used by those who killed price control 2 years ago. They said that if we would only take controls off, production would increase, prices would go down, and there would be more for everybody at a lower cost.

He concluded:

The record shows unmistakably that this argument was false.

The Democratic administration has made mistakes; President Truman has made mistakes; and the Congress has made mistakes. This name calling and political expedience talking should have no place in our thoughts and our deliberations in this era of high prices. What the country needs, and what it is entitled to, is more honest-to-God cooperation on the part of the President and the Congress, and less incrimination and reincrimination. This problem is too serious. The American people should not be crucified on the altar of political expediency.

In plain vernacular, the Truman politicians will say that this special session is a flop, and that the Republicans are to blame. Well informed people in Washington admit that this bill and the housing bill are sound and will be helpful. Neither bill is a complete solution to these problems. Further consideration and study will be given in January.

I agreed with David Lawrence, the columnist, when he said that instead of a special session there should have been a special commission composed of business, industry, agriculture, labor, and representatives from Congress, charged with the responsibility of making a nonpartisan report to Congress not later than January 1. That sensible suggestion received much consideration here but such a sound approach to so vexing a question would not have served any partisan, political purpose in the coming election. The President's caustic criticism because Congress adjourned until after the election was an afterthought inspired, it would seem, by his waning political fortunes.

Shortly before Congress adjourned in June, Senator BARKLEY, now the Vice Presidential candidate, and then and now Democratic leader in the Senate, urged the adjournment of Congress. Listen to what he said in the Senate:

I have done what I could to cooperate with the majority in bringing about an adjournment, because I think if we sit here until after the convention, or if we sit here between the conventions, or after the two conventions, the entire time of the Congress will be taken up with the political bickering and political legislation and political oratory, and I do not want that to be brought about. I want to finish what we can finish and adjourn the Congress, and I have tried my best to cooperate with the leaders on the other side to bring about an adjournment.

Mr. Speaker, I agree thoroughly with what Senator BARKLEY, with his long legislative experience, believed when he made that statement. That was the general feeling in the Congress regardless of one's political affiliation. Well, the proof of the pudding it in the eating, and Senator BARKLEY's prediction came true in the 2 weeks' preelection session called by the President.

The legislation which we will pass at this session will be wholesome, but it will not be conclusive. Take meat, for instance. Any Presidential or congressional fiat will not produce cattle, hogs, poultry, and sheep. That all takes time and planning. There cannot be meat on the market or in the butcher shops unless it comes from the farms and the ranges, and there cannot be meat on the farms and on the ranges unless there is corn, wheat, and food for the meat animals. The shortage of feed and the price of feed find expression in the price the housewife pays at the butcher shop.

The farmer is not going to produce this meat at a loss. There are 10 percent less cattle in the country today than there were in 1947. The sheep population is at the lowest figure since the Civil War. There are many less hogs than there were a year ago or 2 years ago, and, excluding the springer chickens, the poultry supply is greatly reduced. On the other hand, our population has increased. Our people are eating more meat per capita than at any time in our history. We are helping supply other countries with food. Now, if we are realists, we cannot figure on much cheaper meat until there is more of it, and the same goes for the other food items which are in short supply. The bumper crops of the current year in this country and in Europe will eventually reduce the cost of food, but not immediately. It may be months.

The management of money and credits is so technical that we must necessarily rely upon the experts in that field. Chairman Eccles, of the Federal Reserve Board, has been insisting upon a tightening up of credits for some time. According to the hearings, the President did not agree and, as a result, credit has gone wild. Even though the President and the Federal Reserve Board have had adequate power of control in the past, yet this bill gives additional power and emphasizes the use of this power by the Board.

In 1933 currency in circulation amounted to $5,500,000,000; in 1939, $7,600,000,000. That is before we entered the war. Today it is approximately $27,000,000,000. There is a lot of money floating around the country, and people are trying to spend it. Too often they pay little attention to what they buy or the amount they pay. We have an unheard-of volume of currency, and the velocity with which it is spent seems unthinkable. Everybody apparently has money and is bidding against everybody else for goods and commodities in short supply. This condition must eventually

be remedied. Some people are going to get hurt to some degree in the process.

By the cooperation to which I have referred, the operation can be almost painless. Otherwise there is bound to be suffering. It is idle to assume that the country can continue to spend and borrow, work less, produce less, and still have more. To believe that there is nothing that can be done about inflation is the thought of a defeatist. On the other hand, to believe that the country can get out of this mess without sacrifices, without economy, and without reversing some of our present practices is just foolhardy. We must all put our shoulders to the wheel and our minds to the job, and together go forward to the end that we get back on a sound basis of economy.

It is to be hoped that when the Congress returns in January its several committees and the administration will enter upon the task, freed from political incentive and election rancor.

My Record in the Eightieth Congress and Why I Voted Against the Marshall Plan and the Draft

EXTENSION OF REMARKS

OF

HON. WILLIAM C. COLE

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. COLE of Missouri. Mr. Speaker, for almost 6 years it has been my high privilege and distinguished honor to represent the Third Congressional District of Missouri in this the greatest legislative body in the world. Fully realizing my responsibilities in this high office I have always done my best to ably, fairly, and impartially represent the 300,000 citizens of my congressional district and render to them prompt and efficient service. Every 2 years it is my duty to submit an account of my service as their representative. Therefore, I take this opportunity to outline briefly my voting record in the Eightieth Congress.

I am proud of the accomplishments of this Congress, and with few exceptions the legislation enacted had my support. I shall first enumerate the major accomplishments and then discuss the controversial legislation that I opposed.

FREED COMPETITIVE ENTERPRISE

We freed competitive enterprise by abolishing 76,000 rules, regulations, directives, and orders, thereby releasing the energy and the capacity of our citizens to achieve an all-time high in production and employment.

BALANCED THE FEDERAL BUDGET

For the first time in 16 years our Nation has operated within its income and on June 30, 1948, our Treasury had a surplus of almost $8,500,000,000. This was accomplished by cutting the administration's padded budgets by more than $6,000,000,000, but in so doing the efficient operation of our Government and the welfare of our citizens was not in any way curtailed or lessened.

CUT NATIONAL DEBT

Through the economy of the Eightieth Congress $7,000,000,000 was paid on the national debt.

AGRICULTURE

A long-range agricultural program was adopted for the welfare of both consumers and producers providing price support of basic farm commodities at 90 percent of parity through June 30, 1950, and of nonbasic farm commodities at from 60 to 90 percent of parity through December 31, 1949, except that milk and its products, hogs, chickens, and eggs are supported at 90 percent of parity for that period. Beginning January 1, 1950, the long-range price-support program will go into effect. This includes a general revision of the parity formula to take into consideration the varying costs of agricultural production, changes in the pattern of consumption, and other factors. Parity is a formula approved by Congress to equalize prices for what the farmer sells and prices of things he buys.

RURAL ELECTRIFICATION, SOIL CONSERVATION, AND FLOOD CONTROL

Mr. Speaker, I have always been a stanch supporter of rural electrification, soil conservation, and flood control. Therefore, it is with much personal satisfaction that I report that this Congress authorized $800,000,000 in loans for rural electrification, which is twice as much as has ever been appropriated by any previous Congress. During fiscal year 1948, REA electricity was extended to 400,000 farm homes and an even larger number of farm homes are scheduled to receive electricity during the 1949 fiscal year.

Five hundred million dollars was provided for soil-conservation activities and $262,500,000 was authorized for soil-conservation payments for 1949. Record-breaking appropriations for river and harbor improvements and flood control aggregating $997,563,000 were authorized, and I am pleased to report that I was successful in obtaining the allocation of adequate funds for this purpose in the Third Congressional District of Missouri.

RECORD ROAD-BUILDING PROGRAM

The Eightieth Congress launched the greatest rural road-building program ever undertaken cooperatively by the Federal and State Governments by appropriating $202,000,000—almost twice as much money for Federal participation in secondary road construction as was spent by the Federal Government for that purpose in the 10 years prior to 1948.

CROP INSURANCE

We enacted an entirely new crop insurance act, providing a sound and businesslike program of insurance for a great many agricultural commodities; strengthened the farmers' marketing act; chartered the Commodity Credit Corporation; stabilized the sugar market in the interests of consumers and producers and provided liberally for campaigns against the livestock hoof-and-mouth disease, cattle grub, weeds, insects, and other pests.

WAR VETERANS

The Eightieth Congress provided the most far-reaching and effective system of rehabilitation benefits and aids for war veterans ever placed on the statute books of any nation in the world. The program for the construction of veterans' hospitals has been accelerated, educational opportunities have been expanded, veterans' preference in the civil service has been reinforced, pensions and benefits for the disabled and survivors of those who made the supreme sacrifice have been increased, subsistence allowances for those pursuing full-time educational training have been increased. Ceilings on allowances for on-the-job training have been raised. Terminal-leave bonds were paid off in cash. Aids for veterans housing have been provided. In all more than $15,000,000,000 has been appropriated by this Congress for the welfare of our 18,000,000 war veterans and 188 bills passed to meet their needs.

CARE FOR NEEDY, AGED, AND ILL

We passed over the President's veto a bill increasing payments by $5 per month for the needy, aged, and the blind, and increasing payments by $3 per month for each dependent child, thereby adding $184,000,000 annually to social-security payments received by 3,500,000 needy dependent children, the aged, and the blind.

REDUCED TAXES

Three times President Truman vetoed tax-reduction bills passed by the Eightieth Congress, but the third time we passed it over his veto. Seventy-one percent of the tax relief provided by this bill went to those with incomes under $5,000 and 7,400,000 wage earners in the low-income brackets were removed from the tax roll. Married couples are permitted to divide their income for tax purposes and an additional $600 exemption is allowed for persons over 65 and for the blind.

IMPROVED LABOR-MANAGEMENT RELATIONS

It was also necessary to pass the Taft-Hartley Labor-Management Act over the President's veto. Only 83 of the 435 Members of the House voted against the final passage of this law which provides fair and just procedure for peaceful settlement of labor-management disputes; protects the rights of workers to unionize and control their unions, to bargain collectively, and to strike; restores constitutional rights of employers, and safeguards all the people against widespread work and production stoppage that imperils the national welfare.

This law has reduced strikes and work stoppages by almost 50 percent and reduced the number of man-days of idleness caused by work stoppages by 61 percent. I supported this legislation and voted to override the President's veto of it. This is the law that the Democrats seeking office pledge themselves to repeal.

HOME BUILDING

The Eightieth Congress freed the building industry of stifling rules, regulations, and directives, stimulated construction through Government guaranties of building loans; had Government assume large part of responsibility for veterans' loans, and gave war veterans priority in home building and rental of new homes. In 1946 under New Deal

regimentation and confusion only 437,800 dwelling units were completed; in 1947 under free enterprise 835,100 units were completed, and in 1948 a million dwelling units will be built in the biggest building boom of all time.

NATIONAL DEFENSE

We provided adequately for national defense by unifying the armed services and making cash appropriations and contract authorizations totaling $24,128,110,346 with special emphasis on air power; by providing for development of better weapons including guided missiles and atomic bombs; by authorizing $175,000,000 for merchant-marine expansion, and by revising Army justice in an effort to assure completely fair treatment under Army law for officers and enlisted men.

OTHER LEGISLATION

We passed hundreds of other measures that are benefiting every segment of our population and creating wholesome conditions for prosperity and happiness; measures buttressing industry, agriculture, and mining; supplying long-needed banking legislation; strengthening the Federal Reserve banks' operation; reorganizing the Reconstruction Finance Corporation, and in other ways making for sound national progress.

Mr. Speaker, I supported all the legislation referred to above. Now, let me discuss the controversial legislation I opposed and explain the reason for my opposition.

GREEK-TURKISH AID AND THE MARSHALL PLAN

I was one of the 74 Members of the House who opposed Greek-Turkish aid and the Marshall plan. If I had thought that this legislation would in any way prevent another war, I most assuredly would have voted for it. However, past experience has convinced me that the $17,000,000,000 the Marshall plan will cost could be better spent in building up an armed force second to none, as this is the only action Russia understands. Furthermore, the impact of this program upon our American economy will be so great that our American standards of living will be materially lowered. We can expect to be unable to purchase many of the necessities of life; our farmers will find it almost impossible to procure farm equipment needed to produce the vast amount of crops demanded of them, and will be required to continue their struggles with worn-out farm machinery for which repair parts are not obtainable. By adopting this plan, we run the risk of wrecking our own economy.

The recent war imposed a terrific drain upon our raw material and other resources. Agricultural lands are being overworked, production equipment has deteriorated and needs replacement, and there is still a great backlog of demand among American people for all sorts of manufactured products. Our excess of exports of goods and services has already caused a dangerous price rise and cannot be maintained at the present unprecedented rate. In view of these facts, a deliberate increase of inflationary pressure is unjustifiable. Our country does not possess an inexhaustible supply of resources. It has been estimated that our petroleum supply will last no more than 15 years at the present rate of consumption. Our country cannot hope to fill the world demands for food. Most of the commodities that we are now exporting are in short supply in the United States, and this is causing us considerable hardship that the results thus far obtained do not justify. We should not export steel, fertilizer, trucks, automobiles, tractors, mechanized farm machinery, electrical machinery, and equipment and petroleum until our own demands have been satisfied and we have a surplus sufficient to create a buyer's market here at home. Our efforts should be spent in strengthening our own economy. At the present time the economy of all the rest of the world is geared to ours. As the most important industrial nation in the world it is our responsibility to maintain our own economy on a sound basis. If we fail to do this the economy of most of these other nations may be seriously disrupted or adversely affected. Failure of our domestic economy would undo anything we might accomplish by the Marshall plan. By creating inflation, by reducing our natural resources, by siphoning off our industrial production, by bleeding ourselves white we will become an easy prey for any aggressor nation. We must keep our Nation strong and solvent, because bankruptcy and impoverishment mean discontent which breeds communism.

The Marshall plan is not preventing the spread of communism, but has succeeded only in alarming the U. S. S. R. and causing them to redouble their efforts to gain Communist supporters in Europe. It has made possible the subsidization of socialism. Most of the countries now receiving this aid are abandoning the free-enterprise system and socializing great portions of their economies. For instance, in Britain, prices for the necessities of life are being held to about half what we Americans are required to pay through the payment of Government subsidies totaling one and one-half billion dollars—two-thirds of which is derived from the Marshall plan and comes from the pockets of American taxpayers.

The aid already extended by this plan is one of the major causes of inflation here at home. The only way to cure inflation is to bring supply and demand in balance. There would have been such a balance by now but for the inflationary action resulting from our foreign aid since the war's end. Another reason for my opposition to the Marshall plan is that it deliberately bypassed the United Nations, thus inevitably weakening an organization which is spending its energies seeking a peaceable solution to world problems. Another objection is the form of administration which has been set up. The Economic Cooperation Administration—Marshall plan—is to operate outside the regular civil-service system. This is not a healthy precedent and leads to abuses. There have already been charges of favoritism in filling positions in ECA—a practice which cannot be corrected in view of the lack of control over its administrative actions. Furthermore, I cannot justify sending mechanized farm equipment abroad to till farms of such small acreage that horse- or mule-drawn equipment is more than adequate and is all the natives know how to use. Furnishing this mechanized equipment makes necessary the supplying of fuel and lubricants with which to operate it.

Another feature of this program that I cannot justify is the so-called incentive provisions. How can gifts of 272,000 tons of tobacco, millions of dollars' worth of intoxicating liquors, radios, and recreational equipment each year be justified? Remember this is costing our American taxpayers $6,250,000,000 this year and is keeping prices high. These are just some of the principal reasons why I voted against the Marshall plan. Now that it has been adopted I sincerely hope that my judgment in voting against it was wrong, but as to this only time will tell. It was a conscientious vote based upon thorough study of the proposition, and for what I sincerely believe to be for the best interest of our great Nation.

SELECTIVE SERVICE

Mr. Speaker, I voted against the reinstatement of the draft because I am opposed to compulsory military service in peacetime. History has proven that compulsory military service in peacetime has invariably resulted in war and destruction for the nations who adopted it. France, Italy, Germany, and Japan are examples of this. Compulsion in any form is strictly contrary to our American principles. Our forefathers came to this land of the free to get away from such things in their native country. Furthermore, this drastic action is unnecessary to provide for our national defense. Our military leaders, in an effort to retain their power and prestige, have discouraged voluntary enlistments. Their drive for this program has been long and relentless, starting before VJ-day with their demand for compulsory military training. When we made service in the armed forces more attractive by increasing pay, liberalizing retirement provisions, and reducing the term of enlistment, they raised the physical and mental standards required to qualify and even though 2-year enlistments were authorized by law they refused to accept recruits for this period. The Navy and Marine Corps experienced no difficulty in filling their quota through voluntary means, and it is a well-known fact that the standard requirements for enlistment in either of these branches of the service are much higher than those required by the Army, and yet I know of instances where young men have applied for Army enlistment and upon being rejected applied and were accepted by the Navy or Marine Corps.

I do not believe a single Member of the House would have voted against this proposal had war been imminent and our Nation's security imperiled, but this was not the reason given for the need for this law. The sponsors of this legislation frankly stated that there was no immediate danger of war or any indication of a threat of war in the foreseeable future. They stated that there was no crisis and that this law was needed solely to build our Army to its authorized strength.

This is borne out by the fact that all inductions are to be delayed until after the coming election.

Voluntary recruitment has been deliberately stifled and discouraged by the military authorities in order to make it appear that a peacetime draft is required. The National Guard organizations have been refused adequate equipment and their expansion prevented. Even so, many of these organizations have their full quota and a waiting list of recruits wanting to enlist. Reserve organizations are also being slighted and discouraged by those in high command. I am firmly convinced that the men required to build our Army up to its authorized strength can be obtained through voluntary recruitment.

This, briefly, is my record in the Eightieth Congress and I am proud to submit it to the people of my district for their consideration.

Major Accomplishments of the Eightieth Congress

EXTENSION OF REMARKS
OF

HON. WAT ARNOLD

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. ARNOLD. Mr. Speaker, this Eightieth Congress has been called a do-nothing Congress and by the President "the worst Congress." In any effort to disparage an opponent, it is human nature to point out his mistakes and the things he has not done, rather than any good he may have done. As a Member of this, the first Republican Congress in 14 years, I feel it my duty to set forth some of the things the Eightieth Congress has accomplished in spite of opposition and lack of cooperation from the executive branch of the Government.

Major accomplishments of the Eightieth Congress include:

First. Competitive enterprise has been freed, and the people liberated from 76,000 rules, regulations, directives, and orders, resulting in an all-time high in employment, production, profits, and wages, and a record $200,000,000,000 annual national income.

Second. The Federal Treasury for the first time in 16 years is out of the red. Fiscal 1948 ended with the biggest Treasury surplus in all history—$8,419,469,843, seven times the previous high established 21 years ago.

Third. Cut the national debt by $7,000,000,000, to fight inflation.

Fourth. Reduced the President's budget by $6,000,000,000, to fight inflation.

Fifth. Cut taxes, despite 3 Presidential vetoes, with 71 percent of relief going to those with incomes under $5,000, and removing 7,400,000 small wage earners from the tax rolls completely, giving extra exemptions also to the married, aged, and blind.

Sixth. Passed over Presidential veto the Taft-Hartley Labor-Management Act providing fair and just procedures for peaceful settlement of labor-management disputes; protecting the rights of workers to unionize and control their unions, to bargain collectively and to strike; restoring constitutional rights of employers, and safeguarding all the people against widespread work and production stoppages that imperil the national welfare.

Seventh. Exposed Communists, Fascists, and other subversives in the Federal Government, in labor unions and in the film industry, and reversed the appeasement policy toward Russia.

Eighth. Aided European recovery and supported a bipartisan foreign policy.

Ninth. Joined International Refugee Organization and gave it $71,073,900 to carry on.

Tenth. Passed 188 bills meeting needs of war veterans, increasing pensions, allowances for student GI's, proportional pay for veterans in on-the-job training, and cashing of GI terminal leave bonds; higher pensions for Spanish-American War veterans, and aids for veterans' housing.

Eleventh. Generated a building boom. Under New Deal controls and subsidies, in 1946, 437,800 houses were built. In 1947, under Republican free enterprise and sound Government aid, 835,100 were completed, and in 1948 over 1,000,000 will be finished.

Twelfth. Congress helped farmers. Adopted long-range agriculture program pledging price support for maximum production of food; provided twice as much money for rural electrification as any previous Congress; appropriated more than $500,000,000 for soil conservation; launched greatest rural road-building program in history; fostered stability of agriculture through a new, workable crop-insurance act; chartered Commodity Credit Corporation, and greatly expanded Government aid in campaigns against livestock foot-and-mouth disease, and crop deterrents, such as weeds, insects, and other pests.

Forwarded reclamation, river and harbor improvements, flood control; made record-breaking appropriations for river and harbor improvements—$285,500,000—and flood control—$712,063,000—all being essential to expansion and protection of our national economy.

EXPANDED SOCIAL SECURITY

Thirteenth. Expanded social security. Passed over Presidential veto a bill increasing payments by $5 a month for the needy aged and the blind, and increasing payments by $3 per month for each dependent child, thereby adding $184,000,000 annually to social-security payments received by 3,500,000 needy dependent children, the aged, and the blind; and exempting from social-security insurance payments newspaper and magazine vendors and other independent contractors over whom no employer exercises direct control, thereby preventing an impairment of the old-age and survivors' insurance trust fund built up by those who had paid taxes over the years.

Established a National Heart Institute within the United States Public Health Service to fight diseases of the heart and circulation, provided $500,000 for the research institute to combat these diseases; provided $28,400,000 for cancer research.

Fourteenth. Provided a cost-of-living pay increase for postal and other Federal employees.

Fifteenth. Congress submitted to the States a constitutional amendment limiting Presidents to two terms.

Sixteenth. Authorized voluntary trade agreements. Empowered the President, upon advice of the Attorney General, to approve voluntary agreements among business firms to ration and channel commodities in short supply to the most essential purposes domestically and to meet foreign commitments.

Extended export controls: Temporarily extended and strengthened the President's authority to control exports in line with United States policy to favor cooperating nations and withhold sinews of war from noncooperating countries.

Seventeenth. Aided small businesses. Created special committees of the Senate and House of Representatives which are seeing that small businesses, the backbone of American industry, get a fair break, especially in the awarding of Government contracts for national defense and aid to foreign nations.

Eighteenth. Extended Reciprocal Trade Act with reasonable safeguards, for 1 year, with amendments requiring the President to report to Congress and the people when, in secretly making a trade agreement with a foreign country, he exceeds recommendations made by the United States Tariff Commission pursuant to standards prescribed by Congress for protection of American industries and agriculture.

Nineteenth. Railroad retirement: Retirement and disability annuities under the Railroad Retirement Act were increased 20 percent—Public Law 744—without any corresponding increase in taxes under the act. The same law reduced the employer contributions under the Railroad Unemployment Insurance Act from a flat 3 percent of pay roll to an immediate one-half of 1 percent of pay roll under a sliding-scale formula. The rate will remain at one-half of 1 percent until the reserve fund, now about $900,000,000, falls below $450,000,000 and then will increase gradually, returning to the full 3 percent only when and if the fund falls below $250,000,000.

Twentieth. Railroads, financing: Permission was granted for railroads not in bankruptcy or receivership, under specified conditions and with the approval of the Interstate Commerce Commission, to alter or modify their bonds, debentures, or other forms of indebtedness—Public Law 478. In the past, railroads in need of financial reorganization have had to resort to receivership or bankruptcy, often at a great cost. The new arrangement is expected to cost considerably less. Reorganization under the new law requires approval of the holders of at least 75 percent of the railroads' obligations, or a greater percentage, to be determined by the Interstate Commerce Commission, if 75 percent of the obligations are held by fewer than 25 persons. It must have been determined at public hearings that such reorganization is in

the best interest of the public, the railroad, its stockholders and holders of the obligations, and is not adverse to the interests of any creditor of the carrier not affected by such modification.

The Republican Congress passed hundreds of other measures that are benefiting individuals and the Nation as a whole. There is much, very much, that remains to be done, and to accomplish this it is essential that there is cooperation between the President and the Congress.

The results of the coming election will determine whether the constructive effort on the part of the Eighteth Congress in its fight for sound and good government is to go forward.

Trend Toward a Federal Sales Tax Can Be Checked Only by Election of a Democratic Congress

EXTENSION OF REMARKS
OF
HON. JOHN D. DINGELL
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

Mr. DINGELL. Mr. Speaker, the expressed desire of the chairman of the Committee on Ways and Means to retain "a broad excise-tax base" is strictly in accord with the Republican sentiment in Congress for a Federal sales tax. This dangerous trend is unmistakable and can only be checked by the people in November.

To get reelected in 1946, the Republicans promised to cut excise taxes back to 1942 levels. This would have fulfilled the promise made by Congress at my insistence, at the time the war excise taxes were imposed, that they should terminate 6 months after the end of the war.

Typical of all Republican campaign pledges to do something for all the people, the first act of the gentleman from Minnesota [Mr. KNUTSON], chairman of the Committee on Ways and Means in the Eightieth Congress, was to report out a bill to continue the temporary wartime excise tax rates "indefinitely"—legislative parlance for "permanently."

Later, in open hearings of the Ways and Means Committee on May 28, 1947, the gentleman from Minnesota announced, in direct contradiction of his election promise to reduce excise taxes, that—

> It is the hope of the committee to be able to shift much of the burden that is now being carried by the income-tax group, which includes almost everyone, over to the excises, at least in part.

Ways and Means hearings contain dozens of references by Republican Members in favor of a Federal sales tax. And one committee member, the gentleman from California [Mr. GEARHART] has already introduced a bill calling for a 10-percent general sales tax at the manufacturer's level.

The most recent statement by the gentleman from Minnesota is strictly in accord with the report last winter of the so-called Magill Federal Tax Study Committee of New York bankers and Wall Street lawyers appointed by him. This report urged reductions in income taxes primarily for the wealthy, and the substitution therefor of excise or sales taxes which fall most heavily upon the poor, and this is precisely the record of the Eightieth Congress.

After the third successive veto by President Truman, the Knutson rich-relief income- and estate-tax reduction bill finally became law. But the Republicans knew there was no chance of passing a sales tax over the President's veto.

Now the Republicans and the gentleman from Minnesota, the Ways and Means chairman, again need votes, so they hope once again to deceive the people by implying that they favor reduction or repeal of some excise taxes—but they are not specific and do not say which ones.

Meanwhile, the gentleman from Minnesota also promises still another income tax reduction for the wealthy, which would leave just that much more of the Federal war debt to be paid off by excise and sales taxes.

For years I have been among those Democrats on the Committee on Ways and Means who have fought resolutely against a Federal sales tax. In the last session of Congress, I introduced a bill to repeal the war excise tax rates on transportation, telephone and telegraph bills, handbags, baby oil and baby powder, cosmetics, and the poor man's entertainment—the movies. I shall continue to oppose Federal sales and excise taxes and to urge a sharply progressive income tax with adequate personal exemptions as the best standard of ability to pay.

Sales and excise taxes are bad for the following reasons:

First. Such taxes must be paid even by people on old-age assistance or on charity, who do not earn enough to support themselves.

Second. People with large families and small incomes who must spend all they earn to live must pay more taxes than other people with smaller families and larger incomes who are able to save a large part of their incomes.

Third. Such taxes are "hidden"—people do not realize how much they pay during a year.

Fourth. Such taxes discriminate against businesses whose products are taxed by inducing the public to buy nontaxable competing products.

Fifth. Such taxes affect the freedom of consumer choice—a person may send an air-mail letter rather than a telegram, because of the Federal tax on telegrams, even though sending a telegram would otherwise be more desirable.

Sixth. Such taxes enter into the cost of doing business of firms using taxable articles, and the amount of the tax included in the manufacturer's selling price is marked up by all middlemen from the wholesaler to the retailer. This pyramiding means that the consumer pays much more than the actual amount of the tax collected from the manufacturer.

Seventh. In times of depression, such taxes make it all the more difficult for people to buy what they need to live.

Eighth. We cannot have a sound tax system unless we know who pays the taxes. It is not always possible to tell who actually bears the burden of sales or excise taxes, for increasing the price of an article by the amount of the tax in some cases may cut into the volume of sales so greatly as to reduce the net income of the business.

Ninth. Such taxes make hard times harder, since the limited purchasing power of the people is further reduced by the sales or excise taxes they pay.

Tenth. Such taxes interfere with States that rely on sales taxes for revenue. This problem, which was considered last year at the conference of State governors with Members of Congress at Chicago, that I was privileged to attend, was more recently recognized in the 1948 Republican platform, which suggested that—

> The Federal Government shall, as soon as practicable, withdraw or reduce those taxes which can best be administered by local governments, with particular consideration of excise taxes.

But I suppose the gentleman from Minnesota should not be expected to be familiar with, or to support, the Republican platform.

Your Pocketbook

EXTENSION OF REMARKS
OF
HON. CLARE E. HOFFMAN
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

Mr. HOFFMAN. Mr. Speaker, the ability to buy food, fuel, clothing, all the things we consider necessities in the degree to which we have become accustomed, is beyond our reach. It is no wonder that people are complaining, but high prices were certain to come because of the administration's extravagance and its foreign policy, and they will stay with us just as long as those policies continue.

As I have time and again pointed out, there is a limit to what we have, what we can produce, what we can give away. The same pound of meat, of butter, the same yard of cloth, foot of building material, or pound of metal, cannot be used at the same time by two individuals.

Price fixing and rationing is not the remedy so long as we continue to give to foreign governments billions upon billions of dollars with which to bid against us in our own markets.

We may limit the price which the farmer may charge for a hog or a steer, which United States Steel may charge American buyers for a ton of steel or iron, a pound of nails, but, just so long as we furnish other nations the dollars to go into the open market, and, without limit, bid as they do against us, against you and me, the farmer and the industrialist—everyone—is going to sell to the

highest bidder—that is human nature—and we who buy will pay the resulting high price.

I have consistently and vigorously fought against waste and extravagance—another inflationary practice—and the excessive giving to other governments, which are playing world politics—some of them using what we give to prepare for a third world war—and I shall continue to fight for those policies.

The United States—big, rich, and powerful as it is—cannot forever continue to give away more than it produces, remain safe, prosperous, its people happy and contented.

I believe in charity, in being generous, but, over and above all, we must take care of our own people, our national welfare, first. Always, the welfare of our Nation has been my first thought, guiding my every action. That will be my future policy.

Our World of 1948 and After

EXTENSION OF REMARKS
OF
HON. GEORGE H. BENDER
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

Mr. BENDER. Mr. Speaker, there is not a man or woman in the world today who is not deeply concerned over the future. We are concerned over our personal lives. We are no less troubled over the outlook for the whole human family. For the first time in centuries, the elements of conflict, the fear of an uncertain future, have come to dominate the thinking of every spokesman of an entire generation.

We live in an era of crisis, moving from day to day in dread of atomic destruction, of renewed warfare, of almost soul-destroying tension. What can we do in this moment? We must recognize that the struggle before us is moral. Intelligent people in every sector of the world recognize this fact. We have launched a program of assistance for the needy children of Europe and Asia. But side by side with the ships carrying food and fuel, there travel cargoes of ammunition.

This kind of dual provisioning will not achieve the goals of peace and justice in the world of tomorrow. The terrors of time will not be diminished by this uneasy balance of bread and bullets.

Today we have fallen short of the moral greatness which these times demand. We are faltering in the steadfastness of purpose which marked the American spirit in the days of our founding. Complex problems have blurred our vision.

The men, women, and children of tomorrow will not live by bread alone. They too must have the inspiration and the courage of a clearly perceived goal if they are to go on living and building and creating. America must give them this inspiration and this courage.

By our own example of achievement in this God-given land, we can rekindle the fading lights of Europe and Asia. Let us take the steps we see before us to create a still fuller life for our own people, to assure their economic well-being, to protect their health, to preserve their liberties, to safeguard their privileges, and to perpetuate these cherished traditions for their posterity.

Such an example of a great nation, in which none regards himself as exploited, in which all are equal before the law, is the antidote to the Marxist doctrine of hate and struggle. If we live by the Sermon on the Mount neither we nor our children shall fear for the future

Patriotism in Peacetime

EXTENSION OF REMARKS
OF
HON. GEORGE MacKINNON
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

Mr. MACKINNON. Mr. Speaker, under leave to extend my remarks, I include a speech I delivered to the Independence Day celebration sponsored by the North Side American Legion Post at North Commons Park, Minneapolis, Minn., on July 4 and 5:

Mr. Chairman and fellow Americans, it is a high honor to be invited to address you in commemoration of the foundation of our Republic. Because this is our great patriotic festival, it has become the custom throughout the length and breadth of our land to commemorate the occasion with speeches fitting to the occasion.

In our Nation this has been the custom for 172 years, for it was 172 years ago that our Nation came into existence. As the history of nations go, that is a long time. In these times there is a little too much tendency to take the continued existence of our Nation and our institutions for granted.

However, we have only to look around us to find that nations come and nations go. Those that have been in existence 172 years without major change are something of a rarity.

We would do well to examine at this time the principal factors that have made our Nation great.

As you all know, our Government is a republic. However, it may not be generally known that a republic is the hardest type of government to keep functioning properly. The founders of the Constitution knew this. History records that, after the Constitutional Convention adjourned in Philadelphia, one of the citizens stopped Benjamin Franklin and inquired, "What kind of a government have you given us, Ben?"

Franklin's reply was instantaneous and illustrated the deep knowledge of government possessed by our founding fathers. He said, "A republic, if you can keep it."

So far, we have kept it. Because I, for one, want to be sure that we continue to keep it, I believe it appropriate today to analyze briefly (1) why we have kept it, and (2) what is necessary for us to do to continue to keep it.

Foremost, as to the reasons we have been able to preserve our Republic, I would place the high patriotism of our citizenry. What is patriotism? As you and I understand and feel it, patriotism is love of country. Patriotism is personified in this audience by the war heroes, parents, and relatives of deceased veterans who today sleep on the far-flung battlefields throughout the world—from the shores of Normandy to the sands of Iwo Jima—beneath the oceans' waves, and in our hallowed national cemeteries here at home. Patriotism is also personified by the activity of the North Side American Legion Post in making this celebration possible, and by similar activities by other veterans' organizations.

However, patriotism is more than love of country. It is loyalty, shrinking from no sacrifice, seeking no reward, save the honor and triumph of one's country.

What of the future? What must we do to preserve our Republic?

We must realize our way of life is under attack by clever subversionists. Their attack is becoming more shrewd. It requires intelligent analysis by our people to combat their activities.

There is nothing constant about their program. They advocate everything at some time or other if it will tend to disrupt. They know the end they seek and they care naught about the means. This cold war is a war that is not a war. We live in peace that is not peace. We are, in fact, living in a strange period of history when forces of aggression are operating throughout the world in a manner never before encountered.

The lessons of history cannot for that reason be totally relied upon.

If there is any lesson that we should have learned by now it is that the security of any nation, however strong it may be today, is inextricably tied up with keeping abreast of the times in world affairs and in scientific progress.

The destinies of numerous peoples are in the balance. Their movement toward liberty is dependent upon our making liberty succeed here.

Our own fate, too, is dependent upon the success of liberty elsewhere.

For the future, the safety of our Republic lies in the vigilant, active, and intelligent patriotism of the American people. Our future is in your hands.

Republican Budget-Paring Claims Heavily Padded

EXTENSION OF REMARKS
OF
HON. JOHN D. DINGELL
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

Mr. DINGELL. Mr. Speaker, Republican tax and appropriations leaders have heavily padded their claims of large-scale paring of President Truman's 1949 budget by the Eightieth Congress, inserted in the CONGRESSIONAL RECORD of July 7, 1948, and July 20, 1948.

Ways and Means Chairman KNUTSON and Appropriations Chairman TABER have engaged in an exhibition of statistical sleight-of-hand that would do credit to a professional magician.

The gentleman from Minnesota [Mr. KNUTSON] points with pride to the attainment in fiscal year ending June 30, 1948, in a Democratic administration, of a budgetary surplus of $8,400,000,000. In a statement issued on June 2, 1948, he referred to the reduction in the public debt during the past 2 years, but he failed to mention that his rich-relief income and estate tax reduction bill threatens us with a deficit in fiscal year 1949—in a period of peak prosperity.

To cover up this deficit, the Republican majority in Congress inserted in the Foreign Assistance Act a provision to make-believe that $3,000,000,000 of 1949 Marshall-plan aid were spent in 1948. This was accomplished by juggling the books to charge $3,000,000,000 of 1949 expenditures against the surplus for 1948.

As the Washington Post editorialized on July 5, 1948:

Such juggling with budget figures will not deceive the initiated or increase by a single dollar the actual amount of the surpluses available for debt retirement during the two fiscal years 1948 and 1949.

Strictly of the same pattern are the assertions by the gentleman from New York [Mr. TABER], at page A4364 of the Appendix of the CONGRESSIONAL RECORD, that the President's budget requests for fiscal year 1949 were reduced by more than $2,700,000,000. As indicated in the accompanying table, the net reduction actually made by the second session of the Eightieth Congress through June 20, 1948, in all specific requests submitted by the President, was $1,008,031,936. This amount must be still further reduced by the $687,000,000 increase in tax refunds in fiscal year 1949 resulting from the passage of the premature tax-reduction bill over the President's veto.

The table shows that at least $1,300,000,000 of the claimed reduction in appropriations have been offset by increases made by Congress in contract authorizations and loan authorizations above the amount requested by the President. Again, it is a case of robbing Peter to pay Paul. But the gentleman from New York wants to avoid the charge of robbery to provide the budgetary reductions for which he claims credit. However, he cannot deny that the increases in these other types of authorizations commit the Government to expenditures just as surely as do appropriations. Indeed, Congress has frequently used such authorizations as a substitute for appropriations.

The remainder of the discrepancy in figures of the gentleman from New York is attributable to deficiency appropriations that Congress will have to make in order to restore reductions in veterans' readjustment benefits, pensions, and services, and in Post Office operating expenses. These items total in excess of $300,000,000. Surely, even a Republican Congress would not impair the care of veterans, or the postal service.

To President Truman and Budget Director Webb must go the credit for trimming the original requests of the executive department and agencies by nearly $7,000,000,000. Such further reductions as were made by Congress endanger Federal programs for public power, reclamation, conservation, and flood control.

It is indeed a sad commentary on the Eightieth Congress that the ranking Republican Members of the House in charge of Government revenues and appropriations should have found it necessary to present such a distorted picture of their record. Just what subterfuges they would use next year, if they should be continued in power, is not now clear. Fortunately, the American people in November can rectify their mistake of 1946 in electing a Republican Congress.

Summary of action on appropriations and other authorizations by the Eightieth Congress, second session (through June 20, 1948)

Type of authorization	Budget request	Amount enacted	Increase (+) decrease (−)
Annual definite appropriations	$35,391,527,654	[1] $32,683,763,931	−$2,707,763,799
Contract authorizations	2,947,165,750	[2] 3,893,582,949	+946,417,199
Loan authorizations	1,475,000,000	1,725,000,000	+250,000,000
Rescissions of appropriations	−295,597,927	−101,133,339	+194,464,588
Rescissions of contract authorizations	−205,071,294	−205,321,294	−250,000
Reappropriations	1,264,000	[3] 9,364,000	+8,100,000
Gross change by Congress in all authorizations			−1,309,031,936
Add: Appropriations which will be needed to restore reductions:			
Veterans' readjustment benefits, pensions, and services			200,000,000
Post Office operating expenses			101,000,000
Net change by Congress in all authorizations			−1,008,031,936

[1] Contrasts with the over-all decrease of $2,741,481,292 shown in tabulations in CONGRESSIONAL RECORD Appendix, on pp. A4364, A4388, A4601, and A4604. The difference of $33,717,569 is due to the omission from the Appendix tabulation of a $35,000,000 decrease from Budget estimates as enacted for the civil service retirement and disability fund, and to omission of an over-all increase of $1,282,431 in several other comparatively small items.

[2] Agrees with tabulation in CONGRESSIONAL RECORD Appendix, on p. A4600.

[3] Includes $7,500,000 increase in estimate of balance available, as of June 30, 1948, for Civil Aeronautics Administration: Establishment of air-navigation facilities.

The Shameful Record of the Republican Eightieth Congress on Minimum-Wage Legislation

EXTENSION OF REMARKS
OF
HON. FRANCIS J. MYERS
OF PENNSYLVANIA

IN THE SENATE OF THE UNITED STATES

Saturday, August 7 (legislative day of Thursday, August 5), 1948

Mr. MYERS. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a statement prepared by me on the failure of the Congress to enact minimum-wage legislation; also a statement issued by me on May 14, 1947.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

STATEMENT OF HON. FRANCIS J. MYERS, OF PENNSYLVANIA, ON MINIMUM-WAGE LEGISLATION IN THE EIGHTIETH CONGRESS

In the midst of this unprecedented boom in the American economy, with our national income well over $200,000,000,000 a year, with more than 60,000,000 persons gainfully employed, with profits at a level never before realized in American history—and with prices, too, unfortunately at record levels—it may come as a shock to many Americans to learn that thousands of their fellow citizens putting in 40 hours a week, full time, at jobs connected with the flow of interstate commerce have been earning less than a starvation $16 a week—the legal minimum wage—and that several hundreds of thousands are earning only that much or a little bit more.

This is astouding. It is unbelievable, but, unfortunately, true.

The Minimum Wage Act, known as the Fair Labor Standards Act, was passed in 1938. That year, it will be recalled, was a year of recession. We had still not emerged completely from the terrible depression of the early thirties, when the demand for governmental economy reached such proportions as to force severe curtailment of many programs of the Government designed to maintain and increase the purchasing power of the great mass of our people at the lowest level of our economy. Public works and relief works projects were cut back, the so-called pump priming substantially halted. The result was the recession, because these steps toward economy in Government were forced upon our Government prematurely by the confirmed optimists who believed that the depression had been licked long before.

It was in this atmosphere that the first minimum wage law was enacted. There was still large unemployment and brisk competition for jobs. Wages were low but so were prices. A 40-cent minimum wage was considered a good start toward achieving a sense of fairness for the wage earners of the United States. It might be mentioned, however, in passing, that this 40-cent figure was bitterly assailed by many presumably intelligent businessmen who contended it might bankrupt American industry.

Nevertheless, after passage of the act and after unsuccessful efforts to contest it in the courts, it went into effect and gave great promise of raising living standards for our people. The intention was clear that when, as, and if the 40-cent minimum should become obsolete, it would be changed.

The need for change became obvious in the Seventy-ninth Congress and the Senate did pass a bill over some rather bitter opposition. The most we could get, however, at that time, was a minimum of 60 cents an hour. Powerful interests thereupon succeeded in blocking any action in the House Committee on Education and Labor. However, both parties were flatly promising adequate minimum wage legislation in the campaign of 1946 and when the Eightieth Congress convened in January 1947, the proposals of President Truman for a higher minimum wage were regarded as having an excellent chance, if not of passage in the form he proposed, then at least of proper consideration, and some action was considered inevitable.

The Republican leadership of the Eightieth Congress periodically promised action on minimum-wage legislation. As we close the Eightieth Congress, it is obvious that those promises were empty. The minimum wage still remains $16 a week for a 40-hour week.

Not a single bill of the many introduced in the Eightieth Congress to improve the minimum-wage features of the Fair Labor Standards Act was reported out of either the House or Senate Labor Committee. Both committees were exceedingly alert to demands to restrict the rights of labor and prompt in reporting out punitive legislation.

But when it came to improving living standards at the lowest level of our economy, neither committee could find the time to give due consideration to the need. Meanwhile, the Judiciary Committees of the Congress acted promptly early in the first session to amend the Fair Labor Standards Act to protect industry from the application of Supreme Court decisions in the so-called portal-to-portal cases.

The record of the Republican Eightieth Congress on minimum wage legislation, as on so many other aspects of human need is shameful.

President Truman has proposed a minimum wage of 75 cents an hour or $30 a week. This is hardly excessive in view of present day living costs. There are nearly 2,000,000 American wage earners employed in positions covered by the Fair Labor Standards Act who would benefit from such an increase, for they now make less than 75 cents an hour. The number is not significantly less than it was a year ago even though wages, profits, prices generally have all risen since last year and taxes for the well-to-do have been materially lowered. But here are nearly 2,000,000 Americans working 40 hours a week, full time, and earning less than $30 a week. It is a small group, perhaps, but it still represents nearly 10 percent of all of the citizens in America covered by the wage-hour act. There are undoubtedly many millions not covered by the wage-hour act who are also earning less than $30 a week, for a 40-hour week, but they are beyond the reach of Federal legislation since their employment is not regarded as being in interstate commerce.

Of the 21,500,000 employees covered by the act, about 500,000 or so earn less than than $24 a week, or 60 cents an hour. This is also an astounding figure.

Even though the Republican-controlled Congress refused throughout the Eightieth Congress to initiate any action to increase the minimum wage and thus help these many thousands and thousands of inadequately paid Americans to have their living standards raised even a little, the Senate did have one opportunity during the Eightieth Congress actually to vote on a modest increase in the minimum wage. It refused, at the direction of its Republican leadership, to take advantage of that opportunity and sidestepped the issue. Presumably, at that time, in March of 1947, it was only delaying the issue for later consideration, but as the Eightieth Congress ends it is now obvious that the delay was meant to be fatal.

This was the situation in the Senate on March 21, 1947:

We were then voting on the so-called portal-to-portal bill and on amendments to it. Since the portal bill dealt exclusively with the Fair Labor Standards Act and its coverage, and since in many respects it relaxed protections of that act for the individual employee and restricted others, I offered an amendment to strengthen the act a little in the direction of a higher minimum wage. My amendment called for the increasing of the minimum wage, from 40 to 60 cents an hour, from $16 to $24 a week. This amendment was not intended to bring the minimum wage up to necessary levels. It was intended only as a stopgap emergency measure until the Congress had time to come forward with adequate minimum-wage legislation. I had intended making it 65 cents, but was told by numerous Senators that if I reduced the figure of my emergency amendment to 60 cents it would be considered so noncontroversial that it would be agreed to immediately and provide us with a means for immediately raising the wage levels of about 500,000 American employees at least.

Seven other Democratic Senators joined me as cosponsors of this amendment.

Immediately after I called up this noncontroversial emergency increase in the minimum wage to 60 cents an hour—which was the same figure the Senate had agreed to in a minimum-wage bill passed in the Seventy-ninth Congress—the chairman of the Republican policy committee, the Senator from Ohio [Mr. TAFT], made a motion to lay the amendment on the table, that is, to kill it. The motion to table was not debatable under the rules of the Senate. That meant that Senators had to vote immediately on whether or not to table my amendment, and if they refused to table it, then they would have an opportunity to vote on the amendment itself.

On the roll call vote only three Republican Senators joined 29 Democrats in voting against tabling the amendment—in effect thereby voting in favor of the 60-cent minimum—while all the rest of the Republicans present and a small minority of Democrats voted with Senator TAFT and the motion to table the amendment carried by the wide margin of 57 to 32. That killed minimum-wage legislation of any kind in the Eightieth Congress, for the issue never again came to a vote in either the Senate or the House.

After the vote was taken, some Senators thereupon had an opportunity to express their reasons for voting as they did on the motion to table. The reasons were quite interesting. Senator TAFT led off by saying that there was then pending before the Senate Committee on Labor and Public Welfare, of which he is chairman, the whole issue of minimum-wage legislation. He said:

"Our committee proposes to take up the matter. Certainly by my motion to lay on the table I did not intend to indicate necessarily opposition to the raising of the minimum wage. Last year I voted to raise it from 40 cents to 60 cents. That question cannot be considered except in relation to the various exemptions now contained in the act, and the effect on the different industries concerned. I can only say that our committee will take the matter up at the earliest possible moment and give full consideration to amendments to the basic provisions of the Fair Labor Standards Act."

He told the Senate that his reason for tabling my amendment was that he did not consider it properly related to the matter before the Senate (the portal-to-portal bill drastically revising the Fair Labor Standards Act), and that it involved a question then pending before his committee where, he indicated, it would receive prompt attention.

One Republican Senator thereupon explained that he voted to table the amendment because he felt that 60 cents an hour, the figure proposed in the amendment, was ridiculously low and that it should have been higher.

I then pointed out that there was merit in such an argument, except that by virtue of the tabling of my amendment, and that was March 21, 1947, the minimum wage was still only 40 cents an hour, and that it could have been raised immediately to 60 cents an hour pending action by the Republican leadership on bringing out an adequate bill. I said further that had by amendment been amended by that Senator or any other Senator to a more reasonable level, say 75 cents, I would have been happy to have joined in supporting such a move.

As it was, we got no increase at that time and there has been no increase since that time and the minimum wage remains at 40 cents an hour, $16 a week, in a period of the worst inflation we have known in this country in many years.

Since then I have introduced a bill of my own which did nothing more than provide for an emergency 65-cent minimum wage, and I also joined as cosponsor of two comprehensive bills to amend the Fair Labor Standards Act, including provisions in one case for a minimum of 75 cents an hour. All three bills of mine, along with all other bills introduced in the Eightieth Congress on minimum-wage legislation, remained bottled up throughout this 2-year term of Congress in the Labor Committees of the respective Houses of Congress.

And so we have this situation continuing in which about 200,000 Americans are earning less than 55 cents an hour in employment in interstate commerce and a good many of those, according to records of the Wage and Hour Administration, were actually being paid less than 40 cents an hour until the Labor Department, with limited investigatory personnel due to budget cuts enforced by the Republican Congress in their appropriation, was able to ferret out these violations and see justice done by raising their wages to the legal minimum of $16 a week. And altogether nearly 800,000, including those I just cited, are being paid less than 65 cents an hour.

When I introduced my bill to raise the minimum to 65 cents on May 14, 1947, the day the President signed the portal-to-portal bill, I issued the following statement which I think still remains relevant to this discussion.

STATEMENT BY HON. FRANCIS J. MYERS, OF PENNSYLVANIA

MAY 14, 1947.

In signing the portal-to-portal bill, undoubtedly with many misgivings, the President has leaned over extremely far to cooperate with the dominant faction in Congress. I think it is now about time for the Congress in turn to show at least a little inclination to cooperate with the President on some of the vital domestic problems we now face.

The President has expressed profound concern over the possible effect of this legislation upon the maintenance of fair labor standards for our workers. He has, at the same time, expressed the hope that these fears will not materialize, basing his hopes on the interpretations to be made by the courts and also on supplemental action he believes the Congress will take.

Regardless of the personal opinions any of us may have on the legislation, the fact remains that it is now the law of the land. It is necessary, then, to make sure that this law is administered with adequate funds and that the basic law it modifies is materially strengthened. These are urgent requirements if the fears expressed by the President over the legislation are not to become actualities.

The President has asked for the immediate adoption of a 65-cent minimum wage law, correctly describing the present 40-cent minimum as far from adequate. I would say it is shamefully inadequate.

During debate on this bill in the Senate, I offered an amendment which would have raised the minimum wage immediately to 60 cents an hour. This was a very low figure, but one which I used in that amendment on assurance from many Senators that it could be put through with no opposition, whereas a higher figure, a more adequate figure, might be a highly controversial addition to an already controversial bill.

My amendment was an emergency attempt to help meet an emergency situation. Had it been adopted, I would have then pressed for further amendment of the Fair Labor Standards Act at a later time to bring the minimum wage up to adequate levels.

My amendment was tabled, however, on motion of Senator TAFT, after the Senator from Ohio promised that the Senate Labor Committee would give prompt consideration to this very subject at the earliest possible moment.

Since then, however, the Labor Committee has taken no action on this problem, and the minimum wage is still only 40 cents an hour.

As a result, I announce now that I am introducing a bill to increase the minimum

wage to 65 cents an hour—the figure suggested by the President. It is my personal belief that when the Labor Committee investigates this subject it will be convinced that the President has not set his sights high enough and will recommend a higher minimum than 65 cents. I think, however, we must start somewhere, and so I have incorporated the President's figure of 65 cents in this amendment.

I urge the Senate, and the Senate Labor Committee, to take up this problem immediately. Our economy is in real danger because of the steadily shrinking purchasing power of our workers. With the flood of consumer goods now coming off assembly lines and out of the factories, it is imperative that our workers—in all sections of the country—have incomes sufficient to enable them to buy the goods they help produce.

The President cited the importance of strengthening wage-hour enforcement machinery in view of the new 2-year statute of limitations on claims arising from violations. This will mean, as the President said, added funds rather than fewer funds for the Enforcement Division.

I tried to warn of this fact when the Labor Department appropriation bill was before the Senate, but apparently without much success, for the bill we passed here, although allowing some increases over the House bill, nevertheless provides far from adequate funds to police wage-hour violations.

The action which the Congress takes in the immediate future to strengthen the wage-hour program will indicate to what extent the Republican majority in Congress is really concerned with making cooperation with the President a two-way street.

The Southern Branch of the Elizabeth River

EXTENSION OF REMARKS
OF
HON. PORTER HARDY, JR.
OF VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

Mr. HARDY. Mr. Speaker, Norfolk and Portsmouth—the two largest cities in my district—are separated by the Elizabeth River. Docks and wharves and piers and storage facilities are located all along both sides of the banks of this river and its branches. This is the nerve center of commercial and industrial activity in the Hampton Roads area. Since the beginning of our Nation, our port has been one of the principal commercial links between the North American Continent and the rest of the world.

In keeping with congressional authorization and appropriations, the improvements made in our harbor by the Army engineers have brought untold benefits not only to the Hampton Roads communities but to the Nation.

Although on the Elizabeth River proper commercial sites are almost completely utilized, there is yet room for commercial and industrial expansion along the Southern and Eastern Branches of the river. The Norfolk Naval Shipyard is located on the Southern Branch and it is one of the Navy's largest and finest. Up to the limits of the shipyard's reservation, there is ample water to handle our largest battleships and carriers, but beyond that point upstream there is only a 25-foot channel.

Prior to the war the existing channel was adequate to take care of oceangoing steamships, and as a consequence much of the industry of Norfolk and Portsmouth is located along this river. These plants import large quantities of material from foreign countries and it is necessary that they have deep-water terminal facilities to accommodate full shiploads of cargo. But today's ships are larger, and they draw more water, and a 25-foot channel is inadequate. Ships destined for docks along the Southern Branch now have to discharge a part of their cargoes before entering the shallower channel. This entails tremendous cost in handling and reshipping material which otherwise could be discharged directly onto the wharves of the industrial plants.

Along this river are lumber mills and yards and wood-treating establishments, creosoting plants, and numerous chemical and fertilizer plants. Besides these there are numerous large oil storage facilities each with dockage and equipment to handle oceangoing tankers. Today and in recent years these docking facilities and pumping equipment are little used because present-day tankers can no longer negotiate the channel. This situation was one of the major causes of the fuel-oil shortage in the Norfolk area in particular and the Atlantic seaboard in general last winter. It is a situation which urgently needs correcting.

The channel up the Southern Branch must be deepened and widened in order to accommodate the tankers and dry-cargo ships which are needed to serve the area. The present international situation makes the existing conditions on the Southern Branch all the more intolerable. If we should again be forced into war, it would be imperative that this channel be opened to permit full utilization of the plants and storage facilities in this section.

It was my pleasure to work closely with representatives of the Hampton Roads Maritime Association and of private concerns with a view toward early deepening and widening of this channel. Along with various interested people, I appeared before the Subcommittee on Rivers and Harbors and urged authorization of this work. We presented facts and showed potential benefits many times the cost of the project. Property owners in the area furnished assurances of their cooperation in protecting the banks of the river and in providing areas for disposing of the dredged material.

The committee recognized the merit of the project and approved it, and subsequently it was approved by this House and by the Senate.

The authorization has been granted. Planning has been completed, but now we need funds to bring the project to realization.

I feel that this situation is urgent and I am sure that if you were as familiar with the need as I am you would all concur. I had hoped that a supplemental appropriations bill would be presented in this special session and that funds for the Southern Branch could be included. Since this was not possible, I am calling the matter to the attention of the House Members now. The full amount needed for the project should be appropriated for use during the next fiscal year.

The American People Are Entitled to More Information Regarding American Foreign Policies

EXTENSION OF REMARKS
OF
HON. EDWARD H. REES
OF KANSAS
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

Mr. REES. Mr. Speaker, I am disappointed that the President in his message to the special session of Congress did not advise the American people of important developments in respect to the foreign situation. The negotiations with Russia which relate to the occupation of the American zone in Berlin are troubling the people of our country. What disturbs them most is the lack of information from the President and the Secretary of State with regard to this situation.

Since the President determined that a special session of Congress was advisable, I had hoped, and I am sure this hope was shared by other Americans, that the Chief Executive would consider the foreign situation of sufficient importance to deal with it in his message to Congress.

The apparent failure of Government officials to provide for a territorial corridor into Berlin has precipitated a serious crisis. The American people did not make that mistake. It was caused by the lack of judgment on the part of representatives charged with the responsibility of protecting American interests abroad. Furthermore, the American people were not aware of this development because the executive branch had failed to advise them of facts and circumstances surrounding agreements with Russia. To what extent other Berlin crises have developed at the present time is not known because the American people do not have adequate information.

This is not the time to withhold facts from the American people. When the President called the special session of Congress, that was the appropriate time to discuss frankly with the representatives of the people the activities in relation to our foreign policy. Gen. Lucius Clay, who is in charge of the American occupation army in Germany, was recalled to the United States to report to the President. He spent several days in Washington conferring with the President, the Secretary of State, and the Secretary of National Defense. He has returned to Germany. Congress, as well as the American people, know little more now than they did prior to his visit to the United States.

Although the question of maintaining a sound domestic economy and the problem of the rising cost of living are paramount issues, they cannot be separated from our foreign policy. Living costs are

influenced by our foreign policy. The tremendous amount of food and other goods shipped to foreign countries and paid for from our funds to some extent is bound to influence the economy of this country.

The impact of the foreign-aid program upon our economy makes it important for us to know more about our foreign relations and commitments so that American farmers, businessmen, and the laboring people can estimate the extent to which goods and services will be required abroad in the future. The Economic Cooperation Administration charged with the responsibility of administering our foreign-aid program has been in operation since April 1948. The American people are entitled to a report concerning its operations and accomplishments.

The people of the United States are entitled to frankness from the Chief Executive and the Secretary of State. The most serious aspect of the foreign situation at the present time is that no one outside of the Chief Executive and his most confidential advisers knows anything about it. We Americans receive rumors and hints as to developments, but we have no official statements or facts upon which to base our conclusions.

The domestic economies of the democracies of the world have been shaken, some beyond repair. Only the United States remains as the last hope for the freedom-loving peoples of the world. In our efforts to work out solutions to the common problems of these democracies against totalitarian governments, we must be informed as to the progress and developments in our foreign relations. The so-called bipartisan foreign policy must not be used as a cloak behind which to conceal pertinent facts from our people. In my judgment, since immediate passage of domestic legislation was required and the situation was of such importance as to call the Congress into special session, it is clear that the President should have dealt in some measure upon developments abroad which have a direct effect not only upon our domestic economy, but upon the general welfare of the people of this country. In wartime there may be reasons for withholding certain facts, but in peacetime the people and the Congress ought to be informed with regard to negotiations and agreements that are made on their behalf.

Let me not be misunderstood. I recognize the difficulties involved in dealing with a nation such as Soviet Russia. However, it is my belief that the wisdom of the American people should not be underestimated, nor should the Chief Executive assume that the American people do not have sufficient intelligence to understand facts if they are presented properly.

I have a deep and abiding faith in the ability of our countrymen to work out the solutions to our many grave national and international problems. However, without sufficient facts and information from those to whom such knowledge is available, we cannot achieve success. If America is to maintain its place of leadership among the democracies of the world, its people must have all available facts and information upon which to determine their decisions.

Famous Resorts

EXTENSION OF REMARKS
OF

HON. PORTER HARDY, JR.

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. HARDY. Mr. Speaker, as this special session draws to a close, there is evidence among all the Members of unusual fatigue and ennui. Several of my colleagues have spoken to me about the possibility of securing reservations at the famous resorts in my district. I want to commend to each of you the facilities which my district offers for relaxation and recreation, and to invite you to come down and rest.

Virginia Beach is the finest ocean beach in the world, and in addition to the sea—and the sand—and the sunshine—it is studded with comfortable hotels and with such a diversity of recreational pastimes as satisfy all the varied inclinations of the Members of this body.

If you prefer the quieter waters of the Chesapeake Bay you will find splendid accommodations at Ocean View—or Ocean Park—or Chesapeake Beach, all close to the birthplace of our Nation at Cape Henry.

If you are disciples of Izaak Walton, there are unexcelled fishing grounds both in fresh and salt water, or if you like the beauties of nature, unsullied by the encroachments of civilization, visit beautiful Lake Drummond. Side excursions in the Second Virginia District will prove both profitable and edifying. We have a variety of attractions and a scope of interests historical, natural, and economic, which I believe are unparalleled in any other congressional district.

A trip around our harbor would demonstrate as fine a port as can be found anywhere. You will see exceptional port facilities, steamers entering and leaving to and from every seaport in the world. You will see the world's largest naval base and a concentration of air activities at our naval air station. Our navy yard is not only one of the largest and best equipped, but its wartime record of performance set an example for the rest of the Nation.

While observing our vast port you should also look at the work of the Army engineers in port development. Then you members of the Appropriations Committee will better understand why I insisted on the appropriations of $108,000 to complete the project on the eastern branch of the Elizabeth River. In addition, you members of the Public Works Committee will see for yourselves the need for the work which I described to you when you were considering and granted my request for authorization to deepen and widen the channel of the southern branch of the Elizabeth River. All along this waterway you will see oil-storage plants now out of reach of ocean tankers that have been built larger and heavier than prewar vessels. Because the channel is not deep enough to accommodate the new ships, these storage facilities are not used to maximum capacity and efficiency and some have been practically abandoned. That's why our people were out of heating oil last winter. That's why many houses in this whole area were cold. That's why long before our State program was worked out I helped our city officials convince the Secretary of the Navy that he should lend us some heating oil, from the Navy storage at nearby Craney Island.

Before you leave the harbor, glance under the piers and along the water's edge and observe the oil scum which has accumulated. In spite of fines, ships have been illegally discharging bilge and water ballast into our coastal waters. That has been an irritating situation. But look at our newly inaugurated service which receives oil-bearing refuse from ships in the harbor and reclaims the oil and you will feel a sense of satisfaction at our approach toward eliminating this menace of oil pollution because you gentlemen granted my request and appropriated the $50,000 with which the project was started.

I want to point out also, particularly to you members of the Committee on Merchant Marine and Fisheries, our shipbuilding and ship-repair industry. I want you to see our numerous railroad terminals and storage facilities. Then when you talk to our freight forwarders and exporters you will better comprehend my interest in the ships' subsidy bill and other legislation pertaining to our merchant marine. You will also better understand why I have been pressing for greater movement of foreign-relief shipments through our port. You will see that my arguments were sound and in the interest of efficiency and economy.

While you are in Norfolk you certainly will want to mail some souvenir post cards to your friends and constituents saying, "I am having a fine time, wish you were here," so you will stop by the post office and talk to some of the clerks—I said talk to them—but be sure to make a mental note of what you see. You members of the Post Office and Civil Service Committee recall all too well how I kept urging you to make adequate salary increases for our postal and civil-service employees. I submitted the actual budget of one of our top-grade post office clerks who is married and has two children. It showed that out of his monthly check he had $1.04 left without anything for clothing or recreation. If these boys' apparel seems to be a little threadbare and ragged around the edges and their visages have a worried aspect, you will know it is because all of their income goes for bare necessities. Then take a look around outside the post-office building and see all of the equipment parked out

on the streets. That is because we don't have an adequate post-office garage, and the equipment must take the weather. We have the site for the garage now, construction has been authorized, but the Public Buildings Administration tells me there are no funds except for drawing the plans. We are going to have to have the money to build this garage in order to save our trucks and equipment and it should be appropriated promptly.

A ride to Norview will show you the new post office substation that is being erected there to provide a better service for this new and growing community. You will be proud of having appropriated the money to make the operation of this substation possible. In Suffolk, another fast growing city, a contract station has recently been provided to serve the colored population in the Jericho section.

Now take a trip through our agricultural sections and you will see some of our country's finest farms, many of which are back off the main highways. When you see our fine vegetable crops, potatoes, grain, and peanuts, you will understand why I argued with you until you approved the peanut bill I introduced last year, and why I have striven for sound general farm legislation. Talk to the farmers. They are happier than they used to be. Perhaps they have recently gotten electricity, and perhaps we have been successful in getting an extension of a rural mail route so that they don't have to walk so far to the mail box. Suddenly it will dawn on you why I have been particularly interested in the conservation of our soils resources, and in a practical-farm program so that the Nation's agriculture can stay in a healthy economic condition. Soil fertility is one of our Nation's principal assets and I am convinced that national prosperity is dependent upon the prosperity of our farm people.

Generally speaking, the splendid farm lands in my district are not ravaged by floods, but if you happen to be in the Back Bay section when strong winds are from the wrong direction, you may see farms and crops submerged. Or after a series of heavy rains in the headwaters of the Meherrin and Nottaway Rivers, you may find drowning crops on the fertile lowlands. These are the reasons I worried some of you until you gave authority for the Army engineers to study ways of correcting the flood menace in Princess Anne and Norfolk Counties and until you voted to instruct the Soil Conservation Service to make a study of the Meherrin and Nottaway Rivers.

There has been a lot of talk here in Congress the past 2 years about housing. Well, circulate through our cities and view the housing projects built during the war to accommodate the influx of workers. Some of these were temporary structures built with a life expectancy of about 5 years, and many of them are depreciating rapidly. Although they have served their period of intended usefulness you will not find any vacant. A vast majority of these dilapidated places are now occupied by veterans who are unable to find anywhere else to go. This will explain somewhat my interest in the housing problem which you will recognize is so acute in my district.

Most of the people who came to our area as defense workers during wartime have stayed and become permanent residents. Local industry has absorbed these new citizens. This whole situation has put a tremendous strain on our educational institutions. It is true that when the temporary projects were built, temporary schools were built also and these schools were operated by local authorities. The educational program must continue and the continued use of school facilities built by the Government is essential to our local school boards. And so I have done the best I could to assist our localities in acquiring title to these facilities at a reasonable cost.

Your vacation in my district is now almost over, but before you leave I wish you might also get around and talk with some of our retired civil-service and railroad people. See what a struggle they are having to keep body and soul together on their meager annuities. Then you will know why I so actively supported liberalizing amendments to retirement laws. Of course, a part of the hardships felt by retired people is due to inflated prices which affect every citizen. I had hoped for more positive action in the special session to curb inflation. I had also hoped the measure to repeal the nuisance tax on oleomargarine would have been approved in the other legislative body. We passed it here in the House during the regular session and I was glad to be one of the signers of the petition which brought the bill out of the committee so it could receive consideration and action.

In our cities and towns take time to talk to some of our business people about the encroachments of monopoly and you will recognize the reason for my interest in better enforcement of antitrust laws. Talk to city and county officials about their revenue difficulties and you will better understand my intense interest in taxation and why I have been so glad to serve on the congressional committee which is working with the Conference of State Governors for a better distribution of tax sources among Federal, State, and local government.

During these past 2 years you Members of the House have supported me often in requests for things my District needed. Sometimes you have seemed to give in just to get me off your necks.

So come down and visit the Second District of Virginia. An hour's plane ride, a 200-mile drive in your car, or bus, boat, and train service are at your convenience. Take a rest—take a look—then go home feeling you have spent at least some of Uncle Sam's money wisely and well. You will find our people are the salt of the earth. Our chambers of commerce, our city and county officials, as well as the officials of our governmental establishments, will appreciate your visit and my office in the Federal Building will welcome you with open arms.

Offers Schools Communism in Action for Use as Textbook

EXTENSION OF REMARKS
OF
HON. EVERETT M. DIRKSEN
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

Mr. DIRKSEN. Mr. Speaker, under leave granted to extend my remarks in the RECORD, I include the following correspondence from Mr. Ralph Pohek, senior consultant, American Wage Earners Foundation:

AMERICAN WAGE EARNERS FOUNDATION,
Chicago, Ill., August 5, 1948.

Hon. EVERETT M. DIRKSEN,
House Office Building,
Washington, D. C.

MY DEAR CONGRESSMAN DIRKSEN: Since writing you last, the foundation policy board has authorized me to renew my offer of free copies of Communism in Action to the colleges, for use as a textbook in various classes or as required reading or for reference work. Out of the 1,688 colleges to which I made this offer in March, I have had requests from 286 separate schools and colleges, some of which have asked for as high as 1,000 copies.

It is my sincere desire to see every college in America adopt this authoritative and factual document which, I am told, is the only reliable record of the actual workings of communism for the last 30 years ever published. The fact that it is a Government publication, thoroughly documented by the Library of Congress, makes it acceptable for use in educational circles, as it consists of actual facts rather than the opinions of individuals.

Among the powerful organizations which have given considerable publicity to our free distribution are the following: The Navy League of the United States mentioned it in their bulletin and many requests have been received from their members; the Polish-American Congress distributed hundreds of copies at a convention in New York City to delegates from all over the East, and the California division of the Polish-American Congress sent a copy to chapter leaders on the west coast with a personal letter in Polish, recommending study of this document and suggesting they request extra copies of the book for chapter officials. This has resulted in hundreds of requests from Polish-Americans all over the country and much gratifying editorial publicity in Polish language newspapers. Also, some very large donated ads in those same newspapers.

The Polish National Alliance, which publishes Zgoda, a semimonthly paper which has a circulation of over 300,000, has donated two good-sized ads in Polish with a coupon keyed so that the requests for the document go direct to the paper which pays the postage and furnishes the envelopes to send the book to those requesting it. Karol Piakiewicz, editor in chief of Zgoda, has been most cooperative and helpful along this line.

The Director of Adult Education of the Territory of Hawaii came into my office last month, saying he had seen Communism in Action in use in the University of Hawaii, to which we sent a large supply, and he was very much interested in securing a supply for his use in his adult education classes.

The Lions Club at Salinas, Calif., requested 65 copies, one for each of their speakers who are making talks throughout the State on the menace of communism. These were sent them and consideration is being

given to further cooperation with various organizations of the same type which furnish speakers to serve clubs.

Our mutual, and highly esteemed friend, Charles Burgess, of Geneva, made a powerful talk at Elgin to the Kiwanis group and mentioned that Communism in Action was available free, and he sent me the names of several people who came to him after his talk and asked for copies.

The news in the press the last few days on just how far Communist infiltration has gone, may, I hope, awaken people to just how powerful and far reaching this influence has become.

I know you will be gratified to learn that the demand for Communism in Action remains steady. Every mail brings requests for copies from people of whom we have never heard and we are unable to trace the source through which they learned of our free distribution. The overprint on the book, "extra copies available free," accounts for a great deal of this.

The enclosed copy of one of the ads which appeared in the Negro Labor News of Houston, Tex., has accounted for many requests for this book from readers of this outstanding Negro publication. These ads were donated by the publisher of this fine paper, Mr. L. B. Rice.

In concluding this letter, I want to say, Congressman, that I and my associates extend to you our deepest thanks and gratitude for inspiring what we have been told is one of the most important books, on a vital subject, that has ever been published and that it has been a privilege to be able to make this free distribution as a contribution to real understanding of just what communism is in actual practice, in the hope that comprehension of the facts will horrify people so that the very sound of the word "communism" will make them decide that they do not want any part of it in the United States.

With all good wishes and many thanks for your fine cooperation, I am

Sincerely,

RALPH POHEK,
Senior Consultant.

[From the Negro Labor News, Houston, Tex.]

WHY AMERICAN LABOR, BUSINESS, FARMERS, AND THE PUBLIC CANNOT BENEFIT UNDER COMMUNISM

Can you answer these questions about Communism in U. S. S. R.?

Communism in Action, known also as House Document No. 754, which was prepared by the Legislative Reference Service of the Library of Congress, under the direction of Ernest S. Griffiths, at the instance of Representative DIRKSEN, of Illinois, and printed by the United States Government Printing Office, answers all these questions and hundreds more. One hundred and forty pages of fact, not propaganda.

We are not selling this book. All you have to do is to ask for it. It is free, postage paid. After you learn the facts about the actual workings of communism in practice, you can form your own opinion. Send the coupon below.

When and how did Bolsheviks seize power in Russia? Page 1.

How does the Soviet production system operate? The economic system? Page 7.

How free is labor under these plans? How free are unions? Pages 33–53.

What kind of wages, hours, working conditions has labor in Soviet? Pages 43–45.

What are the workers' living standards? The consumers' standards? Page 61.

How much of the national income is spent on education? Pages 110–116.

Is leisure time controlled? Pages 117–125.

Can you own property, sell, bequeath, or dispose of it? Pages 67, 74, 139.

Is there a free market in U. S. S. R.? Page 139

Can you safely criticize the government? Page 136.

Do workers have freedom of movement? Page 51.

Freedom of choice of occupation? Pages 50–53.

What is labor discipline in the Soviet? Page 52.

What are "speed kings"? Page 46.

What are the "heroes of socialist toil"? Page 47.

Can labor leaders lead in Russia? Page 42.

Who decides what workers get? Page 42.

How much collective bargaining is permitted? Page 40.

Are Soviet unions permitted to strike? Page 40.

What are labor camps? Pages 34, 54–58.

What is forced labor? Pages 33–36, 54–58.

Who fixes wages? Pages 35–36, 40.

Free book to readers of the Negro Labor News.

Get the facts! Read the answers.

(Write in name and address and mail coupon below today.)

To American Wage Earners Foundation, suite 605, 30 North La Salle Street, Chicago, Ill.:

Please send me a free copy of Communism in Action.

A Statement on Palestine

EXTENSION OF REMARKS

OF

HON. SOL BLOOM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. BLOOM. Mr. Speaker, I ask to have printed in the RECORD a statement on Palestine which I have prepared. In this statement I trace my many efforts in behalf of Palestine and its upbuilding as a Jewish homeland, particularly in the last three decades from the time of the Balfour declaration in 1917 until the establishment of the Jewish state Israel in 1948.

The text of my statement follows:

A STATEMENT BY THE HONORABLE SOL BLOOM ON HIS EFFORTS IN BEHALF OF PALESTINE

Palestine and the love of Zion were traditionally a part of the life and thinking of my family. It was natural and logical that it be so because of our deep attachment to the religion and faith of our people. My parents were orthodox Jews. They were raised in the orthodox faith and adhered to that faith throughout their lives. From my earliest childhood, which goes back more than 70 years, I recall having repeated with them the age-old prayer "L'shono Habo B'Yerusholayim" (next year in Jerusalem).

To us, both parents and children, Jerusalem was not a mere abstract figure of speech or something out of this world, something unreal. It was very real, indeed, very much a part of our existence. Jerusalem was a great dream and a great hope of something that was sure to come, sure to be realized; it was an unshakable belief in the ways of God and in eternal justice for the Jewish people who have waited patiently for 2,000 years for this dream to come true.

But unlike many others who were contented with merely dreaming and hoping for the restoration of Zion and the Holy City of Jerusalem, we did something about it in our own small way. In our house there was always the Zion charity box, hanging in a conspicuous and easily accessible place in the kitchen. Into it Mother would often throw a spare coin, particularly on Friday evenings just before the lighting of the Sabbath candles. This money would subsequently be used for the support of poor religious scholars and religious institutions in the Holy Land.

This affection for the religious institutions of our people in Palestine and the responsibility to aid in their maintenance was later inherited from our parents by their children. For many decades, after our parents had gone to the Great Beyond, we transmitted regularly sums of money directly to these institutions in Palestine. Among these were the great Bicur Cholim Hospital in Jerusalem, which had been founded about a century ago by the noted Jewish philanthropist Sir Moses Montefiore; the famous Yeshivath Etz-Chaim, with its hundreds of rabbinical students and scholars; the various Talmud Torah schools offering an elementary education to the young; the orphanages, the kitchens for the poor, etc.

It was my sister Ethel who, until her death in New York several years ago, had the responsibility of sending the family contributions at regular intervals to the institutions in the Holy Land. A letter addressed to her in March 1936 speaks for itself. It was written by Mr. J. M. Richman, the general secretary of the United Charity Institutions in Jerusalem (which incorporates most of the religious charitable institutions in the Holy City) and reads, in part, as follows:

"UNITED CHARITY INSTITUTIONS
OF JERUSALEM,
"Jerusalem, March 26, 1936.

"Miss ETHEL BLOOM,
"New York City.

"DEAR FRIEND: We beg to acknowledge with many thanks the receipt of your very kind favor of last month. In reply to your question we beg to inform you that your dear late mother started sending money to our holy institutions as far back as 1894, so that it is over 40 years that your worthy family is continually supporting our institutions.

"As to your question if there are many names on our records who have been sending longer than you have, we beg to draw your attention to the fact that our institutions exist in the holy city of Jerusalem for nearly a whole century; and it is thus only natural that they should have many members who have supported our institutions, they and their children and their children's children, practically for generations. Your family, however, is among the distinguished few who not only supported these institutions with their own liberal donations but did also their best always to make other people interested in their holy and noble work as well. You probably know that not only your late righteous mother did her best for our institutions, but so did also your late noble father; and it is no doubt a great pleasure to both your dear father and mother's souls in Paradise to know they had left someone to continue their human and noble work in the holy city of Jerusalem. May the Lord enable you always to do as much good as is your own holy wish and desire, and as is undoubtedly the desire of your beloved late parents."

These philanthropies are continued to this day. For many years now I have been a member of the board of directors and sponsors of several of these institutions affiliated with the United Charity Institutions of Jerusalem. On June 10, 1948, the friends and officers of the Bicur Cholim Hospital in this country honored me at a testimonial dinner in New York on the occasion of my 25 years of service in Congress and my active association with the institutions for the past 15 years. At that time it was announced that

the hospital is planning to erect a new wing to be called the Sol Bloom Wing.

So much for the philanthropic relationship with Palestine. There is also another phase of my work in behalf of Palestine of which I am no less proud, namely, my political representations and interventions during the past three decades in which we witnessed the rise of modern Palestine and the creation of the Jewish state of Israel. The Balfour Declaration of November 2, 1917, with its promise of a national home for the Jewish people in Palestine, truly electrified Jews the world over in that closing period of the First World War. Little did I dream in those days of rejoicing together with all of Israel that within a few short years I would be a Member of Congress and participate actively in many of the events which culminated in the establishment of Israel and its recognition by the United States.

My earliest efforts in Congress in the matter of Palestine date back to the year 1923, almost from the very first days of my entry into Congress. Earlier, in 1920, the Allied Conference of San Remo granted to Great Britain the mandate over Palestine. Two years later Congress took initial action on the Palestine question when it approved the so-called Fish-Lodge Resolution of 1922, which stated that the United States "favors the establishment in Palestine of a national home for the Jewish people." During the ensuing 2 years, the United States and Great Britain worked out the details of a treaty concerning the rights of the two Governments and their nationals with reference to Palestine, which was signed at London on December 3, 1924, and is therefore sometimes referred to as "The Convention of 1924." Congress ratified that treaty early in 1925, but in the months before we had to do a good deal of talking and arguing with our colleagues in Congress to convince them that it was a just cause and in the interests of this country.

To me the Convention of 1924 was an important milestone in American-Palestine relations, because some 15 years later it helped to bring this country actively into the international effort for a solution of the Palestine problem and subsequent consideration of the problem by the United Nations. The most important point of that Convention was article 7, which reads:

"Nothing contained in the present convention shall be affected by any modification which may be made in the terms of the mandate, as recited above, unless such modification shall have been assented to by the United States."

In May 1939 the British Government instituted its famous White Paper policy limiting Jewish immigration to Palestine to 75,000 over a period of 5 years ending March 31, 1944, after which no further Jewish immigration was to be permitted "unless the Arabs of Palestine are prepared to acquiesce in it." There was world-wide resentment and anger against this policy and, as I reflect over that period, it becomes clear that that fateful decision on the part of Britain was the beginning of her miserable failure in the Near East and her eventual undoing in Palestine.

Several days after that policy was enunciated by the British Government, we succeeded in obtaining a majority of the members of the Committee on Foreign Affairs of the House of Representatives to sign a declaration protesting that Britain's action was not in accordance with the Convention of 1924 because the United States was not consulted. The first paragraph of that declaration reads:

"We, the undersigned members of the Committee on Foreign Affairs, desire to call to the attention of the House and the State Department a declaration of the British Government announced last Wednesday, May 17, which is a clear repudiation of the convention between the United States and Great Britain with respect to Palestine, dated December 3, 1924."

I was already chairman of the Foreign Affairs Committee then and my name, therefore, appears first on that protest declaration.

Four years later, in April 1943, came the Bermuda Conference, which brought together British and American representatives in an effort to work out a program of international action to solve the refugee problem. I was one of the three American delegates, appointed by the late President Franklin D. Roosevelt. I shall not go into details at this point about the Bermuda Conference and its failures and accomplishments, but merely wish to relate one phase of that effort as it concerned Palestine.

At the time of the Bermuda Conference, the British White Paper policy had once more year to go before Jewish immigration to Palestine would have been completely cut off, but by then only a little more than half of the 75,000 Jews permitted to enter under the terms of the White Paper had been able to reach Palestine because of wartime conditions. As a result of action which I initiated at Bermuda in 1943, the expiration date of March 31, 1944, was indefinitely postponed by the British Parliament to enable the remainder of approximately 30,000 Jews to enter Palestine whenever they reached that haven. Thus, the Palestine Jewish population is today greater by some 30,000 people because of my effort.

As the British White Paper policy was rapidly approaching the end of its 5-year period, the Jews of Palestine and other countries were becoming restless and alarmed about Britain's attitude and plans for the future. The demand for Britain's complete withdrawal from Palestine and the establishment there of a Jewish commonwealth became stronger. Finally, on January 27, 1944, Representative James A. Wright, a Democrat from Pennsylvania, and Representative Ranulf Compton, a Republican from Connecticut, introduced similar resolutions that the United States take appropriate measures to the end that a Jewish commonwealth be established in Palestine.

The resolutions were referred to the Foreign Affairs Committee and without much loss of time I called for hearings by the committee on February 8 and 9, 1944 (later also continued on February 15 and 16). During this brief space of time I prepared a compilation of historical documents dealing with the Palestine problem in a booklet of about 100 pages, entitled "The Jewish National Home in Palestine." In it were included such documents as the Palestine mandate, the 1924 Convention, the British White Paper, remarks by leading British statesmen opposing the White Paper policy, the views of the Jewish Agency for Palestine, etc.

These hearings aroused much interest and comment in the press and American public affairs and contributed vastly to the education of American public opinion on the question of Palestine. Furthermore, they paved the way for approval of the so-called Palestine Resolution by both Houses of Congress which finally came in December 1945, shortly after the war ended. Many letters of appreciation came to me after the hearings had been concluded. One of these, written by Dr. Abba Hillel Silver, the noted American Zionist leader who was himself a witness at the hearings, was written only 3 days after the conclusion of the hearings (February 19, 1944) and reads as follows:

"I have just returned home and I regard it as my first pleasant duty to write to you and tell you how grateful I and my friends are to you for the superb manner in which you conducted the historic hearings on the Palestine resolution. No one who attended those hearings could fail to be impressed by your unfailing fairness, courtesy, and good humor. I know that some of the opinions, which were expressed by some of the witnesses were distinctly distasteful to you, nevertheless you gave each one his day in court. Friend and foe alike of the resolution departed with a sense of having been given a square deal at your hands. You brought high honor to your distinguished office and you reflected credit upon your people."

The next event where I came face to face with the Palestine problem was during the San Francisco Conference of the United Nations in the spring of 1945. The Palestine question came up there rather indirectly, not before the conference as a whole, but in the committee on trusteeship of which I was a member. There we succeeded in inserting what became known later as Article 80 of the United Nations Charter in which the rights of the Jewish community in Palestine were safeguarded. That article states that "nothing in this chapter should be construed in and of itself to alter in any manner the rights of any state or any peoples or the terms of existing international instruments to which member states may respectively be parties." This means that the rights of Jews in and to Palestine, as stated in the Balfour Declaration and the League of Nations' mandate, would be protected.

The significance of this article may further be seen in the following way: While the proposal to safeguard Jewish rights in Palestine is in itself no advancement of the Zionist cause, it nevertheless served as a guaranty against further whittling away of that cause which Britain and the Arab states have sought for the past decade since the White Paper policy was instituted. Article 80, it would seem, makes illegal the White Paper because it is contrary to the mandate which specifically guarantees Jewish immigration into Palestine.

The course of the Palestine problem during the past year or two is too well known for a detailed account here. After the United Nations Committee on Palestine (UNSCOP) recommended partition of the Holy Land and the establishment of a Jewish state I spared neither time nor effort to talk with leading Americans in the administration and in Congress on the need for supporting that recommendation, which was finally announced by Herschel Johnson, the American delegate to the UN General Assembly, on October 11, 1947. This effort was then followed up by another effort to obtain the support of a sufficient number of other countries for the necessary two-thirds majority for approval. In my own humble way I approached the representatives of several countries, including the Philippines, Haiti, Liberia, and others, and in most instances I was successful in obtaining their support, and in one or two cases their abstention rather than casting a negative vote.

Finally, there is my intercession with President Truman for the recognition of the state of Israel. Two days before the actual creation of the Jewish state I had a personal talk with President Truman, and later sent a lengthy telegram to the President, urging him to extend immediate recognition and outlining to him my reasons why this step should be taken and why the United States should be the first country to recognize Israel. When the Jewish state was only a few minutes old President Truman extended de facto recognition to it, thus becoming the first country in the world to recognize an existing Jewish state in 2,000 years. My greatest moment of delight was on the evening of May 14, 1948, in front of the Jewish Agency building in Washington, when the flag of Israel was raised at the exact moment the Jewish state was born officially in Palestine, in this way realizing a 2,000-year-old dream.

The struggle for Israel is not over. The infant Jewish state in Palestine is still experiencing a precarious existence hanging in the balance between war and peace. There is still much that the United States, with its great international prestige and influence, could do to assure the existence of Israel as a state and to help bring peace to its war-tormented people and to all the people of the Near East. Our country can be helpful in the following ways:

1. Extend de jure or full recognition to the Jewish state of Israel.

2. Grant a loan of $100,000,000 to Israel to aid in the resettlement of displaced persons, in the reconstruction of war-devastated areas and in bolstering the economy of the country.

3. Sponsor and support Israel's admission to the United Nations as an equal member of the family of nations.

4. Remove the embargo on arms shipments because its further continuance places the United States in the unneutral position of indirectly supporting the Arabs.

5. End Arab aggression and obtain the withdrawal of foreign Arab troops from the Holy Land whose presence there is threatening the prestige of the United Nations and the peace of the world.

6. Finally, the United States must be on the alert at all times that the Marshall Plan funds advanced to Britain and surplus United States military equipment which remained in British hands should not be diverted to Arab countries for possible use against Israel now or in the future.

This is my program and my outline for continued efforts in behalf of Palestine in the months ahead. This is what I shall continue to fight for in the next Congress.

The Nomination of Thomas C. Buchanan to the Federal Power Commission

EXTENSION OF REMARKS
OF
HON. FRANCIS J. MYERS
OF PENNSYLVANIA
IN THE SENATE OF THE UNITED STATES

Saturday, August 7 (legislative day of Thursday, August 5), 1948

Mr. MYERS. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a statement by me and an editorial from the Pittsburgh Press on the nomination of Thomas C. Buchanan to the Federal Power Commission.

There being no objection, the statement and editorial were ordered to be printed in the RECORD, as follows:

STATEMENT BY HON. FRANCIS J. MYERS, OF PENNSYLVANIA, ON THE NOMINATION OF THOMAS C. BUCHANAN TO THE FEDERAL POWER COMMISSION

A sidelight, but a very important one, of the battle in the Senate in the Eightieth Congress over amendment of the Natural Gas Act to provide greater profits and higher rates to the natural gas pipe-line companies, was the refusal of the Republican-controlled Senate to confirm the nomination of Thomas C. Buchanan, of Beaver, Pa., to the Federal Power Commission.

The action, or lack of action, in this instance, was closely allied with the fight over the Rizley bill.

Mr. Buchanan, an outstanding and public-spirited expert on utility matters, served with distinction for about 10 years on the public utility regulatory agency of the Commonwealth of Pennsylvania. He won an enviable reputation as a guardian of the public interest in that position. When he left the Pennsylvania commission at the expiration of his term a few years ago, he resumed a profitable law career.

He did not come forward and ask for a berth on the Federal Power Commission.

The position meant a personal financial sacrifice. However, he was thrust into this nomination by the urgent need for a qualified man on this commission who knew the subject of utility regulation thoroughly, who was devoted to the public interest, and who could fill a vacancy in the 5-man commission and thus permit the Commission to operate. Prior to his appointment, the Commission was divided two-to-two on some fundamental aspects of utility regulation.

Mr. Buchanan patriotically agreed to take the position. He was nominated by President Truman, but the nomination never got through the Senate Committee on Interstate and Foreign Commerce.

The hearings on that nomination developed the unmistakable fact that the opponents to his confirmation believed the position should be filled by someone who shared the utility point of view on utility regulation, who would be amenable to the imposition by Commission order of regulatory practices proposed in the discredited Rizley natural gas bill. These were unmistakable factors behind the opposition to the confirmation.

However, the reasons usually advanced for opposing the nomination were that Mr. Buchanan lacked "judicial temperament" or was "consumer conscious" and was, perhaps, in some way, "socialistic."

The nomination was shuffled about in the committee and before a subcommittee until the very end of the session when it became obvious that the Republican leadership of the Senate would no longer agree to confirm any presidential appointee. Mr. Buchanan is now serving on an interim basis. He has been treated most unfairly, I believe.

Here is what the Pittsburgh Press has said about this case:

"THE BUCHANAN CASE

"Several weeks ago President Truman appointed Thomas C. Buchanan, of Beaver, to the Federal Power Commission.

"Mr. Buchanan was recommended for this appointed by United States Senator FRANCIS J. MYERS and Mayor Lawrence on the basis of his experience on the Pennsylvania Public Utility Commission.

"The Beaver lawyer also was one of the receivers in the famous Pittsburgh, Shawmut & Northern Railroad bankruptcy case. He got a nice fee for this service, but he and his partner did a good job, after the bankrupt firm had been bled and bled for many years.

"Mr. Buchanan's appointment to the Power Commission, which he did not solicit, immediately was the signal for some of the pettiest snide politics seen even in Washington in a long time.

"Instead of delving into the serious merits of the appointment, the Republican-controlled Senate Commerce Committee listened to a lot of prejudiced witnesses whose charges against Mr. Buchanan were trivial, frivolous, and disgustingly obscure.

"They even tried to make out a case to show that he had socialistic ideas, and threw out clumsy innuendo to the effect that he might even be a Communist.

"Whatever faults Mr. Buchanan may have, he never could be accused of flirting with any such philosophies.

"Not since the Howard Hughes investigation has a Senate committee made such an ass of itself."

Address of Hon. Franklin H. Lichtenwalter, of Pennsylvania

EXTENSION OF REMARKS
OF
HON. F. H. LICHTENWALTER
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. LICHTENWALTER. Mr. Speaker, under leave granted to extend my remarks in the RECORD, I include the following address made by me to the Independent Merchant Exporters Association in New York City, Thursday, August 5:

Trading is one of the world's oldest avocations. This ancient and honorable calling has contributed immeasurably to the comforts, the security, and the welfare of countless millions of people in all parts of the globe. Trade has led to the diffusion of knowledge, the advancement of science, and the spread of civilization.

The earliest traders of recorded history were known as merchants, and they had their agents and brokers.

In the oldest written law—the Code of Hammurabi, an ancient Babylonian ruler who held sway prior to the year 2000 B. C.—was laid down some of the fundamental principles which guide our trade today.

Section 104 of the code provided:

"If a merchant give an agent, corn, wool, oil, or any other goods to transport, the agent shall give a receipt for the amount, and compensate the merchant therefor. Then he shall receive a receipt from the merchant for the money that he gives the merchant."

Business today is done upon much the same order. The manufacturer ships his goods on order. The agent or the broker gives the manufacturer a receipt for delivery. The manufacturer, as the merchant, bills the agent or broker. The broker pays the bill by check usually and his canceled check is the receipt.

Down through the centuries the romance of trade is interwoven into history. Did not Marco Polo seek the riches of the Far East in his travels? Was it not the desire for riches and trade which stimulated Christopher Columbus to search for the fabulous wealth of the Indies? Who can forget that the Dutch traders bought Manhattan for $20 and a few trinkets.

All history recalls that civilization follows the trade. Along with civilization trails the laws which mankind has evolved to cover the rights of person and property and trade. These laws are not static, but subject to change as necessity demands.

It was once believed that the world in general could achieve greater happiness and greater prosperity with no restraint whatsoever upon trade. There was an era of free trading, but it did not last long.

There soon came a time when trade of a competitive character came under the direct control of the sovereign. Parties were chartered to trade here, there, and everywhere. These chartered parties were given free hand to explore and exploit, in the name of the sovereign. Here in old Nieuw Amsterdam, one of the side lines urged upon the merchant traders was the dealing in Negro slaves, which was held to be more lucrative than the quest for furs.

The charters issued to the early enterprisers, such as the East India Co., the West India Co., the Hudson's Bay Co., and others, were the forerunners of our present licensing systems, wherein the state steps in and tells the trader what he can or cannot buy

to sell. By the enactment of regulatory laws, the state for all practical purposes regulates what the citizen can buy through the application of import duties and excise taxes.

When the Thirteen Original Colonies, operating under the Articles of Confederation, decided to adopt a constitution for the purpose of forming a more perfect union, establishing justice, and promoting the domestic tranquillity, they wrote into that document the basis for Federal participation by delegating to the Congress the power "to regulate commerce with foreign nations, and among the several States, and with the Indian tribes."

This provision, together with the power to lay and collect taxes, duties, imposts, and excises gives the Federal Government the final say-so in all trade, domestic and foreign.

To control our interstate trade, the Congress has set up the Federal Trade Commission and the Interstate Commerce Commission.

To regulate our foreign trade the Congress has enacted various tariff acts, and by the act of April 10, 1918, the Congress projected the Federal Trade Commission into foreign commerce when they required that every association which engages solely in export trade, within 30 days after its creation, shall file with the Federal Trade Commission a verified written statement setting forth the location of its offices or places of business and the names and addresses of all its officers and of all its stockholders or members, and if a corporation, a copy of its certificate or articles of incorporation and bylaws, and if unincorporated, a copy of its articles or contract of association, and on the 1st day of January of each year every association engaged solely in export trade shall make and file a like statement and of all amendments to or changes in the charter, articles of incorporation, bylaws, etc.

The Federal Trade Commission is further empowered by this same act to inquire into the business methods and financial operations of any company or association engaged in foreign trade.

Now this may seem strange to those who see no need for all this so-called red tape and Government interference with the export trade.

But business brought about this type of legislation by restrictive and monopolistic practices which are the very antithesis of the goals which thinking Americans are striving to attain, namely:

The active promotion of foreign trade and participation in foreign business, subject only to such limitations as the national defense and the national economy may require and which are necessary to promote the general welfare and make more secure the blessings of liberty to ourselves and our posterity.

When the Republic was established the founding fathers, while keenly alert to all the injustices the former colonists had suffered, were fearful that here in the the new Nation, differences might arise between one State and another which would be repugnant to the ideas of a competitive economy. Hence they delegated to the Congress the power to coin money and regulate the value thereof and they further specified that no tax or duty shall be laid on articles exported from any State, and no State shall, without the consent of Congress, lay any imposts or duties on imports or exports except which may be absolutely necessary for executing its inspection laws.

Trade within the United States, therefore, enjoys an amount of flexibility that is limited only by the statutes prohibiting monopolies and combinations in restraint of trade. In the field of foreign trade the situation is entirely different.

The American trader besides having to contend with the statutes of this country runs right smack into the legislative and commercial practices of other nations, some of which have almost unlimited state control.

CARTELS

Many of the European nations encourage cartel trade. Ten of the nations that we are aiding under the European recovery program look very kindly upon cartels.

In Belgium, Holland, Italy, and Switzerland compulsory cartels were or still are authorized by law.

In England, France, and the Netherlands East Indies compulsory cartelization was required in specified industries.

Denmark, Norway, and Sweden have special cartel commissions. In England, France, and the Netherlands East Indies cartels can operate without any supervisory legislation.

Denmark, Holland, Norway, Sweden, and Switzerland strictly supervise the operation of their cartels, and in Denmark, Holland, Norway, and Switzerland all cartel agreements must be registered with the Government which agrees to protect trade secrets.

The operations of the cartels in certain European nations are strengthened by import and exchange controls which make competition as we know it here highly impracticable.

Our own lawmakers have tried to encourage foreign trade for years. Through the medium of reciprocal trade agreements, loans from the Export-Import Bank, credits for the purchase of surplus property from the War Assets Administration and the Office of Foreign Liquidation Commissioner, grants in aid under United Nations Relief and Rehabilitation Administration, and many other ways.

However, when the Congress enacted Public Law 395 last December 30, the Congress conferred upon the President of the United States the most unusual authority to use "price criteria" in the licensing of exports, either by giving preference among otherwise comparable applications to those which provide the lowest prices, or in exceptional circumstances, by fixing reasonable mark-ups in export prices over domestic prices.

When the application of this section of Public Law 395 was announced by the Office of International Trade in the Department of Commerce, the Small Business Committee of the House was almost immediately besieged with calls from exporters who had been caught in the middle of bona fide transactions demanding some form of relief.

The apparent injustice of the situation, that is ex post facto application of this new authority to deals then pending between American exporters and their clients or customers, caused the Honorable WALTER C. PLOESER to immediately schedule hearings on the matter, and he simultaneously introduced a bill in the House of Representatives (H. R. 5470) repealing that section of Public Law 395 dealing with price criteria. Within the space of only 3 weeks this bill which was referred to the Banking and Currency Committee had cleared the Rules Committee and was passed by the House of Representatives. However, the bill never was passed by the Senate, so we have price criteria still with us as an instrument of those who seek to take the profit out of our foreign trade or restrict it to narrow limits. However, the OIT in acknowledgment of the thinking of Congress, and because of a mass of protests did correct the situation on May 18, by their Export Bulletin 457 in which they said, "The provision of section 3 (b) of Public Law 395 (80th Cong.) regarding price will be applied as one of the licensing criteria only when the export price for the specific commodity is obviously excessive. Commodity advisory panels or commodity advisory committees will be consulted whenever possible in determining what constitutes obviously excessive prices.

The new bulletin makes it clear that export licenses will not be denied because the prices shown on license applications are slightly higher than those quoted on otherwise comparable applications.

Our committee will continue to be on the alert against unfairness to our exporters because in protecting them we protect genuine trade with other countries. We object to Government agencies such as Commodity Credit, War Surplus, Agriculture, and Treasury furnishing commodities to foreign governments under ECA. We feel that the businessmen of the United States who are traditional traders, should be permitted to carry on their business free of Government competition.

Our committee stands ever ready to correct inequities which inflict hardship on free enterprise. When we fail in that endeavor, then our existence as a committee will be subject to early termination.

HOW BIG IS OUR FOREIGN TRADE?

As our country improved its industrial techniques and its manufacturing processes, American goods came to be known the world over for their qualities and perfection. It was but natural that foreign trade would grow regardless of the competition expected from the highly industrialized countries of Europe.

From 1930 to 1947, during the early days of the depression and down through the period of preparation and participation in World War II, our exports totaled $103,369,352,000 while imports were $52,937,976,000, leaving a trade balance in favor of our country amounting to more than $50,000,000,000.

This looks like a very healthy situation. But is it?

More than thirty-three billion of our favorable trade balances was created from 1941 to 1946 under lend-lease program.

Another two billion six hundred and sixty million can be chalked up as our contribution to UNNRA and the balance to other enterprises which have drained off over $55,000,000,000 in goods and services from the United States, and which today make up a large portion of the tax burden we all are called upon to shoulder.

So much for our foreign trade.

Now I wish that it were in my province to give you a word of encouragement and good cheer at this time. But frankly, I must confess that the outlook is not too good. The time is rapidly approaching when our Government will either have to forego its charitable enterprises in foreign lands, and look after our own domestic economy, or we face serious repercussions here at home. The American people are dissatisfied with programs that drain away their earnings, create shortages and increase the cost of living.

We are pledged to help certain of the European nations get back on their feet, but we are pledged to no more than this. We cannot afford a continuing world-wide relief program and your representatives in the Congress know this full well.

For the future, exporters may expect to do business along narrowly defined channels. We will be able to export this year from our surpluses, according to committee figures and data, the following supplies:

1. Three hundred and thirty million pounds of fats and oils out of 5,870,000,000 pounds needed by the Marshall-plan countries.

2. Two million four hundred thousand bales of raw cotton out of 6,057,000 bales needed.

3. Six million five hundred and seventy thousand metric tons of bread and coarse grains out of 23,228,000 metric tons needed.

4. One hundred and thirty-five million pounds of cheese out of 500,400,000 pounds needed.

5. Fifteen thousand metric tons or 33,060,000 pounds of meat out of 2,243,000 metric tons needed.

6. Three hundred and twenty million pounds of dried whole milk out of 688,000,000 pounds needed.

7. Twenty-five million metric tons of coal of a possible 50,000,000 metric tons required.

8. Twenty thousand quintals of leather out of 200,000 quintals required.

We have plenty of drugs and pharmaceuticals for export.

We will also have limited quantities of rice and lumber for export.

With respect to steel, although we exported more than 6,500,000 tons of steel and steel-mill products last year, the demands of our own economy are growing so rapidly that not over 4,000,000 tons will be available for export during 1948, and even that quantity pinches small business at many points.

We have tobacco in abundance, raisins by the tons and can supply all the export requirements of these commodities.

And now we come down to coal. We have been carrying coals to Newcastle for quite some time, and will probably continue to do so until the coal miners of Wales, the Saar, and of Poland are provided with new and better equipment with which to increase their production.

So while the coal-export business may remain good, the prospects for coal-mining machinery for export also seem excellent.

Besides the items mentioned there are thousands of small manufactured articles like hand tools, etc., which exporters will be called upon to furnish. It is this small business, the nuisance end, if you please, which calls for much attention with small chances of profit.

You gentlemen of the trading fraternity are to be congratulated upon the fortitude with which you have measured up to your responsibilities as businessmen and as Americans. I hope that at some not too far distant day the world will again arrive at that normalcy for which we all yearn and that you may each and every one then enjoy the full fruits of your labors in the fields of foreign trade.

Old-Age Assistance

EXTENSION OF REMARKS
OF

HON. WILLIAM LEMKE

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. LEMKE. Mr. Speaker, the high cost of living and of housing has caused more suffering among the old people, whose livelihood depends upon social security, than among any other class. These are no longer able to make their own living. Their industrial and productive period is in the past.

While the cost of living and housing has more than tripled on an average, the amounts of the grants for the aged have remained about the same. These range from $14 to $37 in the average case, depending upon the State's contribution. While the last Congress gave a small increase, it is not, however, in keeping with the increased cost of living.

The trouble with social security is that those who favor it are divided into too many different camps. One group wants this and another group wants that. The majority of the Members of Congress know and feel that the present grants are altogether insufficient. If all the factions would get together and work definitely for one bill or one plan, then they could achieve reasonable results.

While the Truman administration is making loans and gifts to inefficient, and in some cases, grafting foreign governments, it has woefully neglected the old people. They are among the forgotten people. While the administration is feeding some able-bodied foreigners, too lazy to work, it has permitted the aged to go hungry, and in some cases ill-clad and ill-housed. It has been, and is, "foreigners preferred, Americans forgotten."

It is time that Congress and the President realize that our old people created the wealth that the President is so lavishly giving away to other nations. It is time for us all to realize that it was the pioneering spirit and hardships of these people that made the foreign gifts and loans possible.

We all know that what little old-age assistance we have is the result of the Townsend movement. But for this movement, the aged would at present be given very little, if any, consideration. It was this movement that made the Nation conscious of its duty to the people who created its wealth—to the people who created the wealth with which we won World Wars I and II. It was this movement that awakened and quickened our conscience to the responsibility and the duty the Nation owes to its elderly people.

During the special session of Congress a large group of Members met and urged an increase in grants to the aged. These Members insisted that the existing old-age assistance was not sufficient in many cases to keep body and soul together. They felt it did not afford security. They realized that it does not give freedom from want or freedom from fear of insecurity. They felt that the special session of Congress should increase these grants to not less than $60 a month as immediate relief. This $60 to be made free from the usual red tape.

Under the present Federal law, the State must match dollar for dollar the amount paid to the aged by the Federal Government. All States required the aged to assign their homes or other property or interests they have to the State welfare board in order to get assistance, and the Federal Government demands one-half of the amount recovered from this source.

In short, the present old-age assistance law is not a home preserver, but a home wrecker. The Federal Government joins hands with the States that require the assignment of the home, and in many cases takes the home from the children after the parents pass on. This practice should be condemned. It is inhuman, cruel, and brutal. A nation's strength depends upon its home owners. We need more, not less, home owners.

The Federal and State Governments demand proof that the persons applying for assistance have no relatives or friends who will take care of them. In other words, they must prove that they are paupers before they can get relief. Such humiliating and shameful red tape should be cut out. The truth is that we require more proof of the inability of our aged to support themselves than we do of foreigners. This procedure is too niggardly and too un-American. It must not be continued.

I repeat that under the present Old-Age Assistance Act, in some cases the State and Federal Governments pay as little as $14 per month to aged individuals without any other income. Surely now that the purchasing power of our dollar is worth only 39 cents as compared with the purchasing power of the 100-cent dollar of 1937 and 1939, we all realize that no one can, in any part of the country, live on the American standard on $14 a month.

Personally, I feel that the phrase "old-age pension" — old-age assistance — should be changed to "old-age compensation." We know that every person who has worked at a useful occupation from the age of 18 to the age of 60 has created enough new wealth to last for the rest of his lifetime. It matters not what kind of work such a person performed. It makes no difference whether such work was agricultural, educational, industrial, or professional, or whether it was in raising a family. The public got the benefit.

We also have with us those who are totally physically disabled. These are unable to make a living at any stage of life. They must be taken care of by the public. The best and cheapest way to take care of these, unless they are mental cases or living in a penal institution, is direct assistance. Their disability is not voluntary. It is not their fault. They are in a world where human instinct tells us that they should be taken care of and life made secure and pleasant as far as possible.

Congress has already made a study and survey of this whole subject. It knows that the care of the aged is a Federal responsibility. The Government, as a whole, must become interested in the physical well-being of all its citizens. When that happens, then we need not fear communism. Then we need not fear fascism or nazism. These "isms" all come from poverty. Poverty and misery are the seed beds in which communism prospers and grows.

Let us give to the aged sufficient compensation for their past labor so that their sons and daughters, brothers and sisters will be glad to take care of them. When that is done, there will be no room for communism or fascism. Love of country and love of Government will be spontaneous. The machinery to compensate the aged must be made more simple. There must not be weeks of delay, or red tape without end, or a waste of time and money in compensating the aged for past services.

If our form of government is to continue as a republic, then it must keep abreast of civilization. If we are to avoid communism, fascism, or nazism, then we must take a greater interest in

all of our citizens. We must assure to the aged freedom from fear. We must assure to all our people future security—freedom from want. We must remember that those who created the wealth of this Nation are entitled to at least some return when they reach the age of inability—as a rule at the age of 60.

If our Government can give $40,000,000,000, since the war, to foreign nations—even billions to liquidators of other nations' people—then it is time that we take care of our aged, who created the wealth which our administration so lavishly distributes to other countries.

I hope that the group that met during the special session will meet again at the opening of the Eighty-first Congress. I hope that with them will be the leaders of the various groups who favor an intelligent old-age compensation, and that together we may accomplish the result that long ago should have been accomplished—that is, get an intelligent old-age compensation law enacted.

False Prophets and Prices

EXTENSION OF REMARKS

OF

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. DINGELL. Mr. Speaker, we are indebted to Drew Pearson for having delved into the realm of the not too distant past to unearth and revive statements of "very important people" whose faces must now be red. These statements concerning OPA are, of course, ineradicable and of record. They were frequently made before their own conventions or before congressional committees and disseminated for public consumption by the press throughout the country. They might have been forgotten temporarily but now that they are brought to mind we wonder whether they were made by fools or false prophets—by rascals or honest men. One thing we do know is that they were wrong, dead wrong, and with the result that the great mass of our people have been victimized for the benefit of a relatively few who stood to profit by the death of OPA.

They were, of course, not made by prophets, but by self-professed experts and industrial leaders. They are supposed to be authoritative to the extent that Congress was expected to pay heed to these gratuitous, and in those cited instances, specious, if not dishonest expressions. The irresponsible and far-fetched reflections of selfish interests can be and have always been made with impunity. Today Congress is held to blame, or at least those who voted to kill or make impotent OPA, for having followed the wrong advice. Those who appeared as experts, leaders, or advisers disappeared into the dim forgotten past. No one remembers their names or the capacity in which they appeared until they are uncovered by the prowling experts of the press, like Drew Pearson. Here are a few specimens of misrepresentation. Some are better than others but all can be classed as gems. Here is a juicy one by Wesley Hardenberg, president of the American Meat Institute, which today offers little consolation for the high prices of meats:

> What is needed is for Congress to do away entirely with all OPA meat and livestock price regulations of every description so that consumers again may get the kind of meat they want, when they want it, at a fair competitive market.

If John E. Jaeger, president, National Association of Retail Grocers, knew as little about groceries as he did about OPA and the future, by now he most likely should be out of the grocery business. Read what he had to say:

> We [retail grocers] feel that the time has arrived when * * * action must be taken * * * to prevent renewal of the Price Control Act. Competition will benefit the consumer by making available ample food at reasonable prices.

Arthur Bruce, president, National Lumber Manufacturers Association, in view of high prices and housing shortages, not only goes out on the limb but actually cuts himself down. Read what he had to say prior to June 30 of 1946:

> I am personally of the opinion that we would be better off if the Office of Price Administration were to die a natural death June 30.

The automobile-wise and price-conscious American people can get a good laugh out of the prophetic remarks of Robert R. Wason, president of the National Association of Manufacturers, even while paying through the nose.

> If OPA is finally dead, women * * * will now use the canned meats and other goods they have on their shelves to see them through any temporary period of price rises. If OPA is eliminated entirely, prices of automobiles may be expected to reach normal within 6 months, while rents might take at least a year.

Have you gotten your automobile yet? If so, at what price?

Here's another "unbiased opinion" by an expert, Al Guckenberger, executive secretary, New York State Food Merchants Association:

> Prices * * * will level off shortly as they had begun to do last August before controls were reimposed.

To cap the climax, read the temperate reference of Herbert U. Nelson, executive vice president of the National Association of Real Estate Boards, who through a most powerful and successful lobby were able to prevent enactment of effective housing legislation. Here is his opinion:

> We've got a gang in power who thinks solely of the consumer, and usually in terms of protecting him.

Where ignorance is bliss, it is folly to be wise. Silence in these cited instances might rightfully be golden.

A Free Economy, the Only Source of Ample Food and Shelter—Four Thousand Years of Failure of Price Control

EXTENSION OF REMARKS

OF

HON. RALPH W. GWINN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. GWINN of New York. Mr. Speaker, I want very briefly to give you a little sketch of 4,000 years of uninterrupted failure of price controls as applied in the experience of nations from the beginning of civilization. We have heard from time to time that our experience with price controls dates from Leon Henderson, or from 1942.

That American passion for economic freedom has deep roots in our history becomes clear when one reads the words of the president of Princeton, John Witherspoon, in a letter to George Washington:

> Fixing the prices of commodities has been attempted by law in several States among us, and it has increased the evil it was meant to remedy, as the same practice has done since the beginning of the world.

Is that really true? What does the historical experience of mankind teach about this fundamental issue, which touches the life of every man, woman, and child?

CONTROLS TRIED 4,000 YEARS AGO

The temptation for people in power to tamper with prices and production seems to be a very ancient human game. Thus, in the Laws of Hammurabi, King of Babylon—2285–2242 B. C.—we find wage controls for boatmen, reapers, threshers, shepherds, laborers, artisans, bricklayers, tillers, stone cutters, milkmen, and carpenters. Regulated also were builders' fees and warehousing, as well as rental of cows in milk, calves, oxen, wagons, and freight and passenger boats. On the basis of historical evidence, we know that ancient history, throughout the changing centuries, is characterized by a never-ending succession of popular upheavals against tyrannical rules and regulations imposed upon the people from above. This continued strife reveals one of the fundamental themes of human history—a struggle between regimentation and freedom.

We find later laws in ancient history, like, for example, the Hittite Code—1350 B. C.—which was discovered in Baghaz Koi in Asia Minor, that attempted to establish provision for wages and prices. The very fact that such laws had to be abolished or drastically revised under popular pressure indicates that even in ancient times rulers met with deep-seated resentment against their attempts to block the activities and trade of their citizens.

ROME HAD FREEDOM

History tells us that the Roman Republic, under a constitution guaranteeing freedom, became the envy of the

"barbarians" of other countries. Its soldiers were increasingly victorious in their conflicts with the half-hearted mercenaries of neighboring nations that enjoyed little freedom. The glory that was Rome extended throughout what is now western Europe and northern Africa because Rome was the center of freedom. There were no planned economies. As Gibbon tells us, freedom, honor, and justice were universally recognized virtues. And the freedom of Rome extended to its colonies.

The recurrent famines of earlier days were experienced with less and less frequency. Rome gave the civilized world the highest standard of living then known to mankind. But what happened? The leaders reached out for power. The republic became an empire. At first the emperors were cautious. They talked freedom as they planned a police state. Gibbon says, "Augustus was sensible that mankind is governed by names; nor was he deceived in his expectation, that the senate and the people would submit to slavery, provided they were respectfully assured that they still enjoyed their ancient freedom. A feeble senate and enervated people cheerfully acquiesced in the pleasing illusion." And so the people were fooled by bread and circuses. They looked to the government to supply more and more of their needs. Production declined everywhere. Prices skyrocketed.

ROMAN CONTROLS FAILED MISERABLY

Emperor Diocletian decided to maintain his popularity with promises to fix prices and reduce the cost of living. So in A. D. 301, he issued an imperial edict fixing the prices of commodities for the whole Roman Empire. His grandiose scheme was ushered in with a fanfare of benevolent propaganda. In fact, in the preface to the edict, the Roman Emperor shows an insight into the laws of psychological propaganda technique which is as startling as it is up to date. He assures his people that the coming economical control system is built on the highest motives of making the whole nation participate "in the blessings of that peace for which we have laboriously striven." He continues that in order to make this price-fixing system work, it is necessary for the rulers like "watchful parents of the whole human race" to help the people with remedies from above, and that such measures have become necessary, since humanity cannot achieve such good results by its own free action.

The edict goes on to explain how the people have become greedy; how exorbitant profits were being made; how monopoly was running wild, and the people, therefore, needed protection from foes within as well as foes without. The only cure was a complete over-all control of food, clothing, wages, and so forth. Reading the list of commodities which the Emperor asked his Chester Bowles of that day, Maximianus, to take control of, reads astonishingly like our own modern OPA lists: Farm products, dyes, needles, feathers, filling for upholstery, seeds, wine, oil, meat, poultry, fats, sea food, building timber, wooden posts, finished wagons, agricultural implements, and so on ad infinitum.

In order to enforce his imperial law, Diocletian built up a huge bureaucracy to administer his universal price-control system. A contemporary observer has characterized the situation in the following words: "The number of ministers, of magistrates, of officers, and of servants who filled different departments of the state, multiplied beyond the example of former times."

The price-control police forces of Diocletian had as their legal weapon, severe penalties against any breach of the law. Death was the punishment for those who dared sell above maximum prices. Death also for the buyer who aided and abetted him. Death, too, for those who bought and sold illegal stocks. However, human nature being what it is, these penalties did not affect the general picture, and no bureaucratic machinery or legal apparatus could prevent a complete break-down of the law of supply and demand with all the economic and social evils resulting from it.

Economic historians of the Roman Empire find that a situation developed which was as tragic as it was prophetic. Because the scarcity of production was heightened by the interference from price-control laws, prices on consumers' goods in the actual market rose to catastrophic heights. The control system which was put into operation to combat inflation, in this manner actually created inflationary trends which broke the backbone of the economic life of a great empire. Everywhere the results soon became visible: Building and construction stopped entirely. The arts and sciences fell into decay to such an extent that modern historians can recognize immediately the crudity and purility of the craftsmanship of this period. Artistic creativeness and inventive skill did no longer thrive in this new atmosphere of economic tyranny.

History goes on to point out that while the economic waste was incredible the trades sank to ever lower levels. Poverty was created among the broad masses, while the merchants and small entrepreneurs were impoverished into bankruptcy. Landowners and manufacturers, who were the hardest hit, lost interest in a system of economic slave control that took away the private inventiveness and enterprise of the human genius.

In the realm of agriculture the situation became so bad that the Emperor found it necessary to order the farmers and the farm laborers controlled by serfdom under state supervision. That this measure could only lead to a worsening of the agricultural situation is perfectly explainable by the well-known historical law, that soil tilled by slave labor never yields abundant fruits such as land cultivated by free farmers.

To meet this general extremity of national economics, the Emperor, therefore, naturally turned to the device which is as common as it is artificial, namely, of exorbitant taxation. Taxes and surtaxes multiplied in a hopeless effort to fill an ever-empty treasury.

Thus ends the only total price-control system which the history of the Roman Empire records. Diocletian alone, of all the Roman emperors, was foolish enough to attempt it. If he had listened to the history of his empire he might have observed how earlier attempts of partial price fixing under emperors like Tiberius, Commodus, and Alexander Severus all had broken down. However, like many panic-stricken tyrants in the history of mankind, Diocletian apparently fancied that, if the price-control system only could be made totalitarian and foolproof, it would work where partial attempts have broken down. He lived to see the tragic mistake of his economic tyranny over a whole nation's life, since his experiment ended with such a complete failure that the edict had to be repealed as useless and unenforceable. Soon after the poverty-stricken and indignant people forced his abdication, on May 1 A. D. 305.

The more serious lesson of this Roman price-control experiment is grasped, however, only if one realizes that its long-range effect on the Roman Empire was directly connected with the economic destruction of the greatest empire of ancient history. As the historian, Jules Toutain, has pointed out, the economic break-down of the Roman Empire made it fall an easy prey to the attack of the barbarians who, a few generations later, poured in over the borders of the Empire south of the Danube and west of the Rhine. What had once been a proud and great nation had deteriorated into a mass of people which had lost both the productive initiative and the national self-esteem which make a people strong and healthy. One of the fundamental laws of national defense is that only a nation in which freedom has been preserved under law is able and willing to take up arms in defense of human rights and human dignity.

Upon the grave of the Roman Empire the well-known historian, Samuel Dill, of Oxford, has written the following epitaph, which we may do well to remember:

> The system of bureaucratic despotism, elaborated finally by Diocletian and Constantine, produced a tragedy in the truest sense, such as history has seldom exhibited: In which, by an inexorable fate the claims of fancied omnipotence ended in humiliating paralysis of administration; in which determined effort to remedy social evils only aggravated them until they became unendurable; in which the best intentions of the central power were, generation after generation, mocked and defeated alike by irresistible laws of human nature and by hopeless perfidy and corruption in the servants of government.

It is not surprising that kings, who were notorious for their excessive egotism, should be found in the list of rulers bent upon price control. There is Philip IV, of France, who, in 1306, antedated Hitler's Jewish pogroms by six centuries, and who created a dire scarcity of wheat, bread, and clothing throughout his nation by his price-control system.

There are English kings, like Henry III and George II, who tampered with prices of grain and bread until Parliament rose up in indignation and repealed these royal price-control attempts.

There was Edward II, who, on an island like England, hit upon the ridiculous scheme of safeguarding production level on sea food by a control system which was inaugurated as a benefit for the people, but actually turned out to be such

an impossible flop that all fish disappeared from the markets in the British Isles.

FRENCH CONTROLS FAILED

A complete survey of ancient, medieval, and modern price-control systems proves that they created scarcity instead of production and ill-will instead of cooperation. One of the most illustrious and meaningful examples of this historical law we find as we turn to the history of the French Revolution.

When the leftists of that day—the Jacobins—decided to destroy French culture and French enterprise, they made use of the old tyrannical medium of a violent price control. Being experts in revolutionary technique, they chose to place iron control upon 39 necessities of life under the agency called committee of public safety.

The picture of what happened to the French revolutionary price-control system runs true to pattern.

As one historian, Andrew Dickson White, wrote in 1876:

> The first result of the maxium was that every means was taken to evade the fixed price imposed, and the farmers brought in as little produce as they possibly could. This increased the scarcity, and the people of the large cities were put on an allowance. Tickets were issued authorizing the bearer to obtain at the official prices a certain amount of bread or sugar or soap or wood or coal to cover immediate necessities.

As another historian reports this era:

> Prices were fixed. Any attempt to profiteer on necessities was made punishable by death. To break all opposition, the terror was established. The tribunal revolutionaire began sending scores of innocent people to the guillotine every day. Between March of 1793 and July of 1794 nearly 3,000 people were executed in Paris and about 15,000 in the provinces. At Nantes three or four thousand prisoners were thrust into old boats that were sunk in the middle of the river; at Lyon they were shot down in groups of as many as 200 at a time.
>
> The Civil War of the Vendee began in 1793. Insurrection against the revolutionary government spread into Poitou, Anjou, and Brittany. Threat of famine compelled the rationing of food. There was much discontent on that account. The Hebert group attempted to incite the famished people to an attack on the convention. Robespierre acted swiftly. Hebert and his chief lieutenants went to the guillotine. That was in March 1794.
>
> Robespierre, then 35, became the uncontested master of the situation. From April to July 1794, his authority was unchallenged. He moved rapidly toward his goal of complete social equality. It was ordered that the confiscated properties of enemies of the republic should be given to deserving patriots. Saint-Just was charged with this distribution, and was authorized to revise the code of social institutions in the interest of pure democracy * * * trial by jury was denied to those suspected of conspiracy and the tribunal was authorized to make condemnations without the hearing of witnesses. Heads began to fall faster than ever. It was the Great Terror. In 45 days there were 1,285 executions.
>
> The Great Terror was an expression of Robespierre's impatience to realize his ideal state. He wished to destroy all opposition to the establishment of social and economic equality. But he had overreached himself. The razor of the republic began to lose its popularity. The pitiless apostle of liberty, fraternity, and equality began to lose prestige. The word "tyrant" was murmured. * * * On July 28, 1794, Robespierre and his brother, Saint-Just, and 19 others were executed. That ended the terror, and it all but ended the republic. Democracy had followed autocracy to the guillotine. The death of Robespierre ended the dream of pure democracy and equality. No man dared to espouse the perilous cause that had brought death to its devotees. The Robespierre legislation in the interest of equality was either suppressed or ignored and, to the delight of the merchants, price control was abandoned.

All price fixers do not meet so violent an end as that of Robespierre but the wrath of the hungry and disillusioned people always descends upon them.

A sigh of relief and a new spirit of self-governed activities swept through France. The farmers plowed and planted, and during the month of July 1795 they could once again harvest their crops as free men after the disastrous and negative years of revolutionary price control. Liberty had conquered once more.

EARLY AMERICAN OPA'S

Coming now to the United States, we find the resistance to Government tampering with the laws of supply and demand greatest of all. A limited price control was attempted during the American Revolutionary War, but the alert and freedom-loving citizens, taught by experience, soon totally rejected this Government interference with the economic life of the States.

Led by Connecticut and Massachusetts, the New England States went in for regulating prices early in the Revolutionary War. This emergency measure was motivated quite as much by the fact that the Continental currency lost its monetary value as by the self-evident fact that British blockade created a severe shortage of consumers' goods. The inevitable result was that the 1774 price level soon broke down, and as early as the spring of 1777 Connecticut, Rhode Island, and New Hampshire were forced to raise the level for maximum prices. In Rhode Island, however, the town of Providence objected strenuously. It directed its representatives in the legislature to fight such measures, as they created scarcity and produced animosity.

In Connecticut, Governor Trumbull warned in a public statement:

> If we affix a low price to provisions and articles of importation we shall find that the farmer will cease to till the ground for more than is necessary for his own subsistence, and the merchant will not risk his fortune on a small and precarious prospect of gain.

The good Governor was really advocating what later generations prefer to call controlled inflation, even though he must be excused for not knowing the modern devices of economic deception called farm subsidies and cost-plus contracts.

Soon the States, including New York, Pennsylvania, and New Jersey, began to labor under keen misgivings, however, that the price control as such was a deceptive technique. This discovery led to an interstate convention being called in New Haven in January 1778. The war was still raging and the longed-for victory for independence still did seem far away. In a stampede of economic panic, the delegates voted, therefore, to adopt a price advance of 75 percent above the 1774 price level.

What was meant to be a radical cure threatened to become a disaster, since a run-away inflation soon began to encompass the national economic life. The Continental Congress very quickly realized that it had to reverse its policy in order to avert sure economic doom. In its meeting of April 8, 1778, it declared, therefore, to the sorely tried war-torn Nation:

> It hath been found by experience that limitation on the prices of commodities is not only ineffective for the purpose proposed, but likewise productive of very evil consequences to the great detriment of the public service and grievous oppression of individuals.

The courageous and wise pronouncement by the Continental Congress had a reassuring effect upon the States. In fact, so much so that price fixing was permitted to lapse for about a year. During this period, the American people discovered that price fixing could not serve as a safeguard against the heavy inflation which their just War of Independence gave them to carry as an additional price for freedom. They recognized this as an economic fact which proved that, measured in money values, they all were becoming poorer as together they were winning their freedom.

In 1779, the last brief attempt was made at price fixing as a remedy to control a deeply wounded war economy. On May 25, 1779, the town of Boston adopted a price schedule for 15 articles on a month-to-month basis. And in July of the same year, a State convention at Concord adopted a general price level, stipulating that "violators were to have their names published in the newspapers as enemies of the country." The background for this threat against violators was, of course, the fact that the very outcome of the whole war hung in the balance.

Yet, even so, history records that penalties were rarely imposed. Indeed, the laws were, for the most part, not enforced. They remained, as Prof. Allan Nevins has pointed out, on the statute books.

And as soon as the fortunes of war turned, the States rid themselves of the fruitless and scarcity-producing price-control system, which they had grasped in a moment of panic. It is to the undying glory of the men and women of the Revolutionary period that a whole year before Cornwallis surrendered at Yorktown, all the States had already repealed their price-control laws.

Such was the depth of their belief in freedom as a producer of goods and services. Price control in America was over—not again to be revived for 160 years.

They fought not merely for independence. They fought for freedom and learned right in the middle of war itself that freedom produces more food and clothing and shelter than controls can produce. They emancipated freedom from Europe and European controls.

During the postwar period, under the Articles of Confederation, our colonial

ancestors lived in an era of high prices. The unsecured revolutionary currency was issued in such quantities that "not worth a continental" became a popular phrase. The monetary situation interfered seriously with trade and tended to foment discord, distrust, and disunity.

It was in this atmosphere that the Constitutional Convention met in 1787. It is worthy of note that no delegate to this Convention seriously proposed that our Government should have the power to fix prices. Their generation had learned that Government price fixing would not work and so this power was not listed among those delegated powers which the people gave their Federal Government.

To exercise such power now is sheer usurpation. It was the adoption of our Constitution with its limitation on control that brought the new era of food and shelter. We need to remind ourselves that this era started right here in America. Our example spread around the world until the world rejected freedom for many forms of collectivism. With that has come again the ghastly prospects of starvation and famine. That has been the rule of life throughout history except where for brief periods of time freedom of the people has been maintained.

This has always existed whenever land has been used in common and regulated by some central authority. The planned economies of lords, kings, and dictators have always resulted in famine and want.

Freedom, which is synonymous with ample food and shelter, is the first great achievement of modern times. Under the Constitution, Americans were free to own their lands, work out their own plans, and enjoy the fruits of their labor without regulations by authority or oppressive taxation. With this freedom has come agricultural science and invention of machinery, increased supplies of food, intellectual advance, improved means of communication, steam, electricity, and all the wonders that only the imaginative and creative minds and spirits of free men and women may comprehend for the future blessings of mankind.

Mr. Speaker, this debate has clarified one fundamental thing; namely, the fact that we are today witnessing the old, old fight between two contradictory political systems of government. On the one hand we have the advocates of government control over national life and national production. They willingly abandon freedom. To adopt price controls in peacetime would be clear proof that the European idea of government control and government domination and compulsion has moved permanently into the political philosophy and political life of this great Republic.

Those who do not believe that freedom will solve our economic problems should stop fooling themselves. They continue to talk about freedom, but they do not really believe in it. They give lip service to liberty, but the moment the test comes they call for continued and increased power for public officials.

Mr. Speaker, the test is here. The test has been long overdue. Are we going to give our people, and the rest of the world true statesmanship, built on first principles?

I am reminded of the words of a free American from the debate on price regulations of February 14, 1777, in the Continental Congress, where Mr. Benjamin Rush stated:

> The salvation of this continent depends upon the authority of this Congress being held as sacred as the cause of liberty itself. It becomes us, therefore, to be careful of the remains of our authority and character.

We know that what this Nation and other nations expect from the United States at this crucial moment in history is production and more production of vital foods and clothing and shelter for consumption at home and especially food for people abroad. Half of the starving are dependent upon us. The managed, controlled, and forced spirit of man will neither produce nor work nor fight nor make sacrifices necessary to rebuild a world civilization which was wrecked by an evil domination system which was built on absolute government control.

It is deplorable that 15 years of false indoctrination has dulled our sense of liberty, our passion for its products. Having won a complete victory over government-controlled systems in Germany and Japan, we too are in danger of continuing to follow the false philosophy of good coming from government interference, the Hegelian doctrine of the omnipotent state. It is Hegel who said:

> A state is the divine idea as it exists on earth and we must therefore worship the state as a manifestation of the Divine on earth. The state is the sole condition for the attainment of the particular end and good. The state must, in its constitution, permeate all situations.

The Members of this House are the representatives of a free people against these prophets of doom and gloom and their fundamental philosophy of life and government so completely out of line with truth and fact. I agree with Mr. Chester Bowles that "what is at stake is our entire economic future," only I believe that our future, as our glorious past, should be dedicated to freedom and faith and not to price control and fear.

We have corruption and we have black markets because we have man-made control instead of adherence to that fundamental law called the law of supply and demand. A natural law which is as inevitable and basic as the law of gravity cannot be set aside by any law even of Congress. Freemen meeting in a free market doing their free selling and buying proves to be far more honest in the long run than people who have Government officials looking over their shoulders every time they turn or every time they finish a product. Freedom is more honest than government and so much more productive.

Everything that is happening now points to the fact that if we now continue to substitute expediency for faith in freedom we are on the road to weakening more and more the central idea upon which the Republic was founded. We are on the way to corruption and disintegration. To guarantee that this catastrophe shall not happen to the last bastion of free enterprise or free economy in the whole world we must keep free from price controls and hold fast to our free economy.

If we cannot read history so well or act so courageously as our forefathers in dealing with price controls, we can imitate them. Let us take a leap of faith in freedom if we would have food, clothing, shelter, and the good life.

The Displaced Persons Act of 1948 and IRO Provisions

EXTENSION OF REMARKS
OF
HON. ARTHUR G. KLEIN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

Mr. KLEIN. Mr. Speaker, it is obvious that the Displaced Persons Act of 1948 was a terrible blow to those of us who believed that the tradition of hospitality of the United States, and our contemporary international obligations, made it a duty to welcome to this country a substantial number of the tragic victims of Nazi bloodlust who now are known by the chilling phrase, "displaced persons."

We were aware that a mere trickle of immigration took place during the war years, and, all humanitarian considerations aside, it seemed logical to suppose that the Congress would make provision without trepidation for the immigration of numbers at least equalling the unused quotas of those years.

The revulsion against the discriminatory act which was finally adopted has led to some rather strong denunciations.

In the interest of clarity, and to make the terms of the IRO constitution adopted in the act by reference known to every one, I am inserting a synopsis of the act prepared by the International Refugee Organization, including the IRO definitions of displaced persons and the rather stringent standards set up for screening all DP's:

UNITED STATES OFFICE,
PREPARATORY COMMISSION,
INTERNATIONAL REFUGEE ORGANIZATION,
Washington, D. C., June 30, 1948.

IRO News Digest No. 13

SUMMARY OF PROVISIONS OF THE DISPLACED PERSONS ACT OF 1948 (PUBLIC LAW 774, 80TH CONG.) AND DEFINITIONS OF ELIGIBILITY UNDER THE IRO CONSTITUTION

I. Number of displaced persons to be admitted:

Two hundred thousand displaced persons and refugees designated as eligible for IRO care under terms of the IRO constitution.

Two thousand recent refugees from Czechoslovakia.

Three thousand displaced orphan children under the age of 16 years.

Fifteen thousand aliens now resident in the United States.

II. Eligibility requirements:

(a) Displaced persons: To be eligible for admission to the United States a displaced person must:

1. Be included among those eligible for IRO asistance under terms of the IRO constitution. (See IRO definitions.)

2. Have entered Germany, Austria, or Italy on or after September 1, 1939, and on or before December 22, 1945:

3. Have been in the western zones of Germany and Austria or in Italy on January 1, 1948; and

4. Be qualified for admission under immigration laws and regulations of the United States.

The spouse and unmarried dependent children of displaced persons eligible for admission will also be considered eligible for admission if they are otherwise qualified under immigration laws.

(b) Czech refugees—To gain admission, the 2,000 Czech refugees included in the act must:

Be natives who fled Czechoslovakia as a direct result of persecution or fear of persecution since January 1, 1948; and also have been in Italy or in the western zones of Germany or Austria on the effective date of the act. In addition they must be qualified for admission into the United States under immigration laws and regulations of the United States. The spouse and unmarried dependent children of eligible Czech refugees may also be considered eligible if they qualify under the immigration laws.

(c) Orphan children: Displaced orphan children to be admitted must:

1. Be under 16 years of age;

2. Be qualified for admission under United States immigration laws;

3. Be orphaned due to the death or disappearance of both parents;

4. And, must have been in Italy or the western zones of Germany or Austria on the effective date of the act.

(d) Resident aliens: Aliens now resident in the United States may be admitted to permanent residence if they:

1. Entered the United States prior to April 1, 1948;

2. Are otherwise admissible under the immigration laws;

3. Can establish the fact of lawful entry into the United States as nonimmigrants or as nonquota immigrant students pursuant to applicable immigration laws;

4. Can establish the fact that they are displaced from country of birth or nationality or last residence as a result of events subsequent to the outbreak of World War II and are unable to return to such countries because of persecution or fear of persecution on account of race, religion, or political opinion.

Admission of aliens for permanent residence is dependent upon certification by the Attorney General to Congress that each individual is qualified for permanent residence under terms of the act and is further dependent on passage of a joint resolution by Congress in each case, stating that Congress favors granting the status of permanent residence.

III. Conditions governing admission:

In addition to eligibility requirements summarized above, the act provides the following conditions which must be met before admission of a displaced person for permanent residence may be accomplished:

(a) Jobs and housing: In the case of displaced persons and Czech refugees to be admitted under the act, assurances must be given, in accordance with regulations of the Commission established to administer the act, that each person admitted will be suitably employed without displacing some other person from employment, that each displaced person and his dependents will not become public charges, and that they will have safe and sanitary housing without displacing some other person.

(b) National origins: Forty percent of all visas issued under the act are available exclusively to eligible displaced persons whose place of origin or country of nationality has been annexed by a foreign power.

(c) Use of national immigration quotas: Although provision is made for issuance of 202,000 visas to displaced persons and Czech refugees within the 2 following fiscal years, the act further provides that the quotas of the chargeable countries shall be mortgaged up to 50 percent of the annual total for as many years as necessary to compensate for the numbers actually admitted.

(d) Provision for children: Displaced orphan children to be admitted under the act specifically are exempted from the quota provisions applicable to other displaced persons and refugees. However, the act provides that, before the children may be admitted, satisfactory assurances must be given that they will be cared for properly, in accordance with regulations of the Commission.

(e) Character investigation: The act provides that, before a displaced person or refugee may be accepted for admission, a thorough investigation and a written report shall be made regarding each individual's character, history, and eligibility under the act.

IV. Preferences and priorities:

In lieu of existing immigration preferences stated by law, the act provides the following preferences:

1. First preference in immigration is given to persons previously engaged in agricultural pursuits and who will be engaged in agricultural pursuits upon admission to the United States. Not less than 30 percent of all visas issued under the act will be made available to this occupational group. Wives and unmarried dependent children of persons admitted under this preference will be counted as agriculturists.

2. Second preference is given to household, construction, clothing, and garment workers or other workers needed in the locality in the United States in which they propose to reside. Also included in this preference group are persons possessing special educational, scientific, technological, or professional qualifications.

3. Third preference is given to displaced persons who are blood relatives of citizens or lawfully admitted aliens in the United States.

Within the preferences stated in the act, priorities are to be given to persons, who, during World War II, bore arms against the enemies of the United States and to persons who were, on January 1, 1948, living in displaced persons camps and assembly centers. Provision is made that in exceptional cases visas may be issued to persons otherwise eligible who are located outside the camps.

V. Administration:

The act provides for the establishment of a Displaced Persons Commission consisting of three members to be appointed by the President with approval of the Senate, one member to be designated as chairman. The Commission will be responsible for formulating and issuing regulations necessary for promulgation of the act and for developing and implementing plans and regulations designed to achieve general settlement and distribution throughout the United States and its territories and possessions of persons admitted. The Commission is also responsible for reporting to Congress and the President on the manner in which the law is being carried out and on the status of displaced persons admitted under its terms.

Other governmental functions necessary to the implementation of the act will be performed by regularly established agencies of the Government. These functions will include selection, screening and processing of persons to be admitted, issuance of visas and implementation of regular immigration procedures.

VI. Reporting of status:

Each displaced person admitted, with the exception of dependent children, will be required to report on his employment and residence to the Displaced Persons Commission every 6 months for the first 2 years of residence in the United States.

VII. Revocation of the Truman directive:

Beginning July 1, 1948, displaced persons are no longer granted preference or priority under the regular immigration laws because of their status as displaced persons. This provision nullifies an Executive order issued in December 1945, which granted immigration preference to bona fide displaced persons.

VIII. Admission of Volksdeutche:

Included in the Displaced Persons Act is a provision which will make immigration visas available to the so-called Volksdeutche—persons of German ethnic origin who were born in Poland, Czechoslovakia, Hungary, Rumania, or Yugoslavia and who are residing in Germany and Austria on the effective date of the act. To accommodate these persons, the German and Austria quotas are reactivated with the proviso that 50 percent of the visas issued in the 2-year fiscal period beginning July 1, 1948, shall be reserved for the Volksdeutche from the above-named countries.

IRO DEFINITIONS OF DISPLACED PERSONS

A displaced person eligible for admission in the United States is defined by the Displaced Persons Act of 1948 as "any displaced person or refugee as defined in annex I of the constitution of the International Refugee Organization and who is the concern of the International Refugee Organization." The pertinent section of annex I of the IRO constitution is quoted below to indicate the specific classes of displaced persons who will be eligible under this definition. Also quoted is part II of annex I in which are listed certain categories of individuals who are not eligible for IRO assistance. (It should be noted that the Czech refugees admissible under section 12 of the act are not included among persons eligible for IRO assistance.)

Part I. Refugees and displaced persons within the meaning of the resolution adopted by the Economic and Social Council of the United Nations on February 15, 1946

Section A. Definition of Refugees

1. Subject to the provisions of sections C and D and of part II of this annex, the term "refugee" applies to a person who has left, or who is outside of, his country of nationality or of former habitual residence, and who, whether or not he had retained his nationality, belongs to one of the following categories: (a) victims of the nazi or fascist regimes or of regimes which took part on their side in the Second World War, or of the quisling or similar regimes which assisted them against the United Nations, whether enjoying international status as refugees or not; (b) Spanish Republicans and other victims of the Falangist regime in Spain, whether enjoying international status as refugees or not; (c) persons who were considered refugees before the outbreak of the Second World War, for reasons of race, religion, nationality, or political opinion.

2. Subject to the provisions of sections C and D and of part II of this annex regarding the exclusion of certain categories of persons, including war criminals, quislings, and traitors, from the benefits of the Organization, the term "refugee" also applies to a person, other than a displaced person as defined in section B of this annex, who is outside of his country of nationality or former habitual residence, and who, as a result of events subsequent to the outbreak of the Second World War, is unable or unwilling to avail himself of the protection of the government of his country of nationality or former nationality.

3. Subject to the provisions of section D and of part II of this annex, the term "refugee" also applies to persons who, having resided in Germany or Austria and being of

Jewish origin or foreigners or stateless persons, were victims of Nazi persecution and were detained in, or were obliged to flee from, and were subsequently returned to, one of those countries as a result of enemy action, or of war circumstances, and have not yet been firmly resettled therein.

4. The term "refugee" also applies to unaccompanied children who are war orphans or whose parents have disappeared, and who are outside their countries of origin. Such children, 16 years of age or under, shall be given all possible priority assistance, including, normally, assistance in repatriation in the case of those whose nationality can be determined.

Section B. Definition of Displaced Persons

The term "displaced person" applies to a person who, as a result of the actions of the authorities of the regimes mentioned in part I, section A, paragraph 1 (a) of this annex, has been deported from, or has been obliged to leave, his country of nationality or of former habitual residence, such as persons who were compelled to undertake forced labor or who were deported for racial, religious, or political reasons. Displaced persons will only fall within the mandate of the Organization subject to the provisions of sections C and D of part I and to the provisions of part II of this annex. If the reasons for their displacement have ceased to exist, they should be repatriated as soon as possible in accordance with article 2, paragraph 1 (a), of this constitution, and subject to the provision of paragraph (c), subparagraphs (ii) and (iii), of the General Assembly resolution of February 12, 1946, regarding the problem of refugees (annex III).

Section C. Conditions Under Which Refugees and Displaced Persons Will Become the Concern of the Organization (Summarized)

All displaced persons and refugees included in the IRO definitions will be the concern of the Organization if they:

1. Can be repatriated and the help of the Organization is required to provide for their repatriation.

2. Have definitely expressed valid objections to repatriation after having received adequate information concerning conditions existing in their countries of origin.

Spanish Republican refugees will be the concern of the Organization so long as the Falangist regime in Spain continues.

Section D. Annex I, Circumstances in Which Refugees and Displaced Persons Will Cease To Be the Concern of the Organization

Refugees or displaced persons will cease to be the concern of the Organization: (a) When they have returned to the countries of their nationality in United Nations territory, unless their former habitual residence to which they wish to return is outside their country of nationality; or (b) when they have acquired a new nationality; or (c) when they have, in the determination of the Organization become otherwise firmly established; or (d) when they have unreasonably refused to accept the proposals of the Organization for their resettlement or repatriation; or (e) when they are making no substantial effort toward earning their living when it is possible for them to do so, or when they are exploiting the assistance of the Organization.

Part II

Persons who will not be the concern of the organization:

1. War criminals, quislings, and traitors.

2. Any other persons who can be shown: (a) To have assisted the enemy in persecuting civil populations of countries, members of the United Nations; or (b) to have voluntarily assisted the enemy forces since the outbreak of the Second World War in their operations against the United Nations.[1]

3. Ordinary criminals who are extraditable by treaty.

4. Persons of German ethnic origin, whether German nationals or members of German minorities in other countries, who: (a) Have been or may be transferred to Germany from other countries; (b) have been, during the Second World War, evacuated from Germany to other countries; (c) have fled from or into Germany, or from their places of residence into countries other than Germany in order to avoid falling into the hands of Allied armies.

5. Persons who are in receipt of financial support and protection from their country of nationality, unless their country of nationality requests international assistance for them.

6. Persons who, since the end of hostilities in the Second World War: (a) Have participated in any organization having as one of its purposes the overthrow by armed force of the Government of their country of origin, being a member of the United Nations; or the overthrow by armed force of the Government of any other member of the United Nations, or have participated in any terrorist organization; (b) have become leaders of movements hostile to the Government of their country of origin being a member of the United Nations or sponsors of movements encouraging refugees not to return to their country of origin; (c) at the time of application for assistance are in the military or civil service of a foreign state.

[1] Mere continuance of normal and peaceful duties, not performed with the specific purpose of aiding the enemy against the Allies or against the civil population of territory in enemy occupation, shall not be considered to constitute "voluntary assistance." Nor shall acts of general humanity, such as care of wounded or dying, be so considered except in cases where help of this nature given to enemy nationals could equally well have been given to Allied nationals and was purposely withheld from them.

The State of the Union

EXTENSION OF REMARKS

OF

HON. WILLIAM LEMKE

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. LEMKE. Mr. Speaker, nowhere in the world today, except in Switzerland, is there a nation in which the right of free speech and the habit of open discussion on national and international issues are more enjoyed, or more appreciated, than in the United States. Through this privilege, and because of it, we are a better-informed people.

Within recent years, we have been confronted with tremendously vital issues—issues that have aroused nationwide interest and comment. Some of these issues will be largely decided by the American people on November 2. Theirs will be an important decision—a decision that will not only affect our own lives, but the lives of many future generations. To their collective judgment all must submit. If that judgment is based upon reason—and supported by facts—then they will have discharged their full duty to themselves, their State, and Nation.

If the electors have had enough of shortages, such as lumber and building material with which to build homes for the GI's—if they have had enough of bureaucratic giving away of America—of depleting our natural resources—if they have had enough of bottlenecking and regimentation—then they will vote for a change of administration. A change is long past due.

To continue the same administration in power for 16 years is not healthy for our Republic. It invites undesirables, inefficiency, incompetence, and graft in public office.

Let us take a look at the Roosevelt-Truman administration. It is not a pretty picture—high cost of living, shortage of houses, gray and black markets in automobiles, farm implements, and other articles in short supply. In addition, there is inefficiency and abuse in the distribution of war-surplus property as well as the wholesale waste and the squandering of public funds. The President, who is responsible for this situation, is now attempting to put the blame on Congress. He is not willing to acknowledge his own failures and accept his own responsibility.

Surely the President knows that his and F. D. R.'s international policies, blunders, are responsible for the high cost of living and the shortage of homes. He knows that the internationalists for a profit, and the foreign purchasing agents, with billions of dollars of our gifts and credits, have and are depleting our Nation of food products and building material by purchasing same with our money and shipping it to other nations.

He knows that playing gaudy Santa Claus to the rest of the world leads to ultimate depletion of our natural resources and means national suicide. He knows that as a result of this foreign competition, with our own money in our domestic markets, the cost of living has reached the point where some American families can no longer maintain the American standard of living.

The President knows that as a result of this foreign competition with our money, some of the veterans that helped to win World War II, that other nations started, are now compelled to live in garages and basements while his administration has been building homes for Italians, British, and other nations' people abroad.

The President knows that in the face of a fuel shortage this coming winter, his administration is exporting 65,000,000 tons of coal to Europe. He knows that in the first 5 months of this year it shipped 42,450,000 pounds of meat to other nations. He knows that this does not include the seven and a half million pounds of meat shipped by CARE and other charitable organizations.

He also knows that this does not include the millions of pounds shipped abroad for our own Army, and the civilians fed by our Army. He knows that he is not only arming the Greeks, but feed-

ing the Greek Army as well. Little wonder that meat is scarce and prices high.

The President has the power to stop this international flirtation—this foolish attempt of buying friendship. He has the power to stop all foreign exportations of any and all building material used in the construction of houses until the GI's have homes to live in on the American standard.

The President has the power to stop the shipment of all food products necessary to maintain the American people on the American standard until the cost of living, through natural economic laws, has come down to a reasonable level. He has the power to stop foreign shipments of farm implements, automobiles, and other articles in short supply until the American needs are satisfied.

No one objects to using any and all surpluses of American foods to assist in feeding the hungry of other nations. This, however, is not being done. Our gifts and credits are given to foreign governments, not to hungry and deserving people. These governments sell these gifts to their own well-to-do and wealthy people as well as to those of other nations. In fact, these nations are playing us for a sucker—for being gullible.

No one objects to the President using the money appropriated for the Marshall plan to buy surplus food and clothing from our own people as well as other nations for those in want. However, we insist that this be distributed through the Red Cross, the Salvation Army, and other fraternal and social organizations—not through the internationalists for a profit nor through grafting governments. But since the President refuses to use that authority, since he seems to be in the hands of the economic royalists, let us have a change in administration.

In recent months the multimillionaires in the executive departments—the parasites who consume, but do not create wealth—together with the cost plusers, and official commodity gamblers with inside information all joined in accusing the farmer for the high cost of living. A guilty conscience always protests too much.

The international profiteers again made millions out of the blood, the tears, and the agony of World War II. They are again taking their toll out of the billions of dollars of credits that we have given to Europe—some of it to help feed the hungry people, most of it for armament purposes.

It is a mistake for the consumer to blame the farmer for the high cost of living. The farmer gets only a small part of the high cost and he pays a large part of it. The farmer is not responsible for the blunders of the President and the executive departments.

The time has come that we understand each other's problems better. The fact that the farmer, because of six good crops and war prices, has been able to temporarily pay off some of his mortgages, does not give the true picture. There is no reason why anyone should envy the farmer.

We know that the present conditions will not continue. We know that all of us have been living in a fool's paradise. We know that the farmer's dollar, the same as ours, is worth only 30 cents in purchasing power. The farmer produces enough food for all of us. He is not responsible if the President gives it to foreign nations.

In my State, 90 percent of all the new wealth created each year comes from the soil—is produced by the farmer. Every building in every village, city, and town in my State has or will be largely paid for with the wealth produced from the soil. There is not a business or professional man or woman, or a laborer in my State whose prosperity does not depend upon the prosperity of agriculture, whose welfare is not linked with that of the farmer. What is true of my State is true of other States.

Ever since I have been a Member of Congress, I have advocated making the Frazier-Lemke moratorium permanent and giving agriculture cost of production. But about all that the administration was willing to give the farmer was lip service. During the time I have been a Member here, not with my vote, but by the vote that favored the internationalists, the reciprocal trade agreements were passed. I voted against these agreements on every occasion. I knew then, and I know now, that these trade agreements were born in the fertile brain of the international manufacturers and bankers—economic royalists.

When the reciprocal trade agreements were brought up for the first time in 1934 the international bankers and manufacturers were out in the open. They boldly proclaimed that, in order to collect what foreign nations owed them, we would have to surrender our local market to these nations until the debts were liquidated. They did not, however, tell us that the farmer, the laborer, and the small producer would be made the shock absorbers.

Every reciprocal trade agreement that has been made since the inception of these laws was made in favor of the international manufacturers and bankers. In every such agreement the farmer, the laborer, and the small-business man was sold down the river.

These agreements were the forerunners of an international conference held recently where the foreign horse traders, with the consent of our Government, decided that the farmer's maximum price on wheat should be $2.10 per bushel, less transportation and commission charges. If Congress had accepted this conference agreement, then the North Dakota farmer would receive about $1.10 per bushel for his wheat in the local markets. Congress, however, refused to accept this agreement and continued the support price.

This agreement is in line with the action of the Department of Agriculture in 1946, when it cheated many farmers out of the 30 cents bonus on their corn and wheat—when it manipulated some farmers out of $3 a bushel on their flax.

The Department, with advanced knowledge of the forthcoming Executive bonus order, and with the advanced knowledge that the ceiling price on flax would be removed, informed the farmer that the price of corn and wheat would not go up and that the ceiling would be continued for another year on flax.

I repeat the time has come for a square deal for agriculture. The time has come that we all understand the agricultural problem. The time has come that all farm leaders get busy and see to it that the farmer gets a floor—cost of production—100 percent parity.

May I call your attention to the fact that the farm population has decreased from 33,000,000 to about 19,000,000, while the general population has increased about 20,000,000. Likewise, the farmers' influence in Congress has decreased from about one-third to about one-seventh. The time has come for the farmers to insist that their leaders get busy and help get permanent legislation for their protection.

As a Member of Congress, I insist that all branches of our Government again observe the Constitution—the Constitution that protects minorities and the unfortunate from persecution at the hands of a reckless bureaucracy. I advocate a change of administration so that the Federal courts will again function, not as the tool of the Executive, but as an independent coordinate branch of our Government.

The Roosevelt-Truman regime appointed all 9 of the Supreme Court Judges. It appointed 41 of the 59 circuit court judges—only 18 hold-overs left. It appointed 133 out of 193 district judges—only 60 hold-overs left. It is obvious that our Federal courts have become political and lopsided, and, more obvious, that we need a change of administration.

As a Member I favor the nomination and the election of the President and Vice President by popular vote in a direct primary and general election. This will reduce political manipulation and corruption, self-perpetuation in office, and the unwarranted assumption of Executive power.

I favor the prohibition of any political, economical, financial, or military commitments, treaties, agreements, undertakings, entanglements, or alliances with any foreign nation or combination of nations, except by authorization and approval of Congress. This puts the responsibility of our dealings with foreign nations on Congress, where it belongs. This will prevent foreign nations, in the future, from exploiting our people and involving us in their quarrels and wars.

I have at all times favored a living wage for common labor on the American standard, and the ultimate abolishment of slums. There must be an economic floor below which no human being is permitted to fall. I believe in employment assurance rather than in unemployment insurance. To insure idleness is economic waste.

I feel that we must never forget that the veterans come first. It is the duty of the Government to see that the veterans are put in the same position as they would have been in if they had never been inducted into the armed forces. I have advocated that they should be compensated in paid-up life insurance to the

same extent and equivalent in compensation as those who stayed at home received.

I believe that government by bureaucracy should be abolished. It is inconsistent with the American way of life. The legislative powers that have been granted, and now reside in many Government bureaus, commissions and agencies, should be restored to Congress. This in order to reestablish government by law and not by men.

I feel that Congress should rewrite and simplify our whole tax system, to protect private property and enterprise from confiscation by taxation. It must protect small business, agriculture, and individual enterprise by eliminating the economical domination of corporate monopoly. Property rights are but human rights when properly distributed.

I feel that there must be an intelligent old-age compensation—security from want. Any person who has worked from the ages of 20 to 60 has produced enough wealth to last for life. If such a person finds himself in financial distress, and without the means of a comfortable livelihood, then it is because society appropriated the wealth he created. Therefore it is society's duty to protect such a person from want.

Finally I feel that Federal aid should be limited to wealth-saving, wealth-producing, health-promoting, and educational projects. Deficit spending must stop. The budget must be balanced. However, in order to accomplish this, the governors, and State and local officials must understand that deficit begging must also stop.

The time has come for serious thinking if American civilization is to survive. We need a change of administration.

Address of Hon. Dewey Short, of Missouri, to the Voters of the Seventh Congressional District of Missouri

EXTENSION OF REMARKS

OF

HON. DEWEY SHORT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. SHORT. Mr. Speaker, under leave to extend my remarks, I submit the following radio broadcast delivered by me over Station KSWM, Joplin, Mo., July 28, 1948:

Voters of the Seventh Congressional District in Missouri, it is good to be back home. Since returning 3 weeks ago I have had the pleasure of speaking two and three times each day in most of the 15 counties in our district. I am scheduled to speak two and three times each day in the remaining counties of our district between now and August 3.

Formerly Members of Congress could spend a few months in each year visiting their constituents back home, but since 1938 Congress has been in almost continuous session with only a few days off at Christmastime, and it has been impossible to return home as often as one would like.

For the past 16 years the New Deal has fed and fattened on emergencies. We have had one crisis after another and more special sessions of Congress have been called than ever before in a similar period of our history.

Out of spite and for purely political purposes President Truman has called the Congress into special session on July 26 merely to put the southern Democrats and Republicans on the spot and behind the political eight ball. I shall not return to Washington for another week until after our primary, because it will be another week after August 3 before any important legislation can be brought before the House for consideration.

Furthermore, if President Truman can travel with his cronies in a special train at the taxpayers' expense across the continent for 3 weeks while Congress is in session to denounce us as the worst Congress in history, certainly I should be allowed to spend an extra week in my own district at my own expense to report first-hand to my own people just what the Eightieth Congress has accomplished. Of course, High Tax Harry wants all us Republicans back in Washington. Certainly he does not want me out here in my district, because the speeches I am making are doing him no good.

For 16 long years the Republicans were completely out of control of all three branches of our Government. The New Dealers dominated the executive, judicial, and legislative branches. They still control the Presidency and our courts because of the majority of appointments under the long tenure of Mr. Roosevelt.

Two years ago, in the last 1946 election, the Republicans promised the taxpayers of the Nation certain definite things if they would elect a Republican Congress. They did.

Following VE- and VJ-day we had a long series of industrial disputes and strikes that brought on unemployment, reduced production, and we found ourselves in a state of stagnation, almost in the throes of Nation-wide industrial and commercial paralysis.

When the Eightieth Congress convened January 3, 1947, by mandate of an aroused people, we were confronted by the disastrous results of 14 years of New Deal bungling, waste, inefficiency, and bad government. Our country was on the brink of disaster, threatened as it was by economic disintegration of our free economy and revolutionary changes brought largely about by infiltration of Communists in our Government.

A radical-minded administration, driving for ever-increasing control and authority over the lives and activities of our citizens, was rapidly chipping away our freedom and destroying our liberties. Our efforts as a nation for production and plenty, for happiness and security, were being destroyed until we had almost reached the stage of anarchy.

The Republican Congress, with understanding, courage, and foresight, met the challenge to the preservation of the Republic and, reversing the ruinous New Deal policies, largely returned our American Government to the people themselves and established solid foundations upon which our country can now go forward.

The first thing we did was to free competitive enterprise and once more establish individual initiative, liberating the people from 76,000 bureaucratic rules, regulations, directives, and orders, thereby releasing the energy and the capacity of the people with resulting all-time highs in employment, production, profits, and wages, and a record $200,000,000,000 annual national income.

By cutting the number of Federal employees from 3,000,000 to approximately 2,000,000 we balanced the Federal budget. The Federal Treasury for the first time in 16 years is using black ink instead of red and is no longer resorting to inflationary deficit spending. Fiscal 1948 ended with the biggest Treasury surplus in all history, almost $8,500,000,000, or seven times the previous high established 21 years ago under a Republican administration. At long last we are now spending less money than we are taking in.

Notwithstanding increased appropriations for national defense and foreign aid under the Marshall plan we have prudently shaved $7,000,000,000 off the public debt. This is because we have pruned spendthrift budgets by cutting President Truman's padded budgets more than $6,000,000,000 and lopped off more billions in hold-over wartime appropriations in the greatest Government financial conversion from war to peace in all time.

Two years ago, in 1946, we Republicans further promised the taxpayers that we would give them relief if returned to power. We have kept that promise to cut taxes. With the help of Democrats in both House and Senate we succeeded in overriding Mr. Truman's third veto of the tax bill, reducing taxes $4,800,000,000, with 71 percent of the tax relief going to those with incomes under $5,000. About 7,500,000 wage earners in the lowest brackets were removed altogether from the tax roll and married couples were allowed to divide their income for tax purposes, and special relief was granted for persons over 65 and for those who are blind.

The Eightieth Congress also improved labor-management relations by getting enough Democrats in both Houses to join the Republicans to pass over Presidential veto the Taft-Hartley Labor-Management Act, providing fair and just procedures for peaceable settlement of labor-management disputes; protecting the rights of workers to unionize and control their unions, to bargain collectively, and to strike; restoring constitutional rights of employers and safeguarding all the people against widespread work and production stoppages that imperiled the national welfare. Eighty-five million fewer man-days have been lost in strikes since the passage of the Taft-Hartley Labor Act than were lost in the year prior to its passage.

Many Communists have been exposed by the Eightieth Congress, which has battled for elimination of not only Communists but Fascists and other subversives from the Federal Government. Much Communist infiltration in a minority of labor unions and in the Hollywood film industry has been exposed, others have been jailed for contempt of Congress and some top Soviet Russian agents have landed in jail. We advanced legislation for public registration of alien controlled Communists.

Realizing that in this postwar period of uncertainty when the world is full of trouble we must remain strong in the air, on land and sea, we have strengthened our national defense by appropriating approximately $21,000,000,000, with special emphasis upon air power, and provided for scientific research and technological developments. We have newer and better weapons, including atomic bombs and bacteriological warfare. We are now building a strong centralized intelligence, have authorized $852,000,000 for a 70-group air force, $178,000,000 for merchant marine expansion and revised Army justice in an effort to give fair treatment to enlisted men and officers alike.

Twice in our generation we have fought and won two devastating world wars, and though victory was ours both times our Nation has spent much of its wealth and depleted many of its resources. We furnished 70 percent of all the oil to our allies in the recent conflict, and we furnished $50,000,000,000 in lend-lease to them, while spending $340,000,000,000 of our own money to feed, clothe, and equip 12,000,000 men and women in our own armed services. We have pumped many of our oil wells dry, hewn down many of our best forests, dug much of the lead and

zinc out of this tri-State area, drawn much of the copper out of Arizona and Montana and largely depleted our iron-ore deposits on the Mesabi Range in Minnesota.

Fellow citizens, should the United States become engaged in a major war today we would find ourselves in a very precarious position due chiefly to the lack of strategic and critical materials and minerals to make the weapons with which to fight. Modern mechanized warfare consumes enormous quantities of raw materials. Lead and zinc are in critically short supply in this country, and in spite of the fact that we have been trying for the past 2 years to build a stock pile of raw materials for national defense, we have no lead and zinc in that stock pile now. Because of this serious shortage a bill which would bolster the price of lead was introduced in the Eightieth Congress. Representing a great mining district and serving on the Armed Services Committee, charged with the responsibility of our national security, I realize the dire need, the absolute necessity, for getting these minerals. I talked to members of the Committee on Public Lands and urged that the bill be reported—it was. I then went before the Rules Committee and we succeeded in getting a rule for its consideration on the floor of the House. I next spoke on the floor of the House urging the passage of the bill, and it carried almost unanimously. I then worked among my colleagues in the Senate, and that body passed the bill by a voice vote. But after Congress adjourned last year President Truman vetoed the bill, and that is the chief reason we have no lead and zinc in our stock pile today.

Many of the mines in the tri-State area have been closed, ore production has fallen off, and many of our miners are out of work. Every business in Joplin and the tri-State area is feeling the ill effects of our present most unfortunate situation.

Ours is not only a great mining district but chiefly a great agricultural district. Dairying, poultry raising, fruit and livestock growing add to its diversity. As I have tried to help our mining industry, so I have tried to help agriculture. The Eightieth Congress did not overlook our farmers. We adopted a long-range agriculture program, pleading price support for maximum production of food, provided twice as much money for rural electrification as any previous Congress, voting $400,000,000 for the REA this fiscal year, or $100,000,000 more than was requested by the President or the director of the annual budget. We appropriated more than $500,000,000 for soil conservation, launched the greatest rural road-building program in history, fostered stability of agriculture through a new workable Crop Insurance Act, chartered Commodity Credit Corporation, and greatly expanded Government aid in campaigns against livestock foot-and-mouth disease and crop deterrents such as weeds, insects, and other pests. We provided generously for reclamation, river and harbor improvements, and flood control.

Having volunteered in the First World War, I always have been interested in the welfare of the veterans of all our wars. I have personally handled hundreds, if not thousands, of individual claims and voted for all their benefits; for veterans of the Civil War, Spanish-American War, the Philippine Insurrection, our Indian wars, and for soldiers of World Wars I and II, as well as for their widows, orphans, and dependents. The Congress just adjourned passed 188 bills meeting needs of war veterans, including increased compensation for disabled veterans with and without dependents, for dependent survivors of war dead, increased subsistence payments to World War II veterans in institutional training, additional allowances for student GI's, increased proportional pay for veterans in on-the-job training, for cashing of GI terminal-leave bonds, higher pensions for Spanish-American War veterans, and aids for veterans' housing.

We took the housing problem from the bungling New Deal administration, freed the building industry of stifling rules, regulations, and directives, stimulated construction through Government guaranties of building loans, had the Government assume a large part of the responsibility for veterans' loans and gave war veterans priority in home building and rental of new homes. In 1946 under New Deal regimentation and confusion 437,800 dwelling units were completed. In 1947 under Republican free enterprise and sound Government aid almost twice that number of units were completed, and in 1948 a million dwelling units will be completed in the biggest building boom of all time.

Nor did the Eightieth Congress neglect the old people of our country. We expanded social security, passed over Presidential veto a bill increasing payment by $5 per month for the needy, aged, and blind, and increased payments by $3 per month for each dependent child. We also exempted from social-security insurance payments newspaper and magazine vendors and other independent contractors over whom no employer exercises direct control, thereby preventing an impairment of the old-age and survivors' insurance trust fund built up by those who had paid taxes over the years. We provided $500,000 for research to combat heart disease and voted $28,400,000 for the National Cancer Institution to study the disease of cancer and to disseminate knowledge on how to reduce its terrible toll in lives.

We provided a cost of living pay increase for postal and other Federal employees despite President Truman's opposition and gave 478,000 postal workers a pay increase of $450 a year each, and 840,000 civil-service employees a boost of $330 each. We also voted an increase for retired railroad men out of their own railroad retirement fund.

We submitted to the States for ratification a constitutional amendment limiting all Presidents to two terms. Had this provision been in our Constitution years ago we would not be in our awful plight today. We have aided small business by creating special committees of the Senate and House which are seeing that small businesses, the backbone of American industry, get a fair break, especially in the awarding of Government contracts for national defense and aid to foreign nations.

Many other progressive and helpful measures were passed by the Eightieth Congress which I do not have time to discuss in this broadcast.

In the light of this record and because I voted for all these constructive and helpful measures, I am surprised that some of my opposition in this campaign are saying that DEWEY SHORT has been in Washington 16 years and all he has said was "No, no, no."

Well, thank goodness I had the courage and nerve to say "No" when it was unpopular. I said "No" to the NRA and the blue buzzard because I thought it was unconstitutional, and it was so declared unanimously a little later by the Supreme Court. I said "No" to the WPA when they were wasting public funds and using the taxpayers' money as a slush fund to keep the New Dealers in power. I said "No" to the OPA, which placed a ceiling on farm prices lower than the cost of production, that created black markets and made crooks out of honest citizens. I said "No" to the ignoble attempt to pack the Supreme Court. I said "No" to warmongering, jingoistic bellowing, and diplomatic blundering that led us to a global conflict that well-nigh ended in the annihilation of civilization. I said "No" to the coddling of Communists and the appointment of wild-eyed radicals to highly responsible and secret positions in our Government. I said "No" not only to waste, extravagance, and inefficiency, but to many downright dishonest practices by those in high authority.

But, my friends, I have often said "Yes," though the New Dealers will not tell you about that. I said "Yes" to reduce the number of Federal employees and to balance our budget by spending less than we took in. I said "Yes" to the total reduction in the President's budget estimates. I said "Yes" to reduce taxes over the President's veto. I said "Yes" to the enactment of a fair, just, and workable labor law that has brought about stoppage in strikes, increased production, and improved labor-management relations. I said "Yes" to cutting the national debt and to abolition of many bureaucratic agencies with their arbitrary rules and regulations. I said "Yes" to expose Communists and to keep undesirables out of our country. I said "Yes" to strengthen our national defense on land, sea, and in the air, making our Nation invincible to attack, but not by adopting the old discredited European philosophy of peacetime conscription, which has led every nation which had it down the road to war and inevitably to defeat and ruin. I said "Yes" for the benefit of all the veterans of all our wars. I am a veteran myself. My primary opponent making the most noise was never in any branch of the armed services, though some of his supporters are trying to leave that impression. He got a civilian job a year after the shooting ended in this last war, and many of you know how he got it. If you don't I can tell you and show you.

I said "Yes" for the old people by voting originally for their pension and then to increase it. I said "Yes" for increasing the pay for our postal and other Federal employees to meet the increase in cost of living, as well as to give further aid to the retired railroad men. I voted "Yes" on many of the other pieces of legislation I have discussed.

It is true that I have served you in Congress for 16 years, and this is one of the strongest arguments why I should be returned to Washington in these trying times.

Thirty-two years ago Mr. Champ Clark, one of our greatest Missourians, who was then Democratic Speaker of the House, made a speech in 1916 to the "baby Congressmen." In speaking to the first-termers or freshmen among other things he said:

"It is a high honor to be a Representative in Congress if for only one term, and with a number of terms the honor increases. * * * A Member's usefulness to his country should increase in the same proportion. A man has to learn to be a Representative, just as he must learn to be a blacksmith, a carpenter, a farmer, an engineer, a lawyer, or a doctor"—

And I might add a miner.

"Useful and influential Congressmen are made largely by experience and practice. * * * It is an unwise performance for any district to change Representatives at short intervals. A new Congressman must begin at the foot of the class and spell up. Of course, the more brains, tact, energy, courage, and industry he has the quicker he will get up. If he possesses these qualities and if his constituents will keep him in the House he is as certain to rise as the sparks are to fly upward. No human power can keep him down. It is only fair and rational to assume that every Representative's constituents desire to see him among the top-notchers.

"Let us take the present House (this is Champ Clark speaking in 1916) and see how long the men who hold the high places have served—Mr. Speaker Cannon is serving his fortieth year—I am serving my twenty-second. Minority Leader Mann is serving his twentieth year; Mr. Fitzgerald, chairman of Appropriations, his eighteenth; Mr. Moon, chairman of Post Office and Post Roads, his twentieth; Mr. Jones, chairman of Insular Affairs, his twenty-sixth."

And so on down the line. Then Mr. Speaker Clark went on to say:

"Go through the whole list and you will find with few exceptions that the men of long service have the high places."

That was the picture of Congress 32 years ago in Champ Clark's day. The picture of Congress today is no different. Mr. SABBATH from Illinois is serving his forty-second year and was for several terms chairman of the powerful Rules Committee. ROBERT DOUGHTON, Democrat of North Carolina, who was chairman of Ways and Means, is completing his thirty-eighth year and is now candidate for re-election at the age of 82. SAM RAYBURN, one of the strongest Democratic Speakers we have ever had, is finishing his thirty-sixth year. BLAND of Virginia, who was chairman of Merchant Marine and Fisheries, has served 32 years, and LEA of California, formerly chairman of Interstate and Foreign Commerce, is retiring this year after 32 years of service. My good friend KNUTSON, Republican of Minnesota, is the present chairman of Ways and Means and is finishing his thirty-second year, or just twice as long as I have been in Congress. TABER of New York, chairman of Appropriations, has been there for a quarter of a century, as has WOLVERTON of New Jersey, the present chairman of Interstate and Foreign Commerce. Likewise Speaker JOE MARTIN.

My friends, in short, the top-notchers, the real leaders, the chairmen of the most powerful committees, are men who have served in Congress from 25 to 40 years and are considerably older in age than myself.

Though I turned 50 last April—and the next 10 years of my life should be the most fruitful and productive—and have served only 16 years in the House, I am scheduled to become chairman of the Armed Services Committee next January when the new Congress convenes. Mr. ANDREWS of New York, our present able and distinguished chairman, is retiring this year because of ill health. Because I have sat at his side for the past 14 years on the old Military Affairs Committee and now the new Committee on Armed Services and am ranking majority member, I will automatically become one of the youngest chairmen of one of the most powerful committees in the House if re-elected to a Republican Congress. This will bring honor not only to me but to our district and State.

I need not remind you that when you first sent me to Congress I was the lone wolf from Missouri. During all these years of the New Deal I have been largely hamstrung, hog-tied, and handicapped, fighting against overwhelming odds, but under a Republican administration I will, because of my 16 years seniority, my chairmanship of a powerful committee, and the friendships I have formed over the years by speaking for nearly all my Republican colleagues in practically every Republican district in the United States, be in a position of power and influence to render a great and constructive service to the people of this district, the State, and the Nation. I need not remind you that when I first went to Congress from this district half the courthouses in the 15 counties were filled with New Dealers. Today we have filled them all with Republicans and no longer am I alone in Washington, for Missouri now has 9 of the 13 House Members and both United States Senators for the first time since the Civil War. Always I have campaigned for the party as well as myself, trying my best to elect all candidates, from President of the United States down to constable of the smallest township. We have done pretty well considering the odds against us and I have tried to serve all the people of our district faithfully and well. The record is written; my position on every issue is known, it is down in black and white. After reading and studying critically and intelligently the record, with open minds and without prejudice, I do not believe that the voters of this district want to send a young, inexperienced, untried and unknown person to take the place of one who has stood up against the gun and fought the battle for 16 years and whose position on the many grave and complex problems confronting us is well known and is a matter of record.

Rural Electric Service to Cooperatives

EXTENSION OF REMARKS
OF
HON. WILLIAM LANGER
OF NORTH DAKOTA
IN THE SENATE OF THE UNITED STATES

Saturday, August 7 (legislative day of Thursday, August 5), 1948

Mr. LANGER. Mr. President, I ask unanimous consent that a letter I have received from Mr. P. K. Mastel, coordinator of the Kem Electric Cooperative, Inc., relative to the furnishing of electric service to rural applicants, be printed in the RECORD, together with my reply.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

KEM ELECTRIC COOPERATIVE,
RURAL ELECTRIFICATION ADMINISTRATION,
Linton, N. Dak., July 31, 1948.

The Honorable WILLIAM LANGER,
Senator From North Dakota,
Washington, D. C.

DEAR SENATOR LANGER: We have your inquiry as to the possibility of Mr. Gotthilf Zimmerman, of Ashley, N. Dak., receiving electric service.

It might be of interest to you to know that this office has numerous callers every week who state that they have been promised electric service within a short time; some as short as 3 months. We do not know where these promises come from, but some of the people seem to imply that they originate in your office. Promises such as these are very harmful at this time, when the question of power source is still one of our major problems.

This power question was to be taken up with you, Senator LANGER, at a political rally held the latter part of June at Wishek, N. Dak. But each time you were approached by the two representatives from this cooperative and the REA was mentioned you more or less avoided them and occupied yourself with someone else.

The power question is critical. At the present time we have not been able to execute a power contract with the Montana-Dakota Utilities Co., which will be our source of power. The company has consistently promised us the power, but when direct application was filed they have refused to grant a contract. Perhaps you could help us by giving your assistance in securing a power contract from the Montana-Dakota Utilities Co. The best help you and all your colleagues could have given your constituents would have been to quit playing politics during the last regular session of Congress and listening to the vile and vulgar voice of the power lobbyists and to assist the Bureau of Reclamation in their program to increase the sources of electric power.

Now, in regard to bringing electric service to Mr. Zimmerman. Plans are almost completed to let a contract for the construction of another 273 miles of lines. Part of this contract will cover the area in which Mr. Zimmerman lives. Therefore, if the power question can be settled he should receive electric service sometime in early summer of 1949.

Very truly yours,

P. K. MASTEL,
Coordinator, Kem Electric Cooperative, Inc.

Hon. P. K. MASTEL,
Coordinator, Kem Electric
Cooperative, Inc., Linton, N. Dak.

DEAR MR. MASTEL: Your letter of July 31, 1948, written not for yourself alone, but apparently on behalf of all the members of the Kem Electric Cooperative, has reached m', and I note and appreciate your words relative to the possibility of Mr. Gotthilf Zimmerman, of Ashley, receiving electric service.

Some time ago, I wrote you, as I did to all the coordinators and managers of REA, a full and complete report as to the results of the investigation made by my committee of the REA. Mr. Claude Wickard, Administrator of REA, together with others associated with him in directing that program, testified before the committee for many days.

I wrote you and the others definitely just exactly what was promised by them and I did not then, and I do not now, consider their promises harmful. I am attaching hereto a copy of that letter.

When I came here as United States Senator, out of the 48 States, North Dakota was at the very bottom in REA. In Montana, 25 farmers out of every 100 were receiving it, in Minnesota, 40 farmers out of every 100. Frankly, if you don't know it, you should know that the farmers and people in little towns in no other area in the United States received the poor deal at the hands of those administering REA since it was inaugurated years ago that those people in North Dakota did. I suggest that sometime you investigate, as I have investigated, why the dam was built at Fort Peck, Mont., instead of at Garrison, N. Dak., where it should have been built originally. I respectfully call your attention to the fact that I was not at that time a United States Senator and that, ever since I have been here, I have been trying to correct that action. In fact, I started it while I was still Governor, when we passed the law creating the Water Commission of North Dakota, which has been directly responsible for the various reclamation and flood control and power projects that the State is now receiving.

Also, I am particularly interested in your statement that at a political rally two representatives from your cooperative approached me and that every time that the "REA was mentioned you more or less avoided them and occupied yourself with someone else." The truth of the matter is that I arrived at Wishek early in the evening, that I stayed at the hotel all night, that I was in town all the next forenoon, and that neither you nor anyone else operating any REA cooperative approached me. The truth is that, before I went to Lisbon, the manager of the REA for that district asked me to meet with some 300 farmers having REA problems; and I met with them and arranged for another meeting later. The truth is, also, that I wrote to hundreds of the members of your cooperative saying that I would be at Wishek and that I would discuss REA with them if they wished; so that, if I was avoiding anybody, I took a most peculiar way of doing so.

Your letter is the first indication I have had from you or your cooperative that you have not been able to execute a power contract with the Montana-Dakota Utilities Co. You know, or you ought to know, that during the time that I was Governor the industrial commission, of which I was chairman, reduced the power rates for State institutions at Bismarck from 7 to 9 cents down to 1 cent for a 10-year period. During that time, too, we saved the people of Fargo over a million dollars, Grand Forks over $72,000 a year, and assisted other towns in getting reductions.

When you stated in your letter that the best help I could have given my constituents would have been to "quit playing politics during the last regular session of Congress,

and listening to the vile and vulgar voice of the power lobbyists, and to assist the Bureau of Reclamation in their program to increase the sources of electric power," you are simply stating a deliberate falsehood, one entirely unworthy of you or any coordinator of any electric cooperative in North Dakota. What is more, you know it is a falsehood; and, further, you can go to any township in McIntosh or Emmons or Kidder County, which compose Kem, and call together a group of farmers and they will all tell you that it is a falsehood.

Ever since I have been down here I have cooperated wholeheartedly with every REA cooperative in North Dakota. At the hearings I called down P. J. Donnelly, president of the North Dakota Cooperatives, to testify. I called in James Coleman, of the Grand Forks Cooperative. I have repeatedly consulted the managers of the cooperatives all over the State. I have never listened to the "vile and vulgar voice of the power lobbyists," and you know it.

Now, whether you like it or don't like it, the fact remains that I am going to get REA for the farmers up there if it is possible to get it. At least a dozen times in speeches on the floor of the Senate I have so announced. In every election in North Dakota, I have had the violent opposition of the private power interests, and you know that, too. You know, too—or you ought to know—that at the very time that I was sentenced to the penitentiary the 11 leading power men in the State sat in the jury box rejoicing and congratulating themselves that they had gotten rid of me as Governor of the State. They knew we got the REA while I was Governor and that I fought for and signed the law.

In conclusion, I intend to keep on writing you about getting these farmers of your cooperative the electricity and power they need. As long as I have your cooperation, I will tell the people there that I have it. Whenever I don't get it, I will tell them. You are getting your pay, I assume, the same as I am getting mine—to help the common people. At least, as long as I hold this office, I intend to earn my salary.

When it comes to securing funds—in front of over 500 spectators I appeared before the Appropriations Committee, of which Senator MILTON YOUNG is a member, pleading and begging for more money for REA for North Dakota. Mr. Wickard was present and publicly stated he would, if possible, give to the North Dakota people the REA allocations of four States not using theirs. The chairman of that subcommittee publicly commended me for what he termed "the fighting speech I had put up for the farmers of North Dakota to get REA." He stated further, when I condemned him for not asking for more money, that if he had had the assistance of other Senators feeling like I did that he would have asked for more. President Truman recommended $300,000,000, and we got $400,000,000. In addition to that, I introduced a bill, a copy of which I am enclosing, in which I asked for $1,000,000,000. In addition to that, I appeared before the committee and urged passage of that bill. In addition to that, I had the support of cooperative after cooperative in North Dakota, who wrote in to me, and I presented these letters to the committee in support of that bill.

Now that I have brought my record on REA to your attention, I hope that never again will you use the breath that Almighty God gave you to say that I listened to the vile and vulgar voice of the power lobbyists and did not honestly represent the farmers of North Dakota.

Very sincerely yours,

WILLIAM LANGER.

Address of Hon. Abraham J. Multer, of New York, on July 9, 1948, at the World War II Dead Ceremony at the New York Port of Embarkation

EXTENSION OF REMARKS

OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. MULTER. Mr. Speaker, under leave granted to me, I wish to insert in the Appendix of the RECORD my remarks at the World War II dead ceremony at the New York port of embarkation on July 9, 1948:

Colonel Lastayo, reverend clergy, officers and men of the armed services of our country, distinguished guests and relatives and friends of the departed heroic souls whose bodies we receive back to our shores today, my heart tells me that words of comfort and consolation should be uttered by my lips. My mind tells me how utterly futile are mere man's words at a time like this.

Let us turn then to a source in which we can find unending solace. Let us turn to the Bible for a few appropriate thoughts.

Oh, how well we know, that if the Bible had been read more thoroughly and with more understanding and had been more scrupulously adhered to through the ages, an occasion such as this would be unnecessary, in fact would have been impossible. What this world of ours needs more than anything else is more religion, more religious training and teaching and more religious living.

The world must turn back to religion and practice sincerely the preachments of the Bible if we are to prevent future conflicts.

It was Abraham Lincoln who said, "As I would not be a slave, so I would not be a master. This expresses my idea of democracy. Whatever differs from this, to the extent of the difference is no democracy."

Lincoln was a deeply religious man. His words, as just quoted, were his paraphrasing of the teachings of the Bible.

All wars through the years have been caused by the ungodly desire of some person or group of persons to enslave others. The exodus led by Moses to free the slaves of Egypt, the freeing of the slaves by Lincoln, the war to make the world free for democracy, and World War II, for the victory of which these brave lads gave their all, were founded on the basic concepts of democracy as found in the Bible.

The best tribute we can pay these boys is to dedicate ourselves anew to those concepts.

Our own enjoyment of freedom and democracy can only be achieved when the entire world is free and democratic. As long as any part of the world is enslaved, God's will is thwarted and we are endangered. We must always be alert and prepared against the threat of world enslavement. Once we fall asleep, some person or group of persons somewhere will try to enslave us.

The main bulwark of democracy is education, particularly along religious lines. When all the peoples of the world have learned to live by the lessons of the Bible, the day might come when our armed forces will be needed no longer.

Meanwhile, we must look to the United Nations to maintain the peace of the world. I said "peace." It is almost a mockery to utter the word today. Peace—in a world that knows no peace. Yet, as we believe in God, who rules the universe, peace must be the goal we strive for daily.

One way to attain that is to keep our country so strong militarily that no one will ever again dare attack us. The world must know that never again will there be a Pearl Harbor.

At the same time we must implement the United Nations with an international police force to prevent aggressive warfare on the part of any group or nation.

We have a police force in New York City, not because we are lawless, but because there are some amongst us who, either having never learned or having forgotten the commandments of God, must be restrained for the public good. So, too, with nations. Some have forgotten and others have never learned those commandments. They apply equally to nations and states and to men, for nations and states are merely aggregations of men. None are holier than the lowliest. Nations and states, like men, must be restrained when they stray from the path of God.

So, if we implement the United Nations with a police force, an army, a navy, and an air force, we will then have provided the world with a force that will prevent aggression—that will make enslavement impossible—that will maintain and further democracy under God—that will insure that the sacrifice of those heroes who gave their lives in the service of humanity that we and our descendants may be forever free will not have been futile.

Together, let us now offer up a silent prayer to Almighty God that he accept our dedication in the presence of these bodies, to His principles that will prevent a repetition of such occasions as this.

Farmers in Crookston, Minn., Area Annually Entertain Businessmen

EXTENSION OF REMARKS

OF

HON. HAROLD C. HAGEN

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. HAGEN. Mr. Speaker, I believe the farmers surrounding Crookston, Minn., my home city, have started a very interesting, helpful, and beneficial practice of annually inviting the business people of Crookston on a farm tour, ending it up with a dinner.

The usual practice is that the businessmen invite the farmers in for a harvest festival dinner, a farm-day luncheon, or something similar. Farmers are often invited into Crookston by the businessmen, but the farmers of that area now invite the businessmen out as their guests.

I believe this is a very nice custom, and, because of its unique character, I feel that readers of the CONGRESSIONAL RECORD will be interested in knowing more about the annual event. I can best tell the story and give the details by inserting into the CONGRESSIONAL RECORD a Crookston Daily Times article describing the tour, a letter to me, under date of August 5, from Carl G. Ash, county agent for West Polk County, Minn., an announcement from the Crookston Chamber of Commerce Bulletin for July 31, 1948, and a mimeographed instruction

circular issued by the farmers who were sponsors of the tour.

The Crookston Daily Times article, dated July 20, follows:

FARMERS FETE BUSINESSMEN ON FIFTH ANNUAL FARM TOUR

Over 200 men—150 Crookston businessmen and 50 Crookston area farmers—attended the fifth annual farmer-sponsored farmers-businessmen tour of West Polk County farms yesterday.

This unique tour, designed to show businessmen what the farmers are doing and how they live, is the only one of its kind in the country.

Originally planned by farmers in this area, it has been managed by West Polk County Agent Carl Ash, who arranges for the places visited, gives a brief explanation at each stop, and generally answers the questions for both groups.

Ash said this year's tour was to show how the farmer's standard of living has been bettered in the Red River Valley, and how farmers now follow modern scientific planning in their work.

The first stop, at the home of Roseaire Boucher, north of Crookston, was to show a modern home on a farm. Ash explained the house and farm generally were run down when Boucher took it over in 1939.

Using materials and labor from Crookston, Ash said Boucher has completely modernized his house, with running water, electricity, septic tank, and a $5,000 completely modern kitchen.

Mrs. Boucher planned and designed the arrangement of the kitchen, Ash said, from plans she studied through home-project (extension service) lessons.

The Anchor Wurden farm west of Fisher was the next stop, where two crops and the results of spraying this year were shown.

The first stop was at a 40-acre wheatfield planted last year to sunflowers. As was later explained, sunflowers volunteer so badly the year after they have been planted that they could become a menace without controls.

The field shown had been, early this year, filled with sunflowers to the point that they would have crowded out the wheat, but by using a spray of 5⅓ ounces of 2.4–D acid of the ester formulation the flowers were almost eliminated.

The wheat stand now is heavy, with flowers showing only in a few places where there was a skip or nozzle plugging when the field was sprayed.

At another field, where sunflowers are planted alongside another field of wheat, the effect of drifting spray on the flowers is shown. Wurden had sprayed the adjoining wheat field, and wind drift blew the fumes over into the sunflower field.

The result was a number of abnormal sunflowers, many bearing a number of heads coming off the stalk rather than the normal one per stalk, at the top.

Some of the leaves were lighter in color where the spray had hit them, and others were stunted, but the main heads—and in some cases the abnormal heads lower down on the stalks—were about equal in size to those not touched by the spray.

This spray, which also cut out many weeds, particularly mustard, is what is needed, it was afterwards explained, in order to control sunflowers if they are to be introduced in the valley.

The flowers were first grown to any extent in this area last year, with Wurden joining a number of other farmers in trying out the crop. He reported he grossed about $125 per acre for his crop.

At the Norton Lien farm southwest of Crookston, Lien showed how he cleared 40 acres of former river-bottom land of trees by using a bulldozer to stump the area.

In 14½ minutes Lien pushed over a tree about 24 inches in diameter at the bottom, using a bulldozer entirely.

He cut the roots by depressing the dozer blade and going around and around the tree, working in closer all the time. Finally putting the blade up against the trunk, he pushed the tree over.

Most of the crowd, especially the farmers, were skeptical of the performance in the time Lien gave, 15 minutes, but the demonstration convinced them that it could be done.

Lien said one man, working 25 days, cleared all the trees off the 40-acre area with a big bulldozer and tractor, costing, together, $9,000.

More equipment was watched in action on the Ben Rohrer farm, south of Crookston. Rohrer has a new Graham-Hoeme plow, capable of plowing the heaviest sod or even a roadbed if sufficient power is used to pull it.

The plow, 30 feet wide and turning over 12 furrows, is capable of penetrating up to a foot. All the shares, which are curved loops of steel with small wings off the prong, are on an adjustable bar unit. The full swath of Rohrer's has three units.

The other implement demonstrated by Rohrer was an International Harvester toolbar, a deep-tilling cultivator particularly useful for summer fallowing.

The implement had a 12-foot swath. The value of the implement is that it makes a clean cut at the bottom, digs deeply, and has the individual sweeps, under ideal circumstances, meeting so that nothing is left as it pulls over a field.

On Rohrer's implement, there was a 10-inch spread between the ends of the shanks on each sweep, with the sweeps set a foot apart.

From that farm the tour continued to the one of Veral Gibbons, to show some more spraying effects. Gibbons had sprayed a flax field filled with mustard with a solution of the 2,4–D ester formulation using only 1.6 ounces of acid per acre.

The field was sprayed when the flax was about 2 to 4 inches high. As at the Wurden farm, the only signs of weeds in the heavy stand of flax was where the spray missed.

Where the spray missed the flax is a little taller, but Gibbons did not believe there would be any great difference in his final yield because of the spray.

Ash explained that normally 2 ounces or more of acid per acre are used to spray a field of the type shown.

A cornfield sprayed by Gibbons when the corn was lower than is recommended before spray is used was also shown. While there was a little twisting in the corn, most of the field appeared to be normal. The spray was used early because of the heavy stand of weeds at the time. Now, as Ash explained, it almost looks like a hand-hoed field.

The tour ended at the Gibbons farm with a steak dinner, provided by the farmer sponsors. The steak came from a purebred Hereford raised and fed by Gibbons.

After the meal Elmer Bredlie acted as toastmaster for a brief program, at which Carl Ash and Paul J. Miller, St. Paul, State extension director, spoke briefly.

The businessmen were welcomed by Elmer Ros, representing the farmers, and Adolph Ness and Clarence Barlow responded, representing the Crookston Chamber of Commerce.

Several selections were offered by the Community Star 4–H Club quintet, Donald Myrold, Donald and Kenneth Miller, Loren Erdman, and Bryant Ulseth.

The steaks were cooked on grates over an open bed of coals by Gibbons, Llye Kiel, William Albright, and Norton Lien.

The meals were served by the Our Saviour's Lutheran Ladies Aid. Women who assisted included Mrs. Al Bakke, Mrs. Kate Acker, Mrs. Gertrude Wentzel, Mrs. Rudy Erdman, Mrs. Vernon Peltier, Mrs. Charles Perry, Mrs. Norton Lien, Mrs. Veral Gibbons, Mrs. John Radke, Mrs. A. J. Anderson, and Mrs. Walter Morgan.

In his speech Miller suggested that farmers may have to return to more livestock raising in the future since there are indications the price of grain will not continue high and high Government support prices probably won't be maintained.

Ash pointed out that 87 years ago the same land over which the tour went sold for 3 cents an acre. "Now, thanks to REA and profitable farming practices, farmers have completely modern homes with all the conveniences normally associated with city homes, and land worth much more than 3 cents an acre," he said.

Herewith is the letter I received from the county agent under date of August 5, following my request for further information concerning the annual affair:

CROOKSTON, MINN., *August 5, 1948.*

Hon. HAROLD C. HAGEN,
Congress of the United States,
House of Representatives,
Washington, D. C.

DEAR HAROLD: The annual farmers-businessmen's tour came into being in 1944. It was originated by V. M. Gibbons and Walter Ross. Mr. Gibbons sounded out Mr. Ross and myself on the idea of inviting businessmen of the town on a tour of the countryside. Crops looked good and the businessmen were operating shorthanded and under considerable difficulty in obtaining goods. Mr. Gibbons said businessmen were being blamed for a lot of the shortages which they had no control over. Gasoline was rationed at the time, so he felt businessmen had very little idea of what the crop was like because they had no gas to drive around the country. He thought it would do them good to get away from their business and he also thought it was a good idea to let the businessmen know by this device that they didn't mean all the nasty things that had been said to them by farmers who were trying desperately to get needed supplies. He received full support on the idea.

The first two tours started at 7 o'clock. The first one ended at the Walter Ross farm at 9: 30 for a light lunch. The tour traveled out the south side of the river in Bygland township and ended at the Walter Ross farm. A field of corn that was being grown for hybrid seed was one of the outstanding things on this tour. For the first time many folks saw how hybrid corn was produced. The second tour showed a large flock of turkeys, hogs being raised on pasture and a lot of grain fields—and ended at the V. M. Gibbons' home for lunch. The return tour showed fields of peas grown for the first time in this area, the new Carlton variety of durum, beets being grown without any hand thinning and ended at the Lutheran Church at Eldred for supper—the feature of which was 1-inch-deep apple pie and big slices. The fourth tour featured mechanical harvesting of beets, cleaning brush out of ditches with bulldozers and sunflowers—and ended with a sweetcorn supper at Angus by the Presbyterian Ladies Aid. And you know what happened on the last one.

One of the things that has been appreciated by the guests has been the changing of cars at every stop. This has served to break up clicks and acquaint more people, plus the fun of wondering whom you are going to ride with next and who your companions are going to be.

Sincerely yours.

CARL G. ASH,
County Agent, West Polk County.

Prior to the tour, the Chamber of Commerce of Crookston published an announcement in its monthly publication, dated July 31. It follows:

[From Crookston Chamber of Commerce Bulletin of July 31, 1948]

TOUR

The fifth annual farm tour put on by the farmers in the Beltrami, Bygland, Crookston, Eldred, and Fisher areas, had its full quota of amazing and interesting features. Most crops gave promise of above-average yields. We are going to be interested in a number of fields visited, especially the Wurden field of wheat which followed the big sunflower crop produced last year, his 100-acre field of sunflowers, Gibbons' flax field which had been sprayed to kill weeds, as well as his cornfield also sprayed for weed elimination. It will be interesting to see Ben Rohrer's field next year where the Graham-Hoeme plow was demonstrated—Norton Lien's felling of the mighty oak in 15 minutes with his bulldozer was indeed an attraction. County Agent Ash knows his West Polk and certainly does arrange a most interesting tour. We have not forgotten the eats, the ice cream, cake, and coffee served in the early years of the tour at the Walter J. Ross and Verle Gibbons farms, the apple pie at Eldred after we had already been stuffed, the sweet corn and butter at Angus, and now those steaks at Verle Gibbons. Wonder what will be next year? Thanks for the invitation.

The mimeographed circular issued by farmers contained some interesting reading matter. It follows:

Good afternoon, folks.

We welcome you to the fifth annual farmers-businessmen's tour. We are pleased and complimented that you have taken time away from your business to attend this tour. Our purpose is to create between town and country a more thorough understanding of each other's problems. Contrary to some rumors the average farmer's back yard does not contain a quantity of buried tin cans full of money.

We purpose to show on this tour that the farmers of Polk County on the average are spending their gains to improve their standard of living.

FIRST STOP: ROSAIRE BOUCHER FARM

In 1939 Mr. and Mrs. Rosaire Boucher established their home on this farm. It had been operated by a tenant for many years and was badly run down. In the last 3 years Mr. and Mrs. Boucher have done a lot of modernizing to improve their home. They have installed running water. This was done by Crookston firms and workmen. They installed an oil furnace by a Crookston firm and workmen. They installed a sewage disposal system made by Crookston workmen and the plumbing was sold and installed by Crookston people. They completely wired their farm by Crookston firms and workmen. They have completely modernized their kitchen. Their built-in cupboards were made by Crox-workmen. Their linoleum was sold and installed by Crox people. None of these things show from the outside but they all cost in excess of $5,000. Keep in mind that farmers spend two kinds of money: gross and net. Net money only can be used for improving such as this. Mrs. Boucher completely planned her own kitchen from plans she got through extension home-project lessons.

SECOND STOP: ANCHOR WURDEN

This 40-acre wheatfield was in sunflowers last year. They volunteered so thickly this spring after the wheat was planted that they covered the ground. This field was sprayed with about 5⅓ ounces of 2,4–D acid of ester formulation about the 28th of June. There is no trace of the sunflowers in this field except where there was nozzle plugging or a skip.

THIRD STOP: ANCHOR WURDEN

The sunflowers on the west side of this field apparently show the effects of 2,4–D drifting out of the wheatfield to the west. The wheatfield was sprayed by ground sprayer with a northeast wind using about 5⅓ ounces of 2,4–D acid ester to the acre. Some time afterward the wind apparently from the southwest blew fumes back over to the sunflower field.

FOURTH STOP: NORTON LIEN

You see 40 acres of river bottom on which trees, large and small, have been cleared by one man that operated a bulldozer over a period of 25 days. This land will be put into wheat next year. The tractor and bulldozer cost $9,000. We are going to see a demonstration on how these big trees were taken out of this 40-acre land. Norton Lien, the owner of the farm, is operating the tractor.

FIFTH STOP: BEN ROHRER FARM

Many of you have heard the term "Graham-Hoeme plow," which is made in Texas. These cultivators are capable of staying in the ground even if they are crossing a road or going through the heaviest of sod, providing you have power to pull it. They are capable of penetrating to a depth of 10 or 12 inches or more. They have received an amazing reception the last 2 or 3 years from the farmer of the valley. You will also see a John Deere implement which has just come out. This is reported to be the first one in the immediate area.

SIXTH STOP: V. M. GIBBONS

You have heard much this year about using 2,4–D. You are going to see an oat, corn, and flax field that was sprayed with only 1.6 ounces of 2,4–D acid of the ester type. You can see what fine kills were obtained with that small amount of 2,4–D acid. Actually less than 30 cents' worth of aid to the acre. Notice in the flax field where the sprayer missed on a lap. Notice how weedy it is. Also that the flax is a little bit taller where it wasn't sprayed.

On the Bias—A Capable Congressman—As to Dewey Short

EXTENSION OF REMARKS

OF

HON. DEWEY SHORT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. SHORT. Mr. Speaker, under leave to extend my remarks, I include the following three editorials: One, On the Bias, by G. Olds, that appeared in the Springfield (Mo.) News-Leader of July 18, 1948; one, A Capable Congressman, which appeared in the Joplin (Mo.) Globe of July 27, 1948; and another one, As to DEWEY SHORT, which also appeared in the Joplin Globe of August 1, 1948:

[From the Springfield (Mo.) News-Leader of July 18, 1948]

ON THE BIAS

Young Quentin Haden tells me solemnly that I am going to be the most surprised fellow in the Ozarks on the morning of Wednesday, August 4, when I wake up and discover that he is the Republican nominee for Congress from the Seventh District.

Mr. Haden is quite right. I will be as surprised as all get out if he succeeds in taking the nomination from the Honorable DEWEY SHORT.

I don't believe young Mr. Haden can do it. He is operating on the theory that Congressman SHORT is going to be beaten sometime—which undoubtedly is true—and that this is the year to beat him, which probably isn't true.

DEWEY SHORT has done a pretty good job of representing the seventh district and the argument that he has held his seat too long is a specious one. He has, of course, served a long time—now serving his eighth 2-year term covering a span of 20 years, since he was out a couple of terms—and he has grown in experience and wisdom and influence.

DEWEY SHORT's courage in voting his convictions on some of the gravest issues ever to face our country—a courage often demonstrating a complete indifference to his own political fate—is something to admire and envy.

DEWEY SHORT has dared to be an American when all about him men were preparing to give away their country and to assume intolerable and impossible burdens. DEWEY seems to think that one county in the Ozarks—or any one county in the U. S. A.—is more important than any state in Europe, Asia, or Africa. He is not, I guess, what you'd call world-minded.

Being world-minded has gotten the U. S. A. into a heck of a lot of trouble—and now seems likely to get us into some more. DEWEY would like to see his country go its own sweet and peaceful way. He would like to see the U. S. A. stop squandering billions of dollars in trying to promote a brand of democracy which suits us swell and which other countries could have for the asking—if they wanted it.

Since they don't want it, since they have demonstrated repeatedly that they have no use for democracy, he sees no sense in trying to force it down their throats and into their hearts.

Americans in high places have made it unpopular to admire democracy—things have come to such a pass that an American who feels a surge of patriotism, who wants to get up and shout hurray for the Star-Spangled Banner, such a fellow has to watch out that he isn't arrested for treason. He gets downright embarrassed.

DEWEY SHORT doesn't admit that embarrassment—doesn't even own it. If people want to call him provincial, that's all right with him—that fits quite nicely into the pattern of honesty and old-fashioned patriotism he has woven for himself.

I observed the other day that the Federals had censored some schoolbook because it pointed out how many schoolhouses could be built for the cost of one battleship. Such teaching is downright subversive, you know. Makes people think about the folly of war, the utter madness of the world into which we have been drugged and dragged.

I don't know whether or not DEWEY SHORT has used that incident in his speeches—but it would be just like him; it would be just like him not to care if he offended the War Department or the State Department or the Saint Nicholas department.

DEWEY, of course, is fighting a hopeless fight—in that sense, he is completely useless in Congress. But his very uselessness, his very indifference to almost anything but the welfare of America, gives him an unique position in Congress—because so few speak with him, his voice becomes the louder and the clearer.

For that reason, if for no other, I think there is a very definite place in Congress for DEWEY SHORT—a very real need of him—and the Ozarks should be proud of the distinction he earns for them. For the Ozarks to turn him out would be as foolish and disheartening as it would be to decree—Heaven forbid—that our trees should no longer burst into autumn flame, that our hills be flattened, that our streams run dry, that all our special flavor be drained away.

DEWEY SHORT is part of that special flavor, that special color which makes the Ozarks precious and distinctive, and his district

would be destroying a rare and irreplaceable—albeit sometimes bewildering—asset if it ventured to substitute a less distinctive individual.

I realize, of course, that I probably am getting needlessly worked up—not to mention the fact that we of Springfield cannot vote for or against Mr. SHORT. But it just seemed to me that somebody ought to come out in favor of some of the things he stands for. Or, perhaps I should say, some of the things he stands against.

I do not have the nerve or the talent to speak for America as DEWEY SHORT has spoken for her—and I am sure I would have even less nerve and talent if I occupied a precarious seat in Congress—but I certainly would like to endorse what he has said—and I would like to see his district endorse his sentiments.

I have little doubt that it will. (G. Olds.)

[From the Joplin (Mo.) Globe of July 27, 1948]

A CAPABLE CONGRESSMAN

The voters of this congressional district, who have been sending DEWEY SHORT to Congress with monotonous regularity for a good many years, can be counted on to repeat again next November because there obviously is even more reason for sending him to Washington this time than in any previous campaign.

One major argument, of course, is the fact that Representative SHORT is the ranking Republican member of the important Committee on Military Affairs in the lower House, and will become its chairman if Republican control of Congress is continued next year, as almost certainly will be the case. Committee chairmen have great power in promoting desirable legislation or in slowing up the progress of proposed laws not so certainly needed or wanted.

A more general, but perhaps even more cogent argument, is the fact that DEWEY SHORT, who is now serving his eighth 2-year term in Congress, has become increasingly capable as a Member of the National Legislature. With the background of a fine education, obtained in the United States and abroad, his years of experience at Washington have added greatly, not to his desire to be a good representative of the people of this district in Washington, because he had that desire from the day he first took the oath of office, but to his ability to perform the duties of a Congressman in a manner at once satisfactory to the folks at home and to the Nation at large.

DEWEY SHORT is not as much of an internationalist as some of the more radical internationalists would like. He admits to a stubborn belief that just one county in the Ozarks is in his estimation more important than any state in Europe, Asia, or Africa. To that extent he concedes he is provincial. But this is a weakness, if you want to call it that (and mighty few in his home district would), which is at least easy to forgive. After he completed an 18,000-mile European trip 2 years ago he came home convinced it was common sense for the United States to help restore that war-wrecked land. In that conclusion the Nation at large has concurred. But the people who accept it, including DEWEY SHORT, don't feel it means we of the United States ought to extend our donations to the point of weakening our important ability to take care of ourselves should serious trouble come, as it did at Pearl Harbor, or to the extent of reducing our ability to help the world.

If every voter in this district could have the opportunity of hearing Representative SHORT make a serious address during his present visit to his home community, his reelection by an increased majority would be overwhelmingly assured. No one in his audience is ever left with any doubt as to his sound, level-headed Americanism, nor as to his outstanding ability, both as a public speaker and as a student of the modern world and its multitudinous perplexing problems.

[From the Joplin (Mo.) Globe of August 1, 1948]

AS TO DEWEY SHORT

Tuesday's primary offers an interesting and important test for the Republican voters of the Seventh Congressional District of Missouri. DEWEY SHORT, now serving his eighth 2-year term as the district's Representative at Washington, has two active rivals for the nomination, and while the vote itself may not be close, at least the campaign has been vigorous. Two or three points having to do with this campaign seem to the Globe as worthy of consideration.

It certainly is true, for one thing, that no one person has a life grip on the job of representing his district in Congress. Any adult citizen has a perfect right to try for the honor, this year or any year, when a Representative is to be chosen.

For another thing, there is no reason to believe a news story referring to Quentin Haden, one of the candidates, as a war veteran when he isn't, was a deliberate intent to deceive and unjustifiably win support from former servicemen. Mr. Haden himself had previously stated in a public address that he is not a war veteran.

Concerning the argument of the supporters of DEWEY SHORT that he should be returned to Congress because his experience, knowledge of how to get things done, acquaintance, and the seniority which would advance him to the chairmanship of the important Armed Forces Committee at the next session of Congress would make him worth far more to this district than any newly elected Representative, the Globe already has expressed itself. At this time we invite the attention of Republicans of the district to the opinion of a real expert on Congress, an outstanding member of their own party, the late James E. Watson, of Indiana, who died in Washington last Thursday at the age of 84.

Senator Watson was elected to Congress at the age of 30 and served there, part of the time in the House and part of the time in the Senate, under 12 Presidents. In 1936 his memoirs were published in a book titled "As I Knew Them." Early in this book he had this to say regarding the value of experience in Congress:

"Length of service gives experience and without experience a man merely counts one on the roll call. A district that sends a man to Congress only one, or even two terms, had just about as well not send him at all."

By way of proving this statement he cited this incident:

"How they dealt with us newcomers may be very well illustrated by the following bit from my personal experience. I had not been in the House long when Mr. Champ Clark, who became one of my rarest friends, was delivering a speech and made an assertion that I thought should be challenged. He had been having one of those rapid-fire debates in which he liked so well to indulge and in which he was thoroughly at home. I rose and asked the privilege of interrupting him, but lightning-quick he said: 'I am dealing with the upperclassmen now. I'll get to the freshman class later on,' whereupon everybody had a good laugh at my expense, and I sat down somewhat perturbed. After he had closed his speech, I arose and again propounded my question, but he waved me aside with his arms, saying: 'The young Member from Indiana should learn that when the storm is over there is no use to try to revive the wind.' "

If our affairs with Russia should worsen, there certainly is a possibility that a part of our inevitable heavy national military expenditures would land in the Seventh District. Would this result be as likely with a freshman representative as with what Senator Watson called an upperclassman such as DEWEY SHORT now is?

Later in his book, Senator Watson offered more comment on a subject, much of which is eternally timely. From a man who served as whip for his party in the lower House and, later, as majority leader in the Senate, it deserves the consideration of thoughtful Republicans of this district when they go to the polls next Tuesday.

"People have a peculiar conception about electing a man to Congress. If anyone interested in a factory wanted to get someone to run it, he would not go out on the street and pick up Tom, Dick, or Harry to do it, but he would spend whatever time might be necessary to hunt up the most competent and skilled person available. The same is true of every other business, except that of running our Government, the greatest business in the world.

"For this inestimably delicate and important task people seem to think that just anybody picked up anywhere will do, though such an individual may never have had the slightest experience in running anything.

"All a candidate need do, it would seem, is to go about and ballyhoo, and in loud and raucous tones tell what he is going to do when he 'gets down to Washington'—swat the successful, sympathize with the unfortunate, and let it go at that. Such a campaign usually brings success in days of stress, just when the people should be looking for the strongest, soundest, and most solid men to represent them.

"On the other hand, we often hear it said, when a man of long experience is a candidate: 'We have had enough of him'—as though the people could ever have enough of the ability of a man who knows how.

"I repeat here, as I have exhorted elsewhere the best thing a district can do is to select some honest man with approved ability and in harmony with the politics of the district, send him to Congress and keep him there just as long as he is willing to serve. That alone brings experience, and experience is by all odds the most valuable asset a legislator may possess, save honor alone."

It should not be necessary to add that saying DEWEY SHORT should receive this renomination by an overwhelming majority is in nowise a reflection on the ability or character of his opponents. It is simply that the inexorable commonsense of the situation points to him as the prudent and logical choice.

My Pledges and How I Fulfilled Them

EXTENSION OF REMARKS

OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. MULTER. Mr. Speaker, during my campaign for election last year, I told my constituents my political philosophy and what they could expect of me if I were elected to represent them in the House of Representatives. They elected me with an overwhelming majority of the votes cast.

I believe that I kept my every promise and more. I think I have the right to assume that my constituents approve my conduct and my voting record here because this year the Republican Party and

the Liberal Party, as well as the Democratic Party—the only party in which I have ever been enrolled—have unanimously designated me as their candidate to succeed myself.

Nevertheless, I think I should here record my pledges and how I fulfilled them.

LABOR

During my campaign, I said:

I favor a broad social-security program including old-age pensions, unemployment insurance, security for crippled and dependent children, and the blind.

I will support a legislative program which will endeavor to establish fair-employment practices and prohibit discrimination in employment.

Risk capital, new enterprise, and the development of our natural resources must be encouraged. Small business must be promoted. Competitive private enterprise free from control by monopolies, cartels, or any arbitrary private or public authority must be continued.

The Taft-Hartley law is bad for the reasons stated by President Truman in his veto message to Congress. As pointed out by the President, it invites "conflict between the National Labor Relations Board and its general counsel." Furthermore, it puts the employer in a position where he can refuse to bargain with his employees. In fact, it puts him in the anomalous position of being able to choose the workers' bargaining agent.

By the simple expedient of refusing to bargain with his employees the employer can force a strike.

While the men are on strike the employer can replace them with other workers of his own choosing and then call for an election of the bargaining agent to represent the workers. At that election the strikers who were replaced will be deprived of the right to vote, with the result that the bargaining agent selected will be representative of the employer rather than the employee, whom it is supposed to represent.

I favor increasing the minimum wages now fixed by law to a sum that will more closely approach the realities of present-day cost of living.

During my incumbency I urged broadening the social-security laws. I opposed legislation attempting to limit and to emasculate the social-security laws. I urged extended benefits under the unemployment insurance laws. I urged and voted for increased compensation for the lower-income Federal employees, including postal workers. I repeatedly pointed out the advantages of the New York State Fair Employment Practices Act as reasons for enactment of a similar national law. I urged enactment of a law increasing minimum wages. Nothing was done about the Taft-Hartley law because the Labor Committee could not be induced to take any action with reference thereto. I voted against weakening the antitrust laws.

TAXATION

During my campaign, I said:

Our tax laws must be adapted to an expanding peacetime economy having in mind, however, that tax cuts must go first to the low-income groups. This should be accomplished by increasing the tax exemption granted to all taxpayers. By doing that the low-income earner may get complete tax exemption. At the same time the man in the higher brackets will get an equal advantage. It will be fair to all while at the same time helping those who need it most. I also favor the enactment of a law which will grant the same income-tax privileges to all married people throughout the country, regardless of whether they live in a so-called community-property State or not. It is rank absurdity to permit a man and wife in one State, by the simple expediency of changing their residence to another State, to obtain tax advantages under our Federal income-tax laws. The situation can be remedied only by Federal legislation.

During my incumbency, I urged enactment of tax legislation to effectuate my promises. That part putting all our citizens on an equal basis as to so-called community property has been enacted into law. I opposed the tax bill submitted and voted to sustain the presidential veto of that bill because it unfairly gave the largest tax cuts to those best able to pay and gave the smallest cuts to those least able to pay. About 70 percent of the tax cut was given to about 6 percent of our taxpayers. Ninety-four percent of our taxpayers received only 30 percent of the tax cut. Bills which I introduced to broaden the tax exemption base, to eliminate inequalities, to exempt pensions, and to eliminate wartime nuisance taxes failed of enactment.

HOUSING

During my campaign, I said:

The Taft-Ellender-Wagner bill should have long since been enacted into law. It should be passed at the earliest possible moment. The Government must do everything possible to encourage and aid private industry in relieving the housing shortage by the building of permanent homes for all those who need them.

During my incumbency, I fought continuously for adequate housing legislation. My first official act, after taking my oath of office, was to sign the petition to bring the Taft-Ellender-Wagner bill before the House for debate and for a vote. My effectiveness was increased by my election to the Committee on Banking and Currency which had this legislation before it. My efforts are reflected by the CONGRESSIONAL RECORD and were publicized by the press.

PRICE AND RENT CONTROL

During my campaign, I said:

Control of the price to be paid for any commodity, whether it be the use of property or the purchase of food, clothing, or anything else, can be justified only as the use of police power in an emergency. That the emergency has existed and still exists cannot be denied as to both food and rents. Some relief may be obtained by the enactment of rent-control statutes by the various States. Such local control can be made effective by proper legislation and by proper administration. Houses cannot be moved across State lines to avoid such local legislation.

Foodstuffs, however, must be controlled on a national scale. They cannot be controlled locally. If we were to have local legislation fixing prices in one community, the producers could beat the law by the simple expedient of sending their merchandise to communities that do not have such restrictions.

I am in complete agreement with President Truman's policy of attempting to solve the situation by voluntary discipline. If that does not solve the problem, then price control will be the only way out. It will be the last resort if the emergency continues.

During my incumbency I introduced a comprehensive price-control bill and repeatedly urged enactment of price-control legislation, but my pleadings fell upon deaf ears. The efforts of my colleagues who joined with me in urging effective rent-control legislation was only slightly more effective. A weak, but better than none at all, rent-control bill was enacted after long and arduous debate. By the dint of almost superhuman effort, a provision which would have made the entire bill unconstitutional was eliminated. I also introduced a bill to control fuel during emergencies.

FOREIGN POLICY

During my campaign I said:

I have been preaching the establishment of a Jewish homeland in Palestine since 1921. The President and the Democratic Party favor the opening of Palestine to unrestricted Jewish immigration and colonization and the establishment there of a free and democratic Jewish commonwealth.

We favor the majority report of the United Nations Special Committee on Palestine as the best means presently available to solve the problem. We urge the immediate implementation of the program there advanced.

The Communist Daily Worker and its American Labor Party candidate opposing me in this campaign have attacked me as a warmonger, not because I have talked out against their beloved Russia, but because I have dared to talk out in support of the American democratic way of life. These are my principles, and these are the principles which they find fault with:

In order that the world may not again be drenched in blood by international outlaws and criminals we must "join with the other United Nations in the establishment of an international organization based on the principle of the sovereign equality of all peace-loving States, open to membership by all such States, large and small, for the prevention of aggression and the maintenance of international peace and security." To "make all necessary and effective agreements and arrangements through which the nations would maintain adequate forces to meet the needs of preventing war and of making impossible the preparation for war and which would have such forces available for joint action when necessary.

"Such organization must be endowed with power to employ armed forces when necessary to prevent aggression and preserve peace.

"We favor the maintenance of an international court of justice, of which the United States shall be a member, and the employment of diplomacy, conciliation, arbitration, and other like methods, where appropriate, in the settlement of international disputes.

"World peace is of transcendent importance."

The quotation is from the Democratic national platform of 1944. Those were my sentiments then—they are my sentiments now. President Truman and my party have reasserted them time and time again. We will deal with Russia and everyone else around the peace table. We will do all in our power to prevent war. If Russia and the Russians want communism they can have it and we will do nothing to change their minds about it, provided they keep it to and for themselves.

By the same token we want none of their Communist ideology here and we will do all in our power to keep it out of this country.

When Hitler and Stalin had a peace treaty the Communists and their fellow travelers in this country were most vociferous in their demands that we be isolationists and send neither food nor munitions to Britain or France. At that time the Munich appeasement was applauded and Hitler's attack upon the rest of Europe was an imperialistic war by the countries attacked.

When Hitler ignored his peace treaty and attacked Russia this same group found that

the imperialistic war was a people's war and they could not get our boys and supplies over fast enough.

Thank God they were in time and Hitler and his murderous hordes were eliminated.

During those days there were no insults by the Vishinskys and the Molotovs. Parenthetically I might ask: Has Litvinov, who did so much to bring about friendly relations between the United States and Russia been liquidated because he was foolish enough to think that the Russians intended to do all the amicable and peace-loving things that he preached while we were fighting together.

There is only one way to preserve our American heritage and our American birthright, and that is to at all times be so militarily strong that no one will dare attack us. The world must know that never again will we be in a position where any aggressor nation can pull a Pearl Harbor on us.

If that is warmongering, I am willing that my name be placed alongside of those of Franklin D. Roosevelt, Harry S. Truman, James Byrnes, George Marshall, Averell Harriman, and David Lilienthal.

The Marshall plan to relieve the dire need and distress of a stricken world must be put into effect at the earliest possible moment.

That, even faster than military might, will stop the Communist hordes in their tracks.

During my incumbency, I worked assiduously to enact into reality the things I preached during all my adult life.

The establishment of the free state of Israel became a reality. It has been and will continue to be aided in every respect by every freedom-loving American. Our Government will soon give Israel full and complete recognition; it will give Israel all the aid that a friendly ally is entitled to; it will soon receive a $100,000,000 loan from our country. My efforts in connection with all thereof, which are still continuing, I prefer not to record at this time. In due time, others may see fit to tell about them.

I am proud of my vote in support of the Marshall plan, now known as the European recovery plan, and I am proud of my vote to eliminate from the House version of that bill aid to Franco Spain.

My vote in favor of selective service—the draft—was not only dictated by my conscience and my belief that it was in the best interests of peace, but it was in accordance with my pledge to my constituents during my campaign. I lived through two World Wars. My older son served overseas in World War II. My younger son is subject to the new law I supported. I feel as deeply as any the waste of money and manpower for military purposes. But just as we would not vote to disband a municipal police force, we must insist on a national and an international police force.

I fought for a fair displaced-persons bill and opposed the discriminatory and unfair provisions of the bill as it was passed.

I introduced a bill to permit adopted children to enter our country free of quota restrictions.

I introduced a bill to sever all relations with Lebanon.

I introduced a bill to withhold from Britain and all other countries the equivalent of the moneys they were lending and/or giving to the Arab aggressor nations.

I introduced a bill to investigate conditions in Palestine.

I introduced a bill to exempt from penal prosecution all Americans who enlisted in the army of Israel.

I introduced a bill calling for limitation of the veto power in the United Nations.

I introduced a bill to improve the Veterans' Administration.

SUBVERSIVE ACTIVITIES

During my campaign, I said:

I condemn the tactics of the Un-American Activities Committee in pillorying men and destroying reputations without giving the accused an opportunity to be heard.

During my incumbency, I did not hesitate to make my stand known. I actively opposed with all my energy the enactment of the Mundt-Nixon bill. At the same time, I gave no comfort to the Communists and their fellow travelers and to totalitarianists, no matter what name they used. Nevertheless, I opposed and voted against giving any funds to the Un-American Activities Committee.

MISCELLANEOUS

I could write volumes on my activities on behalf of my constituents who needed help. I will leave that story to be told by those who called upon me from time to time.

Anyone and everyone who called upon me received a respectful hearing. One thing I did not and never will permit is to allow anyone, individual or delegation of individuals, to call upon me under false colors, using high-sounding but misleading names. Whenever they do, I will expose them for what they are.

Those who desire a more detailed record of my activities will find my remarks in the CONGRESSIONAL RECORD under the following subjects on the pages indicated:

Americanism: A3101, A3451, A3800, A3903.

Armaments: A3716.

Brotherhood: 1284, A648, A1105, A3145, A3633.

Brooklyn has a remedy: A3905.

Brooklyn adopts Breukelen: A944.

Civil rights: 1988, 2413, 2550, 2980, 3857, 5859, 5860, 5861, 5862, 5872, 6043, 6108, 6109, 6117, 6492, 7874, 9532, 10110, A1321, A1527, A1547, A1586, A3910, A4056.

Communism, first session, Eighteth Congress: A4770. Second session: 6108, A1524, A1644, A1968, A1985, A2320, A3090, A3091, A3458, A3695, A3813, A3868, A4090, A4168, A4670, A4673, A4768, A4779, A4833, A4842, A4915, A4947, A5067.

Control of prices and rents, first session, Eighteth Congress: 11724, A4922, A4929. Second session: 1433, 1618, 1622, 1988, 2868, 2871, 2888, 2957, 2962, 2963, 2964, 2980, 8890, 9323, 9761, 9875, 9887, 10206, 10207, 10241, A903, A3950, A4835, A4950.

Congressional investigations and the Un-American Activities Committee: 2413, A1547, A3391.

Displaced persons: 7874, 7875, 8860, 10110, A1105, A1529, A2724, A2938, A3463, A3487, A4903, A4960.

European recovery plan—the Marshall plan: 7164, 7207, 7209, 7486, A3699.

Fuel emergency: 1433.

Housing: 2014, 9875, 10206, 10207, 10241, A3142, A3414, A3950, A4960, A5078.

Italy: 4438, A2394.

Palestine: 431, 1421, 3396, 3510, 5515, 5990, 6549, 6989, 7070, 7725, 7982, 9351, A497, A637, A795, A899, A905, A1320, A1826, A2320, A2322, A2380, A2396, A2398, A2574, A2724, A3014, A3050, A3142, A3143, A3450, A3456, A3488, A3522, A3564, A3656, A3694, A3695, A3699, A3713, A3817, A3834, A3844, A3854, A3959, A4278, A4668.

Postal workers: A2851.

Rayfiel, Hon. Leo F.: 2998.

Religious education: A3688, A4275.

Reconstruction Finance Corporation: 5444.

Selective service: 38, 8507, 8677, A1326.

Surplus property: 716.

Taxes, first session, Eighteth Congress, 11429. Second session: 200, 716, 3413, 4079, 5749.

United Nations: 4438, 5462, A4960.

Veterans: 38, 2512, A2724.

The gentleman from Mississippi: 431, 1988, 2550, 2966, 2980, 7875, 9532, 10110, A1586, A3450, A4056.

Youth United: A4056.

Politics Is the Answer to Red Smear by GOP

EXTENSION OF REMARKS

OF

HON. ADOLPH J. SABATH

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. SABATH. Mr. Speaker, I read with a great deal of interest an article by Mrs. Eleanor Roosevelt appearing in the Washington Daily News of August 3, 1948, entitled "Politics Is the Answer to Red Smear by GOP." Mrs. Roosevelt frankly gives her reaction to the loyalty and spy investigations undertaken at this time by the Republican congressional investigating committees. To me, it is plain that the Republicans have instigated these investigations and are trying to make communism an issue of the campaign because they do not want the people to realize that they have legislated for the benefit of the special and vested interests and failed to act or pass legislation in the interest of the common people, for instance, about high prices, controlling inflation, and to provide decent and low-cost housing. Mrs. Roosevelt's article is as follows:

MY DAY

(By Eleanor Roosevelt)

POLITICS IS THE ANSWER TO RED SMEAR BY GOP

HYDE PARK, Monday.—I have been very much interested by the sudden interest taken in the testimony of Elizabeth T. Bentley, the self-confessed wartime Soviet spy.

It appears as if the subcommittee of the Senate Committee on Expenditures in the Executive Departments, finds this an opportune time to present the fantastic story of this evidently neurotic lady. In some way it may be useful to the Republican Party, though I cannot imagine how it can serve any really useful purpose.

It seems that all that she has to tell has already been told, by her own accounts, to the Federal Bureau of Investigation in New Haven in the summer of 1945. I understand that when certain people tried to verify whether authorities actually had been able

to prove any of the things that she stated as suspicious, no proof was forthcoming. It seems to me quite outrageous to use this method of smearing people when you cannot produce proof.

For instance, to testify that a reputable person like Laughlin Currie, whom the lady admits she never saw and has no proof of any kind against him, has furnished her with confidential information can only serve to make those who do not know him wonder if there isn't some tangible proof. The natural question to ask is why should so-called reputable people want to injure entirely innocent individuals?

The answer, it seems to me, is politics and the chance to make the limelight and whip up a little more excitement for vigilance in this country on the part of the Un-American Activities Committee. Whether they make people suffer unjustifiably in so doing seems to be of no more importance, except to those among us who believe the Constitution protects us against such goings-on. We begin to think that the methods we condemn under other forms of government are coming perilously near to being used by certain of our own representatives.

As for Miss Bentley, one can only regard her with regret and pity. She is probably an intelligent young woman. She graduated from Vassar College, so she must have had some brains, and for some reason what she is doing now must seem to her worth while. The reason, however, is somewhat obscure, so far as I am concerned. In the future I should think it might be difficult for her to find any acquaintances who would be willing to say even "good morning" and "good evening" to her. That might be construed as a means to involve them in some new and fantastic trial.

Comprehensive Social-Security Revision

EXTENSION OF REMARKS

OF

HON. EUGENE D. MILLIKIN

OF COLORADO

IN THE SENATE OF THE UNITED STATES

Saturday, August 7 (legislative day of Thursday, August 5), 1948

Mr. MILLIKIN. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a statement I have prepared on social-security revision.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

The President's message to this special session urged, among many other things, that the Congress during the 2 weeks' period which he had envisioned as sufficiently lengthy for the legislative completion of all of his projects should increase the benefits under the old-age and survivors insurance system and extend the coverage of the system to the millions of workers who have never been covered since the enactment of the Social Security Act in 1935.

The special session did not accommodate the President because there was not time to finish the extensive work on the subject already in progress, to hear the numerous witnesses who were entitled to be heard, to reach committee decisions, to draft the necessary legislation, to prepare reports, and to debate in Congress the controversial issues.

There would not have been sufficient time had the entire session been devoted exclusively to that single purpose.

As we shall see by examination of only a part of the problems to be considered in reviewing and revising our social-security system, compliance by the Congress with the President's recommendation would have called for reckless, ill-considered improvisation of legislation which by its nature and scope would have the most fateful social, political, and economic consequences. To have complied would have been an act of shameful irresponsibility.

If the President's suggestion was motivated by personal partisan reasons, and candor requires, we regret to say, that the possibility of this is not precluded, he is reminded of the fact that the existing social-security law has been in effect for 13 years, that its defects have been a matter of mounting revelation every day of all that period of time, and that the present Republican control of Congress has been in effect for less than 2 years.

We shall give no further attention to the partisan implications of the President's request except to state a few facts which will make it clear and bring reassurance that narrow partisanship has had no part in the Senate's active and intelligent progress in the matter.

About a year ago, on July 23, 1948, the United States Senate passed a resolution sponsored jointly by Senator GEORGE, former Democratic chairman of the Senate Finance Committee, and by the junior Senator from Colorado, Mr. MILLIKIN, the present Republican chairman of that committee, directing the Senate Finance Committee "to make a full and complete investigation of old-age and survivors insurance and all other aspects of the existing social-security program, particularly in respect to coverage, benefits, and taxes relating thereto. * * *"

It will be noted that the initiation of the subject was bipartisan. The resolution was adopted on a bipartisan basis—it was unanimously approved. The Senate Finance Committee proceeded to carry out the terms of the resolution and in its deliberations on the subject there has never been a partisan division.

The significance of this is sharpened by noting the membership of the committee which is as follows:

Republican: EUGENE D. MILLIKIN, chairman; ROBERT A. TAFT, Ohio; HUGH BUTLER, Nebraska; OWEN BREWSTER, Maine; HARLAN J. BUSHFIELD, South Dakota; ALBERT W. HAWKES, New Jersey; EDWARD MARTIN, Pennsylvania.

Democrat: WALTER F. GEORGE, Georgia; ALBEN W. BARKLEY, Kentucky; TOM CONNALLY, Texas; HENRY FLOOD BYRD, Virginia; EDWIN C. JOHNSON, Colorado; SCOTT W. LUCAS, Illinois.

By the express terms of its resolution the Senate mandated a comprehensive rather than a piecemeal handling of the job. The Members of the Senate, as do those of the Senate Committee on Finance, and as does every person having any knowledge at all of what it is about, knows that every part of the program—old-age and survivors' insurance, public assistance, unemployment compensation—is related to and has important repercussions on every other part and that a piecemeal approach is apt to set patterns and precedents destructive of sound, overall solutions. That is why the Congress has refused to nibble at the subject during the special session.

We add that no member of the Senate Finance Committee, of the majority or minority, has requested that piecemeal action be taken during the special session.

During the summer recess last year following the adoption of this resolution, the Senate Finance Committee organized a special advisory council to give the Committee on Finance the benefit of its recommendations.

Every member of that council was selected with the approval of the minority members of the Finance Committee. Great care was taken to secure widespread geographical representation, to secure as members men and women of high standing, broad experience, and especially qualified to protect the interests of the worker, the employer, and the public.

A similar council had rendered invaluable services in the formulation of the present law. That earlier council and the helpfulness of its work furnished the precedent for the present one.

The members of the present council are:

Frank Bane, executive director, Council of State Governments, 1313 East Sixtieth Street, Chicago, Ill.; executive director, Social Security Board, 1935–38; commissioner of public welfare for the States of Virginia and Tennessee, 1923–32; first director of American Public Welfare Association, 1932–35.

J. Douglas Brown, dean of the faculty, Princeton University, Princeton, N. J.; director, industrial relations section, department of economics and social institutions, Princeton University since 1926; consultant to the Social Security Board since 1936; chairman, Advisory Council on Social Security, 1937–38.

Malcolm H. Bryan, vice chairman of board, Trust Co. of Georgia, 36 Edgewood Avenue, Atlanta, Ga.; first vice president, Federal Reserve Bank of Atlanta, 1938–41; economist, Board of Governors of the Federal Reserve System, 1936–38; professor of economics, University of Georgia, 1925–36; member, American technical staff, Bretton Woods Monetary and Financial Conference, 1944.

Nelson H. Cruikshank, director of social insurance activities, American Federation of Labor, Washington, D. C.

Mary H. Donlon, chairman, New York State Workmen's Compensation Board, New York, N. Y.; past chairman, New York State Industrial Board.

Adrien J. Falk, president, S. & W. Fine Foods, Inc., San Francisco, Calif.; member, advisory council, California State Employment Stabilization Commission; vice president, California State Chamber of Commerce; president, San Francisco Board of Education.

Marion B. Folsom, treasurer, Eastman Kodak Co., Rochester, N. Y.; staff director, House of Representatives' Special Committee on Postwar Economic Policy and Planning, 1944–47; vice chairman, Committee for Economic Development; member, New York State Advisory Council on Unemployment Insurance; member, Advisory Council on Social Security, 1937–38.

M. Albert Linton, president, Provident Mutual Life Insurance Co., Forty-sixth and Market Streets, Philadelphia, Pa.; past president, Actuarial Society of America; fellow of American Institute of Actuaries; fellow of the Institute of Actuaries, London; past chairman, Institute of Life Insurance; member, Advisory Council on Social Security, 1937–38.

John Miller, assistant director, National Planning Association, Washington, D. C.; National Resources Planning Board, 1939–43; Institute of Public Administration, 1937–38.

William I. Myers, dean, New York State College of Agriculture, Cornell University, Ithaca, N. Y.; member, President's Committee on Foreign Aid; Governor, Farm Credit Administration, 1933–38; President, Farm Mortgage Corporation, 1934–38; trustee, Rockefeller Foundation, General Education Board.

Emil Rieve, president, Textile Workers' Union, and vice president, Congress of Industrial Organizations, New York, N. Y.; member, board of directors, American Arbitration Association; United States delegate to American Conference on Social Security, Chile, 1942.

Florence R. Sabin, scientist, Denver, Colo.; professor of histology, Johns Hopkins University, 1905–25; member of Rockefeller Institute for Medical Research, 1925–38, member emeritus since; president of the board, Finney Howell Research Foundation; member and past officer of the American Association of Anatomists, the American Association of Physiologists, and Society of Experimental Biology and Medicine; member of the National Academy of Scientists.

Sumner H. Slichter, Lamont University professor, Harvard University, Cambridge, Mass.; chairman, Research Advisory Board, Committee for Economic Development; professor of business economics, Harvard University, 1930–40; previously on faculties of Cornell and Princeton Universities.

S. Abbot Smith, president, Thomas Strahan Co., Chelsea, Mass.; president and director, Smaller Business Association of New England, Inc.; trustee, Committee for Economic Development; member of Subcommittee on Special Problems of Smaller Business; Director, Smaller War Plants Corporation, 1942–45.

Edward R. Stettinius, Jr., rector, University of Virginia, Charlottesville, Va.; Secretary of State, United States, 1944–45; Under Secretary, 1943–44; member, Advisory Council on Social Security, 1937–38.

Delos Walker, vice president, R. H. Macy & Co., New York, N. Y.; vice president and member of the board, Regional Planning Association of New York; trustee, Institute of Public Administration; former chairman of the board, American Retail Federation.

Ernest C. Young, dean of the graduate school, Purdue University, West Lafayette, Ind.; member, International Conference of Agricultural Economists; member, American Association of Farm Managers and Rural Appraisers; past president, American Farm Economic Association.

The chairman is Hon. Edward R. Stettinius, Jr., and the associate chairman is Dr. Sumner H. Slichter.

Four of the members—Messrs. Stettinius, Brown, Folsom, and Linton—served on the earlier council.

A preparatory committee of the council met in October and again in November of last year to make the necessary preparations for the organization of a technical staff and for the first full meeting of the council. The first council meeting took place on December 4 and 5, when the council began consideration of the problems before it.

The council, its members assembling from all parts of the country, has met for two full days each month from last December through May of this year and its steering committee, designated by the council at its first meeting, has met for one full day between each of the council meetings. Average attendance at council meetings has been 15 from the 17 members. Between meetings the members have analyzed and studied background and research material prepared by the council's professional research staff under the direction of the steering committee.

The first report of the council was presented to the Committee on Finance on April 15. This report, which is printed as Senate Document 149, recommends 22 important changes in the old-age and survivors insurance program. It was followed on May 20 by a report, printed as Senate Document 162, proposing that the old-age and survivors insurance program be enlarged to embrace provisions for permanent and total disability insurance.

These reports, together with the council's report just in hand on the public-assistance programs and a later report to come on unemployment insurance, will present the council's conclusions regarding feasible provisions for governmental protection from want, dependency, unemployment, and the hazard of disability.

It has been possible for this widely representative group of persons to make unanimous recommendations on most of the important points they have considered, and to make nearly unanimous recommendations on the remainder. Their reports will be of great assistance to the Finance Committee and to the Congress. They are being widely distributed and studied, are focusing attention on the issues, and will promote full presentation of all viewpoints at the later committee hearings.

The council has been able to do so much in such a relatively short time, considering the complexity of the issues, only because it was able to build on the foundation of an exhaustive study completed by a technical staff for the House Ways and Means Committee in 1946. Its 742-page report, called Issues in Social Security and prepared under House Resolution 204, was furnished to the members of the council at the beginning of their study. The material in this report has been continually supplemented and brought up to date throughout the council's study through the work of the council's technical staff.

The council has also drawn on the technical resources of the Social Security Administration and the Treasury Department and has carefully considered statements prepared by many interested groups and individuals. Letters from the public have also been helpful in pointing up areas in which recommendations should be made.

As the advisory council has strongly emphasized, approach to revision of the act should be a comprehensive one if an effective and well-coordinated program for social security is to result. For illustration of the dependence of many revisions upon one change, note this statement by the advisory council:

"If coverage is not broadly extended the council would propose very different modifications in the present provisions for insured status, benefit structure, method of determining the average monthly wage, and financing."

Some of the issues which the advisory council has had to consider in its review of the related social-security programs and which may come before the committee and the Congress are these:

What is the proper role of social-insurance and public-assistance programs in a social-security system?

Should a means-test system be substituted for the present insurance system?

Should a pension system paying flat benefits from the general treasury be substituted for social insurance?

Should benefits under social insurance be geared to wages or should they be the same for all?

To what extent should persons under the insurance program "pay their own way?"

Should the Government eventually pay part of the costs of the system out of general taxation?

Is it feasible and desirable to extend coverage to self-employed persons such as business and professional people and farm operators?

How can earnings reports best be secured from the self-employed?

Is it feasible to secure income reports from all 11,000,000 persons with some self-employment during the year?

Should the self-employed be charged the single employee rate, the combined employer-employee rate, or something in between?

Is it desirable to extend coverage to employees of nonprofit organizations?

Should the government compel coverage in this traditionally tax-exempt area?

Should all employees of nonprofit organizations be covered, including clergymen and members of religious orders?

Is it feasible and desirable to extend coverage to agricultural and domestic workers?

Is it feasible to get wage reports for these groups? Through a stamp system or list reporting?

Can the value of wages-in-kind for this group be evaluated?

Is it desirable to extend coverage to Federal employees?

Are short-term workers who leave government after a few years and return to employment covered by old-age and survivors insurance adequately protected by the existing combination of civil-service retirement and old-age and survivors insurance?

If coverage under old-age and survivors insurance were extended to Federal workers, should the civil-service system be modified; and if so, how?

Is it desirable to extend coverage to railroad workers?

Are workers who move between railroad employment and employment now covered under old-age and survivors insurance adequately protected under present arrangements?

Should old-age and survivors insurance coverage be extended to the armed services?

What should be considered the serviceman's wage?

Should the serviceman contribute directly to the program?

Is it desirable to cover employees of State and local governments?

If so, how can it be done in the light of constitutional barriers against Federal taxation of other governmental units?

Should employees of proprietary units of State and local governments be covered on a compulsory basis?

How can voluntary provisions be designed to guard against adverse selection?

What should be the relation of old-age and survivors insurance to other plans for retirement, private or governmental?

Should tips and gratuities be counted as wages?

How should the rights of World War II veterans be protected under the program?

If presently excluded groups are brought into the system, how should the eligibility requirements be modified so that the new groups are not unduly handicapped in getting benefits?

Are the present eligibility requirements the best possible ones for the presently covered groups?

In light of the fact that they cannot contribute for long periods of time, should older workers get benefits higher in amount than what they and their employers pay for?

How should such benefits be financed? By an eventual contribution from general taxation? By pay-roll contributions made by younger workers and their employers?

What should the level of benefits be? How should the individual benefits be determined?

Up to what level of wages should contributions be assessed?

Should the program pay the full rate of benefits now or should the amount of benefits automatically increase over the years?

Should regular contributors receive higher benefits than intermittent contributors?

How should the benefit provisions be modified to overcome the handicap under which newly covered workers would otherwise find themselves?

Are the types of monthly benefits now provided the correct ones and should any new beneficiaries be added?

Are the age conditions and other eligibility conditions correct?

Are the present minimum and maximum provisions satisfactory or should they be changed?

Should benefits be paid to workers over 65 who have not retired?

What is a reasonable test of retirement?

Is the funeral benefit properly designed?

What is the cost of the various possible recommendations, now and in the future?

What should the contribution rate be?

What should the contribution schedule be?

Should the system be financed on a full reserve basis?

What is the meaning of the reserve?

Should the risk of permanent and total disability be added to the Federal system of old-age and survivors insurance or should loss of income from this cause be handled entirely under public assistance?

If the latter, should a new special State-Federal assistance category be set up?

If the former, how can the protection be provided without undue risk to the solvency of the fund?

What eligibility requirements should be established to prevent persons from qualifying who have not really suffered a wage loss?

What should be the definition of permanently and totally disabled?

Should the definition cover all such disability or only those which result in economic incapacity?

Should the economic incapacity be for the person's usual occupation or for all gainful activity?

Should the definition cover only medically demonstrable disabilities?

Should the definition include a prognosis of long-continued and indefinite duration or should it cover all total disabilities that have lasted for some fixed period of time such as 6 months?

What level of benefits may be safely paid without interfering with incentives to return to work when able?

What provisions should be set up for the rehabilitation of beneficiaries?

How should this rehabilitation be financed?

How should such a new program be administered? As a separate system or as part of old-age and survivors insurance?

How much would such a program cost?

How should such a program be integrated with workmen's compensation and Federal disability insurance systems?

Should categories such as old-age assistance, aid to dependent children, and aid to the blind, be retained in the State-Federal assistance program?

Should all income continue to be counted in determining need, or should exemptions be allowed?

Up to what level of State payments should the Federal Government be willing to match?

What should be the method of Federal financial participation?

Should the rate of Federal participation vary with the per capita income of the State or with the level of benefits paid?

Should the Federal Government participate in the program for children to the same extent as it does for the aged and the blind?

Should the Federal Government participate in general assistance?

Should the Federal Government participate in medical-care payments made on behalf of assistance recipients?

Should the Federal Government participate in assistance to aged persons residing in medical institutions?

Are the Federal standards which the States must now meet to get Federal financial help the correct ones?

What should residence requirements be, if any?

What is the cost of the present system and of various proposals?

Can, and will, the costs be reduced by the social-insurance program?

What has been the relation of social insurance and public assistance in the past, and what should it be in the future?

How far should coverage in unemployment insurance be extended?

Is it practical to include farm laborers, household workers, and self-employed individuals under unemployment insurance?

How should individuals who move from State to State, or from railroad to nonrailroad employment, be handled under unemployment insurance?

What should be done about veterans' benefits and those of men who will be drafted?

Should the Federal Government establish a separate unemployment system for its own employees or utilize the various State plans?

What provisions under unemployment insurance should be made for workers who exhaust insurance rights in time of severe depressions?

Should temporary disability payments be incorporated with all unemployment-insurance laws?

What would be the advantages of workers' contributions to unemployment insurance?

What are the advantages and limitations of the present methods of experience rating?

What, if any, Federal standards are needed for eligibility, benefits, or disqualification rules?

How high should benefits be in relation to wage loss and need?

How might benefits be related to increasing cost of living?

Should the size of benefits vary with the family status, as is done in old-age and survivors insurance?

How far should the Federal Government go in continuing to supervise administrative expenditures?

Should all funds collected for unemployment insurance be set aside for such purposes only?

What provisions should be established for reinsurance or Federal loans to States, in case the State reserves are exhausted?

What sort of a tax program could be devised to minimize rather than accentuate cyclical unemployment?

These questions have been set out so that anyone reading them can see how utterly inappropriate and how negligent of duty it would be to attempt to deal with them and to find solutions in the 2 weeks' period of a special session as suggested by the President.

Let us pursue this a little further by considering some of the economic implications.

In these days, when a $250,000,000,000 gross national product is a near reality, when 60,000,000 jobs are spoken of as a "floor" instead of a "ceiling," when production is strained beyond physical capacity—one might expect benefit payments to the unemployed to be small in their sum and the recipients of these benefits limited in number. And they are, considering what may be expected in a time of recession.

In the fiscal year ending June 30, 1948, a year of 61,000,000 jobs, nearly 4,000,000 beneficiaries were paid three-quarters of a billion dollars of unemployment benefits. In addition $67,000,000 were expended out of Federal revenues for the administration of State unemployment insurance programs and $147,000,000 were paid out of the general revenues for interest on that part of the public debt held in the unemployment reserve account.

Under the public-assistance programs of the present Social Security Act, approximately 3,580,000 needy persons—aged, blind, dependent children—lacking the resources with which to supply for themselves the minimums of living, are on today's public assistance rolls.

Within the fiscal year ended June 30 the Federal Government contributed out of the general revenues toward their relief $680,000,000 and forty-three million more toward support of the State administrative agencies serving them. Matching contributions added by the States to the Federal payments, together with State disbursements for general relief in fiscal 1948, raised the total disbursements from public funds for relief of the needy to well over a billion and a half dollars.

In the past fiscal year the—now—least of the major social-security programs in terms of number of beneficiaries and cost, although in ultimate effect the greatest—the old-age and survivors insurance program—provided benefits amounting to $500,000,000 to approximately 2,162,000 persons. These benefits were paid independently of need to persons over 65, their wives and dependents, or to the wives and children of insured persons who died. Forty-seven million dollars additional was expended to administer this program, and $190,000,000 was charged against the general revenues for interest on the public debt held in the old-age and survivors insurance trust account.

In sum, almost $3,000,000,000 were disbursed in the form of benefits under the three major social-security programs in the year ended June 30, 1948, and more than $150,000,000 were expended in administering them. In addition, the sum of $337,000,000 was charged against the general revenues for interest on obligations held in social-security trust accounts. The aggregate expenditures were distributed about half and half between the Federal and State Governments.

Allowing for the fact that the same person in some situations may have been a recipient under more than one program, and for other duplications, between eight and nine million persons were the direct beneficiaries of these expenditures.

The present fiscal year will bring an increase of expenditures. This can be predicted with certainty even under the favorable conditions of more people at work, greater production, a mounting gross national product. Contributions by the Federal Government out of the general revenues for the relief of need in the current year will be at least $200,000,000 more than last year—seven-eighths of this increase by reason of congressional action this year in enlarging the participation of the Federal Government in public-assistance programs.

One hundred million dollars more in benefits under the Federal old-age and survivors insurance program will be disbursed in the present fiscal year, and the charges for interest on the public debt held by the Old-Age and Survivors Insurance and Unemployment Insurance Trust Accounts will be greater by reason of the increased size of the reserves.

Expenditures under the three major social-security programs in the present fiscal year will be nearer to $4,000,000,000 than to three billion. This is the picture as matters stand at present.

However, when the existing old-age and survivors insurance program will have come into full effect—assuming no addition to present commitments of the existing program—disbursement of old-age and survivors insurance benefits, instead of a half billion dollars as in fiscal 1948, could be as much as $8,500,000,000 by actuarial estimate.

This estimate assumes continuation of the employment and wage levels of 1944–46 which, while below present levels, still represent a high level of economic activity. The estimate is based on the assumption of a static wage level. If there should be a continuance of the historical upward trend in wages, with a decreasing mortality rate and an increasing proportion of the population over 65 years of age, expenditures under the existing program without change would be considerably greater than the eight-and-a-half-billion estimate.

Under an expanded program for old-age and survivors insurance, recommended by the Advisory Council under amendments much more conservative than others which have been proposed in the Congress, and following the same assumptions as were employed in arriving at the eight-and-a-half-billion estimate, the disbursements could be as much as $15,000,000,000. Two billion dollars more would be added to this figure by conservative estimate of the additional costs of administration and interest on the public debt credited to the trust account.

The decision as to distribution of these costs as between the worker, the employer, and possibly the general taxpayer will, as has been said, touch profound political, economic, and social questions.

There will be small measure of economic security in a social-security program constructed in ignorance of its total implications, or in disregard of what its promises

involve for the future, or in concealment of its burdens as means of escape from the difficulties of sound planning, or proceeding upon lightly accepted assumptions.

The people are entitled to know these facts which show that the Congress is alert to the need for improvement in our social-security system, is alert to the human problems involved, and is moving forward rapidly in finding sound solutions.

The people are also entitled to be informed with facts why the Congress refused to embark upon an hysterial degradation of responsible legislative processes to please an ill-considered Presidential whim. We believe the showing made is sufficient.

Old-age and survivors insurance

	June 30, 1947			June 30, 1948			Net increase		
	Beneficiaries	Monthly amount	Average payment	Beneficiaries	Monthly amount	Average payment	Beneficiaries	Monthly amount	Average payment
Primary	797,927	$19,722,150	$24.72	968,682	$24,344,534	$25.13	170,755	$4,622,384	$0.41
Wives	245,364	3,206,007	13.07	296,711	3,948,153	13.31	51,347	742,146	.24
Child's	499,246	6,328,004	12.68	556,834	7,175,060	12.89	57,588	847,056	.21
Widows	146,124	2,965,620	20.30	188,612	3,865,451	20.49	42,488	899,831	.19
Widows current	134,673	2,730,446	20.27	140,807	2,908,578	20.66	6,134	178,132	.39
Parents	8,951	119,245	13.32	11,047	149,548	13.54	2,096	30,303	.22
Total	1,832,285	35,071,472		2,162,693	42,391,324		330,408	7,319,852	

Old-age and survivors insurance

	Fiscal year ending—	
	June 30, 1947	June 30, 1948
Reserve at beginning of year	$7,641,427,572	$8,798,389,947
Appropriation	1,459,866,921	1,616,862,043
Interest	163,465,576	190,562,314
Benefit payments	425,582,346	511,675,674
Administrative expenses	40,787,776	47,457,472
Net additions	1,156,962,375	1,248,291,211
Reserve at end of year	8,798,389,947	10,046,681,158

	Jan. 1, 1947	Jan. 1, 1948
Number of workers insured, either fully or currently	*Millions* 41.6	*Millions* 42.5
Number of workers age 65 and over, fully insured	1.7	1.8

Public assistance

NUMBER OF RECIPIENTS UNDER THOSE STATE PUBLIC-ASSISTANCE PROGRAMS IN WHICH THE FEDERAL GOVERNMENT PARTICIPATED

	June 1947	June 1948	Net additions
Old-age assistance	2,270,936	2,367,597	96,661
Aid to dependent children:			
Families	396,061	449,154	53,093
Children	1,009,360	1,145,816	136,456
Aid to the blind	62,080	65,797	3,717
Total persons	3,342,376	3,579,210	236,834

PAYMENTS BY FEDERAL GOVERNMENT FOR ASSISTANCE

	Fiscal year 1947		Fiscal year 1948 [1]		Increase	
	Assistance payments	State administration	Assistance payments	State administration	Assistance payments	State administration
Old-age assistance	$472,007,000	$23,336,000	$540,068,000	$28,000,000	$68,061,000	$4,664,000
Aid to dependent children	95,876,000	10,626,000	128,163,000	13,400,000	32,287,000	2,774,000
Aid to the blind	12,896,000	1,189,000	15,305,000	1,400,000	2,409,000	211,000
Total	580,779,000	35,151,000	683,536,000	42,800,000	102,757,000	7,649,000

[1] Partly estimated.

It is estimated that the increased cost to the Federal Government arising from the 1946 amendments to public assistance was roughly $110,000,000 in the fiscal year 1947 and $150,000,000 in the fiscal year 1948. It is estimated that the increased expenditures arising from the 1948 amendments will be at an annual rate between $160,000,000 and $185,000,000.

Unemployment insurance

[In thousands of dollars]

	Fiscal year ending—	
	June 30, 1947	June 30, 1948
Reserve at beginning of year	$6,676,492	$7,001,033
Deposits	1,004,521	1,007,344
Interest	131,513	147,156
Withdrawals for benefits	811,493	794,374
Net additions	324,541	360,126
Balance in fund at end of year	7,001,033	7,361,159

Amounts approved for administration of State unemployment insurance:
Fiscal year June 30, 1947 ..... $58,427
Fiscal year June 30, 1948 67,207

The effective State tax rate in the fiscal year 1947–48 is estimated to have been 1.2 percent.

Dewey and Warren Dedicate Their Efforts to a Better America

EXTENSION OF REMARKS
OF
HON. HAROLD C. HAGEN
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, July 28, 1948

Mr. HAGEN. Mr. Speaker, I have asked unanimous consent of the House to include with my own brief remarks the addresses of Gov. Thomas E. Dewey, of New York, and Gov. Earl Warren, of California, in accepting their nominations for President and Vice President of the United States at the National Republican Convention in Philadelphia, Pa., June 24 and 25, 1948.

I have asked this, not in the partisan sense, but for the benefit of readers of the RECORD and the American public as well.

From both of these pronouncements, echoed and reechoed around the world, there arises a new hope, a new spiritual awakening, and a new landmark in our history in the reaffirmation of historic truths. By these truths a people and peoples may work in brotherhood and peace, and hence bolster our cornerstone of freedom. Here is the only path of true progress.

We who labor in the fruitful fields of the American heart land—the Midwest—and, indeed, all of us who are conscious of the Great Provider were particularly thankful for the simple humility and deep spirituality that this great call made manifest in these two men as they were anointed for national leadership.

By this we know their greatness and can understand the warmth of feeling of the people of New York and California toward the sons who have served them with such devotion and success. Though they come from the poles of our national continent, they speak a language as one with themselves and American people everywhere. They have encompassed our national thought.

Citizens everywhere will want to read the acceptance statements of these two outstanding American leaders.

It was my intention to insert the acceptance speeches of Governor Dewey and Governor Warren at this point in my remarks. However, because of a mix-up in picking up the copy for speeches on the House side, the request made by Senator ROBERT A. TAFT was received by the Government Printing Office and inserted in the CONGRESSIONAL RECORD first. Therefore, I now refer readers of the RECORD to the issue of the CONGRESSIONAL RECORD for Wednesday, July 28, for the full text of the acceptance speeches of Governor Dewey and Governor Warren at the Philadelphia Republican National Convention.

The Dewey speech will be found on page A4657 of the Appendix of the RECORD, and the Warren speech will be found on page A4658.

Special and Final Session, Eightieth Congress: Record and Forecasts

EXTENSION OF REMARKS
OF
HON. JACOB K. JAVITS
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

CALL FOR THE SPECIAL SESSION

Mr. JAVITS. Mr. Speaker, the President announced at the Philadelphia convention of the Democratic Party that he was calling the Congress into special

session primarily to deal with high prices and the housing shortage; and added also a list of other matters such as the United Nations loan agreement and the displaced persons bill. It is true that calling the Congress together in this political way had a tendency to prejudice the atmosphere at once and was, therefore, not too advisable, if the President really wanted results. Nevertheless, I, as one Congressman, was entirely satisfied that the Congress should be asked to do something tangible about these problems.

For one, I was the sponsor of the Taft-Ellender-Wagner bill for a comprehensive national housing program insofar as the House of Representatives was concerned, and welcomed the opportunity to wage a further fight for this legislation. Also I wanted an opportunity to amend the discriminatory DP bill which had passed in June 1948. Finally, I had fought for the $65,000,000 loan to enable the United Nations to establish its headquarters in New York, which had failed to get action in the regular session and I wanted it to pass.

But beyond anything else, it was clear that the economic security of the people of the United States had to be protected. For the prime consideration in the mind and heart of every citizen was a desire for peace and economic security. If prices continued to run away in the United States, the ability of the people to buy must at some point end, and the resulting depression would shake our society to its foundation. Also, if we had a depression here our resulting inability to help other democratic nations to effect recovery would result in sweeping changes in their own governments which could lead to war.

When the official session opened it was also clear that there were no easy solutions to our problems. The President recommended rationing and price control over key items in the cost of living, and in industrial production. I showed my views by introducing again the bill which I had sponsored with Senator FLANDERS as far back as January 1948, when I saw runaway prices getting worse, for the rationing and allocation of meat with added powers. I stated, in connection with this bill, that I favored also controls over dairy products and clothing, and over raw materials like steel, which affect the cost of living through the products which go into most manufactured goods. But none of us could forget at the same time the rampant black markets and the flight of goods from the stores, which had induced the same President to lift all controls in June of 1946, because they could not be effectively administered in peacetime. Our citizens will long remember the artificial meat famine of that time when meat just left the stores and was unobtainable at OPA prices, but could only be found in the black markets. I believe that it would be proper tc reimpose rationing and price controls as a temporary expedient on selected items like dairy products, meat, certain items of clothing, and steel. I would certainly expect also that we could see our way through to a permanent solution. The President, though, did not seem to be thinking beyond the coming election, for he gave no hope of anything but a continuing emergency which would require controls, as far as he indicated, forever, or until we got into a depression.

RATIONING AND CONTROL FAVORED NOW

My concern with the current price situation has been to endeavor to retain for wage and salary earners, the progress which was made during the war in attaining a higher standard of living. Because real wages—that is, wages expressed in terms of what the dollar will buy for one's family—increased by about 50 percent in 1946 over what they were in 1939 and even with the higher cost of living, there was still an absolute gain of about 25 percent. In other words, people were living one-fourth better than they had before the war. The key effort in prices, therefore, had to be to retain this advance in the standard of living for people with modest incomes and to make it permanent.

The political atmosphere of the special session has been so great that no rationing, allocation, or price-control powers have been given to the President, and the only controls passed have been credit controls. The President asked for these, also, and they are useful, but their effect is not immediate. The failure to pass legislation for direct controls was also contributed to by a lack of confidence in the analysis of the situation and of suitable remedies for it by the President and the administration, and in the ability of the President and his administration to wisely administer such controls. This very Congress had twice passed rent control and may have been gotten to pass rationing and price control if we had an effective administration.

Regardless of my own view that controls should be enacted into law at the special session, this has not been done. Congress will be back in session next January and action at that time on the price front must be sure and direct. There will no longer be any reason to delay due to lack of confidence in the administration, as the people will have given a new mandate. It must be coupled, however, with action affecting not only prices but other Government as well as economic activities which keep prices high.

So for example, Congress must review and overhaul the law providing support prices for agricultural products on which we are spending close to a billion dollars a year. We are supporting these prices at a time when the income of farmers is the highest in history.

Great statesmanship on the part of the new President and the new administration will also be required to get management and labor together to stop the wage-price spiral which causes wages and prices to be running a continuous race and for every round of wage increases, brings on an even greater price increase, leaving little benefit to those who work.

Finally, we must establish some means by which we shall plan ahead with respect to production and other essential aspects of our economic life—as is done in any well-run business—and not rely on the cycle of prosperity and depression to work out our problems. I have said before that the people just will not take the punishment involved in that planlessness with its deepening depressions. I have introduced a bill for the establishment of a National Economic Commission which proposes a way in which this result can be effected while retaining fully our Democratic processes.

HOUSING—T-E-W BILL

The President also called us back into session to deal with housing and as I have stated, as the sponsor in the House of the Taft-Ellender-Wagner comprehensive housing bill, I welcomed this opportunity to fight for its enactment. Together with other liberal Congressmen similarly interested, I realized that only by getting the legislation on the floor of the House of Representatives for a vote could we be successful. For this legislation had been killed before through the action or inaction of committees. Accordingly, I joined with these colleagues in the fight to get a majority of the Members of the House of Representatives to sign a discharge petition which would have brought the T-E-W bill out for a vote. We fought hard and came within a very close margin of success, but did not quite make it. The housing bill finally passed by the House of Representatives at this special session is largely a bill to aid private construction of low-cost homes. The bill also picks up one important part of the T-E-W bill and makes it law—that providing for Government insurance of investments in medium rental housing—which should be a powerful stimulus to this type of construction in large cities like New York by insurance companies and banks. Though I had worked on this yield insurance program for almost 2 years and was deeply gratified to see it enacted, I could not vote for the housing bill but voted "present," because it omitted federally subsidized low-rent housing and slum clearance. In this way the bill discriminated against not less than 36 percent of the American people who live in families with incomes of $2,000 per year or less.

On August 5, 1948, I made a speech in the House of Representatives answering the arguments made against the T-E-W bill. It is interesting to consider these arguments in view of the limited housing bill which was passed. As I stated during the debate, the fight for federally subsidized low-rent housing, slum clearance, and federally aided farm housing will go on and will be successful in the next Congress. I repeat here from my address referred to above, some of the answers to the objections made to these features of the T-E-W bill.

The T-E-W bill is also criticized because it will put the Government in the housing business to compete for scarce men and materials. But it will do nothing of the kind. It provides for only a maximum of 100,000 units of public housing per annum; this is 10 percent of present housing construction and would be 7½ percent of the construction expected under the T-E-W bill. That is the least which can be done to bring a share of the new housing within reach of those in the lower-income brackets who need it most. T-E-W will reduce costs and accelerate private construction; it will not compete with it.

Second. Private industry is doing the job. Even if this were true, it is a fact that the housing produced is not within the price range, either for sale or rental, of those in the middle- and lower-income levels who need it most. The average price of a home around New York City is $13,000, veterans generally cannot pay more than $6,000. Housing starts in June 1948 decreased about 4 percent from those in May 1948. Not less than 30 percent of the housing construction in the country was done prior to March 31, 1948, under mortgage-insurance provided by title VI of the National Housing Act. It is freely predicted even by real-estate interests that 100,000 additional home units will be lost this year because title VI went out March 31, 1948, and it is estimated that total housing completions this year will not be much more than 900,000 units. In the face of an immediate demand from two to four million veterans living doubled up with relatives, an answer from the housing-construction industry is hardly, "business as usual."

Third. It is said that the T-E-W bill would be inflationary in its effect. This must be premised on the absolute expenditure involved. Commitments under the T-E-W bill are a maximum of $160,000,000 of subsidies per year with a total of $1,610,000,000 to $2,610,000,000 of insurance authorization, and $1,310,000,000 to $1,560,000,000 of revolving loan funds generally considered collectible; there is general agreement on the United States being committed for the insurance authorizations whether or not T-E-W passes. That leaves a maximum of $160,000,000 yearly in subsidies. There is no such outcry, however, as meets this expenditure for housing lower-income families, when it comes to aiding certain special interests. It is, therefore, interesting to compare the expressed fears of inflation due to a housing bill with the following appropriations made by the Eightieth Congress:

Rural electrification	$636,000,000
Soil conservation	203,000,000
AAA farm-support program	265,500,000
Reclamation projects	156,000,000
Flood control, rivers and harbors	900,000,000
Federal aid to highway construction	1,147,000,000
Foreign aid and the ERP	7,000,000,000
Total	9,301,500,000

DP'S AND THE UNITED NATIONS

Two other subjects to which I have devoted myself in the special session have been the correction of the injustice done by the displaced persons bill passed in June 1948, and the consummation of the loan to enable the United Nations to build its home in New York City.

It will be recalled that the displaced persons bill through utilizing an eligibility date of December 1945, as against an eligibility date of April 1947, resulted in direct discrimination against Jews who had escaped from political and religious persecution in eastern Europe immediately following and as a result of the war, and Catholics who had similarly escaped from such persecution from eastern and southeastern Europe. For these tens of thousands of unfortunates had entered the DP camps after December 1945 but before April 1947. I set myself a limited objective during the special session to get this date changed. This alone would have meant the difference between hope and hopelessness for well over 50,000 DP's out of the 203,000 to be admitted from the DP camps in 2 years under the law. Though I fought hard, made a number of speeches on this point in the House of Representatives, fought the issue as well among my colleagues, getting, I am happy to state, the support of the Speaker of the House of Representatives and many Members, it was just impossible to get this amendment to the DP bill passed in this short special session. The Senate had inserted the December, 1945, date and the House had used the correct April, 1947, date, and it was impossible to get Senate action despite the best efforts of Senators SMITH of New Jersey, IVES, FERGUSON, COOPER, and others of both parties. The injustice is so apparent, however, that I have great confidence that we shall get such an amendment passed early in the next session, and I intend to make this one of my principal efforts at that time if I am returned to Congress.

UNITED NATIONS LOAN

The United Nations headquarters loan of $65,000,000 was a business transaction on good security to enable the United Nations to build its headquarters on the East River in the Borough of Manhattan from Forty-second to Forty-eighth Street. I had introduced the original legislation at the request of the chairman of the Committee on Foreign Affairs. The city and State of New York were cooperating to the extent of $20,000,000 in expenditures, and the site, worth $8,500,000, had been donated. Here, too, I fought the battle through the conferences with my colleagues, through the Foreign Affairs Committee, of which I am a member, and through the House of Representatives itself. I said in the debate that if we do not make this loan we will have in New York City "a black hole of Calcutta," the excavation for the United Nations headquarters, but without the headquarters itself. The House of Representatives passed the bill and the United Nations can now go forward with construction. Not only will this construction beautify a part of Manhattan Island with great structures but it will center the United Nations, which is the world's best hope for peace, permanently in the United States, where I believe it has the greatest chance to succeed in its mission of abolishing war as a means for settling international disputes and substituting for it, law.

OTHER DOMESTIC LEGISLATION

Other desirable legislation was called to the attention of the Congress at the special session which I favor very much. I wanted to bring up this legislation and pass it. I am disappointed that these measures were not acted on. The fight must go on and must be won. Primary among these measures is the fight for civil rights, the antilynching, anti-poll-tax, and FEPC bills. The House of Representatives passed the antilynching bill over a year ago and I voted for it. I am also a cosponsor of the FEPC bill in the House. The fight for these measures, essential to vindicate justice and the Constitution, must continue to success in the next Congress.

Federal aid to education also failed of enactment in this Congress. Such aid must not be delayed. The problems of our day are too great and too complex to neglect the education of our youth in all the States, whether rich or poor, North or South. For the educational level of all Americans will determine the fate of our country for each American.

A reform of the social-security system, particularly for old age and survivors insurance is essential. The amount of insurance reserves already created indicates that benefits can and should be increased by 50 percent, and allowable earnings of beneficiaries from sources other than the social security system should be materially raised. The country can afford to be fair to its faithful, aged citizens.

The minimum wage at 40 cents an hour must be raised to not less than 75 cents an hour. In terms of the present cost of living, the 40-cent rate is completely unrealistic anywhere in the United States.

Rent control, a critical item in the whole plan of family life, must be continued by extending the Federal law after March 31, 1949, and it must be strengthened to prevent improper rent increases. The hundreds of cases in my own district in which my own office has had to prevent tenants from being victimized by some landlords or through improper administration of the rent-control law, shows the need for a stronger law to protect tenants. I have fought before and will fight again to strengthen the law in this way.

CONCLUSION

The country is at peace and is enjoying a high level of real prosperity, but there are very serious problems which make us all feel that both the peace and the prosperity are in grave peril. Hence, we are proposing to take measures to deal with these problems. These measures will largely be taken in the next two years. They will require vigorous independence, initiative, ideas, and character in our President and legislators, and a profound understanding of our Government and our Constitution. They will also require outstanding qualities of discipline, understanding, and patriotism among our citizens. It is the possession of these qualities which has made and will keep us great. The American people will be considering these problems with their heads and their hearts, fully cognizant of what is at stake, and with complete independence untrammeled by party allegiance or traditional connections with any group or any party, but with an eye single to the well being of our Nation. It is for this reason that I have complete faith in the outcome. America will be greater tomorrow than it is today.

Protection for the Glassworkers

EXTENSION OF REMARKS
OF
HON. EDWARD G. ROHRBOUGH
OF WEST VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

Mr. ROHRBOUGH. Mr. Speaker, the Eightieth Congress has done something to protect the glassworkers of West Virginia as well as the glassworkers of other States and as a result they no longer are defenseless victims of high-handed State Department policy.

I refer, Mr. Speaker, to the action which the Congress has taken in modifying the Reciprocal Trade Agreements Act. The administration, I regret to say, does not share my enthusiasm for the modifications. Neither is it satisfied with the extension for only 1 year. The administration wanted the act extended for another 3 years, just as it was. It repeated its request for a 3-year extension which it made in 1946 and which my predecessor in office voted for.

I did not approve the proposed 3-year extension and I am thankful that neither did the majority of the Members of Congress. This Congress had no intention of being a party to a plan which threatened to reduce the standard of living of American glassworkers to that of nationalized Soviet workers.

Do you remember what happened with respect to tariffs on glassware just a few weeks after Czechoslovakia fell under the "iron curtain"? Our State Department granted to this Russian satellite tariff reductions on glassware ranging from 30 to 45 percent. I did not approve.

I think it is significant that more than 50 percent of the cost of glassware represents wages. Our State Department apparently believes that if Czechoslovakia can supply the United States with hand-made glassware cheaper than we can produce it, our glassworkers should find new jobs while the Czechs take over the manufacture of glass. I do not agree with this policy.

While I am not opposed to the general principle of reciprocal trade agreements, I do not believe that we should let this principle become a death warrant for a great American industry. Trade is an exchange and reciprocal should imply that the exchange be on an equitable basis. The barriers which the State Department has lowered have been ours. Those which have been strengthened have been those of other nations. I do not agree with this policy.

Mr. A. U. Debrucque, president of the Window Glass Cutters' League of America, told me in a letter which I received just before the vote upon the Reciprocal Trade Agreements Extension Act that he expected Congress to help to undo the harm which the State Department had committed.

We didn't elect the State Department—

He said—

we elected you.

Mr. Speaker, Congress has undertaken to undo the harm. Although those who espouse the policies of the incumbent administration may not approve, it is my opinion that an overwhelming majority of the citizens of this Nation agree with the Congress.

Efforts in Behalf of Constituents

EXTENSION OF REMARKS
OF
HON. DAVID M. POTTS
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

Mr. POTTS. Mr. Speaker, on several occasions during the last two legislative years I kept my constituents informed of matters pending or in the offing and my position with respect to them. I have asked them to write me their views.

They are entitled now to a report about my efforts in their behalf.

LABOR

I believe that laws governing labor and management relations should be the subject of constant study so that as the possibility of improvement becomes apparent from the experience of the past the law might be improved. It is not difficult to recall the utter chaos into which the Nation was pitched and the general public made to suffer in late 1945 and in 1946. The country was in a stagnant condition. No coal was available and industry after industry had to be shut down. Milk trucks bound for the city were overturned. Extortionate demands were being made by some unscrupulous labor leaders. Some of them were stealing funds from their unions for which they have gone to jail. The railroads were not running and President Truman had asked for legislation to draft strikers into the Army. A major depression was feared. It was apparent that this situation had to be corrected. Machinery had to be set up to settle disputes fairly between employees and employers and to protect the general public at the same time.

After extensive study, the Labor-Management Relations Act was passed by an overwhelming majority by Congress. As a matter of fact, it had the vote of a very substantial majority of the Democratic Party and consequently was a nonpartisan measure.

In its original form the measure did not wholly satisfy me and upon the floor of the House I stated wherein I thought it should be amended by the Senate.

Here are some of its more important clauses:

It forbids employers to check off union dues unless the worker has voluntarily authorized the employer to do so.

When employers and unions establish funds for the welfare of workers and their families, it requires them to do so under arrangements that will make certain that the money will be used for these purposes and not for other purposes of the union leaders.

It requires unions to tell their members how much money they take in, where they get it, what they spend it for and to disclose what they pay their officers; how much they charge for dues, the grounds on which they expel members and other matters that the members are entitled to know. It requires unions and employers, when labor contracts come to an end, to negotiate for 60 days before engaging in a strike or lock-out. It forbids unions, by jurisdictional strikes and boycotts, to try to get control over employees who have not chosen the union as their bargaining agent, or who have chosen another union as their bargaining agent. It preserves in the same language as appears in the Wagner Act, the rights of workers to organize and to bargain collectively, and just as the old act did, it forbids employers to interfere with the employees, or to threaten or coerce them when they exercise these rights.

It forbids corporations to use stockholders' money for political purposes and forbids unions to use members' money for political purposes.

It enables the President to delay for a time strikes that imperil the public health or safety, as he did in the great coal strike early this year. The law will not prevent all strikes, but it has proven to be fair and just, and with honest administration it will bring a greater measure of peace to the industrial scene than we have known for many years.

If defects appear in the law, I shall listen to labor's complaints and I shall support efforts to correct them.

VETERANS

Over 180 laws directly benefiting war veterans were passed by Congress. The Government will bear 50 percent of the cost of homes for veterans paralyzed from the waist down. These homes will be specially designed.

Special-type automobiles were provided for amputees. Cashing of terminal-leave bonds was provided for. Ceilings on wages and allowances payable to veterans in on-the-job training were raised. Another act increased compensation for dependent survivors of war dead. The revolving fund for loans to World War II veterans engaged in vocational training was increased. The Civil Service Code was amended to prevent discrimination against physically handicapped veterans in Government positions.

COMMUNISM

I have fought this menace and scourge all along. I introduced a resolution—House Concurrent Resolution 33—to have the case of Archbishop Stepinac referred to the United Nations. I voted to increase the appropriation for the House Committee on Un-American Activities, which has exposed Communists in and out of Government. I voted to cite many of these parasites for contempt of Congress in refusing to answer pertinent questions. Some of them have been tried before juries. All who have been have been convicted. I voted for legislation to seek out the many Communists which past experience and exposure prove are still infesting our Government.

HIGH COST OF LIVING

To a great extent the high cost of living was caused by the Government, under President Truman, going into the market and buying tremendous stocks of foodstuffs in order to bolster falling markets. Now if these purchases had not been made by the Government, prices would have fallen and the housewives would have received the benefit. What was even worse in my estimation was the fact that after the Government made these purchases, it allowed the foodstuffs to go to waste. We can all remember the mountains of potatoes which were allowed to rot after being harvested and after the Government bought them or which were willfully spoiled by the Government having kerosene poured over them. We can also remember the millions of dozens of eggs which the Government bought and took off the market and put in cold storage.

I have repeatedly spoken out against these tactics and I have opposed the extension of farm-support programs now that the war is over.

There is nothing wrong with the United States that production and sound fiscal policies will not correct. Of course, if those having the power and responsibility of government will not use the powers given to them for the purpose of stabilizing prices, then the result is runaway prices. The power to stabilize prices has been with the President and the Federal Reserve System for years. They have not been wisely used in the past. Proper use of them from now on can stop higher prices and will result in stability. Heretofore the policy of the Government was to make money and credit easier, to cheapen the dollar, and to raise prices and unfortunately it was altogether too successful for the good of our economy.

HOUSING

I have voted for all measures which have come to the floor of the House designed to increase the building of homes. These included additional incentives for the building of rental housing so badly needed in city areas; freeing the building industry of stifling rules, regulations, and directives; having a greater part of the responsibility for veterans' loans assumed by the Government and giving to war veterans priority in home building and rental of new homes.

In 1946 when all kinds of Government regulations were killing off all incentive to build, only 437,000 dwelling units were completed. In 1947, after the present Congress came into being and began correcting the situation, over 835,000 units were completed and in this year, on Government figures, it is estimated that 1,000,000 units will be completed. It will be the greatest building period in the history of our country.

NATIONAL DEFENSE

I have felt for a long time that the umbrella appeasement policies of Munich did not bring peace and that the greatest assurance that peace would be maintained under present conditions was to be had only if we provided a well-trained and fully equipped Army, Navy, and Air Force adequate to meet any emergency under future conditions of warfare. Consequently I voted for unification of the armed services. I also voted for a 70-group air force and for full appropriations for the armed services.

FOREIGN AFFAIRS

I have striven for an enduring world peace. I have supported the United Nations organization in that hope. I have voted for foreign aid in such amounts as could be justified for the purposes intended.

I voted for the International Refugee Organization. But unhappily Congress has not been taken into the confidence of the President and consequently there is no knowledge of the extent of further secret commitments made at Yalta, Tehran, Potsdam, and elsewhere which have aided so materially in today's world confusion.

NATIONAL DEBT

Notwithstanding tax reductions voted by the Congress and which I supported we were able to balance the budget and cut the national debt by $7,000,000,000.

FORT SCHUYLER

I fought for and obtained a full appropriation for the New York State Maritime Training Academy at Fort Schuyler, Throggs Neck, and for the United States Merchant Marine Academy at Kings Point, Long Island, and Pass Christian, Miss., after the President through his Bureau of the Budget had slashed the appropriation for this vital arm of our industry in peace and defense in war.

OLEOMARGARINE

For a long time an unwarranted tax has been placed on this nutritious food solely to subsidize the dairy farmers. I led the fight to repeal the tax and made the first speech thereon on the floor of the House in debate.

SOCIAL SECURITY

This subject in its entirety is being explored by the House Committee on Ways and Means. In the meantime certain improvements designed to extend the coverage and benefits of the system were made law in this Congress.

MISCELLANEOUS

I aided substantially in obtaining pay raises for low-paid postal workers and other Federal employees. I obtained time and spoke over the radio on their behalf.

I introduced House Joint Resolution 366 to establish an Interfaith Day.

Gift parcels sent abroad required oftentimes the payment of more postage than the cost of the food sent. I was instrumental in having this postage reduced.

I have fought the shipment of our own vitally needed oil to Russia.

St. Ann's of Morrisania is a shrine because there in its graveyard are buried many famous men, such as Gouveneur Morris, a signer of the Declaration of Independence. Although unsuccessful to date in having it declared to be a national shrine, I have been working with Dr. Russell to have it made so.

I have helped to have disability pensions of policemen and firemen declared exempt from income tax. I worked to have included in the tax-reduction bill an additional personal exemption for people over 65 years of age. Now, a married couple of that age have a combined personal exemption of $2,400, so that most elderly pensioners will now be relieved from paying any Federal income tax.

A Report to Vermonters

EXTENSION OF REMARKS
OF
HON. CHARLES A. PLUMLEY
OF VERMONT
IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. PLUMLEY. Mr. Speaker, under permission to extend my remarks in the RECORD, I wish to make the following report to the people of Vermont:

In the preface of a little book about Calvin Coolidge, my friend Bruce Barton tells that, when on a visit to Cal, the latter "pulled out of his desk an old yellow pamphlet. It was the record of a law passed by the selectmen of Belchertown, Mass., after the Revolutionary War, fixing the prices which the farmers would be allowed to charge for their produce in the Belchertown market. Mr. Coolidge said, 'Isn't it strange how, in every period of economic disturbance, people have the idea that you can pass a law and fix everything?' "

Well, fellow Vermonters, there are those who still appear to think that all the problems involved in the cost-of-living, security for the individual from the cradle to the grave, education, morals, peace—all these and more—can be taken care of "by just passing a law."

It could not be done in the days of the Roman Empire; it could not be done in the days of Cal Coolidge; it cannot be done today. And you and I know it.

There are laws that have to be enacted. We are still a young nation, and still growing. New problems arise daily. Under changing conditions there is need for a revision of existing law and the enactment of new laws—but mere lawmaking never did, and does not now, mean that all problems can be settled by legislation.

I should like to report to you, however, concerning some of the laws enacted during the last Congress that have a bearing on your daily lives; and I should like to speak of my activities in connection with their enactment. I would prefer to sit down in your kitchen or living room and visit with you about this job of representing the people of Vermont in Washington; but that is not possible; so I take this means of coming into your home and making my report.

Before doing that, however, let me say that the many years of apprenticeship served by me in Vermont serving Vermonters—as assistant clerk, clerk, and then speaker of the Vermont Legislature, then as commissioner of taxes, then as president of Norwich University—were of tremendous benefit to me when I came to Congress, and have served me in good stead throughout my congressional service.

My service in Washington during the history-making years since 1934 have provided a background hard to equal. I have been given every reason to assume I have earned a respected place among my colleagues—a place that can enhance the service I may render the people of Vermont during the 2 years to come; a 2-year period that will see, for the first time in 16 years, a Republican administration in power.

AGRICULTURE

I serve on the House Committee on Appropriations, than which there is no more important and powerful committee in the Congress. I am the third ranking member of the committee, serving as chairman of the Navy Appropriations Committee, and as ranking Republican member of the Agriculture Appropriations Committee.

Thus, every single dollar of Federal funds appropriated for agriculture in the country—and in Vermont, of course—must be cleared by my committee.

I realize quite humbly that it is not my money that is being appropriated by my committee—it is your money. And we of the Appropriations Committee have tried to see that your money was wisely and prudently spent.

SOIL CONSERVATION

There has been some talk in Vermont about soil conservation. Well, there would not have been as substantial funds made available for this worth-while work if it had not been for a few of us on the Agriculture Appropriations Committee who insisted in committee, on the floor of the House, and in conference committee that adequate funds should be and must be provided.

The result of my activity, and that of like-minded colleagues meant that approximately $1,000,000, or double the amount available last year, has been presently made available for soil conservation in Vermont. The record is clear, there is no room for doubt on this matter.

RURAL ELECTRIFICATION

The last Congress provided twice as much money for rural electrification as any previous Congress. In fact, the amount appropriated was only $275,000,000 less than the total amount provided by all the previous Congresses lumped together.

And, here again, Vermonters participating in the rural electrification program and those who are members of electric cooperatives are the beneficiaries. I am glad to have played an active part in this matter affecting the agricultural portion of Vermont, as a member of the committee on agricultural appropriations.

EXTENSION SERVICE, 4–H, AND THE LIKE

Similarly all of the various parts of the whole agricultural picture that participate in Vermont through the availability of Federal funds, such as the Extension Service, the 4–H Clubs, the University of Vermont, and the like, have had my active and interested support.

This last Congress, furthermore, adopted a long-range agricultural program pledging price support for maximum production of food; it launched the greatest rural road-building program in history; it enacted a new, workable Crop Insurance Act, chartered the Commodity Credit Corporation, and greatly enlarged the Government-aid programs against cattle diseases, crop deterrents, and pests. I was proud to have taken an active part in these pieces of progressive legislation.

TAXES

I voted for tax relief during the past Congress. That has meant considerable to many, many Vermonters. Despite three vetoes by President Truman, all of which I voted to override, the last Congress reduced taxes by over $4,800,000,000—with 71 percent of that tax relief going to those with incomes under $5,000. There were 7,400,000 wage earners in the lowest income brackets removed from the Federal tax rolls; married couples were allowed to divide their income for tax purposes, and special tax relief was granted to persons over 65 and to the blind.

NATIONAL DEFENSE

I have been for adequate national defense during my entire congressional career. I was for building up our defenses long before the last war and when the isolationists were in full cry. I still believe in preparedness and the necessity for adequate defense.

As a member of the Committee on Appropriations for the Navy it became my responsibility to pilot through the House an appropriation bill involving over $3,000,000,000—all devoted to the defense of our country in that important arm of defense.

In addition, I supported legislation providing for a greatly enlarged Air Corps, and for bringing unity to our armed services through unification legislation.

My whole national defense record shows the emphasis I have placed on adequacy of our armed forces in times both of peace and war. The record discloses the fact that there are few, if any, members of the Republican Party in the Congress who have any better record on national defense legislation than do I.

VETERANS

The last Congress passed some 188 bills meeting the needs of war veterans, including compensation for disabled veterans with and without dependents; increased compensation for dependent survivors of war dead; increased subsistence payments to World War II veterans in institutional training; increased allowances for student GI's; increased proportional pay for veterans in on-the-job training; cashing of GI terminal leave bonds; higher pensions for Spanish-American War veterans, and aids for veterans' housing.

EDUCATION

I favor Federal aid for education, but only when such aid so granted is administered by the States; thus, guaranteeing that the educational program of the State is controlled by the State rather than the Federal Government.

LABOR

My vote was cast for the Taft-Hartley Labor-Management Act in the belief it provided fair and just procedures for peaceful settlement of labor-management disputes. It seemed to me that it protected the rights of workers to unionize and control their own unions, to bargain collectively, and to strike; that it restored the constitutional rights of employers, and safeguarded all the people against widespread work stoppages and production stoppages that might imperil the national welfare. If it needs to be amended, it will be amended; time will demonstrate the fact.

FOREIGN AFFAIRS

My active support of the European recovery program in Congress is well known, as is the fact that I actively cooperated to make effective the bipartisan foreign policy of this Government.

OTHER MATTERS

The foregoing seem to me to be the high-lighted portions of activity during the last Congress. There are many important matters that occurred that have not been mentioned, including the highly significant drive that has been made on communism in this country and in our own Government, a drive that has my wholehearted support. I have not mentioned the balancing of the budget by a Republican Congress, the first balanced budget in 16 years; nor have I mentioned the legislation providing for admission of over 200,000 displaced persons, nor the extension of the Reciprocal Trade Act, nor the aid extended to small business, nor the cost-of-living increases provided for postal and other Federal employees, wherein 478,000 postal workers received pay increases of $450 each, and 840,000 civil-service workers received a boost of $330 each, nor many another piece of worth-while legislation for which I voted and which had my support, but time and space prevent mentioning more.

I have considered it a great honor to represent the people of Vermont in the Congress of the United States. I have endeavored to protect and to promote their welfare and their interest at every opportunity, and shall so continue to act and vote as your Representative in the Congress of the United States.

Repeal of Excess-Profits Tax

EXTENSION OF REMARKS

OF

HON. EUGENE D. MILLIKIN

OF COLORADO

IN THE SENATE OF THE UNITED STATES

Saturday, August 7 (legislative day of Thursday, August 5), 1948

Mr. MILLIKIN. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a statement on repeal of excess-profits tax.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

In the course of the President's message to this special session a program was proposed for the asserted purpose of controlling inflation.

The No. 1 recommendation was for the reestablishment of an excess-profits tax and this will be the main subject of these remarks.

However, this particular proposal was tied in with other recommendations for the reimposition of allocations, rationing, price and inventory controls.

This parcel of egregious error was misdirected to a peacetime America devoted to its economic and political freedoms and was rejected by the people's representatives in Congress.

We learned about those remedies by our experience with them. The people tossed them into the ashcan in 1946. We have continued to learn about them through the burdens assumed by us in sustaining foreign nations which have been reduced to mendicancy by continuing to adhere to them.

Even those who can conceive of peacetime emergencies equal in seriousness to those of war, and which in their opinion might warrant such drastic measures on a temporary basis and so limited and operated, would not dream of granting the administrative responsibility to those who so atrociously bungled similar powers when they had them a few years ago, and even more important than this, who basically believe in permanent, planned Federal regimentation.

The common fallacy in peacetimes of excess-profits taxes, price and inventory controls, allocations and rationing, as remedies for high prices, is, as we have learned from our own and the experience of many other nations, that they impede production, thus continuing or aggravating the scarcities which, because they are scarce, overweigh the seller's command of price, and may stimulate his avarice.

Such controls frustrate the achievement of the larger supply of goods necessary to balance the unsatisfied demands of the available supply of money. More and more production until the buyer and seller are equipped with approximately equal bargaining power is, therefore, the desirable goal. This reduces the seller's dictation of the market and thus reduces prices and establishes the real value of both the goods and the money.

Any proposed measure, therefore, that interferes with the corrective processes of increased production is bad. Since the obvious purpose of an excess-profits tax is to limit profits, our burden is to show that this would limit production. What then is the relation of profits to production? Where do we get the capital for the necessary increase in production?

We have not yet embraced state socialism, although when the trend was interrupted in 1946 we were panting on its shoulder. So the Government as a broad and certain source for productive capital is out.

We, therefore, must look to the outside private investor or to internal financing by business itself. And contrary to much opinion, the main load, as we shall see, must be carried by business out of its own resources without outside aid.

Since industry cannot supply productive capital by cannibalizing itself, it must use its profits.

The crucial role of business in supplying its own capital needs out of its own profits was well developed by Dr. Sumner H. Slichter, Lamont University professor at Harvard, and chairman of the research advisory board of the Committee for Economic Development, in an article published in the Atlantic Monthly of July 1948. He said:

"Were profits in 1947 effective in attracting additional capital into industry—particularly purchases of equity securities by the public? The answer to this question is emphatically "No." Last year American corporations spent $26,700,000,000 on plant and equipment, inventories, and extending credit to customers. Only $4,100,000,000 of this money came from the sale of securities to the general public. Of this amount, over two-thirds came from the bond issues, and less than one-third from the sale of stock. In other words, less than 5 percent of the capital funds of American corporations last year came from the sale of stock. About 60 percent came from inside the enterprises themselves—from depreciation allowances, the sale of Government securities, and most of all, from the reinvestment of profits.

* * * * *

"There has been some criticism of the large reinvestment of profits in industry. As a matter of fact, the country should be thankful that over four-fifths of the increase in profits between 1946 and 1947 was plowed back into industry rather than distributed in the form of dividends. This meant that industry, instead of holding back production as it is sometimes accused of doing, was spending large amounts to increase output. To a limited extent and for a short period of time, plowing back profits may divert the output of industry from making consumer goods to making capital goods. This, of course, is inflationary. As new plant and equipment is put into operation, however, the output of goods relative to incomes is increased."

Department of Commerce statistics and those of the President's Council of Economic Advisers on net new issues of corporate securities for the first half of 1948 contrasted with the second half of 1947 show that there is no improvement in the ability of outside private investment to assume the load of productive capital formation now being supplied directly by industries out of their own profits. They show also that the trend of investment from outside sources continues in the direction of low risk rather than in full risk-taking securities.

	First half 1948 [1]	Second half 1947 [2]
	Billions of dollars	*Billions of dollars*
Bonds	2.1	2.0
Stocks	.5	.7
Total	2.6	2.7
	Percent of total	*Percent of total*
Bonds	80.9	74.1
Stocks	19.2	25.9
Total	100.1	100.0

[1] First half of 1948 figures were derived from table 30 of the Midyear Economic Report of the President, July 1948.

[2] Second half figures were obtained from the Department of Commerce, Office of Business Economics, Business Structure Division.

A number of reasons may be assigned for the shortage of outside investment capital. These include excessive taxes, fears aroused by hate-your-employer campaigns, and by the recurrence of proposals from official sources for regressive measures, such as the excess-profits tax.

But these causes cannot be eliminated with sufficient speed or certainty to meet the present requirement for quick and adequate supply of capital for increasing production.

It boils down to this: If we want increased production, we cannot have decreased profits, and therefore we cannot have an excess-profits tax.

These simple controlling facts are often blinked by proponents of an excess-profits tax. They claim that the profits of business are exorbitant and that this in and of itself is an evil of such magnitude that regardless of consequences in other directions, they should be frozen or reduced.

They meet the whole problem by pointing to isolated horror exhibits showing abnormally large profits. They agonize over large profit figures but do not relate them to volume of business, taxes, wages, replacement factors, nor to historical perspective materials.

They want to do something about it, but they have never succeeded in evolving a formula which will distinguish fairly between large profits which must be earned to compensate large risks and those profits which assume hoggish magnitude. Their strictures under rigid and mechanical formulas would operate on all alike regardless of culpability or differing circumstances.

Their dialectics, which are amazingly similar to those of the state socialists, do not face up to the incentive depressant nature of their remedy.

They are indifferent to the fact that competition where it exists has a way of taking morbid swelling out of profits, that where competition does not exist, antitrust and monopoly statutes provide available weapons, and that the jailhouse is an excellent antidote for greedy monopolists.

Where competition does not have full play in short-supply markets not caused by monopolistic practices, they discount or ignore the influence of more production as a solution for the problem. Basically, they are more interested in sharing shortages than in sharing abundance.

Now, let us take a factual look at their blanket and indiscriminate claims of excessive profits.

Dr. Slichter, in the same article, said:

"Profits in 1947 were slightly more than twice as large as in 1929 and about two and three-fourths times as high as in 1940. Large as were profits in 1947, they were not large in relation to the size of the product of industry. In fact, profits in 1947 were a smaller part of the gross national product than in 1929 and 1940—7.4 percent, compared with 8.1 percent in 1929 and 7.6 percent in 1940. Americans must remember that the country is growing and that prewar magnitudes often have little relevance in measuring the present performance of industry. Today the United States has 22,000,000 more people than in 1929 and 12,000,000 more than in 1940; in other words, it has added the equivalent of about two Canadas to its population since 1929 and one Canada since 1940.

"Profits per dollar of sales in 1947 were slightly less than in 1929 and slightly more than in 1940—5.8 cents in 1947, in comparison with 6.1 cents in 1929 and 4.8 cents in 1940. This means that the large profits of 1947 were in the main the result of a large volume of sales rather than of a wider spread between selling prices and costs. Incidentally, all forms of income from property—profits, interest, and rents—were only one-sixth of the national income in 1947, in comparison with over one-fourth in 1880 and about one-fifth in 1929.

* * * * *

"What yardstick should one use in judging whether profits are too large or too small? Profits have the function of providing industry with capital—partly by giving people an incentive to invest their savings in industry and partly by directly providing industry with investment funds. Hence one's judgment concerning the adequacy of profits depends upon how fast one wishes industry to grow.

"At present American industry is in urgent need of huge amounts of additional capital. There are two principal reasons for this need. One is that the increase in capital since 1929 has been abnormally slow. During 3 years of the severe depression of the thirties and 4 years of the war, plant and equipment for civilian industries was not being produced as rapidly as it was wearing out or becoming obsolete, and in three other years the net increase in capital was negligible. In the 50 years preceding 1929 the country annually

produced about $1.75 of capital for every dollar of plant and equipment which wore out or became obsolete, so that the plant and equipment of the country was growing rapidly. In the last 19 years, however, the country has produced only about $1.14 of new capital per year for every dollar of plant and equipment which wore out, with the result that at the end of 1947 the industrial plant of the country represented less than 8 percent more capital than at the beginning of 1929.

"Again, industry needs large amounts of capital because of the great increase in the labor force. The labor force in private industry today is ten and one-tenth millions larger than in 1929, and about four and five-tenths millions larger than in 1940—partly a result of the growth in population but also a result of the growing popularity of work and of the increasing proportion of the population who seek work. With the abnormally small increase in capital during the last 19 years and a rapid increase in the labor force, plant and equipment per worker was about 9 percent less at the end of 1947 than at the beginning of 1929. It was even slightly less than nearly 30 years earlier in 1919. Until 1929, plant and equipment in industry had been increasing at between 10 percent and 15 percent a decade. New investment of about $60,000,000,000 is needed to bring plant and equipment per worker up to the level that would be normal in view of the long-term tendency for capital per worker to increase."

The reimposition of an excess-profits tax, after it had been abandoned in 1945 under the administration then in power, was proposed in the Senate as an amendment to the 1948 income-tax-reduction bill. It was defeated by a vote of 58 to 26. (CONGRESSIONAL RECORD, March 19, 1948, p. 3159.)

Now in assessing the value of the President's proposal, it is relevant to review some of the opinions of outstanding fiscal experts of the Democratic Party.

The late Honorable Carter Glass, while Secretary of the Treasury under President Wilson, in his annual report of 1919 (pp. 23–24), recommended the repeal of the World War I excess-profits tax. He stated:

"The Treasury's objections to the excess-profits tax even as a war expedient (in contradistinction to a war-profits tax) have been repeatedly voiced before the committees of the Congress. Still more objectionable is the operation of the excess-profits tax in peacetimes. It encourages wasteful expenditure, puts a premium on overcapitalization and a penalty on brains, energy, and enterprise, discourages new ventures and confirms old ventures in their monopolies. In many instances it acts as a consumption tax, is added to the cost of production upon which profits are figured in determining prices, and has been, and will, so long as it is maintained upon the statute books, continue to be a material factor in the increased cost of living."

In 1945, when the Congress was under the control of the President's party, the World War II excess-profits tax was repealed.

Secretary of the Treasury Vinson, a member of President Truman's Cabinet, and now Chief Justice of the United States Supreme Court, advocated the repeal. He said (hearings, Committee on Finance, October 15, 1945, pp. 23–25, 34):

"Since the basic objective of the tax reduction at this time is to achieve and maintain a high level of employment and national income, our primary concern must be the removal of obstacles to the rapid reconversion and steady expansion of business enterprise. I consider the excess-profits tax to be a particularly important obstacle to business expansion, and I suggest its outright repeal effective January 1, 1946, instead of retention until January 1, 1947, as provided in the House bill.

* * * * *

"Repealing the excess-profits tax means getting out of the tax system a tax which certainly in its present form has no place in the peacetime system.

"The case against the excess-profits tax for 1946 goes beyond the facts that it is primarily a wartime control and that it is erratic and inequitable. It is also an obstacle to that reconversion and expansion of business which is so necessary for a high level of employment and income.

* * * * *

"Clearly, the repeal of the excess-profits tax will stimulate production. Today we are starved for new houses, new cars, new radios, and the like. The best defense against the use of our wartime savings to bid up prices on these scarce items is to remove the scarcity. Production, and more production, is the key. To this end, elimination of the repressive influence of the excess-profits tax will make a real contribution.

* * * * *

"Yet, despite its contribution to the successful operation of a wartime economy, the excess-profits tax has been an erratic and in many instances an inequitable tax. The difficulty is that calling profits excessive does not make them excessive. Calling profits normal does not make them normal. Normal profits and excessive profits look alike. There is no chemical reagent to distinguish them.

"The excess-profits tax, to be sure, has a formula—a very complicated formula in its entirety—for distinguishing normal and excessive profits. But that formula is seriously defective.

"One serious defect of the excess-profits tax for the postwar period lies in the weakness of the average-earnings credit, which uses prewar profits as a measure of normal profits. A corporation may continue to earn free of excess-profits tax 95 percent as much as it averaged during the years 1936–39, and this amount is often enlarged by various relief provisions. A corporation with a high prewar earnings experience may thus earn 20 percent, 30 percent, or more on its invested capital without paying any excess-profits tax. New and rising corporations do not have the benefit of such a credit and are thus at a competitive disadvantage in relation to established long-prosperous corporations. Whatever the merits of the average-earnings credit in measuring excessive war profits, it would be grossly unfair if applied to peacetime business.

* * * * *

"The over-all impact which this tax is likely to have on business planning as well as business profits constitutes a serious threat to our postwar employment objectives."

The then chairman of the Senate Finance Committee, the Senator from Georgia, Mr. GEORGE, in advocating the repeal of the World War II excess-profits tax, pointed out a number of the objections to the tax in peacetime. He said (CONGRESSIONAL RECORD, October 24, 1945, pp. 9947–9949):

"New, growing, and small corporations are particularly hurt by the excess-profits tax. The old established firm has a large excess-profits credit, and, therefore, has a decided competitive advantage over new and growing companies. * * * The competitive disadvantage of such a tax to a new and rising corporation is tremendous. The new and rising corporation, not having an adequate credit, pays a much heavier excess-profits tax on its current income than the old established firm. * * *

"The Treasury stated that for 1943 over 70 percent of the corporations subject to the excess-profits tax had net incomes of less than $100,000. * * * On the other hand, some of our very large corporations do not pay any excess-profits taxes. In 1943 it was estimated by the Treasury that one-third of the corporations with incomes of $1,000,000 and over did not have taxable excess profits.

"The tax also discourages risk taking, since corporations can retain only a small part of their profits. The continuance of the tax * * * will discourage new investments in both 1945 and 1946. As a result this tax will retard production.

"It should be borne in mind that only about 22,000 corporations will have net incomes of $60,000 or more in 1946, that many of these 22,000 corporations will be benefited through the repeal of the excess-profits tax. * * * It is estimated that of the 260,000 corporations with net incomes for 1946, 238,000 will have incomes below $60,000. While some of these will be benefited through the repeal, * * * it is believed desirable to extend further relief through a reduction in the ordinary corporation rate."

Now we may summarize:

1. Excess-profits taxes would seriously impair the vitally important and irreplaceable ability of industry to plow profits back into increased production.

2. The profits of industry are the most important and indispensable source of capital for increasing production and therefore to restrict profits is to restrict production.

3. Profits when considered in their inseparable context—in relation to factors such as volume of business, taxes, wages, investment, risk, inventory, replacement cost, and in the perspective of past experience, are not excessive.

4. The system of excess-profits taxes restricts production not only because it operates directly to restrict the formation of capital necessary for the purpose but because by its inherent restrictive nature—"it encourages wasteful expenditure, puts a premium on overcapitalization and a penalty on brains, energy, and enterprise, discourages new ventures, and confirms old ventures in their monopolies * * * is a material factor in the increased cost of living."

5. Excess-profits taxes are unjust and arbitrary as well as regressive—because it is impossible to devise a formula for such taxes which will distinguish between high profits for high risk and sheer greed—which will distinguish fairly between small and large businesses—between starting businesses and those which are well entrenched—between the hundreds of thousands of differing circumstances affecting all who operate in our highly complex economy.

In presenting the views already noted of great Democratic fiscal experts during the debate of the defeated excess-profits-tax amendment to which I have referred, I made some remarks which I repeat as my conclusion (CONGRESSIONAL RECORD, March 19, 1948, p. 3159):

"I remind my colleagues that we took this very courageous action in 1945 (repeal of wartime excess-profits tax) because we wanted to liberate the profits of corporations so that they could use them for expansion to cover the reconversion period. It has had precisely that effect. Had we continued the excess-profits taxes, I do not know where we would have obtained our money for expanding plants during this period. The evidence before the committee and, I think, the discussion here, shows that risk capital has dried up. Corporations have been financing themselves through their own fat, and through the addition of indebtedness rather than through risk investment.

"I suggest that this effort to reimpose the excess-profits-tax system is the antithesis of what we are trying to do, and should be defeated."

The Gettysburg Address Commemorative Stamp

EXTENSION OF REMARKS
OF
HON. FRANCIS J. MYERS
OF PENNSYLVANIA
IN THE SENATE OF THE UNITED STATES
Saturday, August 7 (legislative day of Thursday, August 5), 1948

Mr. MYERS. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a statement prepared by me on Public Law 809 of the Eightieth Congress, directing the Postmaster General to issue on November 19, 1948, a special series of 3-cent stamps commemorating the eighty-fifth anniversary of Lincoln's Gettysburg Address.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY HON. FRANCIS J. MYERS, OF PENNSYLVANIA, ON THE GETTYSBURG ADDRESS COMMEMORATIVE STAMP

On November 19, 1948, the Post Office Department will issue a special series of 3-cent stamps commemorating the eighty-fifth anniversary of Lincoln's Gettysburg Address.

This will, of course, be a great occasion for the people of Gettysburg, Pa. It will also be a great occasion, however, for all Americans who consider the short address delivered by President Lincoln on Gettysburg battlefield 3 months and 16 days after the withdrawal of the opposing armies to be perhaps the greatest and most noble expression of the meaning of the American way of life.

Senate Joint Resolution 158 was introduced by me on November 20, 1947, soon after the special session following the end of the first regular session of the Eightieth Congress was convened by the call of President Truman. This resolution was the culmination of proposals put forward by a number of prominent citizens of Gettysburg and vicinity for a fitting means of observing the eighty-fifth anniversary of the historic event in Gettysburg.

Among those who actively aided in the promotion of this resolution were Paul L. Roy, editor of the Gettysburg Times; Robert Fortenbaugh, of Gettysburg, president of the Pennsylvania Historical Association; Jesse E. Snyder, past department commander of the Pennsylvania Department of Sons of Union Veterans of the Civil War; and also T. J. Winebrenner, commander, and William L. Meals, secretary, and other officials and members of Gettysburg Camp No. 112 of the Sons of Union Veterans of the Civil War; Ralph E. Barley, secretary, and other members of the Lions Club of Gettysburg; George E. Burgner, secretary, and fellow members of Gettysburg Lodge 1045 of the Benevolent and Protective Order of Elks; Fred G. Klunk of New Oxford, Pa., and the Honorable John Rice, of Gettysburg, Democratic nominee for governor of Pennsylvania in 1946.

Although I have singled out these individuals and organizations for special mention in connection with this stamp issue, it is only fair to say that the entire community of Gettysburg and many individuals throughout the State and Nation effectively aided in promoting the passage of the resolution.

I sincerely hope to be able to be present in Gettysburg on November 19 when this special series of stamps is first issued. I know it will be a memorable occasion. The people of Gettysburg have lived in such close spiritual proximity to the historic events which occurred a short distance from their town square that the traditions of American freedom have become enshrined in the hearts of each Gettysburger from his earliest days.

Although the Post Office Department generally prefers to issue commemorative stamps only on anniversaries occurring in multiples of 50 years, the Congress determined that the eighty-fifth anniversary of Lincoln's Gettysburg Address was an anniversary of sufficient importance to warrant the passage of this legislation. In view of the fact that hundreds of requests are made annually for the issuance of commemorative stamps, nearly all of them meritorious, the Post Office Department, of necessity, had to adopt an arbitrary policy in order to limit the number of such stamps in line with practical and mechanical considerations. However, as the report of the Senate Committee on Post Office and Civil Service pointed out, after giving due attention to the objections raised by the Post Office Department, the mechanical difficulties in this instance were far outweighed "by the desire of the citizens to join through a central department of the Government in a visual and universal medium for recognizing the historical value of recalling the part played in American history by the recognized turning point in the war of the 1860's." The committee, therefore, recommended adoption of the resolution, the Senate concurred, as did the House Committee on Post Office and Civil Service and the House of Representatives, and the legislation was signed by President Truman on June 29, 1948.

Memorandum on Displaced Persons Act of 1948, Public Law 774, Eightieth Congress

EXTENSION OF REMARKS
OF
HON. FRANCIS E. WALTER
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

Mr. WALTER. Mr. Speaker, the difficult human problem of the displaced persons is not one of our own making. It is a direct aftermath of the war, one more of those stupendous problems facing us in Europe and Asia after the victory.

In 1945, on VE-day, this problem involved over 8,000,000 people displaced during the war and brought into what we call now the western zones of occupation in Germany, Austria, and Italy by the Germans as forced laborers, prisoners of war, concentration camp inmates, and those who fled before the approaching occupation armies of the Communist dictatorship.

It was generally assumed in 1945 that as soon as the shooting stopped and transportation became available, practically all of the displaced persons would be eager to return to their former homes in order to participate in the reconstruction of their devastated countries.

Indeed, the western allied armies succeeded in repatriating to their countries of origin over seven million, but the "hard core" of displaced persons who refused to be returned to their countries now subject to the Soviet authority or the rule of the Communist-dominated satellite governments remain the problem to be solved by the western world and the United States, as one of the occupying powers, in particular.

Moreover, early in 1946 a considerable number of new refugees, mostly Jews, fleeing from their eastern European homelands in fear of political or religious persecution, began to arrive in the western portions of Germany and Austria and into Italy occupied by the democratic powers. It is for this reason that despite energetic and efficient repatriation the figure of displaced persons never fell below the 1,000,000 mark until late in 1947, when a scheme of resettlement of displaced persons in several immigrant receiving countries began to bear fruits.

The viewpoint of the Soviet Government and its satellites and the viewpoint of the western democratic powers were in sharp disagreement whenever the problem of displaced persons came up for consideration in the various international organizations, including the United Nations. The Soviet Government and its satellites maintain that all displaced persons should be repatriated and that coercion should be used if necessary. The American viewpoint and the viewpoint of other democratic countries like Great Britain, France, and others was that it is against democratic tradition and against the democratic concept of human freedom to compel these persons to return against their will to areas under governments whose political or economic system they are unwilling to accept.

This argument came into the open with particular force when the International Refugee Organization was created by the United Nations General Assembly in 1946, overruling the opposition of Soviet Russia and its satellites. The responsibility for the care and maintenance, housing, voluntary repatriation and resettlement of displaced persons was placed in the hands of the International Refugee Organization.

In the words of Gen. George C. Marshall, the Secretary of State:

> The displaced persons cannot be abandoned to the German economy. There is quite naturally a fierce resentment between the displaced persons and the Germans who are responsible for their present plight. The Germans regard the displaced persons as a burden. To turn the displaced persons back to the Germans would increase the present difficulties in Germany. It would increase the international tension and the economic difficulties in the already overcrowded areas of western Germany.

To continue indefinitely the maintenance of the displaced-persons camps in Germany, Austria, and Italy with a prolonged contribution from the American taxpayer for their support through the International Refugee Organization was another possibility General Marshall was unwilling to accept and there is no doubt that this possibility is not acceptable to the American taxpayer.

The third possibility, as outlined by General Marshall, was to provide the necessary ways and means for resettle-

ment of displaced persons in the various countries of the world which will be willing to receive them.

The United States is one of such countries and it has been repeatedly stated by the highest public officials in charge of the displaced-persons problem that not until the United States takes the lead in the resettlement of the displaced persons will other countries of the world cooperate in the operation of such a large-scale resettlement scheme.

After several congressional investigations on the spot and after extensive hearings, the Displaced Persons Act of 1948—the United States contribution to the solution of the displaced-persons problem—has been enacted.

The Displaced Persons Act of 1948, Public Law 774, Eightieth Congress, authorizes the admission into the United States for permanent residence 220,000 displaced persons. This over-all figure could be broken down as follows:

(a) Two hundred thousand displaced persons who were forcibly brought into Germany, Austria, or Italy for slave labor, as concentration-camp inmates, prisoners of war, and so forth, or who fled into Germany from eastern Europe in fear of the Soviet Army after it pushed back the Germans.

The controversial date of December 22, 1945, as it appears in the new Displaced Persons Act represents the concept that those who were displaced during the war and not after the war should be offered the first opportunities to immigrate into the United States. The date of April 21, 1947, which appears in the bill passed by the House, represented the concept that refugees who fled from their countries after the shooting stopped are also bona fide refugees from religious and political persecution and they should not be cut off from opportunities to find a haven in the United States.

(b) Two thousand natives of Czechoslovakia who fled that country as a direct result of persecution or fear of persecution after the Communists had taken over that country in February 1948.

(c) Three thousand orphans under the age of 16 who, on or before the effective date of the new act—June 25, 1948—were in Italy, or in the American, British, or French zones of Germany or Austria.

(d) Fifteen thousand aliens temporarily admitted to the United States prior to April 1, 1948, as visitors, diplomats, foreign government officials, students, and so forth, who can show cause that they are afraid to return to their native countries because of fear of persecution. Such individuals may be permitted to remain in the United States permanently and become citizens eventually if the Attorney General finds that they qualify under the provisions of the law, and if the Congress passes a concurrent resolution approving such action.

The new act does not in any way destroy or run counter to our existing quota system. Every displaced person, except the 3,000 orphans, will be charged to the immigration quotas of their respective countries of origin as provided by existing law. It is important, however, to know that the displaced persons will be admitted within the next two fiscal years and the operation of charging them against existing quotas will take place gradually in the succeeding years so that 50 percent of the quotas will be left open for current immigration cases, while the other 50 percent will be mortgaged for such time as the last of the admitted displaced persons will be properly charged to the current quota.

In order to prevent further crowding of our big cities, particularly in the East, the new act gives preference to farmers and persons of certain other skills—like household and construction workers—who will be resettled in rural areas rather than in metropolitan centers.

A special commission to be known as the Displaced Persons Commission, consisting of three members to be appointed by the President, by and with the advice and consent of the Senate, will have the responsibility of making sure that displaced persons admitted into this country shall not become public charges, and that they will have jobs and safe and sanitary housing without displacing some other person from such housing. The Commission will report semiannually to the Congress on the operation of the new act. The Commission will also issue detailed regulations which, it is hoped, will provide for a smooth operation of the new law.

There are two additional features of the new act worth mentioning:

First. Displaced persons to be admitted under this law are supposed to be qualified for immigration under all other provisions of the existing law; second, German and Austrian immigration quotas will be made available for eligible applicants for immigration, but until July 1, 1950, one-half of the current German and Austrian quotas will be made available for persons of German ethnic origin who were expelled from countries now located behind what is known as the iron curtain.

The law also provides for stiff penalties for violation of any of its provisions.

MAIN DIFFERENCES BETWEEN H. R. 6396 AND PUBLIC LAW 774

First. The cut-off date, December 22, 1945—April 21, 1947, in the House measure—excludes from admission into the United States all refugees from eastern Europe who reached the western zones of occupation in 1946 and through the first quarter of 1947. There are approximately 128,000 Jews from Rumania, Hungary, and Poland in this group of postwar refugees.

Second. The House bill provided for a proportionate allocation of American immigration visae according to the numbers and percentages of various nationals and religious groups among the displaced persons.

Public Law 774 does not provide for such an equitable system of distribution of immigration opportunities but establishes two rather stiff priorities under which 30 percent of those admitted should be farmers and 40 percent of the immigrants will be those who were born in countries annexed by Soviet Russia—Estonia, Latvia, Lithuania, and the eastern part of Poland.

Third. Under the House bill the granting of the status of permanent residence for 15,000 refugees already in this country on temporary permits would be final if the Attorney General would declare them eligible.

Under the provisions of Public Law 774 the Attorney General's ruling is conditional and subject to approval by the Congress.

The latest figures supplied by the International Refugee Organization show the following number of displaced persons as of May 31, 1948:

Germany	650,993
Austria	101,693
Italy	25,158
Total	777,844

The corresponding totals were:

January 1, 1948	836,989
January 1, 1947	1,037,404

Did the New Deal Raise Farm Prices?

EXTENSION OF REMARKS

OF

HON. CLIFFORD R. HOPE

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. HOPE. Mr. Speaker, Candidate Harry S. Truman apparently sees no connection between high food prices and high farm prices. He says the Republican Congress is responsible for high food prices and, in the same breath, takes great credit to himself and the Democratic Party because farm prices are high.

Mr. Truman seems to have conveniently forgotten that there was a World War between September 1939 and August 1945, and that this country was in it for almost 4 years. War and reconstruction demands for food and other farm products, both at home and abroad, have increased farm prices—a clear case of the operation of the law of supply and demand. The Democratic administrations of Franklin D. Roosevelt and Harry S. Truman had nothing to do with it except retard it temporarily during the war with price ceilings and inflationary consumers' subsidies, while wages kept climbing.

The true measure of the accomplishments of the Roosevelt and Truman administrations in raising and stabilizing farm prices is to be found, not in the inflation of the war years, but in the record of what took place in the seven full years of their agricultural program before wartime conditions started the price spiral.

Farm commodities in 1940, after 7 years of the New Deal farm program, were not only still far below the prices received by farmers in the 10 years 1920-29, but were also on the average only 90.6 percent as much as farmers received

for their products in their first full depression year 1930, and were even below the average established by the New Deal itself in the years 1935-39.

Nineteen hundred and forty was not the low point in agricultural prices. The low postdepression level of farm prices was reached in 1939. Nineteen hundred and forty was the first full year in which the ascending scale of prices brought on by world-wide war conditions was reflected in agricultural prices. It bears a relationship to our wartime-price cycle, comparable to the relationship of the year 1930 to the depression-price cycle.

In spite of increased prices brought on by world conditions, however, in the case of only 6 of 21 commodities usually listed in farm-price comparisons were farmers receiving as much for their products in 1940 as they were in 1930. In 1940 the price received by farmers for 20 of these 21 major products was still below the average received in the years 1920–29. The only exception was beef cattle, in which there had been a consistently upward trend in prices for several decades. For all 21 of these commodities farmers were receiving in 1940 only 65 percent of the price they received on the average in the 1920's.

I am submitting, as a part of these remarks, a chart showing prices received by farmers for 21 principal commodities for the following periods: Average 1920–29, 1930, average 1935–39, 1940; also figures showing the 1940 price as a percentage of 1920–29, 1930, and 1935–39.

A glance at these figures, and particularly the last column, will show that under the New Deal farm program farm prices not only failed to reach the level of the twenties or 1930, but that the administration was not even able to keep prices up to its own low-price level established during the years 1935–39. This comparison of 1940 prices with those for the years 1935–39 shows that in 1940 farmers were receiving only 88 percent as much for these 21 commodities as they received during those 5 years; and that only three out of the twenty-one were worth as much to farmers in 1940 as they had been on the average in the years 1935–39. These three commodities are all livestock products, on which there has been a consistent upward trend for many years.

The figures used in this table were obtained from the Department of Agriculture and have been carefully checked. The table follows herewith:

Prices received by farmers—season average 1930 and 1940 with comparisons

	Average 1920–29	1930	Average 1935–39	1940	1940 price as a percentage of—		
					1920–29	1930	1935–39
Hogs (hundredweight)	$9.45	$8.84	$8.38	$5.39	57.0	61.0	64.3
Beef cattle (hundredweight)	7.18	7.71	6.56	7.55	105.1	97.9	115.1
Milk (hundredweight)	2.48	2.21	1.81	1.82	73.4	82.3	100.5
Wool (pound)	.33	.195	.238	.283	85.8	145.1	118.9
Cotton (pound)	.2066	.0946	.1034	[1].0989	47.9	104.5	95.6
Chickens (pound)	.21	.184	.149	.133	63.3	72.3	89.3
Eggs (dozen)	.325	.237	.217	.18	55.4	75.9	82.9
Wheat (bushel)	1.27	.671	.837	[1].682	53.7	101.6	81.5
Corn (bushel)	.854	.596	.691	[1].618	72.4	103.7	89.4
Oats (bushel)	.46	.322	.34	.303	65.9	94.1	89.1
Barley (bushel)	.661	.405	.533	[1].397	60.1	98.0	74.5
Rye (bushel)	.923	.444	.554	[1].419	45.4	94.4	75.6
Hay (ton)	13.08	11.06	8.87	7.58	58.0	68.5	85.5
Peanuts (pound)	.0559	.0351	.0355	.0333	59.6	94.9	93.8
Potatoes (bushel)	1.142	.912	.717	.541	47.4	59.3	75.5
Dry beans (100 pounds)	5.83	4.03	3.52	3.17	54.4	78.7	90.1
Apples (bushel)	1.47	1.03	.90	.80	54.4	77.7	88.9
Peaches (bushel)	1.43	1.00	.90	.79	55.2	79.0	87.8
Flue-cured tobacco (pound)	.214	.12	.205	.164	76.7	136.7	80.0
Burley tobacco (pound)	.211	.155	.222	.162	76.8	104.5	73.0
Sugar beets (ton)	7.87	7.14	5.30	5.16	65.6	72.3	97.4
Average for 21 commodities					63.5	90.6	88.0

[1] Includes allowance for unredeemed loans at average loan value.

Stronger Rent Controls Are Necessary

EXTENSION OF REMARKS

OF

HON. FRANCIS J. MYERS

OF PENNSYLVANIA

IN THE SENATE OF THE UNITED STATES

Saturday, August 7 (legislative day of Thursday, August 5), 1948

Mr. MYERS. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a statement prepared by me on the need for stronger rent controls, along with a news article from the publication of the International Association of Machinists, entitled "Rents Are Going Up and Up Despite Efforts To Hold Line."

There being no objection, the statement and article were ordered to be printed in the RECORD, as follows:

STATEMENT BY HON. FRANCIS J. MYERS, OF PENNSYLVANIA, ON THE NEED FOR STRONGER RENT CONTROLS

While the cost of living has been spiraling to the highest levels in history, rents have also been rising for the American people, but the rise is not as spectacular as in other essential needs and the public is not generally as aware of the need for stronger rent controls as it is of the need for controls on other commodities, and cost-of-living items. But the need for stronger rent controls definitely exists, as thousands of tenants can attest.

One reason we do not hear so much about rising rents is that when they do occur, they do not hit a whole community at one time, as does an increase in other prices, but are rather personal matters for the individuals so affected. There are, however, thousands and thousands of Americans who have personally felt the impact of high rents or eviction, and no one can help them because of the sort of rent-control legislation the Republican-controlled Eightieth Congress has twice enacted.

I am referring to the rents being charged for new construction which is completely out from under rent control, or for accommodations which were exempted from rent control because they were off the rental market for 2 years, or for other types of shelter which were decontrolled by the Republican Congress.

Now, we must understand that the actual vacancy rate for habitable dwellings offered for rent in the United States—nonfarm dwellings—was, according to recent figures made public by the Bureau of Census, less than one-half of 1 percent.

Obviously, then, there is need for rent control. Otherwise, the tenants of America would be subject to a reign of terror and of gouging the like of which we have never seen, from a small but ruthless minority of unscrupulous landlords. For housing is basic; a father would pay any price asked of him to provide shelter for his family. Our people would be made poor overnight merely to buy their shelter. Many thousands have already been bled white by rental operators seeking to squeeze the last possible dollar out of a defenseless tenant.

The willingness of tenants to pay almost any price in their desperation for housing has also encouraged some unscrupulous landlords to evict present tenants under one loophole or another provided in the present inadequate control act, and then rent the accommodations to someone else at a fat bonus or an illegal overcharge.

The first break in effective rent control in the United States occurred as a result of the passage of the so-called Housing and Rent Act of 1947, which was sometimes more accurately described as the "rent decontrol act." Despite clearcut warnings of what would happen through the passage of that act, the Republican-controlled Congress rammed this law onto the statute books at the very last minute before rent controls were to expire. Let us take a look at what has happened as a result of some of the provisions of that act:

First, the act decontrolled all housing constructed after February 1, 1947. A survey conducted by housing officials showed that for 2,048 units constructed after February 1, 1947, to which rent control did not apply, the average monthly rent was found to be 69 percent higher than the average for comparable units under rent control. This figure is based on reports from 77 cities in 17 States.

The Housing and Rent Act of 1947 decontrolled housing units not rented between February 1, 1945, and February 1, 1947. On the basis of reports from 127 cities in 27 States on 717 such housing units, the average monthly rent was found to be 64 percent above the average for comparable housing still under rent control.

The Republican rent decontrol acts of 1947 and 1948 continued existing machinery for the decontrol of areas where rent control may not be necessary, but omit any authority to recontrol an area that has once been decontrolled. Thus, in case renewed military activity should lead to the return of acute housing shortages in some of these areas, the Government would be completely powerless to protect incoming workers and personnel against exorbitant rents.

The two Republican rent decontrol acts of this Congress provided for the so-called voluntary 15-percent rent increases. As a result, we find that every time occupancy changes in a controlled dwelling, whether or not the previous tenant had agreed to such a lease, the new tenant is required to. In some apartment houses some tenants are paying

the original ceiling rent plus whatever individual rent increase the landlord may have been given permission to make to cover rising operating costs. Other tenants will be paying a higher rent under the 15-percent lease. Still other tenants may be occupying quarters which were decontrolled entirely because they had become vacant under odd circumstances prior to the enactment of the present act this year and the rents in these quarters would reflect whatever the traffic would bear. This situation is hardly fair, yet it is the pattern laid down as a result of Republican bungling on rent-control legislation both in 1947 and 1948.

One of the worst failures of the Republican Congress on rent control was in not providing adequate enforcement machinery. Prior to July 1, 1947, a tenant victimized by an unscrupulous landlord demanding and insisting on an illegal overcharge could go to the Federal rent officials and enlist their assistance in obtaining a refund amounting to triple the damages or $50, whichever was higher. The Republican Congress eliminated this provision. The tenant may sue his landlord in his own right, but the Government cannot sue for him. The Government, however, can negotiate for return to the tenant of the amount of the overcharge and no more.

As many of us warned at the time these provisions were enacted, they would be virtually valueless in curbing illegal rent overcharges for the simple reason that few tenants have the courage to risk the vengeance of their landlords by suing them in their own right, while the Housing Expediter has no punitive powers and all he could do would be to get back for the tenant the actual amount of the overcharge. This situation acts virtually as an invitation to unscrupulous landlords to seek overcharges since, as a practical matter, the worst thing that could happen to them would be a requirement that they return the overcharge. Under the first Republican rent decontrol act, the Housing Expediter had neither injunctive nor criminal prosecution powers against perennial violators of the act. His powers now are still drastically limited.

And so we find an increasing number of overceiling violations as proved by the fact that Bureau of Labor Statistics show rents rising substantially above levels they would have reached if all rent increases were legally sanctioned. Tenants are restrained from bringing suits against their landlord by fear of blacklistings, eviction, or other retaliation. The Republican rent decontrol acts provide several nice loopholes for eviction of a tenant and it is up to the local courts to decide whether a landlord seeking an eviction is doing so in good faith. Evictions go to the very heart of rent control and obviously a so-called rent control act which puts a premium on evasive practices in obtaining evictions cannot be effective.

Fortunately, we were able in the Senate, by a vote of 43 to 25, to prevent the writing into the present act of a provision requiring the Expediter to follow blindly and unquestioningly the recommendations of any of the local advisory boards scattered throughout the country. As I told the Senate at the time the issue was before us, that was the test vote to determine whether we were going to have any rent control at all. Although the House of Representatives originally passed a bill granting this so-called home rule on rent control, the Senate stood by our earlier position and refused to go along. The wisdom of our stand was effectively demonstrated shortly thereafter in one noteworthy instance in Pennsylvania. The local advisory board at Indiana County, Pa., without holding hearings or otherwise attempting to get substantive evidence, recommended complete decontrol. The Housing Expediter, in investigating this recommendation, found overwhelming evidence of the shortage of housing at and in the vicinity of Indiana, Pa., and therefore determined that decontrol would work a tremendous hardship on the tenants of that area. The recommendation was therefore denied.

Yet, if the Republican-dominated House of Representatives had had its way on this issue, Indiana County, Pa., would, of necessity, have been decontrolled despite the acute shortage of housing in that area.

I have outlined some of the faults of present rent-control regulations. They show the need for the following strengthening revisions:

1. Recontrol on the same basis as other property of new construction (with suitable and fair allowance for increasing construction costs) and of property which had become decontrolled by virtue of the fact that it was not on the rental market for a consecutive 2-year period between 1945 and the present time.

2. Restore authority where necessary to recontrol areas which have been decontrolled.

3. Restore enforcement provisions adequate to meet the challenge of illegal overcharges.

4. Place eviction matters again under Federal authority so as to provide for uniform practices and so as to grant the tenant protection against retaliatory evictions.

There is ample opportunity for a landlord deserving of a so-called hardship rent increase to obtain one commensurate with increasing operating costs. Because the damage has already been done, the problem of dealing equitably with tenant and landlord alike in future legislation involving the voluntary rent increases is a difficult one, but it seems to me that these increases have, in most cases, been negotiated under the duress of the housing shortage and have been voluntary only to the extent that the landlords insisted upon them and the tenants felt obliged to submit for fear of eviction or from fear that the Republican-controlled Congress would allow rent control to end prematurely in order to favor the real-estate interests.

Democratic Congress next year will be pledged to enact effective rent-control legislation to meet the need at that time.

In view of the recommendations I have made for strengthening rent control, I include herewith a statement issued by me more than a year ago, on July 26, 1947, at the time I introduced S. 1741. This statement outlining my bill shows the kind of rent control we would now enjoy if this bill, rather than the watered-down Republican decontrol bill had been enacted. This statement follows:

"STATEMENT BY SENATOR FRANCIS J. MYERS, OF PENNSYLVANIA, UPON INTRODUCING BILL TO EXTEND RENT CONTROL FOR A YEAR BEYOND FEBRUARY 29, 1948, AND TO AMEND DECONTROL PROVISIONS OF PRESENT ACT

"In submitting this bill to extend rent control for a year beyond its present terminal date of February 29, 1948, I recognize, first and foremost, that some of the damage done to effective rent control by the Wolcott Act now in effect is irreparable. The experience we had with OPA last year when Congress decontrolled many items, including meat, and then gave authority for their recontrol, proved how difficult it is to restore controls once they are abandoned under selfish pressures.

"In the case of rents, however, it is still possible now, and will be possible even a few months from now, without any significant dislocation or hardship, to restore some of the controls which were removed by the Housing and Rent Control Act enacted last June at the very last moment.

"My bill is based on the assumption that the present housing shortage will not be substantially alleviated by next March 1, when present controls are to expire. In addition to extending those present controls for another year, it also represents an attempt to correct some of the worst features of the present act as they were rammed through Congress on the very eve of the scheduled expiration of the previous law, and sent to the White House on a take-it-or-leave-it basis, giving the President the choice of a bad Rent Control Act or no rent control at all beginning July 1, last.

"Since many tenants will have signed voluntary 15-percent rent increases, leases under this act for fear of being evicted or made subject to terrifically higher increases next March, this bill recognizes the validity of all such leases in existence as of January 1, 1948, since there is little, if anything, which could be done about the situation now. I should like, however, to see enough Members of Congress announce publicly in the near future their intention to support a continuation of rent control after next March 1 that tenants who are not convinced of the justification of a 15-percent rent increase in their cases can feel secure in not signing such leases. At present they feel, in many cases, that there is a loaded gun pointed at their heads, and the gun is labeled 'No rent control at all after March 1.'

"My bill would—

"1. Bring back under rent control in all defense-rental areas all housing accommodations subject to regulation under the act which expired last June 30, except hotels (for transients), tourist houses (for transients), and motor courts.

"2. Recontrol new construction, which was decontrolled under the Wolcott Act, but it would instruct the Housing Expediter to make 'due allowance for appropriate adjustments' in setting rents for new construction taking into consideration the fact that the builder or owner may have proceeded to build on the assumption that these dwellings would not be subject to rent control and that his construction costs may have been higher than they otherwise would have been.

"3. Recontrol units converted after February 1, 1947, on the same basis as 'new construction' units.

"4. Restore to the Housing Expediter authority in those cases he deems it necessary to recontrol areas which have already been decontrolled, and to put under rent control any areas which have never had rent control but which, in his judgment, should be placed under rent control. Both of these powers were removed by the Wolcott Act.

"5. Continue the rent advisory boards established under the Wolcott Act, including their authority to recommend decontrol by areas, to recommend over-all rent increases by areas, and to make recommendations on general operational practices and regulations in their areas, but it would remove the present authority of these boards to consider individual rent adjustment cases and to make recommendations to local rent officials on these individual cases. The Housing Expediter, of course, would retain his present authority to accept or reject the recommendations of these advisory boards.

"6. Restore all enforcement provisions of the act which expired last June 30, including criminal sanctions and the right of the Housing Expediter to sue for triple damages in cases of rent overcharges. The present law omits these features.

"7. Restore to the Expediter power he no longer has to issue regulations concerning evictions, including the reestablishment of a required waiting period before eviction occurs. The present law leaves eviction matters subject only to State law.

"8. Reestablish the exclusive jurisdiction procedure over orders and regulations of the Housing Expediter on rent matters in the Emergency Court of Appeals. Under present law enacted last June 30, orders and regulations of the Housing Expediter on rent matters can be attacked in any State or Federal

court following exhaustion of appeal machinery through administrative channels.

"9. Continue powers which the Housing Expediter now has to issue regulations covering hardship cases as well as to order general rent increases by areas or nationally, where he finds them necessary to fair and equitable administration of rent control.

"I feel it is too bad that the Congress would not agree last month to a rent control extension act which would merely continue then existing regulations. There was ample provision in the previous law for landlords suffering hardship to obtain rent increases, and thousands of them received such increases. Now that the damage has been done by enactment of a bad bill, the best we can do now is repair the damage whenever it is possible to do so while assuring a continuation of controls, even if they are relaxed as they have been. This bill seeks to accomplish those purposes."

I also submit as part of my statement today an article from the Machinist dated August 5, 1948, explaining what has happened to rents under the Republican decontrol acts. The International Association of Machinists has been one of the most effective organizations in the Nation in highlighting the importance to the public and to our economy of adequate rent-control and inflation-control legislation.

This article follows:

"RENTS ARE GOING UP AND UP DESPITE EFFORTS TO HOLD LINE

"Despite the continuation of rent controls last April, rents have been creeping steadily higher—and the prospect is that they will go still higher before they start going down.

"Although Paul Porter, who succeeded Chester Bowles as OPA Director at the end of the war, has been called back to direct the new drive on inflation, Government experts say that the real determining factor on how much higher rents will go depends upon the kind of Congress that is elected next November.

"If the new Congress favors a strengthening of rent controls, rents can probably be held in line, except for increases granted in hardship cases.

"If the new Congress yields to the demands of the real-estate lobby, rents can be expected to rise sharply, and if all controls are abandoned, they will probably rise about 70 percent over the present level.

"Recent increases in rent have been due to the relative ease with which landlords can get permission to boost their rents in so-called hardship cases and to other loopholes in the rent-control law.

"The law specifies 13 grounds under which landlords are entitled to higher rent. They include cases in which landlords have made major capital improvements to the property, such as adding another room; increased services; special relationship cases in which the landlord formerly rented to a friend or relative at less than market value but now wishes to charge a higher rent; cases in which tenants take in roomers; proof that the landlord is operating at a loss, and proof that he is not now making as much money as he did when rents were frozen.

"How these provisions are operating to raise rents is shown by official figures of the Office of Housing Expediter. Landlords are now making applications for higher rents at the rate of 1,000,000 a year, and 70 percent of them are being granted.

"No official figures have been compiled on the amounts of such increases, but they run all the way from a nominal 10 to 15 percent to as much as 100 percent or more in extreme cases.

"Last January 36,000 hardship applications for higher rent were docketed, and 28,000 of them were approved. In June, the latest month for which figures are available, 47,000 hardship cases were docketed and 32,000 approved.

"Other loopholes in the rent-control law that are resulting in higher rents are the exemption of rooming houses, hotels, and all new construction from controls, and the provision granting landlords the right to demand 15-percent increases in return for leases running through 1949.

"Hotel rates for weekly and monthly guests have gone up all the way from 150 to 200 percent and the rates on a day-to-day basis have jumped from 5 to 50 percent. Roominghouse rents have advanced from 5 to 25 percent.

"The Labor Department estimates that rents have gone up about 7 percent in the last year, and Government housing officials can see little prospect of a reversal of this trend in view of rising prices and the failure of the new housing program to meet its goals."

The President's Midyear Budget Review: Republican Rich-Relief Income and Estate-Tax-Reduction Bill Will Create Operating Deficit of $1,500,000,000 in Fiscal Year 1949

EXTENSION OF REMARKS

OF

HON. HELEN GAHAGAN DOUGLAS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mrs. DOUGLAS. Mr. Speaker, under permission to extend my remarks in the RECORD, I wish to include the following detailed break-down of the operating deficit of $1,500,000,000 for fiscal year 1949 created by the enactment of the Republican rich-relief income and estate-tax-reduction bill over the veto of the President:

PARTIAL TEXT OF STATEMENT BY THE PRESIDENT REVIEWING THE 1949 BUDGET

NATIONAL DEFENSE

Expenditures for national defense are now estimated at $12,100,000,000 for the fiscal year 1949, an increase of $1,100,000,000 above the January estimate and $1,500,000,000 above the amount spent in 1948. The increase since the budget was transmitted in January reflects the initial impact upon budget expenditures of the expanded military program enacted last spring.

Within the total of $12,100,000,000 in estimated expenditures for the national defense program, $4,800,000,000, or 40 percent, will be spent for the pay and maintenance of military personnel.

Expenditures in other defense categories for fiscal 1949 are projected at an increased rate over 1948. Payments for aircraft procurement in 1949 will increase by $520,000,000 to a total of $1,300,000,000. Expenditures for procurement of ordnance and other equipment and supplies are also expected to rise. Payments for strategic materials for the stock-piling program are estimated to increase from $84,000,000 in 1948 to $300,000,000 this fiscal year.

Increased authorizations for 1949 will result in still higher expenditures in 1950. The trend of expenditures beyond 1949 is indicated by the fact that appropriations and contract authorizations enacted amount to $14,300,000,000, including $2,900,000,000 made available late in the fiscal year 1948. This compares with my recommendation of $10,900,000,000 in the January budget, plus more than $3,800,000,000 of increased recommendations which I submitted during the spring to meet our changed security requirements in the light of world conditions. Thus, there was a net reduction of $400,000,000 below my recommended authorizations.

The Congress made certain revisions and changes in my recommendations, resulting in a net increase of $110,000,000. Increases of $880,000,000 were authorized, above my recommendations, principally for aircraft procurement for the Air Force. New authority enacted for other military programs was $770,000,000 less than I requested.

On the other hand, this review omits appropriations of $500,000,000 tentatively included in the January estimates for the proposed universal training program, which was not enacted. However, a new program for training 161,000 18-year-old voluntary enlistees was enacted and authority granted to cover initial expenses from the appropriations already made for the National Military Establishment. Whether or not supplemental appropriations for this new program will be necessary can only be determined by later reviews of the military program.

INTERNATIONAL AFFAIRS AND FINANCE

Expenditures for international aid programs are now estimated at $7,000,000,000—the same as in January. Actual expenditures in 1948 were $4,700,000,000.

More than half of all international expenditures in the fiscal year 1949 will be required for aid to Europe under the Economic Cooperation Act. In January expenditures for this program were estimated at $4,000,000,000 for 1949; they are now estimated at $3,800,000,000. This downward revision results largely from the congressional reduction of the initial appropriation by $245,000,000.

Expenditures for Greek-Turkish aid in 1949 are now projected at $385,000,000—$181,000,000 above the January budget—largely due to shipments and payments delayed from the fiscal year 1948.

Estimated expenditures for aid to China in 1949 have been revised upward, from $240,000,000 to $359,000,000, to reflect the increased program enacted since last January.

Expenditures under the Army's program for relief and reconstruction in the occupied areas are now expected to total $1,280,000,000—a reduction of $70,000,000 since January. This decline is mainly in the reconstruction portion of the program.

Although the Congress reduced the recommended authorization for the European aid program by $1,500,000,000, it provided that on recommendation by the Economic Cooperation Administrator and with my approval, the funds appropriated could be fully obligated by April 2, 1949. To permit this program to go forward without interruption during the last quarter of the fiscal year, additional authority and appropriations will probably be necessary. I am therefore including in this review a tentative estimate of $1,500,000,000 for a supplemental appropriation. Its enactment will not have a significant effect on expenditures until the fiscal year 1950.

VETERANS' SERVICES AND BENEFITS

Expenditures for veterans' programs for the fiscal year 1949 are now estimated at nearly $6,800,000,000. This is an increase of $689,000,000 over the January estimate and is $228,000,000 more than was actually spent in the fiscal year 1948.

Nearly four-fifths of the expenditures will be direct cash payments in the form of pensions and readjustment benefits, including education and training benefits.

Expenditures for readjustment benefits are now estimated at $3,200,000,000 in fiscal 1949—nearly $600,000,000 higher than in January. Most of the increase results from new laws providing increased subsistence allowances in the educational program and more liberal allowances for on-the-job trainees which will add expenditures of about $550,000,000. Furthermore, expenditures will be increased because of bigger enrollments in the education and job-training programs and higher per capita tuition costs. On the other hand, newly enacted limitations on avocational and recreational training will result in estimated savings of $100,000,000.

Expenditures for veterans' pensions, including subsistence allowances for disabled trainees, are now estimated at nearly $2,200,000,000 in fiscal 1949. New laws provide higher compensation for dependents of deceased veterans and for dependents of veterans with major disabilities. These will add an estimated $100,000,000 of expenditures during the fiscal year 1949, and larger expenditures in future years.

Two other major revisions are also made in expenditure estimates for the veterans' program. Additional transfers to the national service life insurance trust fund required by a revaluation of the Government's liabilities for war-risk cases probably will require $200,000,000 more than was estimated in January. The lag in construction of veterans' hospital and domiciliary facilities, however, results in an almost equal reduction in estimated expenditures for 1949.

Supplemental appropriations of $942,000,000 for veterans' programs are now anticipated for the remainder of the fiscal year 1949 to restore necessary amounts eliminated by the Congress and to cover the higher expenditures required by new laws and increased program needs.

SOCIAL WELFARE, HEALTH, AND SECURITY

For the fiscal year 1949, expenditures for social welfare, health, and security are now estimated at $2,000,000,000, approximately the same as in the January budget.

The budget estimates last January, however, included expenditures for putting into effect proposed legislation to provide a much more adequate program, with greater emphasis on contributory social insurance. Instead, the Congress enacted, over my vetoes, revisions which narrowed the coverage and thereby weakened the system of old-age and survivors' insurance.

Because the existing temporary provisions governing grants to States for public assistance were liberalized, the revised expenditure estimates assume a supplemental appropriation of $120,000,000 to provide these larger grants in this fiscal year.

Estimated expenditures for transfers to the railroad retirement trust account do not include $175,000,000 which would be required under present law during 1949 or 1950 to cover the military service credits earned by railroad employees. Good budgeting requires that this law be changed, so that these transfers may be made annually on the basis of claims actually approved as workers retire in the years ahead, rather than on a conjectural, lump-sum basis, estimated far in advance, as the law now requires.

HOUSING AND COMMUNITY FACILITIES

Expenditures for housing and community facilities in 1949, which were estimated at $38,000,000 last January, are now estimated at $327,000,000. Purchases of guaranteed housing mortgages by the Federal National Mortgage Association (a subsidiary of the Reconstruction Finance Corporation) are expected to be roughly $300,000,000, partly to meet commitments to purchase mortgages insured by the Federal Housing Administration, and partly under new legislation authorizing purchases of mortgages guaranteed by the Veterans' Administration. The actual amount of mortgage purchases will depend on developments in the housing and mortgage markets which cannot be accurately predicted now.

The Congress failed to enact major elements of the comprehensive housing program which I recommended and did not accept my recommendation to revive the authority of the Federal Works Agency to make advances to State and local governments for the planning of their public works. This reduces expenditure estimates by $44,000,000.

EDUCATION AND GENERAL RESEARCH

Expenditures for education and general research in fiscal 1949 are now estimated at $86,000,000—$301,000,000 less than in the January budget. This results primarily from congressional failure to provide general assistance for elementary and secondary education. An estimated expenditure of $290,000,000 was included for this program in the January budget. The Congress also did not establish a national science foundation, which had been expected to spend $5,000,000 this year.

AGRICULTURE AND AGRICULTURAL RESOURCES

Programs to promote agriculture and conserve and develop our agricultural resources will require expenditures of $868,000,000 in the fiscal year 1949—$30,000,000 more than the January estimate.

The Congress enacted a more flexible price-support program, such as I recommended, but postponed its effective date. This postponement will result in increased expenditures during the fiscal year 1949 above those estimated in January. This increase will be offset, however, by larger repayments on commodity loans than were previously anticipated. Increases in prices paid by farmers during the past year and a half, coupled with decreases in prices received by farmers for some agricultural commodities, such as wheat, cotton, and potatoes, have narrowed or eliminated the margin between market prices and minimum support levels. Under these circumstances, expenditure estimates in this field must be regarded as tentative.

Increased authorizations for Rural Electrification Administration loans, and higher conservation and use payments authorized for the 1949 crop year, will not materially affect expenditures until the fiscal year 1950.

NATURAL RESOURCES

The revised estimate of $1,600,000,000 for the conservation and development of our natural resources during the fiscal year 1949 is $39,000,000 below the January estimate and $491,000,000 above the 1948 level. Almost 90 percent of all expenditures for natural resources in 1949 will be devoted to atomic energy, flood control, reclamation, and power.

Expenditures for the development and control of atomic energy are estimated to be $648,000,000—$26,000,000 less than the January estimate. This change is the net effect of reductions in appropriations, offset in part by an acceleration of work already under way and expenditures for activities not anticipated in earlier estimates.

The Congress reduced appropriations on approximately one-third of the Corps of Engineers flood-control projects underway and disallowed funds for five projects, but added funds to start 22 projects not in my recommendations. The net result will be to increase expenditures substantially during future years. Appropriations for the Bureau of Reclamation were reduced, thus delaying reclamation work in the great basin areas of the West. Expenditures for these two programs in 1949 will be $24,000,000 below the January estimate.

The Congress reduced appropriations in numerous cases which will have the effect of delaying the production and transmission of power urgently needed to relieve present or anticipated shortages. It reduced appropriations for power features of a number of multiple-purpose flood control, river and harbor, and reclamation projects. The Congress denied the request of the Tennessee Valley Authority for $4,000,000 to begin construction of a steam plant, although this plant is needed to assure an adequate and flexible power supply within the TVA system. In addition it denied all appropriations for new construction in the southwestern power-transmission system.

TRANSPORTATION AND COMMUNICATION

A sharp rise in the postal deficit is the chief factor which increases Federal expenditures for transportation and communication activities $189,000,000 above the January estimate. Expenditures for this group of activities are now estimated at $1,800,000,000.

The postal deficit for the fiscal year 1949 is now estimated at $539,000,000, payable from the general fund. Last January this deficit was estimated at $321,000,000. The higher deficit is largely due to the fact that the cost of the pay raise recently enacted for post office employees will be only partly covered by the increase in postal rates provided in the same legislation. There have also been increases in the prices of materials and in transportation costs.

Changes in the outlook for road construction result in a reduction of $42,000,000 below the January estimate of expenditures for the Federal-aid highway program. Other transportation and communication programs show no significant changes in expenditure estimates for 1949.

A number of major additions to the January estimates of appropriations and authorizations have been enacted, which will not affect expenditures until the fiscal year 1950. The main increases are $470,000,000 authorized for public roads in the Federal-Aid Highway Act of 1948, and $65,000,000 provided for Maritime Commission ship construction. As in the case of flood control, appropriations for existing rivers and harbors projects were held below my recommendations, but numerous new projects were added by the Congress which will result in higher expenditures in later years.

As part of the civil-aviation program for 1949, considerable emphasis will continue to be placed upon the installation of airway and landing aids which will further improve safety and regularity of flight over the Federal airway system. While the Congress reduced recommended appropriations for the Civil Aeronautics Administration by some $57,000,000, the bulk of this reduction was offset by grants of contract authority; there will be no substantial change in estimated expenditures. The Federal airways program in 1949 will follow in general the outlines laid down in the report of the Radio Technical Commission for Aeronautics. In addition, an Air Navigation Development Board has been established to plan and coordinate research and development work required to achieve an all-weather air-traffic control and navigation system suited to joint military and civil use.

FINANCE, COMMERCE, AND INDUSTRY

Expenditures for Government programs affecting finance, commerce, and industry are now estimated at $77,000,000, a reduction of $108,000,000 from the January estimate. Most of this amount had been included in the Budget to administer an adequate anti-inflation program, which was not enacted.

Reduced estimates of Reconstruction Finance Corporation loans to business account for most of the remaining decrease.

Supplemental appropriations of $22,000,000 will be required, principally to restore cuts made in funds for the census of business and to extend the rent-control program.

LABOR

Expenditures for labor programs are now estimated at $98,000,000, $18,000,000 below the January Budget estimate. Of this decrease, $11,000,000 results from reduced appropriations for the United States Employment Service and affiliated Service employment services. Most of the remainder results from congressional failure to approve authorizing legislation for an expanded industrial safety program in the Department of Labor and for the establishment of a national commission against discrimination in employment.

GENERAL GOVERNMENT

The estimated total of expenditures for general Government in fiscal 1949 is now $1,200,000,000 dollars, $30,000,000 above the January estimate, and $203,000,000 dollars below the 1948 total. The largest expenditures in the general Government category are for collecting taxes, for disposing of surplus property and for the Government payment toward the civil service employees' retirement fund.

The reduction below 1948 is primarily due to reduced administrative expenses for disposing of surplus property, and to reduced interest payments by the Reconstruction Finance Corporation reflecting the cancellation of its war-created obligations to the Treasury.

The increase since January allows for some additions to the staff of the Bureau of Internal Revenue, to improve the administration of the tax laws. It includes also an upward revision in estimated expenditures for the return of war dead.

INTEREST ON THE PUBLIC DEBT

Interest payments on the public debt are now estimated to increase to $5,300,000,000 in the current fiscal year, or $50,000,000 higher than anticipated in the January budget.

Despite the reduction in the interest-bearing debt in 1948, interest payments will be $89,000,000 higher in 1949 than in 1948. Accruals on savings bonds will continue to rise substantially as bonds purchased during the war approach maturity. In addition, short-term interest rates have increased, and there has been a gradual shift in the composition of the debt from low-interest obligations held by banks to higher rate securities held by Government trust funds and nonbank investors.

Because some of these forces will continue to operate, the failure to achieve any debt reduction in fiscal 1949 will probably mean even higher interest payments in 1950.

REFUNDS OF RECEIPTS

Expenditures to refund overpayments of taxes and other receipts are estimated at $2,800,000,000. The estimate has been increased by $799,000,000 since January, chiefly because the Revenue Act of 1948 will require refund payments of nearly $700,000,000. The 1948 experience indicates that corporation tax refunds also will run above the levels previously expected.

PART III. RECEIPTS FROM AND PAYMENTS TO THE PUBLIC

Receipts from the public during the fiscal year 1949 are now estimated at $44,100,000,000 and payments to the public at $42,700,000,000. These totals include trust accounts as well as Budget accounts, but exclude all intra-governmental transactions. Accordingly, they show the flow of money between the Federal Government and the public.

The excess of cash receipts over cash payments in the fiscal year 1949 is now expected to be only $1,400,000,000, compared with $7,100,000,000 estimated in the January budget. This change reflects a combination of a decline of $4,200,000,000 in receipts and an increase of $1,500,000,000 in payments.

The excess of cash receipts arises largely from the accumulation of funds in the social-security trust accounts during a period of full employment. This accumulation represents a reserve for future payments of old-age, unemployment, and similar benefits.

TABLE 3.[1]—*Budget résumé for the fiscal years 1948 and 1949*

[In millions]

PART A. BUDGET RECEIPTS AND EXPENDITURES

Description	1948 actual	1949 estimated	
		Budget document January 1948	Revision August 1948
Budget receipts	$44,486	$44,402	$40,658
Budget expenditures:			
National defense	10,648	11,025	12,140
International affairs and finance	4,745	7,009	[2] 7,010
Veterans' services and benefits	6,563	6,102	6,791
Social welfare, health, and security	1,946	2,027	2,009
Housing and community facilities	96	38	327
Education and general research	73	387	86
Agriculture and agricultural resources	687	838	868
Natural resources not primarily agricultural	1,095	1,625	1,586
Transportation and communication	1,269	1,646	1,835
Finance, commerce, and industry	95	185	77
Labor	97	116	98
General Government	1,390	1,157	1,187
Interest on the public debt	5,211	5,250	5,300
Refunds of receipts	2,309	1,990	2,789
Reserve for contingencies		200	100
Adjustment to daily Treasury statement basis	−158		
Total budget expenditures	36,066	39,594	42,203
Transfer to Foreign Economic Cooperation Trust Fund [3]	3,000		
Deduct: Expenditures from Foreign Economic Cooperation Trust Fund [3]			−3,000
Total budget expenditures, adjusted for Foreign Economic Cooperation Trust Fund	39,066	39,594	39,203
Budget surplus (+) or deficit (−):			
Before adjustment for Foreign Economic Cooperation Trust Fund [3]	+8,419	+4,808	−1,545
After adjustment for Foreign Economic Cooperation Trust Fund [3]	+5,419	+4,808	+1,455

PART B. THE PUBLIC DEBT

Description	1948 actual	1949 estimated	
		Budget document January 1948	Revision August 1948
Public debt at beginning of year	$258,286	$250,900	$252,292
Increase (+), decrease (−) in debt during year	−5,994	−4,700	+8
Public debt at end of year	252,292	246,200	252,300

PART C. BUDGET APPROPRIATIONS AND OTHER AUTHORIZATIONS

Description	1948 enacted	1949 recommended		1949 enacted or anticipated
		Budget document January 1948	Revision August 1948	
Appropriations [4]	$37,999	$32,930	$34,431	$32,313
Deduct: Appropriations to liquidate contract authorizations	−673	−1,672	−1,277	−1,147
Appropriations, excluding appropriations to liquidate contract authorizations	37,326	31,258	33,154	31,166
Anticipated supplemental appropriations			3,553	3,553
New contract authorizations	4,861	1,930	1,952	2,086
Anticipated supplemental contract authorizations			14	14
Authorizations treated as public debt transactions	1,952	870	1,100	1,260
Reappropriations	83	1	93	108
Total budget appropriations and other authorizations	44,222	34,059	39,866	38,187

[1] This table is a revision of the budget résumé, p. A4 of the 1949 Budget.
[2] Includes expenditures from the foreign economic cooperation trust fund.
[3] Section 114 (f) of the Economic Cooperation Act of 1948 requires that $3,000,000,000 of 1948 revenues be transferred to a foreign economic cooperation trust fund to pay initial 1949 expenditures toward European recovery.
[4] Includes permanent appropriations.

NOTE.—Detail figures do not necessarily add to totals due to rounding.

Independence National Historical Park

EXTENSION OF REMARKS
OF

HON. FRANCIS J. MYERS

OF PENNSYLVANIA

IN THE SENATE OF THE UNITED STATES

Saturday, August 7 (legislative day of Thursday, August 5), 1948

Mr. MYERS. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a statement prepared by me on Public Law 795, of the Eightieth Congress, providing for the establishment of the Independence National Historical Park in the city of Philadelphia.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY HON. FRANCIS J. MYERS, OF PENNSYLVANIA, ON THE ESTABLISHMENT OF INDEPENDENCE NATIONAL HISTORICAL PARK

As a cosponsor of the two acts of Congress which will make of our historic Independence Hall area in Philadelphia a new national park and as a member of the Commission which investigated this matter and made the recommendations which the Congress has followed, I am exceedingly grateful for the fine cooperation which Philadelphia and Pennsylvania have been accorded on this matter.

As stated so convincingly by Chairman WELCH in the House committee report on this project, this work should have been undertaken years ago. He concluded in the committee's unanimous report: "If we are properly to preserve our historical heritage indelibly associated with the founding of the Nation, and to pass that heritage on to future generations unimpaired, it is essential that we strongly support such a great national patriotic project as is represented by the proposed Independence National Historical Park."

The congressional legislation providing for the establishment of the Independence National Historical Park in the old part of the city of Philadelphia, approved on June 28 by President Truman, represents one of the major historical conservation developments in the United States in recent decades.

This national historical park and related projects planned by the State of Pennsylvania and the city of Philadelphia to improve and beautify the surroundings of the Independence Hall group of structures in historic Independence Square will provide a fitting and permanent memorial to the principles on which this Nation was founded. Existing unsightly developments will be removed, historic sites will be made readily accessible to visitors, and present fire hazards will be reduced.

The Congress based the legislation providing for park establishment on recommendations contained in the final report of the Philadelphia National Shrines Park Commission, which was submitted to the Congress on December 29, 1947. Members of this commission were Judge Edwin O. Lewis, Philadelphia, chairman; Albert M. Greenfield, Philadelphia, vice chairman; George McAneny, New York City; Representative Robert M. McGarvey, Philadelphia, who succeeded former Representative Michael J. Bradley after the latter voluntarily retired from Congress and from the commission which his bill in the Seventy-ninth Congress had created; Judge Hugh Martin Morris, Wilmington, Del.; Senator Francis J. Myers, Philadelphia; and Dr. Carl Van Doren, of New York City.

The story of the passage of this legislation through the Congress is remarkable for the nonpartisan character of the project, identical bills having been introduced into the Congress by Republican and Democratic Members to consummate the recommendations of the Commission. The realization of the project to preserve and improve the surroundings of this cradle of American Independence and liberty therefore expresses the will of all of the Philadelphia people and all of the American people regardless of party differences.

The legislation enacted by the Congress authorizes the Secretary of the Interior "to acquire by donation or with donated funds, or to acquire by purchase" historic buildings and sites in the vicinity of Independence Hall which were intimately associated with the American Revolution and the founding and growth of the United States. A sum of not to exceed $4,435,000 is authorized to be appropriated for the acquisition of properties for the park. Approximately an equal sum has been appropriated by the State of Pennsylvania for acquisition of land for the development of a mall facing Independence Hall and coordinated in plan with the national historical park. It is understood that the State contemplates a further expenditure of an almost equal amount. The City of Philadelphia plans to finance related improvements bordering the general park area.

Under the terms of the Federal legislation, the park may be established following the consummation of certain agreements by the Secretary of the Interior with the City of Philadelphia and the Carpenters' Company of Philadelphia and when title to certain specified sites and properties, together with two-thirds of the remaining properties within the following four "projects" or areas, have been vested in the United States. These are:

1. An area of three city blocks, including land surrounding Carpenters' Hall, where the First Continental Congress met, and on which are situated the First Bank of the United States, the Second Bank of the United States (Old Philadelphia Custom House National Historic Site), the site of the old City Tavern, where Revolutionary patriots gathered, and other important sites and structures, but excluding the new United States Custom House.

2. A memorial thoroughfare or mall extending generally from the south side of Walnut Street to the north side of Manning Street.

3. Site of Franklin Court, where Benjamin Franklin had his home and print shop and where he lived when he signed the Declaration of Independence and the Constitution of the United States.

4. Certain lands and buildings immediately adjacent to Christ Church, where George Washington and many other Members of the Continental Congress and the Constitutional Convention worshiped. In the churchyard are buried many of the Founding Fathers who signed the Declaration of Independence.

The cooperative agreements to be entered into by the Secretary of the Interior and the city of Philadelphia and the Carpenters' Company of Philadelphia, prior to acquisition of property for the park will provide for the preservation and interpretation of the Independence Hall National Historic Site and Carpenters' Hall. The Independence Hall National Historic Site, designated as such by the Secretary of the Interior on May 14, 1943, under the authority of the Historic Sites Act of August 21, 1935, includes Independence Hall, Congress Hall, Old City Hall, and associated historic objects located in Independence Square. The agreements, it is pointed out in the legislation, shall contain, but not be limited to, provisions that the Secretary of the Interior, through the National Park Service, shall have right of access at all reasonable times to public portions of the properties for the purpose of conducting visitors through the buildings and grounds and interpreting them to the public. The legislation further provides that no changes or alterations shall be made in the properties except by mutual agreement between the Secretary of the Interior and the other parties to the contracts.

The Secretary of the Interior is also authorized to enter into agreement with the proprietors of Christ Church for the protection of the property, assuring its physical maintenance as a national shrine, without any limitation or control over its use for customary church purposes.

Appointment by the Secretary of the Interior of an Advisory Commission of not to exceed 11 members is specified in the legislation. Three of the members are to be recommended by the Governor of Pennsylvania, three by the mayor of Philadelphia, and one each by the Carpenters' Co. of Philadelphia and the Independence Hall Association. The remaining three members will represent the Federal Government. This Advisory Commission is expected to be appointed soon.

The original legislation, Public Law 711 of the Seventy-ninth Congress, which opened the way for the establishment of the new national park by creating the Philadelphia National Shrines Park Commission and outlining the investigation this group was to make, was signed into law by President Truman on August 9, 1946. It provided that the Commission should make a report to Congress in January 1947. Events showed that this was insufficient time in which to make a comprehensive report, and so I sponsored legislation to extend the time until January 1948.

At that time our Commission made its report. New legislation was introduced to carry out the recommendations, and the House and Senate Public Lands Committees soon took up these bills.

The House committee, in its report, made this statement:

"The true patriot will be profoundly impressed with the deep significance of Independence Hall and its surroundings as a focal point for the democratic traditions of the American people, and the committee recognizes the opportunity presented by the proposed national historical park project to perpetuate and enhance these values. It is a memorable experience to view the white-paneled room in Independence Hall, with its original desk and chairs, where the best minds of America framed and signed the Declaration of Independence and the Constitution; to view Congress Hall, a wing of the main building, where our congressional predecessors met for the decade from 1790 to 1800—10 of the most crucial years in the history of the United States; to visit the nearby American Philosophical Society Building in Independence Square, home of the oldest scientific society in America, founded in 1743 by Benjamin Franklin, whose treasures include the original copy of the Declaration of Independence in Jefferson's own handwriting, with corrections by Franklin; the equipment with which Benjamin Franklin conducted some of his famous electrical experiments; the original notebooks of Lewis and Clark, and many other priceless objects; to visit Carpenters' Hall, where the first Continental Congress met in 1774. These historic sites and buildings constitute an indispensable and irreplaceable part of our own national heritage."

Pointing out that today's visitor to Philadelphia faces "many obstacles to a clear understanding of these historic scenes which commemorate most fully and intimately the basic political ideals of the American people," the report said the new historical park, as outlined in the legislation, will remove the "blanket of urbanization" which covers the area now and obscures its historic treasures and provide "a landscape setting having the full dignity and character appropriate to the most important historic buildings in America."

Subversive of What?

EXTENSION OF REMARKS
OF
HON. ARTHUR G. KLEIN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

Mr. KLEIN. Mr. Speaker, the national hero who, more than any other one individual, gave to the United States its fundamental form and philosophy of Government, was Thomas Jefferson. It gives me pleasure to introduce in the Congressional RECORD a portion of an article which views our contemporary drift away from freedom in terms of Jeffersonian freedom, written by Julian P. Boyd and published in the Atlantic Monthly.

A historian and editor who has been at the head of the Princeton University Library since 1940, Julian P. Boyd is a Southerner whose firm conviction it is that Americans have enough strength of mind to resist subversive doctrines—a conviction I share. Mr. Boyd has written several historical works, among them a volume on the evolution of the text of the Declaration of Independence.

SUBVERSIVE OF WHAT?

(By Julian P. Boyd)

In 1813 a native of France by the name of Regnault de Bécourt published a book entitled "Sur la Création du Monde, ou Système d'Organisation Primitive." He and his book would have been forgotten long since if he had not written a letter to the one person in America who, more than any other, was in the habit of buying, reading, and appraising the literature of the past and present—Thomas Jefferson. The title of the forthcoming work intrigued Jefferson. * * * He thereupon subscribed for the work, received it in due course, and authorized payment of the $2 that the book cost.

Authorization of payment involved another Frenchman, a well-known bookseller of Philadelphia by the name of Nicholas Dufief, an ardent bibliophile who had been selling books to Jefferson for more than a decade. * * *

But this simple book purchase was very far from being at an end. A few months after Dufief had paid Bécourt the $2, the Philadelphia constabulary visited the bookshop and hailed him into court on the charge of vending subversive if not blasphemous literature. Whereupon Dufief in great anxiety and distress appealed to Jefferson, urging him to set the minions of the law right by informing them that he, Dufief, had not actually sold the book but had merely acted as Jefferson's agent in a financial transaction.

Jefferson, of course, immediately complied with the urgent request of the bookseller. He stated the facts succinctly and accurately, no doubt satisfying both Dufief and the Philadelphia magistrates. But while this may have been enough for Mr. Dufief, who was interested only in keeping out of the toils of the law, or for the Philadelphia magistrates, who were determined only to safeguard American institutions, it was very far from being enough to satisfy the author of the American philosophy of government.

Jefferson thereupon stated in his own incomparable way the true nature of the issue involved. The issue, as he presented it, was one that made the fact of Dufief's arrest a trivial and irrelevant circumstance. It was an issue as great as the cause of America itself, involving one of the fundamental precepts upon which the philosophy of Jefferson and of his country rested. It was the same issue, indeed, that had earlier called forth the unforgettable declaration that now stands carved upon one of the three great monuments of our National Capital: "I have sworn upon the altar of God eternal hostility against every form of tyranny over the mind of man." It was the issue to which Jefferson devoted his entire life, invariably upholding the oath he had taken in defense of free inquiry.

"I really am mortified," he declared in his letter to Dufief, "to be told that, in the United States of America, a fact like this can become a subject of inquiry, and of criminal inquiry, too, as an offense against religion; that a question about the sale of a book can be carried before the civil magistrate. Is this, then, our freedom of religion? And are we to have a censor whose imprimatur shall say what books may be sold and what we may buy? And who is thus to dogmatize religious opinions for our citizens? Whose foot is to be the measure to which ours are all to be cut or stretched? Is a priest to be our inquisitor, or shall a layman, simple as ourselves, set up his reason as the rule for what we are to read and what we must believe?

"It is an insult to our citizens to question whether they are rational beings or not, and blasphemy against religion to suppose it cannot stand a test of truth and reason. If M. de Bécourt's book be false in its facts, disprove them; if false in its reasoning, refute it. But, for God's sake, let us freely hear both sides, if we choose. I know little of its contents, having barely glanced over here and there a passage and over the table of contents. From this the Newtonian philosophy seemed the chief object of attack—the issue of which might be trusted to the strength of the two combatants—Newton certainly not needing the auxiliary arm of the government, and still less the holy author of our religion as to what in it concerns him. I thought the work would be very innocent and one which might be confided to the reason of any man; not likely to be much read, if let alone, but, if persecuted, it will be generally read. Every man in the United States will think it a duty to buy a copy, in vindication of his right to buy, and to read what he pleases. * * *

"But," Jefferson concluded, "it is impossible that the laws of Pennsylvania, which set us the first example of the wholesome and happy effects of religious freedom, can permit these inquisitorial functions to be proposed to their courts. Under them you are surely safe."

Impossible? Dufief was safe, for he had a stalwart champion and the generation that had fought for the great cause of American liberties in the Revolution was still on the scene, still determined to admit no failure of the proposition to which they had dedicated their lives and sacred honor. That proposition was grounded upon the belief that man was innately good rather than evil; that he was endowed by nature with certain indefeasible rights; that, if the yoke of tyranny in every form were removed, man's natural reason and humane instincts would lead him to prefer justice to injustice, equality to privilege, independence of mind to servile obedience to authority, rational judgments to superstition, ignorance, and bigotry; and that, finally, in order to achieve this end and to give mankind full freedom to pursue this course and to govern himself in accordance with its high ideals, it was absolutely essential that every man should have free access to knowledge, unopposed by any barriers that might be erected by any authority.

This was not a new ideal or a new faith. It was what Milton called "the good old cause" and its lineage could be traced through many countries and many ages. But old as it was as an ideal, no government in history had adopted it as a philosophy until Jefferson and his compatriots brought forth a union indissolubly linked with the cause of liberty.

This philosophy sustained and informed all of Jefferson's private thinking and public acts. But he was too much a realist not to know that mankind had a peculiar susceptibility to folly, superstition, and the easy and comfortable inclination of yielding obedience to authority. He believed mankind capable of progress, but only if men were free to know their rights and privileges. The people must be free to form their own opinions and to exercise their native reason untrammeled by authority.

Jefferson's devotion to the Union and his belief in the people required courage as well as faith. For the issue of liberty versus authority arbitrarily exercised was one that he was obliged to face in the arena of practical politics. In 1798 the party in power, fearful of the threat of foreign ideas and their subversive tendencies, enacted the Alien and Sedition Acts which made it a criminal offense for "brawlers against Government" to voice opinions considered dangerous or revolutionary.

Jefferson declared these acts to be as palpably unconstitutional in their infringement of the right of free speech as if Congress had ordered the citizens of the United States to bow down and worship a golden calf. More, he brought forth the Virginia-Kentucky resolutions, a weapon that he used reluctantly and with caution, for the doctrine of nullification on which these resolutions rested pointed straight toward disunion. But, he must have reasoned, since liberty and the Union were one cause, of what value was the Union if its powers were used to destroy those liberties guaranteed by the Declaration of Independence and the Bill of Rights?

Fortunately, the ultimate recourse to disunion was not necessary. The verdict of the people whose rights Jefferson was defending was an overwhelming verdict. In 1800 those who had attempted to suppress dissent were dispossessed of their offices and their legislative authority. Aiming their blows directly at Jefferson and his supposedly dangerous following, the Federalists succeeded only in committing political suicide and in elevating their most conspicuous enemy to the chief magistracy. A self-confident Nation, inspired by the steadfast faith of one who had not separated himself by fear or distrust from the bulk of his countrymen, had taken heart from his example.

Jefferson recognized the implications of this verdict in his first inaugural. Many, he knew, had doubted the permanence of the Union and had questioned the ability of the Nation to survive such a political revolution as it had just experienced. "I knew indeed," he declared, "that some honest men have feared that a republican government cannot be strong; that this Government is not strong enough * * * I believe this, on the contrary, the strongest Government on earth." It was strongest, Jefferson meant, in its reliance upon a great ideal lying in the hearts and minds of its people, without which armies and economic power and even constitutions would be valueless.

Nowhere in American annals has this spirit of tolerance of dissent received a more transcendent expression than in these words from Jefferson's great first inaugural: "If there be any among us who wish to dissolve this Union or to change its republican form, let them stand undisturbed as monuments of the safety with which error of opinion may be tolerated where reason is left free to combat it."

II

The discoveries of the nineteenth and twentieth centuries have made it philosophically and historically impossible for us to cling to the absolutes that Jefferson accepted as self-evident. There are no absolutes in the twentieth century—at least we think there are none—and the concept of natural law is no longer accepted as fixed and unchallengeable. Yet, even though we think ourselves justified in discarding as untenable the basic assumption upon which the Jeffersonian philosophy rested, the gravest question that we can ask ourselves is whether we are justified in discarding the system along with its premises. Do we dare discard the rights of man along with the concept of natural law?

* * * * *

Have we consciously and deliberately come to the conclusion that Jefferson's tolerance of subversive ideas and of disloyal dissent can no longer be justified? If so, on what grounds have we reached that conclusion? Are we doing it in the name of liberty if not of natural law? If so, what kind of liberty? Jefferson would scarcely have understood our use of the term "liberty" if in its name we attempt to control the way in which men speak or the thoughts which they express or the intellectual investigations which they undertake. He would have called it tyranny and he would have fought it with every resource at his command.

* * * * *

The seizure of books, some of them used in college instruction, is only one incident in a mounting demand for conformity. The House of Representatives passed by an overwhelming majority a bill which would have made Thomas Jefferson liable to imprisonment and fine if he had voiced the opinion in the first inaugural that I have just quoted—a bill establishing so firmly the dangerous principle of "guilt by association" that it may limit the right to publish books because of the author's politics or because of the political views expressed.

The preamble of this so-called Subversive Activities Control Act declares its justification to be that of protecting American institutions and the Nation itself from infiltration by those who would establish a totalitarian dictatorship. How can we justify so far-reaching a piece of legislation except on the fundamental assumption that the people cannot be trusted to distinguish truth and error?

This bill was sponsored by the House Committee on Un-American Activities. Though it pays lip service to the first amendment, it is comparable only to the Alien and Sedition Acts of 1798, acts which Thomas Jefferson regarded as so subversive, so destructive of everything that the American Union stood for, that he was driven along the pathway toward disunion in his attempt to defeat so gross a violation of individual right.

But this bill and its sponsoring committee are only the larger symptoms of a disease that is epidemic throughout the country. The public press, the great instrument for the protection of our liberties which Jefferson preferred to government itself, has shamefully acquiesced. Not only acquiesced; but, shaken by the fear of a common foe, distrustful of the ability of the people to distinguish between right and wrong, has actually helped to produce the hysteria that would compel uniformity.

Editors have approved tactly or explicitly the withdrawal of textbooks and the expulsion of teachers whose ideas do not conform to the established economic or political views; they have aided in compelling educators, school boards, trustees, and others to yield to the pressures of unofficial groups that object to dissenting opinion in the realm of economics, politics, or religion. They have committed the ultimate disloyalty to their trust by attempting to command loyalty, overlooking the simple fact that loyalty cannot be commanded but can only be deserved. Educators, editors, librarians, even those scholars who hold, or at least have the responsibility of defending, the last citadel of civil rights, have all but capitulated to the wave of fear and distrust that is now sweeping over us. Too many have acted the part of Dufief, putting themselves first; too few the part of Jefferson, defending his country's principles at all costs.

III

Just where will this demand for conformity, for unquestioning loyalty, lead? Thomas Jefferson, for one, was certain that it would not lead to human enlightenment, to progress, or to the fullest expressions of reason, justice, and equity toward which our Nation directed its early course.

"I join you, therefore," he wrote to one of his young protégés after the passage of the Alien and Sedition Acts, "in branding as cowardly the idea that the human mind is incapable of further advances. This is precisely the doctrine that the present despots of the earth are inculcating, and their friends are reechoing; and applying especially to religion and politics; that is not probable anything better will be discovered than what was known to our fathers. We are to look backward then and not forward for the improvement of science, and to find it amidst feudal barbarisms and the fires of Spitalfields. But thank heaven the American mind is already too much opened to listen to these impostures; and while the art of printing is left to us, science can never be retrograde; what is once acquired of real knowledge can never be lost."

But to what advantage, we may ask Jefferson, is the art of printing if what is printed must conform to the established pattern? Of what value is the vaunted public press or our institutions of higher learning, dedicated to the progress of the mind in all fields, when the trustees of the University of Wyoming appoint a committee to examine textbooks for "subversive" material? Of what value is our professed ideal of free education, of the untrammeled pursuit of knowledge, when we acquiesce in the action of the Newark Board of Education which removed certain periodicals from school libraries? What precisely do we mean by liberty as we contemplate the magnates of Hollywood who, in trembling haste, toss sacrifices to a clamoring committee of Congress and beat their breasts in loud protestation of their innocence of a charge that none but the Un-American Activities Committee could bring against them with a straight face—the charge that they employ revolutionists to prepare their mediocre art?

These are only a few specific incidents and they are taken at random. Every day's news adds to the list and the most thoughtful educators are becoming increasingly concerned with this growing threat to a basic concept of American institutions. It is not without significance that large numbers of professors in our institutions of higher learning have signed petition after petition throughout the country, protesting against the proposed act of Congress sponsored by the Committee on Un-American Activities. Their petitions have uniformly condemned both the bill and the activities of the committee itself as being subversive of the ideals for which this country has traditionally stood. I think such testimonials cannot be dismissed as the statements of paid hirelings of a foreign totalitarianism. These men have fought Milton's "good old cause" on too many fronts and they have sacrificed too much in the cause of education to be charged with such a calumny. Nor can they be dismissed as theorists, visionaries, and crackpots, unrealistic in their views and out of touch with the world of affairs: for these are the men—some of them at least—who formed the chief reliance of this Nation in the scientific knowledge which shortened World War II and brought success to American arms.

Responsible heads of the public press who point in commendation to the Committee on Un-American Activities in its shameless pilloring of American citizens and in its flagrant disregard of rights and liberties are either ignorant of the nature and the extent of the protest that is beginning to swell or they value suppression more than they value our freedom or they are deliberately misleading their public. In any event, history has proved time and again that the cause they espouse is a shameful and a futile cause. They lack the vision and the courage that led Jefferson in the infancy of our Nation to defy any threat in the realm of ideas, not by suppression but by tolerance. They have little faith and in its place they offer what Jefferson declared to be an insult to the American citizenry—the insult of saying in effect that Americans cannot be trusted to read or to understand or to discriminate. They fear a foreign ideology, unaware of the fact that here at home the liberty that they profess to cherish is in danger of being done to death in the house of friends and with their aid.

I do not impugn the motives of those legislators, editors, educators, and others who have adopted this mistaken course. I do not doubt their devotion to this Nation. I do not question their loyalty to the high ideals of a free press. But I do affirm that the methods they have supported in this present issue put them on the side of the enemies of the "good old cause" of Milton and Jefferson. Those who have adopted this course of compulsory loyalty, though they might disagree with me on everything else, would I think join me in saying that Thomas Jefferson, more than any other single American, can rightfully be regarded as the great spokesman for our ideals and our liberties.

IV

* * * * *

I think it is undoubtedly true that Jefferson, always a realist and a man of practical statesmanship, would have viewed our problems in the light of our knowledge. Since he was a relativist in a world of absolutes, he would probably be more so in a relativistic world. Though he knew history as few in his generation did, he looked to it for perspective, not for dogmatic authority. He would very likely have regarded it as cowardly of us to look to him as our sole guidance. The earth, he declared, belongs to the living. "Can one generation bind another and all others in succession forever?" he asked. "I think not. The Creator has made the earth for the living not the dead. * * * A generation may bind itself as long as its majority continues in life; when that has disappeared, another majority is in place, holds all the rights and powers their predecessors once held and may change their laws and institutions to suit themselves. Nothing then is unchangeable but the inherent and inalienable rights of man."

But he also declared that justice is the fundamental law of society and that "the majority, oppressing an individual, is guilty of a crime, abuses its strength, and by acting on the law of the strongest breaks up the foundations of society."

It may be that today, because we have achieved such an excess of power and knowledge beyond our ability to manage, we cannot afford the tolerance and the free flow and

interchange and clash of ideas that he advocated. I do not think so. At least, if this is so, the alternative evil to which we must turn in our dilemma is worse than the evil from which we fly, simply because of the vast power now in our hands. But even if this were true, let us be honest. Let us not exercise this power of the majority to suppress the rights of individuals and call it the honored name by which our liberties have come down to us. Let us not call it a free republic whose principles we deny while we commit acts that desecrate its name. Let us frankly, solemnly, and with a full realization of what we are doing and what consequences we may draw from our actions, admit that we no longer believe in the ideals that made us great.

I for one do not fear the outcome. The verdict in the twentieth century will, I believe, be what it was in 1800 and what it was in the Age of the Reformation. I believe with Jefferson that "in every country where man is free to think and speak, differences of opinion will arise from differences of perception, and the imperfection of reason; that these differences when permitted, as in this happy country, to purify themselves by free discussion, are but as passing clouds overspreading our land transiently and leaving our horizon more bright and serene."

But I believe also that we cannot wait complacently on the calm assumption that this will come about through acquiescence or through temporary yielding to pressures of authority or through letting the storm spend itself. It will come about only when, as Jefferson said, "to preserve the freedom of the human mind and freedom of the press every spirit should be ready to devote itself to martyrdom; for as long as we may think as we will and speak as we think, the condition of man will proceed in improvement."

The alternative that he implied was obvious: deny this freedom, acquiesce in this abridgment of our liberties—and the promise of improvement of the human race would diminish or cease. If, then, the power that we have achieved in the twentieth century, which is nothing less than the power of planetary destruction, is so great as to deny us the rights that have been achieved over the centuries, let us frankly acknowledge that the price of this denial is the loss of our promise of moral and intellectual improvement. It is a price so fearfully exacting as to make man's future one of mere existence and not of destiny. It is a price that mankind has steadfastly refused to pay.

The President's Midyear Budget Review—The United States Will Incur an Operating Deficit in a Period of Peak National Income

EXTENSION OF REMARKS

OF

HON. HELEN GAHAGAN DOUGLAS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mrs. DOUGLAS. Mr. Speaker, under permission to extend my remarks in the RECORD, I wish to include the following extract from the President's midyear budget review:

STATEMENT BY THE PRESIDENT REVIEWING THE 1949 BUDGET

INTRODUCTION

I am issuing today my regular midyear review of the budget of the United States. The Federal budget expresses in dollar terms the policies and programs of our Government. This review sets forth the changes which have taken place in the budget for the fiscal year ending June 30, 1949, since it was originally transmitted to the Congress last January. This review, therefore, gives the American people a factual report on the revised costs of these policies and programs and a reappraisal of our fiscal position. It reflects the effect upon the budget of subsequent amendments which I have proposed, of actions taken by the Congress, and of changes in conditions both at home and abroad.

The outstanding facts shown by this review are as follows:

1. Budget expenditures for the fiscal year 1949 are now estimated at $42,200,000,000—substantially higher than was estimated in January—largely because of increases in the national-defense program, increased benefits for veterans, and increased tax refunds.

2. The tax reduction enacted in April will cause receipts for the fiscal year 1949 to be substantially lower than was estimated in January. Budget receipts are now estimated at $40,700,000,000.

3. As a result, an operating deficit of $1,500,000,000 is now anticipated for 1949, compared with the record surplus of $8,400,000,000 in 1948. This sharp reversal eliminates one of the principal forces that have been restraining further inflation.

4. The public debt was reduced by $6,000,000,000 in 1948. Present estimates indicate that no further reduction in the total debt will be possible in 1949.

5. As we look ahead it is clear that our national and international responsibilities make impossible any sharp reduction in Government expenditures in 1950—indeed it is likely that there will be some increase. It is plain, therefore, that the ill-timed tax reduction of last spring has left the Government facing a period of deficit financing.

PART I. SUMMARY

Budget receipts for the fiscal year 1949 are now estimated at $40,700,000,000—$3,700,000,000 less than was estimated last January. This lower estimate of receipts reflects the impact of the Revenue Act of 1948. It assumes a continuation throughout the fiscal year of approximately the present level of incomes.

Budget expenditures are estimated at $42,200,000,000—an increase of $2,600,000,000 above the estimate made in January.

On the basis of these estimates, an operating deficit of $1,500,000,000 for the fiscal year 1949 is indicated. However, the Economic Cooperation Act required the transfer of $3,000,000,000 of the 1948 surplus to pay part of the 1949 expenditures under that act. This results in an adjusted surplus of $1,500,000,000 for 1949.

TABLE 1.—*Budget totals*

[In millions of dollars]

	1947 actual	1948 actual	1949 estimated	
			Budget, January 1948	Revision, August 1948
Receipts [1]	43,050	44,486	44,402	40,658
Expenditures [1]	42,296	36,066	39,594	42,203
Surplus (+) or deficit (−)	+754	+8,419	+4,808	−1,545
Adjustment for foreign economic cooperation trust fund	----------	−3,000	----------	+3,000
Adjusted surplus	----------	+5,419	----------	+1,455

[1] Budget receipts and expenditures in this review exclude payments into the Treasury by wholly owned Government corporations for retirement of capital stock or for dividends. Such transactions, previously included in budget totals, simply inflate both receipts and expenditures by equal amounts. They do not represent operating costs, nor do they affect the size of the budget surplus or deficit. The transactions eliminated in this review are shown in table 9.

During the past 3 years I have repeatedly taken action to enforce sound and prudent management of our fiscal affairs, in order to curb inflationary pressures, to safeguard our financial position, and to permit reduction of the public debt.

Nevertheless, as we enter the fiscal year 1949 we can foresee only a paper surplus of $1,500,000,000. This should be a sobering thought for all of us. Such a surplus—even if it were real, rather than produced merely by a bookkeeping shift from one year to another—would provide a financial margin far too small, in view of present-day uncertainties and the necessity of reducing the debt during periods of prosperity.

In the message accompanying the 1949 budget I stated that the budget "demonstrates alike the heavy responsibilities of our international position and our concern for the maintenance of a sound domestic economy." I also pointed out that "our budget must remain high until we have met our international responsibilities and can see the way clear to a peaceful and prosperous world."

Events of the past 6 months have added emphasis to these facts. We have been compelled to reexamine our requirements for national defense. At the same time, the Federal Government, like the private citizen, has had to meet rising prices. In an effort to keep benefits, services, and salaries in step with the mounting cost of living, the Congress has enacted increases in veterans' pensions, other veterans' benefits, grants to States for public assistance, Federal salary scales, and other programs.

Events of the last 6 months have also emphasized that we cannot plan our fiscal policy on the basis of a single year only. Programs already authorized for the National Military Establishment will require a higher level of expenditures for the fiscal year 1950. Expenditures for the European recovery program will reach their peak in the same year. These increases cannot be met next year by the convenient bookkeeping device of a $3,000,000,000 transfer.

During the fiscal year 1948, the debt was reduced from $258,000,000,000 to $252,000,000,000. On the basis of present estimates no further debt reduction can be achieved this year. Indeed, as long as the present fiscal outlook prevails, we may face an expanding debt—even in a period of high national income when financial prudence clearly would dictate continuing debt retirement.

It is possible that further inflationary developments may produce higher revenues than those now estimated—revenues might even rise above expenditures. Even if this should prove true, however, it is hardly sound fiscal policy to rely on inflation as a method of balancing the budget.

To cut Government revenues in the face of expanding national and international requirements, and at a time of increasing inflationary pressures, was obviously a grave error.

Appropriations and other authorizations

In this review prospective Government outgo has so far been expressed in terms of estimated expenditures. It is also necessary to consider the appropriations and other authorizations enacted by the Congress, which permit Government agencies to incur obligations. Expenditures occur when obligations are paid; they do not necessarily coincide with congressional authorizations in any given fiscal year.

The Eightieth Congress in its second session reduced annual definite appropriations, relating to both the fiscal years 1948 and 1949, by $2,700,000,000 below the amount which I submitted. For several reasons, however, this figure does not realistically reflect the results of congressional actions. It relates to only one segment of the budgetary actions of the session. It ignores types of authorizations other than appropriations, such as loan and contract authorizations, which the Congress increased more than $1,000,000,000 over my recommendations. It does not allow, of course, for the supplemental appropriations for 1949 which will be required before the close of the year.

A better perspective may be obtained from the following:

I submitted for the fiscal year 1949 specific requests for appropriations and other forms of authorization totaling $36,300,000,000. Congressional enactments to date, together with permanent appropriations, amount to $34,600,000,000, or $1,700,000,00 less than requested. These congressional reductions in authorizations will have to be restored for some items, such as veterans' allowances and postal expenditures. Furthermore, it will be necessary to provide appropriations to carry out several laws enacted by the Congress for which it made no financial provision—such as the increases in Federal employees' salaries and veterans' pensions. Finally, a number of programs, such as international aid, will require additional appropriations. In all, it is now estimated that it will be necessary later this year to request $3,600,000,000 as supplemental appropriations.

PART II. MAJOR CHANGES IN EXPENDITURES BY FUNCTION

Expenditures for the fiscal year 1949 are now expected to be $2,600,000,000 higher than they were in the January budget.

TABLE 2.—*Budget expenditures by function*

[In millions of dollars]

Function	1948 actual	1949 estimated		
		Budget, January 1948	Revision, August 1948	Net change
National defense	10,648	11,025	12,140	+1,115
International affairs and finance	4,745	7,009	7,010	+1
Veterans' services and benefits	6,563	6,102	6,791	+689
Social welfare, health, and security	1,946	2,027	2,009	−18
Housing and community facilities	96	38	327	+289
Education and general research	73	387	86	−301
Agriculture and agricultural resources	687	838	868	+30
Natural resources	1,095	1,625	1,586	−39
Transportation and communication	1,269	1,646	1,835	+189
Finance, commerce, and industry	95	185	77	−108
Labor	97	116	98	−18
General government	1,390	1,157	1,187	+30
Interest on the public debt	5,211	5,250	5,300	+50
Refunds of receipts	2,309	1,990	2,789	+799
Reserve for contingencies		200	100	−100
Adjustment to Daily Treasury Statement	−158			
Total budget expenditures	36,066	39,594	42,203	+2,609

NOTE.—Detailed figures do not necessarily add to totals due to rounding.

Major changes in expenditure estimates since January include:

An enlarged national defense program, including expanded air strength and increases in military personnel, with added expenditures in 1949 of $1,100,000,000. This takes into account a reduction of $400,000,000 resulting from failure to enact a universal training program.

Higher readjustment benefits and pensions for veterans, which will increase expenditures for veterans' programs by $689,000,000.

Increase tax refunds amounting to $799,000,000, resulting chiefly from the new tax law.

Larger mortgage purchases, which will increase expenditures for housing and community facilities by $289,000,000.

There have also been some major reduction in the 1949 budget since it was transmitted last January. In large measure, these result from the failure of the Congress to enact legislation which I have recommended, such as Federal aid to education, and for which estimates of expenditures were included in the January budget.

The estimates of expenditures which follow are based not only on appropriations and authorizations already enacted, but also upon anticipated supplementals which it will be necessary to submit to the next session of the Congress.

Flood Control a Sensible Investment

EXTENSION OF REMARKS

OF

HON. FRANCIS J. MYERS

OF PENNSYLVANIA

IN THE SENATE OF THE UNITED STATES

Saturday, August 7 (legislative day of Thursday, August 5), 1948

Mr. MYERS. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a statement on the flood-control problems of Pennsylvania:

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY HON. FRANCIS J. MYERS, OF PENNSYLVANIA, ON THE FLOOD-CONTROL PROBLEMS OF PENNSYLVANIA

Of all the basic reforms and innovations of the Democratic national administrations of the past 16 years, none has been more popular and more necessary in Pennsylvania than the launching of the coordinated flood-control program authorized in the Flood Control Act of 1936.

Enactment of this legislation followed some of the most severe floods Pittsburgh and other areas of the State had ever suffered. Losses in damages and in lives were so horrible that proposals for effective national planning and construction to prevent floods found ready acceptance.

The 1936 act recognized that floods are no respecter of State lines. It recognized that an effective method of curbing floods in northern Pennsylvania is to prevent them at the source in lower New York State; that the best way to protect Pittsburgh lay in heading off the floods of the Monongahela, Allegheny, and Ohio far up at their headwaters, in upper and lower Pennsylvania, in West Virginia, in Ohio. A Democratic administration and Democratic Congresses put this knowledge to work in the form of adequate appropriations to launch this tremendous flood-control program in Pennsylvania and elsewhere.

The war interrupted this work, since the materials and manpower which would have gone into flood control were needed urgently and immediately in the all-out war effort. Although this curtailment in work meant a delay of perhaps a half dozen years in many of the extremely important projects in Pennsylvania, the people of Pennsylvania recognized the necessity for the abrupt halt in flood control and, although some of our communities suffered grievous damage in wartime floods, they waited patiently for the years of peace which would signal a renewal of their life-saving and property-protecting flood-control works.

Williamsport was inundated by a major flood just a few years ago which would have been prevented had work begun there before the war been completed. Instead, the people of Williamsport sadly watched the swirling waters sweep around their uncompleted dikes and rush into the very heart of the city.

Pittsburgh, on the other hand, was more fortunate. And so was Johnstown. Work on giant reservoirs to protect Pittsburgh were virtually completed before the war and a channel and dike project at Johnstown was also in operation when the curtain was lowered on further construction during the war.

Both communities were to be grateful numerous times in the succeding years for their effective protection, protection which was not yet quite complete but which saved hundreds of millions of dollars in damages and untold lives.

Shortly after the war ended, the Democratic Seventy-ninth Congress immediately started legislation on its way to enactment to provide funds for the resumption of flood-control work. A Pennsylvania Democrat, the late Representative J. Buell Snyder, was chairman of the House Appropriations Subcommittee on Civil Functions of the War Department, and was also a member of the Deficiency Subcommittee and in those capacities assured the inclusion of adequate flood-control funds in the first postwar appropriations bills.

However, in view of the tremendous demand for immediate action on numerous projects both halted and postponed during the war, the House Appropriations Committee, after recommending initial postwar funds for several score of those which had already been under way, attempted to limit funds only to those projects and to hold down the start of new projects for a year or so.

Under these circumstances, it remained for my former Democratic colleague, Senator Guffey, and me to persuade the Senate to write into these initial postwar measures both the huge Conemaugh Reservoir designed nearly to double the flood protection which Pittsburgh was receiving from a half-dozen other reservoirs, and also the East

Branch Clarion Reservoir protecting Johnsonburg, Ridgway, St. Marys, and other communities in Elk County. Both had been left out of the first postwar House appropriation bills but were agreed to by House conferees after they had been written into the appropriation measures by the Senate.

Since that time expenditures for flood control have been increasing rapidly each year, because more and more new projects are being put into the going stage. There was great opposition to this in the Eightieth Congress, but the Congress was finally persuaded that flood control is one of the most sensible investments our Government could make.

However, in both sessions of the Eightieth Congress, the House of Representatives, attempting to make wholesale slashes in Government expenditures, sought to reduce considerably the amounts made available to continue an integrated flood-control program. Had the appropriation bills passed by the House been enacted into law in that form, numerous vital projects in Pennsylvania would have been drastically affected. Those include:

WILLIAMSPORT, PA., FLOOD WALLS

I have already described what happened in Williamsport as a result of the wartime curtailment of flood work there—how a disastrous flood in May of 1946 swept around the partially completed flood walls of the community and caused a flood almost as tragic as the terrible flood of 1936. Until those dikes are completed Williamsport will remain in a state of terror from every heavy rainfall.

Yet in 1947, when the administration requested $2,436,000 for continuation of work at Williamsport, the Republican House cut this amount down to $1,836,000 as part of a so-called economy drive. Fortunately, the Senate Appropriations Committee granted my plea for a restoration of the full amount and the project proceeded at reasonable speed.

This year, however, the House again cut the budget for Williamsport by almost the same amount—from $2,244,400 to $1,900,000, or a difference of $344,400—about 15 percent. Although the Senate Appropriations Committee and the Senate agreed with me that the full budget amount should be provided, and so wrote the bill, the House Appropriations Committee leadership refused to accept the increase in conference and the final appropriation is identical with the original House figure. This short-sighted penny-pinching will force a delay in previous plans to have these dikes far enough along by mid-1950 to provide some real protection. Furthermore, it will probably prevent the previously scheduled start of construction in this fiscal year on the Hagermans Run pressure conduit and the South Williamsport railroad alterations.

I cannot understand the reasoning which the House used in cutting this meritorious project and the House committee itself made no effort to explain it.

PUNXSUTAWNEY FLOOD DIKES

This $3,030,000 project to protect Punxsutawney against a repetition of damaging floods of past years is on its way to completion by about July 1, 1949, thanks largely to the good sense of the Senate in restoring cuts made by the House.

After the Seventy-ninth Congress had speeded the work along and the Eightieth Congress in the first session maintained a good pace on it, the engineers came before Congress this year to ask for $1,428,100 to complete it in this fiscal year ending next July 1. For reasons never made clear, the House Appropriations Committee and the House, again practicing what was termed Republican economy, cut the request by nearly 23 percent, or to $1,100,000. This cut would have forced the work to continue into the next fiscal year and delay its completion accordingly. However, the Senate heeded my request for restoration of the cut and the full amount was subsequently written into the final bill. This project, when completed, will prevent such floods as that in 1936 which caused about $1,047,000 in damages, and will remove the worry of floods from 4,000 residents and many industrial concerns. The estimated damage this project will prevent annually will more than make up in 3 years' time the entire amount which the House had tried to cut out of the appropriation this year.

EAST BRANCH CLARION RIVER RESERVOIR

As I stated earlier, this project was gotten under way because of the insistence of the Senate, at the request of Senator Guffey and myself, that it be included among early postwar projects. Once we succeeded in the Seventy-ninth Congress in getting an initial $500,000 appropriation for it however, Eightieth Congress economy almost intervened disastrously. The House in 1947 gave some study to the project but failed to include any money in the appropriation bill. However, when I appealed to the Senate Appropriations Committee, it wrote in a $1,000,000 sum, which was included in the final bill that year, making a total of $1,500,000 available for a good start on the work.

This year, when the engineers asked for an additional $2,000,000, the House cut the amount by 15 percent, or $300,000. Although I persuaded the Senate to restore this cut, the House refused flatly to agree to the higher figure. Thus, our goal of having this project brought to 43 percent of completion by June 30, 1949, and completed by mid-1951 is denied unless succeeding Congresses approach this matter more realistically than the Republican-controlled House in this Eightieth Congress has done. The damage this project will prevent each year once it is completed will be substantially greater than the amortized annual cost of the project. As I have said many times, I think that kind of Government expenditure extremely sensible and good business.

SUNBURY DIKES

Sunbury, like Williamsport, suffered a serious flood in May 1946, which would have been prevented had a diking system now under construction there been completed. These walls are now being speeded to completion. However, last year, after the administration asked for $1,369,000 to continue the work, the House allowed only $1,169,000. This $300,000 cut would have represented a serious delay in progress, and so the Senate, at my request, restored the money to the bill and we got it through in final form. This year the full budget amount was granted, and Sunbury can now look forward to early achievement of flood protection.

OTHER PROJECTS

Work is rushing along toward completion of the Loyalhanna and Youghiogheny Reservoirs in the network protecting Pittsburgh and the Ohio River Valley. Both reservoirs have been in operation for some years, and modest appropriations this year will allow for the finishing touches. The huge Conemaugh Dam is proceeding on schedule, and will be a vast bulwark to the whole Ohio Valley, and particularly to Pittsburgh. Some remaining work on the Codorus Creek project at York will soon be completed. An adequate appropriation was obtained for the channel improvement work at Latrobe costing $146,000, and effective strengthening of Johnstown's flood protection will be completed this year also through an appropriation of $402,000, which will make this town, in truth, the floodless city.

NEW PROJECTS

There has been altogether too much reluctance on the part of the Eightieth Congress, in its economy drive, to give proper consideration to the need for an orderly program of initiating new projects so that the backlog does not become desperately and hopelessly large. The House, both last year and this year, in line with this false economy, drastically trimmed administration requests for planning funds. Last year the Senate succeeded in reversing the House cut of 50 percent on planning and wrote in the full amount necessary to allow for a reasonable degree of advance planning on such projects as the Bear Creek Reservoir to protect Allentown and Bethlehem and the Lehigh Valley, the Turtle Creek Reservoir in the western Pennsylvania network, Tyrone, and the Lackawaxen River Basin.

Unfortunately, however, the House again this year cut planning funds, this time by 25 percent, and the Senate was unable to obtain full restoration in the conference bill. As I pointed out at the time the bill was before the Senate, the House cuts mean substantial reductions in work on the Shenango and Turtle Creek Reservoirs and at Tyrone. By careful allotment of its allowance for planning, the engineers inform me that they can reach almost the original schedule of progress on the Johnsonburg-Wilcox project and perhaps on Prompton Reservoir, although the planning allotment for the entire Lackawaxen system cannot be up to budget levels. The Johnsonburg-Wilcox allotment of $7,000 is so modest that the engineers were not forced to cut it despite the House cut, but other projects of a larger nature will, of necessity, suffer from the 25-percent decrease. No work will be done on the Dyberry Creek Reservoir in the Lackawaxen system.

LACKAWAXEN RIVER

I am pleased that the Senate Public Works Committee reversed the action of the House Public Works Committee and agreed with my request to write original enabling legislation for the Lackawaxen program into the omnibus flood-control authorization bill. Next year, however, this authorization must be broadened to include the Dyberry Creek Reservoir, which I could not persuade the committee to approve this year. My bill, S. 1908, provided for necessary authorization for both the Prompton and Dyberry Creek Reservoirs. The reason which the committee gave in separating this dual project into two parts and authorizing only the Prompton Reservoir was economy. I see no economy in delaying a mere authorization, which carries no funds with it. The action of the Eightieth Congress in approving only the one reservoir merely drags out and delays an inevitable step and is most unfair to the residents of Honesdale, Hawley, and vicinity who are menaced by the floods these two reservoirs on the Lackawaxen will curb.

BRADFORD, PA., FLOOD WORKS

Some years ago I introduced the original legislation providing for a survey of flood conditions in and near Bradford, Pa., to determine the need for a Federal project. Before this survey was completed, a new flood struck the area and a resurvey was made necessary in order to assure the compilation of the most complete data. The Army engineer survey demonstrated the need for a flood-control project, and I then introduced S. 2814 to authorize it.

Unfortunately, the House Public Works Committee would not consider the Bradford project because the final report on it from the War Department had not been transmitted to Congress. However, I did persuade the Senate Public Works Committee to consider my bill and to question Army engineer experts on its merits. The engineer representatives presented full and complete facts based on their survey to demonstrate the need and the economic justification for this work.

The project outlined in my bill was not included in the omnibus flood-control bill re-

ported out late in the regular session by the Senate Public Works Committee. I was informed that it was not included because the committee had adopted a flat policy of including no projects which had not yet cleared the Bureau of the Budget. Therefore, even though the subcommittee of the Public Works Committee which had drafted the omnibus bill had approved S. 2814 for inclusion in it, the full committee reversed this position and left this project out entirely. Several others in similar status were also left out.

I opposed this policy and pointed out that the Senate committee had full authority and ample precedent for including any project it deemed worthy, regardless of whether that project had actually cleared the Budget Bureau reviewing staff. The Congress, it seems to me, has no hesitancy about disregarding the Budget Bureau whenever it really wants to do so, but insists on hiding behind the Budget Bureau when it suits its purpose. The refusal to include the Bradford project in the omnibus bill means that it will be about midyear of next year at the earliest before, under normal circumstances, legislation to authorize this project can be enacted. Then it will probably be too late to obtain any funds for it in the next appropriation bill.

It will be my purpose to attempt to get action on the Bradford project as soon as possible after the Eighty-first Congress convenes. I shall reintroduce S. 2814 in the new Congress and press for action by the Senate committee. Members of this committee have assured me, at least, that they will not wait until the very end of the Eighty-first Congress—in 1950—to act on an omnibus flood-control bill, but will start one through Congress in the first session.

CONCLUSION

In Pennsylvania we have learned that flood-control expenditures are among our most sensible and effective investments. Pennsylvania historically has been ravaged by great floods. We have seen in the last 12 years, since the enactment of the historic Flood Control Act of 1936, that these floods can be prevented and lives and property saved from their disastrous effects.

The lesson we have learned in our State is not yet learned as well as it should be by many Members of Congress who fail to recognize the investment features of flood control and see only the dollar sign before the appropriation figure. Penny pinching on flood control is not economy; it is absurdity.

As I have done throughout my career in Congress, I will continue my efforts to assure adequate funds for flood-control needs. Flood control is a national problem and must be attacked in an integrated national program. Pennsylvania has been accorded by the Democratic administrations of the past 16 years the treatment deserving of a State which contributes a huge share of Federal revenues and which is the keystone of our industrial and defense potential. Attempts of the Republican-controlled Eightieth Congress to cut flood-control work in Pennsylvania and elsewhere are deplored by all thinking Pennsylvanians.

Foreign Trade Authority Act

EXTENSION OF REMARKS

OF

HON. BERTRAND W. GEARHART

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. GEARHART. Mr. Speaker, I feel that Senate bill 2582, introduced in the Eightieth Congress by Senator GEORGE W. MALONE, of Nevada, is of such great importance in our foreign-trade policies that I wish to have it printed in order that this legislation might be given earnest study by Members of the Congress with a view to enactment during the Eighty-first Congress.

I hand to the Public Printer for inclusion in the CONGRESSIONAL RECORD a copy of Senate bill 2582, together with a summary and explanation of the bill.

S. 2582

[In the Senate of the United States, April 28 (legislative day, April 22), 1948, Mr. MALONE (for himself and Mr. BUTLER) introduced the following bill; which was read twice and referred to the Committee on Finance]

A bill to amend the Tariff Act of 1930, and for other purposes

Be it enacted, etc.—

DECLARATION OF POLICY

SECTION 1. It is declared to be the policy of the Congress—

(a) to facilitate and encourage the importation into the United States of foreign goods and products in quantities sufficient to supplement the needs of the various branches of American industry and agriculture;

(b) to foster and provide for the export of the products of American industry and agriculture in quantities sufficient to pay for the needed imports;

(c) to develop and promote a well-balanced, integrated, and diversified production within the United States so as to maintain a sound national economy and a high level of employment in industry and agriculture;

(d) to provide necessary flexibility of import duties thereby making possible appropriate adjustments in response to changing economic conditions;

(e) to assure the accomplishment of these objectives by returning to the United States the control over American import duties now subject to international agreements.

RESTATEMENT OF EXISTING IMPORT DUTIES

SEC. 2. Title I, paragraph 1 to 1559, inclusive, of the Tariff Act of 1930 are hereby amended by repealing the classifications and rates therein contained and substituting therefor the classifications and rates obtaining and in effect on June 12, 1948, by reason of proclamations of the President under section 350 of the Tariff Act of 1930 or otherwise.

FORMATION OF FOREIGN TRADE AUTHORITY

SEC. 3. Title III, part II, section 330 of the Tariff Act of 1930 is hereby amended to read as follows:

"PART II—FOREIGN TRADE AUTHORITY

"SEC. 330. Organization of the Foreign Trade Authority.

"(a) Membership: The United States Tariff Commission shall be reorganized and reconstituted as the Foreign Trade Authority (hereinafter referred to as the 'Authority') to be composed of six directors to be hereafter appointed by the President by and with the advice and consent of the Senate. The original directors of the Authority shall be the same persons now serving as Commissioners of the United States Tariff Commission, each such person to serve as a director of the Authority until the date when his term of office as a Commissioner of the United States Tariff Commission would have expired. Thereafter the term of office of any successor to any such director shall expire 6 years from the date of the expiration of the term for which his predecessor was appointed except that a director appointed to fill a vacancy occurring for any reason other than the expiration of a term as herein provided shall be appointed only for the remainder of the term which his predecessor would otherwise have served. Directors shall be eligible for appointment to succeed themselves if otherwise qualified therefor. No person shall be eligible for appointment as a director unless he is a citizen of the United States, and, in the judgment of the President, is possessed of qualifications requisite for developing expert knowledge of tariff problems and efficiency in administering the provisions of this act. Not more than three of the directors shall be members of the same political party, and in making appointments members of different political parties shall be appointed alternately as nearly as may be practicable.

"(b) Chairman, Vice Chairman, and Salary: The President shall annually designate one of the directors as Chairman and one as Vice Chairman of the Authority. The Vice Chairman shall act as Chairman in case of absence or disability of the Chairman. A majority of the directors in office shall constitute a quorum, but the Authority may function notwithstanding vacancies. Each director shall receive a salary of $12,000 a year. No director shall actively engage in any business, vocation, or employment other than that of serving as a director."

APPOINTMENT OF SECRETARY

SEC. 4. Title III, part II, section 331 (a), of the Tariff Act of 1930 is hereby amended to read as follows:

"(a) Personnel: The Authority shall appoint a secretary who shall receive a salary of $9,000 per year, and the Authority is hereby empowered to employ and fix the compensations of such special experts, examiners, clerks, and other employees of the Authority as it may find necessary for the proper performance of its duties."

ADMINISTRATION OF TRADE AGREEMENTS

SEC. 5. Title III, part II, of the Tariff Act of 1930 is amended by adding at the end of section 331 the following new section:

"SEC. 331A. Administration of Trade Agreements.

"(a) All powers vested in, delegated to, or otherwise properly exercisable by the President or any other officer or agency of the United States in respect to the foreign trade agreements entered into pursuant to section 350 of the Tariff Act of 1930 are hereby transferred to, and shall be exercisable by, the Authority, including, but not limited to, the right to invoke the various escape clauses, reservations, and options therein contained, and to exercise on behalf of the United States any rights or privileges therein provided for the protection of the interests of the United States.

"(b) The Authority is hereby authorized and directed—

"(1) to terminate as of the next earliest date therein provided, and in accordance with the terms thereof, all the foreign trade agreements entered into by the United States pursuant to section 350 of the Tariff Act of 1930;

"(2) to prescribe, upon termination of any foreign trade agreement, that the import duties established therein shall remain the same as existed prior to such termination, and such import duties shall not thereafter be increased or reduced except in accordance with the Tariff Act of 1930, as amended by this act."

PERIODIC ADJUSTMENT OF IMPORT DUTIES

SEC. 6. Title III, part II, section 336, of the Tariff Act of 1930 is hereby amended to read as follows:

"SEC. 336. Periodic Adjustment of Import Duties.

"(a) The Authority is authorized and directed, from time to time, and subject to the limitations hereinafter provided, to prescribe and establish import duties which will,

within equitable limits, provide for fair and reasonable competition between domestic articles and like or similar foreign articles. A foreign article shall be considered as providing fair and reasonable competition to producers of a like or similar article if the Authority finds as a fact that the landed duty paid price of the foreign article is a fair price and is not substantially below the price, including a reasonable profit, at which like or similar articles can be offered to consumers of the same class by a domestic producer: *Provided, however,* That no such import duties shall be established contrary to the provisions of any foreign-trade agreement in effect pursuant to section 350 of the Tariff Act of 1930.

"(b) In determining whether the landed duty paid price of a foreign article is, and may continue to be, a fair price under subdivision (a) of this section, the Authority shall take into consideration, insofar as it finds it practicable—

"(1) The lowest landed duty paid price of the article from any foreign country offering substantial competition;

"(2) Any change that may occur or may reasonably be expected in the exchange rate of any country either by reason of devaluation or because of a serious unbalance of international payments;

"(3) The policy of any foreign country designed substantially to increase exports to the United States by selling at unreasonably low and uneconomic prices to secure additional dollar credits;

"(4) Increases or decreases of domestic production and of imports on the basis of both unit volume of articles produced and articles imported, and the respective percentages of each;

"(5) The probable extent and duration of changes in production costs and practices;

"(6) The degree to which normal cost relationships may be affected by grants, subsidies, excises, or other taxes, or otherwise, in the country of origin; and factors either in the United States or in other foreign countries which appear likely to affect production costs and competitive relationships.

"(c) Decreases or increases in import duties designed to provide for fair and reasonable competition between foreign and domestic articles may be made by the Authority either upon its own motion or upon application of any person or group showing adequate and proper interest in the import duties in question: *Provided, however,* That no change in any import duty shall be ordered by the Authority until after it shall have first conducted a full investigation and presented tentative proposals followed by a public hearing at which interested parties have an opportunity to be heard.

"(d) The Authority, in setting import duties so as to establish fair and reasonable competition as herein provided, may, in order to effectuate the purposes of this act, prescribe specific duties or ad valorem rates of duty upon the foreign value or export value as defined in sections 402 (c) and 402 (d) of the Tariff Act of 1930 or upon the United States value as defined in section 402 (e) of said act.

"(e) In order to carry out the purposes of this act, the Authority is authorized to transfer any article from the dutiable list to the free list, or from the free list to the dutiable list.

"(f) Any increase or decrease in import duties ordered by the Authority shall become effective 90 days after such order is announced: *Provided,* That any such order is first submitted to Congress by the Authority and is not disapproved, in whole or in part, by concurrent resolution of Congress within 60 days thereafter.

"(g) No order shall be announced by the Authority under this section which increases existing import duties on foreign articles if the Authority finds as a fact that the domestic industry operates, or the domestic article is produced, in a wasteful, inefficient, or extravagant manner.

"(h) The Authority, in the manner provided for in subdivisions (c) and (f) in this section, may impose quantitative limits on the importation of any foreign article, in such amounts, and for such periods, as it finds necessary in order to effectuate the purposes of this act: *Provided, however,* That no such quantitative limit shall be imposed contrary to the provisions of any foreign trade agreement in effect pursuant to section 350 of the Tariff Act of 1930.

"(i) For the purpose of this section—

"(1) the term 'domestic article' means an article wholly or in part the growth or product of the United States; and the term 'foreign article' means an article wholly or in part the growth or product of a foreign country;

"(2) the term 'United States' includes the several States and Territories and the District of Columbia;

"(3) the term 'foreign country' means any empire, country, dominion, colony, or protectorate, or any subdivision or subdivisions thereof (other than the United States and its possessions);

"(4) The term 'landed duty paid price' means the price of any foreign article after payment of the applicable customs or import duties and other necessary charges, as represented by the acquisition cost to an importing consumer, dealer, retailer, or manufacturer, or the offering price to a consumer, dealer, retailer, or manufacturer, if imported by an agent.

"(j) The Authority is authorized to make all needful rules and regulations for carrying out its functions under the provisions of this section.

"(k) The Secretary of the Treasury is authorized to make such rules and regulations as he may deem necessary for the entry and declaration of foreign articles with respect to which a change in basis of value has been made under the provisions of subdivision (d) of this section, and for the form of invoice required at time of entry."

AMENDMENT OF SECTION 337

SEC. 7. Title III, part II, section 337, of the Tariff Act of 1930 is hereby amended as follows:

(a) Subdivision (a) thereof by striking out the word "President" and substituting therefor the word "Authority."

(b) Subdivision (b) thereof is hereby repealed.

(c) Subdivision (d) thereof is hereby repealed.

(d) Subdivision (e) thereof is hereby amended to read as follows:

"(e) Exclusion of articles from entry: Whenever the existence of any such unfair method or act shall be established to the satisfaction of the Authority, it shall direct that the articles concerned in such unfair methods or acts, imported by any person violating the provisions of this act, shall be excluded from entry into the United States, and upon information of such action by the Authority, the Secretary of the Treasury shall, through the proper officers, refuse such entry."

(e) Subdivision (f) thereof is hereby amended to read as follows:

"(f) Entry under bond: Whenever the Authority has reason to believe that any article is offered or sought to be offered for entry into the United States in violation of this section, but has not information sufficient to satisfy it thereof, the Secretary of the Treasury shall, upon its request in writing, forbid entry thereof until such investigation as the Authority may deem necessary shall be completed; except that such articles shall be entitled to entry under bond prescribed by the Secretary of the Treasury."

(f) Subdivision (g) thereof is hereby amended to read as follows:

"(g) Continuance of exclusion: Any refusal of entry under this section shall continue in effect until the Authority shall find and advise the Secretary of the Treasury that the conditions which led to such refusal of entry no longer exist."

CONTINUANCE OF PERSONNEL, FUNDS, ACTIONS, AND SO FORTH

SEC. 8. Section 339 of the Tariff Act of 1930 is hereby amended to read as follows:

"SEC. 339. Effect of Enactment.

"(a) All personnel, property, records, balance of appropriations, allocations, and other funds available (or to be made available) to the United States Tariff Commission shall be transferred to the Authority for use in connection with the exercise of its functions; and such transfer shall not operate to change the status of the officers and employees transferred from the Commission to the Authority. No investigation or other proceeding pending before the Commission at such time shall abate by reason of such transfer but shall continue under the provisions of this act.

"(b) Wherever in the Tariff Act of 1930, or in any other law, the terms 'United States Tariff Commission' or 'Commission' occur, such terms shall be construed to mean the 'Foreign Trade Authority' and the 'Authority', respectively."

REAPPLICATION OF SECTION 516 (B)

SEC. 9. Section 17 subsection (c), of the act of June 25, 1938, chapter 679, is hereby repealed

STATISTICAL ENUMERATION

SEC. 10. Title IV, part III, section 484 (e), of the Tariff Act of 1930 is hereby amended to read as follows:

"(e) Statistical enumeration: The chairman of the Foreign Trade Authority is authorized and directed to establish from time to time, after consultation with the Secretary of the Treasury and the Secretary of Commerce, a statistical enumeration of imported articles in such detail as he may consider necessary and desirable to effectuate the purposes of this act. As a part of each entry there shall be attached thereto or included therein an accurate statement giving details required for such statistical enumeration. The Secretary of Commerce is hereby authorized and directed to make such reasonable and proper digests from, and compilations of, such statistical data as the chairman requests. In the event of a disagreement between the chairman and the Secretary of Commerce, as to the reasonable and proper nature of any request the matter shall be referred to the President whose decision shall be final."

REVISED TEXT OF TARIFF ACT

SEC. 11. The authority, as soon as practicable, shall prepare and cause to be printed as a public document available for public distribution a complete revised text of the Tariff Act of 1930 as amended.

EFFECTIVE DATE

SEC. 12. This act shall take effect as of June 13, 1948.

SUMMARY OF BILL S. 2582

S. 2582, a bill to revise the Tariff Act of 1930, may be described as follows:

Section 1 states the purposes of the amendment. They are:

(a) To facilitate importations to supplement the needs of industry and agriculture.

(b) To foster the export of products sufficient to pay for needed imports.

(c) To develop within the United States a balanced, integrated, and diversified production so as to maintain a sound economy and high level of employment.

(d) To provide flexibility of import duties, thereby making possible adjustments in response to changing economic conditions, and

(e) To return to the United States the control over import duties now subject to international agreements in order to accomplish the above purposes.

Section 2 provides for writing into the Tariff Act all import duties now actually in effect by reason of trade agreements or otherwise (see also sec. 5 relating to existing trade agreements).

Section 3 and section 4 reconstitute the United States Tariff Commission as the new Foreign Trade Authority with additional powers and responsibfilities as set out in section 5 and section 6 below.

Section 5 vests in the Foreign Trade Authority power and responsibility to administer trade agreements already in effect, or which might come into effect prior to June 13, 1948. It also directs the Authority to cancel (as of the earliest date possible) all existing agreements without, however, making changes in the import duties established by those agreements.

Section 6 delegates to the Authority the responsibility for administering a system of flexible import duties and the right to prescribe changes in import duties to provide fair and reasonable competition between domestic articles and like or similar foreign articles. Factors bearing upon the reasonableness of competition are set forth.

In prescribing such changes in import duties, the Authority is not limited as to the percentage of change and is permitted to add articles to or remove articles from the free list, and to establish specific duties or ad valorem duties based either upon foreign value or upon United States value.

Changes in import duties can be made only—

1. After investigation, issuance of tentative proposals and public hearings thereon.

2. Effective in not less than 90 days after promulgation and only if not disapproved by concurrent resolution of Congress within 60 days.

Subject to the same limitations, the Authority is delegated power to impose quantitative restrictions on imports when necessary to effectuate the purposes of the act.

Section 7 contains technical amendments concerning unfair practices in import trade occasioned by the transfer to the Authority of obligations hitherto residing in the President in reference to action in the event of such unfair practices.

Section 8 provides for transfer of personnel, property, funds, etc., from the United States Tariff Commission to the new Foreign Trade Authority and continues proceedings now before the Commission without abatement.

Section 9 repeals part of the act of June 25, 1938, which made section 516 (b) of the Tariff Act of 1930 inoperative as respects any article subject to a trade agreement. The effect of this repeal is to again permit action if it is believed an article is incorrectly classified. This relates to classification rather than to the adequacy of the import duty assessed.

Section 10 gives the chairman of the Foreign Trade Authority the power to request necessary statistical reports, after consultation with the Secretary of the Treasury and the Secretary of Commerce.

Section 11 directs the Authority to prepare a complete text of the Tariff Act of 1930, as amended.

Section 12 prescribes the effective date as June 13, 1948, the day after the expiration of the so-called trade-agreements amendment (sec. 350).

The Special Session of Congress

EXTENSION OF REMARKS
OF
HON. GEORGE H. BENDER
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

Mr. BENDER. Mr. Speaker, when President Truman called Congress back into special session, he chose the Democratic National Convention as the place to issue the call. He could not have selected a more appropriate forum. The session was a political maneuver, and everyone in Washington knew it. In fact, Senator BARKLEY, who is now running for Vice President on the Democratic ticket, opposed any session of Congress after the political conventions. He said that such a meeting would be devoted to "political bickering, political legislation, and political oratory."

Our President suggested a 15-day time limit for this special session. He delivered a message reciting 15 important legislative proposals. Let us remember that the Democratic Party was in complete control of Congress and the White House from 1933 to 1947. Mr. Truman challenged Congress to accomplish in 15 days what the Democratic Party had failed to do in 15 years.

Now of course our President did not believe this would be done. He is a realistic politician, and he is playing what some people mistakenly believe to be smart politics. I believe that he has made a colossal blunder which the citizens of our country resent deeply.

No President has the right to play games with the welfare of our Nation. Mr. Truman knew from the word "go" that his party would not support his own program. I had the honor of introducing the anti-poll-tax bill in the Eightieth Congress. The House passed it overwhelmingly. The President knew that this bill was certain to be filibustered to death by his own party, but he made it part of his civil-rights message.

The President knew that everyone is deeply concerned over the constant rise in prices. But when he asked Congress for selective price controls, he was simultaneously asking for increases in minimum wages and in Federal salaries. He did not suggest any means by which we can keep high wages, high farm prices, and cut the cost of living. Nobody else has figured out an answer to that one, either.

It is clear that the whole program presented by the White House smacks of demagoguery. The President would like to enjoy the luxury of irresponsibility. He knows that our difficulties cannot be solved by the magic wand of a few laws. This is the Democratic strategy of the coming election campaign. They will try hard to claim that Congress is to blame for everything that disturbs us.

To quote a famous American, "Let's look at the record." The record shows that Mr. Truman himself abolished price controls on November 9, 1946. It shows that Mr. Truman himself called rationing and price controls "the methods of a police state." It shows that these methods were failures and frauds.

It was difficult enough to check black-market practices in wartime. We can imagine what would happen if we gave Mr. Truman another OPA in time of peace. Let us understand the true causes of inflation. We must not blame one party or another for an economic fact. We have high prices today because of the accumulated demand for goods. We could not manufacture thousands of products during the war, and they are in tremendous demand now. Our Government has been stimulating exports throughout the world to meet overseas needs. We do not propose to stop any of these activities, and I do not believe we should. But there are many things the President has not told us. He still has great powers. The President today has the right through the Treasury and the Federal Reserve Banking System to limit bank credit. He can cut the amount of Government spending in many parts of our Federal set-up. He can direct the policies of the Department of Agriculture. You have probably not heard this. Last month, the month of our special session, the Department of Agriculture was trying to reduce the number of breeding cattle by one-half million in the face of our meat shortage. This is just part of the Government program which keeps the price of farm products up while it tries to drive consumer costs down. It is part of the inconsistency which makes the Democratic Party today a complete patchwork of conflicting, irreconcilable, feuding elements and destroys its claim to public confidence.

There is criticism of the special session for its housing bill. The President has signed it although he says that he does not like it. I agree that there is much still remaining to be done on this important problem. But let there be no mistake about this. Legislation alone will not build houses. In the last week, the President's Midyear Economic Report told us that more than a million new residential units will be completed in 1948. Only a few years ago, the Truman government asked for and received huge subsidies to stimulate home building. An Administrator, Mr. Wilson Wyatt, was appointed and set to work. At the end of a year, the President conceded the complete failure of the Government program. He discharged Wyatt and suspended the program. This year we are building twice as many homes as were built under the Government plan. Many more must still be constructed, but the building industry is already having trouble in getting materials. No one can erect buildings overnight, and there is still no magic legislative formula in sight to change this simple truth. We shall go on building until we meet our requirements. We shall try to hasten the process. Let no one deceive you into believing that Federal subsidies are the answer.

Mr. Wyatt and Mr. Truman have furnished convincing testimony to the contrary.

I should like to conclude my discussion of the special session with a few general observations. The differences in viewpoint between the Republican majority in the Eightieth Congress and the President are fundamental. Mr. Truman would like to fix wages, fix prices, increase Federal taxes, and socialize medicine. The annual budget required to run the Federal Government on his pattern would run to at least $60,000,000,000. Such spending would lead inevitably to higher prices than we now have.

It is easy to criticize any legislative group. Those who are not in power, the Democratic minority and the new party spokesmen enjoy in abundant measure the pleasure of irresponsibility. They can ask for the moon, since they know that they will not be called upon to deliver it. The Democratic Party, in national convention only a few weeks ago, voted in favor of the President's civil-rights program. Before the ink was dry, their elected representatives in the Senate killed that program. They do not mean what they say and they do not say what they mean.

The Progressive Party has confiscated a name which once was graced by the supporters of Teddy Roosevelt. The supporters of this group enjoy a double measure of complete irresponsibility. They swing their blades with absolute indifference at both Republicans and Democrats. When we analyze their criticism we must remember that they oppose the bipartisan foreign policy of our Government, that they are prepared at this critical and uncertain moment in world affairs to turn over every atomic secret we possess to the world at large, that they are more closely identified in their thinking with the Communist Party than with any other current of American life. Need I say more?

I am not one of those who argue that the Eightieth Congress, in either its regular or its special sessions, has achieved perfection. Yet this is the first Congress in the past 16 years to fight for lower taxes. This Congress has taken up the broom to sweep away the wreckage left by the war. We have not finished the job. I am confident that we have begun a stronger, bolder, better effort than the Democrats, Progressives, or Dixiecrats would have undertaken.

I am hopeful that the people of our country will permit us to go forward in 1949 with the completion of these efforts.

Since Seneca Falls

EXTENSION OF REMARKS

OF

HON. HELEN GAHAGAN DOUGLAS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mrs. DOUGLAS. Mr. Speaker, under permission to extend my remarks in the RECORD, I wish to include an editorial which appeared in the Washington Post on July 22, 1948:

SINCE SENECA FALLS

One event at the recent Democratic National Convention would have given both pride and amusement to that valiant little group of women who a century ago initiated the women's rights movement at Seneca Falls, N. Y. Those who are this week celebrating the one hundredth anniversary of that meeting should add to the credit side of their ledger the fact that for the first time at a national party convention a genuine movement—not the usual phony one—got under way to nominate a woman for Vice President.

It was another instance of feminine triumph over handicap. Representative HELEN GAHAGAN DOUGLAS had the worst spot on the program for a speaker. All the women speakers were shunted to the end of the long night programs, and Representative DOUGLAS addressed a tag-end audience of hot, exhausted delegates in the early hours of the morning. But her speech provoked one of the most significant demonstrations of the convention and a movement, started by an Ohio delegate to nominate her for Vice President, spread rapidly among several delegations. This was promptly discouraged by Representative DOUGLAS because of the boom for Senator BARKLEY, and because she wanted to return to the House. Nevertheless it showed that the day of what Al Smith would have called "baloney" nominations of women for Vice President, as practiced by gallant men delegates at past conventions, was over. It heralded what may happen sooner than we think, even possibly in 1952.

The Seneca Falls women were so unsure of their platform status that they had asked a man to preside at their meeting. Nevertheless their famous "Declaration of Sentiments" drew Nation-wide booing. A long fight lay ahead of them in rectifying even the first of their listed grievances—the inequalities married women suffered in control of their persons, children, and property. Educational, political, and economic disabilities came next on their schedule. Though all of these haven't yet been removed, the feminine progress of the century is indeed something to celebrate. And significantly the one hundredth anniversary of the fight for women's rights comes at a time when a national party convention has dramatically taken its stand for the new civil rights movement, and when a ground swell in behalf of human rights is on throughout the world.

My Record in the Eightieth Congress

EXTENSION OF REMARKS

OF

HON. HAROLD D. DONOHUE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. DONOHUE. Mr. Speaker, under leave to extend my remarks, I should like to include a summary of my activities during this Eightieth Congress.

It is incumbent, at all times, upon a person in a position of public trust to recite his record to the people he represents and, in these critical times, when the decisions of our National Government so deeply affect the destiny of the world and our own domestic tranquillity, it is nothing less than a moral obligation for a Representative to submit an account of his stewardship.

It is, of course, practicaly impossible to register every word and detail, but, in the period allowed me, I wish to reveal my stand upon the major issues which were brought before the Eightieth Congress of the United States.

First. Housing: Having entered Congress with the heartfelt conviction, based on prolonged study and experience, that critical shortage of adequate housing facilities for the American people, was our dominant domestic problem, I early introduced a bill to authorize the Federal Government's participation, by loans, in the construction of 200,000 multiple dwelling units for rental purposes. This measure was referred for consideration to the Veterans' Affairs Committee of the House where it received unanimous approval and was then referred to the Committee on Rules where, I regret to say, like so many other worthy proposals, it was allowed to languish. The adoption of the bill would have contributed greatly in alleviating the desperate housing shortage situation; it was accorded the approval of many outstanding housing authorities and social organizations; it was editorially commended in the public press and I plan to reintroduce it in the Eighty-first Congress. It is not intended, in any way, to supplant the overall program contained in the Taft-Ellender-Wagner bill and it would be a valuable supplement to that measure.

I have been in the foreground of those Members who worked valiantly for the acceptance of full-scale housing-relief legislation by the Congress; it was my privilege to be among the early signers of discharge petition No. 6 to remove the companion T-E-W housing bill from the committee so that it could be brought on the floor of the House for consideration; I have, on numerous occasions, appeared before committees and spoken on the House floor on behalf of housing-relief legislation and shall continue my efforts for early action in the next Congress.

I voted for the measure that was placed before the Congress in the closing hours of the special session of July 1948 because it contained a few provisions of moderate assistance toward the eventual cure of our housing crisis but, in my opinion, it falls far short of being adequate.

Second. Inflation and high living costs: The threat of inflation and ever increasing living costs harassing the average American in this postwar period has been of very serious concern to me, as it has been to every conscientious legislator. Along with a good many of my colleagues, whose primary interest is in the continuing welfare of the ordinary working man and woman of the United States, I made many speeches pointing out the danger of the unsound economy policies being pursued which, if not restrained, would inevitably lead to a repetition of our post-World War I economic collapse, with its widespread unemployment and demoralization. In this regard, I filed House Resolution No. 698, calling upon Congress to take effective action against the spread of infla-

tion and the unwarranted high cost of living.

Unfortunately, no substantial legislation was enacted to protect our people who continue to be victims of our current-day inflationary and exorbitant price levels, and my attempts to preserve decent living standards for our citizens shall not be relaxed. Economic collapse in this country would precipitate not only domestic upheaval, but also world despair.

Third. Tax reduction: Believing that there is nothing of more import to the maintenance of the spirit and will of the American people to support the position of world leadership that divine providence saw fit to place upon us than affording some remittance to our heavily burdened taxpayers, I voted for the tax reduction bill because it provided a small measure of relief to the people in the low-income bracket. However, it was and is my studied judgment that the bill was neither wholly adequate or equitable. To explain my position, I should like to quote from the speech I made in the House during the debate on this issue:

> I wish to make it clear that I do not, by any means, think this bill goes far enough in removing the gross inequities of our tax system. A tax system should never be confiscatory, for such a system would destroy the incentive to work, to save, and to progressively invest incomes. It is my opinion that the present bill does not insure these incentives to any individual and businessmen to the extent that it should, and I want to emphasize my conviction that, at the earliest possible moment, in fairness to every American, the Congress should eliminate the inequities still existing, in order to keep the American standard of living on a sound basis.

Fourth. The Marshall plan: I supported and voted for the so-called Marshall plan, because unquestionably the establishment of an economically stable Europe is a prerequisite condition to the continued maintenance of the civilization in which the American way of life is rooted.

After the hairbreadth rescue of the soul of Europe from Hitler's deadly attack, it would be inconceivable to allow the collective European Christian consciousness and personality to disintegrate and yield, in desperation, to the aggressor from the East.

There is no doubt that the countries which participated in the Paris Conference want to preserve their heritage of free political institutions and the rule of law. To do so, they must recover from the economic and social effects of the war.

The next few years can determine whether the countries of Europe will, in fact, be able to hold to their heritage. Economic collapse, spreading through Europe, could persuade the people of these countries to accept the counsel of despair that their basic wants of food and work can be met only by a subjection of their rights under law to totalitarian control. The countries of Europe are not yet in a position to fill for themselves their essential needs for food, fuel, and materials to enable their industries to function adequately. They cannot produce all these needs in Europe. Their exports cannot yet pay for them. They cannot purchase them from their depleted or exhausted capital reserves. A large part of the basic requirements for the western European countries can, at this time, only be met by United States aid. This presents to us a responsibility and a challenge. Western Europe looks to the United States for the extraordinary, yet temporary, support needed during these critical years to permit the regainment of economic vitality and environment in which free institutions can persist.

While I favored this extension of aid, I emphasized that the assurance of success of the program rests primarily on the determination of Europe to work out its own salvation with such help as the American people can give. There can be no success without wholehearted efforts on the part of the western European people themselves.

Fifth. Labor's legal and moral rights must be preserved: I opposed the so-called House omnibus labor bill, H. R. 3020, for the reason that its admitted intention was to radically change the whole range of national labor-management policy built up in the past two decades and, in effect, abolish industry-wide bargaining.

This proposal to weaken labor's position at the bargaining table was placed before us at the very moment soaring prices and swollen profits threatened the Nation with an economic upheaval. It came at a time when management itself was, and is, aghast at its own gains, when the buying power of the Nation's wage and salaried workers was, and still is, lagging dangerously. No one will deny that to maintain the fundamental stability of this Nation, it is imperative that we work out a sound economic balance. A just and wise balance which will keep the wheels of industry turning at high levels of employment, production, and distribution. It is, to say the least, extremely unlikely that the way to security and abundance, to domestic peace and progress, lies along the path of reaction in punitive, not corrective, moves directed against all forms of labor security.

To all intents and purposes the net result of this measure, if pushed to its operative extremes, as will undoubtedly be attempted, will be to open up an area of confusion and controversy involving some 15,000,000 workers and disrupt the socially progressive move in sound labor-management relations that has been steadily advancing for the past 150 years. On this score it is interesting to observe that at recent congressional hearings many of those who had voice in the construction of this legislation advocated revision of its radical provisions and recommended its punitive features be nullified.

Sixth. Displaced Persons Act of 1948: One of the proudest of our American traditions lies in the fact that this country gave harbor to the victims of religious and political persecution. The Pilgrim Fathers came to our shores for those very reasons. America was built by refugees from foreign lands. Immigrant stock has helped make this country what it is today. One has only to think of his own friends and neighbors of Swedish, Polish, Lithuanian, Italian, Jewish, German, French, or other foreign descent, to realize how valuable it has been for us to have an admixture with the blood of other nations. We should not forget that this Nation itself was founded almost altogether by displaced persons.

Because of these considerations I supported and voted for the Displaced Persons Act of 1948. Although it has many inequitable provisions, which must be corrected as soon as possible, it was still a step forward in assuming our just share of the responsibility to solve the whole problem of displaced persons and war refugees.

The United States today is moving into the arena of world politics as a champion of the free people. In enactment of a displaced-persons admission law, we have improved our prestige for world leadership, by giving concrete proof of our concern for free peoples in affording them a chance to be free.

Seventh. Federal workers' pay increases: In my opinion, the best guaranty against a turbulent America in these critical times is the extension of a fair living wage to all our workers both inside and outside of Government employ. Our Government workers, who cannot bargain collectively for increased compensation or strike, must be provided for by congressional action. If this Government is to uphold the tradition of efficient service administered by capable personnel, it must offer the employees wages comparable to other occupations of the same nature.

In considering this legislation, multitudinous, authoritative, unchallenged comparative studies measuring the revised wage scale in private industry with the compensation levels of our Federal employees were presented to the Congress. These studies factually demonstrated the inequities existing, and I voted in favor of salary increases for our Federal employees in order to help them meet personal and family obligations with confidence and a high morale.

Eighth. Selective service: No legislative measure presented to the Congress caused a conscientious Representative more trying days and nights of study, research, and deliberation. With the unenthusiastic but honest conviction that, in the light of increasingly tense world developments, it was an imperative measure designed to preserve the peace and prevent war, I supported it. I pray God that the unsettled conditions dictating approval of this legislation will be dispersed in the very near future by friendly negotiation, understanding, and agreement among the chief powers of the world and by the effective operation of the United Nations.

Ninth. Veterans' Affairs Committee and veterans' legislation: It was my privilege to serve on the House Veterans' Affairs Committee during this Eightieth

Congress. Four hundred and ninety-eight bills and resolutions were referred to the committee for consideration. The full committee held 106 meetings and the subcommittees 56 hearings. A total of 56 bills, 1 House joint resolution, 1 House concurrent resolution, and 2 Senate bills were reported favorably to the House. Of this number, 36 are now public laws, 6 additional passed the House, and 1 was vetoed.

Believing as I do that this country and this Government has a moral duty to prevent the visitation of hardship upon the widows and children of those who died in service, I supported measures to afford them increased allowances. The responsibility of providing every means of rehabilitation to our disabled veterans is undeniable and I favored the measures designed to assist them in taking their rightful place in our national life. Renewing the opportunities of which the average veteran was denied, by reason of his war service, is only the repayment of a just debt, and I voted for those bills which would enable the veteran to pursue his college and on-the-job training without extreme sacrifice and deprivation. It is my personal judgment that reasonable legislation to encourage the war veteran to return to and continue in a normal way of life is decidedly in the public interest and an investment in the democratic preservation of this Nation.

Mr. Speaker, appreciating time limitations, a general listing of other measures I favored and supported would include the following:

Continuation of the school-lunch program, reciprocal-trade-agreement extension, unification of the armed forces, establishment of a National Science Foundation to encourage scientific research and to advance national health, Housing and Rent Act, to extend and increase pensions and annuities to our retired workers of limited income, social-security expansion, appropriation to the Farmers Home Administration, long-range farm program, protective measures for the preservation of small business, provisions for small business to be given a fair share of defense contracts, appropriation for soil conservation and research of natural resources, continuation of the Federal-works program of assistance in community planning and developments, United States participation in the International Refugee Organization, resolutions to strengthen the United Nations, the law to facilitate the admission of alien fiancées of war veterans, oleomargarine-tax repeal, continuation of Atomic Energy Commission research, anti-poll-tax bill, minimum-wage increase, equal-rights amendment, assistance to Greece, Turkey, and China, and many others.

BILLS INTRODUCED

No individual report of this kind could be considered complete without presenting a compilation of the bills and resolutions personally introduced, and I am, therefore, pleased to enumerate them at this point:

H. R. 2922, relief of Charles B. Featherstone, Private Law 373, Eightieth Congress.

H. R. 3154, to amend section 3045 of the Internal Revenue Code.

H. R. 3565, to amend the Servicemen's Readjustment Act of 1944 to provide loans for the construction of low- and medium-cost homes for veterans.

H. R. 3656, to permit holders of bonds issued under the Armed Forces Leave Act of 1946 to assign such bonds for the purpose of making payment on certain loans guaranteed under the Servicemen's Readjustment Act of 1944.

H. R. 3868, relief of Morris Gordon, and so forth.

H. R. 4357, to raise the minimum wage standards of the Fair Labor Standards Act of 1938.

H. R. 4358, to authorize the naturalization of parents of veterans without regard to certain requirements of the naturalization laws.

H. R. 4359, to amend the Social Security Act, as amended, for the purpose of permitting States, and political subdivisions and instrumentalities thereof, to secure coverage for their officers and employees under the old-age and survivors' insurance provisions of such act.

H. R. 4360, to prohibit discrimination in employment because of race, creed, color, national origin, or ancestry.

H. R. 4361, to amend the Articles of War, and for other purposes.

H. R. 4362, to provide for the payment of retroactive death pension to widows and children of veterans after 7 years' continued and unexplained absence.

H. R. 4363, to empower the Supreme Court of the United States to promulgate a code of ethics for attorneys at law practicing before the district courts of the United States.

H. R. 4436, to establish a Federal Commission for the Physically Handicapped, to define its duties, and for other purposes.

H. R. 5674, to enable States and their agencies and political subdivisions to plan for the construction of public works.

House Joint Resolution 375, authorizing and requesting the President to proclaim an annual National Rededication to Marriage Week.

H. R. 6743, to provide for the recall of officers to active duty for purposes of rehospitalization and evaluation.

H. R. 6744, to provide benefits for members of the Reserve components of the armed forces who suffer disability or death from injuries incurred while engaged in active-duty training for periods of less than 30 days or while engaged in inactive-duty training.

House Resolution 698, calling upon Congress to take effective action against the spread of inflation and the high cost of living.

Mr. Speaker, 2 years ago, following my release from active military service, I presented my qualifications to the voters of the Fourth Congressional District in Massachusetts for the honor and privilege of representing them in the United States Congress.

No man could have helped being deeply inspired and gratified by the confidence the people of the district demonstrated in electing me as their National Representative to the Eightieth Congress.

Since the day of assuming the responsibilities of Congressman, I have worked conscientiously to justify that confidence and trust.

The full facilities of my office have been energetically and courteously extended, at all times, for personal service to my constituents. I have cooperated, on every occasion, with the community agencies, social, fraternal, and racial organizations of my district in the promotion of their various objectives.

The expressed wishes of the majority of the people I represent and a thorough study of the issues involved, have been the foundation of my judgment and action on legislation to advance the best interests of my district and the Nation.

I am happy to present this necessarily brief résumé of my congressional record on domestic and foreign legislative measures to my people, as the basis for my respectful request for reelection as United States Representative to the Eighty-first Congress, from the Fourth Congressional District of Massachusetts.

Farm Price-Support Program

EXTENSION OF REMARKS

OF

HON. HELEN GAHAGAN DOUGLAS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mrs. DOUGLAS. Mr. Speaker, it is now perfectly clear that the Republicans do not intend to pass legislation to control high prices. The Republicans have refused to accept the President's inflation-control program, for to do so would mean putting a ceiling on profits—and that is against the basic tenets of the Republican philosophy.

The Republicans are spending their time in this special session cooking up excuses to dish out to the American people for the inflation for which they are largely responsible and about which they now refuse to do anything.

One of the excuses that they are trumping up and preparing to plant carefully in the cities is that the farm price-support program is responsible for high prices. To be sure, they will confine this argument to the cities—it would not go down with the farmers.

Just what is the farm price-support program?

The price-support program is a minimum wage in agriculture. Congress decides what the lowest prices will be on certain given commodities and guarantees the farmer a floor under these minimum prices. If prices in the market fall below the minimum prices set by Congress, the Government comes to the

rescue of the farmer to the degree that it has been authorized to do so by Congress.

The price-support program was originally a part of the general program for economic recovery that was initiated by the Democratic administration after it took office in 1933. The original program was one of insuring farmers against economic disaster—against the mistakes and tragedies of the twenties.

Price support initiated in the thirties was a farm insurance program against another depression such as hit the farmer in the last Republican administration.

In the past the farmer had no protection against economic ups and downs. If he had a poor crop he went broke because he could not produce enough to cover his expenses. High prices in the city resulting from scarcity somehow never got back to his pocket. If he had a bumper crop, then he had to sell at low prices because there was more than people needed. The farm-support program delivered the farmer of America out of the clutches of the city speculator.

You see, Mr. Speaker, the big manufacturer can cut his production in order to hold up his prices when he sees trouble ahead—sees his market shrinking. The individual farmer cannot do that. If he cuts his production he goes broke and hits the road as a migrant.

For example, between 1929 and 1933 auto production dropped 80 percent but auto prices dropped only 16 percent. Between 1929 and 1933 iron and steel production dropped 83 percent but iron and steel prices dropped only 20 percent.

In this same period—which you will remember, Mr. Speaker, was the period of the depression years—while agricultural production dropped only 6 percent agricultural prices fell 63 percent.

This tells the story, Mr. Speaker, and shows why the Democrats initiated the price-support program, and why the Republicans have continued to support it. It was worked out by a Democratic administration so that the farmer could go ahead and produce without fear that his production would land him in the poor house.

The price-support program is a deflationary influence in that it is an incentive to production.

In other words, price support does not hold prices up any more than a parachute on an aviator holds him up when he is flying in his airplane. The price-support program, like a parachute, is a safety device that reassures the farmer against a possible crack-up. The Republicans are trying to blame the high number on the altimeter on the parachute.

The price-support program remained on an insurance basis until 1941 when it became imperative to greatly increase agricultural production if we were to have enough food to feed ourselves and help those countries under our lend-lease program who were resisting the Germans. At that time price support levels were substantially increased to encourage maximum production. Farmers were assured they would continue to have price supports at these relatively high levels until they had had time to reconvert their operations to peacetime conditions.

We are now operating under price-support legislation that will expire January 1, 1949. The Republicans, who write and control all legislation that comes to the floor, brought in and passed virtually the same price-support program for next year as the one under which we are now operating. It begins January 1, 1949, and runs to January 1, 1950.

In other words, they passed the price-support program for next year with minimum prices for farmers pegged, in the great majority, at the same level they have been pegged for the last 2 years. And they did this at the same time that they were preparing to tell the city folk that this program is responsible for the high price of food.

But the Republicans went even further than this in their endorsement of the price-support program. The night before they closed up Congress to go to their convention in Philadelphia, between 4:30 and 5 o'clock in the morning, they brought to the floor of the House another price-support program from the Senate to begin—when do you think?—in 1950 and to continue until—when do you think—forever!

The Republicans were so eager to make the farmers of America think they were their friends that they wrote and passed a price-support program that would take effect a year and a half from now.

One would think that Congress was going to take a sabbatical.

At the same time they were using price supports as an excuse for high prices, they were breaking their necks to prove to the farmers that price supports would be continued under a Republican administration, if elected, just as they had under this Republican Congress.

This attempt to decorate the Philadelphia convention in colors appealing to the farmers was put through, as I said, between 4:30 and 5 in the morning on the last night of the session—put through without the House Committee on Agriculture having held any hearings on the bill or having been given an opportunity to even look at it.

So, we see, Mr. Speaker, that no one seriously proposes to upset the confidence the farmers derive from this insurance even if some are going to harangue about it in this coming campaign.

I do not believe it is generally realized, Mr. Speaker, that price supports do not cover all commodities.

They first covered only the six basic commodities—wheat, corn, cotton, rice, peanuts, and tobacco.

When the war in Europe demanded a greater production of food, additional commodities were guaranteed a minimum price. They were known as the mandatory Steagall commodities—hogs, chickens, eggs, turkeys, milk (wholesale), butterfat, dry edible beans, dry field peas, potatoes, sweetpotatoes, flaxseed, and soybeans.

You will observe, Mr. Speaker, that there is no price support on anything that goes into hamburger that has gone from 42 cents a pound to $1 a pound—whether you are talking about cow meat or horse meat.

No, Mr. Speaker, price supports are not responsible for the high prices the housewife has to pay at the corner grocery store to feed her family.

The following examples illustrate how far below the market prices the farmer receives are the minimum government-guaranteed prices:

The average price received by the farmer for wheat in 1947 was $2.31 a bushel. The support price was $1.84.

The farmer received an average of $2.76 a bushel for corn in 1947. But the support price was only $1.35 a bushel.

And now let us talk about hogs, Mr. Speaker. Every housewife knows what has happened to the price of pork chops, sausage, bacon, and ham since 1946.

The Republicans need not think they can now cry "price supports" and thus escape their responsibility for the removal of price controls.

In 1947 the farmer received an average of $20.10 per 100 pounds for hogs. The support price was far below this—$15.60 in the spring and $16.50 in the fall of 1947. On last July 15, the farmers were receiving $25.90 per hundredweight for hogs.

No, Mr. Speaker, the "support price" cry of some Republicans is not going to justify the failure of the Republican Party to do anything about the cost of food in this special session.

We had the same price supports in 1946 but the housewife was able to buy bacon for 42 cents a pound. Why? Because we had OPA and profits were kept within reasonable limits. The housewife was not left to the mercy of the profiteers. Today a pound of bacon costs 65 cents a pound for the cheapest grade at the cheapest chain store. A pound of pork chops in 1946 under OPA cost 38 cents. Today for that same pound of pork chops the housewife pays 85 cents. A pound of sausage under OPA was 45 cents. Today, it is 65 cents. And so it goes. I will not even mention the cost of ham today, Mr. Speaker, the figures are too frightening.

Those who are responsible for removing price controls before our economy was ready for it are responsible for the high prices the housewife has to pay for her food today, and not the price-support program. The prices the farmer receives are above the Government-guaranteed prices on everything except potatoes, and occasionally eggs.

LET'S TALK ABOUT POTATOES, MR. SPEAKER

Let us talk about potatoes, Mr. Speaker, in 1946. At every turn the consumer is fed the story of potatoes as the reason that he has to pay 50 percent more for his food today than he did in 1946 under

OPA. Just what is this story of potatoes?

Early in the war the Government asked farmers to increase their production of potatoes in order to insure an adequate food supply in this country and raised the guaranteed minimum price they were to receive. At that time the Government agreed to support the price of potatoes at not less than 90 percent of parity.

In 1946, due to unusually favorable weather conditions and improved production techniques, farmers produced 100,000,000 bushels of potatoes more than they had ever produced before. We found ourselves in 1946 with a crop of potatoes over and above what was needed or could be consumed, with the result that the price of potatoes dropped, and dropped below the minimum price guaranteed by Congress to the farmers.

The Government—Agricultural Department—was forced to buy large quantities of potatoes, because the Congress has passed legislation authorizing it to do just that if the price of potatoes dropped below a certain level. In this way farmers were saved from going broke.

Some potatoes were unavoidably lost because of prohibitive freight charges, but no potatoes were wasted or destroyed until all possible outlets had been utilized. The Government exhausted all possible means of using the potatoes. They were used for cattle feed, starch, flour, glucose, the school-lunch program; a small amount of potatoes were exported, and some potatoes were used to make alcohol.

The Government sold the potatoes it bought up from the farmers to private industry at the best price it could get, and industry then converted the potatoes into the above-mentioned commodities. The Government paid the farmer the support price and then took the loss between that support price and what private industry would pay for the potatoes.

But we are talking about 1946, Mr. Speaker, the year at which the Republicans like to point since the Democrats set the price-support figure for 1946. But what about 1947 and 1948, Mr. Speaker, years when the Republicans had the votes to cut the support price of potatoes?

It is now perfectly apparent that with improved production techniques the minimum price for potatoes is pegged too high. Did the Republicans lower this minimum price in this Congress? They did not. They extended it to cover the entire crop of 1948, even though it is to be marketed in 1949. They fail to include this fact when they talk about potatoes.

The answer to the potato story, Mr. Speaker, is this. If the voters object to the Government's buying up potatoes, they ought to direct their complaints to the Eightieth Congress who insisted on continuing, beyond the date when it would have otherwise expired, mandatory support of potatoes at 90 percent of parity, after it was obvious that this support price in view of increased production was too high.

Mr. Speaker, the following chart prepared by the Department of Agriculture gives the price received by farmers and support levels in 1947–48, the year in which the tremendous increase in the cost of food has taken place:

Prices received by farmers and support-price levels, United States, 1947–48

Item	Unit	1947 support price	1947 season average price received by farmers	1948 support price	June 1948 prices received by farmers
Basic commodities:					
Wheat	Bushel	$1.84	$2.31	$2.00	$2.11
Corn	do	1.37	2.26	(1)	2.16
Cotton	Pound	.2649	.3190	.2750	.3522
Rice	Bushel	1.69	2.75	(1)	3.11
Peanuts	Pound	.099	.101	(1)	.104
Tobacco:					
Flue-cured	do	.400	.412	.439	(2)
Burley	do	.403	.483	(1)	(2)
Mandatory Steagall commodities:					
Hogs:					
Spring	Hundredweight	15.60		16.84	22.90
Fall	do	16.15	24.10		
Chickens	Pound	(3)	.268	(1)	.305
Eggs	Dozen	[4].448	.453		.434
Turkeys	Pound	[5].338	.363		.376
Milk, wholesale	Hundredweight	(2)	4.25	(1)	4.461
Butterfat	Pound	(2)	.717	(1)	.827
Dry edible beans	Hundredweight	[5]7.13	12.00	(1)	11.70
Dry field peas	do	[5]4.33	5.61	[5]4.72	5.19
Potatoes:					
Early and intermediate	Bushel	[5]1.43	1.58	[5]1.67	1.78
Late	do	[5]1.53	1.56	[5]1.67	(7)
Sweetpotatoes	do	[5]1.82	2.17	[5]1.98	2.46
Flaxseed	do	[6]6.00	[7]6.39	[6]6.00	5.82
Soybeans	do	2.04	3.28	(1)	3.90

[1] Not yet announced.
[2] Commodity not being marketed.
[3] No support price announced since prices were well above the mandatory support-price level.
[4] 90 percent of calendar year parity price.
[5] 90 percent of parity price at the beginning of the marketing season.
[6] United States No. 1 grade, Minneapolis basis.
[7] Weighted average of reported cash sales No. 1 flaxseed at Minneapolis.

Based on prices reported by Bureau of Agricultural Economics and price-support announcements of the U. S. Department of Agriculture.

You will notice, Mr. Speaker, that in this chart, with the exception of dried prunes and beans, there are no supports under fruits and vegetables, yet the housewife pays 16 percent more for her fruits and vegetables in the corner grocery store than she did a year ago.

Under OPA in 1946 a housewife could buy a good leg of lamb for 39 cents a pound. The cheapest leg of lamb today in the lowest-priced chain store costs 75 cents.

There is no price support under lamb, Mr. Speaker.

In 1946, under OPA, a family could enjoy a porterhouse steak. It could be had for 49 cents a pound. The cheapest grade of porterhouse today cannot be had for less than 89 cents. Steak was priced out of the average family's budget months ago. And so were lamb chops, leg of lamb, and rib roast.

There are no price supports under beef and lamb, Mr. Speaker.

The Government does not export beef or lamb, either, Mr. Speaker. That is another Republican myth that needs exploding.

We do not export any meat that Americans like to eat under our ERP program, Mr. Speaker. What we do export is a little horse meat. But that is not our most-inflated commodity. It is not horse meat over which the American housewife is concerned.

EXPORTS

Mr. Speaker, while we are talking about exports I think we had better have a few figures on the subject.

Before the war we exported about 2.6 percent of the United States' food supply. We exported in 1947, 8.7 percent of our food supply.

In 1948 it is estimated that we will export at a rate of about 7 percent of our food supply.

Sixty to sixty-five percent of the total export tonnage is wheat. Fifteen to twenty percent is in other grains. In other words, from 75 to 85 percent of the total export tonnage is in grain.

It is important to note, Mr. Speaker, that the total food production in 1948 is about one-third greater than the prewar average. It is therefore ridiculous to assume that exports have had a serious impact on the domestic price structure.

The fact remains that prices are high and someone has to blame somebody.

In conclusion, Mr. Speaker, let me say that if the Republicans were really against price supports, why did they keep us until 5 o'clock in the morning extending price supports indefinitely into the future?

I am inserting a table which shows the increase in foods at the corner grocery store since price controls were removed in 1946. The table also indicates the relative importance of these foods in the family's market basket.

Average retail prices of foods, 1935–39, June 1946, November 1947, and June 1948

Group and item	Unit	Relative importance in food index, December 1947	Average, 1935–39	June 1946	November 1947	June 1948	Percent increase, 1948 over 1946
Cereals and bakery products:		*Percent*	*Cents*	*Cents*	*Cents*	*Cents*	*Percent*
Flour, wheat	Pound	2.5	4.5	6.4	10.6	9.7	52
Bread, white	do	7.8	8.3	10.6	13.4	13.9	31
Rice	do	.3	8.2	13.2	20.8	21.3	61
Meats:							
Beef:							
Rib roast	do	3.9	30.3	34.0	66.2	76.8	126
Round steak	do	4.2	36.0	41.7	79.2	97.2	133
Chuck roast	do	1.8	23.6	29.0	56.9	69.5	140
Hamburger [1]	do	1.6		28.0	46.5	60.2	115
Pork:							
Chops	do	3.4	34.0	37.5	70.7	78.5	109
Bacon, sliced	do	2.3	38.4	41.8	86.7	76.9	84
Ham, whole	do	2.3	29.8	36.2	64.1	68.0	88
Lamb, leg	do	2.7	28.8	40.9	65.4	78.2	91
Roasting chickens	do	2.9	32.5	49.3	55.7	62.6	27
Fish, fresh and canned	do	3.3		[2] 219.7	[2] 302.4	299.3	36
Dairy products:							
Butter	do	7.0	36.7	61.0	88.2	91.0	49
Cheese	do	1.7	27.4	41.3	60.1	66.2	60
Milk, fresh (delivered)	Quart	6.7	12.2	16.4	20.8	21.2	29
Milk, evaporated	14½-ounce can	.9	7.2	10.4	13.0	15.0	44
Eggs, strictly fresh	Dozen	6.3	35.7	51.0	77.9	67.3	32
Fruits and vegetables:							
Fresh:							
Apples	Pound	2.2	5.5	14.7	11.2	14.1	−4
Oranges	Dozen	2.0	32.0	50.9	41.8	43.8	−14
Beans, green	Pound	.7	11.4	16.7	25.8	20.2	21
Carrots	Bunch	1.5	5.4	9.1	14.0	14.1	55
Lettuce	Head	1.4	8.8	11.7	14.1	13.5	15
Onions	Pound	1.3	4.2	8.4	9.5	10.8	29
Potatoes	do	3.4	2.5	5.0	5.1	6.3	26
Canned:							
Peaches	No. 2½ can	.4	18.7	27.7	31.3	31.0	12
Peas	No. 2 can	.4	15.6	13.7	15.4	14.7	7
Tomatoes	do	1.3	9.3	12.5	16.7	16.6	33
Dried: Navy beans	Pound	.7	7.0	12.5	21.8	22.8	82
Fats and oils:							
Lard	do	1.3	15.4	18.8	34.1	29.6	57
Oleomargarine	do	.8	18.1	24.1	39.1	44.1	83
Sugar	do	3.0	5.5	7.3	9.9	9.2	26
Coffee	do	2.9	24.2	30.7	48.8	51.4	67
Index of retail food costs			100.0	145.6	202.7	214.1	47
Index of cost of living			100.0	133.3	164.9	171.7	29

[1] Not reported until February 1943.
[2] Index numbers, 1935-39=100.

Compiled from Bureau of Labor Statistics reports.

The Call of the Special Session and the Program Recommended for Enactment

EXTENSION OF REMARKS
OF

HON. RALPH E. CHURCH

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. CHURCH. Mr. Speaker, I am constrained to say a few words with respect to President Truman's call of this special session of Congress and the program he has recommended for enactment.

The time, the place, and the circumstances under which President Truman publicly announced that he would reconvene Congress in this special session made it obvious to the vast majority of the American people, regardless of political faith, that he was using the extraordinary constitutional power vested in him to convene Congress for emergency purposes solely as a political maneuver. The political purpose of this extraordinary action of Mr. Truman was confirmed by the broad scope and far-reaching character of the proposals embodied in his message to Congress. There was very little in his message of an emergency nature. He even included the many proposals which the Democratic administrations over the last 14 years have failed to enact when they were in complete control of the Government with overwhelming majorities in both the House and the Senate.

It was not the public interest that prompted Mr. Truman to call us into this extraordinary session. Were he really interested in the various measures he mentioned in his message, he surely would have told us that he expected Congress to remain in session all summer to deal with these various matters. As a matter of fact, during the crucial weeks of the close of the regular session, Mr. Truman himself made a so-called nonpolitical trip across the country to try to save his waning political fortunes. It is perfectly evident to me, as I am sure it is to the people of my district, that the only emergency that prompted Mr. Truman to reconvene Congress at no little expense to the taxpayers is the emergency with respect to his political future.

Mr. Truman's political purpose was further confirmed by the fact that when Congress reconvened and our committees began consideration of his various recommendations, the administration officials themselves had not yet worked out the details with respect to those recommendations and were not prepared to testify. It was only after considerable delay and some pressure from the Congress itself that the administration officials appeared before the committees. When they did appear, their testimony represented a confusion of ideas and directly conflicting opinions as to what ought to be done.

It is to the great credit of the Congress that we have not seen fit to allow such political considerations to influence us in our decisions as to what should be done in the public interest. We have recognized that the rise in prices has brought grave hardship to many of our people. We have sought to deal with this problem in the American way.

Mr. Truman is really not concerned about the inflationary spiral. He already has many legal powers under existing law which he could have exercised many months ago toward relieving the inflationary pressure on the demand side of the price equation. For example, President Truman already has the power to limit consumer credit, but he has never seen fit to exercise it. It is also a significant fact that the Federal Reserve Board has never exercised the power it has with respect to reserve requirements in the case of the Federal Reserve banks of Chicago and New York City—the two largest banking cities in the United States.

Every reputable economist agrees that the inflationary situation that confronts the country is due in large part to the loose fiscal policies of the administration of the last several years. Government spending and deficit financing have been major contributing factors. Yet in the very message that Mr. Truman gives lip service to the dangers of inflation, he proposes a program which would increase Government spending. He proposes a program which would increase our annual Federal budget to at least $60,000,000,000. In other words, however meritorious the specific proposals in themselves may be, his over-all program would tend to increase inflation. The only method by which he believes prices can be controlled is by the institution of the OPA, which he himself at one time characterized as police-state methods and which he himself at one time publicly stated should never be employed in a free, peacetime economy.

He would have us believe that there can be a selective price-control system and doubtless there are many people who believe that such a system would be workable. I personally disagree. If you control the price of steel, you must necessarily control the wages of the steel workers and control the price of all of the materials that enter into the finished steel product. If you control the price of bread, you must necessarily control the price of wheat or perhaps some other grain that may be used in the production of bread. In short, Mr. Speaker, everyone knows that the unorthodox method of controlling prices such as proposed by President Truman must necessarily mean the complete regimentation of our whole economy. Our past experience has already demonstrated that such

methods tend to retard production and in the end create stagnation of the great productive powers that we have in this great, free country.

I would like to say a word or two with respect to the question of housing, as this seems to be the second major point in the President's message. That there is a housing shortage no one can deny, and this is particularly true in the city areas. The question is not whether there is a housing shortage, but what is the best procedure for solving this immediate problem.

President Truman would have the people believe that it is due to the failure of this Congress that our people, and especially our veterans to whom we owe so much, are unable to obtain adequate housing accommodations. But the facts should speak for themselves. In 1946 only 473,800 dwelling units were completed. At that time the New Deal was operating under its so-called emergency housing program. It was a system of controls and regulations. It proved to be a failure. Because of this failure, the houses that the people need today are not available.

The significant fact is that in 1947, after this Congress removed all of these New Deal controls and regulations, the number of housing units completed in that year was almost twice the number completed in 1946. And, Mr. Speaker, this year no less than 1,000,000 dwelling units will be built. This is the largest number of dwelling units constructed in any 1 year in the whole history of the United States.

It is true that the houses now being built are beyond reach of the pocketbook of the average man. I am inclined to believe that by appropriate amendments to existing law and sound administration it can be possible for the Federal Government to aid in making low-cost housing units available to the average man. This can be done through private enterprise and it can be done without the large Government expenditures out of limited funds.

I wish to say, Mr. Speaker, that I am somewhat proud of the manner in which we have approached both of these fundamental problems during this special session. We have not allowed political considerations to influence our decisions. We have refused to follow the course of political expediency. We have rejected New Deal panaceas. We have sought to follow that course which in the long run will best serve the interests of our people.

I think this much should be added. The people must recognize that the failures of the Truman administration itself and the administrations which preceded it in the field of foreign affairs have necessitated unanticipated expenditures for national defense. If I recall correctly, and it so happens I am privileged to serve on the Committee on Appropriations, the expenditures and contract authorizations for defense purposes for the fiscal years 1948 and 1949 will exceed $24,000,000,000. We are glad to make the sacrifices necessary that we may have security in an unsettled world. The fact that we have never realized permanent peace is due in no small measure to the lack of direction, the bungling, and the vacillations of the incompetent Democratic administrations, past and present. Moreover, we are making extensive shipments of goods abroad in a foreign-aid program. Without regard to the merits of the program or to its wisdom, the fact is that this program has added to the inflationary pressure on both the demand side and the supply side of the price equation. In other words, we have this large foreign demand for our goods, and at the same time we have a limited supply in the United States. This program was recommended by President Truman and adopted by the Congress because of an apparent conviction that it was necessary to meet the spread of communism. But it must be said that Russia today would not occupy the important place it does in the world were it not for the failure of the present Administration and its predecessors to deal effectively with this problem during the war and in the days following.

In his demagogic fashion, President Truman has tried to make it appear that corporation profits are exorbitant. He has recommended that the old excess-profits tax law be reenacted. This is the very law that former Secretary of the Treausry Vinson himself stated before the Committee on Ways and Means was a drag on production. I have not had occasion to examine all the figures with respect to corporate profits. I have seen a sufficient number of them to know that in terms of dollars they are larger this year than in the previous years. What is overlooked, however, is that the purchasing power of the dollar, not only with respect to individuals, but also with respect to corporations, is considerably less than in previous years. The dollar figure is not in itself a true measure. It must be taken into account that to attain an expanding production new plants must be built and new facilities constructed. The replacement value of practically every plant in the United States is today considerably greater than it was yesterday. In other words, Mr. Speaker, Mr. Truman's recommendation in this instance and in so many other instances is purely political. It seems to me that he is willing to sacrifice the public welfare in the interest of political expediency. He is more interested in the political consequences of his recommendations than in the economic results. I am constrained to say that it is my view that this special session of Congress and the various recommendations of President Truman make it clear that it is political power and not the public interest that guides his actions.

American Growth—Answer to the Soviets

EXTENSION OF REMARKS
OF
HON. GEORGE H. BENDER
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

Mr. BENDER. Mr. Speaker, one of the familiar Russian slogans in the Soviet Union's unending propaganda campaign against the capitalist world is the oft-repeated slander that the United States has reached the end of its productive growth. Borrowing the theory advanced by some New Deal "economists" in the 1930's, they have asserted repeatedly that America's "frontiers have been exhausted," that we had reached the point of diminishing returns and that henceforth our economy could be sustained only by resort to heavy Government spending.

This line of reasoning is hardly in keeping with the revelations just published by our Census Bureau. In the 8 years since 1940, the population of the three Pacific Coast States of California, Washington, and Oregon has risen by some 40 percent. An increase in factory building throughout the war years has lifted the productive capacity of the South and West by 100 percent. New metal and chemical industries along the Pacific coast have altered greatly the whole economy of the West, and it is clear from plans already being explored that still greater developments may take place within the near future in the development of steel and fabricating units throughout the Northwest.

Certainly, this huge increase in population in the West, achieved without disrupting the established economy of other sectors of the Nation, points to a continuous frontier of industrial growth. America's future is as unlimited as the ingenuity of its people and their desire for a better, more satisfying life for every man, woman, and child here and throughout the world.

Teachers' Lobby

EXTENSION OF REMARKS
OF
HON. HELEN GAHAGAN DOUGLAS
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

Mrs. DOUGLAS. Mr. Speaker, under permission to extend my remarks in the RECORD, I wish to include the following article from the Democrat of August 1948, and an editorial from the St. Louis Star-Times of August 5, 1948:

[From the Democrat of August 1948]

FACTS REBUT DEWEY SLUR—TEACHERS' LOBBY SPENT ONLY $5,377—YET GOP NOMINEE CALLED IT MOST VICIOUS AND NOW MAINTAINS STRANGE SILENCE

America's school teachers—described by Gov. Thomas E. Dewey as being "the most vicious lobby in the country"—spent exactly $5,377 during 1947 trying to sell Congress on support of legislation giving Federal financial assistance to the Nation's public schools.

Disclosed this week by Washington newsmen who went into congressional records to produce the sworn expense statement of the National Education Association, principal spokesmen for the country's classroom educators, the $5,377 expense item was sharp rebuttal of Governor Dewey's denunciation of the lobbying activities of teachers. Governor Dewey had earlier labeled the teachers as a lobby "worse than the liquor lobby, worse than the oil lobby" while speaking be-

fore the national governors' conference at Portsmouth, N. H.

CONTRAST IN SPENDING

By way of contrast with the small sum expended by the teachers—a sum that included salary of their national legislative representative—lobbies of big business interests spend a hundredfold. The Committee for Constitutional Government, Inc., lobbying principally for the Taft-Hartley Labor Act and for tax reductions on large incomes, spent $460,903 in 1947. The power lobby, through the National Association of Electric Companies, expended $256,742 in the same period.

The real estate lobby, generally credited with blocking House action on the long-range T-E-W housing bill, spent $213,022 through two different groups, the National Association of Real Estate Boards and the National Home and Property Owners Foundation.

DEWEY IS SILENT

Meanwhile Governor Dewey, in the seclusion of his country estate in New York State, kept strangely silent as the controversy over his teacher-slurring remarks boiled across the country and into far-away Alaska. From Dewey's press secretary came one word—"rubbish"—in reply to growing demands that Governor Dewey issue a formal statement affirming or denying remarks attributed to him.

First of the governors to publicly challenge Governor Dewey for these statements was Gov. Herbert B. Maw, of Utah. Another governor, Ernest Gruening, of Alaska, confirmed, when questioned from Washington, the statement of Governor Maw.

Governor Gruening said that Dewey declared "the teachers' lobby is the worst of all lobbies."

Previously Governor Maw had reported that Dewey called the teachers' lobby vicious.

Dewey's remarks were made June 15 at the governors' conference in Portsmouth, N. H. The New York Governor's statements were revealed first by Drew Pearson, a syndicated columnist.

Governor Gruening said that Dewey told members of the governors' conference he thought the time had come to launch a counter campaign against what Dewey called the teachers' lobby.

"Dewey described it as the worst of all lobbies * * * the only lobby I've ever had trouble with in New York," Gruening stated.

"Amplifying this startling remark, the New York Governor said that the taxpayers were receiving only 30 cents' value of every dollar spent on education. To support this amazing contention, Governor Dewey went on to declare that teachers worked only 40 weeks a year, and a 5-day week at that. He said he knew that the teachers' lobby was invading the various States when their legislatures were in session 'propagating the lie that they are underpaid and that the States were not doing a job for them.'

MET OPPOSITION

"After making these statements, Governor Dewey asked the governors to engage in a counterattack to 'expose the lobby.' To this proposal several governors, including Warren, of California; Mabry, of New Mexico; and Hunt, of Wyoming, objected most vigorously. The matter was then dropped."

Following Governor Gruening's statement, Governor Maw suggested that Dewey tell participants in the discussions of the teacher's lobby at an executive session of the Governors' Conference that they are released from any secrecy obligation imposed on them.

"I cannot believe that Governor Dewey wishes to have other Governors feel bound to keep his remarks secret while the New York Governor is busy issuing denials of accurate versions of his remarks. * * *

"But the public will be deprived of the complete story unless Governor Dewey releases those present from any obligations to remain silent on his statements.

"If Governor Dewey will take this action, I will be able to amplify considerably the Governor's position on schools and the teaching profession, and I am certain that other Governors will be able to do the same. Meantime, I shall limit my remarks on this issue to the statements made by Governor Dewey in public prior to the executive session."

Both Governor Gruening and Governor Maw stated that Gov. Earl Warren, of California, disagreed with Governor Dewey when the New Yorker attacked America's teachers.

But Governor Warren has refused to comment on Dewey's statements or on his argument with Dewey over the charges against the teachers.

TRUMAN VERSUS DEWEY ON EDUCATION

President Truman and Gov. Thomas E. Dewey have different ideas about education in the United States.

The President recognizes the need for better educational facilities and better salaries for teachers.

But Governor Dewey thinks efforts by teachers to increase their salaries are "vicious."

Here are the remarks of the two men:

President Truman

The President said in a speech June 14, 1948:

"I appointed a commission to make a survey of the educational situation in this country. That commission made a formidable report, and pointed out exactly what the conditions in the schools in this country are today; and I made a recommendation to the Congress that the Federal Government make a contribution to the support of the schools of the Nation.

"No action. No action. It's the most disgraceful thing in this country that the teachers * * * are not adequately paid. There are conditions in nearly all public schools in the country where the tecaher has so many pupils under her care that she doesn't have time to learn all their names. Something must be done about that."

Governor Dewey

The day after President Truman spoke in Los Angeles Governor Dewey said at the annual Governor's conference in New Hampshire:

"It (the teachers' lobby) is the most vicious in the Nation today. If it isn't stepped on now, it will destroy the Nation.

"It's worse than the power lobby, the real-estate lobby, the oil lobby, the liquor lobby, and a lot of others."

Note: In 1947, lobbyists reported they spent $5,000,000 in attempting to influence Congress. The National Education Association, the lobby to which Governor Dewey was referring, said its legislative-Federal relations division spent only $5,377 last year—about 1 percent of all lobbying expenditures reported to Congress.

It is surprising that Dewey and Warren ended up on the same ticket since they are known to disagree violently on this question.

[From the St. Louis (Mo.) Star-Times of August 5, 1948]

DEWEY AND THE TEACHERS

The Democratic National Committee sniffs fair game in the alleged remarks of Governor Dewey about the Nation's teachers at the recent governor's conference. Despite denials, it is quoting two participants in the conference as saying that the New York governor called the teachers' lobby "the most vicious in the Nation today" and charged it with "propagating the lie that they (the teachers) are underpaid."

The governors quoted—Herbert Maw, of Utah, and Ernest Gruening, of Alaska—are Democrats, of course, and some allowance can be made for partisan interpretation of a situation that can make presidential campaign material. Their readiness to go into detail, however, makes it hard for Mr. Dewey's followers to insist that they are talking about something that never took place. Mr. Gruening says Governor Dewey asked the other governors to join in a campaign to expose the lobby and names several governors who objected.

The desire of the Dewey camp to avoid an airing of the incident—if it took place—is understandable. Politicians are extremely wary about being placed on record against demands for betterment of schools and the lot of the teachers. Silence in this instance, however, is not doing Mr. Dewey any good. As a matter of fact, the teachers' lobby, like any other lobby, should be subject to wide-open discussion. If it is overplaying its hand, it should be checked.

Far better for Mr. Dewey, it would seem, would be a detailed statement of just what he said or meant to say and why he said it. As matters stand, he is vulnerable to the Democrats' charge that he is unsympathetic with teachers' demands. That would cost him some support in the forthcoming election. But more important is the way an incident of this kind can be built into a charge that he lacks the candor and courage that Americans look for in a national leader.

Fiftieth Anniversary of Annexation of Hawaii

EXTENSION OF REMARKS

OF

HON. JOSEPH R. FARRINGTON

DELEGATE FROM HAWAII

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. FARRINGTON. Mr. Speaker, August 12 is a significant date in the lives of the people of Hawaii and of the continental United States.

Fifty years ago, on August 12, 1898, the Republic of Hawaii became an American Territory. At high noon on that day, the flag of the Hawaiian Nation was hauled down the flagpole over Tolani Palace in Honolulu and the Stars and Stripes raised in its place. With a few simple words, Sanford B. Dole, Hawaii's first President, yielded to United States Minister Sewell "the sovereignty and public property of the Hawaiian Islands." The U. S. S. *Philadelphia* in Honululu Harbor fired a 21-gun salute, and the act was completed.

This ceremony solemnized the action of Congress a month earlier, when it approved a joint resolution authorizing the cession.

It is interesting to look back and see what Congress then felt about this step which extended America's frontier 2,400 miles into the Pacific and brought under the American flag one of the most strategic areas in the world.

One of the arguments that was brought against annexation during the congressional debate was that the boundaries of the United States had already been determined and that the addition of new territory would destroy the compactness of the Union. It was an old argument that had been used every time an addition to the Thirteen Original

States had been proposed, as Mr. Henry, of Indiana, pointed out.

Not one argument—

Mr. Henry said—

has been advanced in the course of this debate against annexation that was not made when former annexations of territory were under consideration.

Grave statesmen then, as now, insisted that the boundaries of the United States should not be extended, that compactness of territory was necessary, that it would not do to annex any territory where the inhabitants were not homogeneous and suited to American citizenship, that to commence the extension of our boundaries meant aggrandizement and would surely weaken the bonds of our Union. A careful perusal of the past will soon satisfy anyone that in the opposition to this resolution nothing new has been developed.

Mr. Hitt, of Illinois, added:

The ultimate annexation of the Hawaiian Islands to the United States is not a new question. Every President except one for half a century has notified the nations of the earth that the people of these islands could never unite their destinies with any nation except our own.

Because of Hawaii's mixed population some objected that the people of Hawaii would not fit into the American pattern of culture.

Mr. Pearce, of Missouri, replied:

The contention, therefore, that there is any antagonism—physical, moral or intellectual, or social—between the people who can be regarded as permanent residents of the Hawaiian Islands and the people of the United States is no more valid than the early contention that the people of Louisiana, Texas, New Mexico, and California would never coalesce with the Anglo-Saxon population of the Original States.

As further evidence of the essentially American character of the islands at that date Mr. Henry declared that Hawaii's schools "are as well-managed and as prosperous as in any American community, and compare favorably with those of the grand old State of Pennsylvania."

Mr. Alexander, of New York, offered this observation:

For 70 years they have been living under the influences of American civilization. They speak and study our language; the Stars and Stripes are as familiar as their own flag; their laws are copied from those of the United States; their rulers, whether under the Crown or the Republic, have been largely of American birth or ancestry; they know and see only United States money; the English is the language of their courts and the educated classes, and among their holidays are the Fourth of July, Decoration Day, and Washington's and Lincoln's birthdays.

Outside of the United States, there is no people so American, so closely allied with our institutions, and so well acquainted with our history and our life.

The strategic and commercial value of the mid-Pacific islands was, of course, recognized long before annexation. During the annexation debate, Mr. Hitt, who was chairman of the Committee on Foreign Affairs, cited a statement made by one Admiral Dupont in 1851. The admiral said:

It is impossible to estimate too highly the value and importance of the Sandwich Islands, whether in a military or commercial point of view. Should circumstances ever place them in our hands, they would prove the most important acquisition in the whole Pacific Ocean—an acquisition intimately connected with our commercial and naval supremacy in both seas.

I think it is safe to say that events have proved that this was no overstatement.

The form of government the islands should have if annexed was debated at length. Mr. Pearce expressed the opinion of the majority when he said:

I will vote for the Territorial government in Hawaii. In my opinion, it will have a territorial government, it will have a territorial legislature, and it will have judicial officers, a government in short, of the same or similar character as that which exists in Arizona, in New Mexico, in Oklahoma, and in Alaska. People who imagine that the constitutional electors of Hawaii are incapable of self-government, or lacking in intelligence, or are unlettered or illiterate, are very much mistaken.

As the debate wore on, with every conceivable facet of annexation being explored and reexplored, Mr. Hitt rose in the House on June 11 and declared:

There has been so much discussion throughout the country, such manifest impatience for its consideration here, that at last there is a pretty clear perception by almost everyone that the annexation resolution before us is in response and obedience to the demands of the whole country.

I think that the constituency of nine-tenths of the gentlemen here, if they could utter their will by votes, would command us to promptly pass this resolution. Our votes in passing * * * will voice the earnest purpose of the American people; the conservative sentiment of the country is expressed by it, as a measure for the welfare, for the security, and prosperity of the whole Nation. Let us pass it and carry out the will of the American people.

Even while annexation was being discussed, Congress was looking ahead to Hawaii's future political status. Throughout the debate, the question of statehood arose again and again.

For example, Senator Spooner, of West Virginia, asked Senator Stewart, of Nevada, whether he felt that under the power to admit a Territory into the Union as a State, Congress acquires this Territory with a view to statehood.

Senator Stewart replied:

If it ever becomes in a condition fit for statehood, that, according to the decision, must rest in the sound discretion of Congress.

Currency Depreciation—155 Years Ago and Today

EXTENSION OF REMARKS

OF

HON. DANIEL A. REED

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. REED of New York. Mr. Speaker, the New Dealers who advocate a return to the OPA price fixing, regimentation, and policing by State sleuths, may profit by reading the experience of the past under such a regime.

I recall the deep impression made on me as a student at Cornell University by the lectures of Dr. Andrew D. White on the subject of fiat money.

Under leave to extend, I am inserting the quotations from Andrew D. White's book, as published by the Economists' National Committee on Monetary Policy:

I. A LESSON IN CURRENCY DEPRECIATION AND PRICE FIXING

From Andrew Dickson White's Fiat Money Inflation in France (pamphlet reprint, as published by The Duke Endowment, 1933, dealing with the situation in France, 1789 to approximately 1800), pages 40–43:

"The third outgrowth of the vast issue of fiat money was the maximum. As far back as November 1792, * * * St. Just, in view of the steady rise in prices of the necessaries of life, had proposed a scheme by which these prices should be established by law, at a rate proportionate to the wages of the working classes. This plan lingered in men's minds, taking shape in various resolutions and decrees until the whole culminated on September 29, 1793, in the law of the maximum.

"While all this legislation was high-handed, it was not careless. Even statesmen of the greatest strength, having once been drawn into this flood, were borne on into excesses which, a little earlier, would have appalled them. Committees of experts were appointed to study the whole subject of prices, and at last there were adopted the great 'four rules' which seemed to statesmen of that time a masterly solution of the whole difficulty.

"First, the price of each article of necessity was to be fixed at one and one-third its price in 1790. Secondly, all transportation was to be added at a fixed rate per league. Thirdly, 5 percent was to be added for the profit of the wholesaler. Fourthly, 10 percent was to be added for the profit of the retailer. Nothing could look more reasonable. Great was the jubilation. The report was presented and supported by Barrère * * * then in all the glory of his great orations. * * * He poured contempt over political economy as 'that science which quacks have corrupted, which pedants have obscured, and which academicians have depreciated.' France, he said, has something better, and he declared in conclusion, 'The needs of the people will no longer be spied upon in order that the commercial classes may arbitrarily take advantage.'

"The first result of the maximum was that every means was taken to evade the fixed price imposed, and the farmers brought in as little produce as they possibly could. This increased the scarcity, and the people of the large cities were put on an allowance.

* * * * *

"Shopkeepers * * * could not sell such goods without ruin. The result was that very many went out of business and the remainder forced buyers to pay enormous charges under the very natural excuse that the seller risked his life in trading at all. That this excuse was valid is easily seen by the daily lists of those condemned to the guillotine, in which not infrequently figure the names of men charged with violating the maximum laws. Manufacturers were very generally crippled and frequently destroyed, and agriculture was fearfully depressed. To detect goods concealed by farmers and shopkeepers, a spy system was established with a reward to the informer of one-third of the value of the goods discovered. To spread terror, the criminal tribunal at Strassburg was ordered to destroy the dwelling of anyone found guilty of selling goods above the price set by law. The farmer often found that he could not raise his products at anything like the price required by the new law, and when he tried to hold back his crops or cattle, alleging that he could not afford to sell them at the prices fixed by law, they were frequently taken from

him by force and he was fortunate if paid even in the depreciated fiat money—fortunate, indeed, if he finally escaped with his life.

"Involved in all these perplexities, the convention tried to cut the Gordian knot. It decreed that any person selling gold or silver coin, or making any difference in any transaction between paper and specie, should be imprisoned in irons for 6 years—that anyone who refused to accept a payment in assignats, or accepted assignats at a discount, should pay a fine of 3,000 francs; and that anyone committing this crime a second time should pay a fine of 6,000 francs and suffer imprisonment 20 years in irons. Later, on the 8th of September 1793, the penalty for such offenses was made death, with confiscation of the criminal's property, and a reward was offered to any person informing the authorities regarding any such criminal transaction. To reach the climax of ferocity, the convention decreed, in May 1794, that the death penalty should be inflicted on any person convicted of having asked, before a bargain was concluded, in what money payment was to be made. Nor was this all. The great finance minister, Cambon, soon saw that the worst enemies of his policy were gold and silver. Therefore it was that, under his lead, the convention closed the exchange and finally, on November 13, 1793, under terrifying penalties, suppressed all commerce in the precious metals. About a year later came the abolition of the maximum itself.

"It is easily seen that these maximum laws were perfectly logical. Whenever any nation entrusts to its legislators the issue of a currency not based on the idea of redemption in standard coin recognized in the commerce of civilized nations, it entrusts to them the power to raise or depress the value of every article in the possession of every citizen."

From White's pages 5–7:

"It would be a great mistake to suppose that the statesmen of France, or the French people, were ignorant of the dangers in issuing irredeemable paper money. No matter how skillfully the bright side of such a currency was exhibited, all thoughtful men in France remembered its dark side. They knew too well, from that ruinous experience, 70 years before, in John Law's time, the difficulties and dangers of a currency not well based and controlled. They had then learned how easy it is to issue it; how difficult it is to check its overissue; how seductively it leads to the absorption of the means of the workingmen and men of small fortunes; how heavily it falls on all those living on fixed incomes, salaries, or wages; how securely it creates on the ruins of the prosperity of all men of meager means a class of debauched speculators * * *; how it stimulates overproduction at first and leaves every industry flaccid afterward; how it breaks down thrift and develops political and social immorality. All this France had been thoroughly taught by experience. Many then living had felt the result of such an experiment—the issues of paper money under John Law, a man who to this day is acknowledged one of the most ingenious financiers the world has ever known; and there were then sitting in the National Assembly of France many who owed the poverty of their families to those issues of paper. Hardly a man in the country who had not heard those who issued it cursed as the authors of the most frightful catastrophe France had then experienced."

* * * * *

"But the current paper money had become irresistible. It was constantly urged * * * that if any nation could safely issue it, France was now that nation; that she was fully warned by her severe experience under John Law; that she was now a constitutional government, controlled by an enlightened, patriotic people * * *."

II. TODAY, IN THE UNITED STATES: IN THE LIGHT OF LESSONS OF THE PAST

(a) President Truman recommended on November 17, 1947, as an "immediate anti-inflation program," the following legislative action:

"First. To restore consumer credit controls and to restrain the creation of inflationary bank credit.

"Second. To authorize the regulation of speculative trading on the commodity exchanges.

"Third. To extend and strengthen export controls.

"Fourth. To extend authority to allocate transportation facilities and equipment.

"Fifth. To authorize measures which will induce the marketing of livestock and poultry at weights and grades that represent the most efficient utilization of grain.

"Sixth. To enable the Department of Agriculture to expand its program of encouraging conservation practices in this country, and to authorize measures designed to increase the production of foods in foreign countries.

"Seventh. To authorize allocation and inventory control of scarce commodities which basically affect the cost of living or industrial production.

"Eighth. To extend and strengthen rent control.

"Ninth. To authorize consumer rationing on products in short supply which basically affect the cost of living.

"Tenth. To authorize price ceilings on products in short supply which basically affect the cost of living or industrial production, and to authorize such wage ceilings as are essential to maintain the necessary price ceilings."

(b) Recommendations and observations of W. Averell Harriman, Secretary of Commerce, made before the House Committee on Banking and Currency, December 1, 1947:

"I share the conviction that * * * [installment credit controls] should be promptly reenacted.

* * * * *

"My second proposal relates to the extension of authority to allocate transportation facilities and equipment. * * *

"I * * * recommend that these powers be continued.

* * * * *

"* * * Export controls have indirectly assisted in the control of inflation.

* * * * *

"Adequate authority to carry out restricted priority, limitation on use, and inventory controls is necessary.

* * * * *

"Priority powers are required chiefly in order to have the legal right to direct materials to certain end uses which are determined to be critical; for meeting our own urgent needs through increasing industrial production in critical industries; to prevent break-downs in domestic production of short supply materials and products; and to combat inflation, as well as to carry out our foreign policy.

"* * * Authority to control inventories * * * would help to prevent speculative hoarding. * * *

* * * * *

"Further action must be considered which would authorize consumer rationing on products in short supply which basically affect the cost of living, the imposition of maximum prices on products in short supply which basically affect the cost of living or industrial production, and the establishment of such wage ceilings as are essential to maintain the necessary price ceilings.

"* * * I believe that it is possible now * * * to limit controls to those items * * * such as food, fuel, clothing, and shelter, and to those key areas in industrial production where a price rise would have ramified effects on the general level of prices.

* * * * *

"It may well be that a program of stabilizing the cost of living will have to include the equitable distribution of the available supply of certain essential items for personal consumption by a program of consumer rationing. This authority should also be granted now. * * *

"The authority to set ceiling prices in fields of critical importance must include authority to limit wage increases in those industries which would require increases in ceiling prices.

* * * * *

"Rationing of the necessities which are in short supply on an equitable basis and at a fair price taken under authority granted by the representatives of the people in Congress, is the democratic way of dealing with an emergency."

(c) Recommendations of Clinton P. Anderson, Secretary of Agriculture, before the House Committee on Banking and Currency, November 26, 1947:

"Authority for price control and rationing would be good insurance (in our efforts to provide foreign aid).

* * * * *

"In order that we may be prepared for any emergency * * * it would be necessary to have authority not only for controlling exports but for limiting inventories and directing use of grain domestically through the most essential channels. Authority for allocating the use of storage and transportation facilities and distribution of farm machinery and fertilizer would also be necessary."

(d) John Snyder, Secretary of the Treasury, before the House Banking and Currency Committee, November 25, 1947:

"I am in favor of the restoration of those (consumer credit) controls."

(e) Marriner Eccles, Chairman of the Board of Governors of the Federal Reserve System, before the Joint Committee on the Economic Report, November 25, 1947:

"We recommend * * * that all commercial banks be required * * * to hold some percentage of their demand and time deposits, in addition to present reserves, in a special reserve in the form either of short-term Government securities or cash, cash items, interbank balances, or balances with Federal Reserve banks."

(f) Lewis B. Schwellenbach, Secretary of Labor, before the House Committee on Banking and Currency, December 2, 1947:

"The pressure for a third round of wage increases can be offset in one way only: By prompt and firm action to reduce the cost of living, and particularly the cost of food, and to restrain further increases in other prices. It is essential that we check the rise in rents and that we bring down the price of common foods. The President's program is designed to provide the means for doing this.

* * * * *

"The urgency of the situation * * * is such that I believe authority should be granted to take involuntary action [as distinguished from voluntary] if such controls should be necessary."

(g) RALPH FLANDERS, United States Senator from Vermont, according to the New York Sun of December 4, "called for a 'real' voluntary meat-rationing program and said any American who refused to abide by it ought to be branded 'a social menace.' "

III. THE BUFFETT ANALYSIS AND PROPOSAL, AND THE LESSONS OF THE PAST

Said HOWARD BUFFETT, Representative from Nebraska, in an address in Congress, November 28, 1947, on the subject Inflation Will Continue Until the American Citizen Can Again Secure Gold Coin:

"Mr. Speaker, Congress has been in special session for 2 weeks. During that time we have had a number of reports about conditions in Europe and Asia. At the risk of interrupting this travelogue series, I am going to discuss briefly the most talked about problem on the main streets of America—the rising cost of living.

"I must concede that the problem of inflation in America has not the emotional appeal of current foreign events.

"It is hard to dramatize the losses suffered by the thrifty and frugal people of America, who have seen their dollar savings more than cut in two in purchasing power.

"Inflation is involved problem

"But one does not have to be an expert nor a prophet to foresee the eventual disaster if this money deterioration continues. Yet I must confess that I speak on this problem with some reluctance.

"For over 14 years the endeavor to clearly comprehend and understand the intricacies of inflation and money deterioration has held first place in my life. Yet, after those years of study, I still often find myself temporarily following one of the countless blind alleys that so easily confuse the student of this problem.

"Copernicus, the great scientist, once pictured the difficulty that confronts us on inflation.

"In 1526 King Sigismund of Poland called in Copernicus to discover what was the matter with Poland and what might be done about it.

"The king did not pretend to be an economist. But he sensed that there might be some connection between the economic distress of his people and his dilution of the money by frequent coin clipping.

"Copernicus made a study and opened his report with those observations:

"'Among the innumerable calamities which ordinarily cause the downfall of the kingdoms, principalities, and republics, there are four, which according to my opinion, are the most dangerous ones:

"'1. Discord.

"'2. Great mortality.

"'3. Sterility of the soil.

"'4. Deterioration of money.'

"Copernicus continued:

"'The evidence of the first three is so great that nobody dares ignore them. But as regards the fourth—

"Concerning the deterioration of money—

"'* * * very few * * * take any interest in it. This is because it ruins the state not at once but by small degrees, by an action which is in a certain sense hidden.'

"Copernicus was certainly right. The deterioration of money is a hidden and long-drawn-out process.

"People are aroused about prices

"But while the processes of currency deterioration may be involved and difficult to understand, the consequences are not.

"The rising prices that portray money deterioration are painfully apparent today to the American people. A spiraling cost of living is no longer a theoretical danger discussed only by Republicans and economists. Not any more. It is a fact.

"Already it has almost certainly become a decisive factor in American political affairs. Developments in this field will influence and probably determine the outcome of 1948 elections.

"And so it was not surprising that the rising cost of living, called the march of inflation by the President, is one of the two reasons why he called a special session.

"Exports currently fuel inflation fires

"No one but the most zealous New Deal partisan will now quarrel with the fact that gigantic foreign exports are the immediate cause of most spiraling prices. Exceptional rises have taken place mostly in products and materials directly affected by this export boom.

"And so it requires no special ability to foresee that if this outpouring continues, the momentum of rising prices will continue. Especially is this true if public resistance to hand-outs and high prices takes the form of lowered productivity. That possibility is something to think about.

"But today I want to get at the root of this problem, the underlying basic cause of the dilution in the purchasing power of the American dollar. What is causing the continuous decline in the purchasing power of the American dollar, and how can it be cured? This is the real problem. On its sound solution rests the future of America, with all that America means to the rest of the world.

"Money deterioration started in 1933

"Mr. Speaker, the seeds for the present harvest of inflation were planted in 1933. At that time we changed from a sound currency redeemable in gold on demand to a money system domestically tied to the printing press and internationally to gold.

"This mongrel or mixed-breed money system is not too different from the paper-money system used in Russia and other totalitarian states. Here, as in Russia, the plain citizen cannot own gold. That basic freedom is verboten in both lands.

"I am not expert enough to expound the technicalities of the abandonment of the gold-coin standard. And the technical aspects do not concern us at this moment. The important fact is that we departed from sound money redeemable on demand in gold, and today have a managed system of printing-press currency.

"When this revolution in our money system took place, the immediate surface effects on our currency were not disturbing. Public faith in our money system rested on a long heritage of sound money redeemable in gold.

"We had been on a gold-coin standard from 1837 until 1933, except for a lapse caused by the Civil War. This century-long record of stability coupled with the seeming security which Treasury-owned gold stocks created, served to keep the vast majority of people complacent.

"While the real anchor for a sound currency, gold coins of a fixed weight and fineness freely available upon demand, was gone the loss seemed of little importance.

"Evils of printing-press money not quickly discovered

"There was no significant immediate effect on the domestic purchasing power of the dollar. The vigorous alarms sounded by those who knew the perils of paper money were dismissed as unimportant. Besides these alarms were easily drowned out by administration ballyhoo sugar-coating the change.

"And so the orgy of reckless public spending using printing-press money that got under way promptly met with no effective resistance. Deficit spending running into the billions brought a general feeling of prosperity not unlike that of the greenhorn who drifted into a brokerage office and deposited $1,000 to speculate. With unusual luck he soon had a $500 paper profit, whereupon he exclaimed, 'How long has this been going on? Why did not somebody tell me about this easy money sooner?'

"Our fiat money was similarly intoxicating in its early stages, as demonstrated by the 1936 elections.

"This reckless spending spree continued unabated until the outbreak of war.

"A 1939 Treasury sales letter

"Early in 1939 a form letter from the Secretary of the Treasury came to our house. Sensing that the day would come when the contents of that letter might prove interesting, I filed it away in my inflation file started in 1933.

"What has happened on the inflation front since 1939 can perhaps best be illustrated by reading to you from that letter, which I now hold in my hand.

"It is headed 'The Secretary of the Treasury.' It is dated March 22, 1939. It is signed by Henry Morgenthau.

"It starts out like this:

"'DEAR MRS. BUFFETT: I appreciate the cordial interest shown and the response given to my previous letters concerning United States savings bonds. The amount sold has already passed the $2,000,000,000 mark in maturity value, and the sale of these securities is increasing.'

"Then on page 2, it says:

"'This makes them ideally suitable for many objectives for which individuals and families lay aside money, such things as the education of children, the purchase of a home, the creation of a retirement fund, and so on.'

"Included with this letter was an attractive booklet setting out various alleged benefits that would accrue to the purchaser of the bonds. On the cover is this claim, 'A practical way to establish financial independence.'

"These were the promises and allurements offered the prospective purchaser of savings bonds in 1939. Over one billion one hundred million of maturity value of savings bonds were sold that year to purchasers relying on the soundness of the dollar.

"What has happened to their investment in the 8½ years since the date of Mr. Morgenthau's letter?

"I have a chart here that gives the prices and total cost of a market basket of food in 1939:

"Measured by 1947 food prices, the $1,000 bond of March 1939 has shrunk to $387 in 1947

	Prices in March 1939	Prices in November 1947
2 dozen eggs	$0.35	$1.18
5 pounds chuck roast	.85	2.75
3 pounds Crisco	.47	1.12
1 pound butter	.26	.85
12 pounds flour	.39	1.02
5 pounds sugar	.22	.45
1 pound coffee (8 O'clock)	.14	.39
10 pounds potatoes	.19	.45
2 pounds bread	.15	.22
2 quarts milk	.28	.38
2 cans pork and beans (1 pound each)	.13	.23
2 cans corn (Niblets)	.20	.35
3 pounds picnic ham	.45	1.29
1 head lettuce	.05	.13
1 pint salad dressing	.17	.29
2 cans pears (Del Monte)	.30	.86
1 box Rinso (large package)	.19	.36
1 pound peanut butter	.17	.35
Total	4.96	12.68

"In terms of this typical market basket, it will take in 1947 over $2,500 to buy the groceries that $1,000 would purchase in 1939.

"These foods are as typical a list as I could select. They show the cost of this market basket in Washington was $4.96 on March 23, 1939. That was about the same day that Mr. Morgenthau's sales letter reached our house.

"Last week according to ads in the Washington papers this same market basket of food would have cost $12.68. That is an increase of over 150 percent.

"This means that measured by 1939 prices a 1939 $1,000 savings bond today has a buying power of only $387. This investment, in terms of the amount of food it will buy, has shrunk 60 percent.

"That indicates that the 1939 investor in savings bonds or in insurance, or in any investment calling for fixed repayment in dollars, has lost, in food-buying power, over one-half of his original purchasing power.

"Large-scale debasement has taken place

"Mr. Speaker, this debasement of our money and bonds proves that we have gone far down the road of currency depreciation in America.

"This march toward currency destruction can never be cured by the ideas and plans proposed by the President in his message to Congress. The best of his suggestions are helpful palliatives, while others are simply economic narcotics which might delay an inflationary smash-up but deepen its evil consequences.

"Surely our task is not to try to deaden the pain of the inflationary infection afflicting us, but to find and cure the cause or causes.

"Mr. Speaker, may not the basic cause of our currency deterioration stem out of this fact, that since 1933 the people have no effective brake on Government spending? The issuance of fiat money and bonds payable in printing-press money are subject to no effective control by the people. The tax-paying citizens are no longer able to prevent Government spending from continuing to the point of currency destruction.

"The power of the purse, although technically lodged in the House of Representatives, basically remained in the hands of the people so long as our currency was redeemable in gold coin.

"Political parties will not stop inflationary spending

"The events since VJ-day have demonstrated that neither political party will stop this spending under a fiat-money system. Let me illustrate. Suppose a major party exhibited the integrity to stand firm for economy and against further inflation? It is extremely doubtful if it could maintain its own ranks even temporarily, let alone long enough to effectively prevent further deterioration of our currency.

"Realistically this is the political situation that confronts us so long as our currency is not anchored to free coinage and circulation of gold.

"With printing-press money easily available, the temptation to stay on the slide of currency deterioration inflation is almost irresistible. Take a period of high governmental revenues like the present. The political advantage of prolonging the boom prevents the 'ins' from curtailing expenditures and restraining the rise, except for campaign oratory and indecisive remedies.

"Similarly in times of falling governmental revenues the temptation to meet deficits by printing-press money is even more powerful, not only for the executive departments but for the legislative branch as well.

"Restore gold standard

"And so, Mr. Speaker, bills are being prepared, designed to restore the right of private ownership of gold and to provide for the minting and free circulation of gold coins. I expect to introduce these bills together with the appropriate corollary legislation needed to achieve this constructive goal. It is expected that similar bills will be introduced in the Senate.

"I am convinced that the restoration of the free circulation of gold is the only sound cure for our inflation sickness. It is the only action that will constructively and permanently halt the deterioration of our currency.

"Regimentation will not stop money depreciation

"For his part, the President wants the power to regiment the people in peacetime. He believes he can stabilize our currency by political regulation of natural economic forces.

"I respectfully suggest that if the President would study carefully the history of previous attempts of this kind, his views would change. He would no longer believe that governmental regimentation could stop money deterioration, no matter how well intentioned and skillful the regulating authorities might be. The natural laws of economics, like all natural laws, are not changed by human desire or caprice.

"Many people still nurse the hope that increased production will cure this situation. They forget that production always creates its own purchasing power. If we produce in 1948 one hundred and fifty billions of goods, there will be one hundred and fifty billions of new money-created to buy those goods.

"Also, there is good reason to believe that without the prompt stabilization of our currency, sporadic lags in productivity by some segments of our people will become general. Our industrious people, who have been working hard and saving dollars for the future, are certainly human. They will not continue to do so if they become convinced that the deterioration of such savings will continue indefinitely.

"Somewhere along the line these thrifty and frugal people will decide that depriving themselves of immediate enjoyment by saving dollars is unwise. Then, like the populations of many European lands, these workers will no longer put their trust in an irredeemable paper currency.

"If Congress does not soon effectively deal with the problem, this peril may not be too far away. A mass abandonment of dollar saving habits would be a major calamity, especially as a mass flight from the dollar would almost surely follow.

"The people should have the power to prevent money deterioration

"Mr. Speaker, I do not speak on this subject with the assurance of a complete understanding of all the intricacies of this problem. But I believe I am correct on the fundamentals, which can be summed up as follows:

"Inflation will not end until the people again possess the final power of restraint over Government spending.

"They only possess that restraining power when they can exchange paper currency for gold.

"Until that basic control is again in the hands of the American people where it belongs, we have not put in operation the only final cure to inflation and a deteriorating currency.

"In the meantime, except for intervals, prices are headed higher and higher.

"Until we restore to our people the American heritage of an honest dollar redeemable in gold, instead of the totalitarian device of printing-press currency, our economic, political, and social structure will continue to deteriorate.

"Printing-press money a favorite Communist tactic

"Nicolai Lenin, the first President of Communist Russia, is reported to have declared that the surest way to overturn the existing social order is to debauch the currency. Mr. Roosevelt adopted this economic technique of communism in 1933. We have been using, with clever variations, that totalitarian printing-press money system ever since.

"Unless we repudiate it, that Lenin-favored device in itself will ultimately bring communism to America. Printing-press money is a device that robs and cheats the working and trusting people while the shrewd and well-informed enrich themselves.

"Paper money is an enemy much more to be feared than Soviet military power, real or fancied.

"Since printing-press money has been a decisive device in the political success of the New Deal, it is obvious that any real fight to restore an honest American dollar redeemable in gold must come from the Republican Party.

"And conversely, if we of the Republican Party do not make this fight for the people, the people will have no reason to restore us to power. In this drive for an honest gold dollar, all patriots have a common interest. But without vigorous leadership, little progress is possible.

"Mr. Speaker, until we restore an honest American dollar redeemable in gold, prices are headed higher and higher. Survey, if you will, the shattered and worthless paper currencies of Europe. There you will see the chaos that awaits us in the absence of a restoration of an honest dollar, redeemable in gold on demand.

* * * * *

"Eventually, when the people find that our currency is deteriorating, they will lose their enthusiasm for saving dollars. Many shrewd people have been for years putting their savings into land, jewels, works of art, and real wealth of all kinds. Some day that alarm about the value of our currency will spread to the rank and file. No person is knowingly going to invest in securities that are steadily deteriorating in real value.

* * * * *

"* * * If we allow currency depreciation to continue and to become worse and worse, there will be no nation on earth that could or would provide us with a Marshall plan to prop up the economy of this Nation.

* * * * *

"The people * * * [in Europe] formerly put their money into currency and bonds, but they cannot eat the currency and they cannot eat the bonds and those pieces of paper have little exchange value. The things Europeans are interested in now are meat, potatoes, flour, and the other essentials of life. Their currency in terms of those essentials is largely valueless today, and it is up to us to see that the same currency deterioration does not continue any longer in this country.

"To effectively stop it, we must give back to the citizen the right to transfer the fruits of his labor into gold as a repository of value.

"Without the assurance of sustained value, the saving of money will slow down to a trickle. Yet new savings going into capital goods, as the gentleman from Michigan, FRED L. CRAWFORD, has pointed out, is an absolute necessity in a capitalistic and free enterprise society."

Income-Tax Reduction

EXTENSION OF REMARKS
OF

HON. BERTRAND W. GEARHART

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. GEARHART. Mr. Speaker, at the request of Senator GEORGE W. MALONE and because of the wide interest in income-tax reduction effected by the legislation enacted by the Eightieth Congress, I submit for the record a summary of the Revenue Act of 1948 for inclusion in the CONGRESSIONAL RECORD:

REVENUE ACT OF 1948

Reduces individual income tax rates from 10 to 30 percent, by size of taxable income.

Increases exemptions from $500 to $600.

Provides an additional exemption of $600 to taxpayers and spouses if they are over 65.

Provides an additional exemption of $600 to taxpayers and spouses if they are blind, replacing the present $500 deduction for blindness.

Allows husbands and wives who file joint returns to compute the tax on half their combined incomes and multiply by two.

Allows single persons and married couples filing joint returns to take optional standard deductions of 10 percent of adjusted gross income up to a maximum deduction of $1,000 (previously $500).

Raises the maximum deduction for medical expenses (allowed at the rate of $1,250 for each personal and dependent exemption) from $2,500 to $5,000 in the case of married couples filing joint returns.

Limits estate tax on community property to a tax on the interest of the deceased.

Exempts from estate tax common law property passing in fee to the spouse of the deceased up to a maximum of half of the common-law property in the adjusted gross estate.

Limits gift tax on community property to a tax on the interest of the grantor.

Computes gift tax on gifts of common law property to a spouse on the basis of half the value of such property.

Taxes gifts by one spouse to a third party as though the gifts were made one-half by each spouse, provided both spouses agree to such tax treatment for all their gifts during the calendar year.

Makes appropriate changes in the provisions for the alternative Supplement T tax and in the provisions for withholding of tax from wages.

Gift tax provisions are applicable to gifts made after date of enactment. Estate tax provisions are applicable to estates of persons dying after date of enactment. Income tax provisions are, in general, applicable for taxable years beginning after December 31, 1947. For fiscal years falling partly in 1947 and partly in 1948, income tax provisions are generally applicable in proportion to the share of the fiscal year which falls in 1948. Withholding tax changes are applicable to wages paid on or after April 1, 1948.

Representative Clare Hoffman, of Michigan

EXTENSION OF REMARKS

OF

HON. GEORGE H. BENDER

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. BENDER. Mr. Speaker, in the work of the House Committee on Expenditures in the Executive Departments, the leadership of the gentleman from Michigan, Representative CLARE HOFFMAN, as chairman of the full committee, has been an outstanding achievement. In the direction of the many subjects undertaken for investigation, in the conduct of public hearings, and in the development of a plan of action for the guidance of the subcommittees appointed by the larger group, the gentleman from Michigan, Representative HOFFMAN, has won the respect and confidence of official Washington. He has demonstrated a determination to be absolutely fair, to be unfailingly courteous, but, above all else, to be completely thorough.

It is already apparent that the work of this committee will throw light on many of the shadowy places which went almost entirely unobserved in the Nation's preoccupation with the major task of winning the war. The magnitude of the task assumed by Representative HOFFMAN and his committee is already being revealed by the early findings of the committee.

Whatever may be the ultimate conclusions reached by the Hoffman committee, observers are already agreed that they will hold up against any challenge, because the committee chairman has painstakingly, completely, and wisely established standards which assure accuracy, honesty, and freedom from bias.

The achievements recorded by this committee are in large part due to the energy of Congressman HOFFMAN. He is responsible for guiding through the House the resolutions which defeated two of the President's reorganization plans which would have meant greater authority and more spending for bureaucrats. He is responsible for the action of the Federal Parole Board in compelling the return of five Chicago criminals who had been paroled after serving only their minimum terms in spite of their conviction of conspiracy to extort more than a million dollars from the motion-picture industry.

As a result of Congressman HOFFMAN'S work, certain Democratic members of his committee have supported his efforts and seconded his program.

Representative HOFFMAN'S constituency has the satisfaction of knowing that their Representative in Congress has once again proven himself worthy of their confidence and their wholehearted support.

Flood Control at the Source

EXTENSION OF REMARKS

OF

HON. WILLIAM LEMKE

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. LEMKE. Mr. Speaker, flood control and water conservation are two of the greatest problems confronting the American people. There are many suggested solutions. One solution is building large dams and large storage basins. These storage basins have one advantage, and that is furnishing electrical energy the year around. They also have many disadvantages such as flooding fertile lands and covering valuable coal and mineral lands.

While the electrical energy resulting from these large storage basins can be distributed to the surrounding communities, yet the water may not be so accessible to all. There are those who feel that a happy solution would be a combination of the two. A large number of small dams with here and there a large one.

In order to bring these matters before the public for intelligent consideration, I include in my extension an article by Ernest C. Burlbaw:

FLOOD CONTROL AT THE SOURCE

(By Ernest C. Burlbaw)

Before going into the problem of flood control, it is desirable to determine just what we wish to accomplish.

To do this, one need only look at the following conditions resulting from the average flood:

1. A large amount of fertile land is inundated and potentially valuable crops are destroyed.

2. Many persons living along the rivers are forced to flee from their homes, and a large sum of money must be spent to insure their health and safety during their exile and after their return home.

3. Valuable business and real property is destroyed or damaged.

4. Normal business upon or along the waterway is disrupted and travel is curtailed or restricted.

To eliminate, insofar as is possible, the above conditions must be the real aim of flood control. Anything short of that is only partial control, and any other consideration, such as the generation of hydroelectric power should be proposed on its own merits.

Essentially, then, we may define flood control as the storage of excess precipitation, and its subsequent release at such time and in such manner as to prevent the occurrence of any of the conditions listed above.

These aims of flood control may be attained only through the proper location of the storage reservoirs. For example a dam placed at the mouth of the Missouri River might benefit that area lower down on the Mississippi, but it would certainly bring about the very conditions which we wish to eliminate along the Missouri Valley above the dam.

Since the volume of water flowing down the Missouri River is so great that it causes flood conditions over a period of weeks, it is self-evident that it will be impossible to store this water in the Missouri Valley proper without inundating approximately the entire valley land which would have to be purchased by the Government. Far from solving the problem this would remove thousands of acres of fertile soil from productive use. In the long run it would be as logical for the Government to buy this land and allow it to remain idle thus saving the cost of the dams.

In another instance, dams placed at the mouth of the large tributaries would control the floods in the Missouri Valley proper and would benefit the people in that area, but they would cause flood conditions behind the dams on the large tributaries.

From these two examples it can be seen that numerous smaller dams placed farther up the tributaries will benefit more people by establishing flood control over a greater area and without covering so much valuable and productive land.

To attain all the aims of the flood-control program throughout the area the dams must be placed sufficiently far up the rivers that the water stored by them will not cause inconvenience or damage to property, or the loss of fertile land through inundation.

This will require a large number of small dams, strategically located, as near the source of rainfall as possible. These dams must be constructed to store the excess precipitation that normally runs off of a given section of land. With the dams properly located throughout the drainage area the flow of water in the rivers will be under close control.

Two methods are proposed for determining the storage capacity of the dams placed in a given area.

1. Since it is evident that the amount of run-off water will not be the same for different types of soil and conditions of terrain, it must first be determined how much run-off is to be expected. In order to do this test plots are selected to represent the various soil and terrain combinations peculiar to the area, i. e., sandy, clay, loam, or rocky soil located in flat, rolling, and hilly country. Then the precipitation and run-off are measured on each plot for a period of 1 year, and calculation is made of the percentage of rainfall that ran off during the flood season.

Applying this run-off data, in terms of percentage of rainfall, to the Weather Bureau precipitation records for previous years, it is possible to determine the amount of wa-

ter that can be expected to run off 1 acre of each of the representative plots during an average year and during the flood season of an average or wet year.

As an example, a 40-acre plot with 4 inches of precipitation during floodtime and 75 percent run-off will require the storage of 3 inches over the 40 acres, 120 inches over 1 acre, or 10 feet over 1 acre. In other words, a reservoir with average depth of 10 feet and covering an area of 1 acre will be required.

Having determined the data for the plots, the area to be considered is divided into drainage areas of convenient size. The land is then gone over section by section and cataloged according to type and expected run-off per acre.

Locations of dam sites will then be selected to cover the drainage area most efficiently and with the least inundation of fertile land. The size of the reservoir will be determined by the amount of land being drained and the run-off data. In some instances one or more reservoirs may be located in an area of a few square miles, especially in mountainous country. In flat table lands it will be necessary to locate the reservoirs around the border of the flat area. By taking advantage of the marginal land containing ravines, canyons, etc., and locating the dams as near the source as possible it will be possible to retain all the fertile valley land for productive use, and the major rivers would not be obstructed.

2. This method is the opposite of method 1 in the manner of approach. Taking into consideration the major rivers of the drainage area, we travel upstream on each river or tributary until a point is reached at which the daily flow of water may be accurately measured. A survey is then made of the land drained by this stream and records are kept for one year of the precipitation over the area and of the daily flow of water. From this data calculations are made to determine the amount of run-off during the year and during the flood season.

Comparison of the precipitation data for the test year with that of previous years will indicate the expected run-off for an average year and for the flood season of the average or wet year.

With these figures, showing the amount of water to be stored and the area to be drained, the reservoir capacity per section of land can be determined and the dam sites can be located in the same manner as in method 1.

This second method lends itself quite readily to a test case on any river taken at random from a given area under consideration.

Having located the dam sites and determined the amount of water to be stored, the dams are constructed, usually of earth fill with concrete core if necessary. A normal flow outlet is arranged to permit release of the stored water at a definite rate of flow throughout the summer and fall months. The dam design will be such as to retain a quantity of water for emergency use in the area in case of an exceptionally dry season.

Because of the regulation of the daily flow from each dam the brooks, creeks, and rivers will be maintained at a relatively normal level throughout the year rather than becoming quite low or dry during the hot, dry weather. In many instances this daily flow may be used by the farmers to effect some degree of irrigation or to insure water for livestock during the summer. This benefit will be an added incentive for full participation in the program by the landowners.

Where river transportation is to be considered, the larger rivers will benefit directly from this normal flow.

If it should be considered desirable to construct hydroelectric plants on the larger tributaries, this equalized flow of water would be a direct advantage, allowing operation with much less storage capacity than under present conditions.

Meet the Press

EXTENSION OF REMARKS

OF

HON. KARL E. MUNDT

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. MUNDT. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include herein the transcript of a radio interview broadcast by the Mutual Broadcasting System on August 6, 1948.

The transcript follows:

MEET THE PRESS

ANNOUNCER. From Washington, D. C., news center of the world, Mutual brings you the most revealing half-hour in radio, Meet the Press, America's press conference of the air.

We invite you to listen to an unrehearsed and spontaneous press conference as four of the country's ace reporters fire questions at Congressman KARL MUNDT, acting chairman of the Committee on Un-American Activities, whose investigation developed a sensational picture of Communist influence in high Government circles.

Each week, Mutual presents Meet the Press in cooperation with the editors of The American Mercury, one of America's most fearless, outspoken, and stimulating magazines. Our press conference will begin in just a moment.

The congressional investigation of Communists brought the American people up to a sudden start. As the story unfolded before the House Committee on Un-American Activities and the Senate investigating subcommittee, the woods seemed to be seething with Communists. Names were mentioned by ex-Communist witnesses that shocked the Nation. People involved in policy making on the highest level were accused of furnishing important information to men and women who passed it on to the Soviet Union. The Communists, it was claimed, had pipe lines to virtually every important Government office.

Is all this the fantasy of someone's vivid imagination? Is all this just political horse play? The President gave one answer yesterday. He said the investigations were a Republican red herring designed to detract public attention from congressional failure to act in his program to stop inflation. He declared that the FBI and grand jury have all the information now being revealed.

Congressman MUNDT insisted that his committee had reason to believe that a Soviet spy-ring is operating at this very moment in Washington.

The American people are puzzled by what has been happening. They want to know the truth. Have our elected officials been careless or venal or stupid? Or have they been diligent and is all this "old stuff" to those in authority and already properly taken care of?

Here to answer many of the questions you would ask is Congressman KARL MUNDT, acting chairman of the Un-American Activities Committee, and, now, here is the well-known Washington editor of Newsweek magazine, Ernest Lindley, substituting for Albert Warner, who is on vacation, to welcome Congressman MUNDT and the gentlemen of the press.

Mr. LINDLEY. Welcome, everybody, to another weekly news conference. We had expected to have Miss Elizabeth Bentley, a chief witness in the current investigations of Communist activities, with us here tonight, but, then, the House Un-American Activities Committee said it could not guarantee that she could be in Washington tonight. We hope to put her on the witness stand at Meet the Press next Friday. I don't quite dare call the gentleman who's been presiding over one of these inquiries a substitute for the so-called spy queen, but we're glad to have him, the acting chairman of the Un-American Activities Committee, Representative KARL E. MUNDT, Republican, of South Dakota.

Mr. MUNDT is winding up his fifth and probably his last term as a Congressman. If he comes back in January, as most of us expect him to, it'll be as United States Senator from South Dakota. In his years at the House, Mr. MUNDT has made an intensive study of communism and Communist tactics both here and abroad. He was the co-author of the Mundt-Nixon bill to curb communism which was before Congress last spring and during the last 2 weeks he has been presiding over one of the most sensational investigations of recent years.

Seated at the press table are Mae Craig, of the Portland (Maine) Press-Herald; Nelson Frank, of the New York World-Telegram; Lawrence Spivak, of the American Mercury; and Joseph A. Loftus, of the New York Times.

Now, who has the first question to put to Mr. MUNDT? Mrs. Craig.

Mrs. CRAIG. Well, Congressman, President Truman said at his press conference yesterday that this Communist spy ring in Washington exists only in your mind.

Mr. MUNDT. Yes; I read that, Mrs. Craig, and I also read that he said it was an attempt by the Republicans to draw a red herring across the activities of the special session of Congress. I think the best answer to that might be that at no time since we have had the Un-American Activities Committee in session during this short session of Congress has there been a majority of Republicans at the committee table. Part of the time we had four Democrats and three Republicans. Most of the time, three Democrats and three Republicans, and all of our decisions and all of our actions so far have been unanimous, so if it's a figmentation of anybody's mind, it's the figment of imagination of six Members of Congress, not one, and three Republicans and three Democrats, and I'm very much afraid that the President of the United States is going to have to eat that statement word by word and it will be tougher than Missouri knew before he gets done and it may be by the end of next week.

Mrs. CRAIG. Well, Congressman, let's get back to Miss Bentley. I think there's a tremendous amount of interest in her. You said you couldn't guarantee her getting here tonight. Where is she?

Mr. MUNDT. Because we can't guarantee to get her here, we can't guarantee to tell you where she is, either, because she is needed from time to time during these hearings to go places to identify certain witnesses being brought into the hearings.

Mr. SPIVAK. Mr. MUNDT, the President also said that your hearings are serving no useful purpose. Now, what purpose do you think the hearings are serving?

Mr. MUNDT. One very useful purpose up to now is to take from the employment of the Commerce Department a young man who was implicated in this testimony and will admit every aspect of the testimony except the type of evidence that he was delivering to Miss Bentley. He says, "I admit that I know Miss Bentley. I admit that I delivered to her many different items of Government information. I admit that I delivered those items to her in the darkness of the night in a park where nobody could see it. I admit that I gave her money, but the money I gave her was not to be used as she said she used it, and I am surprised that she made the use of the information that she said she did," and he also said, "I didn't consider the information of very great importance."

Mr. SPIVAK. Well, Mr. MUNDT, what useful purpose, to answer directly.

Mr. MUNDT. He has been removed by the Commerce Department from his job since these hearings began.

Mr. SPIVAK. Well, are they since the hearings began? Wasn't he relieved of his job some weeks ago?

Mr. MUNDT. No. He was on a vacation at the time the hearings began and was on a leave of absence and has been removed officially since the hearings began.

Mr. LOFTUS. Congressman, hasn't the FBI had 3 years to investigate Remington and haven't they failed to prove anything against them? Why do you take up cases that the FBI has failed at?

Mr. MUNDT. We are not at all critical of the FBI. In its aspects, the FBI can investigate a case and complete its investigations and provide the evidence but it then ceases to have any authority and it goes over to the Department of Justice to act upon it. After the FBI has completed its investigation, we have frequently found that the Department of Justice has failed to act.

Mr. LOFTUS. Well, that's a red herring, Congressman. I didn't ask you to be critical of the FBI. I asked you why you take cases that they have failed to prove after 3 years of trying.

Mr. MUNDT. We don't believe the FBI has failed to prove the case. We feel that action has failed to come from the Attorney General's Office, not from the FBI.

Mr. FRANK. Well, Congressman, are you going to ask J. Edgar Hoover to come in here and tell you what he knows about the spy rings?

Mr. MUNDT. We would like to have J. Edgar Hoover come in and several other witnesses but President Truman has issued an iron curtain between the White House and Congress and forbids by Executive order any member of the Cabinet, any member of his official family, any employee of Government, either to give us information or let us see the official records.

Mrs. CRAIG. Well, Congressman, since all the Communists I've ever heard before your committees admit that they lie whenever they think it's to guard them in the Communist cause, why do you believe any of them now?

Mr. MUNDT. Well.——

Mrs. CRAIG. Whether reformed or not?

Mr. MUNDT. There's a great difference, I think, between a reformed Communist and a Communist. Certainly, the Communists do lie to non-Communists. I think Communists tell the truth to one another, frequently because they are afraid of the consequences of falsehood, but when a Communist has reformed, as in the instance of Miss Bentley, as in the instance of Mr. Chambers, as in the instance of a great number of other former Communists who have testified before our committee and before the FBI, we have reason to believe that along with that reformation which took them away from communism is a reformation which permits them to tell the truth.

Mr. SPIVAK. Mr. MUNDT, is it true that the Department of Justice tried to have the congressional investigation called off? Is that true?

Mr. MUNDT. I can say that the Department of Justice did not contact me or use any influence upon me to call it off. Whether they did anything with the Senate committee or not, I do not know.

Mr. SPIVAK. Now, what about the House committee? Did they try to have—you, as acting chairman, should know—did the Department of Justice, as Congressman NIXON is reputed to have charged, try to call the congressional investigation off?

Mr. MUNDT. Not in contacting me, and, insofar as I know, they did not use that influence on the House.

Mr. SPIVAK. You don't know, then, why that particular charge was made, as was reported. * * *

Mr. MUNDT. No; I didn't even happen to see that charge made.

Mr. LOFTUS. Congressman, you got the Silvermaster Civil Service Commission reports through the iron curtain. How did you do that?

Mr. MUNDT. We got that before President Truman issued the iron curtain order and we feel that one reason he did issue it was because we got the Silvermaster file.

Mr. LOFTUS. The Silvermaster file confirmed Miss Bentley's testimony.

Mr. MUNDT. One hundred percent.

Mr. LOFTUS. Did you try to get the civil-service file on Mr. Hiss?

Mr. MUNDT. We tried to get the civil-service file on several of the other witnesses, but before we got around to writing our official letters, Senator FERGUSON had tried to get the official file on Mr. Remington.

Mr. LOFTUS. Well, you didn't try to get the civil-service file on Mr. Hiss.

Mr. MUNDT. Well, let me explain why. Because before we had an opportunity to write the letter on Mr. Hiss, President Truman stated that he would not let any of these files be given to any of the congressional committees. We would love to have the civil-service file on Mr. Hiss.

Mr. LOFTUS. Isn't it very possible that the civil-service file would not confirm Miss Bentley's testimony in his case?

Mr. MUNDT. Well, I don't want to either condemn or commend Mr. Hiss until I can find what is behind the amazing contradiction in the testimony between Mr. Hiss and the senior editor of Time magazine, Mr. Chambers. They are diametrically 100 percent opposed and in 10 years of history, may I say, of the Un-American Activities Committee, this is the first time there has been such an amazing head-on conflict of testimony between two witnesses who, on the face of it, might be considered to be equally reputable.

Mr. LINDLEY. Mr. MUNDT, if, as Mr. Chambers testified, he and Alger Hiss were old friends, don't you think it probable that somebody's alive who saw them together at some time or another?

Mr. MUNDT. I would think so, Mr. Lindley, and in all events we have put part of our investigative staff on the trail of the testimony given both by Mr. Chambers and Mr. Hiss in an effort to substantiate the testimony of both wherever they can and to refute it wherever they can.

Mr. LINDLEY. If you are unable to find anybody who had ever seen the two together, would you be inclined to credit Mr. Hiss' testimony or Mr. Chambers' testimony to their relationship?

Mr. MUNDT. If we could find no further evidence at all, I'd be inclined to let the testimony stand on its own bottom and let the American public make up its mind.

Mr. LINDLEY. But wouldn't you, as chairman of the committee who has been studying this thing, be under obligation to indicate which one you thought was telling the truth?

Mr. MUNDT. I don't think so.

Mrs. CRAIG. Mr. Mundt, several people, including Mrs. Roosevelt and Loft and Currie, have called Miss Bentley a neurotic. Now, Mr. Silvermaster went a little further. He said that she was a neurotic liar. Do you know whether she's ever been in a mental institution?

Mr. MUNDT. To my knowledge, she has never been in a mental institution and the only people I have ever heard claim that she has been are the editors of the Communist Daily Worker and part of the smear brigade of the Communist Party.

Mr. FRANK. I wonder if I couldn't answer that. The FBI worked with her for a year and a half. They checked on that quite well.

Mr. MUNDT. She also testified before the grand jury in New York at the behest of Secretary—or Attorney General Tom Clark, and I doubt whether they would use a neurotic or a person who was recently a refugee from a mental institution. I think that's purely one of the numerous falsehoods in the smear tactics of the Communist Party.

Mr. LINDLEY. Mr. Frank, technically, you are out of order, but we're glad to have your contribution of fact.

Mrs. CRAIG. Congressman, I asked you that about Miss Bentley in a mental institution because I have heard it several times in the last few days.

Mr. MUNDT. I have, too, and as far as I've been able to chase it, it's all come from the same Communist source. As you know, Miss—Mrs. Craig, once a rumor has started, you can hear it from several sources, even though it originates from a single source.

Mr. LINDLEY. Do you know whether Mr. Chambers was ever in a mental institution?

Mr. MUNDT. I've never heard that. I believe that's sly, adverse Newsweek publicity. I don't believe. * * * [Laughter].

Mr. LINDLEY. Not so intended. I was told that he had been today and I want the facts.

Mr. MUNDT. If you were, I imagine it came from some Communist smear panel.

Mr. SPIVAK. Well, Mr. MUNDT, I think you suggested a moment ago that some members of your committee at least felt that the Department of Justice hadn't done all it should have done in placing the information where it would do the most good. Now, isn't it true, however, that it was Attorney General Clark in his office that placed the evidence before the grand jury?

Mr. MUNDT. That's correct, Mr. Spivak, but neither you nor I nor the very frequently misled and misguided and misinformed American public know in what manner this information was placed before the grand jury, nor what, if any kind, of indictments were asked for or what use was made of it. It is true that after the FBI had built up this great pyramided evidence about these Communists' espionage activities, a grand jury was called in New York, and testimony has been held and, of course, the grand jury has not yet adjourned, and we can't guess what they are going to do in connection with that evidence.

Mr. SPIVAK. Well, isn't it true, however, that 12 members of the Communist Party were indicted as a result of the evidence placed before that grand jury?

Mr. MUNDT. That's correct.

Mr. SPIVAK. Do you mean that there are some grand juries you note some details about who have cases and action on them?

Mr. MUNDT. Yes. We know that the 12 Communists who were indicted by this New York grand jury who heard the testimony of Miss Bentley and heard the testimony of some of the other witnesses who have been and will be called before our jury.

Mr. FRANK. Oh, I thought you criticized the Department of Justice for the lack of information about the way they presented the case.

Mr. MUNDT. I criticized them for the lethargy. They didn't even call the grand jury into session in New York until very recently and, as far as I have been able to discover, have not been able to get any indictments up there except those 12.

Mr. FRANK. Congressman, do you believe that the New York grand jury was kept going so long for political reasons?

Mr. MUNDT. I've heard that rumored, I am sure, from authority which I could substantiate better than the authority quoted by my good friend Ernest a few minutes ago. Whether it's true or not, I don't know.

Mrs. CRAIG. Congressman, you tried during the regular session to get through an anti-Communist bill and failed in the Senate. Do you think that you've got law enough now to get them, if it's tried out in the fall?

Mr. MUNDT. Positively not. If one wants to be charitable with the Department of Justice, one might say that a reason they could have difficulty in getting indictments from the

grand jury of New York would be the difficulty in finding present laws being violated either by these Communists or these espionage agents. I presume that because we are at war, the Espionage Act might operate, but it's a very tightly drawn act and it might find a loophole because this happened to be espionage between two allies instead of one friendly power and one enemy power.

Mrs. CRAIG. Your candidate, Governor Dewey, however, seemed in the campaign to think we had enough law.

Mr. MUNDT. My candidate, Governor Dewey, endorsed the Republican plank in Philadelphia, which said new laws are necessary and his administration will pass them with a Republican Congress.

Mr. SPIVAK. Mr. MUNDT, your committee has done some fine work and is wide awake. Why are you taking so long to get on to the Bentley case? For example, I think the FBI had her information in 1946. Whittaker Chambers has been around; I think he broke with the party as early as 1939, and most of us knew all about it. How come that your committee took so long before it got on those witnesses?

Mr. MUNDT. The reason for that is that we have been investigating the Bentley case and have had our investigators contacting her for some time but it came out into the open at this particular juncture due to the fact that a committee of another body, the Senate, in pursuing some of its duties in an effort to determine why people in executive departments were working their way into high offices although they were Communists, called on Miss Bentley and at that hearing she said, "I can give you the names of a lot of public officials who are Communists engaged in the espionage ring," and after that, of course, our committee could no longer just operate in the quiet.

Mr. SPIVAK. May I ask you just one more question and this, I think, is fairly important for those of us who believe in the Bill of Rights? Was any attempt made to question a person of Alger Hiss' family in secret before his name was given to the public?

Mr. MUNDT. No, and for this reason. We didn't know that the editor of Time magazine was going to mention Mr. Hiss' name in public. He was not mentioned by Miss Bentley, but he was mentioned by Mr. Chambers, and mentioned apparently quite by accident, not in this prepared statement, but in response to an inquiry as to whether when he left the Communist Party, he endeavored to induce anybody else to quit, and he blandly told the committee and the people there under oath, "Yes, I went to Alger Hiss and visited in his home and urged him to leave and he wanted to leave, it seemed, but with tears in his eyes, he said, 'No, I must stand by the party line'."

Mr. SPIVAK. Well, did you investigate Mr. Whittaker Chambers in secret before you had a public session?

Mr. MUNDT. Only to the extent of determining the pertinency and the relevancy of his testimony, that is, as to the identity of the people about whom he was questioned.

Mr. SPIVAK. One more question—isn't it rather dangerous to our civil rights to permit somebody to spill a great number of important names—they might be Cabinet members and they might be people in very high place—without first finding out whether there was any evidence at all to justify the use of those names?

Mr. MUNDT. I think that would be true, Mr. Spivak, if you were calling in some irresponsible witness, but I don't believe a witness of the standing and type of the senior editor of Time magazine should necessarily be interrogated, as to all the people he expects to talk about before he should be permitted to testify.

Mr. LOFTUS. But you said he introduced the name of Hiss entirely as a surprise to you? Don't you think that reflects on his credibility?

Mr. MUNDT. Not necessarily, because we had heard reports about Mr. Hiss before, we did not know Mr. Chambers was going to talk about Mr. Hiss.

Mr. LOFTUS. Well, couldn't this public conflict of testimony have been avoided if the committee hadn't rushed into these hearings as it did? They started hearings on Saturday, I believe. Wasn't that entirely irregular?

Mr. MUNDT. Irregular on Saturday? Not at all.

Mr. LOFTUS. Well, then, unusual.

Mr. MUNDT. No, no.

Mr. LOFTUS. No previous announcements.

Mr. MUNDT. We've held a great many hearings on Saturday.

Mr. LOFTUS. Didn't the committee suddenly decide to hold hearings because the Senate committee had brought up Miss Bentley?

Mr. MUNDT. I'm glad you mentioned that because, as a matter of fact, we've had Miss Bentley under subpena. Our people had been contacting her—had expected to hold her in executive session on Wednesday. I think it was Thursday or Friday that the Senate committee found that they wanted to have her testify on the Remington case, so we said quite all right, so they had her testify, and we deferred to them, and started ours on a Saturday instead of Wednesday.

Mrs. CRAIG. Mr. MUNDT, do you know whether Miss Bentley has been promised any kind of immunity for her testimony?

Mr. MUNDT. I don't know, except by applying the rule of logic, Mrs. Craig. I presumed that she has turned state's evidence and probably has been given immunity by our enforcement officials for these testimonies she has given. In the words of the late but unlamented Nathan Gregory Silvermaster, certainly, they were self-incriminatory.

Mr. FRANK. Well, Congressman, if you are to register Communists who are on the books, how will that stop that sort of spying that we are reading about?

Mr. MUNDT. I think it would give the complete answer to a case like this, the complete answer, because in the first place it puts the penalty of 5 years in the penitentiary and 5 years in jail for any person who is a Communist, who seeks and secures employment, and it places the same penalty of 5 years in a penitentiary and a $5,000 jail sentence on the bureaucrat or upon the Government official who appoints this particular Communist to a job. Now, we can trace down the people who made these appointments and that would give us an opportunity to enforce the law.

Mr. SPIVAK. Mr. MUNDT, Mr. Stripling, the counsel of your committee, said today that a New Deal Cabinet member was involved in wartime shipments of uranium to Russia. Can you tell us who that New Deal Cabinet member is?

Mr. MUNDT. You are getting off on another aspect of committee investigations, Mr. Spivak, which comes under the direction of Mr. McDOWELL, of Pennsylvania, who is chairman of that subcommittee and is investigating the leakage of secrets of atomic energy and atomic information to the Soviet. It has nothing to do with the particular hearings except that he is in to a certain degree with this espionage ring which was seeking to get atomic secrets. That part of our program has been going on for 12 months and we don't want to get the two hearings mixed together.

Mr. SPIVAK. Is Mr. Stripling his counsel, too, or is he just your counsel?

Mr. MUNDT. Mr. Stripling is counsel of the general commitee and is assigned to the McDowell Subcommittee on Atomic Energy.

Mr. SPIVAK. Well, may I follow through for just one moment? Isn't it a mistake to say something like what Mr. Stripling said, that a New Deal Cabinet member was involved? Don't all the former Cabinet members of the New Deal stand accused until his name is mentioned and isn't that the sort of thing we try so hard to avoid under our Bill of Rights and in our democracy?

Mr. MUNDT. I think that could be argued with considerable logic under normal political conditions. But when you face an administration which tells you they will not permit you to look not only at the loyalty files but at the employment files of the Government, sometimes it's necessary to needle these people into giving information which you should be able to get under more normal procedure.

Mr. FRANK. Congressman, do you think that Fascist Italy or Nazi Germany got networks into the Government the same way as Russia seems to have been able to do?

Mr. MUNDT. I think they both tried but because they had not had their Fascist or Nazi organizations organized over here so long or so well, I don't think they succeeded to the extent that the Communists have.

Mr. LOFTUS. Congressman, you think the capitalist system of democracy and free enterprise is the best in the world, don't you?

Mr. MUNDT. Surely.

Mr. LOFTUS. Then, what are you afraid of? Do you think the people will trade it for something?

Mr. MUNDT. I'm afraid that we're going to lose it the way Czechoslovakia lost the same system by the same type of indifference that a lot of Americans show and the failure to face up to the facts of life about Communism and Soviet espionage.

Mrs. CRAIG. Congressman, in your own mind do you feel any explanation, any understanding, of why a woman, like Miss Bentley, of education and training should have turned into a Communist spy against her own country even in wartime?

Mr. MUNDT. It's very difficult. I think her explanation probably is the most persuasive and plausible, and that is that she fell in love with a man who was a Communist.

Mr. LOFTUS. Well, Congressman, if I may follow through there, that doesn't explain why many other native Americans become Communists. How do you explain that?

Mr. MUNDT. It's very difficult, Mr. Loftus. It's hard for me to understand how Earl Browder, born out in Kansas in the great heart of America, became a Communist, but he did, or how he became a Communist, born into a Catholic family, which abominates communism, but he did. I presume that it's because they feel a frustration; it's because they feel a desire to become important and significant, and, consequently, they go into a movement which they think will expedite their access to power or by which they can expedite a social reform of some type. They leave the American system and try some new crackpot line, such as communism or nazism.

Mr. LOFTUS. How about social and economic conditions? Don't you think that's an influence?

Mr. MUNDT. I think in some cases it is, but it's very difficult under those terms to explain the man who has subsidized the Abraham Lincoln School for Communism in New York—a multimillionaire and a Communist.

Mr. LOFTUS. I don't mean that just poor people are in favor of communism. I mean a lot of people with or without money could be influenced by seeing a lot of poverty amidst plenty.

Mr. MUNDT. The only system in the world for eliminating poverty is the American system of free enterprise and the political freedom of the American Constitution.

Mr. LINDLEY. We have time for just one more quick question and answer, Mr. Spivak.

Mr. SPIVAK. Mr. MUNDT, the Communist Party today said that Earl Browder is no longer a Communist. Do you think he is or do you think he isn't? Do you think he is reformed and is your committee planning to call him?

Mr. MUNDT. I think the first day Miss Bentley testified before the Senate committee she

explained that perfectly. She said that as soon as you reach a high-enough echelon in Communist activities you are no longer considered a Communist of the card-carrying type. You become a member at large so that you can swear without fear of violating a perjury law you are not a Communist because you enter a new realm where you can become one of the leaders of the party and are not considered either by your associates or outsiders as Communist. Of course, Earl Browder's a Communist. We've had him before our committee. He either refuses to testify entirely or lies by the clock when he's before the committee.

Mr. LINDLEY. Well, Mr. MUNDT, I'd like to ask you what your committee is going to decide Tito is—whether he's still a Communist or not, but we haven't got time for an answer.

Mr. MUNDT. That's a decision a police bureau has to make and not our committee.

Mr. LINDLEY. Well, we've talked over a good deal of ground. There's a lot more that we'd like to know from you just as there are several mysteries, I am sure, you're eager to have your committee clear up during the week and the weeks which follow.

The thanks of the Mutual network go to you, Representative KARL E. MUNDT, of South Dakota, and to my colleagues of the press, Mae Craig, of the Portland (Maine) Press-Herald; Nelson Frank, of the New York World-Telegram; Lawrence Spivak, of the American Mercury; and Joseph A. Loftus, of the New York Times.

Until next week when we hope to have Elizabeth Bentley with us on the witness stand, this is your correspondent, Ernest K. Lindley.

One Year of the Taft-Hartley Law

EXTENSION OF REMARKS
OF
HON. GEORGE H. BENDER
OF OHIO
IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. BENDER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement:

ONE YEAR OF THE TAFT-HARTLEY LAW

Legislation which is destined to endure is invariably the product of experience. It is enacted in response to some deep need arising from economic or social conditions. The Taft-Hartley law, like the Wagner National Labor Relations Act which it modifies, is clearly the product of a decade of vital experience in the complex field of labor-management-Government relations.

It is now 1 year since the passage of the Taft-Hartley measure over the President's veto by an overwhelming majority of Republicans and Democrats. It is too early to appraise the full extent to which this act will meet the demand for industrial peace which called it into being. Litigation testing one phrase or another of the legislation will be before the courts for some years to come, but certain conclusions are already clear to fair-minded observers.

There has been a decrease in the number of strikes occurring since the passage of the Taft-Hartley bill. Other factors undoubtedly played a part in cutting the 6-month strike record from November 1947 to April 1948 to 1,175 from the figure of 1,969 for the same period 1 year earlier. Nevertheless the influence of the new law in retarding strike calls seems evident to labor analysts.

Two great industries affecting the Nation's economy, coal and shipping, have furnished the testing ground for a major section of the Taft-Hartley Act—the provision of injunctions invoked by the Government to prevent Nation-wide catastrophes. In both instances, industrial chaos has been averted by the use of the new law.

Two other problems which contributed mightly to public sentiment for the Taft-Hartley bill—jurisdictional disputes and secondary boycotts—are no longer the serious problem they were before the act. The unions themselves are handling their jurisdictional disputes intelligently and effectively, keeping these family problems out of the courts. Secondary boycotts are being discouraged by far-sighted union leaders directly because of the inevitable hostility they have aroused.

There is still much ground to be covered before a complete verdict can be rendered on the Taft-Hartley experience. To date, the record of industrial stability secured under the act points strongly to its ultimate acceptance by the general public as an aid to peaceful, around-the-conference-table labor-management relations.

Reclamation Under Democratic Sponsorship

EXTENSION OF REMARKS
OF
HON. WALTER K. GRANGER
OF UTAH
IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. GRANGER. Mr. Speaker, a look at the record clearly reveals that Democratic administrations have been far more interested than Republican administrations in the development of the West through reclamation of arid and semiarid lands, even though reclamation was given its start by a Republican president, Theodore Roosevelt. Even if appropriations for the last two fiscal years are not counted, the figures show that yearly appropriations and allocations of money made under Democratic administrations have averaged four times as great as funds made available under Republican presidents.

The first reclamation law was passed in 1902. Until the 1914 fiscal year all money for the construction of reclamation projects came from the reclamation fund set up by Congress from income derived from leasing of mineral rights on public lands. Allotments made from the reclamation fund during these early years are taken as the equivalent of appropriations in the comparison which follows. Allotments during the Republican period from 1902 through 1912 amounted to $100,445,789. This includes the fiscal year 1913, since allotments for that year were made in 1912, when President Taft was President. This averaged $9,131,435 a year.

For fiscal year 1914 through 1921, when there were Democratic Presidents, $79,274,359 was appropriated or made available from the reclamation fund. This averaged $9,909,295 a year.

During the lush "boom and bust" days of Republican administration after World War I, there appeared to be no consuming interest in reclamation development, although industrial growth, especially in the East, progressed by leaps and bounds. Despite higher costs for labor and materials, appropriations for reclamation projects from 1921 through 1929 averaged $12,988,449 a year—only 30 percent higher than in the prewar Wilson administration. It was only after depression began to cause widespread unemployment that a somewhat greater interest in reclamation was taken. Total reclamation appropriations for the 12 years of Republican rule amounted to $184,305,990, a yearly average of $15,358,833.

Then the Democrats returned to power, and from fiscal year 1934 through fiscal 1947 sums totaling $998,783,214 were made available for the building and operation of reclamation projects. The average annual appropriation for this period was $71,341,658, although the scarcity of materials and labor during World War II slowed down the construction effort.

This last period of 14 years included not only direct appropriations, but allocations from NIRA, ERA, and PWA funds. The investments made by the Federal Government in this period of Democratic administration exhibit a greater interest in western development than any ever before evidenced.

Thus, in the 23 years since 1902 when a Republican President was in the White House a total of $284,751,779 was made available for reclamation development, whereas in the 22 years of Democratic administration in this period up to and including fiscal 1947, sums amounting to $1,078,057,573 were appropriated or allocated to reclamation. This was almost four times as great as the money allocated under Republican regimes.

In the last two fiscal years appropriations have topped all records—$143,185,924 for 1948 and $246,058,942 for fiscal 1949. During these two years, there has been a Republican majority in Congress, but it can hardly take all of the credit for these sums, because when a Republican House last year cut Reclamation appropriations to a point where it would have meant a discontinuance of many projects, the West rose in anger and demanded a restoration of the funds. The threat to Republican prestige was so great that no effort was made this year to effect a drastic reduction of the program. Reclamation on the eve of this Presidential election has for some reason become popular with the Republicans.

There is still another way of figuring the difference between the Republican and Democratic attitudes toward western developemnt, and that is on the basis of the yearly increases and decreases in the acreages served with irrigation water by the Bureau of Reclamation. This is figured on the basis of crop or calendar years.

In 1906 what was then the Reclamation Service served 20,100 acres with irrigation water. From 1906 through 1912 a net increase of 540,000 acres, or an average of 77,143 acres a year, were brought under water.

From 1913 through 1920 the net increase in acreage served was 1,564,710, an average of 195,589 new acres brought under water each year.

In the 12-year Republican administration, from 1921 through 1932, the

net new acreages brought under irrigation totaled 670,570, an average of 55,881 acres.

Then the Democratic administration brought under water a net of 1,761,034 new acres in 15 years, an average of 117,402 acres.

Of the 42-year period covered by these figures, 19 years were under Republican Presidents. During this time, a net increase of 1,210,570 acres under irrigation in the 17 Western States was achieved. This was an average of 63,714 acres a year, or only 59 percent of the 42-year average of 108,007 acres a year. Under the 23 years of Democratic administration, 3,325,744 new acres, net, were brought under water. This was an average of 144,598 a year, or 134 percent of the period average. Expressing it another way, the average acreage brought in during the Democratic years was 2¼ times greater than the yearly average of the Republicans since 1906.

It has often been said that the proof of the pudding is the eating, and so it is that the number of acres placed under irrigation on Utah farms, through construction by the Bureau of Reclamation, tells the real story.

It might be unfair for the Democrats to claim credit for having brought the Strawberry Valley project into production—although they did—although it was authorized under the administration of Theodore Roosevelt in 1905. The Weber River project is another project for which due credit must be given to a Republican regime. When this project was completed in 1933 and the Republicans went out of office there were 67,000 acres of land on that project under irrigation. That made a total of some 106,000 acres of irrigated land served by the Bureau of Reclamation before the present Democratic era. But since 1933 the Democrats have added some 159,000 acres to the land in Utah served with water by reclamation projects; and plans have been made for adding many, many more.

The following chart tells its own story of the number of acres in Utah which have been brought under irrigation through the various projects, and clearly indicates that Utah has faired better under Democratic administrations:

Irrigated acreage on projects served by the Bureau of Reclamation in Utah

	1912 (acres)	1920 (acres)	1932 (acres)	1946 (acres)
Strawberry Valley		35,000	41,185	37,087
Weber River			67,000	90,000
Hyrum				5,605
Moon Lake				55,786
Newton				1,948
Ogden River				15,606
Provo River				37,272
Sanpete				10,318
Scofield				13,884
Total		35,000	108,185	267,548
Increment for period		35,000	73,185	159,363

The record for my own State of Utah is even more striking, when we note that the amounts spent for construction in years of Democratic administration average almost five times amounts spent in Republican administrations.

Altogether, the Republicans have expended on construction of Utah Reclamation projects $4,997,016, while Democratic administrators have expended $23,187,381 up to June 30, 1947. The yearly expenditure for Reclamation projects in Utah during the years of Republican control averaged $217,262, while the yearly average expenditure for construction by the Democrats amounted to $1,053,972. And I can assure you that the work done under Democratic administrators was fully as economically conducted by Reclamation engineers as by Republican administrators.

The Strawberry Valley project authorized in 1905 was the first Reclamation aid brought to Utah by the Federal Government. During the Roosevelt and Taft administrations, $2,271,131 was spent on its construction, and in the Wilson administration it was completed at an additional cost of $1,236,292.

Then, during the 12 years of Republican administration which followed, the only project built was the Weber River project. Its construction cost $2,725,885.

It was during the administration of President Franklin D. Roosevelt that Federal reclamation work in Utah made greatest progress. In June of 1933 both the Ogden River and Provo River projects were authorized. Up to June 30, 1947, $4,403,938 had been spent on the construction of the first of these and $13,211,279 on the second. The Provo River project has brought much needed domestic water supplies to Salt Lake City, as well as supplementary irrigation water to farms, which has entirely changed the standards of living of a great many farmers.

The Hyrum project was authorized in September 1933, and the Sanpete project in November. These cost for construction up to the end of fiscal 1947 the sums of $941,884 and $374,540, respectively.

The Moon Lake project costing for construction $1,600,360 was authorized in November 1935; the Newton project costing $546,393 in July 1939, and the Scofield Dam was authorized in June 1943. To the end of fiscal 1947 it had cost for construction $872,695.

That is the score for Utah up to the end of fiscal 1947.

The year by year score upon which the foregoing statements were based is shown in the tables which follow:

Appropriations and allocations for reclamation projects under Republican and Democratic Presidents, fiscal years 1903 through 1949

Period	Republican		Democratic	
	Total for period	Yearly average	Total for period	Yearly average
1903–13 (11 years)	$100,445,789	$9,131,435		
1914–21 (8 years)			$79,274,359	$9,909,295
1922–33 (12 years)	184,305,990	15,358,833		
1934–47 (14 years)			998,783,214	71,341,658
Subtotal	284,751,779	12,380,512	1,078,057,573	49,002,616
1948–49 (2 years)			389,243,980	194,621,990
Grand total	284,751,779	12,380,512	1,467,301,553	61,137,565

Appropriations from reclamation and general funds, allotments from reclamation fund, 1903–15, and allocations from NIRA, ERA, and PWA appropriations

	Fiscal year	Allotments from reclamation fund	Appropriations (including power revenues)	Allocations from NIRA, ERA, and PWA appropriations	Total appropriation and emergency fund allocations	Subtotals and grand total
Calendar year	1903	$855,000				
Do	1904	18,200,000				
Do	1905	8,758,000				
Do	1906	[1]—9,711,173				
Do	1907	15,211,407				
Do	1908	10,011,765				
Do	1909	10,478,950				
Do	1910	8,605,050				
Do	1911	24,722,790				
Do	1912	7,286,000				
Do	1913	6,229,000				[2] $100,445,789
Do	1914	9,764,166				
Do	1915	11,742,042				
Do	1916		$13,530,000			
Do	1917		8,887,557			
Do	1918		8,537,213			
Do	1919		9,840,277			
Do	1920		7,848,927			
Do	1921		9,124,177			[3] 79,274,359
Do	1922		20,601,871			
Do	1923		15,359,530			
Do	1924		12,564,067			
Do	1925		13,640,809			
Do	1926		12,363,240			
Do	1927		7,556,320			
Do	1928		12,203,800			
Do	1929		14,253,400			
Do	1930		8,353,000			
Do	1931		19,847,000			
Do	1932		22,071,000			
Do	1933		25,491,953			[4] 184,305,990
Do	1934		11,051,335	$87,205,098	$98,256,433	
Do	1935		860,750	30,523,787	31,384,537	
Do	1936		15,072,100	36,883,746	51,955,846	
Do	1937		55,778,600	1,646,362	57,424,962	
Do	1938		41,586,600	31,089,515	72,676,115	
Do	1939		44,544,600	2,376,654	46,921,254	
Do	1940		76,984,600	2,715,032	79,699,632	
Do	1941		73,194,600	13,517	73,208,117	

[1] Negative amount reflects partial invalidation of previous allotments.
[2] Subtotal, 1903–13.
[3] Subtotal, 1914–21.
[4] Subtotal, 1922–33.

Appropriations from reclamation and general funds, allotments from reclamation fund, 1903–15, and allocations from NIRA, ERA, and PWA appropriations—Continued

	Fiscal year	Allotments from reclamation fund	Appropriations (including power revenues)	Allocations from NIRA, ERA, and PWA appropriations	Total appropriation and emergency fund allocations	Subtotals and grand total
Calendar year	1942		$101,361,631	$24,824	$101,386,455	
Do	1943		89,727,270		89,727,270	
Do	1944		38,275,500		38,275,500	
Do	1945		24,155,200		24,155,200	
Do	1946		117,365,050			
Do	1947		116,346,843			[5] 998,783,214
Do	1948		143,185,038			
Do	1949		246,058,942			[6] 389,243,980
Grand total (1903–49)			1,559,574,797	192,478,535	765,071,321	1,752,053,332

[5] Subtotal, 1934–37.
[6] Subtotal, 1938–39.

Yearly net increase or decrease in irrigated acreage served by Bureau of Reclamation by years, 1906 through 1947

Calendar year	Net increase in acreage	Average for a period
Republican President:		
1906	20,100	
1907	148,900	
1908	91,500	
1909	109,000	
1910	43,500	
1911	57,100	
1912	69,900	
1906 to 1912	540,000	77,143
Democratic President:		
1913	102,216	
1914	61,208	
1915	54,189	
1916	100,678	
1917	108,493	
1918	566,009	
1919	461,269	
1920	110,648	
1913 to 1920	1,564,710	195,589
Republican President:		
1921	22,740	
1922	[1] −7,080	
1923	52,540	
1924	[1] −66,840	
1925	87,930	
1926	117,060	
1927	192,986	
1928	177,224	
1929	23,970	
1930	100,220	
1931	[1] −33,276	
1932	3,096	
1921 to 1932	670,570	55,881
Democratic President:		
1933	22,535	
1934	[1] −41,117	
1935	104,438	
1936	40,783	
1937	132,850	
1938	5,926	
1939	37,377	
1940	237,958	
1941	64,430	
1942	441,239	
1943	192,647	
1944	125,003	
1945	56,383	
1946	200,849	
1947	139,733	
1933 to 1947	1,761,034	117,402
1906 to 1947	4,536,314	108,007
Total Republican, 1906–12 and 1921–32	1,210,570	
Average		63,714
Total Democratic, 1913–20 and 1933–47	3,325,744	
Average		144,598

[1] Decrease.

Anyone who knows the history of reclamation is aware that the easy projects—those for which one could get the biggest results for the least expenditure—were naturally the first to be constructed. Even if prices were the same today as they were 40 years ago, the projects being built today would cost more. While improved engineering methods tend to hold down costs somewhat, if we had to construct modern projects with the horses, mules, and manpower used on the earlier projects, most of today's reclamation construction work would be priced out of feasibility. As it is, we can go on building for some time. The Central Utah project, for instance, still lies ahead of us, despite the fact that its cost inevitably will be high.

The costs of reclamation projects today as compared to yesterday are the same as comparative costs in living. So one cannot point an accusing finger at the Bureau of Reclamation and assert that it has been wasteful and extravagant because a project costs more today than it would have cost in 1905, or even 1939. The accusation is very much like charging a man who requires a good deal of food to supply energy for physical labor with extravagance for eating meat at present-day prices. In 1939 one could buy a good round steak for about 35 cents a pound. Today it costs very nearly three times as much. Perhaps a farmer or workingman should not eat meat, but it would hardly be economical for him to fail to obtain sufficient nourishment.

Reclamation projects can be viewed in very much the same manner. Anyone who knows what an ample supply of late season water means in Utah knows that it is the difference between barely getting along and making money. Every year in which a meritorious irrigation project is delayed means the loss of hundreds of thousands of dollars, perhaps millions, to the farmers on that project. It means the difference between raising ordinary row crops and forage, and raising the high-priced specialty crops.

A little reckoning will show that even with the increased prices and the more expensive projects, that the physical volume of work in building dams, canals, and power plants since the Reclamation Service was first established has been almost twice as great during Democratic administrations as the construction accomplished by the Republicans.

Report to the People of Arizona

EXTENSION OF REMARKS
OF
HON. RICHARD F. HARLESS
OF ARIZONA
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

Mr. HARLESS of Arizona. Mr. Speaker, as this special session of the Eightieth Congress draws to a close, I would like to inform the people of Arizona of several of the major issues considered in this Congress which are of special importance to my State. I have been privileged as a Member of Congress to represent the progressive and enthusiastic people of our Nation's "baby State," and it is my desire to keep the people of Arizona informed of my activities in Congress. I fully realize that it would be impossible to make a complete survey of the work of the Eightieth Congress, since many comprehensive laws have been enacted during the past 2 years. However, many matters of particular importance to Arizona and the Southwest are still pending, and it is in this regard that Arizona must exert its efforts both in its State government and in Congress during the Eighty-first Congress. I shall, therefore, dwell on those matters which will affect Arizona during the coming years, both within the State and in its national and international activities.

WATER LEGISLATION

The most important legislative enactments affecting the State of Arizona, which are still pending in Congress are embodied in the central Arizona project. For 25 years, Arizona has struggled to obtain water, which is the very lifeblood of the State. The details of the central Arizona project are well known to the residents of Arizona, who know that the sole purpose of the bills which I and the other Members of the Arizona delegation in Congress have introduced, is to obtain for Arizona its rightful share of the resources of the Colorado River. The Department of the Interior has already approved the proposal, which is self-liquidating, and has submitted it to the Bureau of the Budget with favorable recommendations. In view of the significant importance of the central Arizona project to Arizona and the Southwest, I sincerely hope that it will become a reality in the early part of the Eighty-first Congress. A great part of Arizona's fight for water has involved the active opposition of interests of other States, who have attempted to deprive Arizona of water and to continue to usurp the water from that river. Legislation has been introduced in Congress requiring the Attorney General of the United States to interplead all of the States of the Colorado River Basin into one lawsuit before the United States Supreme Court in order to determine the water rights of each State involved. These are dilatory actions designed to suppress due consideration of Arizona's water prob-

lems by the United States Congress. However, the State of Arizona cannot relent in its fight for a rightful share of water. Not only is water of the essence for Arizona, but the development of electrical power is also of extreme importance to the State. The shortage of water and power is acute in Arizona. Due to a lack of power, our industries, mines, and commerce have been forced to curtail their activities, which is a tragic augury for one of the country's fastest-growing areas.

The passage of the Gila-Wellton-Mohawk irrigation project during the first session of the Eightieth Congress was of great importance to Arizona. It was, in fact, the first major irrigation project adopted by Congress, which involved a project irrigated by the waters of the Colorado River, since 1937. That project will mean that some 75,000 acres in Yuma County will have access to irrigation. The central Arizona project will mean that the central portion of our State can be developed and the unusual droughts of that area can be overcome. It is imperative that Arizona, through its State government and through its representatives in the Eighty-first Congress, act immediately and effectively to bring to a successful conclusion its 25-year fight for water and power. It is also essential that the Eighty-first Congress ignore the selfish interests within California who are attempting to block the progress of Arizona and who are thus depriving this country of the results of Arizona's potential development by legislative sabotage of the central Arizona project. We have reached the final stages of our battle for water and power and every effort must be mustered for final victory.

EDUCATION

Through the history of our great country education has been the primary and fundamental cornerstone of the American way of life. It is unfortunate that legislation was left pending by this Congress to lend needed and highly deserved assistance to education. I worked diligently in behalf of Federal aid to education, since I am convinced that it is our duty to every citizen of this country to furnish immediate aid to solve the present-day problems of our educational system. These problems are serious, indeed, and it is incomprehensible that nothing has been done in this Congress to solve them.

The participation of the Federal Government in educational endeavors dates back to the origin of our Government. Through public land allotments and money grants for education since the early days of the Republic, the United States recognized its responsibilities in the educational field. Our constitutional principles are closely related to the education of our citizens, and it is the clear duty of the Federal Government to safeguard our national interests through the promotion of education. Every child in this country should have an equal opportunity to learn. At present, due to differences in the wealth of different States, the opportunity to learn is unequal. In Arizona, there is dire need for this legislation. Although Arizona came into this Union as the Baby State, it now has growing pains. Since the war, thousands of Americans have gone to Arizona to make their homes. The unprecedented demands on our school system and crowded conditions in areas not yet prepared to cope with these unforeseen increases in population, have created a very real and vital problem. The educational authorities and teachers of Arizona have faced the problem with diligence and true patriotism. Their splendid efforts to continue the high level of education typical of our State, are, indeed, praiseworthy. However, these educational leaders need help. The Arizona treasury is incapable of solving this problem alone. The former taxpayers cannot carry the complete burden of educating the children of the new residents, not yet taxpayers, alone. Arizona needs Federal aid to education. Similar conditions and needs exist in other States. It is to be hoped that the Eighty-first Congress will take immediate steps to safeguard our education.

In addition to backing the Federal-aid-to-education proposals, I have worked diligently in support of higher wages for teachers, since I was convinced that the scale of wages paid to teachers was completely out of harmony with the present costs of living. Through the Interstate and Foreign Commerce Committee of the House, of which I am a member, I have constantly worked for legislation to open the way for the training and education of scientific and technical personnel. The aftermath of the war has left us in dire need of increased training in this respect. The enactment of the National Science Foundation bill will be instrumental in curing this defect. Since the State of Arizona has been affected more than most States by increased postwar populations, I have endeavored in every way, both in Congress and in cooperation with Government departments and agencies, to secure for Arizona every possible aid in increasing educational facilities and equipment. I have endeavored at all times to cooperate with the educational leaders of our State to develop Arizona's education.

INDIAN AFFAIRS

During the second session of the Eightieth Congress, I have relentlessly continued my sincere efforts in behalf of our Indians. The deplorable and woeful situation of the American Indian has come to light more than ever before. Public opinion has been aroused in behalf of the Indian, and in the law courts of Arizona, I was able this year to secure for the Indians of my State the right to vote. It gives me great satisfaction to forecast that at long last, the American Indian can see the day when he will take his place alongside other American citizens and enjoy the full share of benefits which this country offers its citizens.

I have been in constant contact with the Bureau of Indian Affairs and have urged immediate and adequate action to provide the Indians with a good standard of living, good health services, and good education. It is urgent that the government of Arizona and the Congress of the United States exert every possible effort in behalf of the first residents of this country.

I have been active in securing the continuance of welfare assistance payments to the Indians by the Federal Government until the House Subcommittee on Indian Affairs is able to hold hearings on this matter and report to the Congress for any necessary action. It is not possible for the States of Arizona and New Mexico to carry this burden alone. Although I am not a member of the Subcommittee on Indian Affairs, I have urged the committee to hold hearings at the Indian reservations, and I have been assured by the chairman of that committee that such hearings will be attempted in the near future.

Many other problems have arisen affecting the status of the Indians, and I have fought diligently in every instance to secure just treatment and adequate care for the Indians. I was happy to learn in conference with President Truman that he recognizes the obligations of the Federal Government toward the Indians and will back up our efforts.

AGRICULTURE

I regret to say that this Congress, in my opinion, has not fulfilled its obligations to the Nation's farmer. Unfortunately, vital appropriations for support-prices on agricultural products and for soil conservation have been slashed by this Congress. I doubly regret this action of the majority party in Congress, since it has cut deeply into the agricultural endeavors of Arizona, where farming is one of the chief sources of wealth and life. I have endeavored to set forth the interests of Arizona and the Southwest in agricultural and cattle production and have stressed the necessity of a healthy agricultural program for the entire Nation. During the past months, Arizona has been suffering from the dreadful spread of the hoof-and-mouth disease from our neighboring country of Mexico. I have continued to cooperate in every way possible with the Department of Agriculture to prevent the spread of this disease across our border. I urged enactment of my bill, H. R. 1460, to complete a fence along the Mexico-United States border. Unfortunately, this construction has not yet been authorized.

I was happy to see that some gesture was made during the second session to provide farmers with a long-range farm program, including a schedule of price supports. It is unfortunate that my urgent recommendations for stronger action in this behalf were not completely heeded by the majority party.

MINING

The problems of the miners in Arizona, arising largely out of wartime conditions, have been many and serious. During the first session of the Eightieth Congress, I introduced several bills to protect our mining industry and to help the small miners who had suffered losses during the war. The bill to provide premium price payments to producers of copper, lead, and zinc, which passed the

Congress during the first session, was vetoed by the President. In the second session, I introduced a similar bill, and in cooperation with the Members of Congress from the western mining States, I worked diligently for its passage. I again urged enactment of my bill to make possible the prompt settlement by the Federal Government of claims of small miners who suffered losses during the war while increasing their wartime production at the instance of the War Production Board and other Government agencies. These mine owners were prompted to make heavy investments in order to supply minerals essential to the war effort, and their losses should be reimbursed.

In addition to these bills, I also introduced a bill directing the establishment of a Mineral Resources Division within the Department of the Interior to carry out experimentation, investigation, and other necessary research in order to encourage the production of strategic metals and minerals. This bill further authorizes the stock piling of metals and minerals in short supply, which will be essential in case of an emergency. During the second session I repeatedly drew the attention of Congress to this pending legislation. In addition, I worked for the passage of my bill authorizing mining, milling, and smelting loans by the Reconstruction Finance Corporation. Since mining is one of the main sources of income for Arizona, these bills must be brought up again in the Eighty-first Congress, and every effort must be exerted for their enactment.

NATIONAL DEFENSE AND FOREIGN POLICY

During the second session of the Eightieth Congress, it became evident that this country must take strong measures to secure our national defense and at the same time to strive diligently, by means of a sound foreign policy, to secure the peace of the world.

While the Department of National Defense, created during the first session of this Congress was setting its reorganization in motion, committees of Congress were studying and evaluating the many and difficult factors involved in military training. By use of a questionnaire sent to people in every area of Arizona, I was able to obtain a cross-section of opinion of the people of Arizona concerning this issue. After weighing all the issues and in view of the need of adequate defenses in the present-day world in order to support the machinery for world peace, I voted for the military training bill. It was obvious to me that a majority of people in my State agreed with me that such action was necessary at this time. The dangers of falling into world chaos for lack of adequate preparation makes it necessary to train our young men to defend their country. It is now vital that the Department of National Defense execute this law judiciously and liberally in order that the necessity of military training will not interfere with the education of our youth.

In addition, legislation was passed to support a 70-group air force. The Air Force will play an important role in any future emergency, and Arizona, with its war-proven facilities, climate, and capacity to provide air training, will take an important role in the development of this branch of our defenses. Funds were provided for new military and naval aircraft and for further research in atomic energy; funds were provided for inactive duty pay to Reserve components; and the women's Reserve units were given regular status in the armed services. In view of the lack of an inland harbor on the west coast adequately protected from possible invasion, I introduced H. R. 4386, to authorize the Army engineers to investigate and determine the feasibility of dredging the Colorado River from the Gulf of California to the Imperial Dam, and of constructing such necessary locks and other facilities for the purpose of creating an inland harbor for national defense purposes. In view of the importance of good morale in the armed services, I also introduced H. R. 5724, to provide free postage for members of the armed forces while serving outside the continental limits of the United States.

For some time, it has been apparent that one of the sore points in world relations hinged around the oil of the Middle East. In view of the relations between Arizona and our neighboring Republic of Mexico, I worked for the adoption of a program between the United States and Mexico to develop the oil resources of Mexico, where the greatest known oil reserves on the continent are located, and where they could be most easily developed and purchased by virtue of the proximity of that country. As a result of my efforts and work, the Interstate and Foreign Commerce Committee of the House, of which I am a member, accepted the invitation of the Mexican Government to make a trip to Mexico this summer to inspect the oil possibilities in Mexico and to work out a program in cooperation with the officials of the Mexican Government, which can be presented to Congress. The results of this trip, which will be the first official trip of a committee of Congress to Mexico, will be of prime importance to this country and to the world.

Several measures were enacted during the second and special sessions to further the European recovery program and to aid the United Nations. During the enactment of these measures, it has been encouraging to note the keen interest of the people of Arizona in our international affairs and in the achievement of peace throughout the world.

Many other issues were considered during the second and special session of the Eightieth Congress, which space does not permit me to discuss. I have been keenly concerned with all legislation affecting veterans and the training of veterans under the GI bill of rights. I strongly opposed the attempt to curtail flight training from the GI bill of rights during the second session. Later, although Congress did not curtail flight training, I appeared before the House Committee on Veterans' Affairs and urged the committee and the Veterans' Administrator to take immediate steps to correct the action of the Veterans' Administration to eliminate flight training, although such elimination had not been authorized by law. After stressing the importance of flight training to our national defense and the active interest of Arizona in flight training, I was assured by the Administrator and by the committee that such training would not be curtailed. There was a dire need for housing legislation during this Congress. Unfortunately the bill which was enacted was a weak remedy for the desperate situation. In view of the lack of adequate action by Congress and of the immediate housing needs in Arizona, I have proposed a State housing authority in Arizona to provide homes, especially for disabled veterans. During the second session, my bill providing for the issuance of a commemorative stamp in honor of the fiftieth anniversary of the Rough Riders of the Spanish-American War, illustrated by a picture of the statue of Buckey O'Neill standing in Prescott, Ariz., was enacted into law. This stamp will be issued in the city of Prescott, Ariz., on the 27th of October of this year.

Other issues, which were carry-overs from the first session of the Eightieth Congress, still remained unsolved. An amended labor-management act, a long-range farm program, reciprocal trade amendments, an improved health program, old-age pensions and social-security benefits and adequate increases of pay for Federal and postal employees have all been left unsolved. I appeared before both the House and Senate Committees on Post Office and Civil Service and made strong recommendations in the matter of pay increases. It is my sincere conviction that loyal Government workers should not be treated so lightly in times when the costs of living make it difficult for their present salaries to suffice. The same is true of pensioners and annuitants and our aged citizens, whose meager incomes are not anywhere near on par with inflated costs.

In striving to obtain good legislation to meet our country's problems on the floor of the House and in congressional committees, I have found it necessary to intercede for my State and for individuals in Arizona with various Government agencies, in whose hands lies the proper execution of the laws of Congress. I have been in frequent contact with the Department of the Interior, the War Assets Administration, the State Department, the Department of National Defense, the Civil Aeronautics Administration and Civil Aeronautics Board and other agencies with reference to many and important matters and incidents of great importance to the people of Arizona. I have been fortunate in representing an interested and cooperative group of people, who have always brought important matters to my immediate attention and who are willing to cooperate in their dispensation. The great response I received earlier this year to my questionnaire, Opinions of the Folks at Home, was, indeed, helpful in focusing my particular attention on those issues which were of greatest interest to the people of my State. Since I am running for the office of Governor of Arizona at the next election, I regret that I will not be a Member of the Eighty-first Congress. It is my sincere hope that I can continue my efforts in behalf of the State of Arizona and its people toward the completion of the many pending issues which are of vital importance to Arizona.

Civil-Rights Legislation

EXTENSION OF REMARKS
OF

HON. JOHN A. BLATNIK

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. BLATNIK. Mr. Speaker, the central theme in our American heritage is the importance and dignity of the individual—the idea that all men are endowed with the inalienable rights of life, liberty, and the pursuit of happiness. The founding fathers recognized this great truth, and wrote into the Constitution and its Bill of Rights the democratic principles of freedom and equality. These two principles have become a part of the precious heritage of the American people, and form the spirit and substance of the American way of life.

Yet we must recognize that these ideals of democracy have not been completely realized in practice. We have made great strides toward these goals during our 175 years of national independence, but our achievements must not blind us to our mistakes and shortcomings. Great numbers of our people are not allowed to vote today; rank discrimination of all kinds is practiced against racial, religious, and political minorities; and mob action is still common in many parts of the country. I will use the few minutes at my disposal to review the civil-rights question, and suggest some remedial legislation to protect civil liberties, and to extend the principles of democracy to the whole population.

DISCRIMINATION AND SEGREGATION

Discrimination takes many forms—political, economic, and social. One of the most vicious practices is the denial of full-voting privileges to great sections of our population, which means that many American citizens are reduced to the rank of second-class citizens. As the report of the President's Committee on Civil Rights points out, millions of Negroes and poor whites in the South are disfranchised by means of the poll tax and other discriminatory and undemocratic restrictions on suffrage. The citizens of the District of Columbia are excluded from voting as a result of outmoded national traditions, and congressional indifference to their problems.

Minority groups are subject to the most flagrant forms of discrimination with respect to employment in both Government and private industry. Discriminatory hiring practices fall most heavily upon the Negro people—the FEPC report showed that during the war years four out of five cases of discrimination involved Negroes. However, those of the Jewish faith as well as Catholics, Mexicans, Indians, and Japanese-Americans are also the victims of hiring-hall prejudice.

In addition, the minority worker often finds himself subject to on-the-job discrimination. After securing a job, he discovers that his pay is less than that received by other workers doing the same kind of work. For example, the average weekly wage for white veterans in the South is from 30 to 70 percent higher than for Negro veterans engaged in the same kind of activity. Furthermore, the minority worker is the victim of prejudice when it comes to promotions. A recent case study shows that it takes the average Negro employee 7 times as long to obtain a promotion as the white worker of the same efficiency. To make matters worse, it is the minority worker who is laid off first when the labor force is reduced, which means that minority groups suffer first and most during periods of unemployment.

The many other forms of discrimination practiced against minorities are notorious. As everyone knows, Negroes in the South are forced to attend "Jim Crow" schools which are inferior to those available to white children, and are forced to live in colored ghettos. They find themselves segregated with respect to bus and railroad travel, and are denied services in hotels, cafes, movies, and barber shops. They suffer from unequal opportunities to secure medical and hospital services, and public parks and playgrounds are denied to them. Nor is the South the only offender—the "Jim Crow" is prevalent even in the North, especially in connection with hotels, housing, and cafe accommodations.

Although the Negro is the No. 1 victim, discriminatory practices also work to the detriment of other minorities. In the Southwest, Mexicans are barred from places of recreation. Jews are often discriminated against in resort areas in every section of the country, and find "Gentile only" signs in apartment houses. "No Japs wanted" signs greet the Japanese-American who enters west coast cafes.

I regret to say that racial discrimination even exists in the United States armed forces, and that it was practiced all during the war years. Discrimination and segregation are evil and ugly things under any circumstances but becomes particularly repugnant in the Army, where all men are fighting and dying in the service of freedom. Yet Negroes were, and are today, segregated into "Jim Crow" Army units, and are discriminated against in respect to promotions and commissions. Negroes are also faced with an absolute bar against enlistments in any branch of the Marine Corps other than the stewards' branch, and in the Navy colored sailors serve out their hitch as mess boys and personal servants for the officer caste.

This same evil exists in the State National Guard units—in fact, the condition is being perpetuated by existing Army regulations. A recent ruling by Secretary of the Army Kenneth C. Royall on the question of segregation in the Minnesota National Guard underscores this policy. Five months ago Minnesota's Gov. Luther Youngdahl, acting on the recommendation of the State interracial commission, asked Secretary Royall to change the Army regulations to permit the recruitment of Negroes into the State Guard on a nonsegregated basis. White and Negro soldiers today serve in the same units of the New Jersey National Guard, where the State constitution prohibits segregation, and inasmuch as Minnesota has a civil-rights statute dating back to 1885 prohibiting discrimination in public places, an antisegregation policy in the Minnesota National Guard seems in order.

But Secretary Royall has rejected this request for a change in regulations, and has stated that should Minnesota initiate nonsegregation in her National Guard, then Federal funds would be withdrawn. I wrote two letters to General Royall urging him to change his position, but my letters were not answered.

Finally, when the President issued his July 26 order to the effect that equality of treatment and opportunity should prevail in the armed forces, I was informed that the question of nonsegregation in the Minnesota National Guard was being referred to the President's Committee on Segregation in the Armed Forces. This action means months of needless delay and indicates a desire to postpone the decision as long as possible.

LYNCHING AND MOB RULE

Liberty means not only the right to vote and freedom of opportunity, but it also implies that the individual shall be secure from illegal violence and mob action. Minority groups in America, however, do not always enjoy this security. Year after year, Negroes are lynched in the South on the flimsiest of pretexts, with the lynchers usually going unpunished. In 1946 at least six persons were lynched by lawless mobs; among them was Roger Malcolm, his wife, and another couple, who were murdered by a lynch mob in Monroe, Ga., and no effort was made to indict the lynchers. Another shocking example occurred on February 17, 1947, in Greenville, S. C., where Willie Earle was shot to death, and the 31 members of the mob were acquitted in the local court in a flagrant miscarriage of justice. Although these crimes against the Negro people are largely confined to the South, they also happen in the Northern States.

Other infringements upon the individual's security are also widespread. In many localities undisciplined and lawless police officials are guilty of many acts of misconduct. This includes violent physical attacks by police on minority members, brutality against prisoners, third-degree methods to extort confessions, unwarranted arrests, and abuse of the search and seizure power. Trial by jury is often no protection against such police lawlessness inasmuch as minority groups are often denied jury representation. The brunt of illegal police activity falls most heavily upon Negroes, Mexicans, union organizers, and unpopular political and religious minorities. Police officials in many large cities are notoriously "trigger happy" where weak or poor persons are concerned.

A FEDERAL CIVIL-RIGHTS PROGRAM IS NEEDED

Mr. Speaker, America has a great tradition with respect to civil liberties, but an objective survey of the situation shows that our record is far from perfect. The realization of the American ideal of freedom and equality awaits realization. Millions are denied the right of suffrage, minorities are discriminated

against with respect to education, housing and public services, and in public and private employment. The evil of race segregation hangs as a dark cloud of oppression over the Southern States, and extends to the United States Army. Lynch mobs terrorize and murder minority people.

Congressional action to correct this unhealthy situation is justified from every point of view. Morally we are obligated to act since this would be in accordance with established public law, and our belief in democracy. Economically speaking, the elimination of segregation and the granting of full legal, political, social, and economic rights to all citizens, would pay off in terms of more efficient use of our labor force and higher standards of living for our people. It can also be justified in terms of political expediency—with the United States competing for the leadership of the peoples of the world today, we cannot afford the embarrassment of undemocratic "skeletons" in our national closet.

In my opinion, Congress is obligated to review the whole question of civil rights, and to formulate a broad program to secure these rights and to extend the principles of freedom and equality to all the people. We should adopt the anti-poll-tax law to give the vote to the Negroes and poor white people of the South. If necessary, additional legislation should also be enacted to give Federal police protection to southern voters on election day to check the efforts of local officials and hoodlums to prevent their participation in the electoral process.

Congress should pass the FEPC bill to provide equality of opportunity to all citizens, and to prevent hiring hall and on-the-job discrimination against minorities. The antilynching bill should be adopted, containing adequate penalties to discourage violations, and make such penalties enforceable in the Federal courts. A Civil Rights Division should be established in the Department of Justice to investigate all violations of civil rights, to utilize civil actions to discourage violations, and to report periodically to the Congress with its recommendations for additional legislation to implement and promote the enjoyment of freedom and equality by all the people.

Finally, we must recognize the role of the people themselves in the fight for civil rights. There is a direct relationship between the climate of public opinion and the enjoyment of civil rights. The Government should therefore take the lead in establishing a long-term program of education to inform the people of the civil rights to which they are entitled. Our political and community leaders should provide leadership in rallying the people to the support of a continuing program to strengthen civil rights, and to extend the principles of democracy throughout the whole pattern of our society. As a great American once said, "Eternal vigilance is the price of liberty"—the people must be ever on guard against reactionary forces who would curtail their liberties, and be prepared to oppose at a minute's notice the forces of prejudice, discrimination, and hate.

I am convinced that a Federal program based on the anti-poll-tax, antilynching, and FEPC bills would represent a great stride toward the goal of full civil rights for our people. Congress was obligated, in the name of democracy, to enact this program into law during the special session. Instead the Republican leadership chose to dodge the issue by cooperating with southern Senators in a friendly filibuster. It is my hope that when the Eighty-first Congress convenes next January, the present do-nothing policy of the GOP will be rejected in favor of a broad program of extending democratic rights to all citizens.

We Need Effective Inflation Controls

EXTENSION OF REMARKS
OF
HON. ARTHUR G. KLEIN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

Mr. KLEIN. Mr. Speaker, my mind goes back to another hour of danger and crisis which we faced a little less than 7 years ago. Many of you will remember the solemn hour of December 8, 1941, when this Nation and its elected representatives faced the mortal danger of the dastardly attack by the Japanese on Pearl Harbor. In that hour all Americans, regardless of race or color or creed, or political opinion, stood as one man to defend our country against the threat of total destruction by an external enemy.

The crisis which confronts our country today is no less serious than the one we faced 7 years ago, and it will take the same determination, the same courage, and the same unity of purpose to defend America now as it took 7 years ago.

Let me say at the outset that what I have to say today is not the expression of any partisan spirit. When it comes to defending our Nation against destruction from without or within, there cannot be any difference of opinion between Republicans and Democrats, between North and South, between rich and poor, between worker or farmer or businessman or housewife. In times of crisis we know only one battle line between the American people and their enemies.

DANGER IS DEADLY

The danger of inflation which confronts us today is no less deadly than the danger which confronted us on the day after Pearl Harbor. If left unchecked, it may destroy our homes and our families as completely and effectively as any enemy's airplanes or battleships, bombs, or shells could ever do.

Twice in the last 2 years many of us on this side of the aisle tried our best to warn this Congress and this Nation against the very crisis which is upon us today. Twice within the last 2 years the majority of Congress chose to disregard our warnings. It does not happen often in history that later events prove as clearly and convincingly which side was right and which side was wrong as has happened in this case, and it happens rarely indeed that a nation gets another chance to ward off disaster as the American people have today.

In June 1946, the question before this House was simply whether Congress should continue effective price control or whether we should let nature take its course and hope that the laws of supply and demand alone would be enough to protect our economic stability. Today the record shows clearly and incontrovertibly that we made a great mistake 2 years ago and that, unless we take immediate effective steps to correct that mistake, the prosperity and well-being of the American people which we have carefully and successfully restored since the disastrous days of 1929 may be wrecked and ruined within the next few months.

DOLLAR WORTH SIX BITS

Let us look at the record. In June 1946 when, by action of Congress, effective price control was ended in the United States, the consumers' price index stood at 133.3 of the average for the years 1935–39. Today it stands at 171.7. Or, to put it differently, in terms which every American can understand, last week the average American consumer had to pay $1.29 where he paid only $1 2 years ago. In 2 years the purchasing power of the dollar has been reduced to only a little more than 75 cents.

Food prices have increased even more than the over-all cost of living. Last week $1.47 was needed to buy the same amount of food which Americans could buy for a dollar 2 years ago.

Worst of all, there is no end in sight of this inflationary trend. Prices have risen steadily and almost without interruption week by week and month by month since June 1946.

As you look at the figures released by the various departments of government as cold, statistical facts, you get the feeling of a man who stands at the bank of a river which is rising inch by inch, hour by hour coming closer and closer to the crest of the dike, and you can't tell with absolute certainty when the moment will come when the floods will sweep the whole embankment and destroy everything that lies in their way. The people who live along the thousands of miles of our seashores, the people who live in our great river valleys in the North and South and in the center of this country, know this feeling of fear and desperation in the face of rising tides. Today there is no home in these United States which may not be swept away by the floods of inflation tomorrow.

We have made great strides over centuries in learning to control the forces of nature and to protect ourselves against the disastrous floods which, until not so many years ago, year after year destroyed thousands of homes and killed thousands of people. Today the forces of our economic life are no more beyond our control than the forces of nature. Just as we have learned to build dams and dikes against floods and tidal waves, we have learned also to bring order out of chaos in the field of economics.

OPA WORKED

Let us look again at the record. Shortly after the outbreak of World War II,

Congress passed the Emergency Price Control Act. With the authority given him by this act of Congress, President Roosevelt issued in May 1943 his "hold-the-line" order, which was the beginning of effective price control. That was the time of the greatest inflationary pressure on the domestic market this country has ever known. The largest part of all the goods and services produced by our Nation's economy was needed to carry on the war and little was left to satisfy the demand for civilian goods from a Nation whose purchasing power was greater than ever before. Had the law of supply and demand been allowed to reign unchecked, prices would have skyrocketed to unprecedented heights.

In reality, thanks to price control, prices remained almost completely stable during the 3 years from May 1943 to June 1946. Consumers' prices rose only 6.5 percent, or to put it again in simpler terms, the American family could still buy for $1.065 the same amount of goods in June 1946 for which they had paid $1 in May 1943. In 3 years of price control, prices rose 6½ percent. In 2 years since the end of price control, prices have risen almost 29 percent.

What more is needed to prove that those of us who demanded 2 years ago that price control should be continued were right and that those who said we could do without were wrong?

FACTS DISTORTED

There are some people inside and outside the Halls of Congress who say that the average American has not suffered as much from rising prices as the figures of the consumers price index would indicate. They say, "Sure, prices have gone up, but so have wages and salaries, and in the end it all comes out even." Those who use this argument either do not know the facts or they distort the facts.

The truth of the matter is that while prices have risen by 29 percent since June 1946, average weekly earnings in manufacturing have risen by only 22 percent; or to put it again in simpler terms, to maintain the standard of living which he reached in June 1946, the American worker would have to earn $1.29, while in reality he earns only $1.22. Even during the 3 years of effective price control, the cost of living rose by 6½ percent, while average weekly earnings increased by only one-half of 1 percent. What is happening today is that the American worker is beginning to lose with ever-growing speed the small gains in his standard of living which he has made over the past 10 years.

Two years ago when we debated in this chamber the question of price control, most of us on this side of the aisle argued that the American people as a whole still needed the protection which OPA had given them so successfully throughout the war.

Alined against us was every organization representing the interests of business. Everyone of them claimed that they were not representing special interests, but that if price controls were removed the American people, as a whole, would benefit.

NAM PROMISES

Let me quote you this sentence from a newspaper advertisement which the National Association of Manufacturers published in July 1946, in thousands of newspapers from coast to coast:

If OPA is permanently discontinued, the production of goods will mount rapidly and through free competition prices will quickly adjust themselves to levels that consumers are willing to pay.

An overwhelming majority of the Members of this House on the other side of the aisle chose to accept this propaganda at its face value. By doing so they stand convicted today of having fostered the highest wave of private profiteering that has ever swept over this country. Since price control was ended in June 1946, profits of corporations have increased 110 percent; or to put it again in simpler terms, where American corporations earned $1 during the first quarter of 1946, they earned $2.10 during the first quarter of 1948. Yes, since the destruction of price control, the poor have become poorer and the rich have become richer. The case for price control is the case of the American people versus the profiteer.

Regardless of any temporary set-back we have suffered at the hands of the Republican Eightieth Congress, the Democratic Party under the leadership of President Truman will continue this fight until it is won.

TEN-POINT PROGRAM

Last November President Truman submitted to the special session of Congress a 10-point anti-inflation program warning that unless Congress would enact his recommendations into law inflation would continue unchecked. Inflation has continued, but the Congress has not acted on the President's program. A week ago the President submitted essentially the same program again. Congress would be derelict in its duty if it would not act on this program now. It is a comprehensive program. It would not be sufficient to enact just one or two of the eight points recommended by the President. No one single measure can cure inflation. We need all of them—the excess-profits tax, consumer-credit controls, control of inflationary bank credit, a check on speculation on the commodity exchanges, allocation and inventory control of scarce commodities, strengthened rent control, stand-by authority to ration products in short supply, and price control for scarce commodities, including wage controls where wage increases would endanger price ceilings.

Nobody likes these measures because nobody likes controls, but there is no easy way out of the present emergency and Congress must have the courage to take steps even though they may be unpopular, if they are the only ones which can prevent economic disaster.

BUSINESS AS USUAL?

Again, as they have always done in the past, the Republicans are looking for an easy way out. They are deceiving the American people by telling the country that there is an easy way out. This time the slogan is "We can lick inflation by orthodox methods." This is only a different way of saying, "Let's continue business as usual"—the slogan with which they hampered the war effort of this country during World War II. It is only a different way of saying "Let's get back to normalcy"—the slogan with which the last Republican administrations in the twenties brought on the greatest depression this country has ever seen.

The Republican attack on the President's program consists of three main arguments: One, we can lick inflation by manipulation of our fiscal policies. Two, the President can control inflation by using the powers already granted to him under existing laws. Three, we need not do anything because inflation will cure itself.

The principal spokesman for the first line of attack is my good friend, the chairman of the Banking and Currency Committee.

He wants the Federal Reserve Board and the Treasury to increase the rediscount rate and thinks that this will limit credit expansion and thereby check inflation. This proposal by itself is both ineffective for the purpose the gentleman wants to accomplish and, at the same time, if used drastically it would have disastrous consequences to the savings of millions of Americans. One look at the financial reports of our corporations must convince everybody that profits are so exorbitant at the present time and that the possibility of making money is so extraordinary that a small increase in the interest rate will not stop business from borrowing more and more money to finance new plants and new equipment.

DANGEROUS BOND DEAL

However, an increase in the rediscount rate would have the immediate effect of inviting banks and other large holders of Government securities to get rid of their Government bonds in order to invest their money in papers which yield higher interest rates. A collapse of the Government bond market would be the inevitable result. At present, the need for the Government to support the bond market is relatively small because the faith of the American people in the word of their Government has not been shaken. Even to talk about the possibility that the price of Government bonds might fall, borders close on committing economic treachery.

During the war and since, millions of Americans, for patriotic reasons and with complete confidence in the good faith of their Government, have invested their small savings in war bonds and other Government securities. If we use the orthodox methods proposed by the Republican Party, Government bonds may drop in value to as little as 80 cents on the dollar, as they did after World War I. Does the Republican Party propose to rob untold millions of our citizens of as much as one-fifth of their savings?

REPUBLICAN ATTACK FUTILE

The second line of attack by the Republican Party on the President's program is as futile and ineffective as the first. They say that if the President would use his present powers in the fields of consumer-credit control and export control inflation could be halted by measures in these two fields alone, and Congress, therefore, need not grant the President any additional powers. The President's powers to continue consumer-credit controls was taken away from him by act of Congress in July 1947. Only if the President would declare a national emergency under an ancient statute, namely, the Trading With the Enemy Act of 1917, could he restore consumer-credit controls. It seems preposterous to ask the President to declare a national emergency by Presidential proclamation for the sole purpose of reviving what was known as regulation W. Time and time again Congress has criticized the President—and nobody has been more vocal in doing so than the spokesmen of the Republican Party—for using his emergency powers in dictatorial fashion. Action by Congress is therefore unavoidable on this as on all the other points of the President's program.

EXPORTS MINOR FACTOR

Export controls are now being exercised by the President for every commodity which is in short supply. But it is ridiculous to expect export control alone to relieve the dangers of inflation. According to the most careful estimates of the United States Department of Commerce, only 2.5 percent of our total national product will be exported during the year 1948. Elimination of our exports would make no more than a slight dent in existing inflation pressures.

Finally, the Republican Party would prefer most of all the customary time-dishonored policy of doing nothing and letting nature take its course. This would be essentially the same policy which the Republican Party rammed down the throats of Congress in the summer of 1946 when they destroyed price control. Senator ROBERT A. TAFT, chairman of the Republican policy committee, said on the floor of the Senate on July 24, 1946, and I quote:

> If the consumers think the price is too high today, they will wait until prices are lower. I feel that in time the law of supply and demand would bring prices into line.

When this statement was made, the price index for food was 145.6. Today it is 214.1. Surely, it is easy for the giant corporations whose profits soar higher and higher every month to sit and wait until the storm blows over. For the millions of Americans whose incomes shrink while their expenditures keep going up and up, waiting means starving. Every day that passes without inflation being checked is a day of growing depression. It is unthinkable that we, as the elected representatives of the American people, should go home this week without having done our duty. Even at this late hour I am appealing to every Member of Congress, regardless of party label, to enact into law the courageous program proposed to us by President Truman.

An Answer to the Distorted Statements of Real-Estate Lobbyists

EXTENSION OF REMARKS
OF
HON. ADOLPH J. SABATH
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

Mr. SABATH. Mr. Speaker, on August 2, 1948, Representative HOMER ANGELL, Republican, of Oregon, inserted in the CONGRESSIONAL RECORD a letter he received from Morton Bodfish which claimed that home ownership and home purchase in the United States were not "limited to the well-to-do."

Mr. Bodfish is the executive vice president, guiding spirit, and chief lobbyist for the United States Savings and Loan League. This league has 4,000 member banks with average assets of nearly $1,000,000 each in real-estate mortgages. The league's principal purpose in life lately has been to see that the housing shortage is continued, that new houses remain high-priced, that rents go higher, that no one not now in the industry builds houses, and so forth. In effect, the league's aim is to see to it that high profits are maintained for the mortgage interests whether the Nation's housing needs are met or not.

Mr. Bodfish, as chief lobbyist for this organization and working closely with other lobbyists, Herbert U. Nelson of the National Association of Real Estate Boards and Arthur W. Binns of the National Home and Property Owners Foundation, has directed most of his efforts to killing the T-E-W long-range housing bill, which promised to provide decent homes at reasonable prices to American citizens.

The letter of Mr. Bodfish that was carried in the CONGRESSIONAL RECORD purported to prove that home ownership and home purchase in the United States is not "limited to the well-to-do." He used and misused recent reports of the United States Bureau of the Census and the Federal Reserve Board to make this charge. Now, no amount of statistic juggling by Mr. Bodfish can convince the 10,000,000 house-hunting families—the veteran doubled up with his in-laws, the millions of slum dwellers, the citizens crowded into American ghettoes—that there are enough houses or that they are within a price range that the average citizen can afford. And neither can Mr. Bodfish prove it through use of reliable data. His letter is compounded of deliberate falsehoods, prejudiced selections, and glaring omissions of important material.

His first table attempts to prove that in 1940, 45 percent of the families with annual incomes of less than $500 a year owned their own homes. He claims this data was derived from the United States Bureau of the Census report, 1940 Population and Housing, Families, Tenure and Rent, page 96. Actually, this report shows no such thing. It reports only "wage and salary income," which is by no stretch of the imagination to be computed as "annual family income," as Mr. Bodfish claims. It does not include income from nonfarm operation of business or profession, the source of some of the largest incomes in the country. Nor does it include income from rents, royalties, stocks, bonds, pensions, social security, insurance, alimony, armed forces pay, and other regular sources of income for many citizens. Thus, Mr. Bodfish distorts the census report when he heads his column, "annual family income," but includes only wage and salary income.

On the same page of this census report is carried home ownership by wage and salary income "without other income"—Bureau of Census, 1940 Population and Housing, Families, Tenure, and Rent, page 96, line 41. Using this figure, we find that less than 10 percent of families with less than $500 own their own homes, rather than the 45 percent Mr. Bodfish claims. Actually, no figures on home ownership by total family income are available. But statistics do show that over half of all the families in the United States who owned their own homes in 1940 had other income besides wages and salaries—Bureau of Census, 1940 Population and Housing, Families, Income, and Rent, page 67. More than four out of five of every owner family with no specified persons in the labor force had other income—Bureau of Census, 1940 Population and Housing, Families, Income, and Rent, page 67.

How ridiculous Mr. Bodfish's figures are is evidenced by the fact that he would, by his definition, include in the group "annual family income of less than $500," over a half million tenant families who pay more than $40 a month in rents, many paying over $75 a month—Bureau of Census, 1940 Population and Housing, Families, Tenure, and Rent, pages 96, lines 66–69. That is quite a feat for families, whom Mr. Bodfish would claim have monthly family incomes of less than $42.

For his 1947 home ownership figures Mr. Bodfish uses more reliable data. But it is the glaring omissions of his data that make them useless. In computing home ownership in 1947 he fails to include data showing:

First. How many of these homes are inherited, how many purchased from savings, how many obtained during better times when the family's income was much higher and the price of a home much lower.

Second. How many of these families live in units that are not fit as shelters for American citizens.

Third. The fact that home ownership today is patterned on the basis of the past 20 years' home price structure, which has undergone extreme changes during the war and the postwar inflationary period.

Fourth. Other factors, such as the number of veterans whose income earnings in 1946 were the extremely low Army pay but who purchased homes in 1947 on the basis of civilian income.

Actually, there are no figures by which home ownership can be computed in terms of family assets. Nor are there figures showing the number of families

of low income who inherited homes. Nor are there figures showing the type of dwelling purchased by low-income groups, although evidence is available in every neighborhood in the United States to show that much of this so-called low-income home ownership consists of shacks, firetraps, and buildings not fit to house American citizens.

But figures will probably be available this fall. Meanwhile, we cannot give definite proof of our impressions any more than Mr. Bodfish can of his. But we can give a few facts from available statistics showing that Mr. Bodfish's claims are based on selected data and neglect many important factors.

Home ownership by inheritance: No data available on exact number. It is known that many families of low income have inherited homes from forefathers in a much better financial position.

Home ownership from savings: Many families of low income purchased their homes from savings collected during higher-income periods. A realistic appraisal of home ownership and wealth would include the family's liquid assets, since income alone is not a measure of wealth. It is known that a larger percentage of elder citizens own their own homes than of younger age groups. The families with male heads that owned their own homes in 1940 are shown by percentage within each age group on the following page:

Urban and rural nonfarm families by age of male head, by tenure within each age group [1]

Age group (by male head):	*Percentage within each owning own home*
Under 25	10.7
25–34	22.2
35–44	34.2
45–54	62.0
55–64	48.8
65–74	55.7
Over 75	68.5

[1] Bureau of Census, "1940 Population and Housing, Families, Tenure and Rent," page 41.

At the same time, it is known that family income drops rapidly as the male head passes his prime. Following table gives the percentage of families within each age group whose annual incomes totaled more than $2,000 in 1946—Bureau of Census, Current Population Reports, Consumer Income, series P–60, 3, page 13:

Age group (by male head):	*Percentage receiving more than $2,000 annual income*
Under 25	62.0
25–34	83.7
35–44	83.0
45–54	83.7
55–64	78.7
Over 65	46.4

These two tables show that as people approach old age their income falls off while their chances of owning their own homes increase. It means that homes were purchased in periods of greater earning power and retained while the older citizens retire or are pensioned, proving again that income alone is not a measure of wealth.

Home ownership and housing standards: To say that a given number or percentage of Americans own a house is not enough. We must ask the question: "What kind of home—is it fit shelter for an American family?" The answer is that almost one out of every three owner-occupied dwelling units in the United States is not. Over 6,500,000 houses in the United States are in need of major repairs, lack running water, or do not meet adequate sanitary standards—Bureau of Census, Current Population Reports, Housing, series P–70, 1, page 11. Almost 3,500,000 of these units are urban and rural nonfarm owner-occupied dwellings. More than 20 percent of our owner-occupied urban and rural nonfarm units are not up to American standards. It can be pointed out here that the number of dwelling units owned by families whose annual income is less than $2,000 is just slightly higher—3,530,000—than the number of units—3,461,000—which are not up to the standard American citizens deserve.

Mr. Bodfish next makes the claim:

> That many low-income families can buy homes * * * is shown by the fact that many such families are actually buying homes.

In spite of the fact that he misuses the Federal Reserve Board statistics and leaves glaring omissions, his own figures fail to bear out this fantastic charge.

Although 50.6 percent of urban and rural nonfarm American families earn less than $3,000 a year—P–60, No. 3, page 13—only 39 percent of homes, both new and used, were sold to families within this category. It is obvious that the housing market is not geared to the American family income. And it must be remembered that the inclusion of purchases of used houses includes decrepit and below-standard units.

But the alarming thing to be brought to the attention of the American family is the trend in home buying. Mr. Bodfish omitted that part of the Federal Reserve Board report which depicts this trend. He confidently predicts the total purchases that will be made by each family income group in spite of the fact that the Federal Reserve Board Bulletin shows that only one-half the families with incomes of $1,000 to $1,999 who had intended to buy a home in 1947 actually were able to do so.

The fact is that lower-income groups are rapidly being squeezed out of the housing market. This fact is brought out in the table Mr. Bodfish uses, but he conveniently neglects to carry the full table or point out the trend evident even in that portion he uses.

Actual and prospective buyers as percentage of all spending units within different income groups [1]

Income group	1946		1947		1948, intended
	Intended	Actual	Intended	Actual	
Less than $1,000	4	3	1	1	[2]
$1,000 to $1,999	7	6	6	3	2
$2,000 to $2,999	9	7	6	4	6
$3,000 to $4,999	9	8	8	7	8
$5,000 and over	11	13	9	6	10

[1] Federal Reserve Board, 1948 Survey of Consumer Finances, pt. 1, p. 8.
[2] Not carried because it is less than ½ of 1 percent.

These figures are alarming to those Americans who believe in home ownership or at least opportunity to own a home. They show that in the lowest income group home purchases within a short 3-year period fell from 4 percent to as low as less than one-half of 1 percent. That in the next lowest income group home purchases for 1948 will probably be less than one-fourth the number who purchased just two years ago—notice that actual purchases in 1947 were only one-half the number of intended purchases. And that in the group within which falls the medium income of the United States intended purchases fell one-third from actual purchases two years earlier. The relative stability of the two upper income groups proves that the lower income groups are bearing the burden of the housing squeeze.

That assets are a more important criterion of ability to purchase homes than incomes is obvious. Income is not a true measure of wealth. The table above shows that of all families earning less than $2,000, only 2 percent purchased homes in 1947. The Federal Reserve Board reports that 7 percent of the liquid assets of all spending units with an income of less than $2,000 was reduced for the purpose of housing and investments—Federal Reserve Board, 1948 Survey of Consumer Finances, part III, table 7. On page 8 of this report the Federal Reserve Board states:

> In terms of the amounts of liquid assets used for various purposes in 1947, it is estimated that approximately one-half of the total decrease in holdings was used for the purchase of houses or for investment purposes.

The reason the little people are being squeezed out of the housing market is because of the soaring rise in housing prices. Since 1939 the price for a new home has doubled. Just since 1946 the average price for all houses, new and used, rose by almost one-half—more than 48 percent—Federal Reserve Board, 1948 Survey of Consumer Finances, part I, table 1.

Actual statistics on home ownership by wealth—which Mr. Bodfish terms as "well-to-do"—are not compiled. It is therefore ridiculous for Mr. Bodfish to claim that home ownership and home purchase are not limited to the well-to-do and then use another basis for proving his point.

In the final analysis, the decision must come from the American people. No amount of clever figure juggling can convince the veteran that homes are available at a price he can afford to pay. Nor can the slum dweller, the citizens confined to blighted areas, the newlyweds doubled up with in-laws, the residents of shacks, trailers, boats, barns, sheds, and substandard housing be told that good homes can be purchased at a reasonable price.

The facts are that there are not enough houses in the United States to house one-third of American families adequately, that another one-third cannot afford to pay the price of a new house today, and that for the top 10 percent housing is a precarious investment.

The housing industry and its satellites have proved to be archaic in their approach, medieval in their methods, flimsy in their financing, and polluted in their politics. It is the only large industry in the United States that has not joined in the march of technological advance and is still doing most things in a style popular before the Civil War. Its financial structure is intricate and inadequate. And Mr. Bodfish's latest endeavor is another indication of its corrupt political methods.

If these interests would spend as much time and energy in building decent homes at a price American families could afford to pay as they do in trying to convince homeless Americans that there is no housing problem that they cannot meet, we might be a lot further toward our goal of meeting the housing crisis.

Veterans' Legislation Enacted During the Eightieth Congress

EXTENSION OF REMARKS
OF
HON. BERTRAND W. GEARHART
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

Mr. GEARHART. Mr. Speaker, at the request of Senator GEORGE W. MALONE, and because we feel that a digest of the veterans' legislation passed during the Eightieth Congress would be useful to the veterans of the United States as well as of great use to the Members of Congress as a reference, I hand to the Public Printer for inclusion in the CONGRESSIONAL RECORD a digest of the veterans' legislation enacted during the Eightieth Congress, prepared by the National Legislative Commission of the American Legion.

VETERANS' BENEFITS

AUTOMOBILES FOR AMPUTEES

Emergency Appropriation Act, extended time when amputees eligible under Public Law 663, Seventy-ninth Congress, may apply for automobiles to June 30, 1948.

Public Law 271, First Supplemental Appropriation Act, gives Veterans' Administration $5,000,000 additional for automobiles for amputees.

Public Law 785, Second Deficiency Appropriation Act (added rider of), extends to June 30, 1949, the time within which disabled veterans qualified under existing law could obtain automobiles.

Five million dollars appropriated during the 1948 special session to purchase automobiles for disabled veterans.

BENEFITS

Public Law 239 ended 175 of the President's war powers as of July 25, 1947. After that date enlistees in the armed forces would be considered as peacetime personnel and be ineligible for veterans' employment pay, education or on-the-job training assistance, or Government guaranty of loans. All employment allowances will end in 2 years. Those in the service before the bill was signed will be eligible for the benefits if they serve a minimum of 90 days and are honorably discharged. For all eligible veterans, educational courses must start not later than 4 years after July 25, 1947, and end not more than 9 years later.

CHRONIC AND TROPICAL DISEASES

Public Law 748 establishes a presumption of service connection for chronic and tropical diseases.

COMPENSATION AND PENSIONS

Public Law 270 provides 20-percent increases in pensions to veterans and dependents of veterans of the Indian war, the Civil War, and the Spanish-American War.

Public Law 398 provides increases in the rates of pension payable to veterans of Indians wars and the dependents of such veterans.

Public Law 762 provides pensions for certain widows of Spanish-American War veterans.

Public Law 876 provides that the rates of compensation for disability incurred in active military or naval service other than in a period of war service shall be equal to 80 percent of the rates payable for similar disabilities incurred during active service in time of war.

DEPENDENCY ALLOWANCES

Public Law 877 increases compensation for certain veterans with 60 percent or more service-connected disabilities who have dependents.

EDUCATION AND TRAINING

Public Law 115 increases from $1,500,000 to $3,000,000 the amount authorized as a revolving fund for loans to veterans for vocational-rehabilitation courses.

Public Law 338 increases minimum allowances payable for rehabilitation in service-connected cases of disabled veterans training on the job.

Public Law 377 provides for institutional on-farm training for veterans and places this program on a parity with regular vocational training programs.

Public Law 411 increases subsistence allowances for World War II veterans pursuing institutional training from $65 to $75 per month, if without a dependent, $90 to $105 per month, if he has one dependent, or $120 if he has more than one dependent.

Public Law 512 increases the permitted rate of allowance and compensation in subsistence grants of veterans receiving on-the-job training.

Public Law 660 authorizes travel expenses for vocational-rehabilitation purposes to Veterans' Administration beneficiaries and their attendants.

EMPLOYMENT

Public Law 646, Federal Security Agency Supplemental Appropriations for 1949, includes grants to States for carrying into effect section 602 of the Servicemen's Readjustment Act.

Civil service

Public Law 330 provides for the exclusion of certain interns, student nurses, and student employees of Federal Government hospitals from the Classification Act and other compensation laws.

Public Law 530 establishes methods of advancement for rural carriers in the postal service.

Public Law 617 prevents discrimination against physically handicapped persons in the Civil Service.

Public Law 623 pays salaries for period of separation from Government service to persons improperly removed.

Public Law 674 allows credits to certain postal employees for establishing promotion eligibility.

Public Law 684 amends the act to reclassify the salaries of postmasters, officers and employees of the postal service to provide promotions of certain temporary employees.

Public Law 687 increases maximum travel allowance for railway postal clerks.

Public Law 900 provides a permanent postal workers' increase of $450 a year, a $330 temporary increase for other Federal employees.

Civil-service retirement

Public Law 168 provides for granting annuities to investigatory personnel of the Federal Bureau of Investigation who have rendered 20 years of service and who are 50 years of age.

Public Law 263 provides for the return of the amount of deductions from the compensation of Federal employees who are separated or transferred to a position not under the Civil Service Retirement Act before completing 10 years of service.

Public Law 426 liberalizes annuities and benefits for Federal employees.

Public Law 707 amends the Civil Service Retirement Act relative to Members of Congress who leave their office to serve in the United States armed forces.

Public Law 768 provides annuities for certain spouses of annuitants retired prior to April 1, 1948.

Public Law 879 provides annuities for Federal investigatory personnel with 20 years' service.

Veterans' preference

Public Law 30 provides veterans' preference protection for personnel transferred temporarily to Department of Agriculture in connection with distribution and pricing of sugar.

Public Law 154 provides seniority benefits for certain officers and members of the police and fire departments of the District of Columbia who are veterans of World War II and lost opportunity for promotion by reason of their service in the armed forces of the United States.

Public Law 205 credits active service in the military or naval forces of the United States in determining eligibility for and the amount of benefits from the policemen and firemen's relief fund, District of Columbia.

Public Law 325 makes it mandatory for Government agencies to comply with orders of the Civil Service Commission where federally employed veterans win appeals under the Veterans' Preference Act.

Public Law 396 extends veterans' preference benefits to widowed mothers of certain ex-servicemen and ex-servicewomen.

Public Law 458 ratifies administrative promotions of employees on military furlough from the field postal service in certain cases.

Public Law 739 preserves seniority rights of 10-point preference eligibles changing positions in the postal service.

Public Law 741 amends the Veterans' Preference Act to provide that any recommendation by the Civil Service Commission, submitted to any Federal agency, on the basis of the appeal of any preference eligible, employee or former employee, shall be complied with by such agency.

Public Law 802 provides further benefits for World War II veterans who are Federal employees and lost opportunity for probational civil-service appointments due to military service or service-connected disability.

Public Law 850 credits, in certain cases, military service and training preparatory thereto performed by employees of the postal service.

Public Law 888 extends benefits of the Veterans' Preference Act to certain mothers of veterans.

FARM LOANS

Public Law 720 amends title I of the Bankhead-Jones Farm Tenant Act to increase the rate of interest on title I loans, provide for redemption of nondelinquent insured mortgages and authorize advances for preservation and protection of the insured loan security.

HOMESTEADS

Public Law 82 amends the act (58 Stat. 747) relating to credit for military or naval service in connection with certain homestead entries to permit husband and wife who are both entitled to service credit, to aggregate their periods of service and count them as one for homestead entry purposes.

Public Law 596 relates to credits in connection with homestead interests of certain World War II veterans.

HOSPITALIZATION

Public Law 288 authorizes the Veterans' Administration to acquire land for a Veterans' Administration hospital in Clarksburg, W. Va.

Public Law 577 provides for the acquisition of a veterans' hospital at Camp White, Medford, Oreg., and the use of Schick General Hospital, Clinton, Iowa, for use as domiciliary facilities by the Veterans' Administration.

Public Law 722 establishes internships in the Department of Medicine and Surgery of the Veterans' Administration.

Public Law 865 provides medical care and treatment for certain Philippine veterans.

HOUSING

President Truman's Reorganization Plan No. 3, which provides for a single, permanent Housing and Loan Finance Agency to merge all of the Government's housing functions was approved.

Public Law 85 authorizes an additional $35,500,000 to the amount already authorized for housing units for distressed families of servicemen and for veterans and their families.

Public Law 120 extended provisions of the National Housing Act to January 31, 1948.

Public Law 129, Wolcott bill, accomplished most of the original recommendations of the American Legion's National Housing Committee as approved by the national executive committee, regarding rent control, priorities, and the abolishment of the Office of the Housing Expediter.

Public Law 301 permits capital grants for low-rent housing.

Public Law 311 amends Federal Home Loan Bank Act to extend loan periods to borrowers, including veterans, from 20 to 25 years.

Public Law 366 increases the amounts of mortgage insurance authorized under National Housing Administration and authorizes insurance of mortgages of surplus permanent war housing.

Public Law 372 permits Federal Savings and Loan Associations to make loans, without requiring mortgages, for alteration or repair of homes insured or guaranteed under the GI bill or National Housing Act. Also permits "junior-lien" loans up to $1,500 without requirement of Government guaranty.

Public Law 394 amends the National Housing Act increasing the amounts to be necessarily employed in maintaining a high volume of new residential construction.

Public Law 422 extended rent-control law to March 31, 1948.

Public Law 464 amends and extends rent control until March 31, 1949.

Public Law 466 extended District of Columbia rent control to April 30, 1948.

Public Law 468 provided for extending the National Housing Act until April 30, 1948.

Public Law 507 continues rent control in the District of Columbia until March 31, 1949.

Public Law 548 extends the powers of the Reconstruction Finance Corporation to 1954, plus 2 years for liquidation purposes.

Public Law 689 provides for sale to veterans, at cost, of Public Housing Administration project at Ordnance Park, West Virginia.

Public Law 702 authorizes assistance to paraplegic veterans in acquiring specially adapted housing which they require by reason of the nature of their service-connected disabilities.

Public Law 796 provides for relinquishment of the Government's rights in temporary housing, authorized under the Lanham Act, on campuses of educational institutions.

Public Law 864 provides a secondary market for veterans' home loans and permits the Federal Housing Administration to insure up to 95 percent of loans for nonprofit veterans' cooperative housing projects.

Public Law 901 increases the number of GI home-loan mortgages that can be bought by FHA from the banks to 50 percent of the number held by banks (formerly 25 percent), making more money available for bank loans to veterans for homes. Allows FHA to guarantee 95-percent loans to veterans building homes in cooperative venture with some individuals in cooperative being allowed 100-percent loans. All home builders receive from 80- to 95-percent loans on cost of building to assist veterans not building in a cooperative.

INDIANS

Public Law 349 enables Osage Indians who served in World War II to participate in loan benefits of the GI bill of rights.

Public Law 390 provides relief for Navajo and Hopi Indians.

INSURANCE

Public Law 5 authorizes the issuance originally of national service life insurance on any of the plans provided in the National Service Life Insurance Act. It provides that in cases where the insured is unable by reason of incompetency or other disability to apply for conversion within the term period of his insurance, such insurance shall be automatically converted to the ordinary life plan unless the insured has elected some other plan.

Public Law 34 amends the existing law pertaining to United States Government life-insurance policies to provide for privilege of renewing expiring 5-year level-premium term policies for another 5-year period.

Public Law 429 amends the National Service Life Insurance Act by extending for 2 years the time within which eligible persons may apply for gratuitous insurance benefits.

Public Law 838 amends the National Life Insurance Act to authorize renewal of level-premium term policies for a second 5 years.

MUSTERING-OUT PAY

Public Law 539 extends to February 3, 1950, time for application for benefits of the Mustering-Out Payment Act.

PROSTHETIC APPLIANCES

Public Law 729 provides aids in the development of improved prosthetic appliances for veterans.

STATE HOMES

Public Law 531 increases the amount of Federal aid to State or Territorial homes for the support of disabled soldiers and sailors of the United States from $300 to $500 per annum.

SURPLUS PROPERTY

Public Law 616 amends the Surplus Property Act so as to dispose of surplus real property to States, political subdivisions, and municipalities for public parks, etc.

Public Law 652 provides aids to organizations encouraging participation of the youth of the country in athletic and sports programs by making surplus athletic equipment available to such organizations.

Public Law 829 authorizes sale or lease to State governments of surplus property for use in training civilian components of the Army.

Public Law 862—supplemental independent offices appropriation bill—provides an appropriation for the War Assets Administration to continue its disposal of surplus property.

Public Law 889 authorizes the Secretaries of the Army, Navy, and Air Force to donate surplus property for educational purposes.

TAXES

Public Law 310 relieves from taxation certain prisoners of war.

Public Law 367 provides for refunding payment of income taxes for members of the armed forces who died in service during wartime.

Public Law 706 amends the Internal Revenue Code so as to exempt hospitalized servicemen and veterans from admissions tax when admitted free.

TERMINAL LEAVE

Public Law 254 authorizes the redemption of terminal leave bonds at cash value, plus accrued interest, and extends the time for making application for terminal leave until September 1, 1948.

Public Law 350 amends the Armed Forces Leave Act to authorize only cash payments to both officers and enlisted men for accrued leave at separation occurring after August 31, 1946, providing cash leave pay for men and women in Veterans' Administration Hospitals discharged after that date with medical discharge for admittance to VA hospitals who were thus deprived of leave pay rights.

Public Law 710 permits certain relatives of deceased veterans to receive benefits of armed force leave bonds.

VETERANS' ADMINISTRATION

The House of Representatives passed House Resolution 120, which provides for an inspection by the Veterans' Affairs Committee of the House of Representatives with a particular view to determining the efficiency of the Administration and operation of Veterans' Administration installations.

Public Law 20 Urgent Deficiency Appropriation Act—appropriates (1) $165,000,000 for administration, hospital, and domiciliary services, (2) $1,000,000 for military and naval insurance, and (3) $200,000 to increase the vocational rehabilitation fund.

Public Law 25 provides deficiency appropriations to meet increased Veterans' Administration pay costs in the administration, medical, hospital, and domiciliary services, $48,272,500.

Public Law 46 First Deficiency Appropriation Act, 1947, appropriates $1,801,894,500 for miscellaneous items under Veterans' Administration.

Public Law 88 authorizes the Administrator of Veterans' Affairs to grant to States, local units, and public-service companies, easements and rights-of-way on Federal lands under his supervision and control.

Public Law 91 continued, until June 30, 1948, the authority of the Administrator of Veterans' Affairs to establish regional offices, contact units, etc., in the Republic of the Philippines.

Public Law 94 authorizes the Veterans' Administrator to enter into leases for periods not exceeding 5 years.

Public Law 122, Second Urgent Deficiency Appropriation Act, 1947, appropriates $28,400,000 for administration, medical, hospital, and domiciliary services under the Veterans' Administration.

Public Law 161, Emergency Appropriation Act, 1948, authorized the Administrator of Veterans' Affairs to disburse, during July 1947, one-twelfth of the amount provided for the Veterans' Administration in the independent offices appropriation bill (Public Law 269) as passed the House.

Public Law 256 provided supplemental appropriations for Government corporations and independent executive agencies for the

fiscal year ending June 30, 1948, and for other purposes.

Public Law 269, Independent Offices Appropriation Act (1948 fiscal year), appropriated $6,964,457,080 for Veterans' Administration.

Public Law 316 permits recognition of retired officers and enlisted men as representatives of veterans' organizations in presenting claims to the Veterans' Administration.

Public Law 473 provides basic authority for certain administrative expenditures for the Veterans' Administration.

Public Law 474 extends the authority of the Administrator of Veterans' Affairs to establish and continue offices in the Territory of the Republic of the Philippines.

Public Law 519 appropriates for Veterans' Administration an additional $3,000,000 for administration, including necessary contact representatives, medical, hospital, and domiciliary services.

Public Law 661 relates to authority of the Veterans' Administrator to enter into leases not exceeding 5 years.

Public Law 726 authorizes transfer of a portion of Veterans' Administration Center at Los Angeles to the University of California.

Public Law 797 authorizes Veterans' Administration to convey strip of land to Washington County, Ark.

Public Law 803 authorizes the Veterans' Administration to convey land in Tennessee to the city of Johnson City.

Public Law 831 authorizes conveyance of certain land in Wyoming by the Veterans' Administration.

Public Law 862—supplemental independent offices appropriation bill for 1949—appropriates $5,125,309,000, plus contract authority of $43,000,000, for the Veterans' Administration.

War claims

Public Law 896 amends the Trading With the Enemy Act to provide granting of compensation to veterans held prisoner of war, and provides for report to Congress of their claims for personal injury and property losses.

War dead

National Cemeteries

Public Law 148 preserves the historic graveyards in abandoned military posts.

Public Law 342 provides for the utilization of surplus military real estate owned by the War Department as national cemeteries when feasible.

Public Law 452 provides for selection of superintendents of national cemeteries from meritorious servicemen disabled in line of duty.

Public Law 526 establishes eligibility for burial in national cemeteries.

Public Law 704 provides for enlargement of the Gettysburg National Cemetery.

Miscellaneous

Public Law 368 amends the act providing for return of remains of those buried outside the United States.

Public Law 438 authorizes the President to award the Medal of Honor to the Unknown American who lost his life while serving overseas in the armed forces of the United States during the Second World War and who will be buried in the Memorial Amphitheater of the National Cemetery in Arlington, Va.

Public Law 599 provides additional allowances for escorts of repatriated war dead.

Public Law 871 provides for furnishing headstones or markers for graves of honorably discharged members of the armed forces, including Union and Confederate.

Widows and orphans

Public Law 868 provides for increased rates of wartime death compensation to widows, orphans, and dependent parents of deceased veterans.

AMERICANISM

Flag code

Public Law 279 codifies and enacts into positive law title IV of the United States Code, entitled "Flag and Seal, Seat of Government, and the States."

Immigration and naturalization

Public Law 126 extends the period of validity of the act to facilitate the admission into the United States of alien fiancées or fiancés of members of the armed forces of the United States.

Public Law 146 provides for membership of the United States in the International Refugee Organization, and provides that no changes can be made in immigration laws except by legislative action of Congress.

Public Law 213 expedites admission to the United States of alien spouses and minor children of veterans.

Public Law 221 grants citizenship to Matlakahtla Indians in Alaska.

Public Law 450 extends until December 31, 1948, the validity period of the act to facilitate admission into the United States of alien fiancées or fiancés of members of the armed forces of the United States.

Public Law 538 relates to nonquota immigrants.

Public Law 552 denies admission to the United States of persons deemed to endanger the public safety.

Public Law 567 amends the Nationality Act to facilitate the naturalization of aliens who served in active-duty capacity in the armed forces of the United States during either World War I or World War II.

Public Law 600 relates to the issuance of reentry permits to certain aliens.

Public Law 774 authorizes admission into the United States, within 2 years, of 220,000 displaced persons for permanent residence.

Public Law 783 amends the Nationality Act of 1940 relative to petition for citizenship.

Public Law 863 gives the Attorney General discretion with regard to suspending deportation of deportable aliens.

Miscellaneous

Public Law 293 amends Public Law 27, Eightieth Congress, regarding employment of alien seamen.

Public Law 484 relates to illegal wearing of United States service uniforms in all places within the jurisdiction of the United States.

NATIONAL DEFENSE

Armed services

Public Law 36 establishes a permanent Nurses Corps in the Army and Navy, and a Woman's Medical Specialist Corps in the Army.

Public Law 50 provides that citizens of the Philippine Islands who were in naval service in 1946 who have been discharged from service on or prior to this date are eligible for Naval Reserve.

Public Law 55 amends Pay Readjustment Act of 1942, relating to validity of certain marriages.

Public Law 56 establishes a Chief of Chaplains in the United States Navy.

Public Law 58 provides for the acceptance of decorations, orders, medals, and emblems by officers and enlisted men of the armed forces of the United States tendered them by governments of cobelligerent nations.

Public Law 61 provides for the appointment of additional commissioned officers in the Regular Army from the civilian components and clarifies the phrase "time of appointment" as indicated in Public Law 670, Seventy-ninth Congress.

Public Law 62 provides for increase in the total authorized number of commissioned officers on the active list of the Corps of Civil Engineers of the Navy.

Public Law 71 authorizing appointments to Naval Academy from enlisted men of Navy and Marine Corps.

Public Law 128 stimulates volunteer enlistment in the regular military establishments of the United States from among qualified male persons not less than 17 years of age for periods of 2, 3, 4, 5, or 6 years.

Public Law 134 permits certain naval personnel to count all active service rendered under temporary appointment as warrant or commissioned officers in the United States Navy and the United States Naval Reserve, or in the United States Marine Corps and the United States Marine Corps Reserve, for purposes of promotion to commissioned warrant officer in the United States Navy or the United States Marine Corps, respectively.

Public Law 153 amends existing laws relating to military leave of certain employees of the United States or of the District of Columbia so as to equalize rights to leave of absence and reemployment for such employees who are members of the Enlisted or Officers' Reserve Corps, the National Guard, or the Naval Reserve.

Public Law 178 amends the act of July 24, 1941 (55 Stat. 603), as amended, so as to authorize naval retiring boards to consider the cases of certain officers.

Public Law 219 establishes permanent commissioned Coast Guard personnel strength.

Public Law 236 amends section 12 of the Naval Aviation Cadet Act of 1942, as amended, and amends section 2 of the act of June 16, 1936, as amended, so as to authorize lump-sum payments under the said acts to the survivors of deceased officers without administration of estates.

Public Law 302 authorizes $2,500,000 (compared with original request of $28,750,000) for acquisition of property and for alteration and construction expenses to establish a naval postgraduate school on Pacific coast.

Public Law 303 establishes a naval postgraduate school.

Public Law 313 provides for the creation of 45 additional positions above $10,000 per annum in the professional and scientific services of the Department of National Defense.

Public Law 337 reorganizes the medical departments of the Army and Navy.

Public Law 365 provides additional inducements to physicians to serve in the armed services.

Public Law 381 provides a program of promotion by merit of officers in the Army and Navy.

Public Law 384 continues until January 1, 1948, the law exempting service pay of Army and Navy enlisted personnel from Federal income taxes; also continues until the same date the provision exempting the first $1,500 of an officer's pay from income-tax liability.

Public Law 413 facilitates procurement of supplies and services by the Departments of the Army, the Navy, and the Air Force, the Coast Guard, and the National Advisory Committee for Aeronautics.

Public Law 432 makes certain changes in the organization of the Navy Department.

Public Law 439 authorizes the Secretary of the Army, the Secretary of the Navy, the Secretary of the Air Force, and the Secretary of the Treasury to accept and use gifts, devises, and bequests for schools, hospitals, libraries, cemeteries, and other institutions under the jurisdiction of their respective Departments.

Public Law 460 standardizes the inactive training pay for all Reserve components of the various services, and also to grant such inactive duty training pay to Army Reservists.

Public Law 513 authorizes the Secretary of the Navy to provide salvage facilities.

Public Law 517 relates to retirement pay for certain members of the Army and Navy Nurse Corps.

Public Law 535 relates to retirement pay of officers who have served as assistant commandants or engineers-in-chief of the United States Coast Guard.

Public Law 547 provides $3,224,000,000 in direct appropriations and contract authori-

zation for the construction of airplanes for national defense, as well as deficiency items for Army engineers.

Public Law 557 establishes the Civil Air Patrol as a civilian auxiliary of the United States Air Force.

Public Law 564 authorizes the appointment of cadets and midshipmen from Canada.

Public Law 587 provides for the distribution, promotion, separation, and retirement of commissioned officers of the Coast and Geodetic Survey.

Public Law 591 grants service credit to certain enlisted men of the Coast Guard.

Public Law 592 relates to the number of officers holding permanent appointments on the active list of the Coast Guard.

Public Law 625 provides a permanent basis for women in the armed forces.

Public Law 626 provides for Army and Air Force construction at military installations.

Public Law 628 removes statutory limitation on appropriations for repairs or alterations of naval vessels.

Public Law 653 authorizes construction and repair of certain designated naval public works.

Public Law 670 relates to detailing Army personnel as students, observers, or investigators at educational institutions, etc.

Public Law 675, Holloway-plan amendments, facilitates administrative procedures under the Naval Officers Training Act.

Public Law 678 provides medical care for National Guard and Reservists who are injured or contract diseases while engaged in military training.

Public Law 680 provides for retention in the services of certain disabled Army and Air Force personnel.

Public Law 681 authorizes longevity credit for service of persons under 18 years of age.

Public Law 691 authorizes permanent appointment in the Regular Army and Regular Air Force of one officer in each branch in the grade of general.

Public Law 716 removes present restrictions on appointments to the Navy Medical Service Corps.

Public Law 752 permits a limited number of persons from the Philippines to receive instruction at the United States Naval Academy.

Public Law 753 appropriates $3,812,170,250 for the Navy during the 1949 fiscal year.

Public Law 758 clarifies the position of Secretary of the Air Force and authorizes Secretary of Defense to establish six additional positions in the professional and scientific service.

Public Law 766 appropriates $6,767,668,163 for the Army and Air Force during the fiscal year 1949.

Public Law 775 provides for the administration of military justice within the United States Air Force.

Public Law 804 amends the Officers' Personnel Act of 1947 with regard to retirement.

Public Law 810 provides for the elimination of Regular Army and Air Force officers and for the retirement of officers, warrant officers, and enlisted men of the Regular Army and the Regular Air Force, and provides retirement benefits for members of the Reserve components of the Army, Air Force, Navy, Marine Corps, and Coast Guard.

NATIONAL EMERGENCY

Public Law 57 creates permanent positions of Under Secretaries of War and Navy.

Public Law 690 authorizes the President, in his discretion, to permit the stoppage of work on certain combatant vessels notwithstanding statutory provisions for increase and replacement of naval vessels.

Public Law 817 authorizes permanent arming of American vessels in time of national emergency.

Public Law 883 provides for retention and maintenance of a national reserve of industrial capacity.

SELECTIVE SERVICE

Public Law 26 established an Office of Selective Service Records to liquidate the Selective Service System following the termination of its functions and to preserve and service the Selective Service Records, and transfers enforcement of reemployment rights of veterans to the Department of Labor.

Public Law 759, Selective Service Act of 1948, increases over-all manpower strength of armed forces; all men 18 through 25 must register, men 18 may volunteer for 1 year's service, following which they can serve in the Organized Reserves, avoiding a 21-month draft when they are 19; men 19 through 25 are subject to draft for 21 months' service in the armed forces. All who serve—whether volunteers or draftees—for less than 3 years in the Regular forces must go into the Reserves for 5 years.

Unification of the armed forces

Public Law 253 provides for a Secretary of Defense; a National Military Establishment; a Department of the Army, a Department of the Navy, and a Department of the Air Force; and for the coordinating of the activities of the National Military Establishment with other departments and agencies of the Government concerned with national security.

FOREIGN AFFAIRS

Foreign aid

Public Law 389 promotes world peace and the general welfare, national interest, and foreign policy of the United States by providing aid to certain foreign countries. This law appropriated for foreign interim aid $597,000,000, $18,000,000 for China and the balance for Europe.

Public Law 470 appropriates $55,000,000 for foreign aid, to be applicable to Austria, France, and Italy.

Public Law 472 provides $6,098,000,000 for foreign aid, including $5,305,000,000 for the first 12 months of a 4-year European recovery program, outright military aid for Greece and Turkey, a $60,000,000 contribution toward the International Children's Emergency Fund, and a grant of $125,000,000 to the Chinese Government.

Public Law 793 appropriates $6,125,710,228 for the European recovery program for a 12-month period.

Miscellaneous

Public Law 402 provides for promoting better understanding of the United States among the peoples of the world and strengthening cooperative international relations.

MISCELLANEOUS

Alaska

Public Law 841, Department of the Interior appropriation bill, provides for $6,960,000 for road and bridge construction in Alaska and $5,300,000 for acceleration of the program for the rehabilitation of the Alaska Railroad from a 5-year to a 3-year program.

Filipinos

Public Law 241 extends the benefits of the Missing Persons Act to certain members of the military forces of the Government of the Commonwealth of the Philippines.

Gold Star

Public Law 259 provides for the issuance of a special series of commemorative stamps in honor of Gold Star Mothers.

Public Law 306 provides lapel buttons for widows, parents, and next of kin of members of the armed forces of the United States who died in World War II.

Labor-management

Public Law 101, Taft-Hartley law, includes all recommendations of the San Francisco national convention, amending the National Labor Relations Act to provide additional facilities for the mediation of labor disputes affecting commerce, to equalize legal responsibilities of labor organizations and employers, and for other purposes.

Memorials

Public Law 111 authorizes the erection in the District of Columbia of a memorial to the dead of the First Infantry Division.

Public Law 157 authorizes the erection in the District of Columbia of a memorial to the Marine Corps dead of all wars.

National Archives

Public Law 611 provides statutory authority for certain appropriations for National Archives.

National convention

Public Law 275 provided for the Marine Band to attend the national convention of the American Legion in New York City in August 1947.

Organizations

Public Law 47 amends the act of January 5, 1905, incorporating the American National Red Cross, which is in accordance with a mandate of our recent convention.

Public Law 216 incorporates the American Veterans of World War II (AMVETS).

Puerto Rico

Public Law 693 authorizes the Secretary of the Army, the Secretary of the Navy, and the Secretary of the Air Force to return certain lands situated in Puerto Rico in accordance with the terms of the conveyances to the United States Government, and final charges in certain condemnation proceedings.

Social security

Public Law 492 excludes certain vendors of newspapers or magazines from certain provisions of the Social Security Act and Internal Revenue Code.

Public Law 642 provides for maintaining the status quo in respect of certain employment taxes and social-security benefits pending action by Congress on extended social-security coverage.

War trophies

Public Law 421 authorizes the Secretary of War and the Secretary of the Navy to make certain disposition of condemned ordnance, guns, projectiles, and other condemned material in their respective departments.

EMPLOYMENT SERVICE

The American Legion has consistently insisted that there should be established a public employment service which would accord to veterans preference in counseling and placement. This conception of the Federal responsibility was enacted in the law by the Congress in 1933 under the Wagner-Peyser Act which was sponsored by the American Legion. In 1944, under title IV of the Legion's GI bill, provision was made for the strengthening of the Veterans' Employment Service. In the development of a proper veterans' employment service the Seventy-ninth Congress appropriated sufficient funds for the Veterans' Employment Service to provide for the appointment of field representatives. Their function was to interview employers and secure for veterans, job listings. These field representatives unearthed job opportunities for veterans that had not previously been secured by the Employment Service and, as a result, many veterans secured placement in positions they normally would not have secured.

The first session of the Eightieth Congress denied to the Veterans' Employment Service the funds necessary to carry on the work of the field representatives, and, in addition, refused appropriations for that service so that necessary functions have been seriously curtailed. It is to be regretted that the Congress in its apparent desire for economy has affected the Veterans' Employment Service in this matter. It is imperative that sufficient appropriations be secured for the Veterans' Employment Service so that a worth-while job can be accomplished.

Thirty-six resolutions covering this subject matter and protesting the action by the Congress in reducing appropriations for the Veterans' Employment Service have been submitted by the respective departments. These resolutions are: Nos. 635, 8, 24, 34, 40, 48, 62, 79, 85, 110, 143, 171, 190, 196, 211, 240, 260, 270, 275, 288, 291, 299, 307, 334, 416, 429, 501, 568, 594, 679, 691, 708, 732, 735, 736, 745.

Your committee recommends the adoption of Resolution No. 635 and considers the other resolutions as being combined in said resolution:

"Whereas the Eightieth Congress failed to appropriate sufficient funds for the proper functioning of the Veterans' Employment Service, necessitating the release of the field representatives who had performed a remarkable service in contacting employers and securing job listings for veterans, and further reduced appropriations vitally necessary for the other necessary functions of this service; and

"Whereas the curtailment of these essential activities results in denying to veterans the 'effective job counseling and placement service for veterans to assure a maximum of job opportunity in the field of gainful employment' as contemplated by the American Legion and as specifically provided by the Congress in the enactment of title IV of the Legion's GI bill: Now, therefore, be it

"Resolved by the American Legion in convention assembled in New York, N. Y., August 28, 29, 30, and 31, 1947, That we urge the Eightieth Congress, immediately upon reconvening, to adequately increase the appropriations for the Veterans' Employment Service so as to provide for the employment of the required number of field representatives and for all other necessary functions of this important service; and be it further

"Resolved, That the Veterans' Employment Service be maintained as a Federal operation and as a separate organizational entity; and be it further

"Resolved, That title IV of the Legion's GI bill be amended accordingly."

We further recommend that the legislative committee and the legislative director devote the full efforts of the American Legion in securing the passage of the necessary measures to provide an adequate veterans' employment service, and that the services of the chairman of the standing national employment committee and the national employment director be utilized in presenting to the Congress the necessity for this corrective legislation.

The Eightieth Congress likewise failed to appropriate sufficient funds for the proper staffing and functioning of the State employment services and the United States Employment Service. Unless these services are properly staffed veterans will not receive the proper counseling and placement service contemplated by title IV of the Legion's GI bill. We, therefore, recommend the adoption of resolution 825, which is as follows:

"Whereas the Eightieth Congress failed to appropriate sufficient funds for the proper staffing of many of the State employment services and of the United States Employment Service, necessitating the release of valuable personnel of both the State and the United States Employment Service, and further reduced appropriations vitally necessary for the other important functions of these services; and

"Whereas the curtailment of these essential activities results in denying to veterans the 'effective job counseling and placement service for veterans to assure a maximum of job opportunity in the field of gainful employment' as contemplated by the American Legion and as specifically provided by the Congress in the enactment of the Wagner-Peyser Act and title IV of the Legion's GI bill: Now, therefore, be it

"Resolved by the American Legion in the Twenty-ninth Annual National Convention assembled in New York City, August 28–31, 1947, That we urge the Eightieth Congress immediately upon reconvening to adequately increase the appropriations for the State employment services where needed and for the United States Employment Service so as to provide for the employment of the required number of personnel and for all other necessary functions of these important services."

As hereinbefore reported it is imperative that the Wagner-Peyser Act of 1933 and title IV of the Legion's GI bill of 1944 be continued and strengthened if the veteran is to secure the full benefit of the employment services. Certain elements are urging the repeal or amendment of these acts. The Legion should emphatically oppose any such repeal or amendment. Resolution No. 826 covering the subject matter is recommended for approval and is as follows:

"Whereas it has always been the American Legion policy that the Federal Government has the responsibility for the maintenance of an adequate placement and job counseling service for veterans; and

"Whereas the Congress of the United States has acknowledged this responsibility by the enactment of two statutes, the Wagner-Peyser Act of 1933 and title IV of the Servicemen's Readjustment Act of 1944, which statutes provided for a Nation-wide service for the employment of veterans through the United States Employment Service and the Veterans' Employment Service; and

"Whereas it is the established policy of the Federal Government to assume the responsibility for providing employment assistance and job counseling to veterans as enacted by legislation; and

"Whereas there has been a recent move to undermine the existing Federal-State system of employment services by proposals for basic modification or repeal of the Wagner-Peyser Act and title IV of the Servicemen's Readjustment Act of 1944: Therefore be it

"Resolved, That the American Legion in the twenty-ninth annual national convention, assembled in New York, N. Y., August 28–31, 1947, oppose any efforts to change basically or repeal the Wagner-Peyser Act of 1933 or title IV of the Servicemen's Readjustment Act of 1944, which will weaken or lessen the efforts of the Veterans' Employment Service, and recommends the maintenance of an adequately financed, independent operating agency, devoted exclusively to employment-service activities within the Federal department of the Government; that the Federal Government continue to resolve employment needs by 100-percent financial participation and support of public-employment-service programs operated by the State under Federal supervision, and that Government policy clearly establish and reiterate the priority of providing gainful employment to veterans in preference to unemployment compensation benefits of unemployment relief."

McKittrick Appointment Gives Bank of International Settlements Voice in ECA

EXTENSION OF REMARKS

OF

HON. JOHN A. BLATNIK

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. BLATNIK. Mr. Speaker, under leave granted to extend my remarks, I include in the RECORD a letter dated July 13, 1948, and addressed to Mr. Paul G. Hoffman, Administrator of the Economic Cooperation Administration by the Society for the Prevention of World War III, Inc., protesting the appointment of Mr. Thomas McKittrick as Mr. Hoffman's chief advisor in financial and monetary matters. The Bank of International Settlements, which Mr. McKittrick headed as President throughout World War II, was an admitted instrument of the Nazi cartels, and served as their liaison with the international banking fraternity. The facts revealed in this letter give added significance to the choice of Mr. McKittrick to play a dominant and policy-making role in the Economic Cooperation Administration.

JULY 13, 1948.

Mr. PAUL G. HOFFMAN,
Administrator, Economic Cooperation Administration,
Washington, D. C.

DEAR MR. HOFFMAN: As early supporters of the Marshall plan we have been following with great interest your courageous endeavors to help western Europe get on its feet. And believing as we do that it is everyone's duty to contribute his share to the success of the ECA, we feel constrained to make a few observations with regard to the recent appointment of Mr. Thomas McKittrick as your chief advisor in financial and monetary matters.

We fully realize that in selecting Mr. McKittrick you were, of course, guided by the idea of obtaining the best man—from the experts' point of view—for the job. No doubt Mr. McKittrick is an expert in financial matters, but there is also a moral problem involved in his case; namely, his wartime record and his past connections with the notorious Bank for International Settlements of Basle, Switzerland. The moral problem, in brief, is: Can a man who has been the servant throughout World War II of a German-controlled world institution serve faithfully the interests of western Europe—a western Europe which has suffered so much from the German economic, financial, and military aggression prior to and during World War II?

For our part we think not, and the following few facts culled from the official record will bear us out:

1. Mr. McKittrick was president of the Bank for International Settlements throughout World War II and was doing business with the Germans while our American boys were fighting the Germans." (From U. S. Treasury statement of Nov. 23, 1943.)

2. Ostensibly, the Bank for International Settlements was established in 1930 to service the obligations arising out of the Dawes and Young plans. Actually, however, the bank has been under the domination of Hjalmar Schacht and Sir Montagu Norman, former Governor of the Bank of England, who had done so much to help the Nazis prior to World War II.

3. During Mr. McKittrick's presidency of BIS, the bank was German-controlled to the extent of 72 percent, and the French, Dutch, Belgian, and Finnish directors were Nazi appointees.

4. Immediately after the outbreak of World War II, Switzerland began playing the role of the financial banker for Nazi Germany. The BIS distinguished itself for its services rendered to Germany under the presidency of Mr. Thomas McKittrick.

5. It is of record that with the outbreak of World War II, and especially since in 1942, large transfers of gold from occupied Europe were made by the Germans to the BIS.

6. The Allied Government knew the full extent of Germany's prewar holdings and, knowing the extent of all possible legitimate acquisitions of gold by Germany, openly warned BIS, as well as other Swiss banks, that the gold deposited by the Germans in Switzerland was looted from Germany's victims.

7. Although the directors of BIS were fully cognizant of the Allied warnings, they nevertheless continued to accept gold offered to them because they alleged the transfer of gold was legal and because they could not afford to hurt the stockholders of the bank.

8. Although the extent of the financial activities of BIS has always been shrouded in mystery, there is now ample evidence to prove—on the basis of documents found in Germany—that a large quantity of gold looted by the Nazis in occupied Europe was first resmelted in Berlin so as to obliterate all traces of non-German origin and subsequently shipped to BIS in Switzerland.

9. It is also known that some old German debts to various European countries were repaid during the war through BIS in gold, which was later stolen or confiscated from these countries by the Germans.

10. During World War II the BIS was strongly criticized by the Allied Governments for its activities in connection with accepting looted gold from the Reichsbank. Three years after VE-day, BIS has tacitly admitted that it had accepted looted gold, as witness the fact that the New York Times of May 15, 1948, reported that BIS has turned over to the Allied Governments $4,200,000 worth of gold inadvertently purchased during World War II. The meaning of the word "inadvertently" was not given by either the bank or the New York Times.

11. Despite this fact, and despite the fact that several governmental agencies and Congressmen have been clamoring for a thorough investigation of BIS, the bank has steadfastly refused the request for an investigation, claiming that under its statutes it is an international organization not subject to United States interference.

12. On July 20, 1944, at the meeting of Bretton Woods, a resolution was adopted that "No nation will be admitted to either the proposed international monetary fund or the Bank for International Reconstruction which has not previously broken with the Bank for International Settlements."

13. It was also decided at Bretton Woods that BIS should be liquidated. To the best of our knowledge, Mr. McKittrick has not done anything to implement the decisions of the Bretton Woods resolutions.

14. Despite this international condemnation of BIS, the United Press reported in 1944 Mr. McKittrick as having said the following: "We are keeping the machine ticking, because when the armistice comes, the former hostile powers will need an official instrument such as BIS."

15. We know of no better way to characterize BIS than to quote an excerpt from an article of the New York Times of May 19, 1943: "Allied preparations for an invasion of the European Continent make the Bank for International Settlements at Basle, Switzerland, look still more incongruous than it ever looked since the outbreak of the war in September 1939. In the seclusion of a Swiss city, American, German, French, and Italian bankers, not to mention Swedish, Swiss, and Netherlands representatives, are still at work side by side and attend to common business. Does it mean, that in this world of today, so hopelessly torn asunder, all belligerents are tacitly agreed to preserve a unique shelter for what was formerly called international finance, a shelter to be eventually used at will for the purpose of a policy of appeasement?"

All of the above statements can be substantiated by Government agencies. We believe that their gravity is self-evident, and that Mr. McKittrick is not morally qualified to be your adviser in any matter.

Equally self-evident, is, we feel, the fact that to give a collaborator like Mr. McKittrick such an important policy-making role in the ECA will be strongly resented by those recipients of ECA allocations who were Germany's victims.

Since so much is at stake, we respectfully urge your immediate consideration of this letter and your reconsideration of this appointment. We should be grateful for a reply, at your earliest convenience, and remain at your entire disposal for any assistance we are able to give you in this matter, as well as in all other matters pertaining to your splendid work.

Respectfully submitted.

SOCIETY FOR THE PREVENTION OF WORLD WAR III, INC.,
C. MONTEITH GILPIN, *Secretary.*

The Forgotten Veteran of 1948

EXTENSION OF REMARKS
OF
HON. ADOLPH J. SABATH
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

Mr. SABATH. Mr. Speaker, of the thousands of appeals I received from veterans who are desperately trying to buy or rent a home, none has struck me so forcefully as that received from Mr. William F. Carlin, of Silver Spring, Md., president of the Veterans' Service Aid Council of Eastern Montgomery County, Md. He has summarized the distressing plight of veterans throughout the country who have been forced to live in temporary Government shacks, trailers, with in-laws and friends under "double up" and crowded conditions. I insert excerpts from Mr. Carlin's letter, as follows:

SILVER SPRING, MD.

DEAR CONGRESSMAN SABATH: This letter is addressed to you and all other Members of the Congress of the United States, in behalf of the forgotten man of 1948, the veteran of World War II whose income is in the lower bracket, under $3,500 per year, and who is desperately trying to buy or rent a home for his family. The appeal in this letter is also applicable to the nonveteran in the same bracket.

After reviewing the platform of each of the major political parties, adopted in the Philadelphia conventions, it is evident by the plank in each on housing that a large majority of the members of each party are sincerely interested in securing adequate housing for all, but it is further evident by the proposals set forth that the matter is being approached in so many different ways that the final solution adopted may not provide the speedy and satisfactory remedy that should be provided, due to the usual trading and compromising.

* * * * *

Conditions today are so desperate for those families whose wage-earners are in the wage bracket under $3,500 per year, in their efforts to buy or rent homes in the present highly inflated real estate market, that drastic and speedy action is absolutely necessary. Such action can only be secured through the Federal Government.

The reports of the Government housing agencies will probably show an increase in the amount of new housing construction, but an analysis of these reports will show that none of this construction is within the rental or purchasing means of the man earning $3,500 or less per year. Some within this wage bracket are renting and buying but, using the standard set up by mortgage loan agencies and banks, that 1 month's rent should not be any greater than 1 week's wages, it can be readily seen that many of these renters and purchasers are headed for grief. They are paying the high mortgage payments and rents now because they are desperate.

It is hoped that relief will be forthcoming from the special session of Congress called for July 26, so that veterans now living in temporary Government shacks or with their in-laws and friends may soon enjoy the comforts of real home life.

Assuring you that any contribution that you may make to the solution of this most vital problem, will be rewarded by the gratitude of thousands of almost homeless families, I am

Sincerely yours,

WM. F. CARLIN.

Mr. Speaker, the responsibility for the failure to pass legislation to relieve the almost homeless families of these veterans lies directly at the door of the Republican majority in Congress. As I have pointed out many times on this floor in the last 2 years the Republicans have succumbed to the pressure of the $5,000,000 real-estate lobby in killing the Taft-Ellender-Wagner housing bill which, if enacted, would have provided homes at prices or rentals that veterans and other homeless citizens could afford to pay. The Republicans have been subservient to the interests of the real-estate operators, mortgage-loan brokers, contractors and building-material suppliers and I urge the veterans and their families and low-income families to repudiate and vote against those Republican Senators and Representatives who have betrayed them in voting against their interests.

Sound Money or World Chaos—The Decision Is Up to the American People

EXTENSION OF REMARKS
OF
HON. JOHN SANBORN
OF IDAHO
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

Mr. SANBORN. Mr. Speaker, one of the greatest authorities on China affairs is Dr. Charles J. Fox, former editor and publisher of the North China Star and long-time resident of Tientsin. Lawyer, economist, and newspaperman, he is in Washington now pending the return of more settled times in China.

William Philip Simms, Scripps-Howard foreign editor, himself an old China hand, states the conclusions of Dr. Fox as follows:

> The one and only method by which the Chinese people can be saved from chaos is to help China return to her age-long silver standard unhampered by government restrictions.

Sound money is not only the problem of China but of the entire world, and the only solution is through a return to a monetary policy of bimetallism, with the prices of gold and silver pegged and permanently maintained at fixed and proper ratio as provided for in H. R. 7012 and S. 2895, and with currency made redeemable, at face value, on demand. The only possible argument left to the opponents of bimetallism is that old chestnut, the so-called Gresham's law which presupposes a preference for gold coins over silver coins. Naturally with the price of gold supported at a fixed price by Government and silver treated

as a commodity subject to the manipulations of the international bankers, as has been the case since the demonitization of silver in 1873, people will prefer gold money. But with the price of both metals pegged at proper ratio, the parity between gold and silver will be maintained, gold and silver coins will be interchangeable and equally desirable, and there can be no preference.

During the first 80 years of our national existence, bimetallism was the monetary policy of our country, and no one can deny that we did mighty well with that kind of money. The crime of 1873 which resulted in the demonitization of silver was deliberately perpetrated by England, Germany, and the international bankers to exploit and pillage the silver-money countries of the Orient and the silver-producing countries of North and South America.

The United States escaped the fate of the other countries because of our system of free competitive enterprise and the tariff which protected the American market for American producers. But our progress was not nearly so great as it would have been under bimetallism, because the unsound monetary system resulting from the demonitization of silver brought about depressions like that of 1873, 1893, and 1929, and was responsible for both World War I and World War II. If we would end wars and depressions we must eliminate the causes, and return to a sound monetary policy.

Another old China hand is George E. Sokolsky who was one of the first reporters on the North China Star when that paper was started by Dr. Charles J. Fox. The following article by Mr. Sokolsky which appeared in the Washington Times-Herald of August 6, 1948, is most illuminating:

THESE DAYS

(By George Sokolsky)

Much of China's current troubles are monetary, arising from the debasement of her currency which was the direct result of the American silver policy. China's currency was based on silver, and the United States artificially raised the world price of silver in such a manner that that metal flowed into this country and left China with nothing but paper money.

This was as effective an attack upon China as anything the Japanese did during the entire fighting war.

Many of us so said at the time, although one of the arguments for this policy, out of which speculators made fortunes, was that it aided China.

The American Government sent experts to China to assist her in fiscal matters. The State Department and the Treasury were involved in this expert advice. Subsequently the United States sent other experts to China to advise Chiang Kai-shek on the conduct of the affairs of that country.

Among the advisers was Lauchlin Currie, Canadian born, who became one of President Roosevelt's anonymous secretaries, and is now on Miss Elizabeth Bentley's list of accused. I am not prejudging Mr. Currie's activities in China nor is it fair to accuse him of crimes of action or misdemeanors of judgment until all the evidence is in, including his own. But I call attention to the fact that this column has been critical of him, of Owen Lattimore, of General Stilwell, and George Marshall, and of John Carter Vincent, of the State Department, all so-called experts and authorities, for many years.

This is the time to make a full investigation of our relations with China on three questions:

1. Who was responsible for our silver policy; why did we undertake this utterly uneconomic business; who profited by it; what harm has it done to China?

2. What quantity of paper money was shipped from the United States to China; who printed that money; who placed the orders in this country; who instructed the flying of those bank notes over the hump while vital materials were delayed in Burma and India; who profited from these transactions; were they designed to aid China or so utterly to destroy her economy that the Communist—that is, the Russian—conquest of the country would become inevitable? Further, were payments for these bank notes, printed by a number of American firms and contracted for by Americans, paid out of Chinese funds or from funds borrowed from the United States? Were any American officials involved in this debasing transaction?

3. Why did we pursue a policy of trying to force Chiang Kai-shek to associate himself with the Chinese Communists in spite of the fact that we have in the records of the State Department, the Department of Commerce, Army and Navy intelligence, and the files of newspapers, ample evidence, from 1924 to 1948, of the effort of Soviet Russia to conquer China by means of the Chinese Communist Party? Why did the spokesmen of our Government try to give the impression that the Chinese Communists were not part of Soviet Russia's international apparatus, when since 1920 there has been a full record of the attendance of the Chinese Communists at every session of the third international, published in the Comintern paper, Inprecorr, giving their speeches, debates, discussions, and reports? Who ordered this false and malicious propaganda to be spread before the American people?

Why was this policy continued after Yalta where the Russians disclosed their purposes; after Potsdam which left nothing to the imagination; after the Russians seized Manchuria and half of Korea and broke all her treaties with us? Why was it pursued by the OWI, the OSS, the State Department, and even by George Marshall after the Russians had disclosed their aims in Asia? Who gave the orders?

If Congress will go to the roots of the matter, investigating these questions, the truth will disclose itself. And that truth will be that somewhere in the directing line, on the high level of policy, were powerful Americans who were working to hand China over to Soviet Russia, which would have given that country, in short time, the whole of Asia, and made America subject to Russia's will.

As previously stated, there is no doubt but that the majority of the Members of Congress who supported the Silver Purchase Act of 1934 sincerely believed that they were helping China, but it was much like locking the barn door after the horse was stolen, and the results were much as Mr. Sokolsky has written.

In 1844 England pegged the price of gold at the equivalent in American money of $20.67. This was achieved by buying in unlimited quantities all gold offered at that price and selling in unlimited quantities all gold on demand at the same price, plus only a small handling charge. The United States and all other countries accepted the price set by England, and since we had previously—in 1837—fixed the ratio between silver and gold at 16 to 1, this gave silver a price of $1.29, which prevailed until silver was demonetized in 1873.

Because gold could not be coined in small denominations, most of the money of the people was silver, while gold had a tendency to accumulate in the banks and in hands of the wealthy. Thus, silver might be designated as the poor man's money. When silver was demonetized the price of silver depreciated. Before demonetization an ounce of silver bought a bushel of wheat, which set the price of wheat at approximately $1.29. After demonetization an ounce of silver still bought a bushel of wheat, but since the price of silver speedily depreciated to 60 cents per ounce, the price of wheat was 60 cents. This wrecked agriculture in England, just as it did in the United States, as records of the 1890's show.

In the late 1920's great cargoes of wheat and flour were shipped to China from our Pacific Northwest, and similar cargoes of cotton were shipped from our Southern States. Then silver money was withdrawn from circulation in India, and this silver dumped on the world market. The price of silver dropped from 65 cents per ounce to 26 cents per ounce. This trade in wheat, flour, and cotton ended overnight, for the drop in silver had wiped out 60 percent of the purchasing power of 1,000,000,000 people in the Orient. You cannot destroy the purchasing power of half the people in the world without a world-wide depression, and the panic and depression of 1929 was the result.

A return to bimetallism would have brought an end to the 1929 depression in a few months, but the American people had been so thoroughly inoculated with foreign "isms" and ideologies that they blamed the depression on President Hoover, the tariff, and American capitalism. This led to the venture in "managed currency"—irredeemable paper money. Other countries followed our lead, and since they were no longer required to redeem their currency in gold, they sold their gold at $35 per ounce to the United States, and we stored it in a cave at Fort Knox where it is performing no useful service. China soon followed our lead in "managed currency" and since her money was no longer redeemable in silver, she sold us her silver. And since China's money is no longer redeemable in silver, her dollars have dropped from a value of 30 cents in American money in 1935 to 10 million for one American dollar in 1948. China's experience is an extreme example of what may be expected in any country that operates on a managed-currency basis.

However, two powerful groups in the world are all out for a managed currency—the Marxists and the Rhodesians—the former the followers of Karl Marx and the latter the followers of Cecil Rhodes. An example of what Marxism means is now evident in Soviet Russia, while the Rhodes ideology is being put into operation by the "fund" which was set up under the Bretton Woods monetary agreements. Rhodes visioned a series of cartels and monopolies in the hands of a powerful few who would control all raw products, production, distribution, and prices—a financial superstate. The "fund" is already taking on the power of such a state where paper money issued by it, or with its approval, need not be redeemable.

WARNING TO GOLD PRODUCERS

Bimetallism is just as much your fight as it is the fight of the silver producers and the believers in sound, dependable, redeemable currency. Unless currency is backed by adequate reserves of gold and silver and made redeemable in those metals, gold will soon be valued only for its industrial use which is practically nil, and the United States Government will suffer huge losses on its gold holdings; for the internationalists of one-world persuasion, whether they be followers of Karl Marx or Cecil Rhodes, are determined to set up a one-world superstate in which the United States will be reduced to the status of a Balkan satrapy.

Those who are suffering under the delusion that a return to bimetallism with gold and silver pegged at prices set out in my bill will cause gold and silver to flow into the United States Treasury are sadly mistaken. Exactly the reverse will occur; there will be a mad rush by other countries to buy our gold and silver to back up their own lagging currency. Billions of dollars in gold and silver now in hiding in many parts of the world will flow back into the banks of the various countries and serve as a 40-percent monetary reserve for the issuance of stable, dependable currency.

Some of them may have to borrow gold and silver from us for such reserves, but naturally such loans will be only 40 percent of what we are now loaning them under the present unsound managed-currency system; and we would have a reasonable chance of having such loans repaid because the world would be on its way back to economic stability and peace, and communism would die on the vine.

Sound money means economic freedom; a managed currency means economic bondage and world chaos.

DO NOT BE TOO BOASTFUL ABOUT OUR NATIONAL INCOME

President Truman, Senator BARKLEY, and other members of the Democratic administration have made much of the fact that we now have a national income of approximately $210,000,000,000, and like to compare it with the national income when the New Deal came into power. They fail to say, however, that because of the unsound "managed currency" currency policy of the New Deal, the dollar has been so depreciated that $210,000,000,000 today is equivalent to only $115,000,000,000 in 1939 and $78,000,000,000 when the New Deal came into power in 1933.

In view of the fact that this policy of "managed currency" is being perpetuated in its most vicious form under the Bretton Woods monetary agreements, our delegates to Bretton Woods should frankly admit that they were suckered into supporting these agreements by Lord John Maynard Keynes, Henry Morgenthau, Harry D. White, Dean Acheson, and Nathan Gregory Silvermaster, and do the best they can to undo the evil they afflicted on their country; for the Bretton Woods monetary agreements were particularly designed to sell America down the river.

Government Grain Buying Caused Higher Domestic Food Prices

EXTENSION OF REMARKS

OF

HON. AUGUST H. ANDRESEN

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. AUGUST H. ANDRESEN. Mr. Speaker, from July 1, 1946, to June 30, 1947, the Commodity Credit Corporation, the food-buying agency of the Government, purchased in the domestic market the following large quantities of grain: Wheat and flour, 268,000,000 bushels; corn, 75,613,878 bushels; barley, 21,406,572 bushels; oats, 8,414,604 bushels; and grain sorghums 2,395,000 bushels.

From July 1, 1947 to June 30, 1948, the Commodity Credit Corporation purchased in the domestic market the following large quantities of grain: Wheat and flour 390,200,000 bushels; barley 9,560,109 bushels; oats 7,162,947 bushels; grain sorghums 6,151,947 bushels; and rye 912,460 bushels.

During 1946–47 commercial interests, under export allocations from the Government, purchased 133,600,000 bushels of wheat and wheat flour, and for 1947–48 wheat and wheat flour in an amount of 105,800,000 bushels.

The Government has been, and still is, the largest single grain buyer in the country. As I have said before, the Government dominates the market price. When the Government buys in large quantity, the price goes up, and when it curtails or stops buying the price goes down. The price paid by the Government over the 2-year period for the wheat purchased, ranged from less than $2 per bushel to more than $3.25. These large purchases of grain have had a terrific impact upon the cost of vital food to American consumers. Price advances in grain caused higher prices for feed used in the production of meat, poultry, and dairy products. This meant higher prices for meat, dairy, and poultry products to consumers.

Although these purchase programs were authorized, the Truman administration should be frank enough to admit that the buying of such large amounts of grain were, at least, partly responsible for higher cost of food to the American people.

TOTAL FOOD AND AGRICULTURAL EXPORTS

For the year 1946–47 there was exported from the United States 19,200,000 long tons of food valued at $2,758,000,000, other agricultural products, mostly cotton and tobacco, 1,400,000 long tons valued at $1,000,000,000, making a total tonnage for 1946–47 of 20,600,000 long tons, valued at $3,758,000,000.

The preliminary estimates for food and other agricultural exports for the year 1947–48 are calculated at 19,000,000 long tons of food, and 1,000,000 long tons of other agricultural products, mostly cotton and tobacco, having an estimated total value of $3,441,604,000.

The export figures above mentioned and values are estimates of the Department of Agriculture.

A large proportion of the above exports for the 2-year period, valued at $7,199,604,000, were paid for by the American taxpayers. In my opinion, American consumers were taxed twice for these exported agricultural products. First, in taxes paid to the Federal Government and, secondly, in being forced to pay higher prices for the food and other products purchased by them for home consumption.

SHALL IT BE TOBACCO OR FOOD FOR HUNGRY PEOPLE?

Several hundred million pounds of tobacco will be donated by American taxpayers to the countries coming under the Truman-Marshall plan. Many Americans want to know the reason. They are willing to help feed hungry people. They cannot understand why it is necessary to donate both food and tobacco. Well, my friends, hungry people do not get the food or tobacco unless they pay their own governments for it.

The United States News of May 7, 1948, tells the story of how the British Government will profit from our tobacco gift. The United States Government makes a gift of $119,000,000 worth of tobacco to the British Government. The British Government sells this $119,000,000 worth of tobacco to the British people at high prices and realizes $2,500,000,000 in profit from our tobacco gift. What do we get? Maybe, a thank you. Let the United States News tell the story, which seems and is fantastic, as follows:

SURPRISE USES OF THE DOLLARS GIVEN TO EUROPE

Marshall plan dollars, starting to flow, are to have some strange and interesting effects.

Tobacco from United States is to help balance budgets, help fight inflation, provide profits to tax.

Taxpayers have yet to learn the uses for all their dollars.

Some strange and interesting results are to flow from the billions of dollars in aid that the United States is giving to nations of Europe. Results are not all to be of the kind that taxpayers may have thought about when putting up the money.

Tobacco, for example, is to play an important part in the reconstruction of Europe. Congress decided that Europe should get 458,000,000 pounds of United States tobacco in the first year of the Marshall plan, or about 2 pounds for each man, woman, and child in the cooperating countries.

Surprising events are to flow from that fact. Britain, to illustrate, is down for 218,260,000 pounds of tobacco, or about 5 pounds per person. This tobacco costs around $119,000,000, an important part of which is met by United States taxpayers, who contribute the tobacco. The British Government, taking the tobacco, imposes an import tax of $11.74 per pound.

All of a sudden the $119,000,000 worth of United States tobacco becomes the equivalent of $2,500,000,000 to the British Government for budget-balancing purposes. The tobacco, given by the United States, is sold for pounds to the processor, by the British Government, at the Government's price plus the import duty. The processor, in turn, sells to the distributor, who sells to the public.

In starting this train of events the United States taxpayer, contributing tobacco, does many things. He takes surplus tobacco off the hands of United States tobacco growers so that the price at home can be held up. He gives the British Government tobacco that it can use to draw a very large amount of money out of the pockets of the British

people. He enables the tobacco processor and distributor in Britain to realize profits of their own. And he gives the Briton a smoke.

A Briton pays the equivalent of 70 cents for a package of cigarettes that costs 15 cents in the United States. He pays for tobacco that, as likely as not, was given to his Government by the United States taxpayer in the interest of European reconstruction.

What happens in Britain is to happen in varying degree in France, Belgium, Ireland, Netherlands, Denmark, Italy, western Germany. Tobacco contributed by the United States is helping to balance budgets, to dampen inflation, to satisfy people.

The Real Issues—Republicans Will Again Attempt To Mislead the People

EXTENSION OF REMARKS
OF
HON. ADOLPH J. SABATH
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

Mr. SABATH. Mr. Speaker, the record shows that the Republicans have deliberately and willfully refused to carry out the promises they made to the people in 1946 to bring about lower prices and to enact legislation to provide homes at prices people of lower income can afford to rent. To divert attention from the dangerous reactionary and Fascist activities of special interests and lobby groups whose interests they served in this Congress in passing or not passing legislation that enabled them to reap huge profits from the American consumer they are attempting to drag a red herring across the path of realities in the hope of again confusing and misleading the people in the forthcoming campaign. So the Republican high command, with the full cooperation of the National Association of Manufacturers and the $5,000,000 real-estate lobby, have planned a campaign of inspired investigations of Government officials and employees to detract from their failure to arrest or lower prices, and to cover their action in killing the Taft-Ellender-Wagner housing bill.

The Republicans have kept one promise made by the Republican Speaker, Mr. MARTIN, when he declared that "the Congress will open with a prayer and close with a probe." But instead of having your five investigating committees probe the high cost of living and how the real-estate lobby expended millions of dollar to kill the Taft-Ellender-Wagner bill, these committees started to investigate alleged frauds and delinquencies of the bureaucrats. However, these investigations were discontinued when it was learned that all of these so-called bureaucrats, contractors, and manufacturers, who have been and are contributing to your campaign funds, were Republicans. These preliminary investigations disclosing members of their own party involved caused these committees to change front and their publicity experts began feeding the Republican-controlled press with a lot of balderdash, hokum, and bunk by using self-confessed Communists and communistic spies whose allegations could not be considered in any real American court to create hysteria and smear patriotic, loyal, and honorable American citizens, many of whom served their country with fidelity and distinction during the late war.

GRAND JURY FOUND EVIDENCE INSUFFICIENT

Mr. Speaker, yes; these committees have been investigating what has been known to the Federal Bureau of Investigation and other Government intelligence services for a long time. These innuendos and accusations have been sifted for an entire year by a Federal grand jury which after hearing more than 200 witnesses, came to the conclusion that none of the men under investigation were guilty of the charges made by the miserable, self-confessed Communists, who are shamefully given greater credence by these committees than are proved, loyal outstanding Americans.

These investigations are aided by members of the old America First Committee, the war subversives and seditionists who formerly served under the murderous Hitler-Bundist agents, George Sylvester Vierieck and Fritz Kuhn, the stooges of Pelley, now serving time in a Federal penitentiary, and by those persons subservient to the reactionary forces protecting the menacing Fascist activities in the United States, most of whom may be identified as smear and mud-slinging specialists and character assassins.

These scurrilous propagandists have not only been attacking Democratic candidates and those of a liberal point of view, but also those who have expressed and indicated their preference and support of human rights as against property rights, and now they are including and directing their attacks against labor leaders and honest advocates of the rights of the people.

No one will deny that the investigative personnel of J. Edgar Hoover's organization, the Federal Bureau of Investigation, our Military and Naval Intelligence, Treasury Intelligence, and our Secret Service are far superior in ability and intelligence to any Russian intelligence or investigative group or to an investigative committee. It is to be especially noted that over the years none of these outstanding Government investigating agencies has been used in witchhunt investigations and their reports never have been of the persecutory or character-assassin kind. But today we find five Republican political investigations in full sway under authority of the Congress delegated to its standing or special investigating committees which are costing the Government additional millions of dollars.

REPUBLICANS ATTEMPT TO DISTRACT ATTENTION FROM THEIR FAILURES

The fact is that you Republicans in desperation are devoting yourselves through the instrumentalities of these congressional investigating committees to aiding the former Bundists-Fascists to distract attention from your failure to legislate in the interest of the people and from the ever-increasing danger of war mongers and war profiteers, and the reactionary, dangerous Fascist groups, but you cannot, with all your wealth, ingenuity, and falsehoods, emanating from the National Association of Manufacturers, your politically controlled newspapers, and your outstanding Republican spokesmen avoid your responsibility for the unconscionable high cost of living and the lack of proper and adequate housing.

The reckless, reprehensible, inexcusable smearing and mud slinging of these committees, staffed by men not possessing judicial minds, according to two of the most political-minded and active Members, is having a negative effect on informed American minds, who denounce it as untruthful, unwarranted, and un-American.

This assailing, attacking, and smearing policy is nothing new to the Republican politicians who are supported by the avaricious and predatory special and vested interests, by the capitalists and the Fascist-minded gentlemen of Wall Street. They are masters at that ignoble art.

Time will not permit me to call attention to the vicious, unmanly, and outrageous attacks that have been made on all our Democratic Presidential candidates. However, I would briefly remind that George Washington was said to be a hyena; Jefferson was charged with being anti-Christian and a Jacobin; John Adams was attacked as an illegitimate brat of a Scotch peddler; John Quincy Adams was called deceitful and a beggar; Andrew Jackson not only was attacked in a most outrageous manner, but even his wife was smeared and her reputation ruined. Presidents Wilson and Roosevelt were even ignobly persecuted beyond the grave.

These attacks were made by the old Whigs or reactionaries and today, not only have you Republicans untruthfully assailed, smeared, and tried to destroy the splendid record of the Democratic Presidential candidate, but you have without exception attacked all progressive Democrats and New Dealers who are fighting for the cause of the common man and who cannot be controlled by the trusts, combines, vested interests, and malefactors of great wealth.

THE PEOPLE WILL HAVE THE REAL FACTS AND TRUTH

The American people should have all the real facts and truth. With them they will reach an accurate conclusion. The statements made on the floor and publicized in the Republican-controlled press that the two makeshift bills passed in this Congress will reduce the high cost of living, aid in the construction of lower-cost homes, and arrest inflation are obviously false because:

First, the price-control law was repealed and instead of price control you enacted legislation in this Congress giving the industries of our country the right to voluntarily fix prices because they promised to lower the price of food as well as other commodities provided that price controls and the other restrictions were removed. As everyone must know, industry has not reduced the price of its commodities, but, on the contrary, has been and still is increasing prices notwithstanding that it is making the

greatest profits in history. The statement that the President has the power under the two new makeshift bills to reduce the high cost of living, as I have stated, is erroneous. So is the statement that the high cost of living is due to our exporting policy. Our exports of last year amounted to only 4 percent and this year it is contemplated that we will export only 2½ percent of our production, yet our warehouses are bulging with surpluses and we will have the greatest crops of wheat, corn, and cotton in the history of our country. Consequently, if we export 2½ percent of our tremendous surpluses this year no one can truthfully maintain that our policy of exporting is responsible for the increasing cost of food.

Second, it is preposterous and ridiculous to think that one-seventh or one-eighth of 1 percent interest charge increase will arrest inflation. On the contrary, this increase will enable the bankers to charge the Government higher interest so it is in their interest that this legislation was passed.

Third, the makeshift bill passed by this Congress does not give the President the power to reduce prices on meats and foods, or to provide for the building of lower-cost homes because, as I said before, you Republicans have given the manufacturers, the builders, the producers, and the avaricious combines and business the right to voluntarily fix prices—and how they have been and are fixing them—not downward but higher and higher. The only way we can obtain cheaper homes is by price control of building materials as the evidence discloses that since the removal of priorities and repeal of price controls the cost of all steel products, lumber, cement and, in fact, of all building materials have increased from 100 percent to 200 percent. With the statistics and reports of the Bureau of Labor Statistics and the Federal Reserve showing that wages increased 6 percent in that period and profits of manufacturing corporations increased 60 percent in the same period, this outrageous increase in the cost of building materials cannot be justified. The Republican majority was fully informed of these facts by the Joint Housing Committee that spent $100,000, yet it sat supinely by with evidence on every hand that the building-material manufacturers had not even attempted to voluntarily fix prices, much less to arrest or control the skyrocketing prices. The real estate lobby, spearheaded by three national real estate associations, has been active in Washington in opposing housing legislation. Its lobbying expenditures has reached the staggering sum of $5,600,000. Their top lobbyists draw salaries up to $25,000 a year, plus expenses. The activities of one of the associations is conducted from quarters renting at $600 a month and among the expense items reported is one for "Christmas gratuities" to key hotel personnel, and another for membership dues at the Congressional Country Club for a Nareb official. Yes, the real estate lobby left no stone unturned in "influencing legislation" by entertainment and otherwise, and particularly to defeat the Taft-Ellender-Wagner housing bill.

I repeat, in a desperate effort to distract the attention of the American voters from your guilt and responsibility for the high cost of living and your failure to provide for lower-cost homes, you are covering the front pages of the newspapers with propaganda as to alleged revelations of these congressional investigations that are being conducted by five different committees at the expense of the taxpayers.

You are standing before hungry and homeless men and women offering loyalty tests, yourselves as shields between an alleged endangered America and good citizenship in substitution for absolute necessities of life.

Instead of feeding the people with cheaper food, you Republicans are feeding them with cheap, fantastic stories of communism, communistic spies, and American traitors while those connected with the Bundists and Fascist forces are under your own inspiration, smearing and discrediting outstanding loyal American citizens by unfair and un-American methods.

Address of Hon. William L. Dawson, of Illinois, at the Democratic National Convention

EXTENSION OF REMARKS
OF
HON. WILLIAM L. DAWSON
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Saturday, August 7, 1948

Mr. DAWSON of Illinois. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include a speech made by me at the Democratic National Convention, July 14, 1948:

Mr. Chairman, ladies and gentlemen of the convention, for four consecutive times now the people of this great Nation have marched to the polls in overwhelming numbers, have put their stamp of approval upon the principles, platforms, and candidates represented to them by the Democratic Party in conventions. Sixteen years ago, in 1932, at a time when 12 previous years of Republican rule under Harding, Coolidge, Hoover, had reduced this country from a prosperous, powerful, and progressive Nation to a depression-ridden land, cursed with closed banks, closed factories, and closed businesses, and plagued by poverty, want, unemployment, and hunger; a land where untold thousands ate in bread lines, soup kitchens, and slept in police stations, garages, and public buildings for want of a place to call home; at a time when veterans who had fought and won World War I stood on street corners selling apples and marched to Washington to beg for a bonus only to be fired upon in the Nation's Capital—in these dark hours of distress, the American people turned to our party. They endorsed the principles, platforms, and candidates presented at our Democratic Convention. President Franklin D. Roosevelt, backed up by a Democratic-controlled Congress stepped into that Republican-made mess—with the battle cry, "the American people have nothing to fear except fear itself"—steps were taken to restore the confidence of the American people in themselves and in their country; the pump of industry and business was primed with Government dollars placed in the hands of citizens to pay for work done in place of a dole bestowed as ignoble charity. With confidence restored and dignity restored, the Nation was soon embarked on the road to real economic recovery.

Again in 1936 the people approved of the results of the Democratic Convention and kept in power a Democratic administration which continued to bring to this people benefits never before enjoyed by the rank and file of the working masses of our citizens. Humanity in government became the slogan. The status of those who live by the sweat of their brows was changed and the working man and woman assumed a dignity never before enjoyed. The right of collective bargaining was granted and as a result thereof workers took on a more important role in the industrial life of our country. The masses of citizens enjoyed a prosperity never before had in this or any other country.

In 1940, when war clouds gathered on the horizon and the forces of aggression and bigotry threatened to destroy the peace and prosperity of the world, the people once more put their stamp of approval upon the actions taken at our Democratic Convention and though it meant the breaking of an unwritten law and the destruction of a precedent, President Roosevelt was elected to a third term and a Democratic administration was called upon to meet the danger. War did break out. From a state of unpreparedness occasioned by the destruction of our powerful Navy of World War I and the effects of a depression created by a Republican regime, America speedily became the arsenal of the world on every front—on land, in the air, and on and under the sea—wherever the enemy could be found our men of every race, creed, and color, our planes, our tanks, our arms and equipment engaged the foe.

Again in 1944, in the midst of this most devastating holocaust of war, when on a thousand battlefields in every part of the world, millions of our youth, both men and women, fought a cruel and ruthless foe bent on destroying all free peoples and all democratic ways of life, the American people again embraced our principles, platforms, and candidates presented to them by our Democratic Convention. In a record-shattering election they chose Franklin D. Roosevelt for a fourth term for President and Harry S. Truman for Vice President. The tempo of war increased. Burdened by the exacting duties of President, worn by the responsibilities of a terrible war, and with ultimate victory in the offing, President Franklin D. Roosevelt laid down his shield and sword and went to meet his Maker.

Like Moses, who led his people within sight of the promised land and was not permitted to enter, so Roosevelt led the democracies of the world within sight of victory and was called to his reward. Harry S. Truman stepped into the Presidency in the midst of a war. His was the decision to be made on whether we should continue to risk the rigors of prolonged strife or whether we should bring it to a quick end by using for the final blow the greatest device ever conceived and created by man—the atomic bomb. Believing in the justness of our cause, realizing the price in human life and suffering we had paid and were paying in a war that was not of our choosing, and sustained by the conviction that his course was right, he gave the word to act. The entire civilized world stood aghast while an erstwhile savage foe shrank in terror and dismay and quickly sought the security of surrender. Victory was ours. Many millions of mothers sighed in relief, and many millions of enslaved persons all over the world saw a ray of hope, other millions of displaced persons sought a haven.

The problems of peace are often more harrowing than those of war. Under the impelling force of common danger, people oftimes

bear the inconveniences and restraints of war without complaining. With the removal of the danger each person wants for himself quickly and speedily the removal of every inconvenience. With the victory won, Harry S. Truman turned to the problems of peace. Courageously he sought to gradually remove the war restraints during the process of gearing our wartime production to peacetime production. He worked with the leaders of our allies to establish a strong United Nations Organization to work for peace in the world. He has established a program for world rehabilitation which will preserve the integrity of the nations of western Europe and put them on a self-sustaining basis which will assure markets for goods produced in our great factories.

Repeatedly President Truman recommended the enactment of legislation for the relief of the small wage earner from the burden of wartime taxation; for the widening of social-security coverage to include many other classes of wage earners; for the establishment of a health program for the protection of every citizen; for the broadening of educational facilities to the end that no child shall be denied the opportunity of getting an education; for the promotion of a building program which would assure every veteran a home and which would put adequate housing within reach of low wage earners at a price they can afford to pay.

Smarting under the restrictions of wartime controls and lulled into a state of complacency, the people in 1946 elected a Republican-controlled Congress. Immediately the forces of reaction got to work. The labor-baiting Taft-Hartley law passed, hamstringing labor; veterans' benefits were shelved; slum clearance and a low-cost housing program were stopped; the world rehabilitation program was badly sabotaged; social-security benefits were curtailed and price controls were removed before a transition had been made from wartime to peacetime production. Already prices have soared sky high and the cost of living reached an all-time high; food prices are up beyond belief and are still rocketing upward; rent controls have been weakened at a time of the greatest housing shortage in our history. Valiantly during the last 2 years, President Truman and a liberal Democratic minority fought to maintain a sound domestic economy, one which would keep prices at a level commensurate with the prevailing wage scale; they fought to protect the workingman's savings which he had accumulated during the war, to protect the benefits gained by labor under 14 years of Democratic rule; they sought to provide a home for the veteran and adequate housing for all. Again and again and again President Truman has stood in the breach in support of Democratic principles in our Democratic platform. Many, many times he has used the influence of his office and the power of the Presidential veto to turn back the Republican forces of reaction. He has courageously and unequivocally advocated that laws be enacted to assure to every citizen the rights guaranteed by our Constitution, that freedom and liberty, and security in life and property, and the right to work and the right to vote are the sacred heritage of every person.

The Republican Party is now and has been during your lifetime and mine the party of the favored few. Those who place the acquisition and protection of wealth above the attainment of human rights. The Republican Party is the vehicle used by the great corporations to protect profits and to get more. It is the party of low wages and huge profits. It has spent millions to control the sources of information going to the people.

The Democratic Party is the party of the people; the party of the millions of little people who work; they are of every race and creed and nationality that have attained citizenship in this great American melting pot. Some of them may have seemingly conflicting interests but all of them have one thing in common—a Democratic victory is an assurance that the forces of government will not be used against them in their quest for enjoyment of the benefits afforded by this great democracy.

For 16 years the Democratic Party has led this Nation through the vicissitudes of peace and war and today we stand as the most prosperous, the most powerful, and the most advanced nation in the world. This Nation is the acknowledged leader among the nations of the world. Our people live on a scale not enjoyed by the people of any other nation. Are we Democrats in convention here assembled today prepared to surrender the reins of government to the reactionary party of Harding and Coolidge and Hoover to be once again exploited? Do we want again in this country bread lines and soup kitchens and veterans selling apples? Do we want to go back to the days of low wages and unemployment?

Already in 2 years a Republican Congress has laid the foundation for the next depression. High prices are fast consuming the savings of millions of working people. When their money is gone then comes the lay-off, the return to lower wages, then the pitting of laboring man against laboring man and the effort to get any kind of job at any wage in order to feed their families. Whom have they got to beat us? We licked their nominee 4 years ago and can do it again. He is the same man surrounded by the same old gang. The Republicans may have the money, the press, and the radio, but the Democratic Party has the people. Let's pit our manpower against their dollars. Men and women can vote—dollars cannot. The millions of little people know what they want. They want our Democratic President and a Democratic Congress. The newspaper, the radio, corporations, and big business have been against our candidates ever since a Democratic President pulled them out of the depression and saved their hides and their fortunes. They were all against Roosevelt in 1940 and they were against Roosevelt in 1944. The people are sorry now that they grew careless in 1946. They voted then against restraints and not against the Democratic Party. This year 1948 is national election year. Our record of liberalism and humanity in government is written. We have the men who help to make it.

Democrats of America, let's close ranks. Let's present to the electorate from this convention those principles of liberalism and humanity in government, backed up by a platform of domestic progress and international cooperation for peace and world freedom, supported by candidates who have already played a part in guiding the Nation to its present place of power and influence. If we do this the people will once again rally to our banner and victory will be ours in November.

The Facts on the Republican Killing of the Taft-Ellender-Wagner Housing Bill

EXTENSION OF REMARKS

OF

HON. ADOLPH J. SABATH

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Saturday, August 7, 1948

Mr. SABATH. Mr. Speaker, under the leave given me, I insert an article by Thomas L. Stokes, one of the most outstanding factual writers of today, appearing in the Washington News of August 3, 1948, which gives the low-down on the Republican legislative action that killed the consideration of the Taft-Ellender-Wagner housing bill. The article entitled "T-E-W as an Eample," clearly sets forth the case history of the proposed legislation which, if enacted, would have enabled distressed veterans and other citizens to buy or rent homes for their families at prices and on terms which they could afford to pay. The responsibility for the killing of this much-needed legislation, despite the appeals of homeless veterans and citizens of moderate income, is placed squarely on the Republican Congress and its membership can expect a proper accounting from those whom they failed in the November election. Mr. Stokes' article is as follows:

T-E-W AS AN EXAMPLE

(By Thomas L. Stokes)

What is happening—or not happening—on the Taft-Ellender-Wagner long-range housing bill at the special session of Congress shows how a handful of powerful key figures can manipulate the machinery of Congress in favor of big special interests to defeat the popular will.

It is an excellent case history, as well, of the Eightieth Congress and its approach to major problems affecting the general public welfare. It is herewith spelled out for the enlightenment and guidance of the public.

The Taft-Ellender-Wagner bill passed the Senate April 28, 2 months before the end of the regular session and finally was approved by the proper legislative committee of the House, the Banking and Currency Committee.

The layman might logically think that approval by the proper legislative committee would send the bill to the floor for a vote. But not so.

With eight of its dozen members voting, the Rules Committee then politely tabled the measure, 6 to 2.

So today we have the irony of a little group of men in the House blocking action on a measure designed to relieve the distressing housing shortage despite its approval by the Senate, by the proper House legislative committee, and despite support by a majority of Members of the House who cannot get a chance to vote on it in the democratic fashion.

Veterans and other people with inadequate housing, can complain all they please, but they can't reach this little group of self-ordained bosses.

The real-estate lobby, which bitterly fought the bill all the way and lost every round up to the Rules Committee, finally won its way when it reached the little group.

This lobby, like other special-interest lobbies, can work its way in Congress because of the difficulty of the public to fix responsibility, to find the culprit in the legislative maze.

Then, there is not only the Rules Committee, which is subservient to other lobbies, but there is the Republican-Southern Democratic coalition. The T-E-W bill, when it was passed by the Senate 2 years ago, likewise was blocked in the House, then under Democratic control. Most southern conservative Democrats in the Senate voted this year, too, to eliminate the public-housing features of the bill, joining a number of Republicans in an unsuccessful move in that body.

While the housing bill carries all sorts of assistance to private builders, the real-estate interests are ired over the provisions for loans and grants to local housing authorities to clear slums and build low-cost rental housing for low-income groups, even this is restricted to projects that private builders cannot undertake.

The reluctance in Congress now toward the T-E-W public housing, which is on a limited basis, is hard to understand, for it approved the principle in the 1937 Housing Act.

Address of Hon. John R. Steelman

EXTENSION OF REMARKS
OF

HON. EDWARD G. ROHRBOUGH

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Friday, December 31, 1948

Mr. ROHRBOUGH. Mr. Speaker, under leave to revise and extend my remarks, I include therein an address delivered by the Honorable John R. Steelman, the Assistant to the President of the United States.

This address was delivered before the governors of the Southern States and is a very strong argument in favor of Federal aid to education. It follows:

The President has asked me to convey to you his personal greetings and his best wishes for a successful and constructive meeting.

To meet with the governors of the Southern States is a pleasant experience for me. In the past 3 years I have talked with officials of nearly every Southern State concerning some of their problems.

I wish more people in other sections of our country understood more fully, and appreciated as I do, the preeminent qualities and potentialities of the South. We do not hear enough about the new South—about its culture, its growing industrialization, its rapid increases in wealth, and the steady improvement in educational opportunity.

It is through the work of enlightened groups here and elsewhere that an atmosphere of better understanding can be created. This group, meeting tonight, was organized with that purpose, among others, in mind. Through your joint efforts you advance the cause of your individual States. But even more, you serve as a cohesive force in American life. The Council of State Governments has performed a valuable service not alone on behalf of the various interests of the individual States but on behalf of the broader interests of the people. Here in the South that same type of service has been performed—and is possible on a still greater scale—through your fine work in the southern governors' conference.

You have met here to discuss some of the problems that today confront the State governments. But all of us are made aware every day that there are very few problems that are confined to the State governments alone. We must think of Federal, State, and local governments together, for together they make up our American system of government—a system of multiple governments for a single nation.

The problems that confront State governments usually confront Federal and local governments, too. The great need now and in the future is for all three types of government to work together, to cooperate toward our common objectives of providing for the national defense and the general welfare of our people. I know this is the approach of President Truman.

There are, of course, points of disagreement between the State and Federal Governments, just as there are between State and local governments. Such disagreements may provide headlines in the newspapers and make life interesting. Unfortunately, they often overshadow such fine achievements as we have made working together in programs like public roads, public health, agriculture, and many others.

But the basic job of cooperation toward common goals is fundamental. We must constantly seek better ways of working together.

Tonight I should like to speak of some specific areas in which the Federal and State Governments are jointly interested and need to act cooperatively.

I select these subjects because I am sure they are of immediate interest to you, and because I have been privileged to gain a more intimate understanding of some of the problems connected with them.

GENERAL EDUCATION

The first subject I wish to discuss is that of education.

If America is to survive and prosper in this complex postwar world, we must demonstrate that we can make our form of democracy function. We must make sure that our political, economic, and social system is not static but is flexible enough to meet the needs of our people. We must always move forward toward the full realization of the ideals which are the spiritual foundation of our American society. "To preserve our democracy, we must improve it."

The best way to improve our democracy in the long run is to make sure that our children are well educated. Our schools teach what democracy is, why it is important, and why it requires each citizen to take part in the work and life of the Nation.

Our children are facing a tremendously complex world. Serious economic and social problems inside and outside our country require solution. The best possible training and education will be needed to enable them to achieve peace and happiness.

As a Nation, we have long recognized the basic importance of education. We have been moving forward toward the goal of education for all. In 1870 there were only 80,000 students in all our high schools. In 1940 there were more than 7,000,000. In 1870 there were 60,000 in our colleges, while in 1940 there were 1,500,000 students. In those 70 years while our population went up 3 times, the number in secondary schools went up 90 times and the number in colleges 25 times.

At the present time we are having an extraordinary increase in the number of children reaching school age, as a result of the high birth rate in recent years.

Thus the clear goal before us is to provide better and better education for more children.

Let us consider first the problem of elementary and secondary schools. There seem to be three major difficulties to be overcome. One is primarily a State problem. That is the problem of better organization—better organization of State education departments, in some States, and better organization of school districts which are economically sound and able to finance a more adequate school program.

The other two major difficulties facing elementary and secondary education need to be considered by both Federal and State governments. One is the problem of attracting and holding enough competent teachers. The other is the question of replacement and new construction of school buildings.

Both of these problems force us to face the hard facts of Government finance. To recruit more and better teachers, we must pay them salaries that come somewhere near meeting the competition of jobs in private industry and in other types of Government service. To repair and build schools requires a heavy investment of funds particularly in view of the present high construction and maintenance costs.

In the face of these high costs, the State governments have provided more money for education, even though their general financial situation is not an easy one.

There is another important financial fact in this picture. The ability of States to pay for adequate schools is by no means uniform, because income and wealth in this country are not uniformly distributed. Accordingly, many States have to tax their people and their business very heavily in order to provide a standard of education that other States can afford with much lower taxes.

We know that the States have done a remarkable job in the last few years in increasing funds for education. We also know that some of the States with the most limited taxable resources have made relatively the best record of all. Even with the effort the States are making, however, the situation remains critical.

What can we do about it? In my opinion, the first thing is for the Congress to enact legislation authorizing Federal grants to the States for operating expenses of elementary and secondary education. That is the highest priority need today. The peak wave of children of school age which is starting to hit the elementary schools now will be felt in the secondary schools in the next 6 years. The urgent need now, above all else, is to secure more teachers and to meet the other increased operating costs.

As to Federal funds for school construction, the situation is not so clear. The total size of the construction job, the rate of construction needed, the degree of Federal assistance which should be provided, if any, all need careful study.

Over the past 10 years or more, substantial consensus has been achieved on a method of providing Federal financial support for operating costs. There is general agreement that this can be done without interfering with State responsibility for the scope and content of education. There is general agreement on a method of distribution to take account of both the varying financial capacity of different States and the number of children of school age.

However, as yet, there is no such general agreement in the case of Federal financial assistance for construction. I would not say that we should never look forward to Federal aid for building schools. I do think, however, that careful study is necessary to determine the need for the location and kind of building required to provide educational opportunity for children, youth, and adults. Such planning, evident in some areas now, should precede and accompany long-range programs of school construction.

HIGHER EDUCATION

Let us look beyond elementary and secondary education to the colleges and universities.

It becomes increasingly clear that as our national economy grows more complex, and as the United States assumes a greater position of leadership and responsibility in international affairs, higher education must be made available to every young American who is able to profit from it.

The President recognized this problem when he appointed his Commission on Higher Education. He stated the Commission's first concern to be "ways and means of expanding educational opportunities for all able young people."

The President's Commission found that, in terms of the number of young people with the ability to complete college and postgraduate work, the total enrollment in our institutions of higher learning should be more than double what it is today. It was found that the economic barrier is the greatest single factor that has so far restricted the number who receive higher education.

What part should the Federal Government play in meeting this problem?

Federal assistance to higher education is not new and is based on sound precedent. For many years the Federal Government has encouraged and assisted the colleges and universites, through grants of land and money and by exempting nonprofit institutions from Federal taxation. Recently, during the 1930's, more help has been given through construction grants for tax-supported institutions, and a program of student aid under the National Youth Administration.

At the present time, over a million veterans of World War II are attending higher

educational institutions all over the country, and under the GI bill they receive their tuition and subsistence from the Federal Government. This greatly increased enrollment, while it has taxed the facilities of our colleges, has at the same time given us an indication of how many young people really want to continue their education, if they have the opportunity to do so.

In the next few years, I believe we must plan, in the light of the report of the President's Commission on Higher Education, the best means by which the Federal Government can give scholarship aid to worthy young people who desire to continue their education.

We Americans believe in a free market of ideas. We are convinced that in the struggle between democracy and totalitarianism, only people who have been trained to make sound individual judgments, can effectively resist a dogma or party line imposed from above. If America is to retain its freedom in a world of conflicting ideologies, we must take steps to assure every American youth the opportunity to receive the highest level of education by which he can profit. A soundly conceived Federal scholarship program is a necessary step in achieving this goal.

SCIENTIFIC RESEARCH AND DEVELOPMENT

At the same time, we should consider another matter, closely related to higher education. That is the problem of scientific education and research.

All of us are aware how much our modern civilization depends on the advance of scientific knowledge. From the broad problems of national defense down to the questions of better methods of building houses or organizing municipal police departments, modern science is the pivot for action and progress.

We know that as the frontiers of our knowledge have been pushed forward, the wealth of America has increased by leaps and bounds and the American way of life has improved. There are no known limits to the discovery of knowledge. We have discovered considerable new knowledge in our time—some of it under the stress of emergency.

Some of the knowledge we gained in wartime has awed and appalled us, but one good thing we gained. That is the deepening realization that we stand only at the gateway to a world of new knowledge. The use we make of our new knowledge is mankind's to decide. Our responsibility is to proceed intelligently in our search for this knowledge.

The President's Scientific Research Board, of which I had the honor to be chairman, reported that as a nation we need more trained scientists, and in the next few years we should seek to double the amount of money we are spending on scientific research.

This Board pointed out that in the past our scientific strength lay in development rather than in discovery. They warned us that we were woefully lagging in the field of basic scientific research, the area most vital to progress and for which we were almost completely dependent upon Europe. We can no longer afford the luxury of importing basic scientific knowledge. We must develop our own.

What should we do about this problem? I believe that the State government and the Federal Government have similar roles to play. The State universities and colleges need support from State governments for greatly expanded programs for training all kinds of scientists and for scientific research. The Federal Government should devote more funds to scientific training and research in its own laboratories and research agencies, through grants to colleges and universities, and through scholarships and fellowships.

Although such programs require money, the amount is very small compared to total Government expenditures—either State or Federal. Consider your own State universities—a doubling of their budgets for scientific training and research would be a very small percentage of the total State education budget. In the case of the Federal Government, outlays such as I have recommended are almost negligible beside the total cost of the Army or Navy or Air Force.

And yet these relatively small outlays can be tremendously fruitful. If through support of basic research we can find a preventive or cure for cancer—or if by scholarships we give training to men who can lead the way to a successful United Nations—think of the enormous dividends we would receive on our investment.

These are the reasons why I believe so strongly that the Federal legislation for a National Science Foundation should be enacted soon. This foundation would provide the coordinating agency we need to gear together the various Federal research and scientific training programs. And the foundation would provide the national focus so badly needed to give guidance to all scientific research and training—public and private—guidance not in the sense of direction and control but in the sense of suggestions for program balance and emphasis.

It is clear, for example, that a portion of the funds expended by the National Science Foundation should be used to strengthen the weaker, but promising, colleges and universities, and thus to increase our total scientific potential. It is clear, also, that the Science Foundation would aid students in every part of the country to contribute to the advance of scientific knowledge.

I want to conclude my remarks to you tonight by referring to the last report of the Executive Director of the Council of State Governments. He said that more and more our local and State governments must concentrate on improving and preserving the American type of democracy wherein lies our strength and our welfare. With that statement I thoroughly agree.

That is why I have wanted to talk to you tonight about better education and increased knowledge. The ultimate strength of our democracy lies in the minds of its citizens. And it is through an enlightened citizenry devoted to right principles that our democracy will be improved and preserved.

I believe that your work along the lines I have discussed tonight will carry us forward toward that goal. In all these enterprises the Federal Government is not an overseer but a partner. Upon the success, my friends, of this partnership in the safeguarding of our liberties and in the strengthening of our democracy, depends the safety not only of our own great America, but of the world.

Uncle Sam Should Graduate From a Medical School Before He Is Permitted To Operate

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EXTENSION OF REMARKS

OF

HON. CHARLES J. KERSTEN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Friday, December 31, 1948

Mr. KERSTEN of Wisconsin. Mr. Speaker, social engineers who have risen so high in the councils of our Government act by paradox. The less they know about a difficult subject the bolder is their blueprint for it.

It is an old trick for a dilettante to dazzle the rest of us mere laymen with scientific jargon that we admit we do not know much about but which he uses with abandon. An Eleanor Roosevelt can toss off an international bill of rights between her labors for ladies' magazine columns. As Oscar Ewing can present to the Congress of the United States the administration's national health program that would make the medical profession a political pawn.

The potential tragedy in these two instances consists in this: Both Eleanor Roosevelt and Oscar Ewing have the authority of the President behind them; both are unqualified in the field they seek to control; both are urging a thesis that has popular appeal, but which if carried out would place us well on the way toward state socialism.

We are all in favor of as much social security for our citizens as is consistent with the preservation of private initiative and self-reliance that is so necessary for the American way of life. But the strength and grandeur of America will sink in a slough of socialist mediocrity. If everyone looks to everybody else and all look to the state to get things done, then, indeed, is the characteristic quality of the United States lost. Mrs. Roosevelt would extend political security into every phase of life and all over the world. The state then becomes the great intelligence for everyone. It becomes the great planner for every detail of our lives. All of our difficult problems we are urged to turn over to the state for solution.

What is this state that will solve everything? In great part it is composed of political appointees who are far removed from the people and with no direct responsibility to them.

The Eighty-first Congress will be importuned to enact Oscar Ewing's national health scheme. The Government wants to control the medical profession of the country. Uncle Sam wants to operate. Uncle Sam had better go through the grueling experience of a medical education before he operates. The thousands of Federal bureaucrats who would have a hand in American medical policy should first go to a medical school before they are sworn in.

When you or your child are really sick, you do not want a social reformer, you want a doctor. Ewing's national health proposal is a social reformer's proposal, not a doctor's.

Every doctor that I have talked to is against it. No doctor wants his practice cluttered up with Government red tape. A doctor has been trained to work on human forms, not Government forms.

Who is best qualified to appraise plans for the Nation's health, political medicine men or men who have devoted their lives to the great art and science of medicine?

Ewing says that all he wants to do is to give everybody the purchasing power for adequate medical care. This in and of itself sounds innocent enough. It is

how he proposes to do it that should cause us great alarm; by a Nation-wide scheme of taxation that means every doctor goes on the Government pay roll and is subject to Government policy.

Politicians that seriously fight for this measure are power mad. If adopted it is a crossing of the Rubicon to bureaucratic state socialism. If the medical profession is politized there is no valid reason for not socializing every other profession. There are stronger reasons for socializing most industries than for socializing the professions. The professions are the most individualistic of human activities. There is greater cause to socialize the food-producing industries, steel, coal, railroads, and all the rest. If the Socialists masquerading as Democrats succeed in capturing the medical profession they will have won the decisive battle in the war for the socialist state.

John J. Jewkes, professor of political economy at the University of Manchester, England, writing of the English experiment with socialism says in his recent book entitled "Ordeal by Planning":

> There is a watershed in these matters where, vague as the flows may momentarily seem, the difference between east and west, north and south, liberty and slavery is being irrevocably determined. I submit that there is no doubt in which direction the current has started to flow for us. If we ask about the Britain of the present day the following questions: Are people entitled freely to choose and change their occupation? are consumers free to distribute their incomes between different goods in the proportions they would wish? are producers free to seek out and satisfy the freely expressed preferences of consumers? are contracts of service a matter for individuals? is the economy being allowed to knit naturally with the world economy?—the answer in each case is categorically "No."

As Jewkes points out, the modern planning movement sets out, with good will and noble intentions, to control things and invariably ends up by controlling men.

The administration's social reformers want to socialize the medical profession because they say the AMA is stuffy and reactionary. I suppose there is a lot of stuffiness in every strata of society. But for constipation of intellect, exasperating duplication and waste, buck-passing from one administrator to another, I have seen the choicest examples in Federal bureaucracy. It is a shame that the average American citizen is so far removed from the Washington scene as not to be aware of it first hand.

If Ewing and his power hungry associates claim that only American doctors belonging to the AMA are against his plan let us consider the action taken by the World Medical Association in September of this year. That association is composed of the representative medical bodies of Australia, Bulgaria, Canada, China, Czechoslovakia, Denmark, Egypt, Eire, Finland, France, Great Britain, Iceland, Luxemburg, Netherlands, New Zealand, Norway, Palestine—Arab-Jewish, South Africa, Spain, Sweden, Switzerland, United States of America. The 1948 report states, in part, as follows:

Whenever medical care is provided as part of social security the following principles should govern its provision:

First. Freedom of choice of physician by the patient. Liberty of physician to choose patient except in case of urgency or humanitarianism.

Second. No intervention of third party between physician and patient.

Third. Where medical service is to be submitted to control, this control should be exercised by physicians.

Fourth. Freedom of choice of hospital by patient.

Fifth. Freedom of the physician to choose the location and type of his practice.

Sixth. No restriction of medication or mode of treatment by physician except in case of abuse.

Seventh. Appropriate representation of medical profession in every official body dealing with medical care.

Eighth. It is not in the public interest that physicians should be full-time salaried servants of the Government or social security bodies.

Ninth. Remuneration of medical services ought not to depend directly on the financial condition of the insurance organization.

Tenth. Any social security or insurance plan must be open to participation of any licensed physician, and no physician should be compelled to participate if he does not wish to do so.

Eleventh. Compulsory health insurance plans should cover only those persons who are unable to make their own arrangements for medical care.

Twelfth. There shall be no exploitation of the physician, the physician's services or the public, by any person or organization.

Before the administration asks us to adopt the national health scheme let them first demonstrate that Army medicine is better than private medicine. Let the Government clean house in the health fields in which it has already embarked.

Standards of American medical practice are the highest in the world. Let the social reformers beware in tampering with them. They are not here dealing with coal mines, railroads, or steel. They are dealing with the lives and deaths that balance in the doctor's hands. The hand of the political reformer does not belong in the operating room.

Emergency Italian Immigration Act

EXTENSION OF REMARKS
OF
HON. ROBERT TRIPP ROSS
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Friday, December 31, 1948

Mr. ROSS. Mr. Speaker, I have introduced a bill today to authorize the United States to assist during an emergency period in rehabilitating and stabilizing Italy's economy by permitting the admission of an increased number of Italian nationals into the United States for permanent residence who are relatives of United States citizens, or agricultural, skilled, professional, and other workers needed in the United States.

The bill provides that during the 4 fiscal years following its passage, 300,000 Italian nationals be admitted into the United States for permanent residence at a rate of approximately 75,000 for each year without regard to quota limitations for those years.

Fully realizing that this Congress cannot act upon this particular bill, I nevertheless introduce the measure at this time to emphasize the urgency of having the United States take some action to aid Italy in resolving its most pressing problem. It is hoped that the next Congress will give consideration early in the next session to the enactment of legislation to permit the admission of an additional 300,000 Italian nationals during the next 4 years.

The United States has sought to aid the rehabilitation and stabilization of the Italian economy through the United Nations and the European recovery program. We have joined the other freedom-loving nations of the world in supporting Italy's efforts to resist the imposition of communism.

It is the opinion of those who are in a position to know that during the next few years Italy will be the crux of the cold war effort in Europe. If the nations of western Europe are to remain free, Italy must be provided every assistance in preventing Communist domination. Overpopulation of Italy is the greatest threat to success in the cold war. The economy of the United States needs and could easily absorb an additional 300,000 Italians, and should take the lead in relieving Italy of part of her overpopulation.

OVERPOPULATION AND THE INTERNAL PROBLEMS OF ITALY

Overpopulation in Italy complicates every phase of her economic life. In a territory little more than half the size of France, whose economy is close enough to Italy's for comparison, Italy has to support a population greater than that of France by more than 4,000,000. Moreover, much of the land is barren mountains, and even the best land is not particularly fertile. The Italian birth rate is one of the highest in western Europe, markedly above that of Great Britain, France, and Germany. Every year the population increases by more than 400,000.

While many nations of the world are short of labor, Italy, whose population is 45,000,000, has 2,300,000 unemployed. The factories are compelled by government order to employ much unnecessary labor. Many of the people on the pay rolls of the factories who work only part time or not at all for long periods, are being paid just the same. This increases costs of production and reduces the amount of goods sold abroad.

Italy is deficient in most raw materials that make a strong economy, such as coal, iron ore, and petroleum. She has small reserves of coal and iron ore but

practically no petroleum. The poor soil is intensely worked and cannot supply food enough for the people.

In the past, Italy's answer to the problem of overpopulation has been immigrations overseas. Today that is no longer possible to any great extent, chiefly because of the restrictive legislation of overseas countries. Since World War I, millions of Italians who would have made a new life elsewhere have had to be supported within Italy itself, making the population problem still more acute than it had been before. The result has been a lowering of the standard of living in agricultural areas which formerly provided the most immigrants, fewer opportunities for work, and lower real wages.

THE UNITED STATES NEEDS AND CAN ASSIMILATE 300,000 ITALIAN NATIONALS

From 1887 to 1916, almost 4,000,000 Italians came to the United States, more than half of them between 1906 and 1916. They are peculiarly susceptible to the influence of the Americanization process and are most enthusiastic supporters of the American way of life. They readily become thoroughly American in thought, word, and deed. Italian immigrants in the United States have made a name for themselves and have taken an active and patriotic part in the civil and military activities of the country. The inherent sociability of the Italian is proverbial, but whereas in Europe it is confined to the small village group, in this country it assumes the form of intense and enduring interest in the problems and welfare of all the citizens of our country. The grace, ambition, and courtesy of Italian children and their heritage of thrift and industry are noticeable. These ambitious and forward-looking people have indeed made a place for themselves in the modern life of America. Many have gone into small-scale enterprises and have eventually built up large businesses by the exercise of these virtues. The natural health with which the Italian physique is endowed is a valuable addition to the biological heritage of the American people. The robust physical endowment of the Italian has built many a railroad, street, and building in the United States. These people know how to use their brawn when labor is needed and how to take jobs which require skill and trained abilities for which physical strength is not a prime requisite.

They have become lawyers, doctors, construction workers, engineers, and businessmen in great numbers, entering every form of business, industrial, and professional life. There are judges, legislators, and teachers of Italian origin throughout the country. During the last half century, literally thousands of Italian-Americans have held public office in the United States, including three governors, two chief justices of State supreme courts, Congressmen, mayors, and so forth. Others have been teachers, musicians, and artists. Many served in both World Wars, making distinguished records for themselves. Twenty Medals of Honor were awarded to men of Italian-American descent in World War II.

The Italian immigrant has shown that with the changing tides of economic need, he can with facility turn his hand to common labor, to skilled artisan work and to managerial or business functions. The Italian faculty for art and music is proverbial, for it has achieved an appreciation for the colorful aspects of life in a most highly developed fashion.

A study of the economic factors involved indicates the necessity and the desirability of increasing the number of Italian immigrants, and the ability of the United States to assimilate them. During the summer of 1948, the labor force in the United States reached an all-time high of slightly over 63,000,000 workers including the self-employed students and seasonal workers. Expanding job opportunities resulted in drawing a large number of women back into the labor force following the decline which occurred after VJ-day. Unemployment has been small, averaging only about 2,000,000. This number is assumed to represent the minimum possible with an unrestricted labor force free to move from one job to another.

There are many professions and labor categories where it is indicated a definite shortage will exist for many years. Among these are the building trades. Our expanding defense requirements will further accentuate the shortage of foundry workers in the iron and steel industries, and workers in the coal industry. Thousands of permanent agricultural workers are needed. Approximately 35,000 foreign workers were under contract for agricultural work last season.

If we are to maintain our position as the leading world power, we will be required to utilize a greater proportion of our manpower in other territories. We shall also be required to expand our production facilities which we cannot do without additional manpower.

PRESENT IMMIGRATION POLICY UNFAIR TO ITALIANS

Notwithstanding the great contribution made to the American economy, United States immigration laws enacted after World War I unfairly restricted Italian immigration to this country. Under the Immigration Act of 1924, Italy's quota is only 5,802 per year.

The enactment of immigration laws in 1921, 1924, and 1929 established permanent quotas based on national origins. Under the national origins plan, effective July 1, 1949, the number of immigrants to be admitted each year was reduced to 153,714. Over 80 percent of the quota allocations was reserved for natives of countries of northern and western Europe. Subsequently, however, immigration has not flowed in the national origins channels mapped out and national quotas have never been fully utilized. During the period from 1930 to 1946, only 23 percent of the quota numbers was utilized. The favored countries of northern and western Europe used only 17 percent of their quotas. Southern and eastern Europe utilized 43 percent of theirs.

INCREASED ITALIAN IMMIGRATION VITAL TO OUR FOREIGN PROGRAM

The urgency of the need for Italian emigration and its close relationship to the Economic Cooperation Act may be gathered from the following conclusion of the Organization for European Economic Cooperation Countries in their report of October 25, 1948. Under the heading "Italy," it states:

> The number of unemployed is due to the loss by Italy since 1926 of the traditional outlets by emigration for her surplus population which between 1891 and 1926 amounted to an average of 300,000 a year. It is estimated that the E. R. P. will increase the number of persons in employment by 120,000 and that about another 100,000 persons will be able to emigrate during the year 1948–1949.

It is not contended that the enactment of emergency Italian immigration legislation to permit an additional 300,000 Italians to enter the United States during the next 4 years is a panacea or a solution for all of Italy's problems. However, it would represent a substantial step forward in aiding Italy in the following ways:

First. It would help the Italian economy.

Second. It would reduce the Italian relief load and produce greater social stability in that country.

Third. It would speed Italian recovery under the E. C. A., and in many ways do away with the discontent and unrest which communism must have if it is to grow. Aid to Italy, to be fully effective, must include a measure of relief from its overpopulation. The proposal to admit an additional 300,000 Italian nationals to the United States during the next 4 years is of such prime importance to our effort to aid in the revitalization of the Italian economy that it should be included as an integral part of our foreign program.

A bill to authorize the United States, during an emergency period, to assist in rehabilitating and stabilizing Italy's economy by permitting the admission into the United States, for permanent residence, of an increased number of Italian nationals who are relatives of United States citizens, and agricultural, skilled, professional, and other workers needed in the United States, and for other purposes

Be it enacted, etc., That this act may be cited as the "Emergency Italian Immigration Act."

SEC. 2. During the 4 fiscal years following the passage of this act a number of immigration visas not to exceed 300,000 may be issued at a rate of approximately 75,000 for each year without regard to quota limitations for those years to Italian nationals for permanent residence in the United States: *Provided,* That (1) They are qualified for admission for permanent residence under all United States immigration laws not inconsistent with the provisions of this act; (2) No visas shall be issued under the provisions of this act to any person who of his own accord is or has been a member of, or participated in, any movement which is or has been hostile to the United States or the form of government of the United States.

SEC. 3. The following priorities, without priority as between classes specified in priority (a), shall be granted to persons and their family dependents in consideration of visa applications:

(a) First. Farm laborers; physicians; dentists; medical nurses; household, construction, clothing, and garment workers; or possessing educational, scientific, or technological qualifications.

(b) Second. Blood relatives of citizens or lawfully admitted alien residents of the United States, such relationship in either case being within the third degree of consanguinity computed according to the rules of the common law.

SEC. 4. Any person, other than a relative as defined in subsection (b) of section 3, or any recognized voluntary agency in the United States desiring to assist a person to enter the United States under this act shall be required to file a suitable and proper bond, approved by the Attorney General, undertaking and assuming to save the United States or any State or Territory or subdivision of either from expense in the event such immigrant should become a public charge, such obligation to be enforceable in the courts of the United States, by suit brought in the name of and by the proper law officers of the United States or of any State or Territory or subdivision of either upon which the burden falls in the event such immigrant becomes a public charge: *Provided*, That the admission of such alien shall be a consideration for the giving of such bond: *And provided further*, That the applicants for admission shall be approved for settlement in the particular State or Territory to which they are destined only in accordance with the settlement opportunities and numbers certified to the Commission by the chief executive officer thereof.

SEC. 5. No person shall be issued an immigration visa under this act if he is known or believed by the consular officer to be subject to exclusion from the United States under any provision of the immigration laws, with the exception of the contract labor clause of section 3 of the Immigration Act of February 5, 1917, as amended (39 Stat. 875–878; 8 U. S. C. 136), and that part of the said act which excludes from the United States persons whose ticket or passage is paid by another or by any corporation, association, society, municipality, or foreign government, either directly or indirectly.

SEC. 6. (a) That the title of the "Displaced Persons Commission" created by Public Law 774, Eightieth Congress, is hereby amended and 30 days after this act becomes a public law, shall be known as the Displaced Persons and Emergency Immigration Commission.

It shall be the duty of the Commission to carry out its duties as specified in Public Law 774 and (1) to perform or oversee the performance of the administrative functions necessary for effectuating the provisions of this act, including thorough screening of all applicants; (2) to make rules and regulations, requisite for the effectuation of the provisions of this act; (3) to report to Congress semiannually on the operations carried out under the act, including the rate of immigration thereunder, the manner of selection of, and distribution of opportunities to immigrate among the persons covered in this act, and the resettlement of such persons having regard both to questions of economic opportunity and housing and to geographic distribution; (4) to coordinate and assist in the task of resettlement of such persons in the United States, its Territories, or possessions; (5) to consult and cooperate with the various State agencies established to deal with resettlement of emergency immigrants and with such voluntary agencies actively participating therein as shall register with and be approved by the Commission for that purpose.

(b) Within the limits of such funds as may be appropriated to the Commission or as may be allocated to it by the President, the Commission may employ necessary personnel without regard to the civil-service laws or the Classification Act of 1923, as amended, and make provisions for necessary supplies, facilities, and services to carry out the provisions and accomplish the purpose of this act. The Commission, however, shall use such statistical information, fiscal personnel, and other general business services and facilities as may be made available to them through other established Government departments and agencies. There is hereby authorized to be appropriated from time to time, out of moneys in the Treasury not otherwise appropriated, such amounts as may be necessary to carry out the provisions and accomplish the purposes of this act.

SEC. 7. Except as otherwise expressly provided in this act, the administration of this act, under the provisions of this act and the regulations of the Commission as herein provided, shall be by the officials who administer the other immigration laws of the United States. Except as otherwise authorized in this act, all immigration laws, including deportation laws, shall be applicable to eligible persons who apply to be or who are admitted into the United States pursuant to this act.

SEC. 8. Any person who knowingly violates or conspires to violate any provision of this act shall be guilty of a felony, and upon conviction thereof shall be fined not less than $500 nor more than $10,000 and shall be imprisoned not less than 2 nor more than 10 years.

The New Congress

EXTENSION OF REMARKS
OF
HON. EDWIN ARTHUR HALL
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Friday, December 31, 1948

Mr. EDWIN ARTHUR HALL. Mr. Speaker, this Congress terminates today with the ending of 1948. The coming of the New Year will usher in another Congress, dedicated as this one to the people of the United States.

As a Member of the new Congress, I consider it my duty to follow the dictates and the wishes of the people who elected me.

I am going to strive to ascertain the needs of the folks back home and approach every question which comes to the House with a view to helping them.

The veterans can count on my continuing the fight to preserve the rights and gains they have made in legislation.

The farmers can rest assured I will study all angles of each measure I am called upon to consider in the light of their welfare.

The workers in the great industries of Endicott Johnson, of IBM, of ANSCO, of Norwich Pharmacal, of the Norwich Knitting Co., of Oneida Community, and of all the other factories back home may look forward to my positive action in their behalf.

The young men now in our military training centers and in our armed forces abroad can look for my friendly interest into their wants and their outlook on future preparedness.

The parents and families of our GI's and our veterans can be certain that letters and messages they write and appeals they make to me will be acted upon immediately.

The patriotic Americans of my district will find me as alert, as vigilant, as energetic to see our peace preserved and our country protected as I have tried to be in the past.

This Week in Washington

EXTENSION OF REMARKS
OF
HON. GEORGE H. BENDER
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Friday, December 31, 1948

A THOUGHT FOR 1949—IDEALISM IS PRACTICAL

Mr. BENDER. Mr. Speaker, as the New Year arrives, burdened with the unsolved problems of the old, and as the Eightieth Congress turns over its heavy backlog of unfinished business to the Eighty-first, the proverbial year-end inventory is clearly in order. This year, more than ever before, that inventory is likely to give us sharp pause.

On the international scene, we have developed a schism between East and West which appears to be growing deeper by the day. The United Nations Assembly has become a forum for the mouthing of suspicions, charges, countercharges, and violent denunciations. Perhaps this is a world-wide safety valve, but there can be no denying that relations between the Soviet Union and its satellites on the one hand and the Western Powers and their allies on the other have deteriorated to an incredible extent since the end of the war.

This is no longer a matter of interest to a relatively limited number of people in one or two countries. The extension of atomic science, having mastered the primary problem of nuclear fission, is clearly moving at a staggering rate of speed for so costly and difficult a task. Our atomic scientists say that "a new type of thinking is essential if mankind is to survive and move to higher levels."

There is no evidence whatever of such new thinking in diplomatic circles. We are still playing the same old games with the same old techniques. Mr. Truman will sit in Washington; Mr. Bevin will sit in London; and Mr. Stalin will sit in Moscow until some catastrophe draws them together in a conference dealing with world order. Meanwhile, the thinking of the man in the street, whose momentary fear is of atomic warfare, is moving far ahead of our statesmanship. Today as at few times in history, the position of the idealists is the most practical approach to world affairs. Without that idealism, all of us, poor or rich, weak or powerful, stand in danger. We are the possessors of the atomic bomb.

It is our job to take the lead in creating sound world peace—with Russia's help if possible, without it if necessary. Neither Russia nor any other country could stand outside of an organized world based on the same principles which governed our own national union. This is the primary responsibility of thinking men and women in 1949.

WHAT'S AHEAD FOR EUROPE?

Reporters talking squarely about European affairs have put their finger on the ticklish spots. They are warning us that explosive possibilities exist in virtually every nation on the continent. Workers in the cities are finding it more and more difficult to buy the products they are manufacturing in their factories. Housewives find it very hard to reconcile hard work with continuously rising prices. Inflation is on the rise everywhere, and food, clothing, and shelter are as dull, skimpy, and inadequate as they were during the war.

The failure of the Marshall plan to reflect itself in lower prices for food is prompting the question, "What good is American help to us?" At the same time, the gulf between rich and poor in Europe, pronounced even before the war years, is becoming wider. Lavish display by aristocrats, in close proximity to poverty for the masses, has given the Communists the opportunity to exploit class antagonisms all too effectively. Black markets flourish; illegal exports go on; production of luxuries in defiance of critical needs is tolerated by governments which pay lip service to the ideal of equality.

These factors are not intangible on today's market. They are the material out of which revolutions grow. Historically, Europe has never gone through a major war era without the breeding of a revolutionary epoch. Unless the men who run the show can stop the efforts of those who are seeking to make or increase their fortunes by the exploitation of their fellow men in Europe, we may see a repetition of this phenomenon which will dwarf all those that have gone before.

AVIATION OUTLOOK FOR 1949

Despite the publicity which invariably attends every airplane crash, the record of commercial aviation in the year just ended makes good reading. Fewer than one-half the fatalities recorded in 1947 took place in the past 12 months. In domestic accidents, 83 passengers and 14 crew members died in air traffic. Express and freight shipments went up 47 percent, but the number of newly licensed pilots and the training program for new fliers have suffered reverses during the past year.

These indications of improved safety and the simultaneous need for a training program to effect continued improvements in our national flying skills are of great importance to the entire industry. Sales of private aircraft have declined, due in large part to a lack of interest in educational advertising, and in efforts to educate young people to the opportunities of aviation careers.

The emphasis upon military aviation to the exclusion of private flying has been all too apparent in recent years. Perhaps the industry is waiting for its future, but to those who recall the amazing success of the automobile in revolutionizing our mode of life the age of flight presents the same challenge and the same opportunity. What flying needs is a Henry Ford.

Statement of George J. Burger, National Federation of Small Business

EXTENSION OF REMARKS
OF
HON. JOSEPH P. O'HARA
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Friday, December 31, 1948

Mr. O'HARA. Mr. Speaker, I am sure the statement of Mr. George J. Burger, of the National Federation of Small Business, before the Subcommittee to Investigate Monopolistic Practices, on November 17, 1948, will be of great interest to the membership of the House in considering the problems of that great segment of our economy known as small business, and under leave to extend my remarks in the RECORD I wish to submit the following:

My name is George J. Burger. I am a member of the board of directors of the National Federation of Small Business, Inc., head office San Mateo, Calif., a national organization, which has the largest individual membership of any business organization in the Nation. I am also in charge of the Washington office of the National Federation of Small Business, Inc., located in the Bond Building, Washington, D. C.

I am glad to have the privilege to appear before the committee and express our views on the monopoly situation as we find them due to the reports, either from our Nation-wide membership, or through the contacts our sales force has in their daily visits with small-business institutions throughout the Nation.

The monopoly situation facing small business is no new problem insofar as the federation is concerned, and it will be found from the record that the federation has been in the forefront of all small-business organizations of this Nation in making it its principal and main objective to bring relief to the people we represent—small business. It is our opinion that if monopoly is not destroyed it will eventually destroy our Nation and build for complete regimentation by the Government of all businesses throughout the Nation.

We took this position after directives from our members, and due to the startling testimony given by the then Assistant Attorney General, the Honorable Wendell Berge, before the Senate Civil Service Committee in February 1947, where he stated in substance that for 35 years the administrations had been merely giving lip service to the enforcement of antitrust laws, and it is our opinion that many big businesses and monopolies were aware of this situation and shaped their policies accordingly.

In his testimony he brings out the fact that of the 175 lawyers in the Department, there were 25 or 30 career men as he termed them, who have been with the Department for 10 years or more. In view of this it is nothing short of miraculous that the Antitrust Division of the Department of Justice was able, up to the present time, to do the job that it has done. Apparently the same condition must apply to the Federal Trade Commission in enforcing the laws entrusted to the Commission.

We refer to the federation's testimony before the Joint Committee on the Economic Report, July 14, 1947, where we specifically asked that committee to make a definite recommendation for vigorous enforcement of the antitrust laws, and further urged that committee to recommend a special appropriation for both agencies so that the laws could be enforced. It was our thought that through such a recommendation being put into effect, it would bring about a reduction in prices, speed production, and, more important insofar as we are concerned, protect the people whom we represent—independent business of this Nation.

The Small Business Committees of the Congress have been in operation since the fall of 1940. The reports of these committees and their recommendations are of a startling nature, and to the credit of these committees, no one from the monopoly side of our economic picture has seen fit to challenge the reports and findings of the committees. We say without fear of contradiction that if these small-business committees of the Congress had not been in operation these past 8 years, it would be a safe conclusion that most small business of this Nation would have been reduced to a minimum, and further, monopolies would have been increased to a greater extent than now prevailing. In other words, the actions of these committees have been a deterrent not only to increased monopolies, but a spark to the antitrust agencies of the Government to go out and do an effective job.

It is our hope and trust and recommendation that the new Congress will have the wisdom and foresight to reconstitute these committees, both in the Senate and in the House, because without the functioning of these committees the future of small business will be in a precarious condition.

I have just completed visits in Los Angeles, San Francisco, Portland, Great Falls, Denver, St. Louis, and Cincinnati. During these visits I not only was privileged to confer with the field officers of the federation, but also the executive officers, and I was also privileged to visit with many groups of small-business men in the respective cities. In certain cities I was interviewed by the press, and to the credit of the press, they gave considerable publicity in their respective papers to these conferences. We in the federation were encouraged to see this publicity and we asked a representative of a leading paper "how come" and he remarked that members of the working press now believe that small-business problems are news for the American public to get. In other cities, I was invited on two occasions to speak over the air. One was a panel discussion on the problems of small business and the position of the federation on many of these problems, and particularly the monopoly that exists in the business structure which even reaches to the labor field. In both queries and in the answers, the federation's position was just this—wherever monopoly exists in any part of our economy it must be eliminated and destroyed, whether at the high or low level of industry.

In my visits in the respective cities it would appear that antitrust violations are becoming more rampant than ever before in the history of our Nation. It has reached an exceptionally low level. In most States there are laws for protection where violations are taking place, but it is my opinion that many States are deficient in carrying out the laws and the public is being gouged through such practices. More important, small business is being misled and the free enterprise system is falling by the wayside.

In my own industry, rubber tires, with which I have been connected for close to

40 years, I do know that many of the suggested and recommended ideas for violations of either State or National laws originate in the minds and thinking of the big monopolists of that industry. I say this without fear of contradiction, and apparently if such conditions exist in that industry, possibly the same pattern is being followed in other industries controlled by monopolies. Again, small independents are being misled and free enterprise is being destroyed, and regimentation is coming from the dictates of those who desire to protect the monopoly in their respective field, and not from the Government as monopoly would have us believe.

We do not come to this conclusion without close study of the situation through keeping our eyes and ears open. Monopoly and regimentation do not appear only in the business structure, but might also apply in labor. Encouragement should be given to the youth of this Nation to go into the various trades so that the services of sufficient and adequate numbers in their own businesses will be available to the American public.

We in the federation were encouraged a few days ago when the President of the United States asked all Government agencies to let him know by November 29, what new laws they believe are needed in their fields. We are pleased with the action of the President in view of the fact that the plank on which he was reelected carried these recommendations:

1. Intensive enforcement of antitrust laws with adequate appropriations.

2. Strengthening of existing antitrust laws where gaps exist.

3. A positive program to promote competitive business, independent trade.

Due to the President's request we immediately communicated with the Attorney General of the United States and the Chairman of the Federal Trade Commission, making specific recommendations as to what we believe would strengthen antitrust enforcement and protect the free enterprise system, and further, protect the life of small business of this Nation. It is our hope and trust that these department heads will take under consideration the recommendations of the federation in their memorandum to the President pertaining to antitrust activities. What a deplorable and wretched situation when one reviews the testimony recently given at public hearings of the House Small Business Committee in Butte, Mont., by a spokesman of the auto dealers in that State, where it appears from his testimony that independents in that industry do as they are told or peril their own business success within that industry. Of course, that information was no news to me as I was aware of this situation as early as 1930, and in some degree, through such regimentation by the "big" in the auto industry, it cost me my own individual business and cost many other independents their businesses.

The public does not benefit by such regimentation either in savings or qualities but whether they know it or not, they were a party to a plan that increased monopoly's hold, swelled the profits of monopolies, and goes a long ways to destroy real free enterprise.

Also, in the recent hearings of the House Small Business Committee in Madison, Wis., a similar situation was reported by the spokesman for independent filling stations in that area and the committee must bear in mind that what was reported in Madison, Wis., area is being duplicated throughout the Nation, so there is no free enterprise, or, in plain words, you will do as you are told or else. It will be found in the Senate Small Business Committee report released in the summer of 1941, that that committee reported similar findings. Is it any wonder, in the earlier part of my statement, that we said antitrust violations, etc., had reached such a low level? Surely the testimony both at Butte and Madison does confirm in some degree my findings in other sections of the country.

Only recently in discussing the over-all situation, I was amazed to hear that some trade associations whom I cannot identify take the position of the impossibility of having anything done with antitrust laws, or to fight big business and are willing to concede to any such regimentation that monopoly might want to bring into existence. May I add at this point that this was the worry that was in the mind of an important individual who recently attended some gatherings where he said that he could only come to that conclusion. I do not want to take the time of the committee to go into all details of an industry with which I am well acquainted. By that I mean the vicious practices, most of them unlawful. Most of the members know that I have not been deficient in laying the facts on the line before the Small Business Committee for several years or more, and also the Department of Justice and the Federal Trade Commission knows that I have not been deficient in reporting the actual conditions existing. I would like to read into the record a letter from a high executive of one of the big rubber companies, written to me on February 20, 1945:

"DEAR GEORGE: I thought your last issue of the National Independent No. 9 was good because I liked the way you are putting the spotlight on rubber-oil-tire business. To my way of thinking the oil company picture in the future is going to be a definite part of all tire distribution, and I would not be a bit surprised but that they will be more important in liquidating the independent than the so-called company-owned stores chains.

"I do not know that there is anything wrong with oil companies distributing tires but I do believe that the constant growth of this type of operation should be placed before dealers at all times."

The present House Small Business Committee had some evidence some 3 years later of what this high representative of a rubber company expressed as to his concern. And when that independent in Alabama was being assisted by the committee after the independent had complained of the situation it was plain as the nose on your face that he must have been visited by a major oil company to retract his statement or he would have to find himself a new place of business.

We in the federation see the ever-increasing pressure being placed on independents in other lines of industry where they are being compelled to take merchandise they don't want or they cannot get what they want, and it all revolves itself to the basic proposition—the control in the hands of a few in most industries throughout the Nation. I think that this can be confirmed through the staff report to the monopoly subcommittee of the House Small Business Committee of the Seventy-ninth Congress, United States versus Economic Concentration and Monopoly. Surely this amazing document discloses a situation of the most alarming nature which exists in our economy. Also note the findings of the chairman of the Senate Small Business Committee, Future of Independent Business, Senate Committee Print No. 16, second session, Seventy-ninth Congress. Although it might appear that we are stressing important implications as to monopolistic practices in one major industry, it is our belief that regimentation existing in that industry may have originated with them or been copied from other industries. Nevertheless over 300,000 independent businesses are involved and for practical purposes the control of production is in the hands of a few giant corporations.

It must also be understood that we take no position that merely condemns big business because it is big, for such is not the case, but we do condemn big business where, by its own action, it prevents the free-enterprise system from functioning, and the public is the victim.

It is our belief that the committee is interested in what the National Federation of Small Business, Inc., recommends to bring about a cure of the situation. We reaffirm our first and principal recommendation to save the free-enterprise system, and through this small business of this Nation.

1. Enforce the antitrust laws without fear or favor on all segments of our economy. Amend the laws, if needed, but amend to strengthen and not weaken the laws. These laws have stood the test of the courts, so the arguments against them as to misunderstanding are merely smoke screens and the voice of monopoly.

To confirm this, how sickening to read the opinions of some so-called authorities as to their opinion of recent decisions of the high court in sustaining the Federal Trade Commission's actions as to Clayton and Robinson-Patman Act. These "experts," and some even in the Government, are worried about the effects on small business, and, yes, even on the "poor little candy-bar manufacturer." We in small business really relish their sympathy for small business.

A serious attempt took place in the Eightieth Congress to weaken the antitrust laws when that Congress voted the Reed-Bulwinkle bill, and when the President vetoed the bill the Congress overrode the veto. The federation members throughout the Nation, by a vote of 18 percent for, 80 percent against, and 2 percent no vote, opposed the bill, and it is the hope of the federation members that in the Eighty-first Congress that bill will be repealed and that the railroads and other interstate carriers will be under the same provisions of antitrust law as any others in our Nation's economic field. We do not believe that the Interstate Commerce Commission needs this law to assist them in regulating the interstate commerce of all descriptions that come under their regulations.

Note extract from the Christian Science Monitor of June 21, 1948, which states:

"The tide which has turned away from Government in business is running perilously fast toward private monopoly. It will bear watching. And this bill runs with, not against, that current."

2. Make it mandatory that jail sentences be levied where violations of antitrust laws take place. Fines mean nothing to the offenders. The various States should look into this situation also, to substantiate the recommendations.

I quote from the testimony of Hon. Wendell Berge, Assistant Attorney General, before the Senate Civil Service Committee, February 13, 1947:

"The CHAIRMAN (Senator LANGER). How many men did you put in the penitentiary that you prosecuted under the Sherman Act?

"Mr. BERGE. Under the Sherman Act, in the penitentiary?

"The CHAIRMAN. Yes; how many men did you put in the penitentiary as a result of prosecutions under the Sherman Act?

"Mr. BERGE. None for a generation.

"The CHAIRMAN. I want to know why, if you are prosecuting the antitrust statute, why nobody has been put in the penitentiary.

"Mr. BERGE. I have no trouble answering the question myself. I think, frankly, we have to recognize that the community does not regard the antitrust violation as a moral violation in the same essence that they would regard embezzlement.

"The CHAIRMAN. Who says that?

"Mr. BERGE. The courts and the juries. I mean there have not been convictions. Our

problem, sir, in criminal cases, is to get convictions of businessmen who in the morals and traditions of the community are not regarded as criminals."

Mr. Chairman, there is so much more to the important testimony of Mr. Berge before that committee I would respectfully refer the complete text as it appears in the record, and then we can fully understand what has happened in our economic structure through the laxity of the courts in invoking the full penalties under the law. We stand by our first recommendation. However, if Congress would not go that far in amending the law as to violations then we propose in our second recommendation:

(a) Civil penalty for violations of certain sections of the antitrust laws only, such as:

1. Price fixing conspiracy.
2. Selling below cost to eliminate a competitor.
3. Discriminatory discounts, allowances, or secret rebates above a certain amount.
4. Fraudulent advertisement over a certain value—the penalty should be—

(i) The president and directors of the corporation should be removed from office and they should not be permitted to be an officer or a director of any corporation doing interstate business for 5 years. Upon second conviction they should be permanently removed from being an officer or director in any corporation doing interstate business.

By removing only the president and the board of directors, there will be left the operating vice presidents to succeed to the presidency which will mean that no corporation will be without seasoned leadership.

The Federal Communications Commission and the Securities Exchange Commission both have similar drastic rulings where a violation applies either to a broker operating under SEC or one operating a broadcasting station under the Federal Communications Act.

3. The Department should institute immediate civil action on the monopoly charge against the four major tire manufacturers.

We believe the Department has collected sufficient evidence to bring about a conviction.

The Department or the Federal Trade Commission which has the authority should institute action to bring about a separation in the oil industry from production and controlled distribution. It will be found in the TNEC findings such report was made by the FTC.

4. As to the Federal Trade Commission, they should utilize their efforts in a greater degree in enforcing the Robinson-Patman Act and particularly that section of the act that pertains to price discrimination.

The Commission is to be commended that at the moment it is making a thorough investigation of a major industry as to its discount structure and we in the federation, representing small business of this Nation, are awaiting anxiously for the result of the findings of the Commission in this important undertaking. The Commission should encourage the adoption of the amendment to the act introduced by Mr. PATMAN both in the Seventy-ninth and Eightieth Congresses, H. R. 1671—a bill relating to certain discriminatory pricing practices affecting commerce. The federation recently polled its Nation-wide membership on this bill and the vote was as follows: 77 percent for, 21 percent against, 2 percent not voting. We urge the committee to also recommend the adoption of this bill in the Eighty-first Congress.

5. During the time that the antitrust agencies have under advisement by the Congress Nos. 1 to 4, inclusive, of the federation's recommendations, it is our opinion that some immediate relief can be gained for the free enterprise system and small business of this Nation by urging immediate action on—

(a) The rubber tires bill, which would prohibit continued monopoly in the sales and servicing of tires by major oil-rubber interests. Their present control affects the future business livelihood of at least 300,000 independent retailers and through this legislation would open up the field for more independent producers.

The federation polled its membership on this bill and the result was 88 percent for, 10 percent against, and 2 percent not voting.

(b) Urge immediate action by the Ways and Means Committee in this or succeeding Congress, H. R. 1672, introduced by Mr. PATMAN, both in the Seventy-ninth and Eightieth Congresses, a bill relating to the tax treatment of chain stores operated at a loss.

The adoption of this bill by the Congress would be a great boon to a million or more retailers throughout the Nation and an encouragement to small producers. The federation polled its members on this and the result of its Nation-wide poll was as follows: 94 percent for, 5 percent against, 1 percent not voting. We urge this committee in its report to recommend its immediate approval by the Congress.

(c) Urge Committee on Ways and Means either in this Congress or succeeding Congress, for immediate action and approval on H. R. 4407, introduced by Mr. PLOESER in the Eightieth Congress, a bill to amend sections 3400 and 3443 of the Internal Revenue Code.

The bill would correct a rank injustice as to excise taxes being levied on stocks of certain essential merchandise carried by independent retailers, and such floor tax being exempt from manufacturers of that particular industry who own and operate retail stores. The manufacturers' retail stocks are exempt of the tax until the sale is actually made to the user. To the credit of the House Small Business Committee in the Seventy-seventh Congress the committee was unanimous in recommending the correction of this discrimination levied against the independent. We urge this committee to recommend immediate action by the Ways and Means Committee in the Congress on this bill.

Mr. Chairman, it has been the position of the national federation from the first instance that if the free-enterprise system is to remain in our Nation, and if small business of this Nation is to be an important part of our Nation's economy, before anything else is done to save this situation, then all emphasis must be placed on the keynote of the entire matter, and more and more vigorous enforcement of the antitrust laws take place. When this is done, and it must be done if there is to be a future for the youth of this Nation, it will be found that more and more capital long-term investors will be willing to go into small business, and to a large degree small business will be able to finance itself and willing to stand on parity with all others, and ask no special favors or subsidy.

The foundation of this Nation, from the first instance, and its great success as a Nation was the pioneering in all branches of our economy, from the small in all lines of endeavor, and we went further as a Nation than any other in the world due to this, but, if the trend continues and is not arrested from the economic concentration that exists today in most industries, then the only result will be to end up in full Government control. There can be no other alternative.

The committee must understand that no clique in the National Federation of Small Business, Inc., shapes its policies or platform, but whatever direction we take, we take it through the democratic system that we know, through the official publication of the federation titled the "Mandate." The questions are first presented to the members and it is through their vote, and that alone that the federation takes any position on any national legislative item. At this time I would ask the privilege to insert in the record the recent Mandate released to our Nation-wide membership, which Mandate presents to its members major important questions for their consideration, which affects our whole economy in the business world, in which they should be interested in voicing their opinion, as their future is at stake.

At the same time I would ask permission of the chairman to insert in the record a copy of a message recently sent to the President of the United States for his consideration as to present high executives in the Federal Trade Commission or any other that may be appointed by the President and confirmed by the Congress for their attention and consideration.

In this statement it is our hope that our statement will not be considered our personal views and opinion, but, on the other hand, we honestly believe the views and opinions are not alone those of the members of the National Federation of Small Business, but also the views of all far-seeing, efficient small businesses of the Nation, and by Congress paying heed to these timely warnings, and adopting such a policy, we believe there will be a future for small business in this Nation, and through this the Nation will prosper, the public will profit, and, believe it or not, good big business will also gain, and, finally, the youth of this Nation will know that they will not end up as a nation of employees.

Taft-Hartley Act

EXTENSION OF REMARKS

OF

HON. THOMAS J. LANE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, December 31, 1948

Mr. LANE. Mr. Speaker, under leave to extend my remarks, I include the following article that appeared in the Advance, a semimothly publication by the Amalgamated Clothing Workers of America, dated December 1, 1948:

MANDATE FOR REPEAL

The same influences which were responsible for the passage of the Taft-Hartley Act are now trying to create an impression in the public mind that the coming Congress has no mandate to repeal that piece of legislation aimed at crippling the labor movement.

Interviews in the newspapers regarding the act and expressions over the radio are pointed in almost the same direction as that taken to force passage of the act.

If the English language means anything then the new Congress has a decided mandate from those who voted to repeal this reactionary legislation. For weeks upon weeks President Truman went up and down this country stating that one of the issues of the campaign was the repeal of this act. He used no weasel words in the many addresses he made regarding what should be done.

Repeal—repeal—repeal. That was the constant refrain in almost every speech that he made. No one could misunderstand the President. And when the people voted for him they voted for him in the belief that he would carry out his promise to use the powers of the Government to bring about this repeal.

What's more—no one but a chagrined and badly beaten political opposition can have any doubts but that the President meant exactly what he said.

Since his election he has again come out for repeal of the act.

It is well, right here, to examine carefully just why the reactionaries wanted to change and eventually destroy the National Labor

Relations Act. They began, immediately after the act was passed, to attack it. Over 50 lawyers, the high-paid legal retainers of the reactionary employers, issued a statement that the National Labor Relations Act would be found unconstitutional by the Supreme Court. They had the impudence to advise their employers that refusal to follow the provisions of the National Labor Relations Act would carry no risks. The result was that for nearly 2 years the act was almost ineffective.

Then came the surprise to the employers. The Supreme Court found the act constitutional and a wail went up from the organized enemies of the labor movement. The NAM cried to high heaven and so did many of the chambers of commerce. The workers, however, quickly engaged in intensive organizing campaigns and the results of their efforts are now history. Starting with less than 4,000,000 organized workers at the time of the passage of the National Labor Relations Act in a very few years they had nearly 16,000,000 members, and collective bargaining, for the first time in our history, got a chance to flourish. The results today, in wages, hours, and conditions in the factories, speak for themselves.

For the first time in dealing with their employers the workers had at least an approximation of equality. From this you can see why the reactionary employers, in an attempt to destroy this equality, used their political agents in Congress to pass the Taft-Hartley Act.

Without going into too much detail, just see how the Taft-Hartley Act has operated up to now. In the first place, the elimination of a closed shop has already created chaos in the printing and maritime industries and is moving to do the same damage to other industries.

In the second place, the abolition of the closed shop has made for strikes. These strikes are already with us, and, had the election results been different from what they were, these strikes would have involved many more thousands.

Third, the Taft-Hartley Act actually protects the right to strikebreak. How was this done? By a decision outlawing peaceful picketing which the Board characterized as mass picketing. This is the first decision of this kind ever to issue from a Federal Government tribunal.

Under another ruling of the Board, employers may ask for an election when a strike is begun, and the Board holds that scabs may vote while strikers may not. The result of this is that a union is driven out of the plant.

Another provision of the act has to do with what is called a secondary boycott. This ruling prohibits refusal by a union to work on goods which may come from a shop which is struck. If the union members refused to handle struck work, they may be found to be engaged in a secondary boycott under the Taft-Hartley Act.

Let us see how this would apply to our industry. We have over 40,000 members who work in union contract shops. The work may be cut in one city and made in several union shops in other communities. The only protection that could be given any one shop is if their work is sent to a nonunion shop that they have the right to stop all the shops.

We could point out other crippling provisions, but we have dealt with sufficient of them to convince any reasonable person that the act should be repealed just as soon as the Eighty-first Congress, elected by the people, meets.

It is our guess that while the reactionaries will fight hard to prevent the repeal of the act, there is no doubt that it will go the way of other legislation opposed to the common good which the reactionary Eightieth Congress put on the statute books.

Thy Will Be Done on Earth

EXTENSION OF REMARKS
OF
HON. CHARLES J. KERSTEN
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Friday, December 31, 1948

Mr. KERSTEN of Wisconsin. Mr. Speaker, the Social Committee of the United Nations General Assembly recently approved its Universal Declaration of Human Rights. It purports to be a Magna Carta for mankind. It seeks by agreement among nations to affirm the basic rights of every human being. If basic human rights can be set down and correctly derived in a universal agreement it may indeed be a force against war. A third world war that can wipe away unprecedented numbers of lives and reduce mankind to slavery is the dark prospect against which the declaration is drawn. But the document is a weak parchment to promote so noble a cause. I wish to set forth so as to be included in my remarks the analysis of the declaration made by Frank E. Holman, president of American Bar Association given by him in an address at Santa Barbara, Calif., September 17, 1948. Before setting forth Mr. Holman's scholarly analysis in which he points out the fact that most of those who participated in the draft of the declaration were untrained in international or any other kind of law, I wish to point out what I think is the fundamental flaw in the document.

The document purports to set out and delineate basic human rights for everyone. It does not mention the derivation of the rights it seeks to express.

Now when a man claims right or title to a piece of property ordinarily a mere affirmation of his right may be sufficient but if he is challenged, if his right it contested in the courts, he must be able to show expressly the source of his rights, his chain of title to the one who had the authority to grant it.

If a person claims a legacy under a will not only must the legatee be identified but even more important, the maker of the will must be known and the maker's power of gift acknowledged.

No right can be successfully defended before any tribunal unless the source or derivation of the right can be correctly shown. The mere affirmation is not sufficient. The mere expression or agreement by several nations—or all nations—that such and such are the rights of human beings is not sufficient to defend those rights against assault. Furthermore, if an agreement among nations is the basis for human rights, an alteration of the agreement can alter the rights.

Thus is the United Nations document basically deficient. It is a mere affirmation and spelling out of various phases of human rights: the right to life, liberty, and security of person; the right against discrimination; the dignity of the human being. It does not provide the basis for these rights so as to make them invulnerable to attack.

What becomes of the right to "life," the right to "found a family," the rights of "freedom of speech" and of "belief" when they are under real attack? What beyond the mere agreement or affirmation contained in the document shows that these are real rights? Where is the authority for these rights? Why are they inalienable by the states or any group of states? If these are inalienable rights today will they be so if the nations agree to take one or any number of them away? The basis of human rights must be founded on a firmer ground than the mutual agreement of a group of international social reformers. The authority for these rights must be presented. Their derivation must be shown.

If a man has a right to life as against the state or any combination of states the source of his life must be shown to be in his Creator.

If man has a dignity distinguishable from the rest of the animal kingdom it is by virtue of his being made in the image and likeness of his Creator.

The United Nations document speaks of the "brotherhood of man." Can you imagine a household of children wherein the children seek to set up their rights as against one another and wherein the authority of the father is forgotten? Can you have a brotherhood of man without having a fatherhood of God?

The United Nations document of human rights is a worthless paper unless it shows the real authority for the rights it seeks to proclaim.

Are we willing to water down our concept of right to life and liberty and the dignity of the human beings as contained in our Declaration of Independence? Are we willing to comprise on our concept of the nature of man and weaken our own political philosophy? The framers of our Government had the courage to set down the basis for human rights, they had the courage to say that human rights were endowed upon man by their Creator.

I am definitely opposed to the United States being a party to a world agreement that would depart from our political philosophy on a question so important pertaining to the basic rights of human beings. Many times during this past 10 years we have compromised with principle. Our leaders have done so in the case of Poland, China, Czechoslovakia, Yugoslavia, and in many other instances. When it comes to extending compromise throughout the whole world I raise my voice in violent protest.

The bill of rights being fashioned by the social reformers is being fashioned exclusively by the will of men. The exclusive will of men will result only in conflict—in war. If men would bring peace, their will must be in compliance with the will of God. If there is to be peace in a family, the will of the children must comply with the will of the parents. If nations are to have peace the author of human rights must be acknowledged and His will must be done on earth.

Following is Mr. Holman's speech:

THE PROPOSAL FOR AN "INTERNATIONAL BILL OF RIGHTS"

(By Frank E. Holman, M. A. (Oxon.), president of the American Bar Association)

By article 62, paragraph 2, of the Charter of the United Nations, the Economic and Social Council of that body is empowered, but not required to:

"Make recommendations for the purpose of promoting respect for, and observance of, human rights and fundamental freedoms for all."

In accordance with this power to recommend, a Commission on Human Rights, as a subdivision of the Economic and Social Council, promulgated at Geneva on December 27, 1947, an International Covenant on Human Rights and an International Declaration on Human Rights—the covenant when ratified by the member nations to have the force and effect of law as to the nations adhering to it and ultimately to be implemented by an international instrumentality of enforcement; the declaration not to be a part of international law as such, but a consensus by the member nations of the political, social, and economic rights to be accorded human beings throughout the world. The drafts of the covenant and of the declaration were submitted to the member nations, and a deadline of April 3, 1948, fixed for comments and suggested changes of revisions.

Although, as indicated, it is not intended that the declaration be legally binding, it is nevertheless to be a guide for the conduct of member states and their citizens, and it has been asserted by some authorities (including Mrs. Roosevelt) that though the declaration is not technically to be legally binding, it is to be treated as an "authoritative interpretation" of what is meant by the Charter provisions of the United Nations.

In May and June, after some suggested changes by certain, but not all, member nations, the United Nations' Commission on Human Rights went ahead with its work by drafting a revised declaration, which revised declaration was published in the United Nations Bulletin of July 1, 1948. Further consideration of the covenant for the time being has been postponed. The Economic and Social Council is now studying and considering the revised declaration and if approved by that body, with or without changes, it will go to the General Assembly in Paris for action at its meeting this September. If approved there, it will be submitted to the member nations for adoption.

It is revealing to note the make-up or personnel of the commission before examining the results of its work.

Mrs. Eleanor Roosevelt is its chairman and the sole United States representative—she is not a person in any sense trained in legal draftsmanship. She is primarily a social reformer.

Australia's representative is Col. William Roy Hodgson—by training a military man and from his biography a person whose experience has been largely confined to government service.

The United Kingdom's representative is Mr. Charles Dukes, a trade-unionist by profession.

These 3 are the only Anglo-Americans or representatives of English-speaking peoples on the Commission of 18 members.

As to the other 15 members of the Commission, they were as follows: Belgium, M. Fernand Dehousse; Byelorussian Soviet Socialist Republic, Mr. Alfanasi S. Stepanenko; Chile, H. E. Hernan Santa Cruz; China, Dr. P. C. Chang; Egypt, Mr. Omar Loutfi; France, Prof. Rene Cassin; India, Mrs. Hansa Mehta; Iran, Mr. Abel Ghassem Pourevaly; Lebanon, Dr. Charles Malik; Panama, Mr. Ricardo J. Alfaro; Philippine Republic, the Honorable Carlos P. Romulo; Ukranian Soviet Socialist Republic, Mr. Michael Klekovkin; Union of Soviet Socialist Republics, Mr. Alexander E. Bogomolov; Uruguay, Mr. Don Jose A. Mora; Yugoslavia, Mr. Vladislav Ribnikar.

Through absences, or otherwise, certain of the above-named countries have occasionally been represented by alternates or substitute delegates.

It is this Commission which has undertaken to draft a "bill of rights" for the people of the United States which so far as the covenant is concerned is to be ratified as a treaty and under our Constitution to become the supreme law of the land and in due course implemented against all of us by the decrees of a new international court of human relations. In spite of this extraordinary and revolutionary program the press and the public and even the bar seem largely oblivious to the program and how far in certain particulars it is at variance with our fundamental concept of individual rights and freedoms and how far in other particulars it is a proposal for world-wide socialism to be imposed through the United Nations on the United States and on every other member nation.

No doubt the members of the Commission are individually sincere and high minded but their biographies show they have mostly lived by and through government jobs in their own or other countries and hence they cannot be expected to give first importance to a right like that in our own Bill of Rights of owning private property and of conducting business under a free-enterprise system. None among them can be expected as against the three Communist Russian members to fight for a provision in the covenant guaranteeing the right to private ownership of property and hence there is no such provision in the covenant.

The whole purpose of the UN organization is to achieve peace—that is to avoid war, and chiefly another world war. Though many social and economic reformers will disagree, I do not believe that either of the World Wars were caused by the absence of an international bill of rights or primarily by subnormal or abnormal social and economic conditions in any country or that a third world war would be prevented by the adoption now of a covenant and a declaration on human rights. While there is not time here to demonstrate the accuracy of this statement it may be pointed out that at the time Germany launched World War I and again when she launched World War II, Germany had the most complete social and economic program of any nation in the world, with a universal social-security system that reached practically all the citizenry and a condition of practically full employment of her people. Considerations which led Germany to instigate a war as an instrument of national policy were not the result of her people on either occasion being ill-housed, ill-fed, or ill-clothed—and even on the political side the existence of an international bill of rights would not have affected the decisions of the German people. You will notice that I say the "German people" and not the "German leaders" for I think it can be demonstrated that a majority of the German people were as enthusiastic over the idea of war as were the German leaders.

Therefore, in my opinion, we are not dealing with a proposal in this matter of a so-called international bill of rights that will assuredly contribute to world peace. We are dealing chiefly with a missionary spirit on the part of social and economic reformers who wish to establish throughout the world their social and economic ideas and in the process I believe we are risking—definitely risking, through United Nations' intervention in the domestic affairs of nations, so many international irritations and provocations as to cause us to "stop, look, and listen" and to consider whether at this particular time there should be any attempt to force a so-called international bill of rights program along the lines of the covenant and the declaration.

I would not wish anyone to think that I, or American lawyers or their bar associations, are indifferent to the definition and protection of the rights of human beings. It is one of the greatest and most important subjects that can engage the minds and efforts of men. We of the profession of law have given a large part of our lives to defending and protecting, before courts and administrative tribunals, the rights of persons and property against invasions by governments or groups—rights confirmed and vouchsafed by our own Bill of Rights. Without desire to invade, or to dictate as to the internal affairs and "domestic jurisdiction" of other countries, we believe that peace, justice, and law in the world would be promoted if the American, Canadian, and British ideals and practices of protecting basic human rights could be made world-wide. But we do not favor the approval and acceptance of something which is based on the idea that individual rights are derived from governments or the United Nations and should consist largely of grants and bounties from governments. We insist that the lawyers of North America should have an opportunity to study any proposal for an "international bill of rights" carefully before it is approved by any agency of our Government; we are opposed to anything that might be held to impair, or be a substitute for, our own cherished Bill of Rights, which protects the individual citizen against government and also in effect against arbitrary majorities and against lawless unofficial groups.

Before proceeding to a detailed examination of the covenant and the declaration and the revised declaration, I want to make a few general observations on the nature of the United Nations and the nature of a "bill of rights."

The United Nations is an organization of sovereign states pledged to international cooperation. While there are statements in its Charter which refer to the "realization of human rights and fundamental freedoms for all," the fact remains that it is an organization of states and that it operates on an international level with government meeting government. A bill of rights, on the other hand, has nothing to do directly with the relations between governments; it exists primarily to define the relations between a government or state and the individual citizens thereof; basically it relates to internal affairs and not to international matters.

In order to enforce the provisions of a bill of rights, the United Nations will have to interfere continually and minutely in the internal affairs of member nations. It will have to establish standards, and determine when and where those standards have been violated, and to take steps to correct or punish such violations.

No basic standard or system of human rights can be successfully imposed upon any nation by any other nation or group of nations or by any other outside source. Where such standards exist in the world today, they have developed as a natural expression of the overwhelming weight of opinion of the local population. They have come from the people and not from the state. Having thus before us this historical background of the experience of single nations, it appears to be clear that to attempt to confer such rights by action of an international body will be pregnant, not with world order, but with disorder.

Many sincere sponsors in the United States of an international bill of human rights contemplate only the application of American standards to foreign nations. Yet it is the reverse which will likely be true. The United States is but one nation among many, and it is inevitable that foreign standards of in-

terpretation of these rights will be applicable to the American people; obviously the rules will be enforceable against the United States as well as against other nations. Our Bill of Rights, as construed and applied for more than a century and a half, represents our peculiar concepts of justice and propriety. I sympathize with the desire to extend the benefits of our Bill of Rights to other peoples; yet I am of the opinion that the reverse is not true and that the people of this country will emphatically not be willing to put our system to the hazard of subjecting it to the interpretation of any international organization presently existing.

It would appear that the action of the Commission in dividing its recommendations on human rights into a covenant and a declaration, and having two separate documents, was not only a feat of diplomacy but also something in the nature of salesmanship. To have included in the covenant the venturesome social and economic provisions of the declaration would have defeated all chance of any nation, like the United States, subscribing to it, but failure to have made some pronouncement of these broad social and economic declarations would not have satisfied the views of the socialistic and communistic governments. It is apparent that it was not only a compromise of views in connection with the issuance of two separate documents, but an examination of the convenant shows that it is not a bill of rights as understood by the American people. The covenant itself, in many of its affirmative provisions and by reason of its omissions and nebulous language, is also a compromise.

ANALYSIS OF THE COVENANT

The basic theory and language of a bill of rights as heretofore recognized by Americans is to impose a restraint upon government from denying to the citizens certain basic rights and hence the provisions in our own Bill of Rights are nearly all couched in the negative; for example, "Congress shall make no law" etc.; "The right of the people to keep and bear arms shall not be infringed"; "No soldier shall in time of peace be quartered," etc.

In the covenant a general affirmative duty is first placed upon every state to insure certain so-called rights and freedoms (article 2); then follow certain more or less specific restraints upon the member states. Later, as in articles 16, 17, 18, and 19, affirmative announcements of rights again appear. The difference between the affirmative and negative approach is that affirmations in broad general terms are not only more susceptible to a loose and expanding interpretation than specific negative restraints, but there is also a difference in the problem of enforcement in that to compel action is always more delicate and difficult than to restrain action.

The Department of State issued a brochure entitled "An International Bill of Human Rights." The words "bill of rights" introduced into this title would seem to be a word of salesmanship in that the American public has for several generations believed in the virtue of a bill of rights. It is a misnomer to call even the covenant a bill of rights, for as the brochure itself points out, the covenant does not pretend to include or protect many rights that our own Bill of Rights secures, namely, such elementary rights as ownership of property and free participation in government.

One of the most fundamental rights protected by our American form of government, that of private ownership of property, has been omitted. The State Department says the reason for this is that the beginning must be relatively modest; that nations will not be willing to enter into a covenant which contains rights whose definitions vary considerably in different countries. This is a rather inadequate, but revealing explanation. The true explanation doubtless is that many of the member states do not believe in the ownership of private property, but under our concept of freedom, no man can be truly free who lacks the right to own property and to participate in government, neither of which rights are included in the covenant. Perhaps in this connection one might properly quote from a speech of Senator Borah, who was himself classed not as a conservative but as a liberal:

"And what are these property rights which are guaranteed and made safe by the Constitution? What an inseparable part are they of human rights? Is not the right to acquire, own, and enjoy property a part of human rights? Is there any such thing as personal liberty without it? There is a very large portion of the human family at this time who will tell you that liberty, family happiness, and contentment were all lost in the self-same hour that they lost the right to acquire property and to be secure in its enjoyment. The framers were wise enough to know and brave enough to declare that when you have made property rights secure, you have contributed incalculably to human rights and to human liberty."

Yet our State Department, in excusing the omission from the covenant of the right to own property, says that the beginning with respect to an international bill of rights must be relatively modest.

It is also said by the State Department that the proposal for implementation of the covenant through an international court on human relations not having been included in the present covenant is not now a matter for consideration. But an examination of article 2 makes one wonder whether, if ratified by the United States, we may not be committing ourselves, morally if not legally, to the creation of some such court, for it is provided in subparagraphs (c) and (d) that "any person whose rights or freedoms are violated shall have an effective remedy, notwithstanding that the violation has been committed by persons acting in an official capacity"; and that "such remedies shall be enforceable by a judiciary whose independence is secured." Even without this direct reference and commitment regarding a new independent judiciary for enforcement, there would be considerable danger in this country first adopting the covenant and then waiting to see how the other nations proposed to have it implemented for enforcement. Subparagraph (e) implies that the police and executive officers of the United States and of each member nation would have to act as the enforcement officers of such an international court.

The broad language of article 2 is far reaching and indicates that it may be an opening wedge for all sorts of future enlargements both of substantive and procedural rights. For example, as to substantive rights, no one can know with certainty what enlargements by interpretation may result from such general language as appears in article 1 and in article 2, subparagraph (b) which assures to every person in the world such "human rights and fundamental freedoms as conform with the general principles of law recognized by civilized nations." I am aware that this latter phrase appears in the Statute of the International Court of Justice, drafted in connection with the United Nations Charter, but does anyone know what the phrase means? This phrase is without possibility of present definition. Who are the "civilized nations" and what are "the general principles of law" recognized by as many as a half dozen nations? Doubtless a scrutiny of the laws of all nations which may be asked to sign the covenant would reveal that very few had recognized all of the rights and freedoms founded on the general principles of law recognized by such a nation as the United States. As already pointed out, certain very important basic rights recognized by some of the civilized nations are entirely omitted from the covenant.

Article 3 requires the nations to supply explanations to the United Nations as to the manner in which their laws give effect to the covenant. Complying with requests for explanations may not only in itself become burdensome and irritating because it primarily concerns domestic affairs. But if the purpose of the provision is to attain some degree of uniformity among nations, we may be told, if the Communist and dictator nations muster a majority at any time in the United Nations, "You must enforce freedom our way," or we may be called upon by force of arms to compel the Communist and dictator nations to enforce our notions of freedom. The article provides no machinery for investigation by the General Assembly itself, and obviously the explanation of many nations with whom we are acquainted would not be worth the paper it was written on and would be meaningless unless backed up by an impartial investigation. All of which further demonstrates the stalemates and irritations that will be engendered by the United Nations attempting to concern itself with the internal and domestic affairs of individual nations.

In the case of a federal government like our own, our Government could be called upon to furnish all sorts of reports and explanations not only of its own conduct but the conduct of every other unit of government, such as States, counties, and cities. Under our form of government, the various local units have a certain independence and latitude in the making of local laws and ordinances. Consider for a moment the matter that arises later under article 11, subparagraph 1, guaranteeing free choice of residence. There is a considerable body of law in this country, differing in certain States, but which generally recognizes as proper, and and which a large proportion, perhaps a majority of the people, recognize as proper, that owners of property may, by agreement or grant, restrict the occupancy of certain areas, and such agreements or grants generally enhance the value of the land involved in the same way as other forms of planning or procedure with respect to land. The United States Supreme Court in a recent case has held that a State or State courts may not under the fourteenth amendment to the Constitution enforce such restrictions with respect to residence on land but that such restrictions are not un-Constitutional insofar as observed by parties voluntarily. Even in the light of the recent Supreme Court decision the United States Government should not subscribe to setting aside what has been long established and recognized as a proper restriction with respect, at least, to limited areas of property. Even in spite of the present Supreme Court decision a very large section of the population will doubtless continue to favor such covenants, and perhaps in due course achieve a change or modification in the recent adverse decision by the present Supreme Court.

Consider the innumerable explanations which might be called for in connection with Fair Employment Practices Acts. What a field day Russia would have demanding explanations for all alleged instances furnished her by Communists in this country of alleged infractions of such acts, or for that matter of the failure to have such acts—for the covenant itself, article 20, provides that there shall be no discrimination on account of "race (which includes color), sex, language, religion, political or other opinion, property status, or national or social origin."

The requesting and giving of innumerable explanations on matters which the people will view as domestic, and in many instances local issues, depending upon the character of the population, will likely result in constant irritations.

We may well ask: What becomes of the principle embodied very early in the United Nations Charter, article 2, subparagraph 7, "Nothing contained in the present Charter shall authorize the United Nations to intervene in matters which are essentially within the domestic jurisdiction of any state or shall require the members to submit such matters to settlement under the present Charter"? Is the violation of this principle to be brought about through the back door of the provisions of an international bill of rights?

Section 1 of article 4 reads: "In time of war or other public emergency, a state may take measures derogating from its obligations under article 2 above to the extent strictly limited by the exigencies of the situation." Who is to be the judge of the exigencies of the situation? Article 4 affords a basis for further dissension among nations as to what extent the exigencies of the situation in war or emergency justify derogation from the general obligations under article 2. We have been in almost constant states of emergency of one kind or another since the Emergency Relief Act of 1933, under which the President by Executive order promulgated numerous emergency orders, including one that limited our right of private ownership of property by making it unlawful for private citizens to own gold. There was disagreement among our own citizens whether this action was justified. If the decision were left to other nations, disagreement on an international scale, or even war, could conceivably have resulted. At any rate it was a matter for us to decide by our own processes without interference by other nations. Even after our many years of national emergencies many of us are not sure what it takes to constitute an emergency. There would be endless dispute and dissension among the nations as to what derogations of freedom are justified by different types of emergencies.

Article 5 has to do with deprivation of life and need not here concern us.

Article 6 reads: "It shall be unlawful to subject any person to any form of physical mutilation or medical or scientific experimentation against his will." This would appear at first-hand to be entirely appropriate for any "bill of rights," but a critical consideration immediately discloses that it would constitute a definite interference with domestic law and policy. If it became the supreme law of the land by virtue of the adoption of the covenant as a treaty, our various States would be prevented from passing laws or enforcing existing laws relating to such matters as compulsory vaccination, sterilization of the insane, treatment of sexual psychopaths, and the like, either on the ground that they constitute physical mutilation or that the treatment is in the experimental stage. Sterilization of the criminally insane should be properly left open for states and nations to decide for themselves upon the basis of population, the number of the criminally insane, etc.

Article 7 need not concern us at this time.

Article 8 is similar in purpose to the thirteenth amendment of the Constitution of the United States, but under this article as drawn in the covenant there will arise grave differences of opinion as to what calamities and emergencies justify forced labor. For example, would the emergency of a national railroad strike affecting the well-being of the Nation be sufficient justification for compulsory labor under subparagraph 3 (b)?

Article 9, subparagraph 2, provides that no person shall be deprived of liberty except in the specific cases itemized in subparagraphs (a) to (g), inclusive. The exceptions listed appear to be appropriate, but listing these exceptions may exclude other exceptions that should be included, for example, the detention or isolation of persons having contagious diseases.

Subparagraph 5 provides for compensation in the case of unlawful arrest, but does not say who shall be liable for such compensation. It leaves the question wide open as to whether the state or only the individual involved shall respond in damages; nor is any standard set for the measures of such compensation—that is, whether it is compensatory or punitive or both.

Article 10: The language of this article may easily be construed as preventing imprisonment for contempt of court if the matter in litigation arises out of the breach of a contractual obligation. The provision would also nullify the effectiveness of decrees for specific performance in cases where such decrees are entirely just and proper under our law.

Article 11 provides for "liberty of movement and free choice of residence." The latter phrase would ban agreements and grants restricting who may reside in certain areas. Liberty of movement may include the right to trespass on private property particularly, since there is no protection in the covenant of private property or its exclusive ownership. Also "liberty of movement" might be used to justify unrestricted picketing.

Article 12 reads: "No alien legally admitted to the territory of a state shall be arbitrarily expelled therefrom." This may raise considerable difficulty for a country like the United States where foreign visitors are more or less freely admitted in the first instance on mere visitors' visas.

A foreign nation might contend that we had acted arbitrarily in expelling or deporting their spies or Communist agents or other subversive individuals. What alien shall be permitted to remain in a country should be a matter for that country to decide. On the other hand, this article is so indefinite with respect to the meaning of "arbitrarily expelled" as to be practically meaningless. The finding of a commission or government official might be deemed to be arbitrary or not to be arbitrary, depending on the country involved.

Article 13 provides that "every person is entitled to a fair hearing before an independent and impartial tribunal and to the aid of a qualified representative of his own choice." This is appropriate as far as it goes but it is inadequate. Additional safeguards should be that criminal trials be held in the district (or locality) where the crime is committed, that the accused shall not be compelled to be a witness against himself, that he be informed of the nature and cause of the accusation, that he be confronted with the witnesses against him, that he have compulsory process for obtaining witnesses in his favor and that excessive bail shall not be required.

Article 14, subparagraph 2, again refers to "the general principles of law recognized by civilized nations," a term so indefinite and meaningless at the present time as to render the whole article without effect. No one can tell which nations are referred to or how many of the so-called civilized nations must recognize a principle of law to make it controlling.

While in subparagraph 1 attempt is made to preserve the principle that no one shall be convicted under ex post facto laws, in subparagraph 2 the broad and general language (obviously to save the Nuremberg trials) would seem to undo many of the safeguards provided in the language of subparagraph 1.

Article 15 reads: "No person shall be deprived of his juridical personality." What is the meaning of "juridical personality"? Does it mean merely that individuals shall have such status as entitles them to access to the courts, or is it designed to prohibit the bill of attainder, or is it to be used to implement article 12 and give aliens a standing which they otherwise might not have?

Article 16: All of the rights given by subparagraphs 1 and 2 are limited by subparagraph 3, one important limitation being based upon public "morals". Does the article refer to the morals of the world, or of the individual nation, or of the immediate community of the person involved?

Subparagraph 1 provides that a person shall not be required to do any act which is contrary to his religious belief and its observance. What about the Doukhobors who do not like to wear clothes, or the Mormons who insisted that polygamy was a part of their religious belief and observance? In many Moslem countries it is neither contrary to law nor to morals to practice polygamy.

Our time here does not permit a further analysis of the covenant, if we are to examine the declaration and the revised declaration to any extent on this occasion. To those of you who are sufficiently interested, I may say that you are entitled to secure copies of all these documents for your own study by writing to the Department of Public Information of the United Nations at Lake Success, N. Y. The covenant and original draft of declaration were published in March 1948 issue of the ABA Journal.

THE DECLARATION

The language of the first draft of the declaration was in many respects so vague and general that it could be interpreted by the freedom-loving nations one way and another way by the dictator nations. For example, the right to own property stated in article 14 of the declaration was limited to ownership "in conformity with the laws of the state in which such propery is located." In Russia, of course, this meant ownership by the state in many instances with some right of user in common with other citizens.

For present purposes the following other examples of vagueness and generality are sufficient:

Article 1 says that all men shall act toward one another "like brothers." What legal or precise interpretation can be given to such a phrase? Cain and Abel, and Jacob and Esau, were brothers.

Article 2 speaks of "the just requirements of the democratic state." The word "democratic" has been overworked in this country which was intended to be a republic. The word "democratic" apparently means almost anything the speaker has in mind when used with reference to the rest of the world.

Article 7 contains a phrase which is novel when it requires that trials must give the defendant "all guaranties necessary to his defense." The language is too general to have any real meaning.

Subparagraphs 1 and 2 of article 7, like article 14 of the covenant, attempt to preserve the principle that no one shall be convicted under ex post facto laws, but in subparagraph 2 the broad and general language (again to save the Nuremberg trials) seems to undo many of the safeguards provided in the language of subparagraph 1.

Article 11 obviously appears to be aimed at a relaxation of immigration laws. It is obvious that this country would be the place of asylum chosen by the overwhelming majority of persons seeking refuge. Americans generally would be opposed to anything that would restrict their control over admission of immigrants.

Articles 22 to 30 undertake in general terms to impose a world-wide social and economic program and to require every nation to have a paternalistic and welfare type of government. These articles do not set forth human rights to be protected from government oppression, but they impose affirmative obligations on each state to adopt legislation promoting a general-welfare type of government (a universal Beveridge plan), and by reason of article 33, any state or person would be prevented from engaging in any activity (including freedom of speech) aimed at changing the social and economic structure of the welfare government once established. It is significant in this connection to note that the

declaration contained no provision for its ever being amended.

THE REVISED DECLARATION

The present revision of the declaration discloses as did the preceding declaration, that the drafters have very little appreciation of the historical fact that the basic purpose of a bill of rights is to protect the individual citizen from the encroachments of his own government and leave him as free as possible to work out his social and economic destiny according to his own talents and desserts. The first 19 articles of the revised draft constitute an attempt to follow the traditional pattern of a bill of rights, but the provisions are phrased in such vague and general terms as to be incapable of legal definition and easily capable of different interpretation by the peoples of different political backgrounds. Totalitarian governments will not read or interpret these 19 articles in the same manner as we understand them.

The latter articles, 20 to 27, inclusive, constitute an agreement to adopt the New Deal on an international scale by committing the member nations to a paternalistic form of government which would attempt to care for all the daily needs of the citizen, and minimize the incentive for individual initiative and progress. These latter articles do not pretend to limit the powers of government, but on the contrary, impose so-called economic and social duties upon government—the fulfillment of which will require a planned economy and a control by government of individual action. This program, if adopted and approved by the member nations, will promote state socialism, if not communism, throughout the world. There is, therefore, the same inconsistency between the first portion and the last portion of the revised declaration as there was in the original declaration, the first portion attempting to deal with the protection of rights and freedoms as against government, whereas the implementation of the latter portion will tend to cast the peoples of the world into a common social and economic mold within which everything is to be supplied by a paternalistic government upon an equalized basis and, to a large extent, regardless of individual effort.

The revised draft has been advertised as shorter and as an improvement. It is shorter but an analysis discloses a rearrangement and change of wording but no real net improvement.

Article 1 is the same as article 1 of the previous draft except that people are enjoined to act toward one another in a spirit of brotherhood instead of like brothers. In making this change the Commission has accepted the fact that brothers sometimes quarrel. This provision regarding brotherhood, however phrased, is too vague to satisfy our concept of a bill of rights of imposing actual restraints on government.

Article 2 is the same as article 3 (1) of the previous draft, that everyone is entitled to the rights and freedoms set forth in the declaration without distinction as to race, color, sex, religion, etc.

Article 3 is the same as article 4 of the previous draft. It recognizes the right to life, liberty, and security of person, but does not recognize as coequal with these rights the right to own property and be secure in its enjoyment.

Later, in article 15, the right to own property alone as well as in an association with others as stated, and this is an improvement on article 14 of the original draft—but in neither draft is there any protection against the expropriation of private property without due process and just compensation.

Article 4 is comparable to article 8 and article 7 (3) in the previous draft.

Article 5, providing that everyone has the right to recognition as a person before the law, is found in article 12 of the previous draft, but the right to enjoyment of fundamental civil rights found in article 12 of the previous draft for some unkown reason is omitted in the revised draft.

Article 6 of the revised draft is similar to article 3 (2) of the previous draft.

Article 7 of the revised draft is similar to article 5 of the previous draft, in that it prohibits arbitrary arrest and detention. In the previous draft provision was made against deprivation of personal liberty, except in cases prescribed by law and after due process, and for immediate judicial determination of the legality of any detention, and trial within a reasonable time. The previous draft afforded better safeguards.

Article 8 of the revised draft is an abbreviation of article 6 of the previous draft, providing for trials of criminal charges. The revised draft omits the provision for aid by a qualified representative of the accused's choice. Here again the previous draft afforded better safeguards, though these were also inadequate.

Article 9 is comparable to article 7 (1) of the previous draft. The provision that the accused shall be given all guaranties necessary for his defense seems to be too vague for practical application. The provision found in the previous draft, that the accused shall not be liable to any greater punishment than that prescribed for such offense by law in force at the time the offense was committed, is omitted from the revised draft. This provision should be restored else there is no protection against ex post facto laws. By omitting this provision the commission cleverly avoided the necessity of trying to save the Nuremberg trials and hence paragraph 2 of article 7 of the previous draft, which was apparently included to uphold the war crimes trials, is not found in the revised draft.

Article 10 is comparable to article 9 of the previous draft.

Article 11 of the revised draft provides for freedom of movement and of residence within the borders of each state and the right to leave any country. These rights were expressed in article 10 of the previous draft, but made subject to general laws not contrary to the purposes and principles of the United Nations Charter, adopted for reasons of security or in the general interest. The previous draft also contained a provision that individuals have the right to acquire the nationality of any country willing to grant it. This provision is expressed somewhat differently in article 13 of the revised draft, which provides that no one shall be arbitrarily deprived of nationality or denied the right to change his nationality. The previous draft went further, in article 15, by placing persons who do not enjoy the protection of any government under the protection of the United Nations.

Article 12 of the revised draft, similar to article 11 of the previous draft, provides that everyone has the right to seek and be granted, in other countries, asylum from persecution. This provision, if respected in the United States, would appear to nullify immigration laws and open the gates wide to anyone claiming persecution. Certainly the majority of Americans will not favor unrestricted immigration or the making of this country an unrestricted asylum for the persecuted from all over the world.

There is not time to deal specifically with all the remaining articles. They are in one way or another a revampi g of various provisions in the previous draft. But I do want to comment on two or three of the remaining articles.

Article 20 is comparable to article 26 of the previous draft and contemplates again worldwide adoption of the New Deal.

Article 21 incorporates the provisions of articles 23 and 24 of the previous draft, giving everyone the right to work under favorable conditions, the right to equal pay for equal work and the right to join tradeunions. In the previous draft the right to pay was at least based upon and measured by ability and skill.

Article 22 combines the ideals expressed in articles 25 and 26 of the previous draft and gives everyone the right to enjoy a high standard of living, including food, clothing, housing, and medical care supplied by a paternalistic government; and, under article 24, everyone is given the right to rest and leisure. There is no indication in the declaration how this ideal existence is to be financed in the even everyone takes advantage of the provisions of these articles.

Article 26 provides that everyone is entitled to a good social and international order. It is a wonderful idea, but it will take more than a declaration by the United Nations to settle the conflicts between the totalitarian states and the rest of the world, and to restore international order.

Article 28 is the same as article 33 of the previous draft and is a general provision that nothing in the declaration shall imply that any state or person may engage in any activity aimed at the destruction of any of the rights and freedoms described therein. Does this mean that every state and person will be prevented from engaging in any activity (including freedom of speech) aimed at changing the social and economic structure of the welfare government once established? It is significant in this connection to note the revised declaration also contains no provision for amendment.

As pointed out, it is not contemplated that the revised declaration will require ratification by the member nations according to their respective constitutional processes. In the United States the President could accept the declaration without any action by the Congress as a whole or even by the Senate. Doubtless any nation that accepts it or even votes for it in the Assembly will be expected to live up to it and enforce it and may later find itself in the difficulty of being asked and expected to ratify a convenant containing similar provisions for the promotion of a welfare type of government. For as a part of the program of the Commission, it is still contemplated that measures or machinery for implementation will be set up and that in due course a revised covenant will be proposed for ratification as a convention to give it the force of law. The chairman of the Commission, Mrs. Roosevelt, substantially so announces the program in the July 1948 issue of the United Nations Bulletin at page 521.

In order that there may be a fair disclosure to the American people of the provisions and purposes of the so-called International Bill of Rights as represented by the Convenant on Human Rights and the declaration and revised declaration now pending before the General Assembly, I have concluded to ask the Board of Governors of the American Bar Association for authority, under the sponsorship of the Committee on Peace and Law through United Nations, to conduct at least 10 regional conferences throughout the United States, as soon as the preparatory work can be done and arrangements made, to develop and secure a consensus to aid in disclosing to the American people the true nature and character of the program. I am advised that the Canadian Bar Association proposes to call similar regional conferences.

The Director of the Division of Human Rights of the United Nations, Mr. John P. Humphrey, in an article in the January 1948 issue of the Annals of the American Academy of Political and Social Science, himself admits that what the Commission is now proposing constitutes an intervention in matters "within the domestic jurisdiction" of the member states. He exposes the whole revolutionary nature of the program by boldly stating:

"What the United Nations is trying to do is revolutionary in character. Human rights

are largely a matter of relationships between the state and individuals, and therefore a matter which has been traditionally regarded as being within the domestic jurisdiction of states. What is now being proposed is, in effect, the creation of some kind of supernational supervision of this relationship between the state and its citizens."

Such a program will necessarily produce inevitable conflicts with local law and the internal social and economic conditions in the member nations. These conflicts (even though only matters of interpretation) will likely result in continuous international irritations and provocations.

Moreover, the proposal has serious implications with respect to our form of government. In the United States laws affecting the citizens' life, liberty, and property are passed by established agencies of representative government, to wit: by the Senate and House of Representatives or by the State legislature, whereas the proposal involved in an "International Bill of Rights" is that by and through the use of a treaty, or even without that, and simply by and through an adoption of a declaration by the United Nations Assembly and approval by the President and State Department, the fundamental rights and liberties of the citizens of this country and their definition would be declared, and in effect legislated for them, without their having any voice about it, either by their own votes or through the votes of their duly elected representatives. This is a dangerous, far-reaching, and revolutionary change in the processes of constitutional government—the importance of which seems to have been overlooked, in spite of the fact that the revolutionary character of the proposal has been openly admitted by the proponents of the program including the Director of the Division of Human Rights himself.

CONCLUSIONS

It is the immediate and important duty of lawyers to study and analyze, before it is too late, these proposals for "an International Bill of Rights" and their anticipated implementation by a new World Court on Human Relations, and explain to the American people the revolutionary nature of the proposals and the dangerous implications with respect to our form of government. Let the American people then decide and make known to the President and the State Department whether they approve the present or any program for an international bill of rights, which Mr. Humphrey, by the way a distinguished Canadian, says is "revolutionary in character" and involves "the creation of some kind of supernational supervision" of the relationship of a state to its own citizens.

Looking Back at 10 Years in Congress

EXTENSION OF REMARKS
OF
HON. GEORGE H. BENDER
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Friday, December 31, 1948

Mr. BENDER. Mr. Speaker, the 10-year period beginning in 1939 and ending this week has been one of the most crucial in world history. European civilization as we knew it has been shattered. The process of governmental change ushered in by the First World War has been shifted from an emphasis upon the republican form to new forms modeled in the image of socialism. France, Italy, and Great Britain, the "strong" states of western Europe, have become, unwillingly, temporarily dependent upon Uncle Sam. In Asia the political situation has deteriorated incredibly since the days when Sun Yat-sen first unfurled the banner of republicanism in China. Here at home we have not escaped the tremendous impact of the European war and its aftermath of world chaos.

Whatever else it may become, the first half of the twentieth century is already marked for the historian's pen as one of the decisive eras of world history. In the last decade alone the improvement of air transport, the perfection of radar, and the discovery of nuclear fission have portended a new world of incredible possibilities. Television, low-cost aviation for private use, are right around the corner—if we can establish peace.

Looking back at these past 10 years as a Member of the United States House of Representatives, it is my conviction that we are on the verge of the most momentous decisions in world affairs. It is fantastic to think that any responsible public officials anywhere should even think in terms of another war. All of the men and women in every land on the globe are appalled at the very thought of war; it must not happen. We must not permit our statesmen or the statesmen of any other country to blunder into an atomic conflict. This must be our primary concern in the years ahead—strength at home and peace abroad.

Great Need for Solidarity and Friendship Among Nations of Western Hemisphere

EXTENSION OF REMARKS
OF
HON. RICHARD F. HARLESS
OF ARIZONA
IN THE HOUSE OF REPRESENTATIVES
Friday, December 31, 1948

Mr. HARLESS of Arizona. Mr. Speaker, on this occasion, I bid my many friends in the House of Representatives farewell.

For 6 years, it has been my privilege to be associated in the House of Representatives with men and women of the highest quality from every section of our Nation. In taking leave of this association, it is with sadness that I must say adieu. I shall look forward to future personal associations with many of the friends that I have made on Capitol Hill.

Before I leave the House of Representatives, I want to make one brief observation. We are now in a world torn by conflict. Suspicion and fear prevail everywhere. In our ardent desire to preserve peace in the world, we are lending every effort to aid the countries of Europe in their struggle for recovery. This, I believe, is desirable and worth while. However, I wish to call the attention of my colleagues in the House of Representatives to the great need for solidarity and friendship among the nations of the Western Hemisphere.

I have just returned from a visit to Mexico. We have a friend in our neighbor to the south; however, this friendly nation is having a tremendous economic struggle, and it seems to me that in our anxiety to help Europe we are neglecting a friend that might be needed in the very near future.

President Miguel Aléman has extended a hand of cordiality to us. He has shown a sincere desire to cooperate in every way for a better relationship between Mexico and the United States of America. I trust that we will not neglect his hand extended in friendship but will grasp it and make the most of this spirit of cooperation.

I especially want to congratulate President Aléman on appointing as the new Ambassador of Mexico to the United States Don Rafael de la Colina. The new envoy to our country understands American problems, and I know that he will help to foster a spirit of friendly relations between these two Republics.

At this particular time the economy of Mexico could be given a much needed impetus if the United States would cooperate with our friend to the south in developing her petroleum resources. Mexico needs our dollars, and we need her petroleum. Time is of the essence in the development of this resource, not only for the salvation of the economy of Mexico but for our own national defense. Often we have spoken of the good-neighbor policy with our friends in Latin America. Mexico leads among all the Latin-American countries. We can enhance our good-neighbor policy among all the countries in Central and South America by helping Mexico develop her petroleum resources. For our future security there is great need for hemispheric solidarity. At this crucial moment we should not neglect either Canada to the north or Mexico to the south.

Although I must leave my duties in the greatest democratic body on earth, I trust that my colleagues will carry on a spirit of friendship and good will among our neighbors to the north and south.

Forty-six Years of Service by J. N. Heiskell Praised by Editor and Publisher

EXTENSION OF REMARKS
OF
HON. BROOKS HAYS
OF ARKANSAS
IN THE HOUSE OF REPRESENTATIVES
Friday, December 31, 1948

Mr. HAYS. Mr. Speaker, today I would like to pay tribute to a man and to a newspaper which that man has built through 46 years of attention and effort into a powerful force for good in my native State of Arkansas.

I refer to Mr. J. N. Heiskell and the Arkansas Gazette, the oldest newspaper west of the Mississippi River. Known affectionately as the Old Lady the Gazette wields a strong influence in all phases of Arkansas life and it has battled constantly to bring enlightenment and progress to the State.

Recently Editor and Publisher, the trade publication of the newspaper business, carried a well deserved tribute to Mr. Heiskell, and under leave to revise and extend my remarks, I am pleased to include excerpts from this article in the RECORD:

Arkansas, since the turn of the century, has done much to shake off its reputation as a hillbilly hang-out and establish itself as a State of balanced industry and agriculture. It is impossible to measure the part John Netherland Heiskell, 76, has played in that transformation.

But as editor of the Arkansas Gazette since he and two others purchased it in 1902, his voice has been heard often and strongly through his editorial columns. Those editorials, until recently, often written in longhand, have needled a reluctant politician, chastised an irresponsible corporation, or spanked inefficient law enforcement officers whenever he thought Arkansas was losing anything because of the actions of anyone.

By the same token, he has handed out praise and editorial cooperation to those persons and those institutions he believed were contributing to the State's progress.

One of his earliest series of criticisms was leveled against colorful and powerful Arkansas Gov. Jeff Davis, the only man to hold the State's highest office for three terms and who Heiskell now says had the most powerful personality and best machine of any Arkansas politician during his lifetime.

Heiskell's blasts against Davis, begun soon after he came to the Gazette, were aroused because of Davis-sponsored State antitrust legislation which eventually caused all fire insurance companies to leave the State. Heiskell insisted the laws were too stringent. His stand was upheld when subsequent modifying legislation was enacted.

But his final answer came in a unique way when the then Senator Davis died in office January 3, 1913. Governor Donaghey forthwith appointed Heiskell to fill the short, incomplete term from January 6 to 29. Heiskell is probably the only former United States Senator not now known by that title.

PHILOSOPHY IN SENATE

Although his Senate term was the second shortest in history, his combination maiden-farewell address achieved national notice. In it he revealed his editorial and personal philosophy.

Referring to his constituents "dubbed with the uncouth terms of 'redneck' and 'hillbilly,'" he said they are "the very foundation course of the strength of human society, who work at the trades of the countryside or cultivate small farms in the sweat of their own brows, whose greatest interests in this world are home, family, school, and their country."

"If these men are misled, the fault is not so much with them as with him who perverts his talents and abuses his powers to play upon their honest hearts and open minds," he said.

* * * * *

"I'LL BELIEVE IT IN THE GAZETTE"

His insistence on accurate, detailed reporting in his paper has led to the samewhat common saying in Arkansas (the Gazette has a State-wide circulation) that "I'll believe it when I see it in the Gazette."

The tall, lean, and scholarly Heiskell believes a newspaper thrives on competition. His belief in this is so strong that when he acquired the Little Rock afternoon paper, the Arkansas Democrat, some years ago, he quickly disposed of it and divorced the Gazette from any control. He does not even recall the date of the event now.

He frowns on disinterested corporate control of newspapers and has turned down several prospective buyers for his largely because he has felt they will not give the paper the "soul" he believes it now has. He has described himself to his family as the "conscience" of the Gazette.

Although reared in the old-school South, Heiskell indicated he did not intend to overlook the younger, more liberal tendency of the area when he hired Harry Ashmore as editor of the editorial page. Although Ashmore brought down the bitter ire of many wealthy and influential Arkansans when he become personally identified with the Gazette's fight against the States' Rights Democrats and for equal opportunities (within segregation) for Negroes, Heiskell has backed him completely. His faith in Ashmore was perhaps indicated when he recently named him executive editor.

COMPLEMENTARY FORCES

Heiskell and Ashmore are complementary editorial forces. They are often observed painstakingly going over each other's editorials and the best in each, tempered by the influence of the other, is generally regarded as the result.

Heiskell's office is unbelievably cluttered with studies on every facet of Arkansas and United States history. His wife once urged him to clean it up "because it's positively unhealthy."

"Yes, I guess that's why I died so young," still-spry Heiskell is said to have replied.

* * * * *

Heiskell has been a newspaperman for 55 years, having gone to work as a reporter in Knoxville, Tenn., following his graduation from the University of Tennessee. He progressed through work as city editor of several southern dailies, to Louisville (Ky.) AP bureau chief and thence to the Gazette which he has edited for the past 46 years.

Socialized Medicine

EXTENSION OF REMARKS
OF
HON. CHARLES J. KERSTEN
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES

Friday, December 31, 1948

Mr. KERSTEN of Wisconsin. Mr. Speaker, I wish to include within my remarks the address of Dr. L. J. Van Hecke, president of the Milwaukee County Medical Society, made by him on December 9, 1948, on the subject of socialized medicine:

One year ago, sitting in this very room, I had two disturbing emotions. One was that some of my close friends, knowing me better than the rest, might have started a merciful filibuster from the floor, and might have made my election impossible. This obviously failed. The other was one of near horror at the prospect of what was being said from the platform coming true. The speaker, you will recall, painted a starry-eyed socialist's view of what was almost certain to occur. The picture was made doubly gloomy by the almost credible manner of the speaker who almost confined himself to a factual recital of what was taking place in other parts of the world. However, when he got down near to the position of saying we could deduce from what was interpreted as progress in Sweden and New Zealand what our course would likely be, he could not help saying, in effect, that we ought to go and do likewise. That talk hurt. Had he been brought here to tell us the worst?

As the year progressed so did the political scenery here in America, and by the time of the AMA Convention in Chicago, the bigger side-show in Philadelphia put on by the GOP was in full swing. Some of us, seeking relief from the heat in the cool, dark cellars, listened to the radio and felt strengthened in our belief that America must soon stop this headlong flight into socialism.

Perhaps my own little short regime in the Medical Society would be fraught with things hardly more serious than quarrels with other doctors—really never a bad sort of scrap. We doctors have always gone all out for intramural argument, knowing that this is almost a certain way to progress. I have frequently warned nosey but well-meaning laymen not to be disturbed when doctors snarl at each other. We ought to undertake a public education campaign to assure others that all this is part of our great tradition of individualism.

I mentioned individualism as the banner and code of the physician. Pity—pity the practitioner of England today—some of the world's finest minds, traditionally nurtured on contest and scientific argument—left to decay in predigested orders from a Socialist government authority. The time is sure to come when an English doctor would look back on intraprofessional quarrels as a time of happy contentions, lost youth never more to be seen.

It was from listening to a Mr. Elmo Roper that I became pleasantly narcotized into thinking that the coming year might even be an easy one. In this bland state I had about 50 million bedfellows, many of whom couldn't even be stirred out of bed to get to the polls. I have no hesitancy in saying that the result was tragic—and yet—it may be the thing that brings us all to our damn senses. There's nothing like clearing away the sum of confusion to confront your adversary in the stark light of unmodified opposition. We can do nothing but vigorously oppose the trend. There has to be someone to stand up and shout "You're a damned liar" at Oscar Ewing. It strikes me that in response to the Ewings, and other Socialists—aiming at pap feeding a nation into somnolence—aiming at something more sinister than even they realize, we have resorted too solidly to cold logic. It is a shame to think that there is a temptation to depart from the cold logical reasoning in which the physician is trained, and resort to some old fashioned tub-thumping. But our position in such matters is entirely too honestly unglamorous. And how does it happen that the physician is forced to defend his very defense of health? What kind of perverted English language has got this thing around to the point where "health" sounds like something we are against? Such irresponsibility before recorded truth and history! The record of American medicine in its struggle to prolong human life is the most brilliant star in the country's flag. Haziness as to differentiating "health" and so-called health legislation is apparently intended to confuse the public into believing an untruth—that we are a most unhealthy people—this is a patent, irresponsible lie, and the people who dish out this nonsense know it.

In order to trifle with health, a person must demonstrate his responsibility. To trifle with the stock market one needs only to show his responsibility on a financial statement. Now who can trifle with health? Your neighbor who offers a prescription over the fence? The casual acquaintance, the pseudo-scientist, the student nurse, the senior medic? It seems that everyone has that Samaritan quality until—until it comes to taking the blame for such a tragedy as a death.

Don't these know-it-all people, who glibly speak of saving lives, know that they may very well, in the light of history, actually be responsible for many deaths? I can guarantee that under Government patronage medicine will decay and decline. The very well-being of our patients automatically will decay

and decline as in Europe. For these reasons the powerfully influential public press ought, sincerely, to back the doctor in his now pathetically defensive position. The very basis of American freedom is at stake. Can you twist the kind of reasoning that Senator MURRAY dished out criticizing the AMA for seeking to fight his bill? If MURRAY had a grain of sense of responsibility for the flight into socialism that he started he would reach into his pocket and subscribe to the AMA fund.

I would like to ask who, in all honesty, can point to a Government agency, even with the advantage of never having to show a profit, which, in straight competition, could not be licked to a frazzle by free enterpise? Who thinks that the Government can even run an insurance agency? Only the other day on the radio it was announced that millions of insurance dollars will be returned to veterans who have overpaid bacause the experience tables that the Government agency has been working on were based on material from the last century.

In medicine, let us ask ourselves, who really brought the care of the war wounded up to date? Something was brought to the Army and Navy when they asked our fresh competitive minds to join them in solving some war problems.

No! We will have nothing of Government control. We are opposed to the Wagner-Murray-Dingle affair and all similar Truman programs—but who are we? Here is where I think we may have gained by the November fiasco. It has been brought out crystal-clear that when we have opposed state medicine, as has often been said, it is not our own hides that we are worried about. All of a sudden, many people begin to fear socialism. Incidentally, we may as well bury the words "Democratic Party." The title is a fake and a subterfuge. Let me read the exact words of an editorial in the Milwaukee Sentinel directly after the November election:

"The outstanding fact is that the American people, whether they consciously willed it so or not, have voted for socialism under another name.

"Mr. Truman is not a professional Socialist himself.

"But the doctrines which he has advocated, and must be expected to advocate again, are Socialist doctrines.

"Mr. Truman wants, and has advocated, socialized medicine.

"Mr. Truman wants, and has advocated, Federal housing.

"Mr. Truman wants, and has advocated, federalized education.

"Mr. Truman wants, and has advocated, a Federal power industry.

"Mr. Truman wants, and has advocated, Federal regional valley authorities, along the lines of the TVA, covering the entire country.

"Mr. Truman wants, and has advocated, Federal control of employment services.

"Mr. Truman wants, and has advocated, the restoration of the Wagner Act which made labor a political pawn.

"Mr. Truman wants, and has advocated, subsidized agriculture, which has proved its political efficacy.

"Mr. Truman wants, and has advocated, demagogic taxation and punitive measures against productive free enterprise.

"The sum total of it will be socialism.

"And socialism, which is the blight of Europe, came to Europe in the same indirect way.

"It was not the Socialists, but the imperialist Bismarck, who introduced socialism into Germany.

"It was not the Socialists, but the liberals under Asquith and Lloyd George, who put Great Britain on the road to socialism.

"So it is the Democrats and not the Socialists who have committed America to socialism.

"We Americans have made our choice.

"We might just as well recognize what we have chosen."

Does this show where we stand? And by the same token, can any physician hold in his heart sympathy toward other governmental controls? Herein lies the test of his sincerity with only one exception. The commodity in which he deals is human life itself. A pock on political grifters who will trifle with any man's life—an incurable pock, and let them take the blame of the generations to come; for unless the light prevails during the next 2 years, it may take 25 to discover our error.

Then, Doctor, a pock be upon us if we have failed to get interested enough to oppose this thing with vigor. That little nap in November has to be paid for by staying wide awake for two more years. I say 2 years for this is the shortest possible time within which we can change the legislative body of our Government to one which is avowedly, traditionally American, and let us not be ashamed of our public efforts in this behalf.

Help to keep ourselves and our charges—the well and the ill of this country—awake enough to throw the rascals out. Read all you can about the things that relate to Government control so that when the time comes to give an answer our ranks will be solidly straight, our position will be clear and strong, that as we have fought all disease we will fight this newer social one. And who thinks we are afraid?

Report of Legislative Activity and Field Studies Made by Committee on Public Lands of the Eighteth Congress

EXTENSION OF REMARKS

OF

HON. RICHARD J. WELCH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, December 31, 1948

Mr. WELCH. Mr. Speaker, under unanimous consent, I include in the RECORD a history of legislative activity and field studies made by the Committee on Public Lands of the Eighteth Congress.

The Committee on Public Lands, of which I am chairman, has been one of the most active committees of the Eighteth Congress. A total of 671 bills and resolutions was referred to the committee for consideration. The committee and its various subcommittees held more than 325 hearings and meetings and favorably reported a total of 274 bills and resolutions, 223 of which were enacted into law.

Under the Congressional Reorganization Act of 1946, six former legislative committees were consolidated into the present Committee on Public Lands. To facilitate action on the diverse and varied legislative matters within its jurisdiction, the committee chairman appointed five subcommittees, as follows:

Subcommittee on Public Lands: Chairman, Hon. FRANK A. BARRETT, of Wyoming; Subcommittee on Irrigation and Reclamation: Chairman, Hon. ROBERT F. ROCKWELL, of Colorado; Subcommittee on Territorial and Insular Possessions: Chairman, Hon. FRED L. CRAWFORD, of Michigan; Subcommittee on Mines and Mining: Chairman, Hon. WILLIAM LEMKE, of North Dakota; and Subcommittee on Indian Affairs: Chairman, Hon. WESLEY A. D'EWART, of Montana.

The Congressional Reorganization Act authorized the appointment of four professional staff members in addition to six clerical staff members. Because of the familiarity of the members of the committee with problems involved under the committee's jurisdiction, many of whom live in the geographic areas affected, the chairman and the committee were of the unanimous opinion that except in special instances professional staff members would be of little value to the committee unless they undertook expensive field investigations. Such investigations would have cost an additional amount equivalent to their salaries. By employing an exceptionally well-qualified clerical staff and one professional staff member—the latter, during 1948 only—the committee effected a saving of the taxpayers' money in the amount of almost $175,000. In keeping with the purpose and intent of the Reorganization Act, a vacancy was kept in the clerical staff for the entire Eightieth Congress for the ranking minority member.

It was decided that instead of employing the maximum staff, members of the committee personally would conduct field studies of the important problems under the jurisdiction of the Committee on Public Lands. To carry out this program, I requested and the House authorized an appropriation of $25,000.

During the recess following the first session of the Eightieth Congress, 20 hearings were conducted by the full committee and the subcommittees in California, Colorado, Washington, Wyoming, Montana, Nevada, and Alaska. Further field investigations were made during the second session. Notwithstanding the allowance of $25,000, the committee expended only $14,323.61—slightly more than one-half of the amount authorized and appropriated—for the payment of all costs, including stenographic transcripts of hearings in the field and members' traveling expenses.

The 671 measures referred to the Committee on Public Lands during the Eightieth Congress were as follows:

House bills	548
House joint resolutions	23
House resolutions	4
Senate bills	89
Senate joint resolutions	7
Total	671

Of this total, 223 were enacted into law—185 public and 38 private laws. An additional 41 received favorable committee action, with 22 pending in the House and 19 pending in the Senate on August 7, 1948, when the Eightieth Congress adjourned. Two House resolutions were also agreed to.

One hundred and eighty-two bills were tabled by the committee or were not considered because they were identical to other measures, were superseded for reasons of parliamentary procedure by Senate measures, or were revised and reintroduced as new bills.

In addition to the bills and resolutions referred to the Committee on Public Lands, nine House documents were submitted to the committee for attention. One hundred and fifteen executive com-

munications, principally from Government department heads, as well as 118 memorials and petitions from various sources, were referred to the committee.

The scope of the committee's activities can best be noted from the following résumé of some of the major bills reported by each subcommittee. All of the bills described were approved by the full committee and were favorably reported to the House.

SUBCOMMITTEE ON PUBLIC LANDS

Two hundred and eighteen bills were referred to the Subcommittee on Public Lands, which has jurisdiction over public lands generally, forest reserves and national parks created from the public domain, military parks and battlefields, national cemeteries, and preservation of prehistoric ruins and objects of interest on the public domain. Among the bills considered and approved by this subcommittee during the Eightieth Congress were three of particular interest to veterans—H. R. 603, to amend an act of September 27, 1944, relating to credit for military or naval service in connection with certain homestead entries; H. R. 4059, to provide for the settlement of certain parts of Alaska by war veterans; and H. R. 5244, to amend an act entitled "An act to allow credit in connection with certain homestead entries for military or naval service rendered during World War II."

Eight measures approved by the subcommittee and full committee provided for the establishment of new national parks or monuments. These included the Theodore Roosevelt National Park in North Dakota, H. R. 731; Independence National Historical Park in Philadelphia, Pa., H. R. 5053; Pensacola National Monument, Fla., H. R. 3416; De Soto National Memorial, Fla., H. R. 4023; Saratoga National Historical Park, N. Y., H. R. 5822; Vancouver National Monument, Wash., H. R. 5957; Francis Scott Key National Monument, District of Columbia, House Joint Resolution 150; and Fort Sumter National Monument, S. C., Senate Joint Resolution 94.

Another 19 measures provided for enlargement of existing national parks or recreational areas and facilitated the administration thereof.

The Public Lands Committee, through the Subcommittee on Public Lands, devoted considerable time to a study of problems in connection with our public domain lands and particularly to the question of proposed reduction in the number of livestock permitted to graze in the national forests.

Extensive hearings were held on these matters in Washington, D. C., and throughout the Western States. The committee findings were reported to the House in Report No. 2456, Eightieth Congress, second session.

SUBCOMMITTEE ON IRRIGATION AND RECLAMATION

Eighty-five bills were referred to the Subcommittee on Irrigation and Reclamation. The subcommittee made a careful study of the repayment provisions of the Federal reclamation laws and reported two bills embodying certain amendments thereto.

The subcommittee also reported bills expediting the completion of the All-American Canal in California, H. R. 3348, and the Deer Creek division of the Provo River project in Utah, S. 1990. Other bills reported by the subcommittee included measures facilitating the operation of the Gila Federal Reclamation project in Arizona, S. 483; the Northport Irrigation District in Nebraska, H. R. 6067; and the Carlsbad Federal reclamation project in New Mexico, S. 2286.

The Committee on Public Lands, through its Subcommittee on Irrigation and Reclamation, reported two House resolutions important to the future of the West. Both were introduced by me. The first called for the initiation of investigations looking to the provision of additional water for southern California and the Colorado River Basin, House Resolution 244, and the second authorized studies by a joint board of Army, Navy, and Reclamation engineers to investigate and report on the feasibility from the standpoint of national defense and other beneficial purposes of the conservation of fresh water at the northerly end of San Francisco Bay, House Resolution 618. Studies are now being made on this important matter under the authority of this latter resolution.

Three new and important reclamation projects were authorized by the Subcommittee on Irrigation and Reclamation. They were the Paonia project, Colorado, H. R. 3143; the Preston Bench project, Idaho, S. 1987; and the Kennewick division of the Yakima project, Washington, H. R. 4954.

The subcommittee very carefully investigated and held hearings on the very important American River reclamation and conservation project in California, including the construction of the Folsom Dam. As a result of the testimony adduced in these hearings, I introduced new legislation, H. R. 7124, in the closing days of the Eightieth Congress to carry forward this important project. It is my purpose to reintroduce this legislation in the Eighty-first Congress.

Likewise, extensive hearings were held on the Solano project, California—H. R. 5927—a project very vital to our national defense agencies on the Pacific coast. As a result of these hearings, carefully considered legislation will be introduced in the Eighty-first Congress to solve this problem.

SUBCOMMITTEE ON TERRITORIAL AND INSULAR AFFAIRS

The Subcommittee on Territorial and Insular Affairs had 93 bills and resolutions referred to it. No report of activities of the Committee on Public Lands during the Eightieth Congress would be complete without inclusion of the important legislation affecting the Nation's territorial and insular possessions. The full committee held lengthy hearings on the various bills providing statehood for Hawaii and unanimously reported H. R. 49 to the House. The Subcommittee on Territorial and Insular Affairs approved statehood for Alaska legislation, H. R. 5666, which was unanimously reported to the House by the full committee.

Another important measure reported by this subcommittee was one enabling the people of Puerto Rico to elect their governor. Heretofore the governor has been appointed by the President. In the 1948 election, the Puerto Ricans for the first time in history elected their governor. The committee feels that this legislation offered a constructive example of democracy in action for other peoples of the world.

This subcommittee also held extensive hearings on the subject of the economy of the Virgin Islands and reported a bill providing for the incorporation of the Virgin Islands Corporation, thus affording economic aid to the islands and designated to make the Virgin Islands self-supporting.

SUBCOMMITTEE ON MINES AND MINING

Fifty-eight bills and resolutions were referred to the Subcommittee on Mines and Mining. The subcommittee gave considerable attention to a thorough and careful study of the problems facing domestic producers of strategic and critical minerals and metals. Hearings were held over a period of many months on this exceedingly important matter. It was for this project that a technical staff member was employed. As a result of these hearings, two bills were reported to the House by the full Committee on Public Lands that were designed to stimulate the production and conservation of the important ores, metals, and minerals vitally needed in our national economy and our national defense program. Witnesses from both industry and Government testified before the subcommittee to tell of the problems involved in the Nation's stock-piling plans for national defense. Particular emphasis was laid on the study of manganese, chromite, copper, tungsten, and mercury. The committee feels that these investigations have provided badly needed information on the Nation's mineral resources, and urges that further studies on additional metals be made during the Eighty-first Congress.

SUBCOMMITTEE ON INDIAN AFFAIRS

The Subcommittee on Indian Affairs had 217 bills and resolutions referred to it. While most of these bills dealt with local situations facing the various Indian tribes and reservations throughout the country, they required a great deal of time and study for their proper consideration. All of the problems facing the Indians of the United States come under the jurisdiction of this subcommittee of the Committee on Public Lands.

Because of the serious situation existing among the Navajo and Hopi Indians in Arizona and New Mexico, the committee held hearings on the reservation. I introduced legislation authorizing an appropriation for the immediate relief of these Indians, H. R. 4627, which was not only favorably reported by the Committee on Public Lands but which was enacted into law. As a result of this authorizing legislation an appropriation was made for the immediate relief of these Indians, and the subcommittee later reported a measure designed to establish a long-range program for the rehabilitation of the Navajo and Hopi Indians, H. R. 6630.

Dr. Martha May Eliot

EXTENSION OF REMARKS
OF
HON. THOMAS J. LANE
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Friday, December 31, 1948

Mr. LANE. Mr. Speaker, under leave to extend my remarks, I include the following article that appeared in the Boston Sunday Post dated October 24, 1948:

AUNT MARTHA'S CAPITAL'S BEST "GOLD DIGGER"—OFFICIAL TITLE, DR. ELIOT, SHE GAINS NATION-WIDE RELIEF FOR 108,000 CRIPPLED CHILDREN AS ASSISTANT BUREAU CHIEF

(By Sally Ellis)

WASHINGTON, D. C., October 23.—Whenever Congress sees a short, gray-haired woman in a plain, dark coat and a hat of the soup-pot variety coming around the corner, their hands automatically creep toward their pockets and they dig deep.

For Aunt Martha, as she is called around the Capitol, is a gold-digger. When she turns up with that look of pleading in her soft brown eyes and in that back-home voice tells them how badly the thousands of children in the United States need aid and care—they're just dead ducks.

In recognition of this unusual talent and more specifically because she launched and directed the herculean emergency maternity and infant care program during the last war, "Aunt Martha," who is really Dr. Martha M. Eliot, associate chief of the Children's Bureau, will be given one of the highest honors in medicine on November 11 when the presentation of the Lasker Award will be made in Boston.

MILLIONS OF BABIES

Because Dr. Eliot is better than Circe at putting the bee on the boys with a fast line of chatter and a lure all her own, more than 1,500,000 servicemen's wives had their babies, with Uncle Sam footing the bills, during World War II.

Plump and motherly, her straight gray hair parted in the center and pulled back in an old-fashioned bun, Dr. Eliot does not look like the woman golfer type who usually heads up a Government agency.

A quick glance at Dr. Eliot would convince anyone that she should be standing in a sunny Vermont kitchen in a crisp gingham apron happily stirring a kettle of preserves.

There is a flavor of the 4–H Club about her, and people always picture Aunt Martha taking a pan of golden corn muffins out of the oven. Nothing, however, could be further from the truth.

Dr. Eliot never goes near the stove if she can help it, and she is much too busy at 57 hopping planes all over the country, traveling through the most desolate of rural areas to check on the huge Children's Bureau program which has stretched its protecting arms into the most remote mountain-country settlements.

Government bigwigs have said of Dr. Eliot that she goes forth to battle for her thousands of children all over the Nation with two things in her hand—a big pair of shears to cut the red tape that exists in Washington and a tambourine.

INEVITABLY BEGGING

"I suppose," laughed Dr. Eliot, "that they'll have me tying a Salvation Army bonnet on before long. I do have to admit that I always arrive before Congress with the tambourine in my hand. I am inevitably begging."

Dr. Eliot's most colossal task of squeezing money out of the lads on the Hill came in 1944, when her "baby," which she always refers to as EMIC (emergency maternity and infant care program), came up before the Senate.

They gave her $200,000. It was like offering a crust to a man who hadn't eaten for 2 weeks. Dr. Eliot's New England thrift and stretch-a-penny skill started the ball rolling with that pittance.

Through the individual States she set up the skeleton of EMIC; then settling her hat on her head with a brisk pull, she marched down to the House Appropriations Committee, pleaded the plight of the serviceman's wife who was bearing his child while her husband was overseas fighting for his country so effectively that the Congressmen earmarked another $1,800,000 for EMIC without a word.

"I felt a great surge of triumph," Dr. Eliot admitted.

Most typical of "Aunt Martha's" battle with the budget is her paper-littered desk at the United States Children's Bureau. Dr. Eliot says she has no head for figures, but with Chief Katharine F. Lenroot she managed to extract $45,000,000 in 1945 for her EMIC program which was distributed throughout the States.

SERVICE-MINDED FAMILY

While all this campaigning for funds is conducted in a mild, lamb-like manner with Dr. Eliot's steel-rimmed glasses quivering ever so slightly when she nodded her head in earnestness there were many times when storm-warnings showed.

When the welfare of sick children or of expectant mothers was at stake, then Dr. Eliot became the cyclone, carefully controlled.

"I used to have temper tantrums when I saw a child," she twinkled. "Terrible ones! I have to be careful now or else—."

Undoubtedly Dr. Eliot inherited her concern for the welfare of helpless children from her distinguished father, Dr. Christopher R. Eliot, who was minister at the Bullfinch Place Church for many years.

"He was minister-at-large to the people of Boston, it seemed," Dr. Eliot remarked, "and we were all brought up in the tradition of service."

Dr. Martha's brother, Frederick M. Eliot, is president of the American Unitarian Association in Boston, and her sister, Dr. Abigail Eliot of the Nursery Training School of Boston, is one of the foremost authorities in the country on the education of preschool children.

Brought up on West Cedar Street on Beacon Hill, Dr. Eliot attended Radcliffe College, received her medical training at Johns Hopkins University, and served as house officer at the Peter Bent Brigham Hospital.

It was after her residency at St. Louis Children's Hospital, however, that she first began seriously to consider going into pediatrics.

Mulling the matter over with one of her closest friends, Dr. Alice Hamilton, she remarked, "Dr. Henry Christian asked me why I didn't go into the children's field."

"Well, why don't you?" Dr. Hamilton replied.

AT YALE UNIVERSITY

Young Dr. Eliot proved so promising and carried out Dr. Christian's bright prediction so ably that Dr. Edward A. Park, whom she met at Johns Hopkins and who was newly appointed chief of the pediatrics service at the New Haven Hospital, invited her to come there as chief resident.

"It was taxing," Dr. Eliot agreed, "but there was always a way out of our problems and after all, nothing would be any fun if it wasn't hard!"

While Dr. Eliot was on the staff of the pediatric department of Yale University School of Medicine she did extensive research on the prevention of rickets and authorized many papers on their control and prevention and child nutrition.

If you were to try to discover what makes Dr. Martha tick, what accounts for her amazing administrative ability it would boil down to one thing—she has a cause.

Her association with the United States Children's Bureau began in 1924. In 1941 she became associate chief and today, 7 years later, she is still completely wrapped up in getting the best in the way of medical care for mothers and infants throughout the country.

"In 14 years we have gone far," she acknowledged, "but we're making our way. There is still a great deal of work to be done on the raising of standards of care.

"The actual medical care of sick children is not yet good. The amount available to children and mothers in many parts of the country is extremely limited. There is a shortage of personnel, of clinics and facilities. Doctors do a great deal—but not enough.

"I hope that eventually the Federal grants under the Social Security Act will be increased until the States can develop facilities."

The Children's Bureau, which Dr. Eliot heads with Dr. Lenroot, works out standards of care and protection for children. It has authored the best seller "Infant Care," which went into some 1,420,000 homes last year and which has taught many an anxious mother how to prepare formula, bathe the baby, recognize childhood diseases.

Special consultation is given State agencies on services for crippled children, including orthopedic nursing, medical-social procedures, occupational and physical therapy, and surgery.

"Crippled children's clinics penetrate to sparsely settled areas, of the country," Dr. Eliot explained, "and any child in need of aid can be brought to them.

"Approximately 108,000 crippled children received medical care in 1946, for example, under State plans approved by the Children's Bureau. Most of these were treated for crippling conditions resulting from infantile paralysis, congenital defects, birth injuries, accidents, rickets, osteomyelitis, bone and joint tuberculosis, and rheumatic fever, or heart disease."

What gets Dr. Martha down—but only momentarily—is when she receives reports that 40,000 children were given hospital care—but then learns that 20,000 more are on the waiting list.

That's when tambourine in one hand, big shears in the other, she turns up at Congress and the boys grin, "Here's Dr. Martha again—wonder what it's going to cost us now?"

Whenever anyone attempts to congratulate Dr. Eliot on her incredible accomplishments at the Bureau, a slow flush will creep over her face and she will protest ardently "I don't do it."

"It's the doctors, nurses, the social workers, statisticians, and accountants who work as a team that are responsible for the effectiveness of the program."

JOINT LEADERSHIP

The joint leadership of Dr. Eliot and Dr. Lenroot, however, is what makes Children's Bureau operations so powerful. When a service covers as much territory as this one with a total staff of only 71 people for the whole country, it takes expert piloting to keep the ship running on course.

Handicapped by limited salaries for their doctors and nurses, the Bureau, through ferreting out the very best in medical talent throughout the Nation, still manages to have a top-notch staff.

Part of this is due to Dr. Martha's excellent contacts in hospitals and universities all over the United States.

"We know who the best people are," Dr. Eliot smiled, "and although our salaries are on the shoestring level we appeal to their spirit of service and their interest in the welfare of our little children.

"If they are interested only in fame and material things, they don't come here," she

added with emphasis. "We're sort of choosy here, and we don't take on anyone who doesn't want to work."

Youngsters in Dr. Eliot's bureau who put in a grueling day often wonder at eight in the evening how their associate chief manages to look like a newly picked rosebud. The answer, in her own words, is stamina. "I got it from my forebears," she grins.

In her career with the Children's Bureau she has chalked up thousands of miles of travel, turning up at a dedication of a remote rural hospital in the Kentucky mountain area with as much decor as she would if it were taking place at Rockefeller Foundation.

A GREAT TRIBUTE

As special technical consultant to the International Children's Emergency Fund of the United Nations in 1947, she visited a number of European countries to study the needs and make recommendations to the fund in planning its relief and rehabilitation program. The year 1935 found her in Geneva at the child welfare committee of the League of Nations' advisory commission for the protection and welfare of children and young people, and in 1936 she headed a group of experts there for a study of nutrition in infants and adolescents. In 1948 she was in Geneva again working with the First World Health Assembly.

With Dr. Ethel Dunham, a retired pediatrician, Dr. Eliot lives in a white colonial house in Georgetown. Twice a year she comes to Boston—to shop. She buys her spring and summer, fall and winter wardrobe at that famous Tremont Street store that all proper Bostonians patronize, cleans up the whole thing in an afternoon and is on her way to Washington.

There are three things Dr. Eliot is extraordinarily proud of. The first, of course, is the success of EMIC, the second, the Bureau's progress, and the third, the fact that she is the first woman president the American Public Health Association ever had.

"That," Dr. Eliot said modestly, "was a great tribute."

The Eighty-first Congress

EXTENSION OF REMARKS
OF
HON. GEORGE H. BENDER
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Friday, December 31, 1948

Mr. BENDER. Mr. Speaker, as a Member of the last five Congresses of the United States, now unhappily retired from this record of continuous service, I extend a word of greeting to the Eighty-first Congress. There will be many new faces in this assemblage. There will be many new and difficult tasks for this Congress to meet. There will be temptation to proceed rapidly to undo much that has been done.

It is my prayer for the new year that the men and women of the Eighty-first will carry out their responsibilities with devotion to our Nation. I wish them well. Our country and its obligations are already greater than they have ever been before in our history. They will grow still greater with the passage of time. May the Eighty-first Congress possess the wisdom, the foresight, and the good fortune which our people require today. All of us who are sincere in our Americanism wish them these attributes for our own sake and for the sake of Americans yet unborn.

Tribute to Mr. William A. Jump, Budget Officer for the Department of Agriculture

EXTENSION OF REMARKS
OF
HON. EVERETT M. DIRKSEN
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Friday, December 31, 1948

Mr. DIRKSEN. Mr. Speaker, on December 23 the Secretary of Agriculture, Charles F. Brannan, announced that he had reluctantly accepted the request of William A. Jump, budget director of the Department of Agriculture for retirement.

In the many years that I served on the Subcommittee on Appropriations for the Department of Agriculture I came into intimate contact with Mr. Jump and had opportunity to appraise the man and his work.

I entertain a deep and abiding affection for Mr. Jump because of those qualities of loyalty, forthrightness, devotion to country and duty, and a Christian character which made him one of God's real noblemen. I am sure that every member of the subcommittee entertain this same affection for him and felt so genuinely enriched by his friendship.

I have often stated, publicly and privately, that I regarded Mr. Jump as one of the great administrators and budget officers in the Federal Government who had such a thorough knowledge of his work. He labored so patiently with all the painstaking details which were a part of his duty and by his thoroughness and capacity he made the task for members of the Appropriations Committee infinitely easier. I was often astonished by his grasp of details and with what clarity he could so often resolve what seemed like insurmountable technical difficulties. This capacity was the result of an amazing diligence and thoroughgoing devotion to his job. It is an almost irreplaceable loss.

For 41 years he served the people of the United States in the same department and gave his best under 11 Secretaries of Agriculture. He began as a message boy at $360 a year and in the space of more than twoscore years of service developed a national reputation for his knowledge in the field of Government administration.

There have been occasions over the years as he appeared before the Appropriations Committee that we were so profoundly impressed with his work and were deeply appreciative of the forthright and able way in which he made his budget presentations that the committee was unanimous in its conviction that his salary should be raised as a modest token of that appreciation.

He is so eminently deserving of a respite from highly confining public labors but the people of the United States and the Department of Agriculture will lose a great public servant who gave so unreservedly to the public welfare. The Congress lost an unselfish public servant whose perspective accomplished so much in establishing and maintaining a cordial and understanding relationship between the Congress and the Department of Agriculture.

Statement of Paul O. Peters

EXTENSION OF REMARKS
OF
HON. WILLIAM H. STEVENSON
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Friday, December 31, 1948

Mr. STEVENSON. Mr. Speaker, Paul O. Peters came to the House Committee for the Aid of Small Business from the General Accounting Office, where he served as senior investigator in the Office of Investigation. A former newspaperman, he worked on the new assignment with energy and skill. During the year he made several investigations and submitted staff reports on the fuel-oil situation in the East and West North Central States; on alleged Government competition with business by the Navy Department at Kodiak Island, Alaska; and on the fertilizer program of the Tennessee Valley Authority.

During the year he appeared before numerous groups always speaking in behalf of American small business and the American way of life. As an example of his fine work, I submit for the RECORD his statements made before the Office of Industry Cooperation when voluntary programs were under consideration for the allocation of steel, under authority of Public Law 395, for the armed services, the program for the construction and repair of barges, and the program for the steel requirements of the anthracite-coal industry.

The statements of Mr. Peters follow:

STATEMENT OF PAUL O. PETERS, STAFF INVESTIGATOR, SELECT COMMITTEE ON SMALL BUSINESS, HOUSE OF REPRESENTATIVES, AUGUST 3, 1948

Mr. PETERS. Mr. Chairman, gentlemen and representatives of the armed forces, I have been greatly interested in this meeting this morning, because the Select Committee on Small Business of the House of Representatives in the past 6 months has received, not dozens, but hundreds of requests from small-business men throughout the Nation, in an endeavor to get steel to keep their plants running and fill their orders.

Now, gentlemen, I do not know whether or not the steel industry wants a voluntary plan, but I can assure you that we had better have some kind of plan or the next Congress will take some kind of action to assure that both the armed services get the steel they need and small business not be crowded out of the picture.

I noticed that our exports of steel last year were more than 6,500,000 tons. The gentleman on my right here says that the steel has "got to come out of somewhere." I suggest that the steel required by American small business come out of these export allocations.

I had one of my assistants get the export figures for the year 1947, and I was amazed that when I ran adding-machine totals on these figures that she compiled for me, we were exporting steel at alarming rates to countries in Europe that have normally been steel exporters.

For example, the Swedish steel industry, which was greatly expanded during the war, received 286,560 tons of steel and steel-mill products from the United States in 1947.

What is Sweden doing with all of that steel? That is the question. Is she trading with our potential enemies or is she rolling it into sheets, and so forth, and shipping it back here to sell in the free port of New York and other places?

Now, Belgium and Luxemburg, which have a pretty good steel capacity, got 61,796 tons of steel in 1947. And Great Britain got 195,311 tons of our steel, some of which is coming back here in Ford cars and things of that kind.

Are we more interested in building up dollars abroad than we are in maintaining American industry and American small business?

If these people in the Office of International Trade and the Department of Commerce think the American people are going to swallow any such program as that, they had better revise their thinking. This proposed voluntary plan would be totally unnecessary if the President would give to the Secretary of National Defense the authority he can give to him under subsection (h) of section 18 of the Selective Service Act of 1948.

Now, gentlemen, this thing is in your hands. Small business has not come around today to complain. They will not complain to you in the Department of Commerce; they will complain to the Senate Small Business Committee and to the House Small Business Committee, and they will read the Journal of Commerce and the Wall Street Journal, and they will see these offers of gray-market steel from $140 a ton to $300 a ton, and they will wonder where it is coming from, and they are going to demand some action from their Representatives in Congress next year, and they are going to demand a revision in the thinking of the Office of International Trade in the Department of Commerce. I tell you these things now.

Do not bait an elephant trap to catch a mouse, because some of the baiters may get caught themselves.

I do not think, and I think I can speak with confidence for our committee, that the Congress would look favorably upon section 8 of your proposed voluntary plan. It was not the intent of the Congress, nor the intent of our chairman, the Honorable WALTER C. PLOESER, of Missouri, that small business would be required to give up their normal trade in order to participate in a minor or a major Government contract. I hope you gentlemen will confer with the members of the steel industry, and in justice to the American people and in justice to small business and in justice to yourselves, strike out section 8 from this plan. As long as section 8 is in this plan, it is no plan at all for America.

STATEMENT OF PAUL O. PETERS, STAFF INVESTIGATOR, SPECIAL COMMITTEE TO INVESTIGATE SMALL BUSINESS, HOUSE OF REPRESENTATIVES, AUGUST 5, 1948

Mr. PETERS. Mr. Clark and gentlemen of the conference, the eminent gentleman from the Department of the Interior, Mr. Ball, has put the situation in a very fair light. He has stated that the proposed program is clear and it is workable, and that it is also in good hands.

I might add that in my opinion, the program is also necessary.

During the spring of 1948, I was sent out into the East and West North Central States to examine into the situation that was arising there with respect to the shortages in the petroleum supply. I had numerous consultations with persons in the petroleum industry, and I found that part of the shortage, at least, could be attributed to the lack of transportation facilities, including barges.

The amount of steel required for this program seems very, very modest to me. I made some calculations this morning, and I find that our export quota of the type of products required for this program averaged 136,600 tons per month. So this requirement of the barge people and the two boat people amounts to only 14.6 percent of our export quota monthly.

So again, speaking up for the little fellow, who is going to handle this oil this winter, and speaking up for the people who may be caught short, I am not going to argue, as Mr. Ball does, and differentiate between scarcity and shortages. When you haven't got any oil in the tank in the basement, it is not a scarcity, and it is not a shortage; it is a calamity.

So speaking for those little fellows, who are the ultimate consumers of the petroleum products and other things that we move around by barge, I hope that the Office of Industry Cooperation will not only concur with the steel men with respect to the proposed voluntary program, but I hope they will also confer with the gentlemen in the Office of International Trade who set up those export quotas for steel and keep some of this steel here at home to take care of our own economy first.

I might say that steel is very, very scarce and very, very short. We lost 1,600,000 tons due to the difficulties in the coal mines this spring, and the steel producers of this country have not yet attained capacity as a result of that sit-down on the part of the miners, especially in the captive mines. I want to say that the Small Business Committee of the House of Representatives is watching the voluntary programs and we think—at least, I do—that this is one of the best ones that we could engage in at the present time, and I want to compliment the men who got the program up.

STATEMENT OF PAUL O. PETERS, STAFF INVESTIGATOR, HOUSE SELECT COMMITTEE ON SMALL BUSINESS, HOUSE OF REPRESENTATIVES, AUGUST 6, 1948

Mr. PETERS. Mr. Chairman, Senator MYERS, and gentlemen, our interest in this program stems from the situation which arose last winter in which there were shortages in petroleum fuels and in anthracite coal in various sections of the North Central States and the New England States, as well as the Middle Atlantic States.

As has been pointed out, 5,000,000 American homes are heated by anthracite. If they do not have a good supply of anthracite coal available this winter and next winter, and for many years to come, there will be an increase in the tendency to shift to oil fuels, which are growing shorter and shorter every year in our country.

The House Small Business Committee is also interested in the problems which will arise for the 5,000 small dealers who handle this coal and who supply the 5,000,000 ultimate consumers.

These men cannot shift their business from day to day and from month to month. This program appears to be not only necessary but an urgent program.

It has been excellently planned. And if there is any doubt about whether or not we can have the steel available for the anthracite coal industry, let me point out to you gentlemen this fact: that the total amount of steel that the industry required every month is only 2.2 percent of our regular monthly export quotas of similar kinds of steel-mill products.

To be more specific, I will point out in the first 3 months of this year our export quota on plates, the type the anthracite industry needs, was 115,238 tons, an average of 38,746 tons a month, and the coal industry is only asking for a measly 550 tons.

If we can't squeeze it out anywhere else we had better squeeze it out of these export quotas.

And so likewise for sheet and strip. The 3-month quota was 77,905 tons, an average of 25,978 tons a month.

We surely won't deny the anthracite industry 750 tons a month.

Pipe; we are exporting pipe at the rate of 8,333 tons a month, the specific pipe that the anthracite industry needs. And they are only asking for 410 tons a month.

And now rails, and remember this, gentlemen, that the anthracite-coal industry isn't asking for any new rails. They will buy 60 pounds or heavier, relaying rails, second-hand rails, that the big trunk lines are tearing up from their side lines and substituting heavier steel.

And they are only asking for 860 tons a month. But we have been exporting an average of 42,651 tons of relaying rails every month.

Gentlemen, I congratulate you, too. I think it was wonderful of Senator MYERS to come up here and stand up for a program of this kind which I consider absolutely necessary for the anthracite consumers and for the anthracite dealers.

Hon. Everett M. Dirksen

EXTENSION OF REMARKS

OF

HON. LESLIE C. ARENDS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, December 31, 1948

Mr. ARENDS. Mr. Speaker, under leave to extend my remarks in the RECORD, I include therein an editorial which appeared in the Champaign-Urbana News-Gazette of November 22, 1948:

DIRKSEN IS ONE REPUBLICAN WHO'S STILL CHAMP

In their search for new leadership Illinois Republicans cannot afford to overlook Congressman EVERETT M. DIRKSEN, of Pekin.

Congressman DIRKSEN is a "lame duck" along with a lot of other Republicans, but he is retiring by his own decision, not by vote of his constituents. When ill health prevented him from seeking renomination last spring there was sincere talk of drafting him for reelection even though he might not be able to attend all congressional sessions. Democratic as well as Republican colleagues in Congress encouraged this idea, because they recognized him as one of the most able members of either party.

DIRKSEN rejected reelection, but has since staged a physical come-back that surprised even himself. At age 52 he is leaving Congress after 16 years of outstanding service. In the Eightieth Congress he was "mayor of Washington" by virtue of his chairmanship of the Committee on the District of Columbia. He guided farm legislation as chairman of the Subcommittee on Appropriations for the Department of Agriculture. He distinguished himself with a liberal and aggressive outlook in foreign affairs, but his popularity won him the jealousy of some of the GOP powers then riding high.

There is good reason to believe—and hope—that Illinois Republicans have not heard the last of this Congressman. He was first elected in an industrial and agricultural district in 1932 when Roosevelt first swept the GOP out of office. He is retiring still champion without the stigma of defeat. Since spring he has proved the doctors were wrong, and he is raring to go again in either government or private law practice.

DIRKSEN reportedly may decide to seek the Republican senatorial nomination in 1950 and oppose Democratic Senator SCOTT LUCAS. Most Republicans are ready now to concede that this will be a tough assignment, but his

past record indicates DIRKSEN may be just the man who can do it.

Some Illinois Republicans, particularly Gov. Dwight H. Green, have attempted in the past to impede DIRKSEN's rise in State party circles. But, with their patronage power gone, they will be in a poor position to retard him as in the past, jealous though they may be.

DIRKSEN is still on his way up while many of the Old Guard who sniped at him are on their way out.

Grade A Disloyalty

EXTENSION OF REMARKS
OF
HON. HERBERT C. BONNER
OF NORTH CAROLINA
IN THE HOUSE OF REPRESENTATIVES
Friday, December 31, 1948

Mr. BONNER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the Raleigh News and Observer of December 30, 1948:

GRADE A DISLOYALTY

On Monday at Kansas City President Truman made a statement that "certain leaders" in the Soviet government "are exceedingly anxious to have an understanding with us."

That was the President's statement. He has declined to amplify it. Foreign diplomats and independent American citizens have a perfect right to question the correctness of the President's statement. But so far as the President's own governmental staff is concerned that is the statement of this Government. The President is by constitutional authority and mandate of the people the maker and leader of our foreign policy.

Yet from Washington and obviously from the State Department comes the statement that President Truman "was expressing a personal view" and that "he spoke out at Kansas City without consulting in advance his advisers on relations with the Soviet Union." The Associated Press story continued: "His top Russian advisers doubt however, that there is any real split in the Kremlin on the basic, long-term attitude of Soviet Russia toward the United States." And further: "The Kansas City episode is the latest in a series of instances in which the White House and the State Department have appeared to work at cross-purposes."

It is certainly the latest in a series of incidents in which some State Department functionaries, in complete misunderstanding of their position, have by whispers to newspapermen and other devices, undertaken to undercut the foreign policy statements of the President of the United States. He is not the captive of his advisers. They are exactly what those words mean, his advisers, and nothing more. He can take their advice or discard it; he can ask for it or follow his own judgment. Within the executive branch of the Government it is their duty only to carry out the policy set by the President, and not by whisper and leak to newspapermen to explain Presidential policy away.

This sort of thing went on in scandalous disloyalty to the President during the election campaign. The explanation, if not the excuse, then was that the State Department boys had been reading Dr. Gallup and thought that they no longer needed to bother much with Harry Truman. It is high time, however, that the State Department boys who pretend to be experts on the political affairs of every other government in the world realized something about the political and governmental structure of their own Government. Apparently they learn nothing, and with Truman in Kansas City and Marshall sick in North Carolina, they are still ready to explain away as improper and irrelevant a statement made by the President without advice and authority from them.

This is not only disloyalty to the President, it is also disloyalty to America in a delicate and difficult field in which the President within the executive branch has the sole and inescapable responsibility and authority. Foreign governments have a right to believe as Americans also believe that when the President has spoken American policy has been laid down. He must, of course, in this field work with the Congress and particularly with the Senate. That means foreign policy by government and not foreign policy by clerk—no matter how pompous, self-opinionated, or self-confident those clerks, called advisers, may have become.

The Late Edgar A. Sharp

EXTENSION OF REMARKS
OF
HON. WALTER A. LYNCH
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Friday, December 31, 1948

Mr. LYNCH. Mr. Speaker, on November 27, 1948, New York lost, through death, one of its very distinguished citizens in the person of Hon. Edgar A. Sharp, who represented the First New York Congressional District in the Seventy-ninth Congress. Long before either of us came to Congress, we had been close friends, to whom the difference of party affiliation was no hindrance.

Representative Sharp was one of those kindly persons whom you liked when you first met him, and with whom acquaintance rapidly ripened into lasting friendship.

The Advance, a newspaper in his home town of Patchogue, Long Island, N. Y., in its issue of December 2, 1948, paid our former colleague the following tribute:

EDGAR A. SHARP—AN ERA IS PASSING

More than a tinge of sadness swept through Suffolk County, and particularly Patchogue, last Saturday morning when announcement was made of the death of Hon. Edgar A. Sharp. His passing was another climax that marks almost the end of an era here—an era that a few survivors look back upon in fond retrospect.

Ed Sharp, as he was known from boyhood, was a vibrant, articulate exponent of an almost forgotten cycle of living that brings nostalgic memories to those who remember cinder paths and bicycle races, horseback riding, and amateur theatricals, evening calls on neighbors, and parties where guests were called upon to display their talents. And few there were as versatile as Ed. Possessed of a cheerful disposition, bearing malice toward none, generous of personal time and purse, he was loved by many and liked by all. Without attempting to capitalize on his popularity, Ed Sharp probably had one of the largest unorganized personal followings of any man Patchogue has ever known.

His versatility was known and respected far and wide; he was until a very few years ago an excellent singer, and he could, when asked, sit down at the piano and play and sing almost any old-time or popular song requested. He was an excellent dancer and an actor of no mean ability. As he grew older the younger generation came to know him and to appreciate his accomplishments, and he was a great favorite with them.

He and his good wife were among the most hospitable people in the village, and not many years ago, when a small group of young girls were wont to go about singing carols on Christmas Eve, it was their pleasure to end up at the Sharp residence, where they remained until nearly midnight. Each year Ed and Sadie looked forward to the coming of the happy group who immediately made themselves at home and beseeched their host to play the piano and sing for them. Deeply touched that the young folks enjoyed his company, Ed, who never talked down to them, but, having that enviable ability of sensing continual change and progress in youth, talked with them understandingly in their own language. When cider, cake, and other refreshments had been passed and the youngsters were lounging on davenport and floor, Ed would turn to the piano and, in his fine, melodious voice, entertain the group for a solid 2 hours. Interspersing his singing with jokes and with his natural ability to keep up a running fire of anecdotes and wise-cracking, the time passed all too quickly for guests and hosts alike, and fond farewells were said with a pressing invitation and sincere assurances of acceptance for a repeat visit the following year.

From a humble beginning as a railway mail clerk, Mr. Sharp achieved material success, slowly at first but at an accelerated rate of speed at the beginning of World War I, when he resigned his modest position in the Patchogue postoffice and joined the Knights of Columbus war work. Following a short training period at home, he was sent overseas to France where he suddenly developed great executive ability. Later he was transferred to England where he was given one promotion after another, and at the conclusion of the war he was in supreme charge of all of the Knights of Columbus hospitals, canteens, executive offices, and other activities throughout all of Europe. "Ed" Sharp had now "found" himself, and upon his return home he engaged in the real-estate and insurance business, and shortly thereafter he was elected to the board of directors of the Citizens Trust Co. and then to the board of trustees of the Union Savings Bank. He was now regarded by conservative businessmen as an important factor in the life of this community.

Mr. Sharp was in demand as a speaker at various functions and was soon sought after politically, as he had always been a stanch Republican. He served as county committeeman and supervisor of Brookhaven town, and when the new judicial district embracing a part of Nassau and all of Suffolk County was created, he was endorsed by Chairman W. KINGSLAND MACY, of the Suffolk County Republican Committee, for the office of Representative, and he was elected the first Congressman from this district. Ill health prevented him from continuing his political duties, and he later retired from this arduous, exacting work. The end of his career was spent here at home, quietly and unobtrusively.

The measure of Edgar A. Sharp's success can be attributed, we believe, to a few simple, homely rules: he liked people; he was a good citizen and a good husband; he did for others without demanding anything in return; he was an optimist, never a pessimist. Handsome, urbane, natty in dress, as straight in carriage as an Indian, the figure and personality of Ed Sharp has been carved deeply in the etching of Patchogue's history. We shall miss him, but he will long be remembered here as a kindly, gracious, leading citizen of our community.

Tomorrow Is Our Day of Conscience

EXTENSION OF REMARKS
OF

HON. HERMAN P. EBERHARTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, December 31, 1948

Mr. EBERHARTER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address by Gen. Omar N. Bradley, Chief of Staff, United States Army, before the Armistice Day luncheon, Boston Chamber of Commerce, Boston, Mass., Wednesday, November 10, 1948:

Tomorrow is our day of conscience.

For although it is a monument to victory, it is also a symbol of failure. Just as it honors the dead, so must it humble the living.

Armistice Day is a constant reminder that we won a war and lost a peace.

It is both a tribute and an indictment: A tribute to the men who died that their neighbors might live without fear of aggression. An indictment of those who lived and forfeited their chance for peace.

Therefore, while Armistice Day is a day for pride, it is for pride in the achievements of others—humility in our own.

Neither remorse nor logic can hide the fact that our armistice ended in failure. Not until the armistice myth exploded in the blast of a Stuka bomb did we learn that the winning of wars does not in itself make peace. And not until Pearl Harbor did we learn that noninvolvement in peace means certain involvement in war.

We paid grievously for those faults of the past in deaths, disaster, and dollars.

It was a penalty we knowingly chose to risk. We made the choice when we defaulted on our task in creating and safeguarding a peace.

Now new weapons have made the risk of war a suicidal hazard. Any nation which does not exert its vigor, wealth, and armed strength in the avoidance of conflict before it strikes, shall endanger its survival. It is no longer possible to shield ourselves with arms alone against the ordeal of attack. For modern war visits destruction on the victor and the vanquished alike. Our only complete assurance of surviving world war III is to halt it before it starts.

For that reason we clearly have no choice but to face the challenge of these strained times. To ignore the danger of aggression is simply to invite it. It must never again be said of the American people: Once more we won a war; once more we lost a peace. If we do, we shall doom our children to a struggle that will take their lives.

Armed forces can wage wars but they cannot make peace. For there is a wide chasm between war and peace—a chasm that can only be bridged by good will, discussion, compromise, and agreement. In 1945 while still bleeding from the wounds of aggression, the nations of this world met in San Francisco to build that span from war to peace. For 3 years—first hopefully, then guardedly, now fearfully—free nations have labored to complete that bridge. Yet again and again they have been obstructed by a nation whose ambitions thrive best on tension, whose leaders are scornful of peace except on their own impossible terms.

The unity with which we started that structure has been riddled by fear and suspicion. In place of agreement we are wrangling dangerously over the body of that very nation whose aggression had caused us to seek each other as allies and friends.

Only 3 years after our soldiers first clasped hands over the Elbe, this great wartime ally has spurned friendship with recrimination, it has clenched its fists and skulked in conspiracy behind its secretive borders.

As a result today we are neither at peace nor war. Instead we are engaged in this contest of tension, seeking agreement with those who disdain it, rearming, and struggling for peace.

Time can be for or against us.

It can be for us if diligence in our search for agreement equals the vigilance with which we prepare for a storm.

It can be against us if disillusionment weakens our faith in discussion—or if our vigilance corrodes while we wait.

Disillusionment is always the enemy of peace. And today—as after World War I—disillusionment can come from expecting too much, too easily, too soon. In our impatience we must never forget that fundamental differences have divided this world; they allow no swift, no cheap, no easy solutions.

While as a prudent people we must prepare ourselves to encounter what we may be unable to prevent, we nevertheless must never surrender ourselves to the certainty of that encounter.

For if we say there is no good in arguing with what must inevitably come, then we shall be left with no choice but to create a garrison state and empty our wealth into arms. The burden of long-term total preparedness for some indefinite but inevitable war could not help but crush the freedom we prize. It would leave the American people soft victims for bloodless aggression.

Both the east and the west today deprecate war. Yet because of its threatening gestures, its espousal of chaos, its secretive tactics, and its habits of force—one nation has caused the rest of the world to fear that it might recklessly resort to force rather than be blocked in its greater ambitions.

The American people have said both in their aid to Greece and in the reconstruction of Europe that any threat to freedom is a threat to our own lives. For we know that unless free peoples stand boldly and united against the forces of aggression, they may fall wretchedly, one by one, into the web of oppression.

It is fear of the brutal unprincipled use of force by reckless nations that might ignore the vast reserves of our defensive strength that has caused the American people to enlarge their air, naval, and ground arms.

Reluctant as we are to muster this costly strength, we must leave no chance for miscalculation in the mind of any aggressor.

Because in the United States it is the people who are sovereign, the Government is theirs to speak their voice and to voice their will, truthfully and without distortion.

We, the American people, can stand cleanly before the entire world and say plainly to any state:

"This Government will not assail you.

"You can have no conflict without being yourselves the aggressor."

Since the origin of the American people, their chief trait has been the hatred of war. And yet these American people are ready to take up their arms against aggression and destroy if need be by their might any nation which would violate the peace of the world.

There can be no compromise with aggression anywhere in the world. For aggression multiplies—in rapid succession—disregard for the rights of man. Freedom when threatened anywhere is at once threatened everywhere.

No more convincing an avowal of their peaceful intentions could have been made by the American people than by their offer to submit to United Nations the secret of the atom bomb. Our willingness to surrender this trump advantage that atomic energy might be used for the peaceful welfare of mankind splintered the lies of those word-warmakers that our atom had been teamed with the dollar for imperialistic gain.

Yet because we asked adequate guaranties and freedom of world-wide inspection by the community of nations itself, our offer was declined and the atom has been recruited into this present contest of nerves. To those people who contend that secrecy and medieval sovereignty are more precious than a system of atomic control, I can only reply that it is a cheap price to pay for peace.

The atom bomb is far more than a military weapon. It may—as Bernard Baruch once said—contain the choice between the quick and the dead. We dare not forget that the advantage in atomic warfare lies with aggression and surprise. If we become engaged in an atom bomb race, we may simply lull ourselves to sleep behind an atomic stockpile. The way to win an atomic war is to make certain it never starts.

With the monstrous weapons man already has, humanity is in danger of being trapped in this world by its moral adolescents. Our knowledge of science has clearly outstripped our capacity to control it. We have too many men of science; too few men of God. We have grasped the mystery of the atom and rejected the Sermon on the Mount. Man is stumbling blindly through a spiritual darkness while toying with the precarious secrets of life and death. The world has achieved brilliance without wisdom, power without conscience. Ours is a world of nuclear giants and ethical infants. We know more about war than we know about peace, more about killing than we know about living.

This is our twentieth century's claim to distinction and to progress.

In our concentration on the tactics of strength and resourcefulness which have been used in the contest for blockaded Berlin, we must not forget that we are also engaged in a long-range conflict of ideas. Democracy can withstand ideological attacks if democracy will provide earnestly and liberally for the welfare of its people. To defend democracy against attack, men must value freedom. And to value freedom they must benefit by it in happier and more secure lives for their wives and their children.

Throughout this period of tension in which we live, the American people must demonstrate conclusively to all other peoples of the world that democracy not only guarantees man's human freedom but that it guarantees his economic dignity and progress as well. To practice freedom and make it work, we must cherish the individual, we must provide him the opportunities for reward and impress upon him the responsibilities a freeman bears to the society in which he lives.

The American people cannot abdicate in this present struggle and leave the problem to their armed forces.

For this is not a test of combat strength but a contest of resolution. It is dependent less upon military strength and more upon human strength, faith, and fortitude among such citizens as you. If we are to combat communism, we cannot oppose with anti-communism. We cannot fight something with nothing. More than ever before, we must alert our people—and people throughout the world—to the meaning of their freedom and stimulate in each of them an awareness of their own, their personal share in this struggle.

Good citizenship is the start of a working democracy. And good citizenship begins at home, in the ability of every American to provide a happy and wholesome life for his family. From such simple beginnings do we create better communities, better States, a better Nation—and eventually, we hope, a better world.

To you in the greater community of New England much has been given in the heri-

tage that began with Concord, and in the truths that have been left for you by your Lowells, your Emersons, your Holmeses.

Out of so fortunate a spiritual start in the meaning and significance of freedom, you have constructed an industrial machine with which to nourish great faith in it.

If we will only believe in democracy, use it, and practice its precepts in the factory as well as the voting booth, we shall so strengthen ourselves that nothing can prevail against us—or against those who stand with us in like good faith.

The Gulf Intracoastal Waterway: Past, Present, and Future

EXTENSION OF REMARKS

OF

HON. JOHN E. LYLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, December 31, 1948

Mr. LYLE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address by Dale Miller, executive vice president, Intracoastal Canal Association of Louisiana and Texas, at the annual convention of the Propeller Club of the United States and the American Merchant Marine Conference, Waldorf-Astoria Hotel, New York City, October 13, 1948:

I acknowledge some temerity in accepting this assignment on the program, being aware of the omniscience of my audience on the subject of water transportation. But the circumstance that my remarks are to be confined to the Gulf Intracoastal Waterway gives me some confidence to address you, because with that particular topic I feel at home, in a rather literal construction of the term. We have been products of the same environment, and I have moved within the orbit of its destiny since I was a child in the small community of Corpus Christi, where the principal vessels in those years, except for a few shrimping boats, were the canoes which we youngsters fashioned from barrel staves and canvas.

It would perhaps be ungallant to refer to the Gulf Coast in the early years of this century as a wilderness, because certainly its inhabitants were as restlessly enterprising as Texans were before and have been since. But it is nevertheless true that when the Intracoastal Canal Association was formed in the little community of Victoria on August 8, 1905, much of the vast coastal region in Louisiana and Texas was not far removed from the primitive. For miles along the farflung coast of Texas little could be seen but sage and cedar and mesquite, and life consisted principally of rattlesnakes and jackrabbits and occasional paisanos, with accents of civilization supplied here and there by vaqueros and scattered herds of longhorns. There were occasional communities, to be sure, but what they were by comparison with what they are today can be illustrated by the fact that Houston had less than one-tenth of the population that it has today, and my own little town of Corpus Christi had less than one-twentieth. The 18 Texas counties contiguous to the present course of the Intracoastal Canal from the Sabine River to the Rio Grande, a distance of some 500 miles, had a total population of only 250,000, about one-seventh of their total population today; and the Louisiana parishes were likewise steeped in an economic languor which was scarcely prophetic of the phenomenal growth to come.

Indeed, only the audacious optimism which characterizes the frontier could have inspired the document which originated from the little cow town of Victoria in 1905. "A representative convention" was called, "agreeable to the desires of a great many public-spirited citizens * * * for the purpose of discussing the feasibility, plans, and final construction of an intercoastal canal from Brownsville, Tex., to Donaldsonville, La., and for the especial purpose of organizing an intercoastal canal league." Terming this proposed canal "a necessary adjunct to the rapid development of the greatest country in the world," this clarion call declared: "This canal will give all the section of country adjacent to same the advantage of direct communication by water with all our deep water ports, and in addition thereto will extend the same advantages to the tributaries of the canal (in Texas) * * * and all the rivers and bayous in Louisiana, and also the great Mississippi River and all its tributaries, which spread over the country like a great hand laid over the face of the United States."

These were extravagant words, but the oratory at the convention itself was more grandiose still. The Victoria meeting was studded with the names of distinguished delegates, one of whom, the young Congressman for that district, was somewhat eclipsed by the more celebrated visitors; but former Vice President John N. Garner is today one of the three survivors of that original meeting.

Despite the oratory, it is doubtful if those pioneers could have envisaged much more than a local canal to accommodate small fishing fleets and pleasure craft; but they were as persistent as they were visionary, and as the years went by, the program of the Interstate Inland Waterway League of Louisiana and Texas (as the Intracoastal Canal Association was first called) began to assume impressive proportions. The initial goal was a 5 feet by 40 feet project, a canal 5 feet in depth and 40 feet in width; and before many years had passed, a project of those dimensions had been completed from the Mississippi to the Sabine River on the Texas boundary; and another project of like dimensions from the Houston-Galveston district to Corpus Christi. This left a gap between the Sabine and Galveston Bay, and while each link provided facilities for local traffic, no through transportation was possible.

During those early years the leaders of our association had difficulty in persuading Government officials to appraise the project from the broad perspective of its relationship to the inland waterway system of the United States. The Government insisted that each link be considered separately on its rather circumscribed merits, while the association contended that the canal should be considered in its entirety as an extension and integral part of the Nation's developing system of navigable waterways. The years of the First World War intervened, but shortly thereafter, in order to place its position as forcefully as possible before Congress, the association employed as consulting engineer the late Gen. George W. Goethals to make an exhaustive report on the traffic potentialities of the intracoastal canal. His impressive document was largely responsible for the authorization by Congress, in the River and Harbor Acts of 1925 and 1927, of a canal with a depth of 9 feet and a bottom width of 100 feet from the Mississippi River near New Orleans to Corpus Christi, Tex.

It is interesting to note that when General Goethals recommended the construction of the canal he estimated its normal potential tonnage at approximately 5,000,000 tons, and predicted that it might reach a maximum of 10,000,000 tons if and when the Mississippi River system was completed. Today, only a quarter of a century since his survey was made, the Texas and Louisiana sections of the Gulf Intracoastal Waterway are carrying more than 20,000,000 tons of commerce a year, four times as great as his estimate of the normal potential and twice the amount of the maximum he predicted.

The metamorphosis which has been wrought in the Gulf coast country of Texas and Louisiana in recent years defies description. Little of the past remains in that vigorous and productive region to evoke nostalgic reminiscence of those early years. Massive oil refineries, chemical factories, lumber mills, cotton compresses and cotton oil mills, meat-packing plants, shipyards and drydocks, rice mills, sulfur plants, grain elevators, synthetic rubber plants, oil and steel fabrication shops, sugar mills, canning plants, and many other industries too numerous to mention have risen from the sage and chaparral to create what is today America's most astonishing industrial frontier. Spires of steel and stone, symbols of progress, rise from the coastal plains; derricks shoot up from the cotton fields, standing like colossi athwart the lethargy of the past. A great new empire is in the making.

What has happened, of course, has been the result of the union between the beneficence of nature and the ingenuity of man. Rich natural resources are being converted to useful implements of the human society. But there, as anywhere else, the motivating force of civilization is transportation, without which the interchange of goods and services which constitutes civilization would not be possible. To a degree not often paralleled in other sections of the Nation and the world, water transportation in particular has influenced the transition of the Gulf coast country from a sprawling frontier to a bustling industrial and agricultural commonwealth. Major ports exist in New Orleans and Lake Charles, in Beaumont, Port Arthur, Galveston, Houston, Corpus Christi, and Brownsville; and through them all, coursing its busy way and concerting their economic growth, extends the Intracoastal Canal, like a shining strand linking together those jewels of progress into a fabulous necklace along the curving bosom of the Gulf.

Although the Gulf Intracoastal Waterway has proved to be an extremely valuable artery of commerce even in depression and peacetime years, its greatest contribution to the welfare of the Nation was achieved during the recent war. While scores of tankers and freighters were being lost to enemy action not only along the Atlantic coast but in the Gulf of Mexico itself, millions of tons of petroleum, sulfur, and other vital war materials were moving in safety in a protected inland waterway, virtually within sight of the catastrophes at sea. With ocean shipping constantly in peril, and with railroad rolling stock in dangerous short supply, the Intracoastal Canal and the inland waterway system of the Nation generally made a contribution to the national welfare of incalculable value. It is not too extreme to say that the service performed by our inland waterway system was indispensable to the successful prosecution of the war.

The war was scarcely 6 months old when Congress passed the Mansfield bill which authorized increasing the depth of the Intracoastal Canal to 12 feet and its bottom width to 125 feet, and extending it beyond Corpus Christi to the Rio Grande. This work went forward during and after the war, and the civil-functions bill which passed Congress on June 14 of this year contained an appropriation of $2,119,000 for the dredging of the last remaining gap in the main channel between Corpus Christi and Brownsville. Thus, within the next few months, the main channel of the Gulf Intracoastal Waterway, extending all the way from the west coast of

Florida to the Mexican border, will have been completed—a protected inland waterway of more than a thousand miles.

When we reflect upon the vast importance of our inland waterway system in time of war, we should have reason to doubt, as war clouds gather and darken over the earth again, if we place sufficient emphasis before our Representatives in Congress on the necessity of developing and perfecting this great system. It is a significant fact that Federal funds now being expended on all phases of river and harbor navigation constitute only a small fraction of 1 percent of our total annual budget. With our Federal Government spending more than $110,000,000 a day for all purposes, the amount being expended this year for river and harbor work amounts to the spending which would take place in only a day and a half.

Our expenditures for national defense alone, not including commitments under the Marshall Plan and other international expenditures which are related to defense, are nearly 100 times greater than the amount being spent for all phases of river and harbor development in the United States. Expenditures for all essential purposes of Government, and particularly those for the defense of our Nation, are not to be begrudged, of course, but, in my opinion, the vital importance of our inland waterway system to the security of our country in time of war should be emphasized as strongly as its contribution to our national economy in time of peace.

The completion during the next few months of the main channel of the Gulf intracoastal waterway to the Rio Grande will open up the fabulous magic valley of Texas to barge transportation. Hundreds of thousands of tons of commerce will be added almost instantly to the tremendous tonnage already carried on the Intracoastal Canal. Funds will be sought in the appropriations bill next year to complete the second terminus of the canal east of Harlingen. When this work is finished a great objective pursued by our association over a period of more than 40 years will have been reached.

Simultaneously with the effort to reach this important objective the energies of our association are now being directed toward a vast future program which is no less inspiring and challenging than that which motivated the aspirations of the little band of pioneers who met together in Victoria so many years ago. We propose to develop for navigation the principal streams tributary to the canal in Louisiana and Texas, thus extending the benefits of water transportation into the rich hinterlands of these great States. Many of these streams have already been authorized for navigation by Congress, and others are in various stages of engineering study. Just as the early proponents of this waterway persisted in viewing the proposed canal not as an isolated and provincial facility but as an integral part of the inland waterway system of the Nation, so do we regard the completed main channel as a framework upon which to build a greater transportation system in the future. At the annual convention of our association in New Orleans last November, Brig. Gen. P. A. Feringa, assistant chief of engineers for civil works, put this objective into these succinct and eloquent words:

"This waterway without such feeders is but a skeleton. The feeders place meat on its bones. With completion of the feeders proportionately greater benefit can be rendered by the through waterway channel already completed. As the channels are extended inland, new trade territories are opened to direct water transportation, unexploited natural resources are tapped, additional agricultural lands are placed in production, new industries arise and are placed within economic reach of each other for the adjustment of local surpluses and scarcities. Ours is an expanding economy, and this expansion is unquestionably stimulated by waterway development. You have only to look at some of your coastal cities and their tributary areas to realize how inspiringly true that statement is."

We propose to continue our efforts to bring to fruition that slogan and objective of our organization: "From Maine to Mexico." Only the construction of the authorized barge canal across northern Florida, and extension of the Atlantic inland waterway from Trenton, N. J., to New York Harbor, remain to be accomplished to provide a protected inland waterway from Maine to Mexico, a distance of nearly 3,000 miles. The construction of the cross-Florida barge canal has been too long deferred and should be completed with the least possible delay. The Atlantic inland waterway extending from the east coast of Florida to Trenton, N. J., a distance of more than 1,000 miles, is almost identical in length with the Gulf Intracoastal Waterway extending from the west coast of Florida to the Mexican border. The barge canal across northern Florida is all that is needed to link these great transportation facilities together.

The absence of that link during the last war was extremely costly in loss of vessels, in loss of vital cargoes, and in loss of human life. Fifty-three tankers and freighters were lost to enemy action in the Atlantic and the Gulf of Mexico. The estimated value of these vessels alone, not including the value of their precious cargoes, was $87,000,000. The strategic value of the ships and cargoes cannot be measured, nor can the value of the lives that were lost. How much of this tonnage could have been diverted to a safe inland waterway if the cross-Florida link had been in existence, I am not prepared to say, but I have no doubt that it would have been substantial. In any event, the security of our Nation in time of war, as well as the economic benefits to be derived in time of peace, should dictate the construction of this needed half-way link between two great systems within the near future.

Another important objective of our association in the years ahead—one which is fascinating indeed to contemplate—is the extension of the Intracoastal Canal beyond the Rio Grande and down the Mexican coast to Tampico and Vera Cruz. This is a project which has long been discussed. In fact, the Mexican Government had an official observer at the first meeting of our association in Victoria in 1905. The coastal terrain of Mexico, so similar to that of Texas, is conducive to the construction of an inland waterway, and certainly the economic benefits to be derived by both nations from such an important transportation facility would be considerable. We propose to cooperate in every possible way with our friends and neighbors to the South in the hope that the Government of Mexico may undertake this highly important program.

Those of us who guide as best we can the activities of our association have much for which to be grateful in the examples set for us by the great progenitors of this work. It is difficult for us to be objective and impersonal toward this movement, for since its earliest beginnings it has never been merely a project or a program. It has been a Cause with a capital C. Indeed, it has evinced many of the characteristics of a crusade. C. S. E. Holland, Roy Miller, J. S. Cullinan, Congressman J. J. Mansfield, Senator John H. Overton, and others who have departed this life bequeathed a heritage of devotion to the public service which is the lodestar now of our own tomorrows.

Address of National Commander S. Perry Brown, of the American Legion, in Favor of Federal Aid to Education

EXTENSION OF REMARKS
OF
HON. EDWARD G. ROHRBOUGH
OF WEST VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Friday, December 31, 1948

Mr. ROHRBOUGH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include an address delivered by the national commander of the American Legion, S. Perry Brown.

In this he presents what, it seems to me, are most convincing arguments in favor of Federal aid to education.

The address follows:

For 28 years it has been the privilege and pleasure of the American Legion to cooperate with the National Education Association in the annual sponsorship of American Education Week. Our joint purpose has been to acquaint the general public with the aims, needs, and achievements of our schools, and to stimulate popular interest in the Nation's educational system. The theme chosen for this year is Strengthening the Foundations of Peace.

Like other American institutions, our educational system is the product of long years of labor and sacrifice in the cause of freedom. Within the lifetime of the boys and girls now attending school, that cause may well be identified as a permanent success or a noble failure. We must see to it that education is enabled to wield its full force on the decisions at hand.

There are two primary challenges before us. One is to equip coming generations with the zeal and tools to make democracy work. The other is to see that our schools have the financial assistance to provide equal educational opportunities for all.

It is a sad commentary that it requires almost an international crisis to rouse public appreciation of our system of government. For years, Americans passively accepted their democratic heritage without fully comprehending its advantages. Then the Communists intruded, claiming their system would cure the ills of the world and improve the lot of all mankind.

The absurdity of the Communist claim is clear. We know that our democratic system has worked better than any other on earth. Not only has it yielded a great harvest of material blessings but—more important—it has provided real incentive for the free development of mind and spirit.

So why not emphasize the fundamentals of Americanism in our classrooms? Why not stress there our duties and responsibilities of citizenship, as well as privileges and rights? This is what I mean by cultivating a zeal for democracy.

We believe it is the responsibility of the schools to instruct our youth in the American way of life, so that they may know it, believe in it, and preserve it. We believe our schools should give thorough attention to the creed and operation of all other government systems as well.

We—The American Legion and the National Education Association—solicit your support of this program.

The need for prompt action to equalize our educational standards at the highest possible level is no less urgent.

Consider the fact that some 650,000 men were rejected for service in World War II

because they could not read and write. This is the equivalent of 40 divisions with supporting troops.

I cite the record in this matter only to point up the dangerously wide range in the ability of various States to finance educational programs. One State, by expending 2 percent of its peoples' income can provide $230 for each child in school. Another State, by using 2 percent of its income, can yield only $53 per child in school. The poorer districts simply cannot afford the broad curricula and superior facilities on which sound education is predicated.

There is an old saying that crime does not pay. There is no analogy between the pursuit of crime and pursuit of a teaching profession, but circumstances have placed the two occupations in about the same category, in terms of revenue. Thousands of teachers are struggling along on salaries far out of step with the spiraling cost of living.

The American Legion stands four-square behind proposed legislation to extend Federal financial support for our schools.

It is our studied opinion that the school districts of the Nation should support themselves insofar as they are able to do so, but that impoverished districts, wherever located, should have additional aid in the form of Federal grants. Aid should be conveyed without Federal domination of, or interference with, the control of the schools by local authorities.

To each one of you, I commend this thought. The men and women who will be called upon to speak for America in meeting the crises of tomorrow are the boys and girls attending our schools today. We will be directly accountable should we fail to assure the maintenance of educational processes which would enable them to cope with their future responsibilities.

Winning the peace is the one big job at which all of us must work. It stands to reason that the better the understanding of problems involved, the better the chance for final success. Let us resolve, today, to give of our personal energies and effort to make certain the schools of the Nation shall contribute full share to this undertaking.

The Late George F. Rogers

EXTENSION OF REMARKS

OF

HON. WALTER A. LYNCH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, December 31, 1948

Mr. LYNCH. Mr. Speaker, in the interim between the adjournment of the Eightieth Congress and today, New York lost one of its distinguished citizens in the death of your former colleague, George F. Rogers, of Rochester.

Those who served with him in the Seventy-ninth Congress well remember him for his quiet manner, his unfailing sense of humor and his sound judgment.

George Rogers, who so ably represented the New York Fortieth Congressional, was born in Harwood, Ontario, Canada, on March 19, 1887, but for almost 40 years prior to his death on November 20, last, had been a food merchant in the city of Rochester, N. Y., was elected for a 2-year term to the New York State Senate in 1936, and was responsible for legislation that was of great benefit to dairy farmers in his State. He had previously served for 3 years as a supervisor of Monroe County.

In his death the city of Rochester and the State of New York lost an outstanding citizen. It can well be said of him that he was truly an American.

Republicanism Versus Communism

EXTENSION OF REMARKS

OF

HON. HAROLD F. YOUNGBLOOD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, December 31, 1948

Mr. YOUNGBLOOD. Mr. Speaker, we are met today in what will be the last session of the Eightieth Congress of the United States of America. For the past 2 years we have had a great part in guiding the destinies of our beloved country. In a very few days our work shall be ended. I, for one, have been proud to have been a part of this practical example of the workings of our form of government.

Now that our days are numbered, I feel compelled to say that our works can only be judged by history. However, I think it right and proper to prophesy what history shall judge of the Congress which shall supplant us and of what history shall judge of the administration which will conduct the executive affairs of our Nation during the coming few years.

It was made clear, I thought, during the late strenuous campaign that the issues involved were not of parties, nor of men, but rather, the issue was one of Republicanism versus communism. There was, I said and still say, no middle road. If this is true, and I am convinced it is, we have put the reins of government into the hands of the fellow travelers, the Communist-lovers, and the enemies of freedom. Our Nation is now in the hands of the pink, the left-winger, and the red. There can be no other path through which such an administration can travel than that leading through the mire of red tape, the woods of bureaucracies and the thorny path of more governmental control, more taxation, and more spend and spend and spend until we at last reach the end of this gloomy road in the house of communism. Once there, we must expect to be embraced by our host with blood purging, regimentation, and his stripping us of every vestige of our freedom. This is not a warning. I did my warning prior to November of this year. This is a prophesy, terrible but inescapable. It is difficult to stand by and see this happen. It is equally difficult to understand why it is happening. Are we so negligent in our efforts to preserve freedom? No, I think not. Is it because the public does not understand what is happening? I pray not, but I fear it is true.

I prophesy that the bunglings of the New Deal will continue to vex our people. Let me cite for example the Berlin situation. Here we are, the people of the United States, using our great air fleet to feed, clothe, and warm the people of Berlin while Russia calmly but inexorably forbids our use of easier and cheaper modes of delivery. We must take to the air. Why? Merely because we have assumed a share in the management of conquered countries without assuring ourselves of a means of doing it. We have bought our responsibilities, like a farmer buys his land, without obtaining a road over which we can travel to reach our house. What colossal stupidity. What costly errors. How long, O Lord, how long can we travel this path?

We must some day soon reach our day of reckoning, this is my forecast. Our astronomical national debt will someday tumble upon us, plunging us into revolution, ruin, and depression, and bankruptcy and despair. I can sit at my hotel table and eat for many, many hours but sooner or later the check must be paid. One day in the foreseeable future the bill for our Government's appetite will be brought to us and the feasting of 16 years will have to be reckoned with.

The investigations of the Eightieth Congress disclosed definitely and unequivocally that the executive department of our Government, has trafficked with Communists in the past. Can we assume that it will not continue to do so in the future? I think not. Any logical person will assume, I am sure, that this traffic will continue. Let us remember that Alger Hiss was high in the echelon of government. Roosevelt, when he was President, relied upon him heavily. His successor, Harry S. Truman, likewise counseled with him. Perhaps, it is not stupidity but Hiss who is responsible for the calamities of Potsdam, Yalta, and Tehran.

It does not seem possible to me that we could find ourselves in the present ominous situation without the intervention of subversive minds. I would sooner believe that there are malevolent forces boring from within than that our ship of state is in such incompetent hands that we have drifted into shoal water through ignorance. We can, once alerted to the dangers, cauterize the festering wounds of foreign isms, but crass stupidity is not so easy to combat.

In addition, I want to call your attention to the fact that the cost of food is now showing a steady decline without the reinstitution of price controls or any action whatsoever on the part of the present administration. The Eightieth Congress is deserving of all credit for the reduction in the high cost of living, and the President and his policies is the direct cause of its retention.

Let us Republicans, let us Americans take up the fight again. I for one do not intend to lay down my arms. Let me call upon you to carry on the fight so that some day, some time we can return our Government to faithful, competent, and loyal hands and still forever the threat of encroaching communism.

As you will all recall, Mr. Truman labeled the Eightieth Congress the "do-nothing Congress" and as usual he was wrong, although he led the people to believe that he was correct. It is my opinion, as well as the opinion of all thinking Americans, that Mr. Truman was a do-nothing President.

Latin Intervention

EXTENSION OF REMARKS
OF
HON. DANIEL A. REED
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Friday, December 31, 1948

Mr. REED of New York. Mr. Speaker, I believe that those who are interested in our foreign policy as carried out by our State Department will be interested in the remarks of one of our ablest diplomats, Mr. Sumner Welles.

In order that it may become a matter of public record, I ask unanimous consent to insert an article entitled "Latin Intervention," written by Mr. Sumner Welles. The article appeared in the Washington Post on Tuesday, December 28, 1948.

LATIN INTERVENTION

(By Sumner Welles)

TREND FROM GOOD NEIGHBORLINESS

(Editor's Note: The following column was written before Mr. Welles' unfortunate accident on Sunday.)

The political and social unrest spreading through Latin America is gathering momentum.

Inflation, commercial stagnation, and arrested industrialization, all aggravated by dollar shortages, have created an increasingly serious economic crisis. In many republics labor, agriculture, and the white-collar workers have been hard hit. The Communist leaders are taking full advantage of the opportunity to further hemispheric disruption.

The dangers that would arise unless this Government undertook remedial action have long since been forecast in this column.

The abandonment of the good-neighbor policy evidenced by our official interference in Argentina's national elections, and by our failure either to continue financial and economic cooperation or to coordinate the European recovery program with an inter-American program designed to relieve the postwar difficulties of the other American republics, has undermined popular faith in our dependability. It has fostered the growth of ideological blocs in Latin America whose rivalries jeopardize the maintenance of even a semblance of New World unity.

Public opinion here too often confuses the cause with the effect.

A typical instance is to be found in an editorial in the New York Times of December 16. Remarking on the growing number of military dictatorships, the editorial asks, "Are not the people of an American State entitled to expect from democratic neighbors some protection against such arbitrary seizures of power?"

Three years ago the New York Times was a leading advocate of the policy of official interference in Argentina which stimulated ultranationalism and aroused anti-United States sentiment in that Republic, and to which General Peron owed his majority in the presidential elections. The present trend toward military dictatorship in the Americas is in no small part due to the precedent created by the success of the military in winning popular support in Argentina as an outgrowth of the national reaction against United States pressure.

Although our interventionist policies have proved disastrous, we are now asked to believe that the remedy for the evils brought about by these policies will be a larger dose of the same medicine.

Ignoring the demonstrated sterility of nonrecognition as compared with the benefits arising from the friendly counsel that can be offered by other American governments if official channels remain open, the editorial inveighs against the Estrada doctrine which was adopted by the Organization of American States at Bogotá last spring. It calls it "a somewhat cynical dogma that encourages election by revolution."

What are the facts? The Estrada doctrine was conceived as a safeguard against our own practice in former years of withholding recognition from a de facto government as a leverage to secure political or economic concessions. The doctrine eliminates the opportunity for the exercise of such pressure by providing for a continuity of relations even if a new government comes to power through force. But it also envisages the severance of diplomatic relations should the other American governments, individually or collectively, decide that the policies of that government endanger the welfare of the new hemisphere.

From the time when President Wilson sought to promote democracy in Latin America through nonrecognition of revolutionary governments, our interference in the political concerns of other American peoples has invariably bred inter-American dissension and hostility against us, and has weakened, rather than strengthened, the national forces that make for democracy.

It is not surprising that a responsible Latin-American newspaper should already have asserted that the New York Times is demanding that the United States should frankly dictate the kind of governments Latin America should have, with Washington taking charge of the classification of those that are good and of those that are bad governments.

The New York Times concludes with the dictum, "If we believe democracy is good for us, then we must believe that it would be good for others, too."

It is precisely this assumption of national omniscience in deciding what is best for other peoples which has led in the past to such tragic anomalies as the occupation of the Dominican Republic by the United States Marines, the death at our hands of Dominican patriots, the replacement of a Dominican Government composed of United States naval officers, and the loss by the Dominican people of all individual liberty.

What warrant have we for assuming that a form of democracy which has been gradually evolved to meet the needs of the English-speaking peoples must therefore be equally responsive to the needs of peoples of a wholly different origin, tradition, and culture?

If we now seek to restrict the right of the Latin-American peoples to support or to overthrow their own governments we will destroy the regional system of the New World.

The American Republics should certainly agree upon effective measures to safeguard the essential human freedoms throughout the hemisphere.

But both the State Department and the New York Times would do far more to discourage revolutions and military dictatorships in the Americas by procuring a return to those earlier and proven policies of economic and financial cooperation which can raise living standards, increase communications, and improve education, nutrition, and sanitation, than by calling for the imposition on the peoples of Latin America of our own standards of constitutional government.

Neither democracy nor inter-American unity will be advanced by an attempt to set up a supra-sovereign power in the Americas through which the United States would have, and would certainly be suspected of having, a determining influence in the internal political life of the other American states.

The Mighty Columbia River

EXTENSION OF REMARKS
OF
HON. WALT HORAN
OF WASHINGTON
IN THE HOUSE OF REPRESENTATIVES
Friday, December 31, 1948

Mr. HORAN. Mr. Speaker, under leave to extend my remarks in the RECORD, I would like to insert the following editorial from the Wenatchee Daily World, Wenatchee, Wash. It is a very interesting discussion of the values to the Nation in the great Columbia River.

MEANS FOR OIL CONSERVATION

One of the major problems facing the world today is the future supply of oil. Even the United States, which has owed so much of its great industrial growth and high standard of living to an abundance of low-priced oil products, is now facing a situation justifying serious concern.

Oil resources are the key to diplomacy in the Middle East. Oil is needed for our huge Navy and Air Force, say nothing about our industries and for home heating requirements. In the United States oil production and consumption have run more than 60 percent of the entire world total. Its prewar (1938) per capita consumption was more than 10 times that of western Europe and about 90 times that of Asia. United States consumption has increased 75 percent since 1938.

Oilmen are facing a winter with wary optimism. They are in short supply of kerosene and the full demand is not known. The industry lacks storage space for reserves and they just managed to get by summer without gas rationing, but another cold winter might cause them great concern. Crude petroleum is selling at $2.65 a barrel, more than twice the wartime price.

The industry is faced with shortages, necessity for conservation, and new construction essential to increase their supply. The situation may well get worse before improvement is noted.

A very interesting and informative study has just been completed by Charles E. Cone, research expert for the Columbia Basin Commission on the subject of oil, coal, and hydroelectric equivalents. The study is apropos to the acute shortage of oil and how hydroelectric power is so much cheaper for production of power and heating.

The study reveals it would require 93,750,000 barrels of oil (42 gallons to the barrel) to produce the power potential of the main stem of the Columbia, 36,000,000,000 kilowatt-hours per year, or enough electricity to serve the entire Nation for 6 or 7 weeks at current rate of use. In the same respect it would take 23,500,000 tons of coal to produce the same power potential. Both oil and coal are resources, once used, can never be replaced. Water can be used over and over again for production of power. Each successive reservoir dam constructed on the Columbia increases the production of firm power.

The Federal Power Commission reports that United States is burning annually 7,000,000 tons of coal, 4,500,000 barrels of oil, and 45,000,000,000 feet of natural gas—just to generate electricity. This is confirmation of the major role that development of more cheap hydroelectric power can play in the conservation of our natural resources such as oil, coal, and gas.

Congressman WALT HORAN has repeatedly urged in congressional hearings the expansion of our Columbia River hydroelectric

power as a means of conserving our valuable oil resources. He has rightly emphasized this expansion of hydroelectric power is not in competition with the oil industry but rather assists them in conserving their dwindling supply for the Government and areas where hydroelectric power is not available. This was one of the major reasons Congressman HORAN used in urging immediate action on construction of Foster Creek Dam. In the light of this study by Charles Cone and Federal Power Commission studies, it is a valid and sound argument.

Did We Buy Socialism With Truman?

EXTENSION OF REMARKS
OF
HON. JOHN W. BYRNES
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Friday, December 31, 1948

Mr. BYRNES of Wisconsin. Mr. Speaker, under leave to extend my remarks in the RECORD, I include an editorial from the Saturday Evening Post entitled "Did We Buy Socialism With Truman?" dated December 4, 1948:

DID WE BUY SOCIALISM WITH TRUMAN?

After all that has been said in felicitation of President Truman and his gallant fight against overwhelming odds, one has to face up to what this election may mean to the future of the United States. The people didn't hate Harry Truman enough to defeat him or love Governor Dewey enough to elect him. But after all, a contest for the office of President is not a golf match and all this talk of closing ranks and showing superior sportsmanship can hardly dispose of the fact that, unless Mr. Truman's campaign promises were so much guff, the country may be in for a rough ride.

If the President had stood on the record of his public acts, the prospects would not be bad. He has been right on a lot of things, among them aid to Greece and western Europe, defense, and control of atomic energy. But these things, for which Governor Dewey also stood, were not what elected President Truman. He owes his election pretty much to the fact that some millions of people have come to accept the philosophy of the heroine of Gentlemen Prefer Blondes: to wit, that love and affection are very nice, but a diamond ring lasts a lifetime. The sterling American farmer reasoned that Dewey might be wonderful, but it was Truman who was paying the support prices. Other groups were persuaded by promises that Uncle Sam would build them a house, pay their doctors' bills, or guarantee hamburgers at 30 cents a pound. It all comes to the same thing.

President Truman is, of course, entitled to the hearty support of all citizens in his genuine efforts to promote peace and keep America free and prosperous. However, whenever the implementation of his campaign promises tempts him and his followers into measures involving a planned economy or some sort of benevolent national socialism, then the duty of such conservatives as remain in Congress becomes more complicated. In extreme circumstances it may become what it was during the first New Deal: to fight a rear-guard action to preserve as much of our free economy as possible. This blocking and tackling is a thankless and unprofitable job, but if all politicians had shirked it in the frenzied years from 1932 to 1940, the damage from the New Deal would have been more disastrous than it was.

There will be men in the new Congress, even in the President's own party, who will exert a conservative influence. It is hard to imagine SAM RAYBURN, who will be Speaker of the House, breaking his neck to help pass a too drastic civil-rights program, or Senator GEORGE, of Georgia, who will go back as chairman of the Senate Finance Committee, supporting an inflationary program. Such stalwarts seem less conspicuous in the House than in the Senate, but the run-of-mine, middle-of-the-road Democrats plus a good share of the Republicans ought to be able to erode the more bizarre items down to size. Repeal of the Taft-Hartley law may prove difficult too. The measure may be doctored up and repassed as the Thomas-Lesinski bill, but Congress is sure to debate some time before repealing the law which President Truman himself used to end the coal strike, particularly since the large industrial States voted for Dewey. With prices leveling off, the Truman demand for price control will find opposition, too. Nevertheless, the President can fairly claim a mandate for the measures he stood for in his campaign. A fair share of them will land on the statute books.

President Truman, while he may not have understood all the implications of his multitudinous promises, intends them to be carried out. Many of them sounded like irresponsible enticements by a man who realized that it was impossible to overestimate the number of crackpots on the voting lists. But Kansas City-type politics do not altogether explain Mr. Truman's campaign. Anyway, President Truman cannot now retreat from his program, the result of his decision to ignore the conservatives in his party and play for the lefties. Politically, this proved sound strategy, but it will cause a lot of headaches. The President is hooked with zealots like Senator-elect HUMPHREY, of Minneapolis, who wants to push so-called civil rights down the throat of the South. The CIO will expect prompt repeal of the Taft-Hartley law. Other pressure groups will remind Mr. Truman of his promises of price control, rent control, housing and health programs. And he'll have to go along, even if, like the Little Old Lady in the nursery rhyme, he wakes up some morning to the bewildered realization that "this is none of I."

We might as well not kid ourselves. Mr. Truman's program, as pieced together from his campaign pledges and speeches, contains the seeds of planning and a regimented economy. Call it a police state if you want to, because this is the way police states begin. The unending largess adds to the already back-breaking load on the Government credit. The consequent acceleration of inflation brings a new clamor for price control, with all the ubiquitous snoopers and spies needed to make it appear that there is compliance. When the producer, compelled to meet all wage demands, but forbidden to raise his prices, makes a squawk, he is first persecuted as an obstructionist and then forced to stand aside while functionaries of the state manage his business for him. Higher taxation discourages investment and dries up the supply of capital, so that the one remaining source for the succor of industry becomes the state. Finally, the worker, the supposed beneficiary of the intended utopia, is reminded that things are going to pot because he—quite naturally—isn't producing enough. This would be where we came in, except that, normal incentives being frowned on as Fascist, direction of labor by the state takes its place. Take it away, Sir Stafford Legree.

Too gloomy? We hope so, but it seems reasonable to expect that the country will get at least some of what it voted for. If there are people so naive as to imagine that the Truman program could be carried out under a free economy, they are in for a rude awakening. And if there are even more naive people who believe you can have a state-controlled economy without regimentation and loss of freedom, their awakening will be ruder. Of course, the voters didn't consciously vote for national socialism, but that makes little difference. The world's most prominent dictatorships started from small beginnings—social reformers giving the customers what they wanted without the least idea that they were sapping the structure of human freedom. Ironically the most tyrannical dictatorship in history began its career by informing the suckers: "You have nothing to lose but your chains."

Such hope as remains of escaping this dreary routine lies in the historic distaste of Americans for change which goes too far. If repeated defeats for old-style liberalism have not convinced the conservatives in Congress that they are facing a "wave of the future" which there is no use fighting any longer, they may take the inevitable abuse certain to be heaped on anyone who tries to check the drive toward regimentation. But the disagreeable truth is that the American people have given the green light to the planners and the big-government boys. Everywhere else in the world such people have needed but one lease on power to push their countries over the cliff. If we in America have better luck, we can hardly be said to deserve it.

Top Secret Documents Known to Reds Often Before United States Officials Saw Them

EXTENSION OF REMARKS
OF
HON. DANIEL A. REED
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Friday, December 31, 1948

Mr. REED of New York. Mr. Speaker, under leave to extend my remarks in the RECORD, I am inserting an article by Constantine Brown which appeared in the Evening Star on December 7, 1948. The article is entitled "Top Secret Documents Known to Reds Often Before United States Officials Saw Them."

THIS CHANGING WORLD—TOP SECRET DOCUMENTS KNOWN TO REDS OFTEN BEFORE UNITED STATES OFFICIALS SAW THEM

(By Constantine Brown)

The seventh anniversary of Pearl Harbor will be marked in unique fashion in Washington.

The House Committee on Un-American Activities is expected after an executive meeting today, to provide the American people with some sensational revelations of espionage inside the State, War, and Navy Departments over a 10-year period, beginning in 1937 when Russian agents first started to get the inside track in those departments.

How much of the real story will be disclosed by the committee in its public hearings depends on whether the Justice Department and other responsible departments give the green light to the subcommittee headed by Senator-elect KARL MUNDT and to the retiring investigator, Robert E. Stripling.

REDS PREPARED LINES

Because of vital security considerations it is improbable that more than a few documents out of a stack 3 feet high will be brought into public view. But even the few

offered for public observation will show how well the U. S. S. R. has prepared its lines and how it took advantage of misguided idealism, venality, and corruption to obtain the innermost secrets of this country's national defense.

Many in Washington knew about the inroads which Russian espionage and intrigue had made in this country. But they were in no position to do more than hint vaguely at what they knew, since they had no tangible proofs.

Hearsay, even when it comes from responsible officials, is not sufficient, since these officials were in danger of being "axed" if they had attempted to support their statements. Moreover, even those who were willing to risk their official necks realized that their sacrifice would do no good, since they would not be believed.

For instance, one very high official in the State Department objected in 1940—while Russia was still Germany's ally—to permitting the issuance of export licenses to the U. S. S. R. for certain materials which were to have military use. He put his objections in writing in a top-secret memorandum for the Secretary of State. Less than a week later he received a call from Constantin Oumansky, then Soviet Ambassador in Washington, asking him to come to the Embassy for a little talk.

KNEW ABOUT HIS VIEWS

Mr. Oumansky asked him why he fought Soviet-American friendship by opposing issuance of export licenses. Before the American official could recover from his surprise at learning that the Russians knew all about the views he had expressed in his memorandum, Mr. Oumansky declared:

"My friend, if you play along with us there is no telling how high you will go in the hierarchy of the Department. I would not be surprised if you were selected for the post of Ambassador to Moscow. That is, if you change your present attitude. But you won't get very far if you continue to oppose us."

Later when Maxim Litvinov replaced Mr. Oumansky after Pearl Harbor, the new Ambassador strongly insisted that unless this particular official were removed there could be no genuine American-Soviet cooperation. The official in question was saved from the ax by being transferred to a foreign post far from any Soviet influence.

There were many such incidents throughout the years preceding and during the war. They showed clearly how remarkably well informed the Soviet Government was on almost every phase of our life. Although our security services were strictly forbidden to attempt to break the Russian codes, there was sufficient information to convince our security officials that few of our top secret documents were not known to Moscow, sometimes before the highest-ranking American officials knew about them.

Meaning of America

EXTENSION OF REMARKS
OF
HON. WALT HORAN
OF WASHINGTON
IN THE HOUSE OF REPRESENTATIVES
Friday, December 31, 1948

Mr. HORAN. Mr. Speaker, under leave to extend my remarks in the RECORD, I would like to include the following article from the person column of Mr. Fred C. Koch, editor and publisher of the East Wenatchee Journal, East Wenatchee, Wash.

Mr. Koch was born in Russia and at an early age he moved to the United States. During the war he served his Government in Germany and assisted in setting up the first publications among the newly liberated population. Mr. Koch has a keen understanding of the real values of America and what a privilege it is to live here.

I believe that you will enjoy reading this fundamental article.

A certain salesman for a well-known Wenatchee establishment went calling on his trade up and down Wenatchee Avenue the other morning.

On this particular morning, he caused an unusual stir among several of the people he was wont to contact on these daily tours.

He was wearing one of those new Dewey-Warren campaign buttons that have been blossoming out on coat lapels all over town the past few days.

One of the salesman's stirred-up friends took him quite severely to task because he, as a salesman calling on customers of every political walk of life, should be flaunting his political beliefs in his lapel buttonhole.

The salesman was no fool. He gave the needler a reply that put his criticism in its place. He said:

"Listen! You can be damned thankful I'm permitted to wear this button—and that you are permitted to wear any button you want to wear.

"That's one of the fine things about this country.

"In some countries, they would tell both you and me what kind of a button we can wear—and it would be one and the same button, whether you or I liked it or not."

The salesman's critic was satisfied.

Before any of us becomes critical of the political button his neighbor wears, or what political card he displays in his business, we should remember this little piece of pointed repartee and be very thankful there is more than one campaign button, and more than one face on campaign posters for President and for other offices in the country.

That's one of the essential parts of Americanism. When you criticize a man for wearing the colors of his party, you're criticizing him for being American.

In fact, when you begin to do that, you're beginning to show symptoms of the disease called totalitarianism.

The country needs two strong political parties. It also needs a third party like whatever shaggy Henry Wallace's calls itself. The country needs this third party to remind the other two that they must always keep their fences in order or they will disintegrate into heterogeneous bodies, none in itself an important or widely representative factor in the body politic.

It will be a sad day for America if and when its two major parties wane in strength and number, and if in their place half a dozen or more parties spring into existence, all stronger than our present minor parties.

Then, the predominant party will never represent the majority of the people, and the Government will be a Government by minority. It was just such a situation in Germany that permitted a minority group, the National Socialists, to seize power. The Nazis in 1932 were not representative of the majority of the German people, but the non-National Socialists were so split up among so many various and sundry parties, that they, the Nazis, became the strongest among the many.

In the days when the Republican Party meant high tariffs and the Democrats meant low tariffs, people could belong to either party without being hesitant to expose their affiliation in public. The public in general didn't know anything about tariffs and cared less. A good, honest Democrat then was considered as good an American as a Republican—and the other way around.

Then, in 1932, came the forgotten-man era. In the stress and strain of economic reverses that were world-wide in nature and a direct outgrowth of the First World War, political savants and shysters together exploited an economic disaster by making the party in power the goat in the eyes of the American people.

A forgotten man was concocted, and the Republican Party as a whole was blamed for an economic condition that grew out of a war fought under a Democratic administration. The long and short of the political chicanery was that for a time not too many years ago a Republican was made to appear as the next thing to a Fascist in the minds of a great many American people.

It is an unfortunate thing for the political welfare of the country when a Democrat is reluctant to wear a Truman button and a Republican fears to wear a Dewey button for fear of reprisal and boycott. This is the product of political intolerance—an intolerance created willfully by politicians of the murkiest water who seek to smash their way to power by employing prejudice, class hatred, and any device to discredit and malign the opposition.

There are millions of pretty doggone fine Americans in both major American political parties—but what the leaders of these parties will have to remember is this: America comes first—even above the party. Whenever the party resorts to forgotten-man tactics that breed class hatred, it weakens America more, and for a longer period, than it weakens the opposing party.

Anything that sets neighbor against neighbor over political differences is alien to the welfare of our country—and if there ever was a time when the people must be united, it is now. The American people can save the ideology of the western world from the ravages of communism, but only if they remain united as Americans regardless of political party affiliation.

I am a Republican, and I am not ashamed or afraid to wear a Dewey-Warren button—because I am an American.

If I were a Democrat, I would not be afraid or ashamed to wear a Truman-Barkley button—because I am an American.

The only insignia I would be ashamed to wear on Wenatchee Avenue or anywhere else would be the hammer and sickle—because I am an American.

Report of the Veterans of Foreign Wars Ladies Auxiliary Cancer Research Fund

EXTENSION OF REMARKS
OF
HON. EDITH NOURSE ROGERS
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Friday, December 31, 1948

Mrs. ROGERS of Massachusetts. Mr. Speaker, under permission to extend my remarks in the CONGRESSIONAL RECORD, I wish to submit a report of the Veterans of Foreign Wars Ladies Auxiliary cancer research fund, sent to me by Mrs. Grace H. Davis, national secretary of the Veterans of Foreign Wars Ladies Auxiliary. This organization is to be commended upon the fine, generous work they are

accomplishing in the so important fight for cancer control. The report follows:

REPORT OF NATIONAL CANCER RESEARCH CHAIRMAN

To the Officers and Members of the Ladies Auxiliary to the Veterans of Foreign Wars:

After my appointment as national chairman of the cancer research fellowship fund of the ladies auxiliary to the Veterans of Foreign Wars, the first objective was to find a place where we could best center our activities.

Letters were written Dr. Frank Adair and Dr. Charles Geschicter and I personally contacted Dr. Raymond McNeely and Mr. Harrison, vice president of the Chicago University. All these men are noted for their work in the field of cancer. They were very much interested in our project but suggestions made by them were such that we, as an organization, would not retain our identity.

About that time Past National President Anna Mae Shaw sent a clipping to the national secretary, Grace H. Davis, on the burning and total destruction of the Jackson Memorial Laboratory at Bar Harbor, Maine. In that tragic fire of the Maine woods one of the most important laboratories and the only one of its kind was lost to the world of science. When this clipping reached me I wrote at once to Dr. C. C. Little, director for information, on the possibility of our organization being of help in rebuilding the laboratory. The letter was mailed from Gallup, N. Mex., on November 26, and the morning of November 29, I received a telegram from Dr. Little saying that the trustees were very much interested and an air-mail special delivery letter would leave their office the following Monday, giving suggestions as to how the ladies auxiliary, VFW, might be of assistance to the laboratory.

At a conference with the national president, Dorothy Mann, and the national secretary, Grace H. Davis, in Denver early in December it was decided that the Roscoe B. Jackson Memorial Laboratory would receive the help of the ladies auxiliary in rebuilding the summer research laboratory and it would be known as the ladies auxiliary to the Veterans of Foreign Wars summer research laboratory.

Letters were sent each department president explaining the project and asking that a department chairman be appointed, who would in turn contact the auxiliary presidents asking that local chairmen be appointed. No quota was set but it was suggested that the goal be $1 per member, all donations to come from members. This was followed by letters giving information on the laboratory and on the subject of cancer. Approximately 500 letters were mailed to department chairmen. An article was published each month in the auxiliary bulletin.

It was my privilege to meet Dr. Little in New York City just prior to the patriotic conference in Washington, D. C. He showed and explained architect's drawing of the summer laboratory, explaining plans for new buildings. I was very happy to have Dr. Little accept an invitation to come to Washington a few days later and speak to the members attending the conference at a luncheon. I feel assured that all who heard Dr. Little were greatly inspired. Dr. Little commended very highly the program of the national president and said the ladies auxiliary, VFW, was the only organization of its kind to offer help.

At the request of the national president I attended meetings in Denver, Colo., Oklahoma City, and the midwinter conference in Indianapolis, Ind., speaking on the subject of cancer research and the ladies auxiliary summer research laboratory.

A report of moneys contributed is herewith attached. It is with great pleasure that I am able to report that while the total amount hoped for was not reached, we will be able to fulfill our promise and I am sure by the time of the national encampment the amount of $50,000 will be paid Dr. Little, director of the Roscoe B. Jackson Memorial Laboratory.

My personal thanks to the members who responded so generously in making this program a success. I have enjoyed working on the cancer research program and express my sincere thanks to our national president, Dorothy Mann, for the privilege of being national chairman of this outstanding program.

Respectfully submitted.

EVELYN B. MONACO.

Total contributions for cancer fund July 31, 1948

Alabama	$126.06
Arizona	1,483.00
Arkansas	5.00
California	3,151.37
Colorado	836.11
Connecticut	500.00
Delaware	335.50
District of Columbia	384.05
Florida	810.65
Georgia	220.00
Idaho	10.00
Illinois	2,114.80
Indiana	5,123.25
Iowa	2,325.57
Kansas	1,020.83
Kentucky	645.15
Louisiana	168.73
Maine	944.28
Maryland	526.00
Massachusetts	2,201.57
Michigan	6,081.07
Minnesota	1,081.13
Missouri	2,185.00
Montana	1,269.00
Nebraska	1,037.50
Nevada	90.00
New Hampshire	370.15
New Jersey	3,880.02
New Mexico	307.82
New York	2,458.83
North Carolina	796.25
North Dakota	714.00
Ohio	4,957.82
Oklahoma	312.00
Oregon	415.30
Pennsylvania	4,932.31
Rhode Island	160.00
South Carolina	370.25
South Dakota	420.01
Tennessee	254.20
Texas	1,117.31
Vermont	316.50
Virginia	446.33
Washington	1,374.20
West Virginia	521.60
Wisconsin	2,671.89
Wyoming	382.70
Alaska	231.00
Hawaii	650.00
Canal Zone	15.00
Total	62,751.11

Spy Ring Exposed

EXTENSION OF REMARKS

OF

HON. JOHN E. RANKIN

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Friday, December 31, 1948

Mr. RANKIN. Mr. Speaker, under permission granted me to extend my remarks in the RECORD, I am inserting the espionage report of the Committee on Un-American Activities together with certain documents, released to the press, which constitute a part of the report.

The Committee on Un-American Activities has uncovered one of the greatest spy rings in history, one that reached into the vitals of the State Department and probably other departments of the Government, and undoubtedly carried on its treasonable espionage throughout the war.

The information they got and passed out to foreign governments undoubtedly fell into the hands of Japan and contributed to the horrible disaster inflicted upon our Navy at Pearl Harbor, to say nothing of the men who lost their lives on the various battle fronts of the world, as a result of this treason during the succeeding war years.

I wish every patriotic American could read this document and these releases and understand their far-reaching implications.

Then they would appreciate what the members of this committee have gone through under the abuse of the enemies within our gates, their stooges, and fellow travelers during the last few years.

The report of the committee follows:

COMMUNIST ESPIONAGE WITHIN THE UNITED STATES GOVERNMENT

INTRODUCTION AND SUMMARY

Communist espionage has broken through the security forces of the United States Government and made off with secret information of both military and diplomatic character concerning our national plans, policies, and actions.

This espionage system has been carefully developed over a period of more than 25 years and it has been successful to a degree alarmingly critical to the welfare and safety of the people of this Republic.

Following are some details, drawn together from testimony taken by the House Committee on Un-American Activities in recent months, concerning the operations of just one such Communist apparatus set up in Washington, D. C., for the benefit of world communism.

This report should be read as a supplement to the committee report of August 28, 1948, which dealt with operations of that same Communist apparatus known up to that time. It should also be read with the thought in mind that many of the more intimate and extensive particulars of evidence sworn to by witnesses under oath are not here disclosed. The committee is withholding these for the time being because the Department of Justice and other agencies of the executive branch are undertaking to bring prosecutions against faithless Government servants and other Soviet agents on the basis of existing law.

The experiences of the committee in collecting the evidence on which this report is based have led us to recommend new legislation, particulars on which will be found in the closing chapter of this document.

BACKGROUND INFORMATION

Forty-eight hours after publication of the Russo-German pact of August 23, 1939, one Whittaker Chambers, a Communist agent, decided to abandon communism. He tried to see the President of the United States to expose the nature and details of the Communist conspiracy in this country.

He was unsuccessful, but finally did reach Assistant Secretary of State Adolf Berle and gave him an outline of his activity, on the basis of which Secretary Berle took notes from him for an hour and a half.

In 1941 Chambers furnished similar information to representatives of the Department

of Justice, the effect of which was to indicate that he, Chambers, had been an important member of a Communist apparatus in Washington which was still at that time operating among officers of the United States Government holding positions in high public trust.

On August 3, 1948, the committee subpenaed Whittaker Chambers before it in connection with its investigation of Communist espionage within the Government. He then gave testimony concerning the operations of the Communist apparatus and information which he had sought to disclose to the executive branch of the Government in 1939.

After receiving Chambers' first sworn public testimony, our committee and its staff of eight investigators began a diligent investigation of his credibility and started exploring the many leads offered.

This procedure led finally to the public confrontation before our committee in Washington on August 25, 1948, of Whittaker Chambers and Alger Hiss, president of the Carnegie Endowment for International Peace, a former special assistant and director of the Office of Special Political Affairs, United States Department of State, and a former Secretary General of the San Francisco Conference for the drafting of the United Nations Charter.

As a result of the evidence obtained by our investigators, plus the testimony brought out in the public hearings of Hiss and Chambers, this committee issued an interim report on August 28, 1948, from which report the following quotations should be helpful in reviewing the present status of the current espionage investigation:

QUOTATIONS FROM COMMITTEE'S REPORT OF AUGUST 28

"Not until the House Committee on Un-American Activities began its current hearings on the subject did the general public have any knowledge that the now established and disclosed Communist espionage activities had reached into vital positions of high authority in Government. Not until these hearings began did the general public or even the average Member of Congress have the evidence upon which to base decisions concerning the new legislation essential to our national security under prevailing conditions. Not until these hearings began did the people to whom this Government belongs have any direct evidence as to the men and methods being employed to subjugate our freedom to the tyranny of a foreign totalitarian power. The false security of complacent ignorance is much worse than having either no security or no complacency at all.

* * * * *

"It was not until our public hearings had proceeded for some time that it was definitely established that Alger Hiss and Whittaker Chambers knew each other personally and rather intimately during the precise period of time that Whittaker Chambers testified that their associations took place. Mr. Hiss testified that he knew Whittaker Chambers by the name of George Crosley, but he positively identified the man known today as Whittaker Chambers as the man he knew. He testified unequivocally that he not only knew Chambers (by the name of Crosley) but that he let him use his apartment without ever receiving payment for it, that he loaned Chambers money, that he loaned or gave him an automobile, and that he had even kept Mr. and Mrs. Chambers and their baby in his own home overnight on one or more occasions. Thus the connection between Alger Hiss and Whittaker Chambers, as a man-to-man relationship, stands without challenge confirmed by the testimony of both men and the public hearings held by this committee. This fact had never been established by other investigations.

"It should also be noted that the stark fact that Alger Hiss and Whittaker Chambers, a self-confessed paid Communist functionary and espionage agent, were acquainted with each other, and did have numerous transactions and associations together, is of far greater significance under the circumstances than whether Chambers was known to Hiss by the name of 'Carl' or 'George Crosley.' This fact has been established without challenge for the record by the public hearings of this committee, although through the years it had been established by no other investigation.

"Hiss will be given every opportunity to reconcile the conflicting portions of his testimony, but the confrontation of the two men and the attendant testimony from both witnesses has definitely shifted the burden of proof from Chambers to Hiss, in the opinion of this committee. Up to now, the verifiable portions of Chambers' testimony have stood up strongly; the verifiable portions of the Hiss' testimony have been badly shaken and are primarily refuted by the testimony of Hiss versus Hiss, as the complete text of the printed hearings will reveal.

* * * * *

"As a result of the hearings and investigations which have been conducted by the committee to date, these facts have been clearly established: (1) There is no doubt whatever but that Chambers from 1931 to 1938 was a paid functionary of the Communist Party and that from 1934 to 1937 he operated as a member of the Communist underground among Government workers in Washington. (2) The refusal of Nathan Witt, John Abt, Henry Collins, Lee Pressman, and Victor Perlo, to answer any questions concerning their activities as members of this group on the ground of self-incrimination, and to answer as to whether or not they were members of the Communist Party during that period is in itself strong corroborative evidence for Chambers' story. (3) By his own admission Hiss knew Chambers for a period of at least 10 months during the period in question and possibly longer. It is also clear that Hiss knew Chambers very well as indicated by his admission that he sublet his furnished apartment to him, that he met him on various occasions for lunch, that on at least one occasion he gave him a ride to New York from Washington, that for several days the Chambers family visited in the Hiss home and that he loaned money to Chambers, and that he gave him an automobile. (4) While admitting that he knew Chambers, Hiss still denies that he knew that Chambers was a Communist, and that he, Hiss, was a member of the Communist Party at any time.

"Hiss testified on August 16 and 17 that at the time that he leased his apartment to Chambers he gave him a 1929 Ford automobile. In his testimony in the public session on August 25, however, when confronted with documentary evidence which committee investigators produced that he actually had transferred the car in 1936 to the Cherner Motor Co., who the same day transferred it to one William Rosen, Hiss changed his position on the car and testified in a manner which to the committee seemed vague and evasive. He stated that he could not recall whether or not he gave the car to Chambers or whether he loaned it to him. He could not recall whether he gave it to him at the same time he sublet the apartment to him or whether he did so several months later after Chambers had left the apartment. He had no recollection whatever of having transferred the car to the Cherner Motor Co. although he admitted that the signature on the transfer of title was his own. He said that it was possible that he could have given the car to Chambers and that Chambers could have given it back to him, and that he later could have transferred it to the Cherner Motor Co. but that he could not recall what happened.

"This much concerning the testimony in regard to the car can definitely be concluded. Hiss stated on August 16 and 17 that he sold or gave the car to Crosley (Chambers) at the same time that he sublet the apartment to him, and that at the time that he did this he had another car which he himself was using. A check of the records by the committee staff showed that Hiss did not acquire another car until several months after the apartment transaction was concluded and that he actually transferred the car over a year later to the Cherner Motor Co.

"His vague and evasive testimony on this transaction raises a doubt as to other portions of his testimony. In this connection, it should be observed that on 198 occasions Hiss qualified his answers to questions by the phrase "to the best of my recollection" and similar qualifying phrases, while Chambers, on the other hand, was for the most part forthright and emphatic in his answers to questions.

* * * * *

"The committee again calls upon the Attorney General to forward to the Congress at the earliest possible date recommendations for strengthening the espionage laws so that they will be adequate to deal with the Communist conspiracy.

* * * * *

"It is also imperative that the Attorney General proceed promptly to call the New York special grand jury back into session to consider his recommendations on the disposition of the evidence he has placed before it. The public has the clear right to have this proceeding concluded by indictments where indicated, by a no true bill where warranted, and by a full report by the Attorney General on his disposition of the case.

* * * * *

"The final report will not be delayed a day beyond that necessary to complete the vast amount of investigation, interrogation, and exploration which lies ahead of us and the staff investigators and subcommittees which will move forward diligently on this vital matter."

RECENT DISCLOSURES

Subsequent to the public confrontation before this committee, Chambers repeated his charges against Alger Hiss in a radio program in response to a challenge by Hiss to do so. Thirty days later Alger Hiss brought suit against Whittaker Chambers in Federal court in Baltimore, Md., charging libel and slander. November 17 pretrial depositions were being taken by the attorneys for Mr. Hiss, and during the examination of Chambers he was asked, in substance, whether he had any documentary material to support his allegations.

Thereupon Chambers submitted a number of typewritten documents which he said Hiss had given him. Chambers said these documents had been copied from State Department records, most of which were very confidential and classified as restricted to high Government officials for use and knowledge.

Alexander Campbell, head of the Criminal Division of the Department of Justice, was called in immediately, and the material was turned over to him. The various participants in the deposition were directed, in the interest of national security, to keep silent on the whole matter. On December 11, 1948, there appeared in the column of a Washington newspaper an item to the effect that new and sensational information had been submitted in the Hiss-Chambers controversy. Later the same day the United Press stated:

"[From the Washington Daily News of December 1, 1948]

"HISS AND CHAMBERS PERJURY PROBE HITS DEAD END

"The Justice Department is about ready to drop its investigation of the celebrated Alger Hiss-Whittaker Chambers controversy, it was learned today.

"Department officials still have 'under study' the question of a possible perjury prosecution. But officials said privately that unless additional evidence is forthcoming they are inclined to forget the whole thing.

"The perjury question arose when Mr. Chambers, an admitted ex-Communist, who is now with Time magazine, charged under oath that Mr. Hiss was a member of a prewar Communist underground in official Washington. Mr. Hiss, a former State Department official, denied it—also under oath.

"Their conflicting statements were made during House Un-American Activities Committee's hearings last summer on Communists in the Government. The committee turned their testimony over to the Justice Department for a perjury investigation.

"One Department source said that on the basis of available evidence officials in charge of the case believe it would be unwise to take it before a grand jury. But he emphasized this attitude could change overnight if the House committee or the Department's investigator dig up some new evidence.

"The FBI has taken part in the Department's investigation. Attorney General Tom C. Clark has assigned the case to Special Assistant John Ford Baecher and United States Attorney George Morris Fay."

The suggestion of the United Press story greatly disturbed members of the committee who had, all this time, continued to press their own investigation. On the same day Representative RICHARD NIXON and the chief investigator to the committee, Robert E. Stripling, proceeded to Westminster, Md., to question Mr. Chambers, and to obtain, if possible, any evidence in his possession which related to espionage or other illegal activities. Mr. Chambers, when questioned by Mr. NIXON, stated that he had been informed he would be in contempt of court if he discussed what he had submitted at Baltimore, at the pretrial hearing.

Chambers did not tell Mr. NIXON what evidence he had submitted at the pretrial examination except that he indicated it was highly important. That night when the chief investigator and Mr. NIXON returned to Washington, representatives of the FBI were immediately informed of the conversation.

The following morning, upon instructions of the committee, a subpena was issued for Chambers calling upon him to produce all documents or material in his possession dealing with this case. While this was not the first subpena served upon Chambers by the committee, it was the first subpena calling for documents.

It should also be remembered that no other Government agency had ever before issued a subpena upon Chambers calling for documents, though he had, in September, been summoned to New York before a special Federal grand jury on espionage as a result of the disclosures he had made in his first public hearings by this committee the month previous. When he received the committee subpena for papers on December 2, Chambers said he was prepared to turn over all information in his possession, and thereafter he was accompanied by committee investigators Wheeler and Appell to his home in Westminster, Md., where he produced the five rolls of microfilm.

Three rolls were encased in a lightproof metal cylinder sealed with tape. However, one of the cylinders had been mashed or opened previously, and Chambers informed the investigators at the time of handing them over that he felt sure that this roll had been light-struck and would be worthless. These three rolls of film, he informed the committee agents, were undeveloped. The other two rolls had been developed and were wrapped in oilpaper.

The two agents marked and identified the developed film and unopened containers and returned to Washington, arriving about midnight. Investigator Appell locked the film in his bureau in his home and brought it in to the committee offices at 9:15 the following morning. It was submitted to the chief investigator, who examined the developed film through an enlarging equipment and determined that secret and confidential documents of the State Department were pictured thereon.

He then instructed Mr. Wheeler to proceed with the developed film to the laboratory of a photographic technician in the Treasury Department, for the purpose of taking enlarged pictures.

Mr. Appell, upon instruction, proceeded to the photographic laboratory of the Veterans' Administration with the undeveloped film, where a photographic expert formerly with the FBI carefully developed and preserved the evidence in full.

The committee wishes to emphasize that this film received expert technical attention from the time it was received by the committee from Mr. Chambers to the present time, and that none was destroyed or lightstruck after it was surrendered to the committee.

IMPORTANCE OF THE EVIDENCE

State Department officials have testified before the committee that publication of some of these documents even today, more than 10 years after they were originally written would endanger the national security.

An indication of the wide diversity of the subjects covered, and the confidential character of the messages involved, can be obtained by referring to the appendix of this volume, in which are reproduced those documents which have been approved for release by the State Department.

Perhaps the most significant and disturbing feature is the fact that Messrs. Sumner Welles, John Peurifoy, and Francis B. Sayre, present or past high State Department officers, all agree that with documents of this type in their possession, agents of foreign governments would be able to break the most secret diplomatic codes of the United States.

Following is an excerpt from the testimony of Mr. Sayre:

"Mr. NIXON. Mr. Sayre, in this connection I have been somewhat interested in comments of some columnists and, in fact, one case attributed to an anonymous source in the State Department—I say 'anonymous' because the official sources have spoken completely to the contrary on this point—to the effect that the information contained in these documents wasn't important anyway and it didn't make much difference if the Russians did get it or anything else.

"Do you agree there was nothing important or nothing wrong with turning this stuff over?

"Mr. SAYRE. I violently disagree, not only because of the substance of these cables, but because some of them were in the highly confidential codes.

"Now, some of those codes—for instance, the Gray code, so-called—I suspect that other governments had that, but they didn't have these highly confidential codes; and for these telegrams to get out at the time they did meant that other governments could crack our codes, and that, I think, is indescribably horrible.

"Mr. NIXON. In other words, it is not only a question of this information, but it is the question of the potential information which they might have obtained?

"Mr. SAYRE. By cracking the code, which gives them the run of the whole thing."

This, in fact, means that not only did the government which received these identified documents have access to the information available in them, but that they, without question, also had complete access to all of the secret and confidential messages transmitted by the State Department during the period involved, through knowledge of the code system. Since this was in the general historical era of the Stalin-Hitler pact, it is also likely that Nazi Germany and subsequently Japan may have known our State Department secret codes and communications, before and during the war.

It should also be kept in mind that the documents which Mr. Chambers turned over to the committee, and in the pretrial hearing, constitute only 1 week's supply of information and a very small proportion of the total volume which Chambers had transmitted to the Soviet Union prior to the time he decided to break with the Communist Party.

Chambers' testimony is that he first started to microfilm documents and transmit them to the Soviet Union in the early part of 1935, and that the operation had continued weekly until April 1938.

If the documents which have been released by the committee, only 1 week's fraction of the total volume which Chambers had obtained and transmitted to the Soviet agents, were the only documents which reached the Soviet Union, the committee would consider the effect on United States security serious enough.

However, the testimony of Whittaker Chambers is that during the 2 years previous to the receipt of this particular batch of documents, he had been running a veritable espionage production line out of the State Department and other departments of the Government, the output of which was being funneled to Moscow by way of a skillfully run transmission belt.

HOW CHAMBERS GOT THE DOCUMENTS

Chambers testified that he had two sources of information in the State Department. His principal source, from which he obtained most of the strictly confidential documents, operated in the following manner:

The source would bring the documents out in a brief case and take them home. There, Chambers would take over the brief case and go on to meet a photographic expert at a prearranged place. The expert would take the brief case and documents to a laboratory in Baltimore, put the documents on film, and would return the brief case and contents to Chambers the same night.

Sometimes Chambers stated it would be as late as 1 in the morning before he got the brief case back. He would then proceed to the home of his source, deliver the brief case, and the documents would be returned to the State Department files.

Chambers would then pick up the microfilms in Baltimore, place them in a tobacco pouch, and carry them to New York, where he would deliver them to a Colonel Bykov, of the Soviet espionage system, who was at that time known to Chambers only as Peter.

Because the committee does not wish to hamper the prosecution of cases under the jurisdiction of the Department of Justice, we are not making reference at this point to the names of the people whom Chambers has given as coconspirators in this criminal activity.

As far as the committee has been able to determine, Colonel Bykov had no official position in this country and was an illegally present alien spy.

The committee has taken the detailed testimony in as many aspects of this case as possible without interfering with the grand jury. It has before it evidence of the manner in which Colonel Bykov approached the sources of information within the Government and arranged, in cooperation with Chambers, for the furnishing of this information which Chambers swears was sent to the Soviet Union.

The leaders of the Russian underground in this country caused to be delivered to four high sources in the Federal Government, who had been unusually productive, expensive Russian Bokhara rugs, in appreciation for

their unusual service to the Soviet Union. The committee at this time is withholding the names of the recipients and the details in order not to interfere in the present investigation of the Federal grand jury on espionage now convened in New York City.

However, at the proper time, we intend to make full disclosure, not only of this rug deal, but all matters of evidence, with specific details, as to one of the most serious espionage cases in the United States history.

Chambers testified that between 1932 and 1938 he obtained documents from the State Department, the Bureau of Standards, the Aberdeen Proving Ground, and certain information from the Navy; also that the same ring with which he worked got vital information from key United States industries. The documents pictured on the microfilm, which had been developed at the time we secured them from Chambers, were highly confidential and classified documents from the Department of State, the most important of which came from the office of Assistant Secretary of State Francis B. Sayre.

These documents bore the official stamp of Mr. Sayre and have been identified by him as having been taken from his office. Four people had access to these documents once they arrived at Mr. Sayre's office, namely, Francis B. Sayre, Alger Hiss, his first assistant; Eunice Lincoln, his administrative assistant; and Anna Belle Newcomb, secretary and stenographer for the office.

The committee had before it Mr. Sayre, Miss Lincoln, and Miss Newcomb; all emphatically denied under oath that they had ever turned any documents over to any unauthorized person.

The microfilmed documents in question, which were secret and confidential for the Secretary of State only and which were sent in the highest code, were delivered to Mr. Sayre's office from the code room of the State Department in a black metal box. When this box arrived at Mr. Sayre's office, it was opened by Miss Lincoln with a key provided for the office by the code room for that purpose only.

When Mr. Sayre's office had finished studying the documents, which sometimes took several days, the documents were placed back in the black box, locked by Miss Lincoln, and returned to the code room by code-room messengers, where, with duplicate key, the box was reopened and the contents filed in the code room's guarded record office.

The testimony of Mr. Sayre and Miss Lincoln brought out that it was a practice for both Mr. Sayre and Mr. Hiss to take documents in their brief case from the Department of State at night to their homes for study. Miss Newcomb and Miss Lincoln both testified that they had never taken any documents themselves from the State Department.

When Miss Lincoln and Miss Necomb were shown photostatic copies of the typewritten and handwritten documents which were submitted by Whittaker Chambers at the pretrial examination in Baltimore, both testified that these documents were not typed in the State Department and that the character and form of the documents were such that they could not have been prepared for the purpose of transmitting information in the regular course of State Department business.

Mr. Sayre testified that the handwritten memos had not been prepared by Mr. Hiss for him or under his instruction. Mr. Sayre also testified that he could see no reason why the typewritten documents could or would have been prepared in the regular course of State Department business. He denied that these typed or handwritten documents were brought to his attention.

The committee is satisfied, as a result of the technical investigation and determinations which have been made by typewriter experts, that it has been conclusively established where and on what machine these documents were typed.

In addition to the typewritten documents submitted at the pretrial examination in Baltimore, and in addition to the microfilms which Mr. Chambers submitted to the committee, Mr. Chambers also produced, at the pretrial examination, three documents written in the hand of Alger Hiss, the text of which appear in the appendix of this report.

When these documents were shown to Miss Newcomb, she testified that they were not of the type which Mr. Hiss would prepare in connection with the regular duties he performed in the office of Mr. Sayre.

Mr. Chambers also testified that he received and transmitted to Russian agents information concerning a new self-sealing aviation tank developed by the Navy, the metallurgical formula dealing with the Norden bomb sight, and the lists of foreign intelligence agents and naval intelligence reports.

THE EXTENT OF THE CONSPIRACY

The real dimensions of this case and its seriousness have been obscured to an extent by the controversy which has centered around Mr. Hiss and Mr. Chambers.

It now appears from the testimony and evidence before the committee that there were at the time when Chambers operated as a spy, parallel apparatuses functioning inside our Government with equal success, and that they have continued. The evidence clearly indicates that the Chambers apparatus continued to function for at least 1 year after he broke away, and it has now been clearly established that at least four of the individuals who were acting in the Chambers apparatus were also acting as late as 1945 in the parallel apparatus exposed to this committee by Elizabeth Bentley in the fall of 1948.

We have no evidence to indicate that the operations of this second apparatus do not continue to the present time. The committee knows that the desire on the part of Russian Communists for information from America is necessarily stronger today than it was before or during the war. We also know that the cooperative techniques existing between the Communists in Russia and the Communists in America are still intact, and that there are Communists in Government today.

"Take the State Department for example. Between January 1, 1947, and July 29, 1948, a total of 134 individuals were dismissed 'for security reasons' from the Department of State alone. The screening and dismissal program is still continuing and is still highly important to our national security. Between July 29, 1948, and December 16, another 17 individuals have been removed from the State Department rolls 'for security reasons.' Of the total figure of 151 State Department people removed from the Federal pay roll because of findings of the Department's security board, 91 cases might be classified as of acute significance and 60 cases classified as secondary risks or bad general security cases.

"America must remain alert to this grave danger within our gates and within the citadels of our protection since the conspiracies of Communist espionage are a current and continuing threat to our national peace and security."

The committee desires to emphasize, in citing these statistics from the State Department, it is not singling out the State Department for special criticism. At this time, this is the only department on which we have the current authentic statistics. It should be added that Assistant Secretary of State Peurifoy is doing a fine public service with his security officers in identifying those disloyal elements remaining in the State Department and in having them removed from the Federal pay roll. This committee expects to continue its full cooperation in helping to obtain this objective in the State Department, as well as in all other departments of the Government.

WHEN DID THE CONSPIRACY BEGIN?

Mr. Chambers has testified that he first became active as a courier for the Communist espionage ring in 1932, and that he had every reason to believe that the ring had been in operation for several years before that time. Chambers further testified that, several months after he broke with the Communist Party, he was informed by a member of the ring that another person had taken his place as courier for his apparatus.

GEOGRAPHICAL EXTENT OF THE OPERATION

In testimony which Mr. Chambers gave to the committee on December 28, the committee questioned him for over 5 hours concerning operations of the Communist underground involving other facts than the Hiss-Chambers case, as well as that specific apparatus. Mr. Chambers said the espionage ring recruited its personnel primarily in the United States for operation in other countries, including Japan, Germany, France, Finland, and China. Mr. Chambers also disclosed to the committee that, in his position as courier for the party, he on one occasion took a money belt from New York to San Francisco containing approximately $10,000 for the purpose of financing west coast spy operations.

ENORMITY OF CRIMES INVOLVED

We cannot overemphasize the enormity of the reprehensible crimes involved in the act of furnishing a foreign power with documents of vital security import. Here are crimes imperiling not merely a single individual but millions of Americans in the event of war and, as a matter of fact, the security of the Nation as a whole. Such acts precipitate wars, they destroy the fruits of martial victory, and they endanger the basic institutions of freedom upon which our liberties depend. They should receive the condemnation of all real Americans. They transcend in importance any considerations of partisanship or any bickerings between individuals or departments of government. All branches of government should cooperate in exposing the existence of these crimes and in bringing full punishment to all involved.

CONCLUSION

We have outlined now what has happened to date. There are two problems:

1. What can be done to punish and expose those who were responsible for what has happened in the past?

2. What can be done to avoid such a thing happening in the future?

The committee will continue to follow the definite leads developed through evidence now before it. We have agreed with the Department of Justice not to interrogate in public hearing a selected group of witnesses to be called in connection with prosecuting the perjury indictment of Alger Hiss. Consequently we are unable in this report to pursue to their logical ends many of the leads on which the committee has already developed substantial evidence. However, from the evidence at hand, we are convinced that by diligently pursuing its activities on this case our committee, if aided by equally diligent activities by the Department of Justice, will secure further indictments or confessions in connection with these espionage activities.

In connection with the problem of what can be done to avert the continuation or recurrence of espionage, we make the following recommendations:

1. Passage of legislation modeled substantially after the so-called Mundt-Nixon bill, which passed the House last year by a roll-call vote of 319 to 56.

2. The espionage laws of the United States should be substantially strengthened by early laws of the new Congress, with special attention to means for returning aliens to other

countries upon conviction for crimes against the United States.

3. The penalties for those properly cited for contempt of Congress should be increased to a minimum of 5 years in prison and a $5,000 fine.

4. Our immigration laws and passport visa regulations should be carefully studied to determine what changes are necessary to prevent disloyal elements from entering this country and remaining here.

5. Finally we believe that the work of the committee and its far-reaching results provide a tribute to the foresight and persistence of the House of Representatives for creating and supporting for the past 10 years its own committee, which has been in the forefront of those forces combating the evil of communism which has become such an imminent threat today to our Christian civilization.

As a result of this decade of service, the House now has at its disposal the greatest file against un-American subversive forces which exists anywhere in the world today. The committee should be continued.

L'ENVOI

Our committee has learned with genuine regret that Chief Investigator Robert E. Stripling has submitted his resignation and is returning to his native State of Texas to enter private business.

It is our studied opinion that Bob Stripling has become one of the best informed men in the United States on the identities, the tactics, and the end objectives of the Communist conspiracy. He has few equals and no superiors in his knowledge of the treacherous methods of disloyal, un-American elements in this country.

At considerable sacrifice to himself and family he has for more than a decade suffered the carping criticisms of the Communist clique in this country and the uninformed attacks of honest citizens who have been misled by irresponsible reports of his activities and motives. He has been a bulwark in the fight to maintain freedom in America. It will be a task of unrivaled difficulty to find a replacement for him. Both in private life and as a soldier in the late war, Bob Stripling has been a splendid exemplification of the type of patriotic, clear-thinking, and unselfish young men upon whom America must depend and whose devotion to public service and duty is a credit to our way of life.

Unanimously approved by the subcommittee, December 30, 1948.

Now, Mr. Speaker, here are some of the documents which were released with the approval of the State Department. The first one is a document the experts say is in the handwriting of Alger Hiss.

Here it is:

March 3. Johnson, United States chargé at London, cabled that Lord Chatfield had told the naval attaché that, whether escalation was eventually decided or not, he would not change his plans for cruisers this year, and in any case, new battleships would not be laid down before the end of the current year.

[Date: December 6, 1948. EI/HJEG:ml, No. 1749]

To: Director, Inspection-Investigation Service.

From: Chief, Identification and Detection Division.

Subject: Handwriting examination of Hiss-Chambers case.

1. On this date, Mrs. Lillian E. Howard, representative of the Un-American Activities Committee, personally and informally submitted four photostatic copies of what appears to be handwritten notes identified as Q–1, Q–2, and Q–3. Mrs. Howard also submitted document identified as K–1, understood to bear the known writings of Alger Hiss. It is requested that the known writings of Alger Hiss appearing on K–1 be examined and compared with the questioned writings as they appear on exhibits marked Q–1, Q–2, and Q–3 to determine identity.

2. The writings above-mentioned were carefully examined and compared and as a result of such a study, it is concluded that the person responsible for the writings appearing on exhibit K–1 purported to be the known writings of Alger Hiss, also wrote the notes appearing on photostatic copies identified as Q–1, Q–2, and Q–3.

3. The evidence as submitted by Mrs. Howard was personally returned to her and the examination was made in her presence.

HAROLD J. E. GESELL.

[Vienna: Dated February 13, 1938. Received 3:50 p. m., Feb. 13]

SECRETARY OF STATE,
Washington.

17, February 13, 6 p. m.
My 16, February 13, 1 p. m.

Reports from reliable source indicate that Hitler made unacceptable demands and that Austrian Government is now formulating counter proposals. Government inaccessible to Diplomatic Corps. Even French Minister who was promised appointment, has been unable to see Schmidt. It seems possible that Hitler is seeking foreign political triumph at the expense of Austria to redress adverse effect of party crisis.

Innsbruck correspondent of an American news agency reports Ribbentrop passed through today en route to Italy. Rumors from several sources alleged that Schuschnigg had long telephone conversations with Mussolin before proceeding to Berchtesgaden.

Small Heimwehr demonstration this afternoon for Starhemberg. Austrian legitimists reported discouraged over probable course of events.

WILEY.

FAR EAST

February 11: Lockhart, United States counselor of Embassy at Peiping, cabled that reports indicate that the Japanese are continuing preparations for advances southward along the Peiping-Hankow Railway, and in Shansi. The number of Japanese troops going south on that railway has increased; the number of Japanese forces on the Taiyuan plain has been increasing; railway materials have been sent south, presumably for repair of the line destroyed south of Changteh; Japanese expeditions to cause the retirement of irregular forces west of the Peiping-Hankow Railway and north and south of the Shikiachuang-Taiyuan Railway have reportedly increased for the purpose of rendering flank attack against the Japanese more difficult. Rumors of a western movement of Japanese in Suiyan cannot be confirmed in Peiping.

February 11: Gauss, United States consul general in Shanghai, cabled that the University of Shanghai in the Yangtzepoo district, which was occupied by Japanese military and naval units, was adjacent to a golf course which was being used as an airfield.

EUROPE

ENGLAND, *January 24.*

Johnson, United States chargé at London, cabled that the United States military attaché informed him that a representative of the British Air Ministry had intimated that day that his authorities would probably request through the British Ambassador in Washington permission to purchase certain American aircraft. The first item will be not less than 12 Boeing B–17 models for delivery within 12 weeks.

The Air Ministry hopes special consideration will be given by the appropriate American authorities for release for sale of these Boeing machines and other aircraft to be specified later.

SPAIN

January 21: Bay, United States consul in Seville, cabled:

"Political optimism described in my December 7 has been rudely shaken by events of Teruel. Moral effect of the loss of that city far outweighs military significance but ultimate liquidation of the affair is expected by operation now developing. Information received from widely separated sources indicates General Franco was on the point of launching a drive on Guadalajara to take off from Jadraque with intention of completing encirclement of Madrid when attacked at Teruel. These circumstances are generally regarded as merely delaying final victory.

"Tightening of frontiers which still continues is attributed to plot against France. Information from German sources is to the effect that a number of civilians were recently executed in this connection at Caceros. Method of granting leaves to members military forces has been revised and restricted. Masters and crews of foreign merchantmen are not permitted to go ashore in Seville exception being made for ships of nations having relations with General Franco.

"Foodstuffs, especially meats, scarcer than last year and prices substantially higher. Hotels and restaurants still continue to serve articles not available in local markets. Retail stocks practically exhausted."

WARSAW

No. 38, March 29, 4 p. m.:

"One. I learn following in strictest confidence from Beck and his associates:

"(A) Beck gained distinct impression in conversations with Mussolini and Ciano during Beck's recent Rome visit that they both shared Beck's view in respect to Danubian Valley: whereas Italy focused its attention on the Mediterranean and Poland on the Baltic neither would like to see the hegemony of any country develop further in the Danubian Valley.

"(B) Of pertinent interest moreover during adjournment of Anglo-Italian conversations Mussolini had recently pointed out Italy was fundamentally interested in ascertaining the extent to which Britain would be interested in doing something to bring about economic and other appeasement in that area which had been disturbed by recent events (such as Austria). My informants added that in other words Mussolini's soundings on this score indicated Mussolini's interest in embarking on a potential counterpolicy vis-à-vis Germany's suspected aspirations in Danubian Valley; the counterpolicy envisaging economic assistance to rescue the Danubian and Balkan States from being swept into the German camp.

"Two. My informants added their opinion that Britain would probably be inclined to leave treatment of this problem in abeyance until current obstacles still retarding an Anglo-Italian solution of the problem in Spain will have been eliminated."

BIDDLE.

[Tokyo, February 12, 1938. Received 1:10 p. m.]

SECRETARY OF STATE,
Washington.

100, February 12, noon. Strictly confidential:

"1. My British colleague who talks to me freely and so far as I can judge frankly, has told me of the following conversation with the Minister for Foreign Affairs on February 9 which would appear to be significant owing

to the marked change in the Minister's usually placid, courteous, and friendly bearing. The fact that for the first time in our respective dealings with him Hirota twice lost his temper with Craigie might be due to nervousness engendered by the strain of the current sessions of the Diet or the mounting irritation at the tone, insistence, and volume of Craigie's continual representations both oral and written in connection with British interests in China or perhaps to both. The Minister's demeanor tends to confirm reports which have come to both Craigie and myself that Hirota is steadily becoming harder and more intransigent as regards foreign interests in the Far East and that it is Hirota rather than Suctsugu who leads the ultra chauvanistic element in the Government. I myself have as yet seen no outward demonstration of any change of attitude on Hirota's part as regards American interests.

"2. The conversation referred to arose when Craigie informed the Minister that he is in possession of evidence indicating that Japanese forces have occupied several of the smaller Chinese islands in the general vicinity of Hong Kong and again asked for specific assurances that the statements of the Japanese Government that it has no territorial designs in China apply as well to the islands as to the mainland. According to Craigie the Minister in some instances in their intercourse became very angry, inveighed against the continual British demands for renewed assurances, said that under present war conditions Japan had given all the assurances that can reasonably be expected, and asserted that if the warfare is prolonged Japan may be forced to occupy more territory whether insular or on the mainland. If the warfare becomes permanent, said Hirota, the occupation will also be permanent. Referring specifically to Hainan, Hirota said that the Japanese could not possibly give a permanent pledge not to occupy. Craigie pointed out that whereas Hong Kong cannot be regarded as a threat to Japan the occupation of these islands by Japanese forces does constitute a very real threat to Hong Kong. The general tone of this conversation appears to have been acrimonious.

"3. Craigie is aware that there are large concentration of Japanese troops in Formosa (see our 61, January 31, 6 p. m.) and of Japanese ships in the port of Takao and he believes that an attack on Canton or some other point in south China is impending.

"4. Craigie's general reaction to this conversation with Hirota is that the longer the warfare is prolonged the greater will be the likelihood of permanent occupation by Japan not only of the islands but of territory on the mainland. He believes that Japanese assurances of "no territorial designs" are likely to be withdrawn at short notice. These prospects so seriously concern British interests that he contemplates recommending or has already recommended to his Government (a) that continued support of Chiang Kai-shek, whether by furnishing war supplies and funds or otherwise, is detrimental to British interests and, (b) that the British Government should be alert to foster any outlook for peace negotiations which might leave to China any hope of eventual resurrection.

"5. Craigie is informed and believes that it was the Japanese industrialists and politicians and not the military who favored and brought about the withdrawal of recognition from the Central Government.

"6. I think that the nature of the conversation reported above indicates that our own practice of concentrating our representations to the Minister on important issues and with discreet timing is likely to prove more effective than the British practice of constantly hammering by almost daily notes, letters, and other communications with continual personal visits to the Minister or the Vice Minister both on important and routine issues. The British procedure appears to be based on the theory that constant hammering will wear away a stone but in the present temper of the Japanese Government and military this practice is liable to defeat its own object through the irritation which it inevitably engenders, clearly demonstrated in Craigie's last interview with the Minister. The representations of the American Government are at least listened to with respect and an evident inclination on the part of the Foreign Office to meet our wishes so far as the military can be influenced in that direction.

"7. About 2 weeks ago Craigie told me that he had heard from a trustworthy source that there was to be a change for the better in the Japanese attitude toward Great Britain and that press and other agitation against the British was to be discontinued. I did not put much stock in Craigie's information. Since then General Matsui in the interview which he gave to Woodhead sharply criticized the British for trying to create political issues out of the problem of preserving British economic and commercial interests in China while the Japanese press has expressed the conviction that it was Great Britian which initiated the three power démarche with regard to naval construction. The feeling in Japan against the British is not in our opinion altogether artifically created as Craigie believes it to be but flows from the conviction that the British are constantly endeavoring to establish a common front against Japan in order to preserve British political and economic interests in the Far East."

Repeat to Hankow.

FREW.

Mr. Speaker, here is a "strictly confidential" memorandum to the Secretary of State from the Honorable William C. Bullitt, dated February 16, 1938.

It reads as follows:

[Paris. Dated February 16, 1938.
Received 3:47 p. m.]

SECRETARY OF STATE,
Washington.

249 February 16, 5 p. m. Strictly confidential for the Secretary:

The Austrian Minister has just read to me a telegram which he received this morning from Schuschnigg. It indicated that Schuschnigg has by no means given up hope of maintaining Austrian independence.

Schuschnigg had confidence that Seyss-Inquart, although a pan-German, would not work in an underhand manner for the introduction of Nazis into the regime.

Amnesty would be extended at once not only to Nazis but also to Social Democrats. This amnesty would, however, not include those who had emigrated from Austria thus excluding from the country all those Austrian Nazis who are now in Germany.

The right to conduct political propaganda would be extended not only to the Nazis, but also to the Monarchists and Social Democrats. Those Nazis who had been excluded from office and pensions because of their political opinions would have their pensions restored but would not be given their former offices.

The position of Schuschnigg was, I gathered, the following: That he would continue to struggle for Austrian independence; that he believed this independence could be maintained in the long run only if there should be reconciliation between England, France, and Italy; that he considered recognition of Ethiopia essential for any such reconciliation since the Italians were genuinely convinced that the British at some future date would attempt to drive the Italians out of Ethiopia which would mean the collapse of the Fascist regime in Italy.

Section 2. Schuschnigg felt that the actions which he was about to take would produce a temporary breathing period but in the end would prove to be just as unsatisfactory to Hitler as his actions which followed the accord of July 1936. He expected therefore that at some future date Germany would attempt again to repeat the Berchtesgaden coup and would mobilize if necessary on the Austrian frontier. He would make no further concessions. He could not attempt to fight Germany alone and if faced by German mobilization would have to resign.

The question of Austrian existence as an independent state therefore depended on the possibility that before Hitler again should become sufficiently irritated to mobilize on the Austrian frontier there might be reconciliation between England, France, and Italy and an agreement between those states to support Austrian independence.

The Austrian Minister added that he believed the extension of amnesty to the Social Democrats would add greatly to the strength of Schuschnigg's regime as the Social Democrats would be the strongest opponents of a gradual nazification of Austria.

In contradiction of the opinions expressed above with regard to Seyss-Inquart I was told this morning by a gentleman who says he knows Seyss-Inquart intimately that the latter is a 100 percent Nazi by conviction although a devout Catholic and that he will insert Nazis gradually into all vital posts and strike for a decision in a few months.

BULLITT.

[Gray, Tsingtao via N. R. Dated January 13, 1938. Received 10:30 a. m., January 14]

AMERICAN EMBASSY, PEIPING.
AMERICAN EMBASSY, HANKOW.

SECRETARY OF STATE,
Washington.

For War Department from Dorn.

Peiping and Hankow please transmit to military attaché. No. 17, January 13, 3 p. m.

"Japanese Army troops beginning to move west on railway. Tsingtao airfield being cleared of debris and rocks. Boom across the entrance to inner harbor partially cleared and two freighters and one man-of-war tied up at docks this morning. Only artillery seen was old 77-millimeter Krupp type. Great amount of supplies being landed. Japanese consul general expects Japanese community to return within a month."

SOKOBIN.

[No. 31]

AUSTRIA, GERMANY

February 16: Wiley, United States chargé at Vienna, cabled the Cabinet changes approved by Miklas the preceding night, adding that he was informed through official sources that the German Government had demanded action on its requests by midnight and had staged an impressive military demonstration along the frontier.

February 14: Gilbert, United States chargé at Berlin, cabled that Hemmen, former German counselor of Embassy at Buenos Aires and the negotiator of the Canadian-German commercial agreement of 1935 and the German-French agreement of 1937 and now in the economic section of the Foreign Office, was being sent to the United States. He would travel around securing economic information and would be available after the signature of the United States-British trade agreement to discuss possibilities of negotiating a trade agreement between Germany and the United States.

February 17: Phillips cabled from Rome that Ciano said that while the inclusion of Seyss-Inquart in the Cabinet meant "a pronounced increase of German influence in Austria he nevertheless felt that it was far better to have cooperation between the two governments since any increase of Austrian opposition or hostility to Germany might of

itself be an invitation to Hitler to take some drastic step. Ciano also told me that there would be very much closer cooperation between the German and Austrian Armies and that during the next year there would be an exchange of high ranking officers between the two armies."

February 18: Gilbert, United States chargé at Berlin:

"The military attaché reports that as a result of numerous conversations and discussions with army sources he is convinced that the agreement reached with Austria as a result of the Hitler-Schuschnigg conversations contains military clauses providing for the gradual 'assimilation' of the Austrian Army into the German.

"Presumably this military agreement covers: (1) Unification of tactical doctrine through adoption of similar textbooks, (2) Austrian adoption of German military organization, (3) gradual introduction of uniform weapons, (4) coordination of war plans.

"The military attaché believes that within the relatively near future there will be evidence of a military alliance through the appointment of standing military missions by each country to the other country.

"As a corollary of the foregoing it is believed here that further changes in the Austrian Government will be announced shortly which will include the appointment of a pro-German Chief of Staff of the Austrian Army."

JAPAN

On March 30 the Department cabled to the United States legations at Costa Rica and at Panama:

"The Department has learned from a presumably reliable source that certain Japanese have approached the E. W. Creevy Trading Co. with respect to the possible purchase of a manganese mine said to be owned by that company on Cocos Island."

March 31. The United States Legation at Panama replied:

"Neither of Creevys in Panama since December nor has shown active interest in Panama manganese although reported developing Guanacaste, Costa Rica, deposits. No manganese deposit or Creevy interest in Costa Rican Cocos Island heard of in presumably informed sources in Panama but confirmation by the legation at San José is suggested.

"Creevys reputedly capable of such deal or of publicizing fictitious foreign offer for promotion purchases."

April 1. United States Legation at San José, Costa Rica, cabled that there were no manganese deposits on Cocos Island, that the Creevys had available 4,000 tons of the Guanacaste coast of Cocos Bay.

March 31. The Fourth Regiment of United States Marines stationed at Peiping (?) cabled that one regular Japanese division had recently been transferred from central China to Japan.

March 23. United States consul at Dairen in a cable referring to commercial treatment of American products stated that a few days before a permit entry had been granted for 1,000 American motortrucks purchased by the authorities in Hsinking.

Vienna. Dated February 15, 1938. Received 12:32 p. m.

SECRETARY OF STATE,
Washington.

Rush.

20, February 15, 1 p. m.

My telegram February 14, 9 p. m.

Dined last night at a large dinner given by Schmidt with Chancelor Schuschnigg, Seyss-Inquart, members of the Government and diplomatic corps. Atmosphere most oppressive. To French Minister Schuschnigg described visit to Berchtesgaden as the most horrible day of his life. He says that Hitler undoubtedly a madman with a mission and in complete control of Germany. Hitler openly told him of his desire to annex Austria and declared that he could march into Austria with much greater ease and infinitely less danger than he incurred in remilitarization of the Rhineland. Schuschnigg admits that appointment of Seyss-Inquart is highly dangerous but states that he will make it in order to avert the worst. In respect of Italy, Schuschnigg declared that he can count only on moral not material support.

Schuschnigg is attempting to make best of bad situation and was in a long and friendly conversation with Seyss-Inquart. Hornbostel is in utter despair and states openly that there is nothing left for him to do but to leave Foreign Office.

Italian minister claims that he was informed of Berchtesgaden meeting on the 11th and denied that Italy took any initiative in the matter. He telegraphed full information to Mussolini. Latter however is engaged in winter sports and up to last night Ghigi had no information that his messages had reached the Duce. Italian Minister gives anxious impression.

Papal Nuncio admits that Seyss-Inquart may be good Catholic but fears nevertheless that it is the beginning of the end.

The French minister who has been here 5 years states that this is the most critical moment since July 1934. "It is not the end. It is the moment before the end." In his opinion Austria can only be saved by immediate reconciliation of France and England with Italy and energetic joint act. Enderrs author of May constitution made identical remark this morning.

In my opinion Austria's situation is most unfortunate and menacing. If Seyss-Inquart is loyal his appointment would not be a solution. If he is disloyal it is a catastrophe. Germany probably plans gradual Danzigfication and any unsupported efforts of Schuschnigg may make to outmaneuver Seyss-Inquart can at best only retard this process.

Repeated by telegraph to Paris, London, Berlin, and Rome.

WILEY.

March 26, Lane, United States Minister at Belgrade, cabled:

"Minister of War restated to me yesterday that construction of Yugoslav fortifications on German frontier which was initiated prior to anschluss is proceeding. Yugoslav Government now evincing active interest in coming to agreement with Standard Vacuum Oil Co. respecting duty on crude oil due to military necessity of gasoline reserves. General Maric discounted importance of recent incidents in northern part of the country attributing them to local political rather than to international causes.

"Assistant Minister for Foreign Affairs said to me this morning that general European situation appears calmer; that Hitler will not attack Czechoslovakia realizing that such action would lead to general coalition against Germany, and that war will probably be averted for 2 years at least."

Now, Mr. Speaker remember the preceding documents were released to the press on Sunday, December 12, 1948.

The next set which I submit were released December 16, 1948. The first document, according to experts, was in the handwriting of Alger Hiss and reads as follows:

About March 2, United States Embassy in Paris cabled that although France was permitting shipment of military supplies to China via Indochina only to fill existing orders, it was understood that this restriction was being liberally construed. For instance, the military attaché had learned that China had recently placed an order in France for 30 Potez-63 planes, one of the latest French types, a light bomber-pursuit.

Here are some more. Remember that these documents were not released by the committee until the State Department had been consulted. They read as follows:

Reliable source reports that since signing the Tripartite Anti-Comintern Pact an agreement has been reached whereby complete Italian and German military aircraft engineering and designing data, plus the services of technical advisers, are made available to Japan.

A Shanghai Mail report states that German experts on ordnance and airplane matters are now in Japan.

American military attaché at Hangkow paints gloomy picture of China's present military plight. States that a Chinese counter-offensive is unthinkable and he doesn't believe a force that can offer serious resistance can now be created.

Japanese are reported to be moving 80,000 fresh troops from Japan via Mukden. First of these troops arrived at Mukden on December 17. Believes they are destined for the northern frontier. Barracks with a capacity of 50,000 troops are reported to have been erected at Chaimussu and Poli in northeast Manchuria. Other barracks with capacities for 100,000 troops are reported to be located between railroads which are rapidly being pushed to the Mongolian and northeast frontiers. Japanese agents are reported to be fomenting action by Mohammedans in Ninghsia and Chenghi to harass the Urunchi-Lanchow Road.

JANUARY 8, 1938.

A-S.

MR. SAYRE: I am returning the German aide-memoire which you sent me on November 23 together with a memorandum by Mr. Darlington.

The position taken in this memorandum seems to me entirely sound. There is much to be said for the view that a continued unsympathetic attitude on our part would tend to weaken further the position of the more moderate elements in the German bureaucracy. Moreover, when our concessions to be made to the United Kingdom and Canada are withheld from Germany, economic pressure on Germany will be increased and the drive toward autarchy will be given greater impetus, results diametrically opposed to what we are striving to achieve through the trade-agreements program.

It is not the intention of course that any public steps be taken to conclude a trade agreement with Germny prior to the elections in the fall of this year. However, the period between now and then might well be utilized in carrying on informal and confidential exploratory discussions with a view to working out answers to the difficult questions involved.

Mr. Darlington points out that a trade agreement with Germany holds greater possibilities for an expansion of our exports, particularly of agricultural products, than an agreement with any other country, and that such an agreement would probably be an important force making for world peace. These points seem to me to be also well taken.

If a memorandum indicating a readiness to enter into exploratory discussions were given to the German Embassy it would be desirable to inform them that such discussions must be of an informal and confidential character.

Since the subject is of such outstanding importance, I believe it would be desirable for it to be further discussed with the interested division. I believe that you will wish, therefore to send the file next to Eu, since it has not yet been seen by that division, and then back to EA for consideration of our comment.

HARRY C. HAWKINS.

March 29: Carr, United States Minister at Prague, cabled a summary of the Prime Minister's speech of the 28th. After noting the reference in the speech to future minority measures, Carr said "no mention made of new measures though they are probable since in addition to Chamberlain's suggestion we know that British and German ministers think further measures and improved administration essential."

March 28: Phillips, United States Ambassador at Rome, quoted the communiqué in the Informazione Diplomatica on Chamberlain's speech. In referring to the communiqué's warning against French intervention in Spain, Phillips said:

"There is every evidence that the Italian Government is seriously preoccupied over the possibility that France may intervene actively in behalf of the Spanish Government forces. One such indication is the effort to speed up negotiations with Great Britain, two conversations between Ciano and Perth having taken place over the week end."

Yokohman reports that Mr. Aikawa is scheduled to sail from Japan on the M. S. *Shichibu Maru* February 24 for the United States. According to a newspaper item in the Japan Advertiser Mr. Aikawa hopes to raise $300,000,000, in the United States. Another Japanese newspaper item states that the success of Mr. Aikawa's efforts in the United States depends upon Mr. Aikawa's ability and upon the attitude of the American Government toward his venture.

FE: Jones: NN.

[London, No. 257, March 28, 8 p. m.]

My 241, March 23, 7 p. m.

I have just finished an hour's talk with Grandi, who recently returned from Italy.

First, he is vitally concerned regarding America's opinion of Italy. Second, he informed me that the agreement with England will positively go through within the next few weeks; the Spanish situation will not stop the agreement, settlement of that problem being taken care of. Third, he impressed me with the fact that the Italians will heave a sigh of relief on making this deal with England, which will relieve them of being so closely identified with Germany. In answer to Moffat's letter to me of March 14, I would say that in my opinion the successful conclusion of this agreement would definitely weaken Italy's connection with Germany.

Grandi was not particularly flattering in his opinion of Goering; Hitler we did not discuss. He is very impressed with Chamberlain and says that he has enjoyed the last month in England more than the previous 5½ years because of the Prime Minister's attitude.

KENNEDY.

EUROPE

January 5. Bullitt cabled from Paris that Leger, in charge of the Foreign Office in Delbos' absence, had told him that the French Government was very apprehensive lest the United States become involved with Japan. Leger said that alone Britain would do nothing in the Far East, no matter how insulted. But if the United States should go to war with Japan, Britain would join in and this would leave France alone in Europe. Leger said that in such an eventuality Germany and Italy would strike at once and France would be no match for them.

January 12: Bullitt cabled that Prunas, new Italian chargé in Paris, had told him that Germany and Italy had reached complete agreement as to Austria and that Italy did not object to Germany's taking over Austria. Bullitt asked whether in that event the 300,000 Tyroleans might not become a danger to Italy. Prunas replied that it was already agreed that the Tyroleans would emigrate to Germany. Germany had expressed a desire for farm laborers and some 25,000 had already been sent. When this was completed Italy would be safe at the Brenner.

January 12: Bullitt cabled that Delbos had told him that Poncet reported from Berlin that the Germans would agree to a limitation of production of military planes and that in general prospects for a French-German rapprochement were encouraging. Delbos said in addition that he believes there was complete understanding between Germany and Italy as to Austria.

No. 9.

ENGLAND

On March 29, Kennedy, United States Ambassador to London, cabled about the British desire to proceed without delay with discussions under paragraph 3 of article 25, The cable added:

"Captain Wilson in conversation with Admiralty officials was told that the British are anxious to fix a limit of about 42,000 tons which they believe will give a well-balanced ship carrying nine 16-inch guns. They feel that the next higher logical limit would be about 47,000 tons, providing a balanced ship of twelve 16-inch guns."

On March 30 Hull replied by cable agreeing to proceed at once with the discussions under paragraph 3 of article 25.

A typed dispatch of February 26 from the American Minister to The Hague referred to his dispatch No. 182, dated Februray 14, "Wherein it was reported that a secret understanding has existed since 1934 between the Netherlands and British air forces."

GERMANY

On March 30, Wilson, United States chargé at Paris, sent cable No. 497, 8 p. m., as follows:

"A German friend formerly in the diplomatic service who maintains relations with Von Neurath has just arrived here from Berlin. He tells me that the leaders of the party are urging Hitler to move quickly against Czechoslovakia in order to take advantage of the favorable situation created by French weakness and British unpreparedness. Their thought is that when the Czechoslovak proposal for dealing with minorities is known it should be treated as a sort of Berchtesgaden arrangement, denounced as unsatisfactory, disorders to take place in the Sudeten country with an appeal for the assistance of German troops.

"My informant said that Von Neurath and others were playing for time and counseling that no aggressive action be taken at least until after Hitler's visit to Rome."

ITALY

April 1, Wilson, United States consul at Genoa, cabled:

"Have just heard from reliable confidential source that order issued last Tuesday placing fleet from La Spezia to French boundary under 6 hours sailing orders has now been canceled."

FAR EAST

March 28. Grew, United States Ambassador to Tokyo, cabled that the commercial attaché had been informed by an official of the Bank of Japan of the following gold shipments (presumably to the U. S.): 20,000,000 yen on March 27 via the *Kinkwa Maru*, 20,000,000 yen via the *Komaki Maru* on April 8, and 30,000,000 yet via the *Titibu Maru* on April 9.

United States Marine detachment at Tientsin reported by naval radio on March 28 as follows:

"During 21–28 March approximately 700 Japanese wounded or sick evacuated via Chinwangtao. No unusual troop movements. Hospital ship unloading supplies, nature undetermined."

January 22: From Tsingtao, Dorn, of the United States military attaché's staff, cabled that the Japanese landed one battery of truck-drawn 10-centimeter howitzers and four batteries of horse-drawn 77-millimeter guns.

January 22: Johnson, United States Ambassador to China, cabled from Hankow the following message from Stillwell, United States military attaché, for the War Department:

"One. Military situation Yangtze Valley unchanged. Death of Liu Hsiang and appointment of Chang Chou as Szechwan Governor gives Central Government better hold on Szechwan. Japanese making progress toward Hsuchowfu along railroad from south. Believe Hsuchowfu will not hold long.

"Two. Reliable report from foreigner with long experience in northwest indicates heavy traffic on (?) Lanchow (?) highway. Estimates 1,500 heavy Russian trucks operating hauling munitions. Daily arrivals Lanchow 100 to 200 trucks. He has counted 400 in one day. Saw 4 Russian tanks and over 50 Russian planes at Lanchow on January 1. Highway being surfaced throughout. Large gangs Chinese laborers working. Seven hundred Russian mechanics, chauffeurs, etc., quartered in village near Lanchow handling transport. Individual truck capacity 4 tons. Russians are chauffeurs west of Lanchow; only Chinese chauffeurs east thereof."

January 27: Lockhart, of the United States Embassy in China, cable from Peiping that on January 25 a Japanese officer had ordered the evacuation of the science, chemistry, and biology buildings of the National Tsinghua University. All equipment would have to be removed by January 27. The officer explained that the buildings would simply be borrowed for use as barracks for 3 or 4 months and were needed for housing part of the 20,000 Japanese troops that were to arrive in Peiping shortly.

January 28: Harrison, United States Minister at Geneva, cabled that he "learned this morning in strict confidence from vice president of board of managers of Swiss National Bank that Japan has been putting out feelers regarding possibility of obtaining a large loan in Switzerland. He gave me to understand that the Swiss National Bank is definitely unfavorable."

January 28: Lockhart cabled from Peiping that American military observers at Peiping estimate that 60 trucks and 18 narrow-gage locomotives arrived in North China between January 19 and January 25. According to French observers 10,000 effectives arrived in North China and 3,000 departed during first two weeks in January.

January 29: Sholes, United States consul at Milan, cabled that "80 Italian aircraft and 50 Italian airmen, some recently returned from Spanish front, it would appear, have been ordered to Japan. Embassy was informed aircraft shipments January 25 last. My British colleague called upon me today. His figures place aircraft sent at 50."

January 29: Lockhart, of United States Embassy at Peiping, cabled that as a result of the protests of the United States the Japanese military authorities had decided not to quarter troops in the Tsinghua University buildings.

January 30: Grew cabled from Tokyo that the United States military attaché had supplied him with a memorandum stating substantially the following:

"An unusually large number of Japanese troops has been assembled in Formosa, one estimate from Warner at Taihoku running as high as 100,000. Great secrecy is being maintained regarding this force, and it has been impossible to determine its strength, composition, or location.

"However, the presence on the island of Formosa of anything beyond the normal garrison, which is usually not greater than 10,000 men, is significant at this time." The memorandum added that Formosa is obviously in no danger of attack by the Chinese and is a good base for attacks on Amoy and other coastal cities.

January 31: Hull cabled Phillips, United States Ambassador to Rome, to investigate fully the report of the United States consul at Milan that 80 Italian aircraft and 50 airmen had been ordered to Japan. Hull said that President Roosevelt was disturbed that a number of Italian aircraft and especially aviators of the regular or reserve forces should be ordered to Japan. Hull added that if Phillips' investigation showed any basis for the report he would probably ask Phillips to make a direct inquiry of Italy.

February 2: Lockhart cabled that he had been informed that the decision not to quarter troops in Tsinghua University had been changed and the original plan would be adhered to.

February 2: Grew cabled from Tokyo that the British Ambassador informed him that war supplies to China through Hong Kong had been furnished by countries according to the following percentages: Germany, 62 percent; Italy, 21 percent; France, 12 percent; and Great Britain, 3 percent. The remainder were divided between Belgium and the United States. Craigie had told Grew that he took particular pleasure in communicating these figures to the Japanese Vice Minister for Foreign Affairs.

Now, here is a very interesting letter which discloses that back in 1937 there was sentiment in some quarters of the State Department for trade relations between the United States and Germany. It reads as follows:

DECEMBER 31, 1937.

MR. HAWKINS: I am returning the aide-memoire which was handed to Mr. Welles by the German Ambassador on October 21, 1937, and sent to you by Mr. Sayre for comment on November 23.

We have come, I feel, to a rather important point in our commercial relations with Germany. Over 2 years have passed since Germany ceased to enjoy most-favored-nation treatment in this country; a year and 9 months ago the Germans made their proposal for the restoration of that treatment; a year and a half ago the imposition of countervailing duties was announced; and a year has elapsed since trade was resumed on the basis outlined in the Treasury Department's release of December 23, 1936. Since German-American commercial relations first reached a stage of advanced deterioration considerable time has slipped away without any constructive step having been taken by this country to place them on a better footing.

During this time, moreover, we have given the German Government no encouragement whatever to take such a step. We did not invite or reply to its earlier proposals; we have expressed ourselves on several occasions in terms critical of its commercial policy; and in the memorandum handed to the German Ambassador in July to which the present German aide-memoire is a reply we offered the German Government no incentive to respond even in terms cordial to our commercial policy, much less with a concrete and constructive proposal.

In these circumstances it seems to me that considerable importance is to be attached to the conciliatory language in which the German aide-memoire is written and to the constructive nature of its general tone. I would like to call your attention particularly to the following passages:

"The German Government shares the opinion expressed in the aide-memoire of the Department of State of July 21 of this year that the most-favored-nation treatment is the best and safest foundation of international trade. The German Government has advocated and adhered to this opinion for decades. The application of the principle of most-favored-nation treatment, however, finds its limitation in the necessity of self-preservation of the nation. If Germany today, in her international trade practice, does not put this principle into effect fully it is not because she desires to replace it by a better, so-called bilateral system; it is because the German Government against its desire, has been compelled to take recourse to emergency measures the draw-backs of which it fully realizes and the detrimental effects of which have repeatedly and clearly been pointed out by Reichsbankpräsident Dr. Schacht, the author of the so-called New Plan. * * *

"The German Government is entirely willing to adjust its trade policy to the principle of free exchange of goods as soon as the necessary prerequisites have been established in the other parts of the world, namely within the field of general currency stabilization, solution of the debt problem, and equal access to raw materials. The prerequisites cannot be produced by Germany in her present financial and economic situation. They must be brought about by those states that have disturbed the equilibrium within the other spheres.

"The German Government regrets that the United States up to now has not seen its way to cooperate in finding an interim solution which would have furnished a practical contribution to the realization of its repeatedly declared intention of increasing international exchange of goods.

"Germany is ready and willing to accord to the United States the same favorable treatment as it does to any other country. * * *

"The German Government which has expressed far-reaching acknowledgement of the principles of American trade policy, has repeatedly endeavored to place the trade relations between Germany and the United States upon a new foundation guaranteeing the extension of their mutual exchange of goods.

"The German Government believes to be in accord with the Government of the United States that a just balance of the economic interests of Germany and the United States on the markets of third countries must be counted among those factors which can serve international economic development and the establishment of universal peace, and that this balance will be achieved if the economic competition of the two peoples is guided by fairness and mutual respect."

When the German Ambassador presented this aide-memoire to the Acting Secretary on October 21, he asked Mr. Welles if he would study it with sympathetic consideration and if he "would likewise please make an effort to read not only the lines but between the lines as well." This desire, that we should read "between the lines," was expressed in these same words on another occasion by the First Secretary of the German Embassy who, I understand, was responsible, with the Ambassador, for drafting the aide-memoire. The First Secretary in this conversation also stated that Germany is in a position now to go considerably further in what it can offer to make possible an understanding with the United States than it was in the spring of 1936.

The memorandum of Mr. Welles' conversation with Herr Dieckhoff continues, after the above passage, as follows:

"He said this memorandum was the result of his own conversations with his Government in Berlin when he was recently there and was due to his efforts to try to prepare the ground for a more favorable understanding by the German Government of the policy of the United States with regard to a more liberal trade tendency. The Ambassador said that he thought perhaps this memorandum would prepare the way for a further exchange of views between the two Governments, which he hoped would be constructive and lead to a more normal trade relationship between Germany and the rest of the world."

It is true, of course, that the aide-memoire, as EA points out, contains a certain amount of the old argumentation attempting to justify Germany's present policies and does not offer specifically and in detail any "new constructive basis for rearranging German-American trade relations."

The numerous passages quoted above, however, give it also another aspect and make it capable of another construction. Its whole tone, the references to an interim solution, and the Ambassador's statements surely provide grounds for the belief that the German Government's attitude toward the broad problem of Germany's commercial relations with the United States may have undergone an appreciable change and that that Government may now be ready to make an effort, considerably greater than it made in the spring of 1936, to reach an agreement with us. EA, it appears, recognizes this aspect of the aide-memoirs in suggesting, as one of three possible courses of action now open to us, that we might "put aside all argument and attempt to formulate a proposal stating the terms on which we might restore Germany's most-favored-nation privileges."

Whether or not we go this far, it would certainly seem to be not the best policy for us to devote all our attention to the unfavorable aspect of the aide-memoire, to ignore its favorable aspect, and to be influenced by so doing into giving an unsympathetic reply which would constitute a rebuff to such overtures as the German Government may be making in it.

Then, Mr. Speaker, the State Department official goes on to show how he thought the United States would benefit from relations with Germany. Here is what he says:

The maintenance of an unsympathetic attitude by this Government is not to the disadvantage of Germany alone: It has unfortunate consequences also for us. Three of immediate significance may be mentioned first:

(a) Of paramount importance is the reaction that failure on our part to respond to German overtures has upon the position of the moderates in government and business in Germany who are seeking to restrain the party extremists. The old German civil service is still largely intact and, while in many ministries it has been diluted by the infiltration of party members, its influence under the surface, especially in the Foreign Office where a minimum of party men have gained entrance, is considerable. This influence, as is well known, has been exercised to temper the policies of the party, and has been a constant element making for moderation and restraint. A continued negative attitude on our part toward Germany and German overtures plays directly into the hands of the party extremists, and correspondingly weakens the position of the men in the various ministries who might like to see Germany's commercial policies shaped more in harmony with ours, and who could advocate our point of view in Berlin, more effectively than we can, if they were provided with some basis upon which to do it. It might be in our interest, on one occasion at least, to give them something to go on; some ammunition to use against the party men; some help in the struggle in which they face

such great odds—and see what they can make of it.

(b) The reaction of our continued unsympathetic attitude upon the German Government, and hence upon our remaining trade with Germany, is to be considered. We made no reply to the German proposals of March 1936, believing none to be necessary. Despite our silence, the German Government has taken advantage of the occasion provided by the exchange of views between the two Governments on the limited question of our conversations of last summer with representatives of the Brazilian Government to raise again the question of the general commercial relations between Germany and the United States. This move comes at a time when the 4-year plan is entering its second year. If our decision now is to give a reply of negative nature to the German aide-memoire, we may expect that the German Government will wait a considerable time before it presents us with a similar opportunity of examining what it may have to offer, without ourselves taking the initiative. During this time the 4-year plan may be counted upon to develop with a minimum of regard to our formerly very great interest in the German market.

(c) The divergence between our present method of carrying on trade with Germany and our proclaimed commercial policy, and the unfortunate reactions of this situation, also bear mention. At present a large part of the trade between the United States and Germany is being carried on on the basis of the four procedures listed in the Treasury Department's press release of December 23, 1936, and in particular upon the basis of procedure No. 2. The effect of this procedure has been to create inland accounts in German banks analogous in all essential respects to ASKI, and to make possible a substantial volume of trade of a kind which the United States holds to be contrary to the requirements of the most-favored-nation principle and which it has endeavored to persuade Brazil to curtail. In German eyes, and possibly also in other foreign quarters, this situation is damaging to the prestige of American commercial policy, in that it gives that policy a two-faced appearance. Moreover, this method of carrying on trade is so obviously different from what it pretends to be that it cannot but have cast a shadow of discredit upon our commercial policy in the eyes of those familiar with it at home. In the absence of an agreement placing trade between the two countries on a new basis, which will not be achieved so long as we maintain our present attitude, it is difficult to see any remedy to this situation.

Failure to find a satisfactory basis for our trade with Germany will also have unfortunate ultimate consequences for us. Two may be discerned in particular:

(a) Increased economic pressure on Germany as our trade-agreements program develops (particularly when the concessions to be granted to Czechoslovakia and the United Kingdom are withheld from Germany) will strengthen Germany's feeling of encirclement and will give this feeling more basis in fact. One of the most important objectives of our program is to relieve such pressures—not, so far as it lies within our power—to increase them.

(b) Finally it must be recognized that the continued development of autarchy in Germany will make a return to more liberal commercial policies more and more difficult.

In previous discussions of the question of whether this Government should seek a basis for some form of commercial agreement with Germany, we have been inclined, I feel, to place too much emphasis upon the possible effects of such an agreement upon Germany and the general European situation, and too little upon the actual gains which we might achieve for our trade thereby. The magnitude of the decline which our trade with Germany has suffered is an indication of the prize that is at stake. Not all of the lost trade, of course, could be won back; some part may be permanently gone, either to new domestic industries in Germany or to other foreign sources of supply. But given the reestablishment of a favorable basis for trade between the two countries, much undoubtedly could be recovered. And to the extent that the trade which has supplanted American goods in the German market is a hothouse development, it may be expected in turn to be supplanted by, and to die out before, an expanding volume of healthy trade. The following figures, taken from German statistics, are striking evidence of the magnitude of our loss:

German imports of all commodities

[In thousands of reichsmarks]

	Total	From United States	Percent from United States
1931-33 average	5,199,063	622,004	11.96
1935	4,158,695	240,679	5.78
1936	4,217,948	232,228	5.50
First 9 months of 1936	3,138,843	176,029	5.6
First 9 months of 1937	3,970,699	200,900	5.1

German imports of cotton

[In thousands of reichsmarks]

	Total	From United States	Percent from United States
1931-33 average	311,634	226,210	72.58
1935	329,722	71,133	21.57
1936	257,702	72,762	28.23
First 6 months of 1936	118,806	41,864	35.2
First 6 months of 1937	102,903	22,548	21.9

German exports of all commodities

[In thousands of reichsmarks]

	Total	To United States	Percent to United States
1931-33 average	6,736,393	338,215	5.02
1935	4,269,667	169,522	3.97
1936	4,768,948	172,001	3.60
First 9 months of 1936	3,457,654	126,976	3.7
First 9 months of 1937	4,281,281	151,100	3.5

In the face of such a stupendous loss of trade, may we not, having the authority conferred by the Trade Agreements Act at our disposal and being entrusted with the responsibility of using that authority, be avoiding our duty and failing in our trust when we not only do not make to Germany proposals of our own, but decline even to investigate and encourage Germany's overtures to us?

These considerations lead me to the view that what is clearly not wanted at the present juncture is a continuance of rhetorical argument between the two Governments as to which is the more devoted to the most-favored-nation principle or which discriminates against the other country's trade. What is needed now is a definite decision on the part of this Government whether it prefers, in view of the many attendant difficulties and uncertainties, to allow trade between the two countries to continue in its present state and probably to decline still further, or whether it is willing to explore, in informal interchanges with the German Government, the possibility of reaching some agreement that would bring improvement.

An agreement with Germany, making possible large increases in exports, particularly of a number of staple agricultural products, would not be difficult to formulate and might prove considerably easier to negotiate than we have any idea of.

It is admittedly out of the question that any agreement could be devised that would provide American trade at once with full equality of treatment in the German market. The gap between the treatment American trade now enjoys and the minimum which this Government could consider full equality of treatment is too great to be bridged at one jump. In these circumstances the United States is confronted with the choice of regaining equality of treatment and of restoring its lost trade in two (or three) stages, which implies accepting less than full equality in the first or interim stage, or of continuing to maintain the position that it must have all or nothing and in fact get nothing.

An interim agreement should of course contain full assurances that the commercial relations between the two countries are to be governed in principle by the rule of equality of treatment applied to all forms of control of trade and of payments therefor, while the treatment of American trade by Germany for which it provides in fact should represent a substantial approach to equal treatment in this unrestricted sense and hence constitute a substantial improvement over present treatment.

In very brief outline such an agreement might be envisaged as follows:

The agreement would be concluded under the authority of the Trade Agreements Act and would comprise two schedules and general provisions according to the usual pattern of this country's trade agreements.

Schedule 1 would contain a list of duty concessions and a second list, probably longer than the first, of products on which Germany would agree to issue import permits up to a specific amount for each. Schedule 11 would contain duty concessions granted by the United States to Germany. (A study made some months ago on the basis of 1934 figures showed Germany to be the first supplier of 709 items, and the first, second, and third supplier of 1,536. Of the 709 items, 634 were dutiable, 506 at rates over 25 percent ad valorem.)

In the general provisions the United States and Germany would guarantee to each other unconditional most-favored-nation treatment in respect of customs duties and related matters. The usual article on monopolies and the recently adopted provision on exchange control, as well as the minor articles of our standard provisions, would also be included.

As regards quantitative restrictions the United States would obtain full equality of treatment on a vast majority of the products of which it is normally a major supplier to Germany. On a certain limited number of the more important products, however, the quotas allotted to the United States in the interim period would fall considerably short of providing full equality of treatment on the basis of the representative period formula but in each case they would represent a large increase over Germany's present imports of the goods in question from the United States.

It is recognized that the first reaction of many will be that any commercial agreement with Germany would be bad domestic politics in that certain groups would oppose it bitterly while the general public would show for it little enthusiasm. Such an agreement might be expected for a period to cause the administration embarrassment, and to reflect adversely upon the trade-agreements program. This situation might, however, be short-lived. Certainly the best politics of all, at any time, is the politics of prosperity. An agreement with Germany, if at all comprehensive, could hold promise of greater gains for American exports, and particularly American agricultural exports, than an agreement with any other country. If an agreement were concluded following next autumn's elections, a year and a half would still remain before the expiration of the Trade Agreements Act, and 2 years before

the Presidential elections, in which its beneficial effects could be influencing and softening public opinion.

In the contribution which it would make toward the cause of peace a commercial agreement with Germany would merit, and might well receive, much approval by the American people. It is true that the argument has sometimes been advanced that such an agreement would tend to increase Germany's aggressiveness, and aid her to carry out her armament program and ultimately to wage war. If this is true, then the basic philosophy of the trade-agreements program is wrong. Would it not be more reasonable to expect that an agreement between Germany and the United States would be a factor making for peace? It would facilitate Germany's acquisition of raw materials; it would assist its export industries; it would be a proof to the German people that the democratic nations are not opposed to Germany's welfare, and it would rob the 4-year plan's drive toward increased autarchy of some of its raison d'être.

RECOMMENDATION

It is recommended that we investigate what the German Government may have to offer, and if that Government seems inclined to make a sincere effort to meet our point of view, that we work out the details of an interim agreement (perhaps along the lines suggested above) with the thought in mind of making public announcement of our intention to negotiate after next autumn's elections.

As a first step in this direction I believe that we should make a reply to the German Government's aide-memoire in friendly terms. We should avoid in it any formal restatement of our commercial policies and principles which the German Government has already been instructed in ad nauseam. We should also avoid making it a refutation of statements in the aide-memoire, or a further argumentation of our views and position. If we are ever to mend our commercial relations with Germany, we must adopt a more sympathetic attitude than that. We are playing a part that is unduly severe if we wait for all of the initiative to be supplied by the party which is in the weaker situation and for all constructive suggestions to come from the one least in a position to make them.

Instead, we should refer to the conciliatory passages in the aide-memoire and particularly to the German Government's reference to the possibility of an interim solution, and should state simply, that we regret the present state of the commercial relations between the two countries, that we are not unwilling to cooperate with Germany in seeking an interim solution and that, if the German Government should care to renew its suggestions of 1936, with certain modifications, we would give them sympathetic consideration.

A suggested reply to the German Government along these lines is attached hereto.

TA: Darlington: MPD.

Now, Mr. Speaker, here is the so-called Stilwell letter, which reveals that the Chinese Government was not prepared to meet an assault by the Japs, and that the Communists there were the only ones who had an organized plan against such an attack.

It says:

(Corrected copy)

[Stamped by office of Assistant Secretary of State, January 14, 1938, Mr. Sayre]

[Hankow, Dated January 11, 1938. Received 8:20 p. m., 12th]

SECRETARY OF STATE,
Washington.

24, January 11, 3 p. m. (Gray).

Following for War Department from Colonel Stilwell:

(End Gray.) "Since the capture of Nanking the front has melted away, fighting has practically ceased except on the Tsinpu line, and the military chiefs have been at a loss for a plan of action. The Chinese realize that they cannot compete in a stand-up fight. The Japanese realize that they are extended dangerously and they can see an apparent target to strike at that will give them a decision. Both sides are in a quandary, the Japanese hoping the Chinese will ask for peace, the Chinese hoping for intervention by a third power but determined not to quit.

(Gray). On the Chinese side only the Reds have a definite plan, the essence of which is the adoption of guerrilla warfare on a wide scale and the mobilization of the masses. This program has a strong appeal and has gained popular backing. (End Gray.) The Kuomintang leaders have been forced to take notice, since they can suggest nothing better, but they are not pushing the program in a wholehearted way, because its success will mean the passing of power to the Reds. And perfect support by the Government has therefore been extremely meager to date. (Gray.) Present indications are that this policy will be adopted and that there will be little further serious effort to oppose the Japanese with a field army. The question is, can it succeed? Guerrilla warfare means to conclude action by small units scattered over wide areas. Control is extremely difficult and without some moral force which urges on the individual concerted action is unlikely. This new force has elsewhere been supplied by religious fervor or patriotic zeal. In China the religious element is lacking and patriotic fervor is as yet largely undeveloped, though growing steadily. It is hard to arouse the spirit of self-sacrifice in people who have been treated as badly by their own troops as they have by the enemy. (End Gray.) However, the Chinese have been swept into mass action by propaganda in the past and the Reds claim that their plan will do it now. (Gray.) To supply this patriotic urge to self-sacrifice which is essential for success they are depending on the student type of agitation to arouse the people. In regions where Chinese troops have committed excesses results will be disappointing. In others where only the heavy hand of the Japanese have been felt, there may be more response. The question of arming the volunteers is, however, a serious matter; arms by the million are not available. The time factor is also important and it is doubtful whether this can be done short of 6 months by the Chinese. Based on the facts at present apparent the resort to guerrilla warfare by the Chinese cannot be expected to be adopted with enthusiasm by the Chinese as a whole and cannot have much more effect than to harass an enemy who will still be able to keep a firm hold on the occupied territory.

Twenty-four light Japanese bombers with eight pursuits flew in at 5,000 feet from the east about noon today and bombed Hankow airfield heavily. Little damage. Weather overcast and hazy. Antiaircraft fire ineffective. No Chinese airplanes in the air. No Japanese losses. Formation: groups of three in wedge with pursuit all on right (north) flank. Airplanes turned and flew off to northeast.

Query. Does War Department desire further report direct movements of personnel to military attaché's office in China, or will military attaché be free to make changes that may seem desirable? (End Gray.)

JOHNSON.

HPD: KLP: WWC.

March 28. United States consul at Tampico, Mexico, in a cable describing the oil industry situation stated that a Japanese tanker was expected at Tuxpan the morning of March 29.

[Rome, 77, March 29, noon]

My 69, March 20, noon.

The Embassy learns that in the course of the conversations between Ciano and the British Ambassador on March 26 the British requested assurances that at the end of the war all Italian volunteers should leave Spanish territory and that all Italian war material would be withdrawn. These assurances were given the following day but the Italian Government has reserved the right to sell or to give certain quantities of war materials to the Franco government when they are no longer needed by the Italian forces in Spain.

The Ambassador also requested that some official Italian recognition be given to those passages in Chamberlain's recent speech which referred to the satisfactory progress of the negotiations with Italy. This was likewise agreed and the Informazione Diplomatica communiqué quoted in the Embassy's telegram No. 76, March 28, 6 p. m., was issued. The British Ambassador adds, however, that he had no prior knowledge of last paragraph containing the warning against French intervention.

Assurances were also given by the Italian Government that it would start almost immediately to withdraw troops from Libya at the rate of a thousand a week until the normal peace strength or about one-half the present garrison has been reached.

Several other minor points to be clarified but it is believed that only outstanding major question to be resolved relates to the form and publicity of the agreement. It has been agreed that it will take the form of a general protocol with separate instruments covering the various points included in the conversations to enter into force at a date to be set by the two Governments. This would permit the British to determine what progress had been made in Spain and the Italians to await recognition by Great Britain. The Italian Government is, however, anxious to make public the terms before Hitler's visit and is insisting upon some form of public pledge on the part of Great Britain with respect to the recognition of the Empire.

It is not yet known whether the British Government will be willing to make such a public pledge before the League Council meeting.

It has, however, been proposed that there be a public exchange of letters between the British Ambassador and the Italian Foreign Minister setting forth the undertaking on the part of the British Government to go to Geneva with a view to ultimate recognition of the Empire and the reaffirmation of Italian commitments with respect to Spain. The Ambassador is seeking instructions on this point and believes that the negotiations may be speedily concluded if his government is willing to accept this proposal.

PHILLIPS.

FEBRUARY 7, 1938.

THE SIGNIFICANCE OF THE ESTABLISHMENT OF THE MANCHUKUO HEAVY INDUSTRIES DEVELOPMENT CO.

The information supplied the Department by Consul Richard F. Boyce in his report entitled "New Economic Organization in 'Manchukuo,' " Yokohama, January 6, 1938, suggests an interpretation of the significance of the establishment in Manchuria of a new company to develop heavy industries which differs considerably from those popularly accepted. The facts in connection with the new company are as follows:

The Nippon Sangyo (Nihon Sangyo Kabushiki Kaisha) is a Japanese holding company capitalized at yen 225,000,000, headed by Gisuke Aikawa, which controls and manages a large network of industrial and commercial enterprises in Japan engaged in mining, shipbuilding, shipping, fishing, the manufacture of iron, automobiles, chemicals and oils, marine products, matches, and electric power.

The South Manchuria Railway Co. is a Japanese corporation owning and operating

directly, or controlling through stock ownership, the enterprises occupying a key position in the economic life of Manchuria.

A new "Manchukuo" corporation, called the Manchukuo Heavy Industries Development Co., has been created, with a capitalization of yen 450,000,000, which will acquire the assets of the Nippon Sangyo and at the same time acquire from the South Manchuria Railway Co. control and management of many important mining and manufacturing enterprises (coal, iron, and gold mining, the iron and steel industry, light metal manufacture, automobile, aircraft, and other manufacturing industries). Half of the stock of the new company will be held by the present owners of Nippon Sangyo, and half will be held by the "Manchukuo" Government. Mr. Aikawa will assume management of the combined enterprises controlled by the new company.

The establishment of the new company has been generally portrayed as the opening up of Manchuria to private capital, with emphasis upon foreign capital, as the result of the failure of the South Manchuria Railway Co. to develop the country sufficiently, and its inability to attract capital for further expansion schemes.

It may be said with a fair degree of certainty that the establishment of the new company does not imply any material change in the opportunities for private capital in Manchuria. Private Japanese capital has always been allowed to participate in the minority shares of most of the enterprises controlled by the South Manchuria Railway Co. or the Manchukuo Government and foreign capital has been allowed in many. It is important to note that the supervising law governing the new company specifies that control of the new company, even as regards the details of business and financial management, shall rest with the Manchukuo Government (which also will own 50 percent of the stock of the new company). Most of the Manchurian enterprises slated to be controlled and managed by the new company are Manchukuo special companies already legally controlled by the state with the South Manchuria Railway Co. owning controlling stock of all of them. These distinctions are nice but irrelevant, since the Japanese Kwantung Army controls and is practically synonymous with the Manchukuo Government and the South Manchuria Railway Co. Control of the Manchurian enterprises involved, therefore, will remain centralized in the same hands. Private investors will be allowed to invest in the minority shares of the subsidiaries of the new company as they were allowed previously to invest in the minority shares of companies controlled by the South Manchuria Railway Co.

Not only does private capital make no gain as a result of the creation of the new company; on the contrary, the state of Manchukuo (or the army) acquires control of Nippon Sangyo's large network of industrial enterprises in Japan. It will be possible under the new set-up to operate these in coordination with the Manchurian enterprises. It is difficult to evaluate the relative importance of this factor in the creation of the new company. It may have been the principal reason for the change or it may have been a secondary reason. It can scarcely have been an incidental fact, however, that the army acquired as a result of the deal control of large industrial enterprises in Japan, particularly in view of the world-wide trend toward increased military influence in industry.

Is it likely that Mr. Sikawa's modern and thus far very successful business methods and reputation will attract private capital more successfully than the South Manchuria Railway Co.?

There is little doubt that Japanese investors are exhibiting an extreme lack of confidence in the South Manchuria Railway Co. In 1936 the company launched grandiose expansion plans, sponsored by the military, calling for an investment of yen 436,000,000 in 5 years in strategic and other primarily military enterprises. According to a report received from the American consul in Dairen, in March of 1937, it appeared that the company was borrowing in order to pay its dividends; at the same time the Japanese Government refused to pay up capital stock previously subscribed. The South Manchuria Railway Co. debentures were unsalable to the public and the newly adopted policy of selling to the public some of its shares in subsidiary companies had met with relatively little success.

The essence of the lack of confidence appears to lie in military domination of the business management of the South Manchuria Railway Co. and the vast expansion of enterprise since 1931 along strategic and military rather than economic lines. The soundness of extensive heavy industries in Manchuria may be questioned at once upon economic grounds. It is highly doubtful, therefore, that the transfer to new management (control remaining the same) of the heavy industries requiring extension in Manchuria will attract private capital, either Japanese or foreign, in substantial quantities. Nevertheless the Nippon Sangyo and its subsidiaries in Japan probably possess reserves and borrowing power which may be milked for the benefit of the Manchurian enterprises. Furthermore, the creation of the new company, with half the stock, taken by the Government of Manchukuo automatically pumps another yen 225,000,000 of public funds into Manchurian industry. It is true, these funds will be used by the new company to acquire from the South Manchuria Railway Co. control of the Manchurian enterprises to be taken over by the new company and leave little capital for expansion, but, since the South Manchuria Railway Co. and the new company are two pockets in the same military trousers, this need not detain us. The South Manchuria Railway Co. after having been paid off (probably) in Manchukuo bonds, will possess as a result of the deal additional resources with which to expand in Manchuria or in North China. (According to recent press reports the South Manchuria Railway Co. has definitely been alloted the task of developing the railways, rounds (roads?), harbors, and mines of North China.) It may be that this was one of the more important considerations of the deal.

Why should Mr. Aikawa be willing to merge his interests, and those of his coinvestors in Nippon Sangyo, with those of the somewhat more dubious economic enterprises of the South Manchuria Railway Co? The character and background of Mr. Aikawa fit admirably into the new picture. He is the son-in-law of Mr. Kuhara, president of the Japan Iron Foundries and a former Cabinet Minister. Mr. Kuhara has been associated with Mr. Aikawa in many of his most important enterprises and has supplied much of his capital. Moreover, he is closely associated with the more reactionary element in the Japanese Army and was recently sentenced to prison for his connection with the attempted army coup of February 26, 1936. Messrs. Aikawa and Kuhara have been favored by substantial Army support for the last few years and several of the more important industries controlled by Nippon Sangyo depend largely upon military orders. There certainly appears to be a sufficient amount of affinity and interdependence involved to explain Mr. Aikawa's action in the matter.

Mr. Aikawa now seeks to obtain American capital to aid in the expansion schemes of this large holding company controlled legally by the Manchukuo Government and in fact by the Japanese Kwantung Army and conducting enterprises both in Manchuria and Japan. It is reported that Mr. Aikawa will come shortly to the United States for the purpose of eliciting aid in the form of credits for machinery, equipment, and materials, for which he will exchange minority interest shares in the subsidiary companies of the Manchuria Heavy Industries Development Co. (in no case will foreigners be allowed majority interest or management privileges in any subsidiary).

Consul Boyce believes that Americans who may be approached by Mr. Aikawa should keep in mind the uneconomic nature of many of the enterprises controlled by the company, the Army control, the almost inevitable financial difficulties of Japan in the next few years, the possibility of war with Russia, and other considerations which he lists.

M. M. H.

FE: Jones: SMJ.

Here is a highly interesting report regarding a strictly secret Japanese armament program, which I hope every Member of the House will read.

It says:

AMERICAN CONSULATE,
Yokohama, Japan, January 6, 1938.

Subject: Enclosing a Report on the New Economic Organization in Manchukuo.

The honorable the SECRETARY OF STATE,
Washington.

SIR: I have the honor to enclose herewith a report dated January 6, 1938, entitled "New Economic Organization in Manchukuo." This report describes the change in the directing force of the economic development of Manchukuo from the South Manchuria Railway to a new company, the Manchukuo Heavy Industry Development Co., which will be a holding company jointly owned by the Manchukuo Government and the Japan Industries Co. (Nihon Sangyo Kabushiki Kaisha).

Mr. Yoskisuke Aikawa, the promoter of the venture described in the report, is expected to leave Japan for the United States in a few days. He will no doubt present his plan for investment with American capital in Manchukuo to possible American investors as soon as he can arrange to meet them.

Respectfully yours,

RICHARD F. BOYCE,
American Consul.

NEW ECONOMIC ORGANIZATION OF MANCHUKUO

From Consul Richard F. Boyce, American consulate, Yokohama, Japan.

Date of completion: January 6, 1938.

Date of mailing: January 7, 1938.

NOTE.—The enclosure, Japan's Capital Resources, was prepared by Vice Consul Ivan B. White.

I. NEED FOR NEW POLICY IN ECONOMIC DEVELOPMENT OF MANCHUKUO

Manchukuo's economic organization is principally agricultural—90 percent of the population is engaged in agriculture and 80 percent of the national income is derived from it.

The great importance of trade relations between Japan, Manchukuo, and China will be understood when one considers the poor natural wealth of Japan and the existence of abundant resources and wide consumption markets in Manchukuo and China. (Mitsubishi—Japan Trade and Industry, p. 623.)

The purpose of Japanese economic expansion into Manchukuo is said to be "to bring the two countries into a common economic unit, to avoid destructive competition, and to utilize as fully as possible the natural resources of the two countries." Japan-Manchukuo Year Book 1937, p. 840.)

"The South Manchuria Railway Co. has been the bulwark of Japanese political and economic interests in Manchuria for the past three decades." Since 1932 the company has had supervisory control either directly or indirectly through subsidiaries

over many activities, including railways, workshops, steamships, harbors, coal mines, shale-oil plants, iron and steel works, chemical-fertilizer plants, electricity, gas, hotels, public works, such as schools, hospitals, etc.; slaughterhouses, cement, paraffin refinings, ceramics, industrial fats and oils, lumber, storage, express service, gold and lead mining, real estate, insurance, newspapers, etc.

The vast undertakings of the South Manchuria Railway Co., which is controlled by the Japanese Government, have not been developed, or have not developed Manchukuo, to the extent desired. The theory upon which the South Manchuria Railway Co. worked is said to have been evolved by the Japanese military authorities in "Manchukuo" and was based on the idea that the established capitalists of Japan, such as Mitsubishi, etc., should be kept out of "Manchukuo"; that the Government should run the entire project through the South Manchuria Railway Co. and any profits would accrue to the Government.

Without giving specific data to show how far short of the original expectations the South Manchuria Railway Co. development progressed, it is now announced that a change must be made and that capitalists will be given a chance to see what they can do.

II. OUTLINE OF NEW PLAN

(Supplied by Nihon Sangyo Kabushiki Kaisha)

Manchukuo Heavy Industries Co., Ltd.

The urgent necessity of expediting the development of industry in Manchukuo, more especially the heavy industries, leaves no room for discussion. To bring about this development and to take advantage of the forthcoming abolition of extraterritoriality rights which will result in the transfer of administrative power now exercised by the South Manchurian Railway in the railway zone, our company has come to an agreement whereby it will become a Manchukuo corporation and will move its head office to Hsinking.

This new Manchukuo corporation shall then merge with a powerful national policy corporation planned by the Manchukuo Government for the purpose of developing industries there on an integrated management principle, with the center in the heavy industries field. In addition to managing the existing enterprises of our present company, the new company resulting from the merger will undertake the important mission of controlling and managing the iron and steel industry, light metal manufacturing, automobile, aircraft, and other manufacturing industries in Manchukuo, also coal, gold, and other mining industries.

The new national policy corporation shall have a capital of yen 450,000,000 consisting of yen 225,000,000 to be invested by the Manchukuo Government, and the present capital of yen 225,000,000 of our company. The new corporation shall enjoy the positive support of both the Japanese and Manchukuo Governments with respect to the active utilization of the assets to be taken over from our company and of raising the necessary funds and making available other facilities that may be necessary.

The following is a general outline of definite terms agreed upon with a view to respecting the interests of the existing shareholders of our company and to provide for the investment of private capital in Manchukuo:

1. At the disposal of profit for each period, the dividend will be determined as follows:

(a) When the dividend rate for private shareholders is 10 percent or under, the dividend for the shares held by Manchukuo shall be one-half thereof. For example, if the private shareholders receive a 10-percent dividend, Manchukuo shall receive a 5-percent dividend.

(b) Any profit in excess of a dividend of 10 percent for private shareholders and 5 percent for Manchukuo shall be divided equally. For example, if private shareholders receive a 12-percent dividend, Manchukuo shall receive a 7-percent dividend.

2. In the event of liquidation of the corporation, the residue shall be divided between the private shareholders and the Government shares at the ratio of 2 to 1 up to 1½ of the paid-in capital. Any excess over 1½ shall be divided equally.

NOTE.—The new holding company will be called Manchukuo Heavy Industry Development Co.

3. The Manchukuo Government shall guarantee the principal and a net return of 6 percent per annum on all funds expended by the corporation in connection with carrying on enterprises in Manchukuo for 10 years. In the event the corporation does not earn 6 percent per annum and it is necessary for the Manchukuo Government to make up a deficit up to 6 percent, the Government shall be reimbursed in subsequent periods out of any earnings in excess of 6 percent until such time as the advance to cover the guaranteed dividend has been repaid.

4. There shall be no Manchukuo tax on profit made by the corporation from investments outside Manchukuo. Also dividends, paid by the corporation to shareholders residing outside of Manchukuo shall not be taxed. As to taxation in respect to enterprises in Manchukuo, the Manchukuo Government shall take suitable steps so as not to impair the functions of integrated management of the corporation in the event a change in the taxation system would, in the future, cause an additional burden to the corporation.

5. The corporation shall not be restricted as to the dividend rate in the disposal of profits.

6. In regard to the marketability of the private shares of the corporation, the Japanese and the Manchukuo Governments shall take suitable measures so that the existing negotiability shall not be impaired.

7. No restrictions will be placed on export of dividends.

The following table is said to be the list of companies which will come under the management of the new concern. (Japan-Manchukuo Year Book 1938, p. 948.)

Companies	Capital authorized	(Yen 1,000) paid-up
Showa Steel Works	100,000	82,000
Manchou Colliery	16,000	16,000
Manchuria Mining Development	5,000	3,100
South Manchuria Mining	3,600	1,350
Shantung Mining	5,000	2,250
Fuchow Mining	1,000	750
Kaiping Mining	34,320	33,620
Manchuria Lead Mining	4,000	4,000
Manchuria Gold Mining	12,000	7,175
Great Manchuria Gold Mining	200	50
South Manchuria Light Metal	25,000	6,250
Japan-Manchoukuo Magnesium	7,000	3,500
Dowa Automobile	6,200	3,200
Total	219,320	163,245

The Manchukuo Government is furthermore expected to entrust the larger part of the work appertaining to the so-called Manchukuo 5-year industrial plan, which is scheduled to be undertaken with a budget of 3,000,000,000 yen, to the new company.

Controlling Legislation

The law passed by the Manchukuo Government to provide for the new regime is summarized as follows: (Japan Advertiser, December 30, 1937).

"HSINKING, December 20.—The Manchukuo Government promulgated today the Supervising Law of the Manchuria Heavy Industry Development Co., effective December 27.

"Under the supervision of the Manchukuo Government, the new company will undertake to develop the heavy industries of Manchukuo and at the same time promote the economic ties between the new state and Japan.

"The law consists of 31 articles, the salient feature of which is that the Government will give high protection to the company's interests and rights, while the state's control will be considerably enhanced.

"Scope Outlined

"Gist of the law follows:

"1. The Manchukuo Heavy Industry Development Co. will invest in steel manufacturing, light metal industries, mining, motorcar and aircraft manufacturing, and coal mining and will manage these branches of industry. It also will be empowered to invest in gold, zinc, lead, and copper mining.

"2. The company will be required to establish its main office in Hsinking.

"3. The company's board of directors will be composed of a president, two vice presidents, five or more directors, and three or more inspectors. The president and vice presidents will remain in office 5 years. They will be appointed by the Hsinking Govment, while the directors and inspectors will be elected.

"4. The company will be capitalized at yen 450,000,000. When necessary the company may obtain permission from the state minister concerned to increase its capitalization.

"5. State control will be increased along the following lines:

"(a) The right to appoint and fix the salaries and allowances for the president and vice presidents will be vested in the Manchukuo Government.

"(b) The company is under obligation to submit to the Hsinking Government a detailed report on the business program for each fiscal year.

"(c) Election of directors and inspectors, their dismissal, modification of the articles of association, disposal of profits, flotation of bonds, and other important matters are to be carried out under special permission of the state minister concerned.

"(d) The state minister concerned is empowered to issue any order considered necessary in connection with the business management of the company in case such is deemed necessary with regard to its supervision and control."

Officers of Company

The officers of the new company will be: Chairman and president, Yoshisuke Aikawa; directors: K. Shimokobe, T. Shimamoto, E. Tanaka, K. Yamada, Baron B. Ito, K. Tamura, G. Asahara, N. Odaira, S. Ibuki; auditors: C. Iwata, Y. Katayama, K. Yamada.

Now this document, Mr. Speaker, goes on to give the background of the head of this scheme.

Note what it says:

III. BACKGROUND OF YOSHISUKE AIKAWA AND THE NIHON SANGYO KABUSHIKI KAISHA

Yoshisuke Aikawa

The decision of the Japanese Government, said to be controlled in this matter by the military party in Japan, to invite capitalists to take over the industrial development of Manchukuo was iollowed by their selection of Mr. Yoshisuke Aikawa and the Nihon Sangyo Kabushiki Kaisha, of which he is president, as the sole agent for carrying out the new scheme into effect. The change amounts to substituting Mr. Aikawa and his company for Mr. Yosuke Matsuoka and the South Manchuria Railway, of which he is president.

Mr. Yoshisuke Aikawa was born in Yamaguchi Prefecture, Japan, in November 1880. He graduated from the Engineering College of Tokyo Imperial University in 1903. He is

described as "a scion of a good family" in Yamaguchi Prefecture. His father was a prefectural government official. Desiring to learn about the metal industry from the ground up he worked as a laborer in the iron foundry in Shibaura for 2 years after his graduation. He worked for 2 years as a laborer in a foundry in the United States. Upon his return to Japan in 1909 he founded the Tobata Casting Co., with capital provided by Mitsui, Kuhara, Kaijima, and Fukita interests. He was helped greatly by his uncle, Marquis Kaoru Inouye, "a statesman of the Meiji Restoration," who took a keen interest in him. He has for some years been closely associated with his father-in-law, Kusanosuke Kuhara, president of the Japan Iron Foundries, who was one of his original backers in the Tobata venture, who has supplied much of Aikawa's capital. Kuhara became closely associated with the reactionary elements in the Japanese Army and was recently sentenced to prison for his connection with the now famous attempt of those officers on February 26, 1936, to seize the control of the Government.

Mr. Aikawa and Mr. Kuhara have, according to all accounts, been favored by substantial army support for the last few years and the present development is a culmination of their relations with the army. Mr. Kuhara's connection with the attempted army coup d'état which resulted in his imprisonment has presumably improved his political support by the army.

The army is said to be opposed to the old financial interests, such as Mitsui, Mitsubishi, Sumitomo, etc., etc., because their prosperity benefits only a few families already wealthy. The army favors Aikawa and his interests because their prosperity benefits an alleged 5,000,000 shareholders all over Japan in addition to the 130,000 employees.

It seems clear that the prosperity of the new company will continue to depend largely upon the support of the army and upon war expenditures.

Mr. Aikawa publicly and privately admires American business and industrial methods. His experience in the United States is said to have aroused this admiration and it is inferred that he is genuinely friendly to Americans. The American engineers who have worked for him all speak of him in the highest terms so far as their business and personal relations are concerned. They also speak highly of his ability.

Nihon Sangyo Kabushiki Kaisha

A great deal has been written about the Nihon Sangyo Kabushiki Kaisha during the past few years, mostly inspired articles intended to promote the sale of shares of the company and to promote the sale of the product of the subsidiary companies. The following information is taken from a series of articles in the Japan Advertiser of January 16, 17, 18, 1936, and from other sources:

Mr. Aikawa and the Nihon Sangyo Kabushiki Kaisha were relatively unknown prior to 1931, but his remarkable progress since then has aroused universal attention. The Aikawa-kuhara interests were built upon the success of the Japan Mining Co., which has been their largest subsidiary and a most profitable one. It is said to be the largest gold-mining company in Japan and also produces silver, lead, copper, and other mineral products. In recent years it has paid as much as 14 percent dividends on its capitalization of yen 89,127,000.

The second and third subsidiaries are the Hitachi Engineering Works and the Hitachi Electric Power Co. These depend largely on military orders. The profit of the engineering company in the first half of 1935 was claimed to be 37.8 percent on its capitalization of yen 20,000,000 and a 12-percent dividend was declared.

The growth of the Nihon Sangyo Kabushiki Kaisha has been so rapid since 1931 that in 1936 it controlled nearly 50 subsidiaries and was said to be promoting new subsidiaries at the rate of 2 a month. It was interested mainly in mining, manufacturing, marine products, and miscellaneous. There follows a list of the main subsidiaries as supplied by the company on December 8, 1937.

Since that list was given it has just been announced that the Nipponophone and Victor companies have been sold to the Tokyo Denki Kabushiki Kaisha (with which the General Electric Co. of Schenectady, N. Y., has a working agreement). These two companies were purchased by the Nihon Sangyo Kabushiki Kaisha within the past 2 years at the time when they were doing a very profitable business. They control the phonograph market in Japan. Since the new import tariffs, sales taxes, and exchange restrictions were put into effect, however, it is said that the companies have had difficulty making ends meet.

There may be other sales of the Japan interests of the Nihon Sangyo Kabushiki Kaisha in order to raise funds for financing the venture in Manchukuo.

The Nissan Co. has been fully reported on. (See the confidential report of this office on June 12, 1936, Japanese Automotive Industry.) Its first product, the Datsun midget car, is said to be selling well in competition with Japanese three-wheeled motorcycle delivery vans, but it is doubtful whether the company is making an appreciable profit. Its second product, the Nissan standard-sized truck, is being produced at a rate of 20 units a day for the Army and is believed to be operating at a substantial loss.

Companies controlled by Japan Industries Ltd. (Nihon Sangyo K. K.) as of March 30, 1937

Japan Industries established in 1912.
Capital stock subscribed, yen 225,000,000.
Amount paid in, yen 198 375.000.
Old shares—Yen 50 each, fully paid, 2,370,000 shares.
New shares—Yen 37.50 paid in, 2,130,000 shares.
Total number of shareholders, 50,200.
Chairman, O. Yoshisuke Aikawa.

I. Mining industries:

A. Nippon Mining Co. (controlling interest held by Japan Industries, 58 percent).
Established 1929.
Capital stock subscribed, yen 160,000,000.
Amount paid in, yen 138,750.000.
Old shares—Yen 50 each, fully paid, 1,500,000 shares.
New shares—Yen 37.50 paid in 1,700,000 shares.
Number of shareholders, 6,630.
Number of employees, 30,000.
Nippon Mining Co. owns the Taiwan Mining Co., Missan Steamship Co., and the Nichinan Mining Co.

II. Heavy industries:

A. Hitachi Engineering Works (controlling interest held by Japan Industries, 35 percent).
Established 1920.
Capital stock subscribed, yen 117,900,000.
Amount paid in, yen 73,688,000.
Old shares—Yen 50 each fully paid, 1,179,000 shares.
New shares—Yen 12.50 paid in, 1,179,000 shares.
Number of shareholders, 7,580.
Number of employees, 30,000.
Hitachi Engineering Works owns the Osaka Iron Works & Shipbuilding Co. with capital stock of yen 12,000,000 fully paid; and 8 other subsidiaries including iron foundry industry, precision-instrument manufacturing, etc.

B. Hitachi Electric Power Co. (controlling interest held by Japan Industries, 45 percent).
Established 1927.
Capital stock subscribed, yen 10,000,000.
Amount paid in, yen 6,250,000.
Old shares—Yen 50 fully paid, 100,000 shares.
New shares—Yen 12.50 paid in, 100,000 shares.
Number of shareholders, 261.
Number of employees, 150.

III. Automotive manufacturing industries:

A. Nissan Automotive Manufacturing Co. (controlling interest held by Japan Industries, 100 percent).
Established 1933.
Capital stock subscribed, yen 10,000,000.
Amount paid in, yen 10,000,000.
Nissan Automotive Manufacturing Co., owns the Nissan Automotive Sales Co. with capitalization of yen 5,000,000.

IV. Chemical industries:

A. Japan Chemical Co. (controlling interest held by Japan Industries, 100 percent).
Established 1934.
Capital stock subscribed, yen 62,000,000.
Amount paid in, yen 53,900,000.
Old shares—yen 50.00 fully paid, 430,000 shares.
New Shares—yen 40.00 paid in, 810,000 shares.
Number of employees, 20,000.
Japan Chemical Co. owns 12 chemical manufacturing companies.

B. Japan Oil Co. (controlling interest held by Japan Industries, 60 percent).
Established 1921.
Capital stock subscribed, yen 17,500,000.
Amount paid in, yen 17,500,000.
Number of shareholders, 2,367.
Number of employees, 2,000.
Japan Oil Co. owns 40 manufacturing companies in soybean, fish oil industries, etc.

V. Fishing industries:

A. Japan Fishing Industries, Ltd. (controlling interest held by Japan Industries, 46 percent).
Established 1925.
Capital stock subscribed, yen 91,500,000.
Amount paid in, yen 55,500,000.
Old shares, yen 50.00 fully paid, 840,000 shares.
New shares, yen 12.50 paid in, 960,000 shares.
Number of shareholders, 33,450.
Number of employees, 5,000.
Japan Fishing Industries owns 56 subsidiaries.

B. South American Fishing Industries, Ltd. (controlling interest held by Japan Industries, 100 percent).
Established 1935.
Capital stock subscribed, yen 1,000,000.

VI. Electric and musical industries:

A. Nippinophone Co., Ltd. (Columbia) (controlling interest held by Japan Industries, 59 percent).
Established 1910.
Capital stock subscribed and fully paid, yen 7,000,000.
Number of employees, 1,700.

B. Victor Talking Machine Co. of Japan, Ltd. (controlling interest held by Japan industries, 68 percent).
Established 1927.
Capital stock subscribed and fully paid, yen 7,500,000.
Number of employees, 1,000.

VII. Plantation industries:

A. Japan Industries Rubber Estate Co. (Controlling interest held by Japan Industries, 64 percent.)
Established 1934.
Capital stock subscribed and fully paid, yen 6,000,000.
Number of shareholders, 1,183.
Number of employees, 3,100.

VIII. Other industries and businesses.

A. Daido Match Co. (controlling interest held by Japan Industries, 91 percent).
Established 1927.
Capital stock subscribed and fully paid, yen 4,000,000.
Number of employees, 4,000.
Daido Match Co. owns seven subsidiaries.

B. Godo Real Estate Co. (controlling interest held by Japan Industries, 100 percent).
Established 1915.
Capital stock subscribed, yen 5,000,000.
Amount paid in, 2,500,000.
C. Sakhalin Steamship Co. (controlling interest held by Japan Industries, 80 percent).
Established 1918.
Capital stock subscribed, yen 3,000,000.
D. Chuo Civil Engineering Co. (controlling interest held by Japan Industries, 100 percent).
Established 1930.
Capital stock subscribed, yen 1,000,000.
E. Imperial Lumber Co. (controlling interest held by Japan Industries, 100 percent).
Established 1933.
Capital stock subscribed, yen 250,000.

Then, Mr. Speaker, the document goes on to show that American capital was counted on in this Jap scheme.

Here is what it says:

IV. ANALYSIS OF ECONOMIC FACTORS INVOLVED

The announced intention of the Nihon Sangyo Kabushiki Kaisha is to invite foreign capital to participate in the development of Manchukuo. Mr. Aikawa is said to be planning to visit the United States very shortly to obtain American capital. He will probably be accompanied by Mr. James W. Murray. Mr. Murray is an American citizen who came to Japan several years ago as treasurer of the Nipponophone Co. (Columbia Phonograph Co.) in Kawasaki. When the company was purchased by the Nihon Sangyo Kabushiki Kaisha in 1935, Mr. Murray was retained by the new owners and has since been acting in an advisory capacity to the company on financial matters particularly in its dealing with American companies in the United States. Mr. Murray will therefore assist Mr. Aikawa in completing any financial arrangements which Mr. Aikawa decides upon but will not engage in any of the promoting activities of Mr. Aikawa.

Mr. Aikawa needs money or credit totaling several million dollars. He wants it in the form of machine tools, factory equipment, foundry and steel-mill equipment, mining equipment, automotive equipment, and materials. He wants also the latest engineering advice and the assistance of American engineers to design the plants, purchase and install the equipment and get the new industries in running order.

He will pay well for what he buys but he wants all this on credit for at least 3 years and preferably for 10 years. His proposition is to exchange shares or debentures of the subsidiary companies for the materials, equipment, and engineering advice received. He does not want to issue debentures or make loans which mature in less than 10 years.

He will propose that all American dollar investments will be represented by shares or debentures in yen; that such yen values will be revalued whenever they are repurchased by the company so that the American investor will get the same dollar refund, regardless of any possible yen depreciation, as his original dollar investment.

The guaranty of such an arrangement will be made by the Manchukuo Government in the form of laws or regulations but not by treaties.

No American or other foreign investment will be permitted to own a controlling interest in any of the subsidiaries, and none of the foreign investment will be permitted in shares of the parent company.

Americans who may be approached by Mr. Aikawa should consider the matter very carefully before committing themselves. The following facts are given as bearing upon any plans he may suggest:

1. The purpose of Mr. Aikawa's invitation to American capitalists is to obtain funds or credit which are not readily available in Japan to carry out his plans in "Manchoukuo." A statement regarding Japan's capital resources, prepared by Vice Consul Ivan B. White, is enclosed herewith. The profit accruing to American investors is only incidental to his venture. He would not seek American capital if he could get sufficient capital in Japan.

2. The success of the venture in "Manchoukuo" depends upon (a) the economic possibilities of "Manchoukuo," (b) the economic situation in Japan itself, (c) the success of Japan in China, (d) the political support of the Japanese Army, (e) the continuation of heavy expenditures in Japan and "Manchoukuo" for munitions and other war purposes, and (f) Mr. Aikawa's ability.

3. There is a great difference of opinion as to what the economic possibilities of "Manchoukuo" are. It is an agricultural country, and the Japanese Government wishes to keep the market there for Japan's own industries and does not wish to establish industries that will compete with its own factories. It seems inconsistent, therefore, to establish a new automotive industry and a new aircraft industry, as announced by the company, unless it is being done purely for reasons of military defense against Russia. The present annual automotive market in "Manchoukuo" is only 2,500 units. The annual consumption of aircraft for civil purposes is very little. The principal industrial possibilities, from an economic point of view, appear to be the production of iron and coal as a source of supply to Japanese industries and for national defense.

This office is not supplied with sufficient data to report upon the economic possibilities of "Manchoukuo." This data should be available in the consulates in "Manchoukuo." There is doubt, however, as to whether the proposed development is more for economic reasons than for military defense.

4. As the "Manchoukuo" Government, which is a 50-percent owner of the new company and which guarantees the profits and other benefits to American investors, is the instrument of the Japanese Government, the success or failure of the new company will depend largely upon the success or failure of present economic developments in Japan. Practically every American or English economist or businessman with intimate knowledge of the country agrees in predicting serious economic trouble for the country within the next 3 years, whether Japan's military activities in China succeed or fail. As economic conditions in Japan become worse, Japan's ability to support "Manchoukuo" decreases and any guarantees as to profits to exemption of profits from taxation, to permission to export profits and dividends, become affected. The much-advertised "Japan-Manchoukuo bloc" is only as good as Japan can make it.

5. Japan's success in China depends upon many unknown and unpredictable factors. The present military activity is costing Japan a great amount of money and the desired economic expansion there will cost a great deal more. The Japanese businessmen are not believed to be too optimistic, but in any case it is admitted that failure of their economic expansion in China would be ruinous to Japan after the great sacrifices they are now making.

6. The Japanese admit that the prosperity of the heavy industries of the country since 1932 is largely due to military expenditures. This can easily be proved, and no attempt has been made to deny it. It is admitted that such expenditures cannot be supported indefinitely. It follows that when the expenditures stop either by reason of exhaustion or otherwise, the heavy industries will suffer a depression. As the activities of the new company in Manchukuo will be largely in heavy industries and as some of the leading activities of the Nihon Sangyo Kabushiki Kaisha in Japan proper, which are now taken over by the new company, are heavy industries, it is hard to see how the Manchukuo Heavy Industry Development Co. can fail to suffer when it loses the support of the war expenditures.

7. As the Japanese Army officials are so powerful politically and as their policies are subject to change without consideration of other interests, it is always possible for them to abandon Mr. Aikawa and his company just as abruptly as they dropped Mr. Matsuoka and the South Manchuria Railway.

8. The success of the venture also depends largely upon Mr. Aikawa's ability to manage the huge interests he has undertaken. Although he has been successful to date, his success has admittedly been due in large measure to conditions over which he has no control. It is one thing to expand successfully in boom times. It remains to be seen how he can do in a depression. Some, but not all, of his ventures have succeeded. Certainly his automotive ventures are not a success and without army support would have been abandoned.

9. The American investor can buy Japanese Government bonds in New York, payable in United States dollars, at such a discount that they yield him 10 percent. The investment in the new company has only a 6 percent guaranteed yield. The possibility of getting more than 6 percent is purely speculative.

10. The American investor cannot buy any shares of the Manchukuo Heavy Industry Development Co., but only of the subsidiary companies. The parent company could declare a substantial profit from sources not available to the American investor and the subsidiary might only declare a 6-percent dividend.

11. The American investor cannot control more than 49 percent of the stock of any subsidiary. If the subsidiary, for example, made automobiles, the American investor could not keep the company from exporting to markets in competition with his American plant. He could not be a decisive factor in any of the acts the directors decided upon. He could be frozen out at any time.

12. The economic set-up in Manchukuo is still a monopoly, the only change being from the South Manchuria Railway to the Manchukuo Heavy Industry Development Co. If the activities of any subsidiary in which an American might invest should run counter to the purpose of the controlling interests of the parent company, they would be curtailed even though it adversely affected the subsidiary.

13. As Japan has announced upon a number of occasions that the terms of treaties should not be binding upon her when the conditions existing at the time the treaties were made have changed, it is hard to believe that less formal guarantees, as represented by the laws of Manchukuo would be considered as binding her if economic conditions in Japan became so unfavorable as to make it difficult to carry them out. Up to now the Japanese Government has never defaulted on its bonds. It would not do so unless the economic situation became hopeless. The situation is becoming more and more serious, however, and it is too soon to say that Japan will never default. American experiences in Germany, Italy, Russia, Spain, and other countries and the experience of the foreign oil companies in Manchukuo should be considered in predicting possibilities of American participation in the new venture.

FEBRUARY 18, 1938.

German domination of Central Europe and Czechoslovak trade agreement.

Mr. Vladimir Hurban, Czechoslovak Minister, The Secretary, Mr. Sayre.

Mr. Hurban called on the Secretary by appointment in order to deliver to him a message just received from his Govenment. Mr. Hurban began by saying that the situation in Czechoslovakia is grave, very, very difficult. He went on to say that Germany is threatening to dominate central Europe economically

as well as in other ways. He said that his Government believed that the German Government intends the complete domination of central Europe and that German activities seem to point to a plan of forming extensive clearing agreements with all the European countries of central Europe except Austria and Czechoslovakia. Within the limits of such an extensive clearing agreement would be Hungary, Yugoslavia, Bulgaria, Rumania, Greece, and other countries similarly situated. The economic effect of such a union would be extensive bartering without money passing on the basis presumably of the German mark. In the words of the Czechoslovak Minister, it would be equivalent to a large monetary union. He said that Austria and Czechoslovakia would be left out of this because of German plans to dominate these two countries through political means. From the entire group trade from the other countries would be virtually excluded. In other words, the plan was German domination of central Europe, with a closed door to the trade of every other country. The Czechoslovak Minister said that his Government had brought this matter to the attention of the British and French Governments within the last day or two and that he was now instructed to bring it to the attention of the United States Government.

In view of this development, the Czechoslovak Minister said that he hoped we would not be rigid in insisting upon the language in our trade agreement covering the Danubian preferences, for he said that some kind of a Danubian alliance seemed to be the only way successfully to prevent the achievement of such a German plan as he outlined.

F. B. S.

GERMANY

March 26 Ravndal, United States consul at Buenos Aires, cabled: "According to best possible source, Germany is secretly purchasing large stocks of cereals and linseed in Argentina, presumably for excessive fees. Shipments since January 15, 1938, have been of unusual volume and local shippers are strictly prohibited from divulging any information regarding them."

[Special Gray. Tientsin, via N. R. Dated February 17, 1938. Received 8:30 a. m.]

SECRETARY OF STATE,
Washington.

39, February 17, 2 p. m.

My No. 29, February 11, noon.

I have been reliably informed that 412,000 gallons of kerosene have been imported duty-free at Tientsin under Japanese military auspices during February and that 354,000 gallons of duty-free kerosene were forwarded to Peiping by the Japanese Takas Petroleum Co. between January 1 and February 12 to be placed on the market there.

CALDWELL.

March 11. Gauss, United States consul at Shanghai, cabled that military observers estimated that over 70,000 reinforcements with considerable quantities of heavy artillery have landed at Woosung, during the past 2 weeks. Over 50 percent believed destined for southern Tsiupu front; the rest to be distributed between Wuhu, Hangchow, and along the lines of communication.

MEMORANDUM

The United States Government has devoted careful study to the aide memoire left by the German Ambassador with the Acting Secretary of State on October 21, 1937. While it cannot subscribe to a number of the contentions advanced by the German Government throughout the aide-memoire, it has noted with satisfaction the German Government's willingness, given certain conditions, "to adjust its trade policy to the principle of the free exchange of goods" and its assurance that "it is ready to accord to the United States the same favorable treatment that it does to any other country."

In particular, the United States Government has noted with deep gratification the German Government's renewed affirmation of its belief in, and adherence to, the unconditional most-favored-nation principle. As the German Government knows, the United States is convinced that the interests of world trade, and hence of the world's commercial nations, are best served by the application of the principle of equality of opportunity and treatment not only to tariff rates, but also to all other measures that may be adopted to control trade or payments therefor.

The United States Government keenly regrets that, although almost 2½ years have passed since the suspension of the most-favored-nation provisions of the Treaty of Friendship, Commerce and Consular Rights, it has not yet been possible to reestablish commercial relations between the two countries upon this basis. In its aide-memoire the German Government intimates that an interim solution might be found which might furnish a practical contribution to the realization of the desire of both countries to increase their exchange of goods. The United States notes that the German Government still considers the suggestions made informally by it in March and May 1936, as a basis for the negotiation of an agreement of this nature.

The United States is not unaware of the economic and financial difficulties with which Germany is confronted. Without commenting upon the German Government's analysis of the origin of these difficulties, it recognizes the limitations which they presently impose upon Germany's possibilities of action. In view of these circumstances the United States Government is ready to cooperate with the German Government in seeking some temporary, or interim, solution to their common problem, which would regularize German-American commercial relations pending their reestablishment upon a full most-favored-nation basis and at the same time facilitate and hasten the attainment of that end. Any plan designed to provide such a solution, in order to be acceptable to this Government, must be based upon an agreement that the commercial relations between Germany and the United States are to be governed in principle by the rule of equality of treatment, applied to all forms of control of commerce and of current commercial payments, and must provide that the treatment to be accorded in fact to American trade by Germany during the interim period shall represent a substantial approach to equal treatment in this unrestricted sense and hence constitute a substantial improvement over present treatment. The suggestions offered by the German Government in March and May 1936, while they may be construed as responding in general terms to the first of these conditions, fall short by a considerable margin of satisfying the second.

If the German Government should care to renew its suggestions, modified in the sense outlined above, this Government would be pleased to accord them sympathetic consideration.

DEPARTMENT OF STATE, WASHINGTON.
TA: Darlington: MPD.
December 31, 1937.

Then Mr. Speaker, the document which follows gives more details of the proposed trade agreement between Germany and the United States in 1937.

Listen to this:

[Handed to the German Ambassador by Mr. Welles, July 21, 1937]

AIDE-MEMOIRE

The German Ambassador on June 30, acting on instructions from his Government and referring to an invitation extended him by the Under Secretary of State to discuss with him the nature of the conversations which officials of the United States Government were carrying on in Washington with the Brazilian Ambassador and the Brazilian Minister of Finance, made oral representations to the Under Secretary raising the question whether these conversations did not involve unwarranted and unfair interference on the part of the United States in trade relations between Germany and Brazil. The Ambassador stated that Germany during recent years had been endeavoring to rebuild its exports to Brazil, which had fallen to low levels after the World War, and that it had only recently succeeded in doing so and in fact in somewhat exceeding its prewar percentage in Brazilian importations. This he said did not constitute a threat or jeopardy to American commercial interests in Brazil and the increased trade had not been derived at the expense of the United States. The Ambassador said that his Government was most heartily in accord with the principles maintained by the Government of the United States as to the necessity of unconditional most-favored-nation treatment and as to the need for the elimination of trade barriers, and that the autarchic policies now pursued by Germany were intended only to obtain for German exports the same advantages which had accrued to the exports of the United States and of other great commercial nations through the devaluation of their currencies. He concluded by saying that his Government reserved complete liberty of action to take such measures as it might find necessary in case activities of the Government of the United States should lead Brazil to limit its trade with Germany.

An oral reply was at once made to the Ambassador's representation. It is now desired to confirm and amplify this reply.

The Ambassador has said that the German Government is in hearty accord with the principles maintained by the Government of the United States as to the necessity for most-favored-nation treatment and the removal of trade barriers. The Government of the United States does indeed attach great importance to the principle of equality of treatment in international commerce as the most satisfactory basis upon which a healthy international trade can be reconstructed as a permanent foundation for peace.

The Government of the United States has been endeavoring to promote the restoration of international trade through the immediate reduction of excessive trade barriers and has adopted as the most practical means to this end a program of negotiating bilateral trade agreements with individual countries while extending to all countries which do not discriminate against its trade the benefit of the tariff reductions and other trade advantages it grants any country (Cuba always excepted). The United States has also urged on other countries, and especially on the great commercial countries which exercise a preponderant influence on the commercial policies of the world, the adoption and active execution of similar principles and policies, and the abandonment of policies and practices which conflict with and threaten to thwart the movement for restoration and liberalization of world trade.

Unlike the policy of countries which by clearing and compensation arrangements make access to their markets depend upon the obtaining from other countries of special terms of payment which require purchase of their exports, and do not therefore permit the full and ordinary action of international competition, the commercial policy of the United States imposes no such requirement on the export trade of other countries and involves no economic coercion. The United States seeks equality of commercial opportunity for its trade in other countries, subject to certain reasonable and recognized exceptions. It gives other countries equality

of opportunity to buy and sell in the United States, subject only to the requirement that countries which receive nondiscriminatory treatment from the United States shall not discriminate against the United States, and to the historical and recognized exception in favor of Cuba. It is not a narrow policy of seeking advantage for the United States and it will in part have failed if it does not serve to promote a general increase in the volume and value of international trade from which the United States and the world will receive greater benefit than would be possible from any cumulation of special advantages under discriminatory trade regimes.

It must be manifest that such a policy is not motivated by hostility to or jealousy of the commercial expansion of any country nor does it seek unfair advantage over the trade of any country. The United States does not impute such motives to any country. It does believe, however, that certain types of commercial policies of other countries, for whatever reasons they may have been adopted, may tend to hamper and thwart its own more liberal policy and its broad objectives, and it feels fully warranted in discussing this problem with any government in whose territories it may arise and in seeking a mutually satisfactory solution.

The Government of the United States welcomes the German Government's repeated expression of approval of the principle of most-favored-nation treatment and of the removal of trade barriers. Certain aspects of current German commercial policy would appear to make more difficult the application of these principles rather than to advance them.

German trade with most of the countries of Europe and with some in other parts of the world is governed by compensation arrangements under which the proceeds of the sale in Germany of the products of the soil or industry of the other party are required to be spent, with limited exceptions, for German goods for export to and use in the territory of the other party. With some other countries the same result is brought about without a compensation arrangement by German regulations limiting the use of the proceeds of their exports—the system of compensation marks. Restrictions on the transfer and on the use in Germany of funds payable to nonresidents on indebtedness and other accounts not directly connected with current international trade have been used for the same purpose. It is argued that this is intended to obtain for German exports only the same advantages which other countries have obtained by devaluing their currencies. It is nonetheless clear that where the sale of the products of a country or the effective possession of property of its nationals can be attained only by the importation of German goods in corresponding value, equality of opportunity for exporters of other countries to compete wtih German exporters vanishes. With the refinements of practice devised by the German exchange control authorities for purposes of commercial policy, German compensation mark practices become in fact potent and effective weapons for obtaining advantages over competitors of non-German residence. The restrictions on the use of the bank deposits in Germany which are designated as compensation marks result in the transfer of such marks among residents of other countries at prices much lower than the official parity of the reichsmark with gold. The highest legal adviser of the United States Government, after careful consideration of procedures of this kind as used in German trade with the United States in 1936, ruled that they constituted the payment or bestowal of a bounty or grant calling for the imposition of countervailing duties under the laws of the United States.

Germany is not the only country fostering exports by compensation arrangements or by permitting its currency to be sold at depreciated prices to certain nonresidents for restricted uses, although it is outstanding among such countries. Its exports, however, receive one distinctive advantage, inconsistent with a regime of equal competition, through provision for massive but selective direct subsidies. In the form of voluntary self-aid, German industries subscribe annually to an export subsidy fund which is reputed to amount during the current year to 1,000,000,000 reichsmarks. This would permit a uniform subsidy on all German exports of more than 20 percent of their value. Naturally, however, the actual direct subsidization is selective and, while the facts are not officially published, it is understood that subsidies as high as 50 percent and even 60 percent of invoice value have in some instances been paid to enable German exporters to meet competition in foreign markets.

The effect of trade methods such as have been described appears to be manifest in shifts in trade too extensive to be ascribed to any normal change in competitive conditions. Thus Brazilian statistics show the following percentages of participation of Germany in supplying Brazilian imports:

1934: Germany, 14.02 percent; United States, 23.67 percent; others, 62.31 percent.

1935: Germany, 20.44 percent; United States, 23.36 percent; others, 56.20 percent.

1936: Germany, 23.50 percent; United States, 22.12 percent; others, 54.38 percent.

First quarter, 1937: Germany, 26.03 percent; United States, 21.02 percent; others, 52.95 percent.

The problem which such subsidizations present to the exporters of other countries, including those of the United States, must be appreciated. By the use of subsidy procedure every field of trade, no matter how reasonable the price of the commodity offered, no matter how well-established the business connection, may be disturbed by some administrative decision to subsidize a competing product sufficiently to disturb the business. Competition so directed seems to this Government to be contrary to the principle of equality to which the German Government declares itself to be attached. Furthermore, it takes the determination of trade movement out of the ordinary competitive circumstance and places it into the hands of Government officials whose calculations need not correspond to those of competitive cost. Against the possibility of competition open to such direction it would seem plain that competition of private business, dependent solely on itself, needs safeguarding. Without such safeguard both the principles embodied in the trade agreement between the United States and Brazil and the trade benefits to be expected therefrom are brought into jeopardy. In return for the trade opportunities granted to Brazil under the agreement, American trade was pledged corresponding opportunity. Trust was placed solely in the operations of those private business calculations which have built up Brazilian-American trade in the past, to extend that trade if tariff barriers were lessened. All these expectations would be invalidated if American trade were dispossessed as a result of the use of a system of compensation procedures and governmental subsidies. The German Government surely realizes the problems created by the use of these procedures; their continued effect would be to weaken any commercial treaty arrangements based on other principles unless safeguards were taken against them; and with the weakening of these commercial treaty arrangements the underlying principles themselves will become inoperative.

There is no basis for statements, or implications that the Government of the United States has been influencing the Brazilian Government in its trade relations with Germany by threats of coercion. A trade agreement based on the principle of most-favored-nation treatment was concluded between the United States and Brazil two and a half years ago and Brazil was the first American power to join the United States in its policy of reconstructing international trade on the basis of equality of treatment. Both governments are directing their efforts to assure that the principles underlying this agreement shall be sustained, and that the anticipated benefits be realized in their mutual trade relations.

DEPARTMENT OF STATE.
WASHINGTON, *July 21, 1937.*

[Gray. Peiping via N. R. Dated February 14, 1938]

SECRETARY OF STATE,
Washington.

110, February 14, 6 p. m.

Embassy's 104, February 11, 5 p. m.

"1. Passenger trains on the Peiping Hankow Railway have not left or arrived at Peiping yesterday and today except for service between Peiping and Changhsintien, a few miles south of Peiping. This partially substantiates widespread but unconfirmed reports of activities of Chinese irregulars at Paoting and points along the railway south thereof.

"2. Press reports of Japanese advance southward in Southern Hopei have not been confirmed. An American reports that several tens of thousands of Japanese troops have moved during the last few days from Shihkiachuang in the direction of Taiyuan. With large numbers of Japanese troops already in Shansi and in southern Hopei and northern Honan, it is doubtful whether irregulars to the north of them can seriously hamper their movements unless the irregulars are supported strongly by the National Government."

Repeated to Hankow. By mail to Tokyo.

LOCKHART.

[Gray. Tokyo. Dated February 17, 1938. Received 9:10 a. m.]

SECRETARY OF STATE,
Washington.

111, February 17, 5 p. m.

"The British Ambassador today furnished me with the following statement regarding smuggling in North China:

" 'His Majesty's chargé in China has received reliable confidential information that during the period January 24 to 31 over 17,000 packages were landed near Chinwangtao without payment of duty. The duty on sugar alone thus evaded was almost 50,000 even at the new tariff rates.' "

Repeated to Shanghai.

GREW.

[Gray. Chefoo via N3/4R. Dated February 14, 1938. Received 12:04 p. m.]

SECRETARY OF STATE,
Washington.

February 14, 2 p. m.

Japanese marines have been proceeding eastward from Chefoo to Muping (Ninghai) by motor 13th and 14th. Current reports indicate that armed Chinese in bodies of considerable size in mountains south of Muping are opposed to Chinese authorities of the new regime. There are no Americans in Shantung east of Chefoo.

ALLEN.

[Gray. London. Dated February 16, 1938. Received 3:02 p. m.]

SECRETARY OF STATE,
Washington.

136, February 16, 7 p. m.

Your 57, February 4, 7 p. m., and previous. Strictly confidential.

Admiral Lord Chatfield talked informally but at some length yesterday with Captain Willson concerning escalation under the London Treaty. Based on this conversation

it appears probable that the Admiralty will favor for this year's program raising the battleship limit to about 39,000 tons and making no change in cruiser limits. Captain Willson forwarded a full report by mail to the Navy Department in yesterday's pouch via *Queen Mary*.

JOHNSON.

FEBRUARY 11, 1938.

S.
Mr. Secretary.
U.
Mr. Welles.
A. S.
Mr. Sayre.
EA.
Mr. Feis.
A-M/C.
Mr. Murphy.

I feel that you will wish to have knowledge of the facts and appraisals given in Mr. Jones' very informative memorandum hereunder (based on Consul Boyce's report).

SKH.

PA/H: SKH: ZMK.

The following several documents, Mr. Speaker, offer confidential diplomatic details regarding the crisis in Austria as a result of Nazi aggressiveness:

[Vienna. Dated February 14, 1938. Received 11:45 p. m.]

SECRETARY OF STATE,
Washington.

18, February 14, 9 p. m.

My telegram No. 16, February 13.

Have just seen (? illegible word) Schmidt and he told me that the Berchtesgaden conversations had been extremely "hard" and that he had to admit that Schuschnigg has been under heavy pressure. I inquired whether Schuschnigg had been confronted as rumored with the text of an agreement already signed by Hitler. He denied this and stated that during the protracted conversations every possible combination had been debated. He admitted, however, that three ranking generals had been present in order to increase the pressure and did not deny a rumor that Hitler had threatened trouble in the event that Schuschnigg refused to accept Hitler's proposals. It had all, however, come to a happy end and he felt that a great service had been rendered to world peace. He would not promise that the solution would be a permanent one. Probably Austro-German relations would again come to a crisis and require revision.

I asked Schmidt whether an agreement had actually been definitely concluded. He replied that the agreement had not as yet been formally reached but that he thought it would be and that a joint communiqué would be issued. I inquired with regard to details. He told me that the agreement would comprise all of the basic elements of the July 11 accord and admitted that Hitler had requested the inclusion of Seyssinquart in the government as Minister of Public Security. Police President Skubl, however, would remain. Schmidt assured me that the Chancellor had complete confidence in Seyssinquart and that he, Schmidt, did not regard him as an obstacle to appeasement. He said that "if he is loyal we prefer to have Nazis arrested by a Nazi. If he is not loyal it will mean that appeasement between the two countries is not possible and something else will have to be done." I suggested that as late as 2 years ago Seyssinquart had been working actively on behalf of the Nazis. He replied that Seyssinquart was a devout Catholic and since that time the "Kultur Kampf" had broken out. Moreover, Seyssinquart was in deadly opposition to Captain Leopold, the illegal Austrian Nazi leader. I suggested that if Seyssinquart was loyal to Schuschnigg I did not understand why Hitler placed such emphasis on his inclusion in the government or if he was not loyal how the Austrian Government could risk turning over the police control of the country to him. Schmidt replied that he had raised the same question with Hitler. However there was always a "middle way" and he hoped that it would be found in the present instance. (I could not obtain clarification of this.)

I [apparent omission] Schmidt if it was true that Schuschnigg had shown Hitler documents seized in tavs affair incriminating Nazi leaders in Germany. He replied in the negative stating that this had previously been done through Papen. (Papen definitely leaves end of this week.)

Schmidt added that while it had been agreeable to work with Ribbentrop he had the definite feeling that Ribbentrop had inwardly been much opposed to the results achieved

I queried Schmidt with regard to the Italian attitude. He was noncommittal save for the admission the Italian Government was informed of the negotiations well in advance.

I told Schmidt that my Government maintained a deep and sincere interest in the welfare of Austria and I was sure it hoped earnestly that the Austrian Government would firmly resist threats against the independence of Austria.

I have learned indirectly but reliably from the Federal Press Service that in return for the appointment of Seyss-Inquart Hitler promised the maintenance of the principles the July 11 agreement with recognition of Austria's independence, may (?) the patriotic front as the unique political structure of Austria together with a pledge of noninterference in domestic affairs; economic matters were not mentioned.

Schuschnigg avoided committing himself, stating that he was not authorized to sign any agreement without previous consultation with President Miklas. According to the press service the attitude of the Chancelor was that the portfolio of public security which he now retains could only be confided to someone having his entire confidence. President Miklas was opposed to the proposed concession.

From another source reliably informed Hitler promised to dissolve Austrian legion in Germany. About a thousand workmen at Austro Fiat and Clayton Shuttleworth factories made a short protest strike this morning against concession to National Socialists.

My feeling is that inclusion of Seyss-Inquart in the Government would be stopgap solution reflecting force of German pressure and would profoundly discourage spirit of resistance in Austria.

WILEY.

[Vienna. Dated February 16, 1938. Received 8:48 p. m.]

SECRETARY OF STATE,
Washington.

Rush.

25, February 16, 10 p. m.

Strictly confidential.

My 21, February 15, 5 p. m.

Have just seen Minister for Foreign Affairs Schmidt, who seemed on the whole cheerful. He expressed confidence that a period of internal quiet would ensue but felt nevertheless that like the agreement of July 11 only temporary appeasement could be obtained. The task of Seyss-Inquart would be to bring into the fold those elements which have so far been irreconcilable. He did not know how this could be accomplished and foresaw that Seyss-Inquart would have difficulty with Nazi extremists. Probably several new councilors of state would be appointed but this had already been under deliberation with Seyss-Inquart for some time. I asked what further steps the Austrian Government would take in carrying out Berchtesgaden agreement. He replied that pensions would be given to ex-functionaries who were dismissed for Nazi activities. They would, however, not be reinstated. The amnesty did not apply to the Austrian legionnaires in Germany. He desired that someone be appointed in administrative capacity to look after Austro-German press matters under the two governments. This move he said had not been dictated by Hitler.

Schmidt said that present German maneuvers on the Austrian frontier had been planned for 2 months. He did not believe that they were a military demonstration against Austria.

Also saw the French Minister, who has interviewed Schuschnigg and Hornbostel, with both of whom he has unusually close relations. Paux told me that formation of cabinet was bitterly contested. Papen made a last minute effort to have Glaise Horstenau made Vice Chancelor and an outstanding Nazi appointed Minister of Justice.

(I am reliably informed that Bishop Gfoeliner, of Linz, rushed to Vienna despite illness and urged resistance upon President Miklas. In consequence, Catholic Church claims credit for saving these posts from Nazis.)

Schuschnigg informed the French Minister that in Berchtesgaden conversation Hitler boasted to him of military prowess of Germany, deprecated French military equipment, alleged that everything he did with respect to Austria and the Sudeten Germans was in entire agreement with Halifax (British Minister has telegraphed this to the Foreign Office), that in 2 years' time Italy would no longer mean anything to Germany and that it was holy mission to unite 80,000,000 Germans into a nation which would rule Europe.

In contrast with Schmidt the Chancelor frankly resents German maneuvers as military demonstration against Austria. Also article in today's National Zeitung, of Essen, that reconstruction of Austrian Cabinet is first step in Gleichschaltung.

French Minister believes immediate future unpredictable and hopes that there will be at least a temporary period of quiet. He remains, however, most pessimistic regarding the future of Austria and is apprehensive that present German success will encourage Hitler to undertake some new adventure within a few months which may precipitate European war. He stated that today the British Government had made representations at Berlin and that tomorrow the French Government would do likewise. He feared, however, that these representations were of a harmless informative nature not likely to serve as an effective deterrent.

I have also seen the Italian Minister who assumes the attitude that nothing unusual is going on and that Austrian independence is not menaced. Mussolini sent message last night approving proposed cabinet reorganization.

A prominent Austrian banker who is exceptionally well informed described the situation as most favorable possible outcome for Austria. Austria was threatened with radical action by Germany which could not be resisted. Present compromise would prove far less successful for German aims than Hitler expected. Seyss-Inquart was fundamentally weak and vacillating and would be outmaneuvered by Schuschnigg and Skubl, the Secretary of State for Public Security. He was sure that Austria had gained 6 months, during which time international situation might change in some way favorable to Austria.

Indirectly but reliably informed of views of their present left-wing leader. He does not expect immediate trouble from Austrian Nazis and believes that Austria will have some months of relative quiet during which Seyss-Inquart will be in constant and ineffective conflict with Skubl. There will be frequent threats of resignation from Seyss-

Inquart and in due course another crisis in relations with Germany.

General consensus is that Schuschnigg deserves sympathy and admiration for manner in which he came out of Berchtesgaden ordeal. It is felt that he yielded minimum and rendered great service to Austria and peace of Europe.

Pending Hitler's speech of February 20 and clarification of attitude of Austrian Nazis it is impossible to make any forecast.

WILEY.

[Berlin. Dated February 17, 1938. Received 2:25 p. m.]

SECRETARY OF STATE,
Washington.

60, February 17, 6 p. m.

This evening's press announces that the new Austrian Minister of the Interior, Seyss-Inquart, arrived in Berlin this morning for a short visit and was received by Hitler. It is learned that he also saw Ribbentrop, and it is reported that the necessity was impressed upon him in both of these conversations of cleaning up in Austria what was described as Communist elements. It may be further noteworthy that he spent some time at the offices of the secret police.

The circumstance of a newly appointed member of the Austrian Cabinet who is known to be pro-German being thus in effect summoned to Berlin is construed here as sharply indicative of the nature of the new relationship between Germany and Austria.

GILBERT.

[Paris. Dated February 17, 1938. Received 3:35 p. m.]

SECRETARY OF STATE,
Washington.

269, February 17, 8 p. m.

The Foreign Office states that Francois Poncet is seeing Ribbentrop at 5 o'clock this afternoon. The appointment was asked for the day before yesterday, but Ribbentrop was unable to set an hour before this afternoon. Francois will request information concerning the exact significance of the meeting at Berchtesgaden on February 12 and will state that the French Government has a deep interest in whatever takes place in central Europe.

The British Ambassador in Berlin saw Ribbentrop on the 15th and made a demarche along the lines of the foregoing. He was told that the discussion at Berchtesgaden with Schuschnigg had been concerned only with removing the causes of difficulties which had arisen from the working of the Austro-German agreement of July 1936 and that a communiqué would be issued shortly giving all pertinent information (this was before the final decision of the Austrian Government had become known).

The French do not expect to receive any more satisfactory or enlightening response from Ribbentrop than was given to the British. They state, however, that the fact that this step has been taken in Berlin by both the French and British Governments has some importance as manifesting the interest of both Governments in what transpires in central Europe.

It seems clear, however, that the French and British action in Berlin has been taken mainly for the sake of the record out of a feeling that they could hardly afford to pass by recent events in complete silence.

Copies to Berlin, Vienna.

BULLITT.

[Paris. Dated February 16, 1938. Received 4:34 p. m.]

SECRETARY OF STATE,
Washington.

255, February 16, 9 p. m.

In conversation today the Belgian Ambassador who served in Berlin before coming to Paris said that in his opinion the Austrian situation might easily have found a worse solution than the temporary one actually reached. Everyone knew that, in the absence of a determined stand by Great Britain and France, Hitler could seize Austria whenever he wanted to. As a matter of fact he had not seized Austria but had come to an agreement with Schuschnigg by brutal methods, it is true, under which Austria would be allowed to continue as an independent state for the time being at least. Kerchove attached great importance to the fact that Skubl as Undersecretary of the Department of Security is apparently to continue in control of the Austrian police and felt that this as well as other points which Schuschnigg is reported to have obtained indicate that there has not by any means been complete abdication in the face of Hitler's demands.

BULLITT.

[Paris. Dated February 15, 1938. Received 5:03 p. m.]

SECRETARY OF STATE,
Washington.

241, February 15, 4 p. m.

Reference my 194, February 4, 6 p. m.

Confidential.

The same informant in the Austrian Legation advised us today that for the past few weeks Italy has assured Austria that in the event of German aggression against Austria Italy will mobilize. Italy has, however, at the same time urged Austria to temporize as much as possible with Germany in order to gain time and not put Italy in the position of having to take such action.

Our informant likewise stated that he had talked over the telephone to Vienna this morning and that it was his impression that Chancellor Schuschnigg would probably appoint Seiss-Inquart as Minister of the Interior and head of public security but would have the control of the government police taken away from the latter department and put under the Prefect of Police in Vienna; thus outwardly acceding to Hitler's demands but actually not doing so in that the latter's real desire was to have a Nazi sympathizer control the police.

BULLITT.

[Paris, Dated February 15, 1938. Received 3:17 p. m.]

SECRETARY OF STATE,
Washington.

240, February 15, 3 p. m. Section One.

I have just discussed with Leger the situation created by Schuschnigg's visit to Berchtesgaden.

Leger said that Schuschnigg had informed the French Minister in Vienna very privately and confidentially that he had been received with the utmost brutality. Hitler had had three generals including Reichenau standing behind him throughout the conversation and had made the following four demands: (one) that the Austrian Government should declare an amnesty for all Nazis and permit those now in Germany to return to Austria; (two) that those Nazis who had been deprived of their pensions and positions because of their political affiliations should be restored to their pensions and positions; (three) that Seyss-Inquart should be appointed Minister of the Interior and given control of the entire Austrian police force; (four) that Austria should agree to take no action with regard to foreign affairs without previous consultation with the German Government.

Leger went on to say that Schuschnigg had returned to Vienna intensely depressed and that Guido Schmidt was doing his best to persuade Schuschnigg to accept these demands of Germany.

Leger made the obvious comment that the acceptance of these demands would mean the end of Austrian independence.

Section two. I asked if the French Government had taken any action in Vienna or given Schuschnigg definite advice. Leger replied that there had been no formal contact whatsoever between Schuschnigg and the French Minister since the former's visit to Berchtesgaden. The information which Schuschnigg had given the French Minister had been given most privately and Schuschnigg had not asked for advice nor had any been given him.

Leger went on to say that he did not know whether or not the French Government would decide to urge Schuschnigg to reject these demands. The question would have to be decided by Chautemps and Delbos after consultation with Chamberlain and Eden. The decision would in his opinion rest on the interpretation of recent events in Germany.

A message had been received from Francois Poncet giving what he, Leger, believed to be an accurate account of the genesis of the Berchtensgaden visit. Hitler's old Nazi friends had been urging him to give up the idea that he could acquire Austria by peaceful evolutions and to turn to the method of force. Hitler was most loath to use force because the generals of the Reichswehr had convinced him that the army would not be in condition to fight a major war against France and England for approximately another year. Hitler therefore had wished to make a last attempt to gain his objective by overwhelming Schuschnigg's will to resist.

Section three: He had had the three generals present in order to make it clear to Schuschnigg that if necessary there would be force behind his words.

An additional reason for Hitler's reluctance to use force or threat of force was the fact that during the present period of preparation of the German Army he wished to avoid any act which might produce a strong government of national defense in France and an intensification of British war preparations and incidentally an increase in American hostility to Germany.

Leger went on to say that both he and Francois Poncet were entirely convinced that if Schuschnigg should accept the first two demands of Hitler but reject the final two demands Hitler would not dare to use force. He would employ every means short of mobilization to make life uncomfortable and impossible for the Austrian Government but would not mobilize. Leger said that he was not sure that Chautemps and Delbos would agree with him in this diagnosis. It was possible to believe that Hitler would mobilize three or four divisions on the Austrian frontier and that Schuschnigg would be forced to give way at a moment of great European crisis.

Section four: If one adopted the latter interpretation, it would obviously be less dangerous to have Schuschnigg submit now rather than later. Leger said that there were indications that the latter interpretation might be the interpretation of the British Government. In that case France would do nothing.

Schuschnigg would have to be assured of at least moral support from France and England and perhaps also Italy in order to be in a position to resist.

Leger said that the French and British Governments would discuss the problem this morning. He added that Hitler had not delivered an ultimatum with a time limit to Schuschnigg and he believed that Schuschnigg would attempt to gain time by standing on his dignity for a brief space.

BULLITT.

Mr. Speaker, can any man doubt but that every country in the world that received these translations of the coded documents that went over the wires was able to break our code and know just what was being transmitted from that day forward?

No wonder the Japs were able to perpetrate their disastrous attack on Pearl Harbor.

There is no telling how many thousands of brave American boys lost their lives as a result of this treason.

The Dark Prospect in Germany

EXTENSION OF REMARKS
OF

HON. DANIEL A. REED

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, December 31, 1948

Mr. REED of New York. Mr. Speaker, I am sure that the foreign situation as disclosed by recent articles appearing in the press presents a problem of very grave concern to the American people. The gravity of the problem is emphasized by the recent disclosures with reference to our State Department. The prestige of our country has been lowered and the good name of the State Department has been stained by intrigues and conspiracies carried on by its communistic employees and officials.

I believe that the recent observations of Walter Lippmann, which he sets forth in an article published in the New York Herald Tribune, Thursday, December 30, 1948, are worthy of presenting in the RECORD so that Mr. Lippmann's article may receive a wider circulation than may be given to it in the press.

It is perfectly evident that under the present foreign policy of the United States the American people are being committed to present and future expenditures of such a colossal nature that not only will our material resources be sacrificed to the detriment of the next generation of American boys and girls but our present-day standard of living cannot long continue under such an orgy of waste and extravagance.

Under leave to extend my remarks in the RECORD, I am inserting the article, heretofore mentioned, written by Walter Lippmann:

TODAY AND TOMORROW

(By Walter Lippmann)

THE DARK PROSPECT IN GERMANY

There is now available the material for a preliminary estimate of the progress and the prospects of the policy which proposes to set up a German government west of the Elbe, and to make western Germany a viable economy within the European recovery program. Just when this policy was decided upon may not be known until the records and the memoirs of this period are published. But shortly after the break-up of the Council of Foreign Ministers held in London last autumn, the United States and Great Britain took the initiative, with France consenting reluctantly, in formulating the policy. Two conferences which were held in London during the winter and spring ended with the signing of the London agreements early in June.

These agreements, both those which were published and those which have not yet been published, were a body of general principles to be followed by the governments, and of instructions to Generals Clay, Robertson, and Koenig, designed to set up a regime for the Ruhr, and to create a German federal republic in western Germany, an occupation statute which would fix the legal relationship of this republic to the Western powers, and a plan by which western Germany was to become, with the help of Marshall aid, a productive and self-sufficient partner in the reconstruction of western Europe.

During the past six months much work has been done to put into practice the policy formulated by the London agreements. The Germans have been meeting in a constitutional convention, which they prefer to call the Parliamentary Council, and their deliberations are interesting and significant. The military governors have been negotiating the text of the occupation statute which will in fact be the supreme law of western Germany, and their disagreements are now for Washington, London, and Paris to resolve. Finally, we know the results of the currency reform, and there exists a plan, now in the hands of the Marshall aid countries, which is supposed to show how the economy of western Germany is to become prosperous and solvent.

These three parallel developments need to be studied together. When they are, not only those who have had great hopes but also those who had great fears of the policy of the London agreements, will find themselves asking not what will happen if the policy succeeds but what will happen, as seems so highly probable, if the policy works very badly indeed.

The Parliamentary Council at Bonn was opened last September with a speech by Prof. Carlo Schmid, the leader of the Socialists in the constitutional convention. Professor Schmid is the most influential member of the committee which drafted the so-called Chiemsee report, the preliminary working paper of the convention. (In western Germany the party division is rather definitely fixed at 40 percent Socialists, 40 percent Christian Democrats, about 8 percent Communists, the rest Conservatives.)

Professor Schmid told the council that the document they were going to prepare could not be a constitution: "The German people, being under an alien occupation, are not free to form such a constitution; on the contrary what they are going to do is imposed on them by external compulsion. Such imposed documents may be technically good but they are not, democratically speaking, constitutions." Then he exclaimed that "the revolutions of 1830," 15 years after the end of the Napoleonic wars, "were nothing but the revolt of the peoples of Europe against imposed constitutions."

Professor Schmid went on to tell the constitutional convention that since they were acting under external compulsion the government they would create could be only the apparatus of domination. "When a people," he said, "has to organize under alien rule and subject to its approval, it does not constitute itself unless it does so against the alien rule itself."

There we have quite candidly set forth, what the Germans, our strongly anti-Communist Germans in the western zones, think of this western German state we have invited, indeed, pushed them, to form. When Professor Schmid spoke in September, he had not seen the text of the occupation statute under which the government, in which his Socialist Party will be much the strongest element, is to live. When the western Germans see that statute, they will find set down in black and white the bald and inescapable fact that it is impossible to have democratic self-government under military occupation. It will demonstrate to the Germans that all power is reserved by their conquerors, and that they have no real power themselves.

So it would be idle to think, as some of the more naive of our officials do, that the new German Government, lacking real power, will take the responsibility for the solution of Germany's problems. The main concern of Germans who participate in this Government, as I have pretty good reason to know from intimate talks I had with a few of them, will be to prove to the German people that they are not collaborators, a Vichy government, and a collection of quislings.

One of the most eminent of the German leaders in our zone is already in the unhappy position where his son refuses to talk with him because the son feels that the father is working with the enemy who made such a shambles of almost every important German city.

This new government, we must realize, cannot have legal legitimacy or moral authority in the eyes of the great mass of the Germans. Yet it will be asked to govern a German territory in which all the economic and social conflicts and problems that exist in Great Britain, France, and Italy, are present in an infinitely more difficult form. There are about the same number of people in western Germany as there are people in the United Kingdom and, like the British, they must import a large part of their food and raw materials. Yet the British with their strong institutions, their great tradition of freedom and solidarity, their relations with the Empire and the Continent, are able to manage only with a sustained effort which is unique in the experience of free people. Anyone who thinks the Frankfurt government, if and when it is set up, can come anywhere near to duplicating the British effort should be given the Nobel prize for wishful thinking.

The fact is that the rise in German production following the currency reform last summer has already—I say this on the best possible authority—hit the ceiling fixed by the limitation of power and skilled labor. The rise was probably not so great as the official statistics said it was. For a considerable amount of German production used to go into the black market and was not recorded. Nevertheless, there has been a substantial increase. Yet western Germany, with a much larger population than in 1936, has now got only to 75–80 percent of 1936 production. That is quite insufficient to afford a satisfactory standard of life, and insufficient to prevent a new inflation despite the currency reform. It will take, I was told on the same authority, 3 to 5 years of heavy capital investment to raise the physical ceiling on German productivity.

The new government at Frankfurt will be born into trouble—compelled to live and deal with a German economy in which the standard of life is very low, and the struggle for existence bitter and ruthless among the industrialists, the workers, the peasants, and the salaried officials, teachers, ex-soldiers. What will the German politicians do, faced as they are sure to be by insoluble difficulties? They will, of course, blame the alien conquerors who live among them in remarkable comfort, and by German standards, with conspicuous luxury.

This tendency is already quite clearly evident. The governments of the laender, like all governments in Europe, are faced with the problem of inflation. The evasion of taxes and the faking of accounts have meant that since the currency reform, which made German money valuable again, only a small proportion of taxes has been collected. Without great authority and integrity of government it is hard to collect taxes, as we know from France and Italy. The German governments—and this will be even more pertinent to the central government at Frankfurt—do not have real authority. So what have the German newspapers and politicians done? The most obvious thing. They are making a campaign against the cost of the occupation, and there is reason to think that some of the states have shown deficits in their

budgets in order to prove their case against the costs of the occupation.

This is only a straw in the wind. But I venture to say that by creating prematurely, and under humiliating conditions, a democratic German government to deal with impossibly difficult problems, we shall bring about two unhappy results.

We shall have made it almost inevitable that the ideas of democracy will be discredited once more among the rising generation of Germans.

And, as this misconceived experiment proceeds, we shall find that our relations with Germany become more and more an entanglement—though on a vaster scale and with more malignant consequences—like our entanglement in Greece.

For in Germany, as in Greece, we shall have to provide more support as our influence diminishes, and in the morbid condition which will result from our attempt to occupy a part of Germany and yet not to govern it, though we continue to rule it, we shall be sucked into the angry whirlpool of the German passions, which are the aftermath of nazism and of a defeat that has destroyed more of German civilization than it has of the German potential for violence.

The Pope's 1948 Christmas Message

EXTENSION OF REMARKS
OF
HON. CHARLES J. KERSTEN
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Friday, December 31, 1948

Mr. KERSTEN of Wisconsin. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following Christmas message of Pope Pius XII:

Grave yet tender, like the testament and last farewell of a most loving father, were the words of the Divine Redeemer to His first vicar on earth: "Confirma fratres tuos" (Luke 22: 32), strengthen thy brethren. These words have not ceased to echo in our mind and heart since the day He willed, in His inscrutable design, to confide to our weak hands the helm of Peter's barque.

Although these immortal words are deeply engraved in the depths of our mind, they are impressed still more upon us whenever, exercising the apostolic ministry, we communicate to the hierarchy and faithful of the world the teaching, directives, and exhortations which are needed for the complete fulfillment of the church's saving mission and which must be suitably adapted to the ever-changing circumstances of time and place, while their substantial immutability is kept unchanged.

It is with singular and deep emotion that we experience the force of that divine command at the present moment when, beloved sons and daughters of the world, we are addressing for the tenth time our Christmas message to you at the end of a decade which, for eventful happenings, oppressive anxiety, and bitter woes, has not its equal in the course of human history.

Last Christmas, when we asked your prayers and cooperation on this same feast day, we expressed the hope that the year 1948, then about to begin, might be for Europe and for the whole society of nations tormented by so much disunion, a year of earnest reconstruction and the beginning of a rapid advance toward true peace.

Today, at the end of a year which began so hopefully, our paternal voice again invites you, the upright and thoughtful, the sincere Christians, to ponder over the present state of humanity and of Christendom, and to consider what plan should be adopted to advance sincerely and securely along the path pointed out by the exacting necessities of the times and by your own conscience.

Any clear-sighted person who has the moral strength and courage to look truth squarely in the face, even if it be painful and humiliating, must fully recognize that this year of 1948, which dawned full of high and well-founded expectations, appears now at its close to have arrived at one of those crucial points, where the path which previously disclosed pleasant vistas seems to pose instead on the brink of a precipice where pitfalls and dangers fill good and generous people with increasing anxiety.

Nevertheless, or rather for this very reason, beloved sons and daughters, while faintheartedness begins to overcome the minds even of the courageous, and doubts assail the most enlightened and determined men, we feel ourselves more than ever obliged to answer the divine command: "Confirma fratres tuos."

To all of you, even those at the extremities of the earth, we send as our Christmas greeting the words by which the prophet announced the work of redemption and the decisive victory of the reign of Christ: "Strengthen ye the feeble hands, and confirm the weak knees. Say to the fainthearted: take courage and fear not; behold your God * * * will come and will save you" (Isaiah 35: 3-4).

As the successor of Him to whom the divine promise was addressed, "I have prayed for you" (Luke 22: 32), we know full well that when the fight against the powers of darkness is most arduous and enters phases that are decisive and, humanly speaking, alarming, it is then that the Lord is all the closer to His church and to His faithful. Fully convinced and aware of this divine assistance, we remind all those who glory in the name of Catholic Christians of a twofold sacred duty indispensable for the bettering of the present condition of human society:

1. Unshakable fidelity to the heritage of truth brought to the world by the Redeemer.

2. Conscientious fulfillment of the precept of justice and love, necessary presupposition for the triumph on earth of a social order worthy of the Divine King of Peace.

We would fail in gratitude to the Almighty, giver of all grace and furnisher of every good, if we did not recognize that the year now coming to a close, despite all its anxieties and sufferings, was also rich in spiritual consolations, in happy experiences and encouraging success. It was a year in which the church among all peoples, and in every country and continent, has given unmistakable and splendid proofs of life and vigor, of activity and resistance, and of rapid progress. And those not only justify the brightest hopes in the spiritual field, but have also produced tangible results in the titanic debate in which the human race finds itself involved while struggling for its healing and its peace.

A glorious series of religious functions, of Eucharistic and Marian congresses, of important centenary celebrations and impressive gatherings, have proved to any impartial observer that neither the war nor its aftermath, nor the tenacity of the enemies of Christ in their discordant and destructive plans have been able to dry up or contaminate the limpid sources whence the church has drawn the life-giving strength for nearly 20 centuries. Everywhere there is a quickening and throbbing of life which strives especially among Catholic youth to bring the gospel truths and the salutary force of its doctrine into all the spheres of human activity; its aim is to help and save even those who up to the present have closed their hearts to such beneficent action with great loss to themselves.

The severe trials the church has undergone because of the war and its aftermath, the painful losses and serious injury she has sustained, have served only to give more comforting and encouraging proof of her energy and resistance. Tossed about by the storm and waves, she has kept intact and inviolate her vital fiber. In all those countries where to profess the Catholic faith really means to suffer persecution, there have been and there are still thousands of valiant men and women who, undismayed by sacrifices, proscriptions, and torture, and fearless in the face of prison and death, do not bow the knee before the Baal of might and power (3 Kings 19: 18). Their names are unknown for the most part to the general public, but they are written in indelible characters in the annals of the church.

It is for us a duty to honor those faithful, valiant people, these tireless, courageous chosen ones, who are blessed by God. For them the hardships of the present time, the sorrows and the maternal tears of the spouse of Christ are neither a stumbling block nor foolishness, but an occasion and a stimulus to show forth—not in words but by actions—the integrity and unselfishness of their purpose, their unflinching fidelity and the sublime generosity of their hearts. Words fail to pay a worthy tribute and extol in a fitting way the heroism of these most faithful among the faithful. To each one of them we express our praise and our gratitude. The Lord, who promised to remember before His Heavenly Father those who confessed Him before men (Matthew 10: 32) will be their eternal recompense.

If the constancy and steadfastness of so many brethren in the faith is a source of joy and holy pride for us, we cannot pass over the obligation of mentioning those also whose thoughts and sentiments bear the imprint of the spirit and difficulties of the times. How many have suffered harm, and how many have been shipwrecked in their faith and in their very belief in God. How many, carried away by a wave of secularism or hostility toward the church, have lost the freshness and the serenity of a faith which up till then had been the support and the light of their lives. Others, violently uprooted and torn from their native soil, wander aimlessly about, exposed—particularly in the case of the young—to a spiritual and moral ruin, the danger of which it would be impossible to overestimate.

The maternal eye of the church follows with watchful love and redoubled care the souls of those temporarily lost or in danger. She is not angry. She prays, not condemns. She waits. She is waiting the return of those children of hers and is anxious to find means of hastening that hour. That is why the church shrinks from no sacrifice, finds no trouble too burdensome to such an end. She is ready for everything, except one thing: That she be not asked to gain the return of the children who have left her—either in the distant past or recently—at the expense of any diminution or tarnishing of the deposit of Christian faith confided to her keeping.

It seems to us that a brief clarification is opportune with respect to some harsh statements against the Catholic Church and the Papacy uttered by certain dissidents. Our duty of charity and of love is certainly not lessened by attacks or by insults. We know how to distinguish between the people, often deprived of freedom, and the systems that rule them. We are cognizant of the servile dependence that some representatives of a religion called orthodox display toward a concept of life whose ultimate goal—repeatedly proclaimed—is the elimination of all trace of Christian religion.

We are not unaware of the harrowing path that must be traveled by many of our beloved sons and daughters whom a public system of violence has driven to cut themselves formally away from the mother church to which their deepest convictions united them. With profound emotion we admire the heroic steadfastness of some; with deep sorrow and unfeigned paternal affection we witness the spiritual anguish of others whose external resistance has given way under the excess of unjust pressure and outwardly accepted a separation which their heart abhors and their conscience reproves.

Fidelity to the divine patrimony of truth confided to the church does not in any way condemn the Catholic Christian—as not a few believe, or seem to believe—to an attitude of diffident reserve or cold indifference in the face of the grave and urgent duties of the present hour.

On the contrary: the spirit and the example of Our Lord, who came to seek and save what was lost; the commandment of love, and, generally speaking, the special significance that radiates from the good tidings; the history of the Church which proves how she has always been the stanch and constant support of every force for good and for peace; the teaching and exhortations of the Roman Pontiffs, especially in the course of recent decades, dealing with the conduct of Christians toward the neighbor, society and the State—all this serves to proclaim the believer's duty to take his share, generously, courageously, and according to his station and capacity in questions that a tormented and agitated world has to solve in the field of social justice, no less than on the international plane of law and peace.

A convinced Christian cannot confine himself within an easy and egotistical isolationism, when he witnesses the needs and the misery of his brothers; when pleas for help come to him from these in economic distress; when he knows the aspirations of the working classes for more normal and just conditions of life; when he is aware of the abuses of an economic system which puts money above social obligations; when he is not ignorant of the aberrations of an intransigent nationalism which denies or spurns the common bonds linking the separate nations together, and imposing on each one of them many and varied duties toward the great family of nations.

The Catholic doctrine on the state and civil society has always been based on the principle that, in keeping with the will of God, the nations form together a community with a common aim and common duties. Even when the proclamation of this principle and its practical consequences gave rise to violent reactions, the Church denied her assent to the erroneous concept of an absolutely autonomous sovereignty divested of all social obligations.

The Catholic Christian, persuaded that every man is his neighbor and that every nation is a member, with equal rights, of the family of nations, cooperates wholeheartedly in those generous efforts whose beginnings might be meager and which frequently encounter strong opposition and obstacles, but which aim at saving individual states from the narrowness of a self-centered mentality. This latter attitude of mind has been largely responsible for the conflicts of the past, and unless finally overcome or at least held in check, could lead to new conflagrations that might mean death to human civilization.

Since the cessation of hostilities men have never been so obsessed as today by the nightmare of another war and by anxiety for the peace. They alternate between two extremes. Some adopt the ancient motto, not completely false, but which is easily misunderstood and has often been misused: Si vis pacem para bellum; if you desire peace, prepare for war. Others think to find safety in the formula: Peace at all costs.

Both parties want peace while both endanger it: On one side by arousing distrust, on the other by promoting a security which can prepare the way for aggression. Thus both, without wishing it, compromise the cause of peace at the very time when the human race, crushed under the weight of armaments and in agony at the prospect of fresh and even worse conflicts, shudders at the thought of a future catastrophe. Hence we should like to point out briefly the characteristics of a real Christian will for peace.

1. The Christian will for peace comes from God. He is the God of Peace (Romans 15: 33); He has created the world to be an abode of peace; He has given His commandment of peace, that tranquillity in order of which St. Augustine speaks.

The Christian will for peace has its weapons too. But its principal arms are those of prayer and love; constant prayer to the Father in heaven, Father of us all; brotherly love among all men and all nations, since all are sons of the same Father who is in heaven; love which, with patience, always succeeds in being disposed and ready to achieve understanding and agreement with everyone.

These two arms have their source in God, and when they are lacking, where people only know how to wield material weapons, there can be no real will for peace. For purely material armament necessarily awakens distrust, and creates what amounts to a climate of war. Who, then, can fail to see how important it is for the nations to preserve and strengthen the Christian way of life, and how grave is their responsibility in the selection and supervision of those to whom they entrust the immediate control of armaments?

2. The Christian will for peace is easily identified. Obedient to the divine precept of peace, it will never turn a question of national prestige or honor into an argument for war or even for a threat of war. It is very careful to avoid recourse to the force of arms in the defense of rights which, however legitimate, do not offset the risk of kindling a blaze with all its tremendous spiritual and material consequences.

Here, likewise, the responsibility of the nations is perfectly clear with respect to the paramount problems of the education of youth and the molding of public opinion, which modern methods and instruments render so sensitive and changeable today, in every department of a nation's life. But this influence must be carefully exerted to support the common interest of all states in the defense of peace. Every violator of the law should be banished in disgrace to. solitary confinement by civil society, as a disturber of the peace. May the United Nations Organization become the full and faultless expression of this international solidarity for peace, erasing from its institutions and its statutes every vestige of its origin which was of necessity a solidarity in war.

3. The Christian will for peace is practical and realistic. Its immediate aim is to remove, or at least to mitigate the causes of tension which aggravate the danger of war morally and materially. These causes are, among others, chiefly the comparative scantiness of national territory and the want of raw materials. So instead of sending foodstuffs, at enormous expense, to refugee groups, crowded into the best place available, why not facilitate the emigration and immigration of families, directing them to countries where they will find more readily the food they need?

And instead of restricting production, often for no just reason, why not allow the people to produce to the limit of its normal capacity and so gain its daily bread as the reward of its own labor, rather than receive it as a gift? Finally, instead of setting up barriers to prevent one another's access to raw materials, why not make their use and exchange free of all unnecessary restrictions, especially of those which created a harmful situation of economic disparity?

4. The genuine Christian will for peace means strength, not weakness or weary resignation. It is completely one with the will for peace of Eternal and Almighty God. Every war of aggression against these goods which the divine plan for peace obliges men unconditionally to respect and guarantee, and accordingly to protect and defend, is a sin, a crime, an outrage against the majesty of God, the Creator and Ordainer of the world.

A people threatened with an unjust aggression, or already its victim, may not remain passively indifferent, if it would think and act as befits Christians. All the more does the solidarity of the family of nations forbid others to behave as mere spectators, in an attitude of apathetic neutrality. Who will ever measure the harm already caused in the past by such indifference to war of aggression, which is quite alien to the Christian instinct? How much more keenly has it brought home to the "great" and specially to the "small" the sense of their insecucurity? Has it brought any advantage in recompense? On the contrary, it has only reassured and encouraged the authors and fomentors of aggression, while it obliges the several peoples, left to themselves, to increase their armaments indefinitely.

Resting for support on God and on the order he established, the Christian will for peace is thus as strong as steel. Its temper is quite different from mere humanitarian sentiment, too often little more than a matter of pure impression, which detests war only because of its horrors and atrocities, its destruction and its aftermath, but not for the added reason of its injustice. Such a sentiment, under a hedonistic and utilitarian disguise, and materialistic in its source, lacks the solid foundation of a strict and unqualified obligation. It creates conditions which encourage the deception resulting from sterile compromise, the attempt to save oneself at the expense of others, and the success in every case of the aggressor.

This is so true: neither the sole consideration of the sorrows and evils resulting from war, nor the careful weighing of the act against the advantage, avail to determine finally, whether it is morally licit, or even in certain concrete circumstances aggression by force of arms.

One thing, however, is certain: the commandment of peace is a matter of divine law. Its purpose is the protection of the goods of humanity, inasmuch as they are gifts of the Creator. Among these goods some are of such importance for society that it is perfectly lawful to defend them against unjust aggression. Their defense is even an obligation for the nations as a whole who have a duty not to abandon a nation that is attacked.

The certainty that this duty will not go unfulfilled will serve to discourage the aggressor and thus war will be avoided or, if the worst should come, its sufferings will at least be lessened.

In this way, a better meaning is given to the dictum: "si vis pacem pare bellum," as also to the phrase "peace at all costs." What really matters is the sincere and Christian will for peace. We are compelled to it surely by the following considerations: The spectacle of the ruins of the last war, the silent reproach which rises from the great cemeteries where the tombs of the victims of war are marshaled in endless ranks, the still unsatisfied longing of prisoners and refugees to return home, the anguish and dereliction of many political captives, worry of unjust persecution. But we ought to find a still

greater incentive in the potent word of the divine commandment of peace—the gently penetrating glance of the Divine Child in the manger.

Listen to the admirable words of the Apostle of the Gentiles ringing out in the night like the bells of Christmas—He too was once a slave to petty prejudices of national and racial pride, laid low with Him on the road to Damascus: "He (Christ Jesus) is our peace: He has made the two nations one * * * killing all enmities in His own person * * * coming, He announced the good tidings of peace to you who were afar off, and of peace to those who were near" (Ephesians 2: 2, 14, 16, 17).

Hence at the present hour, with all the power at our command, we conjure you, beloved sons and daughters of the entire world: work for a peace that is in accordance with the heart of the Redeemer.

Together with all upright men who, even though not fighting in your ranks, are united with you in the community of this ideal, work strenuously for the propagation and triumph of the Christian will for peace.

It is, however, with special confidence that we turn to Catholic youth. The unforgetable demonstrations of last September brought to Rome, in an unprecedented multitude, the representatives of Catholic youth from the most diverse nations. They gave unmistakable proof of their solidarity in the will for peace.

From the steps of our patriarchal Vatican Basilica, on that occasion we blessed in paci: the house of peace, calculated to give to the youth of the Catholic world gathered in front of the cupola of St. Peter's a realization that they belong to one great family which embraces all its sons with equal love.

To you, young people, who bear in the flower of your age the responsibility of a tomorrow still so uncertain, we say: Be not content with building the domus pacis on the Via Aurelia. That is, only by devotion and determination in making of the world itself a domus pacis, over which the spirit and the promises of Bethlehem may reign serenely, can afflicted humanity find peace at long last.

With this hope we invoke the protection of the Most High on all peoples and nations, especially on these who more than others are exposed to the threat of war, to unrest, and to devastation.

And on this Christmas eve, why should our thought not turn back once again to the land of Palestine, where the Son of God made man spent his earthly life; to that Palestine where, even after the suspension of hostilities, there is still no sign of a secure basis for peace? May a happy solution be finally found which will mean help for so many thousand unhappy refugees and satisfy at the same time the anxious desires of all Christendom to see the holy places protected by making them freely accessible and safe, by means of the establishment of an international regime.

We implore likewise the divine assistance on all who are pleased to dedicate themselves to safeguard and promote peace by their prayers and active cooperation: on the rulers of nations, on those who can exercise a real influence on public opinion, and in general on those from whom people are more disposed to welcome sincere invitations to peace; on the innumerable ranks of war victims and on the many others whose unhappy lot becomes each day more painful as the intolerable waiting continues for a peace that is conclusive, morally just, and lasting, and immune from all superstitions and prejudices of race and blood.

Meanwhile, counting on divine grace to realize these ardent desires, we lovingly impart to you all, beloved sons and daughters, who are united with us in the bands of faith and love, our paternal apostolic benediction.

The Illfare State

EXTENSION OF REMARKS
OF
HON. DANIEL A. REED
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Friday, December 31, 1948

Mr. REED of New York. Mr. Speaker, under leave to extend my remarks in the RECORD, I am inserting an article entitled "The Illfare State," which was written by Wheeler McMillen for a recent edition of the Pathfinder:

THE ILLFARE STATE

Have you heard about the "welfare state"?

That's a name the political philosophers have dreamed up for a kind of nation where a kindly government solves everybody's problems.

In the welfare state, no one stays sick for want of medical attention. The Government pays doctors and provides hospitals to look after the people's ailments.

In the welfare state, no one is supposed to lack a suitable place to live. If there are not enough houses, the Government builds them.

In the welfare state, no youngster has to be stinted on education. The Government sees that he gets plenty of schooling.

In the welfare state, no one has to sell products of his work at a loss. The Government supports the prices.

In the welfare state, no one has to work for very low wages. The Government prescribes minimum wages.

The welfare state sounds like a fine place in which to live. A great many millions of people have been persuaded that it must be indeed so.

All of these costs, of course, are met by the Government. Well, not exactly by the Government. The Government collects taxes from the people, and pays the bills out of the taxes.

Not all out of this year's taxes, of course. The bills tend to run high, so the Government has to borrow money. Naturally it borrows from the people, who therefore owe it to themselves, and no damage appears to be done.

Well, maybe a little damage. When Government has to borrow a lot of money, and when the people do not seem to be able to buy all the bonds, the Government has to sell the bonds to the banks. The banks issue money on the bonds. The Government spends the money.

Of course, the money all goes into the streams of business so that the wage earners and the material suppliers get it, and they can spend it.

Naturally a lot more money gets into circulation. People like that. That is, they like having lots of money. The only trouble is that when there is so much money around it takes quite a bit to buy anything. Money gets to be cheaper than goods.

The Government, of course, can fix that. It puts price ceilings on more things.

That makes a bit of trouble, too. The producers who can't make money under the price ceilings won't be reasonable. They demand subsidies, or quit producing and try something else.

When the producers quit producing, somehow the supplies of whatever they produced grow scarcer and scarcer. Black markets show up, where only rich people can buy.

So what? The Government can fix that, too. It proclaims rationing, so that the scarce supplies will be evenly divided up. People buy with ration coupons, plus money, the coupons being the more valuable of the two.

If that doesn't cure the trouble, somebody just has to go without. And the workers who got wages from the producers who quit have to find other jobs, if there are any.

When things get bad enough the Government really takes a hand. It drafts labor. It says, "Hey, you! You work over here. You work over there."

It takes over the businesses—the mines, the railroads, the utilities, the factories, the farms—and runs them. I mean runs them.

All these things have happened lately in countries not out of this world.

They couldn't happen there, could they? They aren't happening here, are they?

And if they did, would you call this a welfare or an illfare state?

Political Collaborators With the Present Soviet Regime Are the Instigators of an All-Out World War III

EXTENSION OF REMARKS
OF
HON. CHARLES J. KERSTEN
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Friday, December 31, 1948

Mr. KERSTEN of Wisconsin. Mr. Speaker, modern communications, transportation, and weapons make us one world. India, China, Russia, Europe, and America now make one neighborhood. The polar region is main street for modern man. For the first time since the building of the Tower of Babel man is being driven toward concerted actions. Jet propulsion and nuclear fission brings us all within the sight of the whites of each others' eyes. For many centuries we were dispersed amid the confusion of tongues and the separation of continents. But now we are forcibly drawn together. Mankind is being integrated into a single body. Many parts of that body, however, are sick. One part is cancerous. The cancer is the present regime in power in the Soviet Union. It is the first government in history based on militant atheism. In its forced labor camps it has inaugurated the most extensive system of human slavery that the world has ever seen. Its children are being raised in a dynamic hatred of the Western World. The present Soviet Government has dedicated its people to the overthrow of civilization as we know it. What is to be done, therefore, with this raging cancer that seeks to infiltrate into the bloodstream and to overcome the entire body of humanity? You cannot collaborate with a cancer. You cannot ignore it. It is a living malignancy; it is not benign. The greatest boon to mankind would be for the Russian people to overthrow the tyranny that enslaves them, for the world can never be at real peace until the present Soviet regime has been changed. You cannot cooperate with Communists in trade-unions, in government, or in councils of nations. A hundred years ago we could probably ignore the Soviet dynamic for aggression. But science has brought us all in the same neighborhood.

Those so-called statesmen that would have us ignore the cancer are the greatest instigators for an all-out world war III. Those social reformers that want us to collaborate with the present Soviet Government and ignore its malignancy are like the quack doctor who prescribes a pink pill for a serious illness that can be fatal. We know now, to our sorrow, that glad handing and infectious smiles make no impression on the men in the Kremlin. In dealing with them we are dealing with cold malice and Alice-in-Wonderland politicians they regard as fools. So, Mr. Speaker, we must understand the terror that has been thrust into the neighborhood of the world. That is the first step toward isolating it and preventing its spread into a general conflagration. Let us not mistake its malevolent purpose. Let us not compromise with it. Let us not aid and abet its conquests. Let us not add to its strength by a foolish ignorance of its aggressions. The modern world cannot exist half Communist and half free.

Down the Road to Nationalization of American Industries

EXTENSION OF REMARKS
OF
HON. DANIEL A. REED
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Friday, December 31, 1948

Mr. REED of New York. Mr. Speaker, I have watched the operation of the socialistic government in England with deep concern because it is our taxpayers who are making it possible for the British socialistic government to function.

I believe it will function so long as we are willing to pour millions of our dollars to support the very type of government which we have condemned and paid for with both blood and money.

Under leave to extend, I am inserting an article by Mark Sullivan which appeared in a recent issue of the New York Herald Tribune:

BRITAIN SOCIALIZING INDUSTRY DESPITE DEPENDENCE ON UNITED STATES AID—MARK SULLIVAN CITES CONSERVATIVE CRITICISM OF LABOR GOVERNMENT'S NATIONALIZATION OF IRON AND STEFL, CITADEL OF NATION'S CAPITALISM

(By Mark Sullivan)

WASHINGTON, December 23.—A major condition of the current world and major influence on its future can be put in a question, "To what extent has Great Britain gone Socialist and how much further is it likely to go?" The question, in addition to its world interest and historic importance has a special interest for the United States—as the leading country practicing private ownership of industry, and also because of our relation to Britain through the Marshall plan, by which we aid economic recovery in that and other European countries.

An answer to the question may be found in a debate which took place in the House of Commons last month, on nationalizing the iron and steel industry. Throughout the debate there was frequent reference to the group of industries already nationalized—they include coal, transportation, electric power, gas, overseas cable and wireless, civil aviation, as well as the Bank of England.

Based on this socializing that has already taken place, a leader of the Conservative Party, Oliver Lyttelton, said: "If we add the state ownership of iron and steel * * * in reality private industry will have ceased to exist effectively." There will be private ownership, but it will be a feeble and shrinking thing. To the same effect a Labor leader, Minister of Supply R. G. Strauss, said that the socializing of steel removes from the private sector of our economy to the public the industry which is the citadel of British capitalism.

Other members of the Labor government confirmed what they regard as the necessity of socializing iron and steel if the Labor Party's program is to be consistent and successful. Ronald Mackay said that the Labor Party had come into power because it believes in socialism; and S. N. Evans declared: "No Labor government concerned about its future can possibly afford not to nationalize iron and steel."

Confirmation of the effect of the bill came from a great liberal paper opposing it, the Manchester Guardian: "The natural outcome of the steel bill is now becoming convincingly clear: there is no point after this at which the advance toward the extinction of private enterprise in British industry could be halted."

Throughout the debate in Commons, and in public discussion outside, there was frequent allusion to the fact that the British Labor Government is socializing British industry at a time when the country is dependent upon economic aid received from the United States, a country which practices private ownership and believes in it. A liberal periodical, the Economist, of London, said that we have never raised this point: "Americans have been meticulous in not intervening in our domestic political concerns." But the Economist counseled restraint on the part of the Labor government: It is surely only common prudence not to do anything, if it is not strictly necessary, that might compromise the future of the Marshall plan.

Conservative leader Winston Churchill was blunt in stating the dependence of Britain on the United States. He said that consideration of the bill to nationalize the steel industry ought to include consideration of the relation of that country to the United States, on which the Socialist government and the Socialist policy are living from month to month and from hand to mouth.

The implication was frequent that even though we do not raise the point, the British Labor Government ought to take into account the future effect which nationalizing of British industries would be likely to have on the United States and its economic system.

Power

EXTENSION OF REMARKS
OF
HON. WALT HORAN
OF WASHINGTON
IN THE HOUSE OF REPRESENTATIVES
Friday, December 31, 1948

Mr. HORAN. Mr. Speaker, under leave to extend my remarks in the RECORD, I would like to include the following statement by Mr. Charles E. Cone, research man for the Columbia Basin Commission in the State of Washington. Some idea of the potential of the Columbia River is contained in this statement. Since the Columbia River is one of the Nation's greatest assets, I thought my colleagues would enjoy reading Mr. Cone's statement.

IT WOULD REQUIRE 23,500,000 TONS OF COAL OR 93,750,000 BARRELS OF OIL TO PRODUCE POWER POTENTIAL OF COLUMBIA

(By Charles E. Cone, research man for Columbia Basin Commission)

Falling water of the Columbia River drops 1,290 feet from the international boundary to the Pacific Ocean. Through and over Grand Coulee Dam in an average year rolls 75,000,000 acre-feet of water. If all that energy increased by added water from tributaries could be used, the river would have a power potential of 5,000,000 horsepower or 11,200,000 kilowatts of electric energy throughout the year. It is not possible, however, to use the floods for power generation nor to pass all the water through the power penstocks as it is needed.

Estimates made by Maj. John S. Butler, in his famous report of 1932 concluded that 11 dams which might be built on the Columbia River would justify installing 8,200,000 kilowatts of generating capacity. Assuming that these generators can deliver power at 50 percent of capacity the year round, the Columbia River could furnish power at the rate of 36,000,000,000 kilowatt hours per year, or enough electric power to serve the entire Nation for 6 or 7 weeks at current rate of use.

Translation of these kilowatt hours into tons of coal or barrels of oil required for equivalent power generation brings the following results:

1. Steam power plants use 1.29 pounds of coal for each kilowatt-hour of electric power, to produce 36,000,000,000 kilowatt-hours of power would require 47,000,000,000 pounds, or 23,500,000 tons, or 6,000 trainloads of coal.

2. Oil is used extensively as a fuel for generating electricity by steam engines or by internal-combustion motors. One barrel of oil will produce 384 kilowatt-hours of electric energy. If we divide 36,000,000,000 by 284 we arrive at a figure of 93,750,000 barrels of oil which would be required annually to produce the estimated hydroelectric capacity of the Columbia River.

On the lower Snake River four dams have been authorized and Hells Canyon Dam between Weiser and Lewiston, Idaho, is in the study phase. If these five dams are eventually built with the proposed installations of nearly 2,000,000 kilowatts of additional generating capacity, the total energy potential of the two rivers can be set at 10,000,000 kilowatts installed capacity and the reader can add 20 percent to the tons of coal and barrels of oil above-mentioned.

Of course the above figures are wholly theoretical. In practice the demand for power, regulation of river flow, and the expense of construction of so many dams with a vast network of transmission lines will govern the future plans of the engineers. It was less than 100 years ago that Michael Faraday was experimenting with the first dynamo, then only a plaything for physicists.

Statehood for Alaska

EXTENSION OF REMARKS
OF
HON. CHARLES J. KERSTEN
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Friday, December 31, 1948

Mr. KERSTEN of Wisconsin. Mr. Speaker, under leave to extend my re-

marks in the RECORD, I would like to state that it was my privilege this past fall to visit our Territory of Alaska. A visit there will convince any reasonable person of the advisability of extending statehood to it.

The new importance of the polar region, the proximity of Alaska to the Soviet Union, the fact that the great circle air route to the Orient lies along the Aleutian chain, these and other reasons require the strengthening of Alaska. Statehood will be the first important step in the strengthening of Alaska. It will then be able to retain a just portion of its natural wealth for its own development. The days of its exploitation should be at an end.

Preliminary Report of the Subcommittee To Investigate Questionable Trade Practices on the Investigation of Retail Automobile Sales in the Metropolitan Area of Washington

EXTENSION OF REMARKS
OF
HON. W. KINGSLAND MACY
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Friday, December 31, 1948

Mr. MACY. Mr. Speaker, under leave granted to extend my remarks in the RECORD, I include the following preliminary report of the Subcommittee To Investigate Questionable Trade Practices on the investigation of retail automobile sales in the metropolitan area of Washington:

At the closing of the Eightieth Congress, I wish to comment briefly on the work of the Subcommittee To Investigate Questionable Trade Practices, of which I have had the privilege of being chairman during the past year.

The activities of the subcommittee have centered around three major subjects: (1) Steel, (2) scrap, (3) automobiles.

Very definite results have been accomplished in the first two fields and are set forth in the interim report of the subcommittee issued in October 1948, which report is incorporated herein by reference.

1. STEEL

As you know, that report contains certain recommendations directed to the steel producers, the scrap industry, and to the manufacturers. These should be followed up with representatives of the steel producers, the scrap industry, and the interested trade associations, to determine which of these recommendations should be adopted and put into operation. Indications are that the majority of the recommendations are feasible and could form the basis for voluntary programs to be carried out by the steel industry.

One matter which I feel should be brought to your attention involves the M. S. Kaplan Co. and the Sun Steel Co., of Chicago. These companies have common ownership. Because the committee had received numerous complaints relative to the gray-market activities of the Sun Steel Co., an effort was made to obtain certain information relative to its method of operation. Every effort was made to obtain the voluntary cooperation of the officials of the company. When this proved unproductive, the committee was forced to issue subpenas duces tecum ad testificandum. The United States marshal at Chicago made proper service upon two of the officers of the company. These officers willfully refused to appear before the committee, as directed. We have referred this matter to the Committee on Public Works, with the recommendation that the necessary steps be taken to properly deal with this flagrantly contumacious conduct.

2. SCRAP

The report also points out that although our scrap reserves are somewhat improved, they are by no means adequate in the event of war. In my opinion, the United States has not received a sufficient allocation of the ferrous scrap located in Germany surplus to the needs of that country. Ways of increasing this tonnage should receive immediate attention. The matter of sufficient reserves of scrap is, of course, directly related to the elimination of the steel gray market, and is extremely important from the standpoint of national security.

3. AUTOMOBILES

During the time that this subcommittee was making its investigation of the gray market in steel, it received numerous complaints relative to the existence of gray-market conditions in other industries. A great number of these concerned themselves with trade practices of retail automobile dealers. Information received from all sections of the country told of purchasers' difficulties in obtaining new cars, of premium prices which had to be paid, of unwanted extras, of the undervaluation of trade-ins, and other grievances. Many such situations were also brought to my attention by my colleagues. These complaints reached such proportions by July of this year that the committee felt impelled to embark upon an investigation of the automobile situation and do as thorough a job as possible consistent with rather severe limitations as to funds and personnel.

It was decided, from the standpoint of economy and speed, to make an investigation of the sales practices of the new-car dealers in the metropolitan area of Washington, D. C. The committee was also reasonably certain that conditions in this area were very similar to those existing in other comparable areas throughout the country.

The committee initiated its investigation by requesting certain information from a cross section of the automobile dealers in the area. Thirty dealers selling the various makes of automobiles were chosen. Each one was requested to submit certain information to the committee covering their sales for the first 7 months of 1948 in order to show the following:

1. The number of new cars sold.
2. New-car purchaser.
3. Motor and serial number.
4. Sale price, including accessories.
5. List price.
6. Used car taken in trade (if any) and identification of this car.
7. Allowance on used car.
8. Sale price of used car.
9. Purchaser of used car.

Upon receipt of the above information, it was analyzed in order to determine their methods of operation. Our investigation covered approximately 60 percent of the new-car sales in this area for the period from January 1, 1948, through July 31, 1948. In order to obtain the most accurate picture possible, the committee ran out approximately 16,000 new- and used-car transactions. Based on these investigations and the material submitted by the automobile dealers, the committee arrived at the averages and conclusions set forth under items I and II of the attached Summary of Information Submitted by Automobile Dealers.

It was also found that 80 percent of the automobiles taken in trade were "wholesaled" by the new-car dealers to used-car dealers without making any repairs. Most of these cars were sold to out-of-State dealers.

The committee also found that the methods of operation employed by various dealers differ considerably. For comparative figures, refer to items III, IV, and V of the attached summary.

In arriving at the average undervaluation of trade-ins, the committee considered only the difference between what the dealer allowed for the car and what he resold it for, deducting, of course, any repair expenses. However, as stated above, we found that 80 percent of the trade-ins were sold on the wholesale market and many of the cars passed through the hands of three or four used-car dealers before being sold to an individual for personal use. The market price on the car was considerably higher than the price placed on it by the new-car dealer and, therefore, a more accurate picture of the undervaluation would be obtained by subtracting the amount which the individual was allowed on his trade-in from the amount for which the last used-car dealer sold the car to a private purchaser.

Since it appeared that the trade practices existing in this area were the same throughout the country, the committee projected its findings on a national basis and arrived at the conclusion that during the first 7 months of 1948 the American public had in effect sustained a loss of $200,000,000 resulting from undervaluation of used cars taken in trade and $250,000,000 resulting from having to take unwanted extras.

Immediately following this announcement, the committee was deluged by letters from all over the country complaining that our estimates were entirely too low. In most instances the writer would thereupon state in effect, "Let me tell you what happened to me," and would thereafter set forth his story.

In order to illustrate some of the main types of questionable trade practices which had been discovered, the committee held a series of hearings. The first hearing involved the Kearney Oldsmobile Co., of Washington, D. C. Our analysis of the figures which they submitted to the committee shows the following:

New-car unit sales	231
Dollar volume	$539,749.89
Average list price	$1,967
Average delivered price	$2,336.58
Average dollar extras	$369.58
Total dollar extras	$85,372.89
Percent of extras on list price	18.78
Number of trade-ins	25
Total allowances	$12,901.20
Ratio of trade-ins to new-car sales—percent	10.82
Average allowance	$516.05
Average resale price of trade-ins	$1,005.53
Total trade-in sales	$25,163.25
Average percentage of resale price over allowances	95.04
Average profit on trades	$490.48
Dollar profit on trades	$12,262.05

However, since they greatly undervalued their trade-ins, the committee questioned the correctness of figures which reflected very few such transactions. Further investigation of the activities of this company showed that false information had been submitted to the committee. We found that some customers were making cash payments averaging $500, in addition to the invoice price of the car, and that such additional payments were not reflected on the books of the company. Eighty-five percent of the company's sales of new cars which we investigated showed that they had taken trade-ins which they had failed to include in the information submitted to the committee. In addition, these trade-ins were not reflected on the books of the company. These books merely showed that the new-car purchaser paid cash. However, it developed that instead of cash he had actually traded in a used car and the cash item was in truth and in fact the amount which he had been allowed on the trade. In many such cases

the purchaser endorsed the title to his old car in blank. These cars were then sold by the Kearney Oldsmobile Co. at an average profit of $490, which was not reflected on the company books. In such a case the certificate of ownership filed with the District of Columbia Motor Vehicle Department failed to show that the car had ever been owned by the Kearney Co. Because of the manner in which the books and records of this company had been kept, all information developed by the committee was turned over to the Bureau of Internal Revenue, the Corporation Counsel's Office of the District of Columbia, and the tax assessor for the District of Columbia.

The committee made inquiry into the activities of the New York Avenue Motors (Hudson dealers), of Washington, D. C. In this case we developed that the son of the owner of the company was selling cars to customers who were willing to make cash payments under the table. These cash payments averaged approximately $400 per car. In one instance we found a veteran attending school under the GI bill who, in order to get a car, paid to George Adlung, son of the owner, $1,200 in cash and received a receipt for only $800. The balance of the car was financed in such a way that the former GI had to pay $90.48 a month for the next 2 years.

The next hearing held by the committee showed how three Chevrolet dealers distributed their cars among their customers. We investigated the activities of the Ourisman Chevrolet Co., Mandell Chevrolet Co. (both owned by Benjamin Ourisman), and the Kenyon-Peck Chevrolet Co. In these cases we found that the companies had long waiting lists of customers who had placed their orders and had made down payments in order to secure delivery of an automobile. We found that in the case of Ourisman deliveries to such customers were running 14 to 18 months behind. However, customers who were willing to trade in a car at a price greatly under its current market value could obtain a car within an average time of 50 days. In many instances such customers obtained practically immediate delivery. We found that the Ourisman Co. had 1,710 customers on its waiting list. If deliveries had been made in chronological order, all of these customers who had deposited money with the Ourisman Co. in good faith would have received their cars long since. As a matter of fact, the Ourisman Co. received a sufficient number of cars in the first 7 months of 1948 to enable it to fill the order of nearly every customer on the list had it so desired.

A somewhat similar situation was discovered at Kenyon-Peck. However, the committee found that in this case the dealer was circumventing his list of deposit customers by titling 80 percent of his new cars in the name of the company and then reselling them as demonstrators. In this way it was hoped to pacify irate customers who might complain that they knew of someone who had obtained speedy delivery of a new car from Kenyon-Peck. The company felt it could then clear itself by stating that it was not a new car but a demonstrator. As in the case of Ourisman, we found that Kenyon-Peck's deliveries to its deposit customers were running approximately 14 months behind. However, those customers to whom demonstrators were sold obtained almost immediate delivery.

The last hearing which the committee held involved the Cherner Motor Co. (Ford dealers), of Washington, D. C., and the Shirlington Motor Co. (Lincoln-Mercury dealers), of Arlington, Va. Both of these companies are owned by Joseph Cherner.

In this case as in others we found numerous customers on the waiting list who had placed deposits with Cherner a year and a half to 2 years ago. Some had been on the waiting list as long as 3 years. However, while these people were waiting, Cherner salesmen were soliciting new customers who had cars which they were willing to trade in at a price far below their actual value. At the time the Cherner books were examined the company had approximately $27,000 on deposit from those customers. In the past this had run as high as $40,000. These deposits were used by the Cherner Co. as part of its working capital. The order blank which the customers signed at the time they made their deposits required Cherner to place the deposit in trust. However, the Cherner Co. never complied with this part of the agreement and frankly so admitted to the committee. Mr. Cherner stated, however, that in 1946, the Ford Co. suggested that these funds be placed in a separate account. Mr. Cherner advised the committee that he told the Ford Co. that he would secure these deposits with $75,000 which he had in various building and loan companies in this area. He stated that this satisfied the Ford Co. However, an examination of these building and loan accounts showed that the moneys contained therein in no way secured the depositor account, and in the event the firm went into bankruptcy the depositors would only share with the rest of the creditors. Although the Cherner Co. paid no interest to its depositors, nevertheless, the building and loan accounts which were supposed to secure the deposits were paying him an average of 3 percent per annum.

In each of the hearings referred to above factory representatives of the automobile manufacturer involved were invited to attend. Following the disclosures by the committee, the Oldsmobile division of General Motors Corp. announced that the franchise of the Kearney Oldsmobile Co. was not being renewed. Within a week after our hearings involving the New York Avenue Motor Co., the Hudson Motor Co., of Detroit, announced a new sales policy which would guarantee to the public an opportunity to buy Hudson automobiles at list price without any extras or optional equipment.

The Chevrolet division of General Motors and the Ford Motor Co. at the present time are studying the evidence adduced at our last two hearings. However, although they have intimated that certain of the practices disclosed do not meet with their approval, we have not been advised to date as to what action, if any, they intend to take.

From the investigation which we have made and from an analysis of the complaints we have received throughout the country, it appears that abuses in the automobile-retail business fall into the following main categories:

1. Disregard of order lists.
2. Demanding premium payments.
3. Requiring trade-ins.
4. Undervaluation of trade-ins.
5. Loading cars with unwanted accessories and extras.
6. Discourteous treatment.

The committee feels that these abuses could be corrected without delay either by cooperation between the dealers and the manufacturers or by the insistence on the part of the manufacturers that the dealers conduct their business pursuant to a code of fair business practices. The committee feels that the manufacturers have not been sufficiently diligent in policing their own industry. While they have sought to soothe the public and build good will by announcing their policies relating to fair distribution and sale of automobiles, most companies have made very little real effort to see that these policies were put into practice. As was pointed out in the hearings dealing with the Kearney Oldsmobile Co., Kearney's name led the list in endorsing the pledges of the Oldsmobile Division of General Motors to deal fairly with the public. When this fact was brought to the attention of Mr. Raymond Kearney, he stated "that was meant for some other dealer, not me."

The public has long since recognized that in many instances such pledges are not worth the paper on which they are written; and, from the complaints we have received, it appears that the public is becoming more than annoyed at being treated like children in this matter.

Automobile manufacturers, by veiled reference to antitrust cases, take the position that there is nothing they can do to correct the abuses which exist in the industry. However, I feel that their position is open to serious question. I know of no Federal law, regulation, or decision which forces automobile manufacturers to renew the franchise of any dealer whose sales practices injure the reputation and good will of the manufacturer and bring his product into public disrepute.

I have never been in favor of Government controls. However, I recognize the danger to our national economy and our national safety inherent in all trade practices which add to inflation at the present time. When I make that statement, I am referring not only to trade practices in the field of automobiles but in all other basic industries. We have passed the point where such gouging skims off what merely might be termed "wartime savings." It has now reached the point where many must borrow against future pay checks in order to purchase current necessities. This is a most dangerous road to be traveling today, since it leads directly to economic collapse, unemployment, and bread lines, all of which provide a most fertile field in which seeds of communism flourish. I feel that it is high time for American industry to recognize these immediate dangers, and to take all measures consistent with our heritage of free enterprise to correct these abuses. I feel that a far better and more effective job can be done by industry itself if it sincerely desires to do the job. I recognize that in a normal competitive market such policing would be unnecessary. However, during this present period of war-created shortages, it behooves us all to conduct our business with that restraint dictated by good business practices founded on sound economic principles.

It is rather apparent that some dealers are looking forward with anticipation to the demise of the subcommittee. As a matter of fact, the officers of one automobile firm in this area have deliberately left this area to evade service of process and thus not have to produce their books and records. Consideration is being given to the advisability of requesting the issuance of bench warrants, because of this very deliberate interference with the work of the subcommittee.

W. KINGSLAND MACY, New York, *Chairman*,
HOWARD A. COFFIN, Michigan,
FREDERICK A. MUHLENBERG, Pennsylvania,
WILL M. WHITTINGTON, Mississippi,
HENRY D. LARCADE, JR., Louisiana.

SUMMARY OF INFORMATION SUBMITTED BY DEALERS

At the outset of the subcommittee investigation of sales practices of retail automobile dealers in the metropolitan area of Washington, certain information was requested from 30 new-car dealers, and subsequently from 7 more dealers. The material submitted set forth the following data for the period January 1, 1948, through July 31, 1948:

(a) Number of new cars sold.
(b) Name of purchaser.
(c) Motor and serial numbers.
(d) Sale price, including accessories.
(e) List price.
(f) Identification of used car taken in trade, if any.
(g) Allowance given.
(h) Resale price of used car.
(i) Name of purchaser of used car.

This information covered more than 60 percent of the new cars sold in this area for the first 7 months of 1948.

An analysis of this material revealed the following information:

I. The number of new cars sold by individual dealers ranged from a low of 50 to a high of 1,376.

II. From the information submitted by the first 30 dealers, the following figures and averages were obtained:

(1) New-car unit sales	9,540
(2) Approximate dollar volume	$19,727,921
(3) Dollar amount of extras	$2,728,420
(4) Average amount of extras	$286
(5) Percent of extras over list price	15.08
(6) Number of cars taken in trade	3,805
(7) Total allowances	$2,870,375
(8) Ratio of trades to new-car sales (percent)	40
(9) Average allowance	$754.37
(10) Average resale price	$1,087.14
(11) Total resale amount	$4,136,555
(12) Average percentage of resale price over allowances	43
(13) Average profit on trades	$332.78
(14) Total profit on trades	$1,266,180
(15) Average used-car profit per dealer	$42,206

III. Dealers selling the same make of automobiles often differed considerably in their dealing with the public, as can be seen from the following comparisons:

	Ratio of trade-ins to new car sales (percent)	Average dollar extras	Percent of extras over list price	Average profit on trade-ins	Average percentage of selling price over allowance
Dodge-Plymouth:					
Dealer A	20.0	$160.36	10.0	$272.50	33.0
Dealer B	15.2	150.00	8.9	212.24	27.5
Dealer C	44.0	218.00	13.0	211.00	41.0
Dealer D	2.5	80.51	4.6	138.84	17.4
Oldsmobile:					
Dealer A	[1] 10.8	369.58	18.8	490.48	95.0
Dealer B		352.00	17.9		
Dealer C	62.9	356.88	18.1	210.70	22.2
Dealer D		444.07	22.9		
Ford:					
Dealer A	84.1	233.39	15.6	370.78	41.5
Dealer B	28.5	253.38	16.0	280.16	40.0
Dealer C	68.8	293.80	19.7	[2] 436.70	67.4
Pontiac:					
Dealer A	16.1	435.00	24.4	285.00	25.0
Dealer B	57.0	411.15	23.0	272.64	28.3
Dealer C	52.0	466.00	26.1	255.10	23.5
Packard:					
Dealer A	58.0	488.00	17.0	169.00	9.2
Dealer B	41.7	398.73	16.0	213.55	19.2
Dealer C	30.5	575.99	20.6	388.00	32.5
Hudson:					
Dealer A	59.3	368.00	17.0	316.00	43.8
Dealer B	53.2	284.17	13.2	312.77	33.3
Buick:					
Dealer A	10.7	270.93	12.2	323.59	27.9
Dealer B	23.9	287.06	12.9	461.33	37.1
Chevrolet:					
Dealer A	27.0	120.48	8.7	449.24	59.5
Dealer B	18.0	133.84	9.7	462.40	53.9
Dealer C	57.0	142.00	10.3	463.00	100.0
Dealer D	70.7	270.88	19.6	374.10	74.5
Dealer E	63.0	282.00	20.5	321.46	100.2
Studebaker: Dealer A	64.0	262.00	13.7	273.00	30.0
Chrysler-Plymouth:					
Dealer A	19.7	151.17	8.3	371.56	46.7
Dealer B	21.8	160.55	8.8	364.59	33.2

[1] This figure low because of unreported trades.
[2] Repairs not deducted.

IV. The average percentage of resale prices over allowance prices ranged from 9.2 to 100.2 with 11 dealers being under 30 percent and 19 being over 30 percent.

V. The average percent of extras over list price ranged from 4.67 to 26.15 percent with 15 dealers being under 15 percent and 15 over 15 percent.

Results of 1948 Election in Hawaii an Overwhelming and Emphatic Endorsement of Immediate Statehood for Hawaii

EXTENSION OF REMARKS

OF

HON. JOSEPH R. FARRINGTON

DELEGATE FROM HAWAII

IN THE HOUSE OF REPRESENTATIVES

Friday, December 31, 1948

Mr. FARRINGTON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include portions of a radio address that I delivered to the people of all Hawaii—Hawaii nei—on the results of the election in the Territory of Hawaii on November 2.

Restricted as it was to the choice of only one official from the Territory as a whole, the Delegate to Congress; to only the legislative officials of the Territory and to the officials of the Territory's four counties, the election commanded intense interest among the people of the Territory. More than 85 percent of those qualified to vote, cast their votes.

The results of this election hold great significance to the people of Hawaii, so far as their future is concerned. The address in which these results are discussed follows:

Friends of Hawaii nei: On the three successive Sundays preceding today I have talked to you over this same broadcasting system about the general election.

I return today to the same microphone to express my appreciation for my reelection to Congress and to discuss its relationship to our fight to win statehood for Hawaii.

I believe the overwhelming majority of the people of the Territory of Hawaii voted for my reelection because they approve of my record and the basic policies that have governed the conduct of the office of Delegate to Congress from Hawaii during my incumbency.

More than 75,000 persons cast their votes for me. This was more than three-fourths of the total vote cast throughout the Territory. In many precincts the proportion of votes cast for my reelection was even higher. I received the majority of votes cast for this office in every precinct on Oahu and in all but a few isolated precincts of the other islands.

ELECTION ENDORSEMENT OF STATEHOOD

It is clearly evident from this that the great majority of Hawaii's people, Republicans and Democrats alike, people from all walks of life, supported my reelection.

This is an expression of confidence that I accept not only in gratitude, but in humility. You of Hawaii have entrusted me as your only representative in the National Government with a great responsibility. I accept this responsibility with the earnest hope and solemn prayer that I will be able to discharge the duties of this office in a manner which will bring new and greater benefits to Hawaii nei.

I regard the vote cast for my reelection as an overwhelming and an emphatic endorsement of immediate statehood for Hawaii. In view of my record on this issue, the platform on which I stood for relection, and the emphasis I gave to the importance of the outcome of the election to statehood, I believe the vote cast for my reelection is a clear-cut mandate to carry on the fight for immediate statehood for Hawaii with all possible vigor in the forthcoming Congress.

The wishes of our people on this question are unmistakable.

HAWAII WANTS STATEHOOD NOW

I will tell Members of the Eighty-first Congress which will be convened in Washington shortly after the first of the year that we of Hawaii want statehood now; that we have outgrown the limitations of the Territorial form of government; and that we are now fully prepared to assume the responsibilities of statehood, to elect our own governor and such other executive officials whose names may appear on the State ballot, to choose our own judges by some appropriate method, to elect two United States Senators and two voting Members of the National House of Representatives, and, finally, to participate on the same basis as all other Americans in the next Presidential election.

I am confident that I voice the sentiments of the great majority of our people when I express the hope that the results of our election and the investigation that was being carried on at that time will answer the doubts of those who contended that communism constituted an obstacle—and the only obstacle—to immediate statehood for Hawaii.

COMMUNIST THREAT ANSWERED

While the people of the States were returning the Democrats to power in a landslide of votes, the people of Hawaii last Tuesday voted overwhelmingly to place Republicans in undisputed control of our Territorial legislature. I cannot see how, in the face of this record, anyone can contend with justification now that communistic influences constitute a threat to the government of Hawaii.

I believe, moreover, that the men and women elected to our legislature, and to our city and county offices as well, are, without regard to their party affiliations, a credit to the people of Hawaii and to our common country. They are good Americans—all of them—and well qualified to discharge the responsbilities of their offices.

The results of this elction show that the people of Hawaii are not yielding to communistic influences and that they are fully

capable of meeting these influences wherever and whenever they arise in Hawaii—certainly as well as their fellow Americans in the States.

Moreover, the record of the last war should be proof enough of the loyalty and character of our people.

I say, therefore, that there does not remain a single good reason, fancied or real, for delaying further the admission of Hawaii to the Union as the forty-ninth State.

And I believe we should now join in bending every effort to win this objective in the next Congress.

PRESIDENT SUPPORTS STATEHOOD

There is no question as to where President Truman stands on this issue. He has twice recommended to Congress the enactment of legislation providing immediate statehood for Hawaii. The Interior Department has been among the most aggressive and effective advocates of this legislation. President Truman will undoubtedly make this recommendation to Congress again.

And his election will enhance his position with Congress immeasurably. He won the greatest personal political triumph in American history in his election last Tuesday and with it the admiration of every American. He will therefore enter upon his new term with a measure of cooperation, in Congress and out, that springs from the realization of all of us that we must be united in meeting the grave problems that confront us today.

The Democratic national platform on which he won this great victory, moreover, carries a plank favoring immediate statehood for Hawaii.

It is to be hoped that both of these factors will prove to be a determining influence on the new Congress on this question. I would not be frank with you if I did not point out under this leadership in the Seventy-ninth Congress, the legislation providing statehood for Hawaii did not make very much progress.

The Seventy-ninth Congress, the Congress before this one, was controlled by Democrats.

LARCADE SUBCOMMITTEE REPORTED FAVORABLY

In his message on the state of the Union to this Congress in January of 1946, President Truman recommended immediate statehood for Hawaii. The Larcade subcommittee, following an extensive investigation here which most of you will recall, recommended very soon afterward immediate consideration of statehood for Hawaii by the then Committee on Territories. The chairman of the committee, however, refused to act, and the Seventy-ninth Congress came to an end with the legislation still pending before the committee. The chairman of the committee was supported in the position he took by the House leadership.

I hope that, in view of all that has transpired since that time, the leadership will reexamine its positions on the question. The position of the President, the plank in the Democratic national platform, the action of the House in passing the legislation in the last Congress, and the numerous investigations of this question since then certainly offer every reason why it—the leadership—should do so.

Certainly American public opinion cannot be ignored indefinitely on this issue, and American public opinion is definitely on our side.

The developments of the past 2 years prove this.

The American people are in favor of immediate statehood for Hawaii.

TRANSCENDS PARTY LINES

The issue is one, moreover, that transcends party lines. It involves important considerations of national policy. It is one that should be brought to some conclusion in the Eighty-first Congress.

We of Hawaii should be united in seeking this objective.

It will be my first purpose, therefore, as I return to resume my duties as Delegate to Congress from Hawaii to ask for immediate consideration of legislation to admit Hawaii to the Union as the forty-ninth State.

I hope that we will have the answer by next June at the latest.

I expect to return to Washington later this month so as to be there in good time to make preparations for the opening of the new Congress. I want those of my friends whom I will not have the opportunity of seeing personally—and this applies particularly to those of you who are on the other islands—to know that I will carry with me a lasting sense of appreciation for your interest in this campaign and in my reelection.

I am grateful for what it represents in friendship to me and loyalty to the best of our political traditions. It will remain in my memory as a constant source of inspiration as I return to Congress to take up again Hawaii's fight for equality.

Mahalo nui loa, and aloha.

Dr. John Tyler Caldwell

EXTENSION OF REMARKS

OF

HON. SAM HOBBS

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Friday, December 31, 1948

Mr. HOBBS. Mr. Speaker, on Saturday, December 11 last, the new president of Alabama College was inaugurated.

Alabama College is Alabama's great school, enrolling some 800 girls who joined with the faculty, the board of trustees, and official representatives of many other institutions of higher learning, and the officials of the State government, who formed the academic procession in welcoming Dr. John Tyler Caldwell.

Dr. Caldwell is the sixth president and is the worthy successor of five other distinguished educators.

In welcoming and pledging allegiance to the institution and Dr. Caldwell, Dean Napier stressed the ideal condition of unity which has long prevailed among faculty members and students, the absence of factions and cliques. He called attention to the strength of the faculty and the fact that—

The faculty members have studied in more than 50 different colleges and universities in this country and a number have studied in foreign institutions. The colleges in this country include Harvard, Yale, Princeton, Cornell, Columbia, Johns Hopkins, and Pennsylvania, on the east, to Stanford and California on the west; Chicago, Illinois, Iowa, Minnesota, Northwestern, Ohio, and Wisconsin, on the north, to the great colleges and universities of the South, including North and South Carolina, Duke, Emory, Georgia, Louisiana, Mississippi, Tennessee, Texas, and those of Alabama. Approximately one-third of the faculty members hold one or more degrees from some Alabama institution.

Speaking in behalf of the State department of education, Dr. A. R. Meadows briefly sketched the career of Dr. Caldwell: Bachelor of science degree, Mississippi State College; taught in Holmes Junior College; master of arts degree, Duke University; doctor of philosophy, Princeton University; instructor, Vanderbilt University, 1939; joined Naval Reserve, 1942; served in the United States Navy 26 months, overseas, with 16 months on Okinawa; received Bronze Medal; separated from naval service as lieutenant commander, rejoining Vanderbilt University faculty; elected president of Alabama College, September 1947.

Superintendent Meadows appraised Dr. Caldwell:

Young enough to understand the problems of youth and mature enough to guide and aid in their solution.

Dr. Caldwell's inaugural was noteworthy:

THE NEW BIRTH

Governor Folsom, Dr. Meadows, Dean Napier, Mrs. Parker, Miss Pendergrass, members of the board of trustees, distinguished delegates and other guests, members of the faculty, students and friends, may I express my appreciation for the honor done to Alabama College by the presence of you delegates and visitors here today.

This ceremony, in which a new president of Alabama College is formally acknowledged and tendered the responsibilities of his office, touches me profoundly. I accept humbly the honor and responsibility. I pledge the board of trustees and the people of Alabama at this moment my high intent and earnest effort to administer the affairs of the college to the very best of my ability, as honestly as I can, and as nearly as I am able in accord with the principles of our great spiritual heritage of Christian living. More than this I cannot attempt. A lesser goal would be unworthy and would be a discredit to the hopes, faith, and labors of my distinguished predecessors, to these students, and to this faculty.

Delaying an inauguration for more than a year is not too good an idea from several standpoints. I do not commend it to President Draughon, Gallalee, and Norton.

But it affords me the opportunity of saying truthfully that I shall never be able to thank enough the wonderful staff and student body of this college for the tolerance, understanding, and earnest effort to help me get my sea legs on this voyage. They have been tolerant, they have been understanding, they have been invaluable in their help and advice. As my sea legs grow steadier, I have every confidence we shall retain the fine standards established under the leadership of Captain Reynolds, President Peterson, President Palmer, President Carmichael, and finally by my immediate predecessor, Dr. Arthur Fort Harman, who passed away on founder's day, October 12, this year. Let me not forget, I pray, that what Alabama College now proudly is, is the product of every girl, every teacher, every gardener, every dean, every president who passed this way and did their bit.

I have chosen as a subject for my remarks: The New Birth or Alice in Wonderland. Any resemblance of the subjects to recent events or newly arrived persons to this campus is entirely deliberate and premeditated on my part. If the recent arrival objects to having her name used here, she may sue her father when she comes of age in October A. D. 1966.

All here recall Lewis Carroll's sprightly and gentle classics, Alice in Wonderland and Through the Looking Glass.

Alice, a little blond-headed child, grown drowsy from picking daisies, was not greatly surprised to see a rabbit walk by, nor to hear him speak plain English. But when the rabbit pulled a watch from his waistcoat pocket, Alice, burning with curiosity (natural for a woman), just had to follow him to his hole.

At this point, as one who so recently has accepted a college presidency, I find myself sympathizing with Alice. For the story records, "In another moment down went Alice after it (the rabbit), never once considering how in the world she was to get out again."

President Draughton, President Gallalee, and President Norton (and our wives, God bless them) are among the more recent sympathizers who surely join me in a fellow feeling for Alice's venture down the rabbit hole.

I cannot refrain from saying here how much Alice in Wonderland at one place reminded me forcefully of Alice of Flowerhill. Shortly after Alice arrived in Wonderland, she wept a lake of tears and flooded the surrounding area. Then after she, the mouse, and others had arrived on dry land and sat for a time, the mouse asked Alice "How are you getting on now, my dear?" "As wet as ever," said Alice "It doesn't seem to dry me at all."

But I must begin soon what I have to say. You will remember that the mock turtle began his personal history with the command to Alice and her companion "sit down, both of you, and don't speak a word till I've finished." Then when nobody spoke for some minutes, Alice thought "I don't see how he can ever finish, if he doesn't begin." So, as the mock turtle finally did, I shall begin. (Not with his words, however, for he began, "Once I was a real turtle.")

The new birth has reference first of all to the scriptural passage in which Jesus said to Nicodemus, "Except a man be born again, he cannot see the Kingdom of God," and that, "Except a man be born of water and of the Spirit, he cannot enter into the Kingdom of God. * * * Marvel not that I said unto thee, Ye must be born again."

Secondly, the new birth refers to a passage in Lincoln's Gettysburg address, when he said: "That this Nation, under God, shall have a new birth of freedom, and that government of the people, by the people, for the people, shall not perish from the earth."

Nations are reborn when its citizens are reborn, that is, when its people as individual men and women discover their innate sense of spiritual values, revamp their aims in terms of moral and ethical achievement, and assert their faith in the validity of kindness, gentleness, goodness, mercy, love, honesty, peace, and so on.

Finally, then, the new birth refers to the purpose and process of education which to all who participate in it, to teacher as well as learner, and at all levels, is the continual unfolding in the mental horizons of men and women of broader horizons, new insights, deeper meaning, purer loves, loftier ideals, better reasons for courage, more significant skills.

Such are the potentialities of education which make it worthy. A great head of this institution, Dr. O. C. Carmichael, now president of the Carnegie Foundation for the Advancement of Learning, said recently that "education represents the cutting edge of progress." Indeed it is. If the findings of the physical sciences and social sciences are true, they will undoubtedly lead on and on, progressively, to man's high destiny toward which the humanists have already penetrated and dimly defined. But if these heights are to be reached by mankind, all men and women must see the goal clearer and find the paths more surely.

Goals are important, Alice found it so when she was confused and asked the Cheshire Cat, "Would you tell me, please, which way I ought to go from here?"

"That depends a good deal on where you want to get to," said the cat.

"I don't much care where—," said Alice.

"Then it doesn't matter which way you go," said the cat.

"So long as I get somewhere," Alice added as an explanation.

"Oh, you're sure to do that," said the cat, "if you only walk long enough."

Since education must take its goals from the society which it serves, let's have a look at our American society's goals. Or do they exist? And who established them? I know they do not exist alike in all of our thoughts. And I doubt that agreement is sufficiently widespread for the Nation as a whole to claim them. Perhaps the goals will just unfold as we go along. Perhaps I prefer not to adopt the Alice-in-Wonderland policy of just walking long enough to get somewhere. I like to see a goal ahead. Let it be an ideal, if you please. Thus we come squarely up to the question of who is to take the lead in establishing our goals. And, clearly enough, the answer is, "We are." You and I, each generation of us, will make some contribution to defining the goals, be they high ones or low ones. So those we educate today in our colleges will be setting goals tomorrow, or else we will just drift to somewhere. What then are our ideals here at Alabama College?

Let me speak for myself and trust that my friends and colleagues will not be too much offended.

Our goals here, as I see it, are, first, to assist each young woman who comes to us to find herself a beautiful creature of the Most High God endowed with wonderful and special talent; second, to assist her to find that her fellow man, regardless of race or creed, is her brother man, possessing dignity and inherent goodness, and that her most important talent to develop is her power to love that fellow man as she herself would be loved; third, to assist her in discovering that no part of existence is insignificant, but each contributes to the unity which constitutes being. Finally, to bring to her consciousness a sharper awareness of a universal cause, a universal order, and a universal destiny in which she is obliged to participate. This is a big job. But it is our job.

These are the goals of a liberal education. In the proportions they are achieved in our students, our society will be improved. Sometimes it might be wondered how, with our secularism and scientism, we can work toward these goals in our institutions of higher learning. The answer is again found in the essential unity of all true knowledge. If the physical and biological sciences appear to delve only into the secrets of the material universe, we can take confidene in the fact that the more we learn about that universe the closer we come to the truths about universal cause and universal order.

If the frontiers of psychology are progressively pushed back and its findings made known to men and women for everyday living, those who learn of it will discover perhaps but the ancient preachings of Jesus and Paul and John who admonished their hearers that the best psychology of all was to love one another, and who knew that hate, false pride, false knowledge, self-love and selfishness were the real demons of man's life, doing injury to his mind and body and society.

If the sciences of society—sociology, anthropolcgy, political science, and economics—are properly pursued, they will reveal the mechanics of a more orderly society, here and now, where the Golden Rule holds sway, in which man meets brother man and common objectives are worked out harmoniously and peaceably, in which wealth rewards honesty, nobleness, moral courage, and unselfishness and base motives are penalized. Here too the truths about mankind will begin to destroy the divisions in men's minds which separate people by artificial and superficial devices created out of selfishness, pride, ambition, hate, and most of all, by ignorance.

The pursuit of man's ideals, hopes, joys, tragedies and triumphs, in the literature, the drama, and poetry of our own and other tongues, inspires the student to formulate his own philosophy, inspires him—if truly taught—to identify his destiny with that of other men and seek a reconciliation of conflict. These accomplishments are not un-Christian. It is in the best tradition of our Hebrew-Christian heritage that these disciplines were developed and are available in order to free men's minds of ignorance, prejudice, and hate.

The arts help Jane and Ellen and Sylvia find the thrill of creating something meaningful and beautiful, and of doing it themselves. Jane learns to link her individual achievement with the possibilities of all men who are in the business of reflecting their Creator. She learns the thrill of producing beauty and grace in form or movement or sound or speech or color. These attributes are mental and spiritual, not materialistic. It is no accident that artists are passionate in their love of freedom. They know they would never have discovered themselves except in an atmosphere of freedom.

Do I omit the vocationalist? No, indeed not. To become an effective member of our economy is a worthy accomplishment and an obligation which educational institutions must support. I hasten to point out, however, that the liberally educated man or woman is best equipped to pursue successfully any vocation chosen and trained for. There is no home economist, no pianist, no laboratory technician, no physiotherapist, no social worker, no administrator, no teacher who wisely will omit the liberalizing value of the sciences and humanities from her formal education.

On all this I should say more. But I move on to ask: What kind of society then will these girls so educated want to establish? What will this kind of education cost? Will it be worth it?

I am amused as I lay out before you my ideas of society, for I think of Alice's saying to the White Queen: "There's no use trying, one can't believe impossible things." To which the Queen replied: "I daresay you haven't had much practice. When I was your age, I always did it for half an hour a day. Why, sometimes I've believed as many as six impossible things before breakfast." (Some older heads here may be thinking that of me now.)

The kind of society our Alabama College education is calculated to produce will have several characteristics.

First, it will be a free society, in which the individual's personality is the most important consideration. Happy, well-adjusted persons will be the principal objective of public and private endeavors. Freedom to worship, think, read, investigate, and to speak will not be questioned.

Second, it will be a just society, in which the standards of success and reward will be honesty, service, intelligence, unselfishness, and responsibility.

Third, it will be a secure society, in which a wife and husband can build a family and a home free from fear, secure in the knowledge that theirs and their children's future will not be penalized because of society's failure to function with reasonable order and responsibility.

Fourth, it will be a society of opportunity, in which a person with intelligence, initiative, energy, responsibility, skill, courage, and foresight will be rewarded for his useful accomplishments that benefit his fellow man.

Fifth, it will be a society at peace, in which the growth of international understanding will have overshadowed the divisions among men and the psychology of love will have supplanted fear, ignorance, and hate.

Finally, it will be a happy society shaken loose from sordidness, tawdriness, and shallowness, finding inner resources more joyous, more sustaining, uplifting, and relaxing than what today passes too often for entertainment and which is really a spoliation of character and standards.

I do not know whether the government of our new society will have three branches or not. I do not know whether or not there will be a National Labor Relations Board or a TVA or a Federal Trade Commission or a State utilities commission or Federal aid

to education or not. I do not even know whether individual-enterprise capitalism will be part of the new society or not. These are all devices which one generation of citizens has thought necessary and later generations may retain, modify, or abolish. I happen to believe them all to be extremely useful devices now for moving toward our ethical goal which is not well defined. What is important—and perhaps the only thing about the organized social order that really matters—is that the people of each generation always must be free to change it and adapt it to their chosen ends. This is the sine qua non of democratic accommodation, adjustment, and progress. This, incidentally, is what a free people will demand, and it places on the people a great responsibility.

The kind of education which free people require is, therefore, the very best the society can afford—no less. Chiefly we need our share of the ablest people of our society on the teaching staffs of our educational institutions from the kindergarten through the graduate schools. Faculties are at the core of the educational process. We cannot in our highly advertised society, where material well-being has become the standard of prestige and success, expect our ablest sons and daughters to choose a profession which requires its members to spend years and money in preparation only to find it difficult to raise and educate a family on the average expected income, much less to enjoy the ordinary material advantages of a car, home ownership, and some travel. It would perhaps be well to have every teacher of economics and related social sciences spend some time in the workaday world of business for maturity of viewpoint. But those who complain that the teachers of economics are "not practical" and that they are "undermining our system" cannot expect to purchase maturity, poise, wide knowledge, experience, and intensive training for from $2,500 to $4,000 a year.

Ladies and gentlemen, I put it to you as a proposition that if this State will dig deeper into its taxable jeans and plan better the over-all application of their dollars for higher education in the State, your sons and daughters tomorrow will call you blessed as will their sons and daughters. We want industrial and agricultural progress in this grand State of Alabama and in this great region of opportunity and we are getting some of it. But we constantly act as if education were just another cost of government. My friends, if you would reduce the breadlines of the future, if you would obliterate the Communist of the future, if you would eliminate the ugliness of your cities and rural slums, if you would raise the standards of your public servants, if you would increase the capitalization of your banks, if you would extend the number of home owners, if you would curb delinquency and divorce, if you wish this region to boom as it blossoms into the full splendor of a new day, educate your people.

I rather think, finally, that if we strive to do a proper job at Alabama College, and at all our sister and brother institutions, public and private, in bringing about a continual rebirth in the minds of each student of this generation, we shall bring about also a new birth of freedom and prosperity to this whole blessed land. How much will it cost? I did not ask. I only ask my hearers today if there is any task more important, or if there is any need more urgent. I only ask if we are doing all we can. Or whether we think education is just another item on which we can practice economy.

The words of John are applicable here: "I know thy works, that thou art neither cold nor hot: I would thou wert cold or hot. So, then, because thou art lukewarm, and neither cold nor hot, I will spue thee out of my mouth."

This generation cannot afford lukewarmness toward the moral issue of whether or not education is our most important public endeavor. Alice in Wonderland contains the final answer to the importance of education in today's battle of ideas. Tweedledee and Tweedledum were preparing themselves for their personal battle with each other. Alice was arranging a neck protector for Tweedledee to keep his head from being cut off. "You know," he said gravely, "it's one of the most serious things that can possibly happen to one in a battle—to get one's head cut off."

The Electoral College and the Election of 1948

EXTENSION OF REMARKS

OF

HON. CLARENCE F. LEA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, December 31, 1948

Mr. LEA. Mr. Speaker, in 1928 I became firmly convinced that it is important to our Nation to modernize our method of electing the President. On January 25, 1928, I filed a joint resolution providing for the abolition of the electoral college, the retention of electoral votes to each State as at present, the direct election of the President by popular vote, and a division of the electoral votes of each State among the candidates in exact proportion to their popular votes within the State. On the 27th of January of that year I appeared before the House Committee on Elections of the President, which then had jurisdiction of such legislation, and urged the adoption of such an amendment.

In the Seventy-first and Seventy-second Congresses hearings at which I appeared were held by similar committees of the House, each of which unanimously reported the resolutions I proposed. Since that time I have repeatedly filed similar resolutions in each of the seven Congresses, with one exception. The Judiciary Committees of the Eightieth Congress of both the House and the Senate favorably reported similar resolutions. The same resolution is now pending before the two Judiciary Committees of both the House and Senate.

I am taking this opportunity of again urging the support of this plan of election of the President as a final act in my service of 32 years in the House. I am unh sitating in my conviction that the adoption of the amendment now pending, as a part of the Constitution, would be a very wholesome and substantial contribution to the welfare of our Government.

THE ELECTION OF 1948

The recent Presidential election has, in a rather striking way, again displayed to the American people the gross defects of our present system of electing a President. That election gives abundant evidence of its crudeness, its uncertainty, its injustices, its danger of throwing elections into the House of Representatives, its suppression of minority votes, and its inherent inability to reflect accurately the will of the American people.

In this election 48,680,416 votes were cast. Of this number Mr. Truman received over 24,100,000 votes and Mr. Dewey over 21,969,000. Mr. Truman's final plurality was about 2,133,000, or slightly less than a majority. This was a plurality of 4.4 percent of the popular vote as between him and Mr. Dewey. In the electoral college Mr. Truman had 303 votes of the 531, or 57 percent of the total. This was a variation of over 7 percent between the popular and the electoral votes. The average variation between the popular and the electoral votes of the last 10 elections has been about 18 percent. A distinct variation between the popular and electoral vote will always occur, because under the unit system of State voting there is no logical relation between the electoral vote and the popular vote.

A plurality of 1 vote can control the 47 electoral votes of New York with its 6,000,000 votes; the same as it controls the 4 electoral votes of Montana. A plurality of 1 has the same effect as a plurality of 500,000.

A PHOTO FINISH

In the recent election there were 91 electoral votes in four States controlled by a margin of less than 1 percent; 78 of these votes went to Mr. Truman and 13 to Mr. Dewey. A uniform change of six-tenths of 1 percent of the Truman votes to Dewey in the three States Truman carried would have given the election in the electoral college to Mr. Dewey by a majority of 1 vote. A similar change in two of these States would have thrown the election into the House of Representatives with perhaps all the confusion and recriminations that characterized the three other instances in which the election of the President was left to the House of Representatives.

These results came within a hair's breadth of happening, notwithstanding Mr. Truman had nearly a majority of the popular votes when more than three candidates were running; he had a 4.4 percentage of the vote above his highest opponent; and the population represented by the votes he received were probably over 7,000,000 more people than were represented by the votes of his nearest opponent. Such a system of crediting votes serves no useful purpose.

Why should we maintain a system of electing the President that subjects the country to such hazards?

In the House of Representatives each State would have had only one vote, regardless of its population and the number of its Representatives.

This photo finish may be compared with the election of Cleveland in 1884 by getting the total electoral vote of New York by a plurality of less than 1,200, or with the election of Wilson in 1916, where a change of 2,000 votes in the one State of California would have given the election to Hughes, notwithstanding Wilson had a plurality of over 500,000.

In the recent election 85 electoral votes received by Mr. Dewey were carried by a plurality of over 1 percent and less than 2 percent. Thus, with 91 votes carried by a margin of less than 1 percent, 186 elec-

toral votes were determined by an average plurality of about 1.1 percent of the popular vote. Over 48 percent of these votes, being all the minority votes in the States represented, were credited to the plurality candidate, even though he had only a minority of the total vote.

WINNING ON OPPONENT'S VOTE

This is a good illustration of the operation of the unit vote when three or more candidates are involved. In the election of 1912, where three candidates had sizable votes, each one of the candidates received more credit in the electoral college from the votes of his opponents than he did from his own votes. There is no logic or justice in such a method. This was an electoral monstrosity.

Mr. Truman was elected on account of receiving something over 14,000,000 votes in the States he carried. He received credit for about 10,000,000 votes for his opponents in those States. Votes cast for Truman in States he did not carry were credited in the electoral college to his opponents. He should have won on his own votes alone, but the unit count made that impossible.

Thus, we are operating under a system under which there are three methods of crediting votes:

In the first place, the winning candidate gets credit for the votes cast in his favor only in the States he carries.

In the second place, the plurality candidate in each State gets credit in the electoral college for all the votes cast for his opponents.

In the third place, every minority candidate in every State is denied credit in the electoral college for all the votes he receives in such State.

Such a system of computing votes in a national election is utterly absurd, and gives no assurance that in the ultimate result the Nation's choice will be elected.

I can think of no logical reason why every man's vote should not be counted in the ultimate result according to the way it was cast. I know of no legitimate reason why every candidate should not receive credit for his proportion of the vote of each State.

Under the electoral college system, if all the States should give a uniform plurality of only one-half of 1 percent to a plurality candidate, he would receive every electoral vote in the Nation, although he may have been a minority candidate. Of course this is not a practical possibility, but it illustrates the principle involved.

In the last 11 elections, in 78 instances minority candidates have received the total electoral vote of that many States.

THE PLURALITY SHALL ELECT

Where two or more candidates are running, there is no just reason why the plurality candidate should not win. There is no other practical method of selecting candidates for the Presidency; but he should win on votes cast for himself, and not on votes cast for his opponents.

In the electoral college a candidate cannot win unless he has a majority of the electoral votes. Frequently no candidate will have a majority of the popular votes, although he may have a majority of the electoral votes. Mr. Truman will be the fourteenth minority President, but he had a plurality of the popular vote which unquestionably entitled him to the election.

One weakness of the electoral college is that it requires a majority vote in the electoral college to elect. The lack of that majority, even by a candidate with a plurality of the popular votes which should clearly entitle him to election, cannot be elected except through the House of Representatives.

In the recent election there were 19 States which carried a total of 278 electoral votes by a margin of less than 5 percent as between the candidates. Of these, 116 were received by Mr. Truman and 162 by Mr. Dewey. There were 29 States with 253 electoral votes which were carried by candidates receiving pluralities of over 5 percent.

There were so many issues presented in the recent election that it is difficult to say how much support was given to any particular proposal. Of the total plurality for Mr. Truman of 2,133,000, over one-half of it was supplied by seven Southern States, including Oklahoma, which gave him a plurality of 1,208,822 votes. It seems to be commonly accepted that these States are in the main opposed to the President's civil-rights program and to the repeal of the Taft-Hartley Act. Anyway, here we have the plurality that may be construed on paper as in favor of all the President's proposals.

On the other hand, the industrial States which have the strongest labor unions gave their pluralities to Mr. Dewey instead of to Mr. Truman, who advocated civil rights and the repeal of the Taft-Hartley Act.

Mr. Truman carried the industrial States of Massachusetts, Rhode Island, Illinois, and Ohio with their 73 electoral votes. Mr. Dewey carried the industrial States of Connecticut, New York, New Jersey, Delaware, Indiana, Michigan, Pennsylvania, and Maryland with their 149 electoral votes. Thus, in these industrial States, with 222 electoral votes, Mr. Dewey received a majority of 76.

The votes of the Southern States and the agricultural sections were the predominating features of the election of 1948, based upon the pluralities involved. Twenty-eight States gave pluralities of 10 percent or less, and mostly much less. Twenty States gave pluralities of over 10 percent. Of these States giving pluralities of over 10 percent, four went to Thurmond, giving him a plurality of 631,000. Only two went to Mr. Dewey—Vermont and Maine—which gave him eight electoral votes. Of the States giving pluralities of over 10 percent, 14 went for Truman, carrying 156 electoral votes and a plurality of 2,216,011 popular votes.

One outstanding feature of the election is its demonstration that the voters of the Nation are exercising a greater independence and freedom from party bonds than ever before. A solid block of States in the North and West has practically ceased to exist, and a greater independence of the southern belt of States is in evidence

It is historically true that the unit voting system of State votes in the election of a President originated in the desire of political machines in various States to deny representation to minority voters in order that political leaders might control the whole vote of the State. That time is pretty much behind us. One of the clear needs of our time is to give minority candidates their just place in our system of computing the election returns for President.

In the last 10 elections preceding the recent one over 323,000,000 people had voted for President, and over 139,000,000 of those votes were credited for President in the electoral college contrary to the way they were cast. Such a system of counting votes has no legitimate place in a well-ordered, popular government.

The unit vote is a perversion of the original purposes of the Constitution. The system was made possible out of the provisions of the Constitution which did not permit the citizen to vote directly for President but required the election to be by Presidential electors. This results in the selection of Presidential electors in blocks—all pledged to one candidate.

The proposed constitutional amendment now pending in the two Houses would eliminate the Presidential electors and authorize the people to vote directly for President and to have their votes counted as cast. This proposal does not deprive any State of its voting power now granted it by the Constitution.

THE VOTING POWER OF THE STATE

Under the Constitution each State is given a definite assurance of its voting power among the States. It was intended that no State or group of States should prevent each State from having its legitimate representation in conducting the affairs of the Nation.

The Constitution, with an unimportant exception, provides that each State shall have representation in the House of Representatives in proportion to its population, which is determined by the census every 10 years. It also provides that each State shall be entitled to representation by two Senators regardless of population, and that no State can be deprived of such representation without its own consent.

The Constitution further provides that each State shall have electoral votes in the same number as it has Representatives and Senators in Congress. This means that each State has the same number of votes in electing the President as it has in Congress. These assurances to each State are among the checks and balances which the framers of the Constitution wisely provided to give stability to this Republic.

Each State, with minor exceptions provided in the Constitution, determines who its voters shall be and their qualifications. They may not be the same in any two States.

What the Constitution attempted to do in giving each State voting power in proportion to its population is to establish a common unit to give each State its appropriate relative strength, with every other State, in the selection of a President.

I have attempted, in detail, by presentation made in the CONGRESSIONAL RECORD of the Eightieth Congress on June 16, 1947, July 16, 1947, July 18, 1947, July 22, 1947, and July 24, 1947, to show the reasons and justification for the constitutional provisions fixing the voting power of the States in the election of Presidents.

In substance, there are two rules under which the State exercises its voting power in the selection of a President. The first is that the State is entitled to electoral votes in proportion to its population.

The second is that each State is entitled to two electoral votes regardless of population. This latter provision was based on an agreement which made possible the establishment of the Constitution. It is one of the checks and balances of the Constitution intended to prevent the small States from being entirely submerged by the overwhelming power of the larger States.

The electoral vote, so far as it is based upon the population of a State, is an exact reflection of the will of the people of the State. The persons who vote in the State do so by the will of the State and represent its whole population. It was never expected or intended that the qualifications of voters in every State should be the same or that the same proportion of the population would vote in the various States regardless of the conditions that might confront them at the time of election. The basing of the unit of election between the States on their population was a way of giving them a definite place in the scheme of operating the Federal Government.

In fact, the voters of a State act in a representative capacity. In one State 25 votes may represent 100 people; in another State 40 votes may represent 100 people. Under such circumstances, the voter is not a common unit for the expression of public opinion as between the various States. The electoral vote, so far as based on population, is an exact and definite common unit between the States.

TWO VOTES REGARDLESS OF POPULATION

Manifestly, the granting of two electoral votes to each State regardless of population does not afford a common unit on the basis of population. It was never intended that it should.

The pending amendment does not propose to deprive the States of their present representation of two electoral votes corresponding to their two Senators. To abolish this provision would be about the same as to try to abolish the Senate, whose Members are not elected in proportion to population, but who, in the course of our history, have performed a useful service and justified their existence as one of the checks and balances of the Nation.

Under the unit system both of these electoral votes goes to the plurality candidate, if he has one or more popular votes above his highest opponent.

In the recent election Mr. Truman carried 28 States, for which he received 56 of the 96 electoral votes. Mr. Dewey carried 16 States with their 32 electoral votes. The proposed amendment, of course, would divide these two electoral votes in each State between the candidates in proportion to the number of their popular votes and not arbitrarily as now under the unit vote method.

If this proposed amendment had been in effect in the recent election, neither one of the candidates would have received the whole of these two electoral votes of any State. Under the proposed plan, Mr. Truman instead of receiving credit for 56 of these electoral votes would have received credit for 46.424; and Mr. Dewey, instead of receiving credit for only 32 votes, would have received credit for 40.142. Thus there would have been a shift, due to this different allotment of the electoral votes, of 19.718 votes. The change would, of course, have shown the exact proportion of the public sentiment of the voters as expressed at the polls.

In 1944 Mr. Roosevelt received about 51 percent of the popular vote of the country and 75 percent of its two-vote allotment. Had those two electoral votes been allotted according to the popular vote, Roosevelt would have had 54.167 and Dewey 40.801. Roosevelt's majority of the two electoral votes would have been 13.365 instead of 48. In other words, the difference in computing the two methods of crediting these votes would have been 34.634. That would have been according to the popular will instead of the arbitrary allotment under the unit-voting system.

So the division of these two electoral votes according to the popular votes goes a long way to minimize any criticism against the allotment of such votes regardless of population.

The sectional distribution of these votes, as I explained on page 20 of the hearings of the Judiciary Committee of the House on June 9, 1947, also greatly minimizes any criticism of the two-vote allotment; in fact, the two-vote allotment awarded on a proportionate basis between the parties greatly minimizes any objection that can be made to the proposed amendment.

It must be borne in mind that this two-vote allotment to each State is not an innovation proposed by the pending amendment. It is already in the Constitution and the amendment does not propose to change it. What this amendment does do is to eliminate its arbitrary allotment and make it exactly reflect the will of the people of each State, both for minority and plurality candidates. The present practice of awarding both votes to the plurality candidate is a perversion of the voting power of each State and an injustice to every other State as well as all minority candidates. The proposed amendment would more truly make the electorial vote a common unit between the States for an accurate expression of the public will.

The Eighty-first Congress will honor itself and perform a splendid service to the Nation if it submits the pending amendments to the States for ratification.

Void—If Detached

EXTENSION OF REMARKS
OF

HON. SAM HOBBS

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Friday, December 31, 1948

Mr. HOBBS. Mr. Speaker, it is with prideful pleasure that I invite your attention to the article written by a great man, my beloved friend, Dr. S. Waters McGill, of Fort Wayne, Ind., entitled "Void—If Detached":

VOID—IF DETACHED

"Void—if detached," everything is: Telephones, radios, lamps, busses, automobiles, etc.

"Void—if detached"—these words appeared on a railroad ticket which I held in my hand. They apply to sporting pasteboards, stubs for drawing at the county fair, and just about everything in this world of ours.

If you were to take about everything in this universe that is void (not good) if detached, and throw it into a pile you would dwarf a pyramid in size and the Washington Monument in height. Into that pile you would have to throw all telephones, sweepers, washing machines, refrigerators, and even radios upon which so many of us depend for amusement and information. Detach them from the socket, the source of power—at least the connection with that source—and they are useless.

It isn't any wonder really that we call all these things appliances. To be useful they must be applied. Into the pile you would have to cast all the parts of your automobile: Fenders, bumpers, carburetors, lights, wheels, distributors. Few if any of these things would be worth having without the others, Into that pile you would place glasses, knives, cameras, mirrors, drinking cups. Unless they are attached to some hand, some socket or cord they are useless. Void—if detached, is applicable to everything the hand of man has made.

We may go further and say that this simple phrase describes man himself. Christ's whole life was one long attempt to show the world that no man liveth unto himself. "I am the vine, ye are the branches" means attachment, not detachment. So does "I am the good shepherd." So does "I am the door." So does "Ye are the light of the world" and "Let your light shine." You would be void, says Christ, if detached. Everything in this world, made either by the hand of God or the hand of man, takes its value from its relationship to some thing or some one or other. No one thing by itself, even if it be what we call a perfect soul, has the slightest significance except it find its proper attachment.

So important did Jesus consider this truth, and so jealous was He for man's proper perception of it that he adds these harsh words which we have not yet quite fully believed: "Without Me ye can do nothing." He was not minimizing man's capacity. There was no scorn for man's eternal striving. And many of the things for which humankind puts forth its greatest energy were not to be condemned. If only, if only these children of God would get wise and relate their tasks, their desires, interests, abilities, and their possessions—all of them—to the ultimate source of their power and meaning.

Some of us are beginning to learn that money, gobs of it; or education, degrees of it; or security, mountains of it—are sometimes the most barren things in the world if

they are detached from a motive or purpose of usefulness. Do we see that we ourselves run that same danger? Here we are, with a life on our hands, a whole rich human life in our hands with its infinite possibilities, and we keep frittering it away, running after things which, if we do secure them, can do very little for us and last only a moment at best.

"The worldly hope men set their hearts upon," mused Omar Khayyam, looking queerly at his perspiring fellows rushing about prodigiously in earnest. What is it even if it does come true? Like snow falling on the hot face of the desert. That's how futile life can be, whether it be a pagan philosopher or a Christian teacher who interprets it. Only one says there is nothing to be done about it. The other says "I am the vine, ye are the branches." "Abide in Me and ye shall bear fruit," and "Apart from Me ye can do nothing."

Now, let us make this a bit more specific. We are void—if detached from family ties. It is almost impossible to overestimate the importance of this. Where would you and I be without them? Those who guided our faltering steps in infancy, those who directed the first products of our minds into fruitful channels, those whose love not only sheltered us against the harshness of the world but developed in us the will to master it. It is a perfectly insipid truism to say that man is the most dependent of all creatures. But when you place that fact over the unquenchable thirst for independence you have a strange paradox on your hands. You, a self-made man? Never.

Thomas Hovenden put the story on canvas far better than we can put it in type or speak it. It is an old-fashioned home. A fine-looking young man, hat in hand, is saying "Good-by" to the family. He is going out into the world of his dreams, which he hopes and intends to conquer. The father, of course, is concealing his feelings by carrying the carpetbag out to the waiting carriage. Grandmother, sitting at table, seems to be dreaming of days gone by. The older sister stands thoughtfully by the mantel, and the younger one sits by the door, looking as if she was about to lose out of her life all that was really worth while. But the center of the picture is the parting of the mother and son. Her hands upon his shoulders and her eyes looking straight into his. She stands there erect in her composure, and you can almost hear the words of motherly advice being added to the blessings she is giving him. It is a beautiful picture. (It can be seen in a stained-glass window at the Fort Wayne YMCA, hidden on the first landing from the lobby, where few, if any, ever see it.)

The title of the picture is "Breaking Home Ties." But these home ties are not being broken. Wherever that young man went in the world these ties would hold him fast. He would not be void—if detached. That's what happened to the prodigal son—remember? True enough the ties were stretched, and his story is not what could be called a pretty picture. We know that without attachment his life would be void—if detached.

We are void—if detached from our friends. We may boast that it does not really matter about this thing of having friends. We can get by ourselves alone, we say. What other people think of us doesn't matter. That, of course, is all bluff and nonsense. Our very life belies our words when we say a foolish thing like that. We exist and thrive on friendship. There is not an incident in one's life which is not connected with friends. Some of us have jobs because of them.

How very dependent we are upon our friends. So much so that Dale Carnegie's book How To Win Friends and Influence People was a best seller, and still is. The cynic may say that our interest in our friends is based on what we can get out of them. Even in such cases our lives are influenced and we realize that we are void—if detached. We become fruitful when we are nourished by parents, loved ones, and friends. Friendship always carries with it certain fertilizing forces. Biographers are unanimous in relating how each period in the hero's life was ushered in by a new friend. When Schiller met Goethe every talent was awakened; Milton stands in the company of Cromwell; Dr. Johnson sits with his immortal group around a table in a London inn; David had his Jonathan; Tennyson his Hallam; Longfellow his Emerson. Friendship glorifies everything it touches in the lives of the obscure as well as the great. For the most part the soul dwells in a castle locked and barred against outsiders. No man can keep "open house" for every passer-by, but friendship is the "open sesame," drawing every bolt and bar, yielding power and spirit and courage and love. Every tree goes down before the storm; every ship with no anchor amidst the rocks is lost before the gale—but a human life, fastened in friendship and attached to love will never wither and be "void."

Then, too, there is the connection we must have with our country. Without it, who can say how void our lot would be. It isn't very often that we place much value on citizenship. When polls beckon, we give it a fleeting thought. When we are in a foreign land we have more reason to think seriously about it. Many of us have been in England, France, Germany, and some of us in Africa. There may be times for some of us when we sing in memory: "The sun shines bright in my old Kentucky home." There are times when we deprive ourselves of our rights by not voting. Of what use can we be to ourselves, to our community or our country? Dwight L. Moody, of the Moody Bible School, once asked a man how he was going to vote. The reply was: "I don't vote. My citizenship is in heaven." Whereupon Mr. Moody said, "Better bring it down for a few days because it is going to be needed." We are void—if detached.

It is obvious that when our rights are enjoyed we appreciate the value of citizenship; when responsibilities are to be borne, we at times deprecate that. The citizen is no doubt the recipient of services from his fellow citizens, enjoying benefits which the state confers upon him, heir of the social inheritance, protected by law, sitting in security under "his own vine and fig tree," "none daring to make him afraid." But the greater the benefit conferred upon him, the more extensive becomes his responsibilities. His security is granted to him, not that he may enjoy it in isolation but that he may have opportunity to serve his community. His rights are nothing without his duties. At no point do his rights relieve him of his responsibilities, they create them at every turn.

The ideal social system is sometimes represented as though it would automatically relieve him of his responsibilities. The citizen has only to put his ballot in the ballot box, as he would a penny in the slot, and the Government will do the rest. We sometimes think that this is just the system that would suit us. But in reality we could not endure it for a day. It would deprive us of our responsibility, and that is a thing a freeman will never surrender, for freedom does not mean to be detached from social responsibility. That simply is isolation and death. When General Booth, the founder of the Salvation Army, was in England he sent a cablegram back to America. It consisted of just one word, "Others."

The most pathetic story in modern prose is The Man Without a Country. The most dramatic story in modern history is the effort of a people without a country to win one. What would it mean to any one of us to be banished from the United States of America? We would be void—if detached. The most significant application of this truth concerns our lives and Christ. We are void—if detached from Him. He is the one who said: "Without Me, you can do nothing." Our Lord Christ never said anything more sobering as He looked into the face of mankind.

Even those who take life seriously, who have some idea of what it is for and try to make worthier use of it, at times accomplish but little, and they are completely dismayed. We see but we cannot reach. We stretch out our hands but come short. We hope, we strive, we pray; yet do what we will a whole brood of evils keeps storming our hearts. The things we hate to do disappear. The things we loathe won't yield, and though occasionally we breathe the clean air of the heights, a moment later we wake up in the stuffy plain, the same bedraggled and dusty figures we were.

"Yes," says Jesus, "I have been watching you, and you can't do anything, nothing that matters, at any rate, without Me. All your individual attempts are like fading branches torn from the vine, withered, collected, and burned." This judgment of His about our stupidity, foolishness, and helplessness is distressing and depressing. But there is a hopeful sign as well. It is this, "He that abideth in Me beareth much fruit."

It has been said, and wisely, that it is dangerous to base your theology on a metaphor. But this one is descriptive of Christ's own life. He looks at us and says, "You can do nothing. Detached as you are, you are no good. But with Me attached and abiding in your life you can be abundantly fruitful. Withered branches you may be today, but tomorrow I shall cover you with power and glory." How? Well, here is His answer, and very heartening it is. Sometimes it seems we have intellectualized religion too much, that in essence "it is very simple" says Christ. Simply by clinging to the vine. The vine does the rest. The vine even provides the strength to cling. So, continues Jesus, "If you will attach yourselves to Me, live with Me, look to Me, and learn of Me—I will make your lives fruitful." It is as simple as that, and we should believe it.

A brave man simply by being brave gives us courage. A wise man can steady us in our uncertainty almost without saying a word. And Christ—simply by being Christ can make us bear fruit. The big question is—Are we attached? Are we abiding in Him? Do we really pray? Do we really read His word? Is His will determining our plans? It is important to be attached. And the attachment must be continuous. We must abide. One of the prayers of the Apostle Paul included this: "That we may be rooted and grounded in the love and power of Christ." He knew that we would be void—if detached.

Carl E. Bailey

EXTENSION OF REMARKS

OF

HON. BROOKS HAYS

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Friday, December 31, 1948

Mr. HAYS. Mr. Speaker, on October 23, 1948, the Honorable Carl Edward Bailey, former Governor of Arkansas, died in the city of Little Rock. His untimely death brought deep personal sorrow to those of us who knew him as a friend and associate. As governor, he led a progressive movement that added materially to the State's resources. Carl Bailey was self-educated. Deprived of the advantages of a formal education, he was able through perseverance and

disciplined study to achieve distinction as a lawyer and public official. His administrations as attorney general and governor will be remembered for their many constructive measures in behalf of our State's advancement.

Under leave to extend my remarks, I wish to include the following editorial which appeared in the Arkansas Democrat, Little Rock, soon after his death:

CARL E. BAILEY

There is an empty place in the front ranks of Arkansas leaders, with the passing of Carl E. Bailey. As prosecuting attorney, as governor, and as a private citizen, he contributed richly to the progress of the State. His fighting spirit and liberal mind equipped him to serve our people in the troubled, changing 1930's when he rose to high public office.

His work as prosecuting attorney was marked by vigorous performance of duty. The same forthright energy gave distinction to his two terms as governor, and bore lasting fruit in laws which aided the State's valiant efforts to surmount the depression of that period.

Governor Bailey saw with clear vision the need of protecting our natural resources, of diversifying our agriculture, creating industry and improving our schools. The legislature responded to his leadership with laws to aid these projects.

And when he left the governor's office, his active participation in the State's affairs continued. As a private citizen he served many worthy causes.

There is inspiration for youth, pride for maturity, in Carl E. Bailey's life. He came up the hard way, working as a laborer, farmer, bookkeeper, lumberman, then entering a busy career as lawyer, public servant, businessman and farmer. What his hand found to do, that he did, with a stout will, and made it serve his aim of climbing step by step to the top.

Arkansas is a much richer State for this courageous, useful life. And all of its people are poorer today for the loss of such a man while he was yet in the prime of his years.

Hon. Sydney Anderson

EXTENSION OF REMARKS
OF
HON. CLARENCE F. LEA
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Friday, December 31, 1948

Mr. LEA. Mr. Speaker, this House may well pause to note the passing of Hon. Sydney Anderson, of Minnesota, at Minneapolis on October 8, 1948.

Mr. Anderson was a native of Minnesota, where he was born on September 17, 1882. He was a private in Company D of the Fourteenth Regiment, Minnesota Volunteer Infantry of the Spanish-American War. For some years in his early life he practiced law. During his mature life, he engaged in many activities which gave him a varied, comprehensive, and practical understanding of the farming and business life of America. After his retirement from Congress, he served as vice president of the General Mills, Inc., at Minneapolis. Subsequently he was one of the original sponsors of the Transportation Association of America and later became its president.

In all his relations he manifested his predominating quality as a builder, an active devotion to constructive purposes and efforts.

He was elected to the Sixty-second Congress and six succeeding Congresses covering the period from March 4, 1911, to March 4, 1925, when he voluntarily retired.

While in Congress he served as chairman of the Agricultural Joint Commission of Agricultural Inquiry in 1921 and 1922. In the performance of that work he distinguished himself as an able, conscientious executor and statesman. The reports made by that Commission still have an outstanding place among publications relating to the agricultural problems of the United States.

Among other things, this Commission recommended that leaders of agriculture, industry, finance, and transportation create a public interest body to deal with the economic and public relations of all forms of transportation.

After his retirement from Congress Mr. Anderson worked unceasingly for the establishment of such an organization. In 1934 he assembled many leaders of business and finance to appraise the possibilities for usefulness of such an organization. As a result the Transportation Association of America was organized as a research and educational institution supported by a broad cross section of many elements of the Nation's economy.

In 1945, when I was chairman of the Interstate and Foreign Commerce Committee, Mr. Anderson called at my office and discussed the future problems of transportation. In substance, his view was that unless something is done to meet inevitable conditions before they arrive, times will come when it will be very difficult to maintain the adequate and efficient transportation this country needs. He stated he was not prepared to suggest what should be done, but there must be something that can be done to avoid these evil conditions before they are upon us. He solicited my interest and the interest of Congress in the problem. We conferred with various Members of Congress, particularly with the members of the Interstate and Foreign Commerce Committee, with the result that I offered House Resolution 318 of the Seventy-ninth Congress which provided for a national transportation survey which Congress approved and entrusted to that committee. This survey was further authorized by the Eightieth Congress and carried on under the able leadership of the chairman, Hon. CHARLES A. WOLVERTON. Doubtless that committee in the Eighty-first Congress, under the leadership of Chairman CROSSER, will continue its helpful interest and responsibility.

The Transportation Association of America is in a large way engaged in making a comprehensive research and survey of our transportation problems, including all types of carriers. This survey is unique in that every economic interest of the country is invited to take part and assist in aiding this survey, with a view to stabilizing and improving our transportation system to the ultimate benefit of both the carriers and the public which they serve.

Mr. Anderson gave a sincere and hearty loyalty to this effort. For many months he suffered with a certainty that the end was drawing near. As his final hour approached, he was busily engaged, with all his declining strength, in preparing a statement of things which, in his judgment, should be done for the benefit of the country in connection with this survey. When warned that he was exhausting his strength and should cease his effort, he replied, "No," that he must complete it. Suffering from pain and weakness, he insisted on giving the last ounce of his strength and the last moments of his life to the cause so dear to his heart. He finished his statement, and the stenographer who took the dictation went to the station to take her train, where she received word that Mr. Anderson had gone.

His devotion to this cause was characteristic of his service here in this House and of his lifetime activities. With him, the interests of his country had first place.